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PROCEEDINGS AND DEBATES OF THE 103^{d} CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Thursday, February 24, 1994*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us, O God, the ability to open our ears to the world about us and to the people that are the center of Your creation. We know that we are engaged in sometimes cluttered lives and the words we hear from others go unheard or misunderstood. Teach us, gracious God, to focus on our conversations with each other, to try to comprehend and to understand, and to perceive the motivations and the intentions of every person, for by so doing, we will represent more clearly Your gifts of harmony, peace, and unity. Bless us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. SMITH] please come forward and lead the House in the Pledge of Allegiance.

Mr. SMITH of Texas led the House in the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PARENTS KNOW BEST HOW TO EDUCATE THEIR CHILDREN

(Mr. SWETT asked and was given permission to address the House for 1 minute.)

Mr. SWETT. Mr. Speaker, I rise today in support of parents across this Nation who every day show their unselfish love by spending the necessary time to help with the education of their children. Parents who turn off the TV and help with their childrens' homework as suggested by our President in his State of the Union Address.

Today one such group of these parents, home schoolers, are unfortunately alarmed that we would wrongly limit their right to teach their children at home. While that was not the intent of any Member or of H.R. 6, we must make sure that this dedicated and decent group of parents are reassured that Congress supports and applauds their efforts. I know first-hand, through my sister-in-law who has successfully home taught her nine children, that home schooling can be a wonderful alternative for many families.

Mr. Speaker, parents know best how to educate their children. I commend my colleagues for their amendment to clarify the language in H.R. 6 so that private schools and home schoolers can be reassured that their rights are protected and that their efforts are appreciated by all of us who have the honor of representing them.

ONE SIMPLE QUESTION ABOUT HEALTH CARE

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, it is no wonder the Clinton administration is trying to sell their health care reform plan as the only game in town.

The President's plan is an unworkable, unaffordable, and incomprehensible bureaucratic nightmare.

The more you know it, the more you loathe it.

So its pretty obvious why the administration does not want you to know anything else and why they will not give you an option to leave it once you are in it.

The debate is complex but the question America needs to ask itself is simple. How will the President's plan affect my family?

When you hear that the Clinton plan will reduce the quality of care your family receives;

When you hear that the Clinton plan will lengthen the time it takes your family to receive that care;

When you hear that the Clinton plan will complicate receiving that care;

And when you hear that the Clinton plan will raise the cost of that care, you will understand why the President wants to be the only dog in the show instead of just being the one with the most fleas.

NOTIFICATION OF FILING DISCHARGE PETITION ON THE RULE FOR THE BALANCED BUDGET AMENDMENT

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I take this opportunity to notify the House that we have filed the discharge petition on the rule for the balanced budget constitutional amendment in the House. As was the case in 1992, this rule we have filed will allow for fair and complete consideration of a balanced budget amendment in its various forms.

The rule that would be discharged provides for 9 hours of general debate and consideration of the following: The Kyl substitute, the Barton substitute, the substitute offered by the gentleman from Texas [Mr. BROOKS], the chairman of the Committee on the Judiciary, the Senate-passed substitute, and finally, the so-called Stenholm-Smith amendment. These would be considered under a king-of-the-hill format.

Mr. Speaker, we would appreciate all Members signing the discharge petition before the close of business today on Discharge 14.

SENIORS OPPOSE CLINTON HEALTH PLAN

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. GOSS. Mr. Speaker, my senior constituents are writing to say "no" to President Clinton's vision of Government-run health care. One elderly gentleman wrote: "I am afraid the new package will create a crisis * * * at least it will absolutely increase my costs. I believe the Clinton administration has attacked the retired person enough already."

A senior couple writes, saying they fear lost benefits under the Clinton plan. Another senior insisted that today's costs of his "prescriptions would be cheaper than your new health insurance."

AARP, representing 33 million dues-paying seniors, found that more than 50 percent do not trust the Clinton plan and fear lost benefit, higher costs, and lower quality of care. Although the national AARP lobbyists want to spend $30 million to explain to seniors why their fears are unfounded, the average elderly person already understands what is wrong with Clinton health: It will hurt seniors, and they know it.

THE RUSSIAN BEAR RETURNS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, there are unconfirmed intelligence reports that Boris Yeltsin is seriously ill, he is drinking heavily, and he is really not in control of anything over there in Russia. These reports suggest that if we are predicating reform in Russia on the back of Boris Yeltsin, we may be in for some deep trouble.

They say that this most recent spy revelation is not just a rogue element, and Congress should not dispel this recent event very casually. The truth of the matter, they say, is that the bear is still there, and before we in Congress fall on our swords and continue to provide more taxpayer money to Russia and Boris Yeltsin, we may not be necessarily helping to secure the sovereignty and the national security of the United States of America.

I would suggest to the Congress that not one more nickel go to Russia until we find out, No. 1, who is really running Russia, and how many of these cold warriors in the KGB are still running around bribing our people.

CURRENT HEALTH CARE SYSTEM NEEDS FIXING, NOT TRASHING

(Ms. PRYCE of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE of Ohio. Mr. Speaker, the health care debate continues across America and here in Congress.

The question is not whose health care plan will promote a political party, but which plan will help those in need.

Fixing what is broken with our health care and not starting over from scratch is truly the most practical solution to this problem.

The call by President Clinton for an experiment that could, and very likely will harm the best health care system in the world is a very frightening proposition.

In the case of the health care system in the United States the old adage "you don't miss what you've got until it's gone," is certainly true.

For example: Imagine not being able to receive the drugs even if you can afford them that could help a serious condition because the Secretary of Health and Human Services does not deem them cost efficient.

Mr. Speaker, let us fix America's health care system, not trash it.

URGING MEMBERS TO COSPONSOR H.R. 3873, THE URBAN WATERSHED RESTORATION ACT

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, this week I introduced the Urban Watershed Restoration Act that already has the support of 26 original cosponsors and 25 environmental organizations. This strong support reflects the dismay and disgust of urban and suburban communities that the rivers that were central to building America have often been allowed to become stink holes. From raw sewage and unspeakable garbage to ruinous runoff and outrageous dumping, these rivers, lakes, and streams are the great neglected waters of America.

Yet these waterways continue to be workhorses. The water Members drink comes from the Potomac, host of the famous December drinking water crisis. The multiuse Anacostia River has been officially named the most endangered urban river in America.

Chances are your district is near such a waterway. H.R. 3873, drawing from existing funds, should become part of the Clean Water Act reauthorization this year. Please cosponsor H.R. 3873 today.

CONGRESS SHOULD NOT CONDEMN FREE SPEECH

(Mr. STRICKLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRICKLAND. Mr. Speaker, that which separates this Nation from all others on the face of this earth is our Constitution and our Bill of Rights. The Bill of Rights was written specifically to protect minority opinion. That is why I am so concerned about a vote that was cast by this body yesterday, a vote that could have the effect of chilling free speech—the first amendment—the cornerstone of our Bill of Rights.

While I abhor racism, bigotry, and prejudice from any quarter, it is highly inappropriate for this body as an official instrument of Government to take an official position against speech uttered by an American citizen.

Mr. Speaker, popular speech does not need the protection of the Bill of Rights. Only unpopular speech, because our forefathers were wise enough to know that there are some rights that are so precious, so fundamental that even the majority should not have the power to strip them away.

Mr. Speaker, I have heard what I consider racist, bigoted and grossly intolerant speech spoken in the well of this House. Should we condemn ourselves? What about radio personalities who are offensive? Ought we to condemn Rush Limbaugh or Howard Stern?—I think not.

Perhaps as a body we should heed the words of a great moral teacher who said, "Let him who is without sin cast the first stone."

HELP HEIGHTEN AWARENESS OF THE DANGERS OF ARSON

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, I rise today to introduce legislation designating the first week of May as Arson Awareness Week.

Arson is a serious crime causing damage to property and taking lives. Arson is responsible for approximately 25 percent of all fires in the United States, and is a leading cause of fire deaths in the United States, accounting for over 700 deaths annually in this country.

Members from California are uniquely aware of the devastation that arson can cause. In October and November of 1993, there were 22 fire storms in southern California, 13 of which were a result of arson. 97 people were injured and $320 million in damage was caused as result of these 13 fires.

In addition, there is a strong need to improve the reporting of arson crimes and to punish arsonists. The National Fire Protection Association [NFPA] estimates that of all the suspicious and incendiary fires that occur, only one-third are confirmed as arson offenses. Beyond reporting difficulties, arson is difficult to prove in a courtroom. The NFPA estimates only 2 percent of arson fires lead to convictions.

Designating the week of May 1, 1994, as Arson Awareness Week will help to bring arson to the top of the national agenda. I ask my colleagues to join me in this effort by cosponsoring this legislation.

□ 1010

SUPPORT FOR BOSNIA

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, Prime Minister Haris Silajdzic is in Washington today, and I would hope that Americans would listen to what he says so that they would understand why the future of Bosnia is so important to the future of our world in terms of tolerance, democratic representation, ethnic and global peace and brotherhood. Mr. Silajdzic is a Moslem. The Speaker of the Bosnia Assembly is a Serb. The representative of the Bosnian Presidency is a Croat. The Ambassador to the United States from Bosnia is a Jew.

Bosnia represents one of the finest multiethnic expressions of a democratic nation on this globe, certainly as an example of what we hoped would result from the dissolution of the Soviet Union. That is why they are under siege, because the people that wish to take over Bosnia, to destroy Bosnia are threatened by the idea of multiethnic democracies. People like Milosevic and Karadzic prey upon the worst instincts of mankind. Bosnia represents the best instincts of mankind.

I would ask that this Congress and the American people show support for Bosnia in a way that is true to our own heritage and consistent with our own national character, the character of a nation founded on the same principles and dedicated to the same sense of fairness and justice as are the principal people of Bosnia.

HEALTH CARE CHOICES

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I want to welcome North Marion Middle School and Osceola Middle School to Washington. I want these young adults and their parents to have the same opportunity for health care that I have and other Government employees have. I would point out to my colleagues that I am talking about the Federal Employee Health Benefit Program. This is the package that is available to the President, the Vice President, Federal employees, and of course, Members of Congress. This program's annual cost increase have averaged one-third less than other private health insurance programs.

Legislation I have introduced, the Consumer Choice Health Security Act, would offer to the American people the same option of health care choices now enjoyed by all of us. We would also allow and encourage purchasing co-op's to exist, whether they be formed by unions, civic associations, churches, or employers. Individuals can choose among plans offered by all of these groups when selecting coverage.

Mr. Speaker, what is good for the goose should be good for the gander. That is why we should support the Consumer Choice Health Security Act, instead of the Clinton health care plan which would increase taxes, inflict job-destroying employer mandates on small business, and restrict the full choice of health care options that all Americans deserve. I urge my colleagues to cosponsor H.R. 3698.

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, like many other Members of Congress, my phones have been ringing off the hook the last few days with those concerned about H.R. 6, the Elementary and Secondary Education Act, and particularly those concerned about the provisions dealing with home schooling and the ability to teach at home, as well as those who send their children to be educated in private schools.

I am happy to report that the committee has worked and will be offering language that will eliminate those concerns so that those who teach at home and those who send their children to private schools need to be assured that nothing is going to happen that affects their ability to do this.

Additionally, the committee will remove the language that deals with certification. That caused an additional problem in many States because, as in my State where we have almost 500 teachers teaching on special permits, but they are not certified, this could cause problems in our school system. But I do think it ought to be pointed out that while the committees and the Congress is going to make sure that home schooling remains intact, that private education remains intact, if all of this controversy has caused us to focus further on the needs of education, then all of us, whether involved in the public's education system, the private education system, or the home education system has gained from this, and we can focus further on the needs of our children.

CONSIDERING A BALANCED-BUDGET AMENDMENT

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, the last time the U.S. Government had a balanced budget was in 1969. That is 25 years ago.

Today, Congressman CHARLES STENHOLM, Congressman BOB SMITH, myself, and several other Congressmen are filing Discharge Petition 14 which would instruct the Rules Committee to report to the floor several balanced-budget amendments to the Constitution of the United States. I would ask every Member of this body before they leave for the weekend to be sure to come up here to the desk and sign Discharge Petition 14.

Members may differ on what type of a balanced-budget amendment they would prefer. The gentleman from Louisiana [Mr. TAUZIN] and myself have a tax limitation balanced-budget amendment, but whatever Members' preference in specific amendments, we should all agree that it is time to begin the process to balance the Federal budget.

Please sign Discharge Petition 14.

GOVERNMENT OPERATIONS INVESTIGATES FOSTER DEATH

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, last summer the Nation was shocked to hear that a dedicated public servant and trusted friend of the President had taken his own life.

The passing months have brought conflicting stories regarding the investigation of this tragic event. The way in which law enforcement authorities conducted their investigations has been most disturbing. The Park Police was chosen over the FBI to investigate the death and Bill Sessions suggested that any FBI investigation was compromised by White House and Department of Justice politics.

Next we find that White House staff randomly searched through the victim's office removing some documents; that senior White House attorneys ordered investigators to sit in a hallway as they selected which evidence could be reviewed. The Park Police even criticized the White House for impeding its investigation. If these practices occurred in the private sector, it would be called obstruction of justice.

Yet, the administration is continuing its systematic practice of choosing secrecy over openness when it comes to releasing the documents necessary to clear up these confusing issues. Neither the Park Police report, the autopsy, nor the ballistics report have been released.

As a result, I am instructing the staff of the Committee on Government Operations to investigate this entire affair. The question of whether this was a suicide is not the focus of this investigation, but the extent of White House influence over criminal investigations.

Although it appears that Special Counsel Fiske will eventually look into this matter, if the White House is politicizing criminal investigations, the Congress needs to know about it and correct it today, not after a secret review by the Justice Department.

STATE ABORTION FUNDING

(Mr. DICKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKEY. Mr. Speaker, yesterday, I introduced legislation to reverse the HHS interpretation of the modified Hyde amendment by allowing, not requiring, States to use Medicaid funds to pay for abortions for poor women in cases of rape and incest, as well as to protect the life of the mother.

The administration recently interpreted the Hyde amendment modification to require, rather than allow, States to use public funds to pay for abortions in cases of rape, incest, or danger to the mother's life.

The order also allowed abortion providers to circumvent laws in many States which require that acts of rape or incest be reported to law enforcement officers.

This policy change comes in conflict with the laws and constitutions of at least 36 States, including Arkansas.

This policy change is an unfunded mandate and violates the administration's pledge to reduce unfunded mandates.

This policy change violates State's rights by interpreting law where States generally have jurisdiction.

This policy change circumvents procedural guidelines which require a period for comments.

I urge my colleagues to support this legislation.

STOP AIDING NATIONS WHO SPY ON THE UNITED STATES

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, we now find out that a top CIA agent has been paid $1.5 million over the last 2 years for spying on the United States on behalf of Russia.

Leslie Gelb, chief foreign affairs columnist for the New York Times who now works at the State Department, wrote a column a couple of years ago that the combined Western aid to the States of the former Soviet Union had totaled $50 to $60 billion over the last couple of years. Last year this body voted, I voted against it and many others did, but we voted to increase the appropriation for the World Bank by $12 billion for aid to Russia. Some estimates are that we have spent over $100 billion in aid in recent years to the States of the former Soviet Union.

Now what are they doing? They are spitting in our face. They are spying on us.

We need to cut this aid off. We have too many problems here at home that need to be taken care of first. We are broke. We are $4.3 trillion in debt, and losing billions each week. We need to take care of our problems here at home first and stop sending so many billions and billions of dollars overseas, and particularly to countries that are spying on us and slapping us in the face every day.

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 366 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 366

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 6) to extend for six years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 302(f) of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed two hours equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill, modified by the amendment printed in section 2 of this resolution. The committee amendment in the nature of a substitute, as modified, shall be considered by title rather than by section. Each title of the committee amendment in the nature of a substitute, as modified, shall be considered as read. Title I of the committee amendment in the nature of a substitute, as modified, shall be considered by title of the Elementary and Secondary Education Act of 1965, as proposed to be amended by title I. Point of order against the committee amendment in the nature of a substitute, as modified, for failure to comply with clause 7 of rule XVI or clause 5(a) of rule XXI are waived. No amendment to the committee amendment in the nature of a substitute, as modified, shall be in order unless printed in the report of the Committee on Rules accompanying this resolution or in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII prior to Friday, February 25, 1994. Before consideration of any other amendment it shall be in order to consider the amendments printed in the report of the Committee on Rules accompanying this resolution. Each amendment printed in the report may be offered only in the order printed, may be offered only by a Member designated in the report, may amend portions of the bill not yet read for amendment, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. Amendments caused to be printed by Representative Kildee of Michigan may be considered en bloc, may amend portions of the bill not yet read for amendment, shall be considered as read, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute, as modified. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. The amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill is modified by striking section 8014 of the Elementary and Secondary Education Act of 1965, as proposed to be amended by title I (page 729, line 15, through page 730, line 21).

□ 1025

The SPEAKER pro tempore (Mr. SHARP). The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for the purpose of debate only, I yield the customary half hour of debate time to the gentleman from New York [Mr. SOLOMON] pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 366 is the rule providing for the consideration of H.R. 6, Improving America's Schools Act of 1994. This is an open rule, providing 2 hours of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

The rule waives section 302(f) of the Congressional Budget Act against consideration of the bill. The rule makes in order the Education and Labor Committee amendment in the nature of a substitute now printed in the bill, as modified by the amendment printed in section 2 of the rule, as an original bill for the purpose of amendment. The committee substitute, as modified, shall be considered by title instead of by section with each title considered as read. Section 2 deletes a provision of the bill that was within the jurisdiction of the Committee on Armed Services and deals with funding of impact aid.

The rule provides that title I of the committee substitute, as modified, shall be considered by title of the Elementary and Secondary Education Act of 1965, as proposed to be amended by title I of the bill. The exception was approved because title I of the bill consists of more than 700 pages; this procedure will permit us to proceed through title I in an orderly fashion and to consider individually the 12 separate and discrete titles it proposes.

Mr. Speaker, clause 7 of rule XVI and clause 5(a) of rule XXI are waived against the committee substitute, as modified. These waivers, along with the waiver of the Budget Act, are technical in nature.

Except as otherwise specified by the rule, only those amendments printed in the CONGRESSIONAL RECORD prior to Friday, February 25, 1994, shall be in order. The chairman of the Education and Labor Committee made this preprinting request because of the length and complexity of the bill and so that Members will have adequate notice of the matters upon which they will be required to vote during consideration of the bill. I would remind Members that the chairman advised Members on February 11 of his intention to ask for the preprinting requirement. In addition, the chairman of the Rules Committee on several occasions—February 17, February 22, and February 23—notified Members of the need to have amendments printed in the CONGRESSIONAL RECORD prior to the Rules Committee consideration of H.R. 6.

Mr. Speaker, the rule provides that the amendments printed in the report to accompany the rule shall be considered before the consideration of the amendments printed in the RECORD. The amendments are to be considered in the order and manner specified in the report and are debatable for 1 hour each. The amendments may amend portions of the bill not yet read for amendment, are considered as read, and are not subject to amendment nor a demand for a division of the question.

Mr. Speaker, these two amendments, one to be offered by the gentleman from Michigan [Mr. FORD], and the other by the gentleman from Texas [Mr. ARMEY], address the home and private school issue which has, as most Members are well aware, been the most volatile matter associated with the bill. The amendments will fully address the concerns of those who perceived that H.R. 6 could be detrimental to the rights of those who teach their children in their homes; the amendments, which clarify that nothing in the bill affects home or private schooling, should put those concerns to rest and assure those concerned that their rights are, and shall continue to be, fully protected. I am confident that the 2 hours of debate time for these amendments will give the committee and Members ample time to explain this situation and the clarifying amendments.

Mr. Speaker, the rule provides that the Kildee amendments printed in the CONGRESSIONAL RECORD may be offered en bloc, may amend portions of the bill not yet read for amendment, shall be considered as read, and are not subject to a demand for a division of the question. The Kildee amendments, Mr. Speaker, are technical in nature and have been agreed to by the minority.

Mr. Speaker, finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, H.R. 6 reauthorizes, for 6 years, most of the Federal elementary and secondary education programs, including those under the 1965 Elementary and Secondary Education Act, which provides aid to schools in the form of block grants to State school districts. The 1965 act accounts for about one-third of all Federal money that goes to education programs, so this is an enormous undertaking. Members will, under the rule, have ample time to debate the new and, in some case, controversial changes being recommended in H.R. 6.

Mr. Speaker, to repeat, this is an open rule. I urge the adoption of the resolution so that we may begin consideration of this important bill today.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is always a rare pleasure—and I do mean rare—to come to this floor in support of a rule out of the Rules Committee. As my colleagues are aware, nearly 80 percent of the rules in this Congress have restricted the amendment process.

So bringing a nearly open rule to this floor is indeed a pleasurable experience. As a poet once put it, "Sweet is pleasure after pain." And believe me, some of the gag rules we have had to swallow have been very painful.

So today we feel a little like the guy who has been hit over the head repeatedly with a club. It feels so good when it stops. And hopefully, it will continue to stop.

Mr. Speaker, the Rules Committee has reported a modified open rule on H.R. 6, the Improving America's Schools Act. The only restriction on amendments is that they be printed in the CONGRESSIONAL RECORD prior to this Friday, February 25.

Otherwise, they are subject to debate and amendment under the 5-minute rule provided they are germane and in compliance with other House rules.

In other words, if Members wish to offer amendments to this bill, they should have them put in the RECORD no later than today. Those Members who have already placed their amendments in the RECORD prior to today need not reinsert them.

Mr. Speaker, in addition to the open nature of this rule, the Rules Committee went out of its way to ensure that a very controversial issue relating to private education and teacher certification will be dealt with first under this rule—not once, but twice.

The rule first provides for 2 hours of general debate, after which the chairman of the Education and Labor Committee, Mr. FORD, and the gentleman from Texas [Mr. ARMEY] will each be permitted to offer an amendment to fix the problem of teacher certification and its impact on private education. Each of those amendments is subject to 1 hour of debate.

The Ford fix strikes the controversial Miller language in the bill dealing with teacher certification and adds a new section in title 9 which states, "Nothing in this act shall be construed to affect home schools."

Mr. ARMEY's amendment is what I would call a super-fix in that it contains a new section in title 9 which reads, and I quote:

> Nothing in this Act shall be construed to permit, allow, encourage or authorize any federal control over any aspect of any private, religious, or home school that does not receive funds or does not participate in programs or services under this Act.

I want to emphasize that these amendments are mutually exclusive. That is, this is not a so-called king-of-the-hill rule that advantages one amendment over the other. Members can vote for both and both can be adopted as part of the final bill.

I want to commend Chairman FORD, Subcommittee Chairman KILDEE and Mr. ARMEY on agreeing to this procedure. I also want to praise Chairman MOAKLEY and the rest of the Rules Committee members on establishing this process that will allow us to deal with this controversy upfront, today so that those concerned about this matter will not have to wait until next week for a final resolution of the problem.

And, as a side benefit, I might add, the House telephone system should also be back to normal after today.

I do not know of any issue in recent time that has generated so much constituent awareness, concern and phone traffic as this one.

The American people, by the tens of thousands, have flooded both our district and Washington offices with phone calls and faxes.

I am pleased to report that the people have spoken, and the House has gotten the message. And I am confident that we will deal with the problem today to the satisfaction of those who are vitally concerned about home schooling and private and parochial schools.

There are those who have characterized this as an unnecessary solution to a nonexistent problem. But I don't agree with that assessment.

Anyone who has ever had any experience with the Federal bureaucrats who write the regulations to implement our laws knows just how legitimate some of the fears expressed over this legislation are.

Any time we leave any loopholes or ambiguous language in the laws we enact, the regulation-writers downtown often manage to stretch and bend those laws so out of shape that we do not even recognize them. How many times have we seen this happen and had to come back and pass a new law to clarify the original law in order to eliminate pernicious regulations?

So this was not a matter of public misperception, even if it was a problem of inadvertent and ambiguous legislative draftsmanship. The concerns of the people are very legitimate given the potential harm that can be done in implementing these provisions by way of regulations written by unelected bureaucrats with different agendas than ours.

And those concerns run as deep in my congressional district in New York as the district is long—running as it does from New York City up to Montreal along the Hudson Valley.

My district has both a large private and parochial school population as well as a large number of families who teach their children at home.

The families who teach their children at home were especially concerned that this bill would place an impossible burden on them by requiring certification in specific subject areas, and thereby force them to send their children to public schools.

My district offices alone have received well over a thousand phone calls from these concerned parents who are members of such organizations as North Country Homeschoolers, and New York State Loving Education at Home.

Believe me, if those parents teach their children as well as they are organized, which I am sure they do, then their kids are getting a great education.

Home-schooling is not an area for the Federal Government to be intruding into, and I am glad we will be able to put a stop to any possibility of that by adopting the Ford and Armey amendments.

I urge my colleagues to support this rule and to support the Ford and Armey amendments.

OPEN VERSUS RESTRICTIVE RULES 95TH–103D CONG.

Congress (years)	Total rules granted[1]	Open rules		Restrictive rules	
		Number	Percent[2]	Number	Percent[3]
95th (1977–78)	211	179	85	32	15
96th (1979–80)	214	161	75	53	25
97th (1981–82)	120	90	75	30	25
98th (1983–84)	155	105	68	50	32
99th (1985–86)	115	65	57	50	43
100th (1987–88)	123	66	54	57	46
101st (1989–90)	104	47	45	57	55
102d (1991–92)	109	37	34	72	66
103d (1993–94)	57	12	21	45	79

[1] Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

[2] Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

[3] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rule, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: "Rules Committee Calendars & Surveys of Activities," 95th–102d Cong.; "Notices of Action Taken," Committee on Rules, 103d Cong., through Feb. 23, 1994.

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.

Rule number date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58, Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D–5; R–25)	3 (D–0; R–3)	PQ: 246–176. A: 259–164. (Feb. 3, 1993).
H. Res. 59, Feb. 3, 1993	MC	H.R. 2: National Voter Registration Act	19 (D–1; R–18)	1 (D–0; R–1)	PQ: 248–171. A: 249–170. (Feb. 4, 1993).
H. Res. 103, Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D–2; R–5)	0 (D–0; R–0)	PQ: 243–172. A: 237–178. (Feb. 24, 1993).
H. Res. 106, Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D–1; R–8)	3 (D–0; R–3)	PQ: 248–166. A: 249–163. (Mar. 3, 1993).
H. Res. 119, Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (d–4; R–9)	8 (D–3; R–5)	PQ: 247–170. A: 248–170. (Mar. 10, 1993).
H. Res. 132, Mar. 17, 1993	MC	H.R. 1335: Emergency supplemental Appropriations	37 (D–8; R–29)	1(not submitted) (D–1; R–0)	A: 240–185. (Mar. 18, 1993).
H. Res. 133, Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D–2; R–12)	4 (1-D not submitted) (D–2; R–2)	PQ: 250–172. A: 251–172. (Mar. 18, 1993).
H. Res. 138, Mar. 23, 1993	MC	H.R. 670: Family planning amendments	20 (D–8; R–12)	9 (D–4; R–5)	PQ: 252–164. A: 247–169. (Mar. 24, 1993).
H. Res. 147, Mar. 31, 1993	C	H.R. 1430: Increase Public debt limit	6 (D–1; R–5)	0 (D–0; R–0)	PQ: 244–168. A: 242–170. (Apr. 1, 1993).
H. Res. 149 Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993	8 (D–1; R–7)	3 (D–1; R–2)	A: 212–208. (Apr. 28, 1993).
H. Res. 164, May 4, 1993	O	H.R. 820: Nate Competitiveness Act	NA	NA	A: Voice Vote. (May 5, 1993).
H. Res. 171, May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	NA	NA	A: Voice Vote. (May 20, 1993).
H. Res. 172, May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	NA	NA	A: 308–0 (May 24, 1993).
H. Res. 173 May 18, 1993	MC	S.J. Res. 45: United States forces in Somalia	6 (D–1; R–5)	6 (D–1; R–5)	A: Voice Vote (May 20, 1993)
H. Res. 183, May 25, 1993	O	H.R. 2244: 2d supplemental appropriations	NA	NA	A: 251–174. (May 26, 1993).
H. Res. 186, May 27, 1993	MC	H.R. 2264: Omnibus budget reconciliation	51 (D–19; R–32)	8 (D–7; R–1)	PQ: 252–178. A: 236–194 (May 27, 1993).
H. Res. 192, June 9, 1993	MC	H.R. 2348: Legislative branch appropriations	50 (D–6; R–44)	6 (D–3; R–3)	PQ: 240–177. A: 226–185. (June 10, 1993).
H. Res. 193, June 10, 1993	O	H.R. 2200: NASA authorization	NA	NA	A: Voice Vote. (June 14, 1993).
H. Res. 195, June 14, 1993	MC	H.R. 5: Striker replacement	7 (D–4; R–3)	2 (D–1; R–1)	A: 244–176. (June 15, 1993).
H. Res. 197, June 15, 1993	MO	H.R. 2333: State Department. H.R. 2404: Foreign aid	53 (D–20; R–33)	27 (D–12; R–15)	A: 294–129. (June 16, 1993).
H. Res. 199, June 16, 1993	C	H.R. 1876: Ext. of "Fast Track"	NA	NA	A: Voice Vote. (June 22, 1993).
H. Res. 200, June 16, 1993	MC	H.R. 2295: Foreign operations appropriations	33 (D–11; R–22)	5 (D–1; R–4)	A: 263–160. (June 17, 1993).
H. Res. 201, June 17, 1993	O	H.R. 2403: Treasury-postal appropriations	NA	NA	A: Voice Vote. (June 17, 1993).
H. Res. 203, June 22, 1993	MO	H.R. 2445: Energy and Water appropriations	NA	NA	A: Voice Vote. (June 23, 1993).
H. Res. 206, June 23, 1993	O	H.R. 2150: Coast Guard authorization	NA	NA	A: 401–0. (July 30, 1993).
H. Res. 217, July 14, 1993	MO	H.R. 2010: National Service Trust Act	NA	NA	A: 261–164. (July 21, 1993).
H. Res. 218, July 20, 1993	O	H.R. 2530: BLM authorization, fiscal year 1994–95	NA	NA	
H. Res. 220, July 21, 1993	MC	H.R. 2667: Disaster assistance supplemental	14 (D–8; R–6)	2 (D–2; R–0)	PQ: 245–178. F: 205–216. (July 22, 1993).
H. Res. 226, July 23, 1993	MC	H.R. 2667: Disaster assistance supplemental	15 (D–8; R–7)	2 (D–2; R–0)	A: 224–205. (July 27, 1993).
H. Res. 229, July 28, 1993	MO	H.R. 2330: Intelligence Authority Act, fiscal year 1994	NA	NA	A: Voice Vote. (Aug. 3, 1993).
H. Res. 230, July 28, 1993	O	H.R. 1964: Maritime Administration authority	NA	NA	A: Voice Vote. (July 29, 1993).
H. Res. 246, Aug. 6, 1993	MO	H.R. 2401: National Defense authority	149 (D–109; R–40)		A: 246–172. (Sept. 8, 1993).
H. Res. 248, Sept. 9, 1993	MO	H.R. 2401: National defense authorization			PQ: 237–169. A: 234–169. (Sept. 13, 1993).
H. Res. 250, Sept. 13, 1993	MC	H.R. 1340: RTC Completion Act	12 (D–3; R–9)	1 (D–1; R–0)	A: 213–191–1. (Sept. 14, 1993).
H. Res. 254, Sept. 22, 1993	MO	H.R. 2401: National Defense authorization		91 (D–67; R–24)	A: 241–182. (Sept. 28, 1993).
H. Res. 262, Sept. 28, 1993	O	H.R. 1845: National Biological Survey Act	NA	NA	A: 238–188 (10/06/93).
H. Res. 264, Sept. 28, 1993	MC	H.R. 2351: Arts, humanities, museums	7 (D–0; R–7)	3 (D–0; R–3)	PQ: 240–185. A: 225–195. (Oct. 14, 1993).
H. Res. 265, Sept. 29, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D–1; R–2)	2 (D–1; R–1)	A: 239–150. (Oct. 15, 1993).
H. Res. 269, Oct. 6, 1993	MO	H.R. 2739: Aviation infrastructure investment	N/A	N/A	A: Voice Vote. (Oct. 7, 1993).
H. Res. 273, Oct. 12, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D–1; R–2)	2 (D–1; R–1)	PQ: 235–187. F: 149–254. (Oct. 14, 1993).
H. Res. 274, Oct. 12, 1993	MC	H.R. 1804: Goals 2000 Educate America Act	15 (D–7; R–7; I–1)	10 (D–7; R–3)	A: Voice Vote. (Oct. 13, 1993).
H. Res. 282, Oct. 20, 1993	C	H.J. Res. 281: Continuing appropriations through Oct. 28, 1993	N/A	N/A	A: Voice Vote. (Oct. 21, 1993).
H. Res. 286, Oct. 27, 1993	O	H.R. 334: Lumbee Recognition Act	N/A	N/A	A: Voice Vote. (Oct. 28, 1993).
H. Res. 287, Oct. 27, 1993	C	H.J. Res. 283: Continuing appropriations resolution	1 (D–0; R–0)	0	A: 252–170. (Oct. 28, 1993).
H. Res. 289, Oct. 28, 1993	O	H.R. 2151: Maritime Security Act of 1993	N/A	N/A	A: Voice Vote. (Nov. 3, 1993).
H. Res. 293, Nov. 4, 1993	MC	H. Con. Res. 170: Troop withdrawal Somalia	N/A	N/A	A: 390–8. (Nov. 8, 1993).
H. Res. 299, Nov. 8, 1993	MO	H.R. 1036: Employee Retirement Act–1993	2 (D–1; R–1)	N/A	A: Voice Vote. (Nov. 9, 1993).
H. Res. 302, Nov. 9, 1993	MC	H.R. 1025: Brady handgun bill	17 (D–6; R–11)	4 (D–1; R–3)	A: 238–182. (Nov. 10, 1993).
H. Res. 303, Nov. 9, 1993	O	H.R. 322: Mineral exploration	N/A	N/A	A: Voice Vote. (Nov. 16, 1993).
H. Res. 304, Nov. 9, 1993	C	H.J. Res. 288: Further CR, FY 1994	N/A	N/A	
H. Res. 312, Nov. 17, 1993	MC	H.R. 3425: EPA Cabinet Status	27 (D–8; R–19)	9 (D–1; R–8)	F: 191–227. (Feb. 2, 1994).
H. Res. 313, Nov. 17, 1993	MC	H.R. 796: Freedom Access to Clinics	15 (D–9; R–6)	4 (D–1; R–3)	A: 233–192. (Nov. 18, 1993).
H. Res. 314, Nov. 17, 1993	MC	H.R. 3351: Alt Methods Young Offenders	21 (D–7; R–14)	6 (D–3; R–3)	A: 238–179. (Nov. 19, 1993).
H. Res. 316, Nov. 19, 1993	C	H.R. 51: D.C. statehood bill	1 (D–1; R–0)	N/A	A: 252–172. (Nov. 20, 1993).
H. Res. 319, Nov. 20, 1993	MC	H.R. 3: Campaign Finance Reform	35 (D–6; R–29)	1 (D–0; R–1)	A: 220–207. (Nov. 21, 1993).
H. Res. 320, Nov. 20, 1993	MC	H.R. 3400: Reinventing Government	34 (D–15; R–19)	3 (D–3; R–0)	A: 247–183. (Nov. 22, 1993).
H. Res. 336, Feb. 2, 1994	MC	H.R. 3759: Emergency Supplemental Appropriations	14 (D–8; R–5; I–1)	5 (D–3; R–2)	PQ: 244–168. A: 342–65. (Feb. 3, 1994).
H. Res. 352, Feb. 8, 1994	MC	H.R. 811: Independent Counsel Act	27 (D–8; R–19)	10 (D–4; R–6)	PQ: 249–174. A: 242–174. (Feb. 9, 1994).
H. Res. 357, Feb. 9, 1994	MC	H.R. 3345: Federal Workforce Restructuring	3 (D–2; R–1)	2 (D–2; R–0)	A: VV (Feb. 10, 1994).
H. Res. 366, Feb. 23, 1994	MO	H.R. 6: Improving America's Schools	NA	NA	

Note.—Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous question; A-Adopted; F-Failed.

□ 1040

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I advise the gentleman from New York that we have no requests for time on our side.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to a very, very valuable member of the Committee on Rules, the gentleman from Sanibel, FL, Mr. GOSS.

Mr. GOSS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, believe it or not, the sound of my phones ringing off the hook this week was music to my ears—because Americans from all over were calling to urge an open rule. Phones were ringing in offices of majority Members as well and it worked? We have an open rule. For months, Republicans on the Rules Committee have been raising the issue about the importance of the rules that govern debate in this House. We have made the point that process is substance in the House of Representatives—and that open rules are the basis for true deliberative democracy. We've complained bitterly about restrictive rules that shut down debate and stifle Members' efforts to improve legislation. Well this week we had a real breakthrough—we had thousands of Americans calling their Congressmen and demanding support for an open rule. People understood the importance of allowing all good ideas that relate to the education of our children—which concerns every family in this country—to be considered by this House. I commend Chairman MOAKLEY and Chairman FORD for their willingness to support an open rule on H.R. 6. I encourage them—and all the chairmen of the committees in this House—to recognize that open rules need not be scary things to be avoided at all costs. Perhaps we may see more open rules in the days and weeks ahead. I sure hope so. Hopefully, without telephone calls as we have seen on this issue.

H.R. 6 is a complicated bill that seeks to spend $10.5 billion of taxpayer's money. We all want to improve the education we give our children—but we have legitimate differences of opinion about how best to reach that goal. I oppose H.R. 6 in its present form because I think it is too much Government and too much interference into the decisionmaking of local school boards and communities. The bill contains a very expensive unfunded mandate, benignly labeled "opportunity-to-learn standards," that will straightjacket our school systems and divert their limited resources. The bill also contains highly controversial language that could put an end to home schooling in some States—langauge I understand we will have the chance to correct through the Armey amendment, which this rule allows.

Finally, H.R. 6 contains funding distribution formulas that depend on a highly subjective definition of "poverty districts." This could end up wreaking real havoc in areas like southwest Florida, where those people truly in need will fall between the cracks. Mr. Speaker, I support this open rule—because it gives us a chance to improve this bill.

Mr. SOLOMON. Mr. Speaker, I take it the gentleman from California [Mr. BEILENSON] still does not have additional speakers. So, Mr. Speaker, let me just say that here in Washington we have several new residents from the great State of Arkansas; one occupies the White House, and I very rarely agree with him. But another is a very dynamic new Member of Congress from Pine Bluff, AR, Mr. JAY DICKEY.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. DICKEY].

Mr. DICKEY. I thank the gentleman for yielding this time to me.

Mr. Speaker, what I am concerned about is H.R. 6. As it stands right now, it ought to be voted against and turned down in this body. What I am thankful for is two things: One is that someone thought ill enough of this bill to put into it that schoolteacher certification was necessary. What this did—and the second reason I am thankful—that is, the people of America raised up, particularly in Arkansas, and overwhelmingly complained about teacher certification, taking education away from the families, away from neighborhood schools and from private schools and even the public schools. I am thankful for that.

What we have here is an intrusion of Government trying to come in and take the very essence of our educational system and dash it against the walls, taking control of everything, even the facilities. That is, whether or not we have enough chalk, whether or not we have enough paper, whether or not we have enough buildings, that sort of thing. It is something that we are going away from at home and toward in Washington.

I am thankful for the many, many people who have called and said "no" to this intrusion of Government and "yes" to our control by families.

I am thankful for that, and I am proud to be a representative of that cause.

Mr. SOLOMON. Mr. Speaker, we are missing a couple of speakers, and if they do not get here on time, then, if the gentleman from California [Mr. BEILENSON] has no further requests for time, I yield back the balance of our time on our side of the aisle and urge passage of the rule.

Mr. BEILENSON. Mr. Speaker, we have no requests for time either, and I yield back the balance of my time. I urge my colleagues to adopt the rule, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. SHARP). Pursuant to House Resolution 366 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6.

The Chair designates the gentleman from North Carolina [Mr. PRICE], as chairman of the Committee on the Whole and requests the gentleman from California [Mr. BEILENSON], to assume the chair temporarily.

□ 1047

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes with Mr. BEILENSON (chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore (Mr. BEILENSON). Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Michigan [Mr. FORD] will be recognized for 1 hour, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 1 hour.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I yield myself such time as I may consume. I rise in support of H.R. 6, Improving America's Schools Act of 1994.

Mr. Chairman, I ask unanimous consent to yield the majority's debate time to the gentleman from Michigan [Mr. KILDEE], chairman of the subcommittee, who has labored so long and well to put together this bill and bring it to the floor; and further, that he have authority, when the gentleman from New York [Mr. OWENS] arrives, to yield 10 minutes of the majority's debate time to the gentleman from New York [Mr. OWENS].

The minority may want to divide their time in the same way.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD of Michigan. Mr. Chairman, in the 89th Congress, 1965, my first year here, we created the Elementary and Secondary Education Act, which we are reauthorizing for the ninth time today. I am extremely pleased that in the 103d Congress, my last Congress, we are making the most important changes in the act since we first passed it. We are bringing it into position where it will serve well, and adjust well to the 21st century.

H.R. 6 reauthorizes the Elementary and Secondary Education Act of 1965 and related programs that have been added over the years to make them more complementary to local and State reform efforts.

I want to compliment the ranking Republicans on my committee for their cooperation, as in each of the previous eight reauthorization bills, so that we are able to bring a bill to the floor that is a product of a bipartisan give-and-take.

□ 1050

I just heard a member of the Committee on Rules talking about a poison pill in the bill which is not there anymore, or will not be there, because the Republicans, Democrats, and the administration got together late last evening and came to an agreement amongst themselves on opportunity-to-learn standards. I have cleared that agreement this morning with the ranking Republican on the committee. There is no longer an issue between us, and will not be, as people will discover during the day.

Finally, Mr. Chairman, I would like to observe what this bill is not. I heard on the radio a little while ago an announcement that the Congress was debating a bill to license home schooling. Congress has nothing to do with the question of home schooling. Compulsory school attendance laws are State laws, and they vary only by virtue of the maximum age to which parents are in a public or private accredited school.

Mr. Chairman, it has nothing to do with the Federal Government. The Federal Government has no business now, and it has never had any business, trying to tell the States how to run their compulsory school attendance laws, and we would not make that attempt here. There was unfortunate language adopted in the committee that was ambiguous enough so that it could be, as it has been, misconstrued to apply to, quote, "home schools", whatever those are. In my State that is somebody who disobeys the compulsory school attendance law and keeps their child at home instead of sending them to school. But, be that as it may, they feel they have the privilege to do that, and they can argue with their own State about whether that is permitted. We do not try to settle that one way or another here, and I hope we will not try to create the impression today that we are settling that argument one way or another because it is none of the Federal Government's business, frankly, how the States regulate compulsory school attendance.

Mr. Chairman, I rise in support of H.R. 6, the Improving America's Schools Act.

The 89th Congress—my first—created the Elementary and Secondary Education Act. I am extremely pleased that in the 104th Congress—my last—we are to make the most important changes in the act since we first passed it.

H.R. 6 reauthorizes the Elementary and Secondary Education Act of 1965 and related programs to make them more complementary to local and State reform efforts. Much has changed in the 29 years of these programs. These reforms will carry us into the 21st century.

The bill adopts the Clinton administration's proposal for reauthorizing these important programs with minor modifications. The President and Secretary Riley have done an outstanding job of thinking through how best the Federal Government can help improve our Nation's public schools.

This legislation uses systemic reform developed in the Goals 2000: Educate America Act as the basis of all ESEA programs. That is, all programs in H.R. 6 shall help students achieve high academic standards.

The largest Federal aid program to elementary and secondary education is chapter 1, which we are restoring to its original name of title I. It remains our primary vehicle to assist low-achieving students. But under the bill, title I is dramatically changed. Its success will be judged on the basis of benefiting students' achieving high academic standards, not their scores on multiple-choice tests.

Moreover, school districts and schools are given greater flexibility to implement title I through the schoolwide programs option and the granting of various waivers. Over the 5 years of the authorization, the proportion of children in poverty required to qualify for title I schoolwide projects will drop from 75 to 60 percent. H.R. 6 also grants the Secretary of Education broad authority to waive statutory and regulatory requirements that impede the ability of States and school districts to achieve the goals of the act. And prescriptive Federal requirements governing assessments have been eliminated.

In exchange for increased flexibility, schools, and school districts will be held accountable for student achievement. Their progress will be measured by high-quality State assessments.

Schools that make inadequate progress for 3 consecutive years will be subject to corrective action by the school district. Corrective action may include reduced decisionmaking authority at the school, alternate governance, reordering of school staff, and granting of students transfers to other schools in the district.

For the first time, school districts will be held accountable for the gains of title I children. School districts whose students fail to make adequate progress toward the State standards for 4 consecutive years shall be subject to corrective action by the State. Corrective action in this instance may include dismissing or reassigning school district employees, the appointment of a receiver or trustee to administer the district, and removal of a school from the district's jurisdiction. All these actions would have to be consistent with applicable State laws.

Finally, the formula for distributing title I funds has been modified so that all new appropriations will be better targeted to areas with high concentrations of poverty. In other words, it maintains the current formula at 1994 appropriations levels and applies a greater proportion of any new funding to high-poverty areas. I am proud of our agreement on the formula. The Committee on Education and Labor approved it 40 to 2, drawing support from Members representing diverse geographic and demographic areas.

H.R. 6 includes other important initiatives. The Eisenhower Mathematics and Science Education Act has been expanded to encompass professional development in all core academic subjects. A new technology program will help schools bring their classrooms into the modern era. New authority is provided for loans to build and renovate schools, a crying need in many districts. Finally, the bill reauthorizes the Bilingual Education Act, Magnet Schools, Drug Free Schools and Communities Act, and Impact Aid.

Mr. Chairman, these programs are the sum of Federal support for elementary and secondary education. H.R. 6 builds on our three decades of experience and represents a step forward by setting a coherent framework for Federal aid and by granting States, school districts, and schools increased flexibility in exchange for greater accountability.

I urge my colleagues to vote for the bill.

Mr. Chairman, I am inserting in the RECORD at this point an exchange of correspondence between me and the Honorable RONALD V. DELLUMS, chairman of the Committee on Armed Services, concerning a jurisdictional matter; and, I express my appreciation to Chairman DELLUMS for his cooperation in bringing H.R. 6 to the floor:

COMMITTEE ON EDUCATION AND LABOR, HOUSE OF REPRESENTATIVES,
Washington, DC, February 3, 1994.

Hon. RONALD V. DELLUMS,
Chairman, Committee on Armed Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As we discussed last evening, the Subcommittee on Elementary, Secondary, and Vocational Education adopted an amendment requiring that the payments for military-related children under the Impact Aid Program be provided by the Secretary of Defense. Mrs. Mink, from Hawaii, offered this amendment as the Subcommittee considered H.R. 6, a bill to extend the Elementary and Secondary Education Act (ESEA), the Impact Aid Program, and related Acts, during mark up Tuesday.

This letter is to respectfully request that your Committee waive a jurisdictional claim to consider that amendment in H.R. 6. We would very much appreciate your favorable consideration of this request since it will expedite passage of our legislation.

Mrs. Mink offered this amendment and the Subcommittee adopted it because of a feeling on our part that the responsibility for children of military and civilian personnel of the Department of Defense ought to be borne by that Department. We especially believe this is true now that the military is reassigning so many personnel as it closes bases and shifts responsibilities. The effect of these actions is to place very large burdens on school districts, and unfortunately the U.S. Department of Education has not been able to secure adequate appropriations to alleviate the old or the new burdens.

Further, the Committee on Education and Labor believes that the shift of this responsibility to the Defense Department will allow us to add money to the ESEA Title I formula. The formula adopted by the Subcommittee on Tuesday concentrates "new" dollars on schools with high levels of poverty.

Thank you again for your cooperation in this matter. We look forward to working with you in the future.

With kind regards,

Sincerely,

WILLIAM D. FORD,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, February 8, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am in receipt of your letter asking that the Committee on Armed Services waive any claim to referral of the bill, H.R. 6, that might result from provisions added to the bill during mark-up in your committee. In particular, I understand that the bill has been amended in subcommittee to include a provision directing the Secretary of Defense to transfer the total amount of funds needed to administer the Impact Aid program.

Please understand that several Members of the Armed Services Committee represent congressional districts that include school districts affected by the Impact Aid program, and they have a keen interest in this program. In addition, the Readiness Subcommittee is presently engaged in a thorough review of all DoD spending and perspectives on educational matters which they plan to address during consideration of the fiscal year 1994 budget.

A cursory polling of the Members show that they would not be agreeable to waiving jurisdiction over this issue given this long standing interest in this matter and the significant change to the funding structure of a major program this amendment provides without first careful analysis and consideration of the issue. For these reasons I find myself precluded from unilateral action on my part to granting your request and feel that this dictates that I bring this matter up formally before the Members of the committee.

I appreciate your effort to work cooperatively on this matter, and I am ready to work with you toward a resolution of this issue in a way that satisfies the concerns of both of our committees. I regret that the present circumstances preclude a more favorable reply. I look forward to talking to you personally on this matter.

Sincerely,

RONALD V. DELLUMS,
Chairman.

COMMITTEE ON EDUCATION AND LABOR, HOUSE OF REPRESENTATIVES,
Washington, DC, February 11, 1994.

Hon. RONALD V. DELLUMS,
Chairman, Committee on Armed Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of February 8, 1994, concerning the provision in H.R. 6, the Improving America's Schools Act of 1994, as ordered reported, which seeks to make the Department of Defense responsible for funding Impact Aid.

I acknowledge the jurisdictional interest of the Committee on Armed Services in this provision as evidenced by my letter to you of February 3. I do, however, continue to urge you to forego requesting sequential referral of the bill as that would necessarily delay its consideration in the House. I will be pleased to support a request that the Committee on Rules, in fashioning a rule for H.R. 6, provide that the provision in question be stricken prior to House consideration of the bill. In other words, the text before the House would not contain that language. In addition, it is my intention to seek a rule for consideration of the bill which permits all amendments otherwise in order under the Rules of the House, and affords no special status to any particular amendment. The only limitation on amendments I might request would be a preprinting requirement. Finally, our correspondence would be included in this Committee's report to acknowledge the Committee on Armed Services' jurisdictional claim.

Thank you for your consideration and cooperation.

With kind regards,

Sincerely,

WILLIAM D. FORD,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, February 15, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN. Thank you for your letter of February 11 asking that the Committee on Armed Services forego its request for sequential referral of H.R. 6, a bill which, as reported, includes a provision designed to make the Department of Defense responsible for funding the Impact Aid Program.

In recognition of your committee's desire to bring this legislation expeditiously before the House of Representatives, the Committee on Armed Services will not insist upon its claim to have H.R. 6 sequentially referred. However, this action is not to be interpreted as waiving this committee's jurisdiction over the provisions in question. This agreement is conditioned upon your promises to support a request to the Committee on Rules that the so called "Mink amendment" be removed from the bill that is to be considered by the House or the Committee of the Whole and to seek a rule that affords no special status or protection to this or any other amendment filed for preprinting. Moreover, in the event that the Mink amendment should be so filed and ultimately pass the House, this committee will seek to be appointed conferees for this and other provisions within its legislative jurisdiction during any House-Senate conference.

I appreciate your including our correspondence on this matter in your report on H.R. 6, and would further ask that it be included as a part of the record during consideration of this bill by the House.

Thank you for your cooperation and attention to this matter. I look forward to working with you during consideration of this legislation.

Sincerely,

RONALD V. DELLUMS,
Chairman.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 6, the Improving America's Schools Act of 1994, reauthorizes and amends most of the Federal Government programs that provide assistance to elementary and secondary education in our country. The majority of these programs are included in the Elementary and Secondary Education Act of 1965, and it would provide approximately $10 billion of assistance to States and local school districts in fiscal year 1994, and hopefully more in 1995.

The largest of these programs, title I, provides funding to over 90 percent of the school districts in the country. Other programs authorized by H.R. 6 include Even Start and migrant education, the Magnet Schools Assistance Act, Indian education, an expanded Dwight D. Eisenhower Professional Development Program, chapter 2, the Jacob K. Javits Gifted and Talented Program, Impact Aid and the National Education Statistics Act. The bill is the basic Federal education bill.

Much attention has been focused recently on one aspect of it, but the bill is 901 pages long. The gentleman from Pennsylvania [Mr. GOODLING] and I have worked many, many months over this bill.

The authorization for 12 existing programs, Mr. Chairman, are not extended in H.R. 6. Those programs are eliminated.

The purpose of H.R. 6 is not only to extend the life of programs, but to reshape them. Most of these programs were developed in the 1960's, before the current wave of school reform began. It is time for them to be updated so that they can better assist States and local school districts in their efforts to reform public schools.

And I say "assist" because I always believed that education is a local function, a State responsibility, and a very, very important Federal concern, and we want to exercise that concern very sensitively.

The bill which established the Department of Education forbade us to get involved in the matter of curriculum.

Last year the House passed the Goals 2000, Educate America Act, which establishes a new framework for the Federal Government to provide school reform assistance. H.R. 6 helps to fill in the framework by refashioning Federal programs so that they are an integral part of State and local school reform efforts.

One of the primary reflections of this is the proposed revision of the title I formula. H.R. 6 proposes to distribute title I funds in two parts: First, an amount equal to the fiscal year 1994 appropriation will be distributed according to the formula in current law, including the current law requirement that 10 percent of the funds be allocated using the concentration grant formula. Now, Mr. Chairman, funds in excess of that fiscal year 1994 appropriation will be distributed through a new weighted student formula where everyone would get a portion of the increased appropriations, where students in areas of greater concentrations of poverty would receive more.

Other major changes included for the first time: Tying the achievement of title I students to high State standards, and allowing schoolwide programs to combine other Federal education funds with the title I funds for more coordinating programs serving all children. We also replace existing burdensome testing requirements with a more sensible system based on State assessments, and we also make it easier to serve limited English proficient and disabled children in title I programs.

The heart of this program is to demand greater education achievement in exchange for much more freedom in the use of Federal funds, and the gentleman from Pennsylvania [Mr. GOODLING] has been fighting for that freedom for many, many years. He has been talking flexibility for many, many years, and with his help and input we have put a great deal more flexibility into this bill. As a matter of fact, the whole bill can be summed up in two words: "flexibility" and "accountability." The legislation is replete with provisions giving educators the flexibility to combine Federal programs, to use Federal aid in whatever fashion is needed to improve education and to seek waivers from rules and regulations whenever it is necessary to improve achievement. But the accountability with that flexibility is equally clear. If educational gains are not achieved, then school districts are expected to help schools improve, and, if there is still no success, then States are expected to intervene to secure the results.

H.R. 6 calls for the most important changes in Federal aid to elementary and secondary education since that assistance was first substantially established in the 1960's, the first year of Chairman FORD's membership in the Congress and on the committee. The whole purpose is to make Federal programs part and parcel of school reform for all children instead of being separate programs for special children, and that flexibility will help in that fashion.

Mr. Chairman, by passing this legislation the Congress will give a substantial boost to improving education for all children, including those who have too often been forgotten.

Mr. Chairman, I truly believe that we are involved in the most important reauthorization since this program was first enacted in 1965, and I want to thank all the members of the Committee on Education and Labor, and their staffs, for the many hours of work that have gone into developing this bill.

I want to thank the gentleman from Pennsylvania [Mr. GOODLING] who is the ranking Republican member of the full committee and the ranking Republican member of the subcommittee. He is tough, he is hard, but he loves education, and we have fought some battles, and he has a great deal of Mr. GOODLING in this bill.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I really looked forward to this session of Congress primarily because I knew we were going to be reauthorizing ESEA, and Head Start. I looked forward to doing that because others seem to be joining in my crusade to bring about quality in these two areas. In the past, Mr. Chairman, so many times the auditors went out only to look to see whether the pennies went to where someone thought the pennies should go. No one looked to see whether or not there was, in fact, quality in the programs.

Mr. Chairman, I am not condemning the programs. I am saying the programs have not been good enough in order to help the disadvantaged become less disadvantaged, or not disadvantaged at all. Therefore, I looked forward to the fact that we were really going to emphasize quality.

We have spent a total of $38 billion on chapter 1. We have spent a total $27 billion on Head Start. We never recompleted any Head Start Program, and, as I said, the auditors were not looking for quality.

Also, Mr. Chairman, I was pleased that many were joining in with the flexibility chorus to get away from the idea of setasides and the constant idea that categoricals are the only way to go.

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Many others were questioning our micromanaging public education from Washington, DC, and I was happy to hear that.

I would like at this time to praise public education. We spend so much time bad-mouthing public education. It would be well if all Members of Congress would spend perhaps a month in several different schools all day long and just see what it is that a teacher has to go through in a day's time. We act as if something is quite different about the quality that comes out of a public school than what used to come out. I went to a 2-room eighth grade, and many of those people never went beyond the eighth grade.

They did not have to go beyond the eighth grade; they went out and got a job. Now they all go beyond the eighth grade, and it makes things very, very difficult.

We have also said to public educators, "You have to do everything parents used to have to do," and that makes it very, very difficult for public educators.

I have to say that every time I interview for the Academies, each year the students are better than the students before. They are high-quality students. So I want to make sure we do not spend all of our time bad-mouthing public education, because they do many things well. We can do things to help them do things better. We can also do things to hinder their opportunity if we try to micromanage from Washington, DC.

I want to compliment the staffs from both sides, as Chairman FORD and Chairman KILDEE did.

When the bill left the staffs, it was an outstanding bill, and we should have quit at that time. We should have let the staffs bring the bill to the floor. Unfortunately, we had a subcommittee markup and a full committee markup, and then the members got all involved in the situation and messed up the good work the staffs had done in so many instances. We are going to correct that, hopefully, but unfortunately, that did happen.

There have been some disappointments. My first disappointment came, I guess, when the administration combined Eisenhower math and science and chapter 2 into a professional development program. There are many pitfalls in doing that. The first one, of course, is that there are very few good models of professional development out there. My fear was, as I said to Professor Smith, that the same people who sent the teachers out initially will also do this great professional development program. I would hate to see that happen. As I said, there are not many good models out there.

Second, we are really not ready to get into the business of reeducating teachers and helping teachers based on the new standards that are voluntary and that will be much more difficult and tougher than those to which they were originally teaching. So there are many reasons why we should not have gone as rapidly into that area as we did.

Furthermore, many districts have gone beyond professional development already in their reform movement. They are ready for step 3, step 4, and step 5, and we should not hinder that. But, second, there were witnesses at every hearing we had who said how important chapter 2 money was to the whole reform effort. It was the only money that the local districts could get their hands on to try to reform the districts to make them a better school system. Had we not had the support of the gentleman from Michigan [Mr. FORD] the gentleman from Michigan [Mr. KILDEE] and the gentleman from Ohio [Mr. SAWYER] we would have been kissing goodbye to what every person who testified said about needing chapter 2 money.

I realize that people keep thinking about the chapter 2 program of 10 years ago or 20 years ago, and that it may have been abused or misused, et cetera. It was not the fault of the local districts or the fault of the States; it was our fault on the Federal level. We never told them what it was we wanted them to accomplish when they get to the end of the line. All we sent was money. We never sent the money in a timely fashion. They never had time to plan how it would be spent. So in NDA and all the other programs we wasted millions of dollars. That has all been changed. In the last 5 years their whole effort with chapter 2 has been, how do you get the school districts to be better school districts so that all students will grow and grow academically. We wanted to ensure they would get a quality education. So that was the first disappointment I had. As I said, hopefully we are on the right track, and thanks again to the Members that I mentioned, we will correct that.

The next disappointment, of course, deals with the end result when the bill came out of full committee in relationship to reinventing Government. Boy, we really reinvented Government in this respect. We have eight new reporting requirements in title I, four in title II, part A, four in title II, part B, one in title II, part C, two in title II, part D, one in title II, part E, one in title III, one in section 4, GEPA, title II, and one in title III, part B. There are 22 new reporting requirements. I do not believe that was what the Vice President had in mind when he was reinventing Government.

The next disappointment came as we were marking-up where we did get into the business of micro-managing—of having mandates without money. We have to stop that. School districts could have done so much better with all of their students if we had not sent them 95 percent of the mandates with relationship to special education, promising them 40 percent of what it cost to educate special education children and only sending them 8 percent. They now have to make up from their local funds most of the money to deal with special education which was mandated by us on the Federal level. Chairman KILDEE and I tried for years to get this figure moved up and up so they could take the money they are now spending in that area and deal with the entire reform movement with all of their students. Hopefully we can do something about that.

We also got into the business of certification, and I apologize to my colleagues for all the problems they have had and the telephone calls they have received, because I should have caught that. It came at the eighth hour, I believe, of that particular day in the markup. No one on either side of the aisle or the staffs had seen the amendment, and there was very little discussion. My concern is that we on the Federal level certainly have no business whatsoever in micro-managing a school district and a State in relationship to certification.

Every State has certification standards. In my State, if the school district does not meet them, they lose their State funds. But keep in mind what happens when we micro-manage.

Suppose you have a rural area and you have one section of chemistry. Is this all that chemistry teacher teaches when you pay the teacher $30,000 or $40,000? No, they have to teach general science courses.

They may also have to teach some math courses, as a matter of fact. Let us say you have three sections of chemistry, or four, and the chemistry teacher can only handle three. So you give the fourth section, which would be a general chemistry section, to a general science teacher or to an advanced math teacher. You cannot go out and hire a new certified chemistry teacher in order to teach one section. These are the things we do not think about down here.

You also get most of your retirements from people who decide not to come back to your districts 2 weeks before school opens. Let us say that all of a sudden I lose a Spanish teacher. I have to go out and get the best academically qualified Spanish-speaking person in the district to fill that slot because I cannot steal anybody from someplace else, and you have at least 60 or 90 days, depending on the State. So we have to think about these things when we try to micro-manage from Washington, DC.

Someone even got into the discipline business. We are now going to micromanage how one disciplines in their districts or in their States. Again we send 5 percent of the money and we want to send 95 percent of the mandates.

I want a coordination of services program because I want to break up those fiefdoms out there. They all have their little fiefdom, and, boy, they do not want to participate or join with anybody else. Well, it is the child we are thinking about, so we need them all working together for the benefit of that child and that family.

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But, I do not want to stir up a hornet's nest in relationship to abortion and planned parenthood. I think we could handle that and not stir that up.

Going then to my hope. My hope is that the corrections that we have agreed to will truly make this a bipartisan bill that every Member will be happy to support. This bill, coupled with what the Senate does and what we will do in conference, will help lead us to a program that is bipartisan, that all can support, that will dwell on accountability, as the gentleman from Michigan [Mr. KILDEE] has said, and that will deal with flexibility. I am sure the gentleman from Michigan [Mr. FORD] and the gentleman from Michigan [Mr. KILDEE] will work with me in this effort.

We have to understand, there is a new breed of educator out there, very talented, very creative.

We have to give them an opportunity to use that talent and that creativity. I look forward to the markup today and next week and then the conference with the Senate. Hopefully, we will be able to present Members a bipartisan bill that will truly bring about reforms that will deal with quality education for all students, not just some, but all students.

As the Education and Labor Committee began the process of drafting H.R. 6, we were hopeful that we could craft a bipartisan bill that is reflective of a national consensus on education reform. While we were unable to report a bipartisan bill from committee, I am hopeful that H.R. 6 merits the support of all Members by the time we vote on final passage.

Let me begin by outlining some of the positive aspects of H.R. 6. I was very pleased that the committee accepted a Republican amendment to retain a refocused but flexible chapter 2 program refocused on education reform and achievement of the national education goals. Funds under this section may be used for technology, library services materials, assessments, and the development of instructional and educational materials, as long as they are tied to overall school reform efforts.

This section supports, and does not replace, the professional development activities provided under the newly revised Eisenhower Program. We believe our proposal provides schools with exactly the kind of flexibility that is needed to support professional development of teachers in all schools.

Let me be clear on this point: I will fight any effort to strike this section from the bill, and I will fight just as strongly an effort to tie the appropriations of this program to the appropriations of any other program, such as the new Eisenhower Program. If this House wants to report a bipartisan bill, the best way to do it would be to retain our flexible chapter 2 proposal in H.R. 6 as it is currently written. Then, once H.R. 6 becomes law, I look forward to working with my colleagues to ensure that this proposal receives the funding it deserves.

I am also pleased by the inclusion of the broad waiver provisions in title IX, which will allow schools, local educational agencies, and States to receive waivers from Federal requirements and regulations under this act which impede their ability to improve student learning and achievement.

I also strongly support the title I funding formula offered by Mr. PETRI and Mr. KILDEE. Their proposal is fair and equitable to all regions of the country. It ensures that disadvantaged children, both in urban and rural areas, will continue to receive the Federal assistance they need. The Kildee-Petri formula recognizes that title I funds should follow the children they are intended to serve, and that funding shifts due to updated census will be allowed to occur. The Petri-Kildee formula is equitable for all regions of the country, and avoids radical shifts in funding which could devastate many local programs currently serving children.

It would also calculate grants on an LEA basis rather than county basis; current law distributes grants on a county basis. Many school districts in this country, such as York City school district in Pennsylvania, which are located in relatively wealthy counties are ineligible to receive concentration grant money even though the school district would be eligible if funds were allocated directly to school districts based on district level poverty data.

This formula would solve this problem and would more precisely target money to poor school districts.

Because it is a program of great importance to me, I would also like to highlight some of the significant changes in the Even Start Program. First, we have expanded the program to include a high-risk group, teenage parents. Instead of waiting until young parents drop out of school, placing them at risk of unemployment and dependency on welfare, they are now eligible participants in Even Start. This will provide them with the support they need to stay in school and to become a true partner in their child's education, as well as to obtain the early childhood services which will enable their child to start school ready to learn.

We also acknowledge, for the first time, other organizations which have a record of providing effective literacy programs, such as Parents as Teachers, the Home Instruction Program for Preschool Youngsters, and the National Center for Family Literacy and have modified the law to clarify the eligibility of these organizations to participate in Even Start activities. We do not, however, allow these programs to be a substitute for Even Start.

In my view, these programs can be used as components of Even Start, rather than operating on their own. For example, a growing number of Even Start projects use the Parents as Teachers model for their parent training component. Parents as Teachers is a well-recognized, effective program. It is not, however, the same comprehensive model as Even Start. Although I endorse the usage of this model by Even Start programs to fill their parent training requirement, I want to stress that an Even Start project must have all three components: parent training, parent education, and early childhood development to qualify for funding under this act.

There are other positive aspects of this bill, including charter schools; strengthened parental involvement provisions that provide literacy services to chapter 1 parents; a provision allowing schools to use up to 5 percent of the funds received under this act for the coordination of health and social services to meet the needs of their students and their families, and an improved chapter 1 Neglected and Delinquent Program that more effectively focuses on the needs of troubled youth.

In addition, we have provided additional flexibility in the bilingual education program concerning the use of funds for special alternative programs in instances where a school has been unable to hire bilingual teachers or where there are too many students with a high diversity of languages and they are unable to operate a transitional bilingual education program.

Yet, despite the positive aspects of H.R. 6, I continue to have concerns with other provisions of the bill. My foremost concern deals with the bill's "opportunity to learn standards" provisions. In my view, the "opportunity to learn standards" provisions of the bill reported by our committee were completely unacceptable.

In my view, opportunity to learn standards represent a failed policy that is based upon inputs into the education system instead of focusing on improving student learning. I guess the thing that bothers me the most is this: We know from years of research that providing a child with an opportunity to learn is far more complicated than equalizing school resources.

The opportunity to learn standards in H.R. 6 would have forced the entire education community into an endless bureaucratic debate about the credentials of school personnel and counting pieces of chalk and school supplies. Likely to be lost in this never-ending debate about inputs is how to help kids learn what they need to know to be productive citizens. That is hardly a way to help poor schools provide a better education for their children.

I am pleased to be offering a compromise amendment with Chairman KILDEE today that will address many of the concerns I have raised with regard to this provision. This amendment does the following: It makes it clear that the implementation of "model opportunity to learn standards" are voluntary and not mandated; it narrows down the original list of eight standards that a State must develop to just two; it greatly limits the paperwork burden on schools and local education agencies; it retains the provision in the bill saying that the Secretary may not deny title I funds to a State based upon the specific content of its "opportunity to learn standards;" and, it clarifies that "model opportunity to learn standards" cannot be enforced through litigation and cannot be used to mandate equalized spending in States.

I continue to believe that "opportunity to learn standards" should be completely voluntary and that, in the best of all worlds, they would not be in this bill at all. However, in the spirit of compromise, I believe that this provision is acceptable for the purposes of House consideration of H.R. 6.

As Members of the House know all too well, another major problem with H.R. 6 concerns its impact on home schools. I strongly support the right of home schoolers to be free from Federal regulatory and statutory intrusion, and I am pleased that amendments will be offered to make it clear that this bill will have no effect on the ability of parents to provide a home-based education for their children.

I am also concerned that H.R. 6 creates too many unnecessary categorical programs that add up to more than $1 billion of additional authorizations that, if funded, will attract needed scarce dollars away from more worthy programs like Even Start, title I, chapter 2, Drug-Free Schools, and other important programs that have traditionally been priorities for Republicans and Democrats alike. That, of course, is the last thing any one wants.

Another objection to H.R. 6 is the failure of the committee to accept language which would prohibit the use of funds appropriated under this act to provide family planning and health reproductive services as part of coordination of services projects funded under this act. An amendment will be offered to rectify this situation later in this debate.

In conclusion, this bill affects almost every American public school, and is the last reauthorization that will have any effect on our education system before the beginning of the 21st century. The only way real change in education occurs is with bipartisan political support and ownership from the education community. I remain hopeful that we can work out our disagreements so that this bill is able to gain broad, bipartisan support.

Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. GUNDERSON], a very active member of the Committee on Education and Labor, who usually comes and stays during the entire time.

Mr. GUNDERSON. Mr. Chairman, the kind remarks by the gentleman from Pennsylvania are only reflective of the esteem, friendship, and respect that I have for him and also for the gentleman from Michigan [Mr. KILDEE] and the gentleman from Michigan [Mr. FORD].

I have to tell Members that they may not always agree with the outcome but they will never find three men more committed to the education of our country than these three individuals. It has been a privilege to work with them.

I thought I would, this morning, share with my colleagues, as we discuss and begin to discuss the reauthorization of elementary, secondary education, the Business Week front page cover article this week: "The Learning Revolution." Because we are at the point of history today.

This is the last reauthorization to have any impact on the structure of America's education delivery system, as we enter the 21st century. That is why it becomes so essential that education policy be done in a bipartisan manner.

Yesterday we were in a meeting trying to resolve one of the contentious issues, and someone asked Secretary Riley what his position was. And he said, to his credit, "My position is to work this out so that we can have bipartisan support for education." That is why I think Members on both sides of the aisle have such high regard for this man and his leadership at the Department, and that is why it is incumbent upon each and every one of us to figure out how we can do that.

President Bush, to his credit, and now followed by President Clinton began that attempt at bipartisan revolution in education through the Goals 2000 program that hopefully we will enact in the near future.

There are no less than 110,000 public schools in this country that will be affected by this legislation. In my State of Wisconsin, there are 428 public schools.

I want my colleagues to know that literally half of those public schools have less than 1,000 students in their enrollment, which means that we must be very careful as we answer those basic questions of how do we provide the leadership and structure for 21st century education without suffocating and killing local education in the process so that all our educators do is comply with rules, regulations and paperwork and never have the time to do the all important business of educating and preparing not only our children but, in the 21st century, also our adults for the lifelong learning components of a 21st century, high technology, global education criteria.

The basic program of Federal aid to education is obviously the chapter 1 or title I program which responds to the educationally disadvantaged children of our society. There is an attempt in the legislation in front of us to try to extend the purpose of this bill as a condition for literally schoolwide reform.

The questions we must ask ourselves in this process, as we attempt to improve the title I program, is, will these reforms be voluntary or mandatory? Will they be done through simply standards and assessments? And if those standards and assessments are developed, and should they be developed at the Federal, State, or local level, and who will comply and enforce those particular programs?

We will hear a lot of debate as we go forth over a chapter 1 formula that is being changed in this bill. Let me simply say, there is no such thing as a fair and good chapter 1 formula, and we will never resolve that issue until the last point of conference and even, perhaps, at that point in time.

More important, I think, is how we allow schools to use money they get, which for most schools will unfortunately be less money than they have had in the past. I have many school districts that receive less than $30,000 a year in their chapter 1 program. We must be very careful that we do not pass 17 pages of new legislative mandates and reporting requirements on a local school district that receives that amount of money.

The second thing we must understand is that as much as we want to encourage reform, we must recognize that reform means flexibility. It means allowing local schools, wherever they might be, to pioneer in unique and different ways.

That is why chapter 2 is so essential to the final outcome of this legislation. I have been a strong advocate of chapter 2, because it allows every school in this country the unique flexibility to do what is necessary to upgrade their school reform programs.

In Wisconsin, literally 275 schools last year used their chapter 2 funds for technology and computer upgrading. This is the only place where we give schools that kind of flexibility to respond to the unique needs of those particular programs.

One of the amendments which is included in the present chapter 2 and which we will offer as a separate title in this legislation is 21st century community learning centers. We must recognize that in the 21st century, school boundaries, school buildings, school subjects and school students, as we know them today, are all going to be outdated by the technology revolution. We must empower and enable our schools to respond and meet those challenges through these kind of changes in public policy.

There will be a number of amendments that I hope will be adopted on a bipartisan basis. I tell Members, as we begin consideration of this bill, unfortunately the legislation coming from the subcommittee and the full committee did not receive the support of many Republicans, myself included, because we saw it as too little flexibility, too little money, too much regulation, paperwork, and bureaucracy.

I am hopeful that the negotiations that have occurred over the last few days and will continue on to next week will allow us to solve the home school problem, will allow us to make sure that the opportunity to learn standard is truly voluntary and will make sure that we take the other steps to guarantee schools the flexibility necessary to become the 21st century learning centers we want them to be.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

I would like to commend the gentleman from Wisconsin. He played a very major role in the postreporting period of the bill and negotiating two very different areas. He was available. He came up with great ideas, and he is to be commended.

He wanted, I think, from the very beginning to be able to come out here with a bipartisan bill. I think through his negotiations in the postreporting period, along with those of the gentleman from Pennsylvania [Mr. GOODLING], we will have that bill. I commend him for that.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT of Nebraska. Mr. Chairman, I rise in opposition to H.R. 6, a bill that, as currently drafted, is an attempt to federalize the delivery of education in America.

H.R. 6 mandates that local schools meet yet-to-be developed opportunity to learn standards [OTLS].

The Federal Government likes to establish standards, but we cannot seem to find a way to pay for them. Do I need to remind my colleagues of the millions, if not billions, that local school districts have had to fork over to meet Federal asbestos removal standards? A laudable goal, but one that has been unfunded.

Well. H.R. 6 is the asbestos removal approach to education. It provides all the mandates, but no money to pay for them. The Federal Government makes a multitude of new demands, but it is accountable for none.

Like all Members of the House, I have heard from hundreds, if not thousands, of constituents concerned with the home schooling provisions in the bill. Let me simply say this—

I firmly believe that States and local governments are best suited for establishing curriculum, teacher certification, and school academic standards. The Federal Government has no business whatsoever, beyond current civil rights law, to impose its imprint on these so-called sacred areas of education.

I'm hopeful that during this debate, we can come to an accommodation, on this issue, so that we can get on to other issues such as addressing the opportunity to learn standards, eliminating the litany of new Federal education programs, and creating a more flexible approach to Federal education policy.

Let me also touch on an issue that we'll be debating when I offer an amendment to title IV of the bill, which reauthorizes the Drug Free Schools and Communities Act.

It's a bipartisan amendment that would restore the Governor's share to drug free schools at 20 percent, and establish a nonpartisan advisory committee that would map out the funding uses of the Governor's share.

H.R. 6, on the other hand, creates a new bureaucratic requirement that local schools spend a portion of their limited Federal drug free moneys for community outreach. The Governor's share is already doing just that very successfully in may States.

Mr. Chairman, as the gentleman from Wisconsin said, this will be Congress' last attempt, before the year 2000, to greatly influence the education reform movement. I hope that its a good influence and not another heavy handed, mandating, and complicating Federal approach to education.

□ 1120

Mr. KILDEE. Mr. Chairman, I yield 4 minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, I rise in support of H.R. 6, Improving America's Schools Act.

I first want to thank the chairman of the subcommittee, the gentleman from Michigan [Mr. KILDEE], for his unflagging efforts to reach consensus and report out a bill we can all support.

I also want to express my admiration for the chairman of the Committee on Education and Labor, the gentleman from Michigan [Mr. FORD], who presided over one of the longest uninterrupted mark-ups in history. Every member of the Committee on Education and Labor was given the opportunity to help craft the bill before you today.

H.R. 6 will help schools, students, parents and educators in every district in America. I want to tell my colleagues just a few of the many reasons why local schools and communities want them to vote for H.R. 6:

First, I am particularly proud of coordinated services, title X, in this bill. Recently, both George Will and David Broder, two newspaper writers who rarely agree, had separate columns in the Washington Post on how factors outside the classroom impact on students' ability to learn inside the classroom. Coordinated services, as authorized in this bill allows local public schools to use some of their Federal Education funds to join with other community partners to identify and make available health and social services that students need so that they can enter a classroom ready to learn.

Next, the chapter I programs that are currently helping educationally disadvantaged students in our local schools will be able to keep up their good work. The new formula in H.R. 6 makes poor schools in poor neighborhoods eligible for more money, while preserving the funding for current chapter I programs for all educationally disadvantaged children.

Under H.R. 6, a program that has already proven successful for math and science teachers has been expanded to give all core curriculum teachers new opportunities for professional growth and expanded technical knowledge.

Finally, even the school buildings in your district will benefit from H.R. 6. A 1991 survey found that 74 percent of the public school buildings in America are in such bad condition they should be replaced. With the help of a new Federal loan program in H.R. 6 local communities will create jobs by making needed improvements to deteriorating school facilities.

Mr. Chairman, a vote for H.R. 6 is a vote for local flexibility. I encourage my colleagues to show their confidence in their local schools and vote "yes" on H.R. 6.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Chairman, I rise in opposition to H.R. 6 and urge my colleagues to vote "no" on this bill called the Improving America's Schools Act of 1994. We would be hard pressed to think of a more inappropriate name for a bill that is nothing more than a power grab by the education bureaucracy.

It is amazing that Washington still does not get it. True education reform must be driven locally, by parents, teachers, local administrators, and the community as a whole. It is ludicrous to think that the Federal Government can successfully reform our failing public education system by setting a single uniform model for reform when our schools, school districts, and communities are as varied as the East is from the West.

An article in yesterday's Wall Street Journal bears witness to the fact that the education unions are unwilling to allow true education reform. They would rather maintain the failing status quo. Every time a truly innovative idea is brought up, the teachers' unions intimidate the majority in this body into imposing conditions that limit the success of reforms. Unwilling to relinquish their power to parents, principals, local administrators, and the communities in general, the education establishment maintains a vice-like grip on our schools.

H.R. 6 will do little to improve America's schools. It contains opportunity to learn standards which will do nothing to help children learn and instead, focus the energies of educators on endless bureaucratic debate about the condition of school facilities, professional development, the alignment of instructional practices with content standards, and the extent to which schools do not discriminate based on gender in policies, curricula, and instructional practices. While these are important, they are not essential to the education of America's children.

The compromise amendment that will be offered later in the debate will not change the fact that opportunity to learn standards will do nothing to help children learn. Making the standards voluntary simply delays what will inevitably turn into an unfunded mandate on the States.

H.R. 6 devalues the teaching of educational basics and fails to promote true education reform by omitting support for public and private school choice. It claims to enhance parental involvement, but in reality, it further demotes the role of parents in the education of their children. During the committee markup of the bill, an amendment that would have allowed parents to withdraw their children from activities they view as adverse to their children's personal beliefs was defeated. This is just one example of hostility toward parents embodied in this bill.

This bill was brought to the forefront by a group of educators who are normally silent on the content of Federal education bills. The home-school community has done a commendable job of making us all aware of provisions that would adversely affect them. While I believe strongly that we must protect the rights of parents to educate their children as they wish, I find in unfortunate that only the home-school provisions in this bill will be fixed. The fact remains that this bill is, in its entirety, caters to the education bureaucracy and epitomizes micromanagement by the Federal Government. The opportunity to learn standards continue the dangerous trend of avoiding the difficult task of enacting true education reform. We must stop passing bills that repeat the mistakes of the past. We must stop sanctioning failed policies by renaming them and declaring them the solution.

Mr. Chairman, I urge my colleagues to vote "no" on H.R. 6. Even if we pass all the so-called perfecting amendments being offered today, the fact remains that this bill is bad policy for education, for our children, and for the Nation.

Mr. KILDEE. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I want to begin by congratulating the chairman of the committee for his patience and his long perseverance on the effort to bring this bill to the floor. The hearings started in the early part of last year, and the deliberations continued up until the present, giving opportunities for all parties to be heard.

I want to congratulate Mr. KILDEE and congratulate his staff, and all of the staff of the various subcommittees that worked on the bill. The kind of monumental labor that went into this bill lets it be known that it is a big lie that the staff does very little, or we need less staff, or staff is irrelevant. Staff is very vital, and without well-qualified, knowledgeable staff, we would not have been able to produce this bill.

☐ 1130

All those who want to cut legislative staff should realize that they would be cutting very much into the quality of the production of good legislation for the American people.

I want to also make some general comments about the legislation before I talk specifically about the section which deals with drug-free schools and safe schools. I would like to say first that this is one component, the Elementary and Secondary Education Act is one component of the overwhelming effort that will be needed in America in order for us to revitalize our education system and be able to go into the year 2000 and the new world order with a system which is capable of meeting the needs of the new world order.

Now we have a real problem in that the involvement of the Federal Government is so minimal in education. We can increase that involvement and could increase that involvement greatly and still not at all tread on the feet of the prerogatives of local education boards and policymakers. I am all in favor of much more involvement, and even if we increase the Federal expenditure in education from the current 6 percent to 25 percent of overall educational expenditures in the country, it would still be only a small part of it, and 75 percent is still left for State and local government, which means they have 75 percent of the decisionmaking, 75 percent of the control. There is no threat to control if the Federal Government has greater involvement.

Education is a very important part of our national security. We do not need a bloated CIA anymore. But we do need to understand that a well-educated population is our first line of defense. We need to understand that in the global competition that we talk about all of the time, economic competition, competition for influence, competition for the minds of the people of the world, we are going to have to have a very educated population. We are up against nations who generally are more involved, their central government is more involved in education and our Government is not involved. The performance of our educational system as a result I think is much less than it could be. We are behind France, we are behind Japan, we are behind Great Britain in terms of the quality of the products that come out of our public school systems. We need this comparability with other nations. It does not hurt to have the Federal Government get more involved. Both the last President and the present President recognized that, and all of the Governors throughout the States recognize the need to get the Government more involved.

The Governors' Conference came out with six goals. I am all in favor of those goals. They came out with a proposal that we have standardized content in our curriculum so that those goals could be met. I am all in favor of that as long as it does not go overboard and cramp creativity at the local level.

They also want standardized testing and assessments to be uniform across the country, basically, or to have a lot in common even though they may not be the same from State to State. They want to impose this testing, this assessment on the children to see how well they have stood up under this standardized approach and met the requirements of this standardized curriculum. I say that is OK too.

There is a third element necessary, however, and that has become very controversial. We heard it mentioned a couple of times already. The third requirement should be that we need a standard that we hold up to the various local education agencies and States in terms of the provision of an opportunity for children to learn. We know they need to have what is necessary to meet those goals that we want met. They need, in order to pass the test that we are going to give: They need to be able to have the best books in the library; they need to have the best equipment possible in the science laboratories; they need to have basically safe schools where lead poisoning and asbestos are not a problem. All of these things have to be a part of our consideration of going forward with revitalizing America's schools.

If we have standards for content which are uniform throughout the country basically, if we have standards for testing which are uniform throughout the country basically, and we give tests based on the children's ability to comprehend that curriculum, I can tell Members right now where most of the failures would be. We know where the failures would be. They will be in the areas where the teachers are not qualified. They will be in the areas where the library books are 30 years old. They will be in the areas where there are no science laboratories. We can tell. So it is necessary to have the third set of standards. They are no more mandatory than the first two. The first two are not mandatory and neither are the opportunity to learn standards. These are really models that are set forth as to how we should go about approaching, providing the delivery system for young people so that we are not inflicting upon young people a set of tests, required tests, and not giving them the means to meet those standards in those tests.

I agree we should have uniform standards a curriculum which prepares our youngsters to meet the competition of the new world order. Geography is one of those subjects. We are going to have a requirement that all youngsters learn geography, and great. But the geography books in most of the libraries in my congressional district are 30 years old. The history books are 30 years old in the libraries. If they are going to learn geography from 30-year-old books, we know the geography that they learn will be dead wrong. It is important to know geography in order for us to compete if we are trading worldwide in the markets of the world. And it requires that we under the psychology of the people that we are dealing with. And our diplomacy requires that we understand the religion and the culture of the people we are dealing with. We made enormous mistakes in foreign policy because we did not understand the Middle Eastern culture or the Far Eastern culture. We only understood Western cultures. There are many reasons why it makes sense to have these new content standards, and it makes sense to have a set of assessments so that we can find out whether schools and school districts and States are really seriously trying to meet those standards.

But the third part is also very much necessary. The children of America will look at the Governors and the President and the Members of Congress and say, as the little kid in Hans Christian Andersen's tale said, that the emperor has no clothes on. If we are really concerned about reform and really going to promote reform, really going to help revitalize our schools, and the children will say if you really want to help us go into the year 2000 and the new world order and be able to compete with a magnificent world-class education, then you cannot do that without having some considerations given to what it takes in order to meet those kinds of standards and what children have to have: laboratories, books, equipment, teachers who are teaching science who majored in science in college, or teachers who are teaching math who majored in math in college.

A survey was done in New York City a few years ago by the Community Service Society which showed that in two-thirds of the city where the students were predominantly African-American and Latino, none of the teachers who were teaching science and math in junior high school had majored in science and math in college. How can those students take tests and meet world-class standards if they do not have teachers who know the subjects they are teaching?

The emperor has no clothes on, 50 Governors have no clothes on, the President has no clothes on, and Members of Congress have no clothes on if they are going to go forward with educational reform and leave out this vital component.

So we will talk more about that in greater detail later. But it is very important to let us get off to a good start in understanding that we cannot swindle; we should not promote a program which swindles the American children. The children of America deserve better. They need a truth in educational reform approach, and what this opportunity to learn standards does is to give us truth in educational reform. There can be no educational reform truly unless we have the opportunity to learn standards.

Finally I would like to talk about the section of the bill which was under the jurisdiction formerly of the Subcommittee on Select Education and Civil Rights, the drug-free schools bill, which is a magnificent effort by our Congress, launched some years ago to meet a pressing need, and has had a mixed success. We know from our hearings that in some places they have done magnificently well in taking very minor amounts of money and turning those minor amounts of money into real programs that have made a difference in terms of changing the drug culture that was developing in our schools.

The problem stretches from one end of America to the other. It is in the rural areas, the suburban areas, and the inner city areas. In all of these areas we have had various programs which are model programs, and we are going to continue those model programs.

□ 1140

The drug-free schools programs will continue, and the impetus, the initiative that started the drug-free schools will now be expanded into safe schools.

The sixth goal that the Governors and the President came up with was that we should have safe schools and safe school environments, drug-free schools and safe schools, and to meet that, the drug-free schools initiatives is being folded in under the Elementary and Secondary Education Act along with a new initiative called safe schools which will merge, and all of it will be designed to deal with the pressing problem in our society of youngsters who are being misled by the appeal that they are bombarded with by mass media, being misled by their peers who are yielding to a more glamorous and seemingly exciting lifestyle and we need to anchor in the schools some of the things related to values that have not been done in the homes.

The Safe Schools Act, for example, is an act which provides an opportunity for schools to become as creative in the area of safe schools in general as they were with drug-free schools, so they can come forward with a plan of their own.

None of the money can be used to buy hardware like metal detector machines, so the onus is on the school systems, the teachers, the parents all to come forward with ideas which deal with changing the mindsets of our youngsters. I founded a group called the Martin Luther King Commission in central Brooklyn, and that commission focuses on a number of initiatives to improve education. One of the actions is moving into the schools with a curriculum of nonviolence, a curriculum of conflict resolution, projects to promote conflict resolution. We have an essay contest every year, and we give away $10,000 in prizes for youngsters who write on the subject of how to resolve conflicts and various aspects of Martin Luther King's nonviolent approach to problem solving.

There are many ideas like that out there, many approaches.

The best of them should be allowed to flower, and then we should replicate them.

This is a great bill we have here today. I urge all of my colleagues to pass the bill basically as it is.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM], a member of the committee.

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, like all bills, there is not all bad in this bill, and there is not all good.

First of all, this is my sophomore year, and this bill, I think, the chairman, the gentleman from Michigan [Mr. FORD] and the gentleman from Michigan [Mr. KILDEE] have worked harder on this bill to make it a bipartisan bill than they have in the past. I want to thank my colleagues for that. They have worked out a lot of compromises.

The gentleman from Pennsylvania [Mr. GOODLING], the Republican leader on the Education Committee, has worked with the majority party, and I think there are many good things in this bill.

Title I funds for underprivileged children: It was targeted to the inner cities which took away from the amounts of dollars for the rural areas and also the suburbs. A poor child in those areas is just as important as a poor child in the cities, and my colleagues on the other side of the aisle, the gentleman from Michigan [Mr. KILDEE] along with Dr. Payzant and Secretary Riley, worked out a compromise formula, and I believe in targeting, the moneys were not taken away from the rural areas. That was fantastic.

The bipartisanship that went on was good in the bill.

The impact aid, although underfunded, there was a compromise, and an amendment was removed which in my opinion made the bill a little more palatable.

The Eisenhower plan, which allows for teacher training and upgrades so that our students get better training, those are all good. But quite often the Government gets involved to where the moneys we give to the schools are eaten up by the advanced paperwork. If you can imagine giving a school, say for example, $20,000 in an opportunity to learn program, and then you mandate so much paperwork and bureaucracy that those dollars are eaten up, we take away the original process and the reason why we are trying to give those funds.

The opportunity to learn provisions in H.R. 6 are much more threatening to State and local education officials than the same provisions we saw in Goals 2000 language. These standards are not voluntary, and unfunded mandates, and all of us talk about unfunded mandates, and we will not support them.

Opportunity to learn, as it exists, is unfunded and is a bad portion of this bill. I hope we can work out some compromise, Mr. Chairman.

Mr. KILDEE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in strong support of H.R. 6 and would like to congratulate my subcommittee chairman, DALE KILDEE, and his staff for their extraordinary work on this bill. And to our distinguished full committee chairman, BILL FORD, let me express my genuine admiration and respect for the legacy you will leave when you retire at the end of this year. You have produced a body of law that protects the rights and advances the well-being of millions of children, students, working and retired Americans.

As one of the original authors of the ESEA, one of the greatest achievements of this body, BILL FORD must be extremely proud of the challenge and optimism that this bill represents. Along with Goals 2000, this remarkable reauthorization will finally bring the Nation's education needs into full partnership in education reform at the State and local level. For too long efforts to reinvigorate our public schools have been pulled in so many contradictory directions that real progress has been impossible to measure.

With Goals 2000 as the framework, and this reauthorization as the vehicle, we will by laying the foundation for real, sustainable systemic education reforms. The content and student performance standards, which are the primary organizing principle of both bills, are the core around which curriculum development, professional development and improved student assessment can be built. To meet local needs.

H.R. 6 does not provide a single-source Federal solution to our Nation's education problems; it recognizes the incredible diversity of schools and school districts and provides encouragement and incentives for schools, administrators, teachers, students, and parents to work together to improve student achievement.

Mr. Chairman, this reauthorization bill also incorporates two related changes in policy that, frankly, are long overdue. For the first time, we will distribute funds under the chapter I program directly to school districts, rather than counties. And those allocations will be based on poverty data that is updated every 2 years, rather than on numbers from the decennial census that quickly become outdated.

Those seemingly small changes will help us drive chapter I dollars with more precision to those communities that are most in need. At the same time, they will help alleviate the profoundly disruptive effects of large shifts in funding between States after each census.

Right now, we only get reliable poverty estimates below the national level once very 10 years, from the census. That data gets old quickly.

During the 1980's, the number of poor school-age children increased by as much as 67 percent in some States, and decreased by as much as 34 percent in others. Yet up until this past school year, we were distributing billions of chapter I dollars annually based on poverty data that reflected 1979 economic conditions. And then every 10 years, huge numerical shifts cause enormous funding dislocations at a single stroke.

That is simply unwise and unsound policy.

H.R. 6 provides for the distribution of chapter I funds based on poverty numbers updated every 2 years throughout the decade. Last November, the House passed legislation I sponsored to require the Census Bureau to produce poverty numbers every 2 years for States, counties, cities, and school districts.

The availability of more timely measurements of poverty will help target Federal education dollars toward our most disadvantaged students.

Concurrently, driving funds directly to school districts, instead of to larger and often more economically diverse counties, will ensure a greater share of resources for schools and communities with large numbers of poor children or high concentrations of poverty. Even communities that lose population overall may face increases in concentrations of impoverished children. This formula recognizes those needs.

More timely data. More precise measurements for driving dollars to the local level. Those are but two of the many reasons why we should support the bill reported by the committee.

I would like to thank all my committee colleagues who worked with me on the Dwight D. Eisenhower Professional Development Program and Educational Technology Programs that are now part of title II of the bill. Both these provisions will make substantial investments in education reform. With national and State standards for the content of the curriculum taught in our schools rising to world class levels, the professional development of our teaching force has never been more critical. As Michael Kirst of Stanford University has said, "education is won or lost in the classroom where teachers meet children". The Eisenhower Professional Development Program will put resources and incentives in the hands that need them—our Nation's teachers.

The Educational Technology Program, hand in hand with the Eisenhower Professional Development Program, would provide venture capital to State and local educational agencies. In partnership with the private sector it encourages and supports the development and use of educational technology to improve teaching and learning in America's classrooms. And it ties that effort to State and local curriculum reforms.

Mr. Chairman, I urge my colleagues to support this bill. I believe it represents the most fundamental change in our Nation's federally supported K-12 education programs since 1965, when this landmark law was created.

It was an honor to have been a part of the work of this endeavor.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON].

□ 1150

Mr. WELDON. Mr. Chairman, let me first rise and commend the gentleman from Michigan [Mr. KILDEE], for his leadership in this effort and the gentleman from Pennsylvania [Mr. GOODLING], for his leadership.

Let me say that some of our colleagues here just do not get it when it comes to education. I rise in support of many of the provisions in this particular legislation primarily because I guess I am one of the few Members of Congress who was not an attorney before coming here. I am a classroom teacher. I spent 7 years in some of the most depressed communities in Pennsylvania, not only teaching in the classroom but running for 3 years a Chapter I Program, then called title I. I also worked on the ESEA title III program back when it was first established.

I applaud the committee's action which they have taken in regard to chapter I, now title I. It is a great program. It works. Educationally and economically deprived kids are being helped. It is a proper role for the Federal Government. We should support it, and I do support it.

We should support chapter II. It is a good program. If you listen to your local school boards and teachers, they will tell you the one positive thing they have coming from Washington is the ability to buy new technology, to improve and build innovations; and chapter II does that. This committee in this legislation has done a great job.

But, you know, Mr. Chairman, as I listen to people around the country and look at property taxes in Pennsylvania, we do not get it down here, because the biggest problem with local education—and I say this as a former vice president of my education association—is not that we need more money, it is that we need less mandates.

We have got to understand in America the bottom-line message coming from school boards and coming from teachers is, "Don't mandate something on us unless you are willing to pay for it."

Mr. Chairman, I will at the proper time include in the RECORD a letter to me from the mayor of Philadelphia, Edward Rendell, who said in 1960 there were two mandates on State and local government, in 1990, 61—a 3,000 percent increase.

The Governors' Association, the Mayors Association estimate $54 billion of costs we pass on to the local schools because we mandate everything from asbestos removal to underground storage tanks, to special education, which I support but which we do not fund fully. It has got to stop.

The one onerous provision of this legislation that has got to be dealt with is the opportunity to learn standards. Make no mistake about it, we cannot advocate something unless we are willing to pay for it. If you are not willing to put your vote up to pay for a program, do not tell State and local governments that they have to do it, because all you do is compound the problem. You cause outrageous frustration with local school boards, you have the teachers blamed for the increased costs of education, when the bulk of the problem lies right here in this Chamber.

We are the cause for the excess costs of public education in America. We still do not get it. Some of us still want to think that central planning and central control is the way to improve and control the public schools of this country. That is not what we are hearing across America, and I urge my colleagues to support the legislation because it does many good things, but to support the amendment to remove the opportunity to learn standards. That is not what our system is about, that is not what our people want, and that is not what our educational leaders want.

OFFICE OF THE MAYOR,
Philadelphia, PA, October 26, 1993.

Hon. CURT WELDON,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CURT. As you know, unfunded federal mandates are placing an increasingly unfair burden on state and local governments. The U.S. Advisory Commission on Intergovernmental Relations reports that federal laws regulating state and local governments increased from 2 in 1960 to 14 by 1990, 36 by 1980 and 61 by 1990—a 3000% increase. By being forced to comply with such mandates, state and local officials must reprioritize budget decisions and, as a consequence, many valuable programs suffer from lack of funding. We are often forced to reduce the number of police and firefighters that protect our city as well as funding for sanitation, recreation, parks, libraries and health care in order to pay for the cost of these unfunded mandates. I am enclosing background materials that more fully detail the magnitude of the problem.

Fortunately however, legislation has been introduced that offers a possible solution to this problem: Senator Kempthorne's Community Regulatory Relief Act—S. 993 (attached). This bill requires Congress to assume all costs for any mandate it wishes to impose on state and local governments.

I urge you to do everything you can to ensure that this bill is enacted. Your support of this important piece of legislation will enable elected officials nationwide to regain control of significant portions of their own budgets and to better respond to the needs of their communities. If you need any additional information regarding federal mandates, please contact Mark Gaige of my staff at (215) 686-2060.

Sincerely,

EDWARD G. RENDELL,
Mayor.

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. FAWELL], a member of the committee.

Mr. FAWELL. I thank the gentleman for yielding to me.

Mr. Chairman, I am not able to support H.R. 6 at this time, but I am hopeful that things can be worked out so that it is legislation that I can support. We will see what happens.

Mr. Chairman, I rise in opposition to the current draft of H.R. 6. First of all, I would like to express my support for Congressman ARMEY's efforts to correct a serious flaw in the bill, thereby protecting home schoolers from Federal regulation. I have received hundreds of calls from parents who have opted to teach their children at home, because of concerns they have regarding the quality of public schools or subject matter taught at public schools. The Federal Government has no basis for regulating these parent-educators and schools. Requiring that home schoolers be certified in every subject that they teach would effectively eliminate the ability of parents to teach their students at home.

With regard to H.R. 6 as a whole, our staffs have worked in a bipartisan fashion throughout the last several months to craft legislation to provide continued Federal aid to elementary and secondary schools, and assist States and localities with their efforts to reform their schools. The resulting reauthorization proposal enjoyed the support of the vast majority of our committee's membership.

I recently met with a group of educators in my district regarding this proposal, and the Goals 2000 legislation. Many stressed that failed reforms at the local level were usually the result of a lack of broad-based community support behind the reform efforts. Unfortunately, we have experienced the same problem at the Federal level. Despite the existence of broadly supported national education goals since 1989, we have been unable to agree on consensus legislation to codify these goals and help the localities to meet them. The Nation's children have suffered from our inability to forge a consensus on this important issue. With this in mind, I was extremely pleased that our committee was working in a bipartisan fashion on this important legislation.

Regrettably, this bipartisanship broke down during the committee markup of H.R. 6. Unfortunately, as the bill moved through the committee process, the proposal was loaded down with a teacher certification requirement which could apply to home schools, increased paperwork requirements, Federal mandates, $1.1 billion in new programs which will compete with existing and widely supported programs for scarce Federal dollars.

Like Goals 2000, the most controversial element of the proposal is the opportunity to learn [OTL] standards added by the Owens amendment during committee consideration. The philosophy behind OTL standards is that if a school does not provide resources deemed necessary by the Federal Government and the State, we cannot expect children to be able to learn. At President Bush's 1989 Education Summit with the Governors—including then-Governors Bill Clinton and Richard Riley—all participants agreed that the Nation's schools needed better results, not just more money. National content standards—what we expect students to know—would be set at world-class levels, and assessments would be used to determine whether students were mastering the curriculum. Teachers and principals would be given the necessary flexibility to find new ways of making their schools work, but would be held accountable for increased student achievement. Opportunity to learn standards represent would abandon this emphasis on results to emphasize school inputs.

As a result of the OTL standards, States would be required to develop school delivery standards addressing eight specific areas, including the quality and availability of curriculum; the access of teachers, principals, and administrators to professional development programs; the quality of school buildings; and any other factors which a State decides upon.

These standards are not voluntary. State education agencies will be required to develop them, and if a State does not, the Secretary of Education can withhold all of the State's chapter 1 allocation. Each State, local education agency, and school will have to review all of their policies, curricula, and instructional practices to ensure they are providing an opportunity to learn. In effect, the Federal Government will mandate that schools provide up-to-date textbooks, new computers, laboratory equipment, teacher training programs, building repairs and construction, and new gender equity programs without providing any funding for these purposes. This is precisely the type of unfunded mandate which our Governors and mayors have rebelled against. As Roy Romer, Colorado's Democrat Governor recently argued, "You don't want to get into the business of defining how many textbooks we have, and we don't want to get into the business of filling out forms."

Furthermore, these standards will result in a flood of lawsuits against States, local education agencies, and schools. An Alabama State court recently ruled that the K–12 State school system is unconstitutional because it does not provide students with an adequate education. Virtually all State constitutions require that States provide students with an adequate public education. If we provide an operational definition of what constitutes an adequate education, we invite parents and interest groups to sue schools which fail to meet the required standard. Likely to be lost in the effort to meet these opportunity to learn standards is how to help children with what they need to know to be productive citizens and workers.

For too many years, we have attempted to measure the quality of our schools by measuring inputs such as the credentials of school personnel, teacher-student ratios, and the amount of money spent per pupil. Despite these standards already utilized, few would argue that our schools are doing the job to prepare students for success in an increasingly competitive world. In fact, the American Legislative Exchange Council [ALEC] and Empower America recently released a report, "Report Card on American Education 1993," which reveals that despite a 62-percent increase—in constant 1992 dollars—in education funding over the last 20 years, there has been no significant improvement in student performance. In addition, the report found no statistical correlation between per-pupil expenditure and student achievement. In fact, Utah which had the lowest average per-pupil expenditure of any State, also had the fourth highest SAT scores and ranked eighth among States in the National Assessment on Education Progress.

Mr. Chairman, I am hopeful that the opportunity to learn issue, and other problems in the bill such as its potential for increasing regulation on private, parochial, and home schools can be corrected through amendments. Regrettably, if this is not the case, I will be forced to vote against H.R. 6.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. MILLER], a member of the committee.

Mr. MILLER of Florida. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, H.R. 6 cannot pass the House in its current form. Somewhere along the line the bill lost track of our tradition of allowing States, local school boards and families to develop education policy and, instead embarked on a mission to intrude and mandate educational policies on a national level.

The 1994 legislative agenda is certainly the most aggressive since the Great Society days of the 1960's or the New Deal days of the 1930's. With health care reform, welfare reform, and a major crime bill, we will be busy. The major debate on these issues focuses on the role of the Federal Government versus the local and State governments. The role of the Federal Government was greatly expanded in the Great Society days of Lyndon Johnson and today we are looking at a bill that makes a giant Lyndon Johnson leap to increase the role of the Federal Government in elementary and secondary education.

Like the other members of the committee committed to the ability of local school boards to develop appropriate education policy, I voted against reporting this bill to the floor. The bill has too many mandates that are both excessive and intrusive.

The bill is too expensive. The programs added by the leadership total $1.1 billion in additional spending above and beyond the request made by the President.

Not only does the bill add $1.1 billion in new programs, it also reinstates $62 million of programs targeted for elimination by the President, who called many of the programs worthy of termination or unneeded.

I do not see why we are authorizing $13 million for the education of native Hawaiians when the President said native Hawaiians can receive sufficient funds under such formula grant programs as Title I, Even Start, and Special Education. Did we forget our intent to focus scarce Federal dollars on broad national education concerns, rather than on specific constituencies?

This bill is too prescriptive and restrictive. Mandating teacher certification is an infringement on the traditional rights of State and local educating agencies.

The Federal Government is entering the jurisdiction of local and State educational concerns, for the first time, by mandating teacher certification for full-time teachers. For the Federal Government to tell local schools who they can hire is a scary thought.

The bill dictates how to make education work for all States in its opportunities to learn mandate. It is an unfunded mandate. This provision requires schools to set opportunity to learn standards and issue annual reports on everything from how many textbooks the school has, to classroom size, to what kind of computers the school can buy, but provides no funds to do so. Therefore, schools will be forced to implement this mandate with chapter I funds, neglecting economically disadvantaged children in favor of fulfilling a new Federal mandate.

I do not believe that President Clinton or Secretary Riley, both former Governors, really want this expanded role for the Federal Government. It wasn't the bill they brought to us last year.

Now, let us either clean this bill up or reject it and start over. Think about it, we provide only 5 percent of the funds to local educating agencies and we're mandating 100 percent of their activities.

Mr. KILDEE. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 6 and would begin my comments by heaping accolades on the gentleman from Michigan [Mr. KILDEE] and his staff and the entire staff of the Committee on Education and Labor for their hard work and diligence.

I would also like to commend the gentleman from Michigan [Chairman FORD]. I think his legacy is served by this legislation and by legislation like direct loans and Goals 2000.

Mr. Chairman, last year the House Education and Labor Committee began the task of reexamining the Federal Government's programs to assist elementary and secondary schools in our Nation. The committee 13 months ago began crafting a comprehensive reauthorization of the Elementary and Secondary Education Act of 1965 that provides local education agencies with more freedom in how they use Federal education dollars. In exchange for this flexibility, we will now demand greater educational achievements in our Nation's schools.

We are not saying unfunded mandates, we are not requiring States to do all kinds of new things; we are challenging our schools and our teachers, going into this new century, to meet some higher standards.

I think this reflects Abraham Lincoln's adage, "As the times are new, we must think anew and act anew."

One of the major components of this bill is the Title I Program which provides compensatory education to educationally disadvantaged students. I believe that the committee crafted a title I formula which will effectively target limited Federal resources.

Some may argue that this formula does little to concentrate title I dollars to high poverty areas. I believe that the bill does contain this targeting, but it does not do so at the expense of other less poor but still needy communities.

I do not think that the Title I Program needs to have winners and losers. I think that all students, whether they live in Chicago, Washington, DC, South Bend, IN, should be given the educational resources they need to excel.

□ 1200

I believe that H.R. 6 goes a long way toward achieving that goal, Mr. Chairman, and I would also like to applaud the administration and President Clinton, particularly Secretary of Education Riley. Mr. Riley has done great work on getting additional moneys into this continuing account: 659 million additional dollars will go into this, and we need to continue to concentrate our precious resources on children at risk.

I am also pleased that H.R. 6 places a high priority on professional development. We cannot get our teachers the skills that they need and then say to them in Goals 2000, "We need better math and science scores; we need safe, drug-free schools," without investing in our teachers.

I do, however, have serious reservations about the chapter 2 program in the bill. The initial reauthorization proposal would have applied existing chapter 2 resources to the Eisenhower Professional Development Program. I continue to believe that we need to focus our resources on professional development and not on a duplicative program which studies indicate does little to foster local school reform.

I do think that we need to have some clarifying language, Mr. Chairman, on this bill not affecting the rights and privileges of people to home school their children and that States and local governments should address that problem. That is not what the Federal Government should be doing in this bill, and I think the gentleman from Michigan [Mr. FORD] and the gentleman from Michigan [Mr. KILDEE] will offer language later on reassuring that parents in this country can give home schoolers the right to continue that by saying that the State and the local governments should act on that and that nothing in this bill threatens that opportunity for parents to take that action.

The reauthorization process was guided by one principle: the need to enable all students to reach high standards. I believe that H.R. 6 will help students and teachers accomplish this goal. Most important, the bill will provide a solid foundation for our Nation's education system to excel into the next century.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. PETRI] who has been very active in the formula fight.

Mr. PETRI. Mr. Chairman, H.R. 6, Improving America's Schools Act, reauthorizes and amends most of the Federal Government's programs of aid for elementary and secondary education. This legislation will affect virtually every public school in the country and has the potential to be a powerful tool for education reform. The Committee on Education and Labor has spent more than a year in considering this legislation and, for the most part, the process has been bipartisan.

I am pleased that the title I funding formula authored by the gentleman from Michigan [Mr. KILDEE] and myself, and passed in committee by a vote of 40 to 2 is included in this legislation. I believe this formula is fair and equitable to all regions of the country. This formula ensures that disadvantaged children, in both urban and rural areas, will continue to receive the Federal assistance they need.

The Kildee-Petri consensus formula consists of two parts. The first part, for money up to the fiscal year 1994 level is based on current law. However, targeting is increased by calculating these grants at the local education agency level rather than by county as is currently the case. In addition, the poverty estimates used for the calculation of these grants will be updated biennially, as opposed to decennially as is currently the case. This will help reduce the drastic funding shifts which have occurred in this program following each census.

The second part of the formula, used to distribute new appropriations over and above the fiscal year 1994 level, will be calculated using a weighted pupil factor based on the percentage of families living in poverty in the local educational agency's area. All disadvantaged children will get some help from the new title I money, but those living in areas with high concentrations of poverty will get slightly more. These grants will also be calculated at the LEA level, and poverty estimates will be updated every 2 years.

This formula represents a true compromise. And, in the spirit of a true compromise everybody wins, but no one wins completely.

Another provision which I support is the inclusion of charter schools language. The committee adopted an amendment that would authorize the Secretary of Education to make grants for the planning and startup of charter schools. Charter schools are public schools in which teachers and principals are empowered to try innovative new methods to better meet the needs of students. In exchange for the waiver of some statutes and regulations which often stifle public education, charter school administrators agree to ensure that their students achieve high standards.

Unfortunately, there are still provisions in this legislation which cause me great concern. I firmly believe that improvement of our education system must come form the local level. The Federal role in education should never be to dictate reform from Washington. Rather, it should be to help give our communities the tools they need to best serve their students based on their own firsthand knowledge.

With this in mind, I am particularly concerned with a provision in the bill which requires teacher certification of all teachers in any State receiving title II funds. It is not the role of the Federal Government to dictate to States whether or how they certify teachers. In addition, there is great concern that this provision could require the certification of those who teach in private schools or choose to school their children at home. Whatever one's view of home schooling, it is a matter which has traditionally been left to the States and we should not be trying to effectively outlaw it at the Federal level by stealth. I am pleased to note that the gentleman from Michigan [Mr. FORD] and the gentleman from Texas [Mr. ARMEY] will both be offering amendments to fix this problem. I will certainly support such a fix and I urge my colleagues to do the same.

I am also concerned that language in the bill requiring the development of very specific "opportunity to learn standards" may create a new, unfunded Federal mandate on States, local education agencies, and schools, and at a minimum has the potential to generate a tremendous amount of needless redtape and litigation. Of greater concern is the possibility that these federally mandated standards could erode the traditional State and local roles in curricula development, teacher training, and facility construction and maintenance. The gentleman from Michigan [Mr. KILDEE] will be offering a compromise amendment to remove the burden which these standards would otherwise impose on State and local governments. I will be supporting this amendment, and again, I urge my colleagues to do likewise.

Mr. Chairman, when the committee began this process over a year ago, it set out to provide State and local education agencies with the tools they need to help children learn to higher standards. To a large extent, H.R. 6 accomplishes this. I do remain concerned over certain provisions in the bill. However, I am hopeful that many of these problems can be worked out as we proceed.

Mr. KILDEE. Mr. Chairman, I want to commend the gentleman from Wisconsin [Mr. PETRI] for his great work on the formula. We generally have had formula fights, and with his input we put together the Petri-Kildee formula which we worked out with Secretary Riley.

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I rise in support of H.R. 6, the Improving America's Schools Act as reported out of the House Education and Labor Committee, and in opposition to any weakening amendments or substitutes.

H.R. 6 is the product of over a year's worth of intensive review by the Education and Labor Committee on the Nation's existing educational system. I applaud Chairman KILDEE, Chairman FORD, and my fellow committee members, on both aisles, for their commitment in crafting a fair, innovative, and comprehensive education bill. The legislation represents a systematic approach to educational reform, follows the framework set forth in Goals 2000, and includes needed program improvement changes.

H.R. 6 reauthorizes and restructures most Federal elementary and secondary education programs in an effort to assist States and school districts in their school reform efforts. The legislation permits increased flexibility on the State and local levels with improved accountability requirements if expected achievements are not met. In addition, H.R. 6 does not reauthorize 12 existing programs which have been proven to be outdated or ineffective. Instead, H.R. 6 includes new, innovative, and systematic education reform strategies and programs.

As everyone knows by now, H.R. 6 reformulates the title I funding formula and increases local and State flexibility. However, H.R. 6 also contains several lesser known but equally important provisions, including the Technology Education Assistance Act, the Library Media Program, the School Facilities Improvement Act, the Civic Education and Ellender Fellowship programs, and an Urban/Rural Education initiative.

In addition, H.R. 6 contains the Community Arts Partnership Act, which I introduced in August of this year. Since that time, this legislation has gained the support of over 30 House Members and has been endorsed by over 100 arts and education organizations.

The reasoning behind this initiative is simple. The arts have recently been included in the national education goals. This is certainly appropriate since research has shown that the arts play an invaluable role in educating our children. The arts have been shown to aid in the development of higher-order thinking skills; an increase in multicultural understanding; an enhanced learning environment; improved self-esteem and positive emotional responses to learning; and engagement of a variety of learning styles. In addition, recent budget constraints have placed tremendous burden on local and State agencies, and as a result, school arts programs are often the first to be cut or eliminated. Many States, including New York, now have a mandated arts curriculum. However, with no resources, it is often totally ignored.

In summary, the Community Arts Partnership Act authorizes the Secretary to award demonstration grants to Title I eligible LEA's to work in partnership with local cultural organizations and institutions of higher learning to improve the educational performance of at-risk children and youth by providing comprehensive and coordinated educational and cultural services. The provision is designed to provide seed money to leverage resources from community cultural institutions for the benefit of the LEA's. This program is a cost-effective, and inventive method to facilitate innovative education strategies at the local level.

In conclusion, H.R. 6 in its current form will clearly serve as an important vehicle in redirecting the Federal Government's role in education. I urge my colleagues to support H.R. 6 in its entirety, opposing any weakening amendments.

□ 1210

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I want to thank the ranking member for being so kind as to give me some time on this issue.

Let me ask my friends, what is the most important lesson that the world has learned in the last 20 years? I think that lesson is that big government does not work, and yet this bill, H.R. 6, is an exercise in big government. It is an exercise in unfunded mandates and it is an exercise in micromanagement.

I think that if we look at all the students that are enumerated and manifested in this bill and we look at what has gone before, we can only come to the conclusion that now a great deal of the taxpayers' money will be spent in a bureaucracy to maintain those mandates and those standards rather than being spent in that critical time between teachers and students.

Mr. Chairman, let me speak for just 1 minute about what I consider to be one of the most critical aspects and most damaging aspects of this bill. A reasonable reading of this bill shows, I think, that there is a threat to home schooling.

Let me talk for just a minute about mothers and fathers. Mothers and fathers, all experts agree, are critical to the education of our young people. They are critical to the success of our society, and they are critical to bringing down crime rates, bringing down irresponsible behavior, and rebuilding American society. So why is it that the education bill that we have put together for work on the House floor today is a bill that divides American families and takes American mothers and fathers who choose to home-school away from their children?

There are a lot of things that mothers and fathers cannot provide to their children. A lot of moms and dads in this country cannot guarantee a large sum of money to their children, they cannot guarantee them automobiles, and maybe some of them cannot guarantee good clothes. Maybe some of them cannot guarantee that they can afford a college education, but what many of them give to their children is themselves, and they give themselves to their children in home schooling. They spend a lot of hours in home schooling, preparing themselves. They sacrifice greatly, because they are paying taxes to support the public schools, and yet, because they consider their children to be the real treasures of their lives, they undertake to sacrifice and they home-schools their kids.

I respect those moms and dads, and I think it is time for this Congress to respect those moms and dads.

There is no President of the United States, there is no Congressman, there is no school administrator, and there is no teacher who is as important to the education of a young person as his or her own parents, and for that reason alone, we should vote down H.R. 6.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me note that on the alleged unfunded mandate, the opportunity-to-learn standards, we have reached a compromise so that it will not be an unfunded mandate.

I also wish to note that the gentleman from Michigan [Mr. FORD] and I will be offering an amendment that will make it abundantly clear that in no way does this legislation affect home schooling. It does not affect it as written, but when people have fears that it might be affected, I think we should respond to that, and we will respond to that. But it was never the intention of the legislation to affect home schools, and we will be offering an amendment to make sure that is abundantly clear.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I am happy to yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding, and I appreciate his statement that this language is going to be clarified, because as I read the language and the terms, "elementary," "residential school," and "nonprofit," with all those terms in the context in which they were placed, I think they raise legitimate fears with parents who are concerned that this will affect home schooling.

Mr. KILDEE. Mr. Chairman, whatever the case may be, I do not read it that way and the attorneys do not read it that way, but we will nevertheless respond to those terms with very clear language.

Mr. HUNTER. Mr. Chairman, I thank the gentleman.

Mr. KILDEE. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank my friend, the distinguished gentleman from Michigan [Mr. KILDEE], for yielding this time to me. I thank the gentleman who is the chairman of the subcommittee, and also the chairman of the full committee, the gentleman from Michigan [Mr. FORD], and the ranking minority member, my good friend, the gentleman from Pennsylvania [Mr. GOODLING], who have done such an outstanding job with this legislation.

Mr. Chairman, I rise in support of H.R. 6, the Elementary and Secondary Education Act reauthorization. This important piece of legislation, along with the Goals 2000 bill, links Federal education aid to high standards for achievement, to accountability, and to consequences for poor performance. Experience has shown that without that kind of framework, all the money in the world won't improve our troubled education system.

Of course, adequate resources are a crucial piece of school reform. Dilapidated school buildings, inadequate teacher salaries, and outdated textbooks are all barriers to student achievement. We should spend more Federal money on education than we do, which is one feature of H.R. 6.

But meeting our national education goals will take more than money. It requires Federal policies that require performance and hold States, school districts, and schools accountable for results.

Federal education programs were designed to augment State and local investments, and encourage certain education priorities at the State and local level. Federal funds were never intended to do it all. In fact, the $12.4 billion H.R. 6 authorizes for the next fiscal year isn't even 5 percent of the $279.4 billion spent on elementary and secondary education in this country last year.

H.R. 6 recognizes, particularly with some of the ways in which it changes current law in titles 1 and 2, that systemic school reform must be an important goal of Federal education aid at this moment in time. Our investment is needed to leverage broad and basic change: Better trained teachers, more challenging and effective curricula, coordinated—often school-based—health and social services, safer school environments.

Secretary Riley could not have stated the goal better than he did in his speech at Georgetown last week: School improvement is a critical part of getting America to "connect up again with our children." In fact, every piece of legislation we work on in the fields of education, health care, and social services must be part of what Secretary Riley calls "A campaign for the future of our children." Otherwise, we are failing to meet the greatest challenge our Nation faces today—namely to reestablish the connection between parents and children, and between communities and schools. And, indeed, we at the Federal level must connect our education policies with the urgent needs of schools throughout this country.

Obviously, the Federal Government couldn't possibly implement these changes—Congress is not the great school board in the sky. But it is absolutely within our power to encourage and expect school improvement. H.R. 6 is a step in the right direction, but I hope that by the time this bill is signed into law and by the time this Congress adjourns we will have gone even further.

We need to do an even better job of marshalling our resources across programmatic lines and across Federal departmental lines. The coordinated services section of H.R. 6 is a start. So is the expanded schoolwide option in title 1, which I strongly believe should be opened up even further.

But experience around the country indicates there is further untapped potential in even broader State and local flexibility in Federal funding for education, social services, and health care.

Secretary Riley in his speech last week discussed what I believe could be the basis for an incredibly important new institution in American education and in American life: Neighborhood-based, early childhood family centers. We have seen this work in San Antonio; the Regina school project in Prince Georges County is another model for delivering school-based comprehensive family services.

Why this approach now? Because we know definitively that barriers to student achievement come in many forms: Parents who need literacy and job skills, youngsters who need medical care, the dearth of good child development programs for those aged 0 to 3.

Improving educational achievement in this country requires that kind of broad, interdisciplinary vision—at a time when a lot of schools are having trouble with the basics, which need our urgent attention too. For us as policymakers, the task before us demands a fundamental reassessment of what drives school change toward educational excellence. Flexibility must be coupled with high-performance standards and tough consequences for poor performance. I will be offering an amendment on this when we consider title 1. Old turf battles and narrow political interests must be put aside.

The task is gargantuan, but so are the stakes—not only for the children in each of our districts, but for the Nation as a whole. Educational excellence will determine whether we can compete in the world economy, whether we can sustain a reasonable standard of living in this country, whether our democracy can flourish in a climate of reasoned discourse, and whether each individual American can have access to the myriad pleasures only learning affords.

□ 1220

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Delaware [Mr. CASTLE], the newest member on the Committee on Education and Labor, and the ex-Governor of Delaware.

Mr. CASTLE. Mr. Chairman, I thank the ranking member for yielding time to me, and I congratulate him for his extraordinary work on this, as well as Chairman FORD and Chairman KILDEE, all of whom I think have done a spectacular job.

Mr. Chairman, I rise in support of Mr. GOODLING's hope that in the process of amending this bill over the next week, we can enact a bipartisan bill that benefits—not burdens—our schools and students.

As a member of the House Education and Labor Committee, I want to commend the hard work of my colleagues on the committee and all the staff members. Reauthorization of the Elementary and Secondary Education Act provides a vital opportunity to improve worthwhile programs for poor and disadvantaged children throughout this country. And while H.R. 6 contains many improvements—there are clearly several problems with the bill before us that I believe must be corrected so that Congress does not impose the heavy hand of the Federal Government upon our States and local schools.

Phones in congressional offices across the country have been ringing off the hook over the mandatory teacher certification provision in H.R. 6, and how it affects home, private, and religious schools. In my Delaware offices alone, as of 11:30 this morning, we have received 1,966 phone calls from individuals expressing their opposition and anger with the Federal Government telling States how teachers must be certified in subjects they teach.

I, too, am extremely concerned about schools or institutions that do not receive funds from this act falling victim to its many mandates. I supported my colleague, Mr. ARMEY, in the Education and Labor Committee with his amendment to protect our home and private schools that do not receive funds under H.R. 6 from this bill's demands. Unfortunately, the amendment failed on a party-line vote.

While I understand the chairman of this committee is attempting to correct this problem—there is a very important reason why I urge my colleagues to support the Armey amendment, rather than the other home-school amendment. The chairman's amendment is an incomplete solution because it does not provide any protection to private schools. More importantly, it doesn't even protect all home schools, because 17 States, including my State of Delaware, refer to home schools as private schools.

On the other hand, the Armey amendment will solve the problem entirely.

Furthermore, teacher certification is a State prerogative. The Federal Government has no business telling States to decide who is or who is not a certified teacher.

We also need to address the problem of the opportunity-to-learn standards inserted into H.R. 6. What they should be called is "No opportunity-to-receive funds." Mr. Chairman, the language that my Democratic colleagues agreed to in committee would require a school to set standards and issue reports on everything from what books it purchased—to the size of a classroom in order to receive funds under this act. Further, it fails to provide a school with the funds to comply with the demands of doing the paperwork alone.

Education has always been a State and local function. However, the above provisions would shift that role dramatically. And I do not believe it is in the best interest of our students, teachers, and parents to give the Federal Government more control over what goes on in classrooms across this country.

Mr. Chairman, this bill presents an opportunity to improve elementary and secondary education. However, as I have outlined above, I have some grave concerns that I hope will be addressed through amendments we vote on today and next week. In the end, I hope we can enact a bipartisan measure that truly helps our schools improve what and how our children are taught—without imposing costly, burdensome, and meddling mandates upon our schools.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Chairman, 82 percent of those that are incarcerated in our prisons today are high school dropouts. That is why I congratulate Secretary Riley, Secretary of Education, so much, as well as Chairman FORD and Chairman KILDEE, as well as the gentleman from Pennsylvania, Mr. GOODLING, and many others, for constructing H.R. 6.

I am a former college president. I have been on the front lines when it comes to education and the needs and the concerns that we have to improve quality education in America today.

I do believe strongly that we are going to have to make some adjustments in H.R. 6. I am very pleased with what has already been said, because my phone has been ringing off the wall when it comes to home schoolers.

This provision, this language needs to be very clear concerning home schoolers. In Tennessee we have thousands of parents who believe the best education their children can have is to receive an education at home, and they should have that right, because parents know what is best for their children.

The other issue in this legislation that has me concerned is the Federal Government's new involvement in what we teach in public schools. We are treading in dangerous water any time Congress enacts legislation expanding the powers of the Federal Government.

It is concerning me greatly and many others that the Federal Government is moving in an area which they should not move. I believe in neighborhood schools. I believe in community schools. I think it is tragic that we have gotten so far away from that. That offers safety to our school children and to our children that need safety more than anything else. How can they learn anything if they are concerned about what is going to happen to them next.

With those adjustments, support H.R. 6.

□ 1230

Mr. GUNDERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. PORTER], ranking member of the Subcommittee on Labor-Health and Human Services-Education of the Committee on Appropriations.

Mr. PORTER. Mr. Chairman, I thank the gentleman for yielding time to me.

I support H.R. 6. This is not a perfect bill, and we are going to vote later today and next week to fix some of the problems, particularly in the provisions regarding home schooling. But both of the gentleman from Michigan and the gentleman from Pennsylvania have brought out a bill that on the whole deserves our support.

Those of us concerned about federally impacted schools have worked for years on this reauthorization. The chairmen and ranking member have worked with us diligently, and we appreciate their help. I want to thank two staff in particular—Lynn Selmser and Jeff McFarland who spent more time working on Impact Aid than could reasonably have been expected.

H.R. 6, as modified by the chairman's amendment, creates an Impact Aid

Program that focuses for the first time on need and ensures that heavily impacted school districts will be treated fairly.

This bill deserves our support, and I encourage Members to vote for H.R. 6.

Mr. Chairman, H.R. 6 reauthorizes the Impact Aid Program. It creates a new, need-based formula which allocates funding based on the relative impact of Federal activities on each district. At the same time, while shifting funding to those schools districts most in need, the new formula recognizes that the program continues to be underfunded. It therefore provides a hold-harmless provision which ensures that school districts which will experience funding decreases under the new formula will have 3 years to adjust the new system. Under this provision, schools will be guaranteed at least 90 percent of their current-year allocation in the first year under the new formula, 80 percent in the second year, and 70 percent in the third year. This provision will provide a smoother transition to the new system for all schools.

Most importantly for the people of my district, H.R. 6 includes a provision which I helped to work out with the subcommittee chairmen and ranking member, the National Association of Federally Impacted Schools, the Military Impacted Schools Association, other interested Members of Congress, and the administration. This provision creates a new category of Additional Assistance for Heavily Impacted Local Educational Agencies. Under this provision, heavily impacted schools with heavy impact and high local tax effort, like North Chicago District No. 187 in my congressional district, will qualify for additional assistance to help reduce the local subsidy currently provided to federally connected children due to underfunding of the Impact Aid Program.

I am particularly encouraged by the adoption by the committee of this provision because, if enacted, it will help alleviate the situation faced earlier this year by District No. 187 when it was forced to petition for dissolution. While it was able to avoid a complete school shutdown, a teachers strike subsequently closed the schools for over 40 days. The new assistance we are about to approve today will literally mean having a public school to attend for over 4,000 students in north Chicago.

Mr. Chairman, I also want to address more fully the issue of teacher certification for home schoolers and private schools. I am unequivocally opposed to any Federal involvement in this issue. Teacher certification for private and home schools is an issue that States and communities have dealt with for our entire history as a nation. There is no reason for the Federal Government to involve itself in any way in this matter, and I will vote for any and all amendments that will ensure this result.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, in 1968, there were 20,000 blind students in our secondary and elementary schools, 40 percent of those blind students could read Braille, 45 percent could read large print, large type; 4 percent could read both.

It is now 1994. There are 50,000 blind students in our elementary and secondary schools. Only 9 percent can read Braille. Only 27 percent can read large type. And 40 percent of all of our blind students cannot read at all.

There are 40,000 more blind children today in school, 30 percent can read, 70 percent cannot, versus 95 percent that could read in 1968.

I have an amendment today I am hoping the committee will support. It does several things. It costs no money, but it extends the program that has been established in now 21 States.

The first section calls for an individual assessment of a blind student's capabilities to read and provides an individualized program.

The second section established teacher competency standards and training, specialized training for those teachers. And finally, the third section facilitates the production of Braille and digital text and materials at essentially no cost for our blind students.

Let me say this, this is a good bill. But it overlooks our blind students, and I am hoping that the committee finds favor with my amendment.

Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. GUNDERSON. Mr. Chairman, I yield 3 minutes to our friend and colleague, the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, during House consideration of H.R. 6, many views will be expressed regarding many specific provisions contained in this voluminous legislation.

However, this Member believes there is a very fundamental issue that must be discussed during this debate. Unfortunately, under this legislation the Federal Government would be moved dramatically into areas where it does not belong. For example, the teacher certification requirements added to the bill during committee markup unfortunately break new ground in Federal involvement in education. Additionally, the mandatory opportunity-to-learn standards constitute yet another constitutionally inappropriate and unfunded Federal mandate on States and local school districts. Any regulation of home schooling is also outside the constitutional responsibility of the Federal Government.

If Congress enacts this legislation in its current form it would be unsurping the role that the U.S. Constitution clearly gives to the States. Mr. Chairman, I want to remind my colleagues that under the determination set out by article X of the U.S. Constitution, the responsibility to provide and regulate education is left to the States; there is no primary Federal role in public education specified by the U.S. Constitution, in spite of the views of activists inside and outside of Congress.

Mr. Chairman, again, this Member urges his colleagues to reject the usurpation of the education responsibilities of the States and their school districts that is now a part of H.R. 6. This enlargement of the Federal role in certification and regulation of education is in direct contradiction to our federal system of government as prescribed by the U.S. Constitution.

May I say to my colleagues, we have had a tremendous outpouring of concern about this issue. It is unfortunate, I think, that Members of this House are placed in the position by the activities or the perception of inactivity to correct uncertainties in the legislation of the House Committee on Education and Labor. But perhaps this outpouring of concern could have a positive side. Perhaps this could be a watershed mark where Congress begins to take a more careful look at what the Federal responsibilities for education really are.

This Member considers himself to be an activist on education, very much interested in encouraging education at all levels. But, in my judgment, my colleagues, the responsibilities of the Federal Government are primarily two, when it comes to education.

One, it is to assure equal access to public education to all Americans. That is a primary role given to the Federal Government by several amendments. That is our duty.

The second responsibility, to be exercised on rare occasions, it seems to me, is to act in a few cases where there is a large public concern across the Nation about some important aspect of education and encourage appropriate actions by the States and their school district to meet that concern of high public priority.

A few years ago, for example, it was felt across the country, and then in this Congress, that there was a major deficiency in science and match education, especially in our secondary schools. And this Congress acted to provide encouragement to the States and their districts to act to meet this problem. That is the second and limited role for the Federal Government in the field of elementary and secondary education.

Beyond that, the Federal Government should permit the States to do their job in education, and to give them encouragement for their responsibilities. No mandates, no certifications, no requirements from the Federal Government are appropriate.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, my mother, Vela Lynch Holmes, now in her eighties, is a retired schoolteacher. She taught many disadvantaged children in this very city.

She would be the first to say that it is much tougher to teach such children today.

I have come to the floor to thank the gentleman from Michigan [Mr. FORD], the gentleman from Michigan [Mr. KILDEE], and the ranking members for the compromise they have forged that begins to recognize that compensatory education title I funds should begin to shift more toward those most in need of compensatory education.

I believe that more is needed, but I appreciate that a compromise was also needed to move this bill and that the committee has been skillful in crafting one.

I would certainly not want to shortchange a single child based on geography, and I do not believe that this compromise does that. Surely, what we see when we go home to our own districts or nearby, and I know what we see through the local media in this city, reinforces the need to pay more attention to the many children we are simply losing in the inner city. And we lose them beginning with elementary school. We simply are increasingly unable to reclaim them.

High poverty rates correlate to high dropout rates. And of course, these dropout rates, in turn, correlate to the high crime rates.

The weighted student formula at least begins to recognize that some districts have overwhelming poverty and overwhelming numbers of poor children. If we expect teachers, administrators, and others to reach these children, we simply have to weight the resources toward them.

Soon, Mr. Chairman, we will have before us a crime bill. I would venture that the bill before us today is likely to do a lot more about crime than the crime bill and a lot more about many other problems our country faces as well.

I want to thank the chairman and the members of the committee.

□ 1240

Mr. GUNDERSON. Mr. Chairman, I yield 2 minutes to my friend and colleague and the future Senator, the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, I rise in opposition to this bill as reported by the committee.

I am somewhat disappointed about that. I had hopes that this reauthorization would signal a return to the bipartisan approach that for so long dominated education legislation. Unfortunately, that has not materialized.

I must oppose this bill, Mr. Chairman, because it mostly ignores the primary role of local teachers, administrators, school boards and States in education quality and inserts the Federal Government in areas that may be unconstitutional and are certainly inappropriate.

Once again we see a bill come out of the Education Committee that assumes Washington has the answers.

The home school, and private school certification provisions we have heard so much about have no business in this bill. I am a strong supporter of the rights of parents to have a choice of how to educate their children, and this bill infringes on that.

Beyond that objection, however, this provision infringes on State responsibility. Clearly, certification is a State issue. This provision should be just as troubling for public schools as it is for home school parents and private schools. I have schools in my State, for instance, that rely on teachers to cover several different subjects—we cannot afford a Federal mandate that would not let a science teacher teach a math class.

Federal opportunity to learn standards are a huge mistake. With opportunity to learn standards, which address conditions in schools, the Federal Government is clearly violating the principle of State and local control in education.

Under this bill, the Federal Government will tell districts what books they have to buy, what equipment they must spend money on. The allocation of resources must be a local issue. In addition, this Federal unfunded mandate will invite expensive litigation.

We have not heard a lot about this, but maybe the most troubling provision in this bill is the corrective action provision. The Federal Government has absolutely no business targeting local school district governance, as this bill does. This is clearly a responsibility for State and local cooperation.

Once again, the feds want 60 percent of the control for 6 percent of the bucks.

No bill is all bad. There are some good things in this bill and it's a great improvement compared to the all-out assault on funding for rural areas under the Clinton administration's bill.

The decision to retain a Chapter 2, program is very positive, and I believe vital. This is really the only flexible money we give to States, and in Wyoming we're doing some great innovative things with this money.

Charter schools can be valuable—we have several up and running in my hometown of Casper, WY.

This bill does provide additional flexibility, which I believe is vital. I introduced a bill last year addressing flexibility, and I am pleased to see the committee take positive steps in that direction.

Unfortunately, the Federal power grab so evident throughout this bill far outweighs the positive aspects.

This bill, simply put, is an exercise in micromanagement by the Federal Government and unless some serious changes are made, I will be forced to vote against this bill.

Mr. KILDEE. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN pro tempore (Mr. DE LA GARZA). The gentleman from Michigan [Mr. KILDEE] has 4 minutes remaining, and the gentleman from Wisconsin [Mr. GUNDERSON] has 13 minutes remaining.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I thank the gentleman from Michigan [Mr. KILDEE] for his fine work on this bill.

Mr. Chairman, I rise in support of H.R. 6, the Improving America's Schools Act. H.R. 6 brings much needed Federal education dollars to our public school systems. It sets higher standards for our public schools, increases parental involvement, and requires increased accountability for all those involved in educating our children. H.R. 6 also addresses critical issues in our public school systems by addressing teacher training, educational technology, and drug abuse and violence prevention programs.

In particular, I am very pleased with the hard work the committee did on title I of the bill and wanted to outline some of the provisions I helped add to target assistance where it is most needed.

Title I contains important provisions that help our schools do a better job of keeping some students from dropping out of the system and bringing others into it. We need to encourage schools to support and expand dropout prevention programs for pregnant teens and teen mothers. For those who do not think we should be supporting these young women, let me offer some sobering statistics. If we don't help these young women stay in school, it will end up costing us. More than half of all women who are currently receiving welfare benefits first became mothers as teenagers. In my home State of Washington, pregnancy becomes a fact of life for 1 of every 13 female teens. The question should not be how much it costs to keep these women in school, but how much it costs if we do not.

At the same time, we have got to do a better job of supporting our students from the moment they begin elementary school. That is why there are provisions in the bill providing funding to schools to establish transition projects to support preschool children. We all know the importance of intervening as early as possible in order to help our at-risk children. This is one way that we can encourage schools to focus their energy and resources on helping Head Start and Even Start children to enter school ready to learn.

In between, of course, we must do all that we can to help our children thrive in school. I believe the provisions we've outlined in title I will allow our schools to do just that. I urge my colleagues to support title I and vote for the entire Improving America's Schools Act.

Mr. GUNDERSON. Mr. Chairman, I yield 2 minutes to our colleague, the gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Chairman, I thank everyone who has worked on this problem.

Mr. Chairman, let me say that if H.R. 6 was simply about reauthorizing existing elementary and secondary school programs, I would be supporting this bill.

H.R. 6 is about Federal encroachment on a local matter—the education of our children. Washington's education elite want to control the education of America's children.

I oppose H.R. 6 because I believe parents, teachers, principals, and local school boards in Contra Costa and Alameda Counties have a better understanding of our children's needs than Washington bureaucrats.

Yesterday I received a letter from the National School Boards Association, stating:

> For the first time in the almost 30-year history of this landmark education law (Chapter I), the federal government targets local school district governance for the most drastic punitive actions when local student performance is found wanting—regardless of the cause. These actions could include dissolving the local school board, removing the superintendent, abolishing the local school district, and otherwise dismantling the local governance and management structure of the local public schools.

In other words, this bill says to schools across Alameda and Contra Costa Counties: Do it Washington's way or we will come in and replace your local school management with our own team of Washington experts.

I say, Washington, no thank you. We have already seen how much damage you can do. In 1992, Congress regulated the cable TV industry. Now Government mandates which stations you, the consumer, may receive and how much we must pay. So in my area we are deprived of State capital news and features in order to receive foreign language and shopping channels.

I am also concerned that H.R. 6 seriously encroaches on the rights of parents who choose to educate their children in private schools or at home. Experts in private and home-school education are unanimous in their opposition to H.R. 6. H.R. 6 would require that all teachers in private schools be certified to teach the academic subjects to which they are assigned. Also, home schoolers would have to be certified by the State before teaching their children. This must be corrected, and the Armey amendment, which exempts private and home-school educators, is the only amendment that can correct this serious flaw. Rural areas must also be exempted.

Finally, we need to free our teachers to teach—H.R. 6 fails to do so. It was the love of teaching that led them to choose this profession. It was not an affection for filling out countless government reports and assessments.

Our scarce resources must be focused on teaching our children, not satisfying the intellectual and experimental philosophies and social agendas of the Washington education elite.

For these reasons we must say "no" to H.R. 6.

The CHAIRMAN. The gentleman from Michigan [Mr. KILDEE] has 2 minutes remaining.

Mr. KILDEE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, I rise in strong support of H.R. 6, the Improving America's School Act, which reauthorizes all major Federal elementary and secondary education programs.

It is with great pride and pleasure that I speak in support of this bill, for I was on the Education and Labor Committee in 1965 when we first passed the Elementary and Secondary Educational Act. At that time it was a landmark piece of legislation which demonstrated the Federal Government's commitment to assisting State and local efforts to educate the children of America, particularly the disadvantaged, those in poverty, and children with special needs.

We have all witnessed the success of the Elementary and Secondary Education Programs over the last 30 years. School districts all across the Nation depend upon these Federal dollars to meet the educational needs of their children, whether it is through chapter I, chapter II, the Eisenhower Math and Science Program, Impact Aid, Bilingual Education and many other important programs.

Today the bill we bring to the floor retains the strong Federal commitment to help those children most in need, while revamping programs to better coordinate with local reform efforts.

H.R. 6 builds on the education reform framework set out in the Goals 2000: Educate America Act and provides the necessary assistance to local school districts to help all children meet the national education goals and raise educational achievement.

Mr. Chairman, we are all in agreement that we must set high educational standards for our children and this bill along with the Goals 2000 bill will move us in that direction. However, it deeply concerns me that when talk about setting high standards for school systems and assuring that children will have the necessary resources to meet those high standards many start crying foul and use the excuse of Federal mandates to avoid discovering whether or not a school system really measure up.

The opportunity to learn standards are not Federal mandates, they simply seek to demonstrate what a child needs in order to meet the high educational standards being set at the State and local levels.

In essence, this is really what the Elementary and Secondary Education bill is all about. It is about providing children an opportunity to learn by giving school districts additional funds in areas where they need extra assistance.

Providing the resources to provide children with an opportunity to learn is not a new concept. This was the original intent of the legislation 30 years ago and it still stands true today. This bill simply seeks to help school districts move forward in identifying what elements in the school system are essential to provide students with an opportunity to learn.

There are many other features of this bill that are significant. The new title I formula better targets funds to areas of high concentrations of poverty. We establish a new professional development program and a new program on technology; we improve the bilingual education program; the Impact Aid Program which is of great importance to my State is retained and I think improved.

I would just like to mention two specific areas that are of particular interest to me. This first is the reauthorization of the Women's Educational Equity Act and the inclusion of many provisions throughout the bill dealing with gender equity.

The bill includes the provisions of the Gender Equity in Education Act, a package of bills developed by the congressional caucus on women's issues to address the educational inequities girls and women face in our education system.

This was the first time that the caucus put together a legislative package on education issues. As Chair of the caucus task force on economic and educational equity I worked closely with the Cochairs of the caucus, PAT SCHROEDER and OLYMPIA SNOWE and the other caucus members in developing this legislative package.

The Gender Equity in Education Act includes nine bills introduced by members of the caucus, several of whom are members of the Education and Labor Committee; Representatives JOLENE UNSOELD, LYNN WOOLSEY, and SUSAN MOLINARI. NITA LOWEY, a former member of the committee, also contributed to this legislation, as well as OLYMPIA SNOWE, CONNIE MORELLA, LOUISE SLAUGHTER, and CARDISS COLLINS.

The caucus developed this legislation in response to the increasing evidence that despite the fact that title IX prohibits sex discrimination in our schools, girls continue to face many inequities. Research shows that a pattern of gender inequity persists in school practices, even where discriminatory policies have been abolished:

Teachers pay less attention to girls than boys;

Girls lag in mathematics and science scores, and even those who do well in those subjects are not encouraged to choose math and science careers;

Sexual harassment of girls is increasing in our schools;

Some tests contain biases against girls, hurting their chances for scholarships and college admissions;

Textbooks still ignore or stereotype women;

Girls learn almost nothing in school about many of their most pressing problems like sexual abuse, discrimination, and depression;

Vocational education programs continue to channel women into traditionally female-dominated jobs, which are usually low-skilled and low-paying; and

While women make up the majority of the teaching force, they are not well representative among the higher levels of the education bureaucracy.

The Gender Equity in Education Act was developed to address the overall inequities for girls in our education system and some very specific areas, including teacher training, math and science, pregnant and parenting teens, sexual harassment and abuse, coordinated health and social services, and data collection.

The cornerstone of this legislation which was included in H.R. 6 is the reauthorization of the Women's Educational Equity Act. I am the author of the Women's Educational Equity Act [WEEA] which was established in 1974 to promote the letter and spirit of title IX.

WEEA funds research, development, and dissemination of curricular materials, training programs, guidance and testing activities, and other projects to promote educational equity for women and girls.

However, for over a decade WEEA has been severely neglected enduring severe budget cuts and was proposed for elimination by previous administrations. In 1980 the program received $10 million, but by 1992 the program had been whittled down to just $500,000. Current funding for the program is at $2 million. The President's fiscal year 1995 budget provides for $5 million.

The bill retains the current WEEA grant program to develop and disseminate model programs, curricula, and materials to advance educational equity and establishes an implementation grant program to provide funds to school districts, community organizations and other entities to implement gender equity programs within local school systems.

The bill also establishes within the Department of Education a special assistant for gender equity to promote, coordinate and evaluate gender equity programs in all education programs, including the Women's Educational Equity Act. Currently gender equity programs of varying sizes exist throughout the Department of Education, however, there is no mechanism to ensure communication or evaluation of progress among all gender equity programs.

The special assistant to the Secretary for gender equity would help assure the promotion, coordination, implementation, and evaluation of gender equity activities within the Department of Education and work with other Federal agencies with jurisdiction over Federal education programs.

The bill includes provisions to promote professional development strategies, methods, and techniques which meet the needs of female students. Specifically, the bill requires that chapter I programs, the largest Federal elementary and secondary education program, to include professional development strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices.

The bill also includes several provisions within the new Eisenhower Staff Development Program which require school districts to incorporate teacher training strategies to meet the needs of girls.

The bill also encourages the recruitment of female and minority teachers in subject areas in which they are underrepresented.

The bill includes dropout programs targeted to address the needs of pregnant and parenting teens so that they will stay in school. Pregnancy is the most common reason girls give for dropping out of school, and almost half of teen mothers who drop out never complete high school.

The bill targets services to pregnant and parenting teens under the prevention and intervention services for delinquent youth and youth at risk of dropping out under title I. It also specifies that funds under this program may be used for health and social services that address needs of pregnant and parenting teens at risk of dropping out of school. It requires program evaluations to track progress of male and female students separately, in order to collect better data on how female students are doing comparatively speaking.

A fundamental prerequisite for an effective learning environment is that it be free from sexual harassment and abuse. To address the problem of sexual harassment in our schools, the bill includes sexual harassment prevention programs in the definition of violence prevention programs in the Safe and Drug Free Schools Act (title V).

It also allows funds under the Safe and Drug Free Schools Act to be used for sexual harassment prevention programs and other strategies including conflict resolution and mentoring to prevent sexual harassment in schools.

Title X of the bill establishes a new coordinated services program designed to assist schools in providing comprehensive education, health, and social services in a school-based or school-linked setting.

Many schoolchildren today are struggling with a host of social problems—including poverty, poor nutrition, drug abuse, family violence, and inadequate health care—that prevent them from achieving their full academic potential. A hungry, sick, worried child will not learn well; her basic needs must be met before she can turn full attention to schooling.

Under this provision schools and school districts can use up to 6 percent of their funds received under the Elementary and Secondary Education Programs to finance the coordination of services.

The bill also provides funds under the Safe and Drug Free Schools Act to be used for the development of curricula related to child abuse prevention and training of personnel to teach child abuse education and prevention to elementary and secondary school children. The Safe and Drug Free School Act will help train teachers to recognize and identify child abuse and to educate children about child abuse prevention.

The bill expands data collection requirements for chapter I and all major Federal education programs in order to better assess the achievement and participation rates of males, females, minority and ethnic populations, and the disadvantaged.

Research and data collection are vital components of any attempt to eliminate gender inequity in education. Unfortunately, current Department of Education data collection activities provide insufficient information on gender issues.

I am also pleased that this bill includes the Native Hawaiian Education Act. The Native Hawaiian Education Act was first established in 1988 to fulfill the U.S. Government's historical and legal obligation to the native Hawaiian people incurred by its participation in the overthrow of the Hawaiian monarchy over 100 years ago.

For over 70 years the Federal Government has acknowledged its responsibility to the native Hawaiians as native Americans, by providing assistance for the improvement of their social and economic development. The Native Hawaiian Education Act is one of several programs designed to uphold the United States' trust responsibility to the indigenous people of Hawaii.

The Native Hawaiian Education Act consists of five programs: The native Hawaiian model curriculum implementation project, the native Hawaiian family-based education centers, the Native Hawaiian Higher Education Demonstration Program, the Native Hawaiian Gifted and Talented Program, and the Native Hawaiian Special Education Program.

H.R. 6 reauthorizes these programs with the exception of the model curriculum implementation project. The Federal commitment to this program has been phased out over the last several years.

The bill also establishes the native Hawaiian language immersion project to support the revitalization of the native Hawaiian language through the public school system.

In addition, a Native Hawaiian Education Council is established to coordinate activities among the five programs and advise the Department of Education and the Congress on the educational needs of the native Hawaiians and the progress of the Native Hawaiian Education Act.

The bill also includes a new provision to the native Hawaiian higher education demonstration project to prohibit the limitation of scholarships to those who attend school in Hawaii.

Mr. Speaker, this bill is the fine product of many hours of hard work by Members and staff. I commend the Chair of the subcommittee, DALE KILDEE, for his good work, and want to especially recognize the Chair of the committee, WILLIAM FORD, with whom I worked on the original Elementary and Secondary Education Act of 1965. I think it is particularly fitting that one of the major accomplishments of the Education and Labor Committee during his last year in Congress is this bill. BILL, you have done great work over the past 30 years. This bill is a prime example of your total commitment to our Nation's children.

I hope that all my colleagues will join me in supporting H.R. 6, the Improving America's Schools Act.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I congratulate Chairmen FORD and KILDEE and the committee for the hours and hours of work that they have put in on this legislation over the last year. The House is indebted to them.

I am pleased to support H.R. 6. It will help set the direction for States and school districts to reform education in this country by linking title I funding for disadvantaged students to the content and performance standards contained in the Goals 2000 legislation already passed by both the House and Senate.

In addition, I am encouraged that a compromise was reached on the formula for the distribution of title I funds so that there will be greater targeting in areas with high concentrations of lower income students. That is where this funding should be going.

I am also grateful that the committee accepted my amendment to make service learning an allowable use of funds in relevant sections of H.R. 6.

Service learning is a method of teaching and learning that combines academics and community service. Students develop and apply their knowledge and skills in the context of working to solve significant social, educational, and environmental problems in the school and the community.

My amendment will encourage the use of the service learning approach.

Service learning is based on the idea that students learn best by doing, by being active and interested in the process of learning. Active learning through community service, especially if it is curriculum based, improves student achievement by making classroom learning more meaningful. It can reengage students turned off by traditional teaching methods.

Service learning can inspire innovative educational methods that combine classroom teaching with hands-on work experience. It can broaden classroom walls to include the entire community and enable new and veteran teachers alike to take advantage of teaching methods that promote both academics and civic responsibility.

Typically, students will spend several class periods each week performing community service and the remainder of the program is spent in class working on skills specific to the service experience.

Some schools are integrating community service and academic subjects with great success. Many more could do the same.

In Pennsylvania, the statewide Pennserve Program is working to bring a culture of service into the schools. In Philadelphia, sixth grade students study nutrition and teach healthy habits to lower-level elementary students. Eighth graders work in neighborhood health centers to learn about health careers.

In Milwaukee, juniors and seniors learn construction skills by working on an urban rehabilitation project. In Lansing, MI, students learn and apply basic math skills by sponsoring a market for senior citizens in urban apartment complexes. In Washington State, fifth and sixth grade students use scientific skills and computer technology to monitor the water quality of a nearby creek.

I am pleased that the committee accepted my amendment.

In closing, Mr. Chairman, H.R. 6 is good legislation. It will help to improve and reform elementary and secondary education in the United States and direct Federal funding in an equitable manner. Chairmen FORD and KILDEE have done excellent work on this bill.

I urge my colleagues to support H.R. 6.

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Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to indicate that all of us agree with many of the issues raised by the gentleman from New York [Mr. OWENS]. Al Shanker would love to have properly certified, highly qualified teachers in all New York City schools. He cannot do that. We cannot do that with any kind of mandate.

We would love to have the books, the library equipment, and other materials in those schools. The Chapter II Program that some would like to eliminate helps them to do just that, as a matter of fact. But we cannot guarantee it unless we spend money, and that is the focus of this debate.

Local citizens and the courts must deal with the issue of school finance equalization. Local citizens and the courts—not the Federal Government.

In Pennsylvania, we have an ideal equalization formula and it works well by setting a base for every student. If somebody is able to do more than that in the local area, fine, but States provide the base to make sure that everyone has equal opportunity.

So, this argument is not about school resources. The argument is that if we do not send any money, we send unfunded mandates, and a golden opportunity for all sorts of litigation. So, the little bit of money that they would have to spend to improve their education system instead is spent in court. That helps the lawyers. That does not help the youngsters that we are trying to educate or their parents.

Mr. Chairman, I am happy to yield 1 minute to my dear friend, the gentleman from Texas [Mr. DE LA GARZA], the chairman of the Committee on Agriculture.

Mr. DE LA GARZA. Mr. Chairman, I thank my distinguished colleague for yielding me the time. I want to commend him and the chairman and the chairman of the subcommittee for the work they have done on this legislation.

As I look through all of the areas that impact upon my district in a very positive way, there is some concern, and I understand that the issue of home schools and private schools will be addressed adequately. And I am glad that they have arrived at some degree of compromise in this area.

But the main thing is that this enhances the education of our children. It gives us the tools that they need to secure employment, to secure jobs. An educated citizenry is the best citizenry that any nation can have. I commend them, one, for working on the issue that has become somewhat controversial, but mainly in the thrust that this legislation takes in behalf of the children of the United States of America.

Mr. COX. Mr. Chairman, I rise in opposition to H.R. 6, a bill which would greatly expand the Federal Government's control over the entire landscape of American education. I also rise to express my strong support for the amendment offered by Mr. ARMEY.

Instead of fostering the real school reform America needs, H.R. 6 would restrict the ability of parents to participate in the critical decisions affecting their children's education. The bill would create new frivolous spending programs, pile still more Federal mandates on local school districts, and expand Federal control over local schools—both public and private.

One of the most destructive provisions of H.R. 6 would require certification not only of public schoolteachers, but of private teachers as well. Of course, the practical effect of this requirement would be to add significant new burdens on private schools.

Ironically, the sponsors of H.R. 6 entrust Federal regulators, and the same education bureaucrats and unions who've given us the status quo, with broad new powers to oversee school "reform." But they don't trust parents to have any responsibility for deciding what's best for their children's education.

Given the abysmal performance of many of our Nation's public schools, it should come as no surprise that an increasing number of parents are electing to secure a better education for their children.

Our Government's educational policy should be especially supportive of parental choice. Parents who are willing to invest significant time and resources in the education of their children are much more likely to produce a better educated child.

This natural human desire—to see to it that one's children are educated in the best possible manner—is a noble impulse, and it should be nurtured, not discouraged. Rather than seek to change the fundamentals of human behavior, a sound educational policy should tap into this force as a powerful engine to improve the quality of our Nation's schools.

But the authors of H.R. 6 think that they know best. Their bill would take a giant step in the wrong direction by infringing on the rights of parents and restricting the educational options available to them.

To protect against some of the bill's potentially destructive provisions, I am pleased to lend my full support to the amendment offered by Mr. ARMEY. This amendment will improve H.R. 6 by deleting the bill's mandatory Federal teacher certification requirements, and by further clarifying that none of the bill's other provisions infringe on the right of parents to secure the best possible education for their children.

In closing, I urge my colleagues to support the Armey amendment. It will protect the fundamental right of parents and students to choose their own education. Giving parents and students greater freedom to participate in one of the most critical decisions affecting their lives is the best way to improve the quality of our educational system.

Mr. CARDIN. Mr. Chairman, in the last several days my office has received nearly 1,000 phone calls from constituents who are opposed to the establishment of Federal standards for teacher certification. They are especially concerned over the potential application of such standards to home schooling arrangements. I fully support their concerns.

Thousands of parents in Maryland's Third Congressional District, and hundreds of thousands across this country, have made the decision to educate their children at home. They have made this decision for educational reasons and for religious reasons. What all these parents have in common is a concern for their children's education, and a willingness and a determination to instill in their children a love of learning and a strong sense of values.

I rise in support of the amendments to strike the certification provision from this bill, and to further assure that no provision of this bill will extend Federal involvement to home schools, or private, parochial or religious schools. The provision which has generated so much controversy would mandate that teachers under the jurisdiction of local State agencies must be certified to teach the subject which they are assigned. I support adoption of the amendment to strike this provision from the bill.

The responsibility for maintaining high standards in our schools rests with State and local education agencies. That responsibility includes hiring qualified teachers and ensuring that those teachers remain qualified. The Federal Government cannot usefully intrude into the micromanagement of local schools. It certainly should not seek to interfere with or dictate the terms of decisions by parents to home school their children.

The amendments we debate today recognize that parents and local educational boards better understand the needs of the children in their own communities than the Federal Government does. I am pleased to support these amendments to assure the continued independence of home schools as well as private, parochial, and religious schools.

Ms. MOLINARI. Mr. Chairman, I come to the floor to express my support as well as my disappointment for the bill before us today. Much to my disappointment, provisions still exist in the bill which may make it impossible for me to fully support it. However, I continue to hope that during floor consideration today, and through House-Senate conference, these differences will be worked out.

For the sake of our children it is vital that education not fall victim to partisan politics. This bill is one of the most important legislative efforts of this session. The $12 billion sent to State and local school agencies under authority of this act must become the driving force for a dramatically improved education system for all students.

This driving force is embodied in what I believe to be the two most important policy goals of this reauthorization, guaranteeing high quality programs for disadvantaged children and granting schools the flexibility necessary to provide a quality education to the students they serve. I firmly believe that quality improvements must go hand in hand with allowing schools greater flexibility in the use of Federal funds in exchange for increased student achievement.

Originally, I supported the administration's bill because of its focus on flexibility as well as targeting more closely the limited but desperately needed chapter I funds. Due to the implementation of the 1990 census data, New York City lost a devastating $63 million in chapter I dollars. New York City needs increased chapter I funds, not decreased funds to serve our ever growing chapter I population. I simply could not support a formula which would have further devastated our area, and believed that the administration's formula was the fairest and best approach in helping to target our already limited Federal dollars.

While the committee worked out a fair and equitable consensus chapter I funding formula which I felt I could support, I was dismayed by the inclusion of the opportunity to learn standards [OTL]. It was for this reason that I felt I had to vote against reporting the bill favorably from the Education and Labor Committee. These OTL standards would provide far too much micromanagement by the Federal Government. According to the language in the bill, in order for a State to receive its share of the money allocated under chapter I, it must develop standards with which the Secretary of Education agrees. If the Secretary does not agree with the State's OTL standards, he or she would be able to withhold funds. This clearly goes against local control and increased flexibility, two policies I do not believe we can afford to back away from in this reauthorization bill.

I was particularly pleased that during committee consideration a Republican amendment to retain a refocused but flexible Chapter II Program was adopted. I did not agree with the administration's proposal to eliminate chapter II and I strongly supported reinstating this program, while at the same time refocusing it on education reform and achievement of the National Education Goals. These chapter II funds may be used for technology, library services materials, assessments and the development of instructional and educational materials, as long as they are tied to overall school reform efforts.

Additionally, I was pleased that the committee adopted the gender equity amendments offered by myself and Congresswoman MINK. Recent reports documented that girls do not receive equitable amounts of teacher attention, that they are less apt than boys to see themselves reflected in the materials they study, and that they often are not expected or encouraged to pursue higher level mathematics and science courses. The implications of these reports are clear—the system must change!

I know all too well that gender politics is a subject that many in our schools, and society, prefer to ignore, but we can no longer afford to ignore the potential of girls and young women in our society. Congresswoman MINK and I were able to use this reauthorization process to infuse education policy with gender equity efforts and implement programs devoted to gender equity issues.

I was very pleased that large provisions from my equity training legislation was incorporated into H.R. 6. One means of implementing policies devoted to gender equity is through the creation of equity training programs to identify and eliminate inequitable practices in the classroom. My language makes equity training programs an allowable use of funds under the Elementary and Secondary Act. This language will act as a catalyst to help encourage schools to develop equity training programs for teachers, administrators and counselors.

Whether you are looking at preschool, elementary, or high school classrooms, at female teachers or male teachers, research consistently reveals that boys receive more attention than girls. This indicates that gender equity issues are not well understood by many educators. Teachers are not always aware of the ways in which they interact with students. The use of equitable teaching strategies, and innovative training programs, should be one of the criteria by which gender equity is implemented.

I remain committed to working with my colleagues to garner bipartisan support for this legislation in order to obtain real change in education. This is the last reauthorization of elementary and secondary education programs before the beginning of the 21st century. It is imperative that we work out our disagreements to help the children of our country by focusing on high quality standards and flexibility.

Mr. CLAY. Mr. Chairman, H.R. 6, the Improving America's Schools Act of 1994 extends through 1999 almost all of the major Federal elementary and secondary education programs.

Three of the programs included in this legislation are: the Chapter I Program, a revised Dwight D. Eisenhower Mathematics and Science Education Program, and the Magnet Schools Assistance Program.

Since the inception of the Elementary and Secondary Education Act of 1965, title I, the current title, chapter 1, is changed to title I as it was in the original legislation, is the largest Federal elementary and secondary education program contained in this legislation. Title I through the years has provided a vital and crucial link in helping to provide high quality education to economically disadvantaged children.

In this regard, title I has served as a basis of hope in helping many economically disadvantaged young people sometimes perceived as losers to become winners. Chapter I has been extremely significant in providing services to our Nation's children and youths in reading and mathematics as well as in the development of critical thinking skills.

The move toward excellence and inclusiveness which began so nobly in 1965 when, then, President Lyndon Baines Johnson signed the Elementary and Secondary Act into law, must be permitted to move forward.

The current Dwight D. Eisenhower Mathematics and Science Program will become the Dwight D. Eisenhower Professional Development Program which will encourage professional development of teachers, staff, and administrators in increasing their knowledge and skills of the subject matter.

The Magnet Schools Assistance Program is the primary program that the Congress has established that helps school districts fulfill the Federal commitment to school desegregation in this country. A recent report on school desegregation, issued in December 1993 by Gary Orfield states: "For the first time since the Supreme Court declared school segregation in the South unconstitutional in 1954, the public schools in that region have turned back toward greater segregation." Clearly, how we modify and reauthorize the Magnet Schools Assistance Program will demonstrate our continuing commitment to school desegregation in compliance with Brown versus Board of Education (1954).

Mr. Speaker, I support the opportunity-to-learn standards provisions as included in this legislation. Opportunity-to-learn standards would identify the elements necessary in helping children to achieve the content and performance standards. The legislation clearly provides for content and performance standards as well as assessments that would be established or used for title I programs. Content standards indicate what children should know and be able to do; performance standards determine whether children are learning. I fully support both content and performance standards; however, I firmly believe that it is inequitable to hold students accountable for their performance without addressing the capacity of the school to educate children to the level required under the student performance standards. If we require content and performance standards, then opportunity-to-learn standards should be included in this legislation.

This legislation is needed in order to enrich and expand educational opportunity for children and youths at all levels, that is, kindergarten through postsecondary.

The reality is that chapter I and the other programs included in this legislation are crucial if we are to provide world class standards for children.

Mr. Speaker, I urge my colleagues to support H.R. 6, the Improving America's School Act of 1994.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise in support of H.R. 6, a bill which proposes real reform and improvement to elementary and secondary education in America and oppose any amendment that will weaken this legislation.

H.R. 6 contains new and innovative improvement to the current system by restructuring existing programs to focus on helping disadvantaged children achieve high performance standards, provides much-needed assistance to States and school districts in their school reform efforts, and establishes the much-needed professional development programs for all teachers.

Mr. Chairman, in addition to the major provisions of this bill, H.R. 6 also contains several lesser known programs, including those which are critically needed in the outlying areas. These programs consist of a newly created de Lugo Territorial Education Improvement Program to fund innovative proposals which will enhance student learning, increase the standard of education, and improve the performance levels of all students in the outlying areas. H.R. 6 also restores critically needed funds for territorial teacher training programs as well as restoring and restructuring territorial coverage currently provided under chapters 1 and 2.

Mr. Chairman, similar to other small territories, my district of American Samoa is currently facing an educational crisis. Our teachers lack the proper credentials to give our children the quality education they deserve and we are without funds and technical assistance to implement innovative and quality programs to bring our educational system up to par with mainland levels. According to recent national educational tests, the territories are at the bottom of the national scale when it comes to achievement scores and we definitely need the type of assistance provided through this legislation to enable our students to reach mainland levels.

Mr. Chairman, I want to extend my appreciation to my distinguished colleague from Michigan, Mr. WILLIAM FORD, chairman of the Education and Labor Committee for his suburb leadership demonstrated in guiding H.R. 6 to the floor today and also commend him for his endless support of real reform and improvement in elementary and secondary education. I am also grateful to my colleagues on Education and Labor for their hard work and devotion to providing quality education for our children, especially for the lesser known programs which are critically needed in the outlying areas.

I urge my colleagues to support this measure and oppose any amendments which weaken H.R. 6.

Mrs. MALONEY. Mr. Chairman, as a former teacher and school administrator, I am personally proud to participate in today's deliberations, as we prepare to pass H.R. 6 and extend for another 5 years the authorization for most of the Federal elementary and secondary education programs.

Many of us may have honest differences of opinion about the merits of specific provisions of this legislation. But on the whole, it is a landmark legislative package, the purpose of which is to help America's schools strive for excellence.

I want to congratulate and thank Chairman FORD, Chairman KILDEE, the committee members and staff for patiently crafting this comprehensive legislation, which is so crucial to America's future.

There are many important features of this bill which will benefit millions of schoolchildren and teachers, in New York and throughout the country.

The compensatory education provisions of title I, for example, will help disadvantaged children to achieve high levels of performance, and not just focus on remedial, low-level skills. I applaud the committee for its efforts to promote such a pursuit of excellence.

I am also very impressed by the cost effectiveness of such title I programs.

Studies have shown that spending $1 on such programs now can save at least $6 later, just by preventing students from having to repeat grades. If one adds in other effects, such as more advanced job skills, earlier availability for employment, decreased incidence of unemployment, and fewer social and crime problems, the benefits to society are enormous when compared to the very modest cost.

In New York City, over half the city's schools are title I schools and benefit from its program, 666 schools out of a total of 1,105. An estimated 237,200 students receive title I services. The sad fact, however, is that 428,948 students are actually eligible because of educational deprivation, but there isn't enough funding to go around.

To put it into perspective, Mr. Chairman, in some parts of the country, if a school has 25 percent of its students at poverty level, it becomes a title I school. By contrast, in New York City a school must have 62.2 percent of its students at poverty level to satisfy the targeting requirements for the limited resources. Thus, a New York City school can have almost two-thirds of its students at poverty level and still not be included in the title I programs, a fact which provides a strong argument for the merits of the Clinton administration's original proposals to target more of the available resources at the Nation's poorest schools.

I would like to mention several other important features of this legislation that will benefit children throughout our country.

For instance, title IV authorizes funding of the Safe and Drug-Free Schools Programs. These drug and violence prevention programs will help to create the safe environment that our schoolchildren deserve. Title V promotes magnet schools, which offer advanced programs to attract children of different backgrounds and promote racial, ethnic, and cultural diversity.

Under title II, a program of technology education provides funds to improve learning through technology. It also will provide, through the Eisenhower Professional Development Program, sustained and intensive teacher training opportunities not just for math and science teachers, as in the past, but for teachers in all the core academic areas.

Mr. Chairman, I am proud to support this legislation and urge its passage. It is a monumental investment in our children's future, and therefore in America.

Mr. CLINGER. Mr. Chairman, I rise to voice my opposition to H.R. 6, Improving America's Schools Act as it is currently drafted. In particular, I am concerned about its mandatory opportunity to learn standards which would dramatically increase Federal involvement in local education.

The problem of unfunded Federal mandates has finally begun commanding the attention of Congress. Several amendments have been offered to bills on the House floor to address unfunded Federal mandates, and a number of members, including myself, have introduced bills to eliminate existing Federal mandates that are unnecessary or too onerous, and require Congress to pay for the laws we pass in the future. If you are at all concerned about unfunded Federal mandates and the burden that they place on States and local governments, then you should join me in opposition to these mandatory opportunity to learn standards.

Clearly, one of the most objectionable and controversial provisions in H.R. 6 would require States receiving title I funds to develop opportunity to learn standards that focus on the inputs into the educational process, rather than the results. The standards would be submitted to the Secretary of Education for approval and would force local schools to issue annual reports on how they are living up to them.

Opportunity to learn standards could dictate everything from how many books the library must have to how many computers or film projectors each school must purchase. Local school districts—many of which are already operating under tight budgets—may be forced to hire more teachers, build bigger schools, or completely rewrite their curriculums in order to comply with the standards.

However, probably the most egregious aspect of H.R. 6 is that it directs States and local school districts to develop these new standards and to issue the required annual reports without helping them pay for it. And once these standards have been set, the Federal Government still will not provide any guidance or funding to help schools meet the prescriptive standards. Congress must stop passing the buck onto State and local communities. If Congress really believes that these opportunity to learn standards will improve student achievement, then Congress should be willing to provide schools the necessary funding to realize these standards.

In my rural district in Pennsylvania, many areas lack a strong, growing economic base to generate the local taxes needed to sufficiently support their education system. As it is, most of my school districts rely on title I funds just to get by, and teachers, school administrators, and parents must struggle with tight budgets, cut through bureaucratic red tape, and overcome different social problems to help students learn. The imposition of new opportunity to learn standards will force many school districts to spend what little money they do have on projects they can not afford. These new unfunded Federal mandates would tie the hands of local school officials who would be compelled to dedicate more money to meeting these arbitrary standards, processing paperwork, and issuing annual reports instead of targeting these scarce resources on the school's most critical needs.

Aside from being unfunded Federal mandates, opportunity to learn standards are also intrusive Federal mandates that provide for micro-management of our local education systems by the Federal Government. The Secretary of Education will approve States opportunity to learn standards, issue regulations concerning their development, and deny title I funds to States that fail to submit their standards for approval. In my view, mandatory opportunity to learn standards are dangerous because they open the door for the U.S. Department of Education to become intimately involved in the education of our children.

This directly conflicts with my support for and our country's tradition of local control of education. Only 6 percent of the money spent on elementary and secondary education comes from the Federal Government while the rest is provided by State and local governments. Despite the Federal Government's relatively small financial contribution, H.R. 6 and its mandatory opportunity to learn standards would allow the U.S. Department of Education to significantly influence curriculum quality and resource allocations, decisions traditionally made at the State and local levels.

While it may be appropriate for the Federal Government to set national goals and provide leadership in education policy, I believe we must preserve the principle of State and local authority in education. Congress must recognize that policymakers and bureaucrats in Washington are too far removed to affect positive change, and that we must make sure the Federal Government does not suffocate and kill local education with excessive rules, regulations, paperwork, and bureaucracy. Instead, the Federal Government must provide flexibility, encourage innovated reform strategies on the local decision making.

Mr. Chairman, opportunity to learn standards clearly move education policy in the wrong direction; therefore, I urge my colleagues to oppose unfunded Federal mandates and to support local control of education by supporting the Goodling-Stenholm-Condit-Gunderson amendment striking mandatory opportunity to learn standards from H.R. 6.

Mr. BONILLA. Mr. Chairman, today we are considering H.R. 6, the Improving America's Schools Act. If only the bill's title were true. This comprehensive bill is comprehensively bad for America's schools and schoolchildren.

Let me share my concerns over two of the harmful provisions in this bill: the opportunity to learn provision and the private, parochial, and home school provision. Opportunity to learn standards represent nothing less than another mandatory, unfunded Federal mandate which dictates what States must expend to educate students. These standards are not about education, they are about power, about giving the Washington bureaucracy the power to withhold Federal funds from local school districts that fail to toe the line. Local school districts would have to get Federal approval on the quality and availability of their materials, teachers, and facilities.

This power grab violates our Nation's history of local control over education standards. Local control provides a protection that schools will respond to the special needs of its student body. The Federal Government provides less than 6 percent of all money spent on education but wants its fingers in every part of the State and local education pie. This makes the Federal Government the judge, juror, and executioner over local choices like curriculum quality and resource allocations. This is not what the Founding Fathers had in mind.

Another provision in the bill would intrude the Federal Government into relations between parent and child. This provision would require certification of all people who educate our children, with no specific exemption for parents. I am not alone with my concern. I have received hundreds of phone calls, letters, and faxes stating opposition to this provision. The Texas Association of School Administrators wrote to state:

> The Texas Association of School Administrators believes that a local school district can best perform its education duties when allowed the flexibility to provide curriculum, services, and staff which appropriately address the needs of that district. As such, we are disturbed by the possibility of Federal legislation that would wrest control from the local school district and place it in the hands of bureaucrats who would be too far removed from a district to understand or anticipate its needs.

The letter goes on to say:

> We are still concerned that passage of this amendment would set a dangerous precedent. * * * We ask that you do what must be done to curtail the potential dangers of legislation which extends Federal control to the minutiae of local school district concerns.

I could not have said it any better.

This Congress must not endorse a Federal power grab which sets mandates for schools which don't receive Federal funds. The Federal Government has no business interfering with State certification requirements for public school teachers. This mandate is yet another layer of bureaucracy which is the last thing American education needs.

This provision would tie the hands of public schools as well. Public schools often utilize teachers or substitute teachers to teach classes outside their concentration or certification area. An ironic side to this provision is even certified teachers would be banned from home schooling their own children at some point of their education. The Miller amendment would make it extremely difficult for any parent to meet the requirements to home school their own children in the secondary grades.

The Ford amendment does not go far enough. In my home State of Texas home schools are legally referred to as private schools and therefore, the Ford amendment would not apply. I support the Armey amendment to protect parental rights and protect private and home schools from overbearing regulations.

The Congress should look for ways to strengthen the family not restrict parental involvement in our children's futures. My colleagues, actions speak louder than words. Please show, through your actions, that you are truly committed to strengthening the American family and vote in favor of the Armey amendment.

Mr. KLUG. Mr. Chairman, today's debate over our children's education is proof positive that parents can and do make a difference and that Congress does listen. My office has received just under 1,000 calls and letters. This overwhelming response is indicative of the strength of convictions and overwhelming public outcry that results when the Federal Government messes around in the issue of home schooling, which hinges on whether the Government should interfere with parents' freedom of choice to educate their children away from Federal intrusion.

The Elementary and Secondary Education Act [ESEA] has been providing Federal support to our Nation's handicapped and disadvantaged children since it was enacted in 1965 as a part of President Johnson's war on poverty program. The reauthorization of the ESEA, under consideration today, will provide nearly $7.5 billion in grants for schools to provide compensatory education services to disadvantaged children. The program has been restructured to focus on assisting these children to achieve high-performance standards and providing more decisionmaking authority and flexibility at the local level. The bill is not perfect, but it is worthy of support.

The controversy today deals with provisions that would require teacher certification and what effects that would have on home schooling and nonpublic schools. In attempting to ferret out the facts from the fiction, my office has been pleased to work with Larry Kaseman, executive director of the Wisconsin Parents Association [WPA]. I share their view that the teacher certification issue in the bill does need clarification. While I believe that the language would not apply to homeschoolers or to nonpublic schools in the State of Wisconsin, this is not true for all States. Therefore, I believe that the teacher certification requirement for both homeschoolers and other nonpublic schools is an unwarranted intrusion by the Federal Government and I will support the efforts to clarify or remove the requirement.

I don't want the Federal Government in the business of micromanaging the education of our children. Traditionally, educating our children has been left up to individual States, local school boards, and parents. I believe we need to assure the folks back home that we intend to keep it that way.

Mr. PACKARD. Mr. Chairman, I rise in opposition to H.R. 6 for several reasons. First, I am acquainted with the educational issues raised in this legislation from a local perspective. As a member of the Carlsbad Unified School District for over 12 years, I can tell you that the way to improve our educational system is not to micromanage every aspect over all forms of education. H.R. 6 does just that.

Specifically, by mandating the opportunity to learn standards, H.R. 6 will prove to be an enormous unfunded Federal mandate on States like California. Title 1 funding is the single largest Federal education program for elementary and secondary schools. In order for our schools to receive these funds, the opportunity to learn standards would require them to issue annual reports and quantify resources. Is it going to improve the education our children are getting to involve bureaucrats in Washington in every decision a school makes? Absolutely not.

The opportunity to learn standards in this bill is exactly the type of legislation Congress passes with astonishing frequency that does nothing to the real issue at hand. Will H.R. 6 improve education in our public schools at a time when our educational system is in crisis? Absolutely not. Instead of focusing on students, the real effect of this bill is to give more power to Washington. It violates the United States long history of local control over education. Bottom line: Our schools operate more effectively and efficiently with concerned parents and teachers at the helm. No mountain of regulations or new standards issued from bureaucrats is going to improve this system.

Second, I am opposed to the amendment proposed by my colleague from California [Mr. MILLER], and adopted in committee. His amendment again asserts that the long tentacle of Washington must intrude and impose upon everything. Mr. MILLER's amendment requires local education agencies to guarantee to the State agencies that all full-time teachers are certified to teach the academic subjects to which they are assigned. This is an assault on the educational systems which exist as an alternative to the public school system: The autonomy and existence of private schools and home schools are jeopardized by this amendment.

With the Miller amendment, H.R. 6 establishes new Federal control over any nonpublic school that does not take funds under this act. I urge passage of the Armey amendment to correct this onerous language.

Finally, I ask my colleagues to oppose this bill. This body should be passing legislation which does not expand the power of Washington over an elementary school in Oceanside, CA. This body should pass legislation to ensure that those students in Oceanside, and across the Nation, receive the best education in the world.

Mr. GOODLING. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill, modified by the amendment printed in section 2 of House Resolution 366, is considered by title as an original bill for the purpose of amendment and each title is considered as read.

Title I of the committee amendment in the nature of a substitute, as modified, shall be considered by title of the Elementary and Secondary Education Act of 1965, as proposed to be amended by title I.

No amendments to the substitute, as modified, are in order unless printed in House Report 103–426 or in that portion of the CONGRESSIONAL RECORD designated for that purpose in clause 6 of rule XXIII prior to Friday, February 25, 1994.

Before consideration of any other amendment, it shall be in order to consider the amendments printed in House Report 103–426. Each amendment may be offered only in the order printed, may be offered only by a Member designated in the report, may amend portions of the bill not yet read for amendment, shall be considered as read, is not subject to amendment, and is not subject to a demand for a division of the question.

Debate time on each amendment printed in the report will be 1 hour, equally divided and controlled by the proponent and an opponent of the amendment.

Amendments caused to be printed by the gentleman from Michigan [Mr. KILDEE] may be considered en bloc, may amend portions of the bill not yet read for amendment, shall be considered as read, and shall not be subject to a demand for division of the question.

The Clerk will report section 1.

The Clerk read as follows:

H.R. 6

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Improving America's Schools Act of 1994".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title.
Sec. 2. Effective dates; transition.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Sec. 101. Amendments to the Elementary and Secondary Education Act of 1965.
"Sec. 1. Short title.

"TITLE I—IMPROVED EDUCATION FOR DISADVANTAGED CHILDREN

"Sec. 1001. Declaration of policy and statement of purpose.
"Sec. 1002. Authorization of appropriations.

"PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

"SUBPART 1—BASIC PROGRAM REQUIREMENTS

"Sec. 1111. State plans.
"Sec. 1112. Local educational agency plans.
"Sec. 1113. Eligible school attendance areas.
"Sec. 1114. Schoolwide programs.
"Sec. 1115. Targeted assistance schools.
"Sec. 1116. Assessment and school and local educational agency improvement.
"Sec. 1117. State assistance for school support and improvement.
"Sec. 1118. Parental involvement.
"Sec. 1119. Professional development.
"Sec. 1120. Participation of children enrolled in private schools.
"Sec. 1121. Fiscal requirements.

"SUBPART 2—ALLOCATIONS

"Sec. 1122. Grants for the outlying areas and the Secretary of the Interior.
"Sec. 1123. Allocations to States.
"Sec. 1124. Basic grants to local educational agencies.
"Sec. 1124A. Concentration grants to local educational agencies.
"Sec. 1125. Targeted grants to local educational agencies.
"Sec. 1126. Special allocation procedures.
"Sec. 1127. Carryover and waiver.

"PART B—EVEN START FAMILY LITERACY PROGRAMS

"Sec. 1201. Statement of purpose.
"Sec. 1202. Program authorized.
"Sec. 1203. State programs.
"Sec. 1204. Uses of funds.
"Sec. 1205. Program elements.
"Sec. 1206. Eligible participants.
"Sec. 1207. Applications.
"Sec. 1208. Award of subgrants.
"Sec. 1209. Evaluation.

"PART C—EDUCATION OF MIGRATORY CHILDREN

"Sec. 1301. Program purpose.
"Sec. 1302. Program authorized.
"Sec. 1303. State allocations.
"Sec. 1304. State applications; services.
"Sec. 1305. Secretarial approval; peer review.
"Sec. 1306. Comprehensive needs assessment and service-delivery plan; authorized activities.
"Sec. 1307. Bypass.
"Sec. 1308. Coordination of migrant education activities.
"Sec. 1309. Distance learning.
"Sec. 1310. Definitions.

"PART D—PREVENTION AND INTERVENTION SERVICES FOR DELINQUENT YOUTH AND YOUTH AT RISK OF DROPPING OUT

"Sec. 1401. Findings; purpose; program authorized.
"Sec. 1402. Payments for programs under this part.

"SUBPART 1—STATE AGENCY PROGRAMS

"Sec. 1403. Amount of allocation to State.
"Sec. 1404. State plan.
"Sec. 1405. Use of funds.
"Sec. 1406. Institution-wide projects.
"Sec. 1407. Three-year projects.
"Sec. 1408. Transition services.

"SUBPART 2—LOCAL AGENCY PROGRAMS

"Sec. 1410. Programs operated by local educational agencies.
"Sec. 1411. Program evaluations.
"Sec. 1412. Definitions.

"PART E—FEDERAL EVALUATIONS, DEMONSTRATIONS, AND TRANSITION PROJECTS

"Sec. 1501. Evaluations.
"Sec. 1502. Demonstrations of innovative practices.
"Sec. 1503. Innovative elementary school transition projects.

"PART F—GENERAL PROVISIONS
"Sec. 1601. Federal regulations.
"Sec. 1602. Coordination of Federal, State, and local administration.
"Sec. 1603. State administration.
"TITLE II—IMPROVING TEACHING AND LEARNING
"PART A—DWIGHT D. EISENHOWER PROFESSIONAL DEVELOPMENT PROGRAM
"Sec. 2101. Findings.
"Sec. 2102. Purposes.
"Sec. 2103. Authorization of appropriations; allocation between subparts.
"SUBPART 1—FEDERAL ACTIVITIES
"Sec. 2111. Program authorized.
"Sec. 2112. Authorized activities.
"SUBPART 2—STATE AND LOCAL ACTIVITIES
"Sec. 2121. Program authorized.
"Sec. 2122. Allocation of funds.
"Sec. 2123. Within-state allocations.
"Sec. 2124. State applications.
"Sec. 2125. State-level activities.
"Sec. 2126. Local plan and application for improving teaching and learning.
"Sec. 2127. Local cost sharing.
"Sec. 2128. Local allocation of funds and allowable activities.
"Sec. 2129. Higher education activities.
"SUBPART 3—GENERAL PROVISIONS
"Sec. 2131. Reporting and accountability.
"Sec. 2132. Definitions.
"PART B—TECHNOLOGY EDUCATION ASSISTANCE
"SUBPART 1—ASSISTANCE TO STATE AND LOCAL EDUCATIONAL AGENCIES
"Sec. 2201. Short title.
"Sec. 2202. Findings.
"Sec. 2203. Statement of purpose.
"Sec. 2204. Definitions.
"Sec. 2205. In-State apportionment.
"Sec. 2206. Elementary and secondary education programs.
"Sec. 2207. Higher education programs.
"Sec. 2208. Library and literacy programs.
"Sec. 2209. State educational technology plan.
"Sec. 2210. Local educational technology plan.
"Sec. 2211. Federal administration.
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Sec. 320. Amendments to table of contents.

"Subtitle A—Adult Education for the Homeless

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Sec. 321. Statement of policy.

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"Sec. 721. Statement of policy.
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Sec. 331. Amendments to Public Law 815.
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Sec. 408. Confidentiality.
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TITLE V—MISCELLANEOUS

Sec. 501. Study of Federal efforts to assist in school reform.
Sec. 502. Budget compliance.

Mr. KILDEE (during the reading). Mr. Chairman, I ask unanimous consent that section 1 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Are there any amendments to section 1 of the committee amendment in the nature of a substitute, as modified?

If not, the Clerk will report section 2.

The Clerk read as follows:

SEC. 2. EFFECTIVE DATES; TRANSITION.

(a) EFFECTIVE DATES.—(1)(A) Except as provided in subparagraph (B), the provisions of title I of this Act shall take effect July 1, 1995, except that those provisions of title I that apply to programs under title VIII of the Elementary and Secondary Education Act of 1965, as amended by this Act, and to programs that are conducted on a competitive basis, shall be effective with respect to appropriations for use under such programs in fiscal year 1995 and in subsequent fiscal years.

(B) Title VIII of the Elementary and Secondary Education Act of 1965, as amended by title I of this Act, shall take effect on October 1, 1994.

(2) The provisions of title II of this Act shall be effective upon enactment, except that section 250 of such title shall be effective—

(A) July 1, 1995 for non-competitive programs in which funds are allocated on the basis of a formula; and

(B) for programs that are conducted on a competitive basis, with respect to appropriations for use under such programs in fiscal year 1995 and in subsequent fiscal years.

(3)(A) Parts A and B of title III of this Act shall take effect July 1, 1995.

(B) Part C of title III of this Act shall take effect on October 1, 1994.

(b) TRANSITION.—Notwithstanding any other provision of law, a recipient of funds under the Elementary and Secondary Education Act of 1965, as in effect prior to amendment by this Act, may use funds available to it under such predecessor authority to carry out necessary and reasonable planning and transition activities in order to ensure a smooth implementation of programs authorized by this Act.

Mr. KILDEE (during the reading). Mr. Chairman, I ask unanimous consent that section 2 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Are there any amendments to section 2 of the committee amendment in the nature of a substitute, as modified?

If not, the Clerk will designate title I.

The text of title 1 is as follows:

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 101. AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

The Elementary and Secondary Education Act of 1965 is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the "Elementary and Secondary Education Act of 1965".

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in House Report 103–426.

AMENDMENT OFFERED BY MR. FORD OF MICHIGAN

Mr. FORD of Michigan. Mr. Chairman, pursuant to the rule, I offer an amendment on behalf of myself and the gentleman from Michigan, [Mr. KILDEE].

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FORD of Michigan:

Page 218, strike lines 10 through 18

Page 762, after line 8, insert the following:

"SEC. 9508. APPLICABILITY TO HOME SCHOOLS

"Nothing in this Act shall be construed to affect home schools."

The CHAIRMAN. Pursuant to the rule, the amendment may amend portions of the bill not yet read for amendment and shall not be subject to a demand for a division of the question.

The gentleman from Michigan [Mr. FORD] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the simplest way to describe this amendment is that it is an unnecessary solution to a nonexisting problem. But there is a perception that has been generated in one way or another that there is language in the legislation that upsets people. This amendment strikes the language that people are upset about from the legislation. And although that language had nothing at all to do with home schooling, we go the extra mile and provide a new section 9508 entitled "Applicability to Home Schools," saying, "Nothing in this Act shall be construed to affect home schools."

As I said at the beginning of the debate on the bill, we did not believe that the Miller amendment was getting us into the area that we have always, during the history of legislation, respected, of undue Federal intervention in the prerogatives of State and local school administrations. The question of whether or not home schooling is allowed is not a Federal question. It is a State question. And it revolves around the attitudes in the various States about compulsory school attendance.

Around the turn of the century we took the children off of the slag heaps in the coal mines and out of the sweat shops in our big cities, and we told farmers that they will not keep their children out of school in the spring to plant, and keep them out of school in the fall to harvest, because it was believed, State by State they came to the conclusion that it was in the public interest to require the education of the population.

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Now, home schooling exists in various forms I would expect, in virtually all of the States, and it comes about for a number of reasons.

No one would ever try to, I hope, justify home schooling on the ground that it was an excuse for a farmer to keep his kids home to work on the farm when they should be in school, or for a coal miner to keep his kids home to work on the slag heaps because that is what he wanted them to do. There are other laws that would kick in in both of those instances, I expect, in most States.

We had no intention, in accepting the amendment offered by the gentleman from California [Mr. MILLER] which came at the very end of the markup of this bill, of doing anything that would affect the relationship between the States and their people with respect to either private schools or home schools. Unfortunately, what has been generated is a fiction that somehow the Miller language would affect private education, which it did not. If the amendment had affected private education it would not be in the bill, because, as one of the people who came to this floor with the original version of this bill in 1965, I can assure this House that during all of those years we have worked very closely with the private schools.

Now, I have discovered something. Some people who have been talking about private school choice have convinced themselves in their ignorance of the true facts that private schools do not now participate in the programs that we are reenacting here today for the ninth time since we originally enacted them. Private schools participate to a very, very large degree. They participate slightly less now than they did when we started because of a decision of the Supreme Court a few years ago called the Felton decision.

When the Felton decision put a limitation on the accommodation between public school authorities and private school authorities, the committee promptly reacted to that by passing what was called the Felton fix, which provided a pot of money for school districts and private schools to work out arrangements that would meet the constitutional objections of the Felton decision.

If you read that decision, it went further than the Court ever went before. In its dictum, it tied the hands of those school districts that had for years before quite willingly worked to maximize the participation by private school children in title I of this bill. We fixed that, we believe, and the GAO indicates that, as a result of the fix, we have almost recovered the level of participation by private schools that they had before the decision.

We will come later to another amendment which I understand they are still working on on the other side. I asked the Committee on Rules to make an amendment by the gentleman from Texas [Mr. ARMEY] in order last night. Unfortunately, from whatever cause, some people suggest that it was inadvertence on the part of the staff, the amendment that was delivered to the Committee on Rules to be made in order was not the amendment that he was discussing. When we read the language of the amendment that was delivered to the committee, we immediately shared it with the private school authorities and discovered that they are strongly alarmed, and that in his zeal to be the savior of the private schools, Mr. Armey is actually subjecting the parochial schools to the possibility of lawsuits that we have managed to avoid for them for 29 years. We will deal with that when the amendment comes up. I understand that they are working on their amendment over there and probably have had some contract with the U.S. Catholic Conference by now that will enable them to improve the amendment somewhat.

But this amendment that I offer for the gentleman from Michigan [Mr. KILDEE] and myself is clear and straight. You have got phone calls about a section of the bill, on page 218, lines 10 through 18, that were added by the gentleman from California [Mr. MILLER] in the committee. This amendment strikes all of that language out without qualification, any at all. It puts the bill as if the amendment had never been adopted.

I say that it is an unnecessary solution to a problem that does not exist. Because if any of us had believed that that language did in fact say what people are saying that it said, we would never have accepted it in the first place. Our amendment goes further to put at rest people who placed an improper interpretation of the Miller amendment by simply, flatly stating that nothing in this act shall be construed to affect home schools adversely.

We do not approve of home schools, and we do not disapprove of them. It is none of our business. It should not be the Federal Government's business to intervene in that matter, and we want to keep Federal education legislation as pure as it now has been for 29 years.

Mr. Chairman, I urge the Members to overwhelmingly support this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who wishes to claim the time reserved for opponents of the amendment?

Mr. GOODLING. Mr. Chairman, I ask unanimous consent to claim the time since there are not any opponents.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the chairman of the committee explained exactly what this amendment does, and I agree wholeheartedly with what he said.

I do not believe the legislation at the present time does what some people think it does, but if they think that, then, of course, we have now corrected it.

My argument had nothing to do with whether one group of people or one group of educators are involved. My argument is that we on the Federal level should have nothing to do with certification of teachers whatsoever. It is positively a State responsibility. I tried to explain earlier that you really have to have been a school administrator to understand that there are times when you positively cannot get a certified teacher. I would rather say qualified anyway than certified, because I can get some qualified teachers who may have a master's degree, but they do not have pedagogical training. I have some other descriptions of what it is. But they would be ideal teachers in the classroom.

If you have a resignation 2 weeks before school begins, you positively have to get the best possible person you can get into that classroom. You cannot steal a certified teacher some other place. You have to get the best person and that person may not have all of the necessary education credits in order to be properly certified by that State. A school may have an extra section, as I said before, of chemistry to teach. You cannot go out and hire one whole new properly certified chemistry teacher to teach one class at $30,000 to $40,000 a year. You have to get the best possible general science teacher that you can find, or the best advanced math teacher who can pick up that section, and you can give them the general chemistry program at that particular time.

I am just pointing this out to show you how complicated it is for States.

Can you imagine how complicated it would then be from the Federal level where we get involved in certification?

My whole argument is against our being involved in certification. I do not believe the legislation, or the person who submitted it intended it to deal with any one particular group that is not now covered. They are covered by the States. They are covered by local teaching requirements or local school districts. We should not be involved at all.

So if you accept the chairman's amendment, then you have corrected any fear that they may have, and we can go on keeping in mind that everybody else is protected under GEPA; private and parochial schools are protected under GEPA. Therefore, we should not need any additional legislation.

Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, it is important, because of all the publicity that has been involved in this issue, that every Member understand exactly what we are doing. If you want to solve the problem or the perception that there is a problem regarding the ability of home schools, private schools, religious schools, et cetera, to provide for their own certification criteria of their teachers and not have that controlled by the Federal Government or, in many cases, the State governments, you must vote yes on the Ford amendment.

This is the amendment that solves that problem by doing two things. First, it deletes the whole section on teacher certification. There was, frankly, a bit of a philosophical debate in the committee about whether there should or should not be a Federal role for teacher certification. Obviously the gentleman from Pennsylvania [Mr. GOODLING] and myself and others never believed there should be, but in credit to the gentleman from Michigan [Mr. FORD], recognizing the controversy over this whole section, he said, "Let us just delete the whole section and be done with it."

□ 1310

Second, Mr. FORD adds a provision that says, "Nothing contained in this act shall be construed to affect home schools." So we solved, second, or once again, this issue of whether we will or will not affect the home schools. Now having said that, I know that there is a great desire, because of all the publicity over this issue, for everyone to vote for the Armey amendment. I am going to tell you we have to work out the language of the Armey amendment before I think most of you will want to vote for that, and, hopefully, that can be accomplished in the very near future.

But the problem is that the Armey amendment, as written, says that nothing in this act shall be construed to permit, allow, encourage, authorize any Federal control over any aspect of any private, religious, or home school that does not receive funds under this act.

The problem with that, ladies and gentlemen, is that most private schools and some home schools receive all kinds of Federal money. They can participate directly or indirectly in such program as title I, the Eisenhower Professional Development, the Star schools, library media, innovative education programs, gifted and talented, the RIF program, civic education, the Ellender Fellowships, bilingual immigrant in 91–42.

So, because all of that activity is there, they receive some form of Federal funds which, as the Armey amendment is presently drafted, would bring them under the control, the very thing the Armey amendment, I think, intends not to do.

So, understand, again, you do solve the problem of home schools by voting for the Ford amendment, and, hopefully, there will be some language resolved later in this debate that will allow Mr. ARMEY to make sure that none of the provisions of this act in other sections other than teacher certification get into this area of home schools and regulating private education.

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Texas.

Mr. BARTON of Texas. I thank the gentleman for yielding.

Understandably, the gentleman is much more knowledgeable on this issue, being on the committee. Would it be inappropriate for Members to vote for both amendments, in your opinion?

Mr. GUNDERSON. I am not opposing the Armey amendment. I guess my advice is, to people, to simply understand the Ford amendment solves the home schools issue on teacher certification. What Mr. ARMEY intended to do was to clear up any potential problems in other sections. The problem is we have to work out the language of the Armey amendment to make sure we clear it up and we do not further confuse it.

Mr. FORD of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. I thank the chairman for yielding this time to me.

Mr. Chairman, I think we are all of goodwill, here trying to solve, get language that will address what is perceived to be a problem. I think it is important, however, that the solution should not create another problem, and that is very, very important. That is why the gentleman from Michigan [Mr. FORD] and I offered this amendment to make sure that solution does not create another problem.

It is very simple. It strikes from the bill the language on certification, strikes all that language, and then indicates that this act does not apply in any way to home schools.

My problem with the Armey amendment is that it does create another problem. First of all, let me indicate that the Seventh Day Adventists have sent a letter indicating support of the Ford/Kildee amendment. I have here, too, a letter from the department of education of the Catholic Conference.

Their concern with the language of the Armey amendment—may I read part of it:

> It has also come to our attention that Congressman ARMEY will offer an amendment to H.R. 6 which, in part, would add the following new provision: "Nothing in this act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school that does not receive funds or does not participate in programs or services under the act."
>
> We oppose this provision in the Armey amendment for two reasons: First of all, the Armey amendment explicitly states that private schools that do not participate in programs under H.R. 6 are not subject to Federal control, the amendment implies that private schools who themselves or whose students and teachers do participate in H.R. 6 programs, are subject to broad Federal control.

I submit, Mr. Chairman, with the adoption of the Armey amendment we would jeopardize those schools, those students, and those teachers in the private and parochial schools who are able to participate in H.R. 6.

The attorneys at the Catholic Conference have scrutinized this language very carefully over 2 days and arrive at that very same conclusion. They feel that language is such that the Federal control could be exercised over those schools that do participate, by saying those who do not participate cannot have Federal control, you imply that those who do participate will have Federal control.

They also go on to say in their letter:

> It has also been suggested that the following sentences could be added at some time to the language quoted above: "This section shall not be construed to bar private, religious, or home schools from participation in programs or services under this act." This sentence states a truism which only serves to underscore our concern that this provision in the Armey amendment separates private schools into two groups, schools that do or do not participate in Federal education programs under H.R. 6 with the former being susceptible to broad Government control. Highlighting the distinction exacerbates rather than alleviates the concern.

They raise questions as to both parts of the Armey amendment. I think the Ford/Kildee amendment avoids those pitfalls. I am sure that if the Armey amendment passes, there will be a plethora of court cases that will follow because we will be saying that those who do receive, the schools who do receive or the students who do receive some assistance or teachers who receive some assistance are susceptible to broad Federal control.

I just think we will have court cases. Those who have been very involved in nonpublic education for many years, the United States Catholic Conference, oppose the amendment, based upon a close scrutiny of the law, and the Seventh Day Adventists support the Ford/Kildee amendment.

Mr. GUNDERSON. Mr. Chairman, I yield myself such time as I may consume.

Let me be very clear: I am only going to try to be repetitive in order to help purchase the time necessary to see if we can all have a consensus on what we are doing next.

Let me just echo the remarks of the gentleman from Michigan [Mr. KILDEE] that if you want to solve this problem, you support the Ford amendment. This is the amendment that deals with home school certification. Also, that we have language that either has to be corrected on the Armey amendment or else it creates the very problem for the private schools that it was thought this was going to solve. I do not know if we are going to get that language worked out or not.

Perhaps if the chairman of the full committee will yield for a question. Is it the chairman's intent to have a recorded vote on his amendment?

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the chairman.

Mr. FORD of Michigan. I thank the gentleman. I say to the gentleman, "yes."

Mr. GUNDERSON. Perhaps we could get on to the recorded vote, which would then allow us during that time to see if we could work out the language on Armey. Is that acceptable to everybody?

Mr. FORD of Michigan. Mr. Chairman, this gentleman is ready to go, surely.

Mr. GUNDERSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

□ 1320

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding, and I want to thank everybody. I want to thank the chairman, the subcommittee chairman, the gentleman from Michigan [Mr. KILDEE]. I want to thank my own ranking Republican member, the gentleman from Pennsylvania [Mr. GOODLING].

Mr. Chairman, this is, of course, a very difficult situation in which we find ourselves, and, as my colleagues know, there has been an enormous amount of concern expressed from across the country regarding this. The trick that we have here is to write language that makes America's home schoolers feel secure that they can continue to enjoy practicing their freedom in their home rather than defending their freedom in the courts. That concern is what first caused me to become involved in this legislative effort.

In addition to that, Mr. Chairman, we naturally want to reach out and provide the same sense of certainty, and surety and security that the freedoms will be secured for private schools in addition to home schools.

Within the context of the private schools, Mr. Chairman, we have a particular generosity on the part of the private Catholic schools that should be recognized in that so often the Catholic schools involve themselves in such a way as to participate in programs covered by this bill, H.R. 6, on behalf of other students, and that should be protected as well.

We have the curious phenomenon that 17 States in America define "home school" in such a way as to call them private schools. The difficulty we have had is in writing legislative language that provides a sense of security for the freedoms of all of these people who practice the education of their young people outside of the public schools, and in that process we will, and should correctly, vote for the amendment to be offered by the gentleman from Michigan [Mr. FORD] which deletes the entire section which has been so threatening to these schools. And I would encourage my colleagues to vote for that.

Where I differ with the gentleman from Michigan [Mr. FORD], the chairman of the committee, is his belief that the amendment does the entire job. While I grant that it does an enormous amount of good and should be supported for that purpose, Mr. Chairman, I still believe there is more that needs to be done. My staff and I have been working with the attorneys for the Catholic schools, and with the attorneys for other private schools and with the attorneys for the home schoolers, and we have an amendment which we believe, under consideration after this vote, will, in fact, provide that certainty for all persons involved.

Unfortunately the final concerns raised by the private Catholic schools were not clearly enunciated until after the amendment was filed with the Committee on Rules yesterday. We will be offering a unanimous-consent request to add that final perfecting language to our amendment. We assume that no one will object to it. The gentleman from Michigan [Mr. FORD] has certainly assured me he will not object to that unanimous-consent request, in which case, once that request is honored, we can proceed then with the Armey amendment, and at that point we can have, I think for all parties concerned, a full and certain understanding that the legislation is corrected to the extent that their freedoms will not be threatened either by bureaucratic intervention or by courtroom cases.

Mr. Chairman, it has been a long and arduous process. The patience of all of us has been tried, I think, sometimes beyond what many of us thought was necessary. But I think we can resolve this problem today, and we ought to do so in order to put an end to that anxiety.

Let me encourage then the Members of the body to please vote for the Ford amendment as he has printed it, and then give consideration to my amendment, recognizing the impact, if my colleagues will, of my unanimous-consent request when I make it. We should then, I think, have a very quick debate and be able to vote on the Armey amendment at that time, and all of us can spend the weekend feeling confident that we have relieved people of the anxiety that their freedoms might be compromised in any respect and move on with the rest of the business on this bill.

Mr. Chairman, I want to again thank the gentleman from Michigan [Mr. FORD], the gentleman from Michigan [Mr. KILDEE], the gentleman from Pennsylvania [Mr. GOODLING] and their staffs for their patience and their cooperation in our efforts to work out this rather difficult language.

The CHAIRMAN. The Chair informs Members that each side has 16 minutes of debate time remaining.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. BISHOP].

Mr. BISHOP. Mr. Chairman, I thank the gentleman from Michigan [Mr. FORD] for yielding this time to me.

Mr. Chairman, I rise today in support of H.R. 6, which extends for 5 years the appropriation for most of our Federal elementary and secondary education programs. This very important bill supports major education initiatives and provides funding for school improvement, education of migratory children, expanding opportunities for learning, urban and rural education assistance, prevention and intervention services for at-risk youth, to name just a few.

Over the past several weeks, our office has received numerous calls from parents who teach their children at home and who are concerned about a provision in the bill that apparently would have required all teachers to be certified. This would have given Federal control over home schools.

The amendment by Representatives FORD and KILDEE states that nothing in the bill shall be construed to affect home schools, thereby, protecting home schoolers. In my home State in Georgia, the general assembly passed legislation making it possible for parents to teach their children at home.

I am a strong supporter of the parents' right to select that type of education for their children. The Federal Government does not have the right to usurp that choice, and we should not take it upon ourselves to take that option of home schooling away from parents.

Mr. Chairman, I urge my colleagues on both sides of the aisle to support the Ford-Kildee amendment and to support H.R. 6. Our schools need it, our parents need it, and, most of all, our children need it.

Mr. GUNDERSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. MANZULLO] for the purpose of a colloquy.

Mr. MANZULLO. Mr. Chairman, I wish to thank the distinguished gentleman from the State of Michigan [Mr. FORD] for this utmost fairness in seeing that the very difficult problem is quickly being resolved, and I would simply ask, and I think this is the case, that in the distinguished chairman's statement nothing contained in this act can be construed to affect home schools, and that would mean whether or not a home school is treated as a private school or home school under State law.

Would that be correct?

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Yes. Whatever somebody else calls it, my understanding is that people wanted to be assured that in those States that permit it people who choose to educate their children at home will be permitted to do so. We are not going to get into that field, and that is the intention of that language.

Mr. MANZULLO. Mr. Chairman, I thank the distinguished gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Michigan [Mr. FORD] for yielding this time to me, and I want to say to the House that I am terribly sorry about the misinformation and the misconstruing of the language that I put into this bill. It was my feeling, after very often being confronted in my district with teachers who tell me that they are forced to teach classes for which they have not studied, nor do they know the subject matter, for the convenience of their school and/or their school district, and thereby feeling that they cannot carry out their obligations to their students, that, when we are spending $8 billion and $9 billion in the Elementary and Secondary Education Act, and this is targeted to the poorest and the most disadvantaged children in our society, that the least we could do for the shareholders of this operation, for the taxpayers, is to ensure that those children, where we are sending Federal money, would be entitled to have a qualified teacher teach them the subject for which they are teaching.

☐ 1330

That sounds fairly logical, that no longer should we continue to tolerate a teacher who is schooled and qualified in English having to teach geometry against their will or against their qualifications, or let us say we have a PE teacher who is qualified to teach PE all of a sudden teaching algebra because it is convenient for the school district or they cannot find a qualified person. We start to ask the question, no wonder these children are falling behind in their test scores and such.

But this amendment never did have any impact on home schoolers. That never was intended. It was discussed in the committee, and the approach was within the public school system to make sure that qualified individuals were teaching our children the subject they were qualified to teach. Unfortunately, that was locked onto for political reasons to generate scare tactics, and unfortunately my colleagues have received many phone calls from people who have been misled and who misunderstand the amendment. But that was to the ends of certain individuals' political purposes. Those same people, unfortunately, because of scare tactics, have spent their money, taken their children out of school, and come here to lobby. I hope that is a good civics lesson, and that is certainly their right to do so. But that was never the amendment nor the language that was in this legislation.

What went on here in the last 4 or 5 days has nothing to do with the language in this bill. It has to do with some other agenda of organizations that decided they were going to steam up a lot of parents and a lot of individuals who are genuinely deeply concerned about the education of their children, their right to have their children in private schools, and the right to teach their children at home. That right is honored by this committee, by this legislation, and, I believe, by every Member of this Congress. But somebody could not pass up the political opportunity to gin those people up and arouse them and have them spend their time, their money, and their resources beseeching the Congress on a problem that never existed.

And if I understand the debate that has taken place here in the last few minutes, the solution to that problem now is even worse than the perceived problem they were talking about that they were going to cure. There were numerous opportunities to cure the perceived problem earlier. People chose not to avail themselves of that opportunity because they wanted the political advantage, they wanted the phone calls, they wanted the scare tactics, and they wanted the result they have now. The result will be that children in title I will continue to be taught by many teachers who do not have the ability nor the qualifications to teach those children. That is a tragic end to this story.

Mr. GOODLING. Mr. Chairman, I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, in response to the question from the gentleman from Illinois, I want to add also that the Ford-Kildee amendment refers to all home schools, however they are classified by the States. The reference is to all home schools.

Mr. FORD of Michigan. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FORD of Michigan. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 424, noes 1, not voting 13, as follows:

[Roll No. 31]

AYES—424

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gallo
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (MA)
Neal (NC)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Romero-Barceló (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velázquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—1

Miller (CA)

NOT VOTING—13

Andrews (TX)
de Lugo (VI)
Faleomavaega (AS)
Gejdenson
Green
Hastings
Kennedy
Kennelly
McDermott
Synar
Washington
Waters
Wilson

□ 1354

Ms. SHEPHERD changed her vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DE LUGO. Mr. Chairman, I missed the vote on the Ford-Kildee amendment earlier in the day as I was chairing a meeting on the nuclear problem in the Marshall Islands and got here a few seconds late. Had I been here I would have voted in support of the Ford-Kildee amendment.

PERSONAL EXPLANATION

Mr. McDERMOTT. Mr. Speaker, on rollcall vote No. 31 I was unavoidably detained.

Had I been here I would have voted yes.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 103–426.

AMENDMENTS EN BLOC OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc by Mr. ARMEY:

On page 218, line 14, insert "public" before "schools" and strike "under the jurisdiction of the agency".

On page 218, line 16, after "assigned." insert the following new sentence:

"Nothing in this subsection shall be construed to require the certification or regulation of teachers in any private, religious, or home school.".

On page 735, line 6, insert "institutional" after "nonprofit".

On page 737, line 13, insert "institutional" after "nonprofit".

On page 762, after line 8, insert the following new section:

"SEC. . GENERAL PROVISION REGARDING NON-RECIPIENT NONPUBLIC SCHOOLS.

"Nothing in this Act shall be construed to permit, allow, encourage, or authorized any federal control over any aspect of any private, religious, or home school that does not receive funds or does not participate in programs or services under the Act.".

MODIFICATION OF AMENDMENTS EN BLOC OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I ask unanimous consent that the amendments en bloc be modified.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Amendment, as modified by Mr. ARMEY:

On page 735, line 6, insert "institutional" after "nonprofit".

On page 737, line 13, insert "institutional" after "nonprofit".

On page 762, line 9, insert the following new section and redesignate subsequent sections accordingly:

"SEC. 9508. GENERAL PROVISION REGARDING NON-RECIPIENT NONPUBLIC SCHOOLS.

"Nothing in this Act shall be construed to permit, allow, encourage, or authorize any federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under state law. This section shall not be construed to bar private, religious, or home schools from participation in programs or services under the Act.".

□ 1400

The CHAIRMAN. Is there objection to the modification to the amendment offered by the gentleman from Texas [Mr. ARMEY]?

There was no objection.

The text of the amendments en bloc, as modified, is as follows:

Amendments en bloc, as modified, by ARMEY:

On page 218, line 14, insert "public" before "schools" and strike "under the jurisdiction of the agency".

On page 218, line 16, after "assigned." insert the following new sentence:

"Nothing in this subsection shall be construed to require the certification or regulation of teachers in any private, religious, or home school."

On page 735, line 6, insert "institutional" after "nonprofit".

On page 737, line 13, insert "institutional" after "nonprofit".

On page 762, line 9, insert the following new section and redesignate subsequent sections accordingly:

"SEC. 9508. GENERAL PROVISION REGARDING NON-RECIPIENT NONPUBLIC SCHOOLS.

"Nothing in this Act shall be construed to permit, allow, encourage, or authorize any federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law. This section shall not be construed to bar private, religious or home schools from participation in programs or services under the Act.".

The CHAIRMAN. The gentleman from Texas [Mr. ARMEY] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. KILDEE] will be recognized for 30 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, let me begin by expressing my appreciation to the gentlemen from Michigan [Mr. KILDEE and Mr. Ford], the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Wisconsin [Mr. GUNDERSON], other members of the committee, and in fact to all the Members of this body for their patience with respect to this issue.

The issue became an issue because there were people across this country who have sought refuge from the mandates to public education from the Federal Government by either enrolling their children in private schools or maintaining their children in a home school. These people have what we now can clearly all understand and agree is an extraordinary commitment to the preservation of their own freedom as parents and educators.

The question was raised among these people across the country over, in particular, section 2124(e), which has just been deleted by an amendment which we passed, offered by the chairman, the gentleman from Michigan [Mr. FORD], and over other possible intrusions against their freedom from the bill itself.

It came to my attention, and I have worked with the attorneys for the home schoolers, I have worked with the attorneys for the National Association of Christian Schools, and I have worked with the attorneys from the Catholic schools to try to come up with, in particular, section 9508, which was just written in such a way as to accomplish a protection of the freedoms yet allow the voluntary, and I might say very generous, participation in many of these programs, especially by the Catholic schools, without fear of Government control over the affairs of the school.

It has been a long and arduous task. It has tried the patience of all of us, but we believe now, with full confidence, that this language provides that protection to everybody considered. In particular, the expression we find, that whether or not a home school is treated as a private school or a home school under State law, protects all home schoolers, even those in the 17 States where home schooling is prescribed by State law and definition as private school.

This sentence in the section that says, "This section shall not be construed to bar private, religious, or home schools from participation in programs or services under the Act," protects the rights primarily of the Catholic schools to continue their generous participation on behalf of children across this Nation in these programs, without sacrificing the autonomy and control of their own programs to Federal mandate.

I am confident that this language solves everybody's problem and gives them a reassurance that their freedoms are protected. There are many among us who would argue that, in fact, the language is not needed, that those protections are already granted by this bill or by other legislation. That may or may not be the case.

The fact still remains that many people across the country, as we all know so well, have felt and do feel threatened and are confident that the passage of this amendment will assure that their freedoms will be enjoyed in the home rather than defended in the courts.

Still, nevertheless, Mr. Chairman, let me assure everybody concerned, those who in fact are in their own home schools or their own private schools, those who are in this body, that I will seek to be on the conference that attempts this legislation, and I will cooperatively and willingly continue to work with everybody to make very certain that the final bill has language that will in fact provide everybody the guarantee that their freedoms will not be impinged upon by this legislation.

This is an extraordinarily important thing. Clearly we have seen that the people who love this freedom for themselves and their family will rise to the defense of that freedom. We think we can resolve the issue with the passage of this amendment. They can feel secure in their homes this weekend and then beyond, and we will continue to work with everybody in the most cooperative fashion possible to make sure we have the most perfect language from the conference, should there be any remaining reservations about this language.

Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am sure we all have the same purpose and the same objective here. I am not convinced that this language will still not get us into a constitutional thicket and get us into court on those dollars that have been flowing to the private schools, the parochial schools, for a number of years under the decision of this Congress.

Mr. Chairman, I am not convinced that the gentleman's language remedies what was defective in his original amendment. For that reason, I am not going to support the gentleman's amendment.

I think we have had probably plenty of debate in debating the previous amendment, and I am not going to take any more time, but I will look forward to working with everyone to make sure that we have the proper language. I am not convinced we have it here in the gentleman's amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. ARMEY. Mr. Chairman, let me suggest that I have a large number of people who have requested time to speak on this. In consideration for those who have asked, I must maintain my time.

Mr. KILDEE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I would like to engage with the gentleman from Texas [Mr. ARMEY] in a colloquy, if possible.

Mr. Chairman, we have been working with the gentleman as he has tried to amend his amendment to meet problems he did not anticipate when he first started out with it. I know he has been working in good faith to try to get it to come as close to satisfying the private school interests that are now upset by the amendment as possible.

I am looking now, Mr. Chairman, at section 432 of the General Education Provisions Act, which was passed in 1970, and does not come up for reauthorization. It is permanent law, unless somebody introduces legislation to change it.

In this permanent law, Mr. Chairman, it says:

> Prohibition against Federal control of education. No provision of any applicable program shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over curricula, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system, or to require the assignment of transportation of students or teachers in order to overcome racial imbalance.

I know where the gentleman wants to come out, I believe, and we agree with him on where he would like to get. The problem that this revised amendment leaves us with is that it repeats, unfortunately redundantly, protections that are already in permanent law, but it does not repeat them all.

The lawyers in this Chamber will appreciate the fact that if the gentleman is looking for a way to get himself into court, and we take action to reenact something, but we leave part of it out, that is a strong enough argument to get him into court.

There are groups that do not like to see parochial schools get any of the benefits that they presently get from these programs. That is the reason the parochial schools are concerned about an amendment that could be construed to have changed longstanding law that has never successfully been challenged, 24 years now this year, 24 years in April, it was.

This is the problem I have with this. I am not objecting to the gentleman making these changes. I want him to have a vote on his amendment. I hope we vote soon. I am, unfortunately, in a position where I have to play it safe and vote "no," and hope if it does pass I will be able to straighten it out in a conference with the Senate.

Mr. DE LA GARZA. Will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Chairman, I have been listening to the debate. My understanding, and if the gentleman would verify that, is that the issue of the personal education of the home schools, that is settled, is that correct?

Mr. FORD of Michigan. That is correct.

Mr. DE LA GARZA. If the gentleman will continue to yield, now what we have left in the discussion, technical as it may be, is on the private or parochial schools, is that correct?

Mr. FORD of Michigan. That is correct, and the parochial schools in particular, not church-related private schools. They would not be affected.

Mr. DE LA GARZA. So the parochial schools, if the gentleman will continue to yield, are those identified solely as Catholic or Lutheran, Episcopal, and the other ones?

Mr. FORD of Michigan. Catholic, Baptist, Lutheran, Hebrew day school, any school that is related to a religion and has as part of its function the teaching of the tenets of that religion, Christian schools.

Mr. DE LA GARZA. Christian schools. So the area that was concerned on home education or home schools, that has been corrected? That is satisfied, under the amendment adopted?

Mr. FORD of Michigan. That is correct.

Mr. DE LA GARZA. If the gentleman will yield further, this one could, in some way, endanger the assistance to the so-called parochial or private schools?

Mr. FORD of Michigan. That is their belief, communicated to us.

Mr. DE LA GARZA. I thank the gentleman for making it clear, so we may be able to address the issue adequately.

Mr. ARMEY. If the gentleman will yield, I was under the impression, Mr. Chairman, that when he rose he wanted to engage me in a colloquy.

Mr. FORD of Michigan. Mr. Chairman, that can be done very easily.

Mr. Chairman, I would ask the gentleman, is it his intent that notwithstanding any language in his amendment that might be construed by anybody or the courts to the contrary, that he intends to ensure all of the protections that are in the permanent law in section 432, prohibition against Federal control of education, in the General Education Provisions Act?

Mr. ARMEY. Will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, it is my intent, of course, to do honor to those provisions. We see, as the chairman himself so aptly pointed out, that although my amendment may have a redundancy to that, it does not in fact belie any of the provisions of that bill, and there are some provisions of the bill that are not covered by my amendment.

My response to the gentleman is that redundancy in defense of freedom is a virtue, and I do not mind committing that redundancy just for further assurance.

Mr. FORD of Michigan. I just wanted the gentleman to make clear on the record, so courts trying to interpret what we are doing here will understand that the gentleman recognizes that what he is doing is simply reenacting the already existing law, and he does not intend to change it.

Mr. ARMEY. If the gentleman will yield further, I do not intend to change the authority of section 432, as the chairman has just read.

Mr. FORD of Michigan. I thank the gentleman.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE], the distinguished leader of the Republican Policy Committee.

Mr. HYDE. Mr. Chairman, briefly, I support the so-called Armey amendment. I think it improves on the so-called Ford amendment, which I welcome, but the Ford amendment only talks about home schools, and there are private schools that are equally involved in this intrusive attempt or apparent attempt to require certification of them.

Mr. Chairman, I am satisfied that that was not the intention, but there is a well-known road paved with good intentions, and it is well to specify what the gentleman is talking about.

The so-called Armey amendment does indeed do that, and specifies that home schools, even those home schools that are defined as private schools in 17 States, and private schools, need not be certified as public schools are.

I am convinced that the parochial schools, the private schools, will not suffer any diminution in benefits that they receive under the existing law now.

□ 1410

So I wholeheartedly support the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Ohio [Mr. BOEHNER], a member of the Committee on Education and Labor.

Mr. BOEHNER. Mr. Chairman, if there is anything that we have heard over the past week with the thousands of phone calls that all of us have received in our offices, it is that the American people want us to stay out of their education system. My wife and I, as the mother and father of two daughters in public schools, want our neighbors and community leaders to make decisions about our schools. We do not need Federal bureaucrats in Washington, DC, making decisions that affect the education of our children.

Now we have before us a 900-page bill that virtually no Member of this body has read. That is how these problems come to this body.

The Armey amendment fixes one of those problems. But we ought to remember to take time as we are legislating to make sure that we know what we are doing, to make sure that we know what is in the legislation before we bring it to this floor.

The Armey amendment is a good amendment. I believe it does protect parochial schools, and as one who spent 16 years in parochial schools, along with my 11 brothers and sisters, I am satisfied that parochial schools are well covered with this language.

Mr. KILDEE. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I plan to vote for the amendment with the understanding that we will have the language corrected before it becomes law so that we do not have 6 million telephone calls instead of 1 million, and because I believe we could get to that point. So I hope we will get everything corrected before anything becomes law.

Mr. KILDEE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, the colloquy that we just heard between the gentleman from Texas [Mr. ARMEY] and the chairman of the full committee indicates that the pending amendment is merely to reiterate what already is the law, and that the aspects of redundancy ought to be ignored even though the purported redundancy might create an enormous amount of mischief. And I want to cite why this mischief ought to caution us, despite the phone calls and the faxes that we are receiving, not to vote for this amendment.

We have been advised by the parochial schools, by other private schools that this is a very mischievous amendment. It comes to us under a guise of misunderstanding, that there are no Federal regulations whatsoever that control the use of Federal funds under the Elementary and Secondary Education Act. It is not true.

People have gone to court. This is a very contentious issue, and as a result of the decisions by the courts, there are carefully construed procedures by which private and parochial and other religious schools may expend Federal funds. Some of them are very complicated. They make no sense.

For instance, a public school teacher may not go onto a private school premise in order to utilize Federal funds for the benefit of private children. Computers may be put into private schools, but they may not be utilized and the use may not be under the control of the private or parochial teacher. It must be under the control of the public school system. Under title 2 they can buy books and so forth, but they must be property of the public school system, and on and on. There is an abundance of procedural regulations that have been required because of litigation. And when the chairman say when a redundancy may appear to be innocent, what he is cautioning this body is if we change, even a minutiae, the wording of existing law, we are inviting litigation, and the parochial and private schools are concerned that we are changing the content of the provisions of existing law which have been carefully worked out over the 20-some-odd years that it has worked.

□ 1420

None of us want to see any prejudice whatsoever to the ability of private and parochial schools to benefit from the use of Federal funds for the particular targeted children But if we adopt this amendment, we are inviting chaos and further litigation.

So I urge this House to vote down this amendment.

Mr. ARMEY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am the watchdog for over 1,500 people who have called in to my office.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, I rise in strong support of the Armey amendment.

While I strongly support public schools, and my five children have gone to public schools, and I went to public schools, I believe every parent ought to have the opportunity to send their children to public schools, parochial schools, private schools, or home school.

What has happened here, and the body ought to recognize it, is that the American people were upset. Moms and dads who are concerned about what was going to happen to take away their right to educate their children called the Congress, and I think it is important that they know that by calling the Congress they have moved this body. They have made a difference. So their participation is helpful and they are to be congratulated.

Let me just take a second to commend the gentleman from Texas [Mr. ARMEY]. I have confidence that members of the committee will work together to resolve this problem. But the Armey amendment, when it comes up for a vote, is a good yes vote to send a message back to mothers and fathers and parents that they have the right to determine the education for their children.

Education faces many important challenges. I firmly believe, however, that it is up to parents to determine what is best for their children. Parents must be the decisionmakers for their children's future, not the government. Parents, no governments, are the best arbiters about what is best for their kids.

Many parents opt to send their children to nonpublic schools or to home school their children for a variety of reasons. Some send their children to nonpublic schools for religious reasons, cultural reasons, or because the alternative school offers opportunities that are not afforded by public schools.

Mr. Chairman, we need to support all of our schools—public, private, religious, and home schools. There are probably as many ways to raise and teach children as their are children and parents. What I do know is that parents are uniquely positioned to make a better determination about what is best for their kids than the government.

Mandatory certification of home school teachers and private school teachers will make it difficult if not impossible for these valuable alternatives to public school to continue to exist. The Armey amendment will make clear that the Federal Government is not going to be in the business of mandating certification of private, religious, or home schools.

Mr. Chairman, I strongly urge Members on both sides, in a bipartisan way to support this Armey amendment and reaffirm our commitment to preserving the autonomy parents should have in making critical education decisions for their kids.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am convinced that all of us here are trying to achieve the same goal. I think we all have good will on that.

The language that the gentleman from Michigan [Mr. FORD] and I offered in our amendment had been worked out very carefully with those who have been historically long involved in nonpublic education or religious education, the Catholic Conference, the Seventh-day Adventists. It was very carefully drafted.

My fear is that we may unintentionally restrict the participation of those religious and private schools in many of the programs that we have enacted over many, many years, because language written here on the floor, with scratched-out and something inserted and a caret put here and a deletion and a stet put here, and it is pretty hard to determine really what we have.

We are writing language that will affect the future of many schools in this country. So while I concur that we all are of good will here, good will alone will not guarantee that we will have the proper language.

Now, the gentleman from Michigan [Mr. FORD] and I worked very hard, worked with the various groups, with our own attorneys, here to get proper language, did not do this on the floor of the House, scratching out, putting carets and stets as were writing.

I say that only because, and I wish that the gentleman from Texas [Mr. ARMEY] would listen, because I am talking to him primarily, and I want some response, I know we both have the same goal in mind. I think we would concede that, that we have the same goal in mind.

But there are groups out there, and you know who they are, I say to the gentleman from Texas [Mr. ARMEY], there are groups out there who are ready to pounce on parochial schools, and this language, I fear, may give them an opportunity to drag those schools into court. That is my only fear. Maybe my fears are groundless.

But when I look at an amendment that is scratched out, stet, take it back in, caret here, insert here, I really do not like to write law that way that affects so many schools.

Now, I am sure in your own heart you are convinced this language is correct. I am not at all convinced yet. So I am not going to support it. Because I think this is an area of law in which we have to be most careful, because there are groups out there that would like to drag certain schools into court.

Mr. Chairman, I reserve the balance of my time.

Mr. ARMEY. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, let me say very quickly that I do appreciate the point just made by the gentleman from Michigan [Mr. KILDEE], and that is why in fact we have sought counsel from and gotten an approval of support for our amendment from the American Association of Christian Schools, the Association of Christian Schools International, the National Association of Evangelicals, and those letters are here, and those will be submitted for the RECORD.

THE RUTHERFORD INSTITUTE,
Charlottesville, VA, February 17, 1994.

Hon. Congressman __________,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN: The Rutherford Institute wishes to express its concern regarding the recent amendment of Congressman George Miller (D–CA) of H.R. 6, the legislation known as the "Improving America's Schools Act of 1994" and the constitutional and statutory basis for voting against the amendment. Congressman Miller's amendment appears to require all homeschooling parents within states that receive federal funding to be certified teachers. This would effectively prevent most parents from educating their children at home, including those who do so for religious reasons.

A provision such as Congressman Miller's poses serious constitutional and statutory concerns. For example, under the recently enacted Religious Freedom Restoration Act ("RFRA"), Congressman Miller's amendment would likely fail a challenge since it would pose a substantial burden on the free exercise of religion by homeschooling parents as well as those who send their children to religious schools.

In addition, the freedom of belief, which includes the freedom to formulate beliefs, is a fundamental right which may only be abridged by the government in order to achieve a compelling state interest and only by the least restrictive means possible. Clearly, teacher certification requirements are not the least restrictive means available to achieve any interest of the state in the education of its future citizens.

This matter is understood by the courts and state legislatures. Hence, only a few states have deemed it necessary to require teacher certification for homeschools and religious schools. Aside from constitutional concerns, the need for teacher certification in connection with home and religious schools has not been shown. For example, standardized tests show that students in homeschools often receive better educations than students in public or accredited private schools. In any case, most states have implemented other, more constitutional, means of achieving the state's interest in an educated citizenry such as portfolio and proficiency exams.

The right of privacy has been found to be a constitutionally protected fundamental right. The Supreme Court has arguably expanded this fundamental right through a long line of cases to include the right of parents to direct the education of their children and to be the primary decisionmakers in the arena. Since this right also has fundamental protection, any requirement such as the one proposed by Congressman Miller must withstand the requirements of the U.S. Constitution as well as RFRA, as noted above.

A requirement for teacher certification that overrides state statutory schemes would also violate the basic constitutional notion that education is a right retained by the people under the Ninth Amendment to the U.S. Constitution. Moreover, since education of the American citizenry is not a power delegated to the federal government by the Constitution and education is not a power prohibited from the states, it is a power reserved to the states under the Tenth Amendment to the Constitution.

Finally, teacher certification requirements, favored by teachers' unions and the National Education Association, test the skill of the parents, not the students. Where the interests of the state in an educated populace are met and validated through ends-orientated means, means-oriented requirements are overly intrusive and unnecessary.

The Rutherford Institute is the leading legal organization in the United States in the area of religious civil liberty and has long been involved in matters affecting parents' rights and the free exercise of religion. As its founder and president, I litigated (and won) a homeschool case involving teacher certification which was one of the first homeschool cases litigated in the United States.

Since that time, the Institute has continued its active rule in these areas. As part of this effort, I recently co-authored a book with Alexis Crow, Legal Coordinator of The Rutherford Institute, entitled "Home Education: Rights and Reasons", a copy of which will be hand delivered to you tomorrow. Since time is short, I request that you read at least the sections of the book that deal with the matter of teacher certification and the academic performance of homeschooled students.

I would be pleased to provide any other material or information that would assist you in understanding the unconstitutional nature of Congressman Miller's amendment to H.R. 6.

Thank you for your serious consideration of this letter and supporting materials.

Sincerely,

JOHN W. WHITEHEAD,
President.

CONCERNED WOMEN FOR AMERICA,
Washington, DC, February 23, 1994.

HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: Concerned Women for America joins in wholehearted support of the amendment by Congressman Dick Armey to clarify the scope of H.R. 6 by specifically protecting private and home education. CWA has long been a supporter of the right of parents to determine the method of education best suited for their children, whether public, private, religious, or home-based.

With rising school violence, declining achievement scores, and high pupil to teacher ratios, growing numbers of parents are electing non-public schooling for their children. Such options are effectively eliminated through recent language changes to H.R. 6 which add onerous certification requirements per subject matter for all teachers nationwide, whether public, private or home-based.

In the face of the firestorm of protest from parents of private and home-educated students, Congressman George Miller now claims that his amendment never sought to regulate private or home schools. This appeal seems rather disingenuous since Mr. Miller and the Education and Labor Committee earlier rejected the clarifying amendment by Congressman Armey.

Therefore, it is incumbent upon Congress to match rhetoric with action. If indeed the Miller language were never intended to cover non-public schools, the Armey Amendment should be overwhelmingly adopted on the House floor. Any alternative amendment is not acceptable and must be opposed.

Concerned Women for America urges you to protect parental choice by supporting the Armey Amendment. We will be monitoring this important vote respecting federal control over education.

BEVERLY LAHAYE,
President.

COALITIONS FOR AMERICA,
Washington, DC, February 23, 1994.

Hon. RICHARD ARMEY,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN ARMEY: On Thursday, February 24th, the House is scheduled to vote on H.R. 6, the Elementary and Secondary Education Act which significantly threatens the freedom and effectiveness of private and home schools. H.R. 6 would require state certification for all home school parents and teachers of non profit religious schools.

According to section 2124 (e) of the proposed bill (p. 201) would require that each local education agency beginning with the 1998–99 school year to assure the Secretary of Education that every fulltime teacher within its school district is certified to teach in the subject area to which he/she is assigned.

This language could be interpreted to mean home schooling parents must be state-certified before they can teach their children. This also encourages further church/state entanglement with the certification of religious school teachers.

Coalitions for America is an umbrella group of conservative social, economic and pro-defense organizations that support efforts to stop government intervention of personal freedoms.

Coalitions for America fully endorses your amendment to protect home school and private school freedom. We are urging other members to support your amendment as well.

Sincerely,

ERIC LICHT,
President.

ASSOCIATION OF CONCERNED TAXPAYERS,
Washington, DC, February 22, 1994.

House of Representatives,
Washington, DC.

DEAR MEMBER OF CONGRESS: The members of the Association of Concerned Taxpayers nationwide are in strong support of the efforts of Rep. Dick Armey to protect the rights of home-schooling parents to educate their children free from bureaucratic interference. The issue goes much further than the specific provision in H.R. 6. Crucial to the future success of education in the United States is the flexibility to reach beyond the current pool of NEA-certified teachers to others with real expertise in various subjects. Without that the tax burden of education will eventually consume the entire State and local budget.

ACT is opposed to the federalizing tendency expressed in all the provisions of H.R. 6, but at a minimum, we need the protections contained in the Armey Amendment. I strongly urge you to vote for the Armey

Amendment and to oppose any attempts to weaken its provisions.

Sincerely,

GORDON S. JONES,
President.

AMERICANS FOR TAX REFORM,
Washington, DC, February 23, 1994.

DEAR MEMBER OF CONGRESS: On behalf of the 60,000 members of Americans for Tax Reform, I am writing to offer our strong support for Rep. Dick Armey's amendment to H.R. 6, the Elementary and Secondary Education Act.

In its present form, H.R. 6 would dramatically expand the role of the federal government by providing for federal regulation of private and home school students. This takes American education in exactly the wrong direction while taxpayers—both those who choose public schools for their children and those who choose private schools—foot the bill in the form of higher federal spending and additional tax hikes at the federal, state and local level.

The Armey amendment will do much to make a bad bill less bad.

I strongly encourage you to support and vote for the Armey amendment when it comes to the floor and against any amendment that would weaken the impact of the Armey amendment.

Sincerely,

GROVER NORQUIST,
President.

AMERICAN LEGISLATIVE
EXCHANGE COUNCIL,
Washington, DC, February 24, 1994.

Hon. RICHARD K. ARMEY,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ARMEY: The American Legislative Exchange Council is the nation's largest bi-partisan individual membership organization of state legislators, with 2,500 members throughout the 50 states, Puerto Rico and Guam.

The American Legislative Exchange Council is strongly opposed to the mandate, currently contained in H.R. 6, requiring all teachers in public, private and home schools to be certified under the guidelines of their state educational agency, as included in the "Miller" amendment.

Current law dictates that public school teachers are required to be certified. By expanding this to include all schools, the "Miller" amendment would essentially end home schooling and severely impair private and religious schools. This legislation would further increase federal control in an area which has traditionally been under state authority. Additionally, it would strip away at the rights of parents to choose the manner in which their children are educated.

The American Legislative Exchange Council supports your amendment to H.R. 6 which would exclude private schools and home schools from the scope of the "Miller" amendment.

Respectfully,

SAMUEL A. BRUNELLI,
Executive Director.

AMERICAN FAMILY ASSOCIATION,
Washington, DC, February 24, 1994.

Hon. DICK ARMEY,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE ARMEY: On behalf of our President, Dr. Donald E. Wildmon, and the more than one million supporters of the American Family Association, I would like to express strong support for your amendment to eliminate the provision in H.R. 6 which would require state certification for teachers in private schools and home schools.

Without the Armey Amendment, H.R. 6 would eliminate nearly all home schools in America and deal a grievous blow to private Christian schools.

Your leadership on this important matter is appreciated by the American Family Association.

Most sincerely,

PATRICK A. TRUEMAN,
Director of Governmental Affairs.

CHRISTIAN COALITION,
CAPITOL HILL OFFICE,
Washington, DC, February 23, 1994.

STOP THE FEDERAL POWER GRAB OVER LOCAL EDUCATION—VOTE "YES" ON THE ARMEY AMENDMENT!

DEAR MEMBER OF CONGRESS: On behalf of the one million members and supporters of the Christian Coalition, we would like to express our strong support for Congressman Dick Armey's amendment to eliminate the provision in H.R. 6 which would require state certification for teachers in private and home schools.

This provision in H.R. 6 represents an outrageous grab for power by the education bureaucracy. The Armey amendment addresses a grievous provision in this legislation that would undermine parental rights and threaten private and home schools with burdensome government regulation. We urge you to support this amendment because it would prohibit requiring state certification of private schools and home schools.

The Christian Coalition will include the vote on the Armey Amendment in its upcoming Congressional Scorecard which is distributed annually to 40 million voters throughout the United States. Please vote "yes" on the Armey Amendment.

If we can provide further information, please do not hesitate to contact us at (202) 547-3600. Thank you for your support on this important matter.

Sincerely,

MARSHALL WITTMANN,
Director, Legislative Affairs.
HEIDI SCANLON,
Director, Governmental Affairs.

AMERICAN ASSOCIATION OF
CHRISTIAN SCHOOLS,
Independence, MO, February 23, 1994.

Hon. DICK ARMEY,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ARMEY: The American Association of Christian Schools (AACS) is one of the leading organizations of Christian schools in the country. Founded in 1972, the AACS serves over 140,000 students enrolled in approximately 1000 member school throughout the United States.

Congressman Armey, the AACS is very concerned about H.R. 6, the Elementary and Secondary Education Act, euphemistically titled the "Improving America's Schools Act". Generally speaking, H.R. 6 is a death blow to local control of education. As the National School Boards Association said on Dec. 30, H.R. 6 "is heavy-handed, undemocratic, and a direct threat to local supervision. It has no place in federal law."

More specifically, we in private, Christian schools are alarmed at the possibility of a state teacher certification mandate being applied to all schools—public, private, religious or home schools—regardless of whether we accept any federal funds or not. Congressman George Miller's amendment added on February 8 in the Education and Labor Committee during the mark-up of H.R. 6 is unacceptable. We consider this one of the most dangerous assaults on the freedom of Christian schools seen in recent history.

The AACS whole-heartedly supports the Home School-Private School Freedom Amendment. Thank you for your willingness to support this amendment. We will be working hard and praying hard for its passage.

Sincerely,

CARL D. HERBSTER,
President.

HOME SCHOOL
LEGAL DEFENSE ASSOCIATION,
Paeonian Springs, VA, February 17, 1994.

DEAR REPRESENTATIVE: H.R. 6 contains a provision which could be interpreted in a manner to drastically eliminate the right of virtually all home schoolers to educate their own children. §2124(e) would potentially require all home school parents to be certified teachers. This subsection is a recent addition to H.R. 6 by Representative George Miller.

No state currently requires parents to be certified teachers to home school their children. This has been a gradual change over the past decade. The last state to eliminate the teacher certification requirement was Michigan. Its requirement was eliminated by court decision in *Michigan* v. *DeJonge*, 501 N.W. 2d 127 (Mich. 1993) when the Supreme Court of Michigan ruled that it was unconstitutional to require religiously-motivated parents to be certified teachers.

Section 2124(2)(e) provides:

"ASSURANCE.—Each State applying for funds under this title shall provide the Secretary with the assurance that after July 1, 1998, it will require each local educational agency within the State to certify that each full time teacher in schools under the jurisdiction of the agency is certified to teach in the subject area to which he or she is assigned."

The definition of schools contained in H.R. 6 has been changed from current law. The new definitions are as follows:

"§9101 (11) The term 'elementary school' means a nonprofit day or residential school that provides elementary education, as determined under State law."

"§9101 (20) The term 'secondary school' means a nonprofit day or residential school that provides secondary education, as determined under State law, except that it does not include any education beyond grade 12."

The word "nonprofit" has been added to each of these definitions. Any prior ambiguity as to whether private and home schools were included in the definition of school has been eliminated by the addition of the word "nonprofit."

Moreover, Representative Dick Armey attempted to solve this problem in committee by adding the following amendment:

Nothing in this title shall be construed to authorize or encourage Federal control over the curriculum or practices of any private, religious, or home school.

However, this amendment was rejected in committee.

Based on this history, home schoolers believe that school officials will interpret this section to deem home schools to be "schools under the jurisdiction of the agency." Since most home schools must report some form of information to a local education agency, aggressive school officials will likely make this interpretation. They will therefore contend that home schools and private schools must exclusively use teachers who are certified to teach the subject matter at hand. This is the equivalent of a nuclear attack upon the home schooling community.

We have spoken to Congressman Miller's office to seek an agreed amendment to this section to limit its provision only to public schools. While the staffer stated that it was not their intent to have this provision apply to home schools, she stated that they were currently unwilling to make any amendment to this section—not even an amendment which simply added the word "public" prior to the word school.

There have been several occasions in the recent past where language in an education bill could be plausibly interpreted to include home schools and private schools. In every case, the sponsor of such legislation has disclaimed any intent to harm the home school community. We have prepared a proposed Home School/Private School Freedom Amendment (copy attached) to make it clear that home schools and private schools are not to be subjected to any federal legislation unless it is specifically intended. This approach will allow us to not only solve the current crisis regarding H.R. 6, but will prevent any unintended conflict in the future.

Having been informed by committee staff that they intend to move H.R. 6 on a very fast track and bring it to the floor for a vote on February 23 or 24, we have launched a nationwide alert to home schoolers to ask them to contact their Congressmen and women. We hope you will support our requested amendment when it is voted on by the House.

If you are able to assure us of your support today or tomorrow, we will make every effort to contact the home school leadership in your district with the request that they do what they can to stem the tide of phone calls coming to your office.

Thank you so much for your kind consideration of our request.

Sincerely,
MICHAEL P. FARRIS,
President.

P.S.—Because of several complaints that staffers are unable to locate the relevant language on their computers, we have included a copy of the referenced sections of H.R. 6.

HOME SCHOOL
LEGAL DEFENSE ASSOCIATION,
Paeonian Springs, VA, February 23, 1994.

DEAR REPRESENTATIVE: We would like to clarify a few matters related to H.R. 6.

THERE IS A REAL DANGER TO HOME SCHOOLS AND PRIVATE SCHOOLS

Section 2124(e) as written by Rep. George Miller does pose a serious danger to private schools and home schools. The definition of "local education agency" is irrelevant to the correct legal analysis. The question is: "Are home schools and private schools under the jurisdiction of a local education agency?"

Based on our eleven years of defending home schools against legal challenges by local education agencies, it is beyond dispute that it is the position of local school authorities that home schools and private schools are under their jurisdiction. We are not willing to subject our freedoms to a court decision which will interpret the phrase "under the jurisdiction" of a local education agency.

The danger was seriously exacerbated when the Education committee rejected Dick Armey's original amendment. This amendment would have excluded home schools and private schools from the purview of this Act. If the intent of Congress was directed exclusively at public schools, what was the justification of rejecting Armey's original amendment?

By rejecting Armey's original amendment Congress created a legal presumption that it intended to force home schools and private schools to adhere to the standards in this legislation.

ANY AMENDMENT MUST EXEMPT HOME SCHOOLS AND PRIVATE SCHOOLS FROM THE ENTIRE ACT

HSLDA and dozens of other organizations (see attached list) are committed to the passage of the Armey amendment which protects private and home schools (which do not receive federal funds) from the application of any portion of this entire Act. An amendment which merely deals with §2124(e) is unacceptable. The "standards" sections in Title I repeatedly uses the phrase "all children." We do not want to take any risk that "all children" will be literally construed to mean all children, including homeschoolers. Armey's amendment protects all forms of private education from compelled compliance with these federal curricular "standards" which do not receive federal funds.

SPEAKER FOLEY HAS STATED HIS SUPPORT FOR THE PRINCIPLES REFLECTED IN THE ARMEY AMENDMENT

Speaker Tom Foley made a public statement at a community forum, Saturday, February 19, 1994, at Rogers High School in Spokane. He committed that he would vote for an amendment which would exempt home schools and private schools from this Act. To accept anything less than an amendment which exempts home schools and private schools from the entire Act would be irresponsible given our duty to protect the home schooling community from potential threats. Armey's amendment would meet the standard established by the Speaker. We heartily concur in the sentiment expressed by the Speaker.

WE ATTEMPTED TO RESOLVE THIS MATTER WITH REPRESENTATIVE MILLER BUT WERE STONEWALLED

We wish that a solution could have been attained without the full phone alert we have issued. However, on February 15 Mr. Miller's staff told us flatly what he would not agree to any amendments to §2124(e). With a vote only nine days away, we had no choice but to contact our entire constituency. If he had indicated any desire to negotiate, we would have delayed our alert, but we were flatly turned down. His own public printed releases from last week confirm that he would not agree to any amendment in advance. We would respectfully suggest that Mr. Miller's refusal to consider a clarifying amendment and the committee's rejection of Armey's original amendment are the proximate cause of all the phone calls. We hope that we can be consulted in advance in the future to avoid these problems.

THOSE CONCERNED ABOUT H.R. 6 GO FAR BEYOND THE HOME SCHOOLING COMMUNITY

Finally, if this outcry is understood to be limited to home schoolers, such analysis is not accurate. The people of this country do not want the federal government to dominate public education either. Your messages say "vote no on H.R. 6." We would urge Congress to strip away all provisions that usurp the principle of local control of schools. Few objections would be heard concerning aid to Title I schools. But the massive intrusion into all schools is simply ill-advised.

Thank you for your patience.

Sincerely,
MICHAEL P. FARRIS,
President.

HOME SCHOOL
LEGAL DEFENSE ASSOCIATION,
Paeonian Springs, VA, February 24, 1994.

DEAR REPRESENTATIVE: We once again urge you to vote for the Home School-Private School Freedom Amendment to H.R. 6 which will be offered today by Mr. Armey.

This organization provides legal representation to 37,000 families in all fifty states. We deal with thousands of legal controversies and dozens of lawsuits for home schoolers each year. Based on this considerable experience, it is our good faith professional opinion that many school officials and at least some judges would interpret home schools to be "schools under the jurisdiction" of a local education agency within the meaning of §2124(e).

If it is the intent of Congress to regulate only public schools and those private schools which receive federal funds, there is no legitimate reason why that intent should not be stated forthrightly.

There has been some discussion of the possibility of limiting the Home School-Private School Freedom Amendment to apply only to home schools. There are two problems with that approach. First, many private schools want this same protection since they have no desire to participate in federal funding. The American Association of Christian Schools, for example, has made it plain that they want to be a part of this protection. Moreover, in seventeen states home schools operate as private schools. In the majority of these seventeen states, the private school statute is the only means of statutory compliance for home schools. In the balance (approximately five states), the private school statute is an important alternative procedure for statutory compliance. For this reason, if Congress limited the protection of this Amendment to "home schools" it would end up failing to protect home schoolers in the following states: Alaska, Alabama, California, Colorado, Delaware, Illinois, Indiana, Florida, Kansas, Kentucky, Louisiana, Maine, Michigan, Nebraska, South Carolina, Texas, and Utah.

Home schoolers in these states would be justifiably upset if we agreed to language that failed to protect their interest.

We realize that you have received an extraordinary number of calls on this issue. We greatly appreciate your patience with our community in receiving their calls and letters. Thank you so much for listening to our concerns. We hope you will vote for the Home School-Private School Freedom Amendment today.

We would like to emphasize that regardless of how you vote, we want to express our genuine appreciation for your patience with our community and your constituents.

Sincerely,
MICHAEL P. FARRIS,
President.

HOME SCHOOL ORGANIZATIONS SUPPORTING PASSAGE OF THE ARMEY AMENDMENT

ALABAMA

Christian Home Education Fellowship of Alabama.*
Abundant Life School.
Anchor Christian Academy.
AOCHE.
Ashville Rd. Family Christian.
Atmore Christian School.
Auburn/Opelika Christian.
Baldwin Co. Home Educators.
Beacon Baptist Academy.
Believer's Christian School.
Bethel A/G Christian School.
Calvary Baptist Church.

Calvary Fellowship School.
Cathedral Christian Academy.
Cathedral Christian School.
Chattahoochee Valley Home School.
CHEAHA.
Christian Center.
Christian Educators at Home.
Christian Life Center.
Covenant Academy.
Covenant Christian Academy.
Covenant Christian School.
Crossroads Christian School.
Hope of Central Alabama.
Home Educators Lighting Pathways.
Evangel Family Christian.
Extended Hand Church.
Faith Christian School.
Faith Covenant Academy.
Faith Tabernacle Academy.
Fellowship Christian School of Double Springs.
Fellowship Christian School of Houston.
First Assembly of God.
Grace Baptist Satellite School.
Grace Bible Church School of Gadsden.
Grace Bible Church School of Dothan.
Harvest Christian Academy.
Heritage Academy of Tallessee.
Heritage Academy of Vestavia Hills.
Higher Ground Academy.
Hope Christian School.
I Am The Way . . . Truth . . . Life.
Jubilee Academy.
Leeds Christian Academy.
Maranatha Christian Academy.
Metro Christian School.
Mountain Top Christian School.
New Harvest Christian School.
New Hope Baptist Church.
New Life Christian School.
New Testament Baptist Church.
North AL Christian.
North AL Christian School.
North AL Friends School.
North AL Home Educators.
North AL Home School Organization.
Northside Assembly of God.
Omega Church School.
One Sense Church School.
Pathway Christian School.
Pintucky Christian School.
Riverwood Presbyterian Church Home School.
Russell County Support Group.
Simmsville Bible Church School.
Southwest Alabama Home Educators, Mobile.
Springville Road Community.
TEACH.
Tuscaloosa Home Educators.
Victory Baptist Church.
Vineyard Christian Academy.
Way Home Christian School of Holly Pond.
Way Home Christian School of Decatur.
Way Home Christian School of Arab.
Way Home Christian School of Athens.
Way Home Christian School of Cullman.
Way Home Christian School of Decatur.
Way Home Christian School of Falkville.
Way Home Christian School of Ardmore.
Way Home Christian School of Killen.
Way Home Christian School of Somerville.
Way Home Christian School of Scottsboro.
Whitesburg Baptist Christian.
Wiregrass Education Co-op.
Woodland West Christian.

ALASKA

Alaska Private & Home Educators Association.*

ARIZONA

Arizona Families for Home Education.*
Christian Home Educators Extension School, Lake Havasu.
Desert Hills Christian School.
Faithful Learners Home School Support Group, Phoenix.
Hualapai Home Schoolers, Kingman.
Havasu Home Educators.
Roadrunner Homeschool Support Group.

ARKANSAS

Arkansas Valley Christian Home Schoolers.
NWARK.

CALIFORNIA

Christian Home Education Association.*
Aliso Creek Presbyterian Church.
Anaheim Discovery Christian School/Independent Study Program.
Chalcedon Christian School, Murphys.
Christian Family Educators of Orange County.
Concerned Parents of Calaveras County Homeschool Ass.
Creekside Christian School.
Family Protection Ministries.
Magnolia Baptist Church.
North American Baptist Churches of Southern California.
Private/Home Educators of California.

COLORADO

Christian Home Educators of Colorado.*
Concerned Parents of Colorado.*
Bear Valley Home Schoolers Support Group.
Christian Cottage Schools.
Christian Family Educators, Pueblo.
Christian Home Educators of North Fork.
Christian Single Home Educators Network.
Colorado Heritage Education School System.
Colorado Springs Home School Support Group.
Estes Park Christian Home Educators.
F.A.I.T.H.
Foothills Bible Church Home School Support Group.
Front Range Eclectic Educators (FREE).
Golden Home School Group.
Grace Chapel Homeschoolers Support Group.
Grand County Home Educators.
Gunnison Valley Home Schoolers.
High Plains Home Educators Group, N.E.
Home Educators for Excellence in Durango.
Homeschoolers of Central Aurora.
Homeschoolers Under God (HUG), Elizabeth.
Longs Peak Home School Network, Longmont.
North Suburban Homeschool Association, Thornton.
Pleasant Hill Academy, Longmont.
Prairie Homeschoolers (North).
Prairie Homeschoolers (South).
Pueblo Home School Association.
Radiant Support Group of Colorado Springs.
San Juan Home Educators, Montrose.
Shema Christian Academy.
South Sheridan Baptist Church Home School Group, Denver.
Southern Adams County Home Educators.
Teller County Support Group.
Vineyard Southwest Homeschool Support Group.
West Prairie Homeschoolers.

CONNECTICUT

The Education Association of Christian Homeschoolers.*
Christ & Kids Homeschool Support Group.
Christian Educators at Home.
Christian Home Educators, New Haven.

DELAWARE

Old Capital Trail Academy.

FLORIDA

Florida Coalition of Christian Private School Administrators (FCCPA).*
Florida Parent Educators Association (FPEA).*
Home Education Foundation.*

GEORGIA

Georgia Home Education Association.*
Catthoochee Valley Homeschoolers.
C.H.E.R.I.S.H.
CRRA Home Education Association.
Fellowship of Christian Home Educators.
Greater Griffin Area Christian Home Educators.
Stewart-Webster County Home School Association.

HAWAII

Christian Home Schoolers of Hawaii.*
Christian Home Educators of Maui.

IDAHO

North Idaho Home School Education Association.
Idaho Coalition of Home Educators.*

ILLINOIS

Illinois Christian Home Educators.*
Christian Home Educators Coalition.*
Association of Peoria Area Christian Home Educators.
Carpenter Community Church Home Schoolers.
Chosen Generation Home School Support Group.
Christian Families for Home Education.
Christian Home Educators of Rockford.
Christian Liberty Academy Satellite Schools (CLASS).
Christians Actively Teaching at Home.
Grant City Home Educators.
Helping One Another Educate.
Illinois Family Institute.
Kane County Christian Home Schoolers.
Kankakee Christian Home Educators.
North West Suburban Christian Home Educators.
Oak Park Christian Home Educators.
Round Lake Christian Home Educators Association.

INDIANA

Indiana Association of Home Educators.*
Bethel Family Co-Op.
Berean Homeschools.
Broad Ripple Three Homeschool Support Group.
Christian Home Educators Association of North Dearborn.
Decatur County Home Educators.
Franklin County Homeschoolers.
Great Commission Academy.
Hamilton County East Home School Support Group.
Henders City Home Educators.
L.I.G.H.T.
Montgomery County Home Educators.
Morgan County Home Educators.
Northeast Indi-Elementary Grup, Indianapolis.
Putnam County Home Educators Support Group.
White River Home Educators.
Zionsville Home School Support Group.

IOWA

Network of Iowa Christian Home Educators.*
Abudon.
Algona.
Amea.
BYKOTA
Big Horn/Kimbalton.
Buena Vista.
Burlington Education Association of Christian Home Schoolers.

Calhoun County Support Group.
Carroll Support Group.
Catholic Home Schoolers of Iowa.
Central Iowa Home Schoolers.
Cedar Rapids Homeschool Support Group.
CHAMPS
Chariton.
Christian Homeschoolers of Dubuque.
Columbus Academy.
Council Bluffs.
Covenant Educators of Des Moines.
Creston
Dallas County Home School Support Group.
Families Associated in Triumphantly Homeschooling.
F.I.S.H.
Fort Dodge.
Green County.
Grimmell.
Hardin County Home Educators.
Heart and Home.
Heartland Home Educators.
Hicks Home School.
Home Educators for Excellence in Des Moines.
Home Educators In God's Honor Teaching Scholars.
Home Educators Learning Publication
Iowa City Christian Home Educators Fellowship.
Iowa City Home Learners.
Iowa County Area.
Iowa Falls.
Life Force.
Monroe County Support Group.
Mount Ayr.
North Iowa Christian Home Educators.
Northeast Montana County.
Northwest Iowa Home Educators.
Perry.
Pleasantville.
Plymouth Home Educators.
Quad Cities Area.
Red Oak.
Shenandoah.
Siouxland ACE Homeschoolers.
Southern Story County.
Southern Wayne County Support Group.
South East Woodberry.
South West Iowa Home School Association.
Supporting Home Educators in Eastern Polk.
Together Encouraging As Christian Homeschoolers.
Tri-State Homeschoolers.
Waterloo/Cederfalls.
Wisdom Seekers.

KANSAS

Christian Home Educators Confederation of Kansas.*
FAITH Home Schoolers Co-op.
Northwest Kansas Christian Family Educators.

KENTUCKY

Christian Home Educators of Kentucky.*
Kentucky Home Education Association.*
Ashland Home School Group.
Associates for Excellence in Education, Grayson County.
Carrollton Area Christian Home Educators (CACHE).
East Louisville Home Educators.
Heartland Home School Support Association, Elizabethtown.
Home Educators are Reaching Tomorrow for Christ.
Lakeland Home Educators, Paducah.
Oldham County Home Education Network.
Pennyrile Chapter of Christian Home Educators of Kentucky.

LOUISIANA

Christian Home Educator's Fellowship of Louisiana (CHEF)*
CHEF of Lafayette.
CHEF of New Orleans.
CHEF of the River Parishes.
The Tangipahoa Area Home School Support Group.
West St. Tammany Home Education Association.

MAINE

Christian Coalition of Maine.
Homeschoolers of Maine.*

MARYLAND

Maryland Association of Christian Home Educators.*
Christian Home Educators Network.*
Christian Home School Fellowship.
Greater Grace World Outreach.

MASSACHUSETTS

Mass. H.O.P.E.*

MICHIGAN

Information Network for Christian Homes.*
Christian Home Educators of Michigan (CHEM).
Alto Home Schoolers.
Branch County Area Home Schoolers.
Bridgefield 4-H Group.
Byron/Door Home Educators.
CARE.
Charlotte Area Christian Home Educators.
CHEM Ministry.
Christian Home Educators Association.
Christian Home Educators Extension.
Christian Home Educators Network of Hillsdale.
CHESS.
Covenant Life.
Dowagiac Area Home Schoolers.
FAITH.
FAST.
Fellowship Christian Association.
God's Harvest.
Gratiot Area Home School Support Group.
HEART.
Heartland HOMES.
Holland Area Home School Association.
HOME.
HOME.
Ionia County Home School Group.
JAHE.
KAHSA.
Koinonia.
KONOS Cooperative Schools.
Lakeshore Christian Home School Cooperative.
LATCH.
LEARN.
LIFE.
LIFE.
LIFE Support.
LIGHT.
LIGHT.
Macomb St. Clair Home Schoolers.
MARY.
Mason County Home Schoolers.
Michiana Christian Educators.
Mighty Warriors.
Mom's Alive.
Mount Pleasant Home Educators Association.
NATHHAN.
North Hampton County Home Educators.
NOTCH.
NW Connections.
Oceana County Home Schoolers.
Ogemaw Christian Home School Association.
PATH.
Portage/Schoolcraft/Vicksburg Support Group.
Precious Moments.
Resurrection Life Support Group.
Servants of Immaculata.
Sonrise Home Education Association.
Southfield Home School Support Group.
South Haven Home Schoolers.
South Lyon Area Support Group.
Thumb Area Christian Home Schoolers.
TEACH.
TEACHING.
Teemworks.
THEO.
TOUCH.
Tri-County Area.
True Life Center.
Twin Cities Scholars.
Upper Michigan Christian Home Educators.
Valley Home School Group.
Van Buren County Homeschoolers.
VICTORY.
The Voyagers.
Ward Home School Fellowship.
WATCH.
WISDOM.

MINNESOTA

Minnesota Association of Christian Home Educators.*
Minnesota Family Council.*
Minnetonka Home School Association.

MISSISSIPPI

Mississippi Home Educators Association.*

MISSOURI

Missouri Association of Teaching Christian Homes (MATCH).*
Missouri Association of Teaching Home Educators.*
Christian Home Education Fellowship.
Families for Home Education.
Home Education Association of Region III, Kansas City.
Practical Homeschooling.

NEBRASKA

Nebraska Christian Home Education Association.*
Ft. Calhoun Baptist Church Home Educators.
Southeastern Area Home School Support Group, Hickman.

NEW HAMPSHIRE

Christian Home Educators of New Hampshire.*

NEW JERSEY

Education Network Of Christian Home Schoolers (ENOCH).*

NEW MEXICO

New Mexico Christian Home Educators.*
Home Educators Association, Tucumcari.

NEW YORK

New York State Loving Education at Home (LEAH).*
Central Wayne County Chapter of LEAH.
Greene Chapter of LEAH.
Kinderhook Chapter of LEAH.
Livingston Chapter of LEAH.
LEAH—Region 6 representing 10 counties.
North County Home Schoolers.
Parents Instructing Challenged Children.
Port Gervis Chapter of LEAH.
Rensselaer County Chapter of LEAH.
Sempronius Chapter of LEAH.
Shawagunk Chapter of LEAH.
Southern Westchester Chapter of LEAH.
Syracuse Chapter of LEAH.
Tri-State Home Schoolers.
Ulster County Chapter of LEAH.

NORTH CAROLINA

North Carolinians for Home Education.*
H.O.M.E., Fayetteville.

NORTH DAKOTA

North Dakota Home School Association.*

OHIO

Christian Home Educators of Ohio (CHEO).*

Age to Age Christian Home Educators.

Ashtabula County Home Educators.

Bay Area Parent Educators.

Bedford County Christian Home Educators.

Christian Family Educators.

Christian Elective Educators of Ashtabula County.

Christian Heritage Home Schoolers.

Christian Home Educators of Cincinnati.

Christian Home Educators of Northwest Ohio.

Christian Home Educators of Southeast Ohio.

Christian Home Educators of Washington County, Marrietta.

Christian Home Educators Support System I.

Cuyahoga County Christian Home Educators.

Dayton Christian School, Inc.

Emmanuel Baptist Christian Schools, Toledo.

FAITH Home Educators Support Group of Columbus.

Families Advancing in Instruction Together at Home.

Garretsville Home Educators.

Geougo County Home Schoolers.

Grace Bible Church.

Grace Brethren Home Education Fellowship, Columbus.

Grace Home School Support Group.

Grace Home Education Support Group.

Heartbeat Christian Home Educators.

Hearts of Jesus, Columbia Station.

Hocking Valley Home School Support Group, Logan.

Home Education Action Council, New Carlisle.

Home Education League of Parents.

Home on the Rock Christian Home Educators, Grove City.

Homes County CHEO.

H.O.P.E. Christian Home School Group.

Impact.

Lake County Christian Home Educators.

Lancaster, Ohio, Homeschool Support Group.

Madison Home Schoolers.

Mahoning Area Christian Home Educators.

Medino Home Educators.

Miami County Christian Home Educators' Organization.

Moms Offering Moms Support, East Liverpool.

North Dayton Home Educators.

Northwest Association of Homeschoolers, Dublin.

Page Manor Christian Home Educators.

PATHWAYS Support Group, Etna.

Paulding County Homeschoolers.

Prevla County Support Group.

Servants for Home Educators of Southern Ohio.

Solanco Home Educators.

Sunbury Home Educators Support Group.

TEACH.

TLC Home Schoolers, Mansfield.

Trumbull County TEACH.

Twinsburg Home Educators.

Union County Home Schoolers Support Group.

Van West Area Home Schools.

Walnut Hill Community Church Home School Support Group.

Word of Life Fellowship Group Home School.

OKLAHOMA

Christian Home Educators Fellowship (CHEF).*

Ada Christian Home Educators.

Anadarko Christian School.

Carter/Love County Group.

Central OKC Homeschool Support Group.

Christian Home Educators of SW Oklahoma (CHESO).

Chickasha Home School Group.

Del City Home School Group.

Duncan Area Christian Home Educators Association.

Eastern Oklahoma County Support Group, Jones.

Edmond Home School Group.

Enid Area Christian Home Educators.

First Baptist Church of Moore Homeschool Support Group.

Guthrie Homeschool Support Group.

Lawton Christian Home Educators.

Life Christian Support Group, Newalla.

Oklahoma Central Home Educators Consociation (OCHEC).

Norman Area Home Educators.

Northwest OKC Home Educators Support Group, Bethany.

Northwest Teen Support Group, Bethany.

Perry Homeschoolers.

Piedmont Homeschool Support Group.

(Rocky) We're in This Together (WITT), Cordell.

Rush Springs Support Group.

Shawnee Christian Home Educators, Tecumseh.

Southside OKC Home Educators, Oklahoma City.

Stillwater Christian Home Educators Fellowship (SCHEF).

Tri-City Support Group, Tuttle.

Trinity Christian Home School Support Group, Norman.

Village Homeschool Group, Oklahoma City.

Weatherford Area Homeschoolers.

Woodward Area Homeschoolers.

Yukon/Mustang/El Reno Support Group.

OREGON

Oregon Christian Home Education Association Network.

(OCEAN).*

Christian Life Workshops, Gresham.

National Home Education Research Institute, Salem.

Salem Area Christian Home School Network.

The Teaching Home, national magazine.

Westside COACH, Portland.

PENNSYLVANIA

Lancaster County Home Education Association (L'CHEA).*

Beaver County Area Home Schoolers.

Bedford County Christian Home Educators.

Berks County Home Educators.

Bows and Arrows.

Bucks and Homeschoolers.

Catholic Homeschoolers Alliance, Bethlehem.

Carlisle Home Educators Association.

Central Christian Home-Educators Association, Mill Hall.

CHALICE, Bethlehem.

Chester County Homeschoolers.

Christian Home Educators Fellowship of Lycoming County.

Christian Homeschoolers of Upper Bucks County.

Claysville Area Home Schoolers.

Clearfield County Homeschoolers.

Clinton County Pennsylvania Home Schoolers Association.

Community of Believers Christian School.

Creative Education Network.

Delaware County Home Schoolers Association.

Ellwood City Home Schoolers.

Erie County Homeschool Support Group.

Faith Christian School, Pittsburgh.

Fawn Homeschoolers.

Greater Latrobe Area Home Schoolers.

Green County Home Schoolers.

Greensburg Area Home Schoolers.

Greenville Area Homeschool Association.

Harmony Home Educators.

Homes Organized for Meaningful Education (HOME).

Home Schoolers of Red Lion.

Home Schooling Families of Faith, Bethlehem.

Lancaster Covenant Church Home Schoolers.

Lansdale Area Home Schoolers.

Lehigh County Home Educators.

Leola Area Home Schoolers.

Lititz Area Home Schoolers.

Lycoming County Home School Support Group.

Mason-Dixon Home Schoolers, Greencastle.

McKean County Homeschoolers.

McKeesport Area Home Schoolers.

Moon Valley Home Educators.

Mountain Area Home Educators, S.W.

Mount Joy Elizabethtown Home School Support Group.

Paradise Home Schooling Group.

Parent Educators of Adams Group.

Parent Educators of Adams County.

Pennsylvania Homeschoolers.

Pennsylvania State Catholic Home School Group.

Pittsburgh Airport Area Home Schoolers, Sewickley.

Pittsburgh Area Homeschoolers.

Pittsburgh Suburban Homeschool Association.

SALT Support Group, Perkasie.

S.C.H.E.W.L.

Southern Chester County Homeschoolers.

South Hills Council of Parent Educators.

South Hills Home Educators.

TEEN Connect Support Group, Hilltown.

The Endless Mountains Area Christian Homeschoolers.

Thursday Homeschooling Support Group, Hershey.

Tri-State Home School Network.

Upper Bucks Secondary Homeschoolers, Bethlehem.

Upper Lehigh, Carbon & Schuylkill Counties Home Educators.

Venango County Home Schoolers.

Washington Support Group.

West Lancaster Homeschool Support Group.

PUERTO RICO

Christian Home Educations of the Caribbean.

RHODE ISLAND

R.I.G.H.T.*

SOUTH CAROLINA

South Carolina Home Educators Association.*

Aiken Area Home Schoolers.

Anderson Home School Association.

Carolina Superschoolers.

Christian Home Educators of Laurens County.

Coastal Christian Home Educators Association.

Cooperation of Domestic Educators.

Easley Home Educators.

East Columbia Home Educators.

GRACE at Home.

Grand Stand Heritage Fellowship.

Home Educators of Richland/Lexington District 5.

Homeschoolers Association of the low Country.

Home Organization of Parent Educators.

Lexington Instructors Giving Hope to Tomorrow.

Lowcountry Christian Home Educators Association.

Newberry County Home Educators.

North Midlands Family Education.

Orangeburg Christian Home Educators Association.

PeeDee Christian Home Educators Association.

Piedmont Home Educators Association.

South Carolina Association of Independent Home Schools.

Spartanburg Parent Association of Christian Educators.

Sumter Area Family Educators.

Tri-County Home Educators.

West Columbia/Lexington Area Home Educators.

York Educators at Home.

SOUTH DAKOTA

Western Dakota Christian Home Schoolers.*

TENNESSEE

Tennessee Home Education Association.*

Bristol TN/VA Area Support Group.

Chattanooga/Southeast Tennessee Home Education Association.

North East Tennessee Home Education Association.

TEXAS

Home Oriented Private Education.*

Texas Home School Coalition.

American Family Association of Texas.

Arlington Association of Home Educators.

Association of Brookshire Christian Home Schoolers.

Baytown Area Home Education Association.

Believers Fellowship Home School Support Group.

Bellaire Southwest Homeschool Association.

Benton County Home School Association.

Big Country Home Educators, Abilene.

Boham Home School Association.

Brownsville HOPE.

Casa View Baptist Home School Group.

Catholic Home School Group.

Catholic Home Schoolers of the Greater Houston Area.

Central Christian School of Marble Falls.

CHEFOI.

Christian Home Educators Association, Arlington.

Christian Home Educators Association, Austin.

Christian Home Educators Fellowship.

Christian Home Educators of Mt. Pleasant.

Church on the Rock of Quitman.

Cleveland Area Report to Home Educators.

Coastal Bend Home Educators.

Columbia Christian Home Education Association.

Countryside Christian Academy.

Custer City Home School Association.

Eagles of Grand Prairie.

Eastpark Home School Group, Arlington.

Ennis Home School Association.

Families Advocating Instruction in the Texas Home.

Fellowship of Christian Home Schools.

Fort Bend Christian Home Schoolers.

Glen Rose Association of Home Educators.

Grace Academy.

H.E.A.D.

H.O.M.E.

Home Education Resources.

Homeschool Association of Palestine.

Homeschool Parents as Educators.

Homeschooling Organization of South Texas.

Homeschoolers of Spring Tabernacle.

Hunt County Christian Home Schoolers.

Johnson County Learning In Family Education.

Johnson County Parent Educators.

Lake Highlands Christian Home School Association.

Lakewood Presbyterian School.

Metrocrest Home School Support Group.

Mineola Area Home Educators.

Nacogdoches Area Home Schoolers Association.

North East Dallas Home School Group.

North East Tarrant County Association of Christian Home Ed.

North Texas Home Educator's Association.

North Texas Home Educator's Network.

Northeast Tarrant County Home School Educators.

Northwest Christian Schools.

Old Baptist Church of New Boston.

Palo Pinto Christian Home Educators.

Richardson Home School Association.

Sugar Creek Christian Home Educators.

Sulphur Springs Christian Home Educators.

TEACH, Texarkana.

Texas Home Educators Convention.

Texoma Home School Association.

Titus Homeschool Support Group.

Travis Peak Home Schoolers.

TORCHE of Oak Cliff.

Washington County Private School Association.

West Houston Home Educators.

Westside Association of Christian Home Educators.

Wood County Home Educators.

Wylie Home Education Cooperation.

UTAH

Utah Christian Home Schoolers.*

VERMONT

Christian Home Educators of Vermont.*

North Shore Home Schoolers Association.

Vermont Home Schoolers Association.

VIRGINIA

Home Educators Association of Virginia (HEAV).*

Alfa Co-op.

Altavista Home Schoolers.

Amelia County Home Schoolers.

Amherst/Nelson Home Schoolers.

Beach Educators Association of Creative Homeschools (BEACH).

BRANCH.

Calvary Chapel Support Group.

Central Virginia Christian Home Educators Association.

Charlottesville Area Home Educators.

CHEAF.

Chester Home Schools.

Christian Heritage Home Schools.

Concord Home Education Association.

Culpeper Home School Group.

Danville Area Home Educators.

DOVE.

Family Schools of Gloucester.

Farmville Area Home School Support Group.

Gladys Home Schoolers.

Gloucester Home Educators.

Gloucester Home Schoolers.

Goochland County Home Schoolers.

Goochland Home Schoolers.

GRACE.

Grace Covenant Home Educators.

Greater Bedford Christian Home Educators.

Greater Bristol Home Schoolers.

Greater Roanoke Home Educators.

Harvest.

Henrico Home Schoolers.

Highland Spring Home Educators.

Home Education Association for Restoration and Teaching.

Home Educators Association Residing in the Highlands.

Home Educators of the Appalachians.

Home Educators of Spout Springs.

Home Educators Resource Organization.

Home Instructed Students (HIS).

Home Scholastic Network.

Home Schoolers of Colonial Heights.

Homeschoolers of Goochland, Powhatan and Louisa Counties.

HOPE.

Hopkins Road Home Schoolers.

Keysville Home School Support Group.

LAMB.

LEAH of New River Valley.

Lighthouse Home Educators.

Louisa Home Schoolers.

Luray Home Educators.

Mattaponi Region Home Schoolers.

Mechanicsville Home Educators.

Mecklenburg Christian Home Educators.

Nelson/Amherst Christian Homeschool Organization.

Oakley Home Schoolers Network.

Patrick Henry Home Educators.

Peninsula Family Schools.

Powhatan Home Schoolers.

Pulaski Home Educators.

Rainbow Forest Home Schoolers.

Richmond Regional Home Educators.

Salt and Light.

Southside.

Southside Church Home Schoolers.

Seton Home Study.

Tabernacle Baptist Homeschool Support Group.

TEACH.

Teaching Our Own.

TREASURE.

Tri-City Home Schoolers.

Twin County Home Educators.

United Home Schooling Group.

Valley Home Educators (Shenandoah Valley).

Valley Home Educators (Weyers Cave).

Virgilina Home Schoolers.

Williamsburg Area Home Educators.

WASHINGTON

Washington Association of Teaching Christian Homes.*

Broad Ripple Home Schooling Group.

C.H.I.L.D., Seattle.

Charity Home School Group, Spokane.

Clark County Home Educators.

Family Advocates in Teaching Homes (FAITH), Yacolt.

Graham Home School Support Association.

KONOS Around Pudget Sound.

Lake City Christian Home Educators.

North Takoma Home School Group.

Northview Homeschool Group.

P.A.T.H.

Schooling Partners in Christ in Spanaway.

Tacoma Homeschoolers.

WASHINGTON, D.C.

Bolling Area Home Schoolers of D.C.

WEST VIRGINIA

Christian Home Educators of West Virginia.*

Homeschoolers Under God, Bridgeport.

Jefferson County HomeSchoolers.

Kanawh-Putnam Home Educators in Charleston.

Morgan County Homeschoolers.

Panhandle Family Schools.

SCHOLARS, Mt. Nebo.

Southern West Virginia Christian Home Educators, Beckley.

Upper Pocahontas County Home School Support Group.

WCACHE of Parkersburg.

WISCONSIN

Wisconsin Christian Home Educators Association.*

Cedarburg Home School Group.

Christian Home School Education Network (CHOSEN).

Families Responsible for Excellence in Education.

Greater Milwaukee Home Schoolers.

Hearts At Home.

Kettle Moraine Christian Home Schools.

Lake Country Home Educators.

Milwaukee Area Christian Home Educators.

New Holsein Home School Association.

Oshkosh Area Home Educators.

Parents Educating God's Gifts.

Price County Home Educators.

Racine Area Home Schoolers.

Regime Area Home Schoolers Incorporated.

Richland Center Home Educators.

Three Rivers Home School Group.

Valley Homeschoolers.

Western Kenosha County Home Schoolers.

WYOMING

Home Schoolers of Wyoming.*

Big Horn Basin Homeschoolers.

Christian Home School Association, Laramie.

Fremont County Christian Home Schoolers Association.

Home Schools In Touch.

Westbend/Hartford, Ouzaukee Area Homeschoolers.

*Statewide Organization

ASSOCIATION OF CHRISTIAN SCHOOLS INTERNATIONAL,
Washington, DC., February 23, 1994.

Re H.R. 6—Armey amendment.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: The Association of Christian Schools International (ACSI) is the largest association of Protestant Christian Schools in the world. In the United States, we have over 2,907 member schools, from preschool through college, with 554,600 students. We join with the home schoolers in urging you to recognize the basic rights of religious schools—Catholic, Protestant, Jewish, or Muslim—to operate without federal intrusion. The "assurance provision" [section 2124(e)] of H.R. 6, as operate without federal intrusion. The "assurance provision" [section 2124(e)] of H.R. 6, as reported out of Committee, threatens this right. Combined with other provisions, it could be read to require state regulation of certification of teachers in religious and home schools.

The Association of Christian Schools International therefore urges support of Congressman Dick Armey's amendment which deletes subsection 2124(e) of H.R. 6.

The Armey amendment also adds a provision to make clear that the Act does not intend to assert federal control over regulation of private, religious, or home schools that do not receive funds under the Act. Many such schools do have students who receive benefits and participate in programs and services under the Act. The amendment affirms that such schools may continue to participate cooperatively without added regulation. Benefits are ordinarily delivered through government employees and the schools, as such, do not receive funds under the Act.

While religious and home schools seek freedom from federal intrusion as a Constitutional right, they are proud to have contributed richly to the heritage of the Nation. They also have private programs of certification and accreditation and are by no means unaccountable. Many have been doing an excellent job in the inner-cities and other challenging circumstances. We plead that the Congress will allow them to continue without federal intervention the successful job they have been doing.

Respectfully yours,

JOHN C. HOLMES, ED.D.,
Director.

FAMILY RESEARCH COUNCIL,
Washington, DC, February 22, 1994.

DEAR MEMBER OF CONGRESS: Please support the "Home School/Private Education Amendment" to H.R. 6, to be offered by Congressman Dick Armey and accept no alternative.

The Armey amendment is needed because of the provision added at the last minute to H.R. 6 by Congressman George Miller which can be interpreted to force private, religious and home schools to hire only certified teachers. This could eventually eliminate 99 percent of home schoolers in America and deal a grievous blow to private schools. Mr. Miller's amendment is nothing short of a power grab by the federal government to gain control over private schools and home schools.

Mr. Armey's amendment essentially states the following:

Federal involvement of control over private schools, home schools, and/or religious schools is expressly prohibited.

No federal funds shall be used for monitoring, regulating or supervising private schools, home schools, and/or religious schools.

The use of the term "school" anywhere in H.R. 6 shall mean public school and shall not include private schools, home schools, and/or religious schools.

The issues stressed above are critical to our constituency. Please support the amendment and accept no compromises or alternatives to Mr. Armey's language.

In addition to Mr. Armey's amendment, we ask your support for amendments to be offered by Mr. Goodling and Mr. Boehner. Mr. Goodling's amendment will prevent federally funded school-based health clinics from providing family planning or reproductive health services. Mr. Boehner will offer an amendment to permit school choice.

The Family Research Council strongly opposes H.R. 6 and ask that you vote against the bill but would appreciate your support of the above mentioned amendments during the deliberation of the bill.

Sincerely,

GARY L. BAUER,
President.
MEGHAM R. FLAHERTY,
Deputy Director, Government Relations.

TRADITIONAL VALUES COALITION,
Washington, DC, February 23, 1994.

DEAR MEMBER OF CONGRESS: Soon the House will consider H.R. 6, the Elementary & Secondary Schools Act. Traditional Values Coalition has many problems with this legislation, including the Miller Amendment which requires certification for teachers of home and private schools.

Traditional Values Coalition (TVC) is pleased to support the Armey Amendment to H.R. 6 which exempts all non-public schools from the Miller Amendment.

The very reason for home and private education is to provide top quality instruction within the framework of the values and beliefs of the children being taught. More government regulation of these non-profit educational institutions is unnecessary and infringes on the freedom of parents to teach their children as they wish. Under H.R. 6, as it now reads, home schooling parents must be certified teachers, in every grade level and every subject in which they plan to teach. Not only would this eliminate all home schooling as we know it, but it would even preclude professional teachers who are currently certified from home schooling their own children.

Traditional Values Coalition applauds the efforts of Congressman Dick Armey to protect the autonomy of home schools and private schools from increased government intervention and encourage all Members to support the Armey Amendment to H.R. 6.

Traditional Values Coalition considers support for the Armey Amendment a key pro-family vote. As as result, your position will be reported to TVC's 31,000 member churches, many of which are located in your district.

Sincerely,

LOUIS P. SHELDON,
Chairman.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I rise today in the strongest support of the Armey amendment to H.R. 6, the Elementary and Secondary Education Act.

As I believe every member of this House knows by now, the Miller amendment, as it came out of committee, would affect the right of parents and children around this country to choose private, religious or home schooling. Parents who choose these options, and I have many in my district, have seen outstanding results from these nonpublic schools.

While virtually every member of this House is supportive of the public school system, we should not turn this support into an attempt to coerce parents who have chosen private, religious or home schooling out of these choices. It is a fundamental right for parents to choose the education for their children that best suits their family's needs.

Whether or not the actions we take in Congress are intended to affect these schools, we must be aware that they can be interpreted to do so. That is exactly why so many people were alarmed by the teacher certification language that was in this bill as it emerged from committee.

That is also why the Armey amendment is the best way to improve this bill. The Armey amendment makes explicit what I believe is the intention of the vast majority of this House—that the Federal Government not begin telling private educational institutions how to do their job.

Private schools have shown their effectiveness in providing education to millions of American children. The flexibility they demonstrate is to be admired. If we do not adopt the Armey amendment, the possibility exists that provisions similar to the Miller amendment may be found in this 900 page bill and be interpreted so as to interfere with the operations of our private schools.

Not only would that have a negative impact on elementary and secondary education, but it would also open the bill to interpretations contrary to what the majority in Congress intends. For those who claim that the Armey amendment will be redundant, I would say that redundancy in the pursuit of clarity can be a virtue. And as the Courts grow evermore aggressive in reinterpreting the laws we write, clarity becomes more of a necessity.

I stand here today as someone who also supports public education. My wife is a former public school teacher, and I have one child in the public schools. But I also believe that we need to preserve the rights of parents to choose private, religious, or home schools. If you share that belief, I urge you to vote for the clearest statement of that principle—the Armey amendment. I wish to congratulate the Dobson Radio station, Christian Broadcasting Network, Concerned Women of America and others who made the public aware of this important issue.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. EWING].

Mr. EWING. Mr. Chairman, I rise in strong support of the amendment.

Mr. Chairman, I rise in support of the Armey amendment to exempt all nonpublic school teachers from the certification requirement included in H.R. 6, the reauthorization of the Elementary and Secondary Education Act.

Congress is at it again—placing more Federal mandates on schools which do not even receive Federal funding. One of the major problems faced by our public schools is meeting the multitude of unfunded mandates imposed on them by the Government. Now we want to do to our private and home schools what we have done to the public schools.

Teacher certification, besides creating a bureaucratic nightmare, tests the skills of parents, not students. If the Armey amendment fails, 99 percent of home schoolers may not be able to teach their own children. Because this provision requires that secondary teachers are certified in every subject they teach, even certified parents would not be allowed to teach their own children in a variety of subjects.

The Federal Government must reverse this trend of intruding on local school districts, and learn that the bureaucrats in Washington, DC do not help our children learn how to read and write. I encourage all of my colleagues to join me in supporting the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to my colleague the distinguished gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I rise in strong support of the Armey amendment.

Mr. Chairman, I want to very quickly tell where we come from. We come from last weekend where there was a section of this bill that could be interpreted to require certification for home schoolers. Thanks to the outcry of the country and all of the people calling in, we have now seen the distinguished chairman of the committee of jurisdiction offer an amendment that passed, with the exception of one vote, that struck the entire section.

The gentleman from Texas [Mr. ARMEY] now wants to offer an amendment that makes explicit the rights of home schoolers and private schoolers.

Now, there can be a gentleman's disagreement about the technical nature of the amendment, and I would stipulate that is what the conference committee is all about is to work out some of those technical amendments.

If you are for the principle of allowing home schoolers and their parents, to be taught at home, and private schools and parochial schools, vote for the Armey amendment. If we have got technical problems, we can work those problems out in the conference committee, and we should commend the gentleman from Texas [Mr. ARMEY] for offering this amendment. When he started the flight, it was not clear that we were going to be all as supportive as we are now.

PARLIAMENTARY INQUIRY

Mr. KILDEE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KILDEE. Mr. Chairman, are we going to be going back and forth in recognition?

The CHAIRMAN. Yes, we will be going back and forth. But the gentleman from Texas has more time remaining, and so we were going to take a few speakers on that side.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Minnesota [Mr. RAMSTAD].

☐ 1430

Mr. RAMSTAD. Mr. Chairman, today, with over 3,000 of my constituents who have called on this issue since last Friday, I rise in strong support of the Armey amendment to H.R. 6. These lists represent only calls, and each sheet contains 8 to 10 calls; the single largest outpouring on any issue I have received since I came to Congress in 1991. In all these calls, not a single person expressed support for imposing teacher certification on home or private schools. The Armey amendment will protect, fully, private, religious, and home schools from Federal interference. Not one State in this country requires that home schoolers be certified, yet unless we pass the Armey amendment there is a real danger that Congress will tell families, State governments, and local school districts that it knows better how to manage their affairs. I urge my colleagues to support the Armey amendment to protect home school, private schools and parochial schools from the Federal Government's attempt to take away their economy.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

I think all of us would agree the number of calls we have received is a great tribute to the democracy we have in this country. I look upon those calls as an opportunity to listen to people. I think this has been a great outpouring of democracy, and I think we all welcome that.

Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. I thank the gentleman from Michigan for yielding this time to me.

Mr. Chairman, I want to commend the gentleman from Michigan, Mr. KILDEE, Chairman FORD, the ranking minority member, Mr. ARMEY, for bringing this matter to our attention. I am very pleased that we have reconciled this question of whether the Federal Government was going to get into the business of attempting to certify teachers in private and parochial schools, and home schooling across the country. I hope everybody across America who is concerned with this issue should note the vote, because there was only one person in this body who was against the amendment, which I hope makes one point crystal-clear. That is that no one, perhaps with the exception of one Member of this body, had any intention of the Federal Government reaching out and trying to certify teachers in home schooling operations and in private schools in this country. I want that point clearly understood.

Mr. Chairman, I am pleased also that we are dealing with a modified Armey amendment. This is not the amendment that we were dealing with earlier today. I commend the gentleman from Texas for straightening it up. It appears to me that some additional improvement will be needed as we move forward in the process.

With that in mind, I have no big problem with the Armey amendment. But this morning's Armey amendment was apparently opposed by the Catholic Conference, so I was advised. Now I am told that there is some question as to whether the Catholic Conference, which happens to be involved in the operation of many schools in this country, is sort of neutral on the gentleman's amendment. Whatever concern they have I am confident can be addressed as we move forward in the process.

My friends, the bottom line is this: No one in the House of Representatives, with the possible exception of one person, apparently had any desire to get the Federal Government into the business of certifying teachers in private schools, parochial schools, or home schooling operations in this country.

I happen to appreciate the contact we have all received from our constituents across the country. I appreciate the work of the gentleman from Michigan, the chairman of the committee, and ranking minority members also for helping us to clarify this issue and put to rest the concern that many Americans had about this issue.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. GALLEGLY].

Mr. GALLEGLY. I thank the gentleman for yielding this time to me. I stand in strong support of the Armey amendment.

Mr. Chairman, I rise today in strong support of the Armey amendment to H.R. 6. Millions of American children are schooled at home by parents who are deeply committed to their education, and I believe it is absolutely essential that Congress respect these parents' right to do so.

The Armey amendment will ensure that the Federal Government does not interfere with private, religious, or home schools that do not choose to accept Federal assistance. It also ensures that private and religious schools that do choose to participate in Federal programs may continue doing so.

Private, religious, and home schooling provides important alternatives for American families. The Armey amendment ensures that our families continue to have the choices they need to meet their children's educational needs, and I urge its support.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. I thank the gentleman for yielding this time to me. I would like to speak in strong support of the Armey amendment.

Mr. Chairman, as we all know from the thousands of phone calls that have monopolized the Capitol switchboard, H.R. 6 contains a provision that could be interpreted in such a way that parents, teaching their children at home, would have to be certified in every academic subject they teach.

This mess all began when an amendment was added to require the certification of all teachers in the academic subjects they are assigned to teach. The amendment was meant to disallow alternative certification. Alternative certification is based on the principle that certification, in and of itself, is not the best indication of an individual's ability to teach. Without alternative certification, even the president of Duke Power Co., who is probably the expert in the Nation on nuclear engineering, would not be permitted to teach even general science unless he first goes back to college for a teaching degree. This is ludicrous.

In the process of outlawing alternative certification, home-schoolers were inadvertently harmed and that is why we are debating the Armey amendment. This amendment is absolutely necessary. The Ford/Kildee amendment may not go far enough in protecting the rights of parents to educate their children and does not protect private and religious schools.

I urge my colleagues to vote for the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. HOEKSTRA], a member of the committee.

Mr. HOEKSTRA. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today in support of the home school-private school freedom amendment.

As I listen to the debate on H.R. 6 I hear much debate about how to make the schools better, most of that information coming from the people and the institutions running today's educational system.

If we were really interested in improving our schools we should be listening and talking to those who have opted out of the current educational system. Let's talk to the 51 percent of the people in Minnesota who said that if they could move their children at no cost, they would opt out of the public school system.

If we were really interested in improving our schools we wouldn't be stifling creativity and new learning approaches, we would be encouraging them. Contrary to what our committee believes, one size does not fit all. One of the most effective teachers that I have met in the last 2 years is a former Marine sergeant, who is not certified. He takes kids who have failed in the traditional school system, surrounds them with the latest in technology and strict discipline. In 7 weeks they progress the equivalent of 2 years of traditional learning in reading, writing, and math.

Education needs creativity, it needs experimentation, it needs the spirit of free enterprise, and it needs a healthy dose of parental, community, and individual accountability and involvement. It does not need the Federal Government coming in propping up certain elements which preserve the status quo.

Isn't it interesting that the Federal Government steps in to prop up old systems as people at the local level are opting out and experimenting. The Federal Government is about 20 years behind in the educational reform effort. Let us not lock the rest of the country into this old paradigm, and let's not permit the Government to take one more step in taking over the parenting of our children.

The Armey amendment protects the rights of a core group of this country, home schoolers, private and religious schools. People making a valuable contribution to education in this country.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the original letter from the Catholic conference went through an elaborate process. They are very careful. They have their own attorneys poring over the language. To my understanding, they have had no opportunity to pore over the new language of the gentleman from Texas [Mr. ARMEY]. So I would not characterize them as neutral; I would say they have just not had a chance to study the language yet.

Mr. Chairman, I yield 5 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would hope to address my remarks to the gentleman from Texas' amendment because it appears that the gentleman from Texas, although we would like to assume we do have the same objective, it appears that the gentleman from Texas is unwilling to accept the good intentions of the Education Committee pertaining to home schools by the amendment that has just been adopted by this entire body, overwhelmingly supported by members of the committee. It appears that the gentleman from Texas is scrambling for an Armey amendment. Having triggered phone banks all over the country, it appears that the gentleman cannot accept the goodwill of the committee that home school was never intended to be included.

I watch—not only has there been an amendment, there has been an amendment to the amendment and an amendment to the amendment to the amendment, scrabbled on the floor, and I watched attorneys on the other side hovering—and perhaps the amendment is still in the process—

Mr. ARMEY. Mr. Chairman, if I may, I believe the gentlewoman from Washington should be advised by the Chair that she is bordering on a breach of collegiality by assaults on my motives. I do not think that is appropriate as an exchange for floor debate.

The CHAIRMAN. The gentleman's point is heard.

The gentlewoman will proceed.

Mrs. UNSOELD. Mr. Chairman, the gentleman from Texas has claimed the endorsement of a number of organizations. However, I would submit to the chairman that those organizations and their attorneys have not had the opportunity to study the language that has been drafted and redrafted on the floor here today. As was pointed out by the gentlewoman from Hawaii, when we tinker with extremely complicated matters that have been court-tested and we begin to pluck away at them in a setting of haste, we often err. And I would submit to you, Mr. Chairman, that the gentleman from Texas would be well served by recognizing the value of the Ford amendment, the Ford-Kildee amendment that was adopted, and saying let us now proceed with the bill and not try to make further amendments here on the floor, drafting as we move forward.

□ 1440

I would like to point out that home schooling in the State of Washington was subjected to considerable effort in 1985 to come up with standards, a procedure, that was totally acceptable to home school people and totally acceptable to the State. That is the kind of procedure that we should have, and we should not be tinkering with this further on the floor here.

Mr. Chairman, I have risen in opposition to the Armey amendment.

Mr. ARMEY. Mr. Chairman, I also thank the gentlewoman from Washington [Mrs. UNSOELD] for her kind remarks.

Mr. Chairman, I yield 1 minute to the gentleman from Idaho [Mr. CRAPO].

Mr. CRAPO. Mr. Chairman, I rise in strong support of the Armey amendment.

Mr. Chairman, we have already amended the bill by taking out the language which caused significant problems. Now in this day and age of increasing Federal intrusion and encroachment into many other aspects of our lives we have a followup amendment which was to restate and reaffirm the right of Americans to be protected in their rights to educate their children at home or in private or parochial schools. It has been clarified by dialogue on this floor and by speaker after speaker that there is no intent to undercut any previously existing protections in the law. Yet this is an opportunity for the House of Representatives to reaffirm, in the context of the existing question, whether we have an absolute commitment to protecting the rights of our home-schoolers and those who educate their children in parochial and private schools to be free from Government management and intervention.

Mr. Chairman, a good vote on this amendment is a yes vote.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Chairman, I attended public schools throughout elementary and high school.

I care deeply about our public schools, and I strongly support some of the provision of H.R. 6.

But, we should not pass this legislation to help public schools, if by doing so, we will violate the rights of those who wish to attend private or home schools.

Mr. Chairman, it is a fundamental right of Americans to choose the type of education they want for themselves or their children—and we in this Congress have a sacred duty to protect this right.

Our public schools are among the finest in the world—but, they have no monopoly on educational wisdom.

Abraham Lincoln was a home schooler.

John Kennedy attended private schools.

So does Chelsea Clinton.

Millions and millions of prominent and not-so-prominent Americans are being educated today at no cost to the taxpayers by parents who choose alternatives to the public schools.

We ought to be doing everything we can to support these parents—not interfering with them.

I urge my colleagues to support the Armey amendment to H.R. 6.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Chairman, I rise in strong opposition to H.R. 6, the reauthorization of the Elementary and Secondary Education Act. This legislation will dramatically increase Federal control over education and stifle any attempts by local communities to achieve real education reform.

As recent international comparisons illustrate, Americans are falling far behind the rest of the world in education. In a 1982 report published in Public Interest on how American students compared with those in other nations,

> The results for the U.S. were these: Out of nineteen tests, we were never ranked first or second; we came in dead last three times, and, if comparisons are limited to other developed nations only, the U.S. ranked at the bottom seven times.

And things are getting worse. Indeed, the International Association for the Evaluation of Educational Achievement found that "there is evidence of a sizable drop in level of achievement (in the United States)." With this in mind, there is no disagreement that America's schools are in desperate need of reform.

Real reform, however, will not be possible with the passage of H.R. 6. This ill-conceived bill is a heavy-handed attempt by liberals to give the Federal Government the authority to micromanage every single aspect of our education system. It relies heavily on the Federal bureaucracy by having the Department of Education dictate to every school in America—public or private—a rigid set of requirements and standards to be adhered to. Should this legislation pass, the Federal bureaucrats will ultimately have the power to control a school's learning standards and even their curriculum. All this despite the fact that a Federal presence in education has done nothing but hinder public education. Indeed, since the Elementary and Secondary Education Act was originally passed in 1965, the Federal Government has precipitated a sharp decline in education achievement among our Nation's schoolchildren.

The public schools are already overburdened with unfunded mandates, unnecessary regulations, too much paperwork, and a Federal Government resistant to innovative reform. With H.R. 6, money that could be spent on academic basics will now be spent on hiring more administrators to monitor and enforce the mindboggling set of new regulations imposed by this legislation.

The fact remains that education reform is best made at the local level. That is because education depends on committed communities and teachers who are determined to see real improvement in our education system. Additionally, a successful education system depends on parents who are determined to participate in the education process as well as students who are enthusiastic about learning. H.R. 6 does nothing to foster these proven approaches to improving education.

If America is to excel in education, we will need to: Return discipline to the classroom; establish a core curriculum that emphasizes science, math, history, geography, and English; give kids more homework; remove bad teachers and reward good ones; and allow alternative teacher certification for those who have particular expertise.

But we will not be able to implement these or other policies as long as the Federal Government, and not the parents and local communities, retain so much control over education. That is the key, transferring power from the bureaucracy to the parents and local school districts, where it belongs. This means giving parents—especially poor parents—a choice as to where they can send their kids. Such a voucher program would create competition between schools and improve education across the board. Choice in education is the linchpin to education reform. Yet H.R. 6 does not permit local school districts to even experiment with either public or private school choice programs.

Moreover, I am particularly concerned about a provision in this legislation that imposes State certification requirements on teachers and parents in private and home schools whether or not they receive Federal or State funds. This is an intrusive mandate that would threaten private schools and effectively end home schooling as an option currently exercised by thousands of American families.

Having said this, I ask my colleagues to join me in opposition of H.R. 6 as it does not provide local school districts with the ability to enact radical reforms aimed at providing America's students with the quality schooling they so desperately need and deserve.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. SAM JOHNSON].

Mr. SAM JOHNSON of Texas. Mr. Chairman, I rise in support of the Armey amendment and the future of home schools and private schools in this country.

It's important that we clarify the language in this bill so that the Federal Government cannot tighten its grip in its quest for control.

You know, during the last week I have received over 1,000 phone calls in support of the Armey amendment, and none against it. I would like to commend the citizens who took the time to call in and raise awareness of this important issue.

We must protect our children's education and parents' God-given rights here in America.

Let's ensure the rightful independence of home schools and private schools by passing the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Chairman, I rise in strong support of the Armey amendment.

The Federal Government has done enough damage to public education. It really should keep the big old Federal, bureaucratic nose out of private schools and particularly home schools.

Parents who care enough to pay the extra expense of private schools and parents who care enough to invest their time and efforts and resources to provide home schooling, care too much to let their children get a shoddy education.

They don't need the Federal Government looking over their shoulders, second guessing them with any more rules and regulations.

Regulations are already in place on the State and local level for private schools and home schools.

State and local school boards are perfectly capable of providing any safeguards that are needed without any more guidance from this puzzle palace on the Potomac.

The Ford amendment may help this situation but it doesn't resolve the problem. We still need the Armey amendment for clarification—to make it crystal clear that private schools that don't receive Federal funds and home schools are protected from unnecessary Federal regulations.

Two of my daughters educate their children at home. I have seen the quality of education they receive and it surpasses anything that my other grandchildren in public school receive.

The Federal Government needs to keep its hands off.

The only way to guarantee protection of private, religious, and home school is the Armey amendment and I urge my colleagues to vote "yes."

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me state at this time that, as my colleagues know, there are good-willed people on both sides of the aisle debating language, not really debating philosophy, here. We are debating language, and we are debating it only because I am very cautious in putting into law language that might enable certain groups to drag certain schools into court. That is my only concern.

So, Mr. Chairman, many of us are going to sing in the same song. Maybe we have some concern as to the text. But I will have a vote on this, and if Mr. ARMEY's amendment prevails, it is really a modification of our 9508 with some other things. I will work with him in the conference to make sure that all the groups involved, and all attorneys, make sure that the language is exact. That is my only concern.

Mr. Chairman, I do not think we have any really deep philosophical differences in this area. We will probably have some other philosophical differences in other areas, but in this area I think we are trying to achieve the same purpose. We do not want the long arm of the Federal Government to be reaching into home schools. We do not want the long arm of the Federal Government reaching into the private or parochial schools. In any case the Federal Government really should be a helping hand to those who choose to seek the help.

Mr. ARMEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I certainly thank the gentleman from Michigan [Mr. FORD] for his kind remarks, and I, too, look forward to working with him. I do not share his concern about the language, but we will have an open mind to it, and we will consider any questions that are raised in conference and work with him.

Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I rise in support of the Armey amendment to H.R. 6. This amendment represents an attempt to correct a drafting error in the bill which could have inadvertently required teacher certification of private, parochial, and home school teachers. I believe Congressman GEORGE MILLER when he says that it was his intention to only require teacher certification of public school teachers, however, clearly a correction in the bill is necessary.

I have received hundreds of calls from parents who have opted to teach their children at home, because of concerns they have regarding the quality of public schools or subject matter taught at public schools. Home schoolers and many private and parochial schools receive no Federal funding. The Federal Government has no basis for regulating these parent-educators and schools. Requiring that home schoolers be certified in every subject that they teach would effectively eliminate the ability of parents to teach their students at home. During the Education and Labor Committee consideration of H.R. 6, Congressman ARMEY offered an amendment which I supported which simply stated that nothing in this act would require or encourage regulation of private, religious, or home schools. Although we were not aware of the drafting error in the Miller amendment at the time, adoption of this amendment would have provided the necessary exemption for private schools and home schools. Unfortunately this amendment was defeated on a party-line vote.

In addition, I am pleased that the Miller amendment in its entirety has been eliminated. While it is especially unfair to regulate schools which do not receive any funding under this act, I don't believe that the Federal Government has any role in teacher certification. All 50 States already require public school teachers to be certified. Any additional certification requirements are best left to States and localities to decide upon.

Mr. Chairman, I am supporting the Armey amendment because I believe that he provides the most protection for home-schoolers. Unlike the Ford amendment, the Armey amendment clarifies in the law that home schools in the 17 States, including my State of Illinois, where home schools are defined as "private schools" are not subject to regulation. It has recently come to my attention, however, that some have raised concerns that the Armey amendment could result in regulation of private schools which do receive funding under the act. I would be concerned if this is the case, and would hope that this could be addressed in conference.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. MANZULLO].

Mr. MANZULLO. Mr. Chairman, today's vote on the Armey amendment will determine the extent to which the U.S. Congress becomes involved in controlling all nonpublic schools, including Roman Catholic, Protestant, Jewish, and Moslem parochial schools, nonprofit secular schools, and home schools in 17 States.

I was pleased to support the Ford amendment that struck the most offensive language wherein a State would have required the certification of all teachers, including home schoolers, in subject areas. I was also pleased that the gentleman from Michigan accepted by definition of his amendment in our colloquy that home school means whether or not a home school is treated as a private school or home school under State law. It solved most of the problems that are of great concern to the hundreds of constituents that have contacted my office.

The problem remains, however, in the definition of what is a school. In 17 States, including my home State of Illinois, a home school is defined as a private school. The Armey amendment takes the Ford amendment one step further in that it codifies our colloquy into law.

Mr. Chairman, we are witnessing something extraordinary taking place in the U.S. Congress. All but one Member of Congress, within the past hour, have voted to recognize that home educators and private schools—Roman Catholic, Protestant, Moslem, Jewish, nondenominational, and secular—have intrinsic value. Americans today are looking for quality in education. The right to chose the form of education for one's children and be free of Government interference is at the core of our liberties in this Nation. Many of Members of Congress have gone on record to praise the efforts of home schools and private schools. When inappropriate language showed up in the original draft of the bill, tens of thousands of people called and jammed the lines in our office. These were Roman Catholic Protestants, many home-schoolers, and public school teachers, calling our office and saying with one voice one thing: It is not the province of the Federal Government to become involved in any manner whatsoever in controlling private and home schools.

Mr. ARMEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. Mr. Chairman, I have long believed that education is handled best at the local level with the support of parents and the community. States, parents, and the local community know what is best for their students. Repeatedly, this body has considered legislation which attempts to extend the Federal control of education, and today we are debating legislation that is extending that authority to private, parochial, and home schools.

Requiring certification of the teachers of those schools infringes upon the autonomy of their institutions. Education is constitutionally reserved to the States and is not an area within Federal jurisdiction. We have no right to mandate that States require the certification of schools not within the public system. States have recognized that fact and not one State requires that home school teachers be certified.

While it may not have been the committee's intention to include homeschoolers in the certification requirements, it is necessary that the language contained in the Armey amendment be adopted so that it will be made very clear that the Federal Government will not intervene in, or have control over private, parochial, and home schools. Their independence must be preserved and it is incumbent upon my colleagues to support the Armey amendment and guarantee that the long arm of the Federal Government will not reach into the non-public school systems.

I urge my colleagues to vote for the Armey amendment to clarify the intentions of this body.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Chairman, I rise in strong support of the Armey amendment. This amendment makes explicit, has language which makes explicit, what some may feel is implicit in the amendment on which we previously voted. The hundreds of thousands of constituents who called our offices demand explicit language that will prevent the Federal Government from ever reaching into private schools and home schools to wreak on them the damage that it has done to education in the public schools.

As a matter of fact, Mr. Chairman, in the Constitution, which I read, I can find no justification for Federal Government meddling, even in public schools.

Please, Mr. Chairman, let us vote for the Armey amendment to make sure that the damage the Federal Government does to education is not pushed down into private schools and home schools.

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Mr. KILDEE. Mr. Chairman, I reserve the balance of my time.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Chairman, I was heartened by the remarks of the chairman of the subcommittee, the gentleman from Michigan, when he said that we are all trying to struggle to find language that is acceptable to put off those confrontations that inherently occurred because of language inserted in the act. Most of us did not know that language was going into the act, and the author of the language said he had no intention of doing what most people out in the real world felt we were doing, and that is intruding on home schools and private education.

Let us look at the Armey language. Let us not debate the notion of whether the Federal Government belongs in the school business; let us look at the language:

> Nothing in this Act shall be construed to permit, allow, encourage or authorize any Federal control over any aspect of private, religious, or home school.

This is a restatement of current law. That is section 432. People say, well, that will get you into a lawsuit. We are adding 900 pages, including the Ford amendment, that will get us into a lawsuit, too, if that is somebody's intention, but this language will not. This makes reference to the colloquy between the chairman, the gentleman from Michigan, and the gentleman from Illinois [Mr. MANZULLO]. I refer to this line: "Whether or not a home school is treated as a private school or home school under State law."

We need that definition that excludes them from the act, and it was needed in the Ford amendment. This is not going to get us into court. This is a restatement of what a home school is.

Last, in the Armey amendment we see this:

> This section shall not be construed to bar private, religious, or home schools from participation in programs or services under this Act.

Somebody says that sets up two categories, one that receives money and one that does not. That is not what this language does. It says you cannot bar someone just because they are excluded from Government regulation as in the current code, section 432. We need this language to take it to conference. The author has agreed to work with the Catholic School Conference, the home-schoolers, the private education folks, the Christian school folks, and the Democrat majority to make sure the final language is perfect and acceptable to everyone.

The author has done a good job of crafting this language. We need it in the conference.

Mr. Chairman, I ask the Members to please read the language and vote "yes." I support the Armey language, and I thank the gentleman from Texas [Mr. ARMEY] for yielding me this time.

The CHAIRMAN. The Chair wishes to announce that the gentleman from Texas [Mr. ARMEY] has 9½ minutes remaining, and the gentleman from Michigan [Mr. KILDEE] has 9 minutes remaining.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the gentleman from Kansas made the point that the entire House, save one, had supported the Ford-Kildee amendment, seeing the merit of the argument about the home school issue. I believe that.

I also believe that my colleagues heard their telephones ringing. So we may be reinforcing what we have already done, and if we are, so be it.

The object of the Armey amendment is worthy of reinforcement. When we go to conference, there should be no disagreement about what is intended. Once started, Federal intrusion and regulation are like toothpaste out of the tube, they cannot go back. We have all seen this and know it to be true.

For this reason, I believe this is a real issue worthy of a real solution, and that solution is the Armey amendment. Home schools, parochial schools, and private schools are well regulated on the State level.

We need to make it exceedingly clear that the Federal Government will not put its heavy hand where it does not belong.

Mr. Chairman, I rise today in strong support of the Armey amendment to H.R. 6. Some of my colleagues have said that this amendment is an unnecessary solution to an unnecessary problem. I completely disagree.

My staff and I have answered many phone calls from worried and concerned parents in the eighth district of Missouri about H.R. 6. These parents have made individual, reasoned choices about the education of their children and genuinely fear Federal Government intrusion into their decision.

One lady, in particular, told me how her son has severe learning disabilities. In the public school, he wasn't doing well. She decided to home school him and now her son is achieving far beyond what was expected. This is not a condemnation of public schools—in fact all four of my daughters have attended public schools. Rather, it is an acknowledgement that public schools aren't the answer for everyone.

Once started, Federal intrusion and regulation is like toothpaste out of the tube—you can't go back. We have all seen this and know it to be true. For this reason, I believe this is a real issue worthy of a real solution. That solution is the Armey amendment. Home schools, parochial schools, and private schools are well-regulated on the State level. We need to make it exceedingly clear that the Federal Government will not put its heavy hand where it does not belong.

The Capitol switchboard has been jammed with calls from people who are tired of a Federal Government that just doesn't get it—these phone calls are a slap on the hand for a Federal Government always reaching for more control. Listen to those calls and support the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the newest Member of our body, the distinguished gentleman from Michigan [Mr. EHLERS].

Mr. EHLERS. Mr. Chairman, I want to thank the gentleman from Texas [Mr. ARMEY] and I rise to support his amendment. I'm perhaps uniquely qualified to speak on this issue since, I believe, I'm the only member of this Chamber who was home schooled—not by choice, but because of a childhood illness. I seem to have survived since I received a Ph.D. in nuclear physics from the University of California at Berkeley and also ended up in elective office. But, in addition to that, I served as a teacher for 22 years.

I want to make it clear that I am a strong supporter of education, a strong supporter of good schools, and a strong supporter of teacher certification. However, I'm an even stronger supporter of not having the Federal Government intrude into the area of private schools and home schools. And I arise with some experience in this because my constituents in Michigan have experienced not only attempts at regulation, but also harassment from the State Department of Education in the past. This was eventually resolved when one of the individuals from my area ended up in the supreme court of the State of Michigan, which ruled against the Michigan Department of Education for their attempts to overregulate home schools.

I believe it is essential to adopt the Armey amendment. The Ford amendment I appreciate. It clarified the intent. The Armey amendment makes it ironclad. We have no intent to intrude upon or regulate the activities of home schools or private nonprofit schools through the action of the Federal Government. It is extremely important for us to go on record and make it crystal clear that we have no intent to regulate them. For that reason, I support the Armey amendment and ask my colleagues to support it also.

Mr. KILDEE. Mr. Chairman, I reserve the balance of my time at this point. I have no Members asking for time.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. CRANE].

Mr. CRANE. Mr. Chairman, I want to commend my colleague, the gentleman from Texas [Mr. ARMEY] for the introduction of this amendment to begin with, and second, and perhaps more importantly, I want to commend all those people from around this country who have communicated to the Members of this body.

The fact of the matter is that it is evident that the people are interested, they are concerned, and they are registering very properly their concerns. Home schooling is one of those affected areas, and in my home State of Illinois, we are 1 of the 17 States where home schools are classified as private schools, and we in Illinois, most assuredly—and I am confident this applies to all the other States—do not want Federal interference. The fact of the matter is that when we have a piece of legislation like this before us today, inevitably there is going to be escalating interference in this most precious area where parents feel most profoundly about the welfare of their children and guaranteeing that we inculcate the proper values.

Mr. Chairman, this amendment is in order. I urge my colleagues to support it wholeheartedly.

Mr. Chairman, as I was leaving home last weekend to return to Washington, I attempted to call my Washington office and was surprised to find the line busy. I tried again, and again, and again to no avail. When I finally got through, I was told that hundreds of angry parents had tied up the phone lines, all concerned about the detrimental effects H.R. 6 would have on the education of their children.

The outpouring of public opposition seemed to me to be an appropriate refutation of the basic tenets of the bill: H.R. 6 assumes that Washington bureaucrats make better decisions than parents and local officials, but hundreds of parents in my district were concerned and actively involved enough to take the time to call and express their opinions. Parents are not and should not be passive participants. They have dedicated their lives to educating, nurturing, and caring for their children, and I do not believe that government should intrude on that relationship or interrupt that dedication.

The target of most of this opposition has been the Miller amendment, which could have forced States to regulate private and home schools. I believe this to be an absolutely unconscionable intrusion into parental rights. The basic message was that parents who enroll their children in these types of schools are not knowledgeable enough, not involved enough, or not concerned enough to know if their child is receiving a solid education. I am here to tell this body that those parents are knowledgeable, are involved, and are concerned. I believe it much more likely that a parent lacking those attributes would simply send their child to a public school, rather than endure the hardships of home schooling or the financial commitment of a private school.

I strongly support the Armey amendment, as I believe it is the only way to ensure the significant investment made by parents who enroll their children in nonpublic schools from the devastating risks of H.R. 6. The end result of the ideals supported in H.R. 6 is a system where all schools follow one set of federally imposed guidelines, providing a monolithic, probably mediocre, education to all our children. The Armey amendment would seal off government intervention into nonpublic schools, and encourage a healthy diversity among schools.

We must recognize that a given educational program may be extraordinarily successful for one child, and a just as spectacular failure for another. I cannot decide for any child but my own which one is best. In fact, no one in this Chamber can make that decision for any child but his own. The Armey amendment gives discretion to the only person who can make that decision—each and every parent in America.

I applaud this body for its decision to strike the Miller language and avoid the preemption of parental rights. As of Thursday afternoon, my office had received nearly 700 calls from parents concerned about those rights. I hope we can now take the next step and approve the Armey amendment to protect parents and their rights.

Mr. ARMEY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio [Ms. PRYCE].

Ms. PRYCE of Ohio. Mr. Chairman, today I rise in strong support of Mr. ARMEY's amendment, and urge my colleagues to vote in favor of his amendment. Like many other offices, I have received well over 1,000 calls and letters this week from citizens who are concerned that their rights to teach their children at home may be in jeopardy. These people are concerned with the education of their children, and work hard to ensure that their children receive quality instruction and moral guidance by teaching their children at home or sending them to private schools.

Mr. ARMEY's amendment is needed because of the provision which could be interpreted to adversely affect private schools and home schoolers. Certification requirements for teachers should be a State government issue. This amendment is necessary in order to clarify any ambiguity in the bill which would suggest that the Federal Government is exerting excessive control over nonpublic schools.

My constituents often express their anger over the amount of Federal control they encounter in their daily lives. This issue has many of my constituents scared. The passage of this amendment will alleviate the fear that many have expressed that the important educational choices they make for their children may be hampered. I urge my colleagues to support the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS of Alabama. Mr. Chairman, I rise today to express my strong support for the Armey amendment.

Since the birth of our great Nation, many parents have made the choice to home school their children. The record clearly demonstrates that the children of these parents have been successful. In 1986 I was elected by the people of Alabama to serve on the State Board of Education. There I learned and I know firsthand that home schooling is successful in my home State of Alabama and must be allowed to continue.

The amendment by the gentleman from Texas [Mr. ARMEY], would allow parents who wish to home school their children to continue to do so. Their parental rights must not be sacrificed. Conversely, there is absolutely no need nor justification for greater Federal Government intrusion into the home. Instead, we should respect the traditional rights of parents to choose, and empower parents with more, not fewer, reasonable and rational choices. Home schooling is such a choice.

I urge my colleagues to support parental rights and the Armey amendment to H.R. 6.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Minnesota [Mr. GRAMS].

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Mr. GRAMS. Mr. Chairman, I rise in strong support of the Armey amendment. Once again the Federal Government is trying to take greater control of the private lives of citizens in Minnesota and around the country. H.R. 6 is another big government knows best bill that restricts what only families and localities are best suited to do: Educate our children and grandchildren.

The Ford amendment, while protecting homeschoolers, does not protect private and parochial teachers. We must preserve their rights as well.

In the past week my office has received thousands of calls and letters from very concerned moms and dads in Minnesota. They all oppose H.R. 6 and are rightfully worried that the arm of government is about to extend into all classrooms, including private and parochial, and that means losing the ability to provide the education for their children the way they see fit.

Representative DICK ARMEY's amendment keeps parents in charge of the education of their children, not the Government. The Armey amendment fully corrects the committee's mistake.

Freedom from excessive Government intrusion is a hallmark of our great Nation. Private, parochial, and home schools are a natural outgrowth of that freedom, I strongly urge my colleagues to support the Armey amendment and preserve our right to educate our children and grandchildren in an environment of our choosing.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I rise in support of Representative ARMEY's amendment to H.R. 6. I was pleased to support the Ford amendment which was a step in the right direction.

Improving our education system should be a national priority, and I strongly support efforts to assist localities in providing the best possible education for their children. However, I am opposed to increasing Federal control of our school systems and adding another layer of bureaucracy.

In its current form, H.R. 6 not only threatens the independence of private education, but poses a potential blow to those who choose to educate their children at home. Mr. ARMEY's amendment would do away with this threat by specifying that the bill not impose additional constraints on home, private, or religious schools that do not receive funds under the act.

As a former board member of the Duval Public Education Foundation, I know first-hand that bureaucrats make poor teachers. The Federal Government's role in education should be one of setting standards and providing resources, not dictating details which are better decided at the most immediate level—in communities, in classrooms and—especially—by parents.

Mr. ARMEY. Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think this has been a very good debate on both amendments. I think the number of calls that we have received, as I said before, has been a great demonstration of democracy. This House does listen to the people. We did respond, and I think the Ford-Kildee amendment responded well. I am not sure the language of the gentleman is good or bad at this point, but I am concerned when we write language in such a very delicate area here on the floor. But I will work with the gentleman.

Mr. Chairman, I think we do agree that we both seek to achieve the same purpose. Neither one of us wants to see the long arm of the Federal Government reaching into our home schools, and we will work together to make sure that whatever we do in conference will assure that.

Mr. Chairman, I enjoyed working with the gentleman. He has been candid with me. We disagree on certain things, but the gentleman has always shared whatever information he had with me.

Mr. Chairman, I yield back the balance of my time.

Mr. ARMEY. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, let me thank Chairman FORD, Chairman GOODLING, the gentleman from Pennsylvania [Mr. GOODLING], the ranking member of the committee and the next chairman of the committee, all the Members of Congress for their patience.

Mr. Chairman, I think I can say that if we have a vote for Armey at this time and we pass Armey, we will leave private schools protected, home schoolers protected, and in fact that is what we seek to do. I can understand that there may be still some concern of some vestige of language trailing behind us, and in the conference, as I said before, I will seek to be there, and, if I may dare, to be the champion for the home schoolers and private schoolers.

Mr. KILDEE, who is himself the product of the fine work of the Jesuits in his early childhood education, I am sure will champion the cause of the Catholic schools. And I have no doubt whatsoever that by the time we come back from conference, we can all rest assured that absolutely no vestige of concern will be left, that everybody will understand their freedoms are protected, and I have no doubt there is goodwill on the part of all of us here in that regard.

Mr. Chairman, I would recommend a vote on the Armey amendment because, as the gentleman from Florida [Mr. BACCHUS] said, it must be passed if it is to be conferenceable in the first place. I think it is at the point now where we can proceed with that outcome.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I thank my colleague for yielding, to express my concerns. I understand the home school has been taken care of.

Mr. ARMEY. If I can reclaim my time, the gentleman has made that point before. Mr. Chairman, the home schoolers have been taken care of to the satisfaction of the chairman of the committee. They have not, with the passage of his amendment, been taken care of to my satisfaction. I will only be satisfied that there is full and complete protection for the rights of the home schools with the passage of my own amendment, and there is a difference.

Mr. DE LA GARZA. If the gentleman will yield further, that is the question I was getting to. The gentleman keeps insisting that he will correct in conference, that something will be done in conference, that he will be there fighting for everyone in conference. We have got to vote now, here. How can I be satisfied that the issue is settled by the gentleman's amendment, besides him telling me that it is?

Mr. ARMEY. I have just been passed a note, Mr. Chairman, from the Catholic Conference that the revised amendment seems to address their concerns. Still, nevertheless, let me say, I am confident, this note here from the Catholic Conference reaffirms my confidence. Mr. KILDEE will be in conference to look after that concern. I will be in conference to look after the concerns of the other private schools and the home schoolers. I don't believe there is a reason for us to be concerned. Pass the Armey amendment now and we can go home and rest easily tonight that the freedoms of all of these children, home schoolers, private schoolers, Catholic schoolers, will all be protected. Vote yes. A vote yes today is a vote that allows us all to sleep with the good confidence we have done our duty and protected the rights of free people.

Let me say, Mr. Chairman, from all the cards, letters, flowers and phone calls I have had from these school children, I can tell you the face of freedom has a happy smile on it. Let us keep that smile glowing in America today.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Chairman, I rise today in support of the Armey amendment. I have heard from many of my constituents in the Florida Panhandle who adamantly oppose the vague language in H.R. 6 that could put home and private schools in jeopardy. A clarifying amendment is vitally necessary in order to codify what we as the Congress of the United States believe; that the home and private schools of our Nation must be left well alone, as they receive no funding from the Federal Government.

As a former educator, it is one of my strongest beliefs that parents should be involved in the education of their children. It has been found that a lack of parental involvement is at the root of the problems presently occurring in our Nation's schools. Why should those who choose to take an active role in their child's development be penalized? These parents have the constitutional right as Americans to educate their children in the manner they so choose. Congress should not stand in the way of teaching America's youth, particularly when prayer in schools has been eradicated and many parents home school their children for religious reasons.

I do agree that it is preferable to have public school educators teach in the subject area for which they are certified. However, not at the expense of home and private schools. It is common sense to exempt these schools from certification and Government regulation.

Mr. DOOLITTLE. Mr. Chairman, I rise today in strong support of the Armey amendment to H.R. 6—the Elementary and Secondary Education Act. The purpose of this important amendment is to explicitly state that the Federal Government has no control over any aspect of any private, religious, or home school that does not receive funds under the act. This amendment is needed in order to protect the rights of private, religious, and home schools.

First of all, I would like to express my appreciation for the hundreds of calls my office received on behalf of home schoolers, and parents who choose the form of education best suited for their children. This is a freedom that must be protected. The Federal Government must realize that it is the parents who know what's best for their children. Also, local school districts should be trusted to make decisions regarding education reforms. They know to base these reforms on the desires and special needs of the individual community.

Although I supported the Ford amendment to H.R. 6 which concisely states that "nothing in this act shall be construed to affect home schools," It does not go far enough. It does not even mention private schools, and it does not cover all home schools. In 16 States, including my home State of California, home schools are defined as private schools. That is why we desperately need the Armey amendment—to make it crystal clear that the long arm of the Federal Government should not reach into the affairs of private, religious, or home schools.

A vote in support of the Armey amendment, will be a vote for freedom. A yes vote will reaffirm what the American people already know—that the needs of our children will be best served when parents are free to make choices for them without the interference of the Federal Government.

Mr. KYL. Mr. Chairman, H.R. 6, as currently drafted, will severely limit local control of and parental choice in education. I rise specifically in support of two amendments—one by Representative ARMEY to strike the provisions of the bill that would effectively require State certification of home schoolers and one by Representative GOODLING to strike the "opportunity to learn standards" from H.R. 6.

H.R. 6 will effectively eliminate the rights of parents to home school their children. My office has received over 1,500 phone calls and faxes from parents who want H.R. 6 changed so they can continue to school their children in the manner that is best for their children. H.R. 6 will impose Government control over the rights of parents unless we pass the Armey amendment to strike the provision of H.R. 6 that will require State certification of home schoolteachers. The Federal Government should get out of the way and allow parents more flexibility in the education of their children.

H.R. 6 will also expand Federal micromanagement of public education and place tremendous financial burdens on school districts throughout Arizona and the Nation. To be eligible for most Federal education dollars, school districts will have to adhere to curriculum quality and resource allocation opportunity-to-learn standards set by the U.S. Department of Education. However, the bill does not provide any funding to develop these standards.

These opportunity-to-learn standards will also increase bureaucracy in public schools by requiring annual reports and other paperwork burdens on our schools. Again, H.R. 6 does not provide any funding to develop these reports.

As a result of these unfunded Federal mandates, tax policy at the State and local level will be greatly negatively impacted. Congressman Goodling's amendment will strike the mandatory opportunity-to-learn standards provision of the bill.

A vote for the Armey amendment and the Goodling amendment are both opportunities to acknowledge that our Nation's parents and local governments, not the Federal bureaucracy, know best the education needs of our Nation's young people. I urge my colleagues to vote for the Armey and the Goodling amendment.

Mr. DELAY. Mr. Chairman, I rise today in support of Mr. Armey's amendment to H.R. 6.

My fellow colleagues: Do not be deceived. Mr. Armey's amendment is the only amendment that will truly protect the right of private, parochial, and home schools to provide education for their children without the threat of Government intrusion.

The reason that most parents elect for alternatives to public education is to provide their children with an environment which espouses a framework of values and beliefs which they choose. In the past few days, I have received over 630 calls from my district opposing the proposed regulation on private, parochial, and home schools whose very existence is threatened by H.R. 6.

It is my belief that State and local governments know the needs of our schools and are best able to improve them. Excessive Federal Government regulation only adds to the problems our schools are facing. Mr. Miller's amendment, however, puts all schools—public, parochial, and home—under the jurisdiction of a local education agency, regardless of State laws. Mr. Miller's amendment requires that by July 1, 1998, all schools would be required to certify their teachers through their respective local educational agencies.

Mr. MILLER says he did not intend for his amendment to apply to home schools. If this is true, then I have two questions to ask. First, why was Mr. ARMEY's original amendment to protect home schooling rejected in committee? And second, why was the teacher certification provision included in the bill when it is already a requirement for public school teachers to be certified in all 50 States?

Clearly, there is more at hand here than just concurring with a provision that is already law—this whole bill amounts to an unprecedented attempt by the Federal Government to control the entire educational arena.

Mr. Armey's amendment, unlike Mr. FORD's, is the only amendment sufficient to protect home, private, and parochial schools from Government regulations regarding the certification of teachers, while at the same time, does nothing to prevent schools from participation in Federal programs. Mr. Ford's amendment is sufficient on two counts. First, it does not exempt private or parochial schools. In addition, it does not protect all home schools, because in 16 States, including my State of Texas, home schools are defined as private schools—Alaska, Alabama, California, Delaware, Illinois, Indiana, Kansas, Kentucky, Michigan, Nebraska, Louisiana, Texas, Colorado, Florida, Maine, and Utah.

We have an opportunity today to vote on an amendment that will either protect or threaten parents' rights to educate their children according to their own best judgment. I urge my colleagues to vote for the real amendment—the Armey amendment—which will truly protect the private, parochial, and home schools of America from big brother, Fed.

Ms. SNOWE. Mr. Chairman, I rise today to comment on H.R. 6, the Improving America's Schools Act. There are many programs incorporated in this bill which I support, but there also are some provisions which need revision.

I support the Armey amendment which clarifies that the Federal Government in no way requires certification or regulation of teachers in any private, religious, or home school.

I applaud the fair and equitable revision of the chapter I formula that has emerged from the Education and Labor Committee. I am pleased to see the inclusion of a new chapter 2 that will permit State and local education agencies to create innovative programs, providing them the freedom to experiment within broad guidelines.

I also am glad to see the inclusion of many portions of the Gender Equity in Education Act. These provisions address the current deficiencies in girl's education and the need for the elimination of sexual harassment in the schools. According to a recent survey by the American Association of University Women, nearly one in four students who have been sexually harassed say that this results in their not wanting to attend school. Nearly one in four girls say that harassment has caused them to stay home from school or cut a class. At a time when we are raising educational standards, we must heed these signals. We must eliminate hostile hallways and provide for safe and equitable treatment for all students.

I am opposed to opportunity-to-learn standards being imposed on schools. I view them as an unfunded Federal mandate because the Federal Government fails to provide funding for the numerous provisions with which this legislation would have the local schools comply. Provisions of this bill would increase the bureaucracy and paperwork for schools and decrease their flexibility. Opportunity-to-learn standards concentrate on inputs rather than outcomes. I hope we can reach an agreement on focusing on raising student achievement and leaving the means to State and local education agencies.

Mr. DREIER. Mr. Chairman, today I rise in support of the Armey amendments to H.R. 6, the Improving America's Schools Act of 1994. During the markup of H.R. 6, the Committee on Education and Labor adopted a provision that requires all school teachers to be publicly certified. This certification requirement could easily be interpreted to apply to private school teachers and home school teachers, imposing an onerous burden on these valuable institutions.

Parents are demanding reforms in our system of education. They are rightly demanding more choice, more local control, better schools, and freedom from Federal mandates and regulations. Unfortunately, the teacher certification requirement in H.R. 6 is just one more Federal mandate which would reduce choice and local control, while effectively eliminating most of our private and home schools.

Under the current system of mandatory certification for teachers in public schools, Albert Einstein would not be allowed to teach high school physics; Martin Feldstein would not be allowed to teach junior high economics. The best and the brightest can still teach in our private schools, but are often not allowed to work in a public school. And now, the supporters of H.R. 6 and the teacher certification requirements would prohibit private schools from hiring on merit, and would effectively preclude home schooling, except where a home school teacher has the time and the resources to take a multiyear public teaching course.

Mr. Chairman, I support the Armey amendments as an effort to preserve the freedoms and diversity of American private education.

Mr. BOEHLERT. Mr. Chairman, I rise today in strong support of the Armey amendment. During the past week, there has been an outpouring of concern from across the Nation that H.R. 6 will adversely impact parents who choose to teach their children at home. Those concerns must be addressed and the amendment before us does just that.

The United States is entering an era of global change—political, economic, and scientific. We need to ensure that our children have the skills to interact, compete, and lead in those developing international community. Why in the world would we want to advocate a bill that even remotely threatens innovative education programs that have proven successful? And home schooling has proven to be successful.

Despite the good intentions behind the teacher certification provision in H.R. 6, interpretation is everything. A family's decision to teach their kids at home could become a logistical nightmare if local education agencies choose to apply teacher certification requirements to nonpublic schools.

Let's not encourage yet another situation where the Government tries to impose itself on a system that is meeting the needs of millions of Americans. Home schooling is a unique approach to education that has demonstrated positive results for those who chose it. To the best of my thinking, there has not been, nor is there now, an organized attempt to undermine the home schooling system. But where concern is registered and where ambiguity exists, we must address those concerns and clear up that ambiguity.

Support the Armey amendment to H.R. 6.

Ms. FURSE. Mr. Chairman, I rise today in support of the Armey amendment. There has been a concern among many in my district that certain provisions in H.R. 6, the Improving America's Schools Act of 1994, could be interpreted to require the certification of private and home school instructors. Clearly some clarification of this matter is needed to alleviate the real concerns and fears of private and home school parents across the Nation caused by the language in the bill.

I support the Armey amendment which removes the teacher certification requirements from the bill and, further, will clarify that nothing in this act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school.

I fully support the right of parents to choose the best schooling option for their children—whether that choice be private, religious, home, or public school. Further, I strongly believe that parents should be the one to make this decision, not the Government. I encourage parents to become more involved is making decisions about the education of their children. By passing this amendment, we will specifically preserve that important right. I am proud to support it, and urge my colleagues to vote in its favor.

Mr. ARMEY. Mr. Chairman, I am submitting for the RECORD the legislative interpretation of the private school and home school freedom amendment.

LEGISLATIVE INTERPRETATION OF THE PRIVATE SCHOOL AND HOME SCHOOL FREEDOM AMENDMENT

I. General introduction.

H.R. 6 came from committee with language in Section 2124(e) which raised very serious concerns. This section required schools "under the jurisdiction" of a local education agency to require that all full-time teachers be certified in the specific subject matter of every course taught. Concerns were raised as to the wisdom of this section vis-a-vis public schools. Very serious concerns were raised as a result of the potential application of this section to home schools and private schools.

Congress recognizes that home schools and private schools constitute an important part of the educational opportunities for children in this country. Scores of studies confirm home schooled students on the average, score above average on standardized achievement tests. The Home School-Private School Freedom Amendment was adopted to further recognize the general principle that home schools and private schools should not be regulated by Congress. Generally speaking, any necessary and constitutional academic regulation of such schools is a responsibility of state government (and local government to the extent delegated by the state).

II. Deletion of section 2124(e).

Section 2124(e), which contained the course-specific teacher certification requirement, has been eliminated from this Act by the Ford-Kildee amendment. In repealing section 2124(e), Congress has made clear that it has no intention of imposing such a requirement vis-a-vis private and home schools. Moreover, serious doubt is raised about the constitutionality of such an application since in 1993 the Supreme Court of Michigan ruled that it was a violation of the First Amendment to require religious home school parents to be certified teachers. People of the State of Michigan v. DeJonge, 501 N. W.2d 127 (Mich. 1993). A similar principle applies to any corresponding requirement upon religious schools. Furthermore, hundreds of studies confirm there is no positive correlation between teacher qualifications and student performance. Teacher certification is not necessary for children to be educated.

The wisdom of this certification provision vis-a-vis public schools was also seriously questioned. State governments have the jurisdiction to require certification of all public school teachers. All states exercise this jurisdiction with a comprehensive scheme of teacher certification regulations. The course-specific provision of 2124(e) would have had serious consequences for public schools. For example, a teacher certified to teach secondary science who happened to have been a champion debater in college, would not have been allowed to teach a debate class under this section. To teach such a class the teacher would have had to obtain substantial additional course work to be certified in the language arts area. Such a rule may have resulted in reduced opportunities for students in specialized electives—especially in rural and smaller public high schools. It may have also imposed substantial hardships on classroom teachers. By rejecting this section Congress leaves the issue of the qualification of teachers to state governments and local school boards whose interest is primary and which more directly encounter the varying specific circumstances.

III. Change in the definition of "elementary school" and "secondary school."

H.R. 6 raised substantial concerns among home schooling parents. The word "nonprofit" had been added to the definitions of "elementary school" and "secondary school" to assure the exclusion from participation under the Act of for-profit schools.

However Congress recognizes that home schools are a unique approach to education that requires special consideration. Home schools should not be accidently lumped into legislative provisions aimed at institutional schools. The addition of the word "institutional" to the definition of "elementary school" and "secondary school" insures that home schools are not unintentionally subjected to laws which use the general term "school". Congress recognizes that any provision aimed at home schools should address them specifically by designation. While many states have laws which specifically address home schools, Congress recognizes that in at least seventeen states (AK, AL, CA, CO, DE, FL, IL, IN, KS, KY, LA, ME, MI, NE, SC, TX, UT) home schools operate as "private schools" as a primary or alternative mode of complying with state public education law. By adding the term "institutional" Congress intends to categorically exclude home schools, including those which have the status of private schools, from the federal definition of "elementary school" and "secondary school" regardless of the definitional term employed for home schools under state law.

IV. Section 9508 is added to provide a general exclusion under the Act of the regulation of home schools and private schools.

H.R. 6 is voluminous, with many sweeping provisions. In earlier versions the phrase "all children" was often used in a directive sense. Section 9508 makes it explicit that there is no intent under this Act to have federal control or a mandate for state regulation of private schools or home schools, which may participate in programs to facilitate the participation and receipt of services by students. Under operation of Title I or Title II such schools are not recipients of funds under the Act.

The second sentence makes it clear that this section is not intended to change the rules so as to bar any continuance of participation by home schools or private schools, or their students or faculty, in federally funded programs. Those rules are set forth specifically in other provisions of this Act.

This section is not intended to alter in any way the constitutionally accepted practice of including private school students (including religious school students) in broad programs aimed at benefiting all children. See, e.g. Witters v. Washington Department of Services for the Blind, 471 U.S. 1002 (1986), Zobrest v. Catalina Foothills School District, 113 S. Ct. 2462 (1993).

Mr. ARMEY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments en bloc, as modified, offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 374, noes 53, not voting 12, as follows:

[Roll No. 32]

AYES—374

Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Castle
Chapman
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Combest
Condit
Cooper
Coppersmith
Costello
Cox
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
DeLay
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foley
Ford (TN)
Fowler
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gallo
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Menendez
Meyers
Mfume
Mica
Michel
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murphy
Myers
Neal (MA)
Neal (NC)
Nussle
Oberstar
Obey
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Reed
Regula
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Royce
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Traficant
Tucker
Underwood (GU)
Upton
Valentine
Volkmer
Vucanovich
Walker
Walsh
Waxman
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—53

Abercrombie
Ackerman
Becerra
Blackwell
Carr
Clay
Collins (IL)
Collins (MI)
Conyers
Coyne
de Lugo (VI)
Dellums
Dingell
Edwards (CA)
Foglietta
Ford (MI)
Frank (MA)
Gonzalez
Hamburg
Hilliard
Johnston
Kildee
Kopetski
Lewis (GA)
Matsui
McDermott
Meek
Miller (CA)
Mineta
Mink
Moran
Nadler
Natcher
Norton (DC)
Olver
Owens
Payne (NJ)
Rangel
Reynolds
Romero-Barceló (PR)
Roybal-Allard
Sawyer
Stark
Stokes
Swift
Towns
Unsoeld
Velázquez
Vento
Visclosky
Waters
Watt
Yates

NOT VOTING—12

Andrews (TX)
Gejdenson
Green
Hastings
Kennedy
Kennelly
Laughlin
Murtha
Rush
Synar
Washington
Wilson

□ 1528

The Clerk announced the following pair:

On this vote:

Mr. Wilson for, with Mr. Synar against.

Mr. McDERMOTT, Ms. NORTON, and Ms. ROYBAL-ALLARD changed their vote from "aye" to "no."

Mr. BERMAN and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from "no" to "aye."

So the amendments en bloc, as modified, were agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS EN BLOC OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, pursuant to the rule, I offer a package of amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. KILDEE:

Page 5, amend the heading for part E of title II of the Elementary and Secondary Education Act of 1965 in the table of contents as follows:

"PART E—INNOVATIVE EDUCATION PROGRAM STRATEGIES".

Page 8, in the item relating to title V, strike:

"TITLE V—MAGNET SCHOOLS ASSISTANCE

"PART A—PROMOTING EQUITY"

and insert

"TITLE V—PROMOTING EQUITY

"PART A—MAGNET SCHOOLS ASSISTANCE"

Page 15, in the item relating to section 501, strike "study" and insert "evaluation".

Page 37, strike lines 8 through 11 (and redesignate any subsequent paragraphs accordingly).

Page 37, line 23, strike "and revision".

Page 37, after line 23, insert the following (and redesignate any subsequent paragraphs accordingly):

"(2) shall appoint individuals to the peer review process who shall be representative of State educational agencies, local educational agencies, teachers, and parents;".

Page 52, line 19, after "1117" insert "(c)(1) and (e)".

Page 52, line 20, after "system" insert ", together with other providers of assistance with which the State has made specific arrangements to assist schoolwide programs, such as comprehensive technical assistance centers, regional laboratories, and institutions of higher education,".

Page 52, line 22, strike ", including" and all that follows through "team" on line 24.

Page 56, line 18, after "local educational agency" insert "and its school support team or other technical assistance provider consistent with the provisions in subsections (c)(1) and (e) of section 1117".

Page 59, strike lines 8 through 14 and insert the following:

identification shall be subject to corrective actions by the local educational agency, as well as, where appropriate, termination of schoolwide program status.

"(3) A school that has forfeited its schoolwide status may not regain such status until the local educational agency determines that the school has adequately reformed its schoolwide program plan to enable it to make adequate progress toward meeting the State's challenging performance standards.

Page 70, line 16, strike "; and" and insert a comma.

Page 70, line 18, before the period insert ", and in the case of schoolwide programs, terminating schoolwide status".

Page 72, line 20, strike "standards." and insert "standards, and submit such plan to the State educational agency for approval.".

Page 188, line 21, strike "and middle schools" and insert ", middle schools, and secondary schools".

Page 311, strike line 20 and insert the following:

"PART E—INNOVATIVE EDUCATION PROGRAM STRATEGIES".

Page 312, line 8, strike "Goals 2000" and insert "Goals 2000: Educate America Act".

Page 313, beginning on line 25, strike "the Trust Territory of the Pacific Islands".

Page 314, line 1, insert "and Palau (until the effective date of the Compact of Free Association with the Government of Palau)," after "the Northern Mariana Islands,".

Page 319, line 19, strike "chapter" and insert "part".

Page 322, line 15, after "local" insert "educational".

Page 445, strike lines 7 through 9 and insert the following:

"TITLE V—PROMOTING EQUITY

"PART A—MAGNET SCHOOLS ASSISTANCE".

Page 757, line 5, strike "and".

Page 757, line 6, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(B) Subpart 1 of part B and part C of title II; and".

Page 802, strike lines 14 through 25.

Page 898, line 12, strike "Study" and insert "Evaluation".

Page 898, line 14, strike "In addition to" and insert "In collaboration with".

Page 898, line 17, strike "study" and insert "evaluation".

Page 898, line 21, strike "study" and insert "evaluation".

Page 898, line 25, strike "study" and insert "evaluation".

Page 899, line 2, after "Opportunities Act" insert "and shall be coordinated with evaluations of such acts".

Page 899, line 3, strike "study" and insert "evaluation".

Page 899, line 13, strike "study" and insert "evaluation".

Page 899, line 20, strike "to such" and insert "with such".

Page 900, line 3, strike "study" and insert "evaluation".

Page 900, line 11, strike "study" and insert "evaluation".

Page 900, line 17, strike "study" and insert "evaluation".

Page 900, line 19, after "report." insert "The panel shall not be subject to the Federal Advisory Committee Act.".

Page 901, strike lines 2 through 4 and insert the following: "Any authority or requirement to make funds available under this Act shall be effective only to the extent provided in appropriation Acts.

Strike out part G of title VI of the Elementary and Secondary Education Act of 1965, as proposed to be added by the amendment made by section 101 of the bill (page 519, line 8 through page 617, line 24).

Page 875, after line 20, insert the following:

PART F—AMENDMENTS TO STATUTES PERTAINING TO INDIAN EDUCATION

SEC. 351. BUREAU OF INDIAN AFFAIRS.

Part B of title XI of Public Law 95-561 (25 U.S.C. 2001 et seq.) is amended to read as follows:

Page 875, after line 20, insert the text set out in the bill as part G of title VI of the Elementary and Secondary Education Act of 1965 (page 519, line 8 through page 617, line 24) and redesignate that part as part B, redesignate the sections in that part so as to begin with section 1121, and revise cross references to those sections accordingly.

Page 875, after line 20, insert the following:

SEC. 352. APPLICATION WITH RESPECT TO INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT.

Section 5209(a) of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2508(a)) is amended to read as follows:

"(a) CERTAIN PROVISIONS TO APPLY TO GRANTS.—All provisions of section 5, 6, 7, 104, 105(f), 109, and 111 of the Indian Self-Determination and Education Assistance Act, except those provisions relating to indirect costs and length of contract, shall apply to grants provided under this part.".

SEC. 353. PAYMENTS.

Section 5209(e) of Public Law 100-297, the Tribally Controlled Schools Act of 1988, is amended—

(1) by striking "the amount of the grant under section 5205 (and the amount of funds referred to in that section), any payments to be made under section 5208 of this Act," and inserting in lieu thereof: "a grant authorized to be made pursuant to this part or any amendment to such grant";

(2) by striking "the amount of, or payment of, the administrative grant" and inserting in lieu thereof "an administrative cost grant"; and

(3) by adding at the end thereof "and the Equal Access to Justice Act shall apply to administrative appeals filed after January 1, 1994, by grantees regarding the Tribally Controlled Schools Grant and Administrative Cost Grants.".

SEC. 354. ENDOWMENT FUNDS.

Section 302 of Public Law 95-471, the Tribally Controlled Community Colleges Assistance Act of 1978, is amended—

(1) in subsection (a), by striking "section 333" and inserting in lieu thereof "section 331";

(2) in subsection (b), by deleting paragraph (1) and inserting in lieu thereof the following:

"(1) provides for the investment and maintenance of funds covered by such endowment account under the same conditions and limitations as are in section 331 of the Higher Education Act and the regulations implementing such provisions in effect at the time such funds are invested;

(3) in subsection (b)(3) by striking "same" the first time it appears.

SEC. 355. HIGHER EDUCATION AMENDMENTS OF 1992.

Section 1518 of title XV of the Higher Education Amendments of 1992 (relating to the Santa Fe Arts Institute) is amended—

(1) in subsection (b), by adding at the end the following new paragraph:

"(6) For the purpose of complying with the contribution requirement in this subsection, the Institute may use funds or in-kind contributions of real or personal property. For the purposes of this paragraph, all contributions, in-kind and real estate, which are on hand as of November 29, 1990, and which were received after June 2, 1988, but which have not been included in their entirety in computations under this section shall be eligible for matching with Federal funds appropriated in any year."; and

(2) in subsection (c), by striking paragraph (1) and inserting in lieu thereof the following:

"(1) Funds in the trust funds described in subsections (a) and (b) shall be invested under the same conditions and limitations as are in section 331 of the Higher Education Act, and the regulations implementing such provisions in effect at the time such funds are invested.".

Page 738, line 8, insert the following:

"SEC. 9104. APPLICABILITY TO BUREAU OF INDIAN AFFAIRS OPERATED SCHOOLS.

"For purposes of any competitive program under this Act, the Bureau of Indian Affairs may apply on behalf of the schools which it operates and it shall be subject to all program and application requirements of the program for which it applies.".

Page 486, strike line 24 and all that follows through page 487, line 21 and insert the following:

"(f)(1)(A) The Secretary shall conduct a monitoring and evaluation review of a sampling of the recipients of grants under this part each fiscal year, such sampling to take into account size of the recipient and geographic location. The purpose of the sampling shall be to provide the Secretary with such information as is necessary to assist the Secretary in carrying out his or her responsibility to provide technical assistance under this part.".

Page 491, strike line 13 and all that follows through page 500, line 2, and insert the following:

"SEC. 6201. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

"(a) PURPOSE; COORDINATION.—(1) It is the purpose of this section to support projects that are to develop, text, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

"(2) The Secretary shall take such steps as are necessary to achieve coordination of projects funded under this part with other programs funded under this Act and with other Federal programs operated for the benefit of American Indian and Alaska Native children.

"(b) ELIGIBLE APPLICANTS.—State educational agencies, local educational agencies, Indian tribes, Indian organizations, federally supported elementary and secondary schools for Indian students, Indian institutions, including Indian institutions of higher education, and consortia thereof may apply for grants under this section.

"(c) AUTHORIZED PROJECTS AND ACTIVITIES.—Recipients of grants under this section shall use the grant funds to carry out projects and activities that meet the purpose of this section, such as—

"(1) innovative programs related to the educational needs of educationally deprived children;

"(2) educational services not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in 1 or more of the core curriculum areas of English, mathematics, science, foreign languages, art, history, and geography;

"(3) bilingual and bicultural programs and projects;

"(4) special health and nutrition services, and other related activities, which meet the special health, social, and psychological problems of Indian children;

"(5) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school and to increase the rate of high school graduation;

"(6) comprehensive guidance, counseling, and testing services;

"(7) early childhood and kindergarten programs, including family based preschool programs that emphasize school readiness and parental skills, and services to Indian children with disabilities;

"(8) partnership projects between local educational agencies and institutions of higher education that allow high school students to enroll in courses at the postsecondary level to aid them in the transition from high school to postsecondary education;

"(9) partnership projects between schools and local businesses for school-to-work transition programs designed to provide Indian youth with the knowledge and skills they need to make an effective transition from school to a first job in a high-skill, high-wage career;

"(10) programs designed to encourage and assist Indian student to work toward, and gain entrance into, institutions of higher education; and

"(11) other services which meet the needs of this section.

Preservice or in-service training of professional and paraprofessional personnel may be a part of any program authorized under this section.

"(d) GRANTS AND APPLICATIONS.—

"(1) GRANTS.—(A) The Secretary may make grants under this section for up to 5 years. Grants may be made for the planning, development, pilot operation, or demonstration of any activity authorized under this section, with priority given to those applications which present a plan for combining 2 or more of these operations over a multiyear period. The Secretary shall make such multiyear grants subject to the conditions included below and shall provide continuation funding for each fiscal year upon a positive determination that the applicant has made substantial progress in carrying out the operations covered under each grant period, as set forth in the initial grant and any subsequent modifications.'

"(B) The Secretary is also authorized to make dissemination grants. Prior to making any such dissemination grant, the Secretary shall make a finding that the material or program to be disseminated has been adequately reviewed and has shown (i) educational merit, and (ii) an ability to be replicated.

"(2) APPLICATIONS.—(A) Any eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(B) Each application shall contain—

"(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the project for which assistance is sought;

"(ii) as assurance that the applicant will participate, at the request of the Secretary, in any national evaluation of projects under this section; and

"(iii) such other assurances and information as the Secretary may reasonably require.

"SEC. 6202. PROFESSIONAL DEVELOPMENT.

"(a) PURPOSE.—The purpose of this section is to increase the number of qualified Indian persons in professions serving Indian people, and to provide training as teachers, administrators, teacher aides, social workers, and ancillary educational personnel, and to improve the skills of those presently serving in these capacities.

"(b) ELIGIBLE APPLICANTS.—Eligible applicants under this section are—

"(1) institutions of higher education, including Indian institutions of higher education;

"(2) State and local educational agencies, in consortium with institutions of higher education; and

"(3) Indian tribes and organizations, in consortium with institutions of higher education.

"(c) AUTHORIZED PROJECTS AND ACTIVITIES.—(1) Each recipient of a grant under this section shall use the grant funds to provide support and training for Indian persons, consistent with the purposes of this section. Such activities may include, but are not limited to, a continuing program, symposia, workshops, conferences, and direct financial support.

"(2)(A) For education personnel, such training may be in-service or preservice.

"(B) For those being trained in other fields, such training shall be in programs that result in graduate degrees.

"(3) In programs funded under this section, preference shall be given to the training of Indians.

"(4) In making grants under this section, the Secretary shall consider prior performance and may not limit eligibility on the basis of the number of previous grants or the length of time for which the applicant has received grants.

"(d) PROJECT PERIOD.—The project period for each project approved under this section shall be up to 5 years.

"(e) SERVICE OBLIGATION.—The Secretary shall, by regulation, require that individuals who receive training under this section perform related work which benefits Indian people or repay all or a prorated part of the support received. The Secretary shall establish by regulation a mechanism for having the recipient provide information of compliance with this requirement beginning within 12 months of the completion of training received.".

Page 501, strike line 21 and all that follows through page 502, line 2 and insert the following:

"(e) SERVICE OBLIGATION.—The Secretary shall, by regulation, require that individuals who receive financial assistance under this section perform related work which benefits Indian people or repay all or a prorated part of the support received. The Secretary shall establish by regulation a mechanism for having the recipient provide information of compliance with this requirement beginning within 12 months of the completion of training received.".

Page 507, strike line 19 and all that follows through page 509, line 2.

Page 411, line 13, strike "5004(a)(1)" and insert "4004(a)(1)".

Page 412, line 2, strike "5202" and insert "4202".

Page 412, line 5, strike "5106(a)" and insert "4106(a)".

Page 413, line 11, strike "5101" and insert "4101".

Page 413, line 17, strike "5101" and insert "4101".

Page 414, line 21, strike "5104" and insert "4104".

Page 414, line 25, strike "5106(a)" and insert "4106(a)".

Page 415, line 5, strike "5103(a)" and insert "4103(a)".

Page 415, line 16, strike "5105" and insert "4105".

Page 415, line 19, strike "5103(b)" and insert "4103(b)".

Page 416, line 2, strike "5103(d)(2)(A)(i)(II)" and insert "4103(d)(2)(A)(i)(II)".

Page 416, line 25, strike "5101" and insert "4101".

Page 417, line 6, strike "5121" and insert "4121".

Page 417, line 11, strike "5101" and insert "4101".

Page 417, line 19, strike "5122" and insert "4122".

Page 421, line 19, strike "5104" and insert "4104".

Page 422, line 24, strike "5103(d)" and insert "4103(d)".

Page 424, line 24, strike "5102" and insert "4102".

Page 425, line 15, strike "5103(d)(2)(A)(i)(I)" and insert "4103(d)(2)(A)(i)(I)".

Page 425, line 16, strike "5103(d)(2)(A)(i)(II)" and insert "4103(d)(2)(A)(i)(II)".

Page 426, line 12, strike "5102" and insert "4102".

Page 432, line 5, strike "5122" and insert "4122".

Page 434, line 10, strike "5103(b)" and insert "4103(b)".

Page 434, line 11, strike "5103(d)" and insert "4103(d)".

Page 435, line 9, strike "5004(a)(2)" and insert "4004(a)(2)".

Page 437, line 2, strike "5106(a)" and insert "4106(a)".

Page 438, line 9, strike "5101(a)(3)" and insert "4101(a)(3)".

Page 311, strike line 20 and insert the following:

PART E—INNOVATIVE EDUCATION PROGRAM STRATEGIES

Page 313, after line 19, insert the following:

SEC. 2403. DEFINITION.

For the purposes of this part the term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objectives of (1) promoting school-level planning, instructional improvement, and staff development, (2) increasing the academic achievement levels of all children and particularly educationally deprived children, and (3) achieving as ongoing conditions in the school the following factors identified through effective schools research as distinguishing effective from ineffective schools:

(1) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

(2) emphasis on the acquisition of basic and higher order skills;

(3) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

(4) a climate of expectation that virtually all children can learn under appropriate conditions; and

(5) continuous assessment of students and programs to evaluate the effects of instruction.

Page 318, line 11, after "activities" insert "including effective schools programs".

Page 319, after line 5, insert the following (and redesignate any subsequent paragraphs accordingly):

"(3) sets forth the allocation of such funds required to implement section 2252.

Page 320, line 24, insert "effective schools and" after "including".

Page 321, line 19, insert "(A)" after "(1)".

Page 321, after line 25, insert the following: "(B) sets forth the allocation of such funds required to implement section 2252;

Page 322, after line 4, insert the following (and redesignate any subsequent paragraphs accordingly):

"(3) provides assurances of compliance with the provisions of this part, including the participation of children enrolled in private, nonprofit schools in accordance with section 2252;

Page 327, after line 14, insert the following:

"Subpart 5—General Administrative Provisions

"SEC. 2451. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

"(a) Maintenance of Effort.—(1) Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

"(2) The Secretary shall reduce the amount of the allocation of funds under this part in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

"(3) The Secretary may waive, for 1 fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"(b) Federal Funds Supplementary.—A State or local educational agency may use and allocate funds received under this part only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this part, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

"SEC. 2252. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

"(a) Participation on Equitable Basis.—(1) To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this part or which serves the area in which a program or project assisted under this part is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds reserved for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this part.

"(2) If no program or project is carried out under subsection (a)(1) of this section in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in that district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this part.

"(3) The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this part by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

"(b) Equal Expenditures.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this part for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this part are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

"(c) Funds.—(1) The control of funds provided under this part, and title to materials, equipment, and property repaired, remodeled, or constructed therewith, shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property.

"(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this part shall not be commingled with State or local funds.

"(d) State Prohibition Waiver.—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

"(e) Waiver and Provision of Services.—(1) If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

"(2) Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

"(f) Determination.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

"(g) Payment From State Allotment.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this part.

"(h) Review.—(1) The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

"(2) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1) of this subsection, it may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

"(3) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(i) Prior Determination.—Any bypass determination by the Secretary under chapter 2 of the Education Consolidation and Improvement Act of 1981 shall, to the extent consistent with the purposes of this chapter, apply to programs under this chapter.

"SEC. 2253. EVALUATIONS AND REPORTING.

"(a) Local Educational Agencies.—A local educational agency which receives financial assistance under this part shall report annually to the State educational agency on the use of funds under section 2431. Such reporting shall be carried out in a manner which minimizes the amount of paperwork required while providing the State educational agency with the necessary information under the preceding sentence. Such report shall be made available to the public.

"(b) STATE EDUCATIONAL AGENCIES.—A State educational agency which receives financial assistance under this part shall evaluate the effectiveness of State and local programs under this part in accordance with section 2423(a)(2)(B). That evaluation shall be submitted for review and comment by the State advisory committee and shall be made available to the public. The State educational agency shall submit to the Secretary a copy of the evaluation and a summary of the reports under subsection (a).

"(c) REPORTS.—(1) The Secretary, in consultation with State and local educational agency representatives, shall develop a model system which State educational agencies may use for data collection and reporting under this part.

"(2)(A) The Secretary shall submit annually a report to the Congress for the use of funds, the types of services furnished, and the students served under this part.

"(B) The Secretary shall not later than October 1, 1998, submit a report to the Congress summarizing evaluations under subsection (b) in order to provide a national overview of the uses of funds and effectiveness of programs under this part.

"SEC. 2254. FEDERAL ADMINISTRATION.

"(a) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this part.

"(b) RULEMAKING.—The Secretary shall issue regulations under this part only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this part.

"(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this part shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

"SEC. 2255. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

"(a) GENERAL RULE.—Except as otherwise specifically provided by this section, the General Education Provisions Act shall apply to the programs authorized by this part.

"(b) APPLICABILITY.—The following provisions of the General Education Provisions Act shall be superseded by the specified provisions of this part with respect to the programs authorized by this part:

"(1) Section 410(a)(1) of the General Education Provisions Act is superseded by section 2254(b) of this part.

"(2) Section 433(a) of such Act is superseded by section 2254(a) of this part.

"(3) Section 436 of such Act is superseded by sections 2223 and 2233 of this part.

"(c) SPECIAL RULE.—Sections 440, 441, and 442 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, may not apply to the programs authorized by this part and shall not be construed to authorize the Secretary to require any reports or take any actions not specifically authorized by this part.".

Page 82, line 16—insert "basic" following instructional.

Page 82, Section 1122(c)(2) is amended by inserting after subparagraph (A) the following new subparagraph and redesignating the succeeding subparagraphs and paragraph (2) accordingly:

"(B) for the purpose of subparagraph (A), in the determination of expenditures per pupil from state and local funds or instructional salaries per pupil from state and local funds, staff salary differentials for years of employment shall not be included."

On page 855, after line 17, insert the following new paragraph:

"(9) A state and local educational agency shall coordinate with state and local housing agencies responsible for developing the comprehensive housing affordability strategy. Consideration shall be given to state and local housing and shelter policies described in the Comprehensive Housing Affordability Strategy to minimize educational disruption for children who become homeless."

Page 852, line 24, delete ", to the extent possible,".

Page 852, line 25, after "selection" add "unless there is a compelling reason for not complying with this request.".

Page 37, after line 19 insert the following new paragraph:

"(9) how the state will coordinate activities funded under this part with school-to-work and vocational education programs, as appropriate."

Page 56, line 4, after "development," insert "occupational information,".

Page 681, line 25, strike "$40,000,000" and insert in lieu thereof "$50,000,000".

Page 682, line 9, strike "shall" and insert in lieu thereof "may".

Page 683, line 6, strike "section" and insert in lieu thereof "sections".

Page 683, line 7, after "7601" insert "and 7607"

Page 683, line 14, insert a new paragraph (3) and redesignate accordingly:

"(3) provide an assurance that local educational agencies receiving funds under this part will coordinate the use of such funds with programs funded under other Parts of this title or title I of the Improving America's Schools Act of 1993;"

Page 685, line 17, insert:

"(b) APPLICATION REVIEW.—The Secretary shall review all applications submitted pursuant to this section by State educational agencies.

"(1) The Secretary shall approve any application submitted by a State educational agency that meets the requirements of this section.

"(2) The Secretary shall disapprove any application submitted by a State educational agency which does not meet the requirements of this section, but shall not finally disapprove an application except after reasonable notice, provision of technical assistance, and an opportunity for a hearing to the State."

Page 687, line 21, strike "TRIENNIAL" and insert in lieu thereof "BIENNIAL".

Page 687, line 23, strike "3" and insert in lieu thereof "2".

Page 688, line 4, strike "3" and insert in lieu thereof "2".

PROPOSED AMENDMENTS TO WEEA

Page 459, Line 14, strike "Special Assistant of the Office of Women's Equity" and insert in lieu thereof: "Secretary"

Page 465, Line 6, strike "no more than four"

Page 465, Line 11, strike "four"

Page 465, Line 12, insert before "The Secretary" "To the extent feasible"

Page 466, strike lines 6 through 9.

Page 466, Line 10, before "The Secretary" insert "To the extent feasible,"

Page 469, beginning on line 16, strike "the Secretary shall establish no more than 4 priorities" and on line 17, strike "of which"

Page 469, Line 21, before "The Secretary" insert "To the extent feasible,"

Page 829, line 2 after "technical assistance," insert "and" and on line 3 strike "and the administration of grant programs.

Page 829, beginning on line 5, after "shall" strike "report directly to the Secretary; and perform such additional functions as the Secretary shall prescribe" and insert in lieu thereof "advise the Secretary and Deputy Secretary on all matters relating to gender equity."

Page and line numbers refer to the Committee print of H.R. 6.

Page 439, line 5, strike, "the use of tobacco"

Page 439, line 9, insert the following paragraph and (redesignate succeeding paragraphs accordingly):

"(B) education with respect to the use of tobacco by elementary and secondary school students; and"

TITLE II, PART D

Page 297, line 4, strike "and schools" and insert "schools, and other appropriate educational entities"

Page 297, line 11, strike "comprehensive assistance centers" and insert "technical assistance system"

Page 298, line 24, strike "system of technical assistance centers" and insert "comprehensive assistance centers and the National Diffusion Network"

Page 299, line 3, strike "(c)" and insert "(d)"

Page 299, line 6, strike "2206(c)" and insert "2346(d)"

Page 301, line 12, after "centers," insert "state literacy centers,"

Page 302, line 4, strike "2303(a)" and insert "2343(a)"

Page 304, line 16, strike "Maintanence of Service" and insert "Service and Application Requirements"

Page 304, line 17, strike "Effort" and insert "Service"

Page 307, line 16, strike "Facilitator" and insert "Facilitators"

Page 307, line 20, strike "and schools" and insert "schools, family and adult literacy programs, and other appropriate educational entities"

Page 310, line 17, strike "projects, local educational agencies," and insert "projects and to local educational agencies".

Page 689, strike line 20 and all that follows through line 4 on page 729 and insert the following:

"SEC. 8003. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

"(a) IN GENERAL.—Where the Secretary, after consultation with any local educational agency and with the appropriate State educational agency, determines for a fiscal year ending prior to October 1, 1999—

"(1) that the United States owns Federal property in the local educational agency, and that such property—

"(A) has been acquired by the United States since 1938;

"(B) was not acquired by exchange for other Federal property in the local educational agency which the United States owned before 1939; and

"(C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 percent or more of the assessed value of all real property in the local educational agency (similarly determined as of the time or times when such Federal property was so acquired); and

"(2) that such agency is not being substantially compensated for the loss in revenue resulting from such ownership by increases in revenue accruing to the agency from the conduct of Federal activities with respect to such Federal property,

then such agency shall be paid the amount described in subsection (b).

"(b) AMOUNT.—

"(1) IN GENERAL.—(A) The amount that a local educational agency shall be paid under subsection (a) for a fiscal year shall be calculated in accordance with paragraph (2), except that such amount shall be reduced by the Secretary by an amount equal to the amount of revenue, if any, that such agency received from activities conducted on such property during the previous fiscal year.

"(B) If funds appropriated under section 8013(a) are insufficient to pay the amount determined under subparagraph (A), the Secretary shall ratably reduce the payment to each eligible local educational agency.

"(C) Notwithstanding any other provision of this subsection, a local educational agency may not be paid an amount under this section which exceeds the difference of—

"(i) the maximum amount that such agency is eligible to receive for such fiscal year under section 8004(b)(1)(C); and

"(ii) the amount that such agency receives in such fiscal year under section 8004(b)(2).

"(2) APPLICATION OF CURRENT LEVIED REAL PROPERTY TAX RATE.—In calculating the amount that a local educational agency shall be paid for a fiscal year, the Secretary shall apply the current levied real property tax rate for current expenditures levied by fiscally independent local educational agencies or imputed, for fiscally dependent local educational agencies, to the current annually determined aggregate assessed value of such acquired Federal property.

"(3) DETERMINATION OF AGGREGATE ASSESSED VALUE.—Such aggregate assessed value of such acquired Federal property shall be determined (on the basis of the highest and best use of property adjacent to such acquired Federal property as of the time such value is determined), and provided to the Secretary, by the local official responsible for assessing the value of real property located in the jurisdiction of such local educational agency for the purpose of levying a property tax.

"(c) APPLICABILITY TO TENNESSEE VALLEY AUTHORITY ACT.—For the purposes of this section, any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933 shall not be regarded as Federal property.

"(d) OWNERSHIP BY UNITED STATES.—The United States shall be deemed to own Federal property for the purposes of this Act, where—

"(1) prior to the transfer of Federal property, the United States owned Federal property meeting the requirements of subparagraphs (A), (B), and (C) of subsection (a)(1); and

"(2) the United States transfers a portion of the property referred to in paragraph (1) to another nontaxable entity, and the United States—

"(A) restricts some or any construction on such property;

"(B) requires that the property be used in perpetuity for the public purposes for which it was conveyed;

"(C) requires the grantee of the property to report to the Federal government (or its agent) containing information on the use of the property;

"(D) except with the approval of the Federal Government (or its agent), prohibits the sale, lease, assignment, or other disposal of the property unless such sale, lease, assignment, or other disposal is to another eligible government agency; and

"(E) reserves to the Federal Government a right of reversion at any time the Federal Government (or its agent) deems it necessary for the national defense.

"SEC. 8004. PAYMENTS FOR ELIGIBLE FEDERALLY-CONNECTED CHILDREN.

"(a) COMPUTATION OF PAYMENT.—

"(1) IN GENERAL.—For the purpose of computing the amount that a local educational agency is eligible to receive under subsection (b), (d), or (f) for any fiscal year, the Secretary shall determine the number of children who were in average daily attendance in the schools of such agency, and for whom such agency provided free public education, during the preceding school year and who, while in attendance at such schools—

"(A) resided on Federal property with a parent employed on Federal property situated in whole or in part within the boundaries of the school district of such agency;

"(B) resided on Federal property and had a parent on active duty in the uniformed services (as defined in section 101 of title 37, United States Code);

"(C) resided on Indian lands;

"(D) had a parent on active duty in the uniformed services (as defined by section 101 of title 37, United States Code) but did not reside on Federal property; or

"(E) resided in low-rent housing.

"(2) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the basic support payment under subsection (b), the Secretary shall calculate the total number of weighted student units for a local educational agency by adding together the results obtained by the following computations:

"(A) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) by a factor of 1.0.

"(B) Multiply the number of children described in paragraph (1)(C) by a factor of 1.25.

"(C) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) by a factor of .35 if the local educational agency has—

"(i) a number of such children described in such subparagraphs which exceeds 6,500; and

"(ii) an average daily attendance for all children which exceeds 100,000.

"(D) Multiply the number of children described in subparagraphs (D) and (E) of paragraph (1) by a factor of .20.

"(b) BASIC SUPPORT PAYMENTS AND PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

"(1) BASIC SUPPORT PAYMENTS.—

"(A) IN GENERAL.—From the amount appropriated under section 8013(b) for a fiscal year, the Secretary is authorized to make basic support payments to eligible local educational agencies with children described under subsection (a).

"(B) ELIGIBILITY.—A local educational agency shall be entitled to receive a basic support payment under subparagraph (A) for a fiscal year with respect to a number of children determined under subsection (a) only if the number of children so determined with respect to such agency amounts to the lesser of—

"(i) at least 400 such children, or

"(ii) a number of such children which equals at least 3 percent of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education.

"(C) MAXIMUM AMOUNT.—The maximum amount that a local educational agency is eligible to receive under this subsection for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2), multiplied by—

"(i) the greater of—

"(I) one-half of the average per pupil expenditure of the State in which the local educational agency is located for the 3d preceding fiscal year, or

"(II) one-half of the average per pupil expenditures of all of the States for the 3rd preceding fiscal year;

"(ii) the comparable local contribution rate certified by the State, as determined under regulations prescribed to carry out the Act of September 30, 1950 (Public Law 874, 81st Congress), as in effect on January 1, 1994; or

"(iii) the average per pupil expenditure of the State in which the local educational agency is located, multiplied by the local contribution percentage.

"(2) PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

"(A) IN GENERAL.—For any fiscal year in which the sums appropriated under section 8013(b) are insufficient to pay to each local educational agency the full amount computed under paragraph (1), the Secretary shall make payments based upon the provisions of this paragraph.

"(B) LEARNING OPPORTUNITY THRESHOLD PAYMENTS.—(i) For fiscal years described in subparagraph (A), the Secretary shall compute a learning opportunity threshold payment (hereinafter 'threshold payment') by multiplying the amount obtained under paragraph (1)(C) by the total percentage obtained by adding—

"(I) the percentage of federally connected children for each local educational agency determined by calculating the fraction, the numerator of which is the total number of children described under subsection (a)(1) and the denominator of which is the total number of children in average daily attendance at the schools served by such agency; and

"(II) the percentage that funds under this paragraph represent of the total budget of the local educational agency, determined by calculating the fraction, the numerator of which is the total amount of funds calculated for each educational agency under this paragraph (not including amounts received under subsection (f)), and the denominator of which is the total current expenditures for such agency.

"(ii) Such total percentage used to calculate threshold payments under paragraph (1) shall not exceed 100.

"(C) RATABLE DISTRIBUTION.—For fiscal years described in subparagraph (A), the Secretary shall make payments as a ratable distribution based upon the computation made under subparagraph (B).

"(c) PRIOR YEAR DATA.—All calculations under this section shall be based upon data for each local educational agency from the fiscal year preceding the fiscal year for which the agency is making application for payment.

"(d) USE OF FUNDS FOR CHILDREN WITH DISABILITIES.—

"(1) IN GENERAL.—From the amount appropriated under section 8013(c) for a fiscal year, the Secretary shall pay to each eligible local educational agency, on a pro rata basis, the amounts determined by—

"(A) multiplying the number of children described in subparagraphs (B) and (C) of subsection (a)(1) who are eligible to receive services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) by a factor of 1.0; and

"(B) multiplying the number of children described in subparagraph (D) of subsection (a)(1) who are eligible to receive services under such Act by a factor of .5.

"(2) USE OF FUNDS.—A local educational agency that receives funds under paragraph (1) shall use such funds to provide a free appropriate public education to children described in paragraph (1) in accordance with the Individuals with Disabilities Education Act.

"(e) HOLD-HARMLESS AMOUNTS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section, the total amount that the Secretary shall pay to a local educational agency under subsections (b) and (f)—

"(A) for fiscal year 1995, shall not be less than 80 percent of the payment such agency received for fiscal year 1994 under section 3(a) of the Act of September 30 , 1950 (Public Law 81-874, 81st Congress), as in effect for fiscal year 1994;

"(B) for fiscal year 1996, shall not be less than 60 percent of such payment received for fiscal year 1994; and

"(C) for fiscal year 1997, shall not be less than 40 percent of such payment received for fiscal year 1994.

"(2) REDUCTION IN PAYMENTS.—In order to make payments to local educational agencies in accordance with paragraph (1), the Secretary shall reduce payments to other local educational agencies determined under subsection (b).

"(f) ADDITIONAL ASSISTANCE FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

"(1) IN GENERAL.—From amounts appropriated under section 8013(d) for a fiscal year, the Secretary shall provide additional assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under this section.

"(2) ELIGIBILITY.—A local educational agency shall be eligible to receive additional assistance under this subsection only if such agency—

"(A)(i) has an enrollment of federally connected children described in subsection (a)(1) which constitutes at least 40 percent of the total student enrollment of such agency; and

"(ii) has a tax rate for general fund purposes which is at least 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State;

"(B)(i) has an enrollment of federally connected children described in subsection (a)(1) which constitutes at least 35 percent of the total student enrollment of such agency; and

"(ii) has a tax rate for general fund purposes which is at least 125 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State; or

"(C) is a local education agency whose boundaries are the same as a Federal military installation or includes Federal property under exclusive Federal jurisdiction.

"(3) MAXIMUM PAYMENTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine the maximum amount that a local educational agency may receive under this subsection in accordance with the following computations:

"(i) The Secretary shall first determine the greater of—

"(I) the average per pupil expenditure of the State in which the local educational agency is located or the average per pupil expenditure of all the States;

"(II) the average per pupil expenditure of generally comparable school districts located in the State of the local educational agency, as defined by the Secretary in regulations; or

"(III) the average per pupil expenditure of three generally comparable school districts located in the State of the local educational agency, as defined by the Secretary in regulations.

"(ii) The Secretary shall next subtract from the amount determined under clause (i) the average amount of State aid per pupil received by the local educational agency.

"(iii) The Secretary shall next multiply the amount determined under clause (ii) by the sum of the total weighted units of the local educational agency, as computed under subsection (a)(2).

"(iv) If the tax rate of the local educational agency is greater than 94 percent, but less than 100 percent, of the tax rate of comparable school districts, the Secretary shall next multiply the amount determined under clause (iii) by the percentage that the tax rate of the local educational agency is of—

"(I) the average tax rate of its generally comparable school districts; or

"(II) the average tax rate of all the school districts in the State in which the local educational agency is located.

"(v) The Secretary shall next subtract the total amount of payments received by a local educational agency under subsections (b) and (d) for a fiscal year from the amount determined under clause (iii) or clause (iv), as the case may be.

"(B) SPECIAL RULE.—With respect to payments to local educational agencies described in subparagraphs (B) and (C) of paragraph (2), the maximum amount of such payments shall be equal to the product of the average per pupil expenditure of all the States multiplied by .7, except that such amount may not exceed 125 percent of the average per pupil expenditure of all local educational agencies in the State.

"(4) CURRENT YEAR DATA.—The Secretary shall, for purposes of providing assistance under this subsection, use—

"(A) data from the fiscal year in which the local educational agency is applying for assistance under this subsection; or

"(B) the most recent data available which is adjusted to such fiscal year.

"(5) REDUCTION IN PAYMENTS.—If funds appropriated to carry out this subsection are insufficient to pay in full the amounts determined under paragraph (3), the Secretary shall ratably reduce the payment to each eligible local educational agency.

"SEC. 8005. POLICIES AND PROCEDURES RELATING TO CHILDREN RESIDING ON INDIAN LANDS.

"(a) IN GENERAL.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8004 shall establish policies and procedures to ensure that—

"(1) such children participate in programs and activities supported by such funds on an equal basis with all other children;

"(2) parents of such children and Indian tribes are afforded an opportunity to present their views on such programs and activities, including an opportunity to make recommendations on the needs of those children and how they may help those children realize the benefits of those programs and activities;

"(3) parents and Indian tribes are consulted and involved in planning and developing such programs and activities;

"(4) relevant applications, evaluations, and program plans are disseminated to the parents and Indian tribes; and

"(5) parents and Indian tribes are afforded an opportunity to present their views on the agency's general educational program to such agency.

"(b) RECORDS.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8004 shall maintain records demonstrating its compliance with requirements contained in subsection (a).

"(c) WAIVER.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8004 is excused from the requirements contained in subsections (a) and (b) for any year with respect to any Indian tribe from which it has received a written statement that the agency need not comply with those subsections because the tribe is satisfied with the provision of educational services by such agency to such children.

"(d) TECHNICAL ASSISTANCE AND ENFORCEMENT.—The Secretary shall—

"(1) provide technical assistance to local educational agencies, parents, and Indian tribes to enable them to carry out this section; and

"(2) enforce this section through such actions, which may include the withholding of funds, as the Secretary determines to be appropriate, after affording the affected local educational agency, parents, and Indian tribe an opportunity to present their views.

"SEC. 8006. APPLICATION FOR PAYMENTS UNDER SECTIONS 8003 AND 8004.

"(a) IN GENERAL.—A local educational agency desiring to receive a payment under section 8003 or 8004 shall—

"(1) submit an application for such payment to the Secretary; and

"(2) provide a copy of such application to the State educational agency.

"(b) CONTENTS.—Each such application shall be submitted in such form and manner, and shall contain such information, as the Secretary may require, including—

"(1) information to determine the eligibility of the local educational agency for a payment and the amount of such payment; and

"(2) where applicable, an assurance that such agency is in compliance with section 8005 (relating to children residing on Indian lands).

"(c) DEADLINE FOR SUBMISSION.—The Secretary shall establish deadlines for the submission of applications under this section.

"(d) APPROVAL.—

"(1) IN GENERAL.—The Secretary shall approve an application submitted under this section that—

"(A) is filed by the deadline established under subsection (c); and

"(B) otherwise meets the requirements of this title.

"(2) REDUCTION IN PAYMENT.—The Secretary shall approve an application filed up to 60 days after a deadline established under subsection (c) that otherwise meets the requirements of this title, except that, notwithstanding section 8004(e), the Secretary shall reduce the payment based on such late application by 10 percent of the amount that would otherwise be paid.

"(3) Late Applications.—The Secretary shall not accept or approve any application that is filed more than 60 days after a deadline established under subsection (c).

"SEC. 8007. PAYMENTS FOR SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE OF MILITARY DEPENDENTS.

"(a) Eligibility.—A local educational agency is eligible for a payment under this section if—

"(1) the number of children in average daily attendance during the current school year is at least ten percent or 100 more than the number of children in average daily attendance in the preceding school year; and

"(2) the number of children in average daily attendance with a parent on active duty (as defined in section 101(18) of title 37, United States Code) in the Armed Forces who are in attendance at such agency because of the assignment of their parent to a new duty station between July 1 and September 30, inclusive, of the current year, as certified by an appropriate local official of the Department of Defense, is at least ten percent or 100 more than the number of children in average daily attendance in the preceding school year.

"(b) Application.—A local educational agency that wishes to receive a payment under this section shall file an application with the Secretary by October 15 of the current school year, in such manner and containing such information as the Secretary may prescribe, including information demonstrating that it is eligible for such a payment.

"(c) Children To Be Counted.—For each eligible local educational agency that applies for a payment under this section, the Secretary shall determine the lesser of—

"(1) the increase in the number of children in average daily attendance from the preceding year; and

"(2) the number of children described in subsection (a)(2).

"(d) Payments.—From the amount appropriated for a fiscal year under section 8013(c), the Secretary shall pay each local educational agency with an approved application an amount, not to exceed $200 per eligible child, equal to—

"(1) the amount available to carry out this section, including any funds carried over from prior years, divided by the number of children determined under subsection (c) for all such local educational agencies; multiplied by

"(2) the number of such children determined for that local educational agency.

"(e) Notification Process.—

"(1) Establishment.—The Secretary shall endeavor to establish, with the Secretary of Defense, a notification process relating to the closure of Department of Defense facilities, or the adjustment of personnel levels assigned to such facilities, which may substantially affect the student enrollment levels of local educational agencies which receive or may receive payments under this title.

"(2) Information.—Such process shall provide timely information regarding such closures and such adjustments—

"(A) by the Secretary of Defense to the Secretary; and

"(B) by the Secretary to the affected local educational agencies.

"SEC. 8008. FACILITIES.

"(a) Current Facilities.—From the amount appropriated for any fiscal year under section 8013(e), the Secretary may continue to provide assistance for school facilities that were supported by the Secretary under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress; 20 U.S.C. 640) as in effect prior to the date of the enactment of the Improving America's Schools Act of 1994.

"(b) Transfer of Facilities.—

"(1) In general.—The Secretary shall, as soon as practicable, transfer to the appropriate local educational agency or another appropriate entity all the right, title, and interest of the United States in and to each facility provided under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress; 20 U.S.C. 640), or under section 204 or 310 of the Act of September 30, 1950 (Public Law 874, 81st Congress), as in effect on January 1, 1958.

"(2) Other requirements.—Any such transfer shall be without charge to such agency or entity, and prior to such transfer, the transfer must be consented to by the local education agency or other appropriate entity, and may be made on such terms and conditions as the Secretary deems appropriate to carry out the purposes of this Act.

"SEC. 8009. STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

"(a) General Prohibition.—Except as provided in subsection (b), a State may not—

"(1) consider payments under this title or under the Act of September 30, 1950 (Public Law 874, 81st Congress) in determining for any fiscal year—

"(A) the eligibility of a local educational agency for State aid for free public education; or

"(B) the amount of such aid; or

"(2) make such aid available to local educational agencies in a manner that results in less State aid to any local educational agency that is eligible for such payment than it would receive if it were not so eligible.

"(b) State Equalization Plans.—

"(1) In general.—A State may reduce State aid to a local educational agency that receives a payment under sections 8003 and 8004(b) (except the amount calculated in excess of 1.0 under subparagraph (B) of subsection (a)(2)) or under the Act of September 30, 1950 (Public Law 874, 81st Congress) as such Act existed prior to the enactment of the Improving America's Schools Act of 1994 (other than an increase in payments described in paragraphs (2)(B), (2)(C), (2)(D), or (3)(B)(ii) of section 3(d) of such Act of September 30, 1950) for any fiscal year if the Secretary determines, and certifies under subsection (c)(3)(A), that such State has in effect a program of State aid that equalizes expenditures for free public education among local educational agencies in such State.

"(2) Computation.—

"(A) In general.—For purposes of paragraph (1), a program of State aid equalizes expenditures among local educational agencies if, in the second preceding fiscal year, the amount of per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the highest such per-pupil expenditures or revenues did not exceed the amount of such per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the lowest such expenditures or revenues by more than 10 percent.

"(B) Other factors.—In making a determination under this subsection, the Secretary shall—

"(i) disregard local educational agencies with per-pupil expenditures or revenues above the 95th percentile or below the 5th percentile of such expenditures or revenues in the State; and

"(ii) take into account the extent to which a program of State aid reflects the additional cost of providing free public education in particular types of local educational agencies, such as those that are geographically isolated, or to particular types of students, such as children with disabilities.

"(3) Exception.—Notwithstanding paragraph (2), if the Secretary determines that the State has substantially revised its program of State aid, the Secretary may certify such program for any fiscal year only if—

"(A) the Secretary determines, on the basis of projected data, that the State's program will meet the 10 percent disparity standard described in paragraph (2) in that fiscal year; and

"(B) the State provides an assurance to the Secretary that, if final data do not demonstrate that the State's program met such standard for that year (or that it met such standard with a greater percentage of disparity than anticipated), the State will pay to each affected local educational agency the amount by which it reduced State aid to the local educational agency on the basis of such certification, or a proportionate share thereof, as the case may be.

"(c) Procedures for Review of State Equalization Plans.—

"(1) Written notice.—

"(A) In general.—Any State that wishes to consider payments described in subsection (b)(1) in providing State aid to local educational agencies shall submit to the Secretary, not later than 120 days before the beginning of the State's fiscal year, a written notice of its intention to do so.

"(B) Contents.—Such notice shall be in the form and contain the information the Secretary requires, including evidence that the State has notified each local educational agency in the State of its intention to consider such payments in providing State aid.

"(2) Opportunity to present views.—Before making a determination under subsection (b), the Secretary shall afford the State, and local educational agencies in the State, an opportunity to present their views.

"(3) Qualification procedures.—If the Secretary determines that a program of State aid qualifies under subsection (b), the Secretary shall—

"(A) certify the program and so notify the State; and

"(B) afford an opportunity for a hearing, in accordance with section 8011(a), to any local educational agency adversely affected by such certification.

"(4) Non-qualification procedures.—If the Secretary determines that a program of State aid does not qualify under subsection (b), the Secretary shall—

"(A) so notify the State; and

"(B) afford an opportunity for a hearing, in accordance with section 8011(a), to the State, and to any local educational agency adversely affected by such determination.

"(d) Reductions of State Aid.—

"(1) In general.—A State whose program of State aid has been certified by the Secretary under subsection (c)(3) may reduce the amount of such aid provided to a local educational agency that receives a payment under section 8003 and section 8004(b) by any amount up to—

"(A) the amount of such payment (excluding amounts provided under subsections (d) and (f) of section 8004 and the amount calculated in excess of 1.0 under section 8004(a)(2)); multiplied by

"(B) 100 percent minus the percentage of disparity determined under subsection (b).

"(2) PROHIBITION.—A State may not make a reduction described in paragraph (1) before its program of State aid has been certified by the Secretary under subsection (c)(3).

"(e) REMEDIES FOR STATE VIOLATIONS.—

"(1) IN GENERAL.—The Secretary or any aggrieved local educational agency may, without exhausting administrative remedies, bring an action in a United States district court against any State that violates subsection (a) or subsection (d)(2) or fails to carry out an assurance provided under subsection (b)(3)(B).

"(2) IMMUNITY.—A State shall not be immune under the eleventh amendment to the Constitution of the United States from an action described in paragraph (1).

"(3) RELIEF.—The court shall grant such relief as it determines is appropriate, which may include attorney's fees to a prevailing local educational agency.

"SEC. 8010. FEDERAL ADMINISTRATION.

"(a) PAYMENTS IN WHOLE DOLLAR AMOUNTS—The Secretary shall round any payments under this title to the nearest whole dollar amount.

"(b) OTHER AGENCIES.—Each Federal agency administering Federal property on which children reside, and each agency principally responsible for an activity that may occasion assistance under this title, shall, to the maximum extent practicable, comply with requests of the Secretary for information the Secretary may require to carry out this title.

"SEC. 8011. ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW.

"(a) ADMINISTRATIVE HEARINGS.—A local educational agency and a State that is adversely affected by any action of the Secretary under this title shall be entitled to a hearing on such action in the same manner as if such agency were a person under chapter 5 of title 5, United States Code.

"(b) JUDICIAL REVIEW OF SECRETARIAL ACTION.—

"(1) IN GENERAL.—A local educational agency or a State aggrieved by the Secretary's final decision following an agency proceeding under subsection (a) may, within 60 days after receiving notice of such decision, file with the United States court of appeals for the circuit in which such agency or State is located a petition for review of that action. The clerk of the court shall promptly transmit a copy of the petition to the Secretary. The Secretary shall then file in the court the record of the proceedings on which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

"(2) FINDINGS OF FACT.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) REVIEW.—The court shall have exclusive jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 8012. DEFINITIONS.

"For purposes of this title, the following definitions apply:

"(1) ARMED FORCES.—The term 'Armed Forces' means the Army, Navy, Air Force, and Marine Corps.

"(2) AVERAGE PER-PUPIL EXPENDITURE.—The term 'average per-pupil expenditure' means—

"(A) the aggregate current expenditures of all local educational agencies in the State; divided by

"(B) the total number of children in average daily attendance for whom such agencies provided free public education.

"(3) CONSTRUCTION.—The term 'construction' means—

"(A) the preparation of drawings and specifications for school facilities;

"(B) erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities;

"(C) inspecting and supervising the construction of school facilities; and

"(D) debt service for such activities.

"(4) FEDERAL PROPERTY.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) through (F), the term 'Federal property' means real property that is not subject to taxation by any State or any political subdivision of a State due to Federal agreement, law, or policy, and that is—

"(i) owned by the United States or leased by the United States from another entity;

"(ii)(I) held in trust by the United States for individual Indians or Indian tribes;

"(II) held by individual Indians or Indian tribes subject to restrictions on alienation imposed by the United States;

"(III) conveyed at any time under the Alaska Native Claims Settlement Act (Public Law 92-203, 43 U.S.C. 1601 et seq.) to a Native individual, Native group, or Village or Regional corporation;

"(IV) public land owned by the United States that is designated for the sole use and benefit of individual Indians or Indian tribes; or

"(V) used for low-rent housing, as otherwise described in this paragraph, that is located on land described in subclause (I), (II), (III), or (IV) of this clause or on land that met one of those descriptions immediately before its use for such housing;

"(iii)(I) part of a low-rent housing project assisted under the United States Housing Act of 1937; or

"(II) used to provide housing for homeless children at closed military installations pursuant to section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411); or

"(iv) owned by a foreign government or by an international organization.

"(B) SCHOOLS PROVIDING FLIGHT TRAINING TO MEMBERS OF AIR FORCE.—The term 'Federal property' includes, so long as not subject to taxation by any State or any political subdivision of a State, and whether or not that tax exemption is due to Federal agreement, law, or policy, any school providing flight training to members of the Air Force under contract with the Air Force at an airport owned by a State or political subdivision of a State.

"(C) NON-FEDERAL EASEMENTS, LEASES, LICENSES, PERMITS, IMPROVEMENTS, AND CERTAIN OTHER REAL PROPERTY.—The term 'Federal property' includes, whether or not subject to taxation by a State or a political subdivision of a State—

"(i) any non-Federal easement, lease, license, permit, or other such interest in Federal property as otherwise described in this paragraph, but not including any non-Federal fee-simple interest;

"(ii) any improvement on Federal property as otherwise described in this paragraph; and

"(iii) real property that, immediately before its sale or transfer to a non-Federal party, was owned by the United States and otherwise qualified as Federal property described in this paragraph, but only for one year beyond the end of the fiscal year of such sale or transfer.

"(D) CERTAIN POSTAL SERVICE PROPERTY AND PIPELINES AND UTILITY LINES.—Notwithstanding any other provision of this paragraph, the term 'Federal property' does not include—

"(i) any real property under the jurisdiction of the United States Postal Service that is used primarily for the provision of postal services; or

"(ii) pipelines and utility lines.

"(E) PROPERTY WITH RESPECT TO WHICH STATE OR LOCAL TAX REVENUES MAY NOT BE EXPENDED, ALLOCATED, OR AVAILABLE FOR FREE PUBLIC EDUCATION.—Notwithstanding any other provision of this paragraph, 'Federal property' does not include any property on which children reside that is otherwise described in this paragraph if—

"(i) no tax revenues of the State or of any political subdivision of the State may be expended for the free public education of children who reside on that Federal property; or

"(ii) no tax revenues of the State are allocated or available for the free public education of such children.

"(F) CERTAIN PROPERTY LOCATED IN STATE OF OKLAHOMA OWNED BY INDIAN HOUSING AUTHORITY FOR LOW-INCOME HOUSING.—The term 'Federal property' includes any real property located in the State of Oklahoma that—

"(i) is owned by an Indian housing authority and used for low-income housing (including housing assisted under the mutual help ownership opportunity program under section 202 of the United States Housing Act of 1937); and

"(ii) at any time—

"(I) was designated by treaty as tribal land; or

"(II) satisfied the definition of Federal property under section 403(1)(A) of the Act of September 30, 1950 (Public Law 874, 81st Congress).

"(5) FREE PUBLIC EDUCATION.—The term 'free public education' means education that is provided—

"(A) at public expense, under public supervision and direction, and without tuition charge; and

"(B) as elementary or secondary education, as determined under State law, except that, notwithstanding State law, such term—

"(i) includes preschool education; and

"(ii) does not include any education provided beyond grade 12.

"(6) INDIAN LANDS.—The term 'Indian lands' means any Federal property described in paragraph (4)(A)(ii) or (4)(F).

"(7) LOCAL CONTRIBUTION PERCENTAGE.—

"(A) IN GENERAL.—The term 'local contribution percentage' means the percentage of current expenditures in the State derived from local and intermediate sources, as reported to and verified by the National Center for Education Statistics.

"(B) HAWAII AND DISTRICT OF COLUMBIA.—Notwithstanding subparagraph (A), the local contribution percentage for Hawaii and for the District of Columbia shall be the local contribution percentage computed for the Nation as a whole.

"(8) LOCAL EDUCATIONAL AGENCY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'local educational agency'—

"(i) means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent school district, or other school district; and

"(ii) includes any State agency that directly operates and maintains facilities for providing free public education.

"(B) EXCEPTION.—The term 'local educational agency' does not include any agency or school authority that the Secretary determines on a case-by-case basis—

"(i) was constituted or reconstituted primarily for the purpose of receiving assistance under this title or the Act of September 30, 1950 (Public Law 874, 81st Congress) or increasing the amount of such assistance; or

"(ii) is not constituted or reconstituted for legitimate educational purposes.

"(9) LOW-RENT HOUSING.—The term 'low-rent housing' means housing located on property that is described in paragraph (4)(A)(iii).

"(10) REVENUE DERIVED FROM LOCAL SOURCES.—The term 'revenue derived from local sources' means—

"(A) revenue produced within the boundaries of a local educational agency and available to such agency for its use; or

"(B) funds collected by another governmental unit, but distributed back to a local educational agency in the same proportion as it was collected as a local revenue source.

"(11) SCHOOL FACILITIES.—The term 'school facilities' includes—

"(A) classrooms and related facilities; and

"(B) equipment, machinery, and utilities necessary or appropriate for school purposes.

"SEC. 8013. AUTHORIZATION OF APPROPRIATIONS.

"(a) PAYMENTS FOR FEDERAL ACQUISITION OF REAL PROPERTY.—For the purpose of making payments under section 8003, there are authorized to be appropriated $16,750,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(b) BASIC PAYMENTS.—For the purpose of making payments under section 8004(a), there are authorized to be appropriated $775,500,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(c) PAYMENTS FOR CHILDREN WITH DISABILITIES.—For the purpose of making payments under section 8004(d), there are authorized to be appropriated $45,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(d) PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

"(1) IN GENERAL.—For the purpose of making payments under section 8004(f), there are authorized to be appropriated $42,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(2) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under paragraph (1) are authorized to remain available until expended.

Page 864, after line 4, insert the following:

(a) SECTION 1.—Section 1 of the Act of September 23, 1950 (Public Law 815, 81st Congress; 20 U.S.C. 631) is amended—

(1) by striking the 2nd sentence of subsection (a); and

(2) by amending subsection (b) to read as follows:

"(b) There are authorized to be appropriated to carry out this Act $12,500,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.".

Page 864, strike line 5 and all that follows through line 7 and insert the following:

(b) SECTION 2.—Section 2 of such Act is amended to read as follows:

Page 864, line 19, strike "(b)" and insert "(c)".

Page 866, line 3, strike "(c)" and insert "(d)".

Page 869, line 10, strike "(d)" and insert "(e)".

TITLE V TECHNICAL AMENDMENT

Page 901, strike lines 2 through 4 and insert the following:

Any authority or requirement to make funds available under this Act shall be effective only to the extent provided in appropriations acts.

MODIFICATION TO AMENDMENTS EN BLOC OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I ask unanimous consent to modify my en bloc amendments with an amendment at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendments en bloc offered by Mr. KILDEE:

At the end of the en bloc amendments add the following:

Beginning on page 28, strike line 12 and all that follows through page 30, line 2, and insert in lieu thereof the following:

"(iii) model opportunity to learn standards for schools which receive assistance under this title that address—

(I) the alignment of curricula, instructional materials, and other school resources with the content and performance standards adopted by the State;

(II) the capability of teachers to provide high quality instruction within each subject area for which the State has adopted content and performance standards;

(III) such other factors that the State deems appropriate to ensure that students served under this title receive a fair opportunity to achieve the knowledge and skills described in content and performance standards adopted by the State."

Page 34, strike lines 7 through 11 (and redesignate any subsequent paragraphs accordingly)

Page 36, line 18 after "agencies" insert "and the public of the standards and assessments developed under this section, and"

Page 39, after line 12, insert the following new paragraph (and redesignate accordingly):

"(g) Notwithstanding any other provision of this Act, the implementation of model opportunity to learn standards shall be voluntary on the part of the States, local educational agencies, and schools."

Page 39, after line 17, insert the following new paragraphs (and redesignate accordingly):

"(i) Nothing in this section shall be construed to create a legally enforceable right for any person against a State, local educational agency, or school based on opportunity to learn standards.

(j) Nothing in this section shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.

(k) Nothing in this section shall be construed to mandate national school building standards for a State, local educational agency, or school."

Page 42, strike lines 19 through 22

Page 67, strike lines 7 through 9

Page 69, line 3, after "standards" insert "including reviewing the school's plan in the context of the State's model opportunity to learn standards"

Page 70, line 13 after "include" insert "implementing the State's model opportunity to learn standards,"

Page 72, line 20, after "standards" insert "including reviewing the local educational agency's plan in the context of the State's model opportunity to learn standards"

Page 74, line 1, after "include" insert "implementing the State's model opportunity to learn standards,"

Page 75, line 12, strike "and opportunity to learn standards"

Page 91, line 19, strike "opportunity to learn standards"

Page 183, after line 16 insert the following (and redesignate accordingly):

"(v) are using any of the voluntary model State opportunity to learn standards that may have been implemented and whether they are useful in improving learning."

Mr. KILDEE (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Without objection, the modification is agreed to.

There was no objection.

MODIFICATION OFFERED BY MS. LONG TO AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. KILDEE

Ms. LONG. Mr. Chairman, I ask unanimous consent that the amendment I had intended to offer at a later time be included also in the en bloc amendments offered by the gentleman from Michigan [Mr. KILDEE].

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification offered by Ms. LONG to amendments en bloc, as modified, offered by Mr. KILDEE:

Page 330, line 6, strike "and".

Page 330, line 7, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(M) The development and expansion of public-private partnership programs which extend the learning experience, via computers, beyond the classroom environment into student homes.

The CHAIRMAN. Is there objection to the modification offered by the gentlewoman from Indiana?

There was no objection.

Mr. KILDEE. Mr. Chairman, this amendment, which I offer for myself and Mr. GOODLING, represents a bipartisan agreement on the bill's opportunity-to-learn provisions.

This amendment: Clearly provides that the implementation of model opportunity-to-learn standards by States, local educational agencies, and schools is voluntary and not mandated;

Simplifies the definition of opportunity-to-learn standards;

Limits the paperwork burden on local educational agencies and schools;

Clarifies that model opportunity-to-learn standards cannot be enforced through litigation; and

Recognizes that model opportunity-to-learn standards can be a useful resource for school improvement.

Mr. Chairman, this is a compromise in the best sense of the word.

It successfully addresses the concerns of many of my Republican colleagues while preserving the original purpose of the Owens amendment.

Mr. Chairman, I urge the adoption of the amendment.

Mr. Chairman, I would like to include in the RECORD several letters from the private and home school community in support of the Ford-Kildee amendment.

COUNCIL FOR
AMERICAN PRIVATE EDUCATION,
Washington, DC, February 22, 1994.

Hon. DALE KILDEE,
Chairman, Subcommittee on Elementary, Secondary and Vocational Education, Rayburn House Office Bldg., Washington, DC.

DEAR REPRESENTATIVE KILDEE: As I am sure you are aware, there has been a great deal of misinformation and concern raised in recent days about an amendment which was added to H.R. 6, the Elementary and Secondary Education Act (ESEA), by Representative George Miller. The amendment would require that states assure the Department of Education that local education agencies (LEAs) "certify that each full time teacher in schools under the jurisdiction of the agency is certified to teach" in his or her subject area.

The Council for American Private Education, like several House offices, has been inundated with questions to clarify whether this amendment would affect private schools. Since private schools are not "under the jurisdiction" of LEAs, we understand that this amendment would have no affect on private schools. Further, we know that requiring states to mandate teacher certification for private schools was not the intent of Representative Miller's amendment, nor would it be the effect.

On behalf of CAPE, I want to assure you of our continued support for reauthorization of the ESEA. We in no way want the input of other groups, that do not represent the 14 national elementary and secondary private school associations in CAPE, to be confused for our position on this important legislation.

Thank you for the opportunity to clarify this issue. We appreciate your leadership on the Committee and concern for educating all the nation's children.

Sincerely,
JOYCE G. MCCRAY,
Executive Director.

DEPARTMENT OF EDUCATION,
Washington, DC, February 24, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the United States Catholic Conference ("USCC") I am writing to you concerning two pending amendments to H.R. 6, Improving America's Schools Act of 1994.

It is our understanding that an amendment cosponsored by you and Congressmen Kildee, Goodling and Gunderson ("Ford/Kildee Amendment") will be offered today when the House considers H.R. 6. The Ford/Kildee Amendment will, in part, delete from H.R. 6 section 2124(e) which has generated much confusion and controversy regarding the possibility of a federal mandate for local educational agencies to certify teachers in Catholic and other private schools. By deleting section 2124(e) the Ford/Kildee Amendment will eliminate this confusion and make clear that H.R. 6 does not require certification of private school teachers. For this reason the Conference supports passage of the Ford/Kildee Amendment.

It has also come to our attention that Congressman Armey will offer an amendment to H.R. 6 which, in part, would add the following new provision to H.R. 6.

Sec. 9508. General Provision Regarding Nonrecipient Nonpublic Schools

"Nothing in this Act shall be construed to permit, allow, encourage, or authorize any federal control over any aspect of any private, religious, or home school that does not receive funds or does not participate in programs or services under the Act."

We oppose this provision in the Armey Amendment for two reasons.

First, while the Armey Amendment explicitly states that private schools that do not participate in programs under H.R. 6 are not subject to federal control, the Amendment implies that private schools who themselves or whose students and teachers do participate in H.R. 6's programs are subject to broad federal control. Students in Catholic schools have participated in the Elementary and Secondary Education Act of 1965 ("ESEA") programs since its passage in 1965 without federal control over Catholic schools. To interject into the statute in 1994 the concept that private schools whose students participate in federal programs are subject to broad federal control can only invite government administrators to attempt to exert control over Catholic schools. This has not been the experience under ESEA and it would be a mistake to facilitate such a disastrous result by adding this provision to H.R. 6. The provision establishes a dangerous precedent in ESEA and for future federal education programs, with great potential for harm to private schools.

In addition, in our view there has been no demonstrated need for this new provision. We are unaware of any provision in H.R. 6 that gives the federal government control over private schools that do not participate in programs under H.R. 6. In addition, H.R. 6 leaves in place section 432 (redesignated section 438) of the General Education Provisions Act ("GEPA"), which applies to H.R. 6, that expressly prohibits the federal government from exercising "any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by *any* educational institution school system." (Emphasis added.) We are not aware of any provision in H.R. 6 that renders void this broad proscription against federal control over education.

It has also been suggested that the following sentence could be added at some time to the language quoted above:

"This section shall not be construed to bar private, religious or home schools from participation in programs or services under this Act." This sentence states a truism which only serves to underscore our concern that this provision in the Armey Amendment separates private schools into two groups, schools that do or do not participate in federal education programs under H.R. 6, with the former group being susceptible to broad government control. Highlighting the distinction exacerbates rather than alleviates the concern.

To summarize, USCC opposes the above cited provision in the Armey Amendment because it is potentially harmful to Catholic schools, creates a dangerous precedent, and is unnecessary. Unfortunately, it is our understanding that under the House rules the Armey Amendment cannot be further amended at this time. This leaves us no choice but to oppose the Armey Amendment in toto, even though other parts of it are not objectionable to USCC.

Thank you for this opportunity to comment on the Ford/Kildee and Armey Amendment.

Sincerely,
REV. WILLIAM F. DAVIS, OSFS,
Representative for Catholic Schools and Federal Assistance.

To All House Members.

From Coalition of National Homeschooling Organizations.

Re Endorsement of the Ford-Kildee Amendment.

There is no group that can speak for all home schoolers. However, the following homeschool organizations on the national level, each of whom provides a forum for the exchange of ideas among homeschoolers, have endorsed the Ford-Kildee Amendment to H.R. 6.

The Council of the National Home School Association, P.O. Box 290, Hartland, MI 48353-0290, 1-513-772-9580, Contact: Sydney Mathis.

Alliance for Parental Involvement in Education, P.O. Box 59, East Chatham, NY 12060-0059, 1-518-392-6900, Contact: Seth Rockmuller.

America, 14995 SE 122, Clakamas, OR 97015, 1-503-698-4746, Contact: Halimah Moustafia.

Clonlara School Home Based Education Program, 1289 Jewett, Ann Arbor, MI 48104, 1-313-769-4515, Contact: Pat Montgomery.

Drinking Gourd/Multicultural Home Education Magazine, P.O. Box 2557, Redmond, WA 98073, 1-206-836-0336, Contact: Donna Nichols-White.

Holt Associates/Growing Without Schooling, 2269 Massachusetts Avenue, Cambridge, MA 02140, 1-617-864-3100, Contact: Pat Farenga.

Home Education League of Parents, 3208 Cahuenga Blvd. West, Suite 31, Los Angeles, CA 90068, 1-213-874-8007, Contact: Terri Endsley.

Home Education Press/Home Education Magazine, P.O. Box 1083, Tonasket, WA 98855, 1-509-486-1351, Contact: Helen & Mark Hegener.

Jewish Home Educators' Network, 2 Webb Rd., Sharon, MA 02067, 1-617-784-9091, Contact: Pam Glasser Ernstoff.

Latter Day Saints, 2770 South 1000 West, Perry, UT, 1-800-723-5355, Contact: Joyce Kinmont.

Moore Foundation, Box 1, Camus, WA 98607, 1-206-835-5500, Contact: Dorothy & Raymond Moore.

National Association for the Legal Support of Alternative Schools, P.O. Box 2823, Santa Fe, NM 87504-2823, Contact: Lucia Vorys.

National Challenged Home-Schoolers Associated Network, 5383 Alpine Rd. SE, Olala, WA 98359, 1-206-857-4257, Contact: Thomas Bushnell.

National Coalition of Alternative Community Schools, P.O. Box 15036, Santa Fe, NM 87506, 1-505-474-4312, Contact: Ed Nagel.

Santa Fe Community School, P.O. Box 2241, Santa Fe, NM 87504, Contact: Ed Nagel.

Unschoolers Network, 2 Smith St., Farmingdale, NJ 07727, 1-908-938-2473, Contact: Nancy Plent.

Council of Chief
State School Officers,
Washington, DC, February 24, 1994.

Dear Representative: I write on behalf of the chief state school officers to urge your support for H.R. 6, the Improving America's Schools Act (IASA), when it comes before the House of Representatives on Thursday, February 24. The bill restructures the major federal elementary and secondary education programs. It makes important connections between federal support for high poverty schools under Title I, school improvement activities under Title II, and state and local plans under Goals 2000: the Educate America Act. State and local education agencies are provided new flexibility and accountability under the Act to use resources from related federal programs, in conjunction with state and local programs, to achieve the National Education Goals.

We commend particularly the bipartisan agreements reached in Committee on the Title I targeting formula and the provisions of Title II for professional development and school improvement. Title II of H.R. 6 now authorizes substantial new support for professional development and expansion of learning technologies, while continuing authority for federal funds to support a wide range of innovations and reform strategies at the state and local level. The bill makes significant and beneficial changes in the provisions of a number of other elementary and secondary programs as well, including the Drug-Free Schools and Communities Act, Even Start, and bilingual education.

As the House takes action on H.R. 6, we urge agreement to revise the overall provisions for standards and the provisions for opportunity to learn standards added to Section 1112, Section 1116, and Section 1117 at the Committee level. Our Council strongly supports the provisions for state standards in the Goals 2000: Educate America Act, including content, student performance and opportunity to learn standards. Under that proposed Act, each state establishes standards for all children. The state standards are used to set expectations and to guide improvement of student and school performance to satisfactory levels in a comprehensive plan which covers state and federal programs and funding.

In H.R. 6 we urge the House members to include only such provisions for opportunity to learn standards as will provide states with the flexibility and discretion to use them in accordance with their Goals 2000 plans and strategies and to focus the application of these standards on schools identified under Title I of IASA as "in need of improvement."

It is our understanding that the leadership of the Committee is developing a bipartisan agreement to revise the provisions for opportunity to learn standards under Section 1112, 1116, and 1117. We have not reviewed the agreement but urge support of it, if it is in accord with the principles stated above.

Once again, we urge you to vote in favor of H.R. 6. Thank you for your consideration of our recommendations.

Sincerely,

Gordon M. Ambach.

General Conference of
Seventh-day Adventists,
February 24, 1994.

To Whom It May Concern: We endorse the amendment to H.R. 6 as proposed by Mr. Ford and Mr. Kildee with the understanding that parochial schools in general, and not just homes schools, would be exempted from application of the certification requirements and all other aspects of the bill.

Robert L. Dale,
Vice President, North American Division.
B.B. Beach,
Director, General Conference Public Affairs & Religious Liberty Department.
Gilbert L. Plubell,
Education Department, North American Division.
G.M. Ross,
Congressional Liaison.

Ms. SLAUGHTER. Mr. Chairman, I rise in support of this en bloc amendment offered by my colleague from Michigan, Mr. Kildee.

Among the provisions included in the amendment is one which will help homeless children to receive the high quality education they need to escape their impoverished circumstances. School is often the only stable element in the lives of these young people, and it is critical for us to support that stability.

H.R. 6 reauthorizes programs which I originally sponsored in legislation passed in 1990. Our efforts have borne fruit—while reports in 1990 indicated that half of homeless children did not attend school regularly, current estimates indicate that the figure has dropped to a third or less. One Department of Education study showed the number as low as 18 percent. We in this House should be proud of that success.

The legislation before us improves the program in a number of important ways. H.R. 6 clarifies enforcement and accountability, and promotes greater flexibility for States and local educational agencies in carrying out the goal of helping homeless youngsters realize their potential. In addition to Chairman Kildee, my colleague from Washington State, Mrs. Unsoeld, was instrumental in adding several excellent provisions at the committee level.

This en bloc makes two more small but important changes. It helps State educational agencies to coordinate their plans and services with housing authorities. The bill also restores language requested by the Clinton administration, which assures that children can stay in the same school when they become homeless in the middle of the academic year.

Educating our homeless children is a priority which transcends mere partisanship. I have been pleased with the collegiality which has surrounded our work on reauthorizing and improving homeless education programs. I urge all of my colleagues on both sides of the aisle to support this amendment and, when it comes up for a vote, the bill.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in the spirit of cooperation, because I have been trying very hard to have a bipartisan bill, I accept the opportunity to learn standards as we have finalized them, and want to make sure that we understand it makes clear that the implementation of the model opportunity to learn standards is voluntary and not mandated, narrows down the original list of 8 to 2. It allows the State to develop model opportunity to learn standards that the State deems appropriate to ensure that students served under this title receive a fair opportunity to achieve the knowledge and skills described in the content and performance standards adopted by the State. It only requires the State to develop opportunity to learn standards for children served under title I. It greatly limits the paperwork burden on schools and local education agencies, retains the provisions in the bill saying that the Secretary may not deny title I funds to a State based on the specific content of its opportunity to learn standards.

It clarifies that model opportunity to learn standards cannot be enforced through litigation, cannot be used to mandate equalized spending in States or national school building standards.

So I continue to believe that we cannot mandate anything that we do not pay for, and I think by adopting this compromise we are making sure that we do not have unfunded mandates.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to make an inquiry of the gentleman from Michigan. If I might ask the gentleman from Michigan [Mr. Kildee] does this en bloc amendment contain the language relative to education about the dangers of smoking that is to be part of our drug abuse curriculum?

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, the gentleman is correct.

Mr. DURBIN. It is my understanding that the gentleman's en bloc amendment actually weakens the language which is in the committee version of the bill which is coming to the floor in that it limits the education standards relative to this danger.

Mr. KILDEE. It is the amendment that was agreed to in full committee and was inadvertently left out when it was printed. But I will be glad to work with the gentleman.

Mr. DURBIN. The gentleman is correct in his statement to the committee on this point. I would like to make the following point: I will not object today to this en bloc amendment. What the gentleman from Michigan is doing is correctly reflecting committee action, but I strongly disagree with that action. The action taken by the Committee on Education and Labor relative to this issue relating to tobacco and the danger of smoking I think is a serious mistake.

I will be offering an amendment next week to try to rectify this problem.

The CHAIRMAN. The question is on the amendments en bloc, as modified, offered by the gentleman from Michigan [Mr. Kildee].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GOODLING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 422, noes 1, not voting 15, as follows:

[Roll No. 33]

AYES—422

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de la Garza
de Lugo (VI)
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards (CA)
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gallo
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
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LaRocco
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Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Martinez
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McCandless
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McKinney
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Miller (CA)
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Oberstar
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Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Romero-Barceló (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
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Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velázquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—1

Durbin

NOT VOTING—15

Andrews (TX)
Clay
Gejdenson
Green
Hastings
Hyde
Kennedy
Kennelly
Laughlin
Markey
Murtha
Rush
Synar
Washington
Wilson

☐ 1557

So the amendments en bloc, as modified, were agreed to.

The result of the vote was announced as above recorded.

Mr. FORD of Michigan. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MEEHAN) having assumed the chair, Mr. PRICE of North Carolina, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. GEJDENSON. Mr. Speaker, I hosted a visit by President Bill Clinton to my congressional district. I was therefore not present for votes on amendments to H.R. 6, the Improving America's Schools Act of 1994. Had I been present I would have voted:

"Yes" on Roll No. 31 (Ford-Kildee).

"Yes" on Roll No. 32 (Armey).

"Yes" on Roll No. 33 (Kildee en bloc).

PERSONAL EXPLANATION

Mr. GENE GREEN of Texas. Mr. Speaker, I was unable to cast my vote on rollcall vote Nos. 31 and 32. Had I been present, I would have voted "aye" on both of these amendments.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LEGISLATIVE CALENDAR

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I have asked unanimous consent to proceed for 1 minute for the purpose of ascertaining the schedule for the upcoming week.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the majority leader to advise us as to the upcoming schedule.

Mr. GEPHARDT. I thank the gentleman for yielding.

Obviously, votes are finished for today. There will not be votes on tomorrow and Monday, February 28. The House will meet at noon on Monday, February 28, but there will not be a morning hour, and there will not be legislative business.

Tuesday, March 1, Wednesday, March 2, and Thursday, March 3, the House will meet at 10:30 a.m. on Tuesday, for morning hour. The House will meet at noon on Tuesday for legislative business.

The House will meet at 2 p.m. on Wednesday, and the House will meet at 11 a.m. on Thursday to take up H.R. 6, the Elementary and Secondary Education Amendments of 1993, complete consideration and the possibility of

House Resolution 238, calling on the Committee on Standards of Official Conduct to conduct an investigation into activity at the House post office.

Friday, March 4, the House will meet at 11 a.m., but there will be no legislative business.

☐ 1600

Mr. WALKER. Mr. Speaker, I thank the gentleman from Missouri [Mr. GEPHARDT], and I would like to clarify with him, with regard to the morning hour announcement, that it is my understanding that what we are going to do is listed on the schedule for Monday. If morning hours are not anticipated, that would involve an agreement between both leaderships that no one has asked for morning hour time and, therefore, the schedule announcement would be the notification of Members not to expect the morning hour on Monday.

Mr. GEPHARDT. The gentleman is correct. We will determine it on a case-by-case basis in consultation with the minority.

Mr. WALKER. But this will be a standard practice, as this schedule is done each week, to determine by the time the schedule is done whether or not there will be a Monday morning hour; is that correct?

Mr. GEPHARDT. The gentleman is correct.

Mr. WALKER. Then we do anticipate morning hours for Tuesday because Members will be coming back into town.

Mr. GEPHARDT. The gentleman is correct.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Missouri.

And does the gentleman know of any conference reports that might be anticipated for next week?

Mr. GEPHARDT. We are not aware of any at this point. We will obviously notify the minority if we see one coming.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Missouri [Mr. GEPHARDT].

ADJOURNMENT TO MONDAY, FEBRUARY 28, 1994

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 noon on Monday, February 28, 1994.

The SPEAKER pro tempore (Mr. MEEHAN). Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and under the order of the House today, the following Members are recognized for 5 minutes each:

ORDER OF BUSINESS

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that my special order scheduled for this evening follow the special order of the gentleman from American Samoa [Mr. FALEOMAVAEGA].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

RECOGNITION OF YOUNG SAMOANS' CONTRIBUTIONS TO AMERICA'S FAVORITE PASTIME

Mr. FALEOMAVAEGA. Mr. Speaker, I rise this evening to recognize the exceptional contribution made by young Samoans currently playing professional football in the National Football League.

There are approximately 150,000 Samoans living in Samoa and throughout the United States. With 10 of its sons currently playing in the NFL, Samoa can rightfully claim that on a per capita basis, it has contributed more players to America's favorite pastime than any city or State in the Union.

Mr. Speaker, my colleagues and others struggle at times to pronounce my name, and I know many Samoan names are difficult for some people to pronounce—but so that others may not struggle as much, let me share with our fellow Americans the names and pronunciations of our young Samoans currently playing in the National Football League:

Esera Tuaolo—defensive end—Minnesota Vikings.

Al Noga—defensive end—Washington Redskins.

Richard "Ricky" Brown—linebacker—Cleveland Browns.

Pio Sagapolutele—defensive tackle—Cleveland Browns.

Lonnie Palelei—guard—Pittsburgh Steelers.

Natu Tuatagaloa—defensive end—Seattle Seahawks.

Junior Seau—linebacker—San Diego Chargers.

Jessie Sapolu—center—San Francisco 49'ers.

Dan Saleaumua—defensive tackle—Kansas City Chiefs.

Mark Tuinei—offensive tackle—Dallas Cowboys.

Mr. Speaker, I would also like to give special recognition to our fellow Polynesian brothers from the Pacific who also currently play in the NFL. From Tonga are: Siupeli Malamala of the New York Jets; Vai Sikahema of the Philadelphia Eagles; Peter Tuipulotu, and Alfred Pupunu of the San Diego Chargers. My native Hawaiian brothers include: Kani Kauahi of the Phoenix Cardinals; Kurt Gouveia of the Washington Redskins; Jeff Pahukoa and Leo Goeas of the Los Angeles Rams.

Mr. Speaker, I am especially proud of the fact that of the four teams that made it to the NFL playoffs in 1993, there were Samoan players on three of these teams. I am looking forward to the opportunity once again to greet Mark Tuinei, starting offensive tackle of the world champion Dallas Cowboys when he and other members of the team travel to Washington, DC, to meet with President Clinton. Others who played in the 1993 playoffs include: San Francisco 49'ers center, Jessie Sapolu; and Kansas City Chiefs nose tackle, Dan Saleaumua.

I would also like to pay a special tribute to two Samoan players who were chosen by their peers to play in last weekend's Pro Bowl in Honolulu, Hawaii. But, before I commend these two Samoan pro bowlers, I would like to make mention that for those who did not have an opportunity to watch the Pro Bowl game, I was pleasantly surprised to see that when the referees called for the customary coin toss to determine which team would kick-off, who came out but Sumo wrestler Akebond, a young native Hawaiian who has now become Yokohuna, or the highest rank in Sumo. For my colleagues, I also want to introduce a young Samoan American, Konishiki who stands at 6 foot 1 and weighs approximately 560 lbs, and also well noted in the Sumo world.

Returning now to the Pro Bowl, each year players and coaches select players from other teams in their conference who they believe are the best players at their respective positions. Coaches and players cannot pick a member from their own team. This year two Samoans were chosen to the Pro Bowl, one from the NFC and one from the AFC. Starting at offensive center for the National Football Conference was 6 foot 4, 280 pounder Jessie Sapolu of the San Francisco 49ers. On the other side of the ball, Jessie faced off against a Samoan brother, starting inside linebacker for the American Football Conference was 6 foot 3, 250 pounder, Junior Seau of the San Diego Chargers. Seau who played a whale of game, led both the AFC and NFC defenses with a game high nine tackles. My congratulations to these two gentlemen for being selected by their peers as the best players at their positions.

Mr. Speaker, I am extremely proud of the accomplishments of these young

Americans of Samoan ancestry and other parts of the Pacific. They provide a sense of inspiration not only to the young people of Samoa, but to all young people throughout this great Nation of ours. I congratulate them not only for their athletic abilities but for being outstanding role models for our young people.

THE ABSURDITY OF UNASSISTED INDIVIDUAL MANDATES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, a number of Members are proposing that all individual Americans be mandated to purchase a basic health insurance policy, with no help from their employers and no clear, defined help from the Government.

I have a modest proposal to expand this great idea, because it is clear that with individual mandates, we can legislate all our troubles away.

The national median income of a family headed by a woman with no husband present is about $17,200, and for married couples it is about $42,000.

Members who would impose an individual health mandate are saying that these family units should buy a health policy that will cost somewhere between $2,000 and $3,000.

Obviously, if families obey this mandate, many of them—particularly households headed by a single woman—will have to cut back on some other spending. While most people in this country do operate under the theory of rugged individualism, it will probably not be enough to make any of these individual mandate plans work.

If they have to pay for health care, they won't be able to buy food for their children. That means more money for public assistance programs to help feed the hungry. Or, we can just mandate that every one feed their children.

If they have to pay for health insurance and food, they won't be able to pay the rent. That means an even greater homeless problem. But it can be fixed. We just mandate that everybody has to find a place to live and pay their rent. Maybe we even force them to clean their rooms.

If they have to pay for health insurance, food, and rent, they probably won't be able to afford nice clothing or a car payment. That means a slump in retail sales and the auto industry, causing the economy to slip into a recession, which means more unemployment. But this too can be fixed. We just mandate that everybody go out shopping. That's right, fill the malls.

If they have to pay all these bills, they're not going to be able to pay taxes. But that's illegal, so we'll have to mandate that everyone have a high-paying job. Or, that local banks grant people low-interest loans to help pay off their debt.

See, Mr. Speaker, this kind of legislating is easy. It is called the King Canute School of Legislative Drafting. If we just wave our magic wands, all the problems of our constituents will go away, and we can all be happy.

HOW THE FEDERAL RESERVE OPERATES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas, Mr. GONZALEZ, is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, for several days I have taken advantage of this privilege and have addressed my colleagues for 5 minutes on the subject matter of the Federal Reserve Board and some of the current aspects of its activities that have become a little bit more than usually noticed and reported.

After doing this now for several weeks, these 5 minute addresses, I am reminded of the fact that very few of my colleagues seem to recognize the nature of this system that has grown and identified as the Federal Reserve System of our country.

For years, going back to long before anybody would make use of this privilege known as special orders, but which not always have been labeled as special orders, few members, unfortunately, and it shows today in the deliberations concerning this privilege, know the history of this.

When I came 32 years ago, 10 days after I was sworn in, I made use of this privilege, and have been doing so since then. Of course, at that time there was no thought of any kind of external coverage, such as television, such as we take for granted today, and the practice was that you weren't even supposed to come physically on the House floor and make the speech. You could write it out, submit it, and it would be printed as if you had uttered it on the House floor.

But I was conversant with the history of this. And I said no, I don't think that is the intention of this privilege. The idea is that in a numerous body such as this, a Member shall have an opportunity to expand and enlarge on a given subject matter that impresses him much, agitates him very much, and which during regular debate, the limitations of a numerous body prohibit, this is his opportunity.

But it was always intended that it was an address. And when I saw that they weren't doing that, I thought it was not in keeping and conformity with the intended purpose. So I would come physically, and some of the old-timers thought I was quite a little bit rare in doing it.

Nevertheless, from the beginning in the sixties, I addressed this question of the Federal Reserve Board. What I want to do in just 1 minute is just say this: I don't thing the majority of my colleagues in the Congress or the citizens outside of the Congress really know. For instance, the question I get from almost every State, a citizen in every State that has corresponded with me or has called me on the phone is, is the Federal Reserve Board a federal governmental agency, or is it a private agency?

I will laugh and I will say, "This is an issue that has been discussed, and you have had about 50 percent of the Federal Reserve Chairmen and others and economists saying it is a political entity of the Government. And you have had others say, "No; it is a strictly private entity, a creature of the private commercial banking systems of the United States." My colleagues, unfortunately, that version is far more closer to the truth than the other.

In the first place, the banks constitute the constituency of the Federal Reserve Board. It is only bankers who are selected to govern. And that narrow view, naturally, sooner or later, is in conflict with that view that should be the national policy makers' view, that is, the Congress, from the standpoint of the greatest interest of the greatest number.

Now, does the President sit in on the deliberations of the board? Of course not. Does the Congress have anything to do with the deliberations, or is it privy to the deliberations? Of course not. Does the Congress or the President or the executive branch own stock in the Federal Reserve Board? Of course not. The commercial banks own it.

Now, If you have an issue and the bankers are making the decision, and this is an observation that was made in the very beginning of our nationhood when the First Continental Congress was formed and the need for a banker or physical agent was apparent, and the decision was made to charter the Bank of North America in Philadelphia, and Thomas Jefferson inveighed against the bankers, because, yes, they would be the bankers, but the Congress would have to pay a prohibitive usurious interest rate, and it was only because of men like Jefferson that that wasn't done.

So, I just want to say that I will try to explain a little bit more about what the Federal Reserve Board really is so that then perhaps I can be better understood where I am coming from.

HEALTH CARE IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, there being no designee from the minority leader, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the majority whip.

Mr. BONIOR. Mr. Speaker, not long ago I received something in the mail that in a funny way, sums up this whole health care debate.

It was a résumé, a résumé that an enterprising young man had sent to my office. He was looking for a job.

And like most résumés, this young man had listed his education, his job experience, and all the other things you put on a résumé.

But at the bottom of this résumé, there was one line that caught my attention.

One line that made me stop and think.

Among his many qualifications, this young man wrote that he "spoke two foreign languages . . . managed competition and single payer."

Of course, managed competition and single payer aren't foreign languages, they're simply two different approaches to health care reform.

But to many people trying to follow this debate at home, and frankly, to many people right here in this Chamber, trying to wade through all the convoluted jargon of health care reform is like trying to learn another language.

It certainly sounds like a different language:

Preferred provider organizations or home maintenance organization?

Employer mandates or individual mandates?

Universal access or universal coverage?

It's enough to make you wish that C-SPAN ran subtitles.

Most people end up feeling like that guy who walked into the doctor's office.

The receptionist asked him what he had, and the man said "shingles."

So the receptionist had him fill out a form listing his name, address, and insurance number, and told him to have a seat.

Fifteen minutes later a nurse's aid came out and asked him what he had. He said, "shingles."

So the nurse's aid took down his height, weight, and a complete medical history, had him fill out an insurance form, and told him to wait in the examining room.

Thirty minutes later the nurse came in and asked him what he had. He said, "shingles."

So the nurse gave him a blood pressure test, took his pulse, filled out a form and asked him to take his clothes off and wait for the doctor.

An hour later the doctor came in and asked him what he had.

The man said, "shingles."

The doctor said, "where."

The man said, "Outside in the truck. Where do you want them?"

Like that truckdriver, most people have very simple questions about health reform:

Questions like, what is being proposed?

How will it work?

How will it affect me and my family?

They know that health care affects us all like no other issue.

They know that for health care reform to work, they must all play a part and take responsibility for this system.

They're asking honest questions. And I think they deserve simple, honest answers.

Because people have a right to know.

Over the coming months, I have reserved time on this floor to talk about health care reform, to talk about the issues that confront us, and to answer some of the questions I'm receiving from people back home.

As I've said before, I may not be Marcus Welby, I may not even be Doogie Howser, but I think I can give people some idea about how the President's health care plan might work, and how it compares to other plans.

And it's important to recognize from the beginning that we're talking about a moving target here. The President's plan is likely to change in the months to come.

It's got to go through the committees, and through both Houses of Congress, before it comes to a vote.

This is just the beginning of the process, not the end.

But that's what the democratic process is all about, taking the good ideas other people have and incorporating them to make a good plan even better.

In the end, we'll have a health care paln—and a health care system—that we can all be proud of.

That will save money and save lives.

And that will work for all of us.

But as we move toward that goal, I do get a lot of questions from back home.

One of the most common questions is simple: "Why do we need health care reform."

There are a million reasons why we need health care reform—and I would bet that any family in America can list at least a dozen reasons based on their own experiences.

But there are three basic reasons.

First, if health care costs continue to rise at the rate they're going, they'll probably drive us into bankruptcy.

In 1980, health care for the average American family cost $2,500 a year. This year it's about $6,500. If we don't do anything to reform the system, by the end of the decade, an average family will be spending $14,000 a year just for health care.

If we do nothing to stop this, American workers will continue to lose $655 in income each year by the end of the decade. Small businesses will continue to face skyrocketing premiums, and a full third say they will be forced to drop insurance. Large employers will have to pay as much as $20,000 a year for each employee.

And health care costs will devour more and more of the Federal budget.

The current health care system is undermining our economy, eroding our competitiveness, stifling our ability to invest, and lowering our living standards. We simply can't afford to continue down this road.

Second, even though we spend at least 35 percent more per person on health care than the next most expensive country, we're the only advanced country in the world that doesn't provide health security for all its citizens.

We spend 14.5 cents of every dollar on health care. Only Canada spends 10 cents; Germany and Japan are under 9. Yet we have to compete with them every day.

There's no reason why the country that beat polio, that pioneered prenatal care, and that has the best doctors and hospitals in the world, can't provide health security for all its citizens.

Third, because of these high costs, we're paying more and more money for less and less care. Every year fewer and fewer Americans get to choose their doctors. Every year doctors and nurses spend more time on paperwork and less on patients because of the bureaucratic nightmare the present system has become.

And worse of all, every month another 100,000 Americans lose their health care for good. We simply can't let this continue. We've got to reform our health care system now.

Another question I get asked a lot is, "David, how many different health care plans are currently before Congress?"

Mr. Speaker, the answer is six—there are at least six major health care plans before Congress right now.

Six major plans that are very thoughtful plans, proposed by very thoughtful people, and they all have some good qualities about them.

But the President's plan is the only plan that has one essential feature.

One essential feature that 79 percent of the American people said in a recent poll must be the cornerstone of health care reform.

One essential feature that 4 out of every 5 Americans believe must be part of any plan that passes Congress.

And that one essential feature is this: The President's plan is the only plan that provides all Americans with guaranteed private health insurance that can never be taken away.

Not if you change jobs.

Not if you lose your job.

Not if you move, start a small business, or retire.

No matter what happens, you can never lose your coverage.

And the President's plan is the only plan that makes that guarantee.

"So," you might ask. "What exactly is the President proposing?"

In a nutshell, the President is proposing a twofold solution.

First, to make sure everyone is covered, his plan builds upon what works today in the private sector, by expanding the employer-based system we have today.

His plan would require employers to help pay for coverage, it would subsidize insurance for small businesses, low-wage workers, and the jobless, and it would set up insurance-purchasing pools called health alliances to make policies cheaper.

He'd require that all people, at a minimum, be covered by a standard set of benefits as good as the benefits packages offered by most Fortune 500 companies, and no matter what happens, those benefits can never be taken away.

Second, the President would also try to control health costs. He would cap the two big government health care programs so that they grew only about half as fast as inflation—and weed out much of the waste, fraud, abuse, and duplication in the system today.

His plan would also rewrite the rules for the health-care market, to force private insurance companies to compete on how well they can take care of people, not how many people they can drop from coverage when they get sick.

And, in case the competition of the free market doesn't do enough to restrain costs, the President's plan would impose strict limits on how fast insurance companies can jack up premiums.

Mr. Speaker, by far the most common question I get is the most personal: "How is all this going to affect me?"

Here's what that means in English: After reform, almost all of us will be able to sign up for a health plan where we work, just like we do today.

You'll get brochures that give you easy-to-understand information on the health plans in your area—including an evaluation of the quality of care and a consumer satisfaction survey. And you can choose the plan that's best for you and your family.

If you're self-employed or unemployed, you sign up at the health alliance in your area—which is made up of consumers and local business owners who bargain with insurance companies for affordable health care for you and your family.

Many people say to me, DAVID, I have a good plan through my employer now. Will I be able to keep the plan I have now?

The answer is yes—one of the features we are going to absolutely insist on during health care reform is that people don't lose the good benefits they may already have now.

If your employer is currently paying 100 percent of the cost of your plan, he or she can continue to pay 100 percent. We're trying to preserve what is right with our system just as much as we're trying to fix what is wrong.

Another common question is, "How good is the standard benefits the President is proposing?"

The standard package of benefits the President is proposing for all Americans is at least as good as the benefits offered by most Fortune 500 companies. And you can never lose it.

In fact, the President's plan is also the only private-based plan that specifies what benefits are covered.

The other plans leave that chore to a commission to decide benefits—only after the bill is signed into law.

Under the President's plan, you will be covered for hospital care, doctors visits, emergency and laboratory services, substance abuse, and mental health treatments.

And for the first time ever, prescription drugs will be covered.

In today's system, your insurance may cover you if you get sick—but it won't pay a penny to keep you healthy in the first place.

The President's plan will encourage prevention by paying 100 percent of the cost for regular check-ups, well-baby visits, mammogram, Pap smears, and other preventive care—to keep people healthy in the first place, so we can avoid more costly care down the road.

But many of the people back home also want to know: Will I still be able to choose my own plan and doctor?

The answer is yes—you'll always be able to choose your own plan and doctor. In fact, you'll probably have more choices than you have right now.

Under today's system, rising health care costs have forced many businesses to limit the health plans for their employees. Nearly three-quarters of small- and medium-sized businesses today offer just one plan—meaning you're stuck with that plan and the doctors it covers.

More than half of America doesn't really have any choice today at all.

Under the health security plan, no boss will be able to tell you which doctor to go to or which plan you can join.

Every American will have the choice among a number of high quality plans.

You can stay with your current doctor, join a network of doctors and hospitals, or join a health maintenance organization. Depending on the area you live in, you could be offered many choices within those three main areas. Your doctors can be part of any plan they want to.

Every year, you can switch plans. And if your doctor switches plans—you can move with him.

Mr. Speaker, many people also ask me if premiums and copayments will go up under the new system.

The answer is "no," premiums and copayments will be brought under control.

We aren't going through this long, painful process of reform just so that people end up paying more money for less care.

You know how the system works today—you may have a plan with a $250 premium. But if you get sick just once, you may see that premium shoot up to $2,500—and there's nothing you can do but pay it.

Under the health security plan, insurance companies won't be able to charge you more just because your sick.

Mr. Speaker, a lot of older Americans who are living on fixed incomes write me to ask if they'll be able to stay on Medicare.

The answer is "yes"—under the President's plan, older Americans who receive Medicare will still be able to receive their Medicare benefits exactly as they do today.

In fact, Medicare will be made stronger—because for the first time ever, Medicare will cover prescription drugs; and no senior will ever again have to choose between the food they need to survive and the medicine they need to live.

It's important to point out that the President's plan is the only plan that covers prescription drugs and long-term care for seniors.

Under this plan, old people won't be made to pay more just to pay for health care for young people.

And if you decide that you want different coverage, older Americans will be able to choose among different health plans that may offer fuller benefit packages and lower payments.

But, many people ask me, what if someone in my family has a preexisting condition? Will They be covered?

The answer is "yes"—under the health security plan, it will be illegal to refuse to insure people just because they've been sick.

Not long ago, a couple named Bob and Michele Peterson came to Washington to tell their story.

Their 9-year-old son was diagnosed with a potentially fatal blood disease and needed a bone marrow transplant. So far the bills to care for their son have exceeded $800,000. But the family found out halfway through that their insurance policy has a lifetime limit—and won't pay more than $250,000.

Three out of four Americans with insurance today have lifetime limits—and most of them don't even know it.

This was an upper middle-class family with good health insurance—and now they're forced to hold community fundraisers to raise the money that will keep their son alive—because they can't find another insurance company who will cover his preexisting condition.

Michele says with tears in her eyes, "I thought we were safe. I thought we were in the clear. Now, we have $700,000 in bills—and nobody will cover us."

After reform passes, Bob and Michele's son can never be denied coverage again. Health plans will have to accept people—healthy or not. They won't be able to charge you more for being sick.

And most important, they can't cut you off when you reach a lifetime limit. Because the President's plan abolishes lifetime limits for good.

Finally, a lot of skeptical people often ask me, "Will the President's plan really control costs."

The answer is "yes," the President's plan will control costs.

Don't just take my word for it.

A few weeks ago, the Congressional Budget Office—which is a highly respected, nonpartisan office that provides budget analysis and advice to

Congress—issued a report on the President's plan.

The CBO found that not only will the President's plan indeed guarantee all Americans private health insurance with 100 percent effectiveness.

But within 8 years time, it will reduce health care costs by $30 billion.

And in 10 years time, it will reduce costs by $150 billion.

And that is something that is never going to happen if we let the present system continue down the path it's going.

Mr. Speaker, those are just some of the questions I get. And those people who tell me it doesn't matter what plan we enact into law remind me of the old story about the veterinarian and taxidermist who shared the same office.

The slogan was "either way you get your dog back."

There is a difference between what plan we choose.

The President's plan is the only plan that provides to all Americans guaranteed private health insurance that can never be taken away.

It's the only plan that covers prescription drugs and long-term care for seniors.

And it's the only plan that guarantees you will never be denied coverage or dropped from coverage again.

Is it a perfect plan? Of course not.

Some things will change between now and the time the President signs a bill into law.

And we're going to be working with Democrats and Republicans over the coming months to make a good plan even better.

Is it complicated? Of course it is—it has to be. Health care is 14 percent of the gross national product.

It's a difficult issue—and sometimes it seems we're dealing with a whole other language.

But we all have a responsibility to get this system under control.

And I'm going to keep coming to this floor in the days to come, and I'm going to continue to answer the questions I get from back home.

Because the American people know what's at stake. They feel this health care crisis every day.

They don't need any more interpretations.

They don't need more partisan bickering.

What they need is the truth.

What they deserve is honest answers.

And it's up to all of us to make sure they get them.

☐ 1640

The SPEAKER pro tempore (Mr. STENHOLM). Pursuant to the Speaker's announced policy of February 11, 1994, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes as the minority leader's designee.

BALANCED BUDGET AMENDMENT

Mr. WALKER. Mr. Speaker, I yield to the gentleman from Oregon [Mr. SMITH] for an announcement.

Mr. SMITH of Oregon. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, you and I and many have been working for a very long time, many years in fact, on a balanced budget amendment to the Constitution. It has come to votes here in the House several times falling very narrowly short. But again today, Mr. Speaker, with your help and the help of the gentleman in the well, we now have 218 signatures on a discharge petition, which means that the balanced budget amendment to the Constitution will be debated and voted upon probably by mid-March.

I am delighted that we have all worked so closely together. I think the American people want a balanced budget amendment to the Constitution. And I want to thank the gentleman from Pennsylvania and the gentleman from Texas for their outstanding support.

Mr. WALKER. I thank the gentleman very much

I too would like to add my congratulations to the gentleman in the chair, the gentleman from Texas [Mr. STENHOLM], the Speaker pro tempore at the moment, for all of the hard work he has done on this, as well as the gentleman from Oregon [Mr. SMITH] for months and months of hard work. I really do believe at this time getting it to the floor and bringing up a balanced budget amendment may well be the time when we pass it and send it to the country for approval. And the gentleman is to be congratulated.

We will all be better off and future generations will be better off if we can bring this about.

I thank the gentleman.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. GOSS) to revise and extend her remarks and include extraneous material:)

Mrs. BENTLEY, for 5 minutes, on March 1.

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Mr. STARK, for 5 minutes, today.
Mr. MOAKLEY, for 5 minutes, today.
Mr. OWENS, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. COYNE, for 5 minutes, today.
Mr. FALEOMAVAEGA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. QUINN.
Mr. FISH.
Mr. HASTERT.
Mr. COYNE.
Mr. INHOFE.
Mr. COSTELLO.
Miss COLLINS of Michigan.
Mr. CLAY.
Mrs. MORELLA.
Mr. VENTO.
Mr. SMITH of New Jersey.
Mr. CLINGER.
Mr. CLEMENT.

(The following Members (at the request of Ms. WOOLSEY) and to include extraneous matter:

Mr. NATCHER.
Mr. HAMILTON in two instances.
Mr. STOKES.
Mr. GLICKMAN.
Mr. STARK.
Mr. BARCIA of Michigan.
Mr. FOGLIETTA in two instances.
Mr. DARDEN.
Mr. LEHMAN.
Mr. MAZZOLI in two instances.
Mr. VENTO.
Mr. BERMAN.
Mr. COLEMAN in two instances.
Mr. NEAL of Massachusetts.
Mr. VISCLOSKY.
Mr. KOPETSKI in two instances.
Mr. KLEIN.
Mr. JEFFERSON in two instances.
Mr. KREIDLER.
Mr. RUSH.
Mr. SKELTON.
Mrs. MEEK of Florida.

(The following Members (at the request of Mr. GOSS) and to include extraneous matter:)

Mr. TAYLOR of North Carolina.
Mr. SOLOMON in three instances.
Mr. WALSH.
Mr. LIVINGSTON.
Mr. PORTER.
Mr. BILIRAKIS.
Mr. TALENT.
Mr. HORN.
Mr. BOEHLERT.
Mr. FAWELL.
Mr. CALVERT.
Mr. CRANE.
Mr. GILLMOR.

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p.m.), under its previous order, the House adjourned until Monday, February 28, 1994, at 12 noon.

MOTION TO DISCHARGE A COMMITTEE

FEBRUARY 24, 1994.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4, rule XXVII, I, CHARLES W. STENHOLM, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 331) providing for the consideration of the joint resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation, which was referred to said committee January 25, 1994, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Charles W. Stenholm.
2. James M. Inhofe.
3. Pete Geren.
4. Olympia J. Snowe.
5. Dick Swett.
6. H. Martin Lancaster.
7. Porter J. Goss.
8. Deborah Pryce.
9. Joe Barton.
10. Jay Dickey.
11. Earl Hutto.
12. James A. Hayes.
13. Chet Edwards.
14. Don Johnson.
15. L.F. Payne.
16. Henry Bonilla.
17. Nathan Deal.
18. Gerald B.H. Solomon.
19. Toby Roth.
20. Robert F. Smith.
21. Glen Browder.
22. Gene Taylor.
23. Peter Hoekstra.
24. Cass Ballenger.
25. Curt Weldon.
26. Bill Barrett.
27. Jack Quinn.
28. Calvin M. Dooley.
29. Dave Camp.
30. F. James Sensenbrenner.
31. Tim Valentine.
32. Jim Bunning.
33. Harris W. Fawell.
34. Frank R. Wolf.
35. Peter T. King.
36. Jon Kyl.
37. Bob Inglis.
38. John Edward Porter.
39. Dick Zimmer.
40. Charles T. Canady.
41. Pat Roberts.
42. Fred Upton.
43. Jim Bacchus.
44. Doug Bereuter.
45. Stephen Horn.
46. Craig Thomas.
47. Michael A. "Mac" Collins.
48. Sanford D. Bishop, Jr.
49. Peter Blute.
50. Collin C. Peterson.
51. John S. Tanner.
52. Frank Pallone, Jr.
53. Richard H. Baker.
54. Bill Baker.
55. Jay Kim.
56. Lincoln Diaz-Balart.
57. David Minge.
58. Steve Gunderson.
59. C.W. Bill Young.
60. Howard Coble.
61. Bill Paxon.
62. Alfred A. (Al) McCandless.
63. Bill Emerson.
64. Randy "Duke" Cunningham.
65. Elton Gallegly.
66. Dean A. Gallo.
67. Michael Bilirakis.
68. Barbara F. Vucanovich.
69. Scott McInnis.
70. Dan Schaefer.
71. Robert E. (Bud) Cramer, Jr.
72. Nick Smith.
73. Mike Parker.
74. Glen Poshard.
75. George E. Sangmeister.
76. Robert H. Michel.
77. Larry Combest.
78. Howard P. "Buck" McKeon.
79. James T. Walsh.
80. James V. Hansen.
81. Jerry Lewis.
82. James A. Leach.
83. Helen Delich Bentley.
84. Jill L. Long.
85. Joe Skeen.
86. Ralph M. Hall.
87. Sonny Callahan.
88. Jim Lightfoot.
89. William F. Clinger, Jr.
90. Don Sundquist.
91. Amo Houghton.
92. W.J. Billy Tauzin.
93. Stephen E. Buyer.
94. Jennifer Dunn.
95. E. Clay Shaw, Jr.
96. Sam Johnson.
97. Ike Skelton.
98. J. Roy Rowland.
99. Peter G. Torkildsen.
100. J. Alex McMillan.
101. Jan Meyers.
102. Bill K. Brewster.
103. Jim Nussle.
104. Richard W. Pombo.
105. Roscoe G. Bartlett.
106. Pat Danner.
107. Gary A. Condit.
108. William H. Zeliff, Jr.
109. Cliff Stearns.
110. Jim Kolbe.
111. Joe Knollenberg.
112. Rich Lazio.
113. Tillie K. Fowler.
114. Thomas J. Bliley.
115. Arthur Ravenel, Jr.
116. Hamilton Fish, Jr.
117. Jim Chapman.
118. Ken Calvert.
119. Dan Miller.
120. James H. (Jimmy) Quillen.
121. William O. Lipinski.
122. Michael D. Crapo.
123. Michael N. Castle.
124. W.G. (Bill) Hefner.
125. Timothy J. Penny.
126. Vernon J. Ehlers.
127. Jim Saxton.
128. David Dreier.
129. Ron Packard.
130. William F. Goodling.
131. Thomas W. Ewing.
132. Bob Stump.
133. Bill Archer.
134. Philip M. Crane.
135. Jim McCrery.
136. Rob Portman.
137. Donald A. Manzullo.
138. John M. McHugh.
139. Ernest J. Istook.
140. John A. Boehner.
141. Terry Everett.
142. Rod Grams.
143. Duncan Hunter.
144. Bill McCollum.
145. Lamar S. Smith.
146. Edward R. Royce.
147. Martin R. Hoke.
148. Newt Gingrich.
149. Richard K. Armey.
150. Sherwood Boehlert.
151. Dave McCurdy.
152. George (Buddy) Darden.
153. Michael Huffington.
154. Carlos J. Moorhead.
155. Ronald K. Machtley.
156. David Mann.
157. Scotty Baesler.
158. Christopher Cox.
159. Gary A. Franks.
160. William M. Thomas.
161. John T. Doolittle.
162. Christopher H. Smith.
163. Herbert H. Bateman.
164. Fred Grandy.
165. Rick Santorum.
166. Bob Goodlatte.
167. Jack Kingston.
168. Jim Ramstad.
169. Bob Livingston.
170. Harold Rogers.
171. J. Dennis Hastert.
172. David A. Levy.
173. Robert S. Walker.
174. James A. Barcia.
175. David L. Hobson.
176. Bob Franks.
177. Dana Rohrabacher.
178. John R. Kasich.
179. John Linder.
180. Mel Hancock.
181. Michael G. Oxley.
182. Paul E. Gillmor.
183. Joel Hefley.
184. Spencer Bachus.
185. Jack Fields.
186. Wayne Allard.
187. James C. Greenwood.
188. Wally Herger.
189. Bob Clement.
190. Peter A. DeFazio.
191. Blanche M. Lambert.
192. Harold L. Volkmer.
193. Tom Lewis.
194. James M. Talent.
195. James P. Moran.
196. Robert K. Dornan.
197. Wayne T. Gilchrest.
198. Dan Burton.
199. Nancy L. Johnson.
200. Thomas E. Petri.
201. Thomas J. Ridge.
202. Charles H. Taylor.
203. Larry LaRocco.
204. Tom Bevill.
205. John L. Mica.
206. Andrew Jacobs, Jr.
207. Y. Tim Hutchinson.
208. Susan Molinari.
209. Tom DeLay.
210. Steven L. Neal.
211. Don Young.

212. Ileana Ros-Lehtinen.
213. Marcy Kaptur.
214. Jim Cooper.
215. Ralph Regula.
216. Robert G. Torricelli.
217. James A. Traficant, Jr.
218. Scott L. Klug.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2613. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the Bank's report on compensation of employees, pursuant to Public Law 102–429, section 117(c) (106 Stat. 2196); to the Committee on Banking, Finance and Urban Affairs.

2614. A letter from the Federal Housing Finance Board, transmitting the Board's annual report on the low-income housing and community development activities of the Federal Home Loan Bank System for calendar year 1992, pursuant to 12 U.S.C. 1422a; to the Committee on Banking, Finance and Urban Affairs.

2615. A letter from the Chairman, Harry S. Truman Scholarship Foundation, transmitting the Foundation's annual report for 1993, pursuant to 20 U.S.C. 2012(b); to the Committee on Education and Labor.

2616. A letter from the Secretary, Department of Transportation, transmitting the annual report on railroad financial assistance for fiscal year 1993, pursuant to Public Law 96–448, section 409; to the Committee on Energy and Commerce.

2617. A letter from the Secretary, Department of Transportation, transmitting the 18th annual report on the Automotive Fuel Economy Program, pursuant to 15 U.S.C. 2002(a)(2); to the Committee on Energy and Commerce.

2618. A letter from the Acting Chief Financial Officer, Department of Energy, transmitting notification that the Department's report on the uncosted obligation balances of the Department for the previous fiscal year will be transmitted on or before March 14, 1994; to the Committee on Energy and Commerce.

2619. A letter from the Director, National Institute on Deafness and Other Communication Disorders, transmitting an updated national strategic research plan for hearing and hearing impairment and voice and voice disorders, pursuant to Public Law 100–553, section 2 (102 Stat. 2773); to the Committee on Energy and Commerce.

2620. A letter from the Secretary of Energy, transmitting the Department's report on procedures for overseeing the expenditure by States and territories of stripper well and Exxon funds and the status of any pending enforcement actions with regard to the expenditure of those funds; to the Committee on Energy and Commerce.

2621. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the 17th annual report to Congress on Americans incarcerated abroad, pursuant to 42 U.S.C. 2151n–1; to the Committee on Foreign Affairs.

2622. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification pursuant to the Cooperative Threat Reduction Act of 1993; to the Committee on Foreign Affairs.

2623. A letter from the Secretary of Defense, transmitting a report pursuant to section 1206 of the Cooperative Threat Reduction Act of 1993; to the Committee on Foreign Affairs.

2624. A letter from the Comptroller General of the United States, General Accounting Office, transmitting the Comptroller General's 1993 annual report, and a supplement summary tables of GAO personnel assigned to congressional committees for fiscal year 1993, pursuant to 31 U.S.C. 719(a); to the Committee on Government Operations.

2625. A letter from the Assistant Secretary for Human Resources and Administration, Department of Energy, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2626. A letter from the Assistant Secretary for Management and Budget, Department of Health and Human Services, transmitting the Department's report on management of consultant services contracts; to the Committee on Government Operations.

2627. A letter from the Executive Secretary, National Security Council, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2628. A letter from the Chairman, U.S. Merit System Protection Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2629. A letter from the Secretary, Department of Transportation, transmitting the Department's fiscal year 1992 report entitled, "Overweight Vehicles—Penalties and Permits," pursuant to 23 U.S.C. 141 nt.; to the Committee on Public Works and Transportation.

2630. A letter from the Administrator, Federal Aviation Administration, transmitting a copy of the updated Aviation System Capital Investment Plan [CIP], pursuant to 49 U.S.C. app. 2203(b)(1); to the Committee on Public Works and Transportation.

2631. A letter from the Director, National Science Foundation, transmitting the Foundation's annual metrication report; to the Committee on Science, Space, and Technology.

2633. A letter from the Chairman, Federal Reserve System, transmitting the Board's monetary policy report for 1994, pursuant to 12 U.S.C. 225a; jointly to the Committees on Banking, Finance and Urban Affairs, and Education and labor.

2634. A letter from the Secretary, Department of Transportation, transmitting the Department's report entitled, "Improvements to Hazardous Materials Identification Systems," pursuant to Public Law 101–615, section 25(d) (104 Stat. 3275); jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

2635. A communication from the President of the United States, transmitting a list of 50 projects selected to receive Federal matching funds under the Technology Reinvestment Project; jointly, to the Committees on Science, Space, and Technology, Energy and Commerce, Education and Labor, and Armed Services.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Texas:

H.R. 3892. A bill to improve the child support system; jointly, to the Committees on Ways and Means, the Judiciary, Education and Labor, and Banking, Finance and Urban Affairs.

By Mr. BACCHUS of Florida (for himself and Mr. MICA):

H.R. 3893. A bill to authorize the collection of entrance fees at Canaveral National Seashore, and for other purposes; to the Committee on Natural Resources.

By Mr. BEREUTER:

H.R. 3894. A bill to extend the conservation reserve program for 10 years and the wetlands reserve program for 5 years; to protect vulnerable soil and water resources by facilitating the transition of our Nation's most environmentally sensitive land to conservation uses by enabling farmers to meet conservation compliance requirements through the early withdrawal, modification, reenrollment, or enrollment of lands in the conservation reserve; to best achieve such conservation purposes with sharply limited resources by permitting the Secretary of Agriculture to negotiate reduced annual rental payments in exchange for granting farmers increased flexibility to withdraw, enroll, or reenroll parts of land parcels in the conservation reserve program and for permitting limited uses on lands enrolled in the conservation reserve; to permit the transfer of crop bases among owners upon the expiration of enrollment; and to authorize the establishment of demonstration projects; to the Committee on Agriculture.

By Mr. CANADY (for himself, Mr. PETE GEREN of Texas, Mr. ZIMMER, Mrs. THURMAN, Mr. DIAZ-BALART, Mr. CONDIT, Mr. COLLINS of Georgia, Mr. HOEKSTRA, Mr. POMBO, Mr. INGLIS of South Carolina, Mr. HUTTO, Mr. MILLER of Florida, Mr. DOOLITTLE, Mr. CRAPO, Mr. KASICH, Mrs. FOWLER, Mr. BILIRAKIS, Mr. DELAY, Mr. GOSS, Mr. TALENT, Mr. BAKER of California, Mr. CALLAHAN, Mr. LEWIS of Florida, Mr. YOUNG of Florida, Mr. DORNAN, Mr. MOORHEAD, Mr. STUMP, Mr. BOEHNER, Mr. COBLE, Mr. MCKEON, and Mr. STEARNS):

H.R. 3895. A bill to provide appropriate remedies for prison overcrowding; to the Committee on the Judiciary.

By Miss COLLINS of Michigan:

H.R. 3896. A bill to amend the Public Health Service Act to provide for demonstration projects to improve the health of racial and ethnic minority groups by preventing disease and death; to the Committee on Energy and Commerce.

By Ms. ESHOO:

H.R. 3897. A bill to amend the Internal Revenue Code of 1986 to establish a Higher Education Accumulation Program [HEAP] under which individuals are allowed a deducation for contributions to HEAP accounts; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts (for himself, Mr. MOAKLEY, Mr. MARKEY, Mr. STUDDS, Mr. BLUTE, Mr. KENNEDY, Mr. TORKILDSEN, Mr. MEEHAN, Mr. NEAL of Massachusetts, Mr. OLVER, and Mr. FALEOMAVAEGA):

H.R. 3898. A bill to establish the New Bedford Whaling National Historical Park in New Bedford, MA, and for other purposes; to the Committee on Natural Resources.

By Mr. GLICKMAN (for himself, Mr. GEPHARDT, and Ms. DELAURO):

H.R. 3899. A bill to create police parnterships for children; to the Committee on the Judiciary.

By Mr. GEPHARDT (for himself, Mrs. COLLINS of Illinois, Mr. MATSUI, Mr. LEVIN, Mr. REGULA, Mr. MINETA, Mr. DINGELL, Mr. BLACKWELL, Mr. BROWN of Ohio, Mr. BARCA of Wisconsin, Ms. BROWN of Florida, Mr. KLECZKA, Mr. CONYERS, Mrs. BENTLEY, Mr. COYNE, Ms. KAPTUR, Mr. CARDIN, Mr. OBEY, Mr. NEAL of Massachusetts, and Mr. KLINK):

H.R. 3900. A bill to expand U.S. exports of goods and services by requiring the development of objective criteria to achieve market access in Japan, and for other purposes; to the Committee on Ways and Means.

By Mr. HILLIARD (for himself and Ms. MCKINNEY):

H.R. 3901. A bill to establish a Southern Rural Development Commission; jointly, to the Committees on Public Works and Trasnportation, Energy and Commerce, Education and Labor, and Agriculture.

By Mr. HOEKSTRA (for himself and Mr. EHLERS):

H.R. 3902. A bill to amend the Clean Air Act to require the designation of certain areas as rural transport areas for purposes of nonattainment requirements, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JEFFERSON:

H.R. 3903. A bill to amend the Internal Revenue Code of 1986 to permit the tax-free rollover of certain payments made by employers to separated employees; to the Committee on Ways and Means.

H.R. 3904. A bill to provide that certain service or management contracts will not result in municipal water or wastewater facilities being treated as used in a private business use for purposes of the limitations on private activity bonds; to the Committee on Ways and Means.

By Mr. KOPETSKI:

H.R. 3905. A bill to provide for the establishment and management of the Opal Creek Forest Preserve in the State of Oregon; jointly, to the Committees on Natural Resources and Agriculture.

By Mr. KREIDLER (for himself and Mr. CANADY):

H.R. 3906. A bill to amend title XIX of the Social Security Act to permit Federal payment under the Medicaid Program for physicians' services furnished to children or pregnant women under State Medicaid plans by physicians certified by the medical specialty board recognized by the American Osteopathic Association; to the Committee on Energy and Commerce.

By Mr. KREIDLER:

H.R. 3907. A bill to direct the Secretary of Health and Human Services to carry out a demonstration project under which physicians providing services to individuals entitled to benefits under the Medicare Program will receive regular information on charges submitted by and payments made to other providers who furnish services to such individuals; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. LAROCCO:

H.R. 3908. A bill to establish the Office of Personal Savings Promotion within the Department of the Treasury; to the Committee on Ways and Means.

H.R. 3909. A bill to amend title XVII of the Public Health Service Act to authorize the Secretary of Health and Human Services to make grants to establish and develop telemedicine projects for rural areas, to establish a health care data interchange system, and for other purposes; jointly, to the Committees on Energy and Commerce, Ways and Means, Armed Services, Veterans' Affairs, Post Office and Civil Service, Natural Resources, and Education and Labor.

By Mr. MACHTLEY:

H.R. 3910. A bill to suspend temporarily the duty on certain pigments; to the Committee on Ways and Means.

By Mr. MILLER of Florida (for himself, Mr. ARMEY, Mr. BALLENGER, Mr. BOEHNER, Mr. COX, Mr. DORNAN, Mr. DELAY, Mr. SAXTON, Mrs. FOWLER, Mr. GINGRICH, Mr. HUTCHINSON, and Mr. LEWIS of Florida):

H.R. 3911. A bill to prohibit the imposition by the Federal Government of global budgets, health care premium caps, and similar limits on private health care expenditures in geographic areas; to the Committee on Energy and Commerce.

By Mr. QUINN (for himself, Mr. HOCHBRUECKNER, Mr. BLUTE, Mr. KING, Mr. LEVY, Mr. HOUGHTON, Mr. WALSH, Mr. LAZIO, Mr. CASTLE, and Ms. MOLINARI):

H.R. 3912. A bill to prohibit the receipt of explosives without a Federal permit, and to provide for a waiting period before the purchase of explosives; to the Committee on the Judiciary.

By Mr. SMITH of Michigan (for himself, Mr. DUNCAN, and Mr. GEKAS):

H.R. 3913. A bill to amend title XVI of the Social Security Act to terminate the eligibility of children under 16 years of age for supplemental security income benefits by reason of disability, and preserve the eligibility of such disabled children for Medicaid benefits; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. TALENT:

H.R. 3914. A bill to designate the Federal building located at 1655 Woodson Road in Overland, MO, as the "Sammy L. Davis Federal Building"; to the Committee on Public Works and Transportation.

By Mr. TORKILDSEN (for himself, Mr. BLUTE, and Mr. STUDDS):

H.R. 3915. A bill to prevent States from taxing Federal military retirement annuities while not taxing State retirement annuities on the basis of whether there are employee contributions for such annuities; to the Committee on the Judiciary.

By Mr. ZIMMER (for himself, Mr. GALLO, Mr. WELDON, Mr. BARTLETT of Maryland, and Mr. INGLIS of South Carolina):

H.R. 3916. A bill to rescind the authority of the President to engage in certain activities agreed to in exchange for votes for the North American Free-Trade Agreement Implementation Act; jointly, to the Committees on Ways and Means, Armed Services, Agriculture, Public Works and Transportation, and Science, Space, and Technology.

By Mr. WELDON (for himself, Mr. HOYER, Mr. BOEHLERT, and Mr. VALENTINE):

H.J. Res. 328. Joint resolution designating the week beginning May 1, 1994, as "Arson Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. LAROCCO:

H. Con. Res. 211. Concurrent resolution to express the sense of the Congress that the President should convene a White House Conference on Savings; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. MORELLA (for herself, Mr. BROWN of California, Ms. FURSE, Mr. KENNEDY, Mr. MCDERMOTT, Mr. MOAKLEY, Mr. RAVENEL, and Ms. WOOLSEY):

H. Con. Res. 212. Concurrent resolution expressing the sense of the Congress regarding the Guatemalan peace process and the need for greater protection of human rights in Guatemala; to the Committee on Foreign Affairs.

By Mr. FROST:

H. Res. 369. Resolution providing amounts from the contingent fund of the House for the expenses of investigations and studies by certain committees of the House in the 2d session of the 103d Congress; to the Committee on House Administration.

By Mr. GLICKMAN (for himself and Mr. HANSEN):

H. Res. 370. Resolution providing for the consideration of the bill (H.R. 3087), proposing to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes; to the Committee on Rules.

By Mr. LAROCCO:

H. Res. 371. Resolution requesting the President to designate April 1994 as "National Savings Month"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

291. The SPEAKER presented a memorial of the Senate of the Commonwealth of Pennsylvania, relative to the war in Bosnia; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. STUPAK introduced a bill (H.R. 3917) for the relief of Arthur A. Carron, Jr.; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to the public bills and resolutions as follows:

H.R. 39: Mr. NEAL of Massachusetts and Mr. DEUTSCH.

H.R. 44: Mr. DURBIN and Mr. SPRATT.

H.R. 65: Ms. NORTON.

H.R. 71: Mr. MANZULLO.

H.R. 93: Mr. MCCANDLESS.

H.R. 140: Mr. HALL of Texas, Mr. TANNER, Mr. QUINN, Ms. SCHENK, Mr. GRAMS, Mr. HASTERT, Mr. SANTORUM, and Ms. DUNN.

H.R. 163: Mr. GOODLATTE.

H.R. 167: Mrs. LLOYD and Mr. LIPINSKI.

H.R. 171: Mr. PACKARD.

H.R. 173: Mr. LIVINGSTON and Mr. TALENT.

H.R. 303: Mr. MCCOLLUM.

H.R. 518: Ms. BYRNE, Mr. ZIMMER, and Mr. NEAL of Massachusetts.

H.R. 769: Mr. OLVER.

H.R. 823: Mr. BROWDER.

H.R. 885: Mr. LIGHTFOOT, Mr. GREENWOOD, Mr. WYDEN, Mr. PETERSON of Minnesota, and Mr. WALSH.

H.R. 911: Mr. LIPINSKI.

H.R. 1110: Mr. LEWIS of California, Mr. HAYES, Mr. BARTON of Texas, Mr. LEVY, Mr. FIELDS of Texas, Mr. GEKAS, and Mr. WALSH.

H.R. 1155: Mr. HOLDEN.

H.R. 1181: Mr. DARDEN, Mr. ROTH, and Mr. SKELTON.

H.R. 1182: Mr. HAMBURG.

H.R. 1280: Mr. HAMBURG, Mr. HOAGLAND, Mr. CONYERS, Mr. SCOTT, Mr. HEFNER, Mr. JEFFERSON, Ms. WATERS, Mrs. MEEK of Florida, Mr. ROMERO-BARCELO, Ms. ESHOO, and Mr. ROSE.

H.R. 1295: Mr. CARR, Mr. DURBIN, and Ms. HARMAN.

H.R. 1417: Mr. WASHINGTON and Mr. FARR.

H.R. 1431: Mr. NADLER.

H.R. 1432: Mr. MINETA.

H.R. 1531: Mr. DIXON, Mr. RANGEL, Mr. WASHINGTON, Mrs. MEEK of Florida, Mr. FLAKE, and Mr. ENGEL.

H.R. 1602: Mrs. MALONEY, Mr. LAZIO, and Mr. HOYER.

H.R. 1671: Mr. CHAPMAN.

H.R. 1712: Mr. LEVY, Mr. GALLEGLY, and Mrs. JOHNSON of Connecticut.

H.R. 1783: Mr. SMITH of New Jersey.

H.R. 1818: Mr. MEEHAN.

H.R. 1900: Mr. PETERSON of Florida, Mr. SWIFT, Mr. WYNN, Mr. BARRETT of Wisconsin, Mr. ROSE, and Mr. MARTINEZ.

H.R. 1938: Mr. MINGE and Mr. HUGHES.

H.R. 1980: Mr. SMITH of Iowa, and Mr. JOHNSON of South Dakota.

H.R. 2105: Mr. SANDERS, Mr. ACKERMAN, Mr. SHAYS, and Mr. KREIDLER.

H.R. 2175: Mr. GLICKMAN and Mr. GOODLATTE.

H.R. 2199: Ms. WATERS, Mrs. UNSOELD, Mr. MARKEY, and Mr. ANDREWS of Maine.

H.R. 2222: Mr. GEJDENSON.

H.R. 2249: Ms. ESHOO.

H.R. 2345: Mr. BISHOP, Ms. KAPTUR, Mr. BARCIA of Michigan, Mr. VENTO, Ms. PELOSI, Mr. KREIDLER, Mr. THOMPSON, Mr. EDWARDS of California, and Mr. SERRANO.

H.R. 2394: Mr. SYNAR, Mr. CONYERS, Mr. BLACKWELL, Mr. DE LUGO, and Mrs. MALONEY.

H.R. 2395: Mr. SYNAR, Mr. CONYERS, Mr. BLACKWELL, Mr. DE LUGO, Mrs. MALONEY, and Mr. DIXON.

H.R. 2448: Mr. BEILENSON, Mr. MILLER of California, Mr. DELLUMS, Mr. LIPINSKI, Mr. FOGLIETTA, and Mrs. SCHROEDER.

H.R. 2599: Miss COLLINS of Michigan, Mr. QUINN, Mr. PAXON, Mrs. UNSOELD, Mr. EMERSON, Mr. MINETA, Mr. GREENWOOD, Mr. TOWNS, and Mr. ROMERO-BARCELÓ.

H.R. 2626: Mr. MOAKLEY, Mr. LEWIS of Georgia, and Mr. MAZZOLI.

H.R. 2671: Mr. PETRI.

H.R. 2720: Mr. ROTH, Mr. BEILENSON, Mr. BATEMAN, and Mr. KOPETSKI.

H.R. 2803: Ms. FURSE.

H.R. 2882: Mr. LIVINGSTON.

H.R. 2912: Mr. LAROCCO, Mr. KILDEE, and Mr. MINETA.

H.R. 2966: Mr. EDWARDS of California, Mr. CARDIN, Mr. FILNER, Mr. SCOTT, Mr. DEFAZIO, Mr. WYNN, Mrs. LLOYD, Mr. WAXMAN, Mr. BACCHUS of Florida, and Mr. WILLIAMS.

H.R. 3031: Mr. LINDER.

H.R. 3064: Mr. EMERSON and Mr. NEAL of Massachusetts.

H.R. 3087: Mr. COOPER, Mr. LAROCCO, Ms. ENGLISH of Arizona, Mr. GEJDENSON, Mr. KILDEE, and Mr. FRANKS of New Jersey.

H.R. 3122: Mr. PASTOR.

H.R. 3251: Mr. BARRETT of Wisconsin.

H.R. 3389: Mr. BARRETT of Wisconsin.

H.R. 3407: Mr. BALLENGER, Mr. WHEAT, Mr. EVANS, Mr. KLECZKA, Mr. MACHTLEY, Mr. SAM JOHNSON, Ms. PRYCE of Ohio, and Mr. LAFALCE.

H.R. 3486: Mr. CALLAHAN, Mr. BARCIA of Michigan, Mr. GOSS, Mr. PARKER, Mr. PETRI, Mrs. FOWLER, Mr. CANADY, and Mr. DUNCAN.

H.R. 3498: Mr. FROST.

H.R. 3523: Mr. TORKILDSEN, Mr. VENTO, Mr. SMITH of Michigan, Mr. WALSH, Mr. GINGRICH, Mr. LEWIS of Georgia, Mrs. SCHROEDER, Mr. ROSE, Mr. FILNER, Mr. HUGHES, Mr. EWING, and Mr. EVANS.

H.R. 3605: Mr. BISHOP.

H.R. 3629: Mr. LIPINSKI, Mr. LINDER, and Ms. McKINNEY.

H.R. 3663: Mr. MARTINEZ and Mrs. UNSOELD.

H.R. 3666: Mr. WHITTEN, Mr. MARTINEZ, Mr. THORNTON, Mr. McCRERY, and Mr. SANTORUM.

H.R. 3725: Mr. ARMEY and Mr. EMERSON.

H.R. 3787: Mr. INGLIS of South Carolina.

H.R. 3795: Mr. BOEHNER, Mr. WALSH, Mr. FROST, and Mr. SKEEN.

H.R. 3797: Mr. ROMERO-BARCELÓ.

H.R. 3849: Mr. POSHARD.

H.R. 3862: Mr. HASTERT, Mr. COMBEST, Mr. DARDEN, Mr. DUNCAN, Mr. ROWLAND, Mr. INHOFE, Mr. GILCHREST, Mr. GOSS, Mr. COLLINS of Georgia, Mr. VOLKMER, Mr. LIGHTFOOT, and Mr. TAUZIN.

H.R. 3866: Mr. MURTHA, Mr. NEAL of Massachusetts, Mr. KILDEE, Mr. JOHNSON of South Dakota, Mr. FOGLIETTA, and Mr. LIPINSKI.

H.R. 3870: Mr. INSLEE and Mr. MORAN.

H.R. 3872: Mr. MILLER of California, Mr. LIPINSKI, Mr. McCANDLESS, and Mr. DEUTSCH.

H.J. Res. 22: Mr. LIVINGSTON.

H.J. Res. 90: Mrs. MALONEY, Mrs. COLLINS of Illinois, Mr. VALENTINE, Mr. CONYERS, Mr. LIPINSKI, Mr. CASTLE, Mr. NEAL of North Carolina, Mr. RAHALL, Mr. McNULTY, Mr. DE LUGO, Mr. MARKEY, Mrs. MINK of Hawaii, Ms. DELAURO, Mr. ACKERMAN, Mr. MACHTLEY, Mr. FRANKS of Connecticut, Mr. McCOLLUM, Mr. SMITH of Oregon, Mr. SPRATT, Mr. TAUZIN, Mr. BARRETT of Wisconsin, Mr. CALVERT, Mr. WILSON, Mr. MATSUI, Mr. HASTERT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SISISKY, Mr. BOUCHER, Mr. POSHARD, and Mr. STUPAK.

H.J. Res. 113: Mr. McDADE.

H.J. Res. 297: Mr. TANNER, Mrs. LLOYD, Mr. BURTON of Indiana, Mr. RAMSTAD, and Mr. CALLAHAN.

H.J. Res. 304: Ms. BROWN of Florida, Mr. ACKERMAN, Mr. HINCHEY, Mrs. MORELLA, Mr. BORSKI, Mr. EMERSON, Mr. McNULTY, Mr. FALEOMAVAEGA, Mr. BALLENGER, Mr. FILNER, Mrs. MINK of Hawaii, Mr. McDERMOTT, Mr. WALSH, Ms. DELAURO, Mr. KOPETSKI, Mr. SOLOMON, Mr. FOGLIETTA, Mr. RANGEL, Mr. LANCASTER, Mr. SARPALIUS, Mr. SISISKY, Mr. BARRETT of Wisconsin, Ms. FURSE, Mr. DEFAZIO, Mr. FISH, Mr. ROMERO-BARCELÓ, Mr. EVANS, and Ms. VELAZQUEZ.

H.J. Res. 316: Mr. BATEMAN, Ms. BROWN of Florida, Mr. FALEOMAVAEGA, Mr. JOHNSON of South Dakota, Mr. McDERMOTT, Mr. DEFAZIO, Mr. ROMERO-BARCELO, Mr. JEFFERSON, Mr. RANGEL, Mr. HOCHBRUECKNER, Mr. FOGLIETTA, Mr. ANDREWS of New Jersey, Mr. MARTINEZ, Mr. KREIDLER, Mr. BARRETT of Wisconsin, Mr. WAXMAN, Ms. FURSE, Mr. EVANS, Mr. FISH, Mr. INSLEE, Mrs. MINK of Hawaii, and Mr. FARR.

H.J. Res. 321: Mr. SOLOMON.

H.J. Res. 325: Mr. FILNER, Ms. PELOSI, Mr. EMERSON, Mr. ROMERO-BARCELÓ, Mr. DELLUMS, Mr. JEFFERSON, Mr. MARTINEZ.

H. Con. Res. 35: Mr. LIPINSKI.

H. Con. Res. 98: Mrs. MEYERS of Kansas, Mr. COX, Mr. BAKER of California, Mr. JOHNSTON of Florida, Mr. TOWNS, Mr. HOKE, Mr. DEFAZIO, and Ms. KAPTUR.

H. Con. Res. 191: Mr. CANADY.

H. Con. Res. 202: Mr. POSHARD and Mr. WILLIAMS.

H. Res. 122: Mrs. LOWEY, Mr. GALLEGLY, Mr. ZIMMER, Mr. LINDER, Mr. HASTERT, Mr. MICA, Mr. McCOLLUM, Ms. SNOWE, and Mrs. BYRNE.

H. Res. 234: Mr. FIELDS of Louisiana, Mr. OBERSTAR, Mr. SCHIFF, Mr. QUILLEN, Mr. GEJDENSON, Mr. KINGSTON, Mr. TEJEDA, Mr. DEAL, Mr. HEFLEY, Mr. TUCKER, Mr. CARR, Mr. OLVER, Mr. NEAL of Massachusetts, Mr. FARR, Mr. BAESLER, Mr. KNOLLENBERG, Mr. HEFNER, Mr. SANGMEISTER, Mr. HOAGLAND, Ms. CANTWELL, Mr. STUMP, Mr. UPTON, Mr. ORTON, and Mr. BACCHUS of Florida.

PETITIONS, ETC.

Under clause 1 of rule XXII,

76. The SPEAKER presented a petition of Huey McCoulskey, State Representative, House of Representatives of Texas, relative to petitioning the Congress of the United States to call a convention for the purpose of drafting an amendment to the Federal Constitution relating to State Tidelands Rights, and so forth; which was referred to the Committee on the Judiciary.

DISCHARGE PETITIONS

Under clause 3, rule XXVII the following discharge petition was filed:

Petition 14, February 24, 1994, by Mr. STENHOLM on House Resolution 331 has been signed by the following Members: Charles W. Stenholm, James M. Inhofe, Pete Geren, Olympia J. Snowe, Dick Swett, H. Martin Lancaster, Porter J. Goss, Deborah Pryce, Joe Barton, Jay Dickey, Earl Hutto, James A. Hayes, Chet Edwards, Don Johnson, L. F. Payne, Henry Bonilla, Nathan Deal, Gerald B. H. Solomon, Tody Roth, Robert F. Smith, Glen Browder, Gene Taylor, Peter Hoekstra, Cass Ballenger, Curt Weldon, Bill Barrett, Jack Quinn, Calvin M. Dooley, Dave Camp, F. James Sensenbrenner, Tim Valentine, Jim Bunning, Harris W. Fawell, Frank R. Wolf, Peter T. King, Jon Kyl, Bob Inglis, John Edward Porter, Dick Zimmer, Charles T. Canady, Pat Roberts, Fred Upton, Jim Bacchus, Doug Bereuter, Stephen Horn, Craig Thomas, Michael A. "Mac" Collins, Sanford D. Bishop, Jr., Peter Blute, Collin C. Peterson, John S. Tanner, Frank Pallone, Jr., Richard H. Baker, Bill Baker, Jay Kim, Lincoln Diaz-Balart, David Minge, Steve Gunderson, C.W. Bill Young, Howard Coble, Bill Paxon, Alfred A. (Al) McCandless, Bill Emerson, Randy "Duke" Cunningham, Elton Gallegly, Dean A. Gallo, Michael Bilirakis, Barbara F. Vucanovich, Scott McInnis, Dan Schaefer, Robert E. (Bud) Cramer, Jr., Nick Smith, Mike Parker, Glenn Poshard, George E. Sangmeister, Robert H. Michel, Larry Combest, Howard P. "Buck" McKeon, James T. Walsh, James V. Hansen, Jerry Lewis, James A. Leach, Helen Delich Bentley, Jill L. Long, Joe Skeen, Ralph M. Hall, Sonny Callahan, Jim Lightfoot, William F. Clinger, Jr., Don Sundquist, Amo Houghton, W.J. Billy Tauzin, Stephen E. Buyer, Jennifer Dunn, E. Clay Shaw, Jr., Sam Johnson, Ike Skelton, J. Roy Rowland, Peter G. Torkildsen, J. Alex McMillan, Jan Meyers, Bill K. Brewster, Jim Nussle, Richard W. Pombo, Roscoe G. Bartlett, Pat Danner, Gary A. Condit, William H. Zeliff, Jr., Cliff Stearns, Jim Kolbe, Joe Knollenberg, Rick Lazio, Tillie K. Fowler, Thomas J. Bliley, Arthur Ravenel, Jr., Hamilton Fish, Jr., Jim Chapman, Ken Calvert, Dan Miller, James H. (Jimmy) Quillen, William O. Lipinski, Michael D. Crapo, Michael N. Castle, W. G. (Bill) Hefner, Timothy J. Penny, Vernon J. Ehlers, Jim Saxton, David Dreier, Ron Packard, William F. Goodling, Thomas W. Ewing, Bob Stump, Bill Archer, Philip M. Crane, Jim McCrery, Rob Portman, Donald A. Manzullo, John M. McHugh, Ernest J. Istook, John A. Boehner, Terry Everett, Rod Grams, Duncan Hunter, Bill McCollum, Lamar S. Smith, Edward R. Royce, Martin R. Hoke, Newt Gingrich, Richard K. Armey, Sherwood Boehlert, Dave McCurdy, George (Buddy) Darden, Michael Huffington, Carlos J. Moorhead, Ronald K. Machtley, David Mann, Scotty Baesler, Christopher Cox, Gary A. Franks, William M. Thomas, John T. Doolittle, Christopher H. Smith, Herbert H. Bateman, Fred Grandy, Rick Santorum, Bob Goodlatte, Jack Kingston, Jim Ramstad, Bob Livingston, Harold Rogers, J. Dennis Hastert, David A. Levy, Robert S. Walker, James A. Barcia, David L. Hobson, Bob Franks, Dana Rohrabacher, John R. Kasich, John Linder, Mel Hancock, Michael G. Oxley, Paul E. Gillmor, Joel Hefley, Spencer Bachus, Jack Fields, Wayne Allard, James C. Greenwood, Wally Herger, Bob Clement, Peter A. DeFazio, Blanche M. Lambert, Harold L. Volkmer, Tom Lewis, James M. Tallent, James P. Moran, Robert K. Dornan, Wayne T. Gilchrest, Dan Burton, Nancy L. Johnson, Thomas E. Petri, Thomas J. Ridge, Charles H. Taylor, Larry LaRocco, Tom Bevill, John L. Mica, Andrew Jacobs, Jr., Y. Tim Hutchinson, Susan Molinari, Tom DeLay, Steven L. Neal, Don Young, Ileana Ros-Lehtinen, Marcy Kaptur, Jim Cooper, Ralph Regula, Robert G. Torricelli, James A. Traficant, Jr., and Scott L. Klug.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 4 by Mr. HOEKSTRA on H.J. Res. 9: Pat Roberts.

Petition 10 by Mr. McCOLLUM on House Resolution 295: Robert S. Walker.

Petition 11 by Mr. RAMSTAD on House Resolution 247: Spencer L. Bachus, Lamar S. Smith, Robert S. Walker, Dan Schaefer, Bill Emerson, Jack Quinn, Dave Camp, Fred Upton, Craig Thomas, Michael A. "Mac" Collins, Peter Blute, Rod Grams, Bob Goodlatte, and Jack Kingston.

Petition 12 by Mr. TRAFICANT on H.R. 3261: Charles W. Stenholm.

Petition 13 by Mr. SMITH of New Jersey on House Resolution 281: Michael D. Crapo, Vernon J. Ehlers, Duncan Hunter, Wayne Allard, Robert S. Walker, Jay Dickey, Bill Barrett, Frank R. Wolf, John Edward Porter, Dick Zimmer, Charles T. Canady, Fred Upton, Michael A. "Mac" Collins, Craig Thomas, Rod Grams, Gary A. Condit, William H. Zeliff, Jr., Rob Portman, Newt Gingrich, Fred Grandy, Bob Goodlatte, David A. Levy, Jim Lightfoot, Tom Lewis, Robert K. Dornan, Charles H. Taylor, and Jack Kingston.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6

By Mr. CASTLE:

—Page 885, line 1, insert "and the National Assessment Governing Board as appropriate" after "Commissioner".

—Page 885, line 5, delete "goals" and insert "levels".

—Page 896, delete lines 6 through 23 and insert the following:

(e) STUDENT PERFORMANCE LEVELS.—The student performance levels established under section 412(e)(1)(A) may be used as a basis for reporting results of the National Assessment and State assessments, but shall be used on a trial basis only until the Commissioner determines, through an evaluation under subsection (f), that goals are reasonable, valid and informative to the public. Other methods of reporting results may also be used.

Page 897, line 4, delete "goals" and insert "levels".

Page 898, insert the following new section after line 5:

SEC. 412. NATIONAL ASSESSMENT GOVERNING BOARD.

(a) ESTABLISHMENT.—There is established the National Assessment Governing Board (the "Board"), which shall formulate policy guidelines for the National Assessment.

(b) MEMBERSHIP.—(1) The Board shall be appointed by the Secretary and be composed of—

(A) two Governors, or former Governors, who shall not be members of the same political party;

(B) two State legislators, who shall not be members of the same political party;

(C) two chief State school officers;

(D) one superintendent of a local educational agency;

(E) one member of a State board of education;

(F) one member of a local board of education;

(G) three classroom teachers representing the grade levels at which the National Assessment is conducted;

(H) one representative of business or industry;

(I) two curriculum specialists;

(J) three testing and measurement experts, who shall have training and experience in the field of testing and measurement;

(K) one nonpublic school administrator or policymaker;

(L) two school principals, one elementary and one secondary; and

(M) four additional members who are representatives of the general public, including parents.

(2) The Assistant Secretary for Educational Research and Improvement shall serve as an ex officio, nonvoting member of the Board.

(3) The Secretary and the Board shall ensure at all times that the membership of the Board reflects regional, racial, gender, and cultural balance and diversity and that it exercises its independent judgment, free from inappropriate influences and special interests.

(c) TERMS.—Members of the Board shall serve for terms not to exceed three years which shall be staggered, as determined by the Secretary. Any appointed member of the Board who changes status under subsection (b) during the term of the appointment of the member may continue to serve as a member until the expiration of such term.

(d) VACANCIES.—As vacancies occur, new members of the Board shall be appointed by the Secretary from among individuals who are nominated by the Board after consultation with representatives of the groups listed in subsection (b)(1). For each vacancy, the Board shall nominate at least three individuals who, by reason of experience or training, are qualified in that particular Board vacancy.

(e) DUTIES.—(1) In carrying out its functions under this section the Board shall—

(A) select subject areas to be assessed (consistent with section 11(b)(1));

(B) identify appropriate achievement goals for each age and grade in each subject area to be tested under the National Assessment;

(C) develop assessment objectives;

(D) develop test specifications;

(E) design the methodology of the assessment;

(F) develop guidelines for analysis plans and for reporting and disseminating results;

(G) develop standards and procedures for interstate, regional, and national comparisons; and

(H) take appropriate actions needed to improve the form and use of the National Assessment.

(2) The Board may delegate any of its procedural and administrative functions to its staff.

(3) The Board shall have final authority on the appropriateness of cognitive items.

(4) The Board shall take steps to ensure that all items selected for use in the National Assessment are free from racial, cultural, gender, or regional bias.

(5) Each learning area assessment shall have goal statements devised through a national consensus approach, providing for active participation of teachers, curriculum specialists, local school administrators, parents, and concerned members of the general public.

(f) PERSONNEL.—(1) In the exercise of its responsibilities, the Board shall be independent of the Secretary and the other offices and officers of the Department of Education.

(2) The Secretary may appoint, at the direction of the Board, such staff as the Board requires. Such appointments may include, for terms not to exceed three years, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, not more than six technical employees to administer this subsection, who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(g) COMMISSIONER REPORTS.—The Commissioner shall report to the Board at regular intervals on the Department's actions to implement the decisions of the Board.

(h) ADMINISTRATION.—(1) Not more than 10 percent of the funds available for the National Assessment for any fiscal year may be used for administrative expenses (including staff, consultants, and contracts) and to carry out the Board's functions described in subsection (e).

(2) For the purposes of its administrative functions, the Board shall have the authorities authorized by the Federal Advisory Committee Act and shall be subject to the open meeting provisions of that law.

SEC. 413. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title, such sums as may be necessary for each of the fiscal years 1995 through 1999.

Page 885, line 1, insert "and the National Assessment Governing Board as appropriate" after "Commissioner".

—Page 885, line 5, strike "goals" and insert "levels".

—Page 896, strike lines 6 through 23 and insert the following:

(e) STUDENT PERFORMANCE LEVELS.—The student performance levels established under section 412(e)(1)(A) may be used as a basis for reporting results of the National Assessment and State assessments, but shall be used on a trial basis only until the Commissioner determines, through an evaluation under subsection (f), that levels are reasonable, valid, and informative to the public. Other methods of reporting results may also be used.

—Page 897, line 4, strike "goals" and insert "levels".

—Page 898, insert the following new section after line 5:

SEC. 412. NATIONAL ASSESSMENT GOVERNING BOARD.

(a) ESTABLISHMENT.—There is established the National Assessment Governing Board (the "Board"), which shall formulate policy guidelines for the National Assessment.

(b) MEMBERSHIP.—(1) The Board shall be appointed by the Secretary and be composed of—

(A) 2 Governors, or former Governors, who shall not be members of the same political party;

(B) 2 State legislators, who shall not be members of the same political party;

(C) 2 chief State school officers;

(D) 1 superintendent of a local educational agency;

(E) 1 member of a State board of education;

(F) 1 member of a local board of education;

(G) 3 classroom teachers representing the grade levels at which the National Assessment is conducted;

(H) 1 representative of business or industry;

(I) 2 curriculum specialists;

(J) 3 testing and measurement experts, who shall have training and experience in the field of testing and measurement;

(K) 1 nonpublic school administrator or policymaker;

(L) 2 school principals, 1 elementary and 1 secondary; and

(M) 4 additional members who are representatives of the general public, including parents.

(2) The Assistant Secretary for Educational Research and Improvement shall serve as an ex officio, nonvoting member of the Board.

(3) The Secretary shall ensure at all times that membership of the Board reflects regional racial, gender, and cultural balance and diversity and that it exercises its independent judgment, free from inappropriate influences and special interests.

(c) TERMS.—Members of the Board shall serve for terms not to exceed 3 years which shall be staggered, as determined by the Secretary. Any appointed member of the Board who changes status under subsection (b) during the term of the appointment of the member may continue to serve as a member until the expiration of such term. No member of the Board may serve more than 2 consecutive terms.

(d) VACANCIES.—As vacancies occur, new members of the Board shall be appointed by the Secretary. In making appointments, the Secretary shall solicit recommendations from a wide variety of groups, including those representing the types of individuals listed in subsection (b)(1).

(e) DUTIES.—(1) The Board, working with the Assistant Secretary, shall develop—

(A) appropriate performance levels for each age and grade in each subject area to be tested under the National Assessment. Such levels shall be—

(i) devised through a national consensus approach providing for active participation of teachers, curriculum specialists, local school administrators, parents, and concerned members of the general public; and

(ii) updated as appropriate;

(B) assessment objectives and test specifications for each subject area assessment. Such assessment objectives shall be devised through a national consensus approach, providing for active participation of teachers, curriculum specialists, local school administrators, parents, and concerned members of the general public;

(C) guidelines for analysis plans and for reporting and disseminating results; and

(D) recommendations for actions needed to improve the form and use of the National Assessment.

(2) The Board, working with the Commissioner, shall take steps to ensure that all items selected for use in the National Assessment are free from racial, cultural, gender, or regional bias.

(3) The Board shall seek technical advice as appropriate, from the Commissioner and the Advisory Council on Education Statistics.

(f) PERSONNEL.—The Secretary may appoint, at the request of the Board, such staff as the Board requires. Such appointments may include, for terms not to exceed 3 years, with regard to the provisions of title 5, United States Code, governing appointments in the competitive service, not more than 6 technical employees to administer this subsection, who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(g) COMMISSIONER REPORTS.—The Commissioner shall report to the Board at regular intervals on the Department's actions to implement the decisions of the Board.

(h) ADMINISTRATION.—(1) Not to exceed 10 percent of the funds available for the National Assessment for any fiscal year may be used for administrative expenses (including staff, consultants, and contracts) and to carry out the Board's functions described in subsection (e).

(2) For the purposes of its administrative functions, the Board shall have the authorities authorized by the Federal Advisory Committee Act and shall be subject to the open meeting provisions of that law.

SEC. 413. AUTHORIZATIONS OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title, such sums as may be necessary for each of the fiscal years 1995 through 1999.

—Page 898, delete lines 6 through 10.

By Mr. CUNNINGHAM:

—Page 729, strike line 15 and all that follows through line 21 on page 730.

By Mr. DOOLITTLE:

—Page 762, after line 8, insert the following:

"SEC. 9508. SEX EDUCATION.

"(a) SEX EDUCATION INSTRUCTION.—All public elementary and secondary schools receiving assistance under this act in classes that teach sex education or discuss sexual intercourse, sexually transmitted diseases (STDs), including acquired immune deficiency syndrome (AIDS), shall continuously stress throughout the sex education program and sexual intercourse discussion that abstinence from sexual intercourse is the only protection that is 100 percent effective against unwanted teenage pregnancy, STDs, and AIDS when transmitted sexually. All material and instruction in classes that teach sex education and discuss sexual intercourse shall be age appropriate.

"(b) CRITERIA.—All sex education courses that discuss sexual intercourse shall satisfy the following criteria:

"(1) Course material and instruction shall be age appropriate.

"(2) Course material and instruction shall stress that abstinence is the only contraceptive method which is 100 percent effective, and that all other methods of contraception carry a risk of failure in preventing unwanted teenage pregnancy. Statistics based on the latest medical information shall be provided to pupils citing the laboratory and real-life failure and success rates of condoms and other contraceptives in preventing pregnancy.

"(3) Course material and instruction shall stress that STDs are serious possible hazards of sexual intercourse. Pupils shall be provided with statistics based on the latest medical information citing the laboratory and real-life failure and success rates of condoms in preventing AIDS and other STDs among elementary and secondary pupils.

"(4) Course material and instruction shall include a discussion of the possible emotional and psychological consequences of preadolescent and adolescent sexual intercourse outside of marriage and the consequences of unwanted adolescent pregnancy.

"(5) Course material and instruction shall stress that pupils should abstain from sexual intercourse until they are ready for marriage.

"(6) Course material and instruction shall teach honor and respect for monogamous heterosexual marriage.

"(7) Course material and instruction shall advise pupils of the laws pertaining to their financial responsibility to children born in and out of wedlock.

"(8) Course material and instruction shall advise pupils that it is unlawful for males of any age to have sexual relations with females under a certain age to whom they are not married.

"(9) Course material and instruction shall emphasize that the pupil has the power to control personal behavior. Pupils shall be encouraged to base their actions on reasoning, self-discipline, sense of responsibility, self-control, and ethical considerations, such as respect for one's self and others.

"(10) Course material and instruction shall teach pupils to refrain from making unwanted physical and verbal sexual advances and how to say no to unwanted sexual advances. Pupils shall be taught that it is wrong to take advantage of, or to exploit, another person. The material and instruction shall also encourage youth to resist negative peer pressure.

By Mr. DURBIN:

—Page 439, strike lines 1 through 17 and insert the following:

"(1) The term 'drug and violence prevention' means—

"(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol, the use of tobacco and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids; and

"(B) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free from weapons and fosters individual responsibility and respect for the rights of others.

Page 762, after line 8, insert the following:

"SEC. 9508. NONSMOKING POLICY.

"(a) GENERAL RULE.—Each person who receives Federal funds under this Act and provides services to elementary or secondary school students pursuant to this Act shall, in providing such services, establish and make a good-faith effort to enforce a nonsmoking policy that, except as provided in subsection (b)—

"(1) prohibits smoking in each indoor portion of a facility used in connection with the provision of such services; and

"(2) where appropriate, requires that signs be posted to communicate the nonsmoking policy.

"(b) PERMISSIBLE FEATURES.—(1) The nonsmoking policy described in subsection (a) may permit smoking in specially designated areas of a facility if—

"(A) services are not normally provided directly to children in the designated areas; and

"(B) the designated areas are ventilated separately from areas of the facility in which such services are normally provided directly to children to ensure that air from the designated areas is directly exhausted to the outside and does not recirculate or drift to other areas within the facility.

"(2) Nothing in this subsection shall be construed to require the establishment of a designated smoking area.

"(c) CIVIL PENALTIES.—

"(1) Any person subject to the requirements of this section who fails to comply with such requirements shall be liable to the United States for a civil penalty in an amount not to exceed $1,000 for each violation, but in no case shall the amount be in excess of the amount of the Federal funds received by the person for the provision of elementary and secondary educational services for the fiscal year in which the violation occurred. Each day a violation continues shall constitute a separate violation.

"(2) A civil penalty for a violation of this section shall be assessed by the Secretary to the person by an order made on the record after opportunity for a hearing in accordance with section 554 of title 5, United States Code. Before issuing the order, the Secretary shall—

"(A) give written notice to the person to be assessed a civil penalty under the order of the proposal to issue the order; and

"(B) provide the person an opportunity to request, not later than 15 days after the date of receipt of the notice, a hearing on the order.

"(3) In determining the amount of a civil penalty under this subsection, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation, the ability of the violator to pay, any prior history of the same kind of violation, the degree of culpability of the violator, a demonstration by the violator of willingness to comply with the requirements of this section, and such other matters as justice may require.

"(4) The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty that may be imposed under this subsection. The amount of the penalty as finally determined or agreed upon in compromise may be deducted from any sums that the United States owes to the person against whom the penalty is assessed.

"(5) A person who has requested a hearing concerning the assessment of a penalty pursuant to paragraph (2) and is aggrieved by an order assessing a civil penalty may file a petition for judicial review of the order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which the person resides or transacts business. The petition may only be filed during the 30-day period beginning on the date of issuance of the order making the assessment.

"(6) If a person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment has become a final order and without filing a petition for judicial review in accordance with paragraph (5); or

"(B) after a court has entered a final judgment in favor of the Secretary,

the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from the last day of the 30-day period referred to in paragraph (5) or the date of the final judgment, as the case may be) in an action brought in an appropriate district court of the United States. In the action, the validity, amount, and appropriateness of the penalty shall not be subject to review.

"(d) EFFECTIVE DATE.—

"(1) IN GENERAL.— This section shall take effect on the date which is 180 days after the date of enactment of the Improving America's Schools Act of 1994, except as provided in paragraph (2).

"(2) COLLECTIVE BARGAINING AGREEMENTS.—

"(A) In the case of a person described in subsection (a) who employs individuals who are members of a labor organization and provide elementary or secondary educational services pursuant to a collective bargaining agreement that—

"(i) took effect before the date of enactment of the Improving America's Schools Act of 1994, and

"(ii) includes provisions relating to smoking privileges that are in violation of this section;

this section shall take effect on the date that is 180 days after the date of enactment of the Improving America's Schools Act of 1994 or the date specified in subparagraph (B), whichever is later.

"(B) The date specified in this subparagraph is the earlier of—

"(i) the first expiration date (after the date of enactment of the Improving America's Schools Act of 1994) of the collective bargaining agreement containing the provisions relating to smoking privileges, or

"(ii) the date that is 1 year after the date of enactment of the Improving America's Schools Act of 1994.

"(e) PREEMPTION.—Nothing in this section shall preempt or otherwise affect any provision of law of a State or political subdivision of a State that is as restrictive or more restrictive than a provision of this section.

By Mr. FARR:

—Page 406, after line 18, insert the following:

"PART J—NATIONAL CENTER FOR LANGUAGE DEVELOPMENT

"SEC. 3941. SHORT TITLE.

"This part may be cited as the "National Center for Second Language Development Act".

"SEC. 3942. FINDINGS.

"The Congress finds that—

"(1) at a time when international opportunities and challenges are escalating, no national education effort exists to develop second language capabilities in the United States;

"(2) in the present international economic context, it is critical for Americans to become skilled speakers of other languages;

"(3) there is widespread recognition of the need for skilled speakers of other languages, but little awareness of important advances in the technology of language instruction and in our understanding of the processes involved in acquiring a second language;

"(4) the technological and conceptual advances need to be incorporated in language instruction and in the professional development of language teachers;

"(5) the technological and conceptual advances currently in use and being developed in the second language arena can improve our ability to instruct the millions of immigrant school children and adults who have limited-English proficiency, because without fluency in the English language these individuals remain an untapped national resource; and

"(6) the concentration of talent focused on research of second language acquisition, language instruction, teaching technology, training of language professionals, and curriculum development and publications housed at the Defense Language Institute (located in Monterey, California) and related instructional and research organizations located in the Monterey Bay region of California, provides an optimal environment for the development of a nationwide effort in second language training and acquisition.

"SEC. 3943. PURPOSE.

"The purpose of this part is to implement advances in research and technology in the language education of children, college students, and adults and in the professional development of language instructors.

"SEC. 3944. NATIONAL CENTER FOR SECOND LANGUAGE DEVELOPMENT.

"(a) ESTABLISHMENT.—In order to better effectuate the purposes of this part through assistance in the coordination of services and programs provided for under this part, the Secretary shall establish a National Center for Second Language Development.

"(b) COMPOSITION.—The Center may include representation from—

"(1) the Defense Language Institute; and

"(2) other public, government and private entities with expertise in the education and training of second language curricula, as determined necessary by the Secretary.

"(c) MISSION.—The Center may—

"(1) assess the economic and social benefits of second language capabilities for the population of the United States;

"(2) make recommendations to the Secretary of the most appropriate means of increasing widespread second language capabilities in the United States; and

"(3) effectuate a greater second language capability within the United States through activities that include: developing and implementing model programs for children, college students and adults, conducting research on effective ways to teach second languages; developing teacher training programs; and, developing teaching materials.

By Mr. FOGLIETTA:

—Amend section 2343(a) on page 296, line 22 by adding the following: "The Secretary shall establish one specialized center for urban education and one specialized center for rural education to provide training and technical assistance to local education agencies. The urban center shall provide training and technical assistance to local educational agencies which serve the largest central city in a State, or which enroll more than 30,000 students and serve a central city with a population of at least 200,000 in a metropolitan statistical area."

By Mr. FORD of Michigan:

—In section 101 of the bill, at the end of title VIII of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), add the following new section:

"SEC. 8014. LIMITATION ON BASIC SUPPORT PAYMENTS ATTRIBUTABLE TO CHILDREN CONNECTED WITH DEFENSE ACTIVITIES UNDER SECTION 8004.

"The Secretary shall make basic support payments attributable to children connected with defense activities, as described in subparagraphs (B) and (D) of section 8004(a)(1), to local educational agencies under such section for a fiscal year only to the extent the Secretary of Defense transfers to the Secretary of Education amounts for such fiscal year for the purpose of making such payments."

By Mr. GOODLING:

—On page 114, after line 18, add the following: "(3) However, no state may receive less under this section [for fiscal years 1995 and 1996] than it received the preceding year, or fiscal year 1993, whichever is greater, as a result of the application of paragraph (2)."

—On page 112, after line 21, add the following: "(3) However, no State may receive less under this section [for fiscal years 1995 and 1996] than it received the preceding year, or fiscal year 1993, whichever is greater, as a result of application of paragraph (2)."

—On page 112, after line 21, add the following: "(3) However, no State may receive less under this section [for fiscal years 1995 and 1996] than it received the preceding year, or fiscal year 1993, whichever is greater, as a result of application of paragraph (2)."

—On page 114, after line 18, add the following: "(3) However, no state may receive less under this section [for fiscal years 1995 and 1996] than it received the preceding year, or fiscal year 1993, whichever is greater, as a result of the application of paragraph (2)."

—Page 768: after line 21, insert the following new section:

SEC. 10007. LIMITATION ON USE OF FUNDS FOR COORDINATION OF SERVICES.

"None of the funds authorized under this Act which are used for projects which include the coordination of health and social services with education may be used to provide actual contraception or abortion services.

—Page 901, after line 4, insert the following:

TITLE VI—BASIC PROGRAM ALLOCATIONS

SEC. 601. STANDARDS AND ASSESSMENTS.

Subsection (b) of section 1111 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(b) STANDARDS AND ASSESSMENT PROVISIONS.—(1)(A) Each State plan shall demonstrate that the State has developed or adopted high-quality standards for children served under this title that will be used by the State, its local educational agencies, and its schools to carry out this Act and that these standards be as challenging and of the same high-quality as they are for all children. These standards shall include—

"(i) challenging content standards in the core academic subjects that—

"(I) specify what children served under this title are expected to know and be able to do;

"(II) contain coherent and rigorous content; and

"(III) emphasize the teaching of advanced skills; and

"(ii) challenging performance standards that—

"(I) are aligned with the State's content standards;

"(II) describe two levels of high performance 'proficient' and 'advanced' that determine how well children served under this title are mastering the material in the content standards; and

"(III) include a third benchmark below proficient, if necessary, to provide complete information about the progress of the lower-performing children toward achieving the high 'proficient' and 'advanced' performance standards.

"(B) For those core academic subjects in which a State has not adopted challenging content and performance standards, the State plan shall include a schedule for their development that includes the completion of standards in mathematics and reading/language arts by the end of the interim period as described in paragraph (5).

"(2)(A) Each State plan shall demonstrate, based on assessments described under paragraph (3), what constitutes adequate yearly progress of—

"(i) any school served under this part toward enabling children to meet the State's 'proficient' and 'advanced' performance standards; and

"(ii) any local educational agency that received funds under this part toward enabling children in schools receiving assistance under this part to meet the State's 'proficient' and 'advanced' performance standards.

"(B) Adequate yearly progress shall be defined in a manner—

"(i) that is consistent with criteria of general applicability established by the Secretary and results in continuous and substantial yearly improvement for economically disadvantaged, limited-English proficient, and all students under this title in each school and local educational agency toward the goal of all children under this title meeting the State's challenging 'advanced' performance standards; and

"(ii) links progress primarily to performance on the assessments carried out under this section while permitting progress to be established in part through the use of other outcome-based measures such as reductions in drop-out rates.

"(3) Each State plan shall demonstrate that the State has developed or adopted a set of high-quality, yearly student assessments that will be used as the primary means of determining the yearly performance of each local educational agency and school receiving assistance under this part in enabling children served under this title to meet the State's performance standards and that these assessments be challenging and of the same high-quality as they are for all children. These assessments shall—

"(A) be aligned with the State's challenging content and performance standards and provide coherent information about student attainment of such standards;

"(B) be used for purposes for which they are valid and reliable, and be consistent with relevant nationally, recognized, professional and technical standards of assessments;

"(C) shall measure the proficiency of students in the core academic subjects in which a State has adopted challenging content and performance standards and be administered some time during grades 3 through 5, grades 6 through 9, grades 10 through 12;

"(D) be comprised of multiple, up-to-date measures of student performance;

"(E)(i) include limited-English proficient students who shall be assessed, to the extent practicable in the language and form most likely to yield accurate and reliable information on what these students know and can do, to determine their mastery of skills in subjects other than English;

"(ii) include students who have been resident in a local educational agency for a full academic year but have not attended a single school for a full year, provided that the performance of students who have attended more than one school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency; and

"(iii) include students with disabilities who shall be assessed to the extent practicable, in a manner and form most likely to yield accurate and reliable information on what these students know and can do, including assessment accommodations and modifications necessary to make such determinations, provided that those students who are determined, through valid evaluation conducted by qualified personnel, to be so severely cognitively impaired as to permanently lack the capacity to make any educational progress, with the provision of special education and related services, in meeting the State content and performance standards may be exempted from the assessment process;

"(F) provide individual student scores; and

"(G) provide for disaggregated results within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, and by economically disadvantaged students as compared to students who are not economically disadvantaged.

"(4) Each State plan shall identify the languages other than English that are present in the participating student population and indicate the languages for which yearly student assessments are not available and are needed. The State shall make every effort to develop such assessments and shall notify the Secretary if linguistically- accessible assessment measures are needed. Upon notification, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages through the Office of Bilingual Education and Minority Language Affairs.

"(5) If a State has developed or adopted challenging content and performance standards and an aligned set of assessments for all students such as those developed under title III of the Goals 2000: Educate America Act, or another process, the State shall use such standards and assessments, modified, if necessary, to conform with the requirements of paragraphs (1)(A)(ii), (2), and (3).

"(6) If, after 2 years, a State does not have challenging content and performance standards that meet the requirements of paragraph (1) or after 3 years, a State does not have assessments that meet the requirements of paragraph (3), a State shall adopt a set of standards and aligned assessments such as the standards and assessments contained in other State plans that the Secretary has approved.

"(7)(A) If a State does not have assessments that meet the requirements of paragraph (3), the State may propose to use an interim set of yearly statewide assessments that will assess the performance of complex skills and challenging subject matter.

"(B) For any year during which a State is using an interim assessment system, the State shall devise a means for identifying schools and local educational agencies in need of improvement under section 1116.

SEC. 602. PEER REVIEW AND SECRETARIAL APPROVAL.

Paragraph (3) of subsection (d) of section 1111 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(3)(A) shall, if the Secretary determines that the State plan does not meet the requirements of subsection (a), (b) or (c), immediately notify the State of such determination and the reasons for it;

"(B) shall not decline to approve a State's plan before offering the State an opportunity to revise its plan or application, provide technical assistance in order to assist the State to meet the requirements under subsections (a), (b) and (c) and a hearing; and

"(C) may withhold funds until determining that the plan meets the requirements of this section.

SEC. 603. NO FEDERAL CONTROL OF STANDARDS.

Subsection(b) and (g) of section 1111 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(g) NO FEDERAL CONTROL OF STANDARDS.—Nothing in this title shall be construed to authorize an officer, or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or pupil performance standards and assessments, curriculum, or program of instruction for eligibility to receive funds under this title.

SEC. 604. STANDARDS AND ASSESSMENT PROVISIONS.

Paragraph (4) of subsection (b) of section 1112 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(4) a description of the strategies the local educational agency will use to implement standards for all students under this title;."

SEC. 605. LOCAL REVIEW.

Subsection (a) of section 1116 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(a) LOCAL REVIEW.—Each local educational agency receiving funds under this part shall—

"(1) use the State assessments described in the State plan and any additional measures described in the local educational agency's plan to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(A)(i) or section 1112(b)(2), as appropriate, toward enabling its students to meet, the State's performance standards;

"(2) publicize and disseminate to teachers, parents, students, and the community the results of the annual review under paragraph (1) of all schools served under this part in individual school performance profiles that include disaggregated results as required by section 1111(b)(3)(F); and

"(3) provide the results of the local annual review to schools so that they can continually refine the program of instruction to help all children in such schools to meet the State's high performance standards.

SEC. 606. SYSTEM FOR SUPPORT.

Subsection (a) of section 1117 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(a) SYSTEM FOR SUPPORT.—(1) Each State educational agency shall establish a statewide system of intensive and sustained support and improvement for schools receiving funds under this title, including all schoolwide programs and all schools in need of program improvement, in order to increase the opportunity for all students in such schools to meet the State's content and performance standards.

"(2) Funds appropriated pursuant to section 1002(6) shall be used to meet the requirements of this section. In addition and notwithstanding section 1002(1), a State or local educational agency may use funds made available under section 1002(1) and other available funds to meet such requirements.

SEC. 607. BUILDING CAPACITY FOR INVOLVEMENT.

Paragraph (1) of subsection (f) of section 1118 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(1) shall provide assistance to participating parents in such areas as understanding the National Education Goals, the State's content and performance standards, State and local assessments, the requirements of this part, and how to monitor a child's progress and work with educators to improve the performance of their children;".

SEC. 608. REVIEW.

Subsection (h) of section 1119 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended as follows:

"(h) REVIEW PROFESSIONAL DEVELOPMENT ACTIVITIES.—(1) The State educational agency shall review the local educational agency's plan to determine if such agency's professional development activities—

"(A) are tied to challenging State student content and performance standards;

"(B) reflect recent research on teaching and learning;

"(C) are of sufficient intensity and duration to have a positive impact on the teacher's performance in the classroom;

"(D) are part of the everyday activities of the school and create an orientation toward continuous improvement in the classroom or throughout the school;

"(E) include methods to teach children with special needs;

"(F) are developed with the extensive participation of teachers; and

(G) include gender-equitable education methods, techniques and practices."

SEC. 609. FUND FOR THE IMPROVEMENT OF EDUCATION.

Subparagraph (A) of paragraph (1) of subsection (b) of section 3201 of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"(A) activities that will promote systemic educational reform at the State and local levels, such as—

"(i) research and development related to content and performance standards for student learning; and

"(ii) the development and evaluation of model strategies for assessment of student learning, professional development for teachers and administrators, parent and community involvement, and other aspects of systemic reform;

By Mr. GUNDERSON:

—Page 901, after line 4, insert the following: Title VI—Innovative Education Program Strategies assure that all students have the opportunity to achieve challenging performance standards;

"(D) are of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom or the administrator's performance on the job; and

"(E) recognize teachers as an important source of knowledge that should inform and help shape professional development.

"(4) The term 'local standard' means challenging content and performance standards in the core subjects (in addition to State content and performance standards approved by the State for title I).

"PART B—INNOVATIVE EDUCATION PROGRAM

"SEC. 6401. FINDINGS AND STATEMENT OF PURPOSE.

"(a) FINDINGS.—The Congress finds that chapter 2 of the Education Consolidation and Improvement Act of 1981 has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to the improvement of elementary and secondary educational programs.

"(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this part:

"(1) To support local education reform efforts which are consistent with and support statewide reform efforts under the Goals 2000 Educate America Act.

"(2) To support State and local efforts to accomplish the National Education Goals.

"(3) To provide funding to enable State and local educational agencies to implement promising educational reform programs that can be supported by State and local sources of funding after such programs are demonstrated to be effective.

"(4) To provide a continuing source of innovation, educational improvement, and support for library services and instructional materials, including media materials and,

"(5) To meet the special educational needs of at risk and high cost students.

"(c) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this part is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this part will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own districts.

"SEC. 6402. DEFINITION.

"For the purposes of this part the term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objectives of (1) promoting school-level planning, instructional improvement, and staff development, (2) increasing the academic achievement levels of all children and particularly educationally deprived children, and (3) achieving as ongoing conditions in the school the following factors identified through effective schools research as distinguishing effective from ineffective schools:

"(A) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

"(B) emphasis on the acquisition of basic and higher order skills;

"(C) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

"(D) a climate of expectation that virtually all children can learn under appropriate conditions; and

"(E) continuous assessment of students and programs to evaluate the effects of instruction.

"SEC. 6403. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

"(a) AUTHORIZATION.—To carry out the purposes of this part, there are authorized to be appropriated such sums for fiscal years 1995 through 1999.

"(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 1994, and ending, September 30, 1999, the Secretary shall, in accordance with the provisions of this part, make payments to State educational agencies for the purpose of this section.

"Subpart 1—State and Local Programs

"SEC. 6404. ALLOTMENT TO STATES.

"(a) RESERVATIONS.—From the sums appropriated to carry out this subpart in any fiscal year, the Secretary shall reserve not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, Palau (until the effective date of the Compact of Free Association with the Government of Palau), and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

"(b) ALLOTMENT.—From the remainder of such sums the Secretary shall allot to each

State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such remainder.

"(c) DEFINITIONS.—For purposes of this subpart:

"(1) The term 'school-age population' means the population aged 5 through 17.

"(2) The term 'States' includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 6405. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

"(a) DISTRIBUTION RULE.—From the sums made available each year to carry out this part, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and private, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

"(1) children living in areas with high concentrations of low-income families,

"(2) children from low-income families, and

"(3) children living in sparsely populated areas.

"(b) CALCULATION OF ENROLLMENTS.—(1) The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

"(A) the number of children enrolled in public schools, and

"(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this part, for the fiscal year preceding the fiscal year in which the determination is made. Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this part.

"(2)(A) Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

"(i) children living in areas with high concentrations of low-income families,

"(ii) children from low-income families, or

"(iii) children living in sparsely populated areas.

"(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

"(c) PAYMENT OF ALLOCATIONS.—

"(1) From the funds paid to it pursuant to section 2203 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 2223 the amount of its allocation as determined under subsection (a).

"(2)(A) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

"(B) In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

"(C) The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

"Subpart 2—State Programs

"SEC. 6406. STATE USES OF FUNDS.

"(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds reserved for State use under this section only for—

"(1) State administration of programs under this section including—

"(A) supervision of the allocation of funds to local educational agencies;

"(B) planning, supervision, and processing of State funds; and

"(C) monitoring and evaluation of programs and activities under this part; and

"(2) technical assistance and direct grants to local educational agencies and statewide education reform activities, including effective schools programs, which assist local educational agencies to provide targeted assistance.

"(b) LIMITATIONS AND REQUIREMENTS.—Not more than 25 percent of funds available for State programs under this part in any fiscal year may be used for State administration under subsection (a)(1).

"SEC. 6407. STATE APPLICATIONS.

"(a) APPLICATION REQUIREMENTS.—Any State which desires to receive a grant under this subpart shall submit to the Secretary an application which—

"(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this part;

"(2)(A) provides for an annual submission of data on the use of funds, the types of services furnished, and the students served under this section; and

"(B) in fiscal year 1998 provides for an evaluation of the effectiveness of programs assisted under this subpart;

"(3) sets forth the allocation of such funds requested to implement section 2252;

"(4) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

"(5) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this part, the State educational agency has not exercised and will not exercise any influence in the decision making processes of local educational agencies as to the expenditure made pursuant to an application under section 2233; and

"(6) contain assurances that there is compliance with the specific requirements of this part.

"(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

"(c) AUDIT RULE.—Notwithstanding section 1745 of the Omnibus Budget Reconciliation Act of 1981, local educational agencies receiving less than an average of $5,000 each under this section need not be audited more frequently than once every 5 years.

"Subpart 3—Local Targeted Assistance Programs

"SEC. 6408. TARGETED USE OF FUNDS.

"(a) GENERAL RULE.—Funds allocated for use under this subpart shall be used by local educational agencies for targeted assistance described in subsection (b).

"(b) TARGETED ASSISTANCE.—The targeted assistance programs referred to in subsection (a) include—

"(1) technology related to the implementation of school-based reform programs, including professional development to assist teachers and other school officials regarding how to use effectively such equipment and software;

"(2) instructional and educational materials, assessments, and library services and materials (including media materials) tied to high academic standards and which are part of an overall education reform program;

"(3) promising education reform projects, including effective schools and 21st Century Learning Center school projects in accordance with subpart 4; and

"(4) computer hardware and software purchased under this section should be used only for instructional purposes.

"SEC. 6409. ADMINISTRATIVE AUTHORITY.

"In order to conduct the activities authorized by this part, each State or local educational agency may use funds reserved for this part to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums , and other public and private nonprofit agencies, organizations, and institutions.

"SEC. 6410. LOCAL APPLICATIONS.

"(a) CONTENTS OF APPLICATION.—A local educational agency or consortia of local educational agencies may receive an allocation of funds under this subpart for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

"(1)(A) sets forth the planned allocation of funds among targeted assistance programs described in section 2231 of this part and describes the programs, projects and activities designed to carry out such targeted assistance which it intends to support, together with the reasons for selection of such programs, projects and activities; and

"(B) sets forth the allocation of such funds required to implement section 2252;

"(2) describes how assistance under this section will contribute to meeting the National Education Goals and improving student achievement or improving the quality of education for students;

"(3) provides assurances of compliance with the provisions of this part, including the participation of children enrolled in private, nonprofit schools in accordance with section ____;

"(4) agrees to keep such records, and provide such information to the State educational agency as may reasonably be required for fiscal audit and program evaluation, concession with the responsibilities of the State agency under this part; and

"(5) provides in the allocation of funds for the assistance authorized by this part, and in the design, planning and implementation of such programs, for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local education agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this section (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

"(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed 3 fiscal years, may provide for the allocation of funds to programs for a period of 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

"(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this part, a local educational agency shall have complete discretion in determining how funds under this subpart shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this subpart and are used to meet the educational needs within the schools of such local educational agency.

"Subpart 4—21st Century Community Learning Centers

"SEC. 6411. FINDINGS.

"The Congress finds that—

"(1) there are influences outside of school which affect the ability of a child to achieve academically and schools are in a unique position to identify student and family needs to coordinate programs;

"(2) access to health and social service programs can assist children and their families to improve the ability of the family to take an active role in their child's education;

"(3) coordination of health and social service programs with education can help the Nation meet the National Education Goals and ensure better outcomes for children;

"(4) the high technology, global economy of the 21st century will require lifelong learning to keep America's workforce competitive and successful;

"(5) 21st Century Community Learning Centers enable the entire community to develop an education strategy that addresses the educational needs of all members of local communities; and

"(6) local public schools should provide centers for lifelong learning and educational opportunities for individuals of all ages.

"SEC. 6412. FUNDS FOR COMMUNITY LEARNING CENTERS.

"(a) IN GENERAL.—Local educational agencies may use funds provided under section 2212 to pay the Federal share of the cost for enabling schools to serve as centers for the delivery of education and human services for members of a community.

"(b) USES OF FUNDS.—Local educational agencies may use funds provided under section 2212 for projects described under this subpart.

"SEC. 2243. PROGRAMS.

"Local educational agencies that receive funds under this subpart may develop programs that include—

"(1) literacy education programs;

"(2) senior citizen programs;

"(3) children's day care services;

"(4) integrated education, health, social service, recreational, or cultural programs;

"(5) summer and weekend school programs in conjunction with summer recreation programs;

"(6) nutrition programs;

"(7) expanded library service hours to serve community needs;

"(8) telecommunications and technology education programs for all ages;

"(9) parenting skills education programs;

"(10) support and training for child day care providers;

"(11) employment counseling, training, and placement;

"(12) services for students who withdraw from school before graduating high school, regardless of age; and

"(13) services for individuals who are either physically or mentally challenged.

"SEC. 6413. REQUIREMENTS.

"A local educational agency that uses funds to develop programs under this subpart shall, at the end of the first year for which funds are used for this purpose, provide information to the State educational agency which describes the activities and projects established with funds under this subpart and includes—

"(1) information on the comprehensive local plan that enables such school to serve as a center for the delivery of education and human services for members of a community; and

"(2) information on the initial evaluation of needs, available resources, and goals and objectives for the proposed community education program and how such evaluation was used to determine the program developed to address such needs; including—

"(A) the mechanism used to disseminate information in a manner understandable and accessible to the community;

"(B) identification of Federal, State, and local programs merged or coordinated so that public resources could be maximized;

"(C) a description of the collaborative efforts of community-based organizations, related public agencies, businesses, or other appropriate organizations;

"(D) a description of how the school will assist as a delivery center for existing and new services; and

"(E) the establishment of the facility utilization policy that specifically states rules and regulations for building and equipment use and supervision guidelines.

"SEC. 6414. DEFINITION.

"For purposes of this subpart, the term 'Community Learning Center' means the provision of educational, recreational, health, and social service programs for residents of all ages of a local community in public school buildings, primarily in rural and inner city areas, operated by the local educational agency in conjunction with local governmental agencies, businesses, vocational education programs, community colleges, universities, cultural, recreational, and other community and human service entities.

"Subpart 5—General Administrative Provisions

"SEC. 6415. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

"(a) MAINTENANCE OF EFFORT.—(1) Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

"(2) The Secretary shall reduce the amount of the allocation of funds under this part in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

"(3) The Secretary may waive, for 1 fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"(b) FEDERAL FUNDS SUPPLEMENTARY.—A State or local educational agency may use and allocate funds received under this part only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this part, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

"SEC. 6416. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

"(a) PARTICIPATION ON EQUITABLE BASIS.—(1) To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this part or which serves the area in which a program or project assisted under this part is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds reserved for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this part.

"(2) If no program or project is carried out under subsection (a)(1) of this section in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in that district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this part.

"(3) The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this part by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

"(b) EQUAL EXPENDITURES.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this part for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this part are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

"(c) FUNDS.—(1) The control of funds provided under this part, and title to materials, equipment, and property repaired, remodeled, or constructed therewith, shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property.

"(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this part shall not be commingled with State or local funds.

"(d) STATE PROHIBITION WAIVER.—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

"(e) WAIVER AND PROVISION OF SERVICES.—(1) If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

"(2) Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

"(f) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

"(g) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this part.

"(h) REVIEW.—(1) The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

"(2) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1) of this subsection, it may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

"(3) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 6417. EVALUATIONS AND REPORTING.

"(a) LOCAL EDUCATIONAL AGENCIES.—A local educational agency which receives financial assistance under this part shall report annually to the State educational agency on the use of funds under section 2431. Such reporting shall be carried out in a manner which minimizes the amount of paperwork required while providing the State educational agency with the necessary information under the preceding sentence. Such report shall be made available to the public.

"(b) STATE EDUCATIONAL AGENCIES.—A State educational agency which receives financial assistance under this part shall evaluate the effectiveness of State and local programs under this part in accordance with section 2423(a)(4)(B). That evaluation shall be submitted for review and comment by the State advisory committee and shall be made available to the public. The State educational agency shall submit to the Secretary a copy of the evaluation and a summary of the reports under subsection (a).

"(c) REPORTS.—(1) The Secretary, in consultation with State and local educational agency representatives, shall develop a model system which State educational agencies may use for data collection and reporting under this part.

"(2)(A) The Secretary shall submit annually a report to the Congress for the use of funds, the types of services furnished, and the students served under this part.

"(B) The Secretary shall not later than October 1, 1998, submit a report to the Congress summarizing evaluations under subsection (b) in order to provide a national overview of the uses of funds and effectiveness of programs under this part.

"SEC. 6418. FEDERAL ADMINISTRATION.

"(a) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this part.

(b) RULEMAKING.—The Secretary shall issue regulations under this part only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this part.

(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this part shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

"SEC. 6419. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

"(a) GENERAL RULE.—Except as otherwise specifically provided by this section, the General Education Provisions Act shall apply to the programs authorized by this part.

"(b) APPLICABILITY.—The following provisions of the General Education Provisions Act shall be superseded by the specified provisions of this part with respect to the programs authorized by this part:

"(1) Section 410(a)(1) of the General Education Provisions Act is superseded by section 2254(b) of this part.

"(2) Section 433(a) of such Act is superseded by section 2254(a) of this part.

"(3) Section 436 of such Act is superseded by sections 2223 and 2233 of this part.

(c) SPECIAL RULE.—Sections 440, 441, and 442 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, may not apply to the programs authorized by this part and shall not be construed to authorize the Secretary to require any reports or take any actions not specifically authorized by this part.

By Mr. HANCOCK:

—Page 762, after line 8, insert the following:

"SEC. 9508. PROHIBITION AGAINST FUNDS FOR HOMOSEXUAL SUPPORT.

"(a) PROHIBITION.—No local educational agency that receives funds under this Act shall implement or carry out a program or activity that has either the purpose or effect of encouraging or supporting homosexuality as a positive lifestyle alternative.

"(b) DEFINITION.—A program or activity, for purposes of this section, includes the distribution of instructional materials, instruction, counseling, or other services on school grounds, or referral of a pupil to an organization that affirms a homosexual lifestyle.

By Mr. HANCOCK:

—Page 762, after line 8, insert the following:

"SEC. 9508. PROHIBITION AGAINST FUNDS FOR HOMOSEXUAL SUPPORT.

"(a) PROHIBITION.—No local education agency that receives funds under this Act shall implement or carry out a program or activity as provided by this Act that has either the purpose or effect of encouraging or supporting homosexuality as positive lifestyle alternative.

"(b) DEFINITION.—A program or activity, for purposes of this section, includes the distribution of instructional materials, instruction, counseling, or other services on school grounds, or referral of pupil to an organization that affirms a homosexual lifestyle.

By Mr. KILDEE:

—Beginning on page 28, strike line 12 and all that follows through page 30, line 2, and insert in lieu thereof the following:

"(iii) model opportunity to learn standards for schools which receive assistance under this title that address—

(I) the alignment of curricula, instructional materials, and other school resources with the content and performance standards adopted by the State;

(II) the capability of teachers to provide high quality instruction within each subject area for which the State has adopted content and performance standards;

(III) such other factors that the State deems appropriate to ensure that students served under this title receive a fair opportunity to achieve the knowledge and skills described in content and performance standards adopted by the State."

—Page 34, strike lines 7 through 11 (and redesignate any subsequent paragraphs accordingly)

—Page 36, line 18 after "agencies" insert "and the public of the standards and assessments developed under this section, and"

—Page 39, after line 12, insert the following new paragraph (and redesignate accordingly):

"(g) Notwithstanding any other provision of this Act, the implementation of model opportunity to learn standards shall be voluntary on the part of the States, local educational agencies, and schools."

—Page 39, after line 17, insert the following new paragraphs (and redesignate accordingly):

"(i) Nothing in this section shall be construed to create a legally enforceable right for any person against a State, local educational agency, or school based on opportunity to learn standards.

"(j) Nothing in this section shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.

"(k) Nothing in this section shall be construed to mandate national school building standards for a State, local educational agency, or school."

—Page 42, strike lines 19 through 22

—Page 67, strike lines 7 through 9

—Page 69, line 3, after "standards" insert "including reviewing the school's plan in the context of the State's model opportunity to learn standards"

—Page 70, line 13 after "include" insert "implementing the State's model opportunity to learn standards,"

—Page 72, line 20, after "standards" insert "including reviewing the local educational agency's plan in the context of the State's model opportunity to learn standards"

—Page 74, line 1, after "include" insert "implementing the State's model opportunity to learn standards,"

—Page 75, line 12, strike "and opportunity to learn standards"

—Page 91, line 19, strike "opportunity to learn standards"

—Page 183, after line 16 insert the following (and redesignate accordingly):

"(v) are using any of the voluntary model State opportunity to learn standards that may have been implemented and whether they are useful in improving learning."

By Mr. MILLER of California:

—Page 688, line 8, strike "$40,000,000" and insert "$100,000,000".

—Page 762, beginning on line 15, strike "policy" and all that follows through page 763, line 3, and insert the following: "policy—

"(1) shall require that any student who is determined to have brought a gun to school in violation of such policy shall be expelled from such school for a period of not less than one year, except that the chief administrator of the local educational agency may modify such expulsion requirement for a student on a case-by-case basis; and

"(2) may include the provision for—

"(A) alternative educational placement or services for a student who violates the policy and is expelled; and

"(B) opportunity for a hearing to address an expulsion decision for violation of the policy.

By Mr. MILLER of Florida:

—Beginning on page 240, strike line 1 and all that follows through line 4 on page 264 (and redesignate the subsequent subparts accordingly).

—Beginning on page 264, strike line 5 and all that follows through line 4 on page 272 (and redesignate the subsequent subparts accordingly).

—Beginning on page 284, strike line 9 and all that follows through line 5 on page 290 (and redesignate the subsequent subparts accordingly).

—Beginning on page 290, strike line 6 and all that follows through line 7 on page 293.

—Beginning on page 190, strike line 1 and all that follows through line 13 on page 194 (and redesignate the subsequent sections accordingly).

—Beginning on page 240, strike line 2 and all that follows through line 4 on page 264 (and redesignate the subsequent subparts accordingly).

—Beginning on page 264, strike line 5 and all that follows through line 4 on page 272 (and redesignate the subsequent subparts accordingly).

—Beginning on page 284, strike line 9 and all that follows through line 5 on page 290 (and redesignate the subsequent subparts accordingly).

—Beginning on page 290, strike line 6 and all that follows through line 7 on page 293.

—Page 350, strike line 13.

—Beginning on page 354, strike line 1 and all that follows through line 22 on page 363 (and redesignate the subsequent parts accordingly).

—Beginning on page 367, strike line 1 and all that follows through line 19 on page 372 (and redesignate the subsequent parts accordingly).

—Beginning on page 372, strike line 20 and all that follows through line 22 on page 397 (and redesignate the subsequent parts accordingly).

—Beginning on page 398, strike line 1 and all that follows through line 21 on page 404 (and redesignate the subsequent parts accordingly).

—Beginning on page 404, strike line 22 and all that follows through line 18 on page 406 (and redesignate the subsequent parts accordingly).

—Beginning on page 456, strike line 5 and all that follows through line 15 on page 458 (and redesignate the subsequent parts accordingly).

—Beginning on page 768, strike line 22 and all that follows through line 7 on page 776 (and redesignate the subsequent parts accordingly).

—Beginning on page 776, strike line 8 and all that follows through line 19 on page 798 (and redesignate the subsequent parts accordingly).

—Beginning on page 776, strike line 10 and all that follows through line 12 on page 791 (and redesignate the subsequent parts accordingly).

—Beginning on page 791, strike line 13 and all that follows through line 19 on page 798 (and redesignate the subsequent parts accordingly).

—Beginning on page 870, strike line 1 and all that follows through line 20 on page 875 (and redesignate the subsequent parts accordingly).

By Mr. PETRI:

Page 901, after line 4, insert the following:

TITLE VI—BASIC PROGRAM ALLOCATIONS

SEC. 601. ALLOCATIONS.

Subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965, as amended by section 101 of this Act, is further amended to read as follows:

"Subpart 2—Allocations

"SEC. 1122. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR

"(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a), the Secretary shall reserve a total of up to 1 percent to provide assistance to—

"(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

"(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (b).

"(b) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

"(1) The amount allotted for payments to the Secretary of the Interior undersubsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

"(A) Indian children on reservations served by elementary and secondary schools for Indian children operated or supported by the Department of the Interior; and

"(B) out-of-State Indian children in elementary and secondary schools in local educational agencies under special contracts with the Department of the Interior.

"(2) From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary of Education determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The amount of such payment may not exceed, for each such child, the greater of—

"(A) 40 percent of the average per-pupil expenditure in the State in which the agency is located; or

"(B) 48 percent of such expenditure in the United States.

"SEC. 1123. ALLOCATIONS TO STATES.

"(a) GENERAL.—For each fiscal year, an amount of the appropriations for this part equal to the appropriation for fiscal year 1994 for part A of chapter 1, title I, Elementary and Secondary Education Act, shall be allocated in accordance with sections 1124 and 1124A. Any additional appropriations for this part for any fiscal year, after application of the preceding sentence, shall be allocated in accordance with section 1125.

"(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

"(1) If the sums available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d) of this section.

"(2) If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

"(c) HOLD-HARMLESS AMOUNTS.—Notwithstanding subsection (b), the total amount made available to each local educational agency under each of sections 1124 and 1125 for any fiscal year shall be at least 85 percent of the total amount such local educational agency was allocated under such sections (or, for fiscal year 1995, their predecessor authorities) for the preceding fiscal year.

"(d) DEFINITION.—For the purpose of this section and sections 1124 and 1125, the term State means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES

"(a) AMOUNT OF GRANTS.—

"(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—

"(A) The grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)), be determined by multiplying the number of children counted under subsection (c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (i) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States, or (ii) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States. For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total population of fewer than 20,000 persons, the State education agency may either (I) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas.

"(B) If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. In such cases, subject to paragraph (3), the grant for any local educational agency in such an area of a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Secretary.

"(C) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

"(i) the percentage determined under the preceding sentence; and

"(ii) 32 percent of the average per pupil expenditure in the United States.

"(2) DEFINITION.—For purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and, until adoption of its Compact of Free Association, Palau.

"(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if the number of children counted under subsection (c) in the school district of such local educational agency is at least 10.

"(c) CHILDREN TO BE COUNTED.—

"(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

"(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A),

"(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and

"(C) the number of children aged 5 to 17, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to subpart 3 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

"(2) DETERMINATION OF NUMBER OF CHILDREN.—

"(A) For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (as produced and published under section 181a of title 13, United States Code). If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if it were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which shall distribute to schools in each county within it a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant. If the Department of Commerce has updated data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use the updated data. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

"(B) For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

"(C) When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

"(d) STATE MINIMUM.—

"(1) The aggregate amount allotted for all local educational agencies within a State may not be less than one-quarter of 1 percent of the total amount available for such fiscal year under this section.

"(2)(A) No State shall, by reason of the application of the provisions of paragraph (1) of this subsection, be allotted more than—

"(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

"(ii) the amount calculated under subparagraph (B),whichever is less.

"(B) For the purpose of subparagraph (A)(ii), the amount for each State equals—

"(i) the number of children in such State counted under subsection (c) in the fiscal year specified in subparagraph (A),multiplied by

"(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

"SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES

"(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

"(1)(A) Except as otherwise provided in this paragraph, each local educational agency, in a State other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau, which is eligible for a grant under this part for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if—

"(i) the number of children counted under section 1123(c) of this part in the local educational agency for the preceding fiscal year exceeds 6,500, or

"(ii) the number of children counted under section 1123(c) exceeds 15 percent of the total number of children aged five to seventeen, inclusive, in the local educational agency in that fiscal year.

"(B) Except as provided in subparagraph (C), no State described in subparagraph (A) shall receive less than—

"(i) one-quarter of 1 percent of the sums appropriated under subsection (c) of this section for such fiscal year; or

"(ii) $250,000, whichever is higher.

"(C) No State shall, by reason of the application of the provisions of subparagraph (B)(i) of this paragraph, be allotted more than—

"(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

"(ii) the amount calculated under subparagraph (D),whichever is less.

"(D) For the purpose of subparagraph (C), the amount for each State equals—

"(i) the number of children in such State counted for purposes of this section in the fiscal year specified in subparagraph (B),multiplied by

"(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

"(2) For each local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

"(A) the greater of—

"(i) the number of children in excess of 6,500 counted under section 1123(c) for the preceding fiscal year, in a local educational agency which qualifies on the basis of subparagraph (A)(i) of paragraph (1); or

"(ii) the number of children counted under section 1123(c) for the preceding fiscal year in a local educational agency which qualifies on the basis of subparagraph (A)(ii) of paragraph (1); and

"(B) the quotient resulting from the division of the amount determined for those agencies under section 1123(a)(1) of this chapter for the fiscal year for which the determination is being made divided by the total number of children counted under section 1123(c) for that agency for the preceding fiscal year.

"(3) The amount of the additional grant to which an eligible local educational agency is entitled under this section for any fiscal year shall be an amount which bears the same ratio to the amount reserved under subsection (c) for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

"(4) For the purposes of this section, the Secretary shall determine the number of children counted under section 1123(c) for any local educational agency, and the total number of children aged five to seventeen, inclusive, in local educational agencies, on the basis of the most recent satisfactory data available at the time the payment for such local educational agency is determined under section 1123.

"(5)(A) For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State education agency may either (i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons and meeting the eligibility criteria of paragraph (1)(A). If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas meeting the eligibility criteria of paragraph (1)(A).

"(B) If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. In such cases, subject to paragraph (3), the grant for any local educational agency in such an area of a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with the basic criteria prescribed by the Secretary.

"(b) RESERVATION OF FUNDS.—Of the total amount of funds available for sections 1123 and 1123A, 10 percent of the amount appropriated for that fiscal year shall be available to carry out this section.

"(c) RATABLE REDUCTION RULE.—If the sums available under subsection (b) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are entitled to receive under subsection (a) for such fiscal year, the maximum amounts which all States are entitled to receive under subsection (a) for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

"SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES

"(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency under subsection 1124(c), before application of the weighting factor, is at least 10.

"(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—(1) The amount of the grant that a local educational agency in a State or that the District of Columbia is eligible to receive under this section for any fiscal year shall be the product of —

"(A) the number of children counted under subsection 1124(c); and

"(B) the amount in the second sentence of subparagraph 1124(a)(1)(A).

"(2) For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to the number of children counted under subsection 1124(c) for Puerto Rico, multiplied by the amount determined in subparagraph 1124(a)(1)(C).

"(c) CHILDREN TO BE COUNTED.—

"(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section shall be the number counted in subsection 1123(c) multiplied by the weighting factor for the local educational agency. The weighting factor shall be established on the basis of the percentage that the number of children counted under (i) through (iii), above, represents of the total population aged 5-17 years in the local educational agency. Weighting factors shall be assigned according to the following scale: if the percentage is greater than 0 but less than or equal to 14.265, the weighting factor shall be 1.00; if the percentage is greater than 14.265 and less than or equal to 21.553, the weighting factor shall be 1.125; if the percentage is greater than 21.553 and less than or equal to 29.223, the weighting factor shall be 1.250; if the percentage is greater than 29.223 and less than or equal to 36.538, the weighting factor shall be 1.375; and if the percentage is greater than 36.538, the weighting factor shall be 1.500. For the Commonwealth of Puerto Rico, the weighting factor shall be no greater than 1.125.

“(d) Local Educational Agency Allocations.—For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State education agency may either (1) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (2) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total populations of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5-17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populationsof fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas.

“(e) State Minimum.—Notwithstanding any other provision of this section, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

“(1) one quarter of one percent of such amount;

“(2) 150 percent of the national average grant under section 1125 per child described in section 1124(c), without application of a weighting factor, multiplied by the State's total number of children described in section 1124(c), without application of a weighting factor.

“SEC. 1126. SPECIAL ALLOCATION PROCEDURES

“(a) Hold-Harmless Amounts.—The total amount made available to each local educational agency under each of sections 1124 and 1125 for any fiscal year shall be at least 85 percent of the total amount such agency received under such sections (or, for fiscal year 1995, under their predecessor authorities) for the preceding fiscal year.

“(b) Allocations for Neglected or Delinquent Children.—(1) If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected or delinquent children as described in subparagraph 1124(c)(1)(C), the State educational agency shall, if it assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

“(2) If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

“(c) Allocations Among Local Educational Agencies.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 between and among the affected local educational agencies when—

“(1) two or more local educational agencies serve, in whole or in part, the same geographical area; or

“(2) a local educational agency provides free public education for children who reside in the school district of another local educational agency.

“(d) Reallocation.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

“SEC. 1127. CARRYOVER AND WAIVER

“(a) Limitation on Carryover.—Notwithstanding section 412 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

“(b) Waiver.—A State educational agency may, once every three years, waive the percentage limitation in subsection (a) if—

“(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

“(2) supplemental appropriations for this subpart become available.

“(c) Exclusion.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than $50,000 under this subpart for any fiscal year.”.

By Mr. QUILLEN:

—Page 694, after line 7, insert the following:

“(e) School District Containing Forest Service Land and Serving Certain Counties.—Beginning with fiscal year 1995, a school district shall be deemed to meet the requirements of subsection (a)(1)(C) if such school district meets the following requirements:

“(1) The school district contains between 50,000 and 55,000 acres of land that has been acquired by the Forest Service of the Department of Agriculture between 1915 and 1990, as demonstrated by written evidence from the Forest Service satisfactory to the Secretary.

“(2) The school district serves a county chartered by State law in 1875.

By Mr. SISISKY:

—At the end of the matter proposed to be inserted by the amendment, add the following new section:

“SEC. 8014. WAIVER OF REQUIREMENT TO TRANSFER DEFENSE FUNDS TO MAKE PAYMENTS UNDER SECTION 8004.

“The Secretary of Defense may waive the operation of any provision of law requiring the transfer to the Secretary of Education of funds to make impact aid payments associated with children connected with defense activities, as described in section 8004, and decline to make the transfer of funds otherwise required by that provision of law, if the Secretary of Defense determines that such a waiver is in the national security interest of the United States. In the event of such a waiver, the Secretary of Education shall use other funds available to the Secretary to make such payments.

—At the end of the matter to be inserted by the amendment, add the following new section:

“SEC. 8014. PROHIBITION ON TRANSFER OF DEFENSE FUNDS TO MAKE PAYMENTS UNDER SECTION 8004.

“Notwithstanding any other provision of law, amounts available to the Secretary of Defense shall not be transferred to the Secretary of Education to make impact aid payments associated with children connected with defense activities, as described in section 8004. The Secretary of Education shall use other funds available to the Secretary to make such payments.

—At the end of the matter proposed to be inserted by the amendment, add the following new section:

“SEC. 8014. PROHIBITION ON ACCEPTANCE OF DEFENSE FUNDS TO MAKE PAYMENTS UNDER SECTION 8004.

“Notwithstanding any other provision of law, the Secretary of Education may not accept the transfer of any funds from the Secretary of Defense for the purpose of making impact aid payments associated with children connected with defense activities, as described in section 8004. The Secretary of Education shall use other funds available to the Secretary to make such payments.

—At the end of the matter proposed to be inserted by the amendment, add the following new section:

“SEC. 8014. WAIVER OF REQUIREMENT TO TRANSFER DEFENSE FUNDS TO MAKE PAYMENTS UNDER SECTION 8004.

“The Secretary of Education may not accept the transfer of any funds from the Secretary of Defense for the purpose of making impact aid payments associated with children connected with defense activities, as described in section 8004, unless the Secretary of Education secures the written assurances of the Secretary of Defense that such transfer is in the national security interest of the United States. In the absence of such a written assurance, the Secretary of Education shall use other funds available to the Secretary to make such payments.

—At the end of the matter proposed to be inserted by the amendment, add the following new section:

“SEC. 8014. CONDITION ON ACCEPTANCE OF DEFENSE FUNDS TO MAKE PAYMENTS UNDER SECTION 8004.

“Notwithstanding any other provision of law, the Secretary of Education may not accept a transfer of funds in a fiscal year from the Secretary of Defense for the purpose of making impact aid payments associated with children connected with defense activities, as described in section 8004, unless such transfer is specifically authorized for that fiscal year in a law making annual authorizations of appropriations for the operation and maintenance of the Armed Forces for that fiscal year. In the absence of such a specific authorization for a fiscal year, the Secretary of Education shall use other funds available to the Secretary to make such payments.

—At the end of the matter proposed to be inserted by the amendment, add the following new section:

"SEC. 8014. CONDITION ON TRANSFER OF DEFENSE FUNDS TO MAKE PAYMENTS UNDER SECTION 8004.

"Notwithstanding any other provision of law, the Secretary of Defense may not transfer funds in a fiscal year to the Secretary of Education to make impact aid payments associated with children connected with defense activities, as described in section 8004, unless such transfer is specifically authorized for that fiscal year in a law making annual authorizations of appropriations for the operation and maintenance of the Armed Forces for that fiscal year. In the absence of such a specific authorization for a fiscal year, the Secretary of Education shall use other funds available to the Secretary to make such payments.

By Mr. WILLIAMS:

—Page 738, line 8, strike section 9104 and insert the following:

"Sec. 9104. For purposes of any competitive program under this Act, a consortia of schools operated by the Bureau of Indian Affairs, a school operated under a contract or grant with the Bureau of Indian Affairs in consortia with another contract or grant school or tribal or community organization, or a Bureau of Indian Affairs school in consortia with an Institution of Higher Education, a contract or grant school and tribal or community organization shall be given the same consideration as a local education agency. Such consortia shall apply through the Bureau of Indian Affairs which shall apply to the Department of Education on their behalf."

By Ms. WOOLSEY:

—Page 743, after line 20, insert the following:

"SEC. 9206. AVAILABILITY OF FLEXIBLE PROGRAM FUNDS.

"(a) FLEXIBLE PROGRAM FUNDS.—With approval of its State educational agency, a local educational agency that determines for any fiscal year that funds under a covered program other than part A of title I of this Act are not needed for the purpose of that covered program may use such funds, not to exceed five percent of the total amount of its funds under that covered program, for the purpose of another covered program.

"(b) COORDINATION OF SERVICES.—A local educational agency, individual school, or consortium of schools may use a total of up to 5 percent of the funds it receives under this Act for the establishment and implementation of a coordinated services project consistent with the requirements of Title X of this Act.".

—On page 763, after line 3, insert the following:

"TITLE X—COORDINATED SERVICES PROJECTS

"SEC. 10001. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress makes the following findings:

"(1) Growing numbers of children and youth are negatively affected by influences outside of the classroom which increase their risk of academic failure.

"(2) Factors such as poor nutrition, unsafe living conditions, physical and sexual abuse, family and gang violence, inadequate health care, unemployment, lack of child care and substance abuse adversely affect family relationships and the ability of a child to learn.

"(3) Parents and other caregivers in today's high pressure society often face demands which place restraints on their time and affect their ability to adequately provide for the needs of their families.

"(4) Access to health and social service programs can address the basic physical and emotional needs of children and youth so that they can fully participate in the learning experiences offered them in school.

"(5) Services for at-risk students need to be more convenient, less fragmented, regulated and duplicative in order to meet the needs of children and youth and their families.

"(6) School personnel, parents, and support service providers often lack knowledge of, and access to, available services for at-risk students and their families in the community, and have few resources to coordinate services and make them accessible.

"(7) Service providers, such as teachers, social workers, health care and child care providers, juvenile justice workers and others, are often trained in separate disciplines that provide little support for the coordination of services.

"(8) Coordination of services is more cost effective because it substitutes prevention for expensive crisis intervention.

"(9) Coordinating health and social services with education can help the Nation meet the National Education Goals by ensuring better outcomes for children.

"(b) PURPOSE OF COORDINATING SERVICES.—The purpose of this section is to provide elementary and secondary school students and their families better access to the social, health and education services necessary for students to succeed in school and for their families to take an active role in ensuring that children receive the best possible education.

"SEC. 10002. DEFINITIONS.

"(a) The term 'coordinated services project' refers to a comprehensive approach to meeting the educational, health, social service, and other needs of children and their families, including foster children and their foster families, through a communitywide partnership that links public and private agencies providing such services or access to such services through a coordination site at or near a school.

"(b) An 'eligible entity' is a local educational agency, individual school, or consortium of schools.

"SEC. 10003. PROJECT DEVELOPMENT AND IMPLEMENTATION.

"(a) PROJECT PLANS.—Eligible entities exercising their authority under section 9206(b) shall submit to the Secretary an application for planning or implementing a coordinated services project.

"(b) PROJECT DEVELOPMENT.—The application for the coordinated services project, which can last for up to one year, shall—

"(1) demonstrate that an assessment will be performed of the economic, social, and health barriers to educational achievement experienced by children and families, including foster children and their foster families, in the community, and the local, State, federal, and privately funded services available to meet such needs;

"(2) identify the measures that will be taken to establish a communitywide partnership that links public and private agencies providing services to children and families; and

"(3) identify and other measures that will be taken to develop a comprehensive plan for the implementation of a coordinated services project or projects.

"(c) PROJECT IMPLEMENTATION.—Eligible entities shall submit to the Secretary a plan for the implementation or expansion of a coordinated services project. Such plan shall include—

"(1) the results of a children and families needs assessment, which will include an assessment of the needs of foster children;

"(2) the membership of the coordinated services project partnership;

"(3) a description of the proposed coordinated services project, its objectives, where it will be located, and the staff that will be used to carry out the purposes of the project;

"(4) a description of how the success of the coordinated services project will be evaluated;

"(5) a description of the training to be provided to teachers and appropriate personnel; and

"(6) information regarding whether or not a sliding scale fee for services will be employed, and if not, an explanation of why such a scale is not feasible.

"SEC. 10004. USES OF FUNDS

"(a) Funds utilized under the authority of section 9206(b) may be used for activities under this title which include—

"(1) hiring a services coordinator;

"(2) making minor renovations to existing buildings;

"(3) purchasing basic operating equipment;

"(4) improving communications and information-sharing between members of the coordinated services project partnership;

"(5) providing training to teachers and appropriate personnel concerning their role in a coordinated services project; and

"(6) conducting the needs assessment required in section 10003(b)(1).

"(b) Projects operating under the authority of this title shall comply with the requirements of Sec. 1121(b).

"SEC. 10005. CONTINUING AUTHORITY

"The Secretary shall not approve the plan of any project which fails to demonstrate that it is achieving effective coordination after 2 years of implementation.

"(a) AGENCY COORDINATION.—The Secretaries of Education, Health and Human Services, Labor, Housing and Urban Development, Treasury, and Agriculture, and the Attorney General shall review the programs administered by their agencies to identify barriers to service coordination.

"(b) REPORT TO CONGRESS.—Such Secretaries and the Attorney General shall submit jointly a report to the Congress not later than 2 years after the date of the enactment of the Improving America's Schools Act, based on the review required under paragraph (a) recommending legislative and regulatory action to address such barriers, and during this time, shall use waiver authorities authorized under this and other Acts.

SENATE—*Thursday, February 24, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable RUSSELL D. FEINGOLD, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Jesus called them unto him, and said, "Ye know that the princes of the Gentiles exercise dominion over them, and they that are great exercise authority upon them. But it shall not be so among you: but whosoever will be great among you, let him be your minister; And whosoever will be chief among you, let him be your servant: Even as the Son of man came not to be ministered unto, but to minister, and to give his life a ransom for many."—Matthew 20:25–28.

Eternal God, Lord of Heaven and Earth, Ruler of the nations, we have learned in our contemporary culture that power begets power, that the powerful sometimes forget they are the servants of the people who elected them. In the words of former Senator John Stennis as he spoke to junior Senators, "Some who come here grow; others just swell."

Grant to Your servants in the Senate the relevance of the word from Jesus: "* * * whosoever will be chief among you, let him be your servant * * *." Save Your servants from preoccupation with power and infuse them with the full meaning of being a public servant. In His name Who is the Servant of servants. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 24, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RUSSELL D. FEINGOLD, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. FEINGOLD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 12 noon, with Senators permitted to speak for up to 10 minutes each.

The Chair, in his capacity as a Senator from Wisconsin, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

(Mrs. FEINSTEIN assumed the chair.)

Mr. FEINGOLD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FACES OF HEALTH CARE

Mr. FEINGOLD. Madam President, I rise to continue my floor statements on the need for long-term care reform as part of the health care reform effort.

I am proud to be part of an effort that we are making on the floor, those of us who support health care reform and universal health care, to portray in a very human way the faces of health care, the faces of those who often do not get health care.

As I have noted in earlier statements, establishing consumer-oriented and consumer-directed flexible benefits, as well as making fundamental reforms to the linkages between the long-term care and acute care systems, are absolutely necessary if we are to realize the goals of health care reform.

President Clinton's home- and community-based long-term care proposal goes further than any other in achieving this needed reform. It lays the groundwork for creating a system of community- and home-based flexible services that respond to individual consumer choice and preference.

Madam President, I am proud to note that much of the basis for the President's long-term care reform provisions flow from a program established in Wisconsin in the early 1980's—the Community Options Program, known as COP.

COP has been an enormous success by any measure. It has provided long-term care consumers with an alternative to institutional care by establishing a program of flexible benefits that are consumer-oriented and directed. It has saved State taxpayers hundreds of millions of dollars, and has been instrumental in actually lowering the number of Medicaid nursing home beds being used in the State at a time when the rest of the country was experiencing significant increases in Medicaid nursing home bed use.

President Clinton's long-term care reform proposal can achieve the same success for the entire country.

Madam President, more than any other group, advocates of long-term care reform like to tell stories and give examples. Part of this desire comes from the advocates themselves—people committed to helping others.

But it also stems from the need to emphasize the uniqueness of every long-term care situation, and to stress the need for a system that is flexible enough and consumer friendly enough to respond to those unique situations.

Recently I had the privilege of holding a field hearing of the Senate Special Committee on Aging in my home State of Wisconsin. The hearing was on the President's long-term care plan, and we invited a variety of people to testify.

Madam President, I want to talk today about two of the witnesses that appeared at the field hearing. Better than any list of statistics, the story of these two people demonstrates both the promise of and the need for long-term care reform.

First, let me tell you about a man named Robert Deist. Bob was left a quadriplegic as a result of a bullet wound at the age of 14. He has experienced just about every facet of the long-term care system. He was institutionalized at age 15 because there were no community services available to him or his family, and, at that time, his parents could not afford to quit their jobs and provide him care in their home.

Eventually, though, at great financial loss to her family, Bob's mother quit her job to take care of Bob at home.

Bob eventually went to college, got married, and is currently the director of two personal care programs at an independent living center in Wisconsin. He hopes to work until retirement age, but his wife is his only caregiver.

Even though both Bob and his wife work, they cannot afford to pay for a personal care attendant to come to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

their home and assist Bob with his care needs. And because he works, Bob is not eligible for government funding to pay for his daily care needs.

As Bob noted, in his testimony to our committee, his wife provides his care 7 days a week, 52 weeks a year, every year, whether she is ill or injured. If she were not able to provide Bob's personal care needs for some reason, even for just a few weeks, their savings would be gone and they would probably lose their home.

Bob and his wife live at the edge every single day of their lives.

As I mentioned earlier, Bob is the director of two personal care programs. One of those programs serves long-term care consumers who use Wisconsin's Community Options Program. So even though Bob actually runs a program that uses COP funds, Bob himself is unable to get on the program because it has a long waiting list. There are a lot of people that need these services. Because of the huge demand for services, he is unlikely to become eligible for years.

With President Clinton's long-term care proposal in place, Bob would be eligible for services almost immediately. The very real threat to Bob and his wife of imminent financial disaster would begin to ultimately disappear, and he could begin to utilize the kinds of flexible services available through the very program he runs.

Another long-term care consumer, Jettie Jones of Milwaukee also testified before our committee. Her husband Launcelot has been a COP recipient for 4 years.

Launcelot has been an active community advocate on behalf of seniors for some time. Retired from the Department of Housing and Urban Development, he is now in frail health, having heart trouble, is visually and physically impaired, and is a borderline diabetic. Jettie is not able to provide all the care Launcelot needs.

Launcelot was a classic candidate for a nursing home.

But because of the Community Options Program in Wisconsin, Launcelot and Jettie have been able to remain together. As Jettie said, COP has enabled them to maintain our dignity and our love and relationship as a family unit.

COP provides Launcelot adult day care at Village Church in Milwaukee, where he receives meals and socializes with others. COP also provides transportation to and from the day care as well as transportation to and from the doctor.

COP provides a personal care attendant who comes to the Jones home 4 hours per week, and a homemaker who helps Jettie maintain the home.

Jettie and Launcelot Jones are an example of what can be achieved with a flexible, consumer oriented long-term care program. Without COP, Launcelot and Jettie would not be able to live together.

Madam President, thousands of elderly couples like the Joneses are forced to separate and impoverish themselves in order to get needed long-term care services in the only setting available to them—a nursing home.

Thousands of disabled consumers who could live and work productively in a home or community setting are forced to live out their days without that opportunity.

And thousands more like Bob Deist, who is able to live and work in the community only while his wife is able to provide him care, live with the daily threat that the least disturbance or misfortune could bankrupt them in days or weeks.

In some of the most eloquent testimony I have heard on long-term care, Chuck McGlaughlin, a county long-term care administrator, testified at our hearing that prior to the Community Options Program, elderly and disabled people had few choices. Unless they were wealthy enough and had a sufficient natural support system to remain in their home, they had no alternative but to enter a nursing home.

McGlaughlin noted that these people were torn from familiar places and familiar people, an lost the continuity of their lives. While some eventually adjusted to leaving their homes and communities, others never did.

And some he saw simply willed their own death because they saw no reason to continue living.

In contrast to the grim lack of choice for the elderly and disabled, McGlaughlin recalled thinking that when he went to the grocery store, there was an incredible choice available to consumers, even an entire aisle for various types of pet food.

It seemed a sad reality to McGlaughlin that society has been doing a much better job at providing meal diversity to cats and dogs than they were doing at offering choices to humans facing frailty.

Madam President, I can and have made arguments on this floor about the need for long-term care as a part of health care reform as a way to control costs, as a way to ensure that our acute care reforms can work, and as a guarantee that we can realize the goal of a reduced Federal budget deficit. And I believe all of that is the case.

But, Madam President, to me the most persuasive argument for long-term care reform is a human one.

We must provide our seniors and others with mental and physical disabilities with real choice. They are entitled to the opportunity to continue to live and contribute in the homes and communities they have helped build and sustain.

Madam President, to conclude, I am very glad to have the opportunity to join with other Senators in trying to show the faces of health care and, in particular, that many of those faces are ones who need long-term care.

I yield the floor.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that I be recognized to speak in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from California is recognized to speak for up to 20 minutes.

Mrs. FEINSTEIN. Thank you very much, Mr. President. I would like to speak this morning on two subjects. The first involves a piece of legislation I would like to introduce and the second an update on legislation which the Senate passed and is now before the House.

(The remarks of Mrs. FEINSTEIN, Ms. MOSELEY-BRAUN, and Mr. SIMON pertaining to the introduction of S. 1864 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

A PERIODIC UPDATE ON MILITARY-STYLE ASSAULT WEAPONS

Mrs. FEINSTEIN. Mr. President, last November the U.S. Senate considered and passed legislation to ban the sale, possession, and future manufacture of 19 semiautomatic assault weapons and their copycat versions. In addition, the legislation would ban ammunition devices that hold more than 10 rounds and specifically protect more than 670 guns used only for hunting and recreational purposes.

It made me proud to serve in the U.S. Senate when this body approved the amendment by a vote of 56 to 43. We did the right thing.

However, the House has not yet acted on the crime bill or on legislation to ban military-style assault weapons from the streets of America.

Beginning today, I would like to take the opportunity to periodically update the Senate on crimes that are being perpetrated on the streets of America with the very weapons that the Senate's legislation aims to stop. Some people feel that semiautomatic assault weapons are not really responsible for much crime in America. In fact, that picture is changing. So just as others comment regularly on issues of their concern, I am going to comment regularly on crimes taking place that are perpetrated with semiautomatic assault weapons, and on the people bearing those weapons of war.

The Atlanta Constitution found in a 1989 study that, although assault weapons make up only 2 to 3 percent of all guns owned by Americans, they show up in 30 percent of all firearms traced to organized crime, gun trafficking, and terrorism.

More recent statistics show that the number of assault weapons traced to all kinds of gun crime is also disproportionately large.

According to the Bureau of Alcohol, Tobacco and Firearms:

Of the 55,665 crime guns traced by ATF in 1993, 5,397—roughly 10 percent—were assault weapons.

The most popular: the AK-47, the Intratec TEC-9, the Colt AR-15, and the MAC SM10, SM11, and M11.

As uncommitted House Members continue to ponder this issue, the staccato of assault weapon gunfire continues to be heard across America—shattering bodies and families from California to New Hampshire by way of Texas, Louisiana, Minnesota, Georgia, and New York.

Mr. President, let me describe just a few incidents from just the last 4 months, and ask unanimous consent that a table of these and other incidents be printed in the RECORD immediately following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1).

On October 25 in Indianapolis, IN, a 16-year-old girl was killed, and a 7-year-old boy was shot in his apartment, after more than 50 rounds of AK-47 gunfire ripped through a housing project in a retaliatory gang shooting.

On October 30 in El Cajon, CA, a child-hating sniper used a Colt AR-15 to kill a woman, a 9-year-old child, and wound five others in a parking lot;

On November 1 in Newbury, NH, a man with a grudge and a replica of a Tommy gun murdered two people and wounded a third in an attack on a tax collector's office.

That same day in Houston, TX, a teenage boy was slain by an AK-47 at a Halloween party by rival gang members.

On November 23 in New Orleans, a jealous husband used an AK-47 and a MAC-11 to kill four: twin 4-month-old girls sleeping in their cribs, if you can believe it, their 8-year-old sister, and their mother. He also wounded their 10-year-old brother before committing suicide.

On December 17 in Hugo, OK, a grievance killer with a MAK-90 assault rifle, purchased in a pawn shop, opened fire on holiday shoppers in a Wal-Mart parking lot, killing two and wounding three others. And it goes on.

On December 30 in Dekalb County, GA, a grandmother was shot twice in the abdomen by her 13-year-old step-granddaughter wielding a MAC-11, hidden by the girl under her grandmother's bed for that purpose.

On January 17 in St. Paul, MN, a 17-year-old used an AK-47 to shoot and kill another teenager in a dispute over a stolen stereo.

I hope that it is not lost that the military style assault weapon is becoming the gun of choice for children.

On January 29 in Buffalo, NY, a 16-year-old and his 14-year-old accomplice carjacked a vehicle, persuading the driver to hand over the keys with an AK-47.

On January 31 in Seattle, WA, a teacher was shot in the back and killed by a former student armed with an AR-15 on school grounds.

On February 7, just a few weeks ago, in Minneapolis, MN, a fugitive from a Detroit murder investigation was apprehended with a small arsenal of assault weapons, including a Colt AR-15.

Just last week, on February 14 in the community of Rancho Palos Verdes, a masked gunman wearing a bullet proof vest burst unannounced into a hotel meeting room where a police management seminar was taking place.

Before being subdued by other policemen, the gunman fired several times with a semiautomatic handgun. This was just a semiautomatic handgun. He killed two police officers—Captain Michael Tracy, 50, and Sergeant Vernon Thomas Vanderpool, 57. But then what did the police find?

Police recovered an Uzi carbine assault rifle from the gunman's car—and found a Colt AR-15 assault rifle that had been illegally converted to fully automatic mode in the gunman's home. Imagine the mass destruction that would have occurred had the gunman used either of these assault weapons in that small conference room.

And just 2 days ago, in an early morning ambush, assault weapons took yet another life.

This time it was a 45-year-old mother of two.

She was the oldest rookie in her class at the Los Angeles Police Academy. Her father was a retired detective. And recently, Christy Lynn Hamilton's classmates in the Los Angeles Police Academy voted her the most inspirational new officer in one of the largest police departments of this Nation—an honor named after the only policewoman, up to then, to have died in the line of duty. Tragically, on Tuesday, 4 days after graduating from the police academy, Hamilton became the second woman in LAPD history to give her life on the job.

She was shot and killed Tuesday morning with a semiautomatic military-style assault weapon when she was one of the first officers to respond to a call from a woman in Northridge—just where the earthquake took place—who reported that a family member had a gun.

The 17-year-old gunman—again, 17-year-old—had already killed his father, who had simply asked him to turn down his stereo. Armed with a Colt AR-15 semiautomatic assault rifle, he ambushed the police officers when they arrived at his home and opened fire at 1:20 in the morning.

Officer Hamilton had come prepared and well trained. She wore a bulletproof vest. She crouched behind her police car's door, as she had been trained to do. The bullet that killed her, however, tore through the car door, passed through her arm, skirted the armhole of her vest, and lodged in her chest. She was pronounced dead at Northridge Hospital an hour later.

This is a clear example of how police all across this Nation are simply being outgunned by grievance killers, drive-by shooters, and assassins.

Let me briefly describe the Colt AR-15 that killed officer Christy Hamilton. It is a semiautomatic copy of the M-16, which has served as the standard rifle of the U.S. Armed Forces and many other countries' armies around the world. Several million automatic, and several hundred thousand semiautomatic, copies of this gun have been produced over the last 30 years. At least one version has a collapsible stock that facilitates concealability.

Now I ask you, should this weapon, the civilian model of a military gun designed and used to kill large numbers of people in close combat, be available legally over the counter, as it is in many States across the Nation? I believe that the answer is clearly "No," and that it is time to stop the flow of these weapons to the streets of America once and for all.

I know that every Member of this Senate extends their deepest sympathy to the family, friends, and coworkers of Christy Hamilton. It is true, the most dangerous job in the world today is being a police officer in a major city. In fact, the Los Angeles metropolitan area has lost eight police officers in just the last year, alone—all killed in the line of duty.

Officer Hamilton's murder, and the dozen other recent assault weapon incidents that I described earlier, make one thing very clear.

Nobody should say that semiautomatic assault weapons are not killing people. Nobody should say that these guns are not increasingly being used by young people throughout this Nation. And nobody should say that these guns do not figure in crime in America, because they do.

Mr. President, I am hopeful that—like the Senate—the House of Representatives will pass legislation to stop the future manufacture of assault weapons. The President has said that he fully supports such a measure and will sign one. I believe that Congress owes it to Officer Christy Hamilton, every other victim of an assault weapon, and to the American public who overwhelmingly support such a bill, to give the President that opportunity.

I thank you, Mr. President, and I yield the floor.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ASSAULT WEAPON INCIDENTS

[Partial Listing]

Date	Location	Gun(s)	Incident
Oct. 25, 1993	Indianapolis, IN	AK–47	Retaliatory gang shooting 50-shot fusillade kills teen and wounds 7 year-old watching TV at home.
Oct. 26, 1993	Waterbury, CT	TEC–9	Botched drive-by shooting leads to 10 mile high-speed police chase.
Oct. 30, 1993	El Cajon, CA	AR–15	"Child-hating" sniper kills woman and 9 year-old child in parking lot; wounds 5 others.
Nov. 1, 1993	Newbury, NH	1927A–1	Grievance killer slays 2 and wounds a third in attack on tax collector's office with "Tommy" gun replica.
Nov. 1, 1993	Houston, TX	AK–47	Teenage boy killed at Halloween party by rival gang members.
Nov. 23, 1993	New Orleans, LA	AK–47, MAC–11	Jealous husband kills 4 month-old twin girls in crib, 8 year-old sister, and their mother before wounding children's 10 year-old brother in the head and committing suicide.
Dec. 17, 1993	Hugo, OK	MAK–90	Two killed and 3 wounded in Wal-Mart parking lot attack with AK–47 rifle variation.
Dec. 30, 1993	Dekalb County, GA	MAC–11	A 13 year-old girl intentionally wounds her step-grandmother with two shots to the abdomen.
Jan. 23, 1994	St. Paul, MN	AK–47	17 year-old kills another teen in dispute over stolen stereo.
Jan. 29, 1994	Buffalo, NY	AK–47	A 16 year-old and his 14 year-old accomplice commit carjacking.
Jan. 31, 1994	Seattle, WA	AR–15	Teacher killed in early morning ambush on middle school grounds.
Feb. 7, 1994	Minneapolis, MN	AR–15	Fugitive from Detroit murder investigation apprehended with small arsenal.
Feb. 14, 1994	Torrance, CA	Uzi, AR–15	Car and home of masked killer of 2 police officers at motivational seminar yield, respectively, Uzi carbine and AR–15 illegally modified to fire as fully-automatic machine gun.
Feb. 22, 1994	Los Angeles, CA	AR–15	Drug-abusing 17 year-old kills LAPD rookie in 4th day on job, and his father, with gun from father's collection; fatal bullet passed through police car door and part of officer's "bullet-proof" vest; officers from three cars pinned down by hail of bullets.

REFORM OF THE SOCIAL SECURITY DISABILITY PROGRAM

Mr. COHEN. Mr. President, yesterday, I, along with Senators DOLE, KASSEBAUM, DOMENICI, THURMOND, KOHL, LUGAR, CHAFEE, WARNER, GRASSLEY, STEVENS, and BENNETT, introduced legislation to stop the flow of millions of Federal dollars into the hands of illegal drug users, many of whom are simply using the money to turn around and buy either more drugs or alcohol.

It is our intent to reform the Supplemental Security Income and Social Security Disability Program so as to encourage the actual treatment of those who are addicted to either alcohol or drugs, to get tough on those who manipulate the system, and to send a very strong message that the Federal Government no longer is going to be handing out checks to drug dealers, addicts, and others who are not seriously dedicated to helping themselves through the path of rehabilitation.

To explain the dimensions of the problem, currently, under Supplemental Security Income—or SSI—and our Social Security disability systems, there are roughly 250,000 known addicts and alcoholics. Of those 250,000, only 78,000 are required to seek treatment for rehabilitation from their particular addiction.

Of those 78,000, only approximately 9 percent are known by the Social Security Administration to be receiving treatment. So, in essence, out of the 250,000, only about 3 percent are known to be seeking treatment for their particular addiction.

The word on the street is that the Social Security disability programs are an easy source of cash for drugs and alcohol and that once the Government checks start to flow, the Government rarely, if ever, checks up to see if the addict is going to treatment or to be sure that the benefits are not being used to buy more drugs. This, in essence, means that out of the $1.4 billion in benefits going to addicts and alcoholics, $1.1 billion is being paid without any supervision or monitoring on the part of the Federal Government.

What is clear is that tax dollars are being used to support illegal drug habits. I will give you one example.

Earlier this month, a drug bust took place in Williamsport, PA. It netted at least 28 packets of cocaine with a cutting agent for mixing cocaine, along with direct deposit receipts from Social Security disability checks. According to the local district attorney, two of the three suspects allegedly had been receiving Social Security benefits for their drug addictions but were not in any treatment program.

We also found, after a year-long investigation, conducted by the minority staff of the Senate Aging Committee, that in some cases, over $20,000 is being paid in lump-sum benefits to drug addicts and alcoholics. Many of these recipients are taking that $20,000 check and spending the money on drugs and alcohol, resulting in very dangerous consequences, including even death, to the claimants. Even when the benefits are paid to a third party, the money often finds its way back into the hands of the addicts or into a local bar or drug house.

I will give you another rather outrageous example, Mr. President. A liquor store owner in Denver was selected by the Social Security Administration to serve as a "responsible representative payee" for 40 alcoholics. He received $160,000 a year from the Government to, in essence, run a tab for them. Under the Social Security Supplemental Income Program, those individuals who are addicted are required, number one, to seek treatment, and they are also required to have a representative payee. In this particular case, and quite a few others, the representative payees are either drug addicts themselves, or bartenders who are running tabs of $160,000 a year.

Something is wrong with the system because the message is, right now: Show us that you are a hardcore drug addict and the Government is going to pay you, and as long as you continue to either shoot up or drink up, the money is going to keep coming. Then, even if you tell us you are breaking the law to get your drugs, we are going to pay you. And finally, once we start the checks, they will probably never stop coming.

One of the other most graphic cases of abuse that I can point to is that some of the addicts are, in fact, engaged in the sale of drugs in order to continue to feed their habit. For example, as I indicated when I offered an amendment to the emergency supplemental appropriations bill just about 10 days ago, the ninth circuit recently ruled that a drug dealer was entitled to receive SSI benefits because his drug dealing was not "substantial gainful activity." Under current SSA rules, an applicant is not eligible for benefits if he or she engages in substantial gainful activity.

The Ninth Circuit Court of Appeals found the drug dealer eligible for benefits—which could have amounted to a $19,500 lump sum payment plus monthly benefits.

The court reasoned that because he really only worked at dealing drugs for about 20 minutes a day, he was not engaged in substantial gainful activity. In other words, because it took only 20 minutes and he was not initiating the deals, but they were coming in to him, no heavy lifting was involved. Therefore, that individual was allowed to continue to receive disability insurance payments for his addiction at a time when he admittedly was engaged in the sale of illegal drugs. Something is wrong with this system.

Far from proposing reform, which is considered to be heartless, what we want to do is reform the system to help those who are in fact addicted, get the treatment they need and deserve and stop feeding a system whereby the money is simply going into a bottle or into a needle.

Psychiatrists and drug abuse counselors have told us that the laxity in the current system violates the basic rules of drug and alcohol treatment:

Never give cash to an addict. It is like giving him or her a key to the medicine cabinet.

Let me point to a chart, Mr. President. This chart shows the dramatic increase in those who are now going on to the rolls for addiction. From 1989 to 1990, we saw 22,634 new addicts added to the rolls, another 29,429 in 1990, another 38,686 in 1991, and another 58,045 in 1992. We have seen a 150 percent increase in the number of addicts going on the rolls just in the last 4 years, and yet most are not receiving the treatment that is required.

What we seek to do in this legislation is to stop the cash from flowing into the pockets of drug dealers and into the veins of drug addicts. Specifically, the bill would do the following. It would require that any individual who received disability benefits must undergo appropriate treatment for substance abuse if it is available. It sets up a strict disability review process for those whose disability is based on substance abuse. It requires representative payees for substance abuse recipients to be Government agencies or other nonprofit agencies or facilities that will not be subject to coercion or manipulation by the substance abusers. It requires that lump sum benefits payable to abusers on SSI or SSDI be paid to a representative payee—again, a Government or nonprofit agency. It requires the establishment of an agency to monitor treatment in each State, and it requires that any proceeds derived from criminal activity to support substance abuse shall be considered to be substantial gainful activity.

Mr. President, the amendment that I offered 10 days ago to the emergency supplemental was accepted by unanimous vote. It was dropped in the House-Senate conference. Apparently, the House conferees wanted the opportunity to take up legislation of their own in a more comprehensive fashion. In the meantime, millions of dollars continue to flow to drug abusers and alcoholics who are not getting treatment. We would put a stop to that.

It toughens penalties for fraudulent statements or misrepresentations made by applicants or recipients to obtain SSI or disability insurance benefits and by others who assist in such fraudulent activities. The Secretary of Health and Human Services is also given authority to exclude from all HHS programs anyone who defrauds the disability system.

Mr. President, far from abandoning substance abusers, this proposal stresses treatment and rehabilitation, and it closes the loopholes in the system that now invite abuse. Right now, the program is failing both taxpayers and substance abusers. We need to protect both.

Mr. President, I cannot urge my colleagues enough to focus on this problem. It seems to me that we are absolutely doing a disservice to the people who are addicted and to the taxpayers who are helping to support them. This legislation would apply to SSDI as well as SSI disability programs because, Mr. President, we are told the disability insurance fund will run dry next year. It will then have to turn to the Social Security Retirement Trust Fund to be replenished. If we are going to do that, we have to assure the American taxpayers that their money is being spent for the purpose for which it is intended—rehabilitation and treatment—and not more booze and not more drugs.

I thank the Chair and request unanimous consent that the text of the bill be included at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Disability and Rehabilitation Act of 1994".

SEC. 2. REFORM OF MONTHLY INSURANCE BENEFITS BASED ON DISABILITY INVOLVING SUBSTANCE ABUSE.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—

(1) IN GENERAL.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended by adding at the end the following new subsection:

"Limitation on Payment of Benefits by Reason of Substance Abuse

"(j)(1)(A) Notwithstanding any other provision of this title, no individual whose disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic shall be entitled to benefits under this title based on such disability with respect to any month, unless such individual—

"(i) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(ii) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under subparagraph (B).

"(B) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in subparagraph (A), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this paragraph.

"(C) The representative payee and the referral and monitoring agency for any individual described in subparagraph (A) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in subparagraph (A) and with the requirements imposed by the Secretary under subparagraph (B).

"(D)(i) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in subparagraph (A), or with the requirements imposed by the Secretary under subparagraph (B), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(ii) Any period of suspension under clause (i) shall be taken into account in determining any 24-month period described in subparagraph (E) and shall not be taken into account in determining the 36-month period described in such subparagraph.

"(E)(i) Except as provided in clause (ii), no individual described in subparagraph (A) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such subparagraph.

"(ii) If at the end of the 24-month period described in clause (i), the individual furnishes evidence in accordance with subsection (d)(5) that the individual continues to be under a disability based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, such individual shall continue to be entitled to benefits under this title based on such disability.

"(iii) Subject to clause (iv), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under clause (ii), clauses (i) and (ii) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(iv) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with subsection (d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(2)(A) Any benefits under this title payable to any individual referred to in paragraph (1), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 205(j).

"(B) For purposes of subparagraph (A) and section 205(j)(4), the term 'qualified organization'—

"(i) shall have the meaning given such term by section 205(j)(4)(B), and

"(ii) shall mean an agency or instrumentality of a State or a political subdivision of a State.

"(3) Monthly insurance benefits under this title which would be payable to any individual (other than the disabled individual to whom benefits are not payable by reason of this subsection) on the basis of the wages and self-employment income of such a disabled individual but for the provisions of paragraph (1), shall be payable as though such disabled individual were receiving such benefits which are not payable under this subsection."

(2) CONFORMING AMENDMENTS.—

(A) Section 205(j)(1) of such Act (42 U.S.C. 405(j)(1)) is amended by inserting ", or in the case of any individual referred to in section 223(j)(1)(A)" after "thereby".

(B) Section 205(j)(2)(D)(ii)(II) of such Act (42 U.S.C. 405(j)(2)(D)(ii)(II)) is amended by striking "legally incompetent or under the age of 15" and inserting "legally incompetent, under the age of 15, or a drug addict or alcoholic referred to in section 223(j)(1)(A)".

(b) SUPPLEMENTAL SECURITY INCOME.—Paragraph (3) of section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended to read as follows:

"(3)(A)(i) No person who is an aged, blind, or disabled individual solely by reason of disability (as determined under section 1614(a)(3)) shall be an eligible individual or eligible spouse for purposes of this title with respect to any month if such individual's disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, unless such individual—

"(I) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(II) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under clause (ii).

"(ii) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in clause (i), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this subparagraph.

"(iii) The representative payee and the referral and monitoring agency for any individual described in clause (i) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in clause (i) and with the requirements imposed by the Secretary under clause (ii).

"(iv)(I) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in clause (i), or with the requirements imposed by the Secretary under clause (ii), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(II) Any period of suspension under subclause (I) shall be taken into account in determining any 24-month period described in clause (v) and shall not be taken into account in determining the 36-month period described in such clause.

"(v)(I) Except as provided in subclause (II), no individual described in clause (i) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such clause.

"(II) If at the end of the 24-month period described in subclause (I), the individual furnishes evidence in accordance with section 223(d)(5) that the individual continues to be under a disability based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, such individual shall be entitled to benefits under this title based on such disability.

"(III) Subject to subclause (IV), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under subclause (II), subclauses (I) and (II) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(IV) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with section 223(d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(B)(i) Any benefits under this title payable to any individual referred to in subparagraph (A), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 1631(a)(2)(A)(ii).

"(ii) For purposes of clause (i) and section 1631(a)(2)(D), the term 'qualified organization'—

"(I) shall have the meaning given such term by section 1631(a)(2)(D)(ii), and

"(II) shall mean an agency or instrumentality of a State or a political subdivision of a State."

(c) EFFECTIVE DATES; AUTHORIZATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to benefits payable for determinations of disability made 90 or more days after the date of the enactment of this Act.

(2) CURRENT DETERMINATIONS.—

(A) IN GENERAL.—With respect to any individual described in subparagraph (B), the Secretary of Health and Human Services shall provide during the 3-year period beginning after the date of the enactment of this Act for the application of the amendments made by this section to such individual with the time periods described in such amendments to begin upon such application.

(B) INDIVIDUAL DESCRIBED.—An individual is described in this subparagraph if such individual is entitled to benefits under title II or XVI of the Social Security Act based on a disability determined before the date described in paragraph (1) to be based in whole or in part on a medical determination that the individual is a drug addict or alcoholic.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of the provisions of, and the amendments made by, this section.

SEC. 3. PRIORITY OF TREATMENT.

The Secretary of Health and Human Services, through the Administrator of the Substance Abuse and Mental Health Services Administration, shall assure that every individual receiving disability benefits under title II or XVI of the Social Security Act based in whole or in part on a medical determination that the individual is a drug addict or alcoholic be given high priority for treatment through entities supported by the various States through any substance abuse block grant authorized under law.

SEC. 4. ESTABLISHMENT OF REFERRAL MONITORING AGENCIES REQUIRED IN ALL STATES.

The Secretary of Health and Human Services shall, within 1 year of the date of the enactment of this Act, provide for the establishment of referral and monitoring agencies for each State for the purpose of carrying out the treatment requirements under sections 223(j)(1) and 1611(e)(3)(A) of the Social Security Act (42 U.S.C. 423(j)(1) and 1382(e)(3)(A)).

SEC. 5. PROCEEDS FROM CERTAIN CRIMINAL ACTIVITIES CONSTITUTE SUBSTANTIAL GAINFUL EMPLOYMENT.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—Section 223(d)(4) of the Social Security Act (42 U.S.C. 423(d)(4)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(b) SUPPLEMENTAL SECURITY INCOME.—Section 1614(a)(3)(D) of the Social Security Act (42 U.S.C. 1382(a)(3)(D)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disability determinations conducted on or after the date of the enactment of this Act.

SEC. 6. CONSISTENT PENALTY PROVISIONS FOR SSDI AND SSI PROGRAMS.

(a) FELONY PENALTIES FOR FRAUD.—

(1) IN GENERAL.—Subsection (a) of section 1631 of the Social Security Act (42 U.S.C. 1383a) is amended by striking "shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both" and inserting "shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both".

(2) REPRESENTATIVE PAYEES.—

(A) SSDI.—Subsections (b) and (c) of section 208 of such Act (42 U.S.C. 408) are amended to read as follows:

"(b)(1) Any person or other entity who is convicted of a violation of any of the provisions of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 205(j) on behalf of another individual (other than such person's spouse or an entity described in section 223(j)(2)(B)(ii)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

"(2) In any case in which the court determines that a violation described in paragraph (1) includes a willful misuse of funds by such person or entity, the court may also require that full or partial restitution of such funds be made to the individual for whom such person or entity was the certified payee.

"(3) Any person or entity convicted of a felony under this section or under section 1632(b) may not be certified as a payee under section 205(j).

"(c) For the purpose of subsection (a)(7), the terms 'social security number' and 'social security account number' mean such numbers as are assigned by the Secretary under section 205(c)(2) whether or not, in actual use, such numbers are called social security numbers."

(B) SSI.—Subsection (b)(1) of section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "(other than such person's spouse)" and all that follows through the period and inserting "(other than such person's spouse or an entity described in section 1611(e)(3)(B)(ii)(II)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both."

(b) Civil Administrative Penalties.—

(1) SSDI.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended by adding at the end the following new subsections:

"(e) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(f) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles V, XVI, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(2) SSI.—

(A) In general.—Section 1632 of such Act (42 U.S.C. 1383a) is amended by adding at the end the following new subsections:

"(c) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(d) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles II, V, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(B) Conforming amendment.—The heading for section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "FOR FRAUD".

(c) Effective Date.—The amendments made by this section shall be effective on or after the date of the enactment of this Act.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TOBACCO AND CHILDREN

Mr. HARKIN. Mr. President, this morning the Surgeon General issued the 23d Surgeon General's Report on Smoking and Health, but the first, as far as I can recall, looking specifically on tobacco and children. The Surgeon General's report highlights the shocking extent to which our youngsters are now exposed to and use tobacco. As this report pointed out, fully one-third of all American youngsters now smoke or use smokeless tobacco.

Mr. President, I rise today to speak about this and about America's tobacco in our children and how we parents and grandparents are unwittingly subsidizing their addiction to this often lethal product.

There is, I believe, a great consensus in our Nation that smoking is bad for our kids and bad for our future, and yet we keep subsidizing the problem to a considerable degree.

The Surgeon General pointed out in her report this morning—and I will quote from some parts of it—"There has been a continuing shift from advertising to promotion largely because of banning cigarette ads from broadcast media." Clearly, the Surgeon General's report goes on to say, "young people are being indoctrinated to tobacco promotion at a susceptible time in their lives."

The Surgeon General's report continues:

> Current research suggests that pervasive tobacco promotion has two major effects. It creates the perception that more people smoke than actually do, and it provides a conduit between actual self-image and ideal self-image. In other words, smoking is made to look cool. Whether casual or not, these effects foster the uptake of smoking, initiating for many a dismal and relentless chain of effects.

Mr. President, nearly 2 years ago I began an effort on the floor of the Senate to lower the tax deductibility of tobacco advertising. Since that time, the problem has only gotten worse, and the American taxpayer is still coughing up about $1 billion a year as a silent partner in subsidies to promote smoking.

My legislation, which is cosponsored by Senators BRADLEY and BINGAMAN, will cut in half the taxpayer subsidy of tobacco promotion and will use 40 percent of the resulting revenues to finance a program of counteradvertising aimed at lowering the incidence of smoking especially among children. This measure would raise about $1.9 billion over the next 5 years, and of that amount, $764 million would go into counteradvertising to reach young people about the effects of smoking.

The need for this legislation has been made even clear by the Surgeon General's report this morning. Since we offered our amendment last fall, the tobacco companies and their slick promoters have come up with a new gimmick that is sure to entice more of our children to smoke.

They have started what I have called the merchandise clubs in which you get cash to buy all sorts of gifts simply by buying cigarettes.

Let me show you what your tax dollars are paying for in this advertising. First of all, Mr. President, we have to say hello again to our old friend, Joe Camel. Joe Camel, of course, is very cool. And now what Joe Camel has is these clubs, and he has C notes. And if you smoke a certain number of cigarettes, you get C notes. And when you get the C notes, of course, then you can trade them in for gifts.

Mr. President, if you do not happen to recognize Joe Camel, I can assure you are in a distinct minority. If you do not recognize Joe Camel, ask your kids because your kids recognize Joe Camel.

In a recent study published in the Journal of the American Medical Association, more 6-year-old kids can identify old Joe Camel than adults. In fact, just as many kids can recognize old Joe Camel as they can Mickey Mouse. And his name recognition has really paid off. In the 3 years since the introduction of old Joe, sales of Camel cigarettes to children under 18 went from $6 million to $476 million per year. So the kids know old Joe. He is around.

Well, now he has the Camel cash catalog. Here is his brochure. Here is the latest one right here. It is the official Camel Cash Catalog, volume 4. I got this one out of Rolling Stone magazine, of course, which is targeted to young people. What old Joe Camel says is this. You smoke cigarettes, you get C notes, and you get two C notes on each pack of new Special Lights, and with these C notes of course you can buy all kinds of gifts—keyrings, wristwatches, sweatshirts, beach bags and sunglasses. Well, you name it. You can buy all kinds of things with Joe Camel's C notes.

Let me just tell you what it means. See, if you are smooth enough as Joe Camel says, if you have 175 C notes, you can get a fish and game club camouflaged thermos for 175 C notes. That means you only have to smoke 3,500 Camel cigarettes and then you can get that. At around $1.90 a pack, that is $332.50 for the thermos. It looks like a GI Joe thermos. You can get a cigarette lighter. For a cigarette lighter you have to smoke 400 cigarettes.

For young women who have not been able to identify with old Joe Camel, we have a new character now. We have Josephine. It is not old Josephine. It is young Josephine. So when you look in the Camel ads, there is old Joe Camel and there is his female counterpart.

Mr. President, I thought this ad was particularly striking. It is a promotion for Camels. You have old Joe Camel in there, and you have Josephine. It is a great big place with a lot of young people in there socializing, shooting a little pool. They are talking. There is a band playing over here. This is a band playing, and young people are dancing. Just about everyone has a cigarette in their hand. All the men, and all the women have cigarettes in their hands. But there is no smoke in there. I find that fascinating; that you can have probably about 100 people in a nightclub all smoking cigarettes and there is absolutely no smoke. So maybe this is the answer to our ozone problem in America. If everyone smokes, they will clean up the air.

Well, this is the kind of advertising that Camels are doing with old Joe cigarettes, to get young people hooked. It is cool. You can socialize. You are part of the crowd if only you smoke old Joe Camel cigarettes. If that is not enough, you get the C notes, and here is volume 2. You can just buy all kinds of nice things with the C notes from Joe Camel cigarettes.

I do not mean to pick just on old Joe Camel. He has some partners in this. Let us look at the Marlboro Adventure Team. If you do not happen to like old Joe Camels, you can smoke Marlboros. They have an official gear catalog. You can be a part of the Marlboro Adventure Team . What they do is they have miles. You go so many miles. If you go the distance, they say, you get all of these things. You can turn them in. You can buy all kinds of gear from your Marlboro Adventure Team.

Then, again for women, if you do not like Marlboro, they have Virginia Slims. The Virginia Slims, they have a new clothing that you can wear. They call it a "* * * fashion collection with a street-wise attitude" from Virginia Slims. So for 225 of these certificates you get from smoking Virginia Slims, you can get a top-of-the-line leather backpack. Most kids have backpacks that they take to school. All you have to do is smoke 4,500 Virginia Slim cigarettes, send in your little seals that come on the package. That is about $427.50 for the cigarettes. Then you can get a nice leather backpack that you can take to school.

So this is the kind of advertising that is going on. This is exactly what the Surgeon General's report talks about on page 8. I will read from that. The Surgeon General says, "Since reports from adolescents who begin to smoke indicate they have lower self-esteem and lower self-image than their nonsmoking peers, smoking can become a self-enhancement mechanism. The positive functions that many young people attribute to smoking are the same functions advanced in most cigarette advertising."

That is what the Surgeon General's report says. Let me read that again. "The positive functions that many young people attribute to smoking are the same functions advanced in most cigarette advertising"—socializing, having fun, outdoor activities.

"Young people are a strategically important market for the tobacco industry," says the Surgeon General. "Since most smokers try their first cigarettes before age 18, young people are the chief source of new consumers for the tobacco industry which each year must replace the many consumers who quit smoking," and of course the many who die from smoking-related related diseases.

The Surgeon General's report goes on to say, "Cigarette advertising frequently use human models for human-like cartoon characters to display images of youthful activities; independence, helpfulness, and adventure seeking. In presenting attractive images of smokers, cigarette advertisements appear to stimulate some adolescents who have relatively low self-images to adopt smoking as a way to approve their own self-image."

Mr. President, these advertising campaigns are outrageous. They even violate the industry's own cigarette advertising code. The cigarette advertising code said, "well, we don't need to be regulated. We will adopt our own code." They adopted a code, and their own code says that, "Cigarette advertising shall not represent that cigarette smoking is essential to social prominence, distinction, success or sexual attraction."

Here it is right here, the tobacco industry's voluntary cigarette advertising code: "* * * shall not represent that cigarette smoking is essential to social prominence or sexual attraction."

"Cigarette advertising shall not depict as a smoker any person participating in, or obviously having just participated in, physical activity requiring stamina or athletic conditioning beyond that of normal recreation."

So what are we to make of the Marlboro Adventure Team? We are here today to say to the tobacco companies that it is time to call a halt to this. These ads make a great case for our amendment, and the Surgeon General's report I think really tops it off.

These campaigns of old Joe Camel are all part of over $10 million a day, $4 billion a year, that tobacco companies put into pushing their product. And you and I are helping to subsidize them because it is all tax deductible. At a time when the Government is spending $114 million a year to stop people from smoking, the American taxpayers are providing a $1 billion-a-year subsidy to promote smoking, especially among young people.

So today, along with the Surgeon General's report, we should call upon the cigarette companies to cease and desist with these promotions. We should pass this legislation to take away the tax deductibility of advertising for smoking. Every day that we fail to act another 3,000 of our children start smoking. Every day we fail to act 1,200 more people die of smoking-related illnesses. And every day we fail to act, over $200 million in decreased productivity is lost in our economy due to smoking.

So it is time to say goodbye to Joe Camel. It is time to get over the Marlboro Adventure Team. What we really need is some truth-in-advertising, Mr. President. These are the kind of ads that I would be running.

There was one run by the St. Louis Area Cancer Coalition sponsored by the American Lung Association. On the left you see a very attractive young female. On the right you see that same female with a lot of wrinkles, and aging marks.

The ad says, "I started smoking to look older. It worked." If we saw more ads like that in Rolling Stone Magazine and in the publications that go out, maybe we would send a clearer message to young people—that smoking is not necessary for social prominence, it certainly is not healthy, and this is what it is going to do to you.

I say the best way to get to that point is take away the tax deductibility for advertising for tobacco, and maybe we will not see Joe Tobacco around anymore. I think the Surgeon General in the 23d report has focused on this issue for the first time, on smoking and youth and what it means to young people to have these advertisements out there and how it hooks them on smoking. It is time to call a halt to it. It is time to make sure our young people get the facts.

The PRESIDING OFFICER (Mr. FORD). The Senator's time has expired.

EXTENSION OF MORNING BUSINESS

Mr. LEAHY. Mr. President, I ask unanimous consent that morning business be extended to 12:30 under the usual conditions and that I be recognized for not to exceed 13 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RUSSIAN AID

Mr. LEAHY. Mr. President, I want to speak about the former CIA agent who has been arrested as a spy here in the United States, charged with spying for Russia, and before that for the former Soviet Union. I want to speak about it in my capacity as the chairman of the subcommittee that has to deal with foreign aid and will have to present legislation to the United States Senate this year regarding foreign aid to Russia.

Having said that, Mr. President, I want my colleagues to know I am deeply disturbed by the exposure of such a senior CIA official, who turns out to have been—if the facts are right in the indictment—a long-time spy for the former Soviet Union and then for Russia. I used to be the vice chairman of the Intelligence Committee, and I know what a penetration of the CIA of this magnitude can mean. Enormous damage has been done. Millions of dollars will be spent to try to determine what the damage is and, even then, this country will never know with certitude the extent of the damage.

I think the administration, and I know the intelligence community, and certainly the oversight committees here in the Congress will take a thorough look to find out how badly our capabilities have been damaged. But for years to come, because of this spy case, whoever is in charge of our intelligence apparatus will have to live with the knowledge that they are not absolutely sure of what they are basing things on.

But at the same time, Mr. President, as terrible as the spy case is, I greatly regret the connection some people in this body are making between this spy case and the Clinton administration's policy of providing aid to Russia. Anyone who is surprised by the fact that espionage continues, even though the cold war is over, does not know much about what goes on among the major nations of the world. Spying is a fact of life in international relations. Rivals do it to us; friends do it to us; and we do it to them. It went on long before the cold war, and it will go on long after the cold war.

Some who stand up now and seem surprised about it make me think about the character in "Casablanca" played by Claude Raines, who comes into Rick's Cafe and says, "I am shocked to find out gambling is going on here," as he pockets his winnings from that night.

As to Russian aid, I ask Senators to keep in mind the real reasons why we decided last fall to provide a major aid package to Russia. First and foremost, we are trying to help Russia become a democracy. Why? Because we Americans believe democracy is the best form of government and because history shows that democracies do not fight each other. The aid we are giving Russia is not a gift; it is an investment in our own national security. If we can help the forces for democratic reform win out in the power struggle now underway in Russia, we will have done far more to protect our national security than buying several more aircraft carriers or 100 more B-2 bombers or hundreds more intercontinental missiles.

Supporting reform through aid to Russia is not different in purpose than the nuclear arms control negotiations several administrations, Republican and Democratic, carried on with the former Soviet Union. We wanted nuclear arms control agreements because it increased our security by reducing the threat to the United States. It was not done as a favor to the Soviets. And we kept on with those negotiations despite many ups and downs in United States-Soviet relations over the years. The reason we did so, despite confrontation and crisis, is because of a broad understanding that reducing Soviet nuclear weapons helped our national security.

Spies were discovered here in the United States, just as some of ours were discovered there during the negotiations, but they went on just the same. Afghanistan was invaded, and the negotiations went on just the same. Why? Because we knew it was in our best interest.

The same idea is at work here in the policy of Russian aid. The President, joined by a strong bipartisan consensus in Congress, adopted a policy of supporting the forces for democracy in Russia. That is a policy that has to be carried out for several years. We are not going to see success in a few months or a year. A revolution is being waged in Russia today, one fought in the political and economic areas rather than on the battlefield. We have chosen to help one side in that struggle—the side trying to build democracy.

We should not let the spy case go on without vigorous action to prevent a recurrence in the future. We should protest and try tc root out whoever is involved. We should send them out of this country, and we should arrest them if we can. But, Mr. President, there has been one major error made by everybody who has talked about the aid we are spending to Russia. Everybody talks about cutting off aid to the Russian Government.

Mr. President, one fact that has been missed by practically everybody who has talked about this, written about this, commented on this, is that no aid money goes to the Russian Government. Let me underline that: No aid money goes to the Russian Government. The vast bulk—over 75 percent of our Russian aid package—goes directly to the private sector. It never reaches the hands of Russian Government officials. It is aimed at building a private sector in the Russian economy and bringing thousands of young Russians to the United States in exchange programs or cleaning up the environment or feeding the old, poor, and vulnerable sectors of the population. It is aimed at training farmers, economists, bankers, business men and women, and the thousand and one other things necessary to overcome the 70 years of communism.

The remaining aid, less than 25 percent, is used to provide technical assistance in building effective, workable democratic institutions at the Russian federal governmental level. None of that aid goes directly to the Russian Government. It is provided primarily to U.S. companies and individuals with special expertise, who are contracted by the Agency for International Development.

So it is not a question of cutting off aid to the Russian Government. There is none to cut off. We can cut off some aid to the Russian people, and if we do, we stop helping the very things in Russia we want to win in this struggle: The democratic reformers and those who are trying to build a free-market economy.

I would rather see the United States in economic competition with a democratic Russia with a strong economy than to see us go back to the days of competition with a totalitarian government with enough nuclear power to destroy us and the rest of the world, even as we destroyed them. We are safer and the world is safer if we can help democracy really take hold in Russia.

So I urge my friends in the Senate to keep the national interests foremost and not to succumb to the temptation to make a partisan issue out of our policy on Russia. It is too important for our country to exploit for partisan advantages. I remind people: Do not act shocked that there are spies in the world. I am glad when we catch them. I hope if there are other Russian spies in this country—and I fully expect there are—we will catch them very soon. But let us not think that the national intelligence networks of our country, or any other country, suddenly folded up and went home when the cold war ended.

Finally, I know foreign aid is not popular with many Americans today. But I also know that the American people support the support of democracy and free market reform in Russia.

Our aid is not a gift to the Russian Government. It is an investment in our own national security. It is an investment in the security of the rest of the Democratic world. And we, as the leader of the Democratic world, have that responsibility.

Mr. President, I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, what is the pending business?

The PRESIDING OFFICER. We are in a period for morning business with Senators recognized therein for up to 10 minutes.

Mr. JOHNSTON. Mr. President, would it be in order to speak on the balanced budget amendment at this point?

The PRESIDING OFFICER. The Senator may speak on any issue he desires during morning business. He has 10 minutes in which to do so.

EXTENDING MORNING BUSINESS UNTIL 2 P.M. TODAY

Mr. FORD. Mr. President I ask unanimous consent that the time for morning business be extended until 2 p.m. today, under the same conditions and limitations.

The PRESIDING OFFICER (Mr. DORGAN). Is there objection?

The Chair hears none. It is so ordered.

THE BALANCED BUDGET AMENDMENT

Mr. JOHNSTON. Mr. President, I rise in support of a balanced budget but against the balanced budget amendment. The reason is that I believe this amendment, if passed, would have precisely the opposite effect of that for which it is intended. The amendment is not to go into effect, according to its terms, until 1999 at the soonest, and more probably somewhat later because it would take somewhat longer for the States to ratify the amendment.

In my judgment, if this amendment passed, the effect would be to postpone any real action on bringing the deficit down, pending the ratification of the amendment. In effect, Senators and Congressmen who voted for the amendment would be able to beat their breasts and say, "I voted for the balanced budget amendment," and therefore they would not need to do anything about the tough work of reducing the deficit.

Mr. President, to adopt this amendment is to take the general over the specific, the marginal steps toward budget reduction over real steps, to take an exhortation over a command. By that I mean, Mr. President, we have in place at the present time under the Gramm-Rudman-Hollings bill the machinery which is calculated to balance the budget. All Congress needs to do is set those limits for spending on a glide path that leads to a balanced budget.

Mr. President, that Gramm-Rudman-Hollings machinery is very specific. It is enforced by a whole series of points of order. Its definitions are very specific and very exacting. And, as my colleagues know, it constitutes a legislative straitjacket on spending.

Now, to be sure, the Gramm-Rudman-Hollings bill has not brought us to a balanced budget. And that is not because of the machinery of the Gramm-Rudman-Hollings bill. That is because of a number of things:

First of all, because of the failure of the will of the Congress to set the limits.

Second, because of the inability to estimate what the economy is going to do. It is one thing to estimate that the rate of growth next year is going to be 3 percent. It is another thing for the economy actually to grow at that rate.

It has also been caused, Mr. President, by various accounting gimmicks which have been used in the past. But the gate has been closed for those kinds of accounting gimmicks.

So, Mr. President, if this Congress is serious about balancing the budget, if it is serious indeed about reducing the deficit, then what we ought to do is put in place a series of step reductions leading to a balanced budget at some specific time in the future, beginning with fiscal year 1995.

Mr. President, the silence is deafening about the proponents of this amendment proposing anything for fiscal year 1995. Do they propose that we spend less in 1995 than the President's guidelines, than the President's limits? The answer is a deafening "No." They do not propose any action for this year.

Any real action is to be put off, I submit to you, to sometime in the next century. Let things rock along in the meantime. If angry constituents write and say that you have done nothing to balance the budget, then all you have to do, Mr. President, is point to the fact that you have the balanced budget amendment.

Mr. President, I hear from many of my colleagues that the American people want the balanced budget amendment. Indeed, I have seen polls, I have seen polls in my own State, that say people want the balanced budget amendment.

But then you ask people, as I have in polling at home, do they want cuts in Social Security? Overwhelmingly they say, "No cuts in Social Security." You ask, do they want cuts in Medicare or Medicaid, and the answer overwhelmingly is "no." And if you put taxes on the list, the answer is always a resounding "no" on new taxes. If you want to cut retirement programs, the answer is "no." If you want to cut defense, the answer is "no."

What the American people, or at least those who say they want a balanced budget, want is a painless balanced budget; that is, a budget that is balanced by eliminating fraud, waste, and abuse.

Mr. President, those who would mislead themselves in believing that a balanced budget, and particularly the steps that would lead to a balanced budget, is sought by the American people are only kidding themselves. I think the buzzards would come home to roost if this matter was really passed and the court really began to order these cuts that it would take to have the balanced budget. I think there would be the biggest turnover in Congress you have ever seen.

What we really need is for the American public to be involved in this business of balancing the budget and to understand what it really takes, and to be involved with it in making the tough decisions to balance that budget. I, for one, am willing to do that, but it is going to take some cuts and some taxes. And not just some little taxes. It is going to take some big taxes in order to get this budget balanced.

Mr. President, we are caught on the horns of a dilemma. On the one hand, if this matter is really binding, if the court is really going to order that the budget be balanced, then it is the worst of all possible worlds. If it can be avoided, it is also a very bad situation because it would lead to disrespect for the Constitution, it would render nugatory a provision of the Constitution, and it is hard to say whether it would be altogether avoided.

I believe when push came to shove, and when all of a sudden, in the year 2000, if that is the year of its taking effect, suddenly we had to cut $200 billion from the deficit, I believe the Congress would summon up the 60 votes that it would take to do so. But you will notice that this amendment is skewed in favor of taxes. The reason I say it is skewed in favor of taxes is it takes 51 votes to increase taxes, but it takes 60 votes in order to spend more than you take in. So where is the natural majority going to come? It is going to come in favor of taxes.

Those who have a dream that by passing this amendment, you are somehow going to eliminate fraud, waste, and abuse, all of those easy cuts that nobody cares about—they do not involve Social Security, they do not involve somebody's medical provisions—they can forget that. They better get ready for a big tax increase, because you can increase taxes under this amendment by 51 votes whereas it takes a full 60 votes to spend more than you take in.

If we got to the situation where the court was going to order a cut, how would the court determine what cuts to order? I contend that the court would order taxes and cutting in retirement programs—spell that Social Security—and let me explain why I believe that is so.

It takes an enormous amount of bureaucracy to understand exactly how the Federal Government works, how it spends money, and how you would budget money. Let us say, for example, that you would want to cut the Corps of Engineers—which happens to be one of the agencies that is under my appropriations subcommittee. If you wanted to cut the Corps of Engineers, the court could not simply say to order a 6 percent cut in the Corps of Engineers, because all functions cannot be cut by the same amount. For example, contractual obligations have to be paid 100 percent. Property purchases, if you are going to purchase property to build a levy, for example—which the Corps of Engineers must do—must be paid 100 percent. You do not go out and make an offer for a piece of property or condemn a piece of property and pay only 90 percent; you have to pay 100 percent.

So then the question would come, how would the court know how to cut the Corps of Engineers? And the answer is, they would not, because they would not know what could be cut and what could not be cut.

They could cut employee salaries, perhaps. Could they close the division?

Or would they close a district? Or would they simply cut employees across the board—those needed and those not needed?

Or would they discontinue whole projects? Would they, for example, say the Corps of Engineers has 10 projects and we are just going to stop garrison diversion, for example? They could pick that out if they knew about garrison diversion. How would they know about garrison diversion? Or the Red River project? Or flooding on the Mississippi River? The answer is, they would not know and they would not have the machinery to find out. All they would have is a lawyer who would come up and argue a case on a legal principle, but they do not have the machinery to tell them how to cut. So what are they going to do? I can tell you what they would do, in my view. It is very clear.

They know about transfer payments. You do not have to be an expert to cut Social Security payments. You just enter a simple order and say we are going to cut Social Security payments or retirement payments by *x* dollars—so much per person, so much percentage per person. It is a mathematical thing. The appropriations and the outlays are 100 percent. It is easy to do.

The same thing is true for taxes.

Mr. President, this is an invitation to the court to order cuts in Social Security and the retirement programs, and to order taxes. How can it be otherwise? How is the court going to know? For example, let us say there is a *Trident* submarine being built that costs $1 billion. They cost more than that, but let us assume they cost $1 billion. The first year into that contract the court is not going to know what the termination costs are. They are not going to know how many of those people they can fire immediately in order to save money. They have no way of knowing how to run the Federal Government, and they have no machinery for bureaucrats or Senators to go and give them that information because they do not have the staff to do that. I think each Justice has three or four law clerks, and they are skilled in the law. They are dealing with death penalties and habeas corpus, and all that.

Mr. President, I think it is very, very clear the enforcement mechanism here really involves taxes and Social Security and other retirement payments.

I hear rumors, here on the floor, that there is going to be some amendment which would deprive the court of the power to enforce the amendment. Would that not be a new and interesting wrinkle for the Constitution of the United States, a constitutional amendment which could not be enforced? Mr. President, we might as well put a sense-of-the-Senate resolution into the Constitution. That is silliness. That is a perversion of the Constitution. If it is worthy of being in the Constitution, then it must be enforced. And if it must be enforced, then you have to know how to enforce it.

Mr. President, we are told on the State level all of the States live under balanced budgets. Two things are wrong with that statement. The first thing is, States define their balanced budget in a totally different way than the United States does. If the United States defined its balanced budget as the States do, we would be balanced too, because they take their capital budget and they do not consider it in the budget, and they only deal with the operating budget on the State level. Every State in the United States would be unbalanced and would be in red ink—all of those who come up and beat their chests and tell us how responsible they are—they would all be unbalanced if they had the same bookkeeping methods that we have.

Would we change to that level of bookkeeping method? I do not know. You can read the language, as I can. The Congress is given the power and the mandate to enforce the article—that is the amendment—by appropriate legislation. Is that appropriate? We would have to wait for the court to tell us. I do not know how long it would take them to figure out whether that is appropriate, to differentiate as the States do between operating budgets and capital budgets. But I assume the Congress would have that power—which means the Congress would have the power, even if the court could enforce it, as they can under the present language—the Congress would have the power to write itself out of the amendment. And I would suppose that would happen.

The second thing wrong with saying that States operate under balanced budgets is that there is a whole body of law by which States avoid balanced budget requirements, even as to their operating budgets. They create taxing districts. They create—in Louisiana at one time, they created the Board of Liquidation of the State Debt. You know, that was separate so it did not involve going through these constitutional prohibitions. I myself was involved in litigation with respect to the Dome Stadium of Louisiana. The issue there was not the balanced budget, but it was a kindred question. The Constitution provided that no bond issued under the Dome Stadium constitutional amendment could be secured by the faith and credit of the State.

It said it just as clear as it could be. And yet they had this method, they created a stadium district which leased the property to the State and the State leased it immediately back, the amount of the lease being the debt service on the bonds. The Supreme Court said that is OK. It was a totally fictitious transaction, but it avoided this constitutional prohibition about the bonds bearing the faith and credit of the State.

Mr. President, you can look in the law books and there is a whole wealth of law about these kind of devices where States have avoided constitutional prohibitions. Would the Congress do that? I do not know, Mr. President. I am saying if they did not do it, then the effect would be to cut Social Security retirement payments and raise taxes. I think the American public would be shocked. Those people out there who say they want a balanced budget amendment, do you think they have in mind the kinds of taxes which it would take?

I calculated recently that it would take more than a doubling of the personal income tax in order to balance the budget this year—more than a doubling of the personal income tax to balance the budget this year. Is that the way we would balance the budget? I do not think it would be a good idea.

I think, in the first place, in addition to having a revolution out there among the people, among the voters—some of those who are for this amendment—I think you would also put this economy into a deep depression, more than a recession. I do not think there is any way you could balance the budget in 1 year. Indeed, if you balanced it over 5 years, you cannot do so without some real pain, some real revenues and some real cuts.

That is what the Clinton reduction plan was all about. It was real pain and real taxes and a lot of people said there were not enough real cuts.

I would like to see what the plan is, the so-called glide path between here and that balanced budget that my friends, the proponents of this amendment, have in mind. Do they have nothing in mind? Are they just going to throw the ball up and wait and see what happens? I think that is it. They will say, "Well, we passed the amendment, now somebody do something about it."

Mr. President, this quest for the magic asterisks, for the painless cut is nonexistent, it cannot happen. There is no such thing. It never has been and never will be that you can cut budgets without cutting budgets, without eliminating things or that you can raise taxes without extracting that money from someone. It just does not happen. Why does someone not tell us what they have in mind and let us vote on it? At least let us get started this year.

If those who are for the balanced budget amendment are really serious about it, I challenge them to put up a budget resolution and a spending plan that begins this year—let us say 5 years. The amendment says it takes effect not before 1999. It is 1994. Give us a 5-year plan and start off with this coming fiscal year with a 20-percent cut. If you are serious, show us where that 20 percent is going to come from, keeping in mind now that the first 20 percent is a lot easier than the last 20 percent. It is like losing weight. That first pound you lose is a lot easier to lose than 20 pounds from now when you are already skinny.

So let them at least give us a start with that first 20 percent in fiscal year 1995. What is it going to be? No, not Social Security. Everyone says, "No, we do not want to touch that radioactive issue called Social Security." Are we talking about civil service retirement? "No, that is akin. That should not be touched." OK, I agree. Taxes? "Oh, we already have too many taxes, retroactive taxes, big increase in taxes; we do not want those."

What the American people want is to cut fraud, waste, and abuse. Mr. President, if fraud, waste, and abuse existed in the amount some people think it does, we would have no problem and it would have been accomplished a long time ago.

This amendment leads inexorably to taxes and big taxes and cuts in Social Security and big cuts in Social Security, and it leads to those cuts that would be ordered by the court because that is all the court would know how to do.

The court does not have an army of hundreds who can interface with the people who are running these agencies. They do not. They have two and three or four law clerks is all they have. It is justice. They do not know how to do anything except cut transfer payments which are outlayed at the 100-percent rate; that is, you can tell exactly where that money is going and you can tell where that tax money is going.

So, Mr. President, those of my colleagues who believe as I do that the Congress needs to face up to its responsibility and cut budgets and say where we are going to cut budgets, and if it is necessary to raise taxes say which taxes we are going to raise and how much and what kind of bill, then I say it is time for the Congress to take that responsibility, and those who are not willing to do that, Mr. President, this balanced budget amendment is no answer to the problem. It is simply going to make the problem worse.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. JOHNSTON. Yes, I yield.

Mr. BYRD. Mr. President, I congratulate the distinguished Senator from Louisiana on the statement that he has just made and also on the stand that he has taken. He mentions the danger, the utter folly of doing something here that would allow the courts, that would result in the courts interjecting themselves into the balancing of Federal budgets.

Does he not also feel that the amendment not only runs the terrible risk of having the judiciary in this country get involved in levying taxes and appropriations, but also, under the amendment, the President, be he Republican or Democrat or Independent, the Executive will decide matters of taxation and appropriations as well, the power of the purse?

The President's advisers would certainly advise him, I should think, not as they have heretofore, that he "has the inherent power as Commander in Chief," but once this amendment is welded into the Constitution, would they not then say, "Well, Mr. President, the Constitution now says that outlays shall not exceed receipts. Therefore, you now have a Constitution that says you have impoundment, rescission, and item veto powers."

He would say, "Well, you must have forgotten, Mr. Senior Counsel. You must have forgotten the 1974 Impoundment Act. That says I cannot impound money."

His counsel would say, "Oh, that was just a statute. Now we have the Constitution which trumps the statute. Now, Mr. President, you have the obligation to make outlays and receipts balance. You now have in the Constitution an amendment that says that you have the power, you have the inherent power, to impound money, to line-item veto, to rescind funds." I would add, may I say to Senator JOHNSTON, you not only have the judiciary, but also the executive branch which would aggrandize legislative powers. And furthermore, if the judiciary were somehow to be excluded by an amendment here, then the pressures would be all the greater on the Chief Executive.

Then his counsel would say, "Well, now, Mr. President, you have in the Constitution an amendment that says the judiciary cannot do it." They are powerless under the language of this amendment. They are powerless to do anything about taxation or to do anything about cutting funding.

"Now, Mr. President, the pressure is even greater. The responsibility is even greater on you. Your duty is even greater to cut funds for defense, for Social Security, for veterans' compensation, for military pay, for military retirement, for Federal employees' pay, Federal employees' retirement. You have the whole field now. You can choose wherever you think you need to, but you have to do something. You took an oath, Mr. President, to uphold the Constitution. And you have that duty.

"Congress, they all honor the Constitution, too, but Senator so-and-so wants to raise taxes in order to make outlays and receipts balance. But another Senator wants to cut the military. And then there is another group of Senators that want to cut domestic discretionary. Then there is another group that want to cut Social Security and veterans' benefits. They all want to honor this new constitutional amendment, but we have no mechanism to coordinate their differences and come up with a majority.

"So, Mr. President, you took the oath. And that Constitution is the basic law of the land. That is positive law. It is higher than any statutes. You have that responsibility."

My question then, may I say to my friend, Senator JOHNSTON—he is quite right about the courts and not only the possibility but the likelihood of the courts intervening in this—does he not also feel that the danger to the constitutional system of checks and balances and separation of powers is just as great when the executive gets into this situation and takes the steps that his advisers would tell him to take, and to keep his oath as President to uphold the Constitution he too would be saying what taxes ought to be increased, what taxes ought to be line-itemed out of revenue bills, what taxes ought to be negated, what funds ought to be cut, what funds ought to be impounded, what funds ought to be rescinded? Is that not the case?

Mr. JOHNSTON. Mr. President, my distinguished colleague with his piercing legal mind and his reverence for the Constitution has identified one of the core problems, which is that this amendment would not just rewrite budgetary matters in this country; it rewrites the whole formulation of the balance of power.

Now, what the extent of power of the Executive would be under this amendment, the full limits of that we cannot know. We would have to wait for years for the Court to decide about whether the President has the impoundment power, the impoundment duty; how can he exercise that; must he do so across the board or can he go in and eliminate individual projects; can he, for example, take all the money out of Social Security or must he treat all the retirement programs alike? This would be enormous power and discretion in the Executive.

The people out there say, well, we vote for the President and we can talk to the President. I wonder how my constituents who call me up and call their Congressman up—and they are able to get us and able to write us—would feel about writing the President to come out and fix a levee on the Red River. I wonder how they would feel about calling the President to get a Federal building or whatever in their district.

The point of the matter is that the President with his power of the bully pulpit, with his enormous knowledge, particularly this President, about everything that goes on cannot know all that detail and the people could not get to him. It would be an imperial—not just an imperial Presidency; it would be an Executive power that rewrites the Constitution. It would be greater power than the President of France has. I guess the President of France has among the democracies probably more unfettered authority to do things than most anybody.

Now, some people might like that. But, Mr. President, I say to my colleague that it would totally rewrite our Constitution, to rearrange that kind of power. It would be the Supreme Court not only ordering, in my judgment, increases in taxes and cuts in Social Security, because those are the only things that they have the ability to understand—I do not mean the smarts to understand; I mean they do not have the staff to understand how these other agencies work—but in addition to ordering those taxes and those cuts in Social Security, they would be acting as a referee on the limits of power of the President under this new amendment.

The PRESIDING OFFICER. The Chair advises the Senator from Louisiana that under the consent agreement Senators are recognized for up to 10 minutes in morning business. The Senator from Louisiana has just consumed his 10 minutes.

Mr. BYRD. I thank the distinguished Senator. I see the distinguished Senator from Kansas [Mrs. KASSEBAUM] is in the Chamber. I would pursue this further but for now I will not.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent to speak for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I rise in strong opposition to the proposed constitutional amendment to balance the budget. This is an issue we have debated before. I opposed it then. I oppose it now. I may be wrong, Mr. President, but at least I have been consistently wrong. I still believe this remains a sham. I would like to go through a little bit of the history of the debate that I think is revealing and consider three events.

In 1982, the Senate passed a constitutional amendment to balance the budget by 69 votes. It failed in the House of Representatives at that time. Only 2 years later, I helped lead an effort on the Senate floor to freeze Federal spending across the board for 1 year. This included the COLA's, it included everything for just 1 year. We got 33 votes. That is revealing, I think, Mr. President, that 69 Senators would vote to declare in the Constitution that the budget should be balanced but fewer than half that many would vote even to temporarily stop the growth of the budget.

To put it another way, two-thirds of the Members of this body thought amending the Constitution was less painful than to freeze spending.

In 1986, the Senate again voted on a balanced budget amendment, this time narrowly rejecting it with 66 votes in favor. One year later, I again helped propose a 1-year budget freeze. This time we got only 25 votes. Nearly two-thirds of the Senate would amend the constitution but only one-fourth would freeze the budget for 1 year.

Two weeks ago, the Senate voted on a package to cut $94 billion in Federal spending over the next 5 years. This Kerrey-Brown amendment would have been painful. It would have reduced certain Medicare payments, deferred cost-of-living adjustments for military retirees. It would have cut our own pay and cut or eliminated dozens of other Federal programs. It was too painful for most Senators and it got only 31 votes, including mine.

Today, we are again preparing to vote on a balanced budget amendment to the Constitution of the United States.

I predict that, once again, a vote to promise restraint will win more than double the support of a vote to restrain.

Mr. President, there is an enormous gap between what we say must be done and what we are willing to do. I do not know of one Senator—not one—who said, "I would have voted for that budget freeze or for that Kerrey-Brown package if only a constitutional amendment had told me to." No, Mr. President, Senators opposed those measures because they were too politically painful. But those were pin pricks compared to the pain that will be needed to balance the budget now. Let me describe that pain.

The tough choices necessary to balance the budget today go far beyond merely freezing the growth of Federal programs, as we proposed in 1984 and 1987. It will require deep cuts or steep new taxes. In the reconciliation law passed last August, Congress promised to find roughly $430 billion in deficit reduction through 1998. Beyond that, the Congressional Budget Office has issued an illustrative scenario showing that we would need roughly $580 billion in additional deficit reduction to balance the budget by 2001, which will be the requirement under the balanced budget amendment. These numbers closely parallel a separate projection made by the Congressional Research Service. In other words, we must find $1 trillion in deficit reduction over the next 6 years to balance the budget by 2001.

Yet, let us not forget the Kerrey-Brown amendment that we voted on only 2 weeks ago. It would have cut $94 billion over 5 years—one-tenth of what will be needed to balance the budget by this amendment's target date. And it got only 31 votes.

The White House has turned this painful truth into scare tactics. In hearings last week, administration witnesses testified of gloom-and-doom hardship that would befall citizens if this amendment passes. The administration has issued frightening State-by-State accounts of tax increases and service cuts that could result.

These scare tactics describe the tough choices necessary to balance the Federal budget. That is not the issue here—the issue is whether to amend the Constitution. The President opposes this amendment because he fears it might work; I oppose it because I am convinced it cannot.

Many support this amendment out of frustration. If this will not work, they ask, then what will? I do not have an easy answer to that, Mr. President, because there is none. But I do know that pandering to fears or falsely casting simple solutions does nothing to help us make tough choices.

Passing this do-nothing amendment will let us proclaim victory, vent built-up public pressure, and withdraw once again from the fight for a balanced budget. This amendment is a license to spend. It does not call for a balanced budget until at least 2001. The promise it makes today is that tough choices must be made—tomorrow. And we know from experience that in the world of the Federal budget, tomorrow never comes.

Mr. President, opposing a constitutional amendment that would call for balancing the Federal budget is risky business for those of us in public office. The amendment has taken on a symbolic significance that far surpasses any possible economic benefits.

But this debate should not be about symbolism or about political security. It should be about solving this Nation's addiction to debt and, specifically, whether amending our Constitution can wean us from that addiction. It cannot.

Let me make clear that I fully agree with my colleagues who believe that we must balance the budget and begin paying off our debt. I have worked with many of them over the years on sincere proposals to reduce spending or to reorganize and streamline programs. We have had more failures than successes, but we keep trying.

But I simply do not believe amending the Constitution will do one thing to balance the budget. If and when the Federal budget is ever again balanced, it will not be because of constitutional prohibitions against deficits. It will be because the public—and the Congress, which reacts to public opinion—stops believing in the free lunch.

Overwhelming majorities in this country oppose the steps necessary to achieve a balance budget. A majority opposes significant cuts in Social Security or other retirement programs; a majority opposes deeper cuts in national defense.

Let me just suggest, Mr. President, that we face an immediate problem because we have to find at last $10 billion in a forecasted shortfall to meet our budgeted needs in the current defense spending.

A majority opposes cuts in health care including Medicare. We cannot default on interest payments on the national debt. Taken together, these spending categories represent well over three-fourths of all Federal spending.

At the same time, a majority also opposes higher taxes to pay for these services. The numbers that majorities support just do not add up. As long as the public calls for mutually exclusive goals, we will respond. Circumvention of the balanced budget amendment will not only be possible, it will be routine.

The most obvious way to avoid making those tough choices would be to do precisely what the amendment provides—waive its provisions by a three-fifths vote in Congress. I have no doubt, Mr. President, that Congress will invoke that three-fifths provisions frequently to waive a balanced budget requirement. We need look no further than the current procedures used under the Budget Act, which allows points of order to be lodged against certain spending provisions. Yet, it is not unusual to waive those points of order simply because Senators agree with the underlying policy objectives—and we waive them by three-fifths vote, just as we would under this amendment.

Even if we do not waive the amendment by vote, Congress will find other ways to circumvent it. The possibilities are endless. As just one example, consider the manner in which States have handled their own balanced-budget requirements.

My own State of Kansas, Mr. President, has a cash-basis law, which is similar to many State balanced-budget requirements. That law is dear to my heart, not only because it has given us responsible State government but also because it was enacted when my father was Governor. Since May 1, 1933, Kansas government agencies—State and local—have been required to operate on a cash basis, incurring debt only by referendum or for expenditures made by specific items.

Let me emphasize that last part, Mr. President—Kansas can borrow money for specific projects, and we often do. Our State issues bonds for highway construction, school renovation, sewer improvements, and various other infrastructure projects. In essence, we have created a capital-outlay budget, as have many other States. Our State's operating budget must balance, but we are constantly in debt to finance long-term capital projects. That is true with most States.

I believe Congress will do much the same thing to avoid the requirements of this amendment. We will redefine "outlays"—a crucial term used but not defined in the amendment—to set up separate funds, such as for capital outlays or for the savings and loan bailout, and use word games to avoid counting those expenses. We will move items off-budget to make the numbers work on paper—but with no real effect on our indebtedness.

Indeed, we will surely move many items off the Federal budget entirely—and onto the budgets of the States. As Federal budget constraints have grown increasingly tighter over the past two decades, Congress has enacted a growing volume of legislation that orders business or State-and-local governments to act but provides no Federal money.

Within the past year there has been a backlash against these unfunded mandates. Indeed that is what they are, and they are troubling, Mr. President. Yet, nothing in this amendment prohibits this sort of mandate. I am convinced that its passing would result in a new way of passing the buck. These are but two of many ways that I think, in the creativeness and inventiveness of the U.S. Congress, that we, in the absence of political will to make tough choices, will circumvent a balanced budget amendment. And in the process, I suggest it will trivialize the trust in our Constitution.

A constitutional prohibition against deficits is not going to reduce the public demand for services or the public aversion to taxes; nor is it going to give Congress the courage to act against the mandate of the electorate. If Congress had the courage to balance the budget, and if the Nation agreed on how that should be done, we would have no need for a constitutional amendment. In the absence of such courage, an amendment would simply prove an embarrassment to our Nation.

I do not intend to sound like a scold, but I have grave reservations about this course of action, and I hope that the public will think carefully about what is involved in an action such as this proposed constitutional amendment.

I yield the floor.

(Ms. MOSELEY-BRAUN assumed the chair.)

Mr. BYRD. Will the Senator yield before she leaves?

Mrs. KASSEBAUM. Yes.

Mr. BYRD. Madam President, I have had the pleasant opportunity to serve with Senator KASSEBAUM for several years now, and I have observed her on many occasions when there were critical, controversial, very important votes in the Senate; and I have observed on many occasions that she has taken a path and chosen the unpopular approach and voted her convictions—after very careful study. I have noted that she reaches her decisions in matters of this kind after the most careful thought and reflection, weighing the pros and cons, and finally making her decision. She has the courage to stand up for her convictions, and I salute her.

There was another Senator, I believe, from Kansas, whom we often hear of as having demonstrated great courage during the impeachment trial of Andrew Johnson, and there was a Senator from West Virginia who also took an unpopular course in that instance—Peter Van Winkle. Peter Van Winkle, in voting not to convict Andrew Johnson, sealed his own political doom. He never came back to the Senate. He was never successful in politics again. I have often wondered why he has not also been recognized as one of those Senators who demonstrated great courage.

Again, here is a Senator from Kansas, who has the intellectual honesty to carefully examine a matter and then reach what she thinks is the right decision and she takes her stand, regardless of its popularity or unpopularity. I admire her and congratulate her for her courage.

Mrs. KASSEBAUM. Madam President, I will respond to the Senator from West Virginia, whose leadership on constitutional matters is of the foremost guidance to many of us and to the Nation. I just suggest that I hope both the Senator from West Virginia and the Senator from Kansas have not sealed their political doom.

I yield the floor, Madam President.

Mr. CRAIG. Madam President, let me also—although I very much disagree with the Senator from Kansas—recognize without question her integrity as a Senator and as a legislator and her commitment to the service to her State in the last good number of years.

I would have hoped she would have spoken differently and as passionately about bringing an end to a process that is accumulating in our country at such an accelerated rate that I think today we are amiss if we fail to recognize what has occurred during my tenure in the U.S. Congress, which is considerably less than the tenure of the Senator from Kansas.

When I came to the House in 1981 and the deficit was somewhere in the $40 or $50 billion range, and the Federal debt was $1.2 trillion, within about 12 months of service in the Congress it became very obvious to me that the appetite to spend here was so great that if we did not change the environment in which the budgeting process went forward, in which special interest groups preyed against us, or to us, or on us, as to expending the public Treasury for their benefits and their interests' benefits, that we some day would get into trouble in this country of a kind that we could not just summarily pass by.

I have joined in budget freezes. I, too, voted for the Kerrey-Brown amendment for a $54 billion cut. I have never in my 14 years failed to vote for a budget cut. But what is the answer then to all of that effort? The Senator from Kansas has exerted that effort, and so have I. Our credentials on being fiscally responsible are probably as good as anybody's. Here is the answer: We no longer have a $60 billion deficit; it is $200 billion. We no longer have a $1.2

trillion debt; we now have a $4.5 trillion debt.

I do believe that the day has come when we can no longer stand here and say, "but I did all the right things. I voted to cut the budget." Because history says—and history is not oftentimes written in just a decade—but in the history I have been involved in, 14 years, the writing is very clear that this Congress cannot, nor will it try to, curtail its appetite to spend. Within a very short time after I had been here, the famous Gramm-Rudman-Hollings bill passed—a pathway to fiscal sanity. I voted for it, and I suspect the Senator from Kansas did. She indicates she did not. I will be happy to yield.

Mrs. KASSEBAUM. Madam President, at the time I expressed reservations about the Gramm-Rudman-Hollings bill because it excluded some significant spending. In fact, a major portion of the spending was excluded and I felt Gramm-Rudman-Hollings would not, as a matter of fact, accomplish what it was set out to do.

Mr. CRAIG. That was a concern about Gramm-Rudman-Hollings. I voted for it because it was one of those things I could reach for on cuts, and it did for a time.

The rate of growth slowed. If you were to graph it, it would have been a slight downward dip in the rate of Federal expenditure, although budgets were still larger the next year than they were the year before. Then times got tough. Or, I should say, times did not get tough, decisions got tough. Politicians got the heat put on them and they squirmed and they took just a little more off Gramm-Rudman-Hollings than had been the year before, and we know the rest of the story.

Gramm-Rudman-Hollings is now history. It is one of about six documents that are now gathering dust on the shelves of some library as to the good intentions of a Congress failed, and the debt clock ticks.

And what is the end result? Well, many are saying the Congress will not respond until there is a cataclysmic financial event where we no longer can pay for our bonds, where we no longer can accommodate or respond to our indebtedness. And that is when Congress will change things.

Let me tell you what happened, though, that is unrecorded, that is now the wolf at the door of the average American family, because there is something happening out there as a result of this profligate spending of our Government.

Starting in 1976 the average income of the American family as it related to buying power began to decline, and it has declined every year since then.

You say: "Senator CRAIG, how can that be? Families are making more money today than they ever were."

We are talking about buying power. From 1976 to 1986, dramatic things happened in the American family. The other spouse went to work. Why? Partly because he or she wanted to and found their fulfillment in the workplace, but also because they had to because their ability to pay for that which was average to the American family was rapidly declining.

I believe and economists believe that part of that and a major part of it was that the Federal Government was consuming more and more money, making it more and more difficult as a family to survive, and not rewarding the family as it had through past tax law. And we have seen the end result—or the progressive result, it is not the end result—of a $4.35 trillion debt.

So there are very real consequences to what we do. The cataclysmic event has not occurred because we are still borrowing. We are allowed to borrow. We have not forfeited. We are not yet bankrupt. But we all know that a $200-plus billion deficit at 1980 interest rates would not be $200 billion today; it would be $500 or $600 billion. And we as a Government would be in astronomical trouble.

Alan Greenspan now once again has to use monetary policy to try to begin to manipulate the economy of this country because fiscal policy really is not working very well, and that is what we are in charge of.

Let us be cautious; let us be concerned; and let us not pass go, as we have passed go all through the decade of the eighties and now into the decade of the nineties, with one cut after another cut after another cut, most of them never passed.

We passed a great budget bill last year. I opposed a big tax bundle. Why? Because the cuts were promises. Bill Clinton did not cut $500 billion out of the budget. He promised to cut it in the outyears. It is yet to be done. It has to be done by this Congress.

Will it be done? Probably not as much as must be done to meet those budgetary targets. And even if we meet them, we are still generating over $200 billion every year in deficits.

In the Bill Clinton years, and I respect this President for his effort, but in his years as President, in the projected 5.5- to 6-year budget that he has laid before the Congress of the United States, there will be a new debt of $1.94 trillion.

Ronald Reagan gets blamed for all the debt structure that we have right now, which in his 8 years as President he generated by his budgets. He has to take the blame for it. They were his budgets. NANCY KASSEBAUM from Kansas and I either voted for them or against them, but we worked with them. They are called the Reagan years, the Reagan budgets. How much total debt did his budgets accumulate? $1.8 trillion in 8 years, versus a Bill Clinton budget of 6 years of $1.9 trillion. That is not a blame on Bill Clinton, because he inherited a debt structure that is requiring over $200 billion a year just to finance.

Let us stop passing go. Let us do not play the horror games that were played here on the floor a few moments ago about Social Security being slashed. Who says it is going to be slashed? I would not vote for that. The Senator from Kansas would not vote for that.

We have to make budget priorities, though, where we can stand here on the floor of the U.S. Congress and say, prior to passage of this amendment, that this will be cut and that will be cut. The Appropriations Committee has not acted. We do not have an appropriations bill on the floor to say where those resources would go or where they would not go.

So let us quit using scare tactics and look at the real fear, and the real fear is $4.5 trillion of debt and a $200 billion annualized finance charge.

Madam President, today in Roll Call, 250 economists endorsed the balanced budget amendment. I ask unanimous consent that that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

250 ECONOMISTS ENDORSE BALANCED BUDGET AMENDMENT

It is time to acknowledge that mere statutes that purport to control federal spending or deficits have failed.

It is time to adopt constitutional control through a Balanced Budget Amendment. In supporting such an amendment, Congress can control its spending proclivities by setting up control machinery external to its own internal operations, machinery that will not be so easily neglected and abandoned.

Why do we need the Balanced Budget Amendment now, when no such constitutional provision existed for two centuries? The answer is clear. Up until recent decades, the principle that government should balance its budget in peacetime was, indeed, a part of our effective constitution, even if not formally written down. Before the Keynesian-inspired shift in thinking about fiscal matters, it was universally considered immoral to incur debts, except in periods of emergency (wars or major depressions). We have lost the moral sense of fiscal responsibility that served to make formal constitutional constraints unnecessary. We cannot legislate a change in political morality; we can put formal constitutional constraints into place.

The effects of the Balanced Budget Amendment would be both real and symbolic. Elected politicians would be required to make fiscal choices within meaningfully-constructed boundaries; they would be required to weigh predicted benefits against predicted tax costs. They would be forced to behave "responsibly," as this word is understood by the citizenry, and knowledge of this fact would do much to restore the confidence of citizens in governmental processes.

It is important to recognize that the Balanced Budget Amendment imposes procedural constraints on the making of budgetary choices. It does not take away the power of the Congress to spend or tax. The amendment requires only that the Congress and the Executive spend no more than what they collect in taxes. In its simplest terms, such an amendment amounts to little more than "honesty in budgeting."

Of course, we always pay for what we spend through government, as anywhere else. But those who pay for the government spending that is financed by borrowing are taxpayers in future years, those who must pay taxes to meet the ever-mounting interest obligations that are already far too large an item in the federal budget. The immorality of the intergenerational transfer that deficit financing represents cries out for correction.

Some opponents of the Balanced Budget Amendment argue that the interest burden should be measured in terms of percentage of national product, and, so long as this ratio does not increase, all is well. This argument is totally untenable because it ignores the effects of both inflation and real economic growth. So long as government debt is denominated in dollars, sufficiently rapid inflation can, for a short period, reduce the interest burden substantially, in terms of the ratio to product. But surely default by way of inflation is the worst of all possible ways of dealing with the fiscal crisis that the deficit regime represents.

Opponents also often suggest that Congress and the Executive must maintain the budgetary flexibility to respond to emergency needs for expanding rates of spending. This prospect is fully recognized, and the Balanced Budget Amendment includes a provision that allows for approval of debt or deficits by a three-fifths vote of those elected to each house of Congress.

When all is said and done, there is no rational argument against the Balanced Budget Amendment. Simple observation of the fiscal record of recent years tells us that the procedures through which fiscal choices are made are not working. The problem is not one that involves the wrong political leaders or the wrong parties. The problem is one where those whom we elect are required to function under the wrong set of rules, the wrong procedures. It is high time to get our fiscal house in order.

We can only imagine the increase in investor and business confidence, both domestic and foreign, that enactment of a Balanced Budget Amendment would produce. Perhaps even more importantly, we could all regain confidence in ourselves, as a free people under responsible constitutional government.

Dr. James Buchanan, Nobel Laureate—Economics, George Mason University; Dr. Ogden O. Allsbrook, Jr., University of Georgia; Dr. Sheila Amin, Gutierrez de Pineres, University of Arkansas; Dr. Robert V. Andelson, Auburn University; Dr. Annelise Anderson, Hoover Institution Stanford University; Dr. Martin Anderson, Hoover Institution Stanford University; Dr. Terry L. Anderson, Montana State University; Dr. Peter H. Aranson, Emory University; Dr. D.T. Armentano, University of Hartford; Dr. Charles W. Baird, California State University, Hayward; Dr. Charles Baker, Sr., Northeastern University; Dr. Badi H. Baltagi, Texas A & M University; Joseph L. Bast, Heartland Institute; Dr. Nicholas Beadles, The University of Georgia; Dr. Richard Bean, University of Houston; Dr. John H. Beck, Gonzaga University; Dr. Joseph A. Bell, Southwest Missouri State University; Dr. Don Bellante, University of South Florida; Dr. James T. Bennett, George Mason University; Dr. Bruce Benson, Florida State University; Dr. John E. Berthoud, Amer. Legislative Exchange Council; Dr. Walter Block, College of the Holy Cross; Dr. Peter J. Boettke, New York University; Dr. Cecil E. Bohanon, Ball State University; Dr. Thomas E. Borcherding, Claremont Graduate School; Dr. Samuel Bostaph, University of Dallas; Dr. Donald J. Boudreaux, Clemson University; Dr. William Breit, Trinity University (Texas); Dr. Dennis Brennen, Harper College; Dr. Charles R. Britton, University of Arkansas; Dr. Edgar K. Browning, Texas A & M University; Dr. Barry Brownstein, University of Baltimore; Dr. Herbert Brubel, Simon Fraser University (Burnaby, B.C., Canada).

Dr. Richard C. K. Burdekin, Claremont McKenna College & Claremont Graduate School; Dr. Glenn Campbell; Hoover Institution, Stanford University; Dr. P. Rao Chatrathi, College of Business & Public Administration, Old Dominion University; Dr. David K. W. Chu, College of the Holy Cross; Dr. J. R. Clark, University of Tennessee-Chattanooga; Dr. Will Clark, University of Oklahoma; Dr. Kenneth W. Clarkson, Law & Economics Center, University of Miami; Dr. R. Morris Coats, Nicholls State University; Dr. Richard B. Coffman, University of Idaho; Dr. Elchanan Cohn, University of South Carolina; Dr. John W. Cooper, The James Madison Institute for Public Policy Studies; Dr. Michael Copeland, Political Economy Research Center; Dr. John F. Copper, Rhodes College; Mr. Wendell Cox, Wendell Cox Consultancy; Dr. Mark Crain, George Mason University; Dr. Ward S. Curran, Trinity College (Hartford, CT); Dr. Albert L. Danielson, University of Georgia; Dr. Patricia Danzon, The Wharton School, The University of Pennsylvania; Dr. Audrey Davidson, University of Louisville; Dr. Otto A. Davis, Carnegie Mellon University; Dr. Ted E. Day, University of Texas at Dallas; Dr. Henry Demmert, Santa Clara University; Dr. Arthur T. Denzau, Claremont Graduate School; Dr. Arthur De Vany, University of California, Irvine; Dr. Arthur M. Diamond, Jr., University of Nebraska at Omaha; Dr. Charles Diamond, University of Louisville; Dr. Thomas J. DiLorenzo, Loyola College (Baltimore, MD); Dr. James A. Dorn, Cato Institute; Dr. William M. Doyle, University of Dallas; Dr. Gerald P. Dwyer, Jr., Clemson University; Dr. Thomas R. Dye, Florida State University, Dr. Ross D. Eckert, Claremont McKenna College & Claremont Graduate School; Dr. Michael R. Edgmand, Oklahoma State University.

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Dr. Robert F. Herbert, Auburn University; Dr. Dale M. Heien, University of California, Davis; Dr. John M. Heineke, Santa Clara University; Dr. Ron Heiner, George Mason University; Dr. A. James Heins, University of Illinois, Urbana-Champaign; Dr. Davis R. Henderson, Hoover Institution, Stanford University; Dr. Alan Heslop, Claremont McKenna College; Dr. Robert Higgs, Seattle University; Dr. P.J. Hill, Wheaton College (Wheaton, IL); Dr. Mark Hirschey, University of Kansas; Dr. Randall G. Holcombe, Florida State University; Dr. Steven Horwitz, St. Lawrence University; Dr. James L. Hudson, Northern Illinois University; Dr. David Huettner, University of Oklahoma; Dr. William J. Hunter, Marquette University; Dr. Laurence R. Iannaccone, Santa Clara University; Dr. Thomas R. Ireland, University of Missouri at St. Louis; Dr. Joseph M. Jadlow, Oklahoma State University; Dr. Gregg A. Jarrell, William E. Simon Graduate School of Business Administration, University of Rochester; Dr. Jerry B. Jenkins, Sequoia Institute; Dr. M. Bruce Johnson, University of California, Santa Barbara; Dr. Ronald N. Johnson, Montana State University; Dr. Thomas Johnson, North Carolina State University; Dr. David L. Kaserman, Auburn University; Dr. W.F. Kiesner, Loyola Marymount University-Los Angeles; Dr. Robert Kleiman, Oakland University; Dr. Daniel Klein, University of California, Irvine; Dr. David C. Klingaman, Ohio University; Dr. Charles R. Knoeber, North Carolina State University; Dr. Michael I. Krauss, George Mason University; Dr. David Kreutzer, James Madison University; Dr. Michael Kurth, McNeese State University; Dr. David N. Laband, Salisbury State University; Dr. Everett C. Ladd, University of Connecticut.

Dr. J. Clayburn LaForce, Anderson School of Management UCLA; Dr. William E. Laird, Florida State University; Dr. Harry Landreth, Centre College; Dr. Dwight R. Lee, The University of Georgia; Dr. Kenneth Lehn, University of Pittsburgh; Dr. Stan Liebowitz, University of Texas at Dallas; Dr. Cotton Lindsay, Clemson University; Dr. Charles A. Lofgren, Claremont McKenna College; Dr. Dennis E. Logue, Tuck School, Dartmouth College; Dr. James R. Lothian, Fordham University; Dr. Robert F. Lusch, University of Oklahoma; Dr. Rufus Ashley Lyman, University of Idaho; Dr. Paul W. MacAvoy, Yale University; Dr. Paul Malatesta; University of Washington; Dr. Yuri Maltsev, Carthage College; Dr. Allan B. Mandelstamm, Virginia Polytechnic Institute & State University; Dr. J. Stanley Marshall, The James Madison Institute; Dr. John Mathys, DePaul University; Dr. Merrill Matthews, Jr., National Ctr. for Policy Analysis; Dr. Margaret N. Maxey, The University of Texas at Austin; Dr. Thomas H. Mayor, University of Houston; Dr. Donald McCloskey, University of Iowa; Dr. Robert E. McCormick, Clemson University; Dr. Paul W. McCracken, University of Michigan; Dr. Roger E. Meiners, University of Texas at Arlington; Dr. Larry J. Merville, University of Texas at Dallas; Dr. John H. Moore, George Mason University; Dr. Stephen Moor, The Cato Institute; Dr. John C. Moorhouse, Wake Forest University; Dr. Laurence S. Moss, Babson College; Dr. J. Carter Murphy, Southern Methodist University; Dr. Charles Murray, American Enterprise Institute; Dr. Gerald Musgrave, Economics America, Inc.; Dr. Ramon H. Myers, Hoover Institution, Stanford University.

Dr. Sheridan Nichols, American Enterprise Forum; Dr. William A. Niskanen, The Cato Institute; Dr. Geoffrey E. Nunn, San Jose State University; Dr. Tim Opler, Southern Methodist University; Dr. Dale K. Osborne, University of Texas at Dallas; Dr. Allen M. Parkman, Anderson School of Management University of New Mexico; Dr. E.C. Pasour, Jr., North Carolina State University; Dr. Judd W. Patton, Bellevue College; Dr. Ellen Frankel Paul, Bowling Green State University; Dr. William Peirce, Case Western Reserve University; Dr. Steve Pejovich, Texas A & M University; Dr. Sam Peltzman, University of Chicago; Dr. Charles R. Plott, California Institute of Technology; Dr. Jeffrey Pontiff, University of Washington; Dr. Philip K. Porter, University of South Florida; Dr. Barry W. Poulson, University of Colorado; Dr. Jan S. Prybyla, Pennsylvania State University; Dr. Gary M. Quinlivan, St Vincent College; Dr. Alvin Rabushka, Hoover Institution Stanford University; Dr. Donald P. Racheter, Central University of Iowa; Dr. Robert Reed, University of Oklahoma; Dr. William Reichenstein, Baylor University; Dr. Barrie Richardson, Frost School of Business Centenary College; Dr. James R. Rinehart, Francis Marion University; Dr. Mario J. Rizzo, New York University; Dr. Jerry Rohacek, University of Alaska, Anchorage; Dr. Simon Rottenberg, University of Massachusetts, Amherst; Dr. James Roumasset, University of Hawaii; Dr. Roy J. Ruffin, University of Houston; Dr. John Rutledge, Rutledge & Company, Inc.; Dr. Joel W. Sailors, University of Houston; Dr. Katsuro Sakoh, Institute for Pacific Studies; Dr. Thomas R. Saving, Texas A&M University; Dr. David Schap, College of the Holy Cross.

Dr. Loren C. Scott, Louisiana State University; Dr. G. William Schwert, William E. Simon Graduate School of Business Administration University of Rochester; Dr. Gerald W. Scully, University of Texas at Dallas; Dr. Richard T. Selden, University of Virginia; Dr. Larry E. Shirland, University of Vermont; Dr. William F. Shughart II, University of Mississippi; Dr. Randy T. Simmons, Utah State University; The Honorable William E. Simon, Former United States Secretary of the Treasury; Dr. Gene R. Simonson, California State University, Long Beach; Rev. Robert A. Sirico, CSP, The Acton Institute For The Study of Religion and Liberty; Dr. Daniel Slottje, Southern Methodist University; Dr. William Gene Smiley, Marquette University; Dr. Barton A. Smith, University of Houston; Dr. Lowell C. Smith, Nichols College; Dr. David L. Sollars, Auburn University, Montgomery; Dr. John C. Soper, John Carroll University; Dr. Frank G. Steindl, Oklahoma State University; Dr. James A. Stever, University of Cincinnati; Dr. Hans R. Stoll, Financial Markets Research Center Vanderbilt University; Dr. Richard L. Stroup, Montana State University; Dr. W. C. Stubblebine, Claremont McKenna College & Claremont Graduate School; Dr. David J. Teece, University of California, Berkeley; Dr. Clifford F. Thies, Shenandoah University; Dr. Henry Thompson, Auburn University; Dr. Walter N. Thurman, North Carolina State University; Dr. Richard Timberlake, University of Georgia; Dr. Robert D. Tollison, George Mason University; Dr. Robert H. Trent, University of Virginia; Dr. Charlotte Twight, Boise State University; Dr. Jon G. Udell, University of Wisconsin—Madison; Dr. Hendrik van dem Berg, University of Nebraska; Dr. Terry Wm. Van Allen, Oregon Health Sciences University.

Dr. T. Norman Van Cott, Ball State University; Dr. Charles Van Eaton, Hillsdale College; Dr. Karen I. Vaughn, George Mason University; Dr. Richard Vedder, Ohio University; Dr. George J. Viksnins, Georgetown University; Dr. Warren R. Wade, North Park College; Dr. Richard E. Wagner, George Mason University; Dr. Alan Rufus Waters, California State University, Fresno; Dr. Bernard L. Weinstein, University of North Texas; Dr. John T. Wenders, University of Idaho; Dr. E. G. West, Carleton University (Ottawa, Canada); Dr. Lawrence H. White, University of Georgia; Dr. G. C. Wiegand, Southern Illinois University; Dr. Thomas D. Willett, Claremont Graduate School & Claremont McKenna College; Dr. Walter E. Williams, George Mason University; Dr. Michael K. Wohlgenant, North Carolina State University; Dr. Alexander Worniak, Catholic University of America; Dr. Gene C. Wunder, School of Business, Washburn University; Dr. Thomas L. Wyrick, Southwest Missouri State University; Dr. Bruce Yandle, Clemson University; Dr. Keith M. Yanner, Central University of Iowa; Dr. Steven Ybarrola, Central University of Iowa; Dr. Jerrold L. Zimmerman, William E. Simon Graduate School of Business Administration, University of Rochester; Dr. Thomas S. Zorn, University of Nebraska.

Mr. CRAIG. Madam President, those economists are representing almost every major economic school in the United States. They are not politicians. They are not legislators. They are not crafters of a constitutional amendment. That is not their business. Their business is to crunch numbers, to look at the whole of the U.S. economy in a microsense or macrosense and say: Here is what it is, and here is what it is going to do.

What they are saying is that we are in trouble, and they are endorsing a balanced budget amendment. Why? As a court of last resort. Maybe some of them are there. But I think most of them really do recognize the fact, as the Senator from Kansas and I recognize, that what we have done is not working, that there is without question, without any measurement of the mind or the imagination, the fact that we have failed and we are continuing to fail. And the debt gets bigger and the obligation on future generations becomes astronomical.

Even this administration admits that a child born in 1994 must pay 82 percent of his or her gross pay over their lifetime to finance Government. That is a testimony of tragedy. Without question, it is. And so, we are a Third World nation. Oh, we have beautiful Government buildings and we have millions of Federal employees. But the average taxpaying citizen could well begin to live as if he or she were living in a Third World nation, with no ability to spend and no ability to provide a roof over their head, and most importantly no ability to say to their children: You are going to live in a world, in an environment that was better than the one I lived in, because that has always been the promise of every generation of Americans, to be able to say we have made a better world for our children.

Today, we are not doing that. The world we craft out of the public policy that is created on the floor of this Senate is saying that the world will be worse—not that we do not care, not that we are not going to try to have a new health care system, not that we are not going to try to address the people who are out on the streets and the people who are truly in need—but for the masses who pay the bills, the world will be worse. Or it will be less from a standpoint of opportunity, from a standpoint of the future that we would want to hand to our children.

This is not just a technical constitutional amendment. In my opinion, this is an expression of phenomenal compassion. This is an expression that this Congress, after over 200 years, will have learned that it too makes mistakes and owns up to them and admits them and turns to the taxpayers and says, "You know as a Representative under the Constitution, you are the ones in charge, and we are going to give you the power to assume that charge again."

So while all of that is being debated, we are going to be wringing our hands and saying the Court can do this or this or that, or the Executive cannot or will not or should not or could not.

Who cares? I care about the future. And those who have brought this amendment to the Senate, Senate Joint Resolution 41, care that we will plan for a future world in this country that is greater than the one we left.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, I ask unanimous consent to speak for 10 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator has that right.

THE BALANCED BUDGET AMENDMENT

Mr. DORGAN. Madam President, I mentioned on the floor yesterday that I have a special reverence, as I am sure everyone here does, to the Constitution. During our debates on constitutional measures, such as this balanced budget amendment, I have been very reluctant to change the Constitution in any way.

Every time somebody says, "Let's have a constitutional amendment," we have a lot of folks who say, "Sign me up. Where is the wagon? I'll jump on."

It does not matter what the amendment is about. People like the idea of changing the Constitution.

To give one example, one of the toughest votes I cast in Congress was a vote on flag burning. It was not tough morally—I knew what was right and I did what was right. It was tough politically.

Somebody burned a flag somewhere, and he did it in front of the TV cameras. He got a lot of coverage, which I suppose was his goal. His case went to Court, and the Court determined that a law that prohibited flag burning was unconstitutional.

So in the House of Representatives, the question was: Should we change the U.S. Constitution to prohibit flag burning? Is there anybody who is not disgusted when somebody burns the American flag? I do not think so. We all are disgusted by that.

But it was a tough vote because the vast majority of the American people demanded that we change the U.S. Constitution to prohibit flag burning. I voted against that change.

I point that out because this has been a troublesome period with respect to the question of how and when do you change the Constitution.

We must, however, today consider that question in the context of trying to improve our economic future.

We look at where we are economically and we discover that we are deep in debt. I do not think anybody denies that the current debt load in this country is deeply troubling. We have been adding to it at an alarming rate every year. We will, by the year 2004 have at least an $8 trillion public debt. In 1980, it was less than $1 trillion. But to repeat, in the year 2004 we will have a public debt of over $8 trillion.

Now, that is the honest debt. They will say it is less than that if you deduct the assets that we are accumulating in Social Security, and other trust funds for future years. We want to save that money to use it when we need it. If you take that and reduce the deficit, which you should not do because that is dishonest budgeting, then you can show a lower debt. But the honest public debt will be $8 trillion 10 years from now.

Also, we are living in a time when the American people have a great distrust for institutions. The media spends most of the week showing us the blemishes and the difficulties of institutions, especially the problems of Congress. And people say to us, "We want you to be more responsible in fiscal policy. Shape up. Balance your budget. Behave. Do what we do as a family or as a business."

And yet, after saying this, the American people then send other signals. People want all the spending. Do you think they want deep cuts in Medicare? No. Do they want cuts in Social Security? No. Do they want cuts in their favorite programs? No. They want somebody else to have the cuts, but they will fight to preserve their own interests.

They say, "We don't like Government. We don't like taxes. But, of course, we want a good school to send our kids to. If our house is on fire, we want the fire department to respond quickly. We sure want a police force that is good and responsible and well trained."

So there is a contradiction in our country.

Let me bring it down to one case, a Medicare case. A doctor told me awhile ago in North Dakota, "I have a patient that has been drinking all of his life. It destroyed his liver and he is going to die. He is on Medicare and now wants a liver transplant. He said he is still drinking. Should I, as his doctor, try to get him a liver transplant paid for with Medicare funds?"

About 6 months later, I saw the same doctor. The doctor said to me at the time, "If I do not try to get him a new liver, he will either sue me or go to another doctor."

Someone was drinking himself near to death, destroying his liver, demanding a new liver paid for by Medicare.

So I saw the doctor later. I said, "Whatever happened to that case? Did the fellow get a new liver?"

He said, "Yes."

I said, "Is he still drinking?"

"Sure."

This case illustrates our problem. Is there any limit to what people want spent when it is for them, or their families, or their communities? We as a country, have an appetite for spending. That desire simply manifests itself in Congress, but it does not originate here.

People want us to increase funding for the Veterans Administration, Medicare, Medicaid, the farm programs, and more.

If people want these programs, and yet we are spending more on these programs than we have in revenue, what do we do? How do we reconcile that?

In physics there is the law of inertia. A body in motion stays in motion. A body at rest stays at rest.

That law would suggest that we just keep plugging away. The problem is, if we keep doing what we are doing, we are never going to deal with this crippling debt.

I do not want my kids by the year 2004 to look at the size of the public debt and say, "Do you know, Dad, you participated in all of this. This country is $8 trillion in debt." Eight trillion dollars.

I do not want to leave my children with this problem.

So the question is, what do we do?

Will the constitutional amendment to balance the budget balance the budget? No, not by itself, of course not. It will not change the deficit by one penny. But, it will require the President to submit a balanced budget and Congress to enact a balanced budget.

Will that be tough? It will be excruciatingly tough. Can it be done? I do not know. Should we do something to see if we can change the inertia of our country? Of course, we should.

To sum up, I do not relish this discussion about changing the Constitution. And yet we must find ways to change what has been happening with this country's fiscal policy. I have for a decade described it as a dangerous and irresponsible fiscal policy. I have not changed my mind on that.

I compliment this President. I supported this President in some tax increases and spending cuts that a lot of the American people did not like. A lot of people in this body did not vote for it. But, even after the deficit reduction bill, all of the numbers demonstrate we have not yet conquered our financial problems.

Lastly, as my colleagues know, I will try to offer an amendment to remove the Social Security computation under this constitutional amendment offered by Senator SIMON.

In the 1983 Social Security reform bill we began to build surpluses in the Social Security trust fund because we are going to need them when the baby boomers retire.

If we allow those surpluses to be used continually to offset operating budget deficits, we will not be honest. We must in my judgment perfect this constitutional amendment to balance the budget at least in this respect: By being honest with the American people about how we are using the Social Security funds. We should put the Social Security funds aside in a trust fund. They ought to be saved for the purpose for which they are collected and they ought not be under any condition used to show as an offset against the operating budget deficits.

The commonly used budget deficit figures that we now use are not accurate. Those numbers are the deficits after you subtract the Social Security surplus. The deficit is really about $70 billion higher than is now quoted on the floor of the Senate. I do not mean to be a bearer of bad news, but that is a fact and it is time all of us recognize that and respond to it. My amendment will allow all of us to respond to that under the constitutional amendment offered by Senator SIMON.

As soon as the floor situation permits, I intend to offer that amendment. I hope my colleagues will support that amendment for the reasons I have discussed.

BALANCED BUDGET AMENDMENT

Mr. DECONCINI. Madam President, I want to comment on the statements of the Senator from North Dakota. I agree with him that the bad news is really upon us. The history of the Senator when he was in the House has clearly demonstrated he was foretelling that bad news for a long time.

Relating to his amendment on Social Security, I have the greatest desire to see that we deal with it. But I have to say in this process, it has not been without a great deal of compromise. The constitutional amendment that I offered over 17 years ago was an amendment that had some Social Security protections but it also had an automatic tax that would go in effect, across the board, on income to offset any deficit that existed at the end of the year. I remember the senior Senator from Louisiana at the time, Senator Long, ridiculing that and making quite a point of how unworkable that would be.

I felt very strongly about it, that a price had to be paid when Congress did not respond responsibly to a deficit. To me the best way to do that was with a constitutional provision that would increase your taxes if the Congress did not balance the budget. Anyway that fell by the wayside. The only reason I raise it is because I have agreed, in this process, to try to find a road, to try to build a coalition, that would pass this amendment.

The Senator from Illinois, Senator SIMON, has worked a long time, as have many others, trying to forge a coalition of at least 67 Senators who would support a balanced budget constitutional amendment that will bring some sanity to the deficit expenditures that we have had over the last 30-some years. I do not think anything is so ironclad it cannot be considered for some modification. But I think it is important that we attempt to build on this coalition the Senator from Illinois has so carefully put together. He has not done this in an autocratic or dogmatic way. Just the contrary, he has extended himself time and time again in an effort to ensure that everybody has input and that we consider everyone's position. Yet it is necessary to build a coalition in order to get 37 votes. The Senator from Utah, Senator HATCH, has been supportive of this effort, as well.

Having managed the bill in 1982 from the Democratic side, and the Senator from Utah handled it on the Republican side, it was an interesting process. We had some very attractive amendments that were offered. They were defeated. They caused some political consternation I am sure. But the point was we needed to pass a constitutional amendment, we needed to get enough votes to carry it over to the House. Unfortunately, in that case it was defeated by the House.

I think we have to be very careful. We should not shut the door completely but we need to be cautious on opening the door. The constitutional amendment before us has gone through the Judiciary Committee, has gone through public hearings, and has tremendous support throughout the country. People who are paying attention to this issue understand what is in this amendment. Those opposed to it are certainly exploiting, in my judgment, every word that is in there to try to point out an example of how it will not work.

We know from 200 years of arguments before the Supreme Court over the interpretation of constitutional provisions, just how much you can exploit or represent the interpretation of certain clauses and certain words. To me, we need to pass this balanced budget amendment and to do it as soon as we can.

Deficit spending is nothing more than a continuation of a mortgage, a mortgage that our children and grandchildren, and perhaps their children are going to have to pay unless we do something this year. Even if we do it this year, the debt is $4.5 trillion. That is a lot of money and I will not go into the details of how many stacks of money or how far such a debt would reach to the sky, because we have heard all that. Later in the debate I will have some charts to point out some of the significance of how bad this debt is.

We are saddling future generations with a burden they will never be able to dig themselves out of if we do not do something and do something now.

In 1980, for instance, interest on the debt was $75 billion. In 1983 that number had increased 400 percent, to $295 billion. By 1996, interest on the debt is expected to exceed Social Security payments as the single largest Government expense in the budget of this Government. And right now, every single day, our Government is spending $800 million—that is right, Madam President—$800 million on interest payments alone.

I remember coming to this body in 1977, and I remember at the end of President Carter's term the debt was something in the neighborhood of $994 or $995 billion. There was a tremendous campaign throughout this country lodged by then Governor Reagan of California, concerned about how this debt had grown.

I think our enormous debt has brought the country down. The increase in the debt under 8 years of President Reagan, and then 4 years of President Bush where that debt, as bad as it was in 1978 and 1979, of nearly $1 billion, has grown almost five times that amount, in 13 years. That is not something we can be proud of. Some people might say—well, the country has not been brought down. It has not been destroyed. But indeed it has been damaged severely. The standard of living here in this United States is not what it was 20 years ago, we know this just by how many people within a family have to work today to maintain the economic standards that they need.

Since coming to the Senate I have continuously sought and supported a constitutional amendment to balance the budget. I have not done this for political reasons, though in my State it is popular. I have done it because I truly believe the Congress will not do it, the Presidents that we have in the future will not do it. Not that they are not well-intended, and not that there will not be efforts to do so. This President has brought to the floor of this body, and the House, a package we passed where we actually reduced the growth of the deficit. To my recollection this is the only time in my term of office where we have actually seen a real reduction in the growth of the deficit. But nothing is long term even under the Clinton proposal. Yes, health care, if adopted as proposed by the Clinton administration, might continue the downward trend of the deficit. But those are big "if's". We must not allow the debt to skyrocket as it has in the last 25 to 30 years.

What kind of legacy, Madam President, are we leaving for our children? As the debt stands now a child or young adult on average can expect to pay well over $100,000 in extra taxes to cover interest payments on the debt during his or her lifetime.

Each year that we run a $200 billion deficit, another $8,000 is added to that figure. Over the last 20 years, the net annual interest payment has risen from $14 billion in 1970 to over $180 billion in 1990, money which could have gone to vital domestic programs or to pay off the Federal debt. Much too much of Government spending is needed to pay off past debts instead of investing in our future.

Despite the need to control deficit spending, collectively, however, Congress lacks the necessary self-discipline to balance the budget. I do not know who could argue differently.

Congress has attempted on several occasions without success to control deficit spending through legislation. The only solution remaining, in my judgment, is a constitutional amendment. We tried to control it through the Gramm-Rudman-Hollings sequester approach. We revised it again and again when it was too tough to meet the deficit targets; we could not do it. In its place, we enacted the 1990 budget summit agreement, which was really a disaster because we started off with figures and the numbers that were not really what the true figures turned out to be.

The amendment before us today is a simple amendment. There is nothing here that would establish any permanent level of expenditures or taxes. There is nothing here that would prevent the Congress from approving any particular item of expenditure or taxation.

We, collectively, not just those who oppose this constitutional amendment, have not been able to balance the budget and nobody can dispute that fact. There is no plan out here that will put this country on sound fiscal ground and bring a balanced budget. We are kidding ourselves to think that there is.

This amendment would simply mandate that total spending of the United States for any fiscal year not exceed total revenues for that year unless 60 percent of the Congress approves specific amounts of deficit expenditures. I cannot think of a better solution than to force this body to balance the budget and, if you cannot get the 60 votes for deficit spending, well and good. Then you have to cut spending or raise taxes to bring about a balanced budget. This amendment would require the President to submit a balanced budget, thus placing the responsibility for honest budgeting on both the executive and legislative body.

The Senator from Nebraska, Senator EXON, has argued this point so well on the floor, time and time again, that the President should submit a balanced budget. I happen to be a strong supporter of that provision.

The requirement for a balanced budget could be waived in time of war or military conflict. However, under the amendment, it will take a majority of the full membership of each House to raise taxes. We all know how unpopular that is. I do not see any reason not to require a constitutional majority to raise taxes. A balanced budget amendment demands accountability. In an effort to strike a balance between flexibility and enforceability, this amendment allows the Congress in times of recession or national emergency, to authorize specific deficit spending or increase taxes. However, they must go on record as having voted to do so. The voters can then decide if their representatives in Congress are serious about fiscal responsibility.

At present, Members avoid accountability through deficit spending, failing to make the tough political decisions required to choose between too many programs competing for too scarce dollars.

Critics argue that the amendment lacks the necessary enforcement mechanism and claims that Congress' tendency to manipulate deficit reduction laws such as Gramm-Rudman, in the context of a constitutional amendment, would result in the trivialization of the Constitution. However, elevating a balanced budget requirement to the level of a constitutional amendment provides the necessary teeth to ensure that concrete steps are taken to balance the budget.

The President and the Members of Congress are sworn to uphold the Constitution. Failure to abide by the amendment would constitute a violation of public trust. I think the American public will react strongly if Congress just manipulates the figures, as we have done previously. The American people will decide through their electoral process whether the Congress and the President have lived up to the Constitution of the United States. We have seen Presidents and Members of Congress voted out of office because of accusations, and because of valid charges, that they have not lived by the Constitution to which they are sworn.

The ultimate proof that a balanced budget amendment can work is in the experience of almost all States, which have some constitutional provision limiting their ability to incur budget deficits. Consequently, more States run budget surpluses than deficits.

While the economic demands and available resources may be different for States and the Federal Government. The overall success of State constitutional budget limitations illustrates that a balanced budget amendment can provide the incentive and discipline necessary to place our Nation on the road to fiscal responsibility.

This amendment and the whole idea of a constitutional amendment to balance the budget has been the subject of countless congressional hearings and numerous articles. The Senate approved such an amendment in 1982 and in 1986, the Senate failed by one vote to pass a balanced budget amendment.

Gramm-Rudman was used as the reason to defeat the amendment. Members were urged to give Gramm-Rudman a chance. Well, Gramm-Rudman didn't work.

Clearly the public wants a balanced budget amendment to the Constitution. 32 States have passed resolutions calling for a balanced budget amendment convention. Only 2 more States for a total of 34 are needed. Unfortunately, 3 States have passed resolutions of rescission because of concerns over the possible scope of any constitutional convention. However, the legality of these rescission resolutions is questionable.

Despite the apparent success of the State effort, it does not seem likely that the magic number of 34 will be forthcoming any time soon. Therefore, it is up to the Congress to get the process moving.

After passage in both Houses, three-fourths of the States must ratify the amendment before it can be incorporated into the Constitution.

Our bottom line is immersed in red ink. Drastic action is needed. However well intentioned we may be in trying to reduce the deficit we have failed.

A constitutional amendment is needed because legislative rules can always be waived and the next Congress can always reject the procedures and/or laws of its predecessors. If Congress adopts and three-fourths of the States ratify, this amendment will become part of the fundamental law of the land impacting on generations far into the future.

I urge my colleagues to support Senator SIMON's amendment. It is time to say no to deficit spending and reimpose fiscal responsibility into the budget process.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

BALANCED BUDGET AMENDMENT: RISK OF PROMOTING INSTABILITY

Mr. SARBANES. Madam President, I believe that adding a balanced budget amendment to the Constitution of the United States would be economically impractical, indeed under some circumstances dangerous and constitutionally irresponsible.

The amendment would have the very substantial risk of promoting instability, retarding economic growth, and shifting the basis of our democracy from majority to minority rule.

The amendment raises unanswerable questions concerning implementation. It would invite either fiscal paralysis or court intervention in the conduct of economic policy.

Madam President, the Constitution is the guiding charter of our Government defining the basic structure of our democracy and the political and civil liberties of our citizens. It does not establish specific policies out of a belief that those policies should be shaped by the people and their elected representatives in the times in which they live. Because the Constitution distinguishes between universal principles and the specific policies of the day, the Constitution has endured for over two centuries, despite dramatic changes in American society.

The Federal budget, on the other hand, is rewritten on a yearly basis to address evolving national goals. During the eighties, both the budget and the process by which we made economic decisions fell short of what was required. Large deficits, which should not have been experienced, increased. That is a problem that needs to be addressed.

The question is not whether you want to get deficits down. The question is how do you go about doing it. It is a little bit like the question, if you have a headache, do you shoot yourself in the head in order to get rid of your headache? I submit the balanced budget amendment to the Constitution has that aspect to it.

There is nothing in the existing political arrangements that prevents the President and the Congress from addressing the Federal budget deficit. In fact, we did just that last August with a major deficit-reduction program which is working. It has changed the trend line of the Federal budget deficit and put it on a downward path for the first time in over a decade, which is transforming the economic situation in this country.

The deficit-reduction package which was passed last August and which has paid such dividends regarding deficit reduction and economic growth would not have been passed if this amendment was law.

My colleague who just spoke said that this provision has a requirement in it that any taxes would have to be passed by a constitutional majority of the Members of the House.

No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by rollcall vote. However, we did not have a constitutional majority for the President's economic plan because the votes were split 50-50. The deciding vote was made by the Vice President.

It is not the Constitution that needs changing. What needs to be done is for the President and the Congress, working together, as they have just done successfully, to enact a program which will bring the budget deficit under control.

Let me just address what I consider to be the main defects in this proposal. First, a balanced budget requirement in the Constitution which had to be followed at all times could have a devastating impact on the economy during an economic recession. In fact, the application of this measure during an economic recession might well drive the economy into a depression.

When we go into an economic slowdown, people lose their jobs, no longer pay taxes into the Treasury, and draw support payments from the Treasury. The disparity between receipts and outlays widens in a recessionary period. The outlays go up and the receipts go down by the very nature of the economic turndown.

If at that point you further seek to cut back, you will only succeed in driving the economy further down, and you will transform a recession into a depression.

In fact, the lower economic growth would create higher deficits. Each 1 percent added to the unemployment rate is about $50 billion added to the deficit. So, the whole exercise might be counterproductive; you would be engaging in an effort of trying to balance the budget, the consequence of which would be to drive the economy further down from recession into depression. The consequences of recession and depression is an increase in the deficit, not a decrease.

This amendment would severely limit the ability of the Government to address economic downturns and it might well doom our country to a series of depressions—not just recessions but depressions.

Second, this proposal to alter the Constitution does not recognize the important economic distinction between consumption and investment spending. Running deficits to pay for today's consumption, while leaving the bill for future generations, is not responsible conduct. But borrowing now to pay for capital investments that increase future economic growth may make sense.

Under this balanced budget amendment, you would have to pay for all investment entirely in one fiscal year. If households followed such a budget strategy, only a tiny minority of American families would own houses, cars, or major appliances.

Most businesses borrow prudently to enhance their business, expand their sales, and strengthen their economic enterprise. If they fail to do so, their competitors will do so and gain a market advantage over them.

People say that the ordinary family has to balance its budget every year, so should the Federal Government. The ordinary family does not balance its budget every year. The year it buys a house, it takes out a mortgage, it is in tremendous imbalance. Yet, if the income flow projected for the future and the cost of the mortgage and the home is all within reasonable means, everyone regards that as a wise and prudent step because you go ahead and acquire the home and then you pay it off over the next 20 to 30 years. That is how most Americans operate, and it works very well indeed.

Now, one of the superficial appeals of this amendment is that it appears to be doing something about balancing the budget without any pain. There are no specific spending cuts or tax increases in this proposal. You are just going to put a provision into the Constitution without providing any indication of how the deficit reduction should be achieved.

There are a number of ways to make it work. One way to make it work is for the Congress to enact legislation to carry out what the amendment says. Of course, the Congress can enact that legislation without the amendment, just as we did last summer.

In addition, this amendment will have a serious impact on Social Security. It is no wonder people on Social Security are apprehensive regarding this amendment. They ought to be apprehensive because, I submit to you, one of the prime targets, once you put this balanced budget amendment in the Constitution, will be the Social Security System. The amendment specifically includes Social Security in its calculations of receipts and outlays. In my view, the Social Security surplus ought to be kept for Social Security recipients. That is to whom it is committed and it ought not to be used in some effort to achieve this balanced budget amendment.

Now, the amendment does have a so-called escape clause which allows it to be waived by a three-fifths vote in both Houses. Two-fifths plus one in one House can thwart any action. I have never heard of a constitutional principle that is waivable. The Constitution is a statement of fundamental principle, not matters to be waived away. Other constitutional principles of free speech, individual rights, equal protection cannot be waived by a three-fifths vote of both Houses. In fact, this is an admission that this is not an enduring principle but a matter of current judgment.

In effect, what this amendment would do is shift the balance of power from majorities to minorities in our society, violating the democratic principles upon which our Government is based. It would effectively give control of fiscal policy to a minority in one House or the other.

None of the proposals contain any detail concerning how such provisions would be implemented or enforced. Fiscal policy is a complex task which would likely be disrupted or paralyzed by struggles over implementing a vague constitutional balanced budget requirement. If, in fact, outlays exceeded revenues, if revenues fell short, would we have to bring the whole Government to a halt toward the end of the fiscal year, stop paying benefits to Social Security, abrogate contracts under the Agriculture Stabilization Program? There are no answers in this amendment.

It is almost certain that this lack of clarity would lead to court involvement in both defining and implementing economic policy. You now have a constitutional requirement, and the courts have been consistently prepared to fashion remedies in order to implement constitutional requirements so that they are not rendered meaningless. So this amendment offers a real opportunity for the courts to get into the job of managing fiscal policy.

Let me just turn very quickly to the analogy that is made with the States. People say, the States balance their budgets; the Federal Government ought to balance its budget.

If the States kept their budgets on the same basis the Federal Government keeps its budget, they, in fact, would not be in balance. Most States have an operating budget and a capital budget, and the capital budget is funded by borrowing, by selling bonds in the marketplace. We do not do that at the Federal level. We do not separate out a capital budget, which represents long-term investment in the future where we borrow the money because we are going to have the use of the asset for 20, 30, 40 years and pay it back over that period of time.

In conclusion, let me just say that the Constitution is a relatively brief general statement defining the political structure of our Nation and the civil liberties of our citizens. It has endured for two centuries because it focuses on universal principles, and in thinking about amending the Constitution we should proceed with great caution.

The desire to put this amendment in the Constitution is frequently justified in the name of political expediency. It is put forward as a response to the deficit. But it is not a response to the deficit. We would still have to enact the tough measures on spending and revenues that are necessary to bring down the deficit, just as we did in August.

This amendment is yet another promise to do something about the deficit in the future masquerading as a tough choice today. We do not need any more masquerades. We need to take the issue head on.

Instead of a constitutional amendment, the President and the Congress should continue to work together for deficit reduction. We have seen we can make a significant impact on the deficit by working together.

Let me close with this observation. Much of today's alienation of voters with their Government comes from the practice of passing so-called "hollow laws," laws which purport to change things but which through loopholes and waivers result in nothing really happening, unlike the tough deficit reduction measure we passed last August.

If hollowing out the law creates political cynicism and alienation, imagine what hollowing out the Constitution would do.

I urge the defeat of this resolution.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CAMPBELL). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that morning business be extended until 3 p.m. under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa [Mr. GRASSLEY] is recognized.

Mr. GRASSLEY. Mr. President, I will speak on the constitutional amendment on a balanced budget, and I would like to have my remarks placed in the RECORD where any debate on that subject may have taken place during the course of today's legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I support, along with Senator SIMON, the chief sponsor, Senate Joint Resolution 41, the balanced budget amendment to the Constitution. I think it is very vital that Federal deficit spending be controlled. Of course, we always put this argument in an economic context, saying that an unbalanced budget is not good for the economy. And I think deficit spending has gone on long enough now, 25 years in a row. Even more essentially, there are very good moral reasons that we ought to have a balanced budget. I think those override even the economic arguments for a balanced budget amendment.

We are borrowing from our future, and that of our children and grandchildren, when we deficit spend. I think we must put an end to this practice. And because every other means has failed to produce a balanced budget, we must enact an amendment to our U.S. Constitution, just as well over 40 States have for their individual constitutions.

A balanced budget amendment fits appropriately within the design of the original document. I do not accept the arguments of those who say that an amendment of this type is contrary to what the constitutional writers may have intended, because it seems to me that they took this into consideration in the writing of the preamble when it sets out not law, but the purpose of the Constitution.

> We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity * * *

There is that word "posterity." It is a word we do not hear much anymore. We run our Government as if the only thing relevant for consideration is what is in today's newspapers: In other words, living for today and not worrying about tomorrow. We consider the consequences of our acts in short timeframes. Rarely do we take into account the real, longterm effects that our actions will have on posterity's ability to enjoy the blessings of liberty as this generation has.

Among the blessings of liberty that our constitutional system has maintained is a standard of living that rises with each successive generation. Keys to this enhanced economy have been productivity, growth, and investment. In recent years, productivity and investment and the savings rate have declined. The 25-year continuous string of unbalanced budgets has contributed to these economic results. I do not think it coincidental that the stagnation in average wages over the last 20 years has been accompanied by high Government budget deficits.

Moreover, economic growth in the last 25 years of continuing deficits has fallen short of the prior 25 years. Budget deficits have been running up to fund our current consumption. Again, living today and paying for it tomorrow.

The effects of these deficits already are negatively affecting our budget. When we last balanced the budget—that was way back in 1969—9 cents of every dollar of Federal spending went to payment of interest on the national debt. Now, however, 26 cents of every dollar goes towards paying the interest on the national debt. And we have seen in the President's budget document that future generations can pay somewhere between 71 and 89 percent of income just to fund the interest.

We cannot have that. Not only is that bad economics, but most importantly, it is going to steal from future generations' ability to experience growth and job creation. We receive nothing for the payment on interest on the national debt. But we force future generations to pay an even greater proportion of the budget in interest unless we act.

Moreover, we will have to tax future generations at an incredibly high rate just to pay the interest on the national debt, if nothing is done. The figures vary depending upon the assumptions made. Future generations will pay the vast majority of their lifetime earnings in Federal taxes. Two-thirds, three-quarters, or even as high as I have already said.

It is unacceptable that we live high on the hog by masking the real costs of programs and leaving future generations to pay these costs, and also future interest costs. That was not done to us by the generations that preceded us. We owe our future generations the same respect.

I am concerned that some people think that the deficit and the national debt are issues of declining importance. While it is true that the deficit will fall this year, we cannot afford to declare victory and stop worrying about the deficit. When I say it falls this year, I mean that because we were anticipating a $190 billion deficit, some people would say "only"—and I put that in quotes—it is "only" a $170 billion deficit. But whether it is $190 billion or $170 billion, it is still a tremendous cost to unload onto the young people today.

It seems to me that as we look at this issue of a constitutional amendment requiring a balanced budget, that we ought to keep in the back of our minds that there is not a plan out there by anybody, including the President, that can show us with certainty that we are going to have a balanced budget at any time. We can go out 20 years and nobody is willing to say we will have one. That is bad policy in itself. But it does demonstrate, and it ought to demonstrate, the need for this constitutional amendment.

Obviously, even this administration's estimates of the deficit will show rising deficits and greater deficits than what

I just mentioned of $170 billion to $190 billion in future years, starting in 1998. I also believe that the administration's interest rate forecasts on what the interest on that deficit will be are too low. Higher interest rates, of course, are going to mean even a greater portion of the budget spent on interest on the debt. Moreover, deficits themselves increase interest rates in the long run, and higher interest rates harm renters, home buyers, and business people of all sorts, particularly, very capital-intensive industries like the family farmers in my State.

Deficit spending has produced other negative consequences as well. Last week, at hearings held on the amendment in the Judiciary Committee, the former Chief Actuary for Social Security testified that deficit spending has led to lax Government accounting. If the balanced budget amendment were enacted, he testified, Congress would have to examine Government accounting. And, according to his testimony, one account at the Department of Defense has been mismanaged for 30 years. The State Department has lost account of billions of dollars worth of property. The Comptroller General said that some Government bills are being paid twice. A balanced budget amendment will force us to take a tough look at Government accounting, as well as Government spending. This, obviously, is all to the very good, because we will, in the process, root out wasteful spending. Rooting out waste is one of the best ways to make headway against the deficit.

Since the deficit itself is a significant problem, why not just cut the deficit now? Why bother to enact a constitutional amendment to balance the budget? Well, it is because we tried a lot of other ways, and no other way seems to work. We know that Congress has passed statutes to reduce the deficit. I just think of working with the former Senator BYRD from Virginia in the late 1970's. He got through this body a law saying, "Congress shall not spend more than it takes in in future years." I think that was in 1978. I worked with him in the House to get that through the House of Representatives. What good did that do? We had Gramm-Rudman, and we saw all sorts of ways of trying to get around that. We saw the deficits rise even after the 1990 budget deal when we were supposed to have a balanced budget by today.

We cannot ever eliminate the deficit if we continue on our present path. If we are to reduce the deficit, we must put a binding obligation on Congress to balance the budget gradually, until the deficit is eliminated early in the next century. Those who believe we can cut the deficit down to zero without this amendment should offer an effective plan that will accomplish that result. There is none out there from the Congress, and none out there even from the White House.

The recent rejection in the House of Representatives late last fall of the Penny-Kasich resolution only confirms that Congress will not cut spending to reduce the deficit unless forced to do so by the constitutional stipulation.

We have heard it said that section 6 of the amendment, which gives Congress the power to enforce a statute, is inconsistent with the claim that statutes alone will not end deficits. But there is no contradiction, Mr. President. Many amendments are given life by provisions extending to Congress the power to enforce them. The 14th amendment contains one constantly used by the Congress.

Implementing legislation is necessary to make the balanced budget amendment function fully. But the difference between statutes enacted under this amendment and Gramm-Rudman is that the Constitution then will demand that these new statutes be adhered to, unlike earlier legislation lacking the constitutional imperative.

We cannot allow some opponents of this amendment to argue that the only way that the budget can be balanced under the amendment is through serious draconian budget cuts. This has been the strategy of the administration. I would like to examine that argument just for a minute.

The Attorney General, Janet Reno, testified last week that the balanced budget amendment would cause cuts in Federal funds to fight crime. She said that if this amendment became effective immediately, offenders would have to be released from Federal prisons. The parade of horribles included cuts of 4,400 FBI agents and 1,100 DEA agents.

She testified that without these FBI agents to match community policing funds, "It is going to be a long, long time before we get violent crime under control."

But during the last administration, some would have referred to this as a "Willie Horton" strategy: You and your families will be harmed by the convicted felons if somebody's political opponents are victorious.

There are many flaws with this testimony, and I am very disappointed that the Attorney General testified in this fashion.

First, the amendment will not take effect—but maybe it ought to—before 2001. It is irrelevant what cuts might or might not have to be made in order to balance the budget in 1 year. We can do it gradually, without inflicting that kind of pain. And no one should believe these scary scenarios that have no basis in fact.

Additionally, it is astonishing that the Justice Department opposes the balanced budget amendment based on these supposed spending cuts. The administration itself, I might add, is proposing to make cuts in law enforcement. These are the same kinds of cuts the Attorney General said would have to be made if we had the constitutional amendment—cuts she used as an argument against the constitutional amendment. These cuts are being proposed right now by this administration, even in the absence of the amendment, because the administration has already proposed cuts in prison construction, refusing to spend money for prisons that has been voted for by the Congress. Just look at the administration's 1995 budget. It calls for cuts in the DEA and FBI personnel—the same cuts in fighting crime that Janet Reno says would come if we had this constitutional amendment.

Despite the tough crime rhetoric, the administration is cutting essential personnel in the Nation's fight against organized crime, drug trafficking, and other Federal crimes. It is cutting prosecutors and is cutting prison spending.

How can its arguments against the balanced budget amendment on the grounds that it will reduce law enforcement spending be given any weight? There is no truth that passing the balanced budget amendment will necessarily mean enormous cuts in Federal law enforcement. Nor will the administration successfully accuse the amendment of creating severe cuts in law enforcement. It is the administration that itself today is asking for cuts in law enforcement.

So, Mr. President, we do need this constitutional amendment to balance the budget. We can only balance the budget, in my judgment, if we pass this constitutional amendment. The American people are watching to see if we can make this commitment. The quality of the existence of the future generations is at stake. We cannot afford to fail again. We must enact this constitutional amendment to balance the budget.

I feel some certainty about what I say because I served in the State legislature of my State, where there is a constitutional amendment requiring a balanced budget. I thought it brought a great deal of discipline to that legislative body whether it be controlled by Democrats or Republicans.

So I think that it will bring the same sort of fiscal discipline to this body, as we are a body of men and women sworn to uphold the law, and we will carry that law out.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the Senator from Ohio is informed that we are in morning business; the limitation of time is 10 minutes. I ask unanimous consent the Senator from Ohio be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. The Senator is recognized for 15 minutes.

Mr. METZENBAUM. I thank the Chair.

(The remarks of Mr. METZENBAUM and Mr. SIMON pertaining to the introduction of S. 1866 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SIMON. Mr. President, if no one seeks the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MATHEWS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I ask unanimous consent that I be allowed to proceed in morning business for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET AMENDMENT

Mr. LEVIN. Mr. President, the major issue that we are discussing these days is the balanced budget amendment, and I want to spend a few minutes discussing my thoughts on that amendment.

I think everybody in this Chamber would agree that deficits are harmful; that the mountain of debt we have built up is nothing less than shameful. Surely, the Senator from Illinois and others are right on that issue. On whatever side of this constitutional amendment people happen to fall, I would think there is equal strength in feeling that the deficits we have allowed and the debt we have built up as a result of those annual deficits is something which has weakened our economy and is disgraceful in terms of representative government.

There is something else that would also be a terrible mistake, though, and that would be to place an illusion or gimmick in the Constitution to pretend that we are addressing something which cannot be addressed successfully in the way it is proposed. It can only be addressed through congressional and Presidential will.

So there would be great harm in telling the public now, in 1994, that 5 years from now something is going to happen on the deficit when in fact whether or not anything happens 5 years from now is still going to depend on congressional and executive will. It is not going to happen automatically. It is going to require us to take actions just the way it requires us to take actions now.

Mr. Reischauer, who is the Director of the Congressional Budget Office, said the following about that issue. First he said that "a large reduction in Government borrowing is highly desirable." And I would think 100 of us would agree with that. But then he went on to say that "a balanced budget amendment on its own does not advance the chances for lowering Federal borrowing."

In his testimony he put it another way, that "a balanced budget amendment in and of itself is not a solution. Rather, it is only a repetition in an even louder voice of an intention that has been stated over and over again during the course of the last 50 years."

"In an election year," he said, "it would be a cruel hoax to suggest to the American public that one more procedural promise in the form of a constitutional amendment is going to get the job done. The deficit cannot be brought down without making painful decisions to cut specific programs and raise particular taxes. A balanced budget amendment in and of itself will neither produce a plan nor allocate responsibility for producing one."

That is the head of the CBO who gave us that wisdom, and I think he is right.

This constitutional amendment relies on the Congress to act to implement it. That is the bottom line. This is the same reed that proved so weak in the 1980's when Congress and the President amassed these deficits. We had opportunities to reduce the deficits, such as 1986, when we closed tax loopholes and chose not to use the revenue that we produced for deficit reduction. But last year this same Congress, which had been so weak in the eighties, finally got some strength and some backbone and passed the President's deficit reduction plan.

But nothing is going to change in that regard. The President and the Congress are going to have to act to implement the requirements of this constitutional amendment or nothing is going to happen. It is the same Congress and the same President which right now have that responsibility and finally exercised it last year after a decade or more of not exercising it.

If congressional weakness is the reason for this amendment—and it is—then Congress will use the loopholes in this amendment to evade the responsibility which it sets forth. My greatest fear, and I have many fears about this amendment, my greatest fear is that it will take us off the hook until 1999 when it could become effective at its earliest, and the deficit will become worse until then because we can always say, "Oh, heck, it"—the deficit-reduction budget amendment—"will take care of our problems starting in 1999." We will not have the pressure on us until then because it will do the job for us in 1999. So as a result of having the pressure off us, off the hook until 1999, we will pile up greater deficits than we otherwise would. Then what will happen in 1999? Not much, because when this deficit-reduction budget-balancing amendment takes effect, if it ever does, there is not much of a hook. There are plenty of loopholes right inside that balanced budget amendment.

Again, let me quote from Mr. Reischaeur's testimony about those loopholes. This is what he said about a year and a half ago.

> Probably the most important difficulty with the balanced budget rule is that it offers many opportunities for avoidance or evasion. The President and the Congress could get around an apparently rigid balanced budget rule primarily in three ways. The first involves using timing mechanisms and other budget gimmicks to achieve short-run budget targets, including such actions as shifting pay dates between fiscal years.

And we have done that one.

> Accelerating or delaying tax collections, delaying needed spending until future fiscal years, and selling government assets.

The second way, he points out, to evade the balanced budget constraint might be to base the budget on overly optimistic economic and technical assumptions. That is the second way.

Boy, have we done that one. That is the rosy scenario that Senator CONRAD and others were talking about yesterday. We had "Rosie the Riveter" in World War II. If this amendment passes, we will also have "Rosie Scenario" in the Constitution. And we have done it—these rosy scenarios.

David Stockman wrote a book about rosy scenarios and what they did in the eighties. Murray Weidenbaum, who was the Chairman of the Council of Economic Advisers, was tasked with coming up with a budget. And they cooked the numbers. Rosy scenario was born right there in the executive wing. They asked him where the numbers came from, after he came up with these rosy scenarios, these projections as to what the growth rate would be, what the interest rate would be, what the revenues would be, what the unemployment rates would be; all rosy to make the budget look better than it really was.

This is what David Stockman says.

> Somebody finally taunted Professor Weidenbaum. "What model did this come out of, Murray?" Weidenbaum glared at the inquisitor for a moment, and he said, "It came right out of here," and with that he slapped his belly with both hands, "My visceral computer." He smiled.
>
> Never before or since—

Stockman wrote—

> has a single belly slap produced such devastating results. The new Weidenbaum forecast added $700 billion in money, gross national product, over 5 years to our previous consensus forecast.

With that visceral computer, that rosy scenario, $700 billion was added to the projection as to what the gross national product would be over what they previously had, by consensus, forecast, believed the gross national product would be.

> * * * and nearly $200 billion in phantom revenues tumbled into our budget computer in one fell swoop. The massive deficit inherent in the true supply-side fiscal equation was substantially covered up, and eventually—

Stockman wrote—

> it would become the belly slap that was heard round the world.

What does the amendment before us say about estimates and rosy scenarios? It says we can use them. Section 6 of the amendment says that "Congress shall enforce and implement this article by appropriate legislation which may rely on estimates of outlays and receipts." Section 1 holds out the promise that we are going to balance income with outlays. But section 6 says that we can comply with section 1 by the use of estimates. That is what we did in the 1980's. That is exactly what we did in the eighties. We used estimates. Here are some of the estimates.

In 1981, our estimates were off by $58 billion; 1982, our estimates were off by $72 billion; 1983, our estimates were off by $91 billion; and on and on. In 1990, they were off by $119 billion —$119 billion in 1990. But that is OK. We can rely on estimates we are told. You talk about a loophole. This one is big enough to drive a $119 billion deficit through. That is how big this loophole is.

And then we are told in the report of the Judiciary Committee, well, these estimates are supposed to be in good faith. Who is going to decide that? Is that going to go to a court as to whether or not Congress adopted a good-faith estimate? And are the sponsors of the resolution telling us that when we made these estimates in the 1980's they were not in good faith? Was the 1981 estimates, which were $58 billion off, were they made in bad faith? Most of the Members of this body voted for that. And every year through the 1980's, same thing. Were they bad-faith estimates? Is someone going to make that judgment now looking back? Or is a court going to make that judgment then looking forward?

Maybe we ought to add a little provision, a little language to section 6 and say that Congress may rely on estimates of outlays and receipts provided that the estimates allowed are not based on Murray Weidenbaum's visceral computer. Maybe we ought to put that in the Constitution to prevent the kind of shenanigans that went on during the 1980's. But do not believe for 1 minute that those shenanigans cannot happen again. But this time the evasion will not be a political evasion trying to fool the people. It will be an evasion of a Constitution which we are supposed to be living under.

This now will become a loophole right in the Constitution itself. The sponsors of the amendment say: But it will take a 60 percent vote to increase the debt limit, so if our estimates are too rosy, if we follow the 1980's model of estimates, in order to evade the constitutional requirement, if the choices are too tough and we use that particular evasion, then we can fall back on another requirement of the constitutional amendment before us, which is that the debt limit can only be increased by a 60 percent vote in the Senate.

Well, history has proven that that is a weak reed to rely on, because by the time you vote or not vote to increase the debt limit, you are voting whether or not to bring down the Government of the United States. If we do not pay our debts, we are done economically. That is not a realistic way to produce any reliance on the section 1 promise of this amendment. We are not going to produce compliance by that provision because the choice is to use a nuclear weapon on the economy of this country. If we do not pay our debts, this country's economy is finished. So it is not a realistic alternative to simply point to the debt limit increase with a 60-vote requirement as the back up in case the rosy scenario is used, as it was almost every year during the 1980's.

So, Mr. President, I must say I am amazed that a constitutional amendment is offered because of the lack of confidence in the Congress, when the very language of this amendment, by its very terms, relies on Congress to implement the amendment and when there are so many loopholes that are open if the Congress and the President choose to use those loopholes. I have just discussed one today—just one of many—and that is the rosy scenario loophole, which is very obvious. We are experts at that.

Mr. President, this amendment has a double problem. It lets us off the hook until 1999. It gives us an excuse, if we choose to use it—and we have used it too often—not to act until the outyears, because by its own terms it will not be effective until 1999 at the earliest. The history of the politics of deficit reduction is such that Congress and the President, if they are let off the hook, will in fact take the easy way out. That is a very, very bad road to follow. I hope that we will not. I hope we will have the courage and wisdom to realize that the same Congress and the President which this amendment rely on to implement it are here now, and the deficit needs to be reduced now, and that we cannot have a loophole-filled constitutional amendment based on the ability of the Congress to use the rosy scenario, the estimate, as we did in the 1980's, as the way to balance the budget.

There is only one way now, or in 1999, or 2099, and that is willpower. I hope we show it and defeat this constitutional amendment and show the will to reduce the deficit with the hard decisions now.

I yield the floor.

Mr. CRAIG. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BALANCED BUDGET AMENDMENT

Mr. CRAIG. For the last several days, I have been on the floor talking about options that are available to us and the reality of what we are about in the consideration of a balanced budget amendment to our Constitution. I thought for a little bit of time this afternoon I would share with my fellow Senators an editorial that appeared in U.S. News & World Report on June 1, 1992, which I think is so very profound. Many of the arguments I have made, and Senator SIMON of Illinois and Senator HATCH and Senator STROM THURMOND have made as it relates to the very important debate that is at hand.

Let me read from that editorial:

> In one of his pithier observations, Winston Churchill once said that "Americans can be counted on to do the right thing, after they have exhausted all other options."
>
> The politicians of this country have now exhausted a raft of different options to bring Federal finances under control—deficit limits, tax increases, caps on domestic spending, cuts in defense spending—but the Nation's budget remains shamefully out of whack.

This editorial goes on, and we will leave this on the floor for other Senators to share. But it draws some very profound conclusions. So let me read the concluding paragraph:

> But we can no longer flinch from reality; we can no longer afford the illusion that we can borrow our way to prosperity. President Bush, who shares responsibility with the Democratic Congress for the dreadful state of our finances, should now work with Capitol Hill to ensure that an amendment to the Constitution is carefully and wisely drawn, that the country is fully informed of the consequences, and that we move forward immediately—to restore our financial solvency. Somehow 49 out of our 50 States have learned to live within laws requiring balanced books; surely Washington can do the same.

The person who wrote this is David Gergen, a man who is becoming well known around Washington in his relationship to the Clinton administration. I agree with what he said. I guess my only reaction to it is: Oh, what a difference a day and a dollar can make. But more important, I wish David Gergen would whisper very loudly in the ear of his boss that he was not only right in June of 1992, but that this statement is phenomenally valid today as we deal with this issue.

So for a few more minutes let me discuss, once again, as I did the other day, the very essence of the amendment that has been 10 years in the crafting. This amendment was not dreamed up in just a few hours in the leadership's office of the Republican or Democratic leadership here in the Senate. This amendment has been before the Judiciary Committee time and time again in full hearings; constitutional scholars from across this land have looked at this amendment, have argued every point of it; there is a full committee report out. While it is meager, there are volumes and volumes behind it that back up every section that we have assembled in Senate Joint Resolution 41.

Let us look at it section by section once again:

> Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

In our terminology, a rollcall vote means a recorded vote. So, in other words, we have provided what is the very concern that many Senators have expressed here today, that in times of extraordinary circumstances—and there are those times in the history of nations.

Two weeks ago, we voted on an extraordinary circumstance, and that was money for Los Angeles or the Los Angeles basin after it had been rocked by a devastating earthquake. That particular vote passed this Senate by the three-fifths required in section 1 because it was an extraordinary event. It was not the screwing in of light bulbs or the vacuuming of carpets, the day-to-day operations of Government. It was a cataclysmic or extraordinary situation.

> Section 2. States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

When we look at this amendment, it is important that we look at section 1 and section 2 together because they are in sync, and it is important to understand them in the whole and not in the separate.

What we are saying is that when the extraordinary event comes along, that there is an opportunity, if we choose not to raise taxes, to pay for it, but to recognize an alternative funding mechanism that we can in fact deficit spend. But we also say that it must be an extraordinary event, that it cannot come daily, that we should not be doing our—if you will—O&M budgets, the operation and maintenance budgets of our Government, in deficit. Today, we are doing that. Today we borrow over $200,000 annually, at least under the current budget scenario, and it can be argued just to keep the lights on, just to vacuum the carpet, just to remove the snow. That is bad business. That is bad budgeting. That is financially risky.

> Section 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

That is what Presidents should do.

Now, should President Clinton do it next year if this becomes constitutional law? The answer is no, because all of us are realistic enough to understand that he could not do it next year, that it is going to take a reasonable period of time of the Congress and the executive working together to bring this budget into balance. And we will say, when we finally reach a final vote on Senate Joint Resolition 41, that that should occur by the year 2001.

So anybody who stands on the floor today and says we are going to destroy Social Security, we are going to have to cut $200-plus billion out of the budget next year either is ignoring the obvious; they are blind; or they did not pass the first grade in reading, because that is not what this amendment says at all.

This amendment is very clear that we will work through a 6-year scenario to arrive at a balanced budget, and it is also assumed that when a President submits a balanced budget, he will also submit a revenue statement. He will do exactly as Bill Clinton did just a few weeks ago when they sent their budget to the Hill. Not only are there total expenditures in it, but there are estimated receipts.

We have just heard the Senator from West Virginia and others talk about the impossibility of estimating receipts. We do it every day. We have done it for years, and we will continue to do it.

The only difficulty here, and they do not like it nowadays, if this is to pass, is that there is no fallback anymore. You have to be a lot better at doing what you are doing. You cannot say: If we miss it by a few billion, we will just go out and borrow the money. If you do that, it would take a three-fifths vote. In other words, we have to be better bookkeepers and better accountants and figure our estimated receipts in a much better way. Many State governments do it, and they are extremely accurate. Why cannot our system be more accurate? Well, it can, if that is our dedication.

> Section 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

That is a constitutional majority. That is 51 votes. It is a rollcall vote. It does not happen in the dark of night with the yeas or the nays. It is: Stand up and be counted for. And the reason it is important that we say stand up and be counted for is that the ultimate pressure, the ultimate decider of who is or is not being responsible under the Constitution, is not this Congress, nor is it the judiciary. It is the individual voter in your State or my State, Mr. President, who is going to say, "Senator CRAIG violated the amendment." That is why we want a rollcall vote, so that Senator CRAIG and every other Senator here can be held accountable.

Today, when we handle the finances of this Nation, there is always a good reason for having done what we did or did not do. The accountability is very tough for the average citizen. And it is not by coincidence that this amendment is not our law; it is the people's law. It is the Constitution. So we ought to clearly allow them to understand the mechanism at hand so it is their instrument by which to judge the performance of the individual Members of the U.S. Congress.

> Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security——

And that is not just a judgment by the President.

> and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

In other words, it is serious business. We have engaged our men and women in uniform by a vote of the U.S. Congress, and in that case, as we always have done in times of war, spent in an extraordinary way not only for the safety and security of those men and women whom we have asked to engage in the ultimate form of foreign policy, war or military action, but because we have also recognized that we are investing in our Nation's freedom and, therefore, it is legitimate in that instance to spend in an extraordinary way. We did that in World War I, and we paid for it. We did it in World War II, and we paid for it. But something happened after the Korean war. We quit paying for our wars. We kept deficit spending and borrowing.

This amendment brings us back to the kind of rationality that gave us the economic stability coming out of our first two World Wars. That is part of the responsibility of this amendment.

> Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

Oh, my goodness. We heard a phenomenal amount of debate about estimates and receipts the last few days. The President is going to do it in his budget. We do it every year now.

Some will argue we were $20 billion off. I will tell you the reason we were $20 billion off. There were no consequences to being off. All we did was borrow the difference. If you miss it, so what? The "so what" ended up being $4.5 trillion worth of debt and $200 billion worth of deficit on an annualized basis. So the "so what" now makes a lot of difference. It does not mean we cannot do it better. We will do it better. But it does not mean we have to do it. It is not a mystical game. It is not in smoke-filled rooms. It is a reasonable and responsible process.

This morning, I entered into the RECORD the statement by 250 economists around the country who believe it can be done in a responsible and rational way based on this amendment. So that section is responsible and it is reasonable.

> Section 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

I think we are going to hear some interesting debate in the coming hours of the remainder of this week and into next week about taking certain items off the budget—removing them from the budget, putting them on autopilot. Is it wise? Well, that was the demise of Gramm-Rudman. We took just a few things off. And it worked pretty well for a little while. Then we took a little more things off when decisions got tough, and it fell apart. And the very pressure we had, the downward pressure on spending that Gramm-Rudman had produced for us went away.

There are some who are going to offer an amendment, I believe—or amendments—that would suggest that we take certain items off budget, and they will say if we do not, Social Security will be cut and slashed and destroyed.

I have never yet seen this Congress, in tough, decisionmaking environments, ever touch Social Security. They protect it because they believe it is a responsible covenant and agreement with the American people. Money has been invested in its trust funds, and it ought to be honored and respected. But why should it be off budget when it becomes such a major portion of consideration of the finances of Government? Of course, it should not be, and under this amendment it would not be.

> Section 8. This article shall take effect beginning with fiscal year 1999—

We know there is an amendment out there that the authors of this resolution have accepted that will take that to the year 2001.

That is the 6-year window of implementation. That is when we move back up to the section that says that the Congress will be responsible for enforcing and implementing by legislation and doing so by estimating receipts and outlays or outlays and receipts.

Now some will say—and we have heard the argument before—where are you going to make the cuts? Well, we are suggesting, first of all, you create the environment in which cuts have to be made or revenues have to be raised before you begin that argument. We are not talking about a budget process here. We are talking about an arena in which a budget process goes forward. And, yes, we are going to have to rewrite the budget rules of our Government because under this amendment to our Constitution, they must change significantly.

Senate Joint Resolution 41 is nearly 12 years now in the making. It has been looked at by constitutional scholars from all over the United States. It has been debated at least three times on the floor of this Senate and four times on the floor of the House. And it has been adjusted and crafted and changed a little bit in the course of that time to make it a more responsive document.

This is the product, the work product. Probably this effort has been given more time than any other piece of legislation that will come to the floor of the U.S. Congress this year. And it is deserving of that time because it is our Constitution. It is the law of the land. It is that document that we so love to talk about and are so proud of, that our Founding Fathers, in some divinely inspired way, crafted, that has guided us and directed us for so long.

But we also recognize that it is a document that, with time, can accept change—27 changes to date, and this would be the 28th amendment to the U.S. Constitution. So it is not a document that is rigid, unbinding, or unmalleable. Our Founding Fathers knew that it should be, that you had to change over time just a little bit because society would change. But once you have crafted an amendment and placed it in the Constitution, you would make it extremely difficult to change it once again.

So it is not unusual—and you heard Senator BYRD and me discussing the majoritarian approach the other evening, the three-fifths vote; a tremendous vote it will take here on the floor to even send an amendment out to the States. Our Founding Fathers clearly wanted to protect this document, and so do we.

And so, in the course of the next few days, as we continue this debate, let us recognize the importance of the work at hand, the time involved, the dedication, and the scholars who were involved with all of us in crafting this amendment.

It is simple. It is clear. It is a clarion directive to the budgeting processes of our Government but, most importantly, to developing the fundamental right that I believe is inherent within the budget, and that is the right of every American citizen to be unburdened by the deficits and debt generated by its Government in a profligate way.

So we are debating a fundamental right. And once embodied in the Constitution, I believe it will be every bit as strong a right as any of those embodied in the first 10 amendments or any other portion of our Constitution.

I yield back the remainder of my time.

REMEMBERING LEGENDARY NEWS PHOTOGRAPHER GEORGE TAMES

Mr. DOLE. Mr. President, I rise today to pay tribute to a Washington legend who passed away yesterday. George Tames was an award-winning photographer, a giant in the news business, and a fixture for years at the White House and on Capitol Hill. He was also a friend.

Most people may not have known this native Washingtonian, but they certainly knew George Tames' work. For more than 40 years, readers of the New York Times saw life in Washington, and 10 Presidents, through the lens of George's camera. Many of his finest photographs are contained in George's 1990 memoir "Eye on Washington: Presidents Who Have Known Me."

And many of us were fortunate enough not only to know George's extraordinary work, but to know the man behind the camera. The key to George's success—aside from his tremendous talent—was the charm, wit, and ability to tell a good story that earned him unusual access, everywhere from the Oval Office to Capitol Hill.

But perhaps the greatest tribute to George came from his colleagues and sometime competitors. Cornell Capa, a former Life magazine photographer, once said of George Tames: "He's the champion. He beats everybody."

Mr. President, I am proud to have known George Tames, and I am proud to have pictures he took hanging in my office. I know all my colleagues join me in sending our most heartfelt sympathies to George's wife, Frances, and to their five children.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I ask unanimous consent that I be allowed to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PHOTOGRAPHER GEORGE TAMES

Mr. SIMPSON. Mr. President, I, too, want to say a word about George Tames, who has gone from us now. He was a remarkable man. I met him when I first came to the Senate in 1979. He was the ace photographer for the New York Times, a very genial man, with bright eyes and a wide open face. He had a sparkling wit. He loved to talk about his heritage and his life in America. His family name was a contraction from an Old World name, and I cannot recall it, but it was quite a lengthy one.

He was not merely a skilled photographer. He was a decidedly positive human being. He was a real pro, and fun to be with, too! He had an "eye," and, of course, that is why he was so renowned in his profession. He will be greatly missed. He was truly a great photographer and was recognized by all of his peers for his extraordinary abilities.

So for me, I am very pleased that our lives came together, and our paths crossed. It was my pleasure to have come to know him, and I extend my sympathy to his loved ones.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. SIMPSON. Mr. President, I wish to support the constitutional amendment to balance the budget as proposed by my very able colleagues, Senators SIMON, HATCH, CRAIG, and others.

Over the years I have been involved in this one, we have taken all the hard shots that they can fire at us. I can remember when we started, Senator HEFLIN, Senator DECONCINI, Senator THURMOND, Senator HATCH, when I was in my first year on the Judiciary Committee.

The arguments in favor of and against this amendment have, it seems, been repeated time and time again in this Chamber. I do not even have in front of me a large stack of remarks now because we have all heard everything. But I wish to commend Senator SIMON. He is persistent, genial, persevering, and he needs all these qualities together with his journalistic background that enables him to persevere here and to take on the hysteria which we often find in the opposition.

We now have the AARP geared up fully. There are 34 million people in the American Association of Retired Persons. I have said all this before. You need to be 50 years old and have $8 and then you can become a member. You must have a common love of airline discounts, automobile discounts, and pharmacy discounts in order to prevail properly.

This organization has the power, once again, to not only knock off the balanced budget amendment, but health care reform, or anything else they gear up to do in. But the saddest part of it is that 95 percent of their members have no idea what their principal function is or their philosophy.

I have looked into their organization. I will be doing more of it in this Chamber. I will not take time now, but just to tell you again that they are a remarkable "nonprofit organization" that has a $9 billion cash flow, the old AARP. They have their own law firm to which they pay $2.5 million of retainer per year, with one of the founders involved there.

They have a little manual that goes out to their field people that if the field people cannot ascribe to the basic philosophy of the AARP as in the manual in headquarters, they are subject to immediate dismissal. They have a yield on their investments of $37 million. Imagine what the principal would be on those investments. Seven percent yield, 6, what do they receive?

Ask for their forms. Read them. They receive 4 percent of every single penny they place with Prudential Life Insurance or Prudential anything or any insurer; they receive 4 percent of the premium into their own coffers. And they receive a $80 million grant from the Federal Government for reasons that must be totally unknown to any sensible taxpayer because of that kind of cash flow.

If you were to look at their proposals for the future in America, it provides that this Government would be required to spend in excess of $600 billion in the next 7 years to satisfy the basic legislative proposals or programs of the AARP.

I will be going into much more with regard to that organization in the future. Someone should because, as I say, they have the power to destroy whatever we try to do with regard to health care. And I saw them come into action these last few weeks. They are now fully geared up, along with the Committee for the Preservation of Social Security and Medicare, another group who are still looking to take care of the notch babies which would only cost $200 billion or so, and it would all come out of the Social Security funds.

So here we now see them saying that people are going to lose their Social Security payments. They even picked a figure from the sky somewhere as to what folks would lose. I think it is egregious. Certainly Americans should begin a probe of this group and see just exactly, as we would do with any legislator or anyone in public life, what it is they do, from whence do they spring, and how do they make their money, and what do they do with their money other than provide these remarkable things to seniors and to their staff and to their field people at salary levels which would boggle the mind.

Well, other than that feeling there about that, of which I have now rid myself—any arguments I would repeat have been heard time and time again. I will not ask my fellow colleagues to listen to yet another repetition of the arguments so well advanced by my colleagues.

But I would instead wish to address my remarks to the nature of the debate itself. As so often happens around this Chamber, it is easy for individuals on one side of the debate to subtly impugn the motives on the other side. "Inconsistency" is something that we so often detect in the reasoning of others although, indeed, hardly ever, nearly never in our own positions. Inconsistency is often, of course, a polite way of alleging hypocrisy or worse, but I bring this up because I have heard it said that proponents of the balanced budget amendment, and I am one of them and have been from the beginning, have been "inconsistent."

It has been said that the Senators who favor the balanced budget amendment at the same time are the ones who refused to cast votes in favor of spending cuts. I heard this charge. I asked myself, "Could this be so?" It certainly would cast doubt on the sincerity of the amendment's proponents if it were. So I decided to find out for myself.

There are a great number of organizations around this village that track the voting records of the Members of Congress from every philosophy. I was in touch with one of them, the National Taxpayers Union Foundation, and I wanted an index of every vote. I am not talking about cosponsorships—I am talking about every vote cast by Senators in this body, weighted by how much money we were voting to spend. I did not want some isolated instance here, some single anecdote to hurl at a colleague on the other side of the aisle, or my own side of the aisle like, "Remember when you voted for the Super Collider?"

That proves nothing. We have all been there. We have all voted to spend money at one time or another on things very near and dear to us without a qualm, and we will continue to do that forevermore.

But I wanted to find out what were the total spending habits of those Senators who supported this balanced budget amendment, and to compare them with the opponents of the amendment. So I took as my reference July 1, 1992, the cloture vote on the balanced budget amendment. On that date, 56 Senators voted in favor of cloture to cut off debate so that we could proceed to vote on the amendment, and 39 Senators voted in opposition. Then I looked up the spending records in the Second Session of the 102d Congress of the 56 Senators who voted for cloture, and of the 39 Senators who voted against cloture.

The National Taxpayers Union tabulates every vote cast in this body, not cosponsorships, and weights it according to how much money we are then voting to spend.

Let me quote from their pamphlet: "We analyzed every rollcall vote taken during the Second Session of the 102d Congress and selected all votes that could affect the amount of Federal spending." They produce an index on that basis. The better your record in voting to cut spending, the higher your rating on a scale of 1 to 100.

What I found, and I must tell my colleagues, is that the statement made here on the floor the other day is totally and simply wrong. There was an assertion made that the proponents of the amendment do not vote to cut spending. That was made in not only the forum here, but also in a different forum. In fact, that statement could not be more wrong. It is directly and wholly refuted by the facts. Just the opposite is true.

It is true, in fact, that the supporters of this amendment are the Senators most likely to cut spending. Let us be very clear and up front about this. Fifty-six Senators voted to invoke cloture on the balanced budget amendment when it was last considered. The average "spending cut" score of these Senators was 54.6. This is the average "spending cut" score of those 56 Senators—54.6. The 39 Senators who voted against cloture, effectively voting against the amendment, obviously, had a score of 26.4, less than half as impressive or as good as the proponents. In fact, the opponents' collective score gives them an "F" grade on the National Taxpayers Union Foundation scale, putting them as a group in the "big spender" category.

So let us be very clear that this supposed internal inconsistency simply does not exist. The National Taxpayers Union Foundation ranks the various Members of the Senate according to how much they vote to spend, and I list the Senators who most consistently voted to cut expenditures: Senators SMITH, BROWN, CRAIG, SYMMS, and my colleague from Wyoming, my old friend, MALCOLM WALLOP. Every one of those Senators voted in favor of the balanced budget amendment, every single one of them.

Of the Senators who are listed as the biggest spenders, I will not give their names. I will not list them here, but every single one of them voted against the balanced budget amendment. Their names are in the literature to be reviewed, if anyone would wish to.

So I just think it is important to try to stay with the facts. The correlation at the extremes is absolutely perfect with what we see with spenders versus those who wish to cut the budget.

Then let us all remember. At least I was here in armed combat when we did the amendment in May of 1985 where we voted to get rid of 23 agencies of the Federal Government, voted to freeze the entire Federal Government except Social Security, which we could allow to rise only 2 percent. Everything was to be frozen in place. The vote was 50 to 49.

I can tell you, I call that heavy lifting. Oddly enough, that was a bipartisan vote. Our colleague, the Senator from Nebraska, the close friend of the Senator now occupying the chair, was the controlling vote. We all remember Senator Ed Zorinsky, a very wonderful addition to this place and a very principled man. He took a tough vote. It was a tough, tough time for those of us that took that vote because in the next general election six of the people in my party who voted that way were blown away by the electorate.

All the various interest groups, like the one I just named in the origin of these remarks, did the 30-second spots or helped pay for them, and said: "There is the slob that cut your Social Security;" this is the slob that took your veterans' benefits; there is the guy that took your railroad retirement; this is the person who did this and this and this and this.

Who is to do the heavy lifting? We do not do it here. This amendment may be shock therapy. But it would be the kind that this country could use. Does anyone believe honestly that you are going to do something with a debt, which is $4.5 trillion and a budget which is $1.5 trillion, and a deficit—depending on who you choose to believe—between $167 billion and $287 billion, that it is all going to be resolved without some pain or some sacrifice from those of us here, in this Chamber? Whether it has to do with our own pension, whether it has to do with things with us and with those out there, there is going to be pain and sacrifice connected with this, or we will simply not get it done. No one needs to even guess as to how else we are supposed to do it.

But when the interest groups, whose sole function in life is to keep up their membership by terrorizing the Members, continue to range around the country distorting every facet of what we do—and many of such groups in this country now are functioning on the basis of first taking care of their executive directors, their staffs, and assuredly their pension plans, their investment proposals, their retirement proposals, and very little of the money really goes to what they say they stand for—that is now a unique and extraordinary thing in our country.

The sole purpose and the sole method then for them to continue their "good works" is to terrorize the Members by simply telling them that the Congress is inept, greedy, overreaching, picking their pocket, ripping off the trust fund, all the rest.

Please know there is no separate pot of money called Social Security Trust Fund. When are we going to quit listening to that garbage? The money presently in the reserves of the Social Security System is, by law, to be invested in the securities of the U.S. Government. That means T bills, that means U.S. Treasury securities, it means savings bonds. There is no separate "fund." We do not rob the fund. There is no fund to rob. If this Government ever had a pot like that they could dig into, and the tabulated "reserves" I think are about $200-some billion now—we would have discovered a new door on Fort Knox.

All of the Social Security money is invested in Federal securities. The Federal securities are purchased by people in real life. They are purchased by union pension funds. They are purchased by teachers' funds. They are purchased by the AARP, probably. And they are valid obligations of the Federal Government, backed by the "full faith and credit" of the Federal Government.

Then when those are purchased, the interest on those issues is paid from the General Treasury. It is not paid from some separate kitty. It is not paid by the Social Security Trust Fund. That interest is paid by the taxpayers of the United States of America separately.

So let us put that one to bed. I hear it all the time. I do know who spreads it. Indeed I do. But let us put that one away because that is another hysterical move to try to petrify the American taxpayers and the members of the special interest groups.

Keep that all in perspective as we get into the debate—that this is the truth about Social Security and that we have never continually raided the Social Security "fund." One time in my 15 years here, I think for 72 hours, there was an intrusion into the Social Security fund. We quickly remedied that and allowed that was never going to happen again and that we would not allow it to happen again, and it never happened again.

So there is much more that I will say in the days and the weeks to come as we deal with the really tough issues of the day. I have been honored to be selected to be on the Entitlements Commission as appointed by the President. It consists of a remarkable group of Democrats, Republicans, liberals, conservatives, businessmen, and special-interest-group personnel, and there is not one of us that does not know, who needs to be taught in any way, what the problem is. We all know what the problem is: It is whether we will ever do something about it.

I do hope we will not continue to hear that there is some great hypocrisy rampant in the land among those supporting the balanced budget amendment or some inconsistency between the proponents' positions on this issue and their voting records as a whole. There is not. It is not there.

Senators supporting this amendment are, for the most part, the same Senators who have been voting to cut spending, and historically that is so. The correlation is clear, and it is quite unambiguous. I hope this might put to rest any further aspersions on the sincerity of the proponents of the balanced budget amendment.

I thank the Chair.

Mr. SIMON. Mr. President, following the remarks of my colleague from Wyoming, I would like to make a few comments and then talk about an amendment we may be voting on before too long, or will be discussing before too long. First, on what Senator SIMPSON says about those of us who are sponsoring this, there was a release by the National Taxpayers Union that took cosponsorship of legislation and added that up, and I looked like a huge spender because, among other things, I am cosponsoring two different health care bills. Total that up, and it is a huge amount.

I asked my staff to total the appropriations that we voted on and the appropriations cuts last year for the total year. On that, I end up one of the top third in the Senate in terms of cuts in appropriations. It may be of interest to this body that the No. 1 person in the U.S. Senate in terms of voting for appropriations cuts is our colleague, Senator HERB KOHL, from Wisconsin, who is a cosponsor of the balanced budget amendment.

Second, Mr. President, I want to enter into the RECORD at this point a column by George Will that was printed this morning in the Washington Post. I will read the first paragraph because it kind of outlines where he is going:

> Opponents of the constitutional amendment that would encourage—no more than that—balanced budgets rely on arguments that devour one another. They say the amendment is an inconsequential gimmick—and they say it would eviscerate government. They say the amendment is unnecessary because Congress can be trusted to act responsibly—and they say Congress cannot be trusted to respect the amendment if it is put into the Constitution.

Anyway, he says very clearly that we need a balanced budget.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post]

ARGUMENTS OUT OF BALANCE

(By George F. Will)

Opponents of the constitutional amendment that would encourage—no more than that—balanced budgets rely on arguments that devour one another. They say the amendment is an inconsequential gimmick—and they say it would eviscerate government. They say the amendment is unnecessary because Congress can be trusted to act responsibly—and they say Congress cannot be trusted to respect the amendment if it is put into the Constitution.

The wizards in the White House, tightly in the grip of the conceit that the future is to them an open book, say the amendment would force grim choices costing the average Social Security or perhaps Medicare recipient at least $1,000 a year, and they have listed the annual cost of the amendment to each state. Vermont? $418 million. How does the White House know so much about choices the nation would make under a constitutional requirement to align revenues and outlays?

Besides, another argument made against the amendment is that instead of making grim choices, Congress would make a mockery of the Constitution. This argument, coming from members of Congress incapable of blushing, is: Trust us, not the amendment, to achieve fiscal discipline, because we are so untrustworthy we would treat the amendment as more loophole than bridle. "Emergencies" would be declared promiscuously, programs would be put "off budget," receipts and outlays would be redefined, cost and revenue projections would be cooked—in short, there would be even more of the trickery that now goes on.

Sen. Carl Levin, a Michigan Democrat opposed to the amendment, notes that it "relies on statutory definitions that can easily be changed," such as the definition of "fiscal year." He warns that Congress might redefine "fiscal year" to mean "eleven months or three years." Oh. Congress is so cynical, don't bother trying to bind it with constitutional fetters? Does Levin have such a low opinion of his colleagues that he thinks it would be easier to fiddle the meaning of "fiscal year" than to get 60 percent of both houses of Congress honestly to authorize a deficit, as the amendment allows?

The word "crisis" has become another classification used so casually that it no longer classifies. Even so, it is peculiar to say (as does Lloyd Cutler, who was counsel to President Carter) that there would be a "constitutional crisis" if an "emergency"—say, many hurricanes and earthquakes—necessitated spending that required a constitutional super-majority to authorize a deficit. If the "emergency" could not catalyze 60 percent of Congress would it really be much of an emergency?

Opponents of the amendment warn that it deprives the government of "flexibility" needed to adjust fiscal policy to stages of business cycles. Of course this argument cannot be used by opponents who say the amendment would be too porous to inhibit the government. And this argument requires faith in the government's aptitude for fine-tuning fiscal policy to "manage" the economy. And the people making this argument must explain this: Flexible government, unconstrained by a balanced budget requirement, has run deficits at every stage of every business cycle since the last balanced budget, in 1969, and President Clinton, who opposes the amendment, projects deficits far into the future.

When the deficit was around $300 billion, critics said the balanced budget requirement was ruinously Draconian. Now that the deficit has temporarily dipped below $200 billion opponents say the requirement is unnecessary. And opponents say that projections of rising deficits by the end of the decade mean that the requirement soon would be ruinously Draconian.

Yes, if Congress passes the amendment, the states, which get about 20 percent of their money from Washington, might reject it. (Thirteen states can stop an amendment. That limit on majoritarianism is more substantial than the mild requirement of a 60 percent vote to run a deficit.) Yes, Congress might respond to a balanced budget requirement by stepping up its "spending by indirection"—imposing unfunded mandates on the states, regulating business, and so on. (Last year the Clinton administration regulations filled 69,688 pages of the Federal Register, the third highest total in history, behind only the last two Carter years.)

Which is to say, the balanced budget amendment can inconvenience legislative careerists but cannot make them virtuous. Which brings us to the source of the real passion against the amendment: deficit spending is, in effect, public financing or the campaigns of incumbents, enabling them to charge only 75 to 86 cents for every dollar of government they dispense. So the vote on the amendment is a referendum on a political style: borrow and borrow, spend and spend, elect and elect.

Mr. SIMON. Mr. President, I would like to put anybody on notice that there will be an amendment offered by my friend and colleague, Senator HARRY REID of Nevada. Senator REID, in my opinion, is one of the finest Members of this body. He has shown courage; he does his homework; he is a hard worker. I have great respect for him. He is one of the people I have traveled with and have come to know, and I just have tremendous respect for him. He is willing to face new ideas.

But the amendment he is offering—no one should be fooled—is not a balanced budget amendment. I will go into more detail when we get into the debate after it is introduced, but it says: Estimated outlays have to match estimated receipts.

Now, we permit estimation in our amendment. You have to do that. But it says outlays have to match receipts; receipts have to match outlays. That is a very different thing than requiring that estimates be balanced.

Second, it says "estimated outlays of the operating funds of the Federal Government." That is suggesting that we would have a capital fund and an operating fund. We do not need that. The biggest public project program in the history of humanity was our interstate highway system. It was suggested, to his credit, by President Eisenhower. But he suggested we issue bonds for it, and to the credit of a United States Senator by the name of Albert Gore—Albert Gore, Sr.—he said: Let us increase the gasoline tax and do it on a pay-as-you-go basis. And we saved, believe it or not, over $800 billion in interest by doing it that way.

What is the biggest single project we have today? It would be a nuclear carrier. That is done over several years. That would be $1 billion, at the most. It is very interesting that GAO makes very, very clear, in study after study after study, that, yes, you should separate your investment from your consumption in the budget, but do not go to a capital budget where you use that as an excuse for deficits.

Second, things like the Congressional Budget Office are named in the amendment, or our Social Security System is named. We do not, in the Constitution, name the Department of Defense or the Secretary of Defense or the Secretary of Interior, or others, and then there is no muscle behind it. Just to make sure that games are not played in our amendment, we say that if you want to increase debt, you have to have a three-fifths majority. That puts real muscle in this thing. There is no muscle in this one. He has, for example, one provision that I would vote for statutorily. It says that Congress may, by appropriate legislation, delegate to an officer of Congress the power to order uniform cuts. I would vote for that as a statute, but we do not need it in the Constitution.

Let no one be deceived—this is designed as a way to give cover to Members of the U.S. Senate who want to both please the administration and my friend and colleague, Senator BYRD, and to go back home and say, "I voted for a balanced budget amendment." Anyone who votes for the Reid amendment and votes against the Simon-Hatch amendment has not voted for a balanced budget amendment. Let no one be deceived on that score.

I know we are going to have a good debate, and I look forward to participating in that debate.

The PRESIDING OFFICER. Senator HATCH is recognized.

Mr. HATCH. Mr. President, I appreciate the cogent comments of my colleague, Senator SIMON, on this matter.

Look. We all have been in this legislative arena for a long time. When people have a tough issue, they try to get a facade amendment to pass so that people can vote for something so they do not have to vote for the real amendment.

Mr. President, that is what is happening here. The fact is that the real amendment is the Simon-Hatch amendment. Everyone hopes it will be enforced. Everyone knows it will work. Everyone knows it will put the fiscal discipline and the fiscal restraints on Congress that are appropriate under these circumstances of almost 60 years of not balancing the budget and running it into a debt of $4.5 trillion.

Mr. President, the distinguished Senator from Illinois summed up our criticisms pretty well. We will take time either tomorrow or Monday and shred this amendment alive because it does not make sense. It certainly will not be needed to balance the budget. It certainly is not a balanced budget amendment. It is a mere cover-your-backside amendment that will allow people to vote for an amendment, and then vote against the real balanced budget amendment. I do not want anyone to misconstrue it.

The amendment we have to pass is the Simon-Hatch amendment if we want a balanced budget amendment to the Constitution and we want to get it through both Houses of Congress. If we do not do that, everyone knows this is just a game and there is no question about it.

We will have more to say about it later.

Mr. President, I ask unanimous consent that my next remarks be as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH PENALTY FOR ESPIONAGE

Mr. HATCH. Mr. President, the Senate crime bill's death penalty provisions provide the death penalty for, among other crimes, espionage. There are efforts underway in the other body to defeat the death penalty or attach gutting amendments that will make the death penalty virtually impossible to impose.

For years, many of my colleagues and I have been fighting for passage of a true, workable Federal death penalty that will appropriately punish and deter capital crimes against our Nation. For years these efforts have been thwarted by death penalty opponents.

As a result, there is no death penalty for espionage, and the maximum penalty Aldrich Ames faces, if convicted for selling our country's secrets—all for $1.5 million and a more comfortable lifestyle—is life imprisonment. That is the most that he would suffer. And that is taking into consideration that it appears at least 11 people who have worked for the United States have been murdered as a result of his espionage and of his treason to our Government.

The Senate-passed crime bill authorizes the imposition of the death penalty in espionage cases where "in the commission of the offense the defendant knowingly created a grave risk of death to another person." It is clear from court records that Mr. Ames compromised the safety of U.S. operatives overseas, and the prevailing wisdom is that several agents may have been murdered as a result of intelligence that he crassly sold to a foreign government.

Mr. President, when a potential turncoat calculates whether he will betray his country for profit, the prospect that he or she may be sent to the electric chair should be part of his or her calculation. The death penalty is a strong deterrent to such crimes. For crimes like espionage and treason for profit, the likelihood of such a crime being committed will be diminished if the potential punishment includes the death penalty. This is a price some criminals will not want to pay for a new Jaguar.

I believe we need an enforceable, comprehensive Federal death penalty for espionage, and we need the President's leadership on this issue. So I strongly urge President Clinton to announce his support for a Federal death penalty contained in the Senate bill.

We not only have the death penalty there, we resolve the procedural conflicts that have made it unenforceable over all these years. I cannot think of a better instance where it should be enforceable than in those cases where a person sells out his or her country, and does so for a cheap profit by putting lives in jeopardy and causing the death of other people.

I cannot determine the Ames case in advance, nor do I want to. But if the facts are as they have been explained to me by governmental law enforcement leaders, then this is an appropriate time to pass the Senate bill with the Federal death penalty intact, enforceable, and written well.

WHAT THE FCC FORGOT TO TELL AMERICA WHEN IT CUT CABLE RATES

Mr. DOLE. Mr. President, I read with interest yesterday in the Washington Post, and others papers, about the rollback of cable rates. I just want to set the record straight.

I call this "What the FCC Report Forgot to Tell America When It Cut Cable Rates."

Mr. President, the Federal Communications Commission's appetite for Government intervention has opened a big pot-hole in the information highway, and could short-change cable TV consumers. Earlier this week, the FCC announced that cable TV companies with fewer than 15,000 customers are subject to have their rates rolled back by 7 percent. This sounds good if you stop right there. It sounds very good. But no one has told the American people what they will sacrifice in the process. For starters, we should expect two things. First, it will stifle private business efforts to build the so-called information highway. And second, rapid introduction of new channels and services will not occur. In short, Americans should expect an inferior product because the cable TV legislation has stagnated competition and innovation. Unfortunately, only a few of us anticipated this outcome when Congress passed this law in 1992.

Mr. President, these rollbacks hurt more than the cable TV industry, and nobody would defend some in the industry for some of the egregious practices in the past. In fact, major communications deals have been ruined by the FCC's actions. Chairman Hundt's economist, Michael Katz, said these additional cuts won't hurt. The stock market said otherwise. Citing the rate rollbacks, Bell Atlantic last night called off its bid to acquire TCI. Originally this acquisition was valued at $26 billion and would have arguably created the most powerful and progressive communications company in the world. Bell Atlantic's stock took a nose dive when Chairman Hundt indicated last December that he would roll back rates and thereby restrict TCI's revenue stream. As my colleagues may recall, Bell Atlantic was cautious and did not strike a deal until after the FCC had set its original rate cut regulations. I can only guess that constant changing of the rules will discourage similar deals from being negotiated in the future.

The administration's says it supports the establishment of an information superhighway, but seems eager to throw up roadblocks in the way of its development. Vice President GORE's says that promoting competition will accelerate construction of the highway. He envisions the cable industry as the major competitor to the phone companies. Let us face it, that is not likely. As one of the principle architects of the cable TV bill, the Vice President is responsible for hamstringing the cable TV industry to the point that it is no longer a credible competitor. If we continue to pursue such short-sighted policies in the name of consumer protection, Americans will never see the benefits of competition.

HAZARDS OF CABLE RATE CUTS

Mr. President, rate cuts are not a free ride. When the Commission originally rolled rates back 10 percent last September, approximately two-thirds of all consumers realized some savings. But have subscribers seen any new channel additions since then? Of course not. In fact, many have actually experienced a reduction. Why is this when there are 51 new cable channels ready to go right now? It is simple. Cable operators just can't afford them.

Updating old cable TV systems and construction of new ones have also been practically non-existent. These upgrades would accelerate the development of the information highway and create thousands of high skill, high-paying jobs—the kind of jobs Vice President GORE says he wants. But the actions of current FCC Chairman, Reed Hundt, say otherwise.

These are only a few problems that were created by the first rate cut. It seems to me that things will not improve with another 7-percent rollback. While pro-regulators have let their revisionist tendencies get the best of them, let me set the record straight. It was never Congress's intention to punish all cable TV companies, only the abusive companies.

REPUBLICAN FCC NOMINEE

Mr. President, I am also concerned that the Republican FCC seat vacated by former Chairman Al Sikes more than a year ago remains empty. This is completely unreasonable. We have been advised by Howard Paster that this would not happen. In fact, I thought the White House recognized this fact when it agreed to quickly name a nominee. That was 3 months ago. What is the hold up? After all, we have had two nominees for Secretary of Defense, and one confirmed, in the same time period, as well as countless other nominees.

7-PERCENT ROLLBACK NOT JUSTIFIED

Mr. President, in closing this brings me to another issue. How did the Commission determine that a 7-percent rollback was in order? They say a study will be released in 2 weeks which will justify everything. It seems to me that the study should have come first—before any changes were made.

For instance, it is my understanding that Chairman Hundt's office said that cable TV operators got off easy—the Commission could have ordered a 15-percent rollback. Well, if the data supported a larger rollback, why did not the Commission stand strong for the American consumer? As I have said all along, this entire debate has been more about politics than consumer protection.

CONCLUSION

No doubt about it, the cable TV bill fiasco is a vivid example of the Government tinkering with something that it clearly didn't understand. Now don't get me wrong. Consumers should get the most bang for their buck. As I said before, there were some bad practices with some cable TV operators. But when Government gouges consumers more than business, it is time for Government to get out of the way and let competition take over.

I ask unanimous consent the Washington Post article which I referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 24, 1994]

BELL ATLANTIC, TCI CALL OFF MERGER—FIRMS BLAME LATEST FCC CABLE RATE CUTS; REGULATORS AND ANALYSTS SKEPTICAL

(By Sandra Sugawara and Paul Farhi)

Bell Atlantic Corp. and Tele-Communications Inc., yesterday called off their plans for the biggest telecommunications merger ever, blaming the Federal Communications Commission decision Tuesday to scale back cable TV rates.

Bell Atlantic Chairman Raymond W. Smith and TCI President John C. Malone decided to call off the deal at a meeting in New York after they failed to agree on the price that the regional telephone company would pay for the cable properties, according to a Bell Atlantic official.

Smith argued that the FCC actions reducing cable prices would significantly reduce the value of the cable properties, but Malone refused to accept the lower price. The merger initially was valued at $26 billion.

Smith had said the deal, by creating economies of scale, would speed up the arrival of the so-called information highway. This enhanced network promises to deliver services such as video on demand, interactive home shopping, video conferencing and remote education to millions of homes across the country.

On the face of it, the failure of the merger would seem to slow down this process. But some analysts said competition between telephone, cable and entertainment companies—not mega mergers—utlimately will provide these services. Consumer acceptance and willingness to pay also will be key factors in what services are provided, and when.

"There is no change in our overall vision, which is to be a major player in the communications, information and entertainment world. We're just going to do that in a different way than we planned on Monday," Bell Atlantic President James Cullen said last night.

"Of course we are disappointed, but the unsettled regulatory climate made it too difficult for the parties to value the future today," Smith said in a statement.

"Given the market and regulatory uncertainties, Ray and I concluded that this is not the time to bring our companies together," Malone said in the same statement.

But FCC Chairman Reed Hundt challenged the companies' explanation, and Clinton administration officials and industry analysts also expressed skepticism about whether regulators were to blame for the deal's collapse. The commission's cable decision "did not in any way make the future of the cable industry more unsettled," Hundt said in a statement released by the FCC. He said that instead the rules clarified the industry's future.

The cancellation of the deal may also slow the merger mania among cable, telephone and other companies, according to industry analysts, who said the high-profile Bell Atlantic and TCI deal had put other companies under pressure to find partners.

"We are going to have to rethink everything," said Robert B. Wilkes, an analyst with Brown Brothers Harriman & Co. in New York. "I think there is less likelihood that all these industries will come together."

Wilkes also said it may lessen the pressure for legislation to deregulate the telecommunications industry. But an aid to Rep. Edward Markey (D-Mass.), chairman of the House telecommunications subcommittee, said he did not expect the announcement to slow plans to pass such legislation.

"Whatever the real reason this deal fell through, no deal should survive if it is premised on a cable company charging monopoly rates," Markey said.

The companies' decision came a day after the FCC voted unanimously to cut cable companies' programming prices by 7 percent. Ten months earlier, the FCC ordered a 10 percent rate rollback.

While many analysts expect TCI, the world's largest cable company, to weather the FCC's move better than others in its business, the ruling is likely to curtail the company's monthly cash flow. That is crucial, since the price Bell Atlantic would have paid for TCI was predicated on a formula of 11.6 times the cash flow of TCI's cable systems. Cash flow is the cash available to a company before taxes and depreciation are deducted from revenue. As this cash flow declined, so did the price Bell Atlantic was willing to pay for the assets.

TCI has not estimated how much the latest 7 percent rollback will affect cash flow, but it said last fall that the initial 10 percent rollback would diminish it by 4 percent to 5 percent annually, assuming the company did not find new sources of unregulated revenue, such as increased advertising. All told, however, most analysts did not expect TCI to be severely harmed by either of the FCC's rate rollbacks.

An administration official last night discounted the claim that the FCC was to blame. "The idea that all of a sudden this shook these two giant companies to the core is hard to believe," the official said. ". . . The search for external forces may be convenient, but the real cause may lie within."

The companies had already missed several deadlines for closing the deal.

George Dellinger, analyst for County NatWest Securities, also was skeptical. "It was compounded by the cable regulations, but I don't think [Smith and Malone] can look each other in the eye and say FCC did it. . . . It was egos. It was fine print. It was power. It was price."

But Cullen flatly denied that the deal fell apart for any other reason than the FCC rate cuts. "I can tell you absolutely that could not be further from the truth," he said of speculation that factors such as ego and culture clashes played a role. "The chemistry could not have been better."

Cullen said that over the past four months, numerous issues had threatened to derail the talks, but that each of these was resolved. "It was the deal with nine lives," he said.

He said the two companies are discussing joint ventures, including the creation of a full-service network and a joint venture in programming.

The administration had in principle given the merger a green light, another administration official said, provided that the combined company sold cable TV systems located in the Bell Atlantic telephone service area, such as Washington's District Cablevision. Those were needed so that the merged company would not have monopoly control over phone and cable systems in a single neighborhood.

However, some Washington officials and legislators have expressed concern that a wave of mergers would bring monopolistic lethargy to an emerging market that they hoped would host many companies and be vibrantly competitive.

Bell Atlantic stock, which was trading at nearly $68 a share when the deal was announced, has declined steadily since and closed yesterday at $52.75 a share. TCI shares closed at $24.25 yesterday, down from $31.37½ last fall.

Mr. DOLE. I yield the floor.

TRIBUTE TO KRISTIN HYDE

Mr. DOLE. Mr. President, I rise today to express my gratitude to a member of my staff who is leaving my office at the end of this week. As my press assistant, Kristin Hyde has been an important part of my press team for more than a year.

At a young age, Kristin has made quite a name for herself, working at the Republican National Committee, for President Bush, in the Office of the Senate Republican leader, and now Kristin is moving on to a new challenge as press secretary for our colleague, Senator JUDD GREGG.

From her duties as a spokesperson to doing all the unglamorous things that make a press office work, Kristin has been a tremendous asset to my office. Her talents will serve her well in her new position as she works with the media from her native "Granite State."

While Kristin is leaving my staff, I take some consolation in knowing she will be working in two places I know well—the U.S. Senate and the State of New Hampshire. I wish her all the best.

JUSTICE ROSEMARY BARKETT

Mr. DOLE. Mr. President, last November, Senate Republicans and Democrats put aside our partisan differences and passed one of the toughest crime bills we have ever considered.

Will this bill put an end to the crime epidemic? Of course not, not by a long shot. But after years and years of congressional inaction, and after more chaos and slaughter on the streets of America, this bill—if adopted by the full Congress—would represent a good first step in the right direction. It would be progress.

President Clinton is now on the rhetorical offensive, talking tough on crime as he tries to refashion himself as a new democrat. Although the President has not fully embraced every detail of the Senate-passed crime bill, including the $6.5 billion it devotes to incarcerating violent criminals, it appears that each day he is inching closer to an endorsement.

AN OPPORTUNITY FOR THE PRESIDENT

If President Clinton musters up enough political courage to say "No" to the liberals in the House of Representatives and throws his unqualified support behind the Senate-passed crime bill, it will be a credit to his administration and a boon for the American people.

When it comes to fighting crime, the American people do not indulge in muddled thinking: Criminals are not the victims of society, as the root-cause liberals would have us believe. On the contrary: Society is the victim of criminals. And the most effective antidote to violent crime, at least in the short-term, is to arrest the violent offenders, convict them, lock them up, and then slam-shut the revolving prison door. The simple truth is: A criminal kept behind bars will not terrorize a single law-abiding citizen. Not one.

Of course, actions speak louder than words. We can toughen the criminal laws. We can put more police on the streets. We can give more resources to law enforcement. We can keep violent criminals behind bars through truth-in-sentencing and by building more prisons. But these efforts, no matter how worthwhile, will quickly unravel if the Federal bench is dominated by judges who seek to substitute their own liberal policy preferences for a neutral application of the criminal laws.

Judges, and the rulings they make, can have an enormous impact on our criminal justice system. Like a hefty credit card bill, America is still paying the price for the Warren court years—and Warren happened to be a Republican—a period of unparalleled judicial activism during which the rights of criminal defendants were expanded and the ability of law enforcement to protect the public tragically diminished.

BARKETT RECORD DOES NOT MATCH PRESIDENT'S RHETORIC

One judicial nominee whose record of liberal activism is curiously at odds with the President's tough-on-crime rhetoric is Florida Supreme Court Chief Justice Rosemary Barkett. Justice Barkett has been nominated to fill a vacancy on the 11th Circuit Court of Appeals.

Last year, when she was first nominated, I publicly expressed some reservations about Justice Barkett's record. During the past few months, I have had the opportunity to examine this record more fully.

Justice Barkett is, no doubt, an intelligent and capable person. But, time after time during her tenure on the Florida Bench, Justice Barkett has shown a willingness to find excuses for criminal behavior and an eagerness to indulge in the criminal-as-the-victim-of-society approach that does so much to erode public confidence.

First, the death penalty. The death penalty is one area in which Justice Barkett's liberal activism has flourished.

Yes, it is true that Justice Barkett has, on numerous occasions, joined with her colleagues on the Florida Supreme Court in voting to uphold the imposition of the death penalty. But it is also true that she is the most antideath penalty member of the Florida court, having dissented more than 100 times—and often without explanation—from the court's decision to enforce a capital sentence. By contrast, Justice Barkett has never—not once—dissented from a majority decision of the Florida Supreme Court that granted relief to a convicted capital murderer.

In one case involving a brutal, racially motivated killing—Dougan versus State—Justice Barkett joined a dissenting opinion that offered the following criminal-as-a-victim-of-society analysis. Criminal as victim—do not worry about the victim, worry about the criminal. "This case is not simply a homicide case, it is also a social awareness case. Wrongly, but rightly in the eyes of the criminal defendant, this killing was effectuated to focus attention on a chronic and pervasive illness of racial discrimination and of hurt, sorrow, and rejection. His impatience for change, for understanding, for reconciliation matured to taking the illogical and drastic action for murder. The victim was a symbolic representation of the class causing the perceived injustices."

Although Dougan stabbed his victim repeatedly, shot him twice, laughed at the victim while he pleaded for his life, and sent several tape recordings bragging about the murder to the victim's mother, Justice Barkett and her colleagues insisted that the defendant had some positive qualities.

> In comparing what kind of person Dougan is with other murderers in the scores of death cases that we have reviewed, few of the killers approach having the socially redeeming values of Dougan.

Is that not a great statement? There are a lot of murderers out there, but this is a good murderer so we should not do anything to him.

In another case, Foster versus State, Justice Barkett adopts the statistical-evidence defense that was explicitly rejected by the U.S. Supreme Court in McCleskey versus Kemp. In Foster, a white defendant brutally murdered a white victim. After his conviction, the defendant sought to overturn his capital sentence by claiming that the death penalty was unconstitutional since it was imposed more often on defendants whose victims were white than on defendants whose victims were black. The Florida Supreme Court rejected this argument, insisting that the defendant had to show actual, purposeful discrimination for his claim to succeed.

In a dissenting opinion Justice Barkett concluded that statistical evidence showing a discriminatory impact in capital sentencing that can not be traced to "purposeful and deliberate discrimination" could, nonetheless, establish a violation of Florida's equal protection clause. In other words, if the numbers don't add up—and that is all—Justice Barkett could see a constitutional violation, justifying the rejection of a capital sentence.

Justice Barkett's fuzzy reasoning is almost identical to the theory behind the so-called Racial Justice Act, which the Senate has considered—and repeatedly rejected. Like the Racial Justice Act, Justice Barkett's view that statistical evidence alone subjects a capital sentence to constitutional challenge would paralyze the enforcement of the death penalty. As my colleague from Florida, Senator GRAHAM, has explained: "The very nature of the criminal justice [system] does not lend itself to statistical precision—the constitution requires an individualized determination as to the appropriateness of the death penalty, taking into account the character and record of the murderer and the circumstances of the offenses."

In other words, individual justice is what matters—not justice-by-the-numbers.

There are other examples of Justice Barkett's activism: In Hodges versus State, Justice Barkett dissented, using sloppy reasoning to oppose the imposition of a capital sentence on a person who had committed a premeditated murder of a 20-year-old witness at a criminal trial. And in another case—Porter versus State—Justice Barkett appears to argue that a spurned lover who stalks and kills his former mate almost never merits a capital sentence.

Mr. President these cases are not decided in a legal vacuum. They have real-world consequences: For if Justice Barkett's views had prevailed, convicted cold-blooded murderers would have been spared the punishment the citizens of Florida believed they deserved.

Second, search-and-seizure. A distrust of the police also runs through some of Justice Barkett's opinions.

For example, she has written a number of unduly restrictive fourth amendment search-and-seizure opinions that would hamstring the police. Two of these opinions have been reversed by the U.S. Supreme Court, and one has been criticized by it.

For example, in Bostick versus State, Justice Barkett ignored established Supreme Court precedent and ruled categorically that a police drug search of a passenger on a commercial bus violated the fourth amendment, even though the passenger had consented to the search. In her opinion, Justice Barkett compares the search to the "roving patrols and arbitrary searches conducted in Nazi Germany, Soviet Russia, and Communist Cuba." Even Florida Attorney General Bob Butterworth, a supporter of Justice Barkett, criticized her inflammatory rhetoric, saying that "such language is simply not appropriate, and we should expect more from—[Florida's] highest court." Not surprisingly, the Bostick ruling was later overturned by the U.S. Supreme Court.

Another area, obscenity and antiloitering laws. Justice Barkett has also demonstrated a hostility to criminal obscenity and antiloitering laws, even when these laws are narrowly drawn. Local communities often depend upon these laws to maintain basic standards of decency and to enhance the personal safety of their residents.

In Justice Barkett's view, criminal obscenity laws violate due process. As she explained in one of her opinions, and I quote:

> A basic legal problem with the criminalization of obscenity is that it cannot be defined * * *. Thus, this crime, unlike all other crimes, depends, not on an objective definition obvious to all, but on the subjective definition, first, of those who happen to be enforcing the law at the time, and second, of the particular jury or judges reviewing the case. Such a principle runs counter to every principle of notice and due process in our society.

In this sweeping denunciation, Justice Barkett did not even acknowledge the Supreme Court's 1973 decision, Miller versus California, which defined criminal obscenity. This definition has been approving by cited by lower Federal and State courts on hundreds of occasions.

Justice Barkett has also written opinions striking down local ordinances prohibiting loitering for the purpose of prostitution and engaging in drug-related activity. In both instances, she resorted to legal analyses that appear designed to advance her own policy preferences rather than neutrally apply existing law.

Mr. President, as Americans everywhere fear they will become the next crime statistic, it is vital that the President nominate judges to the Federal bench who view "law-and-order" as something more than just a slogan.

Slogans, of course, do not stop crime; tough law enforcement and credible punishment do. The citizens of Florida have certainly learned this lesson the hard way: Florida has one of the highest crime rates in the country. Yet, according to one analysis, 95 percent of the criminals sentenced to prison in Florida serve less than 15 percent of their sentences. So 95 percent of the criminals sentenced serve about 15 percent of their sentences.

Unfortunately, Justice Barkett too often has found excuses for criminal behavior and has substituted sociology for the neutral application of the law. Although I don't question Justice Barkett's intellect or integrity, I will vote against her confirmation. I urge my colleagues on both sides of the aisle to do the same.

Mr. President, I thank you for this time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET AMENDMENT—UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator REID now be recognized to offer a substitute amendment to Senate Joint Resolution 41; that the time for debate between now and 3 p.m. on Tuesday, March 1, be divided between Senators REID, BYRD, SIMON, and HATCH, or their designees; that no other amendments or motions be in order with respect to Senate Joint Resolution 41; that at 3 p.m. on Tuesday, March 1, the Senate, without any intervening action or debate, vote on Senator REID's substitute amendment; that if two-thirds of the Senators present and voting do not vote for Senator REID's substitute amendment, then the amendment shall not pass; that if Senator REID's amendment is defeated, Senator SIMON then be recognized to modify Senate Joint Resolution 41, the modification changing the effective date from 1999 to 2001 and incorporating the language of Senator DANFORTH's judicial restriction amendment, which is attached to this agreement; that there then be 4 hours for debate on Senate Joint Resolution 41, equally divided between the proponents and the opponents, with Senators SIMON and HATCH, or their designees, controlling time for the proponents and Senator BYRD, or his designee, controlling time for the opponents, with 25 additional minutes under the control of Senator GRAMM of Texas; that at the conclusion or yielding back of time, the Senate, without any intervening action, vote on passage of Senate Joint Resolution 41; that if Senator REID's amendment is agreed to, then the Senate, without any intervening action or debate, vote on passage of Senate Joint Resolution 41, as amended.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That during the further consideration of S.J. Res. 41, a joint resolution proposing an amendment to the Constitution of the United States to require a balanced budget, no other amendments or motions be in order with respect to S.J. Res. 41, and that all time for debate on this measure until 3 p.m. on Tuesday, March 1, 1994, shall be divided between the Senator from Nevada (Mr. Reid), the Senator from West Virginia (Mr. Byrd), the Senator from Illinois (Mr. Simon), and the Senator from Utah (Mr. Hatch), or their designees.

Ordered further, That at 10 a.m. on Friday, February 25, 1994, the Senate resume consideration of S.J. Res. 41, with the time for debate on Friday to extend until 6 p.m. and to be controlled under the provisions above.

Ordered further, That at 3 p.m. on Tuesday, March 1, 1994, the Senate, without any intervening action or debate, vote on the Reid substitute amendment, and that if two-thirds of the Senators present and voting do not vote for the Reid substitute amendment, then the amendment shall not pass.

Ordered further, That if the Reid amendment is defeated, the Senator from Illinois (Mr. Simon) be recognized to modify S.J. Res. 41, which modification shall change the effective date from 1999 to 2001, and incorporate the language of the Danforth judicial restriction amendment.

Ordered further, That there then be 4 hours for debate on S.J. Res. 41, to be equally divided between the proponents and the opponents, with the Senator from Illinois (Mr. Simon) and the Senator from Utah (Mr. Hatch), or their designees, controlling time for the proponents, and the Senator from West Virginia (Mr. Byrd), or his designee, controlling time for the opponents, with 25 additional minutes under the control of the Senator from Texas (Mr. Gramm).

Ordered further, That at the conclusion, or yielding back, of time, the Senate, without any intervening action, vote on passage of S.J. Res. 41.

Ordered further, That if the Reid amendment is agreed to, the Senate, without any intervening action or debate, vote on passage of S.J. Res. 41, as amended.

Mr. MITCHELL. Mr. President, and Members of the Senate, I thank my colleagues for their cooperation.

This agreement is the culmination of many long hours of discussion involving several Senators, those mentioned in the agreement and others. I thank each of them for their courtesy and cooperation in this process, as well as all of the other Senators who have agreed by unanimous consent to permit this agreement to be entered.

Mr. President, under this agreement, Senator REID will now be recognized to offer a substitute amendment. There will be no amendments to that amendment in order or motions with respect to that amendment. Debate will continue today, tomorrow, and Monday. It is agreed among all of the principals that the time will be equally divided by agreement among the proponents and opponents, with the time to be controlled by Senators REID and BYRD and HATCH and SIMON.

There will be no rollcall votes on this or any other matter until 3 p.m. on next Tuesday. At 3 p.m., a vote will occur on the Reid substitute amendment.

Under the agreement, in order for that substitute amendment to pass, two-thirds of the Senators present and voting will have to vote for it. If it does pass, meeting that two-thirds requirement, then, without any intervening action or debate, the Senate would vote on passage of the underlying resolution which will then have been amended by the adoption of the Reid substitute. In that event, disposition of this matter will then be concluded.

In the event that Senator REID's amendment fails to obtain the votes of two-thirds or more of the Senators present and voting, the Reid substitute amendment shall have been defeated and, pursuant to this agreement, the Senate will debate for up to an additional 4 hours, with that time to be divided between Senator BYRD in behalf of the opponents and Senators HATCH and SIMON in behalf of the proponents of the underlying Simon resolution.

There will be an additional 25 minutes under the control of Senator GRAMM of Texas. And then, we will vote on the Simon amendment, which, pursuant to this agreement, will be in the form now pending, with the exception of two modifications agreed to and specifically identified in the agreement.

The first is a modification that changes the effective date from the year 1999 to the year 2001; and the second incorporates the language of Senator DANFORTH's judicial restriction amendment in precisely the language contained in a document which will be attached to this agreement and be incorporated by reference into this agreement.

Mr. President, I believe I have stated accurately the process by which we have agreed but I invite Senator SIMON and other Senators present, first to correct me if I have in any way misstated the agreement, or if they wish to make any other comment.

Mr. SIMON. If the majority leader will yield?

Mr. MITCHELL. Yes.

Mr. SIMON. Mr. President, he has stated it properly and I commend him for pulling very disparate forces together here. We do need, as I understand what we have agreed to—we need some kind of an understanding of how long we are going to go today, how many hours, as well as tomorrow and Monday, so we can somewhat plan our schedules. I assume the leader will be suggesting something before too long about that?

Mr. MITCHELL. My suggestion is that the Senate remain in session so long as there are Senators wishing to debate on this subject. This is a very important matter. This is a grave matter. This involves amending the Constitution of the United States, an event which has occurred only a few times in our Nation's history. I do not want any Senator to in fact or in perception have been shut out or not have had full opportunity to debate. When we get to this vote on 3 p.m., no Senator will be able to say, I have not had a chance to get up and speak my piece.

I am saying right now we will stay in session this evening for as long as any Senator wants to speak. We will be in session tomorrow for as long as any Senator wants to speak. We will be in session Monday for as long as any Senator wants to speak. So that there will be full and ample opportunity for every Senator to express himself or herself on this very important matter.

I cannot predict what that timing will be and I recognize that imposes somewhat of a burden on the managers. But I hope they will agree, in view of the importance of this matter, we must be prepared to debate for so long as Senators wish to do so.

Mr. SIMON. I agree. If the majority leader will yield again?

Mr. MITCHELL. Yes.

Mr. SIMON. I agree with that. But practically, in order to work out the time, it seems to me we ought to agree tentatively on 2 hours today and 7 hours tomorrow—whatever it may be—and 4 hours or 5 hours before the vote on Monday. And then if others want to speak, it is with the understanding that we will extend additional time so long as both sides can be heard equally.

So, if it is possible for the leader or his staff to kind of pull together a rough outline along that line, I think it is desirable.

Mr. MITCHELL. I will be pleased to do that, but I am going to instruct the staff to err on the side of accommodating any Senator who wants to speak and not shutting anyone off or cutting anyone off in fact or in perception. But I will ask the staff to do that and to be of assistance to the managers as the debate proceeds.

Mr. SIMON. I thank the majority leader.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. MITCHELL. I certainly will, yes.

Mr. BYRD. I congratulate the majority leader on this agreement. I should state that those of us who oppose the Simon amendment gave up some of our rights, as did those who support it, but I think that this is the best conclusion. I think it will bring us to an earlier conclusion. I think that conclusion under the parameters of the agreement will certainly be protective of all concerned.

I would only ask, may I say to the leader, that before he sits down or immediately after he does sit down—or immediately after he gives up the floor—I would like to hear the Danforth amendment read. I would ask that the clerk read the Danforth amendment.

INTENDED AMENDMENT NO. 1470

The PRESIDING OFFICER (Mr. WELLSTONE). Without objection the clerk will report.

The legislative clerk read as follows:

Amendment numbered 1470 intended to be proposed by Mr. DANFORTH:

On page 3, at the end of section 6 add the following:

"The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to this section."

Mr. BYRD. I thank the majority leader. I thank him for the fairness to all concerned and I thank him for the efforts he has put in to bringing this matter to this conclusion.

Let me say just parenthetically, I have often wondered how Shakespeare could have come to know and understand human nature as well as he obviously did, probably more so than any other man—any man other than Jesus Christ—who ever walked this planet; and how he came to understand human nature so comprehensively without having been first majority leader of the U.S. Senate. I am at a loss to explain.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, we now have gotten the agreement. I want to make a comment on the substance of the matter and I ask Senator BYRD if I could have some time off his time to make comment on this agreement?

Mr. BYRD. Yes.

Mr. CRAIG. Will the majority leader yield briefly for a comment?

Mr. MITCHELL. Yes.

Mr. CRAIG. Let me say for those of us on this side of the aisle, we appreciate the effort the majority leader has put into this and the accommodation. I think we have had a very productive debate thus far and this now gives us an opportunity to continue, but I think in a very defined way, which I think is for both sides very important since it gives us the time to effectively argue it. This Senator is prepared to stay on the floor for the balance of the day and Friday and Monday, as I think others should be. It is very important, I think, to have this debate in this timeframe.

Having said that, there is no objection on this side. I am glad we were able to work out those matters and to give other Members who had other amendments the opportunity to consider them in a constructive fashion. The Reid amendment—certainly those concerns we had—and we were led to believe it would refine the Simon amendment—have now been accommodated and we appreciate that accommodation.

Mr. MITCHELL. Mr. President, I will have much more to say on the substance of this amendment which I strongly oppose. But I want now to comment specifically on the changes that the sponsors have insisted on making to their amendment, and what I believe this means in terms of the amendment itself.

The first is of course to push it into the next century, a time when many if not most of the sponsors will not be here to face the consequences. That is the first point.

If this was such a great idea, why do those who support it want to push its implementation into the next century? The answer is obvious. This amendment is a gimmick. It is an effort to suggest action when those involved are refusing to take action. It is no coincidence that of the 55 Senators who are sponsors of this amendment which purports to balance the budget, 40 of them voted against the deficit reduction plan proposed last year, the single most important and effective action in dealing with the Federal budget deficit that this Senate has taken.

I repeat that. This amendment says we have a serious deficit problem, so serious that we have to amend the Constitution. And yet 40 of the 55 sponsors of this amendment voted against the single most important action to deal with the deficit ever taken by this Senate.

And the second modification says that this amendment cannot be enforced. The sponsors of the amendment are demanding that it be changed to make certain that it cannot ever, under any circumstances, be enforced. If the President and the Congress fail to comply with this amendment, then no one can do anything about it, and it is the sponsors who are insisting that no one be able to do anything about it, to take the only institution in our society which would otherwise have the authority to insist on enforcing this amendment and writing them out of the act, saying, as that amendment we just heard read up here says, that Federal judges can do nothing—nothing—about this matter if it is not complied with.

I can think of no single action which better characterizes what is going on here than that those who are proposing the amendment are insisting that before a vote occurs on it, it be modified in a way to make certain that it can never be enforced. That is like us passing a criminal law and saying that the district attorney has no authority to indict anyone and the jury has no authority to convict anyone and the judge has no authority to sentence anyone if they break this law.

I think that these actions of the supporters of the amendment, of the sponsors of the amendment, have exposed what is going on here in a way that no words of any opponent could have done. When the sponsors say, "We don't want to have a vote on our amendment; we won't permit a vote on our own amendment unless we can do two things: unless we can push it off into the next century and unless we can make absolutely certain, clear beyond any doubt, that if we do not comply with it, no one can ever do anything about it."

I ask Members of the Senate and I ask the American people to search their memories and search the history books and find an example when someone who proposes a law says, as an absolute requirement before they would permit a vote on their own proposal to say we have to insist, before you let us vote on our proposal, before we will let you vote on our proposal, we have to insist on language that makes certain that it cannot be enforced. And that is exactly what has happened here. The provision providing for the modification of this amendment was insisted upon by the supporters of this amendment.

They said, "We won't agree; we won't agree to this, Mr. Majority Leader, unless you let us change our amendment in a way that pushes it off until the next century and in a way that makes it certain that it can never be enforced."

Those two actions, better than any words any opponent of this amendment can utter, tell us and the American people what is going on here.

Mr. President, I yield the floor.

Mr. SIMON. Will the majority leader yield?

Mr. BYRD. The majority leader has the floor on my time. I ask, will he yield to me briefly to comment on what he just said?

Mr. MITCHELL. Yes.

Mr. BYRD. Mr. President, the majority leader has hit the nail right on the head. By extending this date, no Senator in here who supports the amendment will have the absolute assurance that he will be here to give an accounting for what has transpired as a result, in part, of his vote. So, it is a good way for us to vote for the amendment and never have to worry about having to face the music.

Second, when the barons forced King John, in the year 1215, to sign the Magna Carta, that charter said that no freeman may be disseized of property, or banished or imprisoned except by the lawful judgment of his peers and by the law of the land. That "law of the land" phrase, as Senator MITCHELL will know, he having been a Federal judge, that "law of the land" phrase is the mother of language from which has derived the "due process" phrase in our own Constitution and in the amendments thereto.

What is being done by the Danforth amendment is simply that it is a taking of due process away from those persons who might have reason to challenge this constitutional amendment in the courts to secure remedies for perceived wrongs. They will have no way of enforcing their due process rights under the Constitution if the Danforth proposal were adopted.

Mr. SIMON addressed the Chair.

Mr. MITCHELL. Mr. President, if I can make one more comment and I will yield the floor. The Senator has been at it for 3 days. He has had plenty of time to speak.

Just in case any American has missed the obvious, the terms of U.S. Senators are for 6 years. The way this amendment was drafted, it would have taken effect in 5 years. So what the sponsors wanted to make sure to do was to change that to 7 years. Let us be clear about that. Under the original amendment, the consequences would have been felt within less than the terms of Senators. Some Senators here might actually have had to do something about the consequences of this action. By pushing it off into the next century, 7 years, the sponsors have guaranteed that no Senator now serving in the Senate will still be serving that term when the consequences descend upon this institution.

Of course, they can run if they want. Maybe some of them will seek reelection, maybe some of them will want to come back, but what this does, Mr. President, is makes absolutely certain that if, in fact, the Constitution is changed, no one here will be required to confront the consequences.

Several Senators addressed the Chair.

BALANCED BUDGET AMENDMENT

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 41) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate resumed consideration of the joint resolution.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Nevada is to be recognized to offer his amendment.

AMENDMENT NO. 1471

(Purpose: In the nature of a substitute)

Mr. REID. Mr. President, I have an amendment which I send to the desk. This is on behalf of myself, Senator FORD, and Senator FEINSTEIN.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] for himself, Mr. FORD and Mrs. FEINSTEIN, proposes an amendment numbered 1471.

The amendment is as follows:

Strike all after "Assembled" and insert the following:

(two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:

ARTICLE

"Section 1. Total estimated outlays of the operating funds of the United States for any fiscal year shall not exceed total estimated receipts to those funds for that fiscal year, unless Congress by concurrent resolution approves a specific excess of outlays over receipts by three-fifths of the whole number of each House on a roll-call vote.

"Section 2. Not later than the first Monday in February in each calendar year, the President shall transmit to the Congress a proposed budget for the United States Government for the fiscal year beginning in that calendar year in which total estimated outlays of the operating funds of the United States for that fiscal year shall not exceed total estimated receipts to those funds for that fiscal year.

"Section 3. This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the Director of the Congressional Budget Office, or any successor, estimates that real economic growth has been or will be less than one percent for two consecutive quarters during the period of those two fiscal years. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and it is so declared by a joint resolution, adopted by a majority of the whole number of each House of Congress, that becomes law.

"Section 4. Total estimated receipts of the operating funds shall exclude those derived from net borrowing. Total estimated outlays of the operating funds of the United States shall exclude those for repayment of debt principal; and for capital investment. The receipts (including attributable interest) and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as receipts or outlays for purposes of this article.

"Section 5. This article shall be enforced only in accordance with appropriate legislation enacted by Congress. The Congress may, by appropriate legislation, delegate to an officer of Congress the power to order uniform cuts.

"Section 6. Sections 5 and 6 of this article shall take effect upon ratification. All other sections of this article shall take effect beginning with fiscal year 2001 or the second fiscal year beginning after its ratification, whichever is later.".

Mr. HATCH and Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. I recognize that the distinguished Senator from Nevada does want to talk about his amendment, and I only intend to take 1 minute or 2, but I was unable to speak earlier in response to the comments of the distinguished majority leader. I feel as if they do deserve just a short response. They deserve a longer one, but I will only give a short one here today.

Frankly, to stand here and say the reason we are putting the due date when we should reach a balanced budget to the year 2001 is so we can avoid responsibility, if I interpreted the majority leader's comments correctly, would be an insult to every Member of this body because what it is saying is that none of us really is going to take a constitutional amendment seriously for the next 7 years, assuming that this amendment passes, assuming that it is submitted to the States, and let us assume that it is ratified within the average period of time that constitutional amendments are ratified. That is 20 months.

I do not think Members of this body would fail to take that amendment, once it passes the Senate, and once it passes the House, from that minute on, I do not think there is a person in this body who would not be interested in living up to his oath of office, which requires fealty to the Constitution of the United States, who would not take it seriously and who would not realize that the game is up around here, and that we have only 7 years on a glidepath to reach a balanced budget.

For anybody to stand here and say that this is a gimmick, when they realize that this would put fiscal restraint into the Constitution and into the hearts of every Member of this body, I think is wrong.

I have to tell you, I cannot imagine a Member of this body, if this resolution passes both Houses of Congress, who would not take their responsibilities very, very seriously to start that day and do what is right. I hope the majority leader did not mean that, and I will give him the benefit of the doubt with regard to it.

But the reason that the year 2001 is put in there is because we do not believe these two bodies, the Senate and the House, can reach a balanced budget amendment, even with everybody working on it, in less time than that. And it also provides for some time for ratification.

This is important. We take our oath seriously around here. There is nothing in the Constitution right now that requires a balanced budget. By the way, our amendment does not require it. It just puts the mechanism in so that we have to face the music if we do not reach it. And that is important language.

Second, I think it is important to note that the amendment will make a difference. It is not a gimmick. OLYMPIA SNOWE, Congresswoman from Maine, said if this were a gimmick, Congress would have passed it long ago and gotten rid of it, and they would not have this embroilment where we are here fighting every year trying to get a balanced budget amendment passed. Congress does that with gimmicks.

The reason we are fighting so hard is it is not a gimmick. It is something that would put the fiscal restraints on every Member of Congress to have to at least consider doing what is right around here.

Furthermore, to say that by putting our declaratory judgment language in the amendment we are preventing enforcement also could be construed as an insult to every Member of Congress, because if we are obligated to meet the terms of this constitutional amendment, that alone is enforcement, and the ballot box is going to be even more enforcement.

There will not be any more voice votes around here hiding who is breaking the budget. We are all going to have to face the music. So do not say that we should turn over the enforcement to the courts of this country. It would destroy the judiciary if they had to do that. We, the Congress, have to do what is right.

Then to stand here and say that Members ought to be doing what is right anyway I think ignores 60 years of history, because we are not doing what is right.

I might also add as to that budget reconciliation of last year, 40 of us did vote against it but for very good and valid reasons. I do not agree that it was the best deficit reduction package in history. Many did not like an awful lot of the provisions in that particular package, and many still do not feel it is a deficit reduction package, but merely another tax and spend package. There were legitimate and good reasons to vote against that. I agree 40 did vote against it in this body.

There is no question in my mind that the way to enforce this constitutional amendment is by fealty to the Constitution and by having to stand for election and face the voter who might vote against you if you do not live up to your fealty to the Constitution.

I do not want the majority leader to be misconstrued. The fact is if he believes people around here are trying to escape responsibility by putting it off for a length of time that everybody around here agrees it is going to take, then that is ignoring the fealty and the responsibility and the good faith of every Member of this body. I happen to believe more in this body than that. I believe that we will do what is right if this passes. If it does not pass, we will continue doing what is wrong the way we have for 60 years.

I apologize to my good friend and colleague from Nevada, but I just had to make these comments. There are others I would like to make but I will make those Monday.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I ask unanimous consent that the Senator from Idaho be recognized for purposes of making an announcement, and that I have the floor back after that.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I appreciate the Senator from Nevada yielding only briefly. I think we are going to engage in a very important debate with this alternative or substitute amendment.

Let me also say that just minutes ago, in 6 hours and 50 minutes, the House has just discharged their balanced budget amendment. That is the fastest discharge in the history of the House since the Speaker's discharge of the original Fair Labor Standards Act in 1938.

So for Senators who believe that this is merely an exercise in debate, this issue is now in full bloom in both Houses, the House having acted today with these issues on the floor before us.

I hope Senators will come to the floor and engage themselves in debate, whether it is for the Simon approach or whether it is for the Reid approach. This becomes, in my opinion, a most significant debate that must be resolved.

I thank my colleague for yielding.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have supported the concept of the balanced budget amendment since coming to Congress, and even before coming to Congress. This has been something that I have worked very hard on, especially the last several weeks, to arrive at something that is meaningful but yet responsible.

The Simon amendment on its face seems to accomplish that. That is why a number of individuals thought it was the way to solve the financial problems of this country. But under the spotlight of any scrutiny, the Simon amendment will not solve any of our fiscal problems. Instead, Mr. President, as many of my colleagues and a multitude of economic experts across the country fear, this amendment, as written, and as it will be modified, will create more problems than it will solve.

As I indicated, I spent a great deal of time wrestling with this issue. I, like the speeches we have heard on this Senate floor over the years, do not want to leave a legacy of debt to my five children and my three grandchildren. I do not want to leave a legacy of debt for the children of Nevada nor the children of this Nation, because I represent, as we all do who are Members of the U.S. Senate, not only the children of our State, but we represent the individuals and the children of this country. I do not want to heap a burden of debt on any future generation of the American people.

Mr. President, let us talk about some of the things we have done fiscally in recent months. We have a huge budget. This country is growing, with over 250 million people. We now have a deficit of $176 billion, a huge amount. I do not in any way trivialize that amount of money because it is a huge amount of money. But it is the lowest deficit we have had in 9 years. It is the lowest percentage pertaining to the gross national product of debt since 1979—15 years. That is not perfect. But we have been making progress in recent years.

What has the President suggested to us—we the Members of the U.S. Senate, with our colleagues and friends in the House—what has the President told us we must do? We must eliminate entirely 115 programs. We are going to cut 300 others, by direction of the President in this budget.

For example—and I know the Senator who is presiding presently is very concerned about agriculture; the State of Minnesota is much more agriculturally bound than the State of Nevada—the President has suggested, in spite of the great agricultural power of this country, that there be a 24-percent cut in agriculture expenditures this year. That is a tremendous cut, but it is something we are demanding be done. And the cuts I am going to be talking about, Mr. President, are not cuts in increases. These are real dollar cuts.

As an example, in 1994, agriculture spending was $16.9 billion. We have been directed to cut that to $12.8 billion, 24 percent; energy, a cut of 8 percent; international affairs, a cut of 6 percent; defense—as much as it has been squeezed—we are going to squeeze it 3 more percent; science, space—something that I believe is the future of this country—are being cut 2 percent; discretionary spending will be cut by $16.5 billion to meet the spending caps that we need to make.

That is a lot of cutting. Twelve years ago, domestic discretionary spending in this country was 25 percent of our budget. Last year, it was about 12 percent. Next year, it is going to be even less.

We, Mr. President, are cutting the heart out of the programs of this country that are so meaningful—research and development at the National Institutes of Health, education. But we are doing it because there is an agreement that we need to do that.

Also in this budget is something called reinventing government, similar to the Grace Commission, done by a different individual, by Vice President GORE. Approximately 85 percent of Vice President GORE's reinventing government proposals are reflected in the budget request. That is very good, Mr. President.

So we have done a pretty good job compared to the last dozen years, when the debt was skyrocketing. We are beginning to recognize the real world that we live in.

I believe Senator SIMON's heart is in the right place. He is a fine man. I think the world of my friend from Illinois. But, as I have struggled with the arguments of those who say the amendment as written will harm the country, I have come to the conclusion, after significant thought, that they are right.

Let us see what a few of those people say. These are people who are scholars. These are not people who suddenly say, "Well, I do not like the balanced budget amendment." These are thoughtful people.

For example, Assistant Attorney General Walter Dellinger:

> In the absence of any specific mechanism for achieving a balanced budget, once part of the Constitution, it may be read to authorize, indeed mandate, extensive judicial involvement in the budget process. This would constitute a serious distortion of our constitutional system.

He also says:

> Perhaps most alarming of all of the aspects of the proposed amendment is that by constitutionalizing the budgeting process, the proposal appears—

He is talking about Senator SIMON's proposal.

> To mandate the extraordinary expansion of judicial authority. State and Federal judges may well be required to make fundamental decisions about spending and taxing, issues that judges lack the institutional capacity to cite in any remotely satisfactory manner.

Mr. President, we do not have that problem in my amendment.

Dellinger proceeds to say:

> The failure to specify any enforcement mechanisms for the amendment could result in the transfer of power over fundamental political questions of taxing and spending to the courts.

There are individuals here, Mr. President, who in their States have had the school systems run by the courts in recent years. Why? Because governments have not lived up to their responsibilities, so the courts have taken over. If we want the courts to take over all responsibility, that is what would happen if the amendment of my friend from Illinois is passed.

Dellinger says:

> It would be wonderful if we could simply declare by constitutional amendment that from this day forward, the air would be clean, the streets free of drugs, and the budget forever in balance. But merely saying those things in the Constitution does not make them happen.

That is why, Mr. President, that I could not in good conscience support the amendment of my friend from Illinois.

Prof. Charles Fried of Harvard, former Solicitor General, a scholar by anybody's calculation, said, among other things: "Majority rule is so basic a principle of our Constitution that it is nowhere stated explicitly, but it pervades the whole document."

Archibald Cox, also a professor from a prominent law school, said, "I am convinced that adoption of this amendment,"—the Simon amendment—"described by its supporters as a sign of fiscal responsibility, would intrude, be an act of congressional irresponsibility."

I believe that, Mr. President. That is why I cannot, in good conscience, support the Simon amendment.

The amendment will erode the protections of the checks and balances that the framers, in their wisdom, placed in the Constitution. My amendment does not do that.

Here are some things, Mr. President, that I think are important to consider. The amendment offered by my friend from Illinois places the courts in an unequal position of power. When the Founding Fathers developed this great Government that we have, they wanted three separate but equal branches of Government. We have done a pretty good job in maintaining that. Over the years, there has been difficulty, and part of what they built into this framework is there would be a fight for power among the three branches. The three separate branches actually advocate and fight for power. That is the way it has worked for over 200 years. We have had times in the history of this country when one branch of Government, it seems, is stronger than the other two, and there comes a balancing.

Well, if the amendment that my friend from Illinois has offered passes, it will place the judiciary in a situation where they have all of the power.

It is my understanding—and I think clearly that the sponsors of this amendment recognize that, and that is why the Danforth amendment to the Simon amendment is placed into being—but I do not think that solves the problems of the basic amendment. We have done that in, I think, a more logical, consistent way in the amendment offered by me, my friend Senator FORD, and the Senator from California.

Mr. President, we have had cyclical depressions. It happens. It has not happened in the last 70 years. We have had a few recessions, but never a depression. But, Mr. President, if you look at what has happened in the past, we have had a number of times where we have had some very significant depressions. I would like to list those here. We will not go into two centuries ago where they had a few. Let us talk about the last century. When Martin Van Buren was President, in 1837, pre-Civil War—there was a very significant depression right before the Civil War. Some scholars say one of the reasons the Civil War came about, in addition to all of the problems with North versus South, was the financial problems they had in 1857 when Franklin Pierce was President. There was another depression in 1873, when Ullysses S. Grant was President; Chester Arthur, in 1884; Benjamin Harrison, in 1893; Teddy Roosevelt, in 1907; and the granddaddy was in 1929, Herbert Hoover.

So we have had the ability in the last 70 years to do a pretty good job of making it so this country does not have depressions. We have been able to fight out of depressions and have recessions.

Mr. President, one reason we have been able to do this is because there has been a new theory in economics that has been accepted by our country and all of the economists and it has worked well—the Keynesian theory with modifications by a number of different individuals. Basically, the Keynesian theory has allowed the Government, in times of oncoming depression, to spend their way out of it. We have done a pretty good job. Remember that part of the Keynesian theory also said when you are in good times, you should save money, as we had some good times in the 1980's. But we did not do that. Instead of doing what we were supposed to do, we spent ourselves into the biggest debt in the history of the world, by far—trillions of dollars, when we should have been saving that money.

My amendment, of course, would allow us, in times of economic downturn, to do something so that the downturn does not result in a depression in this country.

Mr. President, if State-balanced budgets were drafted in the same manner that the amendment my friend from Illinois has offered, every State would go broke. Why? Because we hear this talk about States balancing their budgets, and they do. The State of Nevada has a balanced budget, and I think that is great. But they balance it by placing capital expenditures off-budget, as we have done in this amendment that I have offered. That is not allowed in the Simon amendment. The State of Illinois could not live under the amendment he is asking the United States to live under. The State of Illinois could not live by that. There is no State like Illinois that has as much unfunded pension liability. I believe that is right. If not, it is in the top tier.

Mr. President, changing the subject, and I will get back to my text in a little bit, I have just watched walk into the Chamber here somebody I want to mention, because the amendment that is now before this body—and I will talk about Social Security at some length—has a provision in it dealing with Social Security. The reason the language is in this amendment dealing with Social Security is because of my friend from North Dakota, Senator DORGAN. It is in there because I had some language in my original amendment, but I had the good fortune and the experience to sit down and talk to somebody that most of us look to as a person that really understands finances. I served in the House with my friend from North Dakota, and I looked to him then as a member of the Ways and Means Committee as somebody to seek advice from on fiscal matters. I did so here. He studied the language—as he does—that I had in my amendment relating to Social Security. He called me, and we talked. He said, "I have some language I think is better." I reviewed this, had my staff review it, and had people from the Budget Committee look at it, and he was right. So that is the reason that I was willing to change the language in my amendment to what I referred to as "the Dorgan and Reid amendment." The Social Security language in my amendment is the Dorgan language.

Mr. DORGAN. Will the Senator from Nevada yield to me?

Mr. REID. I will be happy to yield for a short time.

Mr. DORGAN. I have a very brief question.

Let me say how much I appreciate the courtesy of the Senator from Nevada in including my language in the amendment he offers.

I had indicated on the floor that I intended to offer an amendment to exempt the Social Security system in a constitutional amendment to balance the budget. I would have liked to have offered it to both of the constitutional amendments that we are going to discuss. For a number of reasons, including the massive number of amendments that opponents of the balanced-budget amendment were prepared to offer, I have had to waive my right to offer my own amendment.

However, I would thank the Senator from Nevada for including the language of my amendment in his own.

By the way, let me mention to the Senator from Nevada that he has offered a constitutional amendment that I will support. I say to my friend from Nevada that I will not necessarily support it to the exclusion of Senator SIMON's amendment. I reserve the right to consider voting for the Simon amendment if the amendment of the Senator from Nevada fails.

I did want to say that Senator REID has served the Senate's interest by bringing an amendment which is thoughtful. It has provisions that are interesting and useful, such as the establishment of a capital budget. He is trying to address the serious deficit and enormous debt that we face.

To conclude, I will support the amendment of the Senator from Nevada and I thank him very much for adding my amendment on Social Security to it. I hope the Senate will give favorable consideration to Senator REID's amendment.

I thank the Senator from Nevada for yielding to me.

Mr. REID. Mr. President, as I was speaking earlier before my friend came in from other places to the Senate floor, I wanted to recognize him because I failed to do so earlier. I was talking about the Simon amendment and the fact that almost every State in the Union would go broke if they had to live by what this amendment is asking the Federal Government to live by because every State has off-budget capital expenditures, and some of these expenditures that are off budget are more than capital expenditures, as I see them. Pension liabilities are off budget. So let us not get lost in this argument here in the next few days about, "We do it in my State. Why cannot we do it here?"

Those who make that statement should understand they better check with their Governor and their legislature because if those States had to live by the Simon amendment, they could not do it. Something similar to the Reid amendment they could because it is reasonable, it is rational, and it is doable.

So States could not live by it. Mr. President, Members of this Senate, who, generally speaking, are above the mean as far as average wages in this country, to say the least, I will bet most every Senator who has bought a home is paying for it on time. There may be a few in this body who can pay cash for a home, but not too many.

Under the Simon amendment, if we asked families throughout America to live by it, they could not. They would have to pay cash for their house and have to pay cash for their car, and certainly no plastic.

In effect, what we have with the Simon amendment would be a growth business for lawyers, and I will talk about that at some length later.

If you want to really understand why I cannot vote for this amendment, in all due respect, and I think if my friends really analyze the Simon amendment, I do not see how they could vote for it, because I believe that the Simon amendment, as well-intentioned as it might be, I believe the Simon amendment is so easy to avoid.

How could we avoid the Simon amendment? We could change the fiscal year date. We could change the fiscal year. It says "fiscal year." Who says what is the fiscal year? Can we change it a day, a month, or 3 months?

My friends in the U.S. Senate should carefully look at the Simon amendment because I think, if they do and study it seriously, they will find that they cannot support the Simon amendment.

Mr. President, the Simon amendment as drafted creates an additional danger to our economic well-being. As I indicated—and I think it is worth repeating—in times of economic recession, such as the one we recently passed through, the Federal Government can help ease the burden on the economy. It cannot wipe it out, but it can help ease the burden. That is why I gave the examples of Presidents in the last century who were overburdened with problems, mainly debt. Depression came. They had not the economic apparatus in the Government to do anything about it. So, as a result of that, we had depression after depression after depression.

We have avoided depressions because we have the flexibility to increase investments while decreasing the tax burden in times of economic slowdowns. This is the very heart of the economics which has served this country well since the time of the Great Depression and has been utilized by both Republican and Democratic administrations since that time.

Mr. President, the unreasonable restrictions contained in the amendment of the Senator from Illinois, if in place during the recent recession, could have resulted in a depression today instead of the beginnings of a stable growth pattern that is now facing this country.

Looming depression could well be the albatross we pass on to our children if the Simon amendment is adopted because history indicates that we have periods of boom and bust, and unless you are allowed somehow to temper that, a depression is what you have.

I have often heard from people that the Federal Government should operate like State governments and family budgets, and I agree, as I have indicated. But under this amendment, as I have said, a family who would want to buy a car or home simply would be lost. They could not do it. If States were saddled with the same restrictions contained in the amendment, their ability to build roads, sewer, or water systems would be drastically limited. There is no question about that. Rapid-growth States like Nevada would be severely hampered in their ability to borrow—and they do—to finance infrastructure which would be prohibited in the Simon amendment.

Not a single State with so-called budget requirements are hamstrung by such a broad-brush restriction as we find in the Simon amendment. In many States the balanced budget amendment applies only to the State operating fund. That is those expenses not related to costly capital investment such as roads or universities, those things which States need.

Instead, these States are able to sell bonds to borrow on to pay for these essential services. In fact, one study showed that of 42 States with capital budgets, 37 finance those budgets through borrowing.

So, Mr. President, when I again gain the floor tomorrow, I am going to spend a considerable amount of time in more detail going through what has happened across the country in newspapers. I will touch on some of them now.

Mr. President, an editorial in the Las Vegas Sun newspaper, "A Bitter Pill Worse Than the Disease," in effect talking about the Simon amendment.

From another newspaper article in Las Vegas, "Cosmetic Budget Amendment"; "* * * because they don't mean it," is what they say about the Simon amendment.

> "What would happen if they failed to agree? Would the Supreme Court end up as a referee, raising a tax on truck tires here, laying off the staff of the Columbus, OH HUD office there? Oh, joy."

Or a columnist for one of the Las Vegas newspapers, where he says:

> Many Members of Congress today nurture the idea by supporting a balanced budget, they can change Social Security from an entitlement program to welfare benefits. This would enable them to use Social Security funds to balance the budget by taking benefits away.

That is what the opponents are saying about my amendment. Why should we have Social Security off budget? Why, Mr. President? Because in 1983, President Reagan sat down with Tip O'Neill and other leaders of the Congress, and they bailed out Social Security for the next century, at least 70 to 75 years.

But what have we done in the ensuing period? We have not used the Social Security Trust Fund. We have used it as a slush fund. That is why my amendment takes it off budget, as it should be off budget. Why should the budget be balanced on the backs of senior citizens, people who have paid into this account freely, willingly, with their employers?

Mr. BYRD. Will the distinguished Senator yield?

Mr. REID. I am happy to yield.

Mr. BYRD. With the understanding that I do not seek the floor.

I merely want to propound an inquiry of the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. BYRD. Under the agreement, it is my understanding that Senators SIMON, HATCH, BYRD, and REID have time equally shared among us today.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I do not propose to take my time today. As I understand, Senator SIMON has inquired earlier as to the prospect of having a deadline of 7:30 p.m. today.

Mr. SIMON. That is correct.

Mr. BYRD. That is perfectly agreeable with me.

I ask unanimous consent that my portion of that time be under the control of Mr. REID. I do not propose to stay around and take the time today.

The PRESIDING OFFICER. Is there objection?

Mr. SIMON. I have no objection. I was hoping the Senator would yield it to me, Mr. President, but he has not done that, so I have no objection to that at all.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I would be happy to yield half of it to Mr. SIMON and half to Mr. REID.

Mr. SIMON. I said that only in jest, Mr. President. I certainly have no objection.

Mr. BYRD. I thank the Senator. I yield my time, then, to Mr. REID.

Mr. REID. I thank the Senator.

Mr. SIMON. Mr. President, I ask unanimous consent that the time between now and 7:30 p.m. this evening be divided as under the existing agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Nevada has the floor.

Mr. REID. Mr. President, we also have here a column written by William Buckley in which he talks about the amendment. Among other things, he says there are weaknesses in the proposed amendment. That is an understatement.

I see in the back of the Chamber someone else has certainly pointed to the editorial by Michael Ruby in the U.S. News and World Report. I am going to take a lot of time tomorrow or the next day, whenever I again get the floor, to talk about these newspapers around the country that, in effect, are trashing the Simon amendment. And they do it, Mr. President, for obvious and good reasons, because the Simon amendment, as it is written, simply will not work. It will not work for a lot of different reasons, some of which I have already enumerated.

I have here, Mr. President, a side-by-side Simon balanced budget amendment and the Reid balanced budget amendment. It is my understanding that this first issue will soon be the same, because they want to amend their amendment to the year 2001.

The Simon amendment includes Social Security. In effect, what the Simon amendment will do is attempt to balance the budget on the back of the Social Security trust funds. I think that is wrong. That is why my amendment excludes Social Security.

I have also felt that we need a budget that is comparable and similar to what we do on a State level. States are generally pretty healthy. If they are not, as happened in Nevada, the Governor of the State of Nevada had to call back the State legislature because they were spending more money than they should. They had to balance their budget. But remember, that budget excludes capital expenditures. We are going to do the same. I think that is appropriate.

Wartime national security—of course, we need an exemption there. That is why we have the same.

I have in my amendment a recession exemption, not one that is easily obtained. You have to have growth of less than 1 percent for two consecutive quarters. If that happens, then we can practice the economics that has kept us out of depression for this century. And, Mr. President, we have to do that. We cannot revert back to boom and bust like we had last century and the century before.

Now, under the terms of the unanimous consent agreement—after all these years, we have heard that this amendment is so good—they are going to amend the amendment to allow court preemption, but watch very closely what their preemption amendment does.

We do not do that with ours, even though we have court preemption, because we outline what Congress must do, including a provision that absolutely, Mr. President, allows the cuts to take place automatically if we do not do it. We can assign an agency of the legislative branch the ability and the power to cut. That is the way it should be. That is why we have that exemption in there.

Enforcement legislation subject to implementing legislation—we have that also. But we also state that the legislation will allow us to determine what a capital budget is. That is not a difficult thing to do, because the President has been doing it in his budgets for years; CBO has done reports on it; GAO has done reports on it. This is no magic. You will hear the opponents raise objections to what the capital budget is. It is a way that the Federal Government can act like a State government, act responsibly.

Mr. President, with the deepest respect I have for the Senator from Illinois, I must oppose his amendment as it is written and as it will be modified for its dubious constitutional effects and its creation of a legal quagmire—and when I say "legal quagmire," Mr. President, that is what I mean: A legal quagmire. We will have a business for lawyers if this amendment passes and its potential choke hold on the American economy and future generations.

I do not believe the Simon amendment will accomplish that which we had originally hoped. I think the amendment offered by Senators REID, FORD, and FEINSTEIN will do that. I think it is an honest attempt to arrive at a way to balance the budget and not on the backs of seniors. And to allow the Federal Government the same leeway States have. That does not seem unreasonable.

For these reasons and others, I am introducing a balanced budget amendment that I believe will accomplish the goals of those of us here who responsibly want to balance the budget. This is my desire.

I would at this time yield. Senator SIMON controls time and I control time. Mr. President, how much time do we have left?

The ACTING PRESIDENT pro tempore. The Senator has approximately 18 minutes under his control this evening.

Mr. REID. I yield 10 minutes, if the Senator from Illinois will allow me, to the Senator from California and reserve 8 minutes until the Senator from Illinois and whoever else wants to speak on their behalf have finished.

Mr. SIMON. If my colleague will yield, I understand the Senator from New Mexico wants to leave and Senator HATCH wants to yield 2 minutes to him first and then I will be happy to agree.

Mr. REID. Agreed.

Mr. HATCH. I yield the Senator 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized for 2 minutes.

Mr. DOMENICI. Mr. President, I have been listed as undecided on the constitutional amendment, but today I understand a very significant amendment has been agreed to and that has to do with judicial review. It is a Danforth amendment. I believe it clarifies that if we get into a bind and gridlock up here as we seek the implementing legislation, that during that gridlock, if it occurs, we do not have the courts of America deciding how to balance the budget of the United States. That is very important to me. I have read a few decisions where the courts have in fact ordered taxes imposed. I think they may go beyond that in the future. So I think it is important that amendment be accepted.

Having said that, I have come to the conclusion, having heard all of the administration witnesses as to why we should not adopt this constitutional amendment, that many of the reasons that they state we should not adopt it are the very reasons we must. Because from this Senator's standpoint it is not the appropriated accounts of this Government, the domestic part of that is about 17 percent of the budget on our side for all the programs that everybody says are breaking the bank.

Mr. President, 17 percent is not causing this constitutional amendment to be an important issue with our people. What is really causing it is the plethora of entitlement programs that grow, willy-nilly, frankly with no relation to means, no relation to who really needs them, no oversight—which is beginning to concern me as much as anything. So I frankly believe we will never get those under control unless we are confronted with a situation where the balanced budget amendment says you must control them.

Obviously there is nothing perfect. There are some downsides to the amendment. The one that worries me the most is the business cycle of the United States. We do not like to think of a business cycle as being a reality but it just seems that since the Second World War our economy flows and ebbs in tides, with what we have all chosen to say is the business cycle. Frankly, I do not think we have ruled that out yet.

So the downside is I am going to rely on the 60 votes that are necessary to permit us, in serious times when we really need not have a balanced budget, that 60 votes will come to the forefront and we will exercise that 60 votes with good judgment. So if indeed we need some deficit spending we will find a way, between the two parties and a President, to see that takes place.

My last point is if anyone is voting against this amendment because they think we have the deficit under control, my good friend PAUL SIMON has borrowed a graph of where the deficit is going. He now calls it the Domenici graph. It is actually the President's. It shows the deficit is going to go up substantially from where it is today. Just give it a couple of years.

If we put health care insurance on top of it and do not pay for that but rather spend all the savings, then we are right back in the middle again in about 7 or 8 years with the deficit being $300 billion, $350 billion, $400 billion.

Next week I will give a more detailed explanation if I can get time. I ask the managers if they would, as they are seeking time next week, if we could find time, 15 or 20 minutes, for the Senator from New Mexico to do an analysis of the past and the future.

I yield.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. REID. Mr. President, I yield 10 minutes to the Senator from California.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized for 10 minutes.

Mrs. FEINSTEIN. Mr. President, I thank the Senator from Nevada for the time.

I am here to speak on behalf of the Reid amendment. I believe it is improved over the Simon amendment. This amendment would protect Social Security. I do not believe that the trust fund should be used to balance the budget. It would allow the creation of a capital budget, just as many cities and States do now. It would allow flexibility in time of recession. And it would keep the courts from mandating actions that are legislative prerogatives. These changes make this amendment a much more workable balanced budget amendment.

There are many in this body who believe that amending the Constitution is very strong medicine, perhaps too strong. I have listened very carefully to those arguments. But I have come to the conclusion that without the strong medicine the patient is not going to heal.

People have said to me: You come from California and you supported an amendment for earthquake disaster relief that was off budget.

Yes, I did. Disaster relief for floods was off budget. Disaster relief for Hurricane Iniki was off budget. Disaster relief for Hurricane Andrew was off budget. So why should California be treated any differently? That is why we need an amendment to make everyone play by the same rules.

I think this is the heart of the matter. If people believe that under our present way of doing business we can balance this budget, then they should vote against a balanced budget amendment. If in their heart of hearts they believe we are not going to be able to balance the budget under the current process, then I believe they should support the balanced budget amendment. At least that is the conclusion to which I have come. Without a constitutional amendment, a balanced budget just is not going to be achieved.

I hearken back to the debate on the reconciliation bill, where Congress took the biggest bite in history out of the deficit—nearly $500 billion over 5 years. Yet that was only achieved because the Vice President broke a tie vote in this Chamber. I remember the discussion: If Medicare is cut anymore I will not vote for it. If Social Security is touched, I will not vote for it.

In a way, that, too, was the heart of the debate. Because it is not an argument over discretionary spending, whether that discretionary spending be defense or nondefense. Both are either frozen or they are being cut. The argument over whether a budget can be balanced in the future is over two things: Reducing interest on the debt instead of allowing it to continue to expand and, second, either coming to grips with premiums or programs that are related to entitlements.

As other graphs have shown, entitlements and interest on the debt are going to eventually eat everything we do with respect to discretionary spending—whether that be defense or nondefense—and unless we deal with entitlements and interest, we will never be able to balance the budget.

The question becomes, can we deal with these things? I have reluctantly come to the conclusion that under the present system we cannot. We have to develop a prospective system and then be able to stick to it and do those things which, indeed, are difficult to do.

There are many people that I respect very deeply on both sides of this debate. I submit that the vote on this is probably as personal a vote as any of us are going to cast. It really is going to end up how we see the future and how we think this body can do the difficult things which must be done if balancing the budget is important.

To me, there is just one single thing that makes me believe that balancing the budget really is important, and that is our grandchildren are going to have to pay 65 percent of their income in taxes if we do not. My belief is that the way we are going, we will bankrupt our Nation unless we make significant changes.

Since 1960, the Federal Government has balanced its budget exactly twice: Once in 1960, a surplus of $300 million, and again in 1969, a surplus of $3.2 billion.

In the last 25 years, the Federal Government has run up trillions of dollars of debt without once balancing the budget. And during this time, this Nation has experienced both economic booms and recessions. Yet, never did this Government balance a Federal budget.

The Federal Government now spends over $200 billion annually just to pay interest on its $4 trillion debt. If current policies continue, the CBO estimates that net interest payments will reach $334 billion by the year 2004. To put spending on interest into perspective, this year the Federal Government will spend only $43 billion more on domestic discretionary spending than it will on interest and the debt; $244 billion in discretionary spending to $201 billion in net interest. So that is what is happening. That is the story of all of this, and that is the story of just doing business as usual. True, this is not going to shrink the debt. This is going to give us an opportunity to, in essence, change the way business is done.

Let me speak for a moment about this interest because $200 billion does not buy a new highway or bridge, a plane or a ship. It does not provide medical care to a child or a grandparent or education to our Nation's students. It does nothing positive by way of infrastructure. It simply pays out interest and it increases and increases and increases.

Most Americans incur debt for major purchases, and I think they confuse Federal interest with interest on a home mortgage. When you pay interest on a home mortgage, the interest payments go down over time and your equity increases. When the Federal Government pays interest on the Federal debt, it does not. Interest costs just keeps increasing.

What has 25 years of accumulated debt meant to our economy? The Federal Reserve Board states that the low national savings rate —and I am speaking about national savings rate—is now under 3 percent. It is the lowest of any major industrialized country in the world. They say it is largely attributable to Federal deficits; that it has resulted in a loss of 5 percent growth in our national income during the decade of the eighties alone.

I have listened just as carefully as I can to debate on this issue. Some have pointed out that we have frozen discretionary spending, and that is true. But the largest escalating part of the debt, the part that I have talked about—entitlements and interest—by the year 2004 will rise to nearly $6 trillion, despite this freeze on discretionary spending.

Some hold out hope that health care reform, as big a package as it now seems to be, is going to cut the debt substantially. Maybe yes, maybe no. But I am convinced that without a constitutional amendment, this body and any body, no matter who is in it, is going to be unable to balance the budget.

The Reid amendment requires Congress and the President to balance the budget by the year 2001. It excludes Social Security. It creates a capital budget. It includes an exception for war and recession to preserve the Federal Government's ability to operate effectively in times of need, and it provides that enforcement of this amendment will only be in accordance with congressional legislation. I believe this is a good amendment that provides the strong medicine necessary for Congress to do what is needed and balance the Federal budget. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator's 10 minutes have expired.

Mrs. FEINSTEIN. I thank the Chair, and I yield the time.

Mr. SIMON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. SIMON. Mr. President, first, I hope not to use my full 30 minutes. The Senator from Utah indicated he may not use his full time, so we can get some rest this evening before we start on the debate tomorrow.

First, I want to comment on the observations of the majority leader, for whom I have great respect, when he said we are putting this off to the year 2001 so no one here will have to act on it. Senator FEINSTEIN was one of those who talked to me about extending the date. People in the administration talked about extending the date. The Concord Coalition, and some other groups, said if you have this by the year 2001, you can have a gradual glide path down and it will work.

But no one is going to wait until the year 2001. I am not going to wait until the year 2001. Senator FEINSTEIN is not. My good friend from Wisconsin, who is presiding, is not going to wait until the year 2001. ORRIN HATCH is not going to. LARRY CRAIG is not going to. ROBERT BYRD is not going to. And GEORGE MITCHELL, who is a responsible United States Senator, is not going to wait until the year 2001. If this is adopted, we are going to move very quickly.

Second, he said it cannot be enforced. Just the day before yesterday, the majority leader made a speech in the caucus about how the courts were going to be enmeshed in this thing. The reality is he is going to criticize these provisions no matter what.

But our provision says that the courts can be involved but not in terms of telling us we have to cut back on this or raise taxes. It is interesting. We have another provision saying that we can give the courts additional authority if we see things are not working out. But when Gramm-Rudman was the law, we did not have some courts coming down here telling us what to do. Forty-eight of the 50 States have some kind of constitutional provision and, with rare exception, the States have not had any problems with the courts. So I think that simply does not hold any water at all.

Let me look at the Reid amendment, offered by my colleague. And I mentioned earlier that I have great respect for my colleague from Nevada.

What this amendment says, and it has loopholes—if people are criticizing the amendment that Senator HATCH and I have in for not being tight enough, this has gargantuan loopholes in it. First of all, there is no requirement that outlays and revenues have to match, only that estimated outlays and estimated receipts have to match. That is a very, very different thing. I recognize estimates have to be part of the process, but ultimately you have to have outlays and receipts match.

Second, it permits a capital budget. That may have some superficial appeal because a school district or a family may need to have capital budgets. The United States of America does not. The biggest single project in the history of humanity was a U.S. project recommended by President Eisenhower, the Interstate Highway System, and he recommended that we issue bonds for that Interstate Highway System. A U.S. Senator who sat on this floor by the name of Albert Gore, Sr., said: "Let us not issue bonds. Let us increase the gas tax and pay for this Interstate Highway System on a pay-as-you-go basis." And we saved over $800 billion in interest doing it that way.

We do not need that. Four percent of our budget goes for capital outlays. What is the biggest single project we have? It is a nuclear carrier. We could pay for that over a 6-year period. We will not pay more than $1 billion any one year. We do not need to issue bonds for that. We do not need a capital budget.

It is very interesting that the General Accounting Office has warned us again and again and again while we should have a division within the budget between investment and consumption and operating expenses, do not have a capital budget that gives you an excuse for bonds.

Second, how do you enforce this provision in the Reid amendment? There is no enforcement mechanism. In ours, we have a very powerful one that Senator BYRD described as giving us "no wiggle room." We do not have "wiggle room." What we say is to raise the debt, you have to have a three-fifths vote. That puts muscle in the amendment. There is no muscle in the Reid amendment.

Next, the Reid amendment would put the Director of the Congressional Budget Office in the Constitution, the Federal Old Age and Survivors Trust Fund in the Constitution, and the Federal Disability Trust Fund in the Constitution. The Constitution right now does not even mention Secretary of State, Secretary of Defense, or any of these other offices. We do not do that in the Constitution. The Constitution deals in general principles and whatever provisions we need to force us to protect ourselves from abuses by Government.

What about the problem of a recession, which was mentioned? In fact, Senator DOMENICI, who announced he was going to be supporting our amendment, mentioned this. Since 1962, we have passed 11 stimulus packages to deal with recessions. Every one of those has passed by more than 60 votes. We can deal with this.

Now, where we are in trouble is that we are getting so deep into the red it is hard to get the votes right now, and last year we were not able to get the votes for an $11 billion stimulus package—$11 billion in a $6.7 trillion economy. But we did last year get 60 votes for extending unemployment compensation. When it comes to a specific thing that really is needed, we are able to do something.

Fred Bergsten, one of the finest economists in the Nation, who was Assistant Secretary of the Treasury under Jimmy Carter, said we can do much more to stimulate the economy with the balanced budget amendment than we are able to do with the present restrictions that we have and the present huge debt, because the debt really reduces the possibility of our responding.

He said we ought to try to get a $15 or $30 billion surplus each year and then have that available to use in a time of recession.

The other part of the recession thing that is so important is our reliance on foreign debt and what that does. Instead of being countercyclical, it is precisely the reverse; 17 percent is the publicly acknowledged amount of debt held by foreign individuals and foreign governments. The actual number is higher than that because some people hide it. But unlike people who are on Social Security, for example, who will spend that money, those who are more affluent will save money. And so you do not have that countercyclical effect, plus with that 17 percent plus that goes overseas it means you have $60 billion of interest that goes to Japan, to Great Britain, to the Netherlands, to Saudi Arabia, to other countries. That does not do one thing to help this country, and if we do not pass this constitutional amendment those numbers are going to rise and we harm our ability to respond.

Now, let me respond to the Social Security aspects of this, and I appreciated the comments of Senator DORGAN. As some of my colleagues know, I have been the principal fighter for the Medicare provisions in the Budget Committee, and I am strongly in favor of protecting Social Security. But we have to ask, with this kind of an amendment, what about veterans' pensions? What about veterans' benefits? Are we going to protect them? Or what about the WIC Program?

Once you start down this road of saying we are going to protect this program and not others, we get into deep, deep trouble, plus we are really not protecting Social Security with this amendment because right now Social Security is running a surplus. I agree with Senator DORGAN completely. I would like to see us not count that surplus as we put our budget together, do it without that. But I do not want to put it in the Constitution.

But the interesting thing is in the year 2024—right now Social Security runs a surplus. In the year 2024, it starts to go into the red. And with this kind of an amendment, we no longer protect the Social Security trust funds with the overall budget. That means anyone 35 years or less will not be protected with the Reid amendment as they are with the Simon-Hatch amendment.

I would point out also that Bob Myers, who was the Chief Actuary for Social Security for 23 years, was Executive Director of the Legislative Commission that was identified with the late Congressman Claude Pepper, has written to me saying the only way to protect Social Security is with a balanced budget amendment. Otherwise, we are going to end up monetizing the debt.

There are other points to be made, and I will make them tomorrow. At this point, Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, I do not intend to take all my time. I would like our colleagues to be able to leave this evening, but I do want to say just a few words about this amendment.

I appreciate the comments of my distinguished colleague from Illinois. I think he explained the problems with the Reid amendment about as well as they can be explained. I just have to call this proposal a sham. I called it upstairs the "cover your backside" amendment because basically that is all it is there for. It relies on estimates, but it does not have the backup of a debt limit like Senate Joint Resolution 41, which requires a three-fifths vote to waive the debt ceiling. Like the distinguished Senator from Illinois said, that is where the teeth of this amendment is. That is the strength of Senate Joint Resolution 41. It is what will make the difference. It is what really will enforce this. And this one just ignores that possibility.

Mr. SIMON. If my colleague will yield.

Mr. HATCH. I will be glad to yield.

Mr. SIMON. I think he has made an important point; this amendment is introduced for political cover only.

Mr. HATCH. That is right.

Mr. SIMON. It is designed so that Members of the Senate who under pressure from the administration or because of persuasion from Senator BYRD or whatever other reason, they want to vote against Senate Joint Resolution 41, the real thing, but they want to go back home and say, "I voted for a constitutional amendment for a balanced budget." And so this gives them a way to cover themselves.

If there was any real desire on the part of the majority leader or anyone to pass this, there would not have been a suggestion that we have to have 67 votes to adopt this amendment. I can never remember in now my 19th year in Congress anyone ever suggesting for any amendment you have to have 67 votes to pass it. The proponents would not have suggested that if they believed it was desirable to pass it.

Mr. HATCH. That is a good indication also that they do not want it passed. They know it is bad themselves. They know that it is just a subterfuge to give people some cover so they do not have to vote for the real balanced budget amendment, which is the Simon-Hatch amendment.

Look, we know the game. We have been at this the full 18 years I have been here and all of the time the distinguished Senator from Illinois has been here. We know that if we are going to pass a balanced budget constitutional amendment it has to be Senate Joint Resolution 41 or something awfully close to it because it is the consensus vehicle to get Congress to do what has to be done.

I have to compliment all of those who have worked on this because we have worked very hard to get this consensus, and we have the consensus of the majority of the House of Representatives. I think we are very close to having that consensus here. I hope our colleagues will consider that.

Mr. President, the Reid amendment exempts capital investments from balanced budget requirements. "Capital investments" is not defined. Who knows how broadly that is going to be construed or what it might include? It could cover everything from education to transportation expenditures. Virtually anything could be excluded from being subject to a balanced budget requisite under this provision.

So it is crazy to call this Reid amendment a balanced budget amendment. Anybody who thinks they are going to get away with that subterfuge I think is in for a surprise. Mr. President, some opponents have argued that Senate Joint Resolution 41 is a paper tiger. Well, the Reid amendment prohibits any judicial review or other enforcement unless Congress at some time in the future so provides.

Unless Congress provides for enforcement, the Reid amendment is a real paper tiger. I do not know how they can tell us that ours is bad when they have this language in the Reid amendment.

Stunningly, the amendment—this is really stunning to me—the amendment also provides that the Director of the Congressional Budget Office, the CBO, may estimate that the country's economic growth has been or will be less than 1 percent for two consecutive quarters. And if the Director of the CBO makes that determination, the balanced budget requirement is suspended. Can you imagine? They are now proposing that a very minor official in Government, really of the Congress, the Director of the CBO, be authorized under the Constitution to make deficit spending decisions. And they call our amendment undemocratic.

To me, this is the first time in the history of constitutional deliberation that someone has proposed to have one person in Government make these decisions for all of us. Let us be honest about it. If you are going to have a recession provision, with the cyclical economic cycle that we go through, it just means basically you can never really enforce the balanced budget amendment written by Senator REID.

As a matter of fact, you would have an excuse every time you turned around. The loopholes are so large that any truck could go through them. It is a sham. It is a facade.

I am sorry to call it that because I know the distinguished Senator from Nevada is sincere. But personally, I think he is being used on this matter because his amendment just does not make sense. There is no way you could ever reach a balanced budget amendment with the Reid amendment. There is no real mechanism to do it, nor is there the pressure on Congress, nor is there institutional reform, nor is there institutional discipline necessary to do it.

To be honest with you, I do not see how anybody can argue that this is a balanced budget amendment with a straight face.

Look, it comes down to this. Senator SIMON and I do not believe that there is any perfect balanced budget amendment right now.

We have to do the art of the possible. It really is the art of the impossible in some ways to pass an amendment through the Congress. But we have to do the art of the impossible if necessary. We have to bring people together—and we have done that over a period of 14 years or 12 years—bring people together in a way that will accomplish getting to a balanced budget and getting this country to live within its means.

Our amendment definitely will do that. That is why it is being fought so hard against, because it will curtail the profligacy of the Congress which has been going on for 60 years. We just simply have to pass this constitutional amendment.

I am hoping the American people out there will raise such Cain about it that we will all do what is right and pass the balanced budget amendment that is called the Simon-Hatch amendment, Senate Joint Resolution 41, which also has a counterpart in the House.

There are many things I would like to say. But I do not want to take much longer.

There is one other thing I would like to mention; that is, it was no small thing today for 218-plus Members of the House of Representatives to go in and sign a discharge petition. It was the second quickest discharge in history.

That is how important these people feel this issue is. And they are right; it is extremely important.

This pressure is not going to go away. If we fail to do it this year, I have to tell you, it will be back again. And as this economy goes more and more into the garbage can, which is where it is going, the balanced budget amendment is going to become more radical. Senate Joint Resolution 41 is reasonable. We can live with it. We can work with it. It does not require a balanced budget. But it certainly puts all of the institutional mechanisms into place to get us there. And it will be very tough not to get there. People who vote "no" to get there are going to have to really face the electorate for the first time in their lives. That is the theory of accountability.

We who have sworn to uphold the Constitution, every one of us, are going to work to make it work. Frankly, that is what needs to be done. I want to thank my friend and colleague from Illinois for his valiant work on this.

I want to thank everybody else who has worked hard on this, too, because we have a chance of doing it this year. Frankly, I hope everybody will consider that and really come to the conclusion, as the distinguished Senator from California did, that nothing short of a real balance-the-budget amendment is going to get us into an appropriate mode here that will help save this country.

That is all I care to say. I am prepared to yield back the remainder of my time if we can get everybody else to do it.

Mr. SIMON. Mr. President, I want to thank Senator HATCH again for all he has done, and also our colleagues, Senator LARRY CRAIG and Senator DENNIS DECONCINI. Both have been just great throughout this.

ORDER OF PROCEDURE

Mr. SIMON. We have cleared this with Senator BYRD, and with the understanding we have with him, I ask unanimous consent that the time, when we come in at 10 o'clock tomorrow, that we be in session until 6 tomorrow on this. That does not preclude the majority leader or anyone else from working out morning hour, or anything else, at any other time. But this is the understanding we have worked out with Senator BYRD. I ask that the time be allocated according to our previous agreement.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. REID. Mr. President, under that previous agreement, all four of us are each entitled to 2 hours. Is that right?

Mr. SIMON. That would be correct.

Mr. REID. Senator SIMON and I and the other Senators will work it out tomorrow, not subject to unanimous consent, when we will be here, to make it as easy on each other as possible.

Mr. SIMON. We will work that out; yes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I yield the remainder of my time.

Mr. HATCH. I am prepared to yield mine, if the distinguished Senator from Nevada will yield his.

Mr. REID. I am prepared to yield back my time, yes.

Mr. HATCH. I yield my time, as well.

The ACTING PRESIDENT pro tempore. All time is yielded back.

Mr. GRAHAM. Mr. President, could the Chair inform me as to what the pending business is on the floor?

The PRESIDING OFFICER. The matter before the Senate is Senate Joint Resolution 41.

Mr. GRAHAM. I ask unanimous consent to proceed for up to 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NOMINATION OF ROSEMARY BARKETT

Mr. GRAHAM. Mr. President, earlier today, the distinguished minority leader delivered a statement relative to the nomination of Justice Rosemary Barkett, currently serving as chief justice of the Florida Supreme Court, to the 11th Circuit Court of Appeals. In that statement today, the minority leader made reference to certain cases in which Chief Justice Barkett has participated at the State level, one of which was Foster versus State.

In that case—I quote from the statement of the minority leader—he states:

> Justice Barkett adopts the statistical evidence defense that was explicitly rejected by the U.S. Supreme Court in McCleskey versus Kemp.

The minority leader goes on to state:

> Justice Barkett's fuzzy reasoning is almost identical to the theory behind the so-called Racial Justice Act, which the Senate has considered and repeatedly rejected. Like the Racial Justice Act, Justice Barkett's view that statistical evidence alone subjects a capital sentence to constitutional challenge would paralyze the enforcement of the death penalty.
>
> As my colleague from Florida, Senator GRAHAM, has explained, "The very nature of the criminal justice system does not lend itself to statistical precision. The Constitution requires an individualized determination as to the appropriateness of the death penalty, taking into account the character and record of the murderer and the circumstances of the offenses."

Mr. President, since my name was used in this statement, I felt it appropriate to use this opportunity to set the record straight both as to what I said, what I intended, and also as to what Justice Barkett intended in her dissent in the case of Foster versus State. This happens to be a case with which I am very familiar. As Governor of Florida, I signed the death warrant that led to this case coming to the Florida Supreme Court.

Mr. President, the issue that brought Justice Barkett's dissent in Foster versus State was the question of an allegation made by the defendant under the State of Florida equal protection clause. As do many State constitutions, Florida has a State equal protection clause, as there is a similar clause in the U.S. Constitution.

In his appeal, Mr. Foster raised the issue, and he raised it in the context in which he stated that there had been a discriminatory pattern by a specific Florida State prosecutorial official, in which that official, allegedly, had sought the death penalty more frequently in cases in which the victim was white than in cases in which the victim was black. The question before the Florida Supreme Court was the interpretation of Foster's charge that there had been a violation of the State's protection under the equal protection provision.

Justice Barkett, in those circumstances, was taking the position that Foster deserved an opportunity within which to raise that specific case.

I ask unanimous consent that the dissenting opinion be printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAHAM. Justice Barkett, in her dissent suggested, first, the fact that there was a different standard under State equal protection than under the Federal equal protection. She makes, frankly, a point which I as a Floridian am very proud—that the Florida Supreme Court was dealing with the question of racially discriminatory selection of juries prior to the time that the U.S. Supreme Court recognized that as an impediment under Federal equal protection standards. She cites that as an example of the fact that State constitutional standards are not necessarily intended to just mimic Federal standards.

She proceeds on to therefore reason that it is appropriate for the State to have a process by which claims of denial of equal protection under the State constitution can be appropriately determined.

She suggests the following standard:

> A party asserting racial discrimination in the State's decision to seek the death penalty should make a timely objection and demonstrate on the record that the discrimination exists and that there is a strong likelihood that influences the State to seek the death penalty. Such discrimination conceivably could be based on the race of the victim or the race of the defendant. Once the trial court determines that the initial burden has been met by the defendant, the burden then shifts to the State to show that the practices in question are not racially motivated. If the trial court determines that the State does not meet the burden, the State then is prohibited from seeking the death penalty in the case.

I have quoted that in order to then distinguish this situation from the McCleskey case and the Racial Justice Act, which this Senate has debated on a number of instances. The racial justice case does not go to the allegation that there was a specific act of racial discrimination by a person involved in the case that has brought the death penalty to be applied. In this case, the allegation is that there was a specific prosecutor who was using racially discriminatory standards as to when to seek the death penalty. Rather, the Racial Justice Act goes to the broader question of whether an entire judicial jurisdiction, such as a State, has been applying the death penalty in a discriminatory manner.

To quote from the Racial Justice Act as it was considered by the Congress in 1991, it states:

> No person shall be put to death under color of State or Federal law in the execution of a sentence that was imposed because of, or based on, race or inference of race as the basis of a death sentence. An inference that race was the basis of a death sentence is established if valid evidence is presented demonstrating at the time the death sentence was imposed race was a statistically significant factor in decisions to seek or impose a sentence of death in the jurisdiction in question.

So what the Racial Justice Act did was to go at the entire criminal justice system of a State and attempt to overturn that State's use of the death penalty based on statistical evidence as to a wide variety of cases that had come before that State. That is a different application than the highly specific one which Chief Justice Barkett felt was appropriate as it related to claims of equal protection under the specific provisions of the State of Florida constitution. To use that case to establish the broad principle which the minority leader sought to do in his statement earlier today, which was that the chief justice of the Florida Supreme Court was in some way less than vigilant in her enforcement of the death penalty and in her conduct of her responsibilities as the highest judicial officer of the State, I find to be a gross misreading of the facts of the case that was utilized and the specific circumstances to which he attempted to analogize it in the Racial Justice Act.

Mr. President, the fact is that Chief Justice Barkett has been a thoughtful, strong supporter of the death penalty in Florida. No, she has not rubberstamped every case in which the death penalty had been imposed, but she has found for the majority in the overwhelming number of cases that have come before her as a justice of the Florida Supreme Court. She has shown a steady willingness to enforce the death penalty where that death penalty was appropriate.

She has stood the test of another statistical study. Our State uses a judicial retention procedure whereby judges of the State Supreme Court are periodically subject to the vote of the people of Florida to determine whether their tenure has been such that they justify continued service. Justice Barkett was subjected to that process in 1992. Sixty-one percent of the people of Florida found that her service justified a continuation of her term on the Florida Supreme Court.

The very charges that are being made now against her nomination to serve on the 11th Circuit Court of Appeals were the charges raised in a campaign against her continued service on the Florida Supreme Court. Three out of 5 Floridians rejected those charges and voted to retain her as a member of the Florida Supreme Court.

Mr. President, this is a jurist of distinction, a human being of intellect and compassion, a person of great judicial qualification. I am proud that she is serving my State as its chief justice. I am proud that the President of the United States has nominated her to high Federal office. I hope that this Senate will soon confirm that nomination and place Justice Barkett at the service of the people of the United States of America.

EXHIBIT 1

[No. 76639, Supreme Court of Florida, Oct. 22, 1992, Rehearing Denied April 1, 1993]

CHARLES KENNETH FOSTER, APPELLANT, V. STATE OF FLORIDA, APPELLEE.

Defendant was convicted in the Circuit Court, Bay County of murder and sentenced to death and he appealed. The Supreme Court affirmed, 369 So.2d 928. Denial of first and second postconviction motions were affirmed by the Supreme Court, 400 So.2d 1, and 518 So.2d 901, but resentencing was ordered. Denial of federal habeas corpus petitions was affirmed by the Court of Appeals, 707 F.2d 1339, 823 F.2d 402. On remand from resentencing, the Circuit Court, Bay County, Don T. Sirmons, J., entered sentence of death and defendant appealed. The Supreme Court held that: (1) defendant had not received ineffective assistance of counsel; (2) jury was adequately instructed on mitgating circumstances; (3) court properly overruled challenges for cause; but (4) sentencing order was defective for failing to state whether court had found certain mitigating circumstances to exist.

Affirmed in part and vacated and remanded in part.

Barkett, C.J., concurred in part and dissented in part and filed an opinion in which Shaw and Kogan, JJ., concurred.

Kogan, J., concurred in part and dissented in part and filed an opinion.

1. Criminal Law 998(21).

Successive postconviction motion may be dismissed if it fails to allege new or different grounds for relief and the prior determination was on the merits or, if new and different grounds are alleged, the failure to raise those issues in prior motion constitutes an abuse of process. West's F.S.A. RCrP Rule 3.850.

2. Criminal Law 998(21).

Postconviction motion alleging ineffective assistance of counsel was an abuse of process where there was no showing of justification for the failure to raise it in either of the two prior motions. West's F.S.A. RCrP Rule 3.850.

3. Criminal Law 641.13(6).

In view of defendant's confession, there was no reasonable probability that outcome of trial would have been different had counsel obtained additional evidence, so that defendant did not show ineffective assistance of counsel.

4. Criminal Law 996(3).

Witness' unavailability at resentencing hearing, so as to make her prior testimony admissible, was established by evidence that investigators had been unable to locate her or her former husband, that they had called a telephone number given to them a number of times and have left messages for the witness, who never returned the calls, and that attempts to subpoena her were unsuccessful.

5. Criminal Law 662.60.

Defendant's right to confrontation was not abridged when prior testimony of witness was admitted at resentencing hearing where court admitted the witness' cross-examination testimony in addition to her direct testimony.

6. Witnesses 337(4).

It was not an abuse of discretion to exclude evidence of witness' 1989 convictions when admitting at resentencing hearing testimony which she had given at the first trial in 1975.

7. Criminal Law 996(3).

There was no *Brady* violation by state's failure to provide defendant with mental health records of witnesses at resentencing hearing where the state denied having the records.

8. Homicide 357(3, 11).

Finding that murder was especially heinous, atrocious, or cruel, and cold, calculated, and premeditated, thus authorizing imposition of death penalty, was supported by evidence that victim was severely beaten prior to having his throat slit, that victim was pulled from vehicle by his genitals and stabbed in the throat a second time, that he would have lived 20 to 30 minutes after the wound was inflicted, that defendant then cut the victim's spine with a knife, and that victim would have lived three to five minutes after the spinal cord was severed. West's F.S.A. §921.141(5)(h, i).

9. Homicide 311.

Jury was adequately instructed that it could consider any relevant evidence in determining whether to impose the death penalty where court informed the jurors that they could consider, in addition to other factors, "any other factor of defendant's character or record and any other circumstance of the crime or offense," and defense counsel discussed mental health mitigation in detail.

10. Homicide 341.

Error in failing to give defendant's requested instruction containing an expanded definition of the aggravating factor that the homicide was heinous, atrocious, and cruel was harmless where defendants' killing of victim was especially heinous, atrocious, and cruel by any standard.

11. Jury 90, 105(1), 108.

Court was not required to strike for cause at resentencing hearing in capital murder prosecution juror who indicated bias against persons who have had numerous appeals, person who went to junior high school with defendant and "had a couple of fights" with him, and person who was allegedly predisposed to imposing death penalty for all premeditated murders.

12. Jury 108.

Court properly excused venire member who stated on voir dire before resentencing hearing in capital murder prosecution that she did not believe that she could vote to impose the death penalty in any situation other than murder within a prison setting.

13. Homicide 358(1).

In the absence of evidence that state's attorney acted with purposeful discrimination in seeking death penalty in defendant's case, court was not required to hold evidentiary hearing on claim that use of the death penalty in the county was racially discriminatory, based on statistical evidence indicating that persons whose victims were white were more likely to be charged with first-degree murder and convicted of first-degree murder.

14. Homicide 358(3).

Court's statement in sentencing order imposing death penalty in murder case that it had considered the evidence in support of mitigating factors and that the mitigating circumstances were outweighed by the aggravating factors did not demonstrate that it had determined whether the two statutory mental mitigating circumstances existed or whether any mitigating circumstances were found to exist or what weight was given to them, so that the sentencing order was defective; error was not harmless.

Richard H. Burr and Steven W. Hawkins of NAACP Legal Defense and Educational Fund, Inc., New York City, and Steven L. Seliger, Quincy, for appellant.

Robert A. Butterworth, Atty. Gen., and Mark C. Menser, Asst. Atty. Gen., Tallahassee, for appellee.

Per curiam.

Charles Kenneth Foster appeals the sentence of death imposed upon him after resentencing. He also appeals the denial of his motion for postconviction relief. Our jurisdiction is based upon article V, section 3(b)(1), Florida Constitution.

Foster was convicted of murder and sentenced to death in 1975. This Court affirmed the conviction and death sentence in *Foster* v. *State*, 369 So.2d 928, 929 (Fla.), *cert. denied*, 444 U.S. 885, 100 S.Ct. 178, 62 L.Ed.2d 116 (1979). The following facts are set forth in that opinion:

"Anita Rogers, 20 years of age, and Gail Evans, 18 years of age, met defendant and the victim, Julian Lanier, at a bar. They knew defendant, but the victim was a stranger.

"The girls, after a discussion, agreed to go to the beach or somewhere else to drink and party with the men. The victim bought whiskey and cigarettes, after which the four of them left in the victim's Winnebago camper. The victim was quite intoxicated and surrendered the driving chore to Gail. The defendant and the girls had planned for Gail to have sex with the victim and make some money. Gail parked the vehicle in a deserted area and, after some conversation concerning compensation, the victim and Gail began to disrobe.

"Defendant suddenly began hitting the victim and accusing him of taking advantage of his sister. Defendant then held a knife to the victim's throat and cut his neck, causing it to bleed profusely. They dragged the victim from the trailer into the bushes where they laid him face down and covered him with pine branches and leaves. They could hear the victim breathing so defendant took a knife and cut the victim's spine.

"The girls and defendant then drove off in the Winnebago and found the victim's wallet underneath a mattress. The defendant and the girls split the money found in the wallet and left the vehicle parked in the parking lot of a motel.

"The next morning Anita Rogers went to the Sheriff's Department and reported what had happened. . . ."—*Foster*, 369 So.2d at 928–29.

The trial court denied relief on Foster's first postconviction motion, and this Court affirmed. *Foster* v. *State*, 400 So.2d 1 (Fla. 1981). In addition, federal courts denied Foster relief on two federal habeas petitions. *Foster* v. *Dugger*, 823 F.2d 402 (11th Cir. 1987), *cert. denied*, 487 U.S. 1241, 108 S.Ct. 2915, 101 L.Ed.2d 946 (1988); *Foster* v. *Strickland*, 707 F.2d 1339 (11th Cir. 1983), *cert. denied*, 466 U.S. 993, 104 S.Ct. 2375, 80 L.Ed.2d 847 (1984). In *Foster* v. *State*, 518 So.2d 901 (Fla. 1987), *cert. denied*, 487 U.S. 1240, 108 S. Ct. 2914, 101 L.Ed. 2d 945 (1988), we affirmed the denial of Foster's second postconviction motion, but we granted his habeas petition and ordered resentencing due to *Hitchcock*[1] error.

On remand for resentencing, Foster filed a 3.850 motion. The trial court refused to continue the resentencing hearing until resolution of the 3.850 motion. Following the jury's 8–4 recommendation, the trial judge imposed the death penalty.[1] Thereafter, the court summarily denied the 3.850 motion without an evidentiary hearing.

We address first Foster's claim that the trial court erred in denying his 3.850 motion without an evidentiary hearing. Foster's motion alleged a violation of *Brady* v. *Maryland*, 373 U.S. 83, 83 S.Ct. 1194, 10 L.Ed.2d 215 (1963), and ineffective assistance of trial counsel. The *Brady* claim centers around Foster's allegation that the state failed to disclose that it offered Gail Evans and Anita Rogers deals in exchange for their testimony at trial. Although the court did not hold an evidentiary hearing on this claim, Foster presented the evidence on which he relies to support the claim at a hearing on his motion, to preclude admission of Rogers' and Evans' 1975 trial testimony. Rogers' ex-husband testified that several years after the trial, Rogers told him that the state had promised not to prosecute her in return for her testimony.

In his claim of ineffective assistance of counsel, Foster asserts that trial counsel failed to discover that Rogers and Evans believed that Foster was "crazy" at the time of the attack. Had counsel been aware of this, Foster reasons, he would have pursued mental health defenses that would have precluded a finding of premeditated murder. He also alleges that counsel failed to discover, or alternatively the state failed to disclose, that Foster cut off the victim's penis during the course of the attack.

[1] This is Foster's third postconviction motion. A successive motion may be dismissed if it fails to allege new or different grounds for relief and the prior determination was on the merits or, if new and different grounds are alleged, the failure to raise those issues in a prior motion constitutes an abuse of process. Fla. R. Crim. P. 3.850. To overcome this bar, a movant must allege that the grounds asserted were not known and could not have been known to him at the time of the earlier motion. *Christopher* v. *State*, 489 So. 2d 22, 24 (Fla. 1986). The movant must show justification for the failure to raise the issues in the prior motions. *Id.*

Footnotes at end of article.

[2] Foster alleged ineffective assistance of trial counsel in his initial postconviction motion. We rejected that claim on the merits.[3] *Foster*, 400 So. 2d 1. Foster has not previously raised a Brady claim. Although he alleges the discovery of new facts in order to avoid application of the abuse of process doctrine, he has failed to demonstrate or even allege that the facts could not have been known to him at the time of his earlier motions. We note that Foster has been represented by the same counsel since at least the time of the appeal of the denial of his first post conviction motion in 1981. Having failed to show any justification for his failure to raise the present claims in his earlier post conviction motions, the instant motion constitutes an abuse of process. *Spaziano v. State*, 545 So.2d 843 (Fla. 1989); *Tafero v. State*, 524 So.2d 987, 988 (Fla. 1987); *Booker v. State*, 503 So.2d 888, 889 (Fla. 1987); *Christopher v. State*, 489 S.2d at 25.[4]

[3] Even if there were no procedural bar, Foster's claim would not prevail. At trial, Foster made a witness stand confession in which he stated:

I reckon I'll just cop out. I have done it, killed him deader than hell. I ain't going to set up here, I am under oath and I ain't going to tell no —— lies. I will ask the Court to excuse my language. I am the one that done it. They didn't have a damn thing to do with it. It was premeditated and I intended to kill him. I would have killed him if he hadn't had no money and I know I never told you about it, but I killed him."—369 So.2d at 929.

In light of Foster's confession, there is no reasonable probability that the outcome of the trial would have been different had any of the evidence Foster now asserts was not disclosed or not discovered been presented. *Strickland v. Washington*, 466 U.S. 668, 104 S.Ct. 2052, 80 L.Ed.2d 674 (1984) (one alleging ineffective assistance of counsel must show deficient performance and prejudice); *Hegwood v. State*. 575 So.2d 170, 172 (Fla.1991) (to establish *Brady* violation, one must prove that had the evidence been disclosed, a reasonable probability exists that the outcome of the proceedings would have been different).

[4] Gail Evans personally testified at the resentencing hearing. However, over Foster's objection, the court allowed the state to introduce the testimony of Anita Rogers from the 1975 trial. Foster claims that the court failed to conduct an appropriate inquiry into Rogers' unavailability before admitting her prior trial testimony and that the use of her testimony abridged his right of confrontation.

We find no error in the trial court's determination that Rogers was unavailable. According to the assistant state attorney, in 1989, in an effort to find Rogers, investigators from that office attempted to locate her ex-husband. They were unsuccessful. In late May of 1990, shortly before the resentencing proceeding, defense counsel gave the state attorney Rogers' address and telephone number in Tampa. The state attorney called the number several times. He left messages on an answering machine as well as with a man who answered the telephone and said that he was Rogers' former brother-in-law. Rogers never returned the phone calls. At the state attorney's request, the Hillsborough County Sheriff's Department attempted to subpoena Rogers but were unsuccessful. A deputy attempting to serve the subpoena was advised by someone at Rogers' address that she was out of town at an unknown location. This was sufficient to establish Rogers' unavailability for purposes of the resentencing hearing.

[5] Further, Foster's right of confrontation was not abridged. The court admitted Rogers' cross-examination in addition to her direct testimony. The court also allowed foster to rebut Rogers' testimony with other witnesses. Under these facts we find no error in the admission of Rogers' trial testimony. *See Hitchcock v. State*, 578 So.2d 685, 690 (Fla.1990) (upholding the admission in resentencing proceeding of trial transcript where the state was unable to locate the witness and the court admitted the witness's entire trial testimony, including cross examination), *cert. denied*, —— U.S. ——, 112 S.Ct. 311, 116 L.Ed.2d 254 (1991).

[6] At resentencing, Foster sought to impeach Rogers' trial testimony by introducing evidence that she had been convicted of false reporting of a crime and grand larceny in 1989. The trial court excluded evidence of the convictions, apparently finding that the 1989 convictions were not probative of Rogers' truth and veracity at the time of the 1975 testimony. We find no abuse of discretion in the exclusion of this evidence. *Teffeteller v. State*, 495 So.2d 744, 745 (Fla. 1986). ("[I]t is within the sound discretion of the trial court during resentencing proceedings to allow the jury to hear or see probative evidence which will aid it in understanding the facts of the case in order that it may render an appropriate advisory sentence.").

[7] One day before the resentencing proceeding was scheduled to begin, Foster filed a motion pursuant to *Brady v. Maryland*, 373 U.S. 83, 83 S.Ct. 1194, asking the court to require the state to disclose Rogers' and Evans' mental health records. The state attorney objected, indicating the state did not have the records and had no better access to the records than did defense counsel. Foster challenges the trial court's denial of his motion.

Foster has not shown a *Brady* violation. The state denied having the records. Further, Foster made no showing that he could not have obtained this evidence with reasonable diligence. *See Hegwood v. State*, 575 So.2d 170, 172. Foster cites no case for his proposition that it was the state's obligation, rather than his own, to obtain such records.

[8] Foster also claims that the trial court erred in finding the murder to be especially heinous, atrocious, or cruel[5] and cold, calculated and premeditated.[6] The court relied on the following evidence to find the aggravating factor of especially heinous, atrocious, or cruel;

"The circumstances of the killing indicate a consciousness and pitiless regard for the victim's life and was unnecessarily tortuous to the victim, Julian Franklin Lanier. The victim did not die an instantaneous type of death. The victim was severely beaten prior to death. His nose was fractured, his face was severely bruised and his eyes were swollen shut from edema from hemorrhage and swelling resulting from the beating. After beating the victim, the defendant took out a knife and told the victim 'I'm going to kill you; I'm going to kill you.' There is evidence that one of the girls present asked the defendant not to do it. The defendant then proceeded to stab the victim in the throat. There is evidence of a defensive wound to the victim's hand which indicates the victim attempted to fend off the knife as the defendant stabbed him in the throat.

"After stabbing the victim in the throat, the defendant grabbed the victim by his testicles, or genitals, in order to move the victim outside. The victim groaned or moaned and the defendant stabbed the victim in the throat a second time. This second wound cut the victim's internal and external jugular veins. The victim could have lived from 20 to 30 minutes after this wound was inflicted.

"Neither of these wounds to the neck severed the victim's vocal cords. There is evidence that the victim asked the defendant not to do it again before he was stabbed a second time.

"After the second stab wound, the victim was dragged into the woods where he was covered with bushes. The marks on the victim's body indicated to the medical examiner, that the victim was either alive or dead a very short time before he was being dragged. It is consistent with what happened next to assume the victim was alive.

"After the victim was covered in the woods, one of the girls accompanying the defendant reported to the defendant that she could hear the victim breathing. The defendant then went back to the victim, who was lying face down, uncovered him and cut the victim's spine with a knife. As described by one witness, there was no air coming from the body of the victim after she heard "the cracking" of the spine. The medical examiner indicated the victim could have lived 3 to 5 minutes after his spinal cord was severed."—This evidence establishes that the murder was especially heinous, atrocious, or cruel.

The trial court relied on these same facts to find the murder to be cold, calculated, and premeditated. In addition, the court relied on Foster's witness stand confession and Anita Rogers' trial testimony. Rogers testified that prior to the attack, Foster asked her to exchange class rings with him. Foster's ring bore the initial "K." He told Rogers that he wanted to switch rings because his ring would have left "K" impressions on the victim, thus identifying him as the perpetrator. As the prosecutor argued to the jury, if Foster had not intended to kill the victim, it would have made no difference if there were "K" impressions on the victim because he would have been alive to identify Foster. These facts establish the existence of a careful plan or prearranged design to kill.[7] *Rogers v. State*, 511 So.2d 526, 533 (Fla.1987), *cert. denied*, 484 U.S. 1020, 108 S.Ct. 733, 98 L.Ed.2d 681 (1988).

[9] Next, Foster claims that the jury charge and the prosecutor's closing argument limited the jury's consideration of mitigating evidence in violation of *Cheshire v. State* 568 So.2d 908 (Fla.1990) (state may not restrict consideration of mitigating circumstances solely to "extreme" emotional disturbances; any emotional disturbance relevant to the crime must be considered). The court gave the following special instruction:

"Among the mitigating circumstances which you may consider are the following. First, the crime for which the defendant is to be sentenced was committed while he was under the influence of extreme mental or emotional disturbance.

"Second, that the capacity of the defendant to appreciate the criminality of his conduct or to conform his conduct to the requirements of law was substantially impaired.

"Third, that the defendant had an abusive family background.

"Fourth, the defendant's poverty.

"Fifth, the physical illness of the defendant.

"Sixth, the defendant's love for and love by his family.

"Seventh, any alcohol or drug addiction of the defendant.

"Eighth, a troubled personal life including depression and frustration.

"Ninth, physical injuries suffered by the defendant.

"Tenth, the defendant's lack of childhood development.

"Eleventh, the effect of death of loved ones on the defendant.

"Twelfth, the learning disability suffered by the defendant.

"Thirteenth, the defendant's potential for positive sustained human relationships.

"Fourteenth, any other aspect of the defendant's character or record and any other circumstance of the crime or offense."

Foster argues that this instruction created a substantial risk that the jury believed that they could only find the mental health evidence to be mitigating if it rose to the statutory level. In addition to being given the quoted instruction, the jury was informed that it must consider any aspect of the defendant's character and background or any other circumstance presented in mitigation and that there was no limitation on the mitigating factors which could be considered. Viewing the instructions as a whole, we find no reasonable likelihood that the jurors understood the instruction to preclude them from considering any relevant evidence. *Robinson v. State*, 574 So.2d 108, 111 (Fla.), *cert, denied*,—U.S.——, 112 S.Ct. 131, 116 L.Ed.2d 99 (1991). Further, in closing argument, defense counsel discussed the mental health mitigation in detail. He argued that the evidence rose to the statutory level but nevertheless argued that Foster was clearly under an emotional disturbance even if it did not meet the level required by statute. Accordingly, we reject this claim.

Next, Foster asserts that the court erred in refusing to give certain jury instructions. The rejected instructions deal with the following subjects: (1) the determination of the aggravating factor of especially, heinous, atrocious, or cruel; (2) the determination of the aggravating factor of cold, calculated, and premeditated; and (3) the jury's pardon power. He also alleges that the jury instructions on these two aggravating circumstances were inadequate.

[10] The instruction given on heinous, atrocious, and cruel was the same as the one held to be inadequate in *Shell v. Mississippi*, 498 U.S. 1, 111 S.Ct. 313, 112 L.Ed.2d 1 (1990). Therefore, the court erred in failing to give Foster's requested instruction which contained an expanded definition of that aggravating factor. We conclude, however, that the error was harmless. As may be seen from that portion of the trial judge's order previously quoted, Foster's killing of Julian Lanier was especially heinous, atrocious, and cruel by any standard. The jury could not have been misled by the inadequate instruction. We further hold that the court did not abuse its discretion in refusing to give the other jury instructions which Foster had requested.

[11] Next, Foster asserts that the court erred in failing to strike three venire members for cause. He argues that: (1) Carol Ann Pope should have been excused because she indicated bias against persons who have had numerous appeals; (2) Thomas Martin should have been excused because he went to junior high school with Foster and the two of them "had a couple of fights"; (8) Marion Pelland should have been excused because she was predisposed toward imposing the death penalty for all premeditated murders. Foster exercised peremptory challenges to excuse these three jurors.

The test for determining juror competency is whether the juror can lay aside any bias or prejudice and render his verdict solely upon the evidence presented and the instructions on the law given to him by the court." *Lusk* v. *State*, 446 So.2d 1038–1041 (Fla.), *cert. denied*, 469 U.S. 873, 105 S.Ct. 229, 83 L.Ed.2d 158 (1984). The record does not support Foster's allegations regarding these potential jurors. We have reviewed the transcript of jury selection and do not find any basis for excusing these jurors for cause.

Next, Foster claims that the trial court improperly excused venire member Deluzain for cause in violation of the principles established in *Witherspoon* v. *Illinois*, 391 U.S. 510, 88 S.Ct. 1770, 20 L.Ed.2d 776 (1968), and *Wainwright* v. *Witt*, 469 U.S. 412, 105 S.Ct. 844, 83 L.Ed.2d 841 (1985).

[12] A juror may be excluded in a death case if his views on capital punishment "would prevent or substantially impair the performance of his duties as a juror in accordance with his instructions and his oath." *Adams* v. *Texas*, 448 U.S. 38, 45, 100 S.Ct. 2521, 2526, 65 L.Ed.2d 581 (1980). The record evinces Deluzain's inability to set aside her own beliefs in deference to the law. *Randolph* v. *State*, 562 So.2d 881, 337 (Fla.), *cert. denied*, 498 U.S. 992, 111 S.Ct. 538, 112 L.Ed.2d 548 (1990). She said that she did not believe that she could vote to impose the death penalty in any situation other than a murder within a prison setting. When asked whether she could set aside her feelings against the death penalty if the murder were sufficiently aggravated, she responded that she was not sure that she could. The trial court did not abuse its discretion in excusing her for cause.

[13] Further, Foster challenges the circuit court's refusal to allow him to show that the use of the death penalty in Bay County, Florida, is racially discriminatory. Foster moved to preclude the state attorney's office from seeking the death penalty in his case based on his assertion that the Bay County State Attorney's Office pursued prosecution much more vigorously and fully in cases involving white victims than in cases involving black victims.

In support of his claim, Foster proffered a study conducted by his counsel of some of the murder/homicide cases prosecuted by the Bay County State Attorney's Office from 1975 to 1987. Analyzing the raw numbers collected, Foster concluded that defendants whose victims were white were 4 times more likely to be charged with first-degree murder than defendants whose victims were black. Of those defendants charged with first-degree murder, white-victim defendants were 6 times more likely to go to trail. Of those defendants who went to trail, white-victim defendants were 26 times more likely to be convicted of first-degree murder. The court refused to hold an evidentiary hearing, finding that the alleged facts did not make out a prima facie claim of discrimination.

The United States Supreme Court rejected a similar challenge in *McCleskey v. Kemp*, 481 U.S. 279, 107 S.Ct. 1756, 95 L.Ed.2d 262 (1987). McCleskey claimed that the imposition of Georgia's death penalty was racially discriminatory in violation of the Eighth and Fourteenth Amendments. He relied on a statistical study, the Baldus study, which purported to show a disparity in the imposition of Georgia's death penalty based on the race of the victim and the race of the defendant. The raw figures collected by Professor Baldus indicated that defendants charged with killing white victims received the death penalty in 11% of the cases, but defendants charged with killing blacks received the death penalty in only 1% of the cases. Baldus further found that the death penalty was assessed in 22% of the cases involving black defendants and white victims; 8% of the cases involving white defendants and white victims; and 3% of cases involving white defendants and black victims. The figures indicated that prosecutors sought the death penalty in 70% of the cases involving black defendants and white victims; 32% of the cases involving white defendants and white victims; 15% of the cases involving black defendants and black victims; and 19% of the cases involving white defendants and black victims.

After accounting for numerous variables that could have explained the disparities on other than racial grounds, the Baldus study found that defendants charged with killing white victims were 4.3 times as likely to receive a death sentence as defendants charged with killing black victims. Black defendants were 1.1 times as likely to receive a death sentence as other defendants. As a black defendant who killed a white victim, McCleskey argued that the Baldus study demonstrated that he was discriminated against because of his race and the race of his victim.

The Court held that McCleskey "must prove that the decisionmakers in *his* case acted with discriminatory purpose." *McCleskey*, 481 U.S. at 292, 107 S.Ct. at 1767. The Court rejected McCleskey's claim because he offered no evidence specific to his own case to support as inference that racial considerations played a part in his sentence. The Court found the Baldus study to be insufficient to support an inference that the decisionmakers in McCleskey's case acted with purposeful discrimination.

Foster's claim suffers from the same defect. He has offered nothing to suggest that the state attorney's office acted with purposeful discrimination in seeking the death penalty in his case. See *Harris v. Pulley*, 885 F.2d 1354, 1875 (9th Cir. 1988), *cert. denied*, 493 U.S. 1051, 110 S.Ct. 854, 107 L.Ed.2d 848 (1990); *Byrd v. Armontrout*, 880 F.2d 1, 10 (8th Cir. 1989), *cert. denied*, 494 U.S. 1019, 110 S.Ct. 1326, 108 L.Ed.2d 501 (1990); *Kelly v. Lynaugh; 862 F.2d 1126, 1135 (5th Cir. 1988) cert. denied*, 492 U.S. 925, 109 S.Ct. 3263, 106 L.Ed.2d 608 (1989). The trial court was not required to hold an evidentiary hearing on this claim. *Harris*, 885 F.2d at 1375 (defendant not entitled to evidentiary hearing where he offered no proof that decisionmakers in his case acted with discriminatory purpose).

Foster argues that *McCleskey* does not foreclose his challenge because his evidence focuses solely on the practices of one prosecutor's office, whereas the Baldus study consisted of generalized statistics covering every aspect of Georgia's death penalty scheme. The *McCleskey* Court questioned whether a state "policy" of discrimination could be deduced by studying the combined effects of hundreds of decisionmakers.

The Court in *McCleskey* held that: [T]he policy considerations behind a prosecutor's traditionally "wide discretion" suggest the impropriety of our requiring prosecutors to defend their decisions to seek death penalties "often years after they are made." Moreover, absent far stronger proof, it is unnecessary to seek such a rebuttal, because a legitimate and unchallenged explanation for the decision is apparent from the record: McCleskey committed an act for which the United States Constitution and Georgia laws permit imposition of the death penalty.

". . . Implementation of these laws necessarily requires discretionary judgments. Because discretion is essential to the criminal justice process, we would demand exceptionally clear proof before we would infer that the discretion has been abused."—*McCleskey*, 481, U.S. at 296–97, 107 S. Ct. at 1769–70 (citations omitted).

The figures proffered by Foster do not constitute "exceptionally clear proof" of discrimination. *See Harris v. Pulley*, 885 F.2d at 1375. Foster's figures do not account for any of the myriad of nonracial variables that could explain the disparity *See McCleskey*, 481 U.S. at 295, n. 15, 18 S.Ct. at 1769, n. 15 ("decisions whether to prosecute and what to charge necessarily are individualized and involve infinite factual variations. . . ."). Even assuming the validity of foster's study,[8] the raw numbers analyzed by Foster do not show a significantly greater disparity than figures proffered by the Baldus study which had taken into account numerous nonracial variables.[9]

[14] Finally, Foster claims that the trial court's sentencing order fails to evaluate the proposed mitigating factors as required by *Rogers v. State*, 511 So.2d 526 (Fla 1987), *cert. denied*, 484 U.S. 1020, 108 S.C. 733, 98 L.Ed.2d 681 (1988). In discussing the manner in which the trial court should consider mitigating circumstances in a case in which the state seeks the death penalty, we said:

"[T]he trial court's first task in reaching its conclusions is to consider whether the facts alleged in mitigation are supported by the evidence. After the factual finding has been made, the court then must determine whether the established facts are of a kind capable of mitigating the defendant's punishment, i.e., factors that, in fairness or in the totality of the defendant's life or character may be considered as extenuating or reducing the degree of moral culpability for the crime committed. If such factors exist in the record at the time of sentencing, the sentencer must determine whether they are of sufficient weight to counterbalance the aggravating factors."—*Id.* at 534.

In addressing mitigation in the sentencing order, the trial court first listed thirteen mitigating factors that Foster had offered for consideration. The court then stated:

"The Court must note that there is a conflict in evidence on the questions of whether the capital felony was committed while the defendant was under the influence of *extreme* mental or emotional disturbance and the capacity of the defendant to appreciate the criminality of his conduct to the requirements of law was *substantially* impaired (emphasis supplied)."

After discussing the conflict in the evidence, the court then concluded:

"The Court will therefore consider this conflict in the weight to be given these two factors in relating to the aggravating circumstances.

The Court has considered the evidence presented in support of each of these mitigating factors and, in weighing these factors against the aggravating factors, finds that the aggravating circumstances outweigh the mitigating circumstances in this case."

While it is evident that the court considered the mitigating circumstances, we cannot tell whether the court determined whether either of the two statutory mental mitigating circumstances existed. In fact, we are unable to say whether the court found any of the mitigating circumstances to exist or what weight was given to them. Unlike *Rogers*, we cannot say that this defect in the sentencing order was harmless error.[10]

Accordingly, we vacate the sentence of death and remand the case for the trial judge to enter a new sentencing order following the dictates of *Rogers* and *Campbell v. State*, 571 So.2d 415 (Fla.1990).[11] *See Lucas v. State*, 568 So.2d 18 (Fla.1990). We affirm the denial of Foster's motion for postconviction relief.

It is so ordered.

OVERTON, McDONALD, GRIMES and HARDING, JJ., concur.

BARKETT, CJ., concurs in part and dissents in part with an opinion, in which SHAW and KOGAN, JJ., concur.

KOGAN, J., concurs in part and dissents in part with an opinion.

BARKETT, Chief Justice, concurring in part, dissenting in part.

"I concur in the majority's resolution of all the issues except for Foster's claim regarding the discriminatory use of the death penalty in Bay County, Florida.

"The majority concludes that Foster "Has offered nothing to suggest that the state attorney's office acted with purposeful discrimination in seeking the death penalty in his case." Majority op. at 463. My disagreement is not so much with that statement as with a standard that requires showing something that is virtually impossible to show: *purposeful* discrimination. *McCleskey* v. *Kemp*, 481 U.S. 279, 107 S.Ct. 1756, 95 L.Ed.2d 262 (1987).

"In *McCleskey*, the U.S. Supreme Court dismissed McCleskey's analogous federal equal protection claims, holding that a defendant must establish both "the existence of purposeful discrimination" and a "discriminatory effect" on that particular defendant. *Id.* at 292, 107 S.Ct. at 1767. I agree that under the federal precedent *McCleskey* would control this case.

"Foster, however, claims a violation of the Equal Protection Clause of the Florida Constitution. Art. I, §2, Fla. Const. Despite the principles adopted in *Traylor* v. *State*, 596 So.2d 957 (Fla. 1992), establishing the primacy of the Florida Constitution, the majority completely ignores Foster's state constitutional challenge. I believe that Foster's claim deserves full consideration.

Despite earlier transgressions,[12] Florida in recent years has clearly established its commitment to equality of treatment in the courts. *See, e.g., Report and Recommendations of the Florida Supreme Court Racial and Ethnic Bias Study Commission* (1990 & 1991); *The Florida Supreme Court Gender Bias Study Commission Final Report* (1990). Indeed, while the U.S. Supreme Court was still requiring a defendant to meet the impossible burden of proving that discriminatory jury selection practices were employed systematically in a number of similar cases or contexts, *Swain v. Alabama*, 380 U.S. 202, 85 S.Ct. 824, 13 L.Ed.2d 759 (1965), this Court took the lead in *State v. Neil*, 457 So.2d 481 (Fla. 1984), clarified by *State v. Castillo*, 486 So.2d 565 (1986), and established guidelines under the Florida Constitution to guard against the racially discriminatory use of peremptory challenges.[13] The U.S. Supreme Court followed suit two years later in *Batson v. Kentucky*, 476 U.S. 79, 106 S.Ct. 1712, 90 L.Ed.2d 69 (1986), when it overruled the *Swain* standard and acknowledged that it imposed a "crippling burden of proof" that rendered a prosecutor's peremptory challenges largely immune from constitutional scrutiny. *Id.* at 92–93, 106 S.Ct. at 1720–21. The Court found that a prosecutor's use of peremptory challenges is subject to the constraints of the Equal Protection Clause when there is some basis for believing that the challenges are used in a racially discriminatory manner.[14]

"The U.S. Supreme Court in *Batson* recognized the invidious nature of discrimination. *Id.* at 93–96, 106 S.Ct. at 1721–23. Justice Marshall, in a concurring opinion, noted that discrimination is not often blatantly expressed, and in many cases it is subliminal: 'A prosecutor's own conscious or unconscious racism may lead him easily to the conclusion that a prospective black juror is 'sullen,' or 'distant,' a characterization that would not have come to his mind if a white juror had acted identically. A judge's own conscious or unconscious racism may lead him to accept such an explanation as well supported.'—*Id.* at 106, 106 S.Ct. at 1728 (Marshall, J. concurring).

Studies of unconscious racism have shown that the perpetrator does not feel particularly punitive toward minorities, rather, he or she wants to remain distant and is less likely to feel empathy because of the distance. Sheri Lynn Johnson, Comment, *Unconscious Racism and the Criminal Law*, 78 Cornell L. Rev. 1016, 1020 n. 27 (1988). While society has largely rejected blatant stereotypes and overt discrimination, more subtle forms of racism are increasing: "A burgeoning literature documents the rise of the 'aversive' racist, a person whose ambivalent racial attitudes leads him or her to deny his or her prejudice and express it indirectly, covertly, and often unconsciously." *Id.* at 1027–28 (footnotes omitted).

"Discrimination, whether conscious or unconscious, cannot be permitted in Florida courts. As important as it is to ensure a jury selection process free from racial discrimination, it is infinitely more important to ensure that the *State* is not imposing the ultimate penalty of death in a racially discriminatory manner. The U.S. Supreme Court may eventually recognize that the burden imposed by *McCleskey* is as insurmountable as that presented by *Swain*. In the meantime, defendants such as Foster have no chance of proving that application of the death penalty in a particular jurisdiction is racially discriminatory, no matter how convincing their evidence.[15]

"I suggest the following standard: A party asserting racial discrimination in the State's decision to seek the death penalty should make a timely objection and demonstrate on the record that the discrimination exists and that there is a strong likelihood it has influenced the State to seek the death penalty. Such discrimination conceivably could be based on the race of the victim or on the race of the defendant. Once the trial court determines that the initial burden has been met by the defendant, the burden then shifts to the State to show that the practices in question are not racially motivated. If the trial court determines that the State does not meet that burden, the State then is prohibited from seeking the death penalty in that case.

"Accordingly, because the majority has applied a federal constitutional standard in Foster's case that is impossible to meet and has missed the opportunity to craft a state constitutional standard such as that discussed above, I dissent from that portion of the opinion."

FOOTNOTES

[1] Hitchcock v. Dugger, 481 U.S. 393, 107 S.Ct. 1821, 95 L.Ed.2d 347 (1987).

[2] The trial court found three aggravating circumstances: (1) the murder was committed during the course of a robbery; (2) the murder was cold, calculated, and premeditated; and (3) the murder was especially heinous, atrocious, or cruel. Foster offered thirteen mitigating circumstances. The trial court found that the mitigation did not outweigh the aggravating circumstances.

[3] In addition, we note that Foster raised ineffective assistance of counsel claims in his two federal habeas petitions. The claims were denied after evidentiary hearing and the denials were affirmed on appeal. *Foster* v. *Dugger*, 823 F.2d 402 (11th Cir. 1987), *cert. denied*, 487 U.S. 1241, 108 S.Ct. 2915. 101 L.Ed.2d 946 (1988); *Foster* v. *Strickland*, 707 F.2d 1339 (11th Cir.

1983), *cert. denied*, 466 U.S. 993, 104 S.Ct. 2375, 80 L.Ed.2d 847 (1984).

[4] In addition, we note that the motion was filed outside of the limitations period established by rule 3.850. The motion fails to allege that the facts upon which his claims are based "could not have been ascertained by the exercise of due diligence." Fla.R.Crim.P. 3.850.

5. §921.141(5)(h), Fla.Stat, (1989).

6. §921.141(5)(i), Fla.Stat, (1989).

7. Foster also contends that the application of the cold, calculated, and premeditated aggravating factor to his crime violates the Ex Post Facto Clause because the factor did not exist at the time of this crime. We have repeatedly rejected this claim. *See Sirecl v. State*, 587 *So.2d* 450, 454 (Fla. 1991), *cert. denied*,——U.S.——, 112 S.Ct. 1500 117 L.Ed.2d 639 (1992); *Zeigler v. State*, 580 So.2d 127 (Fla.), *cert. denied*——U.S.——, 112 S.Ct. 390, 116 L.Ed.2d 340 (1991); *Combs v. State*, 403 So.2d 418, 421 (Fla. 1981), *cert. denied*, 456 U.S. 984, 102 S.Ct. 2258, 72 L.Ed.2d 862 (Fla. 1982).

8. The weight to be given to the results of such a small statistical sample as this is questionable. *See McCleskey*, 481 U.S. at 295, n. 15, 107 S.Ct. at 1768, n. 15.

9. The figures indicating that of the defendants who went to trial, white-victim defendants were 26 times more likely to be convicted of first-degree murder than were black-victim defendants cannot be attributed to a decision by the Bay County State Attorney's Office and thus are not relevant here.

10. In view of our disposition of this issue, we do not address Foster's argument with respect to proportionality.

11. While *Campbell* did not become final until after the original sentencing order was entered, its additional requirements will obviously be applicable to any new sentencing order.

12. *See, e.g., State ex rel. Hawkins v. Board of Control*, 93 So.2d 354 (Fla.), *cert. denied*, 355 U.S. 839, 78 S.Ct. 20. 2L.Ed.2d 49 (1957); *State ex rel. Hawkins v. Board of Control*, 83 So.2d 20 (Fla. 1955), *cert. denied*, 350 U.S. 413, 76 S.Ct. 464, 100 L.Ed. 486 (1956).

13. *See also State v. Slappy*, 522 So.2d 18 (Fla.) *cert. denied*, 487 U.S. 1219, 108 S.Ct. 2873, 101 L.Ed.2d 909 (1988) (holding that any doubt as to whether the complaining party has met its initial burden, should be resolved in that party's favor).

14. The U.S. Supreme Court recently held that the Equal Protection Clause also prohibits a criminal defendant from engaging in purposeful discrimination on the basis of race in the exercise of peremptory challenges. *Georgia v. McCollum*,——U.S.——, 112 S.Ct. 2348, 120 L.Ed.2d 33 (1992). This Court held in *Neil* that both the State and the defense may challenge the allegedly improper use of peremptories. 457 So.2d at 487.

15. In this case, Foster presented statistical evidence showing that even though blacks constituted 40% of the murder victims in Bay County cases between 1975 and 1987, all 17 death sentences that were imposed were for homicides involving white victims.

Mr. GRAHAM. Mr. President, I ask unanimous consent to print in the RECORD a colloquy between Chief Justice Barkett and Senator HATCH on the occasion of her confirmation hearing before the Senate Judiciary Committee on February 3 of this year.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Justice BARKETT. My only concern in Foster, Senator, is that there would be a vehicle by which a defendant could assert that the law was being discriminatorily applied against a racial minority. My reading of Supreme Court cases and my reading of our own cases in my State preclude the use of a law to be applied in a racially discriminatory manner.

I did not purport to suggest what proof would be sufficient to overcome that burden, although I recognize that it would have to be a substantial burden of proof, if that claim were to prevail. But the essence of my concerns in Foster revolved around providing a process when there was an occasion that a defendant could assert that a particular prosecutor, for example, was only applying the death penalty against black defendants or only when the victims were white or things of that nature.

Senator HATCH. I think that is different from applying statistical disparity. If you read your opinion carefully—well, let me just say I am very concerned that your approach would paralyze the implementation of the death penalty.

Now, I myself have lots of qualms about the death penalty. I would use it very sparingly, and then only in cases where there is absolute proof of guilt, where there is no evidence of discrimination, and where the murder is a particularly heinous murder. There may be other factors, but those are three that I would want to find in every case.

Let me just add that I am hardly alone in this concern. Many of my Senate colleagues, for example, have voiced similar concerns in opposition to legislation labeled by its advocates as the Racial Justice Act. That legislation, which also developed in reaction to the McClesky case decided by the Supreme Court, takes the same or virtually the same statistical approach as your dissent in Foster.

During the debate on the so-called Racial Justice Act in 1991, Senator Graham, who spoke eloquently on your behalf today and influentially to me, as did Senator Mack, but Senator Graham had this to say: "The reality is that, by enacting the Racial Justice Act, this Congress in a bill designed to enhance Federal criminal justice standards, procedures and laws would destroy the right of a State to impose the death penalty in a constitutional manner. The Racial Justice Act of 1991 might more appropriately be called the Death Penalty Abolition Act of 1991. Seldom has a proposed Federal law gone so far at one time as to unravel first the interest of the States in protecting citizens from murderers, second, to unravel the prosecutorial discretion recognized in every State, and, third, to unravel the jury system."

He goes on to say: "The very nature of the criminal justice program does not lend itself to statistical precision. Each death-eligible decision is inherently individualized and not necessarily subject to being categorized."

Now, as you can see, he and I share the same view on the Racial Justice Act, and we have defeated it consistently in our debates over the crime bills that we have had. Let me just ask you to respond to some criticisms of what I felt was your theory in that case.

For instance, Justice Powell noted in McClesky that implementation of murder statutes inherently requires discretion, which he said "is essential to the criminal justice process." He explained that this process is unique, and that "the nature of capital sentencing decision and the relationship of the statistics to that decision are fundamentally different from the corresponding elements in jury pool selection and employment discrimination cases. In those cases, the statistics relate to fewer entities and fewer variables and are relevant to the challenged decisions.

For example, from the time of his arrest until the time of sentencing, you have independent entities functioning, the prosecutor who decides to seek the death penalty, a defendant who may or may not choose to plea bargain, a jury or jury who have to impose it. It is not the same as one employer hiring plumbers or a court administrator seeking a jury pool or other cases where decisions are readily attributable to one entity.

Justice Powell also said this. He said: "Another important difference between the cases in which we have accepted statistics as proof of discriminatory intent in this case is that, in the jury pool selection and employment discrimination cases, the decision-maker has the opportunity to explain the statistical disparity. Here the State has no practical opportunity to rebut the statistical study. Controlling considerations of public policy dictate that jurors cannot be called to testify to the motives and influences that led to their verdict."

Now, he added even further. He said: "Similarly, the policy considerations behind a prosecutor's traditionally wide discretion suggest that the impropriety of law requiring prosecutors to defend their decisions to seek death penalties often years after they were made."

Now, one study—I am sorry this is so long.

Justice BARKETT. That is all right.

Senator HATCH. It is important, because it is a matter of great debate here, as well. Many of us who believe that the death penalty is provided by the Constitution and is important know that the reason for the Racial Justice Act is to knock out the death penalty.

One study you pointed to found, "That prosecutors sought the death penalty 27 percent of the time when white victims were involved, and only 14 percent of the time when minority victims were involved." But each and every one of those cases had different facts and different circumstances. They do not seem susceptible to those who really study this area to statistical comparison such as you called for in the Foster case.

Go ahead.

Justice BARKETT. I do not think that there is anything in this opinion nor in anything I have written nor in anything I have ever said or feel that suggests that discretion is not a part of this process and has to be a part of the process for many of the reasons that you have enumerated, Senator.

What I think I am saying in this case, however, and what I think the United States Supreme Court has said in other contexts, for example, the whole *Swain* v. *Alabama* and *Batson* v. *Kentucky* context, is that discretion cannot be used to selectively enforce the law in a racially discriminatory manner. And I do not think there is any dispute about that principle.

The second aspect of your question which I would address is that I have not suggested in this opinion or anywhere else that statistics is the be-all and the end-all of the inquiry. I do believe that perhaps statistics may be something that could be submitted to be included in an offer of proof on this question, but I clearly do not believe that some questions can be resolved only by use of statistical analysis.

And I think that the passage that you read indicates why it would be so troublesome, if you attempted to challenge a whole State's use of statistics or statistics which impact an entire State as dispositive of anything. There are many prosecutors in a State, there are many districts, and so on and so forth.

But when an allegation is made that there is one prosecutor who is unambiguously using his or her discretion in a way to only selectively enforce the law or apply the law in a racially discriminatory manner, there has to be a vehicle in which a person can raise this claim and in which it can be decided.

Senator HATCH. But that was not the claim in the *Foster* case. In this case, you said—I have a LEXIS/NEXIS. I do not know whether you have the same thing I do, so I cannot really tell you the page, but it is near the end of your opinion, I would say about five paragraphs before the end—you say: "I believe that statistical evidence of discrimination in capital sentencing decisions should similarly establish a violation of Article I, section 2 of the Florida Constitution. Statistical evidence should be construed broadly to include not only historical analysis of the disposition of first-degree murder cases in a particular jurisdiction, but also other information that could suggest discrimination, such as the resources devoted to the prosecution of cases involving white victims as contrasted to those involving minority victims—

Justice BARKETT. Exactly.

Senator HATCH. —"and the general conduct of a State attorneys office, including hiring practices and the use of racial epithets and jokes, when racial bias, whether conscious or unconscious, exists in an environment where decisions about seeking the death penalty are made, all aspects of that bias should be available for evaluation by the court in reviewing evidence of discrimination."

That may be in reviewing evidence of discrimination, but not in making the final decision as to whether capital punishment should be imposed.

Justice BARKETT. I think if you continue in the opinion, Senator, you will find that what I am talking about is using all of these things, certainly not exclusively. And as I point out at the very end of the opinion, it is impossible to anticipate the circumstances in which it may be manifested, the trial judge should make a determination, and I suggest a vehicle which provides a specific standard, that is, the defendant has the burden of showing a very strong likelihood of discrimination, and the trial court would then hear whatever evidence, which would not be simply statistical evidence as the only evidence to be considered.

Senator HATCH. As I read the opinion, your standard is very open-ended. For example, prosecutor's decision as to how much resources to put into the case turns on many subjective factors, amount of investigation, trial preparation, attorney resources needed in the case, as well as available resources.

And since the facts of any set of cases are never alike, how is it possible to draw meaningful comparisons for that kind of statistical analysis?

Justice BARKETT. Suppose, Senator, I guess if you take the best case scenario, that there had been 100 murders in a particular county and 90 of them were against black victims, only 10 against white victims, and the death penalty was sought only in those 10 or only in the one case, where there may be many, many others. All I am trying to suggest to you is I believe there would be a scenario where it would be clear that the death penalty was being applied in a racially discriminatory manner.

The only thing I was suggesting in *Foster* is that there be a vehicle by which one can bring that claim to the court and the court can evaluate it. I was not attempting to suggest, nor do I suggest now, that there is a particular way of making that proof. I was suggesting different ways that certainly would be considered by the trial court.

Senator HATCH. The point I was making is that your standard is a vague, manipulable standard that would absolutely paralyze the death penalty, if it were adopted by courts, under which the burden would be placed upon the State to prove a negative, and that is what bothered me about that case.

Like I say, every murder case is unique. You cannot compare, for example, resources applied between cases or the decision to seek the death penalty in those cases in a meaningfully statistical way and come to a conclusion about racial discrimination. Comparing what happens in two murder cases is like comparing an apple to an orange.

Justice BARKETT. Absolutely.

Senator HATCH. So you feel that if you go on the Circuit Court of Appeals, you would be bound by the McClesky case?

Justice BARKETT. I do not think there is any question of that, Senator.

Mr. GRAHAM. Thank you, Mr. President

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SHELBY). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. PELL. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

STEADY SUPPORT FOR RUSSIA: LOOKING BEYOND THE BUMPS IN THE ROAD

Mr. PELL. Mr. President, I am concerned by the calls that I have heard during the last few days for an abrupt change in United States policy toward Russia, including for an end to United States assistance. I agree that there are some disturbing sounds and images emanating from individuals in Russia: Provocative claims that Russia has a special interest in neighboring countries and nationalist cries for the unity of all Russians.

The revelation that one of our senior CIA officials was spying for Russia is the latest bit of troublesome news. However, I believe that calls for us to disengage and to end our assistance program are hasty, counterproductive, and dangerous.

I, like everyone else, am deeply troubled by the alleged activities of the CIA officer in question, including the possibility that he may have been responsible for the loss of lives. As I suggested to the Secretary of State at yesterday's Foreign Relations Committee hearing, however, it is naive to think that countries—even friends—do not spy on one another. While the United States should pursue the Ames case vigorously with the Russians, it would be inappropriate to retaliate by writing off Russia and shutting down our assistance program.

At this delicate point in Russia's development, it is critical that we not lose sight of the big picture. Reformers are confronting uphill battles as they try to change fundamentally the way their economy and government operate, seek consensus on arms control issues that are of vital importance to the United States, and attempt to balance domestic concerns in making foreign policy decisions.

Precisely because the reformers are facing challenges to their agendas, our continued commitment to support their reforms becomes even more crucial. Russia, left to its own devices, very well could become a loose cannon. If we want to prevent the emergence of a Russia that is hostile to the West, we must remain engaged.

It is irrational to suggest that we put the brakes on a process that is in our national interest. At his appearance before our committee yesterday, Secretary of State Christopher testified that "one of President Clinton's top national security priorities has been to ensure that the breakup of the former Soviet Union does not produce new nuclear states." He spoke of the progress we have made in this regard, and of our continued interest in controlling the spread of both nuclear and advanced conventional weapons. There are, as he reminded us, many challenges ahead, including the extension of the nonproliferation treaty in 1995, the negotiation of a comprehensive test ban, and the creation of a replacement regime for COCOM, all of which will require Russian cooperation. He outlined other areas of high priority for the United States—such as combatting terrorism and illegal narcotics—where Russian engagement is crucial.

In 1992, when the Congress passed the Freedom Support Act, we did so because we recognized that helping the New Independent States was in our national interest. This past fall, although we were facing difficult budgetary times, we fully funded the President's request of $2.5 billion in assistance for the NIS because we understood that reform in Russia and the other New Independent States needed our support during the difficult months and years ahead.

I would argue that nothing has changed since Congress made those decisions: it is still in the national interest to operate programs with goals that include supporting privatization, the creation of a market for U.S. goods, democratization, and the transition from a defense-oriented to a civilian-based economy.

It is important to remember that our bilateral aid program does not consist of cash handouts. Rather, under the Nunn-Lugar program, a major portion of our assistance effort, we are helping the Russians dismantle the very nuclear weapons which threatened us during the cold war. Under our technical assistance program, United States citizens are offering their expertise to Russian firms struggling to privatize, physicians modernizing health care, mayors implementing municipal reform, and farmers trying to improve production. United States private voluntary organizations, Peace Corps volunteers, and retired U.S. executives are among those working to support reforms at the grass roots level that will lay the foundation for further economic transformation. Our assistance package also includes programs, such as the American Business Centers, and the Russian American Enterprise Fund which directly benefit United States companies seeking to do business in Russia. Why on earth would we want to terminate or curtain U.S. involvement in and support for these activities?

United States assistance efforts have just begun, with AID launching its technical assistance program a little more than a year ago. Our aid efforts are just starting to gain some momentum and show some preliminary results. But real results will only be evident over the long-term, and will require uninterrupted support. To cut back our assistance now would only ensure that our efforts to date have been a waste. I would strongly urge colleagues to stick by the commitment we have made to reform in Russia.

HOLY NAME OF JESUS MEDICAL CENTER

Mr. SHELBY. Mr. President, I rise today to tell a story of a vision of hope and unfailing health care by the Missionary Servants of the Most Blessed Trinity in the city of Gadsden, AL.

During the mid-1920's, the Sisters brought the hope of medical care to Gadsden. The Sisters first came to Gadsden to staff a small 25-bed hospital which Mother Boniface, the superior of the community, had purchased in late 1924 and named the Holy Name of Jesus Hospital. A year later, the hospital attained the needed support of a young surgeon, Dr. J.O. Morgan. Dr. Morgan was so respected in the community that other physicians joined the staff of the hospital or recommended the facility to their patients fostering acceptance and assistance for the hospital from area residents.

After only 3 years of service, it was apparent that a larger medical facility was necessary. In November 1927, the cornerstone of a new hospital was laid. In September 1931 the new state-of-the-art hospital was dedicated.

Meeting the medical needs of the sick and suffering with modern technology, the Holy Name of Jesus Hospital provided the first open heart surgery units, cardiac catheterization unit, and renal dialysis facility in the area. By 1977, the Holy Name of Jesus Hospital grew to a 200-bed medical facility. In the same year, a 12-year expansion plan began. With this program, the hospital grew to the status of a medical center offering numerous types of medical assistance such as inhospital care, day surgery, inservice programs, and also an upgrading in the training of paramedical personnel.

During the 1980's the Holy Name of Jesus Hospital was hailed as one of the most advanced medical centers in northeast Alabama. Yet, the care of the Missionary Sisters reached far beyond the hospital walls to the sick at home. They cooked, cleaned, and clothed those in need. The poor who could not afford hospital care received aid through the generosity of the Sisters. No one was denied aid from the Sisters at the Holy Name of Jesus Hospital.

For the 60 years, from 1928 to 1991 the Sisters also operated a nursing school in conjunction with the Holy Name of Jesus Hospital. The U.S. Army trained its nurses in the region at the school prior to serving their country during World War II.

As we near the turn of the century, we can look to the Holy Name of Jesus Medical Center, now Riverview Medical Center, as a vision of a hope which provided excellent health care to the county. I salute all the Sisters who have served the sick and needy in their community while constantly striving to equip the hospital with modern, state-of-the-art technology. I would also like to congratulate the Sisters and all those involved with developing the Holy Name of Jesus Medical Center over the decades. The Missionary Servants of the Most Blessed Trinity will inspire the people of Gadsden, Etowah County, and the State of Alabama for many years to come.

MAKING A DIFFERENCE

Mr. LEAHY. Mr. President, over the years I have had a chance to meet an extraordinary conservationist and ornithologist, Dr. Liao Weiping. Dr. Liao is a Chinese professor from the Guangdong Institute of Entomology, but he is also a man who has worked extremely hard to improve and maintain the environmental balance of Guana Island in the British Virgin Islands. He has done this under the sponsorship of Henry and Gloria Jarecki, the owners of that island and dedicated environmentalists.

In talking with Dr. Liao you can easily see his dedication to his family and to the environment and to the opportunities people should have to achieve a full life based on their work.

I ask to have the enclosed article from the July 1993 issue of the Welcome printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAKING A DIFFERENCE

Why is a wiry 61-year-old ornithologist from China planting hundreds of trees on Guana Island?

Professor Liao wants to make a difference to the ecology of both the British Virgin islands and Hainan, his native province. They share the same latitude and the same problem: erosion.

What can be achieved on Guana Island applies equally to all other islands in the B.V.I., but Guana, being a nature preserve of 850 acres, rich in fauna but with few human inhabitants, is the ideal place for scientific study.

Here Liao, a professor at both Guangdong Institute of Entomology and the South China Institute of Endangered Animals, is working to improve the ecosystem. Shaded by his red and white baseball cap, he propagates and transplants seedlings. At the same time he makes tidy notes in Chinese and in English which he taught himself in his forties. (He also speaks five Chinese dialects.)

Sponsored by Dr. Henry Jarecki the island's owner, Liao stays on Guana up to eight months at a time; 1994, will mark his fifth visit.

Every October, scientists from the Conservation Agency based in Rhode Island and others from all over the world descend on Guana. Dr. Jarecki, a conservationist, bought the island which contained a small hotel in 1974; he maintained the hotel, but also established a nature preserve. Sponsored by Dr. Jarecki, scientists from the Conservation Agency catch, mark and track animals; study flora; take inventory and discuss how best to make beneficial changes. They have reintroduced the flamingo to both Anegada and Guana Island and are working on ways to protect the endangered Anegada rock iguana (Iguana pinguis) through introducing it to Guana as well as through conservation efforts on Anegada.

Liao's contribution includes a comprehensive plan to increase bird and plant life. He explained that if the tall shade trees which used to grow on Guana Island could be restored, their roots would hold water, improving the soil. Further, if other trees and shrubs could be established which provide nesting sites as well as fruits and berries for birds throughout the year, birds such as the red-necked pigeon could be brought back to the island in good numbers.

These birds eat and disperse seeds of some of the best shade trees. Simply put, the birds need the trees and in order to increase, the trees need the birds. The shade and improved soil which result from more trees and more birds eventually lower the temperature slightly and produce more rainfall strictly locally—that is only in places which are shadier.

And what will happen if this plan is not carried out? Essentially, the opposite. Soil will erode further and rainfall will decline, making it harder to grow anything. Trees which die will be replaced by scrub. Finally cactus will replace scrub and topsoil will be lost. Such an occurrence would obviously be detrimental to the B.V.I. Although most people are aware of the importance of preserving the marine ecosystem, not everybody recognizes the need to protect the land. To Liao it's a burning issue.

An example of what one person can do: in 1992 he wrote a proposal to create protected areas throughout Guangdong Province in China. After obtaining signatures from 107 other noted scientists, he presented the proposal to the government, which has just passed it into law.

How fortunate that the man whose goal is to make a difference has adopted the B.V.I. as his second home.

CHINESE SCIENTIST STUDIES BVI'S BIRDS, CLIMATE

(By Chris Bergeron)

A Chinese scientist, studying ecology on Guana Island, feels that environmental planning based on the beneficial relationship between native birds and forestation could reverse local climatic changes that may be reducing the BVI's rainfall and vegetation.

Prof. Liao Wei-ping, of the South China Institute of Endangered Animals, believes that changes in the territory's bird and tree population directly influence local weather patterns. The replacement of tropical forests by smaller scrub vegetation initiated a gradual chain reaction over the last several decades, raising the territory's temperature and causing a consequent decline in rainfall, he said.

Former agricultural practices, like plantation farming and the free grazing of animals, as well as excessive burning of timber for charcoal, also significantly depleted local vegetation and forests, according to Prof. Liao.

Some local birds, like the red-necked pigeon, stimulate positive growth patterns by eating and passing seeds of certain trees, which are instrumental in providing shade, a cooler climate and, ultimately, increased rain.

Prof. Liao, 59, is in the midst of his fourth extended visit to Guana Island. He is sponsored by Dr. Henry Jarecki of New York, the island's owner.

Dr. Jarecki sponsors The Conservation Agency, an organization that supports environmental studies by noted international scientists. He met Prof. Liao through the Agency's founder, Dr. James Lazell, presently affiliated with Harvard University, who met Prof. Liao in China in 1983.

Prof. Liao's experience in Chinese ornithology gives his work particular relevance for ecological studies in the BVI.

Prof. Liao is a native of Hainan Island, in the South China Sea, which is on precisely the same latitude as the BVI.

KEY HUMAN CHOICES

The similarities in climate and flora and fauna between Hainan and Guana Island provide Prof. Liao with a basis for his comparative studies, which focus on the inter-relationship between birds, vegetation and climate.

"I want to make a special contribution to both the BVI and my motherland through this research that Dr. Jarecki has sponsored," said Prof. Liao, a trim, nimble man with bright brown eyes.

"I believe that humans can institute policies to restore the environment and provide long-term benefits.

"Scientific research can identify critical choices. But humans are the key. They must be willing to support policies that will finally benefit their home, their children, their future."

Prof. Liao said that discussions with local farmers, several in their 70s, indicate that the territory's annual rainfall has been declining, raising temperatures and making agriculture more difficult.

"If rainfall declines, inevitably ecological quality will deteriorate. As scrub, which requires less rainfall, replaces the tropical trees still found on Sage Mountain, topsoil is lost.

"Cactus will replace scrub. The island will become hotter and the whole negative cycle starts again. Only thoughtful implementation can reverse these troubling tendencies," Prof. Liao said.

He cited the relationship between pearl-eyed thrashers, which prey on red-necked pigeons, as an example of the bird population's impact on vegetation and climate. Cycles within cycles.

Red-necked pigeons eat, partially digest and scatter the seeds of the tall trees where they nest, stimulating tree growth, which cools the local climate, encouraging further rainfall and growth.

Yet pearl-eyed thrashers, which nest in scrub brush, feed on pigeon eggs and kill the young, lowering the pigeon population, reducing seed dispersal, leading to the replacement of tropical forests by scrub vegetation. This heightens temperatures, further reducing rainfall.

Prof. Liao suggests that reforestation would initiate a chain reaction that would gradually increase the bird population and vegetation, ultimately prompting beneficial climatic changes within the territory.

Futher research is required before he can recommend specific trees to plant.

He spends his days scrambling through trails, making meticulous notes in English and Chinese and collecting samples to chronicle the natural struggles that make Guana Island a labouratory that may provide a key to the BVI's environmental future. "Safeguard for peace."

Prof. Liao rose from abject poverty to become one of Guanadong province's most renowned ornithologists at a time when China was convulsed by invasion, civil war and revolution.

He received no formal schooling until age 13, later attending middle school by day while labouring long into the night. After years of struggle, he was elected president of the student union, earning a scholarship to one of China's most prestigious universities.

Following World War Two, Prof. Liao changed his personal name to Wei-ping, which means "safeguard for peace."

After learning Russian as a young man, he taught himself English in his forties by studying a dictionary and a grammar text.

While studying under Dr. Jarecki's sponsorship, Prof. Liao presented scholarly papers at ornithological conferences in the U.S. and Canada.

In 1986 he had an audience with then BVI Governor David Barwick and gave him a copy of his book.

"China is my true motherland, but I love the BVI as my adopted home" said Prof. Liao recently.

"It is important for people to consider the future, the next 50 or 100 years. Not just the short view.

"Taking protective measures for the long view will help everything—the economy, the environment, peoples' lives," he said.

"Maybe man can't control nature, but he can do his share. He must."

JOHN HUME'S 25TH ANNIVERSARY OF PUBLIC SERVICE

Mr. KENNEDY. Mr. President, it was 25 years ago today that John Hume won his first election in Northern Ireland. Many of us in Congress who have come to know John well throughout the years know him to be an extraordinary man of peace. I have great admiration for his achievements and his leadership, and I congratulate him on his 25th anniversary in public service.

On February 24, 1969, John was elected to the Northern Ireland parliament. In the years since then, he has also been elected to the European Parliament and the British Parliament.

Throughout the long and difficult years of civil strife and turmoil in Northern Ireland, John Hume has dedicated his life to achieving a peaceful, just and lasting settlement of the conflict. As the founder and leader of the Social Democratic and Labour Party in Northern Ireland, he has demonstrated time and again the success and wisdom of peaceful negotiations and institution-building between Protestants and Catholics as the only acceptable method of achieving a solution of the crisis in his native land.

In the past 25 years, the violence on both sides of the conflict has caused the death of more than 3,000 people; many thousands more have been maimed or injured; and untold millions of dollars in damage to property has occurred.

He is one of the greatest apostles of nonviolence of our time. Throughout these turbulent years in Northern Ireland, John Hume has never lost faith in the belief that violence and terrorism are wrong and a negotiated settlement is the only realistic hope for peace, and that ancient antagonisms cannot be settled by bombs and bullets. He has an enduring vision of reconciliation based on equal respect and recognition for both the Protestant and Catholic traditions in Northern Ireland. His uncompromising defense of justice and human rights has undoubtedly reduced the level of violence, encouraged restraint and reason, and served as an inspiration to those seeking peaceful resolution of conflicts in many other corners of the world.

It is remarkable that a man of such deep commitment to peace has risen to leadership of an oppressed minority in a divided country. Yet, surrounded by repressive measures and bitter frustration, John Hume has never yielded to rancor or intolerance. He has courageously and constructively challenged the presumptions and prejudices not only of the Protestant tradition in Northern Ireland—but also of his own Catholic tradition

In challenging the one-sided society of Protestant domination and intolerance, pervasive discrimination in employment, housing and education, and the constant threat of violence and terrorism, John Hume fashioned a nonviolent civil rights movement based on community action and cooperation.

Beginning with the launching of a credit union to provide assistance to the minority community to purchase housing, he fought consistently for the rights of the members of his community. His weapons were effective programs and peaceful deeds—at a time when others in his own community increasingly urged the path of bombs and bullets. His ideas and eloquence lit a candle in the darkness of Northern Ireland, kindled an increasing sense of hope in the minority community, and created new possibilities for understanding between the two opposing sides of the conflict.

John Hume's community activity and involvement led directly to his long and distinguished political career. He brought together a broad coalition of leaders in his community who advocated nonviolence, and together they founded the Social Democratic and Labour Party. Under his skillful guidance as leader of the Party, the SDLP has been at the forefront of every significant effort to achieve a peaceful settlement in Northern Ireland.

Largely because of the vision and diligence of John Hume, the SDLP and Unionist leaders achieved the landmark Sunningdale Agreement in 1973, an unprecedented power-sharing experiment between the Nationalist and Unionist traditions.

When the Sunningdale Agreement collapsed the following year in the face of extremist Protestant resistance, John Hume encouraged the parties to explore other avenues of peace. It was John Hume who first—and for many years alone—argued the necessity for establishing an ongoing Anglo-Irish framework as the cornerstone for institutionalizing a process of reconciliation to heal the divisions within Northern Ireland, between north and south in Ireland, and between Britain and Ireland.

In 1983, largely as a result of his efforts, the main Irish political parties and the SDLP established the far-reaching New Ireland Forum, which considered alternatives for progress and whose report laid the groundwork for an unprecedented new dialog on Northern Ireland between Britain and Ireland. This dialog culminated in November 1985 with the signing of the historic Anglo-Irish Agreement by Prime Minister Margaret Thatcher of Great Britain and Prime Minister Garret FitzGerald of Ireland, representing the best hope in more than a decade for peace in Northern Ireland.

Today, the Anglo-Irish Agreement still serves as a daily avenue of communication between the British and Irish Governments on matters affecting Northern Ireland. In implementing the agreement, the two governments have also established an effective on-the-ground mechanism to consider specific grievances of the two communities in Northern Ireland on a day-to-day basis.

Britain and Ireland deserve great credit for their commitment to this process of reconciliation, but it could not have happened without the extraordinary leadership of John Hume. In so many ways, he is the glue that has held Northern Ireland together, halted the descent into anarchy and civil war, and produced the hope we see today for further progress.

In recent years, and especially in recent months, John Hume has conducted talks with Gerry Adams, the leader of the Sinn Fein party in Northern Ireland. Once again, he has shown great courage by taking a great personal, political risk in an effort to achieve a lasting peace. All those who know John Hume well, know that peace has been his only motivation throughout his long and distinguished career and it is our hope that his current leadership will contribute to a permanent end to the violence.

John Hume is well respected in the United States and he has had an important influence on United States policy and on the American dimension of the conflict in Northern Ireland. In his many visits to this country, he has been a constant ambassador of peace, urging the cause of reconciliation, educating the Congress and the country that American dollars for Irish violence are destroying, not uniting, Ireland.

In sum, John Hume is a courageous leader of unusual achievement. He has dedicated and risked his life for the cause of human rights and peace in his native land. His efforts give immense encouragement to his supporters, who have borne a heavy burden against great odds in the struggle for peace, democracy and justice in their country.

His work also serves as an encouragement to those in other divided societies, who suffer from oppression and violence while seeking the dream of democracy, economic progress, and social justice.

I am sure that my colleagues in the Congress join me in congratulating John Hume on his 25th anniversary. It is our sincere hope that the goal of his life's work—peace and reconciliation in Northern Ireland—will be achieved soon.

I ask unanimous consent that an excellent recent article by John Hume on the current situation in Northern Ireland which appeared in the Irish Times last month may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Irish Times, Jan. 31, 1994]

NEW WAYS OF COMING TOGETHER IN PEACE

(By John Hume)

There has been a lot of public discussion, a lot of careless language and indeed a lot of personal views by politicians, both British and Irish, about their views in relation to our future or indeed their preferences about that future. However, at this crucial point it is essential that we concentrate on the facts of our situation in Ireland and the facts of the Joint Declaration, facts which to myself are very clear and facts which have already made me declare that it is the most comprehensive declaration by British and Irish governments in 70 years on our relationships within this island.

Let us stay with the facts. The facts are that the people of Ireland have the right to self-determine their future. The facts are that the people of Cyprus have the right to self-determine their future. The facts are that the people of the world have the right to self-determine their future. But the fact that gets consistently forgotten as people make emotional declarations about such rights is that it is people who have rights and not territory. Without people this earth is only a jungle. Humanity is what it is all about and how humanity settles its differences. The essence of settling differences is to respect them. There is not a single stable society in the world that is not based on respect for diversity.

The facts are that the people of Ireland are divided as to how to exercise that right, so are the people of Cyprus, so are the people in the former Yugoslavia, so are the people of the world. It is the search for agreement and the means of reaching agreement that is the real task facing those who want to solve such problems. It is also surely a fact that such agreement among divided peoples anywhere cannot be solved by any form of coercion or force. Victories, as history has sadly taught us, are not solutions; they simply leave legacies from which subsequent generations also suffer.

On our island the facts are that the people who share this island are deeply divided. The facts are that their divisions were not caused by partition; they were intensified, as indeed they are intensified today by violence. The facts are that the basic divisions among our people go back far beyond partition and the challenge of facing up to them by reaching agreement has never been faced up to by either of our traditions. That is the challenge that faces us today; that is the challenge that the Joint Declaration has thrown down to everyone, both governments and all parties.

Let us now look at the facts of the Joint Declaration. The facts are that the British government has made clear, not for the first time, that, whatever about the past, it no longer has any selfish or strategic interests in Ireland. The facts are that it has stated its primary interest very clearly and the meaning of the word primary seems to have been ignored by a lot of people. Its primary interest is not the status quo; its primary interest is not in any imposed settlement. Its primary interest, to quote the Joint Declaration, "is to see peace, stability and reconciliation established by agreement among all the people who inhabit the island".

In addition, the facts are that the British government makes clear its views on the rights to self-determination, recognising the fact of which we are all aware that at this point in time the people of Ireland are deeply divided as to how that right is to be exercised. The problem cannot be solved if we ignore the essential facts. The British government states: "The British government agree that it is for the people of Ireland alone by agreement between the two parts respectively to exercise their right to self-determination on the basis of consent, freely and concurrently given, North and South, to bring about a united Ireland if that is their wish." In addition, "They reaffirm as a binding obligation that they will, for their part, introduce the necessary legislation to give effect to this, or equally to any measure of agreement on future relationships in Ireland which the people living in Ireland may themselves freely so determine without external impediment". Ourselves alone!

Nothing could be clearer, and neither could the challenge to both main traditions on our island to face up at last to the challenge of achieving lasting stability and peace on our island for the first time by reaching such agreement. It is surely self-evident that anyone who genuinely wants such agreement would recognize that agreement can never be achieved by any form of coercion or force. The task is for all involved to commit their energies to working for such agreement.

There has been the usual talk of vetoes. Again, the facts are that when you have a divided people, each section of it has a veto. That is the negative way of looking at it and we have never had any shortage of negative attitudes on this island. Surely the time has come to be positive and to seek and work for agreement, the challenge of which is to persuade one another that neither side wants victory but rather an agreement which respects our different heritages and identities, which is the only basis for stability in any society.

Indeed, once again in the Declaration the British government commits itself "to encourage, facilitate and enable the achievement of such agreement over a period through a process of dialogue and co-operation based on full respect for the rights and identities of both traditions in Ireland". If we do not want them to impose a solution, which is not self-determination, what more can they do? Indeed, could we reflect on the question, when at any time in the past 70 years have both governments been so committed to using all their influence, energy and resources towards such an objective?

The challenge to both traditions is clear. To the unionist tradition, who have a genuinely different heritage from the rest of us in this island and who have every right to protect that heritage, the challenge is to recognize for the first time that their real strength rests in their own numbers and their own geography and the problem cannot be solved without them. Have they the self-confidence to recognize that and to stand on their own feet, recognizing that the only people that they need to trust in such a process is themselves and for the first time (apart from Brian Faulkner) to agree to a relationship with those with whom they share this island? It is self-evident that they have consistently distrusted British governments. Now they are being asked to trust themselves and to recognize that the objective is an agreement which must earn the allegiance and agreement of all our traditions, including their own.

The challenge to the nationalist tradition is equally clear. It is people who have rights and not territory. It is a particular challenge to Sinn Fein and the IRA. Have they the self-confidence in their own convictions to come to the table armed only with those convictions and their powers of persuasion, as everyone else will have to do, given that the British government is now committed not only to encouraging agreement but to implementing and legislating for whatever agreement emerges. Is all of this not totally in keeping with the peace process defined in my joint statements with Mr. Adams as involving both governments and all parties, the objective of which would be agreement among our divided people, an agreement that would have to have the allegiance of all our traditions as well as their agreement?

We have reached a historic moment in our island history and my hope is that the moral courage will be there on all sides to seize it. It is to me self-evident that no instant package will end our differences forever, but whatever form our agreement takes, once our quarrel is over and all the talents of our diverse people are committed to working together to build our country North and South, the healing process will have begun and the old prejudices and distrusts will be progressively eroded.

Down the road in the future, out of that process will emerge a New Ireland, built on respect for our diversity whose model will probably be very different from any of our past traditional models. Will Catholic, Protestant and Dissenter finally come together in our small island and as we approach the 21st century of our now post-nationalist and interdependent world, will we at last remove the gun and the bomb from our island people?

THE 25TH ANNIVERSARY OF JOHN HUME'S TERM IN PUBLIC OFFICE

Mr. DODD. Mr. President, I rise today to inform my colleagues of the fact that today is the 25th anniversary of the day that John Hume, the leader of Northern Ireland's Social Democratic and Labour Party, first took public office in Northern Ireland. Not enough members of this Chamber, I suspect, are familiar with John Hume or are aware of the crucial role he has played over the years in the peace process in Northern Ireland. But I am quite confident that if more people were to listen to his words and to follow his example when it comes to Northern Ireland, the prospects for peace there would be far brighter indeed.

Mr. President, John Hume occupies a central and, in truth, a unique role in the political landscape of Ulster. He was an early leader of the movement to bring civil rights and equality to the long-oppressed Catholic community in Northern Ireland, and through his seats in the British Parliament and the European Parliament he has continued to play an instrumental role in speaking out for justice in the north. His party, which received approximately one-quarter of the votes in the most recent general elections, is committed to the long-held nationalist ideal of a united Ireland. At the same time, he has condemned the Irish Republican Army and he has often spoken out against the ruthless ways of the IRA. This willingness to confront both extremes of the Ulster reality has given him a crucial role in the peace process now underway in Northern Ireland.

Mr. President, last year John Hume helped to set the pace of peace negotiations forward when he engaged in a series of meetings with Gerry Adams, the controversial leader of Sinn Fein. While these meetings—and the agreement they reportedly produced—were regrettably not supported by the British Government, they nonetheless had an important impact in advancing the notion that if the conflict in Northern Ireland is to be solved, it must be solved through negotiation. In fact, as Mr. Hume told an interviewer last fall, "Given that the British Government has stated it cannot defeat the IRA and that the IRA has stated it cannot defeat the British Government, my simple Irish mind tells me the logic of that is that the only thing that'll solve the problem is dialogue."

Mr. President, John Hume has it absolutely right. What is needed in Northern Ireland today is more discussion, less violence; more listening, and less posturing. John Hume has taught us this lesson over the past 25 years and for that we should all be thankful.

THE NORTH KOREAN NUCLEAR WEAPONS PROGRAM

Mr. BENNETT. Mr. President, the issue of North Korea's nuclear weapons program has been of public interest for over a year. On some days it appears on the front page of every major newspaper in America.

After conducting a recent energy committee fact-finding tour in Asia last month, officials in all the countries I visited raised the seriousness of a nuclear Korean peninsula.

What has not been made clear, Mr. President, is the risk which the North Korean nuclear weapons program poses for all of us. That is, why should we be so concerned? After all, we learned to live with the threat of nuclear weapons from the now-defunct Soviet Union. How is the anticipated behavior of North Korea any worse?

A geopolitical answer would suggest that a nuclear device in the hands of North Korea raises the prospect that it would be used or threatened to be used against South Korea. Further, some might suggest that a frightened Japan would reverse almost 50 years of policy prohibition against the development of nuclear weapons.

Frankly, I do not buy either argument. North Korea knows that use of a nuclear weapon anywhere would have the most dire consequences. And, I have faith in the good judgement of the Japanese people. As the only country to suffer from a nuclear attack, a democratic government in Japan will not choose the nuclear option.

What then is the problem?

The problem is, Mr. President, was ably set out by Washington Post columnist Lally Weymouth in her column of February 17. As she notes, extracted plutonium is "a lot more valuable than cocaine." For a desperate regime like North Korea, with a history of selling every major weapons system it has ever produced, the temptation to sell to the highest bidder could be too much. The danger to our national security from a North Korean nuclear device in the hands of one of the anti-democratic regimes in the Middle East is clear-cut and unassailable.

Ms. Weymouth also points out that the distinguished Senator from Mississippi, Senator COCHRAN, the distinguished Senator from South Dakota, Senator PRESSLER, and the distinguished Senator from Colorado, Senator BROWN, recently visited the headquarters of the International Atomic Energy Agency to discuss the North Korean problem with IAEA Chairman

Hans Blix. Our colleagues deserve enormous credit for their personal concern over this vital issue.

Finally, Ms. Weymouth recounts Chairman Blix' statement to our colleagues: his agency wants to be able to go "anywhere, anytime" to inspect suspected North Korean nuclear weapons sites. His demand is both reasonable and prudent and deserves to be supported by the administration. To his credit, Assistant Secretary of State Winston Lord has made it clear that the recent reluctant agreement by North Korea that it will allow the IAEA back on a limited basis is just that: limited. There is more to come and the Congress anticipates that the administration will not make any final agreement with North Korea which allows it to escape its full obligations under the Nuclear Non-Proliferation Treaty.

Mr. President, I ask unanimous consent that the February 17, 1994, Washington Post column by Lally Weymouth be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 17, 1994]

NORTH KOREA'S HARD BARGAINING

(By Lally Weymouth)

Last December the director of the International Atomic Energy Agency, Hans Blix, was talking to three conservative senators about the threat posed by North Korea's nuclear program. In describing what the IAEA needs to make certain that North Korea doesn't violate the Nuclear Nonproliferation Treaty—to which it is a party—Blix told Sens. Larry Pressler (R-S.D.), Thad Cochran (R-Miss.) and Hank Brown (R-Colo.) that the IAEA must have the right to go "anywhere, anytime" to inspect North Korean nuclear facilities. Nothing short of this would do, said the former Swedish foreign minister, begging the senators not to let Washington undercut the IAEA during U.S.-North Korean bilateral talks.

Since November, there had been no progress in achieving Blix's goal. North Korea kept the IAEA inspectors out of the country. IAEA cameras installed at North Korean nuclear facilities actually stopped functioning. As a result, Blix issued a statement a few weeks ago that all but said the Democratic People's Republic of Korea had violated IAEA safeguards. It had been widely expected that at the upcoming IAEA board of governors meeting in Vienna, which starts on Monday, Blix would declare safeguards broken and ask the United Nations to impose economic sanctions.

Then, just as the international community appeared prepared to unite on the need for sanctions against North Korea, the IAEA suddenly declared a breakthrough this week. After eight rounds of talks between IAEA and North Korean officials in Vienna, North Korea agreed to what U.S. officials describe as "a bridging deal." It amounts to this: North Korea consents to let the IAEA verify that no nuclear material has been diverted from officially declared nuclear facilities since its last inspection in August 1993. Also, the IAEA will be allowed to replace its batteries, reload its cameras and change the seals on the seven nuclear facilities involved to ensure "continuity of safeguards." The key North Korean facilities in question are a plant for reprocessing plutonium and a nuclear reactor.

By giving the IAEA this limited access to its nuclear facilities, North Korea—according to one U.S. official—has bought "a ticket to attend the third round of the bilateral talks." (During the Clinton administration, the United States and North Korea have held two rounds of bilateral talks.)

What Clinton administration officials, anxious to claim total victory, play down is that the IAEA doesn't usually limit itself to inspections of this type. It mounts "regular" inspections of declared nuclear sites in member countries—inspections of sites the host country declares to be relevant to its nuclear program. The IAEA also pursues "special" inspections—which involve facilities the IAEA asks to inspect, based on its suspicion that these locations may somehow be involved with the country's nuclear program.

But North Korea hasn't even agreed to allow regular inspections to resume—nor is it considering the so-called "special inspections." Pyongyang has merely agreed that these two types of inspection will be on the agenda at the third round of U.S.-North Korean talks.

If this week's announcement is really a "step"—as Clinton administration officials claim—toward persuading North Korea to rejoin the Nuclear Nonproliferation Treaty as a full member, it should be welcomed. But the dangers, can't be ignored. The administration originally declared its policy was to make sure North Korea would not develop a nuclear weapon. Thus it's worth addressing a question posed by a recent Rand Corp. study: Has the administration moved from prevention to containment?

North Korea bargains hard. It agreed to join the Nuclear Non-proliferation Treaty in 1985, but not until April 1992 did it sign and ratify the safeguards agreement. (NPT usually gives a country 18 months to sign the safeguards agreement.) IAEA subsequently conducted six "regular" inspections to check on the declared materials. The agency concluded there were inconsistencies in the information it was receiving, and sought to send a team of experts to visit two suspect sites. The purpose was to see whether there were traces of plutonium there. How much plutonium, in short, had North Korea produced?

Pyongyang rejected this request and suspended its membership in the NPT. Having threatened to withdraw from the NPT last March, North Korea claims it currently has a "special status" as an NPT member—a status the IAEA is refusing to recognize.

The U.S. intelligence community and others endeavoring to combat proliferation deem it imperative that North Korea comply with its NPT obligations. Aware that Pyongyang is hard-pressed for cash and that its best hope for securing hard currency consists in arms sales, American officials and experts note with concern that North Korea has sold every weapons system it has manufactured. One fear of U.S. experts is that Pyongyang may sell either a nuclear device, fissile material or the nuclear technology and know-how to rogue states like Iran. The extracted plutonium, notes one U.S. official, "is a hell of a lot more valuable than cocaine."

The IAEA must not be bludgeoned into accepting a phony deal on North Korea. America, meanwhile, needs to remember that North Korea is playing for time to complete its nuclear program. In his December meeting with the three U.S. senators, Blix explained that if North Korea is allowed to block special inspections and fails to comply in full with the NPT's provisions, other countries will feel they can follow its lead. Blix's warnings should not be ignored.

FEDERAL FIREARM LICENSE FEE

Mr. BURNS. Mr. President, the President delivered his $1.5 trillion budget last month, and as we all know, the devil is in the details.

I would like to comment on one specific part of this budget. Included in the budget is an increase in the Federal firearm license [FFL] fee. The proposal would increase to $600 annually.

Before the President signed the Brady bill into law, an FFL license cost $30 for 3 years. The Brady Act increased the fee to $200 for new applicants and $90 for renewals for the same period. The new proposal would increase this fee to $1,800 for the 3-year period. This is a 1000-percent increase.

This is a new tax which will put in jeopardy individual Montana gun dealers. In Montana, there are almost 3,000 individuals who hold FFL's. A large majority of these individuals, about 2,700, sell and trade guns as a hobby and for extra income. If this unrealistic increase is put into effect, they will not be able to cover their costs. The end result will be that many of these small dealers will be put out of business.

I believe this is yet another attempt at overtaxing individuals and imposing gun control measures. Gunowners in Montana, including myself, are tired of our rights being trampled. Taxing law-abiding gun sellers and traders, who go through the process of getting an FFL, is not going to curb crime.

As we continue with the budget process, I will be working to have this proposal dropped. Montana's gunowners, and those throughout America, are tired of getting attacked by Washington.

Mr. President, I yield the floor.

THE COMMUNITY HEALTH IMPROVEMENT ACT OF 1994

Mr. HOLLINGS. Mr. President, I join my colleagues Senators, McCAIN and BROWN, today in introducing the Community Health Improvement Act which will provide greater access to high quality health care for underserved populations more efficiently and at lower cost. This will be accomplished by permitting States to develop 5-year demonstration projects in which community health authorities would contract with State Medicaid agencies to enroll and care for Medicaid recipients and expand services to uninsured low-income individuals as savings from efficiencies accrue.

Let me say up front that this bill does not compete with any health care reform proposal; it can be implemented upon enactment to give States that choose to participate a running start in implementing more comprehensive reforms. The approach simplifies rather than complicates, adds no new government bureaucracy, restrains Medicaid cost increases, and just plain makes sense.

A market-based system that counts on competition to restrain costs is just not a reality in far too many communities in this Nation. These communities, largely rural and inner-city, have neither incomes nor population to attract large managed care corporations to compete for their care; and most for-profit HMO-type plans that receive a per-participant capitated rate do not want this population which is often comprised of individuals and families that require more extensive care due to age, language barriers, homelessness, lack of transportation, and other factors than the general population. Typically care has been received from a very fragmented nonsystem of health departments, badly strained hospital emergency rooms, free clinics that depend on volunteers, and in those communities fortunate enough to have them, from federally funded community, migrant, and homeless health centers. What these communities need is the ability to organize existing resources for maximum efficiency and to be able to fill holes in service delivery to create case-managed, integrated systems of care that serve the needs of their particular community.

Under this bill the Federal Government and States can limit Medicaid increases while experimenting with new service delivery and financing mechanisms, communities would be empowered to determine and address their unique needs, all providers would be encouraged to participate and to negotiate a fair reimbursement with friends and neighbors they know and trust, families that have had no medical home would be provided one and coverage for services would be affordable. What the Community Health Improvement Act would do is create an environment in which all are winners, and I urge your consideration and passage of this bill.

CAPT. RONALD ARTHUR ROUTE

Mr. SHELBY. Mr. President, I rise today to commend an outstanding American and Naval officer, Capt. Ronald Arthur Route, U.S. Navy. Captain Route is currently serving as executive assistant and naval aide to the Assistant Secretary of the Navy, Manpower and Reserve Affairs. I believe his consistently outstanding performance and dedication while serving in a difficult and influential position of responsibility are deserving of special and immediate recognition.

As the executive assistant and naval aide to the Assistant Secretary of the Navy, Manpower and Reserve Affairs, since June 1992, Captain Route has served superbly with unsurpassed loyalty, intelligence, and an extraordinary capacity for organization and work. His exceptional performance directly supported the Assistant Secretary of the Navy and contributed significantly to the overall mission of the Department of the Navy.

On a daily basis, Captain Route expertly performed the myriad administrative functions of a principal deputy. Acting as staff director, he coordinated the work of 4 Deputy Assistant Secretaries and their staffs, totaling over 50 officers, senior civilians, and enlisted personnel. His knowledge of the Navy staff and grasp of Washington procedures coupled with his ability to work closely with the other services and agencies was instrumental in the successful accomplishment of the Department's agenda. An outstanding organizer, Captain Route was the officer behind the scene who provided direction and critical comment in the development of policy issues relating to military manpower, women in combat, Equal Opportunity Program Review, Navy medical issues, civilian manpower, and Reserve issues.

Captain Route was a stabilizing influence on the staff during a time of dynamic changes within the Department of the Navy, helping to provide program direction in a period when the appointment of the new Assistant Secretary was pending. His efforts led to a flawless turnover of leadership and uninterrupted support to the secretariat. He was the focal point and communications manager with a remarkable appreciation for the checks and balances of our military-civilian system.

One of the greatest policy issues faced by the Manpower and Reserve Affairs staff during Captain Route's tenure as executive assistant has been the continued and dramatic drawdown of personnel, the reshaping of military roles and missions, and the incorporation of a new policy of women on combat ships. Captain Route's understanding of personnel policies and their implications in the Fleet was vital to executing successful programs.

Mr. President, as Captain Route departs for Pearl Harbor, HI, where he will assume command of an Aegis cruiser, the U.S.S. *Lake Erie*, CG–70, it is indeed an honor for me to join his wife, Kip, and son, James, along with his many friends and colleagues in congratulating him on his past distinguished accomplishments and wish him every good fortune in his future command.

CLINTON FOREST PLAN

Mrs. MURRAY. Mr. President, yesterday the Clinton administration announced the release of its revised forest management plan for the Pacific Northwest. This announcement marks the near culmination of a yearlong effort by the administration to resolve the protracted controversy in my region over forest ecosystem health.

Last summer, when the plan was proposed, I came to the Senate floor to express my views on this issue. On several important points, my views have not changed. First, I believe all of us in the Northwest owe a debt of gratitude to this administration for investing an extraordinary amount of time and energy in resolving what is essentially a thorny regional conflict. Second, I want to express my strong feeling that this plan is not perfect; I am particularly concerned about its short-term economic implications. Third, I want to remind my colleagues, and the citizens of the Pacific Northwest, how little progress was made on this issue since the spotted owl was added to the Threatened/Endangered Species List in 1989.

Inevitably, with issues as divisive as Northwest forest management, the path to reconciliation is difficult, and compromise can by sour. We spent 5 years in gridlock as consensus eluded Congress and an unconcerned administration allowed the crisis to fester. During this time, very little timber was sold, uncertainty dominated the debate, and fingers were pointed in every direction. Absent any compromise, the courts dictated forest policy, and the region suffered.

Yesterday's announcement reaffirmed what the Clinton forest plan represents: the best attempt yet to balance competing needs and make the law work. It is an honest effort to bring forest management out of the courts and put it back into the hands of the Forest Service, the Bureau of Land Management, and the Fish & Wildlife Service.

The policy underpinning this plan is one with which I agree: our land management should be ecologically sound; it should emphasize the highest legal integrity; and, in the best sense of the words multiple-use, it should ensure a long-term, sustainable timber supply for businesses and communities.

The revised plan, issued yesterday in the form of a final environmental impact statement, has been pronounced legally sound by several of the President's key advisors. I certainly hope this is the case, and look forward to the plan's progress beyond the appellate court.

Now, I am aware that parties are lining up on all sides and preparing their lawsuits. Some lawsuits have already been filed. It is clear that many people on all sides of this issue are dissatisfied with the nature of this compromise. But I would caution all of them against hasty action.

Let me be very clear about this: Our region suffered because of legal and political gridlock. A return to conflict will not help heal our wounds. Given the extraordinary effort dedicated to producing this plan, I hope everyone involved with the issue will give it a chance to work.

Equally important now is the need for the Federal agencies involved to work together to implement this plan. In the past, we saw agencies at odds with one another, working actively to disrupt each other. The Pacific Northwest cannot tolerate such behavior in the future. I am impressed by what I've heard from the agencies to date, but the proof will be in seeing results.

Mr. President, the road ahead will be tough. In the words of Assistant Secretary of the Interior George Frampton, "We inherited a train wreck. This plan puts the train back on track." It will take a while for this train to get up to speed; but if we all give it a chance, it might reach the station intact. Thank you.

FEDERAL EMPLOYEE BUYOUT LEGISLATION

Mr. ROTH. Mr. President, the Federal Workforce Restructuring Act is an important legislative initiative. The administration has testified, and I am persuaded, that the legislation is urgently needed so that we can downsize and rightsize the Federal work force.

On February 10, 1994, the House passed its version and on February 11, 1994, the Senate responded promptly by passing its version. The bill with the Senate substitute was returned to the House so that the House could either agree with the Senate or disagree and ask for a conference.

The administration says that it will have to start firing Federal employees soon in order to meet budget constraints unless this legislation is immediately enacted. What puzzles me is that the House leadership has taken no action. I am informed that the House leadership plans to take no action. Why.

There are two noteworthy differences between the House version and the Senate version. The first flows from the Senate's desire to comply with the 1990 Budget Enforcement Act. The House version contains a $519 million pay-as-you-go violation, as scored by the Congressional Budget Office. It should be noted that it was Chairman GLENN who insisted that this budget problem be solved before floor consideration of the bill. To allay the concerns of several Senators, the Vice President's office provided language to the Senate to satisfy the pay-as-you-go problem.

Today I read in the newspapers that certain House leaders and the head of OPM are very critical of the Roth amendment.

It seems to me that the administration needs to have a conversation with itself. I hold no particular interest in the pay-as-you-go solution proposed by the Vice President's office. I am sure that there are equally valid alternative solutions to the pay-go problem. Why doesn't the House leadership offer one?

The answer lies in the second difference between the two versions. I cannot say that I wrote this language either. That distinction goes to the President pro tempore of the Senate, the Senator from West Virginia. The Senate substitute contains the Byrd amendment to the Senate's crime bill. Since the Federal Workforce Restructuring Act is the legislation that creates the savings that will fund the crime bill, it is entirely appropriate that it also contain a provision how that savings is to be spent. For if we do not downsize the work force, there will be no savings to apply to fighting crime.

It should be noted that last November the Senate adopted this provision 94-4 and that President Clinton has personally endorsed the provision as recently as last week.

Is the House leadership unwilling to confer on this issue? I hope that what I hear is not true.

I urge the House Democratic leadership to recognize the critical need for passage of this bill and either accept the Senate version or call for a House-Senate conference immediately.

COAST GUARD AUTHORIZATION ACT OF 1993

Mr. STEVENS. Mr. President, it has come to my attention that a statement made by our House colleagues in the CONGRESSIONAL RECORD misinterpreted a Senate amendment to H.R. 2150, the Coast Guard Authorization Act of 1993, Public Law 103-206, passed during the last Congressional session. Section 309 of the Senate substitute to H.R. 2150 amended section 4283B of the Revised Statutes—46 App. U.S.C. 183c—to allow the use of forum-selection clauses in cruise ship passenger contracts as upheld by the U.S. Supreme Court in *Carnival Cruise Lines* v. *Shute* 499 U.S. 585 (1991). A statement on the House floor which appeared in the November 22, 1993, CONGRESSIONAL RECORD contradicted our intent with regard to section 309, and I believe we should clarify the meaning of section 309 today. Mr. President, I ask Senator BREAUX, can he provide background information about section 309?

Mr. BREAUX. Yes. In 1992, the House added a provision to the Oceans Act of 1992—Public Law 102-587—which amended clause (2) of section 4283B of the Revised Statutes—46 App. U.S.C. 183c—and added the word "any" immediately before the words "court of competent jurisdiction." This provision, section 3006 of the Oceans Act, apparently was intended by the House to overturn the Supreme Court decision in Shute by making it unlawful for cruise ship operators to use provisions in passenger contracts to limit a claimant's right to a trial in any court of competent jurisdiction.

While it is perfectly legitimate for the Congress to overturn a Supreme Court decision within the bounds of the Constitution, we do not believe such changes should be made without notification to, and careful consideration by, the Members of Congress responsible for enactment of the legislation. As part of this consideration, we believe that the interested parties should have an opportunity to comment on any changes. At no time prior to the passage of the Oceans Act of 1992 was legislation introduced or did the House or Senate hold hearings on the cruise ship venue concern addressed by section 3006 of the Oceans Act. It is for this reason that the Senate supported a provision in the Coast Guard Authorization Act of 1993 to restore section 4283B to the wording as it read prior to the passage of the Oceans Act of 1992. Section 309 reinstates the Supreme Court decision in the Shute case as the applicable law for interpreting forum selection clauses.

Mr. STEVENS. The House section-by-section analysis of the Coast Guard Authorization Act states that "Section 309 of H.R. 2150 should not be construed to mean that a vessel owner may enforce a forum selection clause in a passenger ticket." This statement contradicts what we intended. Our intent was that section 309 should be interpreted to allow vessels to enforce such clauses, as upheld by the Supreme Court in the Shute case. I ask Senator HOLLINGS, does he agree with my interpretation?

Mr. HOLLINGS. Absolutely. As both Senator STEVENS and Senator BREAUX have stated, the intent of the Senate amendment made in section 309 of the Coast Guard Authorization Act of 1993 was to reverse the action taken by Congress in section 3006 of the Oceans Act of 1992. By passing section 309, Congress has reinstated the decision in the Shute case, carefully recognizing that, in doing so, vessel owners may enforce a forum selection clause in a passenger ticket subject to the standards enunciated by the Supreme Court in Shute.

Mr. STEVENS. Mr. President, we have one further clarification. The House section-by-section analysis stated that by not restoring the term "a" prior to the word "court" in section 4283B, we did not intend to restore the standard set forth in the Shute decision. This comment is not only wrong with regard to our intent, but also incorrect with regard to the statute prior to the amendment in the Oceans Act of 1992. I ask Senator HOLLINGS, is this his understanding as well?

Mr. HOLLINGS. Yes. The other distinguished body made a mistake with regard to the statute. The word "a" never appeared before the word "court" in section 4283B of the Revised Statutes. The language in the Senate amendment restores the statute to exactly how it appeared prior to the Oceans Act of 1992.

It is unfortunate that the House included an explanation of the Senate amendment, section 309, that differs so greatly from what we intended and from the clear meaning of the provision. We disagree with the November 22, 1993, statement made by the House regarding section 309 of the Coast Guard Authorization Act of 1993.

COCOM ENDS—WHAT ABOUT U.S. NATIONAL SECURITY?

Mr. D'AMATO. Mr. President, I rise today to discuss the administration's position in the Cocom successor regime negotiations.

From the start of the debate over the EAA reauthorization, I have been dismayed at the administration's lack of attention to the importance of this bill. The administration has been slow to respond with their proposal, and in my opinion, has been lacking in our diplomacy in negotiations for the successor regime to Cocom. Simply put, I would like to know what has happened to American diplomacy. We seem to have become followers, not leaders in areas that are of crucial importance to our international security. Yet, I am not surprised by this lack of leadership, owing to the administration's past record on crucial international security issues.

On more than one occasion, I have expressed my concerns to the President on a successor regime to Cocom. On December 16, 1993, I wrote to the President expressing my deep concerns about the end of Cocom. I stated to him that "I think that we have reached a critical moment for our nation's ability to conduct an international regime to deal with threats of proliferation and terrorism in the 1990's." On March 31, 1994, Cocom will expire leaving the world with no clear international multilateral export control regime. I believe that this will endanger our national security.

On January 10, 1994, I, along with some of my colleagues, again wrote to the President on the same issue. After endless delays, I received a response from President Clinton which did not answer the tough questions but stated that he would have the State Department respond to me in detail.

While the President committed to continue to pursue an "effective multilateral regime that includes prior information exchange among members when needed to ensure that sensitive goods can be prevented from reaching dangerous destinations," I remained immediately concerned about the specific progress that has or has not been made in achieving commitments from our allies to establish an effective international multilateral control regime by March 31, 1994.

As stated in the January 10 letter, it is my understanding that the core of the U.S. proposal for a successor regime to Cocom is that supplier nations agree on a list of militarily critical products and technologies that would be denied to a handful of rogue regimes. It is also my understanding that some of our allies oppose this principle and instead propose that such controls be left to "national discretion," effectively replacing multilateral export controls with a loose collection of unilateral export control policies. This approach would obviously be adverse for the U.S. security and economic interests.

With Cocom gone and no comprehensive multilateral controls in place, Iran, Iraq, North Korea, Libya, and other rogue regimes will be able to accumulate the technology to build weapons of mass destruction with increased speed and greater quality. Are we going to allow another nation to grow into a monster like Iraq did and are we prepared to deal with this eventuality?

While I continue to wait for detailed answers from the President, the clock is ticking. Within the next month, the President needs to achieve a clearly defined and enforceable agreement with allies of the United States which establishes a multilateral export control system or the proliferation of products and technologies that would jeopardize the national security of the United States.

The President should persuade allies of the United States to promote mutual security interests by preventing rogue regimes from obtaining militarily critical products and technologies. Our diplomacy must be better. We must make our allies understand that there are still many threats still out there. While the administration talks about nonproliferation, it seems to be allowing proliferation. We do not have to look any farther than North Korea and Iran, to see that without such an agreement, the President risks the national security interests of the United States and subjects the United States export community to inevitable unilateral export controls putting them at a competitive disadvantage worldwide.

The administration must not repeat the mistakes of its recent past in allowing other nations to decide what is best for the United States. If we allow this to happen again, we will place our Nation and our people at risk.

Mr. President, I ask unanimous consent that the text of my and colleagues letters to the President, as well as the preliminary response to my letter from the President be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, December 16, 1993.

PRESIDENT CLINTON,
The White House,
Washington, DC.

DEAR PRESIDENT CLINTON: It would seem that the United States Government and its allies have begun the process of dismantling the international structure for export controls with no clear replacement identified to take its place. I think that you would agree that with all its flaws CoCom provided coherence and predictability to the Western effort to control the flow the dual-use goods and technology to potential adversaries. Yet, the Congress has been informed that CoCom is scheduled to cease its operations as of March 31, with only an ambiguous commitment from other governments that there will be anything created to take its place.

It is my understanding that it was the U.S. delegation to the Hague "High Level" talks in November that proposed the deadline for the dismantling of CoCom. However, despite the utility and value of CoCom and its well organized secretariat in Paris over the past four decades, no institutional structure was proposed to take its place. I support the idea that the successor regime will be dealing with the problem of preventing the proliferation of weapons of mass destruction. But I am disappointed that apparently so little thought went into this critical decision to end CoCom and join with our allies to form a successor regime.

I am very concerned about the danger of unilateralism. In a world with no clear international export control regime of rules to identify prohibited exports and prohibited end-users, the United States Government is likely to control exports more restrictively than everyone else. Mr. President, I think that we have reached a critical moment for our nation's ability to conduct an international regime to deal with threats of proliferation and terrorism in the 1990s. I would respectfully suggest that the current efforts have not set a course that is likely to achieve a regime that we both desire.

Please advise me as to who your key representative is on this issue. Also, I have enclosed a number of questions to help me better understand your objectives and your strategy. Thank you for your urgent attention to this issue.

Sincerely,

ALFONSE D'AMATO,
U.S. Senator.

QUESTIONS REGARDING THE NEW MULTILATERAL REGIME TO REPLACE COCOM

1. I would like to know what the Administration views as the successor regime to CoCom? What do you envision with regard to structure and membership?

2. In this regard, what will the United States attempt to accomplish in regard to unified lists, both for nations and technology, and at what levels?

3. Has the United States deferred to our allies and withdrawn the request for prenotification? Why?

4. Has the United States given up its veto power in the CoCom successor regime? Why?

5. Are there any plans to create an international export registry so that there is shared knowledge of exports and their destinations?

6. In light of the outcome of the recent High Level talks in the Hague, what effect will they have on the Administration's plans regarding the Export Administration Act? And when will we see the Administration's plans in this regard?

THE WHITE HOUSE,
Washington, DC, February 23, 1994.

DEAR SENATOR D'AMATO: Thank you for your letter on COCOM. The United States and its partners decided to phase out the existing COCOM arrangements and, at the same time, to create a successor export control regime. The new regime would be aimed at meeting new threats and covering transfers of both armaments and sensitive dual-use goods. Negotiations are continuing to define the scope and procedures of this new control regime. Progress has been made, but tough issues remain.

I can assure you that our objective in these negotiations remains an effective multilateral regime that includes prior information exchange among members when needed to ensure that sensitive goods can be prevented from reaching dangerous destinations. The existing nonproliferation export control regimes will continue to operate; the new regime will complement, not supplant, them.

I agree that COCOM provided a valuable coherence and predictability to export controls, and that we need an effective follow-on global dual-use arrangement that will not disadvantage U.S. exporters. I share your view that any future export control regime must hold all its members to the same high standard. We are working hard to promote that aim.

Thank you again for sharing your views on this important issue. I have asked the State Department, which is responsible for negotiations on the successor regime, to respond in detail to the questions you provided.

Sincerely,

BILL CLINTON.

U.S. SENATE,
Washington, DC, January 10, 1994.

Hon. BILL CLINTON,
The White House,
Washington, DC.

DEAR PRESIDENT CLINTON: In your speech to young Europeans yesterday in Brussels you warned regarding the spread of weapons of mass destruction that "the danger is clear and present", and said that countering this threat will require "close cooperation, honesty and discipline, and a willingness of some not now willing to do it to forego immediate financial gain."

We share your concern and wish to highlight a related matter that deserves your attention: the end of COCOM and its replacement. We and our allies have agreed that as of March 31, 1994, COCOM, the multilateral body that controlled strategic exports to the former Soviet bloc, will cease to exist. It is our understanding that the U.S. has proposed a new export control regime that will target the proliferation threats of today—rogue regimes that support terrorism as a matter of national policy.

Our concern is that the proposal put forward by the United States is in danger of being rejected by our allies. The core of the U.S. proposal is that supplier nations agree on a list of militarily critical technologies that will be denied to a handful of rogue regimes. Some of our allies oppose this concept and are instead proposing that such controls be left to "national discretion", effectively replacing multilateral controls with a loose collection of unilateral control policies.

With COCOM gone and with no ironclad, multilaterally agreed upon controls, Iran, Iraq, North Korea, and Libya will be able to accumulate the technology to build weapons of mass destruction with impunity. We, as a nation, will be put in a difficult situation, forced to choose between unilateral controls and allowing exports that could seriously harm our national security interests.

We urge you to impress upon our allies in the strongest possible manner the necessity of clearly defined and jointly enforced multilateral controls on the critical technologies that, in the hands of rogue regimes, would jeopardize the security of all of us. We appreciate your attention to this matter and wish you success in representing our nation on the remainder of your trip.

Sincerely,

ALFONSE M. D'AMATO,
Ranking Minority Member, Committee on Banking, Housing, and Urban Affairs.
CONNIE MACK,
Ranking Minority Member, Subcommittee on International Finance and Monetary Policy.
DONALD W. RIEGLE, JR.,
Chairman, Committee on Banking, Housing, and Urban Affairs.
JIM SASSER,
Chairman, Subcommittee on International Finance and Monetary Policy.

MANAGED COMPETITION: MAKING THE MARKET WORK TO CONTAIN COSTS

Mr. DURENBERGER. Mr. President, the phrase managed competition has achieved a great deal of currency in the debates on health care reform. It is therefore regrettable that the concept of managed competition is often misrepresented and misunderstood.

Managed competition is not about Government. It's about markets, and making markets work. In its essence, managed competition is a simple concept. It is based on the fact that competition among providers of services for the business of informed consumers drives prices down, and drives quality and innovation up. That's the definition of a market.

Under managed competition, Government is used to facilitate the market through incentives, not replace the market with regulation.

I cannot stress enough, Mr. President, that managed competition is not just a theory. It is up and working in communities all over America. Minnesota happens to be one of the leaders in competitive health care delivery systems on the managed competition model. By reducing costs and improving quality, Minnesota's market is providing health care at a cost 15 percent below the national average.

And the California Public Employees Retirement System—Calpers—has shown that a large health care purchasing agent can succeed in putting downward pressure on premium costs. After 4 months of negotiations with California HMO's, Calpers has concluded a deal that will reduce health care premiums for its members by an average of 1.1 percent.

This debate is going to be won on the basis of facts—and the facts prove that markets, not mandates, are the key to health care cost containment. I ask unanimous consent that an article from Business & Health outlining Minnesota's experiment in managed competition be included in the RECORD, along with a news story from the Wall Street Journal describing the achievement of Calpers in reducing premium costs, and an important American Spectator article by Fred Barnes entitled "Health Care Costs Are Going Down."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

HOW TWIN CITIES EMPLOYERS ARE RESHAPING HEALTH CARE

(By Marion Torchia)

Last January, nine members of the Business Health Care Action Group, a coalition of employers in the Minneapolis-St. Paul metropolitan area, began offering their workers a new health plan. The coalition adopted a plan that operated as an integrated system of care because its members believed such a system had the greatest potential to deliver high-quality, cost-effective care.

This year, BHCAG's founding companies have just completed their first re-enrollment and are happy with the results. The per-employee costs are about 10% below the average cost of the HMO options offered previously, and costs have increased 4% to 5% in the past year, compared with average increases of 7% to 8% in the greater Minneapolis market, reports BHCAG's Executive Director Steve Wetzell. On average, employers are paying $2,900 per family and $1,200 per individual.

The plan, called Choice Plus, is a typical point-of-service plan, allowing enrollees to choose care from a network of participating providers and go outside the network for coverage at a lower reimbursement rate. But it is also unusual in many ways. The network is large and can therefore offer its enrollees a considerable degree of choice among providers. It is highly standardized—all participating companies have agreed to use a standard benefit design.

Technically, an ISC coordinates care provided by groups of doctors and hospitals and accepts financial risk for the population. Choice Plus borrows features of an ISC by using a primary gatekeeper physician as the coordinator for all care, financial incentives to improve the delivery of care and contain costs, and a range of continuous quality improvement techniques.

Choice Plus is a first step in the coalition's effort to reform health care by demonstrating that improved quality, increased provider competition, increased consumer responsibility, and enhanced efficiency of health care delivery are compatible goals. These goals can best be accomplished within an ISC, BHCAG members believe.

When Choice Plus was created, a statewide health care reform movement was under way, and the coalition members wanted to influence its outcome by creating their own health care financing and delivery system. "This is not just a purchasing activity. It's an effort to change the basic structure of health care through an ongoing dialogue among payers, providers, and consumers," says Larry Schwanke, vice president for human resources of The Bemis Co. Inc., a packaging manufacturer.

Adds Dee Kemnitz, vice president of the Minneapolis-based Carlson Cos. Inc., "When the coalition's effort to get cost containment features incorporated into the state's health reform legislation was not successful, the companies decided to demonstrate that they could contain costs themselves." Carlson Cos., a hospitality services company that includes Radisson Hotels and TGI Friday's restaurants, has 5,300 covered lives in the Twin Cities area.

ASSESSING CHOICE PLUS

Benefits managers of participating companies say their employees are happy with the new plan. Paula Roe, vice president for compensation and benefits for Norwest, a nationwide financial services company headquartered in Minneapolis, says 70% of the bank's employees chose Choice Plus over the other alternatives the company offered, and this year's enrollment has increased to 87%. The company has 14,300 covered lives participating in Choice Plus.

Such numbers and the coalition's growth mean BHCAG now possesses sufficient purchasing power to exert a significant influence on the area's health care market. Now numbering 22 members, the coalition includes most of the major employers in the Twin Cities.

Collectively, the companies are responsible for some 250,000 covered lives, about 10% of the population of greater Minneapolis, Wetzell estimates. Enrollment in Choice Plus in 1994 is expected to be about 100,000, and it will continue to grow as member companies adopt to the plan.

In developing the network of providers, "The coalition's founders wanted to find a group of providers who were committed to conservative, cost effective medical practice and who were willing to engage in an ongoing dialogue with employers about health care delivery issues," says Schwanke. "They were convinced that efficient delivery of health care was achievable. They wanted to bring a greater degree of vertical integration to the health care system."

So the coalition considered the multispecialty group practices in the area because "these large groups have the administrative sophistication to support the development of integrated systems of care," says James L. Reinertsen, M.D., a rheumatologist with Healthsystem Minnesota, the parent organization of Park Nicollet Medical Center and Methodist Hospital. "They also have a capacity for collective action impossible among many small independent practices."

Early in 1992, BHCAG invited bidders to develop a health plan meeting their specifications. The winning bid came from a consortium that consisted of HealthPartners, an entity formed from two HMOs (Group Health and MedCenters) that had counted many of BHCAG's employees among their members; the Park Nicollet Medical Center; and the Mayo Clinic.

Careful to structure its arangements so members can retain their self-insured status under the Employee Retirement Income Security Act of 1974, BHCAG individual member companies signed a three-year contract with HealthPartners, which became the administrator of Choice Plus. Since they are not technically insurance plans, self-insured plans come under ERISA, which preempts state law. Such plans are thereby exempt from state regulation. Minnesota failed this summer to get an ERISA waiver, which would have allowed the state to tax self-funded plans.

FINANCIAL INCENTIVES

During 1993, the first year of operation, members companies paid physicians a fee-for-service. Though the coalition hopes to move away from fee-for-service, it chose this payment method during start-up because it needed to collect baseline information on the cost of treating patients, says Wetzell. This information can then be used to set rates and to quantify cost savings.

To meet its goal to change the way health care is delivered, BHCAG has devised a complex strategy of gain and loss sharing to influence providers' behavior. Under its contract, HealthPartners receives bonuses for efficiently accomplishing administrative functions such as claims adjudication, for containing the utilization of services, and for the quality of its guideline development and research activities. The physician groups also share the savings when their expenditures fall below a certain level.

This year, each clinic will be given a monthly budget for each enrollee. The budget limits will be different for each employer. The clinic will be liable for the part of costs it incurs in excess of the monthly budget limit. Catastrophic care, however, is not included in the risk-sharing arrangement.

Ultimately, BHCAG wants to create a series of risk adjustments—for patient characteristics and for local economic conditions—that will eliminate cost variations among clinics resulting from factors outside their control. It is considering using the ambulatory patient group patient classification system to adjust for the risk of treating costlier cases. (The APG system was developed by 3M Health Information Systems, Murray, Utah. It classifies patients according to the medical or surgical outpatient treatments they receive.) Eliminating all cost variations among medical groups may be impossible, however, Wetzell says. "If we can't scientifically adjust for all cost variations that do not reflect the efficiency of medical practice, we may consider using variable premiums and allow the employee to select a higher cost clinic and pay the difference."

Roe of Norwest, who serves on BHCAG's provider payment committee, says that much more work needs to be done to devise proper payment incentives for physicians. "Pure capitation is not the answer," she wants. "We need to reward physicians for their cognitive work, for the counseling they provide to patients, and for preventive services."

As far as hospitals are concerned, says Wetzell BHCAG members pay hospitals at per diem rates based on diagnostic-related groups. ERISA prevents self-insured companies from capitating payments to entities such as HealthPartners, which would, in turn, pay the hospitals.

Only for Healthsystem Minnesota, which owns a clinic (Park Nicollet Medical Center) and a hospital (Methodist Hospital), is BHCAG negotiating a single payment for physician and hospital care, explains Wetzell.

IMPLEMENTING CQI

As envisioned by BHCAG, integrated systems use practice guidelines as a basis for standardizing health care delivery, and engage in continuous quality improvement efforts based on outcomes information generated while delivering health care. Competing integrated systems, of which Choice Plus is the first, will be encouraged so that consumers could use objective data to choose among them.

Therefore, following the ISC model, BHCAG's contract with HealthPartners commits both employers and providers to an active continuous quality improvement program based on best practice guidelines developed by the clinical professionals, the monitoring of provider performance based on data gathered in the course of practice, and on outcomes research. This effort is coordinated through a separate non-profit entity, the Institute for Clinical Systems Integration.

ICSI Chairman Reinertsen explains that the institute, which is funded by BHCAG at a level of approximately $225,000 a year—10% of the institute's budget—facilitates development of guidelines, analyzes data the providers submit on the costs and outcomes of treatment, and reports the information to providers and to member companies. In effect, adds Larry Schwanke, "The Institute is the Coalition's R&D arm."

The practice guidelines are the key to the process, says Reinertsen. Sixteen sets were distributed for pilot testing in July, and all clinics received them in November.

While clinical guidelines, as expressions of the standard of good medical practice, should be applicable universally, the clinics are encouraged to develop their own implementation protocols, adds Kemnitz. "Our relationship with the providers is built on a high level of trust," she says. "People tend to support policies they had a share in creating."

To maintain this climate of trust and cooperation, explains Reinertsen, the plan's information handling policy is designed to "drive out fear." No information will be released identifying an individual physician, practice, or employer without explicit permission. The coalition also has rejected as counterproductive the idea of publishing rankings of providers' performance. Any reports with physician-specific data remain inside the clinics. Companies will receive information on their own enrollees' costs and utilization patterns compared with the group. And providers will be entrusted with the responsibility of internally identifying outliers.

To support CQI, ICSI has a variety of projects under way, says Wetzell. The institute is planning a survey of enrollees' health status, so that each company can see whether its employees' health is improving. It has developed a prototype automated medical record. And it has research projects planned on the cost effectiveness of several new technologies used in the clinics.

FUTURE PLANS

Now the Choice Plus has completed its first year, the coalition must decide whether to allow the network to add more companies and accept more enrollees, or whether BHCAG should begin developing a competing ISC, Wetzell says. Choice Plus has already expanded geographically, accommodating employers in Rochester, Minn., 90 miles south of Minneapolis, via a contract with the Mayo Clinic's primary care group.

Rather than allow the network to grow indefinitely, BHCAG may prefer to develop competing provider networks, using essentially the same benefit structure, Wetzell says. To do so would promote competition and allow for a greater degree of consumer choice. Not coincidentally, it also would be more compatible with the managed competition proposals being considered. "What our board decides," say Wetzell, "will depend to some extend on what decisions are made in D.C."

Meanwhile, reports Wetzell, BHCAG's board of directors has taken a significant step to counter criticism that coalitions of large employers do not contain health costs but simply shift them to smaller companies that lack buying power. It has decided to offer an insured product for small businesses, using community rating within the risk pool of the businesses that choose to participate.

The small group plan's structure will be significantly different from that of Choice Plus, since it will be subject to state regulation and must include all of state-mandated benefits. Wetzell also expects that the project will face problems of adverse selection, since competitors will no doubt market lower priced products to attract the companies' healthier employees.

IS IT TRANSPORTABLE?

Although the BHCAG views its project as proof that provider competition, quality of care, and cost efficiency are compatible, Wetzell concedes that the Twin Cities is an ideal location for the experiment. It has several distinct advantages: a physician community already used to standardized practice in large multispecialty groups; managed care penetration on the order of 70% to 80% hospital bed capacity already reduced through mergers and consolidations in the 1970s and 1980s; and a population healthier, more prosperous, and more homogeneous than the national average.

Nevertheless, Wetzell believes the Choice model is transportable, though elsewhere it may first be necessary to lay the groundwork of integrated systems. He believes the effort is definitely worthwhile. "How can you argue that a piece-rate system of health care, with dispersed providers and primitive communication among them, does a better job than a vertically integrated health care system?

Calpers Proves Insurance Costs Can Be Reduced

(By Marilyn Chase and Carrie Dolan)

After four months of negotiations with 18 health-maintenance organizations, one of the nation's largest group purchasers of health insurance has secured an average 1.1% premium reduction for $920,000 public employees and family members.

The California Public Employees Retirement System (Calpers) won the one-year contracts yesterday. The process and its result may be seen as a model for Clinton health-care reform: A large public health-care purchasing agent squeezing even low-cost providers, like HMOs, into making extra savings. But Calpers's success may also show that an elaborate government bureaucracy isn't needed to lower health-care costs.

The reduction "shows managed competition can bring down the cost of health care," particularly in areas like California where HMO's are well-developed, said Alain C. Enthove, a professor at Stanford University's Graduate School of Business and a Calpers advisory committee member. "Competition works, not compulsion," he said.

Calpers said it has kept premium increases over the past three years to 6.4% compared to the national average of 30.1%. For the 1994–95 contract year, when the rate reduction takes effect, Calpers said its savings will be about $321 million. While not all the contracts met its demand for a 5% rate cut, Calpers said it hopes to achieve that goal in the next several years.

Calpers—once known as a languid and not particularly choosy buyer of health care—has recast itself as a tiger in recent years. In 1991, after California's budget crises, Calpers froze its contributions to health care, making its HMOs responsible for cost variations.

Last October, Calpers demanded that its 18 HMOs cut health-care premiums 5% effective Aug. 1, the start of the 1994–95 contract year. It called the demand "modest," given California's stagnant economy. But that demand followed two years of strict cost containment. So Calpers' demand left some HMOs a little testy.

"They're a 900-pound gorilla, and they know it," grumbled one HMO negotiator who asked not to be identified. "They don't have to be real sophisticated. They know the volume they represent. Bottom line is, they are holding most of the cards."

About a third of the HMOs doing business with Calpers offered premium reductions, said Tom Elkin, the agency's assistant executive officer. Others—with lower base rates or older, sicker patient populations—asked for "modest, single-digit" premium rises, while a few argued for double-digit increases, he said. The latter group got little sympathy.

"We're out of cash," Mr. Elkin said he told them. "And we can't entertain increases of that magnitude. We'd like some sign that you can, in fact, manage care."

Among the key issues, Mr. Elkin said, were the price of prescription drugs, surgeries and administrative expenses—including profit margins and consultants' fees.

As an example, he noted, "There's a 30% difference between what one plan is paying for drugs and another," Mr. Elkin told the HMOs this can be corrected by buying in bulk and changing vendors, then passing on the savings.

"If they'd succeeded in pushing us to the absolute wall, we'd have said no. We're not in the business of charity. We'd have gone without their business," said one health-care officer. "But the ultimatum never occurred."

Mr. Elkin conceded that negotiations "can get a little lively. If the expectation is much higher than we can pay, it gets a little tense. On average, though, we get good cooperation." And in the end, Calpers relented on the 5% rollback demand, as many had predicted.

Mr. Elkin said Calpers was impressed by the efforts of Kaiser Permanente, the Oakland, Calif., HMO that cares for 320,000 Calpers subscribers. A year ago, Kaiser's northern California region considered increasing its premiums 6% for all its customers, including Calpers. Instead, it looked hard at results of its cost-cutting programs and raised premiums an average of 2%.

Kaiser spokesman Jerry Fleming said it wasn't simply prodding by Calpers that led to Kaiser's change of heart. "We're doing better with our cost targets than we'd budgeted for," he said.

Kaiser's most potent cost controls are simple things: lowering hospital inpatient rates, substituting outpatient surgeries when possible and aggressively keeping Kaiser members out of more expensive, non-Kaiser institutions.

"At the same time, the satisfaction of our members was going up, so we knew [these savings] weren't because we were skimping on care," he added.

Other HMOs said they cracked down on high diagnostic test prices charged by certain hospitals trying to offset losses on inpatient business.

HMOs said they're also trying to limit the budget havoc wrought when hospitals buy costly new psychiatric drugs.

"They're a significant piece of the total pharmaceutical cost, and the trend has been very steep," said one HMO officer, adding that his group plans more seminars on cost-effective alternative drugs.

Health Care Costs Are Going Down

(By Fred Barnes)

President Clinton has a story and he's sticking to it. "Rampant medical inflation," he declared last September in unveiling his health-care plan, "is eating away at our wages, our savings, our investment capital, our ability to create new jobs in the private sector and this public Treasury." A month later, he sent the plan to Congress and said ominously: "If we do nothing, almost one in every five dollars spent by Americans will go to health care by the end of the decade." Don't sugarcoat it, Clinton was advised just before Christmas by William Cox, vice president of the Catholic Health Association. It's worse than that. "Sometime in the next thirteen years we're going to be spending 22 to 25 percent of our income on health care," Cox said. At that rate, "if you want to go out for dinner and a movie, you're going to have to check into a hospital." Clinton chuckled at the joke. "That's pretty good!" he said.

It was hogwash. There's a new direction in health-care costs—down, down, down. No, spending isn't actually declining. That will never happen in a nation with rapid population growth and lifesaving but costly advances in medical science. But the rate of growth in medical spending is dropping precipitously. Every month brings a fresh decrease in what the U.S. Labor Department calls "price inflation for consumer medical goods and services." It was 5.8 percent for the year ending last August, 5.7 percent for October, 5.5 percent for November. That's still nearly twice the rate of general inflation, but a lot better than 1989 (8.5 percent) or 1990 (9.6 percent). In fact, the 5.5 percent increase is the lowest since January 1974. Better yet, the 4.9 percent rise in the third quarter of 1993 was the lowest quarterly hike since 1973. And it's a good bet medical inflation will fall further.

Don't thank Bill and Hillary Clinton. The downward trend is the product of a revolution in health-care financing caused by market forces, not government. It started several years before the Clintons arrived in Washington and began harping on "skyrocketing" (Hillary's favorite adjective) medical cost increases. It was triggered by businesses and consumers confronted in the late 1980s with annual health benefit increases of up to 20 percent or more. Corporate health plans cover roughly 140 million Americans. Something had to give, and it has. For the first time in years, the percentage of payroll costs devoted to health and dental insurance dropped from 8.4 percent in 1991 to 8.1 percent in 1992, according to a U.S. Chamber of Commerce study of 1,100 firms.

Such signs of downward pressure on health-care costs are largely the result of two changes. One is the willingness of businesses—especially insurance companies and firms that self-insure—to challenge medical bills. Dan Clark, a benefits consultant in Seattle for Howard Johnson and Co., recently advised a client whose employee had been murdered to balk at a $75,000 hospital bill (the victim had lingered near death for five days). The mere threat of hiring a firm that aggressively scrutinizes medical bills prompted the hospital to slash the bill by $15,000. This process, once rare, is now routine. "The thing the large employer did early on, the small employer is now doing," says Clark. One result: growth of the total cost of private health insurance premiums decreased from 18.6 percent in 1988 to 12.1 percent in 1991 and 10.1 percent in 1992, the consulting firm Foster Higgins found.

More important, companies are steering employees away from fee-for-service medicine (with each doctor visit billed) and into managed care particularly health maintenance organizations (doctor groups charging an annual fee per patient). This lowers insurance payments. HMO membership has doubled since 1986, from 25 million people to an expected 50 million this year. Not only are HMOs less expensive than fee-for-service medicine, their premium hikes have fallen for five straight years, from 16 percent in 1990 to 5.6 percent in 1994. A 1993 study concluded that if all Americans went to HMOs the 19 percent chunk of GDP projected for health care in 2000 would shrink to 15 percent. Then there are "preferred provider organizations" (PPOs), networks of doctors who agree to discounted fees. Clark surveyed fifteen Seattle-area companies at random recently and found every one was part of a PPO network with cut-rate fees. One result of the surge in managed care: fewer patients hospitalized and a decline in the growth of hospital expenses nationally, from 10.2 percent in 1992 to 8.1 percent in 1993.

What's striking about the revolution in health costs is the absence of government. "This revolution has been driven by frustrated employers," says Michael Bromberg, executive director of the Federation of American Health Systems. "They've forced the insurance industry to change from an indemnity industry to a managed-care industry. It's all happened without legislation." The real question, he adds, is whether Washington "will accelerate that trend or screw it up."

Don't get your hopes up. While the private sector has begun to get a grip, the federal government allows its health-care programs to roar out of control. "Medicare and Medicaid have tripled since 1982," Clinton correctly told an entitlements summit in Bryn Mawr, Pennsylvania, in December. Medicare spending jumped 12 percent in 1992. Medicaid is expected to grow 16.6 percent in 1993. That's just at the federal level. State outlays for Medicaid rose 30 percent from 1991 to 1992. By 1996, states will spend more on Medicaid than on education.

If you suspect the cost revolution in the private sector undermines health-care reform, you're right. "There's a torpedo heading for the great ship health-care reform," says Democratic Senator Bob Kerrey of Nebraska. By mid-1994, he says, HMO cost increases will have dropped to the rate of inflation (about 3 percent) and non-HMO price hikes will be well under twice the inflation rate. Numbers like those alarm the Clinton administration, since they knock out the overarching rationale for Clinton's sweeping plan. "They can't let the public think this has gone very far, because it takes the steam out of what they want to do," insists Paul Elwood, the respected health-care expert at the Jackson Hole Group and father of the managed care movement. (Elwood's son David, by the way, is an assistant secretary of health and human services in the Clinton administration. As a Harvard professor, he came up with the idea of cutting off welfare recipients after two years on the dole.)

The administration and its allies are desperately seeking to minimize the new trend, particularly because it's beginning to draw press attention (from Business Week to Fortune to Time to columnists James K. Glassman and George Will). Clinton offered this putdown: "A couple of times before when an administration's made a serious effort at health-care cost control, health-care costs have moderated for a year or so, then they start up again." He cited the Nixon administration as an example. HHS Secretary Donna Shalala echoes Clinton. "We clearly have had some experience," she said in December. "Every time a president starts talking about health-care reform, there has been some moderation, probably a mixture of politics and economics going on." Buttering up Clinton at Bryn Mawr, she added, "Certainly there has been some moderation under your administration." She credited the "Hillary factor."

Clinton and Shalala are dead wrong. Their implication, of course, is that insurance companies, doctors, and hospitals hold down cost increases when Washington is threatening to impose controls, then jack up prices wantonly once the crisis passes. This hasn't happened. National health-care expenditures have risen less in some years than others, but for economic, not political, reasons. When President Nixon put on price controls, the rise abated. When controls were lifted, its rapid climb resumed. Chatter about reform hasn't been a factor. Consider 1986, the year national health expenditures rose by the lowest percentage (7.6) since 1961. Was President Reagan jawboning the health-care industry in 1986? Get serious.

The Washington Post suggested in a December editorial that health-care providers are purposely defusing the crisis atmosphere as Clinton's legislation moves through Congress. This makes superficial sense. "Nobody wants to invite special attention while restrictions and ceilings are being written into the bill," the Post said. True, but nobody wants an artificially low floor for health-care prices as price controls are being enacted, either. This means health companies have an incentive to get large price increases now, because they won't be able to impose them later under the Clinton plan.

Contrary to the Administration's line, the current dip in health cost increases reflects what Paul Elwood calls "a fundamental and permanent change." It's structural, not temporary. There are, Elwood says, "very basic differences in provider and purchaser behavior." Take HMOs, which didn't exist on any scale before the mid-eighties. They've gained from experience, becoming leaner and more cost-effective as they've had to compete for customers. Many HMOs participating in the Federal Employees Health Benefits Program, which covers nine million federal workers and their dependents, offered dramatically reduced fees for 1994. That's actual cuts, not merely cuts in the growth rate. For example, U.S. Healthcare slashed the employee payment for its "high family" plan by 29 percent. Overall, the 300-plus plans competing for the business of federal bureaucrats this year averaged fee hikes of 3 percent.

What's been done in the private sector? The examples are many and spectacular. But first, a question: Why hasn't all this free-market cost-trimming been reflected in the government's projections on national health expenditures? The Congressional Budget Office last October predicted health spending at 18.1 percent of GDP in 2000, down from its June projection of 18.9 percent, but still quite high. Well, there's a simple explanation: the government is operating off of old numbers. The most recent year for which it has calculated national health expenditures is 1991. So that's its baseline for projections. But in 1991, the revolution in private health-care financing was just getting off the ground. Its full impact hadn't been felt.

That was the year Digital Equipment Corporation began offering a new series of health plans. Employees can go to an HMO that's part of the company's program or outside the HMO network. But they pay a bigger share of their medical expenses if they go outside. By 1993, 70 percent of Digital's employees were enrolled in HMOs, up from 30 percent in 1990. And the yearly increase in HMO fees paid by the company has fallen from 12 to 14 percent in 1992 to 9 percent in 1993 and 4.5 percent this year. It paid a higher rate for fee-for-service insurance, but fewer employees chose that option.

It wasn't until 1992 that International Paper, whose medical costs had been rising at better than 20 percent a year, gave its employees an incentive to be cost-conscious in buying health care. It boosted the level at which the company would pay 100 percent of expenses and began informing employees how much it would pay for each medical procedure and how much physicians in their area charge. The idea was to encourage employees to shop around. The firm has also shown employees a video on how to negotiate lower fees with recalcitrant doctors. One emboldened employee got $400 shaved off the cost of his knee operation, according to the Wall Street Journal. Overall, the firm's annual increases in medical costs have fallen to 9 percent—not a breathtaking improvement, but good for starters.

IBM has produced even more impressive savings from its mental health program. It negotiated fees with a network of 20,000 providers nationwide and cut its spending in half, saving $30 million annually. Four corporations in Cincinnati—Procter & Gamble, Kroger, General Electric, and Cincinnati Bell—banded together to prod the city's fourteen hospitals to reduce wide disparities in treatment fees and hospital stays. This generated a 10 percent drop in the average hospital stay in 1992 from 1991 and a 5 percent decrease in the cost per case (an average saving per hospital admission of $350). After health insurance premiums soared 30 percent in 1990, Forbes magazine gave its employees an incentive to avoid filing claims for routine medical care. They'd be refunded twice the difference between their major-medical and dental claims and $500. The results are eye-popping. In 1992 claims fell by 23 percent and the magazine's insurer, CIGNA, gave it a $200,000 rebate. Premiums were then cut 17.6 percent for major-medical and 29.7 percent for dental. In 1993, Forbes boosted the refund to twice the difference between their claims and $600.

I could go on and on, citing both companies and health-care organizations that have increased efficiency and cut costs while maintaining quality. (The Washington Business Group on Health has published such a list, in a booklet called "The Health Reform Challenge: Employers Lead the Way.") It's not the private sector but the federal government that has failed to curb exploding costs.

There's an obvious solution here: extend the managed-care revolution to Medicare and Medicaid. This, rather than reforming the entire health-care system; should be Clinton's first priority. Billions could be saved simply by sending Medicaid patients to HMOs, a step implemented thus far only in Arizona, and billions more by encouraging Medicare beneficiaries to try managed care. The savings in Arizona haven't been epic—6 percent less than traditional Medicaid costs—but with its large number of retirees the state had start-up problems other states won't face. Elwood is convinced that, through HMOs, Medicaid costs can be stabilized at the level of general inflation and patients can get better care.

Medicare is trickier. The Clinton administration backed away from steering the Medicare elderly into HMOs after a study found the government was losing money by doing so. Only 2.5 million of the 36 million Medicare beneficiaries had signed up for HMOs, and these tended to be the younger, healthier ones. The government was paying HMOs too much for their care. The answer is either to pay HMOs less or get more Medicare patients, including the older, less healthy ones who need more care, enrolled. Or both.

Bringing managed care to government programs is the brainchild of David Harrington, vice president of Chicago's Grant Hospital and former chief strategic planner for Aetna Insurance. "Energy and creativity are already producing results in the private market," he told columnist Morton Kondracke. They can do the same with Medicaid and Medicare. More broadly, Harrington insists, market forces, if left alone, will gradually push down insurance costs far enough so that small employers can afford to cover workers. And if the government chooses to let the uninsured join HMOs, perhaps with subsidies, we'd have universal coverage. Of course, there would still be medical inflation. Heavy demand for care, the intensive brand of medicine practiced in the United States, pharmaceutical research, technological innovation, union contracts with lavish health benefits, a growing and aging population—these guarantee some inflation. But it would stay near the general rate of inflation.

One thing stands in the way: the Clinton administration. Its health-care plan would remove the force driving the downward trend in health costs—businesses that insure employees—from the game. Under Clinton's scheme, companies would pay a set amount to a "health alliance" and have no further involvement. They would have no financial incentive to curb the health costs of their employees. Their bottom line wouldn't be affected if workers rang up heavy medical expenses.

In fact, Clinton's scheme would spur individuals to do exactly that. And this would drive up medical inflation, not control it. Clinton's plan, as he put it at a White House meeting in January, would guarantee "comprehensive benefits that can never be taken away." The benefits—including thirty psychotherapy sessions a year, treatment for drug abuse and alcoholism, eye exams, and so on—would be much broader than most Americans now have. My guess is folks would take advantage, as they have in Germany and Japan (where doctor visits occur three to six times more often than here). This would increase national health expenditures. Or, if a cap were put on health-care spending, inflation would take another form, waiting lines for medical care, as it has in Canada.

Don't count on preventive care, Hillary's favorite solution, to hold down costs either. True, patients would get more preventive care, because the Clinton plan includes it, free. But there's no evidence this would lead to lower medical costs later as a result of early detection. More likely, it would create a large increase in costs—just to pay for the burst of preventive care. And, sorry to say, more preventive care will have only a marginal impact on the serious diseases like cancer and heart trouble that generate huge health-care costs.

In his first chat with White House staffers in 1994, the president set the stakes very high in the fight over health-care reform. It's a question, he said, of "whether we are going to be able to maintain a health-care system and still have the money that we need to invest in a growing and highly competitive global economy so that America will be strong." Clinton has the right question, but the wrong answer. Instead of accelerating the revolution in health-care financing that has contained costs while protecting the best medical system in the world, he would end it. Not smart.

DIPLOMACY'S GUNBOAT

Mr. WARNER. Mr. President, almost every evening on the news we see the U.S. military protecting American interests around the globe. More often than not these American military forces include naval forces.

A year ago, it was Navy carrier-based aircraft that were keeping the pressure on Saddam Hussein in Iraq. A few months later it was an American aircraft carrier sent to the coast of Somalia to provide protection to American and other U.N. peacekeeping troops. That same aircraft carrier also operated off the coast of the former Yugoslavia, ready to provide military muscle to back up diplomatic efforts to achieve a ceasefire in war-torn Bosnia.

For more than 50 years, America's interests have been served by aircraft carrier battle groups deployed around the globe.

I am pleased that President Clinton has included a request for funds to build a new aircraft carrier in this years' defense budget. The President and the Secretary of Defense understand the military and diplomatic necessity of maintaining strong naval power to protect America's interests into the next century.

This week's edition of U.S. News and World Report contains a cover story on one U.S. aircraft carrier and follows the ship through its most recent deployment. The article is entitled: "The Big Mean War Machine" and is subtitled: "Diplomacy's Gunboat."

Mr. President, this article provides great insight not only into the military and diplomatic capabilities of an aircraft carrier, but also into the tremendous dedication and commitment of the men and women who serve aboard our Navy ships.

I urge my colleagues to read this article and I ask unanimous consent that it be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DIPLOMACY'S GUNBOAT

(By Bruce B. Auster)

AUGUST 10, 1993—GOODBYE

Petty Officer José Mora and his wife, Loretta, finish a late dinner at McDonald's and slowly walk the few blocks to the pier where his floodlit ship is docked. He hugs her, feeling her swollen belly pressed up against him. They part, and he begins walking toward the towering ship, waving his pass at the sentry and crossing over to the other side of the chain-link fence separating sailors and their families. He tries to look back over his shoulder but his sea bag blocks his view, so he keeps on. His wife—eight months pregnant, her hands resting on her stomach, fingers interlocked—watches and then starts walking, alone, back to the car.

The next morning, the aircraft carrier USS America pushes away from the Norfolk pier, turns up Hampton Roads amid a flotilla of small craft that have come out to see it depart, passes the Chesapeake Bay Bridge-Tunnel and sets out across the Atlantic. The ship carries a crew of 4,700 sailors, including 20-year-old petty Officer 3rd Class Mora, who services the ship's 14 F–14A fighters. During the next six months, the America's pilots will crisscross the skies over Bosnia, its crew will pass through the Suez Canal en route to Somalia, and its planes will enforce the United Nations no-fly zone over southern Iraq. For different intervals during this 39,982-mile cruise, the America also will play host to a U.S. News reporter, photographer and graphic artist, who in the following pages examine one of the most powerful warships ever built, its crew and its changing missions.

For 50 years, the United States has counted on big carriers like the America to show the flag, to respond to crises and, until recently, to keep the Soviet Navy at bay. Carrier-based aircraft bombed Korea, Vietnam, Lebanon, Libya, and Iraq. Helicopters launched from the USS Nimitz tried to rescue the U.S. hostages in Iran; fighters from the Saratoga, which now patrols the Balkan skies, helped nab the terrorists who hijacked the cruise ship Achilles Lauro in 1985.

War machine

To an adversary, an aircraft carrier, its seven-story island protruding from the flight deck that sits 65 feet above the water, is an imposing offshore city that can appear overnight. Its 70-plane air wing is equipped to kill in many different ways: A single A–6E Intruder, small enough to take off and land on a ship, can carry 9 tons of bombs—more than twice as much as World War II B–17s, the Flying fortresses, could carry—and deliver them to a target 500 miles away without refueling. F–14 Tomcats can fly 600 miles, then shoot down enemy planes 60 miles away with their Phoenix missiles. The airborne jammers aboard an EA–6B Prowler can wreak electronic havoc on enemy command centers and communications, turning television screens to snow.

Aegis guided-missile cruisers, part of a carrier battle group that also includes attack submarines, destroyers and supply ships, have sophisticated air defense radars, antiaircraft missiles and 122 tubes capable of launching unmanned Tomahawk cruise missiles. "It has the most awesome war-making potential in any one place," says Rear Adm. Arthur Cebrowski, the commander of the America's 14-ship task force. "And we're ready to fight on arrival."

New missions

All this firepower does not come cheap: A new carrier costs taxpayers $4.4 billion; its operating costs are $440 million a year. And with the United States no longer facing a global rival, defense spending declining and the nation more concerned with foreign markets than with foreign militaries, the Navy is scrambling to find new roles for its carriers. In order to keep 12 of them in service, the Navy is cutting its force of surface ships by 65 through 1999, letting go about 100,000 sailors and changing the way it uses aircraft carriers. The blue-water Navy that once prepared to fight the Soviets on the high seas now sends its carriers along coastlines and into confined spaces such as the Persian Gulf and Adriatic Sea.

The Navy's efforts to adapt to new circumstances will produce a number of firsts on this cruise of the America: It is the first carrier to sail with a three-ship Marine Expeditionary Unit, or MEU, as part of its 14-ship battle group; it is carrying more than 200 marines; and before it returns to Norfolk it will, mostly by happenstance, have become the first carrier to bring women into a combat area.

But on this August day in Norfolk, the sailors, aviators and marines aboard the America are not thinking about politics or military strategy. They know that while they are gone, babies will be born, parents will die, Christmas and Thanksgiving will come and go, cars will break down and wives will give up on Navy life and leave their absent husbands. But as sailors have always done, the America's crewmen are turning their backs on the land to face life at sea.

It is a hard life for the officers and aviators whose work revolves around the America's flight deck and a harder one for the crew members who will spend most of the next six months below decks, away not only from home but also from fresh air and sunlight. With its 1,048-foot length and 80,000-ton displacement, the America is bigger than the average oceangoing cruise ship, but there are no portholes and it is claustrophobic.

Below the open, sunlit expanse of the 4½-acre flight deck is a small city: Most sailors eat, work and sleep on one of the ship's 10 decks, surrounded by white-painted steam pipes, water lines and air ducts that run along bulkheads and hang above desks and beds. Only two passageways run the length of the ship; 250 bulkheads, the walls that form the ship's skeleton, divide the America into the cramped, watertight, fireproof compartments that are its offices, mess decks, bathrooms and berths. Even the huge hangar bay can be partitioned by steel doors that are so big they echo throughout the ship when they close.

The ship's sailors and aviators divide their lives into compartments, too, It is their way of passing the months at sea, far from home. Pilots must block out fear and land a plane with one engine. Fathers who miss their families and sailors whose wives move and leave no forwarding address must forget about home. A month before the cruise, says Capt. Bill Deaver, the America's air wing commander, he begins distancing himself from his family, immersing himself in flying and shipboard life. "You start building the wall, one brick a day," he says.

Thoughts of home are reserved for bedtime: In cramped berthing spaces throughout the America, sailors, aviators and marines tape photos of their families near their pillows. Before they turn out the light, those pictures are the last thing they see.

Navy families back home also must cope. Two days before Chaplain Gil Gibson set sail in August, his wife found a lump in her breast. She didn't tell him about it until after he was at sea and the lump had been declared benign.

SEPTEMBER 13, 1993—LIFE AT SEA

As they go about shrinking the Navy and the Marine Corps, Pentagon officials are mindful of the morale and well-being of sailors, marines and aviators. The Navy and Marines fought then Secretary of Defense Les Aspin's proposal to cut the Navy from 12 to 10 carrier task forces and Marine troop levels from 177,000 to 159,000: Fewer ships and people would mean sea tours longer than six months for the remaining ships and people. "If we go to eight-months cruises, we'll lose a lot of people," says Lt. Cmdr. Brian Scott, an aviator on the America.

Slimming down

The Navy insists that peacetime deployments will be held to six months. "Forces won't stay ready if you deploy them too much," says Adm. Jeremy Boorda, NATO's southern forces commander in Europe, who came up through the enlisted ranks to earn his four stars and is now a leading candidate for the Navy's top job, chief of naval operations. "Six months is an arduous amount of duty; it's a long time away from home if you have a family." Aspin was convinced.

Even so, there is not room for everyone in the new Navy. On this September day, Lt. Jerry Leekey, an F-14 pilot with the America's Diamondback squadron, is waiting to learn whether a personnel board will let him stay in the Navy. "This is the best possible job, even with all the time spent away from my wife," the lanky, freckled redhead says after a morning of dogfighting with an F/A-18 "I signed up to race around at Mach 1."

Although he serves on active duty, Lieutenant Leekey received his commission through the Naval Reserve rather than the Naval Academy or the Naval Reserve Officers Training Corps. It cost the Navy $800,000 to teach him to fly his Mach 2 fighter, but now it is letting go its active-duty reservists. Cmdr. Steven Collins, Lieutenant Leekey's squadron commander, has orchestrated a letter-writing campaign, endorsed by the task force commander, to retain his young officer. Leekey can only fly and hope.

Below decks

For a pilot, getting up in the morning means another day to break the sound barrier. For most of the America's crew, however, especially the 18-year-old enlisted sailors, the shrill whistle of the boatswain's pipe that announces reveille each morning at 6 o'clock ushers in another day of drudgery. Time stands still in the 120-degree heat of the engine rooms. Seaman Ryan Hall sits on a bucket under an air vent for two four-hour shifts a day, struggling to stay awake as he monitors a generator in one of the engineering spaces, where oil-fired boilers make steam to turn the shaft of one of the ship's four 69,000-pound propellers.

The America needs constant attention. Commissioned in 1965, it is showing its age. A month before leaving Norfolk, a senior enlisted crew member complained to his congressman: The ship was operating on only two of its six electric generators, without radar and unable to pump fuel. This would be its third six-month cruise in three years, and without the standard 18 months at home for repairs, salt water and full steaming had taken their toll.

Seaman Hall, and the men who spend three months at a stretch cleaning clogged toilets or working mess duty, say the cruise is like the movie *Groundhog Day*. Each morning begins the same day all over again. A sailor can let a week pass without climbing the steep ladders to the flight deck and squinting at the sun. Sometimes the menu serves as a calendar: Pizza for dinner means it must be Friday.

Crewmen learn to beat the boredom. Petty Officer 1st Class James "Elvis" Alexander doesn't always wait for reveille to get up in the morning; with 20 showers in his 296-man berthing, he sometimes rises at 5 to beat the lines. After working 16 hours in the ship's jet engine shop, Alexander tunes his guitar and props open his songbook. The Memphis native, who grew up 6 miles from Graceland and worked as an Elvis impersonator—he even kept his long sideburns as a Navy recruiter—leads a bluegrass trio with fiddle and banjo.

Most nights they make music on the ship's fantail, surrounded by finicky, foil-wrapped jet engines waiting to be repaired. Here, at the stern, the musicians can look at the ship's wake and see where they've been; in the daytime when the carrier steams at full power, the wake lingers all the way to the horizon. As shipmates gather, Petty Officer Alexander sings of a journey by train: "Engineer reach up and pull the whistle, Let me hear that lonesome sound. For it blends with the feeling that's in me, The one I love has turned me down."

At the far end of the America's wake, in Virginia Beach, Marita Cheney is lonesome, too. She is showing her two children a videotape before bed, one she made of her husband, Eric, a bombardier and navigator with the America's A-6E Intruder bomber squadron, reading bedtime stories to Michael, who is almost 3, and Kyle, nearly 1. "They love to watch Eric," she says. In the past year, Lieutenant Cheney has spent a total of 43 days at home. "The boys are growing," he says. "When I come back from this six monther, I'll be nothing but a picture."

In the Cheneys' family room, a chain of rings made from construction paper stretches around three walls. Every night, the children take down one link, shrinking the chain and getting that much nearer to the day their daddy comes home. "It gives the kids a concept of time, an end point," says Marita. But gimmicks that work for the children don't help their mother. "When he left, I came home and cried and cried and cried. It all of a sudden hit me. And since he's an aviator, you think the worst can happen," she says. "You have to put it in the back of your mind or you'd go crazy."

OCTOBER 18, 1993—MARINES

Eleven days ago, on October 7, Marine Col. Jan Huly was awakened by a telephone call at 4:30 a.m. in his stateroom aboard the helicopter carrier Guadalcanal. President Clinton had decided to reinforce U.S. forces in Somalia after the failed raid in Mogadishu that left 18 Army Rangers dead, and the Guadalcanal had been ordered to leave the America and speed south from the Adriatic through the Suez Canal to Mogadishu.

The marines had crossed the Atlantic in August as part of the America Joint Task Group—an early test of an effort to repackage U.S. military might, mixing and matching the capabilities of carriers, marines, Army helicopters and Ranger units and even U.S.-based air forces. The America had left Norfolk with some 235 marines and their four CH-46 Sea Knight helicopters in place of three aircraft squadrons.

The marines ordinarily sail with five ships of their own, but this time they had left two ships and their equipment behind at Camp Lejeune, in North Carolina. In exchange, Huly had been promised that his marines would have air support from the America.

But integrating the carrier's and the marines' missions had proved difficult. It had been hard to fit Marine helicopter training into the carrier's busy flight schedule: The marines' CH-46s had to be launched from the carrier's landing area, and a breakdown could shut down Navy flight operations for precious minutes. Some Marine missions, such as the rescue of a downed pilot, could not be launched from the carrier because the America did not carry the right mix of helicopters. Finally, says Bravo Company 1st Sgt. George Mason, a carrier typically operates too far from shore, so the marines and their helicopters would have had to leapfrog to shore via other ships.

Now, arriving off the coast of Mogadishu without the America, Colonel Huly is having fresh doubts about the Joint Task Group concept. As he ponders the prospect of leading his men into war-torn Mogadishu, Colonel Huly misses the two ships he left behind. His battalion is without many of its wheeled and tracked vehicles, it is short of attack helicopters and half its artillery pieces are back in North Carolina.

Sharks in the water

But the ship Colonel Huly misses most is the one that would be carrying his air-cushioned landing craft, or LCACs, which can drive onto a beach and unload men and equipment. Somalia's beaches are very shallow, so the landing craft the marines have brought will bottom out 200 yards from shore, forcing the men to wade through 3-foot-deep water. And as Huly's staff scout the coastline for amphibious landing points, they discover that the Russians once operated a slaughterhouse along Somalia's coast and dumped carcasses in the water. The area is shark infested. "We are going to be running around in rubber boats and wading through all this," says Huly.

As Huly's dilemma suggests, the shrinking U.S. military is facing a choice: It can either send smaller, less capable units abroad or deploy larger units less often. "We're going to have fewer forces, less money," says Huly. "But over here where you're getting ready to go into harm's way, whatever you have is not enough. You always want more."

Adm. Paul David Miller, the architect of the Joint Force Packages at the U.S. Atlantic Command in Norfolk, says the America Joint Task Group is just a "steppingstone." The real test, he says, will come later this year, when another Joint Task Group, this one headed by the carrier Dwight D. Eisenhower, will sail. Admiral Miller will propose that for the first time since World War II, the United States not keep a carrier in the Mediterranean. Instead, the carrier and a Marine Expeditionary Unit may sail separately.

The Eisenhower may precede the marines by as much as two months. After six months, when the carrier is ready to head home, the marines may remain. Admiral Miller proposes that the marines sail with an attack submarine, armed with Tomahawk cruise missiles, and an Aegis cruiser; with its sophisticated command and control systems, to provide them with added firepower after the Eisenhower departs.

DECEMBER 13, 1993—LIBERTY

After 47 days at sea, the F-14 Diamondback pilots from the America, fresh from flying missions and taking cold Navy showers, are not about to go ashore and take a tour. Traditionally, at a liberty port, squadrons set up an "admin," a home base ashore, where fliers can spend nights away from the ship. The Tailhook sexual harassment scandal has tamed aviator admins. So when they arrive in Tel Aviv, the Diamondbacks find a hotel through the U.S. Embassy. An embassy staffer takes the squadron representative to a small hotel nearby; 20 guys lay out $50 each and the owner gives them an entire six-room floor.

But the owner fails to tell the night manager about the new guests. Early one morning, after the last of the pilots roll in at 5 a.m., the night manager is appalled by what she finds in one room: clothes and bottles strewn everywhere, a half-dozen junior officers sprawled in chairs and beds. She protests to the embassy, but an official there sides with the fighter pilots. "You don't understand," he tells the night manager. "These guys are just like a rock band."

Liberty for the men is no fun for their loved ones at home, who wonder what their husbands and boyfriends are doing. The rule is: What happens on cruise stays on cruise. Unspoken fears are bound to be magnified as the Navy prepares to allow women to serve on combat vessels, including aircraft carriers, later this year.

"I think it's going to be a big adjustment for the wives at home," says Marita Cheney, who finds a letter in the mailbox from husband Eric, the A-6 navigator, every other day. "Their husbands are on the ship and they're at home thinking: 'There are other women out there, what's going on, is my husband going to still want to be married to me when he gets home?' If I had any doubts about Eric, that would drive me out of my mind."

Tracy Carr's husband doesn't want his wife, a petty officer first class, serving on a ship with 4,700 men. But that's where she is. Although the Navy says women will not begin sailing on carriers until later this year, the first eight women assigned to a carrier in a combat zone are members of the squadron that flies the America's on-board delivery aircraft, which bring mail and visitors. They are usually stationed in Italy, but when the America left for Somalia at the end of October, the squadron with its eight women was brought on board.

One deck below the ship's hanger bay, a sign announces: "Female Berthing." Until the eight moved in, the rooms were used for medical isolation; the four-person spaces have showers and toilets but no lockers for the women to stow their belongings. "They weren't ready for us," Petty Officer Carr says of the ship's crew. Men in towels walk past the women's berths on the way to the showers. "If we went out in the passageway in a towel, we'd be called up to see the skipper," says Petty Officer 2nd Class Laura Leigh Johnson. And they still endure catcalls from some men.

But conditions have improved since the women came aboard. "There's still a lot of guys who haven't worked with women," says Petty Officer Johnson. When an engine panel on the C-2 aircraft pops open, Johnson, an electrician, turns down offers of a ladder and pulls herself up through the hatch in the top of the plane. Then she crawls out onto the wing and fixes the panel. "Once you earn respect and trust, the attitude starts to change," says Carr.

DECEMBER 24, 1993—CHRISTMAS EVE

Petty Officer "Elvis" Alexander, his guitar tuned and ready, has brought a little bit of Nashville to France. With the America in port for the holidays, 80 people gather around a Christmas tree in the lobby of a Marseille hotel to hear Alexander's trio play three hours of bluegrass Christmas carols. On the way back to the ship for the night, Alexander skips down the stairs of a subway station to the train platform and finds a pay phone. He dials home and reaches his wife, Barbara, and their new baby, Taylor, who was born in September—a month after her father sailed.

In one ear Alexander hears a loudspeaker announcing something in French. He finally hangs up the phone, depressed to be missing his daughter's first Christmas, and climbs the stairs to the street. A locked gate blocks his way out. It is Christmas Eve and the subway has shut down for the night. After two hours of calling French police, Elvis finds someone who can speak English and is released from the subway.

Christmas in port and good food at Thanksgiving—turkey, ham, roast beef and fixings—only remind the men that they are far from home. Back in Norfolk, the families of the F-14 Diamondbacks held their children's Christmas party during the first week of December, allowing time to mail videos to the dads at sea before the holidays.

Loretta Mora, who had been eight months pregnant on the night her husband, José, boarded the ship in the heat of August, was there smiling, dressed as Santa and cradling 11-week-old Justice Antonio Mora, dressed as a very tiny Santa. Her pregnancy had been hard; Loretta developed toxemia, and her labor lasted 27 hours before the doctors performed an emergency Caesarean. But she was buoyant amid the din of children waiting to see Santa. The Moras had picked the name Justice together; he wanted his child's name to begin with the same letter as his own but figured there are enough Josés in the world.

Loretta offers another reason. "We had a lot of problems when we first got together because he's Puerto Rican and I'm white," she says. "José always wanted to serve his country." The name Justice fit. On the America, tacked on the ceiling 1 foot above the pillow in José's rack, are his son's first booties. "I don't know the boy," he says. "I want to see my wife. I want to meet my son."

JANUARY 11, 1994—EMERGENCY

Cruises run in cycles. In the first weeks, sailors learn to leave home behind. During the holidays, they feel they may never get home. On this January day in the Adriatic, five months after setting sail from Norfolk, Capt. William W. Copeland Jr., the America's skipper, senses that his crew members think they're home already. They are scheduled to leave the Adriatic in three days, turning over responsibility for enforcing the Bosnian no-fly zone to the Saratoga, which is steaming across the Atlantic to relieve them. During flight operations, planes are touching down on the 750-foot landing area every 37 seconds. It is all becoming too routine, and the captain fears his crew may be getting complacent.

Even in peacetime, flying jets off carriers is hazardous duty: Every year there are 50 to 60 major accidents involving Navy aircraft. "We're out here just trying to keep guys focused so they don't fly into the back end of the ship and kill themselves," says Commander Collins, the leader of the Diamondback F-14 squadron.

January 11 does seem snakebit, a day of minor woes and near misses. An F/A-18 loses its radio. After catching the wire that jolts them to a halt, two aircraft blow tires as they skid across the landing area. Two more planes, including one of Collins's F-14s, lose the ability to control their wing flaps. The Diamondback Tomcat has to land with its flaps up rather than down. When the flaps are down, they allow the plane to fly at a slower speed; this time the fighter has to approach the ship too fast. To compensate, the America steams hard into the wind. As the plane touches the deck, the ship-made breeze slows the 50,000-pound F-14, preventing it from tearing the arresting wire and hurtling over the bow of the ship into the water. Later in the day, another F-14 touches down safely after its primary and backup visual landing guides fail.

Into the danger zone

Lt. David "Boog" Powell's January 11 begins routinely enough. Ten minutes before launch, he runs through a preflight checklist as his F-14 idles at the most powerful of the ship's four catapults. A former high school baseball player, Powell liked playing catcher because he wanted to be in on every play. Now all eyes on deck are on him. A red light on the carrier's seven-story island signals four minutes to launch; two minutes later, when the light turns amber, a green-shirted crewman, crouching alongside the jet's nose wheels, signals for Powell to inch the plane forward and locks it into the catapult's shuttle. The light turns green.

Lieutenant Powell looks out to his left at the yellow-shirted catapult officer, the shooter. With his right hand pointing at the pilot, the shooter holds his left hand aloft, two fingers extended, signaling Powell to go to full power. Then, his stomach rumbling from the force of the fighter's engines, the shooter holds his hands open, palm out, as if to slap a high-five, the sign to go to full afterburner. In the seat of his pants, Lieutenant Powell can feel each of the five stages of his afterburner ignite, one at a time.

Ready to fly, he snaps a quick salute and leans his head forward, bracing for the catapult shot; the shooter salutes back, bends his knees, touches two fingers of his left hand to the deck of the ship and gestures forward, like a hunting dog pointing to its prey. On the shooter's signal, a goggled crewman on the catwalk to the plane's left presses the button that fires the catapult, hurtling Powell's F-14 from a standstill to 150 mph in two seconds. "It's the one time you don't have control of your airplane," Lieutenant Powell says.

Midflight, during a mapping mission over Bosnia, a light in Powell's cockpit signals a stall in his left engine, a routine annoyance in the F-14. He clears it, finishes his mission and heads back to the ship. It is late afternoon and the clouds are heavy, so the planes follow nighttime, low-visibility landing procedures. Circling 8,000 feet above the Adriatic, 23 miles from the ship, Lieutenant Powell sees ice, like frost in a freezer, forming on the leading edge of his plane's wings.

Powell hates circling in this stack of planes, four at 8,000 feet, another four 1,000 feet above that, and on up, with no radio communications or radar. Earlier in the cruise, when he had barely 25 carrier landings under his belt, he would spend the 20 long minutes in the holding pattern thinking about landing his jet on the tossing deck of a ship at sea at night: "Why the hell did I ask to do this job? I want to be home with my wife," he remembers thinking. "I kicked myself in the ass every night to go do it." For the first two months, his knees shook after every night landing.

Five months into the cruise, he is confident. He begins his approach to the ship, slowly descending to 1,200 feet 8 miles out. Four miles from the ship he hears a bang, like a balloon popping. Immediately the stall warning light flashes and the plane yaws sharply left. He has lost power in his left engine.

Powell thinks of everything that could go wrong: He is low on fuel, the weather is bad, it is a long way to an alternate landing field. Taught to fly first, then navigate, then communicate, he pulls the plane's nose up, corrects the yaw that has taken him off course and begins talking to his radar-intercept officer (RIO) in the back seat. Together, they run through the Navy checklist for single-engine landings and prepare to land their plane. He flies a slow right turn, 360 degrees, to get the plane back in line with the ship, alerts the America of their situation, then stays off the radio the rest of the way in. "We treated it like a normal approach," Powell says later.

Rather than slowing him down, the loss of an engine means Lieutenant Powell is going to have to land at high speed, with full afterburner on his good right engine. That way, if he misses one of the four wires that will bring his plane to a halt, he will have enough power to get airborne again. But in the F-14, with a good 9 feet between the two engines, throttling to full power in the right engine with none in the left could make the jet swerve dangerously to the left.

A good pass

The landing isn't just safe; it looks good, too. Powell and his RIO step out of the jet, which is surrounded by flight-deck crew ready to tow it out of the landing area. "I flew a good pass," he later recalls. "It was awesome, I was on deck."

Good pilots crave the chance to beat the odds. "There's a satisfaction when something happens and you're the one who's going to have to bring it down safely," says veteran pilot Andy "Slim" Whitson, the America air wing's landing signal officer and a former flight instructor whose green Jaguar, bought with his flight bonus, carries vanity tags that read BLWN BKS, for blown bucks.

"They've all got big egos and big watches," Captain Copeland, an F-14 pilot himself, says of the pilots he commands. In the Diamondback's ready room, a tailhook bolt hangs by a string from the ceiling over one pilot's seat; he was the last to "bolter" that day, meaning he missed the wires while landing and had to make another pass. On one wall is the "greenie" board, where each pilot's every landing is graded. "They're so competitive, they like being graded," says A-6 navigator Eric Cheney.

Lieutenant Leekey, the red-haired pilot, flew some 75 flights without boltering. When he finally missed, he was overheard on his radio: "Impossible," he said in a mock Spanish accent. Commander Collins, the Diamondback squadron commander who flies in the back seat, ribs his pilot if they bolter: "Hey, wasn't that our stop back there?" Television sets throughout the ship carry live pictures of flight operations. Pilots, waiting to fly, sit and razz other pilots for ugly landings.

But the challenge is making the extraordinary look routine, not making the routine look extraordinary, and veteran aviators calculate how much slack to give junior officers. "If you go to war thinking you might get shot down, you're going to be overly cautious," says Capt. Vance Toalson, a former wrestler and the America's yellow-shirted Air Boss. "The confidence is necessary, but also the professionalism. If you have some cavalier aviator out there, then he needs to find another job. We don't have Tom Cruise in naval aviation."

While the lieutenants are battling to land safely, the captains and admirals have been dusting off plans to conduct airstrikes in Bosnia if NATO leaders in Brussels give the order. Later tonight, two of the carrier's four E-2C Hawkeyes will begin monitoring Bosnia's skies around the clock. Half the day's flight operations have been canceled so that pilots and flight-deck crew members who might have to work all night can sleep during the day.

Captain Copeland and his air wing commander, Capt. Bill Deaver, have just sat down to dinner about 9 p.m. when the phone hidden under the dining table in Copeland's quarters rings. There is a fire in the hangar bay: An E-2C Hawkeye aerial surveillance plane, the type that is to fly later tonight, is reported to be spitting sparks. Copeland and Deaver scramble down three ladders and find the fire extinguished. It has not reached the E-2C.

FEBRUARY 5, 1994—HOME

After six months at sea, the time has come to start tearing down the walls between shipboard life and home, one brick at a time.

For some, it will be hard to let go. "When I'm out here," says Chaplain Gil Gibson, "I miss home. When I'm home, I miss here." Home cannot supply the camaraderie or the challenges of life at sea.

For Marine Colonel Huly's operations officer, Lt. Col. Jeff Christman, the six months away from home have been an eternity: He has numbered each of his 70 letters home, and when he felt low, he played "Danny Boy" on the bagpipes in a corner of the Guadalcanal's flight deck. But he wouldn't trade the life: "I guess there's always people who wanted to be a professional soldier. I have a realistic but a romantic view of what I do. I have no illusions. But still, I like the life. I've gotten to do what I wanted to do when I was a little boy."

For Lieutenant Leekey, the red-haired F-14 fighter pilot, the end of the America's cruise means he must give up the life he has always wanted. The Navy has rejected his appeal to stay in. Leekey is slated to be discharged in June; his wife, Iris, is due to give birth to their first child on March 29. Leekey has flown since he was 13 and earned his pilot's license at 17. He doesn't know what he will do next. "My lifelong dream was to fly fighters," he says. "I don't do anything else."

As the America steams toward Norfolk, these warriors must become fathers and husbands again. Navy counseling teams came aboard in Spain to remind the men that loved ones change, grow independent, in six months without husbands and fathers. "It's pretty tough to go steaming into the house and say, 'You, get a haircut; you, clean up the back yard,'" says Colonel Huly. "There has to be some sensitivity. I know that. Of course my family will say I don't, but I know that." His wife, Patti, a veteran Marine spouse, takes a more philosophical approach: "If Robert Redford didn't get on the boat," she advises young wives, "Robert Redford isn't getting off the boat."

Too late

Six months can be a lifetime. Almost three weeks after his father underwent routine surgery, Cmdr. Vic Cerne, the executive officer of the carrier's squadron of EA-6B electronic-warfare aircraft, received an emergency Red Cross message from his wife, Cindy: There were complications. He packed a small bag and flew home from the carrier to Norfolk, where he telephoned his mother at the hospital in Oklahoma. His father came on the line, the husky man's voice sounding weak. Cerne told his dad he loved him and promised he'd see him the next day. "I'll never forget what he said next," recalls Cerne. "He said, 'Vic, hurry.'" The Cernes caught the first flight out of Norfolk the next morning, but his father died before they landed in Oklahoma. "I never left on this deployment thinking I wouldn't see him again," says Cerne.

Cerne's parents had planned to meet the ship when it came in; his father had thought surgery would make him strong enough to travel. Cerne returned to the ship after burying his father. His mother will meet him at the pier.

Norfolk still seems very far away. Every other day during the 11-day Atlantic crossing, at 7 p.m., the crew must set their watches back and relive 6 o'clock all over again. Even two days before the ship is due in Norfolk, Petty Officer 1st Class Grant Gorton, the F-14 flight-deck coordinator, cannot relax: He is responsible for preparing all 14 of his squadron's aircraft for the next day's fly-off, when the aviators will head home a day before the ship docks. "I won't be able to sleep tonight," he says. "We have to get every one off."

Gorton has learned all the ways 50 planes idling or taxiing can kill a person: He avoids walking near an F-14's air intakes or an E-2C's propellers. He leans his body into the hot jet exhaust that can blow one overboard. His hearing has worsened in his 12 years in the Navy, despite wearing the Mickey Mouse-ear headgear required on the flight deck; after a 14-hour day of flight operations, his ears are sore from the gear. Gorton is nervous: If any of his F-14's can't fly tomorrow, a crane will have to lift them off in Norfolk.

The next day, every plane gets off as planned, the flight-deck crew waving good bye as the last A-6 Intruder departs. In the bright sunshine, with the crew wandering about the suddenly empty flight deck, the booming voice of Air Boss Vance Toalson orders them to clear Catapult 3. The America's senior shooter, Lt. Bill Clock, unties and removes his boots and in his stocking feet walks to the catapult, where his boots are tied to the catapult's shuttle. On the Boss's order—"Shooting the boots"—the catapult, which has just launched a 60,000-pound bomber, propels Bill Clock's boots, tied together, off the carrier and into the Atlantic. The America is almost home.

Loretta Mora has written José that she will wear red to the homecoming so he can find her on the crowded pier. She does: a red winter coat, a short-sleeved, tailored red dress and red high heels. Standing in the heated "mommy tent," where many of the 85 women who have given birth since their husbands sailed in August wait, Loretta stays dry in the driving rainstorm that has soaked the more than 5,000 people waiting for the America.

The big ship is tantalizingly close, with hundreds of enlisted crew members standing shoulder to shoulder along the bow and the starboard side in dress blue uniforms, and six tugboats puffing black smoke turning it toward the pier. After the America pulls alongside and the lines are fired to secure it, Loretta leaves the warmth of the mommy tent, pushing the baby carriage through shoe-deep puddles, and waits alongside the ship. In the hangar bay, José musters with the other new fathers, all weighed down by the clothes and souvenirs stuffed into their duffels. In his pocket, José carries his new son's first blue booties.

An hour passes. On the pier, Loretta removes her red coat, places it like a tent over the baby carriage and stands in the downpour in her short-sleeved red dress before finally retreating for shelter. Finally, the new fathers pass the quarterdeck, salute their ship and walk the length of the pier, through the crowd, to the mommy tent, where José Mora embraces his wife and meets his son.

The America has brought home every one of its sailors and aviators, a remarkable feat: An F-14 and an F/A-18 from the carrier Saratoga will collide in midair a week after the America reaches Norfolk. Two of the America's sailors will die in a late-night auto accident on the day it docks in Norfolk. The ship is scheduled to sail again in August 1995, on what may be its last cruise before it is taken out of commission. José Mora will spend his son's second birthday at sea.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt stood at $4,541,171,125,410.40 as of the close of business Thursday, February 24. Averaged out, every man, woman and child in America owes a part of this massive debt, and that per capita share is $17,418.41.

TRIBUTE TO JERRY HENDRICKS

Mr. GORTON. Mr. President. A good friend and colleague of mine, Jerry Hendricks, is retiring as the Port of Port Angeles' executive director after 26 years of public service. His dedication and commitment to the Port of Port Angeles and Clallam County has been exceptional, and he will be greatly missed.

I remember a few years back when Jerry and I had dinner at the Bushwhacker Restaurant. The warm hospitality he showed me by inviting me back to his home to continue our discussion is indicative of the generosity and warmth he has shared with his community over the years. His hard work was always backed with genuine sincerity and passion for the issues of importance to his community. For this reason, I am certain he opened doors that otherwise would have remained closed.

As President of Washington Citizens for World Trade and board member of the Export Assistance Center, Jerry helped cinch Washington State's role as a leading center of international trade. Jerry will be remembered by many people in Clallam County for whom he found and created numerous jobs and economic opportunities through his work at the Port of Port Angeles. He set standards in this field that few will be able to meet. His contributions to organizations such as United Way and the Port Angeles Chamber of Commerce have exemplified what it really means to be a community leader.

I, and many others, have come to rely on Jerry's input and advice. Through numerous trips to Washington, DC, as an advocate for his community and the Port, he made sure that Washington's congressional delegation was always on top of the events that have shaped life on the peninsula. He worked to keep me apprised of the community's needs, but he also worked hard to vocalize the community's feelings and temper on key issues. No one every had to guess how families on the peninsula were affected by the cards their government dealt.

More communities should be so lucky as to have a Jerry Hendricks representing their needs and their concerns. Although he is retiring from the Port of Port Angeles, I am certain that he will continue to find opportunities to represent the voice and spirit of families and communities on the peninsula. I wish him the best.

HUGH L. WILLCOX

Mr. THURMOND. Mr. President I rise to pay tribute to Mr. Hugh L. Willcox, an able attorney and one of the leading citizens of Florence, SC, who recently passed away.

While Mr. Willcox's passing is indeed unfortunate, he lived a long and productive life. In his almost nine decades on this earth, Mr. Willcox established a well deserved reputation as both an able and respected lawyer and a dedicated civic leader, serving on a number of boards and associations. He was president of both the South Carolina and Florence Country Bar Associations and was recognized by the University of South Carolina with an honorary doctor of laws degree for his many contributions to the profession. He was also awarded the South Carolina bar's prestigious Durant Award.

The list of community activities in which Mr. Willcox was active is too lengthy to cite here, but included businesses, schools, charities, and churches. I do not believe that I am exaggerating when I say that there was not a corner of Florence that did not benefit from Hugh Willcox's interest and involvement.

Mr. President, Hugh Willcox was a personal friend of mine, and we are all saddened by his death. His family are in my thoughts and prayers at this most difficult time. He is survived by his wife, Polly Robinson Willcox; son, Hugh L. Willcox, Jr.; daughter, Julia W. Buyck; daughter in law, Henrietta W. Willcox; stepson, William Odell; stepdaughter, Alexander Odell; seven grandchildren; two great-grandchildren; and a brother, E. Lloyd Willcox.

I ask unanimous consent that a copy of Mr. Willcox's obituary from the Florence Morning News be inserted into the RECORD following my remarks.

There being no objection the article was ordered to be printed in the RECORD, as follows:

[From the Florence Morning News, Feb. 5, 1994]

(By Hugh L. Willcox)

Hugh Labarbe Willcox, 88, a native of Florence and a link to this city's earliest days, died Friday, Feb. 4, 1994.

He was a son of the late Frederick L. and Clara Chase Willcox. His grandfather, Jerome P. Chase, was one of Florence's pioneer residents and its first mayor.

Funeral services are scheduled for 3 p.m. Sunday, Feb. 6, 1994, at St. John's Episcopal Church followed by burial in Mount Hope Cemetery, directed by Waters-Powell Funeral Home.

He was educated in the public schools of Florence and at Bingham Military School in Asheville. He took his undergraduate degree from the University of North Carolina and his law degree from the University of South Carolina School of Law. He was first married to the late Julia Johnson Willcox of Florence, who died in 1986.

He is survived by his widow, Polly Robinson Willcox, a son, Hugh L. Willcox Jr. of Florence; a daughter, Julia W. Buyck of

Florence; a daughter-in-law, Henrietta W. Willcox, wife of the deceased son Fred L. Willcox, of Florence; a stepson, William Robinson Odell of Charlotte, N.C.; a stepdaughter, Alexander Patterson Odell of Palm Dessert, Calif., seven grandchildren including Mark W. Buyck III, Julie B. McKissick, Hugh W. Buyck, E. Lloyd Willcox II, Henrietta W. Dotterer, Hugh L. Willcox III and Walker H. Willcox; two greatgrandchildren; and a brother, E. Lloyd Willcox of Charleston.

A distinguished and highly acclaimed lawyer, his legal career was interrupted by service in the U.S. Army from 1940 to 1946. He was stationed for a period with the 263rd Coast Artillery at Ft. Moultrie as adjutant to Florence legendary Col. Frank Barnwell, who commanded the Florence National Guard unit he had joined shortly after college. He was discharged from the army following World War II with the rank of lieutenant colonel. Since that time, he has been a senior member of the law firm of Willcox, McLeod, Buyck & Williams, the firm which was established by his father in 1895 as Willcox & Willcox.

He is past president of the S.C. Bar Association and the Florence County Bar Association, permanent member of the Judicial Conference of the U.S. 4th Judicial Circuit and member of the American Bar Association, in which he served on numerous committees including most recently the committee on state legislation.

He was honored by the University of South Carolina in 1986 when he received an honorary doctor of laws degree recognizing his long-time and exemplary public service and his distinguished legal career spanning six decades. He was trustee emeritus of the university having served on the Board of Trustees for 20 years representing the 12th Judicial Circuit.

Past chairman of the Board of Directors of Peoples Federal Savings and Loan Association and former member of the Florence Advisory Board of South Carolina National Bank, he was a director and vice president of Motel Associates Inc.

Interested in civic and educational affairs, he was past president of the board of trustees of the Florence Museum and the Florence County Historical Society and was treasure of the Florence Memorial Stadium Commission for four decades. He was a former member of the board of trustees of St. Mary's College in Raleigh, N.C., and served as chairman of the S.C. State Library Board and a member of the Tricentennial Commission for South Carolina. When the Florence public school system was governed by an annual residents meeting, he presided over the assemblage for many years.

He served as a member of the board of trustees of McLeod Regional Medical Center for more than 35 years and was recently named the hospital's first trustee emeritus. He was a former director of Mount Hope Cemetery Association and he also served on the board of Pawleys Island Civic Association and the board of directors Litchfield Country Club and was a former member of the board of the Florence Country Club.

He took great interest in St. John's Episcopal Church, where he was a life-long member and served as past senior and junior warden and in many diocesan capacities.

Other membership include Theta Chi Fraternity at the University of North Carolina, past president of Florence Kiwanis Club, past state vice commander and judge advocate of the American Legion, board of directors of the American Cancer Society and Florence United Way, Florence Heritage Foundation, National Association of Railroad Trail Counsel, past S.C. director of the Judicature Society, Palmetto Club and Centurion Society.

He received the 1986 Friends of the Florence Museum Award. In 1985, the South Carolina Bar Association presented him the Durant Award, its highest honor in recognition of his long and distinguished service to this state.

The family is at Bannockburn, his residence at 500 Howe Springs Road.

Memorials may be made to St. John's Episcopal Church, Florence Museum or University of South Carolina Education Foundation.

MARTHA RIVERS

Mr. THURMOND. Mr. President, I rise today to pay tribute to one of my State's leading citizens and a pioneer in the South Carolina broadcasting industry, Mrs. Martha Rivers, who recently passed away.

The 1950's was a decade of great changes for our Nation. In those years, the suburbs replaced cities as America's home address and radio was quickly overtaken by television as the favorite form of family entertainment. In South Carolina, Mrs. Rivers' late husband, John, introduced television to Charleston when he started WCSC-TV. For more than 30 years, Mrs. Rivers worked at the station, helping to create and expand what has turned into a very lucrative and important media market. Mrs. Rivers, along with her son, John Rivers, Jr., one of Charleston's most prominent businessmen, carried on the fine work of John Rivers, Sr., until WCSC was sold in 1987.

While working at WCSC was a full-time job, Mrs. Rivers always had time to devote to the community. Her activities included serving as president of the Charleston County Association for the Blind and the Garden Club of Charleston. She was also a member of the Junior League and was very active in St. Phillip's Episcopal Church.

Mr. President, Martha Rivers and her family have been friends of mine for a long time, and we are all saddened by her passing. She was a warm and outgoing woman, who was admired and respected by all. While she will be missed by those who knew her, her memory will live on through a park named in her honor in her hometown of Gastonia, NC and the Martha Robinson Rivers scholarship at Converse College, her alma matter. Mrs. Rivers is survived by her son, John M. Rivers, Jr.; daughters, Martha R. Ingram and Elizabeth R. Lewine; four grandchildren; two stepgrandchildren; and a great-grandchild.

I ask unanimous consent that a copy of Mrs. Rivers' obituary from the Charleston Post and Courier be inserted into the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston Post and Courier, Feb. 6, 1994]

LOCAL TELEVISION PIONEER MARTHA RIVERS DIES AT 83

By Robert Behre

Martha Robinson Rivers, who helped her late husband run Charleston's first radio and television stations and who supported many charitable and civic groups, died Thursday at her residence. She was 83.

Mrs. Rivers was born in Gastonia, N.C., to John Craig Robinson and Ola Stowe Craig Robinson, and graduated from Converse College in Spartanburg. She married the late John Rivers, who then was working in Greenville.

When the couple moved to Charleston, Rivers became head of corporate financing for the investment firm of McAlster, Smith and Pate. In 1937, he acquired control of WCSC radio, and he started WCSC-TV—the city's first television station—in 1953.

Mrs. Rivers served as WCSC Inc.'s secretary for more than three decades. She retired in 1987 when her son, John M. Rivers Jr., sold the station to Crump Communications Inc.

Mrs. Rivers, who resided at 41 Meeting St., also was past president of the Charleston County Association for the Blind, past president of the Garden Club of Charleston and was a member of the Junior League of Charleston.

She and her husband were avid travelers and twice made trips around the world. Former College of Charleston president Theodore S. Stern said he first got to know Mrs. Rivers during a trip to South America in the early 1970s.

"She was just the most stunning and warm individual," he said.

He noted she was instrumental in giving WCSC's early radio and television memorabilia to the college. "She had a great interest in community activities and was a great asset to the community."

Former Charleston mayor J. Palmer Gaillard Jr. said he knew Mrs. Rivers well from all her work with St. Philip's Episcopal Church and charitable groups.

"Charleston has really lost a great citizen. She was indeed a lady. In fact, the description of her is the definition of a lady," he said.

The city of Gastonia honored Mrs. Rivers by naming a park after her. She also established the Martha Robinson Rivers scholarship at Converse.

The family, through WCSC Inc., contributed to several causes in the Charleston area, including Ashley Hall school, the Gibbes Museum of Art, the Charleston Symphony Orchestra, the College of Charleston and the Charleston County School District.

She is survived by a son, John M. Rivers Jr. of Charleston; two daughters, Martha R. Ingram of Nashville, Tenn. and Elizabeth R. Lewine of New York; four grandchildren; two stepgrandchildren; and a great-grandchild.

The funeral will be at 11 a.m. today in St. Philip's Episcopal Church. Burial, directed by Stuhr's Downtown Chapel, will be in the church cemetery.

CARROL H. WARNER

Mr. THURMOND. Mr. President, I rise today to pay tribute to a dedicated public servant and a good friend, Mr. Carrol H. Warner, who passed away recently.

A graduate of Clemson University, Mr. Warner was very involved in his career and community. An agricultural businessman, Mr. Warner served as a member of the Aiken County Board of Commissioners and since 1977 as the Chairman of the Aiken County Council. Additionally, he was a member of a number of civic organizations, including the Clemson University IPTAY Club, the Silverton Agriculture Club, the Aiken Rotary, the Aiken County Republican Party, the Wagener Lions Club, and the Kitchings Mill Community Club.

Mr. President, Carrol Warner was a personal friend of mine and I will remember him as an individual who set a high standard for civicmindedness. He was a dedicated and patriotic individual who will be greatly missed by those who knew him. He is survived by his wife, Judy; sons, Bryan, Joey, and Kevin; and a daughter, Angie. My thoughts and prayers are with his wife and children at this most difficult time.

I ask unanimous consent that a copy of Mr. Warner's obituary from the Aiken Standard be placed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR VIEW—CARROL H. WARNER

Residents of Aiken County are fortunate to have had a leader of the caliber of Carrol H. Warner. Mr. Warner, who served for 17 years as chairman of the Aiken County Council, died Feb. 5 as a result of stroke.

Friends, fellow county officials and leaders from around the state were saddened at the news of his passing.

Mr. Warner was one of the original Aiken County Council members following the institution of the South Carolina Home Rule Act of 1975.

After becoming chairman, Mr. Warner led Aiken County from a fractious, warring body to one that worked together, a leadership accomplishment he was most fond of.

In recent years the county found itself in a position of fiscal instability, but Mr. Warner's faith in elected officials and county employees never wavered. He predicted that the county would regain its financial health and it did so last year after three years of austerity.

Throughout the years, Mr. Warner was a consistent supporter of fiscal conservatism—and correctly so in our view. He backed the hard economic choices that promise stability at the end of the struggle: employee hiring freezes, a freeze on pay raises and tight limits on county purchasing.

Mr. Warner knew such decisions would not always be popular, but were necessary for the county to regain financial strength and security. In regards to his viewpoint and actions, he once said, "The buck stops here."

He lived to see the fruits of his financial positions. As a result of these measures, he pointed out in subsequent budget sessions that the county's cash flow was healthy. He said the county was building a $3 million reserve fund, with plans to increase that into a $5 million fund.

Mr. Warner was a long-time Republican, farmer and businessman. He was married to the former Judith Van Buren and was the father of four—Bryan, Joey, Angie and Kevin. The 63-year-old was a lifelong resident of Aiken County and attended public schools in Wagener. He also attended Clemson University. Warner served his country in the U.S. Air Force and was a veteran of the Korean Conflict.

Central to Mr. Warner's success as the leader of the Aiken County Council was the fact that he was always looking out for the best interest of his beloved county and the welfare of its people. And no matter the topic, he was always known to operate fairly and would listen patiently to the points of view of various citizens, even those who disagreed with his positions.

County Administrator William Shepherd, his colleague in county government and good friend, has praised Mr. Warner's ability to steer the county with an open mind.

Shepherd called the late chairman "a servant of the people. He always let them (citizens) speak their mind, even when they were criticizing him and county government."

Carrol Warner will be fondly and appreciatively remembered, and no doubt sorely missed. It is our sincere hope that Aiken County will be so blessed as to have other Warner-like "servants of the people."

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:24 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 2339. An Act to revise and extend the programs of the Technology-Related Assistance for Individuals with Disabilities Act of 1988, and for other purposes.

H.R. 3617. An Act to amend the Everglades National Park Protection and Expansion Act of 1989, and for other purposes.

At 5:57 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1804) to improve learning and teaching by providing a national framework for education reform; to promote the research, consensus building, and systemic changes needed to ensure equitable educational opportunities and high levels of educational achievement for all American students; to provide a framework for reauthorization of all Federal education programs; to promote the development and adoption of a voluntary national system of skill standards and certifications; and for other purposes, with an amendment and asks for a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as managers of the conference on the part of the House:

For consideration of all provisions of H.R. 1804 and the Senate amendment thereto except for title II of H.R. 1804 and sections 901–914 of the Senate amendment: Mr. FORD of Michigan, Mr. KILDEE, Mr. MILLER of California, Mr. SAWYER, Mr. OWENS, Mrs. UNSOELD, Mr. REED, Mr. ROEMER, Mrs. MINK, Mr. ENGEL, Mr. BECERRA, Mr. GREEN of Texas, Ms. WOOLSEY, Ms. ENGLISH of Arizona, Mr. STRICKLAND, Mr. PAYNE of New Jersey, Mr. ROMERO-BARCELÓ, Mr. GOODLING, Mr. GUNDERSON, Mr. MCKEON, Mr. PETRI, Ms. MOLINARI, Mr. CUNNINGHAM, Mr. MILLER of Florida, Mrs. ROUKEMA, and Mr. BOEHNER.

For consideration of title II of H.R. 1804 and sections 901–914 of the Senate amendment: Mr. FORD of Michigan, Mr. OWENS, Mr. PAYNE of New Jersey, Mr. SCOTT, Mr. SAWYER, Mr. GOODLING, Mr. BALLENGER, Mr. BARRETT of Nebraska, and Mr. FAWELL.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2212. A communication from the Federal Housing Finance Board, transmitting, pursuant to law, the report on the low-income housing and community development activities of the Federal Home Loan Bank System for calendar year 1992; to the Committee on Banking, Housing, and Urban Affairs.

EC–2213. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report on monetary policy for calendar year 1993; to the Committee on Banking, Housing, and Urban Affairs.

EC–2214. A communication from the Federal Housing Finance Board, transmitting, pursuant to law, the report of the salary rates for graded and executive level employees for 1994; to the Committee on Banking, Housing, and Urban Affairs.

EC–2215. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, the report on compensation of employees; to the Committee on Banking, Housing, and Urban Affairs.

EC–2216. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on appropriations legislation within five days of enactment; to the Committee on the Budget.

EC–2217. A communication from the Director of the National Science Foundation, transmitting, pursuant to law, the report on metrication for fiscal year 1993; to the Committee on Commerce, Science, and Transportation.

EC–2218. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report on the preliminary spectrum reallocation; to the Committee on Commerce, Science, and Transportation.

EC–2219. A communication from the Deputy Associate Director for Compliance of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–2220. A communication from the Acting Chief Financial Officer, Department of Energy, transmitting, pursuant to law, notice relative to the report on uncosted obligation balances; to the Committee on Energy and Natural Resources.

EC–2221. A communication from the Chairman of the Pennsylvania Avenue Development Corporation, transmitting, a draft of proposed legislation to authorize operating and administrative expenses of the Pennsylvania Avenue Development Corporation; to the Committee on Energy and Natural Resources.

EC–2222. A communication from the Administrator (Energy Information Administration), Department of Energy, transmitting, pursuant to law, the report of performance profiles of major energy producers for calendar year 1992; to the Committee on Energy and Natural Resources.

EC–2223. A communication from the Secretary of the Interior, transmitting, pursuant to law, the report of land for supplemental certification; to the Committee on Energy and Natural Resources.

EC–2224. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report of a review of Federal Authorities for Hazardous materials accident safety; to the Committee on Environment and Public Works.

EC–2225. A communication from the President of the United States, transmitting, pursuant to law, notice of an intention relative to Kazakhstan and Romania; to the Committee on Finance.

EC–2226. A communication from the Assistant Legal Adviser (Treaty Affairs), Department of State, transmitting, pursuant to law, a report of the texts of international agreements and background statements, other than treaties; to the Committee on Foreign Relations.

EC–2227. A communication from the Executive Secretary of the National Security Council, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC–2228. A communication from the Director of the Peace Corps, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC–2229. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC–2230. A communication from the Assistant Secretary (Human Resources and Administration), Department of Energy, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC–2231. A communication from the Chairman of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC–2232. A communication from the Chairman of the Harry S. Truman Scholarship Foundation, transmitting, pursuant to law, the annual report for calendar year 1993; to the Committee on Labor and Human Resources.

EC–2233. A communication from the Assistant Secretary of Education (Office of Special Education and Rehabilitative Services), transmitting, pursuant to law, the report of final regulations—rehabilitation services administration programs; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted on February 23, 1994:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments and an amendment to the title:

H.R. 1134: A bill to provide for the transfer of certain public lands located in Clear Creek County, Colorado, to the United States Forest Service, the State of Colorado, and certain local governments in the State of Colorado, and for other purposes (Rept. No. 103–228).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Ginger Ehn Lew, of California, to be general counsel of the Department of Commerce, vice Wendell Lewis Willkie II, resigned;

Greg Farmer, of Florida, to be Under Secretary of Commerce for Travel and Tourism, vice John G. Keller, Jr., resigned;

Graham R. Mitchell, of Massachusetts, to be Assistant Secretary of Commerce for Technology Policy, vice Deborah Wince-Smith, resigned;

Thomas R. Bloom, of Michigan, to be an Assistant Secretary of Commerce, vice Thomas Jones Collamore, resigned;

Thomas R. Bloom, of Michigan, to be chief financial officer, Department of Commerce, vice Preston Moore, resigned;

Ann Brown, of Florida, to be a commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1992, vice Carol Gene Dawson, term expired;

Ann Brown, of Florida, to be chairman of the Consumer Product Safety Commission, vice Jacqueline Jones Smith;

Linda Joan Morgan, of Maryland, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1998, vice Edward J. Philbin, term expired; and

Rear Adm. Robert E. Kramek, U.S. Coast Guard, to be Chief of Staff, U.S. Coast Guard, with the grade of vice admiral while so serving.

The following officer of the U.S. Coast Guard to be a permanent commissioned officer in the grade of lieutenant (junior grade) in the Regular Coast Guard: Stephen M. Midas.

Mr. HOLLINGS. Mr. President, for the Committee on Commerce, Science, and Transportation, I also report favorably two nomination lists in the Coast Guard, which were printed in full in the CONGRESSIONAL RECORD of February 3 and 4, 1994, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

By Mr. NUNN, from the Committee on Armed Services:

The following named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a): Maj. Gen. Marc A. Cisneros, xxx-xx-xxxx, U.S. Army.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. FEINSTEIN (for herself, Mrs. MURRAY, Mr. KENNEDY, Mrs. BOXER, Ms. MOSELEY-BRAUN, Mr. SIMON, and Mr. METZENBAUM):

S. 1864. A bill to prohibit sexual harassment by employers with fewer than 15 employees; to the Committee on Labor and Human Resources.

By Mr. MCCAIN:

S. 1865. A bill to amend title XIX of the Social Security Act to promote demonstrations by States of alternative methods of more efficiently delivering health care services through community health authorities; read the first time.

By Mr. METZENBAUM (for himself, Mr. DECONCINI, Mr. SIMON, and Mr. REID):

S. 1866. A bill to amend the National Security Act of 1947 to improve personnel measures that enhance security for classified information, and for other purposes; to the Select Committee on Intelligence.

By Mr. DURENBERGER (for himself, Mr. MURKOWSKI and Mr. JEFFORDS):

S. 1867. A bill to expedite the naturalization of aliens who served with special guerrilla units in Laos; to the Committee on the Judiciary.

By Mrs. BOXER:

S. 1868. A bill to amend the Internal Revenue Code of 1986 to allow the casualty loss deduction for disaster losses without regard to the 10-percent adjusted gross income floor; to the Committee on Finance.

By Mr. COHEN (for himself and Mr. BOREN):

S. 1869. A bill to amend the National Security Act of 1947 to improve counterintelligence measures through enhanced security for classified information, and for other purposes; to the Select Committee on Intelligence.

By Mr. BINGAMAN:

S. 1870. A bill to provide State programs to encourage employee ownership and participation in business decisionmaking throughout the United States; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 1871. A bill to establish the New Bedford Whaling National Historical Park in New Bedford, Massachusetts, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROCKEFELLER:

S. 1872. A bill to expand United States exports of goods and services by requiring the development of objective criteria to achieve market access in Japan, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WOFFORD (for himself, Mr. LEVIN, Mrs. FEINSTEIN, Mr. LAUTENBERG, Mr. KOHL, Mr. RIEGLE, and Mr. SARBANES):

S. Con. Res. 61. A concurrent resolution expressing the sense of the Congress in support of the President's actions to reduce the trade imbalance with Japan; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN (for herself, Mrs. MURRAY, Mr. KENNEDY, Mrs. BOXER, Ms. MOSELEY-BRAUN, Mr. SIMON, and Mr. METZENBAUM):

S. 1864. A bill to prohibit sexual harassment by employers with fewer than 15 employees; to the Committee on Labor and Human Resources.

HARASSMENT-FREE WORKPLACE ACT

Mrs. FEINSTEIN. Mr. President, I am proud to introduce the Harassment-Free Workplace Act of 1994, which is cosponsored by my colleagues Senators BOXER, MURRAY, MOSELEY-BRAUN, KENNEDY, SIMON, and METZENBAUM.

Mr. President, current Federal law contains one glaring loophole; and that is, at present, title VII of the 1964 Civil Rights Act applies only to businesses with 15 or more employees. However, an employee of a company with fewer than 15 workers has no protection against sexual harassment under current Federal law.

This loophole essentially omits some 18 million workers—which comprise 20 percent of the American work force—from protection against sexual harassment.

In order to eliminate that loophole, we are proposing legislation which is modeled on legislation now in place in the State of California which protects all workers from sexual harassment in the workplace. This legislation would simply expand current Federal protection to cover workers in businesses with fewer than 15 employees.

I think there is no question in anybody's mind that sexual harassment is a serious and ongoing problem. Since the Anita Hill-Clarence Thomas hearings of more than 2 years ago, the number of sexual harassment claims processed by the Equal Employment Opportunity Commission, believe it or not, has increased by more than 50 percent.

The 1990 Census Bureau found that roughly 18 million workers, comprising 20 percent of the American work force, as I said, are not protected by Federal law.

A survey of the National Association of Female Executives found that 53 percent of all women surveyed report being harassed at some time in their working life.

Almost 90 percent of Fortune 500 companies report receiving complaints.

So ignoring sexual harassment is not only bad policy, it is also bad business.

A 1988 study of 160 Fortune 500 companies found that sexual harassment costs the average company a total of $6.7 million a year due to absenteeism, low productivity, and high turnover, because an employee cannot continue to function at the same level when she is subjected to sexual harassment.

Many States—including my own State of California—recognize this problem.

Thirty-five States and the District of Columbia have adopted fair employment laws that offer more protection against sexual harassment for workers, according to the Congressional Research Service.

Yet, 15 States still offer no coverage beyond the Federal cutoff of 15 or more employees.

This legislation aims to level the playing field for all employees in America and create some basic laws which extend to every employee. It will mean that any employee, whether in corporate America or in small business in America, will be protected by laws against sexual harassment. It clearly defines what sexual harassment is, and it says the employer has a responsibility if it is brought to his attention to do something about it.

Much has been said about 1992 being the "Year of the Woman," but I am hopeful that 1994 will be the year for all women in the workplace to once and for all put this issue behind us.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Harassment-Free Workplace Act".

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to provide Federal protection to small business employees from sexual harassment in their workplaces;

(2) to extend the sexual harassment provisions of current civil rights laws to private sector employers who are not currently covered by Federal law relating to sexual harassment; and

(3) to authorize the Equal Employment Opportunity Commission to enforce sexual harassment laws with respect to small businesses in the same manner as the Commission currently enforces employment discrimination laws with respect to other businesses.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMERCE.—The term "commerce" means trade, traffic, commerce, transportation, transmission, or communication—

(A) among the several States;

(B) between a State and any place outside thereof;

(C) within the District of Columbia, or a possession of the United States; or

(D) between points in the same State but through a point outside thereof.

(2) COMMISSION.—The term "Commission" means the Equal Employment Opportunity Commission established under section 705 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-4).

(3) COMPLAINING PARTY.—The term "complaining party" means the Commission, the Attorney General, or a person who may bring an action or proceeding under this Act.

(4) EMPLOYEE.—The term "employee" means an individual employed by an employer, except that the term "employee" shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision. With respect to employment in a foreign country, such term includes an individual who is a citizen of the United States.

(5) EMPLOYER.—The term "employer" means a person engaged in an industry affecting commerce who has fewer than fifteen employees for each working day in each of 33 or more calendar weeks in the current and in the preceding calendar year.

(6) EMPLOYMENT AGENCY.—The term "employment agency" means any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer, and includes an agent of such a person.

(7) INDUSTRY AFFECTING COMMERCE.—The term "industry affecting commerce" means any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce and includes any activity or industry "affecting commerce" within the meaning of the Labor-Management Reporting and Disclosure Act of 1959, and further includes any governmental industry, business, or activity.

(8) LABOR ORGANIZATION.—The term "labor organization" means a labor organization engaged in an industry affecting commerce, and any agent of such an organization, and includes any organization of any kind, any agency, or employee representation committee, group, association, or plan so engaged in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay,

hours, or other items or conditions of employment, and any conference, general committee, joint or system board, or joint council so engaged which is subordinate to a national or international labor organization.

(9) LABOR ORGANIZATION DEEMED TO BE ENGAGED IN AN INDUSTRY AFFECTING COMMERCE.—A labor organization shall be deemed to be engaged in an industry affecting commerce if—

(A)(i) it maintains or operates a hiring hall or hiring office which procures employees for an employer or procures for employees opportunities to work for an employer; or

(ii) the number of its members (or, where it is a labor organization composed of other labor organizations or their representatives, if the aggregate number of the members of such other labor organizations) is fewer than 15; and

(B) such labor organization—

(i) is the certified representative of employees under the provisions of the National Labor Relations Act or the Railway Labor Act;

(ii) although not certified, is a national or international labor organization or a local labor organization recognized or acting as the representative of employees of an employer or employers engaged in an industry affecting commerce;

(iii) has chartered a local labor organization or subsidiary body which is representing or actively seeking to represent employees of employers within the meaning of clause (i) or (ii);

(iv) has been chartered by a labor organization representing or actively seeking to represent employees within the meaning of clause (i) or (ii) as the local or subordinate body through which such employees may enjoy membership or become affiliated with such labor organization; or

(v) is a conference, general committee, joint or system board, or joint council subordinate to a national or international labor organization, which includes a labor organization engaged in an industry affecting commerce within the meaning of any of clauses (i), (ii), (iii), or (iv).

(10) PERSON.—The term "person" includes one or more individuals, governments, governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under title 11, United States Code, or receivers.

(11) RESPONDENT.—The term "respondent" means—

(A) an employer, employment agency, labor organization; or

(B) a joint labor-management committee controlling apprenticeship or other training or retraining program, including an on-the-job training program, that serves an employer or an employee.

(12) STATE.—The term "State" includes a State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, Wake Island, the Canal Zone, and Outer Continental Shelf lands defined in the Outer Continental Shelf Lands Act.

SEC. 4. SEXUAL HARASSMENT.

(a) IN GENERAL.—It shall be an unlawful employment practice for a respondent to engage in a practice that constitutes sexual harassment, within the meaning of title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) (including any regulation or administrative guideline issued under such title, or any applicable case law issued by a Federal court with respect to such title, regarding such harassment) against an employee or an applicant for employment with an employer.

(b) ANTI-RETALIATION.—It shall be an unlawful employment practice for a respondent to discriminate against any such employee or applicant because the employee or applicant has opposed any practice made an unlawful employment practice by this Act, or because the employee or applicant has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this Act.

SEC. 5. ENFORCEMENT, REMEDIES, AND RELATED PROVISIONS.

(a) ENFORCEMENT AND REMEDIES.—

(1) IN GENERAL.—This Act provides the powers, remedies, and procedures set forth in sections 705, 706, 707, 709, 710, 713, and 714 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-4, 2000e-5, 2000e-6, 2000e-8, 2000e-9, 2000e-12, and 2000e-13) to the Commission, to the Attorney General, or to any person alleging a violation of any provision of this Act, as appropriate.

(2) DAMAGES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in an action brought by a complaining party under paragraph (1) in accordance with section 706 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5) against a respondent who engaged in a practice that violates a provision of this Act, the complaining party may be awarded compensatory and punitive damages as allowed in section 1977A(b) of the Revised Statutes (42 U.S.C. 1981a(b)), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent.

(B) LIMITATIONS.—If—

(i) a complaining party is awarded, under this paragraph, compensatory damages for future pecuniary losses, emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, or other nonpecuniary losses, or punitive damages; and

(ii) on the day on which the complaining party is awarded damages described in clause (i) there is in effect under section 1977A of the Revised Statutes a limit on the sum of the amount of such damages that may be awarded under such section in an action in which the respondent has more than 14 and fewer than 101 employees in each of 20 or more calendar weeks in the current or preceding calendar year,

the sum of the amount of such damages that the complaining party may be awarded under this paragraph may not exceed the sum described in clause (ii).

(C) JURY TRIAL.—If a complaining party seeks compensatory or punitive damages under this paragraph—

(i) any party may demand a trial by jury; and

(ii) the court shall not inform the jury of the limitations described in subparagraph (B).

(b) EXTRATERRITORIAL APPLICATION.—Section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-1) shall apply with respect to the application of this Act to an employer, employing agency, labor organization, or committee, in the same manner and to the same extent as such section applies with respect to the application of title VII of such Act (42 U.S.C. 2000e et seq.) to an employer, employing agency, labor organization, or committee, respectively, as such terms are used in such Act.

(c) EFFECT ON STATE LAWS.—Section 708 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-7) shall apply with respect to the construction of this Act in the same manner and to the same extent as such section applies with respect to the construction of title VII of such Act.

SEC. 6. POSTING NOTICES.

(a) NOTICE.—Every respondent shall post and keep posted, in the manner prescribed by section 711 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-10), a notice describing the applicable provisions of this Act, to be prepared or approved by the Commission and to appear in an accessible format, for employees and applicants for employment with employers.

(b) PENALTY.—A willful violation of this section shall be punishable by a fine of not more than $100 for each separate offense.

SEC. 7. EFFECTIVE DATE.

This Act shall take effect 6 months after the date of enactment of this Act.

Ms. MOSELEY-BRAUN. Mr. President, I am proud to be an original cosponsor of the Harassment-Free Workplace Act. This legislation is important because it will extend legal protections against sexual harassment to every workplace in America. I believe it is critical to expand civil rights legislation to protect every American.

Under current law, the Civil Rights Act of 1964 as amended, an employee who has been the victim of sexual harassment in the workplace has the right to sue an employer for back pay and emotional distress only if she works for a company with greater than 15 employees. The law comes into play not based on the degree of harassment, or the injury caused, but as a function of the size of the company.

Mr. President, I believe this is the wrong standard. It is an arbitrary standard. I believe that all women and men should have the right to work in an environment free from harassment. Women who work in small companies are entitled to the same civil rights protections as women in large companies. That is what this bill does.

I would like to talk for a moment about the women that this bill will protect. Many of these women are the main providers for their families. They work hard and play by the rules and raise their children. They are our mothers, our sisters, and our daughters. And they have every right to equal protection under the law.

It is not enough to say that a woman working for a small company can change jobs if she is being harassed. Oftentimes, changing jobs is not a good option for a woman. For example, her employer may provide health benefits. But without portability of health care benefits, a woman with a preexisting condition might not be able to obtain affordable health care coverage at a new job.

This bill is not going to funnel money to lawyers. It will not produce unnecessary litigation. This bill will protect women who need our help. These women look to the Congress and the legal system as their last resort. Our laws must be responsive. Our country must respect the work of women at all levels, in every business, in every community.

Mr. President, small businesses are growing many times faster and creating many more jobs than corporate America. As a member of the Small Business Committee, I welcome the extension of Civil Rights Act protections to the most dynamic sector of our economy. More and more women are working in small businesses, and they deserve the protections the Congress has already awarded to women in big business.

I am proud that in my State of Illinois, the legislature reformed the Illinois Human Rights Act in 1992 to protect from sexual harassment any person who works in a company of more than one employee. In Illinois, we recognize that every person has the right to work in a harassment-free environment. But most States do not have legislation which protects all employees. That is why this Federal legislation is so important.

Mr. President, I was sent to the Senate by women and men across Illinois who thought I could make a difference. This legislation, if passed, will make an enormous difference in the lives of millions of women in Illinois and across America. I want to commend my colleague from California, Senator FEINSTEIN, for her leadership on this legislation. I intend to work closely with her to ensure passage of this bill.

Mr. SIMON. Mr. President, as chair of the Subcommittee on Employment and Productivity, which has oversight jurisdiction over the Equal Employment Opportunity Commission, I am pleased to be an original cosponsor of a measure that will provide recourse for the millions of women and men employed in the small business sector who currently have no protection under Federal sexual harassment law. While many States such as my home State of Illinois have enacted legislation to extend protection to small businesses, the increased incidence of sexual harassment in the workplace demands congressional action. Mr. President, my colleague, Senator FEINSTEIN, is introducing legislation to provide protection and recourse to those employed in businesses with fewer than 15 employees.

For the past two decades, we have seen a remarkable evolution in Federal sexual harassment law. In 1986, the Supreme Court in Meritor Savings Bank versus Vinson ratified the consensus emerging among the Federal circuits and the Equal Employment Opportunity Commission by recognizing a title VII cause of action for sexual harassment, even where the victim suffers no tangible or economic loss. Since the enactment of the Civil Rights Act of 1991, sexual harassment plaintiffs for the first time are entitled to compensatory and punitive damages, and have the right to a jury trial. More recently, the Supreme Court revisited sexual harassment issues in Harris versus Forklift Systems, Inc. and held that workers need not show severe psychological injury to prevail in sexual harassment cases.

Despite these recent developments and increased media attention to the subject of sexual harassment, sexual harassment in the workplace continues to be a pervasive problem. Some 70 percent of working women have been the victims of sexual harassment, according to several recent surveys. According to the National Institute of Business Management, 1 out of 2 women reports having been sexually harassed in the workplace within the past 2 years. The Equal Employment Opportunity Commission reports that sexual harassment complaints have increased 125 percent nationwide since 1990.

While the reported increase is significant, it does not tell the entire story. Sexual harassment is significantly underreported. In a 1992 Working Women survey, more than 60 percent of those surveyed responded that they had been harassed; however, only 1 out of 4 reported the harassment to their employers. Many women do not feel that they can safely report the problem, and many fear retaliation. Only 1 of 5 women surveyed by Working Women believes companies and the government treat complaints of harassment justly. Over 90 percent think that companies and government must do more to prevent and stop the abuse. Harassment in any workplace, whether in the public or private sector, must not be tolerated.

Sexual harassment is discrimination. Sexual harassment is about power and fear. Harassment often stems from an outdated attitude about the proper role of women, and is one way to keep women in their place. Harassment creates an onerous barrier that prevents women from reaching their potential in the workplace. Those who are harassed experience many serious ill effects such as being fired or forced to quit, undermined self-esteem, impaired health, and long-term career damage. Emotional turmoil affects work performance and forced career detours all too often translate into decreased earning power.

Harassment hurts employers and our Nation also. An earlier Working Women survey reported harassment costs a typical Fortune 500 company $6.7 million a year in absenteeism, turnover, and lost productivity. In order to compete in a global economy, all barriers that keep women and men from reaching their potential in the workplace must be removed.

Currently, title VII covers only employers of 15 or more employees. According to the Small Business Administration, approximately 89 percent of all employers operated businesses with less than 20 employees in 1990. These small businesses employed approximately 20 percent of the private work force. These statistics mean that over 18 million women and men have no recourse under Federal sexual harassment law. The proposed legislation will help ensure a nondiscriminatory workplace for all.

I urge my colleagues to join me in support of the Harassment-Free Workplace Act.

By Mr. McCAIN:

S. 1865. A bill to amend title XIX of the Social Security Act to promote demonstrations by States of alternative methods of more efficiently delivering health care services through community health authorities.

THE COMMUNITY HEALTH IMPROVEMENT ACT OF 1994

• Mr. McCAIN. Mr. President, I am pleased to introduce the Community Health Improvement Act of 1994, which is being cosponsored by Senators HOLLINGS and BROWN. The purpose of this legislation, which is similar to H.R. 3573 sponsored by Representative ROWLAND and cosponsored by Representative BILIRAKIS, is to enhance access to quality care for underserved populations, such as residents of rural areas and inner cities. It is strongly supported by the National Association of Community Health Centers.

As we debate health care reform, it has become increasingly apparent that millions of Americans have inadequate access to health care services as a result of where they live. A report from the National Association of Community Health Centers and George Washington University found that there are 43 million Americans who are considered medically underserved—people who can't get care when they need it. These people live in all areas of the country, but they are particularly located in rural communities and inner-city neighborhoods in which health care delivery systems are poorly developed. While some are uninsured, many have coverage but are still not able to obtain the efficient, integrated health care services they need.

The Community Health Improvement Act of 1994 will allow us to meet the needs of our medically underserved populations by building our national capacity of integrated service delivery systems. I want to emphasize that this is not a health reform bill, in the sense that it does not attempt to comprehensively address the way in which health care services are financed and delivered in this country. Of the various health reform bills that we are considering, some attempt to improve the service delivery capacity in underserved areas and some do not. Yet, all of these bills will entail some phase in and none will benefit underserved people immediately. This bill will allow us to address their problems while we are waiting for reform to go into effect. Moreover, it will not conflict with whichever health reform proposal is ultimately enacted.

Specifically, the Community Health Improvement Act would promote demonstrations by States of alternative methods of delivering health care services to underserved populations under Medicaid. It would authorize States to apply to the Secretary of DHHS to develop 5-year renewable demonstration projects establishing Community Health Authorities [CHA's]—vertically and horizontally integrated health service networks consisting of community health centers, rural health clinics, public health agencies, hospitals, and other local providers. The CHA's would enroll and care for underserved Medicaid recipients, and, to the extent financially feasible, would expand coverage to uninsured and underinsured low-income individuals.

States would obtain Federal matching funds to support the planning, development, and operation of the CHA's. The bill caps Federal payment for services provided by CHA's to the previous year's costs plus CPI, thereby funding them on a capitated basis. The CHA, not the Federal or State government, would be at financial risk for costs incurred above the capitation payment per enrollee. The National Association of Community Health Centers has advised us that the administrative costs of establishing the networks will be offset by program savings, and that the bill is likely to be graded budget neutral by CBO. It projects program savings of $2,150,000 annually for each State that has a demonstration, after the first 2 years of $250,000 in startup costs.

The bill also amends the Public Health Service Act to authorize grants to community health centers to support the planning and development of integrated health service networks that serve medically underserved areas and populations. This provision is independent of the Medicaid provision in the bill, and would allow community health centers to develop networks that are less comprehensive than the CHA's if they choose. Unlike H.R. 3573, our Senate bill does not grant malpractice protection under the Federal Tort Claims Act [FTCA] for CHA providers. This provision in the House bill would create an open-ended Federal liability for negligent actions of providers. Community health centers will maintain their FTCA coverage under current law.

While we are debating different health care reform proposals, and waiting for whatever reform plan that is ultimately enacted to go into effect, we should do everything that we can to make health care services more accessible and affordable for Americans, particularly underserved populations. The Community Health Improvement Act of 1994 offers one important way in which we can do this now. It will enhance our health care infrastructure where it is inadequate, enhance the efficiency of services in underserved areas, and enhance the affordability of care of uninsured and underinsured people.

Mr. President, I ask for unanimous consent that the text of our bill, as well as a recent New York Times article entitled "Finding, Not Paying, Doctors is Top Rural Health Concern" that indicates the need for this legislation, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Health Improvement Act of 1994".

SEC. 2. COMMUNITY HEALTH AUTHORITIES DEMONSTRATION PROJECTS.

(a) IN GENERAL.—Title XIX of the Social Security Act, as amended by section 13631(b) of the Omnibus Budget Reconciliation Act of 1993, is amended—

(1) by redesignating section 1931 as section 1932; and

(2) by inserting after section 1930 the following new section:

"COMMUNITY HEALTH AUTHORITIES DEMONSTRATION PROJECTS

"SEC. 1931. (a) IN GENERAL.—In order to test the effectiveness of various innovative health care delivery approaches through the operation of community health authorities, the Secretary shall operate a program under which States establish projects to demonstrate the effectiveness of such approaches in providing access to cost-effective preventive and primary care and related services for various areas and populations, including low-income residents of medically underserved areas or for medically underserved populations. A State may operate more than 1 such project.

"(b) SELECTION OF STATE PROJECTS.—

"(1) IN GENERAL.—A State is eligible to participate in the program, and establish a demonstration project, under this section only if—

"(A) the State submits to the Secretary an application, at such time and in such form as the Secretary may require, for participation in the program; and

"(B) the Secretary finds that—

"(i) the application contains assurances that the State will support the development of a community health authority that meets the requirements of this section,

"(ii) the community health authority will meet the requirements for such an authority under subsection (c),

"(iii) the State provides sufficient assurances that the demonstration project of a community health authority meets (or, when operational, will meet) the requirements of subsection (d), and

"(iv) the State will comply with the requirements of subsections (g) and (h).

"(2) CONTENTS OF APPLICATION.—Each application submitted under paragraph (1) for a demonstration project shall include at least the following:

"(A) A description of the proposed community health authority and of the area or population that the authority will serve.

"(B) A demonstration that the CHA will serve at least 1 geographic area or population group that is designated as medically underserved under section 330 of the Public Health Service Act or as having a shortage of health professionals under section 332 of such Act.

"(C) An assessment of the area's or population's need for services and an assurance that the services of the CHA will be responsive to those needs.

"(D) A list of the items and services to be furnished by the CHA under the project, broken down by those items and services that are treated as medical assistance under the State plan under this title and other items and services that will be provided by the CHA (either directly or through coordination with other entities).

"(E) An assurance that the CHA has entered into (or plans to enter into) written participation agreements with a sufficient number of providers to enable the CHA to furnish all of such items and services to enrolled individuals.

"(F) An assurance that the State plan under this title will provide payment to the authority in accordance with subsection (e).

"(G) Evidence of support and assistance from other State agencies with responsibility for providing or supporting the provision of preventive and primary care services to underserved and at-risk populations.

"(H) A proposed budget for the CHA.

"(3) PRIORITY.—The Secretary shall give priority to those applications proposing to support a CHA that includes as participating providers all Federally-qualified health centers serving the area or population or (in areas for which there are no Federally-qualified health centers) all entities that would be Federally-qualified health centers but for the failure to meet the requirement described in section 329(f)(2)(G)(i) of the Public Health Service Act or the requirement described in section 330(e)(3)(G)(i) of such Act (relating to the composition of the entity's governing board).

"(4) PERIOD OF APPROVAL.—Each project approved under this section shall be approved for a period of not less than 5 years, subject to renewal for subsequent periods unless such approval is withdrawn for cause by the Secretary or at the request of the State.

"(c) COMMUNITY HEALTH AUTHORITY (CHA) DEFINED.—In this section, the terms 'community health authority' and 'CHA' mean a nonprofit entity that meets the following requirements:

"(1) The entity serves (or will serve at the time it becomes operational under a project) a geographic area or population group that includes those designated—

"(A) under section 330 of the Public Health Service Act as medically underserved, or

"(B) under section 332 of such Act as a health professions shortage area.

"(2) The entity enrolls—

"(A) individuals and families who are medicaid-eligible;

"(B) within the limits of its available resources and capacity, other individuals who have incomes below 200 percent of the Federal official poverty level; and

"(C) within the limits of its available resources and capacity, other individuals and families who are able to pay the costs of enrollment.

"(3) Through its participating providers, the entity provides or, through contracts, arranges for the provision of (or, by the time it becomes operational, will so provide or arrange for the provision of) at least preventive services, primary care services, inpatient and outpatient hospital services, and any other service provided by a participating provider for which payment may be made under the State plan under this title to enrolled individuals.

"(4) The entity must include (to the maximum extent practicable) as participating providers any of the following providers that furnish services provided by (or arranged by) the entity that are located in or serve the area or population to be covered:

"(A) Federally-qualified health centers.

"(B) Rural health clinics.

"(C) Local public health agencies that furnish such services.

"(D) A hospital (or other provider of inpatient or outpatient hospital services) which has a participation agreement in effect with the State under its plan under this title, which is located in or serving the area or population to be served.

"(5) The entity may include as participating providers other providers (which may include private physicians or group practice offices, other community clinics, limited service providers (such as prenatal clinics), and health professionals teaching programs (such as area health educational centers)) and take other appropriate steps, to the extent needed to assure that the network is reasonable in size and able to provide (or arrange for the provision of) the services it proposes to furnish to its enrollees.

"(6) The entity must maintain written agreements with each participating provider under which the provider agrees to participate in the CHA and agrees to accept payment from the CHA as payment in full for services furnished to individuals enrolled with the CHA (subject to the requirements of subsection (g)(4), in the case of services furnished by a provider that are described in subparagraph (B) or (C) of section 1905(a)(2)).

"(7) Under the written agreements described in paragraph (6), if a majority of the board of directors of the entity has determined that a participating provider is failing to meet any of the requirements of the participation agreement, the board may terminate the provider's participation agreement in accordance with the following requirements:

"(A) Subject to subparagraph (B), prior to any termination of a provider's participation agreement, the provider shall be entitled to 30 days prior notice, a reasonable opportunity to correct any deficiencies, and an opportunity for a full and fair hearing conducted by the entity to dispute the reasons for termination. The provider shall be entitled to appeal the board of directors' decision directly to a committee consisting of representatives of all of the entity's participating providers.

"(B) If a majority of the board of directors of the entity determines that the continued participation of a provider presents an immediate threat to the health and safety of patients or a substantial risk of improper diversion of funds, the board may suspend the provider's participation agreement (including the receipt of funds under the agreement) for a period of up to 60 days. During this period, the entity shall take steps to ensure that patients who were assigned to or cared for by the suspended provider are appropriately assigned or referred to alternative participating providers. The suspended provider shall be entitled to a hearing within the period of the suspension to show cause why the suspension should be lifted and its participation agreement restored. If dissatisfied with the board's decision, the provider shall be entitled to appeal the decision directly to a committee consisting of representatives of all of the entity's participating providers.

"(C) For all other disputes between the entity and its participating providers (including disputes over the amounts due or interim rates to be paid to a provider), the entity shall provide an opportunity for a full and fair hearing.

"(8) The entity must be governed by a board of directors that includes representatives of the participating providers and, as appropriate, other health professionals, civic or business leaders, elected officials, and residents of the area or population served. Not less than 51 percent of such board shall be composed of individuals who are enrolled in the CHA and who are representatives of the community served.

"(d) DEMONSTRATION PROJECT REQUIREMENTS.—The requirements of this subsection, with respect to a demonstration project of a CHA under this section, are as follows:

"(1)(A) All services furnished by the CHA under the project shall be available and accessible to all enrolled individuals and, except as provided in subparagraph (B), must be available without regard to an individual's ability to pay for such services.

"(B) A CHA shall prepare a schedule of discounts to be applied to the payment of premiums by individuals who are not medicaid-eligible individuals which shall be adjusted on the basis of the individual's ability to pay.

"(2) The CHA shall take appropriate steps to emphasize the provision of preventive and primary care services, and shall ensure that each enrolled individual is assigned to a primary care physician (to the greatest extent appropriate and feasible), except that the CHA shall establish a process through which an enrolled individual may be assigned to another primary care physician for good cause shown.

"(3) The CHA must make reasonable efforts to reduce the unnecessary or inappropriate use of hospital or other high-cost services through an emphasis on preventive and primary care services, the implementation of utilization review or other appropriate methods.

"(4) The State must regularly provide the CHA with information on other medical, health, and related benefits that may be available to individuals enrolled with the CHA under programs other than the State plan under this title, and the CHA must provide its enrolled individuals with enrollment information and other assistance to assist such individuals in obtaining such benefits.

"(5) The State and the CHA must meet such financial standards and requirements and reporting requirements as the Secretary specifies and must prepare and submit to the Secretary an annual independent financial audit conducted in accordance with requirements specified by the Secretary.

"(6) In collaboration with the State, the CHA must adopt and use community-oriented, patient-responsive quality assurance and control systems in accordance with requirements specified by the Secretary. Such systems must include at least an ongoing quality assurance program that measures consumer satisfaction with the care provided under the network, stresses improved health outcomes, and operates a community health status improvement process that identifies and investigates community health problems and implements measures designed to remedy such problems.

"(e) CAPITATION PAYMENTS.—

"(1) IN GENERAL.—Under a demonstration project under this section, the State shall enter into an annual contract with the CHA under which the State shall make monthly payments to the CHA for covered services furnished through the CHA to individuals entitled to medical assistance under this title in the amount specified in paragraph (2). Payment shall be made at the beginning of each month on the basis of estimates of the amounts payable and amounts subsequently paid are subject to adjustment to reflect the amounts by which previous payments were greater or less than the amount of payments that should have been made.

"(2) AMOUNT OF CAPITATION PAYMENT.—The amount of a monthly payment under paragraph (1) during a contract year, shall be equal to 1/12 of the product of—

"(A)(i) the average per capita amounts expended under this title under the State plan for covered services to be furnished under the demonstration project for similar medicaid-eligible individuals for the most recent 12-month period ending before the date of the enactment of this section, increased by (ii) the percentage change in the consumer price index for all urban consumers (all items; U.S. city average) during the period that begins upon the expiration of such 12-month period and ends upon the expiration of the most recent 12-month period ending before the first month of the contract year for which complete financial data on such index is available, and

"(B) the number of medicaid-eligible individuals enrolled under the project as of the 15th day of the month prior to the first month of the contract year (or, in the case of the first year for which a contract is in effect under this subsection, the CHA's reasonable estimate of the number of such individuals who will be enrolled in the project as of the 15th day of such month).

"(f) ADDITIONAL STATE ASSISTANCE FOR PLANNING, DEVELOPMENT, AND OPERATIONS.—

"(1) IN GENERAL.—Subject to paragraph (2), in addition to the payments under subsection (e), demonstration projects approved under this section are eligible to have approved expenditures described in paragraph (3) treated, for purposes of section 1903(a)(7), as expenditures found necessary by the Secretary for the proper and efficient administration of the State plan under this title.

"(2) SPECIAL RULES.—

"(A) LIMITATION WITH RESPECT TO ANY COMMUNITY HEALTH AUTHORITY.—The total amount of expenditures with respect to any CHA that may be treated as expenditures for administration under paragraph (1) for any 12-month period shall not exceed $250,000.

"(B) LIMITATION ON NUMBER OF YEARS.—The number of 12-month periods for which expenditures are treated as expenditures for administration under paragraph (1) for a CHA shall not exceed—

"(i) 2 for expenditures for planning and development assistance, described in paragraph (3)(A), and

"(ii) 2 for expenditures for operational assistance, described in paragraph (3)(B).

"(C) NO RESULTING REDUCTION IN AMOUNTS PROVIDED UNDER PHSA GRANTS.—No grant to a CHA or 1 of its participating providers under the Public Health Service Act or this Act may be reduced on the ground that activities of the CHA that are considered approved expenditures under paragraph (3) are activities for which the CHA or the participating providers received funds under such Act.

"(3) APPROVED EXPENDITURES.—The approved expenditures described in this paragraph are as follows:

"(A) PLANNING AND DEVELOPMENT.—Expenditures for planning and development with respect to a CHA, including—

"(i) developing internal management, legal and financial and clinical, information, and reporting systems for the CHA, and carrying out other operating activities of the CHA;

"(ii) recruiting, training and compensating management staff of the CHA and, as appropriate and necessary, management and clinical staff of any participating provider;

"(iii) purchasing essential equipment and acquiring, modernizing, expanding, or (if cost-effective) constructing facilities for the CHA and for participating providers (including amortization costs and payment of interest on loans); and

"(iv) entering into arrangements to obtain or participate in emerging medical technologies, including telemedicine.

"(B) OPERATIONS.—Expenditures in support of the operations of a CHA, including—

"(i) the ongoing management of the CHA, including daily program administration, recordkeeping and reporting, assurance of proper financial management (including billings and collections) and oversight of program quality;

"(ii) developing and operating systems to enroll eligible individuals in the CHA;

"(iii) data collection, in collaboration with the State medicaid agency and the State health department, designed to measure changes in patient access to care, the quality of care furnished, and patient health status, and health care outcomes;

"(iv) ongoing community outreach and community education to all residents of the area or population served, to promote the enrollment of eligible individuals and the appropriate utilization of health services by such individuals;

"(v) the establishment of necessary reserves or purchase of stop-loss coverage; and

"(vi) activities relating to health professions training, including residency training at participating provider sites.

"(g) ADDITIONAL REQUIREMENTS.—

"(1) MANDATORY ENROLLMENT OF MEDICAID-ELIGIBLE INDIVIDUALS.—Notwithstanding any provision of section 1903(m), a State participating in a demonstration project under this section may require that each medicaid-eligible resident in the service area of a CHA operating under the project is not eligible to receive any medical assistance under the State plan that may be obtained through enrollment with the CHA unless the individual receives such assistance through enrollment with the CHA.

"(2) CONTINUED ENTITLEMENT TO ADDITIONAL BENEFITS.—In the case of a medicaid-eligible individual enrolled with a CHA under a demonstration project under this section, the individual shall remain entitled to medical assistance for services which are not covered services under the project.

"(3) HMO-RELATED REQUIREMENTS.—A CHA under this section shall be deemed to meet the requirements of section 1903(m) (subject to paragraph (1)) in the same manner as an entity listed under section 1903(m)(2)(G).

"(4) TREATMENT OF FEDERALLY-QUALIFIED HEALTH CENTERS AND RURAL HEALTH CLINICS.—Payments under a demonstration project under this section to a Federally qualified health center or rural health clinic which is a participating provider shall be made consistent with section 1902(a)(13)(E) for all services offered by the CHA which are provided by such a center or clinic.

"(5) OUTSTATIONING ELIGIBILITY WORKERS.—Under the project, the State may (in addition to meeting the requirements of section 1902(a)(55)) provide for, or pay the reasonable costs of, stationing eligibility workers at appropriate service sites under the project, and may permit medicaid-eligible individuals to be enrolled under the State plan at such a CHA or at such a site.

"(6) PURCHASE OF STOP-LOSS COVERAGE.—The State shall ensure that the CHA has purchased stop-loss coverage to protect against default on its obligations under the project. If an entity otherwise qualified to serve as a CHA is prohibited under State law from purchasing such coverage, the State shall waive the application of such law to the extent necessary to permit the entity to purchase such coverage.

"(h) EVALUATION AND REPORTING.—

"(1) CHA.—Each CHA in a State with a demonstration project approved under this section shall prepare and submit to the State an annual report on its activities during the previous year.

"(2) STATE.—Taking into account the reports submitted pursuant to paragraph (1), each State with a demonstration project approved under this section shall prepare and submit to the Secretary an annual evaluation of its activities and services under this section. Such evaluation shall include an analysis of the effectiveness of the project in providing cost-effective health care to enrolled individuals.

"(3) REPORT TO CONGRESS.—Not later than 3 years after the date of the enactment of this section, the Secretary shall submit to Congress a report on the demonstration projects conducted under this section. Such report shall include an analysis of the effectiveness of such projects in providing cost-effective health care for the areas or populations served.

"(i) COLLABORATION IN ADMINISTRATION.—In carrying out this section, the Secretary shall assure the highest possible level of collaboration between the Health Care Financing Administration and the Public Health Service. Such collaboration may include (if appropriate and feasible) any of the following:

"(1) The provision by the Public Health Service of new or increased grant support to eligible entities participating in a CHA, in order to expand the availability of services (particularly preventive and primary care services).

"(2) The placement of health professionals at eligible locations and collaboration with Federally-assisted health professions training programs located in or near the areas served by community health authorities.

"(3) The provision of technical and other nonfinancial assistance.

"(j) DEFINITIONS.—In this section:

"(1) MEDICAID-ELIGIBLE INDIVIDUAL.—The term 'medicaid-eligible individual' means an individual described in section 1902(a)(10)(A) and entitled to medical assistance under the State plan.

"(2) PARTICIPATING PROVIDER.—The term 'participating provider' means, with respect to a CHA, a provider that has entered into an agreement with the CHA for the provision of covered services under a project under this section.

"(3) PREVENTIVE AND PRIMARY CARE SERVICES.—'Preventive' and 'primary' services include those services described in section 1905(l)(2)(A) and included as Federally-qualified health center services.".

(b) CONTINUED MEDICAID ELIGIBILITY FOR UP TO 1 YEAR.—Section 1902(e)(2) of such Act (42 U.S.C. 1396a(e)(2)) is amended—

(1) in subparagraph (A)—

(A) by inserting "or with a community health authority under a demonstration project under section 1931" after "section 1876", and

(B) by striking "such organization or entity" and inserting "such organization, entity, or authority"; and

(2) in subparagraph (B), by striking "effective." and inserting the following: "effective (or, in the case of an individual enrolled with a community health authority under a demonstration project under section 1931, of not more than 1 year beginning on the date the individual's enrollment with the authority becomes effective).".

(c) EXCEPTION TO ANTI-KICKBACK LAW.—Section 1128B(b)(3) of such Act (42 U.S.C. 1320a-7b(b)(3)) is amended—

(1) by striking "and" at the end of subparagraph (D),

(2) by striking the period at the end of subparagraph (E) and inserting "; and", and

(3) by adding at the end the following new subparagraph:

"(F) any remuneration paid, or received, by a Federally qualified health center, rural health clinic, or other entity which is a participating provider under a demonstration project under section 1931 as part of an arrangement for the procurement of goods or services or the referral of patients or the lease or purchase of space or equipment.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar quarters beginning on or after October 1, 1994.

SEC. 3. HEALTH CENTER PROGRAM AMENDMENTS.

(a) AUTHORIZATION OF GRANTS FOR NETWORK DEVELOPMENT.—

(1) MIGRANT HEALTH CENTERS.—Section 329 of the Public Health Service Act (42 U.S.C. 254b) is amended by adding at the end the following:

"(j)(1) The Secretary may make a grant, to an entity receiving a grant under this section or to a group of such entities, to support the planning and development of health service networks (as defined in paragraph (3)) which will serve high impact areas, medically underserved areas, or medically underserved populations within the area they serve (or propose to serve).

"(2) A grant under this subsection for the planning and development of a health service network may be used for the following costs:

"(A) The costs of developing the network corporate entity, including planning and needs assessment.

"(B) The costs of developing internal management for the network, as well as costs of developing legal, financial, clinical, information, billing, and reporting systems, and other costs necessary to achieve operational status.

"(C) The costs of recruitment, training, and compensation of management staff of the network and, as appropriate and necessary, the management and clinical staff of any participating provider.

"(D) The costs of developing additional primary health and related service sites, including costs related to purchase of essential equipment, acquisition, modernization, expansion, or, if cost-effective, construction of facilities.

"(3) In this subsection, the term 'health service network' means a nonprofit private entity that—

"(A) through its participating providers (which may provide services directly or through contract) assures the provision of primary health and related services and, as appropriate, supplemental health services to residents of the high impact area or medically underserved area or members of the medically underserved population covered by the network,

"(B) includes, as participating providers, at least all recipients of grants under this section or section 330, 340, or 340A that provide primary health and related services to the residents of the area it serves (or proposes to serve), and that may include, at the entity's option, any other providers of primary health or supplemental health services to residents of the high impact area or medically underserved area or members of the medically underserved population covered by the network, but only if such participating providers agree to provide services without regard to an individual's ability to pay, and

"(C) is governed by individuals a majority of whom are patients, employees, or board members of its participating providers that receive grants under this section or section 330, 340, or 340A.".

(2) COMMUNITY HEALTH CENTERS.—Section 330 of such Act (42 U.S.C. 254c) is amended by adding at the end the following:

"(l)(1) The Secretary may make a grant, to an entity receiving a grant under this section or to a group of such entities, to support the planning and development of health service networks (as defined in section 329(j)(3)) which will serve high impact areas, medically underserved areas, or medically underserved populations within the area they serve (or propose to serve).

"(2) A grant under this subsection for the planning and development of a health service network may be used for the costs described in section 329(j)(2).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(b) EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.—

(1) MIGRANT HEALTH CENTERS.—Section 329(h)(1)(A) of such Act (42 U.S.C. 254b(h)(1)(A)) is amended—

(A) by inserting "and subsection (j)" after "through (e)", and

(B) by striking "1994" and inserting "1999".

(2) COMMUNITY HEALTH CENTERS.—Section 330(g)(1)(A) of such Act (42 U.S.C. 254c(g)(1)(A)) is amended by striking "1994" and inserting "1999".

[From the New York Times, Feb. 19, 1994]

FINDING, NOT PAYING, DOCTORS IS TOP RURAL HEALTH CONCERN

(By Adam Clymer)

PARKSTON, SD, Feb. 19.—The big problems of health care sound very different in small farming towns than they do in Washington. The issues that Congressional subcommittees will begin voting on in a few days are remote, often irrelevant and frequently unknown in the rural Midwest.

Several days of conversations here made it clear that the big problem is less how to pay for health care than to make sure that there is health care to pay for.

Few people concentrate on worries about bureaucracies and health insurance purchasing alliances, though they have their doubts. Instead they talk about recruiting doctors and using other medical workers more efficiently.

Gale Walker, the administrator of the 30-bed St. Benedict's Hospital in Parkston, 60 miles west of Sioux Falls, said: "Here, it's not 'Do I have a choice? it is, 'What do I do to find a doctor or a nurse practitioner?'"

Or, said Linda Guthmiller, the assistant administrator and laboratory chief at the 25-bed Landman-Jungman Hospital in Scotland, 24 miles to the southeast, "Doctors have to start dropping their egos, and they have to let the nurses and the physicians' assistants do more."

The health care issue has hit South Dakota with full force with Hillary Rodham Clinton's visit to Lennox on Friday, a preemptive Republican attack that morning in Sioux Falls by Senator Phil Gramm of Texas, and a sudden surge in news coverage of the subject.

It was clear from comments by people who heard Mrs. Clinton, conversations with people here and in Scotland, and in a discussion with nine South Dakotans assembled on Friday evening to talk about the subject, that there seems to be a consensus on one crucial issue: the United States ought to see to it that everyone has health insurance.

After the group discussion, Kate Heligas, executive director of the South Dakota Nurses Association said, "I think until we have universal coverage, the rest of the pieces will not fit."

FEARING 'ONE SIZE FITS ALL'

Lots of people do have a vague idea of how President Clinton's plan might affect them, at least in some meaningful particular. Roy D. Nyberg, who runs the Ace Hardware Store in Sioux Falls, thinks he could not afford to increase his health insurance payments for workers to the level the plan demands, although he thinks the nation needs universal coverage. Cecelia Humphrey, an 85-year-old resident of a Sioux Falls nursing home, told Mrs. Clinton: "One thing I'm pleased about is we get to keep our doctor. I couldn't live without mine.

But as to the alternative plans from Republicans and other Democrats, hardly anyone knows what is in them. Dr. Phillip Barker, a family practitioner at St. Benedict's, dismisses them because "most of them fail to provide universal coverage," even though he thinks universal health insurance could greatly increase the demand for medical care and lead to more 90-hour weeks for isolated doctors like himself.

The one profound shared concern among South Dakotans is a fear that Republicans like Senator Gramm have capitalized on: that Washington uses a "one size fits all" approach, as Mr. Gramm, the Clinton plan's severest critic, puts it.

That concern came through, perhaps more tentatively, around the table in a motel meeting room on Friday where the nine South Dakotans gathered. Evelyn Peterson, a retired nursing educator who likes the Clinton plan's emphasis on preventive care, still worries that "every model that we've been given for rural health care has been developed in an urban area, so it doesn't fit."

LITTLE COMPETITION TO MANAGE

Vince Crawford, the director of the Veterans Administration Hospital in Sioux Falls, said, "One size fits all is nuts." If there was one message he could send to Washington, Mr. Crawford said, it would be "there needs to be a great deal of flexibility so that South Dakota and New York City can each solve their own problems."

One principle of the Clinton plan seems irrelevant here. A basic hope of the Administration is that the philosophy behind its proposals will lower costs. That philosophy, known as managed competition, requires different groups of doctors and hospitals to compete for patients' business. But South Dakota has only three cities of more than 25,000 people and only in Sioux Falls is there a big enough medical center for competition to be imaginable.

Even without managed competition, the Clinton plan, if it worked, would save money for South Dakotans. It would bring them together in an alliance that would have enough purchasing power to negotiate rates with insurance companies that now, Mr. Nyberg said, simply announce how much higher the rates will go each year.

That power of alliances has not got through here, though Mrs. Clinton tried to stress it during her visit. Even a basic supporter of her plan, Steven J. Simonin, the administrator at Landman-Jungman, mutters caustically about "this invisible alliance up in Sioux Falls or somewhere."

To much of South Dakota, Sioux Falls with its population of 100,836 and two major hospitals, is the big city. In great swaths of the state, medicine means small hospitals and the clinics they run in outlying hamlets. It is hard to get doctors. It is even hard to get physicians' assistants and nurses.

Mr. Walker, the St. Benedict's administrator, calls that his biggest problem. He spends 20 percent of his time on recruitment and retention. Last month he sent out 50 letters and got one postcard in return, asking for more information. He uses recruiting agencies that he calls "bounty hunters." He finds that small-town medicine may be attractive enough but small-town living can be a drawback.

"We don't have the opera," Mr. Walker said. "We don't have professional sports. We don't have a shopping mall." He looks for people interested in hunting, fishing and cross-country skiing.

On Friday, Mrs. Clinton spoke of how the Administration plan would stress financial incentives and tax credits to lure medical workers to rural areas. The South Dakotans in the discussion group thought that was a good idea.

'DON'T SEE A CRISIS HERE'

But Dr. Barker, whom Mr. Walker recruited, had his doubts about whether money or anything else the Federal Government might offer would bring more doctors to small towns.

Clearly there are South Dakotans who do not want the Government doing more. Introducing Senator Gramm on Friday, Dr. Walter Carlson, chairman of the professional activities committee of McKennan Hospital, said: "I guess we just don't see a crisis here. I know of no physician or hospital that has ever denied anybody health care."

And supporters of the Clinton plan or some variant have their doubts about whether the Federal Government can be relied on, too. Mr. Walker fears that pressure to cut Medicare reimbursement rates to pay for other programs will hit his hospital hard, since it has few other patients to shift costs to.

In the discussion group, several people wondered whether the Government would provide all the money it promised, recalling other programs that had been cut. And Mr. Crawford feared "too many checkers" looking over shoulders, wasting time and money. Mr. Nyberg asked, "If this program starts, where does it end?" He recalled that in 1937 employers had to pay a 1 percent Social Security tax but that now they pay 7.65 percent.

There was pessimism about the people, too. Karen Pettigrew, a nurse-midwife from Rapid City, complained: "People all seem unwilling to change from the best of all possible ideal plans, but they don't want to pay for it. Everyone wants the Cadillac for them and their children.

But strongest of all were their doubts about Washington's ability to deal with the issue. Morris Magnuson, a retired school administrator, spoke for many when he said, "It's getting so fragmented with the doctors and the hospitals and the Republicans and the Democrats."

Mr. Nyberg added: "There is a solution. It will not occur if we have partisan politics as usual."

And Ms. Pettigrew said she thought all that would result would be "a few Band-Aids, nothing that will really bother people too much."•

By Mr. METZENBAUM (for himself, Mr. DECONCINI Mr. SIMON, and Mr. REID):

S. 1866. A bill to amend the National Security Act of 1947 to improve personnel measures that enhance security for classified information, and for other purposes; to the Select Committee on Intelligence.

PERSONNEL SECURITY ACT OF 1994

Mr. METZENBAUM. Mr. President, we were all shocked on Wednesday to learn that a senior CIA case officer had been arrested and charged with being a spy for the Soviet Union and later for the Russian Federation. It is almost beyond belief that he had allegedly been getting away with it for nearly 9 years.

Some of my colleagues, including the Republican leader and some on my side of the aisle as well, have suggested we should retaliate against Russia for engaging in espionage against us by cutting off our economic aid to them. I do not follow that logic. "I don't get it." Are my colleagues telling us that they are outraged, or surprised, or disappointed, or dumbfounded to learn that the Soviet Union, and now the Russians, have spies working for them? Is that news to them?

Are you telling me there is a Member of this body who is naive enough to believe that Russia had gotten out of the espionage business? Of course not. Did they think that the day the Soviet Union fell, we all shook hands and called home our spies?

Of course not. Whom are we kidding. We all know that was not the fact. It was not the Russians who betrayed us. It was an American CIA officer who betrayed his country for cash, and exposed our spies in Russia. The Russians are doing what we have been doing for decades in the spying business.

What riles me is the fact that they seem to be doing a better job of it than we are. The protesting Republican leader and his allies from my party could use a little reality check. Retaliation against Russia would be self-defeating.

I am frank to say that on the whole aid-to-Russia package, this Senator was not a player. I was not involved in promoting it or speaking for it or advocating it. I voted for it; I did not vote against it. But it was not something I considered a particular issue of my concern. To hear now, however, that we ought to be denying the Russians that aid because of the betrayal committed by one of our intelligence officers, to me that is absolutely absurd.

Our aid to Russia is intended to enhance our own national security. Whether Russia spies on us or not, it remains in our national security interests for them to dismantle the greater part of their missiles and nuclear warheads. Likewise, whether Russia spies on us or not, it remains in our national security interests for Russia to persevere in its economic and political reforms. Our aid is designed to assist in those areas, and it remains in our own national interest to provide it.

We have a right to be upset by the Aldrich Ames case. Every American has a right to be distressed, disturbed, and also questioning—asking, "How could this happen? How could this happen, in the Central Intelligence Agency on which we spend billions upon billions of dollars a year?" We cannot state the exact amount, because this is prohibited by law—because the administration and the Director of the Central Intelligence Agency are unwilling to make the fact known—but everybody knows it is billions upon billions of dollars. We have a right to say, "Are we getting our money's worth?" What are we getting for it if, in this particular case, something was going on for 8 or 9 years and the CIA did not know about it?

We should not be surprised, however, by the fact that the Soviets and the Russians after them used the information which Ames made available to them. We may not like spying, but that is certainly one of the so-called games that nations play. We play with game, our allies play that game and, naturally, our adversaries do so as well.

The first lesson that spies learn, moreover, is that you have to know what the other guy is doing to you. That is precisely what the Soviets and Russians were doing when they reportedly paid Mr. Ames $1.5 million to tell them about United States espionage operations and the identity of our secret sources in that country. The real concern that we should have in the CIA's failure to know what Mr. Ames had apparently been doing for all these years. For an agency on which we spend billions of dollars a year to spy on other countries not to know what is going on in their own shop is embarrassing, it is humiliating, and it is absolutely unacceptable.

A $70,000-a-year Government worker buys a half million dollar house with cash, drives a Jaguar to work, uses his charge cards as if he were the Sultan of Brunei, and nobody figures it out? How can this be? It is incredible.

Some Members of this body, instead of putting the blame where it belongs—on our own intelligence agency—want to blame Russia for having spied on us; therefore, they argue, we ought to not let them have any more aid. I do not understand that line of reasoning. There is an argument as to whether we should make aid available to Russia, but this case has nothing to do with it. While I support the aid package, I understand an argument against it. But there is no logic in cutting off our aid because the Soviet Union did a better job of breaking through our spy network than we did in breaking through theirs.

Our spies in the U.S.S.R. were getting arrested and executed for treason because of Mr. Ames's actions, and our intelligence body did not know what was going on. It is shameful; it is embarrassing; it is humiliating. But it is a reality.

What can we do about it? There is one thing we can do immediately, if we want. It would not help on the Ames case—that is behind us—but it might help on tomorrow's case or next year's case. It would help our intelligence agencies and other agencies that handle top-secret information. We can pass legislation that was proposed by the leadership of the Intelligence Committee 3 years ago giving agencies access to the financial and travel records of their employees who get top-secret access.

It is a sobering fact, Mr. President, that the modern American spy rarely betrays our country for ideological reasons and even more rarely because of blackmail. The major goals of American spies in recent years have been money—money and excitement.

In the really damaging long-term espionage cases, there were often large amounts of money changing hands, and it would be a great benefit to our counterintelligence security units if they could routinely monitor the financial status of employees and recent employees who have access to top-secret information. This would be a new intrusion upon those employees, but I think it would be a reasonable one. I would normally be protective of the privacy of all employees; but in this limited area alone, I think there is reason to make certain exceptions.

Thanks to the good work of U.S. security services and especially of the FBI, foreign intelligence services rarely have face-to-face meetings with American spies in the United States. Rather, communications in the United States is generally through the use of "dead drops" or coded radio broadcasts or through prearranged signals in classified ads.

But foreign intelligence services do have American spies travel to foreign meeting places like Mexico City, Vienna, Geneva, Berlin, Bogota, or Bangkok to meet their foreign handlers face to face. If an employee's agency would routinely check the records of airlines and other travel companies to see where its employees were traveling, that would make it much more difficult for a spy to run around the world for 5 or 10 years without the agency catching us.

Today I am introducing a bill, the Personnel Security Act of 1994, to provide U.S. agencies with access to financial and travel records that they need to do a better job of protecting themselves against foreign espionage. I invite my colleagues, especially those on the Senate Intelligence Committee, to work with me to make a sensible contribution to combating espionage, rather than pretending that we have either the right or the ability to stop other countries from engaging in espionage efforts that we and every other state view as a normal national security protection.

Let us stop the breast beating and the Russia bashing and admit that if we want to combat foreign espionage, we have to improve personnel security at home. Let us get on with that job.

Mr. President, I send a copy of the legislation to the desk and I ask unanimous consent that a copy be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Personnel Security Act of 1994".

SEC. 2. AMENDMENT TO THE NATIONAL SECURITY ACT OF 1947.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by inserting at the end thereof the following new title:

"TITLE VIII—ACCESS TO TOP SECRET INFORMATION

"ELIGIBILITY FOR ACCESS TO TOP SECRET INFORMATION

"SEC. 801. (a) The President and Vice President, Members of the Congress, Justices of the Supreme Court and judges of other courts of the United States established pursuant to Article III of the Constitution, shall, by virtue of their elected or appointed positions, be entitled to access to Top Secret information needed for the performance of their governmental functions without regard to the other provisions of this title.

"(b) Among employees of the United States Government, access to Top Secret information shall be limited to employees who—

(1) have been granted access to such information pursuant to this title;

(2) are citizens of the United States who require access to such information for the performance of official governmental functions; and

(3) have been determined to be trustworthy based upon a background investigation and appropriate reinvestigations and have otherwise satisfied the requirements of section 802, below.

"(c) Access to Top Secret information by persons other than those identified in subsections (a) and (b) shall be permitted only in accordance with the regulations issued by the President pursuant to section 802 below.

"IMPLEMENTING REGULATIONS

"SEC. 802. The President shall, within 180 days of enactment of this title, issue regulations to implement this title which shall be binding upon all departments, agencies, and offices of the Executive branch. These regulations shall, at a minimum provide that—

"(A) no employee of the United States Government shall be given access to Top Secret information owned, originated or possessed by United States, after the effective date of this title, by any department, agency, or entity of the United States Government unless such person has been subject to an appropriate background investigation and has—

"(1) provided consent to the investigative agency responsible for conducting the security investigation of such person, during the initial background investigation and for such times as access to such information is maintained, and for 5 years thereafter, permitting access to—

"(a) financial records concerning the subject pursuant to section 1104 of the Right to Financial Privacy Act of 1978;

"(b) consumer reports concerning the subject pursuant to section 1681b of the Consumer Credit Protection Act; and

"(c) records maintained by the commercial entities within the United States pertaining to any travel by the subject outside the United States: *Provided*, that—

"(i) no information may be requested by an authorized investigation agency pursuant to this section for any purpose other than making a security determination, unless such agency has reasonable grounds to believe, based upon specific and articulable facts available to it, that such person may pose a threat to the continued security of the information to which he or she had previously had access; and

"(ii) any information obtained by an authorized investigative agency pursuant to this section shall not be disseminated to any other department, agency, or entity for any purpose other than: (A) for making a security determination; or (B) for foreign counterintelligence or law enforcement purposes;

"(2) agreed, during the period of his or her access, to report to the department, agency, or entity granting such access in accordance with applicable regulations, any travel to foreign countries which has not been authorized as part of the subject's official duties; and

"(3) agreed to the Federal Bureau of Investigation, or to appropriate investigative authorities of the department, agency, or entity concerned, any unauthorized contracts with persons known to be foreign nationals or persons representing foreign nationals, where an effort to acquire classified information is made by the foreign national, or where such contacts appear intended for this purpose. For purposes of this subsection, the term "unauthorized contacts" does not include contacts made within the context of an authorized diplomatic relationship. Failure by the employee to comply with any of the requirements of this subsection shall constitute grounds for denial or termination of access to the Top Secret information concerned.

"(B) all employees granted access to Top Secret information pursuant to this subsection shall also be subject to—

"(1) additional background investigations by appropriate governmental authorities during the period of access at no less frequent interval than every 5 years, except that any failure to satisfy this requirement that is not solely attributable to the subject of the investigation shall not result in a loss or denial of access; and

"(2) investigation by appropriate governmental authority at any time during the period of access to ascertain whether such persons continue to meet the requirements for access;

"(C) access to Top Secret information by categories of persons who do not meet the requirements of subsections (A) and (B) of this section may be permitted only where the President, or officials designated by the President for this purpose, determine that such access is essential to protect or further the national security interests of the United States; and

"(D) a single office within the Executive branch shall be designated to monitor the implementation and operation of this title within the Executive branch. This office shall submit an annual report to the President and appropriate committees of the Congress, describing the operation of this title and recommending needed improvements. A copy of the regulations implementing this title shall be provided to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives thirty days prior to their effective date.

"WAIVERS FOR INDIVIDUAL CASES

"SEC. 803. In extraordinary circumstances, when essential to protect or further the national security interests of the United States, the President (or officials designated by the President for this purpose) may waive the provisions of this title, or the provisions of the regulations issued pursuant to section 802, above, in individual cases involving persons who are citizens of the United States or are persons admitted into the United States for permanent residence: *Provided*, that all such waivers shall be made a matter of record and reported to the office designated pursuant to subsection 802(D), above, and shall be available for review by the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

"DEFINITIONS

"SEC. 804. For purposes of this title—

"(a) the term "national security" refers to the national defense and foreign relations of the United States;

"(b) the phrases "information classified in the interest of national security" or "classified information" means any information originated by or on behalf of the United States Government, the unauthorized disclosure of which would cause damage to the national security, which has been marked and is controlled pursuant to the Executive Order 12356 of April 2, 1982, or successor orders, or the Atomic Energy Act of 1954;

"(c) the term "Top Secret information" means information classified in the interests of national security, the unauthorized disclosure of which would cause exceptionally grave damage to the national security;

"(d) the term "employee" includes any person who receives a salary or compensation of any kind from the United States Government, is a contractor of the United States Government, is an unpaid consultant of the United States Government, or otherwise acts for or on behalf of the United States Government, but does not include the President or Vice President of the United States, Members of the Congress of the United States, Justices of the Supreme Court or judges of other federal courts established pursuant to Article III of the Constitution; and

"(e) the term "authorized investigative agency" means an agency authorized by law or regulation to conduct investigations of persons who are proposed for access to Top Secret information to ascertain whether such persons satisfy the criteria for obtaining and retaining access to such information.

"EFFECTIVE DATE

"SEC. 805. This title shall take effect 180 days after the date of its enactment."

Mr. SIMON. Mr. President, Senator METZENBAUM has just illustrated why it is going to be a great loss not to have him in the U.S. Senate. I happened, back many years ago, to have served in military intelligence when I was in the Army. I think the bill he offers makes a great deal of sense. I have never been on the Intelligence Committee. I will be pleased to cosponsor it.

But I rise primarily because there is a kind of an unreality to some of the conversations about what is going on with spies. Let us face it, Russia spies, we spy—we should. If tomorrow we hear a rumor that Great Britain, our good friend, is developing some special kind of weapon, we are not going to sit back and wait until we read it in the London Times. We are going to have espionage operations. That applies to our friends; it applies to our potential foes. That is the way the intelligence community operates.

For us not to look at the big picture and not to do what we can to see that Russia has a viable democracy and a stable situation, and to get all wrought up over this one instance of their spying is not in our national interest. What we have to do on the floor of this body is to serve the national interest, not the national passion. We are responding to the national passion.

Is this a tragedy? Yes. Is this going to be repeated in the future? I hate to say it, but even with the Metzenbaum legislation, it is going to happen again in the future. We are going to have double spies; other countries are going to have double spies. That is part of life today.

I am pleased to join as a cosponsor of the legislation, and I am pleased that someone brought some reality to this whole business. I have heard some of the speeches of our colleagues condemning Russia for spying. That is part of life in the world today, and we should recognize that.

By Mr. DURENBERGER (for himself, Mr. MURKOWSKI, and Mr. JEFFORDS):

S. 1867. A bill to expedite the naturalization of aliens who served with special guerrilla units in Laos; to the Committee on the Judiciary.

HMONG VETERANS' NATURALIZATION ACT OF 1994

• Mr. DURENBERGER. Mr. President, today I am introducing legislation that will relax certain immigration and naturalization requirements for Hmong veterans who served with United States forces during the Vietnam war. The bill will also relax requirements for spouses or widows of Hmong veterans.

This act recognizes the extremely important contributions and sacrifices made by thousands of Hmong and other Laotian highland groups who served in CIA-directed special guerrilla units in the Vietnam war from 1961 to 1978.

The Hmong and other highland peoples served bravely and sacrificed dearly during the war. Between 10,000 and 20,000 Hmong were killed in combat and over 10,000 had to flee their homeland in order to survive.

Although the Hmong served admirably in support of United States efforts in the Vietnam war, many of those who did survive and made it to the United States are separated from other family members and are having a difficult time adjusting to life here. Family reunification remains a vexing problem for the Hmong, one that concerns this Senator greatly.

The Hmong Veterans' Naturalization Act of 1994 will make an important contribution to efforts at reuniting families. The act will make it easier for those who served in the special guerrilla units to attain U.S. citizenship by waiving the English language and residency tests.

The single greatest obstacle for the Hmong in becoming U.S. citizens is passing the English test. Why is this so? Principally because the Hmong language is verbal, not written. Additionally, formal education is rare in the highland region of Laos where the Hmong come from. Written characters for Hmong have only recently been introduced, and whatever chances most Hmong may have had for learning the written language were disrupted by the war.

In addition to the language requirements, this bill would also waive the residency requirement for those who served, to speed up the process of family reunification. Current law permits aliens or noncitizen nationals who served honorably during World War I, World War II, the Korean war, and the Vietnam war to be naturalized, regardless of age, period of residence, or physical presence in the United States. There is a well-established precedent of relaxing naturalization requirements for military service.

The Hmong served the United States for 17 years. They suffered and sacrificed a great deal in that service. This bill recognizes the brave contribution of the Hmong people and the extreme difficulty that the Hmong have in learning English.

It is the hope of this Senator that my colleagues will join me in supporting this legislation. It gives appropriate recognition and assistance to a group in our society that has earned it in serving U.S. interests when it mattered for us.•

By Mrs. BOXER:

S. 1868. A bill to amend the Internal Revenue Code of 1986 to allow the casualty loss deduction for disaster losses without regard to the 10-percent adjusted gross income floor; to the Committee on Finance.

DISASTER LOSSES DEDUCTION ACT OF 1994

• Mrs. BOXER. Mr. President, today I am introducing legislation that will provide relief for thousands of Californians who suffered serious damage in the January earthquake. My bill will help citizens who otherwise are out of luck under current law by removing the 10-percent adjusted gross income threshold for casualty loss deductions. This legislation will apply to losses attributable to disasters occurring on or after January 17, 1994—the day of the devastating Northridge quake.

Under current law, taxpayers may deduct casualty losses only when they exceed 10 percent of adjusted gross income. Because of this threshold, many who suffer damage find themselves without recourse. In California, for example, most people do not have earthquake insurance. And those who do often have deductibles as high as $5,000 to $10,000.

We have all seen the devastating images of collapsed structures on television. But it is important to remember that most Californians affected by the earthquake suffered serious, but moderate, damage. Their windows shattered and their televisions smashed on the ground. They may have cracks in their walls or fireplace damage, but their homes still stand. These people have $5,000 in damage, or maybe $10,000. These are the taxpayers who may not get the relief they need.

Consider a simple hypothetical example. Suppose a middle-class family with adjusted gross income of $50,000 sustains $4,000 in earthquake damage. Under current law, the family has nowhere to turn because only losses in excess of $5,000 can be deducted. But under my bill, that family could deduct all losses. And where would that tax refund go? It would go back into the economy as a direct stimulus. It would create jobs for contractors and those who produce the raw materials they use. The economic benefits would ripple throughout the community.

I hope my colleagues realize that California is still lingering in the midst of a very serious recession. It seems that in the past year we've seen it all—fire, flood, earthquake, and most recently, mudslides. I believe that our Nation cannot sustain a full economic recovery without strong support from our largest State—California.

Mr. President, this legislation will ease the suffering of victims of natural disasters, and at the same time, will provide a much needed infusion of capital into damaged local economies. I hope my colleagues will join me in supporting this legislation.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATION OF 10-PERCENT FLOOR FOR DISASTER LOSSES.

(a) GENERAL RULE.—Subparagraph (A) of section 165(h)(2) of the Internal Revenue Code of 1986 (relating to net casualty loss allowed only to the extent it exceeds 10 percent of adjusted gross income) is amended by striking clauses (i) and (ii) and inserting the following:

"(i) the amount of the personal casualty gains for the taxable year,

"(ii) the amount of the federally declared disaster losses for the taxable year (or, if lesser, the net casualty loss), plus

"(iii) the portion of the net casualty loss which is not deductible under clause (ii) but only to the extent such portion exceeds 10 percent of the adjusted gross income of the individual."

"For purposes of the preceding sentence the term 'net casualty loss' means the excess of personal casualty losses for the taxable year over personal casualty gains."

(b) FEDERALLY DECLARED DISASTER LOSS DEFINED.—Paragraph (3) of section 165(h) of such Code is amended by adding at the end the following new subparagraph:

"(C) FEDERALLY DECLARED DISASTER LOSS.—The term 'federally declared disaster loss' means any personal casualty loss attributable to a disaster occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief and Emergency Assistance Act."

(c) CLERICAL AMENDMENT.—The heading for paragraph (2) of section 165(h) of such Code is amended by striking "NET CASUALTY LOSS" and inserting "NET NONDISASTER CASUALTY LOSS".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to losses attributable to disasters occurring on or after January 17, 1994, including for purposes of determining the portion of such losses allowable in taxable years ending before such date pursuant to an election under section 165(i) of the Internal Revenue Code of 1986.●

By Mr. COHEN (for himself and Mr. BOREN):

S. 1869. A bill to amend the National Security Act of 1947 to improve counterintelligence measures through enhanced security for classified information, and for other purposes; to the Select Committee on Intelligence.

COUNTERINTELLIGENCE IMPROVEMENTS ACT 1994

● Mr. COHEN. Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROVISIONS

Section 1. Gives the bill the short title of the Counterintelligence Improvements Act of 1994.

Section 2. Adds a new title to the National Security Act of 1947 to govern access to particularly sensitive classified information. To be granted access to such information, a person would be required, among other things, to permit access by U.S. Government investigative agencies to financial records, consumer credit reports, and records maintained by commercial entities within the U.S. pertaining to travel by the person outside the U.S.

Section 3. Adds a new title to the National Security Act of 1947 to provide special requirements for the protection of cryptographic information.

Section 4. Amends the Right to Financial Privacy Act of 1978 by adding a new subsection to permit a person being considered for access to particularly sensitive classified information to provide his or her consent to U.S. Government investigative agencies to obtain access to his or her financial records. This would apply for the period of the person's access to such information and for five years thereafter.

Section 5. Provides for a new criminal offense for the possession of espionage devices where the intent to use such devices to violate the espionage statutes can be shown.

Section 6. Provides for a new criminal offense for any person who knowingly sells or transfers for any valuable consideration to a person whom he knows or has reason to believe to be an agent or representative of a foreign government any document or material classified Top Secret.

Section 7. Provides that any officer or employee of the US who knowingly removes documents or materials classified Top Secret without authority and retains them at an unauthorized location shall be fined not more than $1000 or imprisoned not more than one year, or both.

Section 8. Establishes jurisdiction in certain U.S. federal courts to try cases involving violations of the espionage laws where the alleged misconduct takes place outside the U.S.

Section 9. Amends title 18 of the U.S. Code to provide for expansion of the forfeiture provision to certain espionage offenses that are not enumerated in the existing law.

Section 10. Provides that a person may be denied annuity or retired pay by the U.S. if convicted in a foreign country of offenses for which such annuity or retired pay could have been denied had such offense occurred within the U.S.

Section 11. Amends the Consumer Credit Protection Act to provide the FBI access to records sought in connection with an authorized foreign counterintelligence investigation when there are specific and articulable facts giving reason to believe the person to whom the records relate is an agent of a foreign power.

Section 12. Authorizes the FBI to obtain subscriber information from telephone companies on persons with an unlisted number who are called by foreign powers or their agents.

Section 13. Provides the Attorney General with discretionary authority to pay rewards, up to $1 million, for information leading to the arrest or conviction of espionage against the U.S. or the prevention of such acts.

Section 14. Subjects physical searches in the U.S. to the same court order procedure that is required for electronic surveillance.●

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 1871. A bill to establish a Whaling National Historical Park in New Bedford, MA, and for other purposes; to the Committee on Energy and Natural Resources.

NEW BEDFORD WHALING NATIONAL HISTORICAL ACT OF 1994

Mr. KENNEDY. Mr. President, today Senator KERRY and I are introducing a bill to establish a Whaling National Historical Park in New Bedford, MA. Congressman BARNEY FRANK is introducing an identical bill in the House.

The legislation follows the recommendations of a National Park Service special resource study begun in 1990, which evaluated the historic resources of New Bedford for possible inclusion in the National Park System. That study, completed in November 1993, noted the important role of whaling in 19th century American history. It found that this theme is not currently presented in the National Park System, and that New Bedford would be the ideal site for a park commemorating that history. As the former whaling capital of the world, New Bedford provided the oil that fueled the Nation's lamps and kept the wheels of the Industrial Revolution turning. So prosperous was the whaling industry that, by mid-19th century, it had made New Bedford the wealthiest city, per capita, in the world.

New Bedford's whaling history raises many social and economic theme that are essential to a full understanding of our American heritage. Among these are the spirit of technological progress, the entrepreneurial drive that motivated daring men and women to risk their lives and fortunes on the seas, and the many cultures that took root here, brought by immigrants drawn from every corner of the globe. It was this diversity which contributed to New Bedford's position as a center of the Abolitionist Movement and made it a key stop for fugitive sales on the underground railroad. Frederick Douglass spent his first 3 years of freedom in New Bedford, working as a calker on the hulls of whaleboats.

New Bedford is also the port from which Herman Melville set sail aboard the whaler *Acushnet* in 1841, the voyage which inspired "Moby Dick," one of the greatest of all American novels. The streets that Melville and Ishmael wandered can still be visited in New Bedford today, as can the famous Seamen's Bethel, where the whalers attended religious services before setting off on their voyages.

Much of New Bedford's whaling waterfront still exists in the city's National Historic Landmark District, and the 20-acre site has become a model for historic preservation. Businesses, residents and tourists move comfortably in an environment of restored buildings, cobblestone streets, and brick sidewalks from the whaling era.

New Bedford also is the site of the Rotch-Jones-Duff House and Garden Museum, one of the finest examples of Greek Revival residential architecture in the country and the only surviving whaling-era mansion open to the public complete with its original gardens and grounds.

New Bedford's historical and cultural assets are not limited to its streets and buildings. They also include outstanding collections of artworks and archives associated with the whaling era located at the city's public library and at its renowned whaling museum. The museum houses a half-size model of the whaling bark *Lagoda* that can be boarded by visitors.

The city is also home port to the restored, 100-year-old National Historic Landmark vessel *Ernestina*, which is the oldest Grand Banks schooner in existence and which has had a distinguished maritime career as a fishing vessel, as an Arctic explorer under Capt. Bob Bartlett, and as a packet plying the route between the Cape Verde Islands and the United States. In her packet role, she was the last sailing vessel to bring immigrants to our shores.

National park designation will be a valuable economic stimulus for tourism and associated development for the city. A report prepared to evaluate the economic impact of the proposed national park indicates it will lead to the creation of hundreds of jobs in the coming years and add millions of dollars annually to the local economy.

The Whaling Park in New Bedford will protect a nationally significant historic treasure and stimulate the economy of a city in need. It is an investment in America's past and in a city's future, and I urge my colleagues to support this legislation.

Mr. KERRY. Mr. President, I am pleased to join my good friend and colleague Senator KENNEDY in introducing legislation to establish a Whaling National Historical Park in New Bedford, MA. Our initiative is based upon a special resource study completed by the National Park Service last fall which found that the New Bedford area meets the criteria for inclusion in the National Park System.

The city of New Bedford, tucked by the sea in the southeast corner of Massachusetts has a rich and diverse history. For decades it was the center of our Nation's whaling industry. Although the whaling industry collapsed by the turn of the last century, New Bedford is to this day remembered for its seafaring heritage.

As a national park, the New Bedford National Historic Landmark District and surrounding area would enhance the National Park System by expanding its maritime history theme to include a focus on our Nation's whaling past. Particularly noteworthy are the historic town center, the waterfront with the national historic landmark schooner *Ernestina* and an array of over three dozen historically rehabilitated buildings which combine to provide a cultural resource that reflects the era of whaling.

Since 1962, a public/private partnership—initiated by the Waterfront Historic Area League of New Bedford in cooperation with the Bedford Landing Taxpayers Association, the Old Dartmouth Historical Society, private property owners, and the city of New Bedford—has raised $3.7 million in public funding and $2.7 million in private investment, rehabilitated 36 buildings, and created over 40 new businesses and 200 new jobs. Creating a New Bedford Whaling Park will preserve an important piece of seafarer heritage while simultaneously permitting the public/private partnership to expand and grow.

I am hopeful that the Senate will look favorably upon this initiative and I encourage my colleagues to support this important addition to our National Park System.

By Mr. ROCKEFELLER:

S. 1872. A bill to expand U.S. exports of goods and services by requiring the development of objective criteria to achieve market access in Japan, and for other purposes; to the Committee on Finance.

FAIR MARKET ACCESS ACT OF 1994

• Mr. ROCKEFELLER. Mr. President, today, I am joining House Majority Leader RICHARD GEPHARDT in introducing legislation designed to create a more constructive, mutually beneficial relationship between the United States and Japan. The Fair Market Access Act of 1994 proposes a way to open up Japan's economy to United States products and services. It lays out the steps to ensure that Japan fulfills promises that it has already made and responds to a rational, reasonable expectation that their markets should be accessible just like they have access to ours. This bill responds to a clear need for the extra work that it will take to break down barriers in Japan that unfairly hurt industry and workers here in America and throughout the world.

The last 8 months have been difficult ones for the United States-Japan bilateral relationship. Our failure to reach an agreement on February 11 further implementing the Framework Agreement of July 1993, has led to considerable speculation on the future of the relationship and on what each party should do to restore it to an even keel.

In contrast to much of that analysis, Mr. President, I am among those who believe that what has happened is good, that it will lead to a more mature relationship, and that the President, in contrast to his predecessors, has handled a very difficult problem properly. We have clearly gone beyond the "senior-junior partner" relationship that existed throughout so much of the post-war period and moved into a more mature relationship of equals whose interests sometimes diverge but often converge. That does not mean there are not difficult challenges ahead or that there will not be many opportunities to make mistakes. The United States-Japan relationship is full of those, and there is no particular reason to believe the future will be any different. However, I believe there have been some significant structural changes in both our countries that provide some basis for optimism—provided we are able to understand those changes and handle them skillfully. Explaining that first demands some comments on precisely what those changes are.

In Japan, I believe it is accurate to say that both political and economic fundamentals are moving in the direction we have both advocated and predicted for some time. Last summer's election in Japan, which produced a government without the Liberal Democratic Party for the first time in some 40 years, made clear the shift in political power in the country that has meant the effective break up of the LDP, as numerous members moved to other parties or started new ones, some of which are participating in the current coalition government.

The LDP's problems are a graphic illustration of the gradual erosion of the coalition of farmers, small shopkeepers, and professionals that has been its backbone since the early 1950's. Demography—the aging of Japan's population and these sectors in particular—and economics—first the industrialization and now the "technological transformation" of the country—have a lot to do with it.

Obviously, the numerous financial scandals that embroiled LDP members as well as the previous government's inability to pull the economy out of its recession were decisive factors in the election, but it is the long-term erosion of the LDP's base that is most noteworthy.

This erosion was not ignored in Japan. Both new Prime Minister Hosokawa and his ex-LDP partners, Tsutomu Hata and Ichiro Ozawa, are all careful students of Japanese politics. They recognized this trend and are building a new coalition that better reflects current demographic realities and economic priorities. That coalition will depend on urban and suburban office workers—"salarymen"—and their families as its backbone. This will have major implications for the United States, as this part of the population is more consumer-oriented and more outward-looking. It will have less of a stake in Japan's over-complex distribution system or in the protection of agriculture or manufacturing, and eventually, the politicians will follow suit.

After the election, the conventional wisdom was that the new coalition government would not last long. It was expected to pass long overdue political reform legislation and then disintegrate over fundamental policy disagreements in other areas.

In fact, the conventional wisdom is proving to be wrong. We should not underestimate the desire of people who have been out of power for 40 years to stay in now that they have finally risen to the top. Though there are serious differences between the Socialists, the former LDP parties, and Hosokawa's Japan New Party—most recently reflected in the tax cut debacle—we should not rule out their ability to subordinate those differences to their common interest in maintaining themselves in power.

The long-term survival of a Hosokawa government will, I believe, have major implications for United States-Japan relations. We are all well aware of the long list of bilateral trade frustrations. From beef and citrus to baseball bats, lawyers, semiconductors, and supercomputers, the litany of trade disputes seems endless. Some, like construction, have ultimately become national scandals in Japan before action was taken—and the jury is still out on the effectiveness of that action. The new government and the changed political environmental, however, is likely to lead over the long term to change that will benefit us.

First, there appears to be some interest on the part of ministers to actually govern and make decisions. That may seem an odd statement in the wake of the collapse of the framework talks that many observers blamed on the Government's surrender to the bureaucrats. That blame was correctly placed, in my judgment, but it may in retrospect turn out to be the bureaucracy's last stand. During my visit to Japan in January, I had numerous meetings with politicians, bureaucrats, and ex-bureaucrats. I sensed a realization that major structural change was taking place in Japan and that the old methods, which had been remarkably successful in the past, could not deal with it. Beyond strong support for far-reaching political reform, there was no clear consensus on what should be done; but without question, as the recession deepened, a growing desire to do something different emerged.

Second, in the face of that recession, I believe that the Hosokawa government has begun to recognize the truth of what the Clinton administration has been telling it—that change in the Japanese economy is inevitable, that historic growth rates cannot be regained using traditional methods, and that the solution is the liberalization and decontrol of the economy we have been advocating.

It is interesting to observe the Japanese response to the recent appreciation of the yen. When this event, known there as endaka, occurred in 1985–87, Japan's manufacturers responded by tightening their belts, improving their productivity, keeping prices low, and capturing even more market share with their export-led growth strategy. This time, with the yen rising to 105, the response is different—a growing pattern of outsourcing manufacturing production to the United States and to low-wage countries in Asia. Instead of export-led growth, we are seeing the export of jobs. If it continues, this will mean an unemployment problem in Japan more serious than anything they have experienced in years. Already, their official unemployment rate is the highest in over 6 years—only 2.9 percent, but a serious problem in Japanese terms.

Prime Minister Hosokawa understands that the key to avoiding that disaster, with all its political implications, is to promote more domestic growth, which can only be obtained by major structural changes in the Japanese economy. Further reductions in interest rates, for example, when the real rate is close to 1 percent, or public works stimulus packages that are invariably too little too late, will not do the job. The Japanese economy simply has to begin operating on a real market basis. The cozy credit relationships or keiretsu-based procurement practices of the past will not restore growth.

The recent controversy over a major tax cut demonstrates that not all parts of the Japanese political system have learned this lesson yet. It also proves that a tax increase—which would have followed the cut—is not popular anywhere in the world—not a surprising conclusion.

Ultimately, the Japanese Government will have no choice but to do what we have been urging. It is the only thing that makes any sense. The real questions for the bilateral relationship are:

First, whether they do it in the context of the ongoing framework negotiations in recognition of what we have been saying, or whether they do it with a gloss of anti-American rhetoric to serve domestic political purposes; and

Second, how long it will take them to act.

With respect to the first question, it appears that the Prime Minister is finding it politically expedient to be perceived as standing up to the Americans at the same time he is telling his countrymen they need to import more and open up their economy. He may not be politically strong enough to do anything else. While the United States no doubt would prefer to claim victory in the framework negotiations, quite frankly, a results-oriented administration, as this one is, should take it either way because, after all, the issue for the United States is market access and the jobs that go with it.

That means the important question is the second one—how long these changes will take. This is a particularly awkward question because of the disjuncture in timing at which the two countries find themselves. The United States has had a large and growing trade deficit with Japan for years, and we have, at least since the Nixon administration, been pressing them to open their economy. While the deficit is related to macroeconomic factors as well, it is apparent from the economic history of the past decade that the Japanese economy does not respond to macroeconomic changes like exchange rate shifts in the ways our economists and their textbooks predict.

Indeed, if we have learned anything in the past 15 years it is that this economy is unique. There is no other developed economy in the world so relentlessly geared to export-led growth and the limitation of imports. It is precisely that uniqueness as well as the exhaustion of our patience after so many years of trying so many different approaches that has brought us to the present point.

Our patience is exhausted not only because of the duration and difficulty of the battle, but because its price has been paid by the American worker. There are hundreds of thousands, if not millions, of Americans who lost their jobs in the past 15 years because of Japanese imports and our inability to access their market. Automobiles, steel, machine tools, computers, semiconductors, televisions—the list seems endless. Many of those Americans have found other jobs but rarely better ones. The Clinton administration has embarked on a program to restore our competitiveness, particularly in critical technology areas, that has helped to restore national confidence and reduce unemployment, but so much damage has been done that it will be years before we fully recover.

The Japanese Government, in turn, is only beginning to recognize the magnitude of the problem and the extent to which it is now hurting their people just as it has hurt ours for so long. Their response is predictable—essentially a plea for more time and the chance to deal with things their way. In the abstract, that is not an unreasonable plea, but it comes at an unreasonable time—when America has no more patience left to give.

This dilemma is nowhere better illustrated than in the recent battle over United States access to the Japanese construction market. The Japanese construction industry has been notorious for its corruption and closed doors for years. American efforts to penetrate the dango system have gone on for years with virtually no success. Finally, after the system became a domestic political scandal in Japan, the Government began to move under the threat of American sanctions. It did so with a plea for more time—a reasonable request from Japan's perspective because they were just beginning to deal with the problem, but an outrageous one from our perspective because they should have been dealing with it for the last 10 years.

The Framework negotiations have featured the same disjuncture. Prime Minister Hosokawa argues that Japan should, in effect, have time to do it their way. We argue it is too late for further delay, and, in any event, the record of successful implementation of his predecessors' promises is bleak.

In the long run, this will work itself out. But also in the long run, as Keynes said, we are all dead. President Clinton's obligation is to meet our needs, and to insist on the restoration of some equity in the trading relationship. Doing so, of course, will help Japan as well, as I have noted.

The question the Congress faces right now is how best to assist the President in his effort to put meat on the bones of the Framework Agreement, because it is clear that in the short run, Japan is unwilling or unable to honor the commitments it made last July. A useful approach, in my judgment, is embodied in the legislation that Congressman GEPHARDT and I are introducing today. Essentially it is an effort to reinforce the President's efforts by creating a mechanism for the development of the objective criteria the Framework Agreement calls for, a process for negotiating to achieve those goals, and a process for taking action in the event the goals are not reached, either by failure to reach agreement or failure to comply with obligations that have been undertaken.

In brief, the bill would require the Commerce Department to prepare annual competitive assessments of selected sectors—initially those identified in the Framework Agreement and subsequently those that involve critical technologies, are important elements of our economy or the bilateral trade deficit, or which are requested by the U.S. Trade Representative. These assessments would estimate how well we would be doing in the Japanese market in that sector if that market were truly open.

Those assessments, in turn, would become negotiating objectives for the U.S. Trade Representative, who would decide, at 6 month intervals, which of the various sectoral objectives he wanted to pursue in bilateral negotiations. The goal of the negotiations would be to reach agreements that are designed to achieve the objectives.

In turn, there would be two circumstances under which subsequent action might be taken. An agreement could be reached but its provisions not adequately implemented, and the bill sets up a monitoring process to help make that judgment. Second, the parties could fail to reach agreement. In either case, the result becomes a cause of action under section 301 of the Trade Act of 1974.

This is a carefully developed, nuanced approach designed to further the President's goals. Its beauty is its cumulative nature. The Commerce Department will be regularly reviewing sectors and analyzing their competitiveness in Japan. USTR will be just as regularly undertaking the negotiations envisioned in the Framework Agreement with respect to those sectors. The Department's studies will serve as the foundation and goal for those negotiations. The use of section 301 is warranted in the event of failure. Indeed, use of section 301 in the case of agreements that have not been complied with is similar to the approach taken by the proposed Trade Agreements Compliance Act, which the Senate passed in 1992 and which many Senators have cosponsored again in this Congress.

The result of this mechanism will be an ongoing effort to open the Japanese market through negotiations that use an established analytical method to set goals. Negotiating priorities are left to the U.S. Trade Representative, as is the decision on final action, as in current law.

This bill creates a barometer of sorts to measure trade successes between Japan and the United States, translating the vague language of trade frameworks into the specific language of balance sheets and growth. If standards are set and reached, then clearly both nations are living up to their commitments and policies are working. If not, then agreements need to be revisited and problems worked out.

It's time for Japan to tear down its economic walls, to end protectionism, open its markets, and accept the responsibilities that come with being a world economic power. This bill is a significant step toward that end.

Will this kind of an approach solve all our problems? History would suggest that is too much to expect. At the same time, it is critical that we move forward with some action. To those who say this is managed trade, I would say that it is not intended that way. It is intended as a market-opening strategy. At the same time, however, I would reiterate the point I made earlier—the Japanese economy is unique. Every tactic we have pursued for more than 15 years has failed, notwithstanding the validity of our complaints, which most economists now agree with. Under the circumstances, it is not only appropriate but the only responsible course of action to try something new before more time passes and more jobs are lost. Such an approach is neither required nor recommended with respect to other parts of the world where we do compete—win or lose—on a market basis.

Having said that, Mr. President, I continue to be optimistic that this story will ultimately have a happy ending. In the first place, we have an administration here that understands it and is pressing the Japanese on the right issues in the right way. In the second place, we may now have a Japanese Government which, at least privately, understands that what we have been asking is good for them as well as for us; indeed, it is good for the trading system. Getting from there to real results promises to be difficult, as nearly any change in Japan is, but there is less reason for gloom now than there has been in some time.

I also want to take this chance to commend President Clinton and his team on these issues for providing leadership and direction at, this critical juncture. In his refusal to reject inaction on the Framework Agreement, he also made his commitment to strengthening this country's short-term and long-term relationship with Japan abundantly clear. We share that goal very deeply.

I also applaud Congressman GEPHARDT for his continued thoughtful leadership in trade policy and the partnership we have forged to help pave the next road in the United States-Japan relationship. We share a sense of obligation to America's families and industries, and the belief that this legislation can benefit them and the people of Japan.

Mr. President, I ask unanimous consent that the test of the bill and additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Market Access Act of 1994".

SEC. 2. REPORTS ON ACCESS TO JAPANESE MARKETS.

(a) INITIAL REPORT.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Congress a report assessing the access to the Japanese market of goods and services produced or originating in the United States in each sector specifically identified in the Framework Agreement.

(2) CONTENTS OF REPORT.—The Secretary shall include in the report under paragraph (1) the following:

(A) An assessment of the market access opportunities that would be available in the Japanese market for goods and services in each sector referred to in paragraph (1) in the absence of barriers to achieving access to such market in both the public and private sectors in Japan. In making such assessment, the Secretary shall consider the competitive position of such goods and services in similarly developed markets in other countries. Such assessment shall specify the time periods within which such market access opportunities should reasonably be expected to be obtained.

(B) Objective criteria for measuring the extent to which those market access opportunities described in subparagraph (A) have been obtained. The development of such objective criteria may include the use of interim objective criteria to measure results on a periodic basis, as appropriate.

(b) SUBSEQUENT ANNUAL REPORTS.—

(1) IN GENERAL.—Not later than the date which is 1 year after the last day of the 90-day period referred to in subsection (a)(1), and annually thereafter, the Secretary shall submit to the Congress a report containing the following:

(A) An assessment of the market access opportunities that would be available in the Japanese market, for goods and services produced or originating in the United States in those sectors selected by the Secretary, in the absence of the barriers to achieving access to such market in both the public and private sectors in Japan. In making such assessment, the Secretary shall consider the competitive position of such goods and services in similarly developed markets in other countries. Such assessment shall specify the time periods within which such market access opportunities should reasonably be expected to be obtained.

(B) Objective criteria for measuring the extent to which those market access opportunities described in subparagraph (A) have been obtained. The development of such objective criteria may include the use of interim criteria described in subsection (a)(2)(B).

(C) An assessment of whether, and to what extent, Japan has materially complied with—

(i) agreements and understandings reached between the United States and Japan pursuant to section 3, and

(ii) existing trade agreements between the United States and Japan.

Such assessment shall include specific information on the extent to which United States suppliers have achieved additional access to the Japanese market and the extent to which Japan has complied with other commitments under such agreements and understandings.

(D) An assessment of the effect of the agreements and understandings described in subparagraph (C) on the access to the Japanese markets of goods and services produced or originating in the United States.

(2) SELECTION OF SECTORS.—In selecting sectors that are to be the subject of a report under paragraph (1), the Secretary shall give priority to those sectors—

(A) in which access to the Japanese market is likely to have significant potential to increase exports of United States goods and services;

(B) in which access to the Japanese market will result in significant employment benefits for producers of United States goods and services; or

(C) which represent critical technologies, including those identified by the National Critical Technologies Panel under section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683).

The Secretary shall include an assessment under paragraph (1) of any sector for which the Trade Representative requests such assessment be made. In preparing any such request, the Trade Representative shall give priority to those barriers identified in the reports required by section 181(b) of the Trade Act of 1974.

(3) INFORMATION ON ACCESS BY FOREIGN SUPPLIERS.—The Secretary shall consult with the governments of foreign countries concerning access to the Japanese market of goods and services produced or originating in those countries. At the request of the government of any such country, the Secretary may include in the reports required by paragraph (1) information, with respect to that country, on such access.

SEC. 3. NEGOTIATIONS TO ACHIEVE MARKET ACCESS.

(a) NEGOTIATING AUTHORITY.—The President is authorized to enter into agreements or other understandings with the Government of Japan for the purpose of obtaining the market access opportunities described in the reports of the Secretary under section 2.

(b) DETERMINATION OF PRIORITY OF NEGOTIATIONS.—Upon the submission by the Secretary of each report under section 2, the Trade Representative shall determine—

(1) for which sectors identified in the report the Trade Representative will pursue negotiations, during the 6-month period following submission of the report, for the purpose of concluding agreements or other understandings described in subsection (a), and the time frame for pursuing negotiations on any other sector identified in the report; and

(2) for which sectors identified in any previous report of the Secretary under section 2 the Trade Representative will pursue negotiations, during the 6-month period described in paragraph (1), in cases in which—

(A) negotiations were not previously pursued by the Trade Representative, or

(B) negotiations that were pursued by the Trade Representative did not result in the conclusion of an agreement or understanding described in subsection (a) during the preceding 6-month period, but are expected to result in such an agreement or understanding during the 6-month period described in paragraph (1).

For purposes of this Act, negotiations by the Trade Representative with respect to a particular sector shall be for a period of not more than 12 months.

(c) SEMIANNUAL REPORTS.—At the end of the 6-month period beginning on the date on which the Secretary's first report is submitted under subsection (a)(1), and every 6 months thereafter, the Trade Representative shall submit to the Congress a report containing the following:

(1) With respect to each sector on which negotiations described in subsection (b) were pursued during that 6-month period—

(A) a determination of whether such negotiations have resulted in the conclusion of an agreement or understanding intended to obtain the market access opporunities described in the most recent applicable report of the Secretary, and if not—

(i) whether such negotiations are continuing because they are expected to result in such an agreement or understanding during the succeeding 6-month period; or

(ii) whether such negotiations have terminated;

(B) in the case of a positive determination made under subparagraph (A)(i) in the preceding report submitted under this subsection, a determination of whether the continuing negotiations have resulted in the conclusion of an agreement or understanding described in subparagraph (A) during that 6-month period.

(2) With respect to each sector on which negotiations described in subsection (b) were not pursued during that 6-month period, a determination of when such negotiations will be pursued.

SEC. 4. MONITORING OF AGREEMENTS AND UNDERSTANDINGS.

(a) IN GENERAL.—For the purpose of making the assessments required by section 2(b)(1)(C), the Secretary shall monitor the compliance with each agreement or understanding reached between the United States and Japan pursuant to section 3, and with each existing trade agreement between the United States and Japan. In making each such assessment, the Secretary shall describe—

(1) the extent to which market access for the sector covered by the agreement or understanding has been achieved; and

(2) the bilateral trade relationship with Japan in that sector.

In the case of agreements or understandings reached pursuant to section 3, the description under paragraph (1) shall be done on the basis of the objective criteria set forth in the applicable report under section 2(a)(2)(B) or 2(b)(1)(B).

(b) TREATMENT OF AGREEMENTS AND UNDERSTANDINGS.—Any agreement or understanding reached pursuant to negotiations conducted under this Act, and each existing trade agreement between the United States and Japan, shall be considered to be a trade agreement for purposes of section 301 of the Trade Act of 1974.

SEC. 5. TRIGGERING OF SECTION 301 ACTIONS.

(a) DETERMINATIONS BY TRADE REPRESENTATIVE.—

(1) FAILURE TO CONCLUDE AGREEMENTS.—In any case in which the Trade Representative determines under section 3(c)(1)(A)(ii) or (B) that negotiations have not resulted in the conclusion of an agreement or understanding described in section 3(a), each barrier to access to the Japanese market that was the subject of such negotiations shall, for purposes of title III of the Trade Act of 1974, be considered to be an act, policy, or practice determined under section 304 of that Act to be an act, policy or practice that is unreasonable and discriminatory and burdens or restricts United States commerce. The Trade Representative shall determine what action to take under section 301(b) of that Act in response to such act, policy, or practice.

(2) NONCOMPLIANCE WITH AGREEMENTS OR UNDERSTANDINGS.—In any case in which the Secretary determines, in a report submitted under section 2(b)(1), that Japan is not in material compliance with—

(A) any agreement or understanding concluded pursuant to negotiations conducted under section 3, or

(B) any existing trade agreement between the United States and Japan,

the Trade Representative shall determine what action to take under section 301(a) of the Trade Act of 1974. For purposes of section 301 of that Act, a determination of noncompliance described in the preceding sentence shall be treated as a determination made under section 304 of that Act.

SEC. 6. DEFINITIONS.

As used in this Act—

(1) EXISTING TRADE AGREEMENT BETWEEN THE UNITED STATES AND JAPAN.—The term "existing trade agreement between the United States and Japan" means any trade agreement that was entered into between the United States and Japan before the date of the enactment of this Act and is in effect on such date. Such term includes—

(A) the Arrangement Between the Government of Japan and the Government of the United States of America Concerning Trade in Semiconductor Products, signed in 1986;

(B) the Arrangement Between the Government of Japan and the Government of the United States of America Concerning Trade in Semiconductor Products, signed in 1991;

(C) the United States-Japan Wood Products Agreement, signed on June 5, 1990;

(D) Measures Related to Japanese Public Sector Procurements of Computer Products and Services, signed on January 10, 1992;

(E) the Tokyo Declaration on the U.S.-Japan Global Partnership, signed on January 9, 1992; and

(F) the Cellular Telephone and Third-Party Radio Agreement, signed in 1989.

(2) FRAMEWORK AGREEMENT.—The term "Framework Agreement" means the Japan-United States Framework for a New Economic Partnership, signed on July 10, 1993.

(3) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(4) TRADE REPRESENTATIVE.—The term "Trade Representative" means the United States Trade Representative.

FAIR MARKET ACCESS ACT OF 1994

GOAL

To expand United States exports of goods and services by requiring the development of objective criteria to achieve market access in Japan.

BACKGROUND

Starting in the early 1980's, the United States has seen its trade deficit with Japan increase dramatically, to a level of approximately $60 billion in 1993. Despite repeated negotiations to achieve access to the Japanese market during this period, access for many U.S. products—particularly high value-added products—has been severely limited.

In April of 1993, President Clinton and Japan's Prime Minister met and directed their Administrations to begin discussions with the goal of resolving a number of longstanding trade disputes. Many of these disputes had been subject to negotiated agreements in the past; however, specific results in terms of market access were minimal at best.

At the Tokyo Economic Summit in July, President Clinton and then-Prime Minister Miyazawa signed the Joint Statement on the United States-Japan Framework For A New Economic Partnership, which created a process as well as a specific framework for negotiations between our two countries. While negotiations are continuing, there is some skepticism as to whether concrete milestones for success will be contained in any agreements. These milestones are necessary if we are to be able finally to achieve real access to the Japanese market. Indeed, prior to the Economic Summit Prime Minister Miyazawa indicated that outside pressure is necessary if Japan is to change.

The Japanese Government's willingness to negotiate under the framework is an acknowledgement of the problems U.S. companies face. Further investigation of barriers to our exports isn't necessary—we've examined this problem long enough. Accordingly, the legislation will short-circuit the investigation phase and go immediately to consultations. If an agreement can't be reached, action could occur.

SPECIFICS

First, the legislation will require a report by the Department of Commerce and the USTR on the trade agreements currently in force between the United States and Japan, and the operations of those agreements. The report will include specific information on the extent to which U.S. and world suppliers have been able to achieve additional access to the Japanese markets pursuant to those agreements.

Second, the legislation will require that the Department of Commerce compile an annual report on market access opportunities for U.S. firms in the Japanese market. In compiling this report, the Department of Commerce shall examine the competitive position of U.S. firms in similarly developed third country markets. The report will define objective criteria for each industry necessary to gain the access to the Japanese market that U.S. firms would have but for the existence of market access impediments.

The first report under the legislation is required 90 days after enactment. In this first report, the Department of Commerce is to give priority to developing objective criteria to those industries which are contained in the "Framework For A New Economic Partnership" agreed to by the Governments of Japan and the United States in 1993.

In defining which industries shall be included in each report, the Department of Commerce shall give priority to:

(1) Those industries where the United States can maximize the economic gain for its farmers, workers and businesses by expanding exports;

(2) Those industries which will result in the greatest employment benefits for the United States, or;

(3) Those industries which represent critical technologies.

In compiling these reports, the Department of Commerce shall include any industry which the USTR requests be included in the report. Additionally, the Department of Commerce shall consult with foreign governments, at their request, and include information on market access opportunities for world suppliers in the Japanese market.

During this period, the Administration is expected to continue its efforts to negotiate agreements in each of these areas. The goal, of course, is to achieve agreements that will result in definable market access for U.S. companies. However, if agreements aren't reached, then the targets set by the Department of Commerce could provide the basis for action under Section 301 of the trade law.

Each report is to contain information on the operations of agreements and understandings entered into before as well as after the date of enactment.

Finally, the legislation will extend the President's trade negotiating authority specifically for Japan. This is to make it clear that the unique nature of the Japanese market requires a different approach than has been used in the past in trade negotiations.●

ADDITIONAL COSPONSORS

S. 549

At the request of Mr. DOMENICI, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 549, a bill to provide for the minting and circulation of 1-dollar coins.

S. 993

At the request of Mr. KEMPTHORNE, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 993, a bill to end the practice of imposing unfunded Federal mandates on States and local governments and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations.

S. 1440

At the request of Mr. BURNS, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Mississippi [Mr. COCHRAN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Tennessee [Mr. MATHEWS], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 1440, a bill to amend the Endangered Species Act of 1973 with common sense amendments to strengthen the act, enhance wildlife conservation and management, augment funding, and protect fishing, hunting, and trapping.

S. 1458

At the request of Mrs. KASSEBAUM, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1458, a bill to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes.

S. 1576

At the request of Mr. COATS, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1576, a bill to provide a tax credit for families, to provide certain tax incentives to encourage investment and increase savings, and to place limitations on the growth of spending.

S. 1594

At the request of Mr. SHELBY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1594, a bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to require a reduction in the discretionary spending limits in each fiscal year by an amount equal to the total of any reductions made in existing programs for the previous fiscal year.

S. 1669

At the request of Mrs. HUTCHISON, the names of the Senator from Idaho [Mr. CRAIG], the Senator from New Hampshire [Mr. SMITH], the Senator from Utah [Mr. HATCH], the Senator from Wyoming [Mr. SIMPSON], the Senator from Mississippi [Mr. COCHRAN], the Senator from New York [Mr. D'AMATO], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Alaska [Mr. STEVENS], the Senator from Maine [Mr. COHEN], the Senator from Virginia [Mr. WARNER], the Senator from Utah [Mr. BENNETT], the Senator from Missouri [Mr. BOND], the Senator from Kentucky [Mr. MCCONNELL], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. THURMOND], the Senator from Oklahoma [Mr. NICKLES], the Senator from Arizona [Mr. MCCAIN], the Senator from Georgia [Mr. COVERDELL], the Senator from Texas [Mr. GRAMM], the Senator from Kansas [Mr. DOLE], the Senator from Florida [Mr. MACK], the Senator from Montana [Mr. BURNS], the Senator from Indiana [Mr. COATS], the Senator from New Hampshire [Mr. GREGG], the Senator from Arkansas [Mr. BUMPERS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Iowa [Mr. GRASSLEY], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 1669, a bill to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction.

S. 1690

At the request of Mr. PRYOR, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1698

At the request of Mr. BURNS, his name was added as a cosponsor of S.

1698, a bill to reduce the paperwork burden on certain rural regulated financial institutions, and for other purposes.

S. 1703

At the request of Mr. SARBANES, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1703, a bill to expand the boundaries of the Piscataway National Park, and for other purposes.

S. 1715

At the request of Mrs. HUTCHISON, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1715, a bill to provide for the equitable disposition of distributions that are held by a bank or other intermediary as to which the beneficial owners are unknown or whose addresses are unknown, and for other purposes.

S. 1805

At the request of Mr. WARNER, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1805, a bill to amend title 10, United States Code, to eliminate the disparity between the periods of delay provided for civilian and military retiree cost-of-living adjustments in the Omnibus Budget Reconciliation Act of 1993.

S. 1819

At the request of Mrs. KASSEBAUM, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1819, a bill to prohibit any Federal department or agency from requiring any State, or political subdivision thereof, to convert highway signs to metric units.

SENATE JOINT RESOLUTION 146

At the request of Mr. WOFFORD, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Joint Resolution 146, a joint resolution designating May 1, 1994, through May 7, 1994, as "National Walking Week."

SENATE JOINT RESOLUTION 150

At the request of Mr. SARBANES, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Joint Resolution 150, a joint resolution to designate the week of May 2 through May 8, 1994, as "Public Service Recognition Week."

SENATE JOINT RESOLUTION 151

At the request of Mr. LIEBERMAN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 151, a joint resolution designating the week of April 10 through 16, 1994, as "Primary Immune Deficiency Awareness Week."

SENATE JOINT RESOLUTION 158

At the request of Mr. WOFFORD, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 158, a joint resolution to designate both the month of August 1994 and the month of August 1995 as "National Slovak American Heritage Month."

SENATE JOINT RESOLUTION 162

At the request of Mr. SPECTER, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Georgia [Mr. NUNN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Tennessee [Mr. SASSER], the Senator from Wyoming [Mr. SIMPSON], the Senator from Massachusetts [Mr. KERRY], the Senator from Wisconsin [Mr. KOHL], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Indiana [Mr. LUGAR], the Senator from Ohio [Mr. METZENBAUM], the Senator from Oregon [Mr. HATFIELD], the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. HELMS], the Senator from Hawaii [Mr. INOUYE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Georgia [Mr. COVERDELL], the Senator from Idaho [Mr. CRAIG], the Senator from Missouri [Mr. DANFORTH], the Senator from Arizona [Mr. DECONCINI], the Senator from New Mexico [Mr. DOMENICI], the Senator from California [Mrs. BOXER], the Senator from Colorado [Mr. BROWN], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Joint Resolution 162, a joint resolution designating March 25, 1994, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 59

At the request of Mr. BURNS, the names of the Senator from Florida [Mr. MACK], the Senator from Utah [Mr. HATCH], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Concurrent Resolution 59, a concurrent resolution expressing the sense of the Congress that any Federal Government mandated health care reform should be on-budget.

SENATE CONCURRENT RESOLUTION 61—RELATIVE TO THE TRADE IMBALANCE WITH JAPAN

Mr. WOFFORD (for himself, Mr. LEVIN, Mrs. FEINSTEIN, Mr. LAUTENBERG, Mr. KOHL, Mr. RIEGLE, and Mr. SARBANES) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 61

Whereas the United States and Japan have a long, deep, and rich relationship;

Whereas the security alliance between the United States and Japan is stronger than ever and essential to the Asian Pacific and the rest of the world;

Whereas the United States and Japan have also embraced a common agenda for cooperation on global issues such as population, transportation technology, and the environment;

Whereas in order to strengthen the relationship, the United States and Japan must have a mutually beneficial economic partnership, which will result in more jobs and economic opportunities for Americans;

Whereas even though the United States and Japan have negotiated over 30 trade agreements since 1980, Japan still remains less open to imports than any other G–7 nation and its regulations and practices screen out many United States products, even our most competitive products;

Whereas over the last 10 years our trade deficit with Japan has increased by 200 percent, resulting in a current trade deficit of $59,000,000,000;

Whereas last year the United States and Japan agreed to seek market opening arrangements containing objective criteria that would result in tangible progress; and

Whereas in recent negotiations Japanese representatives refused to agree to such market opening arrangements: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress supports the efforts of the President of the United States to open Japanese markets and to obtain measurable increases in Japan's import either through continued negotiation or enforcement of United States law.

AMENDMENTS SUBMITTED

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

DANFORTH AMENDMENT NO. 1470

(Ordered to lie on the table.)

Mr. DANFORTH submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 41) proposing an amendment to the Constitution of the United States to require a balanced budget; as follows:

On page 3, line , at the end of Section 6 add the following:

The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgement or such remedies as are specifically authorized in implementing legislation pursuant to this section.

REID (AND OTHERS) AMENDMENT NO. 1471

Mr. REID (for himself, Mr. FORD, and Mrs. FEINSTEIN) proposed an amendment to the joint resolution, Senate Joint Resolution 41, supra; as follows:

Strike all after "Assembled" and insert the following:

(two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:

ARTICLE

"Section 1. Total estimated outlays of the operating funds of the United States for any fiscal year shall not exceed total estimated receipts to those funds for that fiscal year, unless Congress by concurrent resolution approves a specific excess of outlays over receipts by three-fifths of the whole number of each House on a roll-call vote.

"Section 2. Not later than the first Monday in February in each calendar year, the President shall transmit to the Congress a proposed budget for the United States Government for the fiscal year beginning in that calendar year in which total estimated outlays of the operating funds of the United States for that fiscal year shall not exceed total estimated receipts to those funds for that fiscal year.

"Section 3. This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the Director of the Congressional Budget Office, or any successor, estimates that real economic growth has been or will be less than one percent for two consecutive quarters during the period of those two fiscal years. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and it is so declared by a joint resolution, adopted by a majority of the whole number of each House of Congress, that becomes law.

"Section 4. Total estimated receipts of the operating funds shall exclude those derived from net borrowing. Total estimated outlays of the operating funds of the United States shall exclude those for repayment of debt principal; and for capital investments. The receipts (including attributable interest) and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as receipts or outlays for purposes of this article.

"Section 5. This article shall be enforced only in accordance with appropriate legislation enacted by Congress. The Congress may, by appropriate legislation, delegate to an officer of Congress the power to order uniform cuts.

"Section 6. Sections 5 and 6 of this article shall take effect upon ratification. All other sections of this article shall take effect beginning with fiscal year 2001 or the second fiscal year beginning after its ratification, whichever is later.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet jointly with the Committee on Governmental Affairs on Thursday, February 24, 1994, at 10 a.m., in open session, to receive testimony on S. 1587, the Federal Acquisition Streamlining Act of 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, February 24, 1994, at 3 p.m., in open session, to consider certain pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, February 24, to conduct a hearing on the semi-annual report of the RTC Oversight Board. The hearing will begin at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on the nomination of Linda Joan Morgan to be a member of the Interstate Commerce Commission on Thursday, February 24, 1994, beginning at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORATION

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct an executive session immediately following the 10 a.m. hearing on the nomination of Linda Joan Morgan to be a member of the Interstate Commerce Commission on Thursday, February 24, 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., February 24, 1994, to receive testimony on the fiscal year 1995 budget requests for the Department of the Interior and the U.S. Forest Service

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. PELL. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, February 24 to resume consideration of the Graham substitute amendment to S. 1114, the Water Pollution Prevention and Control Act of 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10 a.m. to hear testimony on the subject of health care alliances.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. PELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Thursday, February 24, 1994, for a joint hearing with the Armed Services Committee on the legislation: S. 1587, the Federal Acquisition Streamlining Act of 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON JUDICIARY

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, February 24, 1994 to hold a hearing on the nominations of Samuael F. Biery, Jr., to be a U.S. district court judge for the Western District of Texas, William Royal Ferguson, Jr., to be a U.S. district court judge for the Western District of Texas, Orlando L. Garcia, to be a U.S. district court judge for the Eastern District of Texas, John H. Hannah, Jr., to be a U.S. district court judge for the Eastern District of Texas and Janis Ann Graham Jack, to be U.S. district judge for the Southern District of Texas.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON JUDICIARY

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, February 24, 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. PELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 24, 1994 at 2:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN, FAMILY, DRUGS AND ALCOHOLISM

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources' Subcommittee on Children, Family, Drugs and Alcoholism be authorized to meet for a hearing on Child Care for Working Families: True Welfare Reform, during the session of the Senate on February 24, 1994 at 10:00 am.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE

Mr. PELL. Mr. President, I ask unanimous consent that the Subcommittee on International Finance of the Senate Banking, Housing, and Urban Affairs Committee be authorized to meet during the session of the Senate on Thursday, February 24, to conduct a hearing on Export Administration Act. The hearing will begin at 2:00 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SOCIAL SECURITY DISABILITY AND REHABILITATION ACT OF 1994

• Mr. CHAFEE. Mr. President, yesterday Senator COHEN introduced legislation that makes important reforms to two Social Security programs that provide benefits to the disabled. I applaud him in his effort to restore credibility to these important programs and am pleased to join as a cosponsor of the legislation.

The Social Security Disability Insurance [SSDI] and Supplemental Security Income [SSI] Programs were designed to support individuals who cannot work because of physical or mental disabilities. Included in the definition of qualifying disabilities are drug addiction and alcoholism. Indeed, 250,000 addicts receive benefits to the tune of $1.4 billion under these programs. The rationale behind this is that drug addicts and alcoholics must be supported financially while they are undergoing treatment.

Shockingly, a year-long investigation by Senator COHEN's staff on the Senate Special Committee on Aging and by the General Accounting Office [GAO] has brought to our attention that instead of helping drug addicts and alcoholics seek treatment, the programs are in many instances merely subsidizing their addictions. Because the Government has not required addicts to seek treatment, or held them accountable for how the money is spent or who manages it, the program has spun out of control and is now operating as a cash assistance program for drug addicts and alcoholics—with no strings attached.

To be certain, Congress has tried to put some restraints on the SSI Program. Addicts receiving benefits under this program may not get the money directly. Instead, the money is paid to a supposedly third party, such as a family member or friend. This so-called representative payee is supposed to be a responsible member of society who will oversee how the money is spent. Regrettably, the investigation revealed that too often this third party is also an addict, unable to manage his own life, let alone that of a fellow addict. While this provision has not been well enforced, at least there was an attempt. No such attempt is made in the SSDI Program, where the money goes directly into the hands of the addict.

The treatment requirements are also ineffective—where they even exist. Supposedly, drug addicts and alcoholics who receive SSI benefits must participate in a substance abuse treatment program—if available. Senator COHEN's investigation shows that the Social Security Administration does a sorry job of overseeing this requirement. As a result, many addicts are never held to this requirement. Again, at least the Government showed an interest in trying in the SSI Program—the SSDI Program does not even bother to make treatment a condition of benefits.

One of the ways that the Social Security Administration determines eligibility for these programs is if an individual is unable to engage in substantial gainful activity because of his or her mental or physical impairment. Yet, many addicts are engaged in substantial gainful activity that is illegal, namely drug dealing. They will admit this to the authorities to prove that they are addicts, and then will be deemed eligible for benefits.

Clearly, Mr. President, the time has come for Congress to take action. This legislation would put into place some tough new requirements. First, and most important the legislation will require that all substance abusers seek treatment, and it will increase the availability of substance abuse treatment programs. Second, addicts will no longer be allowed to designate a fellow addict as their representative payee. Instead, the money will be paid to an approved community agency which will oversee its distribution. Third, drug dealers, who are now on the rolls, will no longer be eligible for benefits.

Mr. President, we have all been trying to find ways to save money and to make Congress more accountable for the programs it authorizes. Taxpayers have been most generous in their support for the truly needy, and we should make every effort not to exploit that generosity. Individuals who are truly disabled, or addicted to drugs or alcohol and trying to change your ways should be supported. But we will no longer help those who are not trying to help themselves. This legislation puts that message into law, and I urge my colleagues to enact it as soon as possible. Thank you, Mr. President.•

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. PELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Order No. 698, Calendar Order No. 699, Calendar Order No. 700, Calendar Order Number 701, Calendar Order No. 702, Calendar Order No. 704, and Calendar Order No. 705.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; that, upon confirmation, the motions to reconsider be laid upon the table en bloc; and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

U.S. ENRICHMENT CORPORATION

Greta Joy Dicas, of Arkansas, to be a Member of the Board of Directors of the United States Enrichment Corporation.

Frank G. Zarb, of New York, to be a Member of the Board of Directors of the United States Enrichment Corporation.

Kneeland C. Youngblood, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation.

Margaret Hornbeck Greene, of Kentucky, to be a Member of the Board of Directors of the United States Enrichment Corporation.

William J. Rainer, of Connecticut, to be a Member of the Board of Directors of the United States Enrichment Corporation.

DEPARTMENT OF THE INTERIOR

Gordon P. Eaton, of Ohio, to be Director of the United States Geological Survey, vice Dallas Lynn Peck.

DEPARTMENT OF LABOR

Bernard E. Anderson, of Pennsylvania, to be an Assistant Secretary of Labor, vice Cari M. Dominguez, resigned.

STATEMENT ON THE NOMINATION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION

Mr. WALLOP. Mr. President, nearly 10 years ago, a group of Senators on the Energy Committee began a diligent effort to save the Department of Energy's Uranium Enrichment Enterprise from extinction. The Department was faced with declining demand for its product, rapidly increasing competition in the market, and the effects of a series of improvident bureaucratic decisions. Finally, in the Energy Policy Act of 1992, we succeeded in creating a Government Corporation with the hope that freedom to operate in businesslike manner would save this enterprise. Today's confirmation of the Board members charged with making a success of the new Corporation should gratify those of us involved in this effort. Instead, I find myself plagued by a gnawing suspicion that the administration may thwart our efforts to save this venture and maximize returns to U.S. taxpayers.

In the Energy Policy Act of 1992, this committee insisted on the transfer of the foundering Uranium Enrichment Enterprise to a newly created Government Corporation with the ultimate goal of privatization. Implicit in that undertaking was the notion that a direct correlation would exist between the success of the Corporation and the absence of Government interference in its operations.

Through capable, efficient management, the new Corporation began its operations on schedule and under budget. My concerns today lie not with the Corporation's management, but with the ominous signals from the administration that it intends to exert over the management a degree of influence that, if unchecked, will eventually result in the Corporation's demise.

For example, the HEU deal concluded last month with Russia sets a purchase price that is above the cost at which the Corporation can produce the product itself. Such an arrangement does not appear to be related to any sensible business practice.

More recently, the administration's budget proposal for 1995 includes a provision that requires operational changes at the Corporation in order to offset the administration's objectives for other programs. Both of these events demonstrate exactly the kind of bureaucratic malaise we sought to eliminate by directing that the new Corporation operate in a businesslike, profit-motivated manner.

The nominees before us today all profess to have the same goals for the Corporation that we envisioned. That is encouraging. It is also encouraging that each of the nominees has proven capabilities in a wide variety of business arenas. However, if they are to succeed, they must be uniformly unwavering in their resolve to keep the administration out of the affairs of this Corporation. Otherwise, the Corporation's customers will remain distrustful of its ability to be competitive in such a challenging market and the Corporation will surely fail.

I have supported the confirmation of these nominees because they have convinced me of their singleminded purpose to make this Corporation a successful business venture and that they will not permit the administration to thwart that goal through micromanagement of the Corporation's business decisions. I wish the Directors well in accomplishing this task and will keep a watchful eye on their progress.

STATEMENT ON THE NOMINATION OF GORDON P. EATON

Mr. WALLOP. Mr. President, I rise in support of the nomination of Mr. Gordon Eaton to be Director of the U.S. Geological Survey.

Mr. Eaton has a distinguished background as an Earth scientist as well as good experience as an administrator which will stand him in good stead to take on the responsibilities of this important information-gathering agency. Mr. Eaton holds an M.S. and Ph.D. in geology from the California Institute of Technology and currently serves as the director of the Lamont-Doherty Earth Observatory of Columbia University. From 1963 to 1981, he served in a variety of high-level positions at the Survey.

I believe Mr. Eaton to be a dedicated public servant and well qualified for the position to which he has been nominated.

U.S. ARMY

Mr. PELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the following nomination reported today by the Committee on Armed Services: Maj. Gen. Marc A. Cisneros, to be lieutenant general.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the nomination.

The assistant legislative clerk read the nomination of Maj. Gen. Marc A. Cisneros, to be lieutenant general.

Mrs. HUTCHISON. Mr. President, Gen. Marc Cisneros is going to participate tomorrow in the changing of command at Forth Sam Houston in San Antonio, TX. He is being promoted from major general to lieutenant general so that he can take command of a very important base located in San Antonio.

Major General Cisneros is a native of Brownsville, TX. He is a graduate of St. Mary's University. He entered the Army in 1961 when he was commissioned as a second lieutenant in field artillery. During his distinguished career, he served two combat tours in the Republic of Vietnam. He was commander, U.S. Army South, for the liberation of Panama during Operation Just Cause in 1989.

Tomorrow, he will assume command of the 5th U.S. Army at Fort Sam Houston, a position for which he is extremely well qualified. I wish to be the first to congratulate him on his promotion and to welcome him back to Texas.

I would especially like to thank Senator SAM NUNN, the chairman of the Senate Armed Services Committee, and the ranking member, Senator STROM THURMOND, for agreeing to expedite this nomination. Also, I would like to thank the two distinguished leaders, Senators MITCHELL and DOLE, for allowing us to agree to this promotion for General Cisneros so that he can take part in the change of command ceremony tomorrow in San Antonio, TX.

I thank the Chair. I yield the floor.

Mr. PELL. I ask unanimous consent that the nominee be confirmed; that any statements appear in the RECORD as if read; that the motion to reconsider be laid upon the table; and that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

INDEPENDENT COUNSEL REAUTHORIZATION ACT OF 1994

Mr. PELL. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 24, a bill to reauthorize the Independent Counsel Law for an additional 5 years, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Amendment: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Counsel Reauthorization Act of 1994".

SEC. 2. FIVE-YEAR REAUTHORIZATION.

(a) REAUTHORIZATION.—Section 599 of title 28, United States Code, is amended by striking "1987" and inserting "1993".

(b) EFFECTIVENESS OF STATUTE.—Chapter 40 of title 28, United States Code, shall be effective, on and after the date of the enactment of this Act, as if the authority for such chapter had not expired before such date.

SEC. 3. ADDED CONTROLS.

(a) COST CONTROLS AND ADMINISTRATIVE SUPPORT.—Section 594 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(l) COST CONTROLS AND ADMINISTRATIVE SUPPORT.—

"(1) COST CONTROLS.—

"(A) IN GENERAL.—An independent counsel shall—

"(i) conduct all activities with due regard for expense;

"(ii) authorize only reasonable and lawful expenditures; and

"(iii) promptly, upon taking office, assign to a specific employee the duty of certifying that expenditures of the independent counsel are reasonable and made in accordance with law.

"(B) DEPARTMENT OF JUSTICE POLICIES.—An independent counsel shall comply with the established policies of the Department of Justice respecting expenditures of funds, except to the extent that compliance would be inconsistent with the purposes of this chapter.

"(2) ADMINISTRATIVE SUPPORT.—The Director of the Administrative Office of the United States Courts shall provide administrative support and guidance to each independent counsel. No officer or employee of the Administrative Office of the United States Courts shall disclose information related to an independent counsel's expenditures, personnel, or administrative acts or arrangements without the authorization of the independent counsel.

"(3) OFFICE SPACE.—The Administrator of General Services, in consultation with the Director of the Administrative Office of the United States Courts, shall promptly provide appropriate office space for each independent counsel. Such office space shall be within a Federal building unless the Administrator of General Services determines that other arrangements would cost less.".

(b) INDEPENDENT COUNSEL PER DIEM EXPENSES.—Section 594(b) of title 28, United States Code, is amended—

(1) by striking "An independent counsel" and inserting—

"(1) IN GENERAL.—An independent counsel"; and

(2) by adding at the end the following new paragraphs:

"(2) TRAVEL EXPENSES.—Except as provided in paragraph (3), an independent counsel and persons appointed under subsection (C) shall be entitled to the payment of travel expenses as provided by subchapter 1 of chapter 57 of title 5, including travel or transportation expenses in accordance with section 5703 of title 5.

"(3) TRAVEL TO PRIMARY OFFICE.—An independent counsel and any person appointed under subsection (c) shall not be entitled to the payment of travel and subsistence expenses under subchapter 1 of chapter 57 of title 5 with respect to duties performed in the city in which the primary office of that independent counsel or person is located after 1 year of service by that independent counsel or person (as the case may be) under this chapter unless the employee assigned duties under subsection (l)(1)(A)(iii) certifies that the payment is in the public interest to carry out the purposes of this chapter. Any such certification shall be effective for 6 months, but may be renewed for additional periods of 6-months each if, for each such renewal, the employee assigned duties under subsection (l)(1)(A)(iii) makes a recertification with respect to the public interest described in the preceding sentence. In making any certification or recertification under this paragraph with respect to travel and subsistence expenses of an independent counsel or person appointed under subsection (c), such employee shall consider, among other relevant factors—

"(A) the cost to the Government of reimbursing such travel and subsistence expenses;

"(B) the period of time for which the independent counsel anticipates that the activities of the independent counsel or person, as the case may be, will continue;

"(C) the personal and financial burdens on the independent counsel or person, as the case may be, of relocating so that such travel and subsistence expenses would not be incurred; and

"(D) the burdens associated with appointing a new independent counsel, or appointing another person under subsection (c), to replace the individual involved who is unable or unwilling to so relocate.

An employee making a certification or recertification under this paragraph shall be liable for an invalid certification or recertification to the same extent as a certifying official certifying a voucher is liable under section 3528 of title 31.".

(c) INDEPENDENT COUNSEL EMPLOYEE PAY COMPARABILITY.—Section 594(c) of title 28, United States Code, is amended by striking the last sentence and inserting the following: "Not more than 2 such employees may be compensated at a rate not to exceed the rate of basic pay payable for level V of the Executive schedule under section 5316 of title 5, and all other such employees shall be compensated at rates not to exceed the maximum rate of basic pay payable for GS-15 of the General Schedule under section 5332 of title 5.".

(d) ETHICS ENFORCEMENT.—Section 594(j) of title 28, United States Code, is amended by adding at the end the following new paragraph:

"(5) ENFORCEMENT.—The Attorney General and the Director of the Office of Government Ethics have authority to enforce compliance with this subsection.".

(e) COMPLIANCE WITH POLICIES OF THE DEPARTMENT OF JUSTICE.—Section 594(f) of title 28, United State Code, is amended by striking "shall, except where not possible, comply" and inserting "shall, except to the extent that to do so would be inconsistent with the purposes of this chapter, comply".

(f) PUBLICATION OF REPORTS.—Section 594(h) of title 28, United States Code, is amended—

(1) by adding at the end the following new paragraph:

"(3) PUBLICATION OF REPORTS.—At the request of an independent counsel, the Public Printer shall cause to be printed any report previously released to the public under paragraph (2). The independent counsel shall certify the number of copies necessary for the public, and the Public Printer shall place the cost of the required number to the debit of such independent counsel. Additional copies shall be made available to the public through the Superintendent of Documents sales program under section 1702 of title 44 and the depository library program under section 1903 of such title."; and

(2) in the first sentence of paragraph (2), by striking "appropriate" the second place it appears and inserting "in the public interest, consistent with maximizing public disclosure, ensuring a full explanation of independent counsel activities and decisionmaking, and facilitating the release of information and materials which the independent counsel has determined should be disclosed".

(g) ANNUAL REPORTS TO CONGRESS.—Section 595(a)(2) of title 28, United States Code, is amended by striking "such statements" and all that follows through "appropriate" and inserting "annually a report on the activities of the independent counsel, including a description of the progress of any investigation or prosecution conducted by the independent counsel. Such report may omit any matter that in the judgment of the independent counsel should be kept confidential, but shall provide information adequate to justify the expenditures that the office of the independent counsel has made".

(h) PERIODIC REAPPOINTMENT OF INDEPENDENT COUNSEL.—Section 596(b)(2) of title 28, United States Code, is amended by adding at the end the following new sentence: "If the Attorney General has not made a request under this paragraph, the division of the court shall determine on its own motion whether termination is appropriate under this paragraph not later than 3 years after the appointment of an independent counsel and at the end of each succeeding 3-year period.".

(i) AUDITS BY THE COMPTROLLER GENERAL.—Section 596(c) of title 28, United States Code, is amended to read as follows:

"(c) AUDITS.—By December 31 of each year, an independent counsel shall prepare a statement of expenditures for the fiscal year that ended on the immediately preceding September 30. An independent counsel whose office is terminated prior to the end of the fiscal year shall prepare a statement of expenditures by the date that is 90 days after the date on which the office is terminated. The Comptroller General shall audit each such statement and shall, not later than March 31 of the year following the submission of any such statement, report the results of each audit to the Committee on the Judiciary and the Committee on Government Operations of the House of Representatives and to the Committee on Governmental Affairs and the Committee on the Judiciary of the Senate.".

SEC. 4. MEMBERS OF CONGRESS.

Section 591(c) of title 28, United States Code, is amended—

(1) by indenting paragraphs (1) and (2) two ems to the right and by redesignating such paragraphs as subparagraphs (A) and (B), respectively;

(2) by striking "The Attorney" and all that follows through "if—" and inserting the following:

"(1) IN GENERAL.—The Attorney General may conduct a preliminary investigation in accordance with section 592 if—"; and

(3) by adding at the end the following new paragraph:

"(2) MEMBERS OF CONGRESS.—Whenever the Attorney General determines that it would be in the public interest, the Attorney General may conduct a preliminary investigation in accordance with section 592 if the Attorney General has received information sufficient to constitute grounds to investigate whether a Member of Congress may have violated any Federal criminal law other than a violation classified as a Class B or C misdemeanor or an infraction.".

SEC. 5. GROUNDS FOR REMOVAL.

Section 596(a)(1) of title 28, United States Code, is amended by striking "physical disability, mental incapacity" and inserting "physical or mental disability (consistent with prohibitions on discrimination otherwise imposed by law)".

SEC. 6. NATIONAL SECURITY.

Section 597 of title 28, United States Code, is amended by adding at the end the following:

"(c) NATIONAL SECURITY.—An independent counsel shall comply with guidelines and procedures used by the Department in the handling and use of classified materials.".

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall become effective on the date of the enactment of this Act.

Mr. PELL. I ask unanimous consent the Senate disagree to the House amendment and agree to the request for a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

There being no objection, the Presiding Officer appointed Mr. GLENN, Mr. LEVIN, Mr. PRYOR, Mr. COHEN, and Mr. STEVENS, conferees on the part of the Senate.

MEASURE READ FOR THE FIRST TIME

Mr. PELL. Mr. President, I understand that S. 1865, the Community Health Improvement Act of 1994, introduced earlier today by Senator MCCAIN, is at the desk.

The PRESIDING OFFICER. That is correct.

Mr. PELL. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 1865) to amend title 19 of the Social Security Act to promote demonstrations by States of alternative methods of more efficiently delivering health care services through community health authorities.

Mr. PELL. I now ask for the second reading of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. PELL. I object on behalf of the Republican leader.

The PRESIDING OFFICER. Objection is heard.

The bill will lay over and will receive its second reading on the next legislative day.

ORDERS FOR FRIDAY, FEBRUARY 25, 1994

Mr. PELL. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Friday, February 25, that following the prayer, the Journal of proceedings be approved to date and the time for the two leaders reserved for their use later in the day; that the Senate then resume consideration of Senate Joint Resolution 41, the balanced budget constitutional amendment, with the time for debate on Friday, extending until 6 p.m., with the time controlled as provided for under the provisions of a previous unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. TOMORROW

Mr. PELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 7:17 p.m., recessed until tomorrow, Friday, February 25, 1994, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 24, 1994:

DEPARTMENT OF STATE

RYAN CLARK CROCKER, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF KUWAIT.

ARVONNE S. FRASER, OF MINNESOTA, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE COMMISSION ON THE STATUS OF WOMEN OF THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS.

EDWARD S. WALKER, JR., OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ARAB REPUBLIC OF EGYPT.

NATIONAL COUNCIL ON DISABILITY

MARCA BRISTO, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1995, VICE SANDRA SWIFT PARRINO, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. JOSEPH W. RALSTON, [redacted], U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. LAWRENCE E. BOESE, [redacted], U.S. AIR FORCE.

IN THE NAVY

THE FOLLOWING NAMED REAR ADMIRALS (LOWER HALF) OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF REAR ADMIRAL IN THE STAFF CORPS, AS INDICATED, PURSUANT TO THE PROVISION OF TITLE 10, UNITED STATES CODE, SECTION 5912:

MEDICAL CORPS OFFICER

To be rear admiral

REAR ADM. (LH) JAMES RAYMOND FOWLER, [redacted], U.S. NAVAL RESERVE.

JUDGE ADVOCATE GENERAL'S CORPS OFFICER

To be rear admiral

REAR ADM. (LH) FRED STEPHEN GLASS, [redacted], U.S. NAVAL RESERVE.

SUPPLY CORPS OFFICER

To be rear admiral

REAR ADM. (LH) LYLE ROSS HALL, [redacted], U.S. NAVAL RESERVE.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate February 24, 1994:

DEPARTMENT OF LABOR

BERNARD E. ANDERSON, OF PENNSYLVANIA, TO BE AN ASSISTANT SECRETARY OF LABOR.

U.S. ENRICHMENT CORPORATION

GRETA JOY DICUS, OF ARKANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM OF 2 YEARS.

FRANK G. ZARB, OF NEW YORK, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM OF 2 YEARS.

KNEELAND C. YOUNGBLOOD OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM OF 3 YEARS.

MARGARET HORNBECK GREENE, OF KENTUCKY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM OF 4 YEARS.

WILLIAM J. RAINER, OF CONNECTICUT, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM OF 5 YEARS.

DEPARMENT OF THE INTERIOR

GORDON P. EATON, OF OHIO, TO BE DIRECTOR OF THE U.S. GEOLOGICAL SURVEY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. MARC A. CISNEROS, [redacted], U.S. ARMY.

EXTENSIONS OF REMARKS

VIETNAM EMBARGO

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. SOLOMON. Mr. Speaker, the Clinton administration has just made one of the most outrageous and unspeakable policy decisions I have seen in my 16 years in Congress.

Lifting our trade embargo against the heinous Government of Vietnam is a slap in the face of every veteran of a foreign war, every family member of such a veteran, and anyone who truly believes in freedom.

The Clinton administration has just given away the last bit of leverage we had to get a full accounting of our missing.

Sure, Hanoi will offer up bits and pieces of evidence on the way to full diplomatic relations.

But with the embargo lifted, the skids are already greased for this. The logic of lifting the embargo leads inexorably toward establishing full diplomatic relations, and Hanoi knows this.

Thus, they now have no incentive to really come clean on the MIA issue.

Unless, of course, one believes that the regime in Hanoi thinks like we do, and will respond to kind gestures. Indeed, this is precisely the mentality of those who supported lifting the embargo all these years.

Just be nice to them, and they will be nice to us, right?

Well, Mr. Speaker, that is a lot of hogwash. The Vietnamese regime does not think like us.

The regime in Hanoi is an unelected, illegitimate, Communist dictatorship, with one of the worst human rights record in the world.

Every major human rights monitoring organization, including the President's own State Department, acknowledges this.

This is the same regime that signed the Paris Peace Accords in 1973 and began violating them immediately.

This is the same regime that invaded South Vietnam in 1975 with Soviet tanks, forcing our disgraceful final withdrawal, aided and abetted by liberal American politicians.

And, Mr. Speaker, this is the same regime that lied about how many of our men it was holding at the time of the peace accords. We know this for a fact.

And just who is it that believes all of this hogwash about Hanoi's good intentions, Mr. Speaker?

Well, lo and behold, it is the same people who got it wrong on Vietnam in the first place.

The same ones who cheered on our enemies 25 years ago.

The same ones who told us that the Viet Cong, the Viet Minh and, yes, even the Khmer Rouge were just "agrarian reformers."

The same people who denied that Ho Chi Minh was a Communist, despite the fact that he founded the Indochinese Communist Party in 1930.

The same ones who got it wrong about the Soviets, the cold war, Euromissiles, and the Sandinistas.

Remember the doctrine of moral equivalence? The nuclear freeze? Bumper stickers that said "Nicaragua Is Not Our Enemy?"

The list is endless. These people were wrong about all of these things over three decades, and they are wrong about Vietnam today.

They never understood the fundamental nature of Communist totalitarianism, Mr. Speaker.

They never understood, and still don't understand, that when talking about Communist countries, it is imperative to distinguish between rulers and ruled.

That is why it is folly to think that we are doing the Vietnamese people a favor by lifting the embargo.

And that is why it is folly to believe that this action will induce the Hanoi tyrants to be more forthcoming about our MIA's.

Indeed, the thinking of those who supported lifting the embargo is so far off base that it is hard to believe that they really believe their own rhetoric.

In my view, what we have here is an attempt—yet another attempt—by those who were on the wrong side of history to wash their hands of that history.

I can imagine the guilt that some of these people must feel, Mr. Speaker.

They cheered on guerrilla movements and regimes that turned out to be barbarian enemies of America.

They refused to support our troops and then watched 58,000 of them die and hundreds of thousands more get wounded.

They hounded us out of Vietnam and, oops, then they realized that some of our boys were still there.

And, of course, their beloved cause, socialism, has disintegrated before their eyes, unmasking what has been an unspeakable nightmare for scores of countries and billions of human beings.

This guilt has to be especially deep for draft dodgers, Mr. Speaker.

Imagine, in addition to all of the above rude awakenings, having to live with the fact that, due to your cowardice and selfishness, someone else may have died in Vietnam.

But instead of admitting that they were on the wrong side of history;

Instead of admitting that they aided and abetted a barbaric enemy during Vietnam and the cold war;

Instead of admitting that they were selfish;

Or that they were cowards;

These people have chosen, once again, the easy and selfish way out.

They have washed their hands of history, so that the final rewriting of it can begin.

It all makes me sick to my stomach, Mr. Speaker.

CELEBRATING AFRICAN-AMERICAN ORGANIZATIONS DURING BLACK HISTORY MONTH—FEBRUARY 1994

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February, 24, 1994

Mr. MAZZOLI. Mr. Speaker, February is the month set aside to acknowledge the contributions made to this Nation by African-Americans, and the rich contributions of Louisville and Jefferson County, KY, African-Americans.

The Intergovernmental Black History Committee began in 1981 in Louisville to recognize the achievements and contributions of African-Americans in the workplace, in the community, and in our country. From its genesis as an adjunct to the U.S. Army Corps of Engineers, the committee has grown into an organization comprised of 22 Federal, State, and local sponsoring agencies.

Efforts are also underway in the capital of Kentucky, Frankfort, to raise the awareness of Kentuckians to the contributions of African-Americans to the history and culture of the Commonwealth. A 15-member African-American Heritage Commission has been established by Governor Brereton Jones to advise the Education, Arts and Humanities cabinet as well as to encourage other public and private agencies to recognize African-American contributions. From this effort, a statewide network is planned which will promote the selection and preservation of sites and artifacts significant to black history.

Black History Month gives us all the opportunity to recognize and honor those who made significant contributions to the United States, to Kentucky, to Louisville and Jefferson Counties, and all the States and localities of our Nation.

INDEPENDENT COUNSEL LAW

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. COLEMAN. Mr. Speaker, on February 10, 1994, my attendance was required in my hometown of El Paso, TX. Unfortunately, this meant that I was unable to participate in the debate on H.R. 811, the independent counsel reauthorization. If I had been in attendance I would have supported the Bryant amendment to H.R. 811 and final passage of the legislation.

Since 1978, independent counsel investigations have cost the American taxpayers over $45 million. H.R. 811 contains fiscal and administrative controls which will restrain spending by independent counsels and increase oversight of their activities, while preserving their autonomy and ability to investigate officials in a fair and even manner. It does not prohibit the appointment of an independent counsel in matters involving Members of Congress, but leaves it to the discretion of the Attorney General.

I fully support H.R. 811 and urge the conferees once appointed to move in an expeditious manner so that Attorney General Reno will not be without this important tool.

TAX-EXEMPT MUNICIPAL BONDS

HON. WILLIAM J. JEFFERSON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. JEFFERSON. Mr. Speaker, I am introducing today a bill in the form of a technical amendment to the rules governing the private use exception found in the provisions of the Code relating to tax-exempt municipal bonds. More specifically, this bill deals with these provisions as applied to the contracting out of the operations and maintenance [O&M] of water and wastewater facilities owned by the municipalities that issue these bonds.

Municipalities today face ever increasing costs of labor and compliance with Federal and State regulations governing the treatment of water and wastewater. Many modern cities contract with private businesses to provide cost-efficient O&M services. These contracts serve several desirable purposes. First, these contracts enable the municipalities to deliver the same or, in most cases, improved services to their citizens while at the same time being able to maintain the cost of providing those services at a reasonable level, that is, without the need to increase taxes or fees, furthermore, contract O&M also helps municipalities to avoid employee layoffs and, when necessary, to provide the municipality with a means of funding the alternate employment of laid-off workers.

These cost-savings techniques can be achieved only with a long-term contract for the O&M of the water and wasterwater facility, because a longer term enables the private firm to recover its initial investment in the facilities. Congress has provided a means of assisting municipalities in funding the capital cost of public facilities through the use of tax-exempt bonds. However, Congress did not intend these benefits to inure to private businesses through exclusive use of essentially public facilities. In order to qualify for tax-exempt financing, the municipality must therefore own and use the facility. The rules provided by the Congress, however, to prevent such private uses impose a requirement upon the municipality to: First, limit the term of any O&M contract to 5 years, and second, to provide in the contract that the municipality may terminate the contract, without penalty, at the end of the third contract year.

The bill I introduce today revises the first requirement by lengthening the allowable term of the O&M contract to 15 years and eliminates the second requirement. The lengthening of the contract term is meant to comport more closely to usual and customary business practice, and also works to cause a corresponding reduction in the contract price for O&M.

The application of these requirements to water and wastewater O&M contracts serves no discernible public purpose, since it is not possible to privately use a publicly owned water or wastewater facility. Therefore, I invite my colleagues to cosponsor this bill.

SALUTE TO THE MULTIPLE SCLEROSIS ASSOCIATION OF AMERICA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise to recognize and commend the Multiple Sclerosis Association of America, in the Philadelphia area, for being acknowledged by the National Aeronautics and Space Administration [NASA] for implementing—to the benefit of MS sufferers—a space-derived personal cooling system.

The cool suit lowers body temperature and alleviates MS problems with breathing, talking, and fatigue to provide a better quality of life.

The Multiple Sclerosis Association of America has placed cool suits in more than 50 MS care centers in the United States. Additionally, the Multiple Sclerosis Association has sponsored a 12-week, detailed study of the microclimate system.

The system, which consists of a head cap and a torso vest, is a spinoff from space technology. It regulates body temperature with a cooling unit and pump. It can lower a patient's core temperature 1 degree Fahrenheit in 30 to 40 minutes, according to a NASA report.

Multiple Sclerosis Association of America founder, John Hodson, Sr., estimates that more than 100,000 MS patients will be able to get microclimate treatment.

The Multiple Sclerosis Association of America offers their members and families a wide variety of services free of charge, including a toll-free 24-hour hotline, patient educational information and referral, therapeutic equipment, peer counseling, barrier-free housing, a bimonthly newsletter, a health resource panel, social and group activities, public advocacy and support, and volunteer assistance and support groups.

Since 1970, the Multiple Sclerosis Association of America's main thrust lies in the belief of MS'ers helping MS'ers. Cofounder Ruth Hodson, a MS patient, created this unique self-help organization with the goal of offering practical and knowledgeable advice and support to fellow MS'ers.

Most of the Multiple Sclerosis Association of America's board of directors are MS patients; yet they have battled this disease to develop a successful, national health care association dedicated to meeting the needs of others. The Multiple Sclerosis Association of America generated 513 million audience public information impressions in 1993 on television and radio nationally. Through these audience impressions, it received over 10,000 calls on its 1-800 nationwide hotline number.

By the year 2000, Multiple Sclerosis Association of America plans to build 15 to 20 barrier-free apartment complexes across the country.

The Multiple Sclerosis Association of America has brought great credit upon itself as an organization, its founder, John Hodson, Sr., its staff, and the thousands of volunteers that it motivates and coordinates.

Mr. Speaker, I salute the Multiple Sclerosis Association of America for the excellence of the organization's aid to MS sufferers and the organization's high reputation.

TRIBUTE TO BUTTEVILLE GENERAL STORE

HON. MICHAEL J. KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. KOPETSKI. Mr. Speaker, I rise to pay tribute to the longest operating general store in my home State of Oregon. This general store, in Oregon's Fifth Congressional District, is located in the community of Butteville. The Butteville General Store is often overlooked, but played a major role in the development of the area.

Butteville is named for a well-known hill, about a mile to the southwest, called La Butte by the early settlers on French Prairie. The village, laid out by Messrs. Abernathy and Beer, started with a few scattered cabins, but soon became known as La Butte, and by 1850, was recognized as Butteville. Because of its location, Butteville was expected to grow rapidly into a metropolis. It lay at the extreme northern edge of French Prairie, along the Willamette River, 16 miles above Oregon City. Much of its trade was drawn from the prairie ranchers, many of whom were retired French-Canadian trappers for the Hudson's Bay Co. Wheat and other produce was handled at the Butteville warehouse and shipped north for export to the Sandwich Islands and China.

The Butteville General Store came into existence through the efforts of Francis Xavier Matthieu. Matthieu was born in Terrebonne, near Montreal, Canada. He migrated to St. Louis where he joined the American Fur Co. and spent the next 3 years as a fur trapper. Tired of a trapper's life, Matthieu met the Emigrant Company of 1842 at Fort Laramie and decided to travel to Oregon.

Reaching Oregon City late in September, Matthieu learned of the French-Canadians settled on the prairie approximately 16 miles up the Willamette River. He pushed on to Champoeg, where he received a warm welcome from his fellow countrymen.

Through the long winter, Matthieu stayed with his countrymen and was able to allay many of their fears concerning the possibility of future rule by the United States. He undoubtedly convinced many it would be safe to join the American settlers in forming a temporary government. He played an important role in establishing the Provisional Government of Oregon, casting a favorable vote in the historic Champoeg meeting of May 2, 1843. That same day Matthieu was chosen a constable for the district.

In 1846, Matthieu took a donation claim, about a mile southwest of Butteville. Butteville attained its majority when Matthieu opened a general mercantile business in 1850 or 1851.

He had many friends among his Canadian-French countrymen, and when he opened his store, in a building constructed half of logs and half of crude boards, many of his countrymen came from considerable distance to trade with him.

At least a portion of Matthieu's store sales were paid for in trade. This meant trappers, settlers, and Indians exchanged such products as beaver skins, buckskin, salt, salmon, wheat, shingles, and saw logs, for staple commodities; or, as frequently occurred, they gave these as payment for indebtedness contracted with one another.

So significant was the advent of this store that it has sometimes been erroneously stated that Francois Xavier Matthieu was Butteville's founder.

Mr. Speaker, the Butteville General Store continues to exist as a center of commerce and a place where residents and visitors alike may reflect on the area's history and settlement.

JAKE GAITHER, GREAT AMERICAN

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mrs. MEEK of Florida. Mr. Speaker, and Members of the House, I rise today to pay tribute to Alonso Smith "Jake" Gaither. Jake was the legendary head football coach of Florida A&M University from 1945 to 1969. He passed away last Friday. He was 90 years old.

Gaither coached the Rattler football team for 25 seasons compiling 203 wins, 36 losses, and 4 ties. His winning percentage of .844 has been exceeded by only five college coaches in history, although none have won as many games. Three times he was chosen as college football's national coach of the year by the Associated Press, the American Football Coaches Association, and the National Association of Intercollegiate Athletics. He is the only college football coach ever to receive college football's "triple crown." He was elected to the College Hall of Fame of the National Football Foundation and the same year received the Amos Alonzo Staff and the Walter Camp Awards. No other college coach since has received all three awards, let alone received them all in the same year.

But that is only part of Jake Gaither's legacy. Coach Gaither was much more than an innovative football coach who taught the likes of Paul "Bear" Bryant, Ara Parseghian, Woody Hayes, Eddie Robinson, Bobby Bowden, and others at his annual coaching clinics. Much of what Jake Gaither leaves behind had nothing to do with football and everything to do with teaching his boys lessons to see them through life. Jake and his wife, Sadie, never had children, so each of his players in essence became a part of their family. He taught his "boys" character. He taught them values.

Gaither once said, "I can teach a lot more character winning than I can losing." Gaither taught a lot of character. He was determined to work on the whole youngster, not just the athlete. He told his boys, "You will be gentlemen off the field and on. You will be good Floridians off the field and on. You will be good Americans off the field and on."

Gaither also said, "A coach shouldn't be as concerned about what kind of player he's developing in college as what kind of man he's made in 15 years."

Perhaps former Congressman Don Fuqua said it best: "Few men have achieved the success that Jake Gaither has known in his profession. Few men have achieved such universal respect and love from his fellow man. Few men have known the thrill that has come to this compassionate giant in taking young men and instilling confidence and pride in them to the extent that those lessons are never forgotten."

Mr. Speaker, we have lost not only a great teacher, motivator, and innovator, but a great Floridian and, indeed, a great American.

CONGRATULATIONS AND THANKS TO MARK W. COSTA

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. CALVERT. Mr. Speaker, one of the things that makes America the truly great country that it is, is its spirit of voluntarism—the willingness of citizens from all backgrounds and occupations to give of their time and talents to make their communities better places in which to live and work.

The community of Corona, CA, has been fortunate to have an exceptionally dedicated group of citizens who give freely of their energies and talents to make our city and country such desirable places to live. One of these exceptional citizens is Mr. Mark Costa.

Mr. Costa has been involved in a wide range of civic activities. He has served on the Historic Preservation Society, the Chamber of Commerce Executive Committee, and the Corona Public Library Board of Trustees.

He is also the past president of the Corona/Norco Amateur Club, and a communications specialist with the Orange County Fire Department. In addition, he helped organize the Corona Police Department Emergency Communications Volunteer Program.

Mark is a native of our county, and a graduate of Corona High School and Riverside Community College. He has been a successful businessman and a dedicated family man. He and his wife, Teresa, are the kinds of people we are proud to call our neighbors.

On behalf of the citizens of the 43d Congressional District, I wish to extend my thanks and appreciation to Mr. Mark Costa for his service as president of the Corona Chamber of Commerce and for all he has done for our community.

PROHIBIT THE RECEIPT OF EXPLOSIVES WITHOUT A FEDERAL PERMIT

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. QUINN. Mr. Speaker, today I am introducing legislation to require a Federal permit to receive explosives and to require a background check before a purchase of explosives.

This past Christmas, four bombs exploded in western New York and killed five people. The explosives to make these bombs were purchased using a fake ID and transported across State lines. Currently, anyone with a proper identification can walk in, fill out a Federal form, and purchase explosives. No permits are required and no background checks are conducted if the purchaser states he will not cross State lines.

In 1993, 46,000 transactions occurred utilizing this loophole in Federal regulations. This represents 455 million pounds of explosives. This is alarming to say the least.

My legislation will close this dangerous Federal loophole by abolishing this walk in authorization and require everyone who purchases explosives, except for purchases of small amounts of low explosives like gunpowder, to have a Federal permit. In addition, my bill will also utilize the instant background system established by the Brady bill for screening purchases by individuals not licensed by the Bureau of Alcohol, Tobacco and Firearms.

Mr. Speaker, it is imperative that we close this loophole before anyone else is killed or injured. I urge your support for this legislation and urge all my colleagues to join me in bringing responsible restrictions on the purchase of explosives.

EDITORIAL TELLS US WHO IS LOSING THE WAR ON ILLEGAL DRUGS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February, 24, 1994

Mr. SOLOMON. Mr. Speaker, the National Institute of Drug Abuse reveals that more American teenagers are using a variety of drugs than they did just 2 years ago.

The report also indicates that this bothersome trend reverses the trend of the 1980's toward decreased drug use.

So what does that tell us? It tells us that we were winning the drug war in the 1980's, but are now starting to lose it.

Is anyone really surprised, Mr. Speaker, that the first President to represent the 1960's counterculture should decline to continue the war against drugs? President Clinton has all but abolished the National Drug Control Policy Office in his first year in office. He has appointed a Surgeon General who thinks drugs should be legalized.

Yes, Mr. Speaker, we are losing the war on drugs, because the fortress is now being guarded by our enemies in this war.

I place in today's RECORD an editorial from the largest daily newspaper in our district, the Albany Times-Union, which laments, as do I and every American, the ground we have lost in a war we must win if our children and grandchildren are to have a viable future.

[From the Albany (NY) Times Union, Feb. 12, 1994]

A DRUG WAR SETBACK

The issue: A new survey shows drug use is up among teenagers.

Our opinion: The Clinton administration can't afford to send mixed messages on this scourge.

The national effort against illegal drug use has been dealt a setback.

An extensive survey just conducted for the National Institute on Drug Abuse reveals more American teenagers are using a variety of illicit drugs than they did just two years ago.

The percentage increases are small—1 or 2 or 3 percent depending on the drug—but they are alarming. That's because this increase marks a departure from the trend of generally decreased use that began in the late '70s and early '80s. It is also worrying, however, because the same survey found that fewer teenagers disapprove of drug use today than just a short time ago.

What does this all mean?

Most surely that the "war" against illegal drug use will never be completely "won." The drug abuse problem, like the alcohol abuse problem which began earlier, will always be with us.

That means, in turn, that society's efforts to control drug abuse must also not flag.

Unfortunately, the campaign has already been relaxed. We no longer see as many anti-drug messages in the mass media, for example, as we did a few years ago, and there even might have been "messages" sent out of Washington that drug abuse is not such a great problem. Some critics, at any rate, have interpreted President Clinton's decreased staffing of the National Drug Control Policy Office in that light; just as others viewed the surgeon general's suggestion that drugs be legalized as a backing down in the drug fight.

However that might be, it is patently clear that we cannot let down our guard. The message must continue to be drummed: These drugs are illegal and they are dangerous. This truth, no matter how great the effort of dissemination, will never get through to everyone. But recent experience seems to show that any easing up in the campaign will mean ground lost.

NELLE HORLANDER: HONORED FOR SERVICE TO THE COMMUNICATIONS WORKERS OF AMERICA

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. MAZZOLI. Mr. Speaker, today, I am paying well-deserved tribute to Nelle Pitcock Horlander for her long and productive career as Kentucky representative of the Communications Workers of America [CWA], AFL–CIO.

When one looks over the life and career of Nelle Horlander, one cannot help but be impressed by her many achievements and accomplishments.

Nelle was born in Dry Fork, KY, and attended a one-room school house. Nelle eventually moved to Louisville, and completed her studies at the University of Louisville in 1948. Her entire life from that point on has been dedicated to service to her fellow man and woman.

Nelle's first job was at Walgreen Drugs and from there she moved to Southern Bell. It was at this point in her life that she began to serve her coworkers by becoming active in the Communication Workers Union, and in 1969, Nelle found her true calling in life, and went to work full-time for the CWA. She has devoted her talents to the CWA union for the past 44 years, 20 of which have been spent at the helm of the Kentucky CWA.

Her achievements in her CWA career include: Union steward, secretary/treasurer and president of local 10310; committee memberships in the Legislative/Political Committee and Education Committee; Retirees Club Liaison; and, member of the CWA's Organizing Committee, Building Committee, Bylaws Committee, and Community Services Committee.

Nelle has also been active in the community in the Metro United Way, the Goals for Greater Louisville Organization, the Kentucky Health Care Coalition, and the Metropolitan Housing Coalition. She has also served the Democratic Party of Jefferson County and the Kentucky Democratic Party in numerous ways over the years.

In 1975, Nelle received the League of Women Voters Citizenship Award. In 1977, she was awarded the Brotherhood Award by the National Conference of Christians and Jews, Kentuckiana Chapter. Nelle said in her acceptance speech: "In the spirit of Sisterhood, I proudly accept the Brotherhood Award." And, so, from that time on, the award has been known as the Brotherhood/Sisterhood Award.

It has been a privilege knowing and working with Nelle in our community. I join her coworkers, her friends and her family: husband, Harold Horlander; children, Shelly and Jeffrey; and grandchildren, Anson, Austin and Ashley, in wishing her all the best and continued good fortune in the future.

TRIBUTE TO LARRY ISENBERG

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay tribute to Larry Isenberg, who has served as municipal attorney in the borough of Pompton Lakes for the past quarter of a century. I am very proud to join with his family and many friends as he is honored for his many years of service.

In addition to his position with the borough, Mr. Isenberg has kept a strong commitment to the community. He maintained a law practice in Pompton Lakes with his father, Gershon Isenberg, in which he provided legal services to the Pompton Lakes/Riverdale First Aid Squad at no charge.

The Isenberg Family has been civically active to Pompton Lakes in other ways. They are founding members of the Pompton Lakes Jewish Center. Moreover, Larry and his wife, Ellie, were both active members of the Pompton Lakes High School Band Boosters when their four sons attended high school.

The Borough of Pompton Lakes has benefited from Mr. Isenberg's time and service. It is with great pleasure that I join with my colleagues in wishing him many more wonderful years and continued success.

TRIBUTE TO RAYMOND W. LABARGE

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. NEAL of Massachusetts. Mr. Speaker, today I wish to extend my recognition and sincere thanks to Raymond W. LaBarge for over 40 years of leadership and outstanding civic involvement. Raymond, a lifelong resident of Leeds, MA, exemplifies unsurpassed dedication and commitment to the needs of the local community. Raymond has exhibited exceptional public service both as an elected official and as a citizen volunteer.

Raymond has held various elected offices throughout his 44 years of public service, and has left a significant impact on the neighborhoods of Leeds, Florence, and the city of Northampton. Raymond served on the Northampton City Council from 1983 to 1993 and enthusiastically worked to implement improvements in the city and surrounding neighborhoods. He was concerned with the upkeep and repair of bridges, streets, and sewer lines and worked to maintain the public infrastructure. Raymond advocated beautification and worked to provide the residents with open space for recreation. Raymond supported sound neighborhood planning, and was always receptive to the input of residents.

Education is another area which benefited greatly from Raymond's years of public service. Raymond demonstrated his strong commitment to education through direct action on the Northampton School Committee from 1977 to 1983. Raymond served as the ward Seven representative for 6 years, school committee vice-chair for 2 years and as chair of the budget committee for 1 year.

In light of Raymond W. LaBarge's record of action and accomplishments in public service and community activities, I believe that he is well deserving of public recognition and sincerest gratitude. Through his hard work and commitment he has touched the lives of many people and positively influenced the city he has unselfishly served over his career. Raymond has earned the respect and admiration of the people of Leeds, Florence, and the city of Northampton, and I join them in saluting this fine citizen.

PASSAGE OF H.R. 3345 IMPERATIVE

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. COLEMAN. Mr. Speaker, on February 10, 1994 my attendance was required in my hometown of El Paso, TX. Unfortunately, this meant that I was unable to cast my vote in support of H.R. 3345, the work force restructuring legislation. Passage of H.R. 3345 is imperative if the administration is to achieve its goal of reducing the Federal work force by 252,000 full time positions.

The Senate is expected to pass a significantly different version of H.R. 3345 which will require the agency to contribute 26 percent of the salary for civil service retirees who accept the buyout incentive. The Senate position will require a greater agency contribution than the House version of H.R. 3345 which requires a 17-percent contribution for employees electing regular retirement and a 9-percent contribution for employees electing to take an early retirement.

The House-passed H.R. 3345 will allow the agencies to offer more buyouts than the Senate version. Thus, reducing the amount of Federal employees subject to a reduction in force. As we know, reductions in force result in a disproportionate number of women and minorities being laid off. This is unacceptable in a time when President Clinton is trying to promote a Federal work force that resembles all Americans. H.R. 3345 will also empower the agencies to selectively offer the incentive, allow the agencies to target middle management for reduction.

My office has been contacted by hundreds of Federal employees in my district who will retire if offered an incentive. However, without the incentive most have said they will stay in their current position unless they are laid off. I fully support the House position on this measure and urge the conferees once appointed to adopt the House version.

INVESTMENTS IN RETIREMENT VEHICLES

HON. WILLIAM J. JEFFERSON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. JEFFERSON. Mr. Speaker, today I am introducing legislation to correct what I believe to be an unintended consequence of the existing provisions of the Tax Code governing investments in retirement vehicles. This bill will allow taxpayers who lose their jobs due to corporate downsizing to roll over tax-free any lump-sum payment received as part of the termination into an individual retirement account [IRA] or similar qualified vehicle.

Without this legislation, many workers, generally 5 to 10 years shy of retirement age, will see between 40 to 50 percent of these payments eaten up by Federal, State, and local income taxes. Of course, if these lump-sum payments are made out of excess funds in a qualified retirement plan funded by the employer, this problem does not arise. This, however, is not always the case. Given the generally dismal rate of underfunded private corporate retirement plans, these payments will often come out of the general revenues of the company rather than from a qualified plan, and will thus not qualify for the tax-exempt rollover provisions that currently exist under the code. I do not believe that workers rendered jobless in this manner should have to suffer a penalty of this magnitude simply because the employer failed in its responsibility to fund adequately the retirement plan.

I therefore invite my colleagues to join me in cosponsoring this legislation, and I respectfully request that this statement be officially entered into the RECORD.

THE TRUTH ABOUT BOMBING IN BOSNIA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. CRANE. Mr. Speaker, even as a former educator, I know that while classroom learning has its value, hands-on involvement is what separates the merely knowledgeable from the truly expert. Expert opinion often falls short compared to the knowledge of actual experience.

Using that criterion, our colleague, the distinguished gentleman from California [Mr. CUNNINGHAM], is undeniably an expert when it comes to aviation and the use of air strikes. His experiences in Vietnam and throughout his distinguished military career give him a rare expertise.

In a recent Christian Science Monitor opinion piece, Mr. CUNNINGHAM makes a powerful argument against the use of air strikes in Bosnia, a position I wholeheartedly endorse. While it may be frustrating for the President, Members of Congress, and the American public to watch the tragedy unfold, the fact of the matter is airstrikes would only lead to a greater tragedy.

The ballet of the precise strikes publicized during Desert Storm would look more like mud wrestling if the United States were to launch an attack on gun positions in Bosnia. Targets are likely to be protected by rough terrain and therefore difficult to destroy. More importantly, I believe public opinion will quickly be reversed as civilian casualties mount and American pilots are killed or captured. We must not put American lives at risk when the opportunity for success is so low.

Congress enjoys quite a luxury having the benefit of Mr. CUNNINGHAM's considerable knowledge, and we should not ignore that advantage. I am submitting his article for the RECORD because I believe every Member of Congress should carefully read and consider an expert's words and ideas. As our resident expert points out, air strikes are not a video game. Real lives are at stake, both on the ground and in the air. Both the President and Congress should consider those facts before we put American lives at risk.

[From the Christian Science Monitor, Feb. 16, 1994]

THE TRUTH ABOUT BOMBING IN BOSNIA

(By Randy Cunningham)

Three hundred air missions over Vietnam and five air-to-air victories taught me harsh lessons about surgical airstrikes: Chiefly, air missions are hardly surgical. Targets are destroyed much less frequently than one might suppose. If we embark on these strikes in Bosnia—or worse, if we allow the United Nations to direct American airstrikes for us—our pilot losses could be great and our impact low.

Let me first state what airstrikes are not: They are not Star Wars, video games, or precise and painless operations. Airstrikes are deadly and costly. The planes are flown by real people. In training operations alone one out of five United States Navy fighter pilots are killed. They leave families behind. As a Top Gun instructor and Adversary Squadron commander, I attended chapel services for lost comrades.

In war, it's worse. Dying for your country is serious enough, and every combat pilot knows that risk. Under no circumstances should we put our military men and women under UN command.

But why are airstrikes not more affective? Imagine speeding in a car across an interstate overpass at 700 m.p.h., dropping a golf ball out of the window and in the cup dug into the cross-street below. That is about as close as one can get to a real airstrike. Except in a real airstrike, the enemy is shooting at you, and you are flying in three dimensions, not driving in two.

Wielding air power is very difficult, even for the most talented military commander. Fortunately, our experiences in Vietnam and the Persian Gulf teach us quite a bit.

The jungles of Vietnam hid deadly artillery and surface-to-air missiles all too well. We normally flew on clear days. We could see the missiles coming and take evasive action. But in the Balkan winter we would be flying beneath an overcast sky, and our aircraft would be silhouetted against the clouds. (Flying under cloud cover in mountainous Bosnia would be risky even without enemy fire.)

In late 1971 in North Vietnam I flew in Operation Proud Deep, a massive strike that required Navy pilots to bomb Hanoi's supply depots and airfields. Despite bad weather, we were ordered to fly. Blinded by overcast, we were sitting ducks for surface-to-air missiles the size of telephone poles, rocketing toward us at twice the speed of sound. Anti-aircraft artillery was another threat. In five days, we lost over a dozen aircraft and pilots. Target destruction was minimal.

We were ordered to break the most common-sense rule of air power: Never attack through an overcast sky. In the Balkan winter, overcast is the order of the day, and the mountains there bristle with anti-aircraft artillery. Military planners would be tragically foolhardy to ask our pilots to place their lives at such extraordinary risk.

But even on the clearest days, surface-to-air missile and anti-aircraft attacks are a constant danger. On May 10, 1972, after I had downed three enemy MiGs over North Vietnam, I turned my F-4 Phantom back toward the carrier Constellation in the South China Sea. Still 40 miles inland, a surface-to-air missile I saw too late exploded near my plane, disabling most of my controls. I barrel-rolled the burning aircraft until we reached the mouth of the Red River. My Radar Intercept Officer Willie Driscoll and I ejected just as the plane exploded. As we parachuted down, we watched the Viet Cong assemble on the beach, ostensibly to take us prisoner. But a Marine Corps helicopter rescued us in the water, just in time. If our pilots get shot down over Bosnia, I can't believe they would be as lucky or as blessed as we were to avoid capture.

Operation Desert Storm began with a blistering six-week air attack. Pilots dropped more tons of bombs in those six weeks than we did in all our years in Vietnam. And each Desert Storm bomb was generally more effective, thanks to high-tech targeting equipment not available to Vietnam-era pilots. The air war of early 1991 severely weakened the Iraqi army for Gen. Norman Schwarzkopf's masterful ground assault.

Even so, military writer Rick Atkinson, in his Gulf-war history "Crusade," finds that after millions of air missions, including thousands purposely sent on "Scud patrols," battle damage reports cannot conclusively say if we destroyed a single Iraqi Scud site.

And that was over open Iraqi desert. Our F-117 stealth fighters attacked heavily defended sites at night. But the ancient city of Sarajevo lies deep in a valley that is surrounded on all sides by steep, forested mountains, where Bosnian Serbs have placed heavy artillery. Surreptitious low-level nighttime raids would be nearly impossible.

Flying at 600 knots toward Mr. Zuc, four miles north of Sarajevo, the most eagle-eyed, well-equipped American pilot will have awful trouble finding even one artillery piece, much less destroying it. And should our pilots find and target an artillery piece (there are surely tens of thousands of guns in those mountains), they must fly toward the target, dodging small-arms fire or missiles from the ground. The pilot has to release the ordnance at just the right moment, then pull up and away while dodging more missiles. Even under optimum conditions, it's treacherous. And it can take days for battle damage assessments to determine whether the target was hit.

Can our pilots bomb from high altitude? Yes, but great altitude decreases accuracy. "Carpet bombing" from B-52s is a weapon of terror. Don't count on "smart" bombs to do the job. More than 95 percent of the bombs the allies dropped on Iraq were the conventional "dumb" kind.

But let us assume that despite all these concerns, airstrikes are ordered. The Bosnian Serbs can read history: As the North Vietnamese did, they will place their artillery in residential areas. They may even gather UN peacekeepers (read "hostages") around critical weapons sites. Americans will not stomach such horrors. We are not a warlike nation. Even our warriors much prefer peace, and would recommend staying out of wars if, as in Bosnia, our interests are not at stake.

Defense Secretary William Perry and Joint Chiefs Chairman John Shalikashvili both caution against American airstrikes. Experience shows that these missions just won't work and they'll get our pilots killed. A similar commitment of ground troops would prove costlier, in human lives and dollars, than Vietnam.

THE NATIONAL POLITICAL CONGRESS OF BLACK WOMEN

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise today to salute Dr. C. Delores Tucker, State Representative Thaddeus Kirkland, Mayor Barbara Bohannan-Sheppard and deserving others who will be honored by the Chester, PA, Chapter of the National Political Congress of Black Women [NPCBW], at it's first honorary and scholarship luncheon on February 26, 1994.

As I recognize this year's distinguished honorees, I reflect on their contributions to the community of Chester—on Mayor Bohannan-Sheppard's Summit on Violence and citywide Clean and Green Program, Dr. Tucker's fight against the dangers of gangsta rap music, and on the recent weekend-long Education Summit sponsored by Representative Kirkland which addressed, among other urban issues, the epidemic of violence which is overrunning our schools. Dr. Tucker, Representative Kirkland, Mayor Bohannan-Sheppard and their fellow honorees are distinguished citizens who truly live up to this year's theme, "African-Americans Making a Difference," and I am delighted to be attending this special event to congratulate them in person.

In addition to the distinguished honorees, the Chester NPCBW itself deserves honorable mention for it's achievements throughout the past year. From the development of a community reading club for enhanced educational awareness, to raising $3,000 for fire victims last year, to the establishment of a partnership with the Delaware County Chamber of Commerce that will further excellence in business by minorities, the generous people of the Chester NPCBW have enriched the lives of everyone in their community.

I join with these upstanding members of the Chester Chapter of the National Political Congress of Black Women in commending this year's honorees on their faithful service to the community.

OPAL CREEK FOREST PRESERVE ACT OF 1994

HON. MICHAEL J. KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. KOPETSKI. Mr. Speaker, today I am introducing legislation to establish the Opal Creek Forest Preserve in the Detroit Ranger District of the Willamette National Forest, OR.

Mr. Speaker, Opal Creek is, plain and simple, among the crown jewels of Northwest old-growth forests. Old-growth forests are unique ecosystems serving as critical wildlife habitat for hundreds of vertebrate and invertebrate animals, plants, and fungi. Old-growth forests provide clean and plentiful water. This is the water which supports the streams where wild runs of salmon and other anadromous and resident cold water fish are wholly dependent on high quantity and high quality water for migration, spawning, and rearing.

Old-growth forests also provide unique and outstanding opportunities for educational study, scientific research, and recreation. The establishment of an old-growth preserve at Opal Creek will contribute significantly to the quality of life for the residents of Oregon and my great State's many visitors.

The area containing what is known as the Opal Creek forest is one of the largest remaining intact low elevation old-growth forest ecosystems in the Western Oregon Cascades. Opal Creek forest contains outstanding geological and botanical features, including trees up to 1,000 years of age, and is significant to the aboriginal and early mining history of Oregon. The Opal Creek forest area includes four lakes, 45 miles of free-flowing streams, 50 waterfalls, and according to the most recent figures provides recreational opportunities for more than 12,000 visitors annually. Opal Creek forest's recreational use is increasing at a rate in excess of 50 percent per year.

Unfortunately, Mr. Speaker, Opal Creek forest continue to be threatened by additional logging, which will cause irreparable harm to the outstanding ecological, scientific, educational, and recreational values of the area. for too long, this area has been left in limbo, with the continual threat of logging hanging like a storm cloud on the horizon of this gift of nature. Planning for educational and recreational use of the area does not go forward as long as timber harvests remain a possibility.

The battle over Opal Creek has divided the community: it is time to end this war. Environmentalists want Opal Creek preserved. Many in the timber industry recognize that if the Forest Service offered a sale of Opal Creek forest timber, it would be challenged immediately in court, and never be consummated. I have taken great pains to work with the U.S. Forest Service, representatives for the environmental community, members of the timber community, as well as a mining interest whose operations within the preserve area are approved. This legislation makes certain the interests of all are protected, and I would like to emphasize that the mining operation provides 80 quality jobs for the people in the region. My office has spent considerable energy ensuring that this venture will go forward in a manner consistent with this legislation's primary objective.

In this legislation I have tried to address all facets of Opal Creek, in order to ensure a pristine area safe in perpetuity. The area will be protected so that the residents of Oregon's 5th district, OR, and the rest of the Nation will have an opportunity to learn about, and experience first-hand, the ecological significance of virgin, coniferous forests. In short, Mr. Speaker, this legislation represents a balanced approach to ensure that a unique, pristine area is forever protected from logging activity.

Finally, Mr. Speaker, I urge the expeditious consideration of this important measure.

TAKE A NUMBER PLEASE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. SOLOMON. Mr. Speaker, "They have just finished discussing their weekend dates and Thelma picks up a folder from the top of the pile and says, "This one is requesting a 506A'."

"What's a 506A?" Louise asks.

"George Washington Hospital's emergency room wants to know if the Government will pay for a broken leg that the patient suffered when he fell off his pickup truck.

"You can't authorize payment until the doctor submits a 1049C swearing to the seriousness of the break and tells us how much plaster he plans to use to set the leg. If he intends to mix more than is allocated under guidelines L subparagraph 45, he must apply for a 932. Where is the patient now?

"On the same stretcher they carried him in on 2 months ago when the original application was filed with this department."

Sounds pretty ridiculous, huh? This is an excerpt from a column by Washington Insider Art Buchwald. He foresees Government-run health care as all Americans will if the Clinton plan is enacted, one big bureaucracy that will ration health care to save money. The Clinton plan paves the way for "take a number medicine" and I for one don't think the American public will want their loved ones waiting months for medical attention.

IMPROVING CARE FOR MEDICARE PATIENTS

HON. MIKE KREIDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. KREIDLER. Mr. Speaker, we all want the best quality care for Americans who depend on the Medicare Program. But the system of fee-for-service medicine that serves most Medicare patients makes it harder for physicians to provide that quality. Too often, a doctor has no systematic way of knowing what other professionals a patient is seeing, what services they are providing, or what it all costs. This lack of information is a disservice to patients and to doctors who want to play a more active role in managing their care and protecting their health.

That is why I am introducing legislation that would require the Health Care Financing Administration, through a demonstration project, to provide physicians with periodic reports on the care their Medicare patients are receiving from other providers. These reports would give doctors information they need to make referrals and treatment recommendations in their patient's best interests. They would also help doctors who care about the cost of Medicare to identify cost-effective choices for their patients. The information in these reports could serve as a foundation for future incentives for professionals to use Medicare resources most effectively in their patients' interests.

This bill is based on a suggestion from Dr. David Munoz, an internist in Tacoma, WA, who serves many elderly patients on Medicare. Dr. Munoz cares about his patients and about the costs of their treatment. He has done a lot of work to develop an information system that will help him make the best decisions and recommendations about their care, but he and others like him need systematic feedback from Medicare to help their patients make the best choices. That is why the Washington State Medical Association has adopted a resolution endorsing the concepts in this legislation.

The bill requires the Secretary of Health and Human Services to establish a demonstration project in which physicians could choose to receive periodic Medicare referral reports, in either printed or electronic format, showing what other covered services their Medicare patients have received, what professional or facility provided them, the charges made, and the amounts Medicare paid. This information would be available only with respect to patients who had agreed to its release to their doctors. The Secretary would be required to consult with representatives of affected provider groups, beneficiaries, and health data collectors in designing the project, which could operate in several geographical areas. Physicians seeking reports would also receive orientation and training to help them make the best use of this information.

I urge my colleagues to support this important step toward better care for Medicare beneficiaries.

The bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF DEMONSTRATION PROJECT ON MEDICARE REFERRAL REPORTS.

(a) IN GENERAL.—Not later than January 1, 1995, the Secretary of Health and Human Services (hereafter in this Act referred to as the "Secretary") shall establish a demonstration project under which, with respect to providers of physicians' services for which payment may be made under part B of title XVIII of the Social Security Act within the designated area of the project, the Secretary shall periodically furnish a medicare referral report (as described in subsection (b)) to the provider on any individual entitled to benefits under such title to whom the provider furnishes such services during the period the project is in effect (subject to subsection (c)). The Secretary shall furnish such reports upon the request of a provider of physicians' services under such title and at such other times as the Secretary may consider appropriate.

(b) MEDICARE REFERRAL REPORT DESCRIBED.—

(1) IN GENERAL.—In this section, a "medicare referral report" means, with respect to an individual, a report (in such format as the Secretary may establish) containing the following information:

(A) Any item or service furnished to the individual during the period the project is in effect for which payment may be made under title XVIII of the Social Security Act.

(B) The identity of the individual or entity furnishing such item or service.

(C) The illness, injury, or condition (including any applicable diagnostic code) on which the furnishing of the item or service is based.

(D) The amount of payment made for the item or service under such title.

(E) The amount of charges submitted to the Secretary with respect to the item or service (if any) by the individual or entity furnishing the item or service.

(2) FORMAT.—A medicare referral report shall be provided in such electronic and printed formats as the secretary may establish, and shall be furnished to a provider in the format the provider specifies.

(c) PATIENT CONSENT REQUIRED.—

(1) IN GENERAL.—No medicare referral report may be furnished under the project with respect to information relating to any individual unless the individual has provided written consent to the Secretary (in such form as the Secretary may require) for the reporting of such information.

(2) RENEWAL OF CONSENT.—The Secretary may limit the period for which the consent provided pursuant to paragraph (1) shall be effective and establish a process under which an individual may renew the consent for an additional period.

(d) CONSULTATION REQUIREMENT.—In carrying out this Act, including the selection of the areas in which the demonstration project will be carried out, the development of formats for medicare referral reports, and the provision of orientation and training services under section 2, the Secretary shall consult with representatives of primary care and other health professionals, hospitals and nursing homes, medicare beneficiaries, health maintenance organizations and other managed care providers, and health data collectors.

SEC. 2. ORIENTATION AND TRAINING ON USE OF REFERRAL REPORTS.

In carrying out the demonstration project established under section 1, the Secretary shall provide orientation and training services to assist providers of physicians' services who are participating in the project in using the medicare referral reports to effectively manage patient care, including information regarding limitations on the usefulness of such reports in making clinical decisions or evaluating the effectiveness of treatments.

PMA ADVERTISEMENTS—WASTING MILLIONS THAT COULD BE SPENT ON RESEARCH

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. STARK. Mr. Speaker, you can learn a lot about glossing-over your image if you closely study the practices of the Pharmaceutical Manufacturers Association. The PMA represents more than 100 of America's pharmaceutical and biotech companies. And the PMA loves to talk about themselves. Every year they spend about as much on advertising as research and development.

A friend of mine recently sent me a spoof on the PMA's current multimillion dollar TV-ad campaign and I'd like to share it with the country.

A girl: "My family has a history of breast cancer. So this is very important to me."

A woman: "My daughter has Gaucher's disease. We just don't have $300,000 a year for the cure."

A daughter: "My mom has been taking estrogens—Premarin, I think it is—for about 10 years. And the price has more than tripled in that time. The advertising they're doing, they just have to stop. It's just too expensive."

Narrator: "America, we hear you, and we share your urgency. Right now pharmaceutical companies have thousands of people searching for ways to spend billions of dollars marketing their drugs. Researchers seem to be close to finding cures to fight breast cancer, AIDS, and Alzheimer's. If they just would spend less on marketing and advertising, and focus on finding cures we can afford, we'd all be better off."

I am a strong supporter of drug research, Mr. Speaker, and I am deeply, deeply concerned that the PMA continues to spend billions on advertising which could have and should have been spent on research. For example, the Wall Street Journal estimates that the PMA's recent TV-ad campaign cost roughly $17 million—what a waste.

What upsets me most is that after the multimillion dollar ad campaigns, and after attempts to water-down health care reform, the PMA says "We don't have any more money for research! We're going to continue to gouge America's seniors with skyrocketing prices. And if you try to stop us from reaping monopolistic profits, we'll just stop making new drugs!"

Frankly, Mr. Speaker, these scare tactics are getting old. I don't think anyone believes that the pharmaceutical manufacturers—our Nation's most profitable industry—are so desperate. America's wising up, and it wants the PMA to stop wasting our money on glossing-over its image—it's costing us new, innovative drugs.

Mr. Speaker, we must not let the drug makers' greed stop us from working toward health care reform and reasonable prescription drug prices for consumers. Health reform will not compromise the PMA's ability to research new drugs—however, it might make them think twice about wasting money on their image.

IN RECOGNITION OF THE 140TH ANNIVERSARY OF THE MARIPOSA GAZETTE AND MINER

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. LEHMAN. Mr. Speaker, it gives me great pride to rise before my colleagues today to pay tribute on the 140th anniversary of the founding of the Mariposa Gazette and Miner, as well as the 75th anniversary of its ownership by the Dexter and Campbell families.

I'm proud because the Gazette, which is published in Mariposa County in my congressional district, is recognized as California's oldest weekly newspaper of continuous publication. I'm told there is no known instance of its missing an issue since the first one was published on a wintery day in January 1854.

That is a commendable fete, especially when one stops to reflect on what has gone on in our Nation over the last 14 decades.

For 140 years the Gazette has stood as guardian through its news columns, protecting our first amendment and the Constitution and informing our citizenry.

It chronicled the news of the gold rush and disputes over mining law and has faithfully told the history in both words and pictures of Yosemite National Park, easily recognized as Mariposa County's crown jewel and one of this country's finest landmarks.

As faithful as the Sun rising over Half Dome, the Gazette endures. For that, I want to offer my heartfelt congratulations on its publication on March 2, 1994, of the 140th volume of the Mariposa Gazette and Miner.

HONORING THEODORE M. GRAY ON THE OCCASION OF HIS RETIREMENT FROM THE OHIO STATE SENATE

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to Ted Gray, on the occasion of his retirement from the Ohio State Senate.

I have had the pleasure of knowing Ted since my days in the State senate. In fact, Ted was the president pro tempore of the senate when I was first sworn in. His professionalism and dedication to service have been recognized by the voters of Ohio for over 43 years. His knowledge and expertise will be missed in the State legislature.

A lifelong resident of Ohio, Ted was elected to his office in 1950 at age 23. He has gone on to serve in that capacity longer than any other legislator in our State's history. At 38, he was elected by his colleagues as majority leader, the youngest person ever elected to this position.

In this capacity, he organized two statewide ballot campaigns: Legislative reapportionment and a $750 million capital improvement bond issue. The V.F.W., Ohio Jaycees, Council of State Governments, and other groups too numerous to mention have all recognized Ted as an outstanding legislator.

Mr. Speaker, America is blessed by the number of outstanding individuals who choose to devote their lives to public service. Ohio is fortunate to have had Ted Gray working on its behalf. Today I ask my colleagues to join me in congratulating him on a job well done and wish him the best in the years ahead.

TRIBUTE TO THE AMERICAN SOCIETY OF CINEMATOGRAPHERS

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to the American Society of Cinematographers on the occasion of its 75th anniversary. This honorary society, the oldest of its kind in the motion picture industry, embodies the fascinating history of Hollywood, from silent films to the video revolution. Its founding members created the art of motion picture photography with hand-cranked cameras in open air studios, lit only by the sun.

The ASC "invitation only" membership of 160 makes it the most prestigious organization of its kind in the world. Its members have won more Academy Awards and Emmys than any other collection of artisans in the industry.

Critics have long argued whether film is a director's medium or a writer's medium. The debate is far too narrow. Without the artistry of cinematographers, there would be no magic in the movies. In honoring the ASC, we honor those who craft creates the images on film that have delighted and intrigued moviegoers for three quarters of a century.

I ask my colleagues to join me in saluting the American Society of Cinematographers and its distinguished members for their unique and indispensable contributions to one of America's most successful industries.

FOREIGN POLICY GOALS OF RUSSIA TODAY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. HAMILTON. Mr. Speaker, on January 25, 1994, I asked Ambassador Strobe Talbott a series of questions about Russian foreign policy, and how Russian foreign policy differs from that of the former Soviet Union.

On February 18, 1994, I received a response from the Department of State. The text of that response follows:

QUESTION FOR THE RECORD SUBMITTED TO STROBE TALBOTT BY CONGRESSMAN HAMILTON

Foreign Policy Goals of Russia Today. What are the major foreign policy goals of Russia today. How do those foreign policy goals differ from those of the USSR? What is Russia's policy towards Eastern Europe, Western Europe, Asia, NATO, and PFP?

Answer: The overall goal of Russian foreign policy has been to create an international environment propitious to the continued pursuit of internal reform and to the advancement of Russian security, political, and economic interests.

This has led to a Russian policy of partnership and cooperation toward the United States and Western Europe. Given its urgent domestic problems, Moscow neither wants nor needs a competitive relationship with the West. Russia's long-term goal is integration into the democratic community of market-oriented countries—which will yield Russia important political and economic benefits.

The Russians view Partnership for Peace (PFP) as an important element of an emerging new European security architecture. Russia has expressed the intention to participate actively in PFP. The form of Russian participation is currently under discussion.

In connection with PFP, Russia has expressed an intention to conclude substantive agreements opening the way for broad and intensive cooperation between Russia and NATO. President Yeltsin has stated that he could envision Russia eventually entering NATO in a "package" with other applicants. We believe NATO membership for each individual country ought to be considered on its own merits.

Official Russian spokesmen have stated that the countries immediately bordering Russia represent a region of vital security interest for Russia and that stability in this region is a primary goal of Russian foreign policy.

Russian policy toward Eastern Europe and the Baltics recognizes the sovereignty and independence of these countries. As part of this policy, Russia is in the process of removing its troops from Central and Eastern Europe.

Russian policy toward Asia has been to promote peaceful and stable relations with its eastern neighbors and, to the extent possible, participate in the burgeoning economic dynamism of that region. The key unresolved territorial issue involves Japan and the Northern Territories.

The goals and objectives of Soviet foreign policy were much different and fundamentally hostile to U.S. interests. Viewing international relations as a zero-sum game with the United States as their chief rival and adversary, the Soviets undertook a global policy of expanding their influence wherever possible.

Soviet leaders' first priority was to maintain totalitarian control in the Soviet Union.

They sought to dominate Eastern Europe through communist satellite regimes and the presence of Russian troops.

The Soviet Union sought to diminish U.S. presence and influence in Western Europe.

It also sought to undermine U.S. influence in other regions of the world, including the Middle East and Asia. Russian relations with China were marked by great suspicion, competition, and, at times, armed conflict.

A TRIBUTE TO DR. GEORGE ECONOMOS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. BILIRAKIS. Mr. Speaker, I rise today to pay tribute to a dear friend, a friend who, I believe, lived the American dream to the fullest.

Dr. George Economos passed away on February 16, 1993, after a battle with lung cancer. My thoughts and prayers go to his wife, Stavroula Perdikis Economos, and his children, Demetra Economos Anas, Gregory George Economos, and Themis Economos Johnson.

Dr. Economos received his medical degree from the University of Athens Medical School in 1950. He then came to the United States where he studied for and received a second medical degree, this time from the University of Vermont.

He came to Washington in the mid-1950's and served his internship residency at George Washington University Medical Center. He then chose to serve in the Army Medical Corps at Fort Polk, LA.

After the Army service, Dr. Economos returned to Washington where he opened a private practice. For 7 years he was medical director of the District of Columbia Childrens Center in Laurel.

Under the Reagan administration, Dr. Economos was a consultant to the White House Health Service. He then retired in 1988.

Mr. Speaker, this fine record of public service is why I say that Dr. Economos lived the American dream to the fullest. His dedication to his profession was such that he attended medical school a second time so that he could become a practicing physician in the United States. This was a clear signal that this man would rise to become the respected physician that he indeed was.

Dr. Economos also gave back to his community—and was recognized for this. He was awarded the titles of Archon Aktourias and Archon of humanitarian service, The highest awards that a layman in the Greek Orthodox Church can receive.

The life story of Dr. George Economos is truly one of the shining examples of what an individual can achieve in this country if he is dedicated, if he is diligent, and if he has good in his heart.

Dr. Economos is a true inspiration to all who knew him and richly deserves to be recognized here for all his good works. His life should be an example to all future generations.

TRIBUTE TO ADM. DAVID E. JEREMIAH ON THE OCCASION OF HIS RETIREMENT FROM ACTIVE MILITARY SERVICE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. SKELTON. Mr. Speaker, I rise today to pay special tribute to a great American, to an outstanding and forward thinking military leader. On February 25, of this year, our Navy, the Congress and the Nation loses the services of a dedicated officer, public servant, and naval surface warfare officer. Adm. David E. Jeremiah, the vice chairman of the Joint Chiefs of Staff will end his active military career effective Friday, February 25, 1994, retiring in ceremonies at Fort Myer, VA, after 38 years of distinguished military service.

As Admiral Jeremiah returns to civilian life, I want to salute the remarkable career of this outstanding naval officer—a public servant who was devoted to the cause of freedom and the cause of peace.

A native of Portland, OR, Admiral Jeremiah graduated from the University of Oregon in 1955 and entered active duty via the Navy's Officer Candidate program in 1956. Serving on seven Pacific Fleet destroyers, including command of U.S.S. *Preble* (DDG 46), Admiral Jeremiah has sailed far and wide projecting American power and might, as well as the hand of friendship during countless foreign goodwill port calls.

In July of 1982, Admiral Jeremiah was designated rear admiral (lower half). While serving as Commander, Cruiser-Destroyer Group Eight, from August 1984 until April 1986, he commanded Task Force 60 in the Mediterranean and directed the capture of the Egyptian airliner carrying the hijackers of the Italian cruise ship Achille Lauro. In April 1985 he was designated a rear admiral. Between January and March 1986 he directed actions resulting in the sinking of two Libyan warships and the destruction of an anti-air missile site during freedom of navigation operations in the Gulf of Sidra.

Admiral Jeremiah's shore assignments have included two tours in the Office of the Chief of Naval Operations and a tour in the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation. After serving as executive assistant to the Commander in Chief, U.S. Pacific Fleet, from October 1980 until May 1982, he was reassigned to Washington, DC, and served as executive assistant to the Chief of Naval Operations until July 1984. In June 1986 he assumed duties as director, Navy Program Planning and in July of that year he was promoted to vice admiral.

Admiral Jeremiah received his fourth star in September 1987 and became the 23d Commander in Chief, U.S. Pacific Fleet, that same month. He was appointed by the President as the second individual to be named the vice chairman of the Joint Chiefs of Staff, assuming that position on March 1, 1990. He began his second term on March 1, 1992, and he is the first vice chairman to assume full member status on the Joint Chiefs of Staff.

A visionary military leader, Admiral Jeremiah, by way of speeches and articles, has repeatedly extolled the promise of American technology, and challenged scientists, technologists, and strategists to broaden their outlook and strategic horizon. Early-on during his tour as vice chairman he commissioned the forward looking study, Project 2025 to consider the security environment we are likely to face in the next 30 years. During an era of dynamic change, this study has bound the limits of uncertainty, and afforded the military planner, the tactician and the strategist a reasonable facsimile of the global security environment over the course of the next generation. Admiral Jeremiah envisioned the project as a means for injecting long-term strategic vision in U.S. military planning during a time of profound international upheaval, when the shape of the battlefield of the future was not envisioned because of the still unfolding revolution in military and commercial technologies.

In time of peace and war, his tenure as vice chairman included more that a year as acting chairman of the Joint Chiefs of Staff, providing military advice directly to two Presidents. His forthright advice and counsel helped shape national policy. As chairman of the Joint Requirements Oversight Council, and vice chairman of the Defense Acquisition Board, he forged the capability and character of future service forces, providing maximum defense capabilities within available defense resources. His tireless dedication to the best interests of the United States and its Armed Forces while actively leading numerous councils and boards directly improved the Nation's ability to project integrated, multiservice combatant, peacekeeping and humanitarian forces around the globe. In an era of exceptional change, reappraisal and restructuring, Admiral Jeremiah's astute analysis of complex technical and acquisition reform issues were instrumental to the success of the Bottom-Up Review.

During these 38 years of service, Admiral Jeremiah has received numerous personal awards and decorations which include the Naval Distinguished Service Medal with three gold stars, Legion of Merit with gold star, Meritorious Service Medal with gold star, and the Navy Achievement Medal with combat "V." He was awarded the Presidential Citizens Medal in July 1991 by President Bush for significant contributions during the Persian Gulf crisis and the successful liberation of Kuwait.

Additionally, Admiral Jeremiah is the Surface Navy's "Old Salt," which traditionally acknowledges the senior surface warfare officer on active duty with the earliest date of qualification as a fleet officer of the deck. He has held this honorable accolade since February 1, 1991. As the "Keeper of the Seas," he is acknowledged to be a proven sailor whose years of experience at sea make him a professional and reliable shipmate in peace, and an exemplary leader in war. This last truly captures the essence of Admiral Jeremiah's capabilities and contributions to our country.

I join the Nation in expressing our heartfelt appreciation to Admiral Jeremiah for his outstanding service to our country. I wish him and his wife Connie and their two daughters Krista and Jodi all the best in the years to come, and I look forward to the contributions I am confident he will continue to make. "Bravo Zulu," and "Fair winds and following seas" Admiral.

SLOUCHING TOWARD DYSTOPIA

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. LIVINGSTON. Mr. Speaker, I would like to insert into the CONGRESSIONAL RECORD a terrific column by Michael Barone, which discusses the thesis of the distinguished Charles Murray to the effect that we should abolish welfare. Murray says that welfare has probably caused far more social and economic problems than it has solved, and he is probably right.

Anyway, Barone's essay speaks for itself: Politicians should indeed consider Murray's thesis with all seriousness, before our current welfare system ruins too many more lives than it arguably already has.

The column follows:

[From U.S. News & World Report, Dec. 20, 1993]

SLOUCHING TOWARD DYSTOPIA

(By Michael Barone)

In this optimistic season, two thoughtful writers warn that we are stumbling toward dystopia. That's the opposite of utopia—a situation, says Webster, "in which conditions and the quality of life are dreadful."

Begin with Charles Murray, whose October Wall Street Journal op-ed piece, "The Coming White Underclass," is still crackling in Washington and around the country. Murray recalls that when New York Sen. Daniel Patrick Moynihan wrote his 1965 warning about the disintegration of the black family, 26 percent of black births were to unwed mothers. Today, the figure among whites is 22 percent—only 4 percentage points lower. Meanwhile, the share of African-American births out of wedlock has soared to 68 percent, and we now have a criminal underclass that is terrorizing certain neighborhoods and producing horrors visible to all on local nightly newscasts. Murray now predicts that illegitimacy rates will increase as rapidly among low-income whites in the 1990s as they did among low-income blacks in the 1960s: "You will have an underclass that is about four or five times the size of the one we have now," he said in a recent appearance on "This Week With David Brinkley."

The result: a country with a Latin American level of violence and the possibility that Latin authoritarianism could follow. The United States today has 11 murders per 100,000 members of the population. Colombia, despite brave efforts by public officials, registers 70 per 100,000—about the same as Washington, D.C. In this dystopia, the affluent would most likely live as they do in Latin America—behind walls topped with shards of glass and with riflemen patrolling their lawns. And the great mass of people would live as many of our poorest citizens do today—in a society where violent males kill other men and abuse women.

How do we avoid this dystopia? Murray's answer: We must abolish welfare, all of it, for unmarried women. Encourage adoption, let extended families provide help, set up decent orphanages for children whose mothers cannot and whose fathers will not take care of them. But do not make payments that have the effect of supporting and sanctioning the existence of a criminal underclass.

Multicultural dangers. Journalist William McGowan found his dystopia in Sri Lanka, a once peaceful country with a parliamentary democracy and a British legal system. The unraveling of Sri Lankan society began with ethnic and religious quotas in schools and jobs, which led to riots, to "razor wire and guard dogs," and to civil war in 1983. "Sri Lanka failed to build a stable multiethnic, multicultural society because it embraced many of the very concepts and ideas that multiculturalists in the West have advocated," McGowan wrote in his 1992 book, Only Man Is Vile.

Today, in New York, there are some dangerous similarities: racial quotas and preferences that have produced racially charged politics, casting a cloud over the genuine achievements of the intended beneficiaries. Quota efforts to promote "diversity" have produced biased and incomplete news coverage, notably in the New York Times in this year's mayoral race. McGowan warns that "identity politics can be extraordinarily divisive, and can polarize a nation's politics, undermining economic productivity, weakening its educational institutions and straining the bonds that tie a people together." The United States, even New York City, is a long way from Sri Lanka but may be on the same road. All the evil effects of "identity politics" are already apparent.

If Murray and McGowan are right, two public policies—welfare for unwed mothers and racial and ethnic quotas—are moving us toward dystopia. Yet both policies were adopted only incidentally. Welfare originally was intended for widows and divorcées, and Frances Perkins, Franklin Roosevelt's labor secretary, almost got unwed mothers excluded on moral grounds; at the time, no one imagined that illegitimacy would burgeon as it has. For their part, racial and ethnic quotas were adopted by courts and the Nixon administration as a way to speed the desegregation of American institutions.

Now, Republicans routinely campaign against quotas but have done nothing about them in office; Democrats claim to be against them, but have supported them utterly. There is a lesson in experience: The great universities have imposed quotas, which has sparked violence, censorship and discord among students, while the military has insisted on colorblindness—and is now the most integrated and racially fair segment of our society. The Clinton administration, which hasn't yet filled two key civil rights positions, could do a Nixon-on-China and abolish quotas; unfortunately, it has staffed its own administration using a quota system that has yielded many women and black graduates of elite law schools and precious few Vietnam veterans or white ethnics.

On welfare reform, the administration is still mulling. But all its present plans call for continued subsidy of unwed mothers, and none of its opponents or critics has the nerve to call for consideration of Murray's solution. The will is there among the voters to get off the road to Charles Murray's and William McGowan's dystopias. But the politicians seem willing to let us stumble on.

GETTING READY TO DIE YOUNG

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. STOKES. Mr. Speaker, recently I read an article in the Washington Post which caught my attention. It discussed a growing fear among our Nation's children which demonstrated to me just how drastically the times have changed. The article entitled "Getting Ready To Die Young," brings to our attention children, many under 12 years of age, who are planning their own funerals. It is unfortunate that today's youth are exposed to crime, drugs, and violence which infests their communities and plagues American society. Many children have witnessed family members dying a violent death, while others know of classmates, friends, and neighbors who have been killed. As a result of their environment, they conclude that death is imminent and, consequently, plan for another of life's events—their own funeral.

The article states that children have prepared drafts of statements for their mourners to say at their funeral. Students, not yet high school age, have told family and friends how and where they want to be buried, and what songs they want to be played while they lay in their coffin. In my teenage years, I remember planning for my senior prom, my high school graduation and my first day of college. These events to which I, and so many others of us, so often looked forward, are also the same events which we frequently recall with fond memories in our older years. It is deplorable that our children, our Nation's greatest resource, have given up hope for such memories. It is alarming that here in our Nation's capital, and in cities throughout the United States, students plan for their funerals with the same consideration as one would plan for a wedding. Because I do not want the severity and the magnitude of this issue to be overlooked, I believe that it is important to share this article with my colleagues.

The article follows:

[From the Washington Post, Nov. 1, 1993]

GETTING READY TO DIE YOUNG: CHILDREN IN VIOLENT D.C. NEIGHBORHOODS PLAN THEIR OWN FUNERALS

(By DeNeen L. Brown)

Jessica Bradford knows five people who have been killed. It could happen to her, she says, so she has told her family that if she should get shot before her sixth-grade prom, she wants to be buried in her prom dress.

Jessica is 11 years old. She has known since she was in fifth grade what she wanted to wear at her funeral. "I think my prom dress is going to be the prettiest dress of all," Jessica said. "When I die, I want to be dressy for my family."

In the last five years, 224 children younger than 18 have been killed in the District either as targets of shootings or as bystanders. The carnage has been taken in by children who live close to the gunfire, such as Jessica, and by some children removed from it.

As they've mastered Nintendo, double Dutch and long division, some children have sized up their surroundings and concluded that death is close at hand. So, like Jessica, they have begun planning their funerals.

According to interviews with about 35 youths and adults who work with them, children as young as 10 have told friends how they want to be buried, what they want to wear and what songs they want played at their funerals. Some young people dictate what they want their mourners to wear and say they want their funeral floral arrangements to spell out the names of their favorite brands of clothing.

Jessica, a sixth-grader at Payne Elementary School and a cheerleader at the Boys and Girls Club across the street from her home near 17th Street and Massachusetts Avenue SE, has heard gunfire as she walked to the grocery store. She has seen a body on her playground.

"Most 11-year-olds think about their funerals all the time," Jessica said, as she sat in her living room with her mother and aunt. "Most of my friends who are 11 live around violence. When I die, I hope it won't be from violence. I don't want to get shot."

Community activists, social workers and psychologists who have studied the effects on young people of living amid violence say children who plan their own funerals are showing that they do not expect to live long.

"It's strange to hear young kids talking about dying, but that goes along with the times," said Sharon Brooks, 32, an instructor at the Boys and Girls Club. "For them to come tell you someone was murdered the night before is just like regular conversation."

William W. Johnson, a former police officer who works with youths in the District, said death is almost a daily reality for some.

"It's happening around them. . . . These kids come home to dope, guns and killing. We're living in a war zone," Johnson said. "They actually believe they are not going to be around. If you look at the circumstances and the facts, they have enough to think that way."

According to the D.C. Department of Human Services, 50.8 percent of young people 15 to 24 years old who died in the city during the last decade were victims of homicide. A recent national report on violence and youth by the American Psychological Association said teenagers are 2½ times as likely to be victims of violent crimes as people over 20.

Douglas Marlowe, a psychologist at Hahnemann University Hospital in Philadelphia, said children often become fascinated with death during adolescence. Usually, he said, young people romanticize death or read literature about death in an effort to gain control over dying.

But Marlowe said planning a funeral is "extremely fatalistic" and is not a normal part of adolescent development. "Once they start planning their own funerals, they have given up. They are not trying to conquer death anymore," he said. "They are now turning themselves over."

Jessica's mother and aunt said they were not surprised when the 11-year-old started talking about her funeral because she has known so many people who have died.

A year ago, the brother of former police chief Isaac Fulwood Jr., Theodore, was killed three blocks from Jessica's house. About a month later, Jessica's 21-year-old cousin, Stanley Richard Hunter Jr., was killed. Two weeks after that, Hunter's 18-year-old friend was slain in a drive-by shooting. Then an elderly woman who lived three doors away from Jessica was gunned down in her house because she had witnessed a slaying and was to testify in the case.

With so much violence around her, Jessica's aunt, Wilma Hunter, says she understands the girl's wish to be buried in her prom dress.

"When I was growing up, we always expected to live," Hunter said. "Now it's almost like they really can't be sure they will live to be an adult when they see people dying around them."

Hunter works with mentally retarded children at a center in Montgomery County. She has helped rear Jessica and her sisters. She said her nieces have awakened at night crying because they have dreams and visions about funerals.

Rona Fields, a psychologist who has studied children living in war zones in Northern Ireland, the Israeli-occupied West Bank, Beirut and Southeast Asia and in violent U.S. cities, said she sees similarities in the way children react to violence.

Fields said she has seen children in Palestinian camps acting out burials, literally digging their own graves and lying in the holes.

"The children who dig their own graves and put themselves in it are not necessarily pathological; they are children whose experience of the world is glorification of the victim and the hero," Fields said.

Young people here who plan their funerals often fall into two groups, according to adults who work with them. There are "good kids" who have seen many of their friends die violently, and there are those who are involved in selling drugs and think someone may be after them.

Howard Reed, 15, said he doesn't sell drugs and knows of no one who is after him, but still he is not sure whether he will live. He said he has escaped bullets at nightclubs and is wary of being in the wrong place at the wrong time.

"Things just go wrong in this world," he said. "If people don't like you or they don't like the way you walk or talk, they are going to try to take care of it."

Howard, a ninth-grader at Hine Junior High School, has told friends that if he should die soon, he wants his funeral to be "different than everybody else's."

"I don't want my hands like this," he said, folding them across his chest. "I want to be buried with peace signs. And I don't want my funeral to be in a church. I want it at Rollins Funeral Home, and I want to be buried at Harmony [Memorial Park]. I want to wear sweats and tennis shoes. I don't want to be buried in a suit."

Howard's mother said she wants her son to be a lawyer when he grows up. But she said it also is necessary to plan for early death. She has talked with her children about the possibility. "I've told them life is nothing to be played with," said Howard's mother, who did not want her name used. "Bullets don't have any names. You can be anywhere and get hit by a bullet."

Alicia Brown, 14, an eighth-grader at Eliot Junior High, lives near C and 17th streets SE, where her mother says parents are afraid for their children to go to school.

Alicia, who wants to be a lawyer, said, "I pray to God, I hope I make it through this day. It seems like people are just killing without thinking.

"One friend got killed, and he was just riding a bike. I figured the bullet could have hit me. Sometimes, I picture my funeral. Because when I go to a friend's funeral, I picture myself. Things come in my mind. It could be me laying there."

"When her friends do die, I try to talk to her about it," said Alicia's mother, Isha Williams, 30, whose family owns a photography studio. "For a young mind, they are handling death as casually as going to a movie now. For them, it's an everyday thing."

During Ericca Benton's senior year at McKinley High School, four classmates were fatally shot. She started to think that she wasn't going to make it, so she sat down one day and began planning her funeral.

"On the top of the page, I wrote my name a couple of times because I like to write my name," said Benton, now a 21-year-old senior at the University of Maryland-Eastern Shore. "Then I wrote the songs I want sung. Then I wanted a tape of me talking, telling everybody I'm all right. I'm real dramatic, you know. But I was serious. Then I wrote who I want to talk. . . . And I told my mother what to wear."

She then sealed the envelope and gave it to her mother.

Some youths say they have rearranged their lives to avoid death. "You can't go to a club; it's like a death trap," said Raymond Rouse, 17, who lives near Ninth and O streets NW. "You are liable to get hit by a bullet or something. Rich kids don't have to think about this. They keep talking about stress. They haven't seen stress until they live out here."

Rouse and two friends, Cornelius Edmonds, 18, and Chris Thomas, 17, grew up in a neighborhood where there are frequent shootings. They said they think about death because they see it so often. They knew Mustaffi "Lucky" Miller, a 16-year-old who was fatally shot two weeks ago. They knew Leonard "Stinkaman" Cole III, also 16, who was killed in 1991 after a dispute with a rival gang.

Survival, they say, is a skill they have had to learn. They are careful about offending, because "if you did something to somebody, somebody is going to get a 'get-back' [retaliation]," Edmonds said.

The three say they think about death and accept it. "If it's your time, it's your time," Edmonds said. "If somebody is looking for me, I can't get nervous. If I know somebody is trying to get me, I'm going to get them first."

Rouse, who like many young people seems to believe he is invincible, said: "I ain't going to worry about it. If it catches me it catches me."

Thomas said he doesn't believe he's going to die, "because I'm just not going to let anybody kill me."

They have dreams about getting out of the neighborhood, marriage and manhood.

Edmonds, who said he just got out of jail for doing something "stupid," wants to be a computer engineer. His friends laughed at him because he doesn't have a computer.

Rouse wants to move to Virginia and sell real estate. Thomas wants to get a job that makes money. "If I had some money, I would be gone," he said. "I would go down to Florida."

Rouse looked at Thomas curiously. "They kill people down there," he said. "You ain't seen the news?"

Their dreams are cut short by not knowing how long they will survive the neighborhood. "I've said when it happens to me," Edmonds said, "I want them to sing at my funeral, you know, that new song on the radio, 'This Is to My Homeys.'"

The song is actually titled "Gangsta Lean." It is a ballad by a group called DRS about young men dying. It was the most-requested song recently at WPGC-FM radio. The video version shows a boy's body propped up in a coffin in the "gangsta lean."

Many of the young people interviewed said they can relate to the song's lyrics:

"This song is dedicated to my homeys in that gangsta lean. Why'd you have to go so soon? It seems like yesterday we were hangin' 'round the hood. Now I'm going to keep your memory alive like a homey should."

Although many teenagers say they fear dying, death has become honored in some communities, said David Arnett, 32, the manhood training coordinator at Union Temple Baptist Church in Southeast Washington.

"Just as the lives some of the youngsters lead have been glorified, those who die in that life have been glorified as well," Arnett said.

Arnett said that when he hears his students talking about their funerals, he interrupts quickly.

"I try to interject, 'You know how you want to die. How do you want to live?'" Arnett said. "I say, 'Would you consider planning your life as well as you plan your death?'"

POLICE PARTNERSHIPS FOR CHILDREN

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. GLICKMAN. Mr. Speaker, few people will dispute that violence is at epidemic proportions in this country. In fact, the United States has the dubious distinction of leading the industrialized world in homicides. And increasingly, these homicides involve the youth of our country. More and more we see that children are the victims, perpetrators, or witnesses of crime and violence. Exposure to this violence—as victim, witness, or even perpetrator—poses a serious threat to these children. Exposure to violence causes serious mental health and emotional problems that can harm development and growth in children. We acknowledge the posttraumatic stress disorder that affects Vietnam and other veterans. I submit to you that the youth of our country are the most overlooked warriors on the front lines of the crime war in this country today, and they're bearing the battle wounds.

Today, along with the majority leader, Mr. GEPHARDT, and my colleague, Ms. DELAURO, I introduced a bill that is an affirmative effort to try to protect our children from violence. It is an attempt to help them cope and learn from violence rather than allowing them to be destroyed by it. Our legislation creates a program to form police partnerships for children, where police departments will team up with child and family service organizations in the community to jointly address the tragedy of children and violence.

Daily, our Nation's police officers confront the horror of violence and its effects on children. Violence involving children has a direct impact on police officers both in terms of police officer safety and in terms of police personnel morale. More often than not, police officers want to help the kids they see in trouble, but they don't have the ability or the authority. It's frustrating to everyone. The police officers know firsthand about the cyclical nature of violence among children. They know that the children of today, who are exposed to violence without treatment, are likely to be the perpetrators of tomorrow. For the police, the cycle of violence is not a theory—it is cold, hard reality. They need the tools to help these kids on their beat. Our bill provides those tools.

The bill we are introducing today is modeled on an innovative and successful partnership between the Yale Child Study Center and the New Haven Police Department. This legislation centers around community cooperation and community action. It promotes maximum local flexibility to meet the needs of different communities. This police partnerships for children legislation will allow local departments to provide children exposed to violence with intervention by trained police personnel and/or child mental health professionals. It will increase community policing efforts by providing training for law enforcement in child, family, and cultural issues. It will encourage interaction and collaboration with schools, corporations, and other community members to build coalitions for the prevention of community violence. Basically, it will facilitate community resource centers directed at helping our kids survive the violence in the streets.

What can be sadder than a young child who cannot dream and imagine a future? A child who has no belief in the future has no reason to care about the present. But with a partnership between law enforcement and the community we can begin to create a present that is worth living, and we can identify high-risk children and families so that services can be provided to them early, rather than later—before, instead of after they become involved in crime.

I have said it again and again, Congress cannot get rid of all the violence through legislation, and it certainly can't solve all of our problems overnight. Solving the current violence crisis will take every citizen and every community challenging the behaviors and action that society has allowed to become acceptable. But in the meantime, we in Congress are obligated to do something—to take whatever actions we can to contribute to long-term solutions and to contribute to a change in acceptable societal behavior. This bill is a part of that contribution, and should be part of a more comprehensive and collaborative approach to preventive action.

Our kids learn from our example. Let's show them cooperation, open minds, and peaceful coalitions. Let's give them police partnerships.

TRIBUTE TO H. DEAN COVINGTON OF ROME, GA

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. DARDEN. Mr. Speaker, Rome, GA, lost one of its most outstanding citizens recently when H. Dean Covington, a decorated war veteran, public servant, and civic leader, passed away. I rise today to mourn his death and to extend condolences to his wife Charlene and his 5 children, 13 grandchildren, and 2 great-grandchildren.

Dean served in the Georgia House of Representatives from 1947 to 1952 and practiced law in Rome for 50 years. He was an adviser to the U.S. Department of Defense for 20 years. Dean was also the founder of the Rome Vocational School—now named Coosa Valley Technical Institute—and WROM radio station.

Born in Rome on March 14, 1916 Dean attended the Darlington School and the University of Georgia, where he received bachelor's and law degrees. During World War II, he was an Army intelligence officer with the 20th Armored Division and helped liberate the Dachau concentration camp. For his service to his country, he was awarded the Bronze Star.

Deal also gave freely of his time to areas outside his profession. He served on the boards of Shorter College, the Ethel Harpst Home for Children, and local chapters of the Boys' Clubs of America and the Red Cross. He served as a member of my Service Academy Selection for 6 years.

Through all his good works, Dean proved himself to be dedicated to public service and capable of achievement at the highest levels. Throughout his life, he demonstrated intelligence, integrity, sound judgment, and an unyielding commitment to the people of Rome. Mr. Speaker, H. Dean Covington will be sorely missed, but he will continue to serve as a role model for Romans who witnessed his love for his community.

THE 100TH ANNIVERSARY OF THE UKRAINIAN NATIONAL ASSOCIATION

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. WALSH. Mr. Speaker, I rise today in honor of the 100th anniversary of the Ukrainian National Association [UNA], the oldest and largest Ukrainian-American organization in the United States. The UNA has a proud history of fortifying the national identity, culture and pride of Ukrainian-Americans, many of whose families suffered great hardship and sorrow in leaving their native Ukraine.

From its humble beginnings in 1894 with 13 branches, the UNA has expanded to its present 370 branches—or lodges—in 27 States of the United States and 7 provinces of Canada. Currently UNA has nearly 66,000 members and over $100 million in assets.

Through its network the UNA maintains close contact with its membership. Officers of the branches see to the needs of their members, participate in various local Ukrainian activities, and provide leadership in the Ukrainian-American community.

In addition to providing for the life insurance needs of the Ukrainian-American community by offering low-cost protection, the UNA provides members with a wide range of educational, cultural, social and charitable benefits. Through its many diverse programs, the UNA has helped preserve the national traditions and customs of Ukrainians in the United States and Canada, thereby contributing to the richness of American culture.

As part of its fraternal benefit work, the UNA provides over $120,000 in scholarships annually to its members. It operates a retirement home for its senior citizens, provides mortgages to its members, and is a patron of the Ukrainian community's cultural and religious activities. Over the years the UNA has provided low-interest mortgage loans for the construction of many Ukrainian churches and community centers in the United States and Canada, strengthening the religious and cultural bonds in the community.

In addition to publishing Svoboda, the oldest Ukrainian language newspaper in the world, UNA has been publishing an English language newspaper, The Ukrainian Weekly, for over 60 years, and a monthly children's magazine, Veselka. Over the years the UNA has also financed numerous books on Ukrainian subjects.

Service to its members and the greater Ukrainian-American community has been the hallmark of the UNA throughout its history. It has remained the cornerstone of the Ukrainian-American community because its membership encompasses community leaders whose dedication, self-sacrifice and hard work have preserved its identity. While serving its members UNA has never forgotten the people of Ukraine. UNA has helped Ukraine build a democratic and free market society, and look to a second century of service and achievement as rich as its first.

I salute them, on behalf of all Central New Yorkers, and have great respect for the substantial and vibrant local Ukrainian community.

EDWARD P. WASHABAUGH: ENTREPRENEUR, LEADER, ROLE MODEL

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. BARCIA of Michigan. Mr. Speaker, I rise with a great deal of joy today to tell you the story of the most productive life of a man for whom I have a great deal of respect and admiration, Mr. Edward P. Washabaugh of Bay City, MI. I also rise with a great deal of sadness to tell you that this man who has meant so much to so many in my home community has left us for his eternal rewards.

Growing up in Bay City, I could see the work of a very proud and capable gentleman every day. Others of us have seen similar examples of excellence in other parts of the country. Many of us admire the University of Notre Dame football stadium, state-of-the-art auto production facilities like the Packard Motor Car Plant of Detroit and the Grey Iron Foundry in Saginaw, and Veterans' Administration hospitals in Indianapolis and Des Moines. Edward Washabaugh was privileged to work on each of these projects after he graduated as an engineer from the Carnegie Institute of Technology, now better known as the Carnegie-Mellon Institute. His experience and capabilities earned him the post of the director of the Works Progress Administration from 1933 to 1941 in Bay City, before continuing in public service as a captain in the Army Corps of Engineers during World War II.

Edward Washabaugh demonstrated his entrepreneurial skills when he started Northern Concrete Pipe, where he revolutionized the precast concrete pipe industry by inventing ways to have pipes pass through others in order to develop an effective and safe sewer system that was duplicated throughout the world. He ran Northern Concrete Pipe as both a world class engineer and a most astute businessman until his retirement 2 years ago as a very productive 84-year-old role model for others who would do well to duplicate his formula and work effort for success and excellence. Even at this age he still set an example for younger workers by putting on his hard hat and going to work on the plant floor.

And even with all of the demands of an innovative and thriving business, Mr. Washabaugh still had time for outstanding involvement with his church, the St. Maria Goretti Church, the Knights of Columbus, and American Legion Post No. 18.

I am sure that all of our colleagues will want to join me in extending our very sincere condolences to Beatrice, his wife for over 60 years, his son William, his 12 grandchildren, and 15 great grandchildren. Edward Washabaugh had a most successful and productive life. He leaves us with outstanding work and an example for others. He leaves his family with an outstanding heritage. We should all be so fortunate.

NATIONAL FFA WEEK

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. NATCHER. Mr. Speaker, this week is National FFA Week and once again it is a pleasure to join with the members and leaders of the National FFA Organization as they celebrate this event. FFA is a vocational student organization for high school students enrolled in agricultural education classes in the public high schools and area vocational centers. More than 417,000 FFA members across the Nation are gaining valuable leadership skills through agriculture and community service projects. This year's theme, "FFA—Leadership for America," is a good one because of the emphasis on leadership in this organization.

My home State of Kentucky had 150 FFA chapters and 12,622 members this past year. Over 1,150 of these members and leaders attended 1 week of FFA leadership development training at the Kentucky FFA Leadership Training Center in Hardinsburg, KY. This training is designed to help individuals develop their skills as leaders of their local chapters. Because of the efforts of these FFA leaders, members of Kentucky FFA have been successful at national, State, and regional levels.

In the Second Congressional District of Kentucky, the district I represent in Congress, several chapters competed in National FFA contests at the National FFA Convention in Kansas City, MO, last year. I am delighted to recognize the following FFA chapters for the awards they received at this convention: Breckinridge County—Silver Plaque for Farm Business Management, Central Hardin—Bronze Plaque for Floriculture, Spencer County—Silver Plaque for Meats Judging, Breckinridge County—Silver Plaque for Parliamentary Procedure, and Spencer County—Bronze Medal for Prepared Public Speaking.

I would also like to recognize those from the district I represent who were winners at last year's State FFA Convention in Louisville. They are: Brent Baker of Adair County in Beef Production, Angela Jury of Central Hardin in Floriculture, Scott Humphrey of Spencer County in Forage Crop Production, Kevin Duke of Davies County in Forest Management, Chris Wilson of Metcalfe County in Specialty Crop Production, Angie Montgomery of Spencer Country in Swine Production, the Spencer County FFA Chapter in Chapter Safety and in Building Our American Communities, Jeffrey Bewley of North Hardin in Computers in Agriculture, Amanda Ramer of West Hardin in Tobacco Essay, Chad Shaw of Metcalfe County in AIC Contest—First Place, Travis Dowell of Breckinridge County in AIC Contest—Second Place, Brad Underwood of Taylor County in AIC Contest—Fourth Place, the Breckinridge County FFA Chapter in Chapter Meeting, Farm Business Management and FFA Commodity Marketing, Charles Tichenor of Spencer County in Prepared Public Speaking, Jayme Taul of Breckinridge County in Impromptu Speaking Beef, Dana Ritchie of Central Hardin in Impromptu Speaking Crop, Melodie Stull of Breckinridge County in Impromptu Speaking Horse, Lyle Knifely of Taylor County in Impromptu Speaking Swine, and Mark Royse of Marion County in Impromptu Speaking Turf and Lawn Care.

In addition, the following FFA chapters from Kentucky's Second Congressional District were recognized as Gold Emblem Chapters at the State FFA Convention: Warren Central, Breckinridge County, Bullitt Central, Warren East, Marion County, Metcalfe County, North Hardin, Barren County, Spencer County, Central Hardin, LaRue County, and Daviess County. West Hardin Junior was recognized as a Gold Emblem Junior Chapter and Edmonson County was recognized as a Silver Emblem Chapter.

I am proud to have Regional Star State FFA Members and State and Regional Star State Agribusinessmen in the Second Congressional District of Kentucky. Earl Fleming Wright of Breckinridge County and Brent Louis Baker of Adair County are 1993 Regional Star State FFA Members in Production. Jason W. Karrer of Spencer County is the 1993 State Star Agribusinessman. Scottie Clan of Central Hardin and Chris Cowan of Adair County are 1993 Regional Star State Agribusinessmen.

At this time, I would like to commend all of those associated with the FFA organization, not only in Kentucky, but throughout the Nation for their many accomplishments in the science of agriculture. FFA is an organization that provides many young people with an opportunity to learn about agriculture while training them to become leaders in their communities. FFA really is "Leadership for America."

TRIBUTE TO EDWARD "DOC" JAMES

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. VISCLOSKY. Mr. Speaker, it is with great honor that I rise today to pay tribute to an exceptional citizen of the First Congressional District of Indiana, the late Edward William "Doc" James.

Doc passed away on Thursday, January 27, 1994. He was the first son born to Dr. Randle and Eddie Frances James, on December 8, 1921, in Memphis, TN.

Mr. James graduated from Froebel High School in Gary, IN, in 1941. He went on to study at Western Michigan University where he lettered in football, basketball, and track. Mr. James' career began with his enlistment in the U.S. Navy, and followed with illustrious positions as probation officer for the Juvenile Court, superintendent of sanitation for the city of Gary, president of the Ol' Timer's Club, chairman of the Teamsters International Black Caucus, chairman of Lake County Grievance Board, and co-chairman of the Teamsters Human Relations Committee. He also served as a board member for the A. Philip Randolph Institute and the Trade Winds Rehabilitation Center.

Doc was the Teamster Local No. 142 business agent for over 25 years, and he also held the office of vice president. He functioned as secretary for the Lake County Democratic Party, served on former President Harry S Truman's Speaker's Bureau, and maintained membership in the American Legion and the NAACP. In addition, Doc coached the 1960 World Champion Biddy Basketball for the city of Gary, served as international organizer for the Brotherhood of Teamsters, and as a connecting link of the Northern Indiana Chapter of Links, Inc., an organization encouraging youth participation in local social and political activities.

He leaves to mourn his passing, a devoted wife, Violet [nee Hower]; son, Edward Jr. and wife Carolyn; godson, John Hower; grandchildren, Kim, Randall, Candice, Brandi, and Gregory; sister-in-law, Gloria Bernal of Jacksonville, Florida; brother-in-law, Victor Hower of Gary; cousins, Gregory and Jerard Huntington, and Helen McBride—all of Chicago, IL; and a host of other beloved family and friends.

I would like to take this opportunity to commend Mr. Edward William "Doc" James for all of his contributions to Gary, IN. He was a man admired for his strong spirit, and will truly be missed by family, friends, and citizens of the city of Gary.

TRIBUTE TO REV. LEONETTA BUGLEISI

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. RUSH. Mr. Speaker, I rise today to pay special tribute to the Reverend Leonetta Bugleisi. On Sunday, February 27, Reverend Bugleisi will be installed at Beverly Unitarian Church, in Chicago, IL. She received her master's of divinity from United Theological Seminary, a United Church of Christ seminary in St. Paul, MN, in 1989. Since completing seminary, she served as an intern at First Universalist Church in Minneapolis, MN (one of the fastest growing Unitarian Universalist churches in the country); provided ministry to Unitarian Universalist. Fellowship of Mankato, MN; and, most recently, was the full-time minister of Emerson Unitarian Universalist Chapel in St. Louis, MO.

Reverend Bugleisi believes in applying the seven Unitarian Universalist principles to one's daily life. She affirms and promotes positive forces such as truth, democracy, and the worth of each person. I am certain she will use her ministry at Beverly Unitarian Church to broaden awareness and strengthen spirituality in her congregation and in the greater community. It is people like Reverend Bugleisi who are so instrumental in creating clear responses to the problems we face on an individual, community, and global level.

I commend her and the Beverly Unitarian Church for their dedication to the spiritual lives of their congregation and to the good of the greater community, and wish her the best of luck in the days ahead.

TRIBUTE TO ROBERT H. BELLINA

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. COSTELLO. Mr. Speaker, I rise tody to recognize Robert H. Bellina, principal of O'Fallon Township High School in O'Fallon, IL.

Mr. Bellina will retire from the O'Fallon Township High School at the end of this school year after 35 years of dedicated service to his students and fellow educators. During his committed career at O'Fallon, Mr. Bellina served 8 years as teacher and coach to his students. He then focused his remaining 27 years as principal, working to improve and expand the schools programs and influence. Mr. Bellina's talents and dedication gained the attention and admiration of this colleagues—in 1991, he was named Illinois Principal of the Year.

Education is one of the top priorities of America's future. It is the most important investment we can make in our Nation for individual opportunity and national competitiveness.

Mr. Speaker, Robert Bellina has served the State of Illinois well as an outstanding educator and administrator. I ask my colleagues to join me in wishing Mr. Bellina a future as bright and productive as his past.

RESOLUTION SUPPORTING THE PEACE PROCESS IN GUATEMALA

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mrs. MORELLA. Mr. Speaker, today I am pleased to be joined by a bipartisan group of Members in introducing a concurrent resolution in support of the Guatemalan peace process and greater protection of human rights in Guatemala.

The resolution focusses on several human rights cases and problems that have been documented by the State Department, the Organization of American States, and the United Nations. It expresses the sense of Congress that all but humanitarian and development assistance to Guatemala should be conditioned on substantive improvement in the protection of human rights and the strengthening of civil sectors, as well as the continuation of the peace process.

The resolution specifically calls on President Clinton to condition such assistance on verifiable resolution of the murder cases of American Michael Devine and renowned Guatemalan anthropologist Myrna Mack and the kidnapping, rape, and torture of American nun Dianna Ortiz and on the dissolution of the civil defense patrols.

The resolution also commends Guatemalan President De Leon Carpio and the leaders of the URNG guerrillas for the resumption of peace talks, under the mediation of the United Nations, intended to bring a negotiated end to more than 30 years of armed conflict by the end of this year. Furthermore, the resolution calls on President De Leon Carpio to develop and implement a course of action that will bring Guatemala's human rights record up to internationally recognized standards.

This resolution will be helpful in supporting the peace process in Guatemala. It sends a message to those who would oppose peaceful resolution of the conflict and the establishment of more democratic political processes: Congress is determined to support a negotiated solution to Central America's last remaining civil war and to support the development of a system of justice which will put an end to the intolerable human rights conditions which spawned it.

PREVENTING ILLNESS CRITICAL TO MINORITIES

HON. BARBARA-ROSE COLLINS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Miss COLLINS of Michigan. Mr. Speaker, today I am introducing a bill authorizing model projects to provide what are called preventive health services for minorities. Preventive services are those designed to prevent or delay the onset of a health problem, in contrast to therapeutic services which treat a disease or condition.

I am proposing this bill because the need for preventive services is greatest among minorities because of the alarmingly high rates of preventable disease and premature death. For example, black men have the highest rate of stroke among all population groups, with a death rate twice that of white men. Black women have three times the cervical cancer death rate of white women. Low-income and teenage women, a disproportionate number of whom are minorities, are at particular risk of having a low-birth-weight baby.

This bill also recognizes that many preventive services do work. A recent Office of Technology Assessment study found the following, among others, to be effective: mammography in women over age 50; Pap smears for sexually active women; cholesterol and hypertension screening for certain individuals; and prenatal care for poor women.

I offer this bill because minorities face far greater stresses than others and a successful demonstration in the minority community would offer hard proof of the viability of prevention programs in other populations.

As the Congress debates health care access for all, I look forward to working with my colleagues toward enactment of this important measure, one that offers great hope to millions of minority Americans.

SUMMARY OF THE MINORITY HEALTH PROMOTION AND DISEASE PREVENTION ACT OF 1994—FEBRUARY 24, 1994

The Minority Health Promotion and Disease Prevention Act would authorize the U.S. Department of Health and Human Services to award grants for demonstration projects to provide preventive health and health promotion services to minorities.

Preventive health and health promotion services are defined to include "medical and medical-related services intended to promote health maintenance, prevent illness, eliminate health hazards, produce early detection of disease, and inhibit deterioration of health."

The bill would require the Secretary to award grants to entities serving at least 2 urban, distressed communities and one rural community; the Secretary to evaluate projects on the basis of their effectiveness in reducing the incidence of disease and death, for renewal of grants; grantees to develop a health assessment and health promotion/disease prevention plan for each person served, in consultation with the person; and grantees to contribute 30 percent of the total cost of the project, unless waived by the Secretary upon demonstration of extreme hardship.

The bill authorizes $15 million for fiscal years 1995, 1996 and 1997.

HONORING JAMES M. "MIKE" LAMBE ON A DISTINGUISHED CAREER WITH THE NATIONAL PARK SERVICE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February, 24, 1994

Mr. VENTO. Mr. Speaker, the common public perception of a National Park Service [NPS] employee is that of a ranger in a smokey bear hat and green and gray uniform working among some of America's great natural and historic resources. In reality the men and women of the NPS perform a wide variety of important jobs that further the mission of the NPS. One such NPS employee who I believe deserves public recognition and thanks is James M. "Mike" Lambe. On March 1, 1994, Mike will retire after a distinguished 34-year career with the NPS, including 30 years dealing with legislative affairs for the agency.

The various statutes governing the NPS and its associated programs make up a significant and important body of law. Nowhere in those laws will you find Mike Lambe's name but, nevertheless, he leaves a significant imprint on many NPS laws of the past 30 years. As chairman for the past 9 years of the subcommittee with responsibility for the NPS, I, as well as other Members and staff, have benefited from Mike's expertise and knowledge of NPS law. Whether providing legislative drafting service to individual Members or developing legislative positions for the NPS, Mike has carried forth his duties in a highly professional manner that has earned him the respect of many. Working in the legislative arena can be a very difficult and demanding task. To do so for 30 years under both Democratic and Republican administrations is an impressive achievement. Such is his knowledge of NPS law that it is said that Mike has forgotten more NPS law than most people ever learn.

Mike Lambe's work has been recognized within the Department of the Interior and the NPS as well. In every year since 1985 he has received Performance Awards. Three times he has received Special Achievement Awards, capped by the award of the Department of the Interior Citation for Meritorious Service in 1989. Mr. Speaker, in certain quarters it has become fashionable to denigrate Federal employees as nameless, faceless, uncaring bureaucrats. Mike Lambe's career proves how erroneous this view is. Dedicated and competent, Mike has set an example of what it means to be a public servant.

I understand that following his retirement, Mike plans to move to Delaware, where he has spent time annually pursuing his avocation with ornithology. Mike has also let it be known that he plans to enjoy using his retirement enhancing his photography skills. I hope his photographic pursuits will take him to our national parks, where, as a visitor, he can enjoy some of the fruits of his labor. Mike should be proud of his work on legislation dealing with our national parks. The staff of the Subcommittee on National Parks, Forests and Public Land and I wish Mike all the best in his retirement.

COMMITMENTS MADE BY PRESIDENT CLINTON DURING HIS RECENT TRIP

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. HAMILTON. Mr. Speaker, I asked Ambassador Strobe Talbott on January 25, 1994, to provide me a list, in writing, of every promise and every commitment made by President Clinton during his recent trip to Europe, secret or not secret.

On February 18, 1994, I received an unclassified response from the State Department. The text of that document follows:

Question. What commitments were made to the Russian Government at the recent summit?

Answer:

AGREEMENTS AND JOINT STATEMENTS OF THE MOSCOW SUMMIT

Documents signed by the Presidents

Trilateral Statement by the United States, Russia, and Ukraine on transfer of nuclear weapons from Ukraine to Russia with Ukraine to receive compensation, security assurances, and assistance in safe and secure dismantlement of nuclear weapons.

Presidents Clinton and Yeltsin provided certain security assurances to President Kravchuk once START I enters into force and Ukraine joins the NPT. These include commitments: to respect Ukraine's independence and sovereignty and refrain from the threat or use of force against it; to refrain from economic coercion; to seek UN Security Council assistance if Ukraine should be the object of a threat involving nuclear weapons; and not to use nuclear weapons against it.

Presidents Clinton and Yeltsin also informed President Kravchuk that consultations have been held with the United Kingdom, the third depository state of the NPT, and that the United Kingdom is prepared to offer the same security assurances to Ukraine once it becomes a non-nuclear-weapon state party to the NPT.

President Clinton reaffirmed the U.S. commitment to assist the safe and secure dismantlement of nuclear forces. Under the terms of the highly enriched uranium (HEU) contract signed in Moscow, Russia will convert 500 tons of HEU to low-enriched uranium (LEU) and sell the LEU to the United States Enrichment Corporation (USEC), a U.S. Government corporation. USEC will use the LEU it purchases from Russia to fulfill contracts it has to supply fuel for nuclear power stations in the United States and throughout the world. Over the 20-year life of this contract, Russia will earn approximately $12 billion from sales of enriched uranium that will be sold to commercial nuclear power stations. There will be no net cost to the U.S. Government.

The Annex to the Trilateral Statement records the three Presidents' decision to take certain steps within ten months. These include: provision to Ukraine of fuel assemblies containing 100 tons of low-enriched uranium (to begin the process of compensation); transfer of at least 200 warheads from SS-19 and SS-24 missiles for dismantlement; and an advance payment of 60 million dollars to Russia against the HEU contract to help defer costs of transporting and disassembling warheads and to produce fuel assemblies.

Moscow Declaration between United States and Russia summarizing the achievements of the summit and current development in the U.S.-Russia partnership.

The two Presidents agreed upon the need to strengthen arms reduction and nonproliferation regimes and to create, together with other interested states, a new mechanism to enhance transparency and responsibility in the transfer of conventional arms and sensitive dual-use technologies.

Further, the Presidents announced that they would direct the detargeting of strategic nuclear missiles under their respective commands so that by not later than May 30, 1994, those missiles will not be targeted.

The two Presidents reaffirmed their readiness to move forward on the path of openness and mutual trust in American-Russian relations and to create favorable conditions for the comprehensive development of political, commercial, humanitarian, and people-to-people contacts between the two countries. In this connection, the United States intends to open a Consulate General in Yekaterinburg in February 1994.

Documents issued in the name of the Presidents

Joint Statement on Human Rights calls for full respect for human rights and condemns aggressive nationalism, ethnic and religious intolerance, and anti-Semitism.

Joint Statement on Non-Proliferation which commits the U.S. and Russia to work closely to prevent proliferation of weapons of mass destruction and their delivery systems, biological weapons, proliferation of ballistic missile technology, and proliferation of other destabilizing military technologies.

President Clinton and President Yeltsin agreed to establish a joint working group to consider:

Including in their voluntary IAEA safeguards offers all source and special fissionable materials, excluding only those associated with activities having direct national security significance;

Steps to ensure the transparency and irreversibility of the process of reduction of nuclear weapons, including the possibility of putting a portion of fissile material under IAEA safeguards. Particular attention would be given to materials released in the process of nuclear disarmament and steps to ensure that these materials would not be used again for nuclear weapons.

The Presidents also tasked their experts to study options for the long-term disposition of fissile materials, particularly of plutonium, taking into account the issues of nonproliferation, environmental protection, safety, and technical and economic factors.

They reaffirmed the intention of interested organizations of the two countries to complete within a short time a joint study of the possibilities of terminating the production of weapon-grade plutonium.

To promote the implementation of a comprehensive ban on chemical weapons, the Presidents welcomed the conclusion of the implementing documents for the Wyoming Memorandum of Understanding and agreed to conclude work in as short a time as possible on the implementing documents for the Bilateral Agreement on the Destruction of Chemical Weapons.

The United States welcomed Russia's intention to join the Missile Technology Control Regime and undertook to cooperate with Russia in facilitating its membership at an early date.

Fund for Large Enterprises in Russia

President Clinton named Michael Blumenthal, former Secretary of Treasury under President Carter, as Chairman of the Fund for Large Enterprises in Russia. The Fund will promote private sector development in the Russian Federation.

The U.S. plans to capitalize the Fund with $100 million in foreign assistance appropriations this year.

Bilateral Trade Mission

The President committed to send a group of U.S. business executives, headed by Commerce Secretary Brown, to visit Russia in March to promote trade and investment.

Documents signed by Secretary of State Christopher and Foreign Minister Kozyrev

Memorandum of Intent Concerning Cooperation in the Area of Export Control commits the signatories to cooperate in discussions, consultations, and training to prevent proliferation of weapons of mass destruction and other destabilizing military technologies.

Air Transport Agreement that will provide American carriers new overflight routes in the Russian Far East and expand service by U.S. and Russian carriers to each other's cities.

Agreement on Cooperation in the Fields of Public Health and Biomedical Research that will facilitate development of direct contacts between scientists, universities, research centers and other institutions on disease control and prevention, public health protection, and biomedical research.

Agreement on Cooperation in Radiation Health Effects provides for broad U.S.-Russian cooperation on the effects of ionizing radiation on human health and environment. Such research can improve understanding of health and safety precautions to protect workers and the public against exposure to radiation from releases from nuclear facilities or nuclear accidents.

Documents issued in the name of the Foreign Ministers

Middle East Joint Statement that will commit both sides to continue their partnership in promoting the Middle East Peace Process.

Joint Statement on COCOM that will commit both countries to cooperate in replacement of the current COCOM structure with a new multilateral mechanism to prevent proliferation of weapons of mass destruction, their delivery systems, and other military technologies.

AGREEMENTS AND JOINT STATEMENTS OF PRESIDENT CLINTON'S OFFICIAL VISIT TO MINSK, BELARUS

President Clinton reiterated the United States' deep appreciation for the historic steps Belarus has taken in fulfillment of its commitment to a non-nuclear future. He informed Chairman Shushkevich of the availability of additional funds, including $25 million under the Nunn-Lugar legislation for the Safe and Secure Dismantlement (SSD) of Nuclear Weapons.

To assist Belarus in undertaking serious economic reform, President Clinton informed Chairman Shushkevich of a new package of $10 million in technical assistance for Belarus that will help fund small-scale privatization, exchanges and training, and projects in health, energy and the environment.

President Clinton and Chairman Shushkevich signed a Bilateral Investment Treaty which will encourage private investment and economic growth in Belarus. An agreement was announced allowing the U.S. Export-Import bank to expand its operations in financing bilateral trade.

The parties agreed to establish an American Business Center in Minsk and further agreed to create a bilateral Business Development Committee to help identify and resolve problems that impede business expansion and to seek ways to develop new business opportunities.

The U.S. and Belarus agreed to establishment of a Regional Enterprise Fund and also signed a memorandum of understanding expressing their intention to establish a Joint Commission for Agribusiness and Rural Development. Noting a recent protocol signed between the United States and Belarus in Washington providing credits to Belarus for the purchase of U.S. wheat exports, President Clinton informed Chairman Shushkevich of the availability of an additional $10 million in P.L. 480 credits to be used for the purpose of U.S. food commodities.

President Clinton announced a donation of humanitarian medical equipment and training worth $10 million for the Republic of Belarus. The equipment will be sufficient to equip an entire 1,500-bed hospital.

President Clinton pledged American technical electoral assistance as soon as a date for new elections is announced by the Supreme Soviet. These elections now appear unlikely to take place in 1994.

HUMAN RIGHTS AND THE FUTURE OF UNITED STATES-CHINA TRADE RELATIONS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. SMITH of New Jersey. Mr. Speaker, I would like to thank you for the opportunity to address this subcommittee on this very important issue, an assessment of the implementation of conditions for renewal of most-favored-nation trade relations between the United States and the People's Republic of China.

In January I led a delegation to China in order to engage in frank, constructive talks with Chinese officials regarding deep concerns that remain over China's human rights record. We also wanted to meet with those who suffer from the continued and well-documented repression—especially political dissidents and underground church believers. We succeeded on both goals.

Let me note at the outset that the Chinese people deserve the abiding respect of their government, and nowhere is this more crucial than in protecting universally recognized human rights. It was out of empathy for the oppressed, the tortured, the prisoner of conscience, the mother being forced to abort her baby, that I went to China to respectfully but firmly petition the Chinese Government for relief.

While mutual economic cooperation is important to both countries and while it would be easy to put profit over human rights, adherence to internationally recognized standards of human rights is the cornerstone for any cooperation and further progress. The Executive order calls for significant progress in the area of human rights. I continued to tell officials that without significant progress, MFN was at great risk. In meetings with high officials of various government ministries I stressed that scrutiny of China's human rights record will not be cursory or frivolous, but would entail a penetrating analysis as to whether substantial progress has been made.

The Executive order is quite clear in listing the human rights conditions which must be met in order for MFN to be renewed later this year. It also requires China to comply with the 1992 MOU concerning prison labor.

Let me mention only a few of the human rights issues which should be of great concern to us—religious liberty and the new executive orders from Li Peng which further limit freedom of religious expression, the accounting for and treatment of political and religious prisoners, the continued coercive measures used to enforce the population control program, the proposed eugenics law, the continued coercive measures used to enforce the population control program, the proposed eugenics law, which scholars from the U.S. Holocaust Museum have likened to Nazi-era programs, which would target the most vulnerable of Chinese society, the millions of prisoners who are forced into slave labor to support China's economic reform programs. This list could go on and to speak on any one of them could fill volumes—and literally does.

I recommend to my colleagues some of the books which document the human rights abuses in China today. The names of these books alone tell of the tragedy of human rights in China. In addition to the State Department's Report on Human Rights—which this year says that the "overall human rights record in 1993 fell far short of international standards"—these reports are: "Continued Persecution of Christians in China," "Laogai Handbook," "Slaughter of the Innocents," "A Mother's Ordeal." And since my return from China the reports on human rights abuses continue to come in: "China's Public Relations Strategy on Tibet," "Bitter Winds"—which documents the experience of Harry Wu during his detention in the Chinese gulag—"Detained in Tibet"—which lists over 1,000 political and religious prisoners in China today—and "Human Rights Watch World Report 1994"—which says that "religious repression in China intensified throughout 1993."

In addition to these reports, I have gotten personal reports from China which document the arrest and detention of a bishop who said Mass for our delegation and a renewed crackdown on the Protestant house church movement. All of us were shocked when we learned that the Chinese Government would not stop at persecuting, harassing, and arresting its own people. Less than 2 weeks ago, three American citizens were arrested and detained in China. Dennis Balcombe, the pastor of Hong Kong's Revival Christian Church, who will testify later today, was detained. The arrest was made during a midnight raid on the house in which Reverend Balcombe and several other guests were sleeping. He and the others were accused of disturbing the public peace and all of his possessions were confiscated. Had Reverend Balcombe been in China to negotiate a business deal he would have had welcoming hands extended to him. Instead, because he brought the good news of the Gospel he was met with clenched fists.

I am happy that Reverend Balcombe is here today to testify. He is a living witness to the renewed religious persecution which is taking place in China. As an American citizen he enjoyed the benefit of swift action on the part of many people and human rights groups, including Christian Solidarity International, who is hosting his visit here. However, there are thousands of Chinese citizens who do not have this benefit. Three of the people who were arrested along with him are still detained, and there are even reports which say they have been executed. If they are alive, and I hope they are, how long will they have to wait in prisons, how many beatings will they have to endure, who will speak out loudly and act swiftly for them? And what of those friends of Reverend Balcombe who are not in prison but must remain in China and live under the fear of persecution?

Bishop Su Zhi Ming, the 62-year-old auxiliary bishop of Baoding was arrested on January 20 while Treasury Secretary Bentsen was in China discussing the future of United States-Sino trade relations. Bishop Su has told us that he was questioned at great length about our meeting. But he also believes that his release was due to our meeting as well. Again, Mr. Chairman, who will speak out for the thousands of unknown others who languish in China's prison system—many of them elderly and in need of medical attention.

These people are not interested in political activity, they pray for the government and their leaders and ask for God's blessings on China. All the religious believers in China are asking for is the ability to worship freely and openly. Right now those who do not belong to the government-sponsored churches have no place to worship, many of them are denied housing and work permits, and countless numbers are harassed, detained, tortured—and some have been martyred for their faith. I also submit for the RECORD an eyewitness account of the situation of the Roman Catholic Church in China written by a member of my staff.

On January 31, Premier Li Peng issued two executive orders which further restrain religious liberty in China and will have devastating consequences for the underground Protestant and Catholic churches.

Order 144 is titled "Rules for management of foreigners' religious activities." It prohibits all proselytizing activities by foreigners among Chinese. While it allows for foreigners to conduct their own private worship services, they are prohibited from preaching in Chinese churches. It also prohibits the importing of religious goods and publications.

Order 145 regulates management of places of worship. The right to assemble, pray and worship God—even in your own home—carries severe punishments. Catch-all statements such as "No one may use places of worship for activities to destroy national unity, ethnic unity and social stability, to damage public health or undermine the national educational system," criminalizes just about anything that a believer says or does. These cruel policies are likely to lead to thousands of new arrests, tortures and mistreatment.

And what happens to many of these people who are held in China's prisons? Mr. Chairman, millions of these people are detained in forced-labor prisons where they work long hours each day to meet unrealistic production quotas. We have known about this for years and have tried to engage the Chinese Government in addressing this human rights abuse.

The 1992 Memorandum of Understanding [MOU] expressly prohibits the importing of prison labor products and outlines the method of investigating reports of forced labor in prisons.

Even when it was signed, many people criticized the MOU as a meaningless document unless it would be backed up by swift and open verification. Testimony only a few months ago by Assistant Secretary Winston Lord indicated that there has been great resistance by the Chinese to investigate reports of prison labor. The Chinese deny access to prisons by United States officials until they have had enough time to sanitize the prisons and factories. Visits by nongovernmental human rights groups are not allowed at all.

The Chinese Laogai is not like any prison system we are familiar with. These are forced-labor camps similar to the Nazi work camps of another era. It is the most extensive forced-labor camp system in the world, and this system has destroyed the lives of millions of people, and it continues to do so. In January I met with several people who bear the permanent scars of years in Chinese prison labor camps. I heard their stories of beating and torture and saw for myself the broken bodies which these camps created.

The MOU is mentioned specifically in the Executive order. It is clear that China has not yet lived up to this agreement, nor is there any indication that it will in the future. We are still denied access to prisons and there is a large body of evidence that products manufactured entirely or in part are still being exported to the United States. All the while, millions of people continue to suffer at the hands of the cruel government slave-master.

Religious believers and prisoners are not the only victims of China's continued violations of human rights. The government aggressively victimizes women who bear children outside of the government's repressive one child per couple policy. Reports abound which detail the lengths to which the government officials will go to see that quotas are met and policies enforced. The New York Times' report by Nicholas D. Kristof poignantly described the ordeal of a mother and child who were victims of the government-sanctioned brutality. It recounts the case of Li Qiuliang who had been given permission to have a child in 1992. When, on December 30, 1992 she had not given birth the local population control officer ordered the doctor to induce labor. The child died and Ms. Li has been left incapacitated.

Secretary of State Warren Christopher, when he learned of this report, said that he was appalled by China's coercive family planning practices and would seriously consider tying MFN to ending those practices. In the "Report to Congress Concerning Extension of Waiver Authority For The People's Republic of China," it explicitly states that "in considering extension of MFN, we will take into account Chinese actions with respect to the following: Taking effective steps to ensure that forced abortion and sterilization are not used to implement China's family planning policy."

During my meeting with Li Honggui, director for the General Office of the State Family Planning Commission of China, he brushed aside with an angry smile our concerns that Chinese women are routinely victimized and abused with coerced abortions and coercive sterilizations. When questioned about the New York Times' report, Mr. Li responded by saying that the article was "not real" and that it only showed the "unfriendly staff" of the New York Times.

In a sworn affidavit, Dr. John Aird, former Chief of the China Branch at the U.S. Census Bureau, said "coercion in the Chinese family planning program has in the past 2 years reached its second extreme peak approaching or perhaps exceeding the levels of 1983."

Forced abortion is a crime against both women and children. The House of Representatives has twice called this a "crime against humanity." In China today, women are punished by the state for conceiving a child not approved by state goals. If a woman is lucky or clever enough to escape to deliver an illegal child, and is discovered, she is fined and otherwise dealt with.

In December the Chinese Government issued a draft of a eugenics law which would legalize discrimination against the handicapped—however the government may define handicapped—by forcing sterilization and denying them permission to have children. There are also provisions which would mandate the abortion of any babies which are determined to not meet government-approved standards of health and ability. While the rest of the world moves to protect the rights and the dignity of the handicapped, China is seeking ways to exterminate them.

It is becoming increasingly clear that in category after category the Chinese Government is not only not making progress, but is actually getting worse—bringing further shame and dishonor to the government and more and more pain to the Chinese people.

Today, and each day since I have returned form China, the facts point to significant regression, not progress, in human rights.

Today as we review the conditions which the Executive order placed on renewal of MFN, there is little indication that China has been willing to make any significant progress when it comes to human rights. There is a great deal of evidence that China has regressed significantly—just look at the books and reports. Given this body of evidence will one or two prisoner releases out of thousands be significant progress? Will the visit to five prisons out of hundreds be significant progress? Only a few months remain before the administration must make a decision. We must continue to let China know that we are watching and that we care, that we will not sacrifice human life for profit, and that the United States is serious when we say we want significant progress in human rights.

[From Faith & Freedom, Winter 1994]

Tomorrow, You Could Be in Prison—The Humble Origins of an Underground Chinese Faith

(By Stan De Boe)

It is easy to find elegant church buildings in China's major cities, some of which were built before the communist revolution and survived the devastating Cultural Revolution of the 1970s. The religious leaders responsible for them wear fine suits, enjoy high social status, meet freely with foreign visitors, and publicly proclaim that indeed China has freedom of religion.

The government approves and monitors these churches. One branch, the Catholic Patriotic Association (CPA), has four million members, with 60,000 said to be joining each year. CPA President Joshua Zong Huaide called this a "golden period for church development."

The CPA is not united with the Vatican. The Chinese government appoints its bishops. These Catholics have a reputation for patriotism and goodwork. CPA leaders support the coercive population control program of the government. It is important, Zong said, for the Chinese people to love their country and support socialism.

Yet the CPA and its official Protestant counterpart make up only one segment of the Chinese Christian community. This became dramatically apparent on my recent trip there. Off in a "village" with three million people, I was told in private that Mass was being celebrated by the underground Catholic church, and that I should attend.

A long, wandering cab ride took me to the outskirts of the village, where the car stopped and I was told to get out and walk the last few blocks. Nothing ahead looked like a church, though the street was filled with bicycles. After turning one last corner I had to stop in disbelief. There, in a stockyard at the very end of this desolate area, were hundreds of people, young and old, men and women, kneeling on the frozen ground as a priest was saying a Eucharistic prayer. They had gathered in secret to pray, to worship.

It dawned on me that this church building was in fact a donkey stall, something like the humble habitation where Christ made his first earthy appearance. The altar was set up under a canopy. Speakers hung from trees to project the voices of the choir.

I was reminded of the many pictures I had seen of the underground Ukrainian Catholics during the Soviet era, gathered in remote places in the dark of night to celebrate their liturgy. Here, I could see the depth of faith of these Chinese believers. After communion everyone sang at the top of their lungs a song proclaiming their loyalty to Pope John Paul II. This act is the very thing that could get them arrested or result in discrimination against them. Yet they proudly and boldly sang. This was the fourth or fifth such Mass conducted in the stockyards that day.

PERSECUTION AND THE PARTY LINE

I traveled to China in early January as part of a congressional delegation to discuss human rights, religious freedom, and the future of U.S.-Chinese relations. We met with officials from the Foreign Ministry, the Ministry of Justice, and the Supreme People's Procurature, as well as the CPA. We consistently asked if there were Christians in prison because of their faith. They told us no, and that if Christians were in prison it was because they did not support socialism.

Unlike some churches in Eastern Europe under communism, the underground churches I encountered in China did not appear to be havens for political dissidents. These Christians, constantly at risk of being sent to prison or worse, pray for their state leaders and do not openly quarrel with socialism—though the Vatican does.

They pray for their freedom to worship. Rarely do they focus on the problems and sufferings of the past and present. Instead, they choose to see the past as preparation for the future. Not only is the Chinese church on the brink of a great awakening, I was told, but the church in China is being prepared for a mission beyond China. Missionaries are being trained to take the Christian message to all parts of the world, once they are allowed.

Meeting with me carried great risk, but these underground Christians wanted their story told. Many of these Chinese Christian leaders had already spent years in prison, one for nearly 40 years. Most had been beaten repeatedly, some were forced to stand for days in closet-sized rooms in water as high as their waists, while others were bound by their wrists and suspended from the ceiling. All spoke of inadequate medical attention and food while they were detained. Many had been sentenced to "re-education through labor" programs—prison camps for hard labor—regardless of their age or physical condition.

In 1991, one of the underground parishes decided to test the government by building a church. They worked day and night, making most of the materials they needed. In two months their structure was complete. The government sent in police to tear it down, but the people surrounded the building. Apparently not wanting to shed blood, the police backed down and did not tear down the church or arrest anyone. The government is not always so reticent. Yet this one act of defiance served to strengthen the resolve of the underground church.

That strength is quietly linked across traditions, as shown in the evident respect of underground Protestants and Catholics for each other. A Catholic bishop spoke with great respect and affection for the Protestant minister with whom he once shared a prison cell. One Protestant leader spoke of the dedication of Catholics he knows. But when he was asked about any contact or cooperation between the two communities, he said there was little or none. We later learned that this was not due to problems between them, but because of the potential dangers. If they were working together, the government, ever-fearful of Christian conspiracy against it, would have another reason to persecute the church.

Underground Catholics with whom I met said that the government continues to harass them. Many of those known to the Government, especially the priests, cannot obtain residency or work permits. Thus they are entirely dependent on the support of the community. They are subject to detention without charges for short periods of time—too short for international religious freedom advocates to publicize their plight.

IN DANGER, BUT NOT AFRAID

Just days after our return to the United States, a Catholic bishop who celebrated Mass for our delegation was detained without charge for nine days at an undisclosed location. After his release he was questioned at length about the meeting with us.

On January 31, two days after the release of the bishop, Premier Li Peng issued two executive orders severely restricting religious activity. Order 144 bans the work of foreign missionaries and Order 145 restricts the activity of Chinese Christians and could result in the arrest and detention of thousands who choose to practice their faith outside of government control.

In a midnight raid in Central China during mid-February, ten Christians, three from the United States, were arrested for "illegal religious activities"—involvement with the underground church. The foreigners were expelled, while the nationals and the expatriates could face up to three years in administrative detention.

The United States government, under Presidents Reagan, Bush, and Clinton, has said that it is looking for improvements in human rights in China. During some periods Christians are persecuted less, during others more. But the legal and ideological structure by which people are always at risk remains strong—and perhaps has become even more threatening.

There is no indication that the Chinese government has any intention of easing up on the underground Christians. Nor are church members being broken by the waves of persecution. After seeing a simple but magnificent church recently constructed by hand on the personal property of an underground Catholic bishop, I asked about the government's response to the way they had ignored regulations on building. The bishop bravely said, "Now is the time for the underground church to come above ground. What can they do to us? Tear down our church? Put us in jail?"

TRIBUTE TO DINAH SHORE

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. CLEMENT. Mr. Speaker, I am saddened this afternoon to learn of the passing of Dinah Shore.

Dinah was known throughout the world for her kindness, generosity, incredible talent, and boundless energy. She was the star of radio, television, and film. She toured with the USO and, to her fans she was a source of inspiration.

A native of Winchester, TN, she graduated from Nashville's Hume Fogg High School and Vanderbilt University. They were especially proud of her success, which she took in stride and without ever allowing it to affect her outlook on life or her attitude toward people around her. Most recently, she hosted a weekly television talk show on the Nashville Network.

All Tennesseans, all Americans, will miss Dinah Shore. She graced us with her gentleness, her humor, and her love. We will miss her and, to her family, we extend our deepest sympathies.

DINAH SHORE DIES; RADIO, RECORD, MOVIE, TV CAREER SPANNED SEVEN DECADES

(By E. Scott Reckard)

BEVERLY HILLS, CALIF.—Dinah Shore, the honey-haired, down-to-earth singer and talk show hostess whose career spanned seven decades of radio, television, records and movies, died of cancer Thursday. She was 76.

At various times in her life, Miss Shore also was known as pitch woman for Chevrolet, author of cookbooks, wife of cowboy actor George Montgomery, companion of actor Burt Reynolds, pal of presidents Gerald Ford and Ronald Reagan and hostess of a popular professional golf tourney.

Preparing her final cable television show for the 1989–90 season, she said she had never felt intimidated during a career that sent her into millions of American living rooms.

"I don't know how to be afraid of that old red eye," she said of the camera's "on" light. "It's one person to me. I don't visualize large numbers of people out there. I'm comfortable with it."

Miss Shore, who won eight Emmy Awards, nine gold records and the USO Medallion Award as the first entertainer to visit GIs on the front lines of World War II, died at her home here. Her illness was brief, publicist Stephanie Masters said.

Born Frances Rose Shore on March 1, 1917, in Winchester, Tenn., the brown-eyed entertainer was a graduate of Nashville's Vanderbilt University.

The gentility and conservatism of her Southern background stayed with her as the world changed. In 1970, preparing to return to NBC–TV for a weekday morning program about women's interests, she listed her subject matter as "men and well men and, uh, men."

She said she appreciated the women's movement drive for equal pay, but added: "It's a man's world and you must give something to get something."

"We want men to cherish us, love us, protect us, be polite to us," she said. "When we go out to dinner, we expect them to pick up the check. If we're to be in rough competition with men, won't we have to give some of that up?"

The marriage to Montgomery in 1943 produced two children, Melissa Ann Hime in 1948 and John David Montgomery in 1954. She divorced Montgomery in 1962. A second marriage to Maurice F. Smith in 1963 lasted a year. She never remarried although her relationship with Reynolds provided fodder for the tabloids and gossip columnists in the 1970s.

"Dinah was the most wonderful friend I ever had and for me the world has lost the very best part of it," Reynolds said in a statement.

Aside from guest appearances on talk shows, Miss Shore had kept a relatively low profile in the last two years. She continued to indulge her passion for golf, playing frequently with friends such as former anchorwoman Kathleen Sullivan, a neighbor at Miss Shore's home near Palm Springs.

Sullivan, in a telephone interview from that Coachella Valley golf resort area south of Los Angeles, said Miss Shore's death would touch many lives.

"This is a loss to this valley, a loss to women in sports, a loss to the entertainment field," Sullivan said.

Television comic and producer Carl Reiner, who worked with Miss Shore on her television program in 1960, remembered her vivacity and graciousness.

"She was the most alive person I ever met, absolutely interested in everything in the world and everybody in the world. And she was always sincere," Reiner said.

"Dinah was five star in every way," former President Ford said, calling her "one of the finest, most generous and thoughtful persons" he and his wife, Betty, had ever known.

Miss Shore began her broadcast singing career in 1938 on New York's WNEW, teaming with another young singer Frank Sinatra. She joined the NBC radio network later that year and signed a contract with RCA Victor in 1940. A year later she joined Eddie Cantor's radio program; by 1943 she was starring in her own radio program, sponsored by General Foods.

Her last television show, "A Conversation With Dinah" on The Nashville Network, ran from August 1989 to March 1991 as a weekly show. Later that year, she did specials for TNN, interviewing Reynolds and Tennessee Ernie Ford. She appeared on a TNN tribute show to Eddy Arnold in May 1992.

Her daytime talk show, "Dinah and Friends," ran from 1979 through 1984. From 1974–79 she was in "Dinah!" From 1970–74 it was "Dinah's Place."

An older generation remembers her from "The Dinah Shore Chevy Show," a variety program that aired from 1956–63." Earlier still was "The Dinah Shore Show," which lasted from 1951–57.

She acted in such movies as "Thank Your Lucky Stars," "Up in Arms," "Belle of the Yukon," "Follow the Boys," "Make Mine Music," "Fun and Fancy Free" and "Aaron Slick from Punkin Crick."

Miss Shore, who had Hollywood Walk of Fame stars for recording, radio and television, once said that people identified her most with the slogan from her variety show: "See the USA in Your Chevrolet." She would sing the jingle with gusto on every show, her right arm punching the air.

She was hesitant about analyzing her place in TV history.

"I'm not sure I'll have one," she said in a 1989 interview. "Time and the people will judge that. I guess it will be pleasant and I hope it will be exciting. It won't be terribly controversial."

The assessment on her George Foster Peabody Award for distinguished broadcasting was not so modest.

"What TV needs, obviously, is about 100 Dinah Shores," it reads.

In addition to her son and daughter, survivors include three granddaughters: Jennefer, Adam and Alexander Hime. Funeral services, to take place in Los Angeles, were pending.

TRIBUTE TO DISTRICT JUSTICE LEONARD "WHITEY" BOEHM

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. COYNE. Mr. Speaker, I want to pay tribute today to Leonard "Whitey" Boehm, who on February 26, 1994, will be celebrating his retirement as a district justice.

Leonard "Whitey" Boehm has had an illustrious career serving the people of Pittsburgh area as a district justice and local public servant. He has served for 14 years as district justice for the Carrick, Overbrook, and East Brookline communities. He has continued to serve past the official retirement age as a senior status district justice. District Justice Boehm has also served as president of the Special Courts Justices Association for 6 years.

District Justice Boehm has played a central role in administering justice in the Pittsburgh area. He has brought to the position of district justice the necessary commitment to ensuring that every person appearing before the court is treated with respect and compassion. He has upheld the dignity of the court and has ensured that his fellow citizens can continue to hold the proceedings of the court in high esteem.

District Justice Boehm's public service spans over 40 years. He began his career as a public servant with the city of Pittsburgh Public Works Department where he worked for 27 years. He also served for 3 years as an inspector in the Allegheny County Controllers Office. In both his career as a district justice and in these previous positions, Leonard "Whitey" Boehm has been admired as a man of integrity and dedication to fairly and effectively serving the public.

District Justice Boehm has also been an active member of his local community. He has served for 31 years as a Democratic committee member in the 32d ward and has also served as ward chairman. He has also served with the Carrick-Overbrook Community Council. District Justice Boehm is also a proud member of the local German Club. District Justice Boehm and his family are parishioners at the Resurrection Church in Brookline. District Justice Boehm and his wife Irene have three children, Karen, Cathy, and Lenny, and also have several grandchildren.

Mr. Speaker, it is fitting that the House should honor individuals like District Justice Leonard "Whitey" Boehm. I am pleased that I have this opportunity to salute him for his outstanding record of public service.

YOUTH OF THE HUDSON VALLEY PETITIONS FOR CLEAN WATER

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1994

Mr. FISH. Mr. Speaker, on February 1 a group of students from my district in New York, and from along the Hudson River, traveled to Washington, DC, to show their Government how important clean water is to them. This trip was the culmination of 1½ years of hard work for these students, for with them they brought a petition for clean water and 10 large panels filled with the signatures of 15,000 young people throughout New York's Hudson River Valley. These students worked with the Hudson River Sloop, *Clearwater*, an advocacy group for a cleaner Hudson River, to educate fellow students about the importance of clean water in preserving the food chain, areas for recreation, and the well-being of all living things. I feel it is important to share the feelings and statements of some of these young people as we prepare to deal with reauthorization of the Clean Water Act.

Below are the words of our next generation:

Allison Bleeker, Poughkeepsie, N.Y. We are from Hagan Elementary School in Poughkeepsie, N.Y. We represent E.A.C.H., the Environmental Action Committee at Hagan School. We would like to now read the petition we drafted.

Vanessa Van Derveer, Poughkeepsie, N.Y. Petition for clean water to members of federal, state, and local governments.

Greg Partridge, Poughkeepsie, N.Y. All the kids who are signed here are concerned about the condition of water.

Stephanie Aronzon, Poughkeepsie, N.Y. We need clean water, and we must undo the damage we have done to the Earth.

Adam Banner, Poughkeepsie, N.Y. When water is polluted all parts of the food chain are affected.

Greg. Habitats are destroyed by filling in of wetlands, dredging of bottom sediments, and destruction of dunes and beaches.

Stephanie. People deserve clean water for drinking and swimming, clean shores to visit, and clean fish to eat.

Adam. We must have stronger laws, better public education and awareness, and stronger regulations on the practices and products of business, industry and public utilities.

Allison. We must protect our oceans, rivers, streams, harbors, bays, estuaries, lakes, ground water, shores, wetlands, and bottom sediments.

Greg. Many people think this is just an environmental cause. They think it is for the fish so they have a clean home. It is also for us and our kids. If this bill is not passed and improved they will not have clean water.

Vanessa. If all the Earth's water was put in a gallon jug, only a tablespoon would be fresh clean water. All other water would be salt water or water captured in ice or glacers. We must preserve the little water we have.

Stephanie. There is a creek that is in my community. I used to play in it with my friends. It is in fact a part of Casper Creek. Last year E.A.C.H. cleaned the creeks' polluted sites as a project. A section that runs near my house is littered. I never paid much attention to it, but now I realize it is a problem. Wetlands are getting littered like this in every state, in every country, all over the world. This all adds up to lots of pollution in our water system. When E.A.C.H. cleaned up Casper Creek we asked the town supervisor to have the owners clean up a certain site. Today we're asking Congress to help us clean up.

Adam. We live along the Hudson River and our community relies on it for clean drinking water. For years, power companies dumped chemicals into the water. Some of these pollutants settled into the sediments and will be harming the water and life that depend on it. We ask Congress to renew, strengthen and improve the Clean Water Act to insure clean water for our future.

Allison. I just wanted to say how much this petition means to us. We worked hard and what we wrote is from our hearts. We want and must have clean water.

Amanda Treyz, Manhattan, N.Y. My presence here today means a lot to me. When I first started working with *Clearwater* my goal was to get the Hudson clean enough for me to go swimming right off the pier near my house in lower Manhattan, I have not forgotten this goal, but it seems a lot further off than it did at first. What this petition means to me, is that other people share this dream. What the Clean Water Act means to me is that our legislators also share this dream. But this act is more than a dream, and there are more reasons for this act than a dream.

An argument doesn't really need to be made for clean water. Just remember—whatever you dump in rivers will come back. But the Clean Water Act as it is now is not enough. We need stronger laws and stricter laws. Pollution, sanctioned by law, is still pollution and it should be outlawed. The cost of change is not an excuse to pollute. President Clinton said, "we must have the courage to change"—this act is something that needs to be changed. If we keep on putting industrial chemicals into our waterways, eventually they will end up on our dinner table. Many people in industry say that their emissions haven't been proven to cause harm, but I don't see them fishing in the Hudson for their dinner. My dream of a clean Hudson has been put on hold indefinitely, but it is within your power to make this dream a reality.

David Velez, Goshen, N.Y. Ladies and Gentlemen, in 1972, the Clean Water Act was passed into law. The ultimate goal of the act was to eliminate the discharge of pollutants into navigable waters by the year 1985. It is now 1994, and obviously, that goal was never attained. This year, the act will be renewed. The question is "What is going to happen to it?" Most likely, changes will be made. Who will these changes benefit?

It could benefit industries and developers. It would be all too easy to make modifications to the act that would allow these companies and corporations to gain the upper hand. They could be allowed to do whatever they want to our most precious and powerful resource—water. They could be allowed to dump whatever waste and by-product they see fit. Or it would still be illegal, but fines and penalties would be lowered, while grace periods and time limits would be raised. Of course, this would be good. Productivity would go up. Prices would go down. There would be more jobs. This would help the American economy. Its a good business solution, and the price would be negligible.

If you would like to see just what negligible means, you can look at the number of waterways in North America. I can tell you a little about the Hudson River.

Last year, I was selected to volunteer aboard the *Clearwater. When I told my friends, I heard things like, "hope you don't fall in the water", "don't swim in it", "watch out for the floating garbage". As I found out, those stereotypes are a little outdated. I was however, glad it didn't rain the day before, or I might have had to dodge the raw sewage that overflows from the outdated treatment plants along the river. And I couldn't go fishing, since all the aquatic life in the river is contaminated by the 1 million pounds of PCB's lying on the river's floor. When we took passengers on board, of any age, there was a general feeling of concern. Is it safe, can I swim in it, is there any hope?*

Yes, there is, Many people fight everyday to protect our national treasures. This group of young people you see before you is just one group of these people. We want revisions to the Clean Water Act to benefit us, and anyone else who feels clean water, safe food, public recreation, and natural beauty is important. We can't offer the posh extravagances given out by lobbyists representing special interest groups. All we can offer is a cloth scroll, but behind it is the work, effort, love, and concern of thousands of young people. They are asking their government to help them. This document was created of love for our waterways, by young people, for all people. I implore you, ladies and gentlemen of the government, to see to it that this dream gets carried out.

Elizabeth Azcon, Manhattan, N.Y. The clean water issue is a very important one because without clean water every living creature will become extinct, including you and I. Many harmful chemicals have been entering our waters. Rivers have been dying as well as our marine life. Raw sewage and industrial sewage have been contaminating water and have caused illness to living creatures who innocently take in these chemicals by drinking, swimming or fishing from this contaminated water.

PCB's are constantly being stirred up, entering the food chain and flowing down stream penetrating the flesh of fish who in turn are eaten by humans or by any other dominating animal in the food chain. Water pollution is a severe problem that has been set aside for too long. We must take action now and begin to purify our drinking water because soon, before we know it, we will be taking in 10 percent water and 90 percent chemicals. Humans, marine life and wildlife will be dying from PCB and chemical related illnesses. Planet Earth will eventually deteriorate by this so called water problem that most people seem too busy to deal with. We must dedicate more time to the Earth's physical problems than spend time on building the perfect weapon for war or building the most hi-tech building in existence. As I said before we must take action now before we have no clean place to live in and no children to care for. All we can leave for our children and our children's children is a clean, purified planet for them to develop, work and enjoy their life on.

Torah Johnson, Hudson Valley Sloop, *Clearwater*. In September of 1992, I met with a group of students from the environmental club at Hagen School, and in an afternoon I helped the children decide on the wording of the text to the petition you see here.

Now, a central tenet of *Clearwater's* education program is to empower children and to provide them with the skills they need to take part in decisions affecting their own future, such as the issues currently under debate in the Clear Water Act. And so, with each of the many of thousands of children who read and signed the petition, the experience was part of a discussion about the importance of participating in their government. We encouraged them to express themselves in pictures or messages; to speak directly to their legislators. These discussions were very constructive, not only for what the children learned, but for what I learned about the children. Through these discussions and through reading these panels, I have come to understand must better how they view the Earth and their government.

Among the children I spoke to, I found a universal concern for the environment, and an understanding of the ecological problems facing us. But, I found some other things; some things that disturbed me very much. Many children, even among those that are active in environmental clubs, expressed feelings of powerlessness, resignation, and even guilt in the face of environmental problems; even in the discussion among the children who wrote the petition. When it was suggested that the petition say "We deserve clean water . . ." one of them raised their hand and asked, "Why do we deserve clean water if we were the ones who polluted it?" Interesting that she should have a sense of stewardship of the environment that so many adults lack, and so distressing that at 10 years old she should have a sense of guilt about the state of the natural world.

I also found many of the children to be cynical about their government. A group of the fifth graders in Piermont, NY actually shouted angrily something I heard over and over again from kids: "The government won't listen to us. We're just kids. They don't care what we think."

Probably the discussion that impacted me the most was with a group of kindergartners in the Bronx. I asked them to tell me what a law was, and one boy raised his hand. He said, "Laws are so that when you break them, they put you in jail." "Are laws good?" I asked them. They all shook their heads "no." They all needed to puzzle very carefully when I asked them if a law against polluting the river was a good idea, but finally they concluded that it was a good idea.

The long term health of our waterways, indeed of the Earth, will depend upon the vision and concern of today's youth. And today's youth see the need to make difficult sacrifices to save our planet. But many children feel their voices are ignored and stifled. They are scared. On the local level, our own Hudson River is an ecological war zone. The fish are poisoned with General Electric's PCB's, but many children eat the poisoned fish due to the ignorance of their parents or just the need for food. The river is still, even with twenty years of the Clean Water Act, it is still not swimmable for much of its length due to sewage contamination. If you swim in the river you can get sick. The dire significance of global environmental problems is not lost, even on a child. As a biologist, I know these children have reason to be frightened, and as a teacher, though I believe they have reason to hope, I can't tell them they don't have reason to be frightened.

We must hear their voices, we must strengthen the Clean Water Act, and enact other legislation to ensure them a healthy future. The messages and pictures on these panels are like writing on the wall, they reflect the voices of thousands of children who are speaking to you. I ask that before you leave this room today take the time to read some of the messages. Each one of us has a voice of its own. I'll finish with what one young person wrote: "It's good to pollute—Not!"

SENATE—*Friday, February 25, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable Dianne Feinstein, a Senator from the State of California.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

To every thing there is a season, and a time to every purpose under the heaven.—Ecclesiastes 3:1.

Eternal God, patient Heavenly Father, help us to appreciate the precious resource of time. Help us to see that no one has more time than another. The Senator has the same amount of time as the child. Give us the insight that to kill time is murder—that the only way to save time is to spend it wisely. We cannot store it up; when passed, it is gone forever. We know that delay, for its own sake, is not virtuous—only dilatory; but we also know that haste makes waste. Save us from the abuse of time.

We thank Thee, Father, for the response of the Vermont farmer who, when asked why he did not hurry, replied, "I figure that I pass up more than I catch up with." And as someone else said, "The hurrier I go, the behinder I get."

God of eternity, help us to make time our servant rather than our master.

We pray in His name who was never in a hurry but used time to the glory of God. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Byrd].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, February 25, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Dianne Feinstein, a Senator from the State of California, to perform the duties of the Chair.

Robert C. Byrd,
President pro tempore.

Mrs. FEINSTEIN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADERSHIP TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BALANCED BUDGET AMENDMENT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of Senate Joint Resolution 41, which the clerk will report.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 41) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate resumed consideration of the joint resolution.

Pending:

Reid amendment No. 1471, in the nature of a substitute.

Mr. THURMOND. Madam President, I suggest the absence of a quorum and the time be charged equally to both sides.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRAIG. Madam President, I ask unanimous consent that when we return to a quorum call that the time spent in that quorum call be divided equally among Senators Reid, Simon, and Hatch.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. I ask my good friend from West Virginia if I may use part of his time?

Mr. BYRD. How much would the distinguished Senator like?

Mr. STEVENS. I should say about 45 minutes.

Mr. BYRD. I yield to the distinguished Senator from Alaska [Mr. Stevens] 45 minutes.

Mr. STEVENS. Madam President, I thank my good friend from West Virginia. I am grateful to him for his leadership on this issue.

Madam President, I can recall the days when I have looked at the balanced budget concept and supported the concept of a balanced budget amendment. I do not think we have ever really seen both Houses of Congress vote on a constitutional amendment to balance the budget during the same session. But now that we have reached the point where it is fairly certain that we will vote on this and there is a good possibility that the version before this body, Senate Joint Resolution 41 could become part of the Constitution, I have spent a lot of time researching and thinking about the consequences of this legislation.

I have listened to and studied what the Senator from Nevada [Mr. Reid] is doing in proposing his amendment to Senate Joint Resolution 41. In my judgment, he is right. Although I am not certain if I support all of the provisions his amendment includes, he makes some important points. Madam President I have a vision, of some time at the turn of the century talking to a new President and having that President ask me—as a matter of fact, "she" might ask me—how the Congress came to the judgment to put such a corset around the economy of the United States.

Let me first start off by saying that my research indicates that—and the CRS confirms this in a 1992 study—there are five nations of the world that have balanced budget requirements. Germany has one. It is the only industrialized nation in the world that has one. But if you look at their constitution, they permit borrowing funds in times of recession. In addition, their budget functions differently than ours because they can include borrowing as a revenue in some instances, similar to the way many States count borrowing as revenue.

The others are Rwanda, Burkina Faso, Niger, and Israel.

The United States is the largest industrial nation in the world. We have had larger ups and downs than any nation in the world. Today, we have a very large debt, and we run budget deficits that are very worrisome; but has the Senate stopped to think that the interest that we are charged to borrow money for our debt is probably the lowest in the world today? Why is that? It is because our own people and the people of the world have confidence in our system. Notwithstanding this debt and notwithstanding the deficits we run, we continue to have the ability to function, and we will have the ability

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

to function if we exercise good judgment and can continue to believe in the Constitution as it exists now.

Mr. SIMON. Will my colleague yield for a question?

Mr. STEVENS. Not until I am finished. Then I will be happy to yield to the Senator.

Madam President, if we look at what we have now, we have very difficult circumstances. I wonder if the Senate realizes that Britain adopted a balanced budget concept in the late eighties and, by 1992 had abandoned it. Let me repeat that. Britain, with all its problems; adopted during the heyday of the "Iron Lady," for whom I have great respect, a balanced budget concept and, by 1992, abandoned it. The reason they abandoned it is because it became a straitjacket on their economy. The changes that British Government wanted to pursue could not be pursued while abiding by a balanced budget target as the British call it.

What would we do if we add the balanced budget amendment to our Constitution? How do we get rid of it if we find that it is a mistake? We live with a very rigid constitutional system that is very difficult to amend, thank God. But in my opinion, it ought to be much more difficult than it appears to be right now. I do not think a lot of people are thinking about the history of the United States and what we have done in the past to right our ship of state or cure the defects of our economy because of the freedom and flexibility of the Constitution as it was devised by our forefathers. It is a good Constitution.

I do not believe that we ought to saddle our people with a concept that is so inflexible that it would not permit us to meet the economic difficulties we may face in the future without having to go through the process, the constitutional process, of waiving or even eliminating a constitutional balanced budget amendment.

I have a few charts, not many, and I really do not have a prepared statement. I am sort of wandering around here to explain myself. The real problem we have right now is not that we have not known what we are doing, but that we have in fact put into effect a series of programs which are known as entitlements—mandatory costs, costs that cannot be controlled annually by the Congress. And this balanced budget amendment does nothing to address entitlements. Nothing is mandated, nothing is directed. We have the same power now to address entitlements that we would have if the balanced budget amendment were adopted.

The entitlements have grown apace, as we all know. They include: Social Security benefits, Medicare and Medicaid, farm price supports, and other entitlements such as food stamps, supplemental security income, family support, veterans' pensions, child nutrition, extended tax credits, student loans, Federal and civilian military retirement obligations, veterans' benefits, and social services.

On the right-hand bottom corner of the chart is the list of what "other" includes.

We all know that those entitlements are there. Most of us have voted for them. Problems have developed in almost every one of them that have needed correction in the past or may in the future. The welfare program we all know needs revision. It is time now to find a way to prevent the cheating that is going on in welfare. It is time to find a way to help people get off of welfare without locking them and their children into welfare for a lifetime. We can do that without a balanced budget amendment.

We know there are problems with Social Security, but they are not really problems that are incurable. They are problems about making certain that it is fully funded, that it will continue into the next century with the support it must have from the people of this country. And there has to be a fair balance between the cost to those who are going to receive Social Security in the future and the cost to the coming generations.

At one time, over 10 years ago, the former Senator and former Governor of Oklahoma, Henry Bellmon, who was chairman of the Budget Committee, came to my office and sat down and talked to me. He said, "You know we have a problem out in the next century, by about 2015"—you have to think this is at least 15 years ago. He is saying, "We have a problem out at 2015. Let me tell you what it is. Of the total population, about one-third are too young to work, one-third are working, and one-third are retired. Those people working are obviously going to be taking care of children—those too young to work—but they are not going to be willing to take care of those who are retired. What we have to do is work on a Social Security System that is self-sustaining and requires no contribution from next generation to support those of the people in the generation ahead of them."

We have worked toward that goal. I think we have done a good job. We still have corrections to make in the Social Security System, and that is a problem Congress must attack. That is something the people of the country and particularly those at my age who are in the senior citizens category must address. We must be fair to not only our children but our children's children and their children and not set up a situation where there is a burden on future working taxpayers to not only support their children but to support us. I think we are going in that direction.

A balanced budget does not do anything to solve that problem. That is a basic legislative problem that Congress must face and Congress already faced partially in the past. We will face this problem again before the turn of the century.

So what is really the problem? The problem comes down to the fact that we have a basic growth in those entitlements that remains unchecked, and this chart shows it as well as anything that I could devise. It shows that in 1962 defense accounted for almost 50 percent of our Federal expenditures; mandatory costs were 23 percent. If you compare that to 1992, defense spending has decreased to 21 percent of our Federal budget—21 percent from 50 percent. But mandatory expenditures are now twice what they were in 1962. Interest on the national debt has more than doubled. In 1992, we have a very different skew in terms of what we do with Federal funds.

The question is, how can a balanced budget amendment deal with that? It can only deal with that if we make up our mind we are going to deal with entitlements and we are going to decrease the rate of growth of our national debt.

Again, Congress has the legislative powers necessary to make these changes, a constitutional amendment is not necessary. We do not need a constitutional amendment to give Congress the authority to do the things that must be done to correct our economic imbalance. Powers that the Congress already possesses.

I think that one of the things we have to do is look at what we are doing and try to understand what the problems will be if we have a balanced budget amendment.

Let me take you back just briefly to the period just before World War I. It may interest you to know—and, incidentally, I was not in the Senate then, in spite of what some people may think —but at the time prior to the time we entered World War I, we had an increase in our defense spending. As a matter of fact, it increased steadily in 1913, 1914, 1915, and 1916.

If you examine this balanced budget amendment, what it says is if you have declared war or if you are engaged in a conflict, then you will have a right to waive the balanced budget amendment. Let me repeat that. Only if the United States is at war under a declaration of war or involved in a conflict could we exceed the balanced budget limitations in terms of our annual expenditures for defense.

Before World War I we did it, and we were barely ready in 1916. As a matter of fact, I think the record would show we lost a lot of people because we were not ready. In my lifetime, in World War II everyone at that time knew we were going to go to war. It was just a question of time. And yet, although we did start our expenditures increasing, we had a steady increase in expenditures in 1937, 1938, 1939, and 1940, by the time we entered the war, of course, the expenditures exploded. They had increased by about 60 percent. That was up to $1.6 billion in 1940, a monstrous amount for that period of our history, and we were not at war. We were not involved in a conflict, but we had started to prepare to protect this country.

That is not possible under this amendment without a resolution adopted by a majority of the whole number of each House.

It may interest you to note that the vote on lend-lease was 60 to 31. We had a series of votes at the time. I tried to find some record, but my memory is that we had a series of votes at that time where the margin was very thin. I can only believe that a vote to waive the Constitution would be even closer.

Let us leave defense and let us think about other things in terms of our current situation in the world and particularly here at home. Disasters. We have had a series of disasters recently.

One of the ones where I went through a simulation a year ago was the problem of what the country will face if it has an earthquake along the Madrid fault. We think of earthquakes in terms of Alaska, my home. We have them almost every few days. And California, of course, has had a great many earthquakes. But the Madrid fault when it went off in the 19th century, when the earthquake occurred along the Madrid fault, which goes down past Tennessee and then goes into the southland of our country, it changed the direction, as I recall, of the Mississippi River. When that earthquake occurred in the southern part of the United States the bells in the churches of Boston rang.

The estimates of what it will cost if we have an earthquake in this century or early in the next century—it has been more than 100 years and most people are telling you about every 100 years those fault lines are going to adjust—will be catastrophic. The cost to the United States if the Madrid fault earthquake happens in this day and age will be worse than a nuclear war, and we will have to find some way to deal with the problems of that type of disaster.

Of course, you could waive the balanced budget amendment. But are we sure that the Congress is going to be willing to react immediately? Are we really going to be willing to go totally in debt for one part of the country?

The occupant of the chair knows that Alaska and California worry seriously about the increasing attitude toward disaster assistance. It is changing. The country is changing. There have been so many disasters. There has been so much expense associated with disasters, even this small, and I say that respectfully, the small disaster in California recently—a very short fault line—has cost billions of dollars.

I say we do not need to live in a straitjacket in this country to deal with the problems of the country. Yet, that is what is going to happen if this occurs.

I say to you, Madam President, and I think those of us particularly from the West ought to think about what is happening also. The bulk of our land is federally owned land. We now have a series of changes being made in our national budget, and if you wanted to look at them, the bulk of them are hitting the West because that is where the basic governmental functions—the Departments of our Government—the Department of the Interior, the Department of Agriculture, the Department of Commerce, and even the Coast Guard are being cut back. That is because we are reacting and Congress is trying to cut the controllable domestic expenditures in an effort to reduce the deficit. They have to do this because the entitlement programs, the uncontrollable spending has been escalating. The controllable expenditures—domestic spending—have over the past 30 years hardly changed. In 1962, the United States spent 15.7 percent of its budget on domestic programs including all of the expenditures for the Departments of the United States including Commerce, Interior, Justice, and Agriculture. In 1992, we spent only 15.47 percent of our budget on those programs, a slight decrease.

But what has the Congress been doing as it tried to balance the budget? It has started to cut discretionary spending. The bulk of the discretionary spending means more to the West than it does to any other part of the country because that is where the Federal Government maintains its responsibility since it owns most of the land.

Now, I will tell you, the net result of a balanced budget amendment is going to be that the West will suffer. Already in my State this year, the administration wants to close the Bureau of Mines, it wants to shut down the U.S. Geological Survey, it is reducing the manpower in the Minerals Management Service and reducing the Forest Service and people in the Department of Agriculture in the U.S. Forest Service. Why? Because the gun of the Congress can reduce funding. It can reduce discretionary spending.

I am surprised to see that so many people from the West are rushing pell-mell, as Margaret Thatcher did, to the concept of a balanced budget amendment. The only difference is that Margaret Thatcher's government adopted a balanced budget target during a time of budget surplus.

Incidentally, I ask unanimous consent to have printed in the RECORD following my remarks a Sunday London Times story of 1992 which was headlined "Goodbye to a Balanced Budget."

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Having lived with a balanced budget for 5 years, from 1987 to 1992, the London Times joined everybody and said goodbye; it was not good for their country. A private enterprise country trying to revise its system, trying to stimulate its economy could not deal with the problem of the restrictions of the balanced budget concept.

I come back, really, in terms of my basic interest here, to defense, Madam President. I remember so well the problem of preparation for World War II. I left college in 1942 and went to war. Those of us at that time knew we were not prepared. We had seen the movie reels of Patton and his people in Kansas practicing tank tactics with Ford automobiles, with pieces of plywood attached to them saying "this is a tank" or "this is a truck." They did not have the ability to train.

As a matter of fact, many of our people, when they went in the Army, did not even have guns. They were trained with wooden guns or with World War I guns. We were manufacturing them fast. And by the time we really got to the main battles in Europe we had the equipment we needed, thank God.

But the only reason we had even the preparation we had at the time was we had the ability, through Congress and through a strong executive, to commit the country to the course of rearmament, to the course of expenditures, to the course of World War II production to making those Liberty ships, to building our bombers, to building our fighters, building the tanks.

We provided the material that won World War II. There is no question about it. And it was because of our basic economic capability to respond under the existing Constitution. I do not believe that would be possible.

Let me point out, by the way—my gracious assistant, Christine, just pointed out to me that the moneys that we approved to fund the supplemental required for the Los Angeles riots and the Chicago floods passed this Congress last year, 2 years ago, 61 to 36. A slim margin to meet the three-fifth requirement that Senate Joint Resolution 41 would require. How many times have we waived the Budget Act? Not very many.

But every time we have a disaster, every time we get ready to prevent war—mind you, Madam President, if we want to take action to prevent war, we are not under that category that says you can waive this by virtue of being at war or being involved in a conflict.

I have tried to dedicate my career here in trying to be able to have a military that had the capability to prevent war. I really think that we ought to listen now, we ought to listen to the Department of Defense. The Department of Defense responded to those of us in the Appropriations Committee—and this was not a debate; they told us as a matter of fact. Keep this in mind. We have steadily decreased the share of defense money in our Federal spending from 6.3 percent of the gross national product in 1987 to 2.8 percent in 1994. By the time we get to 1995, our percentage of the gross national product spent for defense will be less than it was in 1940—less.

And we are supposed to be keeping our country ready to meet the contingencies and to carry out the agreements we have made throughout the world for a mutual defense. No other area of Federal activity has had the pressure as much as national security. And, again, look at the chart. From 1962 to 1992, reduced from 49 percent of Federal outlays to 21 percent of Federal outlays. It is even down more now.

Mr. CRAIG. Will the Senator yield for a correction?

Mr. STEVENS. Yes, I will yield.

Mr. CRAIG. In article 1 of our amendment, it requires a three-fifths vote, or 60, for extraordinary spending. So in the case of the earthquakes, in the case of the riots in Los Angeles, those passed by a three-fifths vote. So in the case of an extraordinary threat, you only have to ask yourself: Will this Congress respond to an extraordinary problem with a three-fifths vote? The answer has historically been yes.

(Mr. DORGAN assumed the Chair.)

Mr. STEVENS. I stand corrected.

But I still take the position that, as a matter of fact, it is a straitjacket we do not have to live with. We already have that in terms of the Budget Act. We already have that same restriction today.

I really think, when we talk in terms of how effective it is going to be, the effect of this is going to be whether we get into entitlements, not whether we waive the Budget Act or the balanced budget amendment for the purpose of having discretionary spending.

I do not believe you have to waive the Budget Act to deal with entitlements. That is the real point of my statement to the Senate. We do not need a restriction in the Constitution as far as a balanced budget amendment to deal with this in order to prevent and cure the problems that exist in the economy today.

I think the worst case that we can face, in terms of defense, is not going to be related to conflict or declaration of war at all. It is going to be faced with the realization on the part of some of us in the Congress that we need to have changes in the defense structure and we have to commit ourselves to spending more than is currently planned.

The administration has told us—and these are the Department of Treasury's estimates, not mine—that if the balanced budget goes into effect, defense could face nationwide cuts up to $270 billion between 1995 and 1999.

What they are saying is that in order to achieve a balanced budget by the year 2000 defense's share of the budget cuts would be $270 billion.

Mind you, between now and 1996 we will close—I do not know if the Senate knows this, we will close two bases out of three that exist in the country today. That is what we have already planned. When we get down to it, we will have 10 divisions, we will have 11 or maybe 12 aircraft carriers. We will be down to 18 wings of fighters. That is what is planned already.

I would like the Members of the Senate to consider what it would be like to be in the Senate in the 1999 and suddenly realize we do not have the defense that is necessary to protect our country. I think that will happen before then, but I do not think it will settle in until about 1998 or 1999. And then we are going to have to start rebuilding this defense structure as we did in 1981.

Let me remind the Senate, some of my colleagues did not do what I did in 1980. I went to Norfolk in 1980 and saw ships tied up there. They could not get away from the dock because they did not have the personnel. We visited Air Force installations and we found row after row of airplanes red lined. They were short of parts. We were down to the point, Senator HOLLINGS and I went into Germany to visit our defense personnel there and I distinctly remember him walking up to about a third or fourth floor—we call it a cold water flat in Germany where some of the dependents of our young soldiers were living. They did not have the allowances, they did not have the housing. We had skimped defense so badly by 1979 and 1980 that they were living literally in poverty in Germany.

We had people in this country in the Defense Department that were using food stamps for their families.

We changed that through a period of votes in 1981, 1982, 1983, 1984. If you went back and looked at them Mr. President, you would find a series of one-vote margins. Those changes we brought about in the Department of Defense in those days were by one vote. We were not at war. We did not have a declaration of war. We were not involved in a conflict. There were just some of us who said this has gone too far. This has gone too far. We have to restore our capability in the Department of Defense, and we did it in the Senate by one-vote margins, several times.

What would happen if we had the balanced budget amendment and we decided on deficit spending to restore the Department of Defense? How do we get there? We just do not.

I think this is wrong. I think it is basically wrong.

Incidentally, the Department of Defense tells us the most likely scenario to cut the $270 billion between 1996 and 2000 would require a reduction of 275,000 military people, one out of five. We would lay off 170,000 National Guard, one out of three. We would discharge 125,000 civilian workers. We would close—in addition to those we were already going to close by 1996—we would close half of the remaining 22 major bases in the United States. We would close nine logistics depots, terminate the F-18, terminate the C-17. And after the turn of the century we will have no other transport but the C-17. The 141's are wearing out, the 130's are wearing out. There is nothing left. But we would have to terminate it because it is too large an expenditure. We would have to cancel the nuclear aircraft carriers. We would have to cancel the next submarine, SSN-23, cancel the attack submarine, cancel the M-1 tank upgrades. We would have to eliminate theater missile defense. And even then, it may equal $270 billion.

If you are in the Senate at that time and that eventuality comes and you are not at war and you are not involved in a conflict, how do you get the changes necessary?

I remember—and I was whip of the Senate at the time—there were many of us who felt the same way in 1981. And I brought to the floor of the Senate President Reagan's budget for defense. It was very controversial, extremely controversial. We knew it was deficit spending. Anyone who says we did not is wrong. We knew it was deficit spending, but we also knew the Russians, the Soviets, were pulling ahead of us so quickly, they were committing so much, we had to find a way to restore our defenses, and we did.

We went through a period of buildup, and it was substantial. But there was no question about it, we were superior, we had the capability, we made expenditures that caused the Soviets to increase their expenditures beyond their capability to survive, and their system imploded.

Are we going to go into a process that we set up our own implosion? We have a massive debt. We have massive deficits. But, again, I tell you, our country has not suffered because of that yet. And the question is, will we attack entitlements—not will we attack defense, will we attack the Coast Guard, will we attack the USGS, will we attack the Forest Service? That is what this balanced budget amendment will attack, discretionary spending, because it mandates action in a very short period of time. I know the Senator from Illinois has changed that now to 2001, he intends to do that. But it is still too soon. It is still too soon. And this is the wrong amendment at the wrong time to address the wrong problem.

Many of my colleagues have complained about Secretary Aspin's Bottom-Up Review. Over the years I had a great many meetings with Secretary

Aspin when he was in the House and when he was Secretary of Defense. Let me tell you, his Bottom-Up Review, while I do not agree with it because it went too far, was a sound proposition compared to where we are going now if the balanced budget amendment becomes effective and we have to cut another $270 billion from defense. I have already told my colleagues what that will cause.

But one thing Secretary Aspin was right about was that the Bottom-Up Review contemplated will cost $50 billion more in the projected budget for defense. Where are we going to be if we say we want at least the Bottom-Up Review numbers to be the basis, the bottom line for defense? We are going to have to have some deficit spending to get there, and that is just to maintain the absolute minimum. Let me remind the Senate, that will be expenditures at the rate we expended money in 1940.

We must reduce our Federal deficit. We have to pay down the national debt. But we have to keep our system going and maintain the confidence that the world has now in our system. That confidence is maintained primarily because we have had the sense to present to the public and to the world an economy that does maintain its defense, it does stimulate expansion economically, and it does meet its requirements.

I want to talk about what will happen to a particular State if this balanced budget amendment passes. Let me just mention Alaska for a little bit. We have four major bases in Alaska. Each one of those bases is the equivalent of two bases in what we call the south 48 because the people there are forward deployed and our people from our four major bases can either go to Europe in 8 hours or go to the Far East in 8 hours. It is the same as having two bases, one on the east coast and one on the west coast in the south 48.

But as we look at the $270 billion the Department of Defense has estimated that the balanced budget amendment would require as a reduction in defense spending, in order to achieve that we will lose at least Fort Richardson and Eielson Air Force Base, and maybe one other. They say it would be two out of three bases. It would have a dramatic impact on my State if it happens in a short period of time. We are an area that is owned by the Federal Government. About 80 percent of our land mass now is owned by the Federal Government. Eventually, when we have our grants to the Native people in the State perfected, the Federal Government will still own 60 percent of the land mass in Alaska. The Federal Government plays a massive role in our State.

We missed the period of the building of superhighways. The decision was made that Alaska would use airways. And guess what is suffering some of the cuts now: the FAA system. There will be no chance Alaska would, like everyone else, come into the 21st century having superhighways. One of my predecessors, Senator Gruening, presented to the Senate a program to build highways in Alaska, and the environmental movement just came in and shot that down.

We did not build any of those highways because they said we had airways.

FAA is part of the discretionary spending that will have to be cut. As I said, it is already being cut. If the balanced budget amendment passes further dramatic cuts will be required. We already have to shut down almost all of the flight service stations in Alaska. One of these days, you will be landing in Unalakleet, AK, and someone in Denver will say, "It's all right, the runway is clear." But they will not be there. We are remoting everything in the system and losing the safety requirement.

Let me point out the impact on my State because we do not have highways. We rely on mail carried by air. The Postal Service, which is independent almost from the Federal Government—it does have some ties—but it says, "Look, it is costing us more money in Alaska to ship because we ship everything by air." We cannot ship by truck or train or boat, and rivers are frozen in the winter time. They said we have to find some way to cut down.

They want to cut $50 million out of the current cost of shipping mail in Alaska. I said to them, you cannot ship it on any ground means during the winter. It is not possible. They said, "That is not our problem. We are going to increase the rates in Alaska. You are going to have to pay special rates because you ship only by air. In South Dakota, North Dakota, we can ship some of them by air, but most of it will go by ground."

I said, "Wait a minute, if we built highways, that would cost the Federal Government money." They said, "That is not our problem. We are running the Postal Service. We are not running the highway system."

All I am telling you is, if you look at the impact of a balanced budget amendment, it is going to discriminate against particular States. The impact of this is going to be, how will I ever get a waiver of the balanced budget amendment to try and get special money to meet special problems in Alaska? Do you think I can do that, Mr. President? We had the largest earthquake that has hit the United States in this century. God forbid we have another one. But will I be able to get a waiver for one State? Will we get a waiver if we have another great flood in Alaska? Oh, you would get one in the Midwest, I know, because you have several States in demand.

Or, how about essential air service? Actually, I was the author of the essential air service because at the time of deregulation, I was afraid some of the small carriers might stop serving small villages, and we had to have some way to assure that service. It now has expanded to the whole country. But we are dependent upon essential air service because we have been unable to build those roads I talked about, and the cost of flying passengers and mail is increasing.

Now the Postal Service says it is going to decrease what it pays the people to fly the mail. So that means we have to increase the cost to passengers. I foresee the time when almost every small area in Alaska is really going to be under essential air service, and this Senate is going to explode and say, "Why should we subsidize those small areas for air service?" They will forget that we built the Federal highway system to every town and village in the south part of the United States. We have built the super highways to connect all those States. We built neither in Alaska—neither. So we do have to have special systems to survive in Alaska, and essential air service is one.

Another thing is, if you want to look at Alaska, we cannot even get the authority to drill in the area that is known as the last—last—surviving great reservoir of oil in the United States. Seismic studies show that there is a tremendous reservoir on the North Slope. An amendment of my late, good friend, Scoop Jackson, preserved a 1.5 million acres at the very top of our State for continued exploration. It is not within the wildlife refuge closed area wilderness. It should be drilled.

About 85 percent of the money that goes to support schools in our rural areas come from State revenue. Guess what, at the time of the Persian Gulf war we were putting through the Alaska pipeline 2.1 million barrels a day. The last time I checked we were putting through 1.3 million. We have already lost one-third of our State income from Prudhoe Bay. As the years go by that will continue to shrink down; we believe somewhere down below 900,000 barrels. When it gets down there we will have the problem of trying to figure out how to support our State.

Why do we need to do that? Because this Congress will not give us the authority to drill in the area that was set aside to drill to prove up oil for the United States.

Again, almost 80 percent of our land is controlled by this Congress, not by the State legislature. We are totally controlled by the Federal Government, despite the fact that we have been a State for more than 35 years. We have worked and worked and worked to get out from under the yoke of Uncle Sam, and we cannot do it. We are economically dependent upon the Federal Government, and as we get into the era of a balanced budget, what is going to change? Do you think it is going to be Medicare and farm price supports that change, Mr. President? Discretionary spending will be the first target of all those budgeteers who want to cut back.

They will cut everything from search and rescue in our State, to Coast Guard protection for our fisheries, to those who outline the areas of the national forest that we can cut—and even that is shrinking every year. I think it will be a total, total disaster for a State such as mine to come under a balanced budget amendment.

I will tell you, whether it is weather service, whether it is FAA, whether it is Coast Guard, look at what has been done already as we have tried to control the budget. What has changed? Has it been the escalating cost of Medicare? Has it been the escalating costs of all these entitlements? No, what has been restricted already—even this year the President of the United States reduces the money for public radio and television. We have literally hundreds of small communities and that is their only source of news. Their only source of programming of any kind is through the public television-public radio.

We have throughout the State small, small radio stations and television stations. Our State actually pays for what we call Radnet. Using some of the money we get from the oil revenues, we have connected together and put out once a day part of the national broadcast to those small television and radio stations.

We estimate under this balanced budget amendment that—and this is the Coalition for Budget Integrity which gave us the figures extrapolating them to Alaska—by the year 2000 if the budget is balanced by raising $1 in taxes and $2 of spending cuts, Alaska will lose 94,000 jobs; there will be 24 percent less personal income in Alaska; the rate of unemployment, which is already the Nation's highest, will increase by 6.4 percent; and our Alaska economy will be negatively impacted for at least 10 years.

If this balanced budget amendment is adopted; 44,000 elderly people in our State will see their average Social Security benefits cut by $1,259 a year.

Native Alaskans in remote villages could see their community health aid cut; the Indian Health Service, which provides their health delivery service, will be cut; fishermen in coastal villages will see driftnet monitoring by the North Pacific Council cut, and the coverage to prevent illegal fishing on the high seas; we will see our fish stock assessment money—two of these are in this budget right now—fish stock assessments and ocean research are already slated for cuts; Federal loans to fishermen to help them modernize their vessels will be gone; 5,000 Federal and private sector timber jobs will be lost; and the education programs that are provided to our Indian people, our native people and to the military schools will go down; public works projects such as the Bethel seawall that I have been working on now for 10 years and finally got on the schedule, it will go. The Dillingham erosion control project, the Ketchikan Visitor Center, where people who come into the State on ferry or cruise ship, come and see what they want to see; harbor maintenance for Nome, Seward, Sitka, and Kodiak we feel will be eliminated; the $25 million Federal match of State matching money to provide water and sewer projects for those 176 villages I told you about, would be cut or eliminated. The State puts up half, the Federal Government puts up half, it will have to go.

Spending will be gone for needy places in areas like Alaska that are not under an entitlement program but are beneficiaries of discretionary spending.

Now, I think it is time to think. It is time to recognize that this does not address the problem of the massive deficits and the massive debt.

The PRESIDING OFFICER. The Senator has consumed 45 minutes.

Mr. STEVENS. I just ask for 2 more minutes of the Senate's time. I wish to close out.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. SIMON. Senator BYRD—he is speaking on Senator BYRD's time—would agree to that.

Mr. STEVENS. He said I could take more or less. Let me finish.

The PRESIDING OFFICER. The Senator is recognized.

Mr. STEVENS. Mr. President, I come to the Senate floor as one who voted to put some caps on entitlements twice. Not many people who are here proposing this constitutional amendment did that. We could have the courage right now, in this session of Congress, to start putting on caps progressively, and we would have the same impact on the deficit and debt by the year 2001, if we did that, without putting people out of work, without putting the United States in a straitjacket, and particularly without setting up a series of conditions that will make it more difficult for us to prevent war.

Above all, I wish to try to make the Senate think about the things we must do in the future to restore our capability to provide our defense function. The money it needs to prove that we can defend ourselves and carry out our commitments to our friends around the world.

I believe that we have reached the point now where we must do that even before 1996. The Department of Defense tells me that if we pass this resolution, what will happen is that there will be another cut of up to $270 billion between 1996 and the year 2001.

That to me is absolute disaster. If for no other reason than that, I will not vote for this amendment. I do want to close by congratulating the Senator from Nevada, and I urge all Senators who have any questions about this to at least look at Senator REID's amendment because he sees some of the problems that I believe will be caused by this resolution.

I thank the Senator for his courtesy.

EXHIBIT 1

[From the Times Newspapers Limited
Sunday Times, Feb. 2, 1992]

GOODBYE TO A BALANCED BUDGET

(By David Smith)

With just over five weeks to go to the budget, two things are clear. The economy's failure to recover means that government borrowing, both in the current fiscal year and next, will exceed official forecasts. This will not, however, stand in the way of tax cuts on March 10.

Why, I wondered aloud recently, is there all this talk of tax cuts when we are faced with a sharply rising budget deficit? The stated aim of the Tories is, after all, to achieve a balanced budget a zero public-sector borrowing requirement (PSBR) over the course of the economic cycle. Is all this being forgotten in the mad scramble to the ballot box? The response, from someone who was in a position to know, was in three parts. First, the Tories do indeed need all the help they can get, including any from tax cuts. Second, there is a strong economic case for boosting the economy by fiscal means, particularly if interest-rate cuts are constrained by the Bundesbank's hold over the European exchange-rate mechanism.

The third reason, and I think the most interesting, was that the policy of balancing the budget over the cycle will be quietly dropped after the election, assuming the Tories win, as it would be openly abandoned by Labour.

Norman Lamnt will pay lip-service to the balanced-budget goal on March 10. It will also be used by the Tories during the election campaign to distinguish between the government's responsible attitude to borrowing and that of Labour. But it will not last into the next parliament.

The argument for a balanced budget has never been very convincing. It was preceded, readers may recall, by a Treasury target of running a PSBR of 1% of gross domestic product, around Pounds 6 billion currently. A 1% rule, as the Treasury said at the time (1987), would allow a comfortable reduction in the national debt as a proportion of GDP.

Then, when the great budget surpluses came along in the boom of the late 1980s, the Tory party and the Treasury saw the attractions of a balanced budget. As a medium-term rule it was simple, and it appealed to Margaret Thatcher's habit of equating the nation's budget with that of a middle-class family of four ("neither a borrower nor a lender be").

The old argument, that it was right to balance current revenues and expenditure, but that it was appropriate to borrow for public investment purposes, went out of the window in the government's attempt to be more Victorian than the Victorians.

The PRESIDING OFFICER. The Senator from Alaska yields the floor. Who yields time?

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. SIMON].

Mr. SIMON. This is on my time. If the Senator will keep the chart up—not that one; the one behind it.

Mr. STEVENS. The pie chart.

Mr. SIMON. Yes, the pie chart. I would point out to my colleague and friend from Alaska—incidentally, I sympathize when you talk about Alaska. When I was in the House, our family drove up the Alaska Highway when it was 1,100 miles of gravel road. I made some speeches about the need to develop transportation in Alaska.

Mr. President, if you take a look at that interest that the Senator has already pointed out has grown from 6 to 14 percent, GAO says by the year 2020 that is going to grow to 37 percent. You can imagine the squeeze on defense spending. And that is why GAO says if we do not change things, defense spending is really going to get the squeeze. And we are trying to change things.

I would point out, second, when you talk about interest, the Wharton School of Economics last Thursday, a week ago yesterday, pointed out that if this were to pass, their projection is that 30-year bonds would drop from 6.5 percent to 2.5 percent.

That is going to have an impact on that pie that the Senator has there in terms of interest. So that defense spending really, long-term—I do not suggest for a moment that short term there are not going to be some squeezes, though nothing like the devastation that the Senator has heard from the administration. I see the Presiding Officer is Senator DORGAN, who has followed the economic field very closely and has contributed a great deal. He described the administration figures in terms of what is going to happen to North Dakota and Alaska and Illinois and elsewhere as "hot air," and I think that is a generous appraisal.

I would simply point out to the Senator from Alaska that the budget this year in round numbers is $1.5 trillion. The revenue this year is $1.3 trillion. The revenue projected for the year 2001, when this is to go into effect, is $1.8 trillion. So what we are talking about is a growth in revenue and that everything has to absorb some cuts in that growth in revenue.

One projection is that if you were to exempt Social Security and permit growth of 2 percent in everything else—I recognize that is not as much as inflation—of the $600 billion, $542 billion would come from just a limitation of 2 percent in growth.

That is not going to be hurting anyone. And in terms of jobs in Alaska, let me point out the New York Federal Reserve Bank study suggests that between 1978 and 1988, we lost 5 percent growth in GNP because of our deficit. CBO says 1 percent is 650,000 jobs. That means 3.75 million jobs. As I calculate it very roughly, Alaska has about one-half of 1 percent of the Nation's population. That would mean 16,000 jobs in Alaska.

Now, obviously, no one knows how that would be distributed. But just as we have lost in the past, we are going to lose in the future.

Then, finally, when my friend and colleague talks about a vote of 61 to 36 in May of 1992 on an emergency appropriation, that is three-fifths, so it would pass. But this last one for California was 85 to 10; August of 1993, 86 to 14; June of 1993, voice vote; August 1992, voice vote; April 1992, 84 to 16; September 1992, 84 to 10; November 1991, 95 to 17; May 1991, voice vote; March 1991, 98 to 1; March 1991, 92 to 8. We have not been restrictive in terms of responding. And if we have a balanced budget amendment, we are going to have the resources and the ability to respond more generously to areas like Alaska or any other area that has a problem.

I am sure I am not persuading the Senator from Alaska to support the balanced budget amendment, but I do suggest to him that the horror scenario the Senator outlined for Alaska and the Defense Department just is not valid.

Mr. STEVENS. I do not know if I can still use Senator BYRD's time, but in any event, if I can respond——

Mr. SIMON. Yes.

Mr. STEVENS. Will the Senator address Great Britain? Will the Senator address the fact that no other European industrialized nation has done what the Senator proposes? Will the Senator address the fact that if you want to look at the history of the world, no nation has survived under this kind of restriction?

Mr. SIMON. I will respond in two ways. As far as I am concerned, Mr. President, this can come out of my time, so this is no problem.

The PRESIDING OFFICER. This will be charged to the time of the Senator from Illinois.

Mr. SIMON. I respond in two ways. First, no nation has gone into where we are projected to go.

Mr. STEVENS. Not true. Germany was in worse shape after World War I and World War II.

Mr. SIMON. This is my time. I wish to answer the question.

No nation has gone into where we are projected to go in terms of deficit versus GDP without monetizing the debt, without printing money.

Second, all the other industrial nations without exception that I know of have a parliamentary system. So that when the Government decides something—some of us, for example, were meeting with Margaret Thatcher, I remember, and she said, "Why don't you get ahold of your deficit? I can't believe you are not getting ahold of your deficit." And we had to explain to her—and she knows a lot about our system, but we had to explain—"We just cannot get rid of a deficit as easily as you can in the United Kingdom." And they faced this problem. We have not faced this problem. What this amendment is trying to tell us to do is let us face this problem.

Mr. STEVENS. Mr. President, if the Senator will let me make one last comment—I have lived through the years that we have increased in our debt and our deficit. The majority of the years involved were when there was a Democratic Congress and a Republican President. The Republican President wanted more defense spending and wanted more action that would stimulate investment, stimulate expansion, and so forth. The Democratic Members wanted things, as Wayne Hayes did, an increase in Social Security—increases in welfare programs, increases in the entitlements in general. They worked out a balance. We had both guns and butter, as Lyndon would have said. All right.

Mr. SIMON. That is precisely right.

Mr. STEVENS. We increased our spending for defense, but we also increased massive entitlements. And we put into effect the one concept, we indexed them so they automatically went up. We did not have to have an act of Congress everytime to raise them. They went up with the inflation rate. You remember some of those inflationary rates. At one time we had double-digit interest, and double-digit inflation. When you look at that, that is where this debt came from.

But as I said before, we did not back into that. We knew what we were doing. It was the compromise worked out. We wanted the defense. You all wanted changes in the welfare entitlement structure, and we both had our way. That debt represents that. It is not Republican, not Democrat. It is both.

But that debt represents the decision of free people. It represents the decision of a majority of the House and the Senate. It does not represent 60 percent.

My last comment is look at the Constitution of the United States. Do you find any other place where the Congress can waive a provision in the Constitution? Do you? Do you find any other time in history where we have said, "Listen, we want this in the Constitution. Oh, by the way, 60 percent, or three-fifths can waive the Constitution?" I want you to know I think this amendment to the Constitution of the United States is wrong. It has never been done. It was proposed in the Constitutional Convention and defeated. I think it was wrong then. It is wrong now.

Mr. SIMON. I would respond to my friend from Alaska who just reinforces my point. First of all, there are eight different provisions in the Constitution where with a supermajority we can do certain things. Second, the point is——

Mr. STEVENS. Not waiving it like this.

Mr. SIMON. I want to reclaim my time here. The Senator from Alaska makes precisely the point. How do we compromise around here? We compromise by doing everything because there is no restraint. We have a blank check. We are saying we cannot have a blank check and do the right thing by the future of this country.

I yield my time. I do not yield my time, but I am not going to speak anymore.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. CRAIG. Mr. President, let me inquire of the Senator from New Hampshire. How much time does he choose to use?

Mr. SMITH. Fifteen or twenty minutes.

Mr. CRAIG. I yield to the Senator from New Hampshire 15 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 15 minutes.

Mr. SMITH. Mr. President, thank you. I would like to, first of all, commend my colleagues from Illinois and Idaho for their leadership on this amendment.

There has been a lot of debate about the amendment, and whether or not it is necessary. The fact of the matter is if Congress had taken on the fiscal responsibility that it has the constitutional right and obligation to do, we would not need the amendment. That has been said. That is true. But we have been hearing that now year after year after year. The debt continues to go up year after year after year.

So I think we ought to realize that we are now in a crisis session. Anyone who does not believe that the situation with our debt, our national debt, which is rising daily, is not a crisis is simply wrong. When you have a crisis, you have to act accordingly.

The constitutional amendment is a drastic action. There is no question about it. The question is, though, Are we in a crisis? The answer is yes. Because we have a crisis, we need an amendment. It is a sad commentary upon this body and the Congress of the United States that they have steadfastly refused to respond to the wishes of the American people, which is to exercise fiscal restraint and to balance the budget, and to move on to buy down the debt. They have not done it. That is why the American people overwhelmingly support this amendment.

Amending the Constitution should not be taken lightly. I do not take it lightly. It has only been done 27 times since the Constitution was first ratified in 1789.

But it is a testimony frankly to the genius of our Founding Fathers that we have so rarely felt compelled to modify this extraordinary document. And when there has been a problem that needed to be addressed, we amended the Constitution.

So when we do that, we should do it with caution. I think this issue has been debated for long enough, and as we have watched the debates year after year, we have watched the debt continue to rise.

If Thomas Jefferson had had his way, Federal borrowing would have already been restricted because that is what he said in 1798. He said:

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of the Constitution. I mean an additional article taking from the government the power of borrowing.

We look back on that quote, and we certainly can see how right he was about that.

We can argue on any amendment as to whether or not it is critical enough to have an amendment to the Constitution. We could have used the same argument on the Bill of Rights. But obviously, we did not.

Most Americans I am sure would agree that we are glad to have those who said we should not have an amendment added to the Constitution. Those first 10 amendments, I am sure most of us would agree that those were certainly worthwhile, and that those who are argued otherwise were wrong. With all due respect to those who are arguing against the amendment today, they are wrong. We are in a crisis situation. We need it.

Why do we need the balanced budget amendment? The Federal Government has not balanced its budget since 1969. That is 25 years without a balanced budget. Let us look at some of the figures.

The national debt today is over $4.6 trillion. Every American's share of that debt, Members of the Senate, members of the general public, any American child born as we speak, at this very moment his or her share of that debt is $17,000.

The average national debt as a percentage of GNP was 50 percent in 1981 to 1992. It is projected from 1993 to 1998 to be 70 percent.

Foreign holdings of U.S. debt are over $500 billion. Over 70 percent of the outstanding Federal marketable securities mature within the next 5 years.

This year the Government will spend over $200 billion on interest payments, over $200 billion on interest alone. That is over $500 million in interest every single day. By the year 2004 we will be spending, if we continue along the current lines, $334 billion a year in interest on the debt.

So the Federal Government by that time will be spending more on interest on the debt than on national defense. The Federal Government spends more on interest on the debt than on the combined budgets of Commerce, Justice, State, Education, Labor, Interior, Transportation, NASA, and EPA. By 1996 interest payments are expected to surpass Social Security as the single largest Government expense. That is a crisis. And it continues to get worse because as long as we are deficit spending and adding to the debt, and as long as we carry the debt, we continue to add to that debt with interest. And until we begin to buy the debt down, get the balanced budget, and begin to buy that debt down, we continue to increase the debt.

Yes; it is a crisis. Yes; it is. By the year, we could be looking at a $6 to $7 trillion debt, and if we begin to project this out exponentially, we can see that we are headed for disaster. Anybody can see that. It is not that complicated.

For example, when the national debt gets to $15 trillion, which it could very well do within the next 15 to 20 years, very easily $15 trillion, if we borrow at 7 percent—and it could be much higher, doubtful it will be much lower, but it could be much higher—that is $1 trillion a year in interest on the national debt every year. A trillion dollars. We throw around figures of millions, billions, and trillions around here. I asked a couple of people if anybody knew what comes after trillion. Is it quadrillion? I do not know. Does anybody know? It is unbelievable the way we throw these numbers around. It is not just those of us debating on the floor of the Senate today that recognize that this is a crisis. The American people recognize it.

Harry Figgie recognizes it in his book, "Bankruptcy 1995." It is a little bit early; it is not going to happen in 1995. But it is going to happen pretty quickly if we do not do something about it. Let me just quote a couple of lines from the Figgie book. He compares the debt to a hockey stick, and we see the toe of the hockey stick and we go straight up the shaft. Well, in the first 200 years of America, we are down here on the hockey stick. But in the next 20, we are going to go right up the hockey stick shaft, straight up with the debt, to projecting as high as $15 trillion to $20 trillion in the next 20 years.

We have a problem in here. We heard it from many of the speakers who preceded me. The question is: Do we have the guts to say no to the special interests and make the necessary decisions to balance the budget? The point is that we are not doing that. We can argue—and Senator STEVENS was eloquent in his comments about defense, and I agree with what he said about defense. We have gone too far in the defense budget. We have to set the priorities within the limits of a balanced budget. What are we going to spend it on? Environment, Social Security, defense? We have not made the decision. Are we going to do it within the confines of a balanced budget like the rest of us do in our families and our businesses? Here is what confronts the people in here when they try to make their decision. They use it as an excuse. Quoting from Figgie's book:

> Easy enough to say, critics counter. Tell that to doctors, farmers, Social Security recipients, single mothers, defense contractors, and Amtrak riders—all of the interest groups who may have good cause to resist sacrificing their own benefits for the greater good.

I think that is an excuse, because I believe all of those people understand that if we lose this country economically, they lose. They understand it. You know what they want us to do? Tell them the truth, be honest about it. It is easy to say how much money I can give my constituents. It is a little more difficult to say how much I cannot give them. A good, old-fashioned dose of honesty and integrity and candor is what the American people want, and they are not getting it.

Now, Bobby Kennedy is one I do not normally quote, and I am sure Senator CRAIG does not normally quote him. I am sure many of my colleagues who oppose this amendment will quote and have often quoted him in this body. He said, paraphrasing: "If not now, when? If not us, who?" Who is going to do it? Who is going to make the decision, and when are we going to do it? It is always tomorrow. It is always "we can do it tomorrow." We do not need an amendment. But that is not good enough. It is not good enough.

Figgie also says:

> One thing is certain in these troubled time: What we do now will determine what happens to us later—both as individuals and as a Nation.
>
> Little time remains for us to act, and, even then, our actions must be decisive, bold, and radical if they are to be proven effective.
>
> Forestalling the demise of our country requires the commitment and participation of all of us—now.

That is what the constitutional amendment is: now. We need it now. That is how bad the situation is.

Is the balanced budget amendment a cure-all? No. It will not solve our fiscal problems overnight. But it will force us under the Constitution to make decisions that we now refuse to make because we do not have to. It will inject a healthy dose of responsibility and accountability into the budget process. It will force every Member of Congress to cast a rollcall vote to waive the balanced budget requirement so that he or she is on record; it will force every Member to cast a rollcall vote to increase the debt so they can be on record; and it will force Members of Congress to stand up and say they think this program or that program is so important that we should make future generations pay for it. It will compel us to do what we should have done for the last 25 years, which is to cut wasteful Federal spending.

See, that is the problem. It is a selfish act that we commit around here almost daily, with the spending that we do, because it is not our money that we are spending. It is our future generation's money, our kids' money. Most of us, I think, if we were honest, would look in the mirror in the morning and say: I would certainly like to leave the things I have been able to gain in life—my home, my property, personal effects—to my children. But do we really want to leave them our debt? Is that what you dream about? Do you want to leave them the mortgage on your home, the debts you owe, or would it not be better to leave them debt-free and leave them your home? I think it is the latter. But that is not what we are doing.

It is a crisis. It is a crisis. There are going to be those who are going to use the argument that we are going to raise taxes if this amendment passes. That is possible, but that is possible now. The question is: Do we have to raise taxes to cut spending, or do we have to cut spending to encourage economic growth? We have taxed this economy into stagnation. More taxes will only cost jobs and worsen the deficit. It is time for both parties to face the facts and reduce the size of Government.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 54 seconds remaining.

Mr. SMITH. Will the Senator yield me another 5 minutes?

Mr. CRAIG. I am happy to yield an additional 5 minutes.

Mr. SMITH. Mr. President, let me again, one last time, quote from Harry Figgie, who spent a great deal of time studying this problem. Frankly, it ought to scare all of the people in this country. But it sums up, I think, in a very specific way, the way I feel about the crisis we are now in. This is what he says, and, again, I am paraphrasing here a bit from his book:

> They are killing our country, and by now you know who I mean. You understand how serious our plight is and that we have very little time—a few months, a year at the most—to mobilize the citizens and the leaders of our country to take up the fight against deficit spending and the mounting debt that otherwise will destroy the United States as we know it.

I emphasize the word "destroy," because that is exactly what we are doing.

Again, he says:

> Get it out of your mind that economic and political collapse can't happen in this country, or that we can deal with it once it happens. It can and * * * will happen here unless we stop it now. You can't beat cancer once you've died * * *
>
> The one point I have tried to stress more than any other in this book is that the responsibility for raising the alarm and goading public officials into action is ours—yours and mine.

My emphasis here is that the American people are goading us to this amendment, and rightfully so. They want this amendment. They want it because we are not exercising fiscal restraint.

Again, Figgie says:

> What price are you willing to pay to save your country? Middle-class Americans have a choice. They can pay a modest price now or they can wait a few more years and lose everything they've ever had.

"We should be ashamed," Figgie says.

> Probably speaking, debt isn't even our problem. Our deficits and debt are simply tools that our ever-eager-to-please politicians use to provide their constituents with what we say we want. By piling borrowing upon borrowing, we've been able to spend money that we don't have on projects and programs that most of us wouldn't condone if we had to pay for them with real tax dollars.

And, in conclusion, he says:

> I am also saddened when I see what has happened to politics in the United States. Many people—nearly half of us, to judge by recent voter turnouts—have opted out of the process.

Have opted out.

> In the face of interest group and corporate lobbying, too many people think the single citizen has no voice. But a single citizen does have a voice. Senators and Congresspeople tell me that as few as 200 calls or letters from constituents for or against a particular bill will often influence their votes.

I am not sure I agree with him there. But the point is if you do not think it is your responsibility to get involved in putting pressure on people in Government to change this system, then you are going to lose your country.

There is debate as this debate continues, and you heard it before and you will hear it again over and over and over again, people will say we do not need this amendment. It is not necessary. We need fiscal restraint. We are going to cut everything that is of any importance or significance to us. We are going to lose everything.

On the contrary. We will lose everything without it. Without fiscal restraint when this country goes totally bankrupt, which has to happen, either that or hyperinflation—they are the only two options—what do we have then? Where do we get the money for Social Security, for defense, for Medicare, for Medicaid, for the environment, for education? Where do we get it when the country goes down the tubes economically?

Well, the answer is we will not have it to get.

Mr. President, this is a good amendment. It is a necessary amendment. I regret that it is necessary, but it is. And it needs to be passed by this Senate, hopefully by the House, signed by the President, and sent on to the States for ratification. I sincerely hope that happens. And I commend again my colleagues for their leadership in bringing this amendment to the floor and engineering it through the process.

Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire yields the remainder of his time.

Who yields time?

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER [Mr. REID]. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I ask unanimous consent that Senator DORGAN be allowed to address the Senate for a period of no greater than 5 minutes and that it not be taken from anyone's time under the unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO INDIAN HEALTH SERVICE DOCTORS

Mr. DORGAN. Mr. President, I appreciate very much the courtesy of my colleague. I will be very brief.

I wanted to take the floor today to offer some honor to the memory of three people who were killed yesterday afternoon, and I do this only because this is at a time when public service is so often ridiculed by so many. I wanted to point out there are a lot of people in our Government who perform public service of an extraordinary nature around this country every day, day and night, often risking their lives to do so.

Yesterday afternoon, tragically a plane crashed in Minot, ND. Actually yesterday morning a plane crashed, a Cessna 401 crashed. It was actually on the airport property landing at Minot Airport in the snowstorm. It was carrying three Indian Health Service doctors who, on their regular round, were flying up from Rapid City to go to several reservations in North Dakota. Ruggles Stahn, Arvo Oopik, and Christopher Krogh were on their way and would have been this morning treating Indian patients at the Fort Berthold Indian Health Center in New Town, ND. Dr. Stahn was a control officer dealing with the subject of diabetes.

My late colleague, Congressman Lyland, and I had been to the New Town Reservation in North Dakota and had a hearing about the chronic, difficult problem of diabetes. They have diabetes 12 times the rate of the national average, not double, not quadruple, 12 times the rate of the national average on that Fort Berthold Indian Reservation.

As a result of that hearing, we got a model program on the Fort Berthold Indian Reservation, and Dr. Stahn would have been at that location this morning treating Indian patients had that airplane not tragically crashed.

I would just say, and I wanted to point out today, that these three doctors were flying in a snowstorm yesterday to perform their duties to provide health care to people who live often in difficult circumstances and do not always have the best health care. These three doctors are examples of public service that is performed by many in our Government on the streets in police forces, in fire departments, yes, in the Indian Health Service, and especially by these three doctors. I today wanted to pay tribute to their memory and say that many of us understand the commitment that many public servants make around this country, and I hope that the good work of Dr. Stahn, Dr. Oopik, and Dr. Krogh is work that will live in the memory forever of so many people they have helped for a long while.

INCREASE IN LOAN RATE OF WHEAT

Mr. DORGAN. Mr. President, in my remaining minute I will indicate that Secretary Espy announced just an hour or so ago something of significant importance to my State. Secretary Espy announced an increase in the loan rate of wheat of 13 cents a bushel. The Secretary announced that he was increasing the loan rate 13 cents a bushel to $2.58 a bushel.

That may not mean much to anybody who does not raise wheat or does not come from an agricultural State. It is a step, yes, a baby step, but a step in the right direction finally.

Loan rates have been for too long too low. We have collapsed in the last decades for a number of reasons.

This Secretary and this administration finally are moving in the right direction to try to improve farm income by increasing the loan rate.

I commend Secretary Espy. I would like to see a higher increase, but it is refreshing this morning to be able to say this Secretary at least has taken a step in the right direction for family farmers, and I hope that we can help them do ever more in the weeks and months ahead.

Mr. President, let me thank the managers of the bill for according me this opportunity to say a few words today about three doctors who tragically lost their lives yesterday.

I yield the floor.

The PRESIDING OFFICER [Mrs. MURRAY]. The Senator from West Virginia is recognized.

Who yields time?

Mr. BYRD. Madam President, I ask unanimous consent that I may consume as much time as I require without it being charged to the time on this amendment. I do not expect to speak more than 15 or 20 minutes at the most, and what I have to say will have nothing to do with the business before the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator will be speaking as if in morning business for up to 20 minutes.

THE BUZZARDS AMONG US

Mr. BYRD. Mr. President, I call attention to a news story that appeared in the Washington Post on February 19, 1994. The news story carries a headline "Now Preying in Stafford: The Birds. Vultures Attack Pets, Terrorize Humans With Hitchcockian Menace."

I will read excerpts from the story:

> With a loaded shotgun sitting next to her back door, Lynn O'Hara-Yates says she's living in terror of the dozens of black vultures that gather each morning on her back fence to stretch their wings, sharpen their talons and wait for lunch.
>
> When the first birds showed up in November, they were a curiosity. As their numbers multiplied, curiosity turned into concern despite assurances from state wildlife specialists and longtime residents that the huge birds wouldn't harm a living thing.
>
> In the last month, O'Hara-Yates has lost eight ducks from her pond, all of them picked clean to the bone. Her neighbor's cat, Stripe, was grabbed by the tail and carried 25 feet in the air for a distance of 100 yards. A vet stitched up the four talon holes in Stripe's body. Dogs and horses also have been attacked.
>
> "It's a nightmare," said Stripe's owner, Jeude Barrett. "And we can't do anything. . . . They have no fear."
>
> Vultures are federally protected animals and cannot be killed without a permit.
>
> Most of those spotted in Kings Grant are black vultures, which weigh about five pounds and have a wingspan of five or six feet. Black vultures are more aggressive than their cousin, the red-headed turkey vulture, and are common to the South, according to Paul Engman, a naturalist who works for the Fairfax County Park Authority.
>
> The birds, commonly called buzzards,

that is what we call them in West Virginia—

> prefer their food either dead or dying, Engman said, but on rare occasions they have been known to swoop down on live animals.
>
> Bob Thomas, an inspector with the Virginia Department of Agriculture and Consumer Services, has seen horses, lambs, pigs and newborn calves attacked.
>
> "Normally, they kill the calf before it even gets up. I've seen them standing in the fields by the dozens, walking around the cows, just waiting," he told the Fredericksburg Free Lance-Star newspaper.
>
> Thomas, who is working to rid the Kings Grant area of its vultures, said he understands residents' concerns. "I would not be comfortable with a 2-year-old child playing around them," he said. "When they're hungry, meat's meat."
>
> Now she (O'Hara'Yates) is applying for her own license to kill. But even if she doesn't get it, she's armed and ready. "What else can I do?" she said. "One of us is going to give up, and it's not going to be me. We'll do what we have to do."

Now, having prefaced my remarks by this news story, let me say that I come to the floor this morning to express my utter disgust with the antics of personnel connected with ABC's Prime Time program.

This morning, while I was walking my dog just before my breakfast, I was pounced upon by ABC reporter Chris Wallace and his camera crew, whose desire for a story far exceeded his regard for privacy and decency.

Generally speaking, I have great respect for the profession of journalism and for the reporters that I come in contact with through my work here in the Senate. While I realize we are all reliant on the good journalism skills of reporters to obtain an accurate accounting of the issues of the day, it is exactly this type of behavior—this type of crude, rude behavior—that taints the perception of all reporters and creates a pervasive attitude of sleaziness and intimidation.

Madam President, I was majority leader during the years 1977, 1978, 1979, and 1980. I was minority leader through the years 1981, 1982, 1983, 1984, 1985, and 1986. And I was majority leader then again in 1987 and 1988, since which time I have been the chairman of the Appropriations Committee and President pro tempore of the United States Senate.

I have always been available to the press. I am available to the press when I go to West Virginia. I respect the press. Over all of these years, my relations have been good with the press.

I said to Mr. Chris Wallace, when he accosted me out in front of my house—he and his crew were on the sidewalk which borders my front yard, and they wanted to ask me about appropriations for the FBI facility in West Virginia —I stated that I did not have interviews at my house. I said, "The place to interview me is at my office. That is where I do my work. I do not have any interviews here."

And he persisted, just kept on persisting, wanting to ask a question, another question. I said, "I'm not going to break up my few hours at home for your convenience." And I repeated it: "The place for interviews with me is my office."

So then he wanted to know how to go about arranging an interview, and he mentioned my press secretary's name. I said, "Yes, call her." He said, "Well, will you give us an interview?" I said, "I do not know. I do not know what my schedule is. I have been very busy working on the balanced budget amendment."

So he understood that there would not be an interview there and that if there was going to be an interview it would be at my office, and he knew my press secretary's name.

Well, I came on to the office. I did not get into my office, but out here just in front of the Capitol, as I was about to come in the door of the next floor below, here they were.

He did not wait to call my secretary and try to get an appointment after our little meeting in front of my house. He did not give me time to get into my office. He did not pursue calling my secretary and seeing if an appointment could be set up. He meets me at the door down here.

He wanted to know if I would answer some questions. I said, "No, not now." He asked if he could have an appointment during the day, or some such. I said, "I don't know. I have been busy."

"Well," he said, "we have been trying to get an interview with you."

I said, "I have been busy. I have been very busy in the balanced budget amendment debate." I said, "You don't have any sense of propriety to come out to my house. We had no appointment set up out there for an interview, but you come out to my house. You have no sense of propriety."

"Well, will you see us?"

I said, "Yes, I will."

"Well, when?"

I said, "I cannot state at the moment when."

Madam President, though I had agreed after this morning's travesty to see Mr. Wallace, in retrospect I have decided against it. I was reminded when I got into my office that I had sent a statement yesterday to Mike Wallace—not to Mike Wallace. I have always thought well of Mike Wallace, the father of Chris Wallace. And I think, I really think that Mike Wallace would have been ashamed of his son's persistence in this rude, crude manner; coming to my house and then rushing to the Senate, rushing up to the Capitol. He got here before I did, wanted an interview out there. He did not wait, as I say, to try to set it up.

And so my staff reminded me that we had sent a statement to Chris Wallace yesterday. I want to read the statement, and it is as follows:

> The Emergency Supplemental Appropriations Bill signed into law on February 12, 1994, was a complex piece of legislation. It was technically three bills rolled into one.
>
> Title I contained over $10 billion for emergencies relating to the disasters in Los Angeles and in the Midwest, and to peacekeeping costs connected with U.S. operations in Somalia and Bosnia. The emergency designation assigned to these costs were not offset and will add to the deficit. Title II was a routine supplemental for fiscal year 1994 which represented program adjustments recommended by the President and Members of Congress. This title totaled $1.04 billion and was more than offset by the $3.26 billion in spending cuts contained in Title III of the bill.
>
> The funding for the FBI was included in title II of the bill and thus does not add to the deficit. There were deep concerns over the low attrition levels at the agency, and its ability to hire personnel to operate the new fingerprint identification center [which is at Clarksburg, WV]. Quite frankly, the FBI was in danger of building a state-of-the-art facility without the employees to run it. At a time when crime is the number one concern of the American people and when Congress and the President are searching for solutions to this epidemic [of crime], it would be foolhardy to deny our policemen one of the few new [high-tech] weapons in the crime fighting arsenal. This new fingerprint record system will support all law enforcement officers [throughout the Nation] and [will] provide a revolutionary advancement in fighting crime and drugs. The funding in this bill will assure Federal, State, and local authorities the tools that are necessary to help apprehend repeat offenders and is crucial if violent, recidivist criminals are to be removed from our [Nation's] streets. To do otherwise would be wasteful and do a disservice to the law abiding citizens of this country.

Now, Madam President, as I say, in retrospect, I have decided against an interview with Mr. Wallace because I do not believe that my views on that program will get a fair airing, and would more than likely end up on the cutting room floor. I, therefore, have decided to take my case to the place where I know it will be heard unedited.

Earlier in the week, Mr. Chris Wallace was told by my staff that I would be unable to grant an interview because of my involvement in the current debate on the constitutional amendment to balance the budget. And so in lieu of this, as I say, I provided "PrimeTime" with a statement regarding their program on the earthquake supplemental, and I have read that statement. Chris Wallace admitted to my staff earlier this week that the motivation for this program was ratings driven. It seems that last week, "PrimeTime" aired a new program but lost the ratings competition to CBS's coverage of the Olympics. Having learned that lesson, this week "PrimeTime" will air a repeat program so this program on the earthquake supplemental will be an attempt to regain "PrimeTime's" position in the ratings game and will air next week, when the competition from the Olympics will no longer exist.

Freedom of the press—we have been talking a great deal about the Constitution lately—freedom of the press is one of the rights enshrined in the Bill of Rights, a right codified to protect the press against oppression by government or other legal forces in society. But increasingly, the behavior of certain segments of the press, like the behavior of "PrimeTime" that I just talked about here, that behavior leads me to wonder if we do not now need an additional amendment guaranteeing citizens freedom from the press—freedom from the press.

The pursuit of headlines, or worse, the pursuit of sensation, now leads some reporters and certain media types to violate the rights and the privacy of other citizens without any sense of shame or propriety. They have absolutely no sense of shame, no sense of propriety. They are like the buzzards that I read about earlier—buzzards. Apparently no excess, no savagery—no respect for others, no limits on behavior—is too much in the chase for headlines or air time. And if ever that phrase "freedom of the press" in the Constitution is amended and weakened, it will be because of just such buzzards as these and their predatory tactics that will bring down this retribution upon their heads. And when that happens, we all will suffer.

The moment has arrived for the media to reassess their behavior—reassess their behavior. I have seen them. I have seen them on television when a widow is attending the funeral of her husband. And they will press that camera right up into her face and all the people in the land can witness the grief, the tears that roll down the cheeks of that poor woman. I have seen this time and time again, and I have said to my wife, "Have they no shame? They are vultures."

I am not talking about all the press. I am talking about such rude predators as I came in contact with this morning. Of course, the camera crews cannot help it. They have to go where Chris Wallace says. They have to go where they want them to go.

So the moment has arrived, as I say, for the media to reassess their behavior and for those charged with responsibility for the news industry in our society to take a long, long look at their own values and ask themselves anew: Where do we draw the line in seeking truth before we cross the border into barbarism? And if that is not barbarism, then I do not know what is.

Frankly, I am completely disgusted with the type of journalism programs like "PrimeTime" displays, and I am even more disgusted with the tactics used to fabricate a sensational story.

I have always, as I say, been available to the press. My office tries to answer press questions to the best of our ability. But I resent and deplore this type of unreasonable press intimidation.

"Mr. Wallace, that camera over there may mean everything to you. It does not mean anything to me, and you are not going to intimidate me. You and your cameras are not going to intimidate this Senator."

I think it is about time that Senators stood up and deplored this kind of invasion of privacy, this kind of head hunting, this kind of vulturism.

I will not be pushed into playing this game just to promote some tawdry, tacky, pseudo-news show's ratings. You know what is at the bottom of the ratings? Money. Money. They are always talking about Senators' salaries. What about theirs? We are elected by the people. They are not elected by the people. We are elected by the people, and we work and we try to work in the service of our country. They are interested in ratings—ratings. What will be the most spectacular thing we can do?

They did not bother to call my press secretary back yesterday after they had received my statement. They did not bother to call her back and say, "Well, we need more than this." She never heard from them again. And they come out to my house—come out to my house. Vultures. Buzzards. I do not know what my little dog Billy may have thought of them. But from the way he seemed to want to get away from you, he must have been ashamed of your tactics.

"I am a public person, Mr. Wallace. But even a public person has a right to walk his dog in peace in the morning without being attacked in the front yard of his home before breakfast by vultures, by reporters like you and cameras."

I thank Senators for their patience. I apologize for imposing on their time.

BALANCED BUDGET AMENDMENT

The Senate continued with the consideration of the joint resolution.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, it is my understanding—I apologize to my friend from Oregon—that Senator BYRD controls 1 hour and 11 minutes; Senator CRAIG, 1 hour and 30 minutes; Senator REID, 1 hour and 49 minutes; Senator SIMON, 1 hour and 39 minutes; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. All four of us are on the floor, and I wonder if we could, because there are a number of Senators under respective times waiting to come sometime during the day, I am wondering if we could, among ourselves, work out blocks of time so we can tell those who want to speak when they can come rather than waiting around in quorum calls. Would that be convenient for everyone?

Mr. BYRD. Let me respond to the Senator. I am not prepared just now to speak on the budget balancing amendment. I will tell you why. At least 2 nights this week I had less than 3 hours of sleep. I have been spending my time studying for the floor debate. I was up last night. I was prepared to come to the floor this morning and meet with a gentleman to discuss, what? To discuss the balanced budget amendment. This is a constitutional scholar I wanted to meet with. I have not met with him. I spent the entire day up until 12:30 since I came to my office on this tawdry matter. That is why I am not prepared.

I would suggest the other Senators go ahead and let their colleagues speak and use their time, and I will catch mine toward the end of the day or during the afternoon at some point.

Mr. REID. All of us, the three other managers would be, of course, willing to work around your schedule. So you just let us know. We will go ahead and work out the time among ourselves.

Mr. BYRD. I thank the Senator.

Mr. REID. Why does not Senator PACKWOOD go ahead on Senator CRAIG's time, and while he is doing that, we will try to work something out.

Mr. CRAIG. Madam President, before I yield 20 minutes to the Senator from Oregon, let me say in relation to the comments of the Senator from West Virginia a moment ago, that as we debate the Constitution, one thing that is profound in it that we all understand very well, these are unique privileges that our Founding Fathers outlined and enshrined for all citizens. But one thing our Founding Fathers were so clear in stating as they enshrined those rights is that along with those rights come responsibility. It appears this morning that the latter, the responsibility of the right, was not adhered to.

I now yield to the Senator from Oregon.

Mr. PACKWOOD. Madam President, in addition to the 20 minutes—and I have spoken to the chairman of the Appropriations Committee—I would like to ask unanimous consent to proceed for 10 minutes on the same subject he was talking about in relation to the experiences I also had recently.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. REID. Madam President, I have no objection to the Senator from Oregon proceeding, but I want everyone to know, the other Senators listening that there will be no more unanimous consent agreements relating to morning business. We have to get on with the balanced budget amendment, and if people want to come and talk—I have no problem at all, as I indicated, with the chairman and the ranking member of the Finance Committee—but in the hours to come, we want to get the balanced budget amendment out of the way, and if Senators have other subjects to speak on, they can do it at the end of the day. From this Senator, there will be no more unanimous-consent agreements.

EXPERIENCES WITH THE PRESS

Mr. PACKWOOD. Madam President, I thank the Senator. I wonder if the Senator from West Virginia recalls the old radio show "Can You Top This?" where they would tell jokes and someone else would tell another joke and see if they can top it. I had a similar experience from yours.

I actually know where the Senator from West Virginia lives. I have a good friend who lives around the block. I drive by your house with some regularity, so I can picture exactly where you were and what happened. It was probably barely light. It was early in the morning.

I have had similar situations happen to me over the past 3 or 4 months, only getting at me is much more difficult than getting at Senator BYRD because his house is a normal suburban house with a public sidewalk, I judge, about 15 to 20 feet from your front door. I live in a townhouse in a complex that has a gate with security, and my townhouse is about 300 yards from the edge of the sidewalk. To get there, you have to traverse 300 yards of private property that you are not supposed to be on unless you have permission.

On Halloween, at about 8:30 or 9 o'clock at night, I was going home, got out of my car, and literally from behind a bush jumps a television crew and a television commentator like goblins, turning on the light and shouting at me. It did not frighten me, but it surprised me, stunned me. I was not expecting somebody to be jumping out from behind the bushes. And I paid them roughly the same heed that the Senator paid Mr. Wallace this morning.

A few weeks later, I was taking—I go to work quite early, about 6 o'clock in the morning—I was taking out my garbage. It was garbage day. And as I walked out the door, there are two television crews, again 300 yards on private property, photographing me, asking questions. I answered none. But I did see myself on television carrying out my garbage for disposal before I went to work.

That is bad enough. To get on this property, as I say, you have to have permission, and it used to be relatively easy to get. As you go by the gate, there is a little division. On one side, it says "residents," and if you have a sticker you can drive by. On the other side, you are closer to the guard, and if you are not a resident you are supposed to stop and get permission to go on.

Because of the efforts of the press to get on, they have had to close off the right-hand side of the entry for the residents and force everybody to go by and stop at the guard shack in order to keep out the press who attempt to get on by a variety of devious devices, some of which I will mention.

On one occasion, a press truck came—very clearly a press truck—and tried to get on, and a very efficient guard said, "No, you are not here to visit anybody; I am sorry." The truck went away. They were not very smart. They came back in about a half an hour claiming to be a plumber coming to fix one of the tenant's plumbing, and the guard recognized it as the same truck and again turned them away.

Worst of all perhaps, there is a tenant who lives in the same complex who works for the local CBS affiliate, and that reporter has been giving permission to her fellow reporters to claim that they are coming to visit her, when they are not; they are coming to photograph me. And they are using that artifice to get onto the property.

Now, this is exactly the kind of conduct that the Senator from West Virginia is talking about. It is the kind that all of us at one time or another have to put up with but perhaps never to the degree the Senator and I have experienced in this situation.

It is demeaning. It is demeaning to them. I suppose not so much to you and me, but it is demeaning to them. And the Senator and I can recall a different era when the press was quite polite, and if they wanted to interview you, they would call, and the Senator, like I, would meet with them, talk with them. But this kind of conduct is perhaps what causes journalism to rank not much above or, on occasion, below us in terms of public esteem. They are not up there with the clergy and up there with pharmicists. They are down with us.

I just wanted to sympathize with what the chairman of the Appropriations Committee said today and say that I have gone through it also. I understand the irritation, and I appreciate what he has said today. I fully understand it.

Mr. BYRD. Mr. President, I thank the Senator. Most of the press is still polite today.

Mr. PACKWOOD. I agree.

Mr. BYRD. It is a few bad actors that cast a cloud upon all the others.

I thank the Senator.

Mr. PACKWOOD. I thank the Chair. If I did not use up my 10 minutes, I will yield it back.

BALANCED BUDGET AMENDMENT

Mr. PACKWOOD. I will go ahead now and speak on the balanced budget amendment with a certain sense of deja vu. I am paraphrasing, but I think it was Oliver Wendell Holmes who said the history of the law is experience, not logic.

Many times when you think things through logically, you know exactly how they should work, only they do not work out that way. And you end up basing many of your judgments on experience, not logic.

Until about 10 or 12 years ago, I was an opponent of the balanced budget amendment because logic told me we should be able to have a rational fiscal policy without the compulsion of a constitutional amendment; that we were mature men and women, we understood the consequences of our actions, we knew that what we were doing was wrong, and we would right it.

My first experience into this was not a constitutional amendment so much as a bill that we had before Congress in 1972, a bill that actually passed the House.

Picture the situation. It is 1972. We are working on the fiscal year 1973 budget. There is a possibility that spending in the following year may exceed $250 billion—may. I did not say deficit. I said spending. The deficit might be someplace between $15 and $35 billion, and we thought that was outrageous. And so a bill was passed in the House of Representatives to delegate to President Nixon the power to cut the Federal budget almost where he wanted if it exceeded $250 billion. It passed the House of Representatives, Wilbur Mills then chairman of the Ways and Means Committee being the principal person who was pushing it.

It came to the Senate, and we had an extraordinary debate on the Senate floor as to whether or not Congress wanted to delegate its power over the purse to the President. It was not so much an argument about the constitutional amendment to balance the budget. We had not yet reached the Draconian necessity for that. We thought we could take care of it ourselves. But should we delegate it to the President.

I was opposed to delegating it to the President. We had a long debate on this issue, and I ask unanimous consent to place in the RECORD at this stage both the speech I gave in the Chamber and the notes from which I worked to give the speech.

I ask only for those who read it to realize there is a typographical error in the CONGRESSIONAL RECORD as it was printed. It makes reference to a Charles I of England and his calling the Parliament together in 1622. He actually did not ascend the throne until 1625 and he called it in 1629. So whenever you read that, just remember it is an error in printing.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Congressional Record, Oct. 13, 1972]

TEMPORARY INCREASE IN THE DEBT LIMIT

The Senate continued with the consideration of the bill (H.R. 16810) to provide for a temporary increase in the public debt limit and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973.

Mr. PACKWOOD. Mr. President, I had intended earlier in the day to speak at length on this issue, but the hour is late, and I will not take up the time of the Senate with the rather lengthy speech I had prepared to deliver.

I ask unanimous consent at this time that the speech I would have read in its entirety be placed in the Record at the conclusion of my remarks, along with a historical analysis prepared by my legislative assistant, Stan Heisler, backgrounding the subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PACKWOOD. Mr. President, this issue of a debt ceiling that we are considering and probably are going to vote on in the next hour or two has not been a significant issue before this Congress before perhaps 6 weeks ago. When it was in the House of Representatives, it was not seriously regarded, apparently, until the chairman of the Ways and Means Committee took it seriously and apparently met with the President, and then that bill was passed by the House.

Earlier tonight, the Senator from Minnesota (Mr. Humphrey) spoke upon some of the constitutional issues that we face. When most of the other speakers tonight have spoken, it has not been on the substance or merits of the issue that the Senator from Minnesota raised. We have talked about pragmatics. We have talked about whether the President or Congress is at fault for the $25 billion or $30 billion or $35 billion or $40 billion deficit, but we have not really examined this issue in as much depth as I think the junior Senator from Minnesota and some of the others of us would like to see it examined.

We spend a year in a presidential campaign. We talk about the environment and population stability. We talk about spending in the campaign. We spent 6 or 7 weeks on the floor talking about the direct election of the President. Last week we spent a week talking about consumer protection. We talked about busing. In both cases we could not get any action because we could not break a filibuster.

Some of those issues have been talked about for years.

Yet the issue we are on tonight is of greater significance to the Senate and the country. This entire issue has been discussed in the news media for over 20 years. Yet we are going to rush it through without sufficient consideration of what we are doing or perhaps the background as to why we ever got to where we are and why this power we are so anxious to give away to the President adheres in the Congress at all.

I am not altogether impressed necessarily with the consistence of some Members of this body who say we are guilty of giving our power away to the President. I think it would be a lot better if we did not give away our power to the President in all kinds of actions that we take here.

I do not think we really became concerned about giving away our power to the President until the Vietnam war. Regardless of what our feelings may have been about Vietnam 10 years ago, regardless of whether we would have opposed or supported it, most of us now, I think, regret that we ever got into it at all.

If one can point to any single thing that caused Congress to start thinking about giving away its powers, it was the Tonkin Gulf resolution, passed with only two dissenting votes in this body, cast by former Senator Morse and former Senator Gruening. As this war began to go badly and as the light did not appear at the end of the tunnel, as we were told it would, we began to have second thoughts about why the Senate had given away such power. We began flagellating the President, to whom we had given the power, and saying he should not have done the things he did.

Whether or not he had the power under the Tonkin Gulf resolution, I am not sure, but with this feeling of self-guilt setting in, we began to take back some of the power. We repealed the Gulf of Tonkin resolution a couple of years ago, which was a good step. We passed the Church-Cooper amendment, prohibiting the introduction of American troops into Cambodia, Laos, and Thailand. That was a good step.

Then, in April of this year, we passed the war powers bill, which would have very severely limited the power of the President to send troops overseas. That bill is still in conference. It appears to be a casualty because of failure of the conferees to agree. It appears that it will not come out in this Congress.

But after we had done those things, we sat back. Have we really started to take back the power we have given to the President?

My fellow Senators, we have not really scratched the surface. Let me read the Formosa resolution, which is still on the books. It reads as follows:

"That the President of the United States be and he hereby is authorized to employ the Armed Forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores."

We voted on that. We voted to repeal that resolution. It failed by a 43 to 40 vote. We have left on the books a loop hole big enough to allow any President to drive 10 Mack trucks through if he wants to take us into a war in Asia.

Then the Senator from Minnesota mentioned the Middle East resolution, which is still on the books. We have not had the courage to vote on whether that resolution should be left on the books. It has been on the books since 1957. It states:

"the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use armed forces to assist any nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism:"

Whatever that means. I think what it means is that the President wants to say that if Syria is controlled by international communism, we can probably bomb Damascus. We have left it on the books. So when we start talking here tonight about how holy we are, and "Don't give the President this power to cut expenditures to $250 billion" and "Isn't it time we took this back to ourselves," let us just begin to wonder, what about the others?

What about the Spanish bases, and the extension of a five-year executive agreement whereby we are going to pay the Spaniards $400 million, as far as I can figure it out, without so much as concurrence by Congress? Or the bases in the Azores, or the naval base we are going to take over from the British in Bahrain, where we have never had a military base before of any kind, and I do not know what kind of agreements we have entered into? Congress has not been asked whether we think it is wise, and apparently we are not going to be asked.

But I know what will be said. This is foreign relations. Apparently throughout history the President has had some sort of paramount position in foreign relations, and it is therefore argued that Congress should not impinge too much upon the Executive's power in foreign affairs and should not bother itself too greatly with how the Executive chooses to run foreign policy.

But let us take a look at the last 3 years, domestically, at what we have done. We would think at least in the area of domestic affairs Congress would want to keep its power. But what have we done with the Post Office? We used to run the Post Office—badly and politically. Now we have given it away to the President, and he runs it through the U.S. Postal Service, and it is run just as badly.

Mr. PASTORE. Even worse.

Mr. PACKWOOD. Even worse. I thank the Senator from Rhode Island. But we have given all that away. It is no longer our responsibility.

What about the wages for all the white-collar workers in the executive branch? We used to have a comparability board that reported to us, and we decided whether or not to raise their wages.

We changed that a year and a half ago, and now the board is the President's agent, and reports to the President what the salaries should be. And the President has two alternatives. He can send along the recommendations of his agents to Congress just as he got them, and they go into effect automatically—we cannot even veto them. Or, if the President does not like the salaries, he can send his alternative schedules to Congress, and either house of Congress can veto those. But do you know what happens then? If either house vetoes the alternative suggestions, the recommendations of the President's agent go into effect. In neither event does Congress have anything it can do about it.

But neither of those concessions holds a candle to what we have done with wage and price controls. I was privileged to be a member of the Banking, Housing and Urban Affairs Committee when the suggestions came along that we should undertake the responsibility of delegating to the President the power to set wage and price controls. One of the witnesses who came to testify was Arthur Burns, Chairman of the Federal Reserve Board.

As I listened to Dr. Burns and others who testified before him, I thought to myself, "why should this power of whether or not to administer wage and price controls, the decision whether to have them, if we have them, when to have them, and what to control, have to be delegated to the President? Why cannot Congress make that decision? Why can we not at least say that until Congress passes a concurrent resolution there will be no wage and price controls?"

Dr. Burns said it would be very simple. Then Charlie Walker, the Under Secretary of the Treasury, testified. I asked him some questions in the same vein as Dr. Burns: Why could we not add an amendment so that before the President could institute wage and price controls, Congress would have to at least pass a resolution directing him to do so?

Charlie Walker said that would be very simple. Then Representative Reuss of Wisconsin testified, and I posed much the same question to him.

Perhaps he was more realistic—and I am afraid that is where the problem, unfortunately, lies.

He said that Congress could do it and Congress should do it, but Congress probably will not do it, and so we must give the authority to the President.

That did not satisfy me. I drew up an amendment which would have prohibited the President from instituting wage and price controls without a prior concurrent resolution from Congress. It was a simple amendment, which said:

"Whenever the Congress shall by concurrent resolution determine that the public interest requires the imposition of general controls affecting all industries and segments of the economy, the President may issue such orders and regulations as he deems appropriate to stabilize prices, rents, wages, and salaries at levels not less than those prevailing on May 25, 1970."

I sent the amendment off to Charlie Walker, and asked, "Could I have your opinion about it?"

Two or 3 days later, I got a letter back from the then Secretary of the Treasury, John Connally. Connally's letter said:

"This letter is in response to your request for Administration views on your proposed amendment to H.R. 4246, "To extend until March 31, 1973, certain provisions of law relating to interest rates, mortgage credit controls, and cost-of-living stabilization.

"As we understand your amendment . . . institution of a general wage-price control program would have to be preceded by adoption of a concurrent resolution by the Congress.

"We support your amendment. It provides a workable mechanism with the safeguards we have consistently advocated with respect to such powers, namely, that general wage-price controls should not be instituted by the Chief Executive—short of an all-out national emergency—without a further mandate from the Congress."

I offered the amendment on the floor. It failed 41 to 30 in this body, and we gave away to the President the most significant domestic economic power we can give away; for until we have come to the situation we are considering tonight, we did not even want the power. When the administration was not even asking for it, we gave it away.

But as I look at everything that has gone before, it pales into insignificance in comparison with what we are considering tonight. Because, for all of the powers this Congress has, we have only two great ones. One is the power to tax; the other is the power to spend. It is through those two powers that we are able to transmute the rhetoric of politics into the actuality of policy. If we give either one of those powers away, we are giving away our ability to affect the priorities and the policies of this Nation.

The thing that bothers me, as I see us approaching this issue, is that I feel we have no appreciation for why we have this power.

All one has to do is look at English history, where we got most of our laws and the bulk of our interpretations, to see that for almost five centuries the predominant battle between the king and parliament was over only two things: Who had the right to tax and who had the right to control expenditures.

It started with the Magna Carta, and that is a significant document, because up until that time the king was entitled only to feudal dues. All nobles were entitled to a certain type of feudal dues, and it did not require any type of authorization. But prior to the Magna Carta, the king tried to tax the barons with taxes that were not customary and the barons did not like it, and forced him to sign the Magna Carta, which said that he could not levy any taxes on them, other than the customary, normal feudal dues without their consent.

That was the start. And you know why the king, from time to time, would have to come to the national council which finally came to be the Parliament? It is no different now than it was 800 years ago. He would have to call them together because the normal feudal dues that he was entitled to as a matter of right did not give him enough money to fight wars.

So every time he wanted to fight a war, he would call parliament together, and he would plead for money; and if he was a popular king or the war was popular, they would give him the money he requested. If it was an unpopular war or an unpopular king, they probably would not vote him the money. Or even if he was popular and they liked the war, but Parliament felt they had any of a variety of grievances against the king to which the king had not paid enough heed, they would come together, dally and delay, or give the king less than what he wanted, until he would meet with the parliamentary leaders and they would come to some kind of conclusion about their grievances.

It was a gradual development through this evolutionary process, with the kings wanting to go to war and Parliament saying, "Okay, but not until we get this grievance met, or not until you stop trying to assess illegal taxes or forced loans or benevolences will we try to get you the money."

If they had strong kings and weak parliaments, the king would dominate, or if, as finally under the Lancastrians, they had a strong Parliament and weak kings, the parliaments dominated.

Finally the showdown came in the 16th century, when the Stuarts came to the throne, who believed in the "divine right of kings" and were not going to have any truck with Parliament. James I was first, but he died. Then Charles I came on the throne, and he could not stand parliament, and finally decided in 1622, that he was going to abolish it. He did not call Parliament together for 11 years, until 1640. And do you know why he called it then? Because he had gone to war with the Scots, they had beaten him in the Battle of Newburn, and were knocking on the doors of London. Nothing could be more humiliating to an Englishman than to be defeated by the Scots.

So he called Parliament together to ask for money to fight the Scots; only at this stage Parliament had had it, not only with the Scots but also with the King. So, instead of giving money, it passed a bill of attainder, impeaching one of the King's ministers and sentencing him to death. The civil war started afterward, and Parliament won, and the King was captured and executed, which was unheard of in that day and age.

England went for 11 years as a republic, but finally, in 1660, it restored the monarchy. But by this time an uneasy but understood truce existed. There were no written documents, but it was understood that the King could not spend nor tax without parliamentary acquiescence.

So, for 25 years, under Charles II, things went along reasonably smoothly.

When James II came to the throne in 1685, he did not have his father's tact or diplomacy. He was a Scotch Catholic and was determined to try to return his country to Catholicism. But his country was principally Protestant. So in 3 short years Parliament threw him out and invited William of Orange to come from Holland and become King.

They passed the Declaration of Right, which, with one or two very minor changes, became the Bill of Rights in 1689. Under that document, henceforth, every king of England, every queen of England served at the sufferance and the will of Parliament. They had no power to tax, no power to spend.

By 1689, a hundred years before our Constitutional Convention, England had settled upon itself who was going to have the power to tax and the power to spend, and it was Parliament.

So when we get to our Constitutional Convention—you can search the Federalist Papers or the debates and you will find that there was very little discussion about who shall have the power to spend and tax. Nobody seriously thought anyone other than Congress should have it. No one seriously thought the President should have any power at all in terms of setting fiscal policy. They very clearly set it forth in Article I, section 8, of the Constitution: "The Congress shall have Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common defense and general welfare of the United States." And article I, section 9: "No money shall be drawn from the Treasury, but in Consequence of Appropriations made by law." Here it is, in simple and straight language. What happened? We went from the time of our Constitutional Convention all through the 1800's with Congress perfectly able to draw budgets, determine priorities, and raise money.

In the First Congress, Alexander Hamilton, who was the first Secretary of the Treasury, tried to come forth with an Executive budget, and Congress rejected it. We did not have an Executive budget in this country until 1921, when we passed the Budget and Accounting Act. Of course, the President obviously had a hand in talking with his Cabinet heads; but every department submitted its budget and it was sent to Congress, and Congress made the decision.

We can do it again, if we want to. When people say, "It is beyond us. That was 1921. We were talking about a budget of $3 or $4 billion. We cannot do it now with a budget of $250 billion. Nobody in Congress can fathom that"—I say that is baloney.

Every parliamentary democracy in the world today manages to come up with legislative budgets. A few of them have executives, but they are weak executives. In England, France, Germany, and in the Scandinavian countries there are legislative budgets, and the majority party is able to determine how much they can raise and spend. They come to the parliament with it and debate it, but it is a legislative budget. If it can be done in any other country in the world, why can it not be done in this country?

The fact that we have not done it in the last 10 or 20 years is no reason why we cannot do it again.

The reason why I worry about this bill tonight is that it is not the first time we have toyed with the idea of delegating fiscal matters to the President. Senators will recall that in the late 1950's and early 1960's there was support for a bill to give the President power to raise or lower taxes by 10 percent. It was even endorsed by two of the major newspapers on the east coast that most of us read. Congress kindly did not adopt it.

In 1968, we got the first of our debt ceilings, another in 1969, and another in 1970; but they were really porous. We put enough exceptions in them so that they really were not debt ceilings, especially one which said there shall be a debt ceiling except for those things Congress appropriates over the debt ceiling. That was not much we had to worry about. We had given away no power.

But now we Senators are sitting here like a child on the beach with his sand castle, watching the waves come in; and as the tide comes in, the waves come closer, and now, for the first time, tonight, we are seriously toying with giving away half of the significant power that Congress can have.

I look at us and I say, "Why the dickens do we do it? Why are we willing to give away this power?" I can only come up with two reasons. One is that we really do not want it. We really do not want it.

I see nothing in the legislation about the Post Office, wage and price controls, the Formosa resolution, and the Middle East resolution to convince me that we want the power to make the decisions in this country. It is easy to give the power to the President. Let him make the tough decisions; we will not have to do it. Let him decide where to spend $2 or $3 billion. We will sit back, and if it is unpopular, we will criticize him. We will say, "What a foolish mistake. Any man in the White House who would do that should be defeated. We would not have done it. But, of course, we do not have the power. We have given it to the President." If he happens to make a popular decision and cuts something nobody likes, we applaud him, and we all get reelected together. In neither event have we had to make the prospective decisions and the tough ones as to what to cut ahead of time.

In addition to not wanting it, I think we have gotten in the habit in Congress of saying "Can't—can't be done." We cannot run the Post Office. We cannot determine wage and price policies. We cannot determine where military bases ought to be placed overseas. We cannot set executive salaries. We cannot fathom the Federal budget. So we delegate it to the President.

Well, "can't, can't, can't," to my mind, is just an excuse for "don't want to." "Can't" is an excuse to avoid the onerous and unpleasant task of leadership, because leadership is no fun. It is a lonely job, and you make decisions in isolation. You make decisions that you later wish you had not had to make. So we delegate the leadership because we say it cannot be done.

Let me make clear that I am not a defender of Congress. I spoke earlier about the argument we had back and forth about who was responsible for the deficits, and we say we have trimmed appropriations, and we do. We trim appropriations every year after we pass authorizations the year before, requiring the President to double his budget, and then we trim it.

I think this Congress is fiscally corrupt. I do not think we have the discipline or courage to raise the taxes or lower the expenditures; or, at least, nothing I have seen since I came to the Senate in 1969 would convince me that we have the ability, capacity, wisdom, or discipline to do it.

So we are faced with a Hobson's choice: Either we delegate these powers to the President in order to save the country from Congress, or we keep the powers in Congress and perhaps run the country into bankruptcy. What it amounts to is a choice between a fiscally irresponsible Congress and a totally irresponsible Congress. If I have to make a choice between the two, I will choose the fiscally irresponsible Congress, because anything we do that is wrong, if we keep the power, we can right. Once we give it away we have no capacity to right it; and, frankly we have no course of complaint if we once give it away.

When President Kennedy was a Member of this body, he was appointed chairman of a committee called the Committee on the Senate Reception Room. For the life of me, I do not know the history of why the committee was created. But one of the things the committee undertook was to determine the five greatest Senators of all time. There pictures are now in the Reception Room.

The committee picked two people out of this century, Bob Taft and Bob LaFollette, and three out of the last century, Daniel Webster, John C. Calhoun, the great southerner, and Henry Clay, who is perhaps by historical acclaim the greatest Senator of all time. It is interesting that Clay, Calhoun, and Webster all served in the Senate at about the same time. They served in that little Senate Chamber down there across the hall from the Senate Disbursing Office, which I am delighted to see we are going to restore under the Legislative Appropriations Act of 1973 which we passed. The room is kind of dusty. It is not used any more, but if we go down there and sit quietly in the room, we can, with any degree of imagination, almost hear the Clays, the Calhouns, and the Websters arguing the great issues of those days: The Missouri Compromise, the Kansas-Nebraska Act, the Tariff of Abominations where they argued about the opening of the West, the Bank of the United States, and the theory of nullification so eloquently argued in the Webster-Hayne debates. The theory of nullification, if it had prevailed, would have meant the dissolution of this country. It was a theory that finally led to the War Between the States.

Mr. President, as I think about those men, I cannot help recalling the banquet at the Indian Queen Hotel in Washington in 1830. It was a Jefferson Day Banquet and the Democrats were celebrating Thomas Jefferson. Andrew Jackson was President then and he was, of course, trying to put down the theory of nullification if he could. Calhoun was there. He was actually Vice President but that was through a quirk of the electoral college process, which allowed a man who ran second to be the Vice President, although Calhoun said he would much rather be a Senator than a Vice President.

When the banquet reached the time appropriate for the toast, Jackson rose and looking squarely at Calhoun proposed:

"Our Federal Union—it must be preserved."

Calhoun rose to the occasion. He raised his glass and said with feeling:

"The Union—next to our liberty—the most dear."

Those were great men and great times. They did not agree among themselves. The enmity among Clay, Webster, and Calhoun is legendary. But they almost spanned 50 years, the length of time those three men served here. They had many bitter battles but they all agreed on one thing; they agreed on the fact that the policies of this country were going to be made on the floor of Congress and not in the White House. It was not that they were unaware of the dangers of usurpation of Executive power, because Clay said in 1840:

"In my deliberative opinion, the present distressed and distracted state of the country may be traced to the single cause of the action, the encroachment, and the usurpations of the Executive Branch of the Government."

So, they were aware of the problems. They are not new. Only we face graver problems now. The President has not tried to steal our power. We want to give it away.

Congressional power is like chastity, it is seldom lost by force because it is usually given up voluntarily. We will give up our power here tonight, if we vote for this bill.

Short of physical or mental limitations that God places on any man, there is nothing that cannot be done by man if he believes it. God did not bless or circumscribe the President with any greater physical or mental limitations than he did us. Anything he can do as a President, we can do as a Congress—if we want to. But we must have the will and the capacity to do so.

There is no reason today why we cannot appropriate money sufficient for ourselves and for the committees to come forth with a legislative budget.

There is no reason why the distinguished majority leader cannot come forth with a Democratic budget, and there is no reason why our distinguished minority leader cannot come forth with a Republican budget.

Even Senator McGovern has a budget and he is only a candidate. So, it can be done.

I am simply saying: Why are we not willing to do it? Why, after we have spent—as I look around this Chamber, some of us are only 2 or 4 years in national politics, but there are others here who have spent 30 years of their adult lives in the service of their country, who ask the voters to delegate to them the power to make the policies of this National—why are we so wild to hand over our power to someone else?

Mr. President, I tell you what will happen if we adopt the Jordan amendment. It will not be a cure-all. Twenty years ago, in politics, the cry was of the 5 percenters. What we will have if we pass the Jordan amendment will be the cry of the 10 percenters. Everyone will have a favorite project and will come on the floor of the Senate and want to get his appropriation increased 10 percent to take care of the 10 percent cut that will be made in the budget by the Executive. Everyone will do the best he can, whatever committee it may come from that has jurisdiction over it, to get his particular little bailiwick, whether it be veterans, or social security, put into the "uncontrollable items" list, so that it cannot be cut at all.

We will find some way to weasel around the Jordan amendment, some way to increase the appropriations enough so that when they are cut 10 percent it will still be too much. So, I fear, instead of an 8-month experiment, we will find it too easy so that we will say education needs $10 million more, so make it $20 million. Housing needs $20 million so make it $40 million, and we can go out and tell the people that the President is the one that has got to cut the budget and he does not have any humaneness or understanding of the problem so that we blame it on him. We can go out and say to the poor, "We want to try to help you. It is that man in the White House that does not have any sympathy for you."

Mr. President, let me make it clear that by that time, Congress will be reduced to passing on minor matters of trivia. The Senate will be called upon from the time to time to confirm judges and ambassadors and that will be the sum total of the function of this body, if we adopt the Jordan amendment, or if we adopt the committee position.

When Benjamin Franklin was leaving the Constitutional Convention, walking down the steps of Independence Hall, a woman, Mrs. Powell, came up to him and said: "Dr. Franklin, what have we got—a republic or a monarchy?"

Benjamin Franklin replied: "A republic, if you can keep it."

We are all going to be celebrating the 200th anniversary of this Nation in 1976. I am curious whether we will be celebrating 200 years as a Republic, or as year three of an Executive monarchy.

Can we keep it?

That choice is ours.

I hope that the Senate will opt on the side of the republic.

Mr. President, I yield the floor.

EXHIBIT 1

A REPUBLIC OR A MONARCHY?

(By Senator Bob Packwood)

Mr. President, we are approaching the closing days of the 1972 presidential election. Many issues have been raised and discussed. Among those are Vietnam, the economy, environmental problems, race relations, equal rights for women, and numerous others. Some of these were issues in 1968. Some were not. Some might still be issues in 1976 but the greater likelihood is that most of the issues of 1972 will be but dim memories in 1976. For if there is any one constant in history, it is that the only constant is change.

We are at this moment in the United States Senate, however, facing an issues that transcends all others. That issue, and how we decide it, will be more important to the future of this country than how we decide all other specific issues combined. That issue is who will decide the main policies of this country—the Congress or the President.

For the past decade, we've heard a great deal in Congress about the delegation of powers to the President. Much of this has stemmed from the tragic conflict in Vietnam. Regardless of our feelings a decade ago, most of us today realize that we'd be better off if we had never become involved in Vietnam.

If any specific vote can be pointed to as the vote which focused attention on delegation of power to the President, it would be the vote in 1964 on the Gulf of Tonkin Resolution. Whether or not under that Resolution Congress gave to the President authority he did not have is now moot, as the Tonkin Resolution has now been repealed. But, from the date of the passage of the Gulf of Tonkin Resolution onward, many in Congress have become troubled by the erosion of congressional powers and the increased authority and power of the President. As the war dragged on, self-guilt in the Congress, caused by the passage of the Tonkin Resolution, increased. Congress started to flagellate the President and to question the wisdom of the Tonkin Resolution specifically and executive power in general.

With much hoopla and breast beating, Congress, in June 1970, passed the Cooper-Church Resolution which prohibited funds from being used to introduce American ground combat troops in Laos, Thailand or Cambodia.

In July of 1970, we repealed the Gulf of Tonkin Resolution.

In April of 1972, the Senate passed the war powers bill substantially curtailing the power of the President to involve the United States in armed hostilities overseas, but that bill has yet to be enacted by the Congress.

Having accomplished all of the above, Congress sat back with a certain degree of smugness and prattled about its reassertion of congressional authority.

But what about the Formosa Resolution initially passed in 1955. That Resolution reads, ". . . The President of the United States be and he hereby is authorized to employ the armed forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and the protection of such related position and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores." The Senate specifically refused to repeal that resolution by a vote of 43-40 on October 28, 1971.

Or consider the Middle East resolution passed in 1957. That resolution reads, ". . . the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end if the President determines the necessity thereof, the United States is prepared to use armed forces to assist any nation or group of such nations requesting assistance against aggression from any country controlled by international communism . . ." Congress has never even voted as to whether or not we should repeal this resolution.

Under either the Formosa resolution or the Middle East resolution, the President, if he didn't already have the power, was certainly delegated the power by Congress to take whatever military action he wishes in those areas under the flimsiest of pretexts. If Congress wants to make sure that some future President doesn't get us into a war over Formosa, or the Middle East, they have done nothing to prohibit it by leaving these two resolutions on the books.

There are other examples. We've extended our lease on our bases in Spain for 5 years through an executive agreement which doesn't even require Senate ratification or congressional concurrence. In this executive agreement, we have agreed to pay Spain $400 million dollars. All of this without so much as a by-your-leave of Congress even though it is Congress that must find the money to fulfill the agreement.

We've extended our agreement with Portugal for the use of bases in the Azores—again without so much as a request for congressional acquiescence.

In addition we apparently, by executive agreement, intend to establish a naval base in Bahrain where we have never had a naval base before, nor for that matter, any military base of any kind in that country. Congress has never been asked whether or not we thought the establishment of this base was in our national interest. It may be. It may not be. But, apparently it is going to be established without asking for the benefit of Congress' thought on the matter.

Now it might be said that all of these matters involve foreign policy, and that constitutionally the President is given paramountcy in foreign affairs and within reason ought to be able to conduct the foreign policy of the nation as he chooses. It is therefor argued that Congress should not impinge too much upon the executive's power in foreign affairs and should not bother itself too greatly in how the executive chooses to run foreign policy.

I don't agree with that premise. But, putting it aside for the moment, without arguing for or against it, one might at least suppose that Congress in the area of domestic matters would be concerned with maintaining its preeminence in deciding what policies shall be followed in running this country.

But what have we seen in the last few years. Well, to begin with—take the Post Office. Congress used to run the Post Office—politically and badly, now, Congress has delegated its authority to run the Post Office to the United States Postal Service, governed by a board of directors, appointed by the President. And now, instead of the Post Office being run politically and badly—it's just run badly. But don't complain to Congress anymore about bad mail service, because, you see, it's no longer our responsibility.

Congress used to set the salaries of the workers in the Executive Branch of the Federal Government. Now, we've given that away also. Today the President receives reports from various boards, appointed, I might add, by the President. These boards recommend what the salaries of the employees in the Executive Branch ought to be. The President passes along these recommendations to Congress. They go into effect automatically. No longer does Congress have to worry about setting the policy as to what the wages in the Executive Branch should be.

Example upon example of such delegation can be compiled. Some of it minor, some of it major. But the most sweeping and dramatic power that Congress has recently delegated to the President is in the field of wage and price controls—the most critical power over the private lives of all of us. We have delegated this power so broadly to the President that he has virtually a carte blanche to set the wage and price policies of this Nation—at his sole discretion.

When Congress was first considering the matter of whether to establish wage and price controls, the matter was referred to the Banking, Housing and Urban Affairs Committee which I'm privileged to be a member. Numerous witnesses testified. As I listened to the witnesses, I began to think to myself, why can't the specific decision as to when and whether there should be wage and price controls be decided by Congress. Why did we have to delegate to the President the decision when to institute them or if to institute them. I posed this question to Dr. Arthur Burns, the Chairman of the Federal Reserve Board who was then testifying:

PACKWOOD. "I have some misgivings about yielding this power to the President. Is there any reason why the legislation we chose to enact cannot leave with Congress the discretion as to whether or not to trigger the policy decision to institute wage and price controls?"

Dr. BURNS. "It could be done through a triggering device."

PACKWOOD. "It would not be that difficult a piece of legislation to enact, would it?"

Dr. BURNS. "I would think that a triggering device could be written into legislation, a device that would work reasonably well."

Another witness was Charles Walker, the Under Secretary of the Treasury, and I posed essentially the same question to him as follows:

PACKWOOD. "Let me ask you the same question I asked Dr. Burns. While I have misgivings about giving the power to the executive to make the decision to impose general controls, I don't argue with giving the executive the authority to administer such controls.

"Would it be relatively easy to draw a piece of legislation which would enable Congress to quickly trigger the policy decision as to whether or not we should institute either general or specific wage and price controls and also providing for the administration to administer them?"

Dr. WALKER. "I think it would be."

Finally, Congressman Henry Reuss from Wisconsin was testifying. He agreed that Congress ought to exercise this power rather than the President, but he didn't have much hope or faith that Congress would. I questioned him as follows:

PACKWOOD. "What you are saying is that Congress could do it; Congress probably should do it, but in all likelihood Congress probably will not do it?"

Mr. REUSS. "A fair statement."

I had an amendment drafted that would reserve to Congress the power to specifically decide when and whether we should have wage and price controls. That amendment read:

"Whenever the Congress shall by concurrent resolution determine that the public interest requires the imposition of general controls affecting all industries and segments of the economy, the President may issue such orders and regulations as he deems appropriate to stabilize prices, rents, wages, and salaries at levels not less than those prevailing on May 25, 1970."

I mailed the amendment to Under Secretary Charls Walker, and asked for his comments and suggestions. In a few days, I received a letter from Secretary of the Treasury, John Connally. He indicated that the administration supported my amendment. They did not want the power to institute general wage and price controls without a further mandate from the Congress. He indicated that I was free to use that letter in support of my amendment on the floor of the Senate. That letter, dated April 30, 1971, reads as follows:

"This letter is in response to your request for administration views on your proposed amendment to H.R. 4246, 'To extend until March 31, 1973, certain provisions of law relating to interest rates, mortgage credit controls, and cost-of-living stabilization.'

"As we understand your amendment . . . institution of a general wage-price control program would have to be preceded by adoption of a concurrent resolution by the Congress.

"We support your amendment. It provides a workable mechanism with the safeguards we have consistently advocated with respect to such powers, namely, that general wage-price controls should not be instituted by the Chief Executive—short of an all-out national emergency—without a further mandate from the Congress.

* * * * *

"We have been advised by the Office of Management and Budget that there is no objection to the submission of these views.

JOHN CONNALLY."

I offered the amendment on the floor of the Senate and it was defeated by a vote of 41–30 on May 3, 1971. When the Senate, on a silver platter, was handed the opportunity to limit the President's power in the field of wage and price controls and to reserve unto Congress the final decision as to when and if wage and price controls should be instituted, the Senate refused to accept the opportunity. They preferred to give away the power.

Well, all the powers that Congress has delegated to the President, be they in foreign affairs or domestic affairs, pale into insignificance when we consider the matter now under discussion.

Congress has only two great powers—the power to tax and the power to spend. It is through the exercise of these two great powers that much of the rhetoric of politics is transmitted into the fulfillment of policy. Now Congress is seriously considering delegating to the President the power to cut all Federal expenditures over $250 billion—wherever he wants to cut them. The President is a good and able man. I support his re-election and I'm certain that he will be overwhelmingly re-elected. But no President should have this power.

Justice Oliver Wendell Holmes once said: "A page of history is worth a volume of logic." This statement should be considered carefully by those in this body who contemplate delegating the power of over-spending to the President.

America received most of her concepts of government from England. One of the most controversial of all subjects in the history of England was the issue of who would have the power to levy taxes and to appropriate money—the Parliament or the King.

The battle started in 1215 with Magna Carta. Under this document, King John was forced to sign an agreement with the nobles that he would levy no extraordinary taxes (as distinct from the customary feudal dues to which the king was entitled as a matter of right) without the consent of the nobles. From that date onward for almost five centuries the battle waged back and forth between king and the parliament. Parliament was at its strongest when the king wanted to wage war. The king's normal feudal dues simply would not produce enough revenue to wage war.

The king was, therefore, forced to go to parliament from time to time and ask them to assess taxes for the starting or continuance of a war. If the king or the war happened to be popular with parliament, they would normally acquiesce. If the king or the war was unpopular, it was quite common for parliament to be quite miserly in providing funds. And even if the war or the king was popular, if parliament felt that it had other grievances to which the king had given little heed, parliament might delay or appropriate less than the king requested until the king would meet with parliamentary leaders to discuss the grievances about which parliament had complained.

In spite of the efforts of parliament, it was not uncommon for the king to attempt to levy what parliament regarded as illegal or unconstitutional taxes. Under the Lancastrian monarchs, parliament was greatly strengthened because the kings respected the growing power of parliament and didn't seriously attempt to undermine or circumvent it. But, under the Yorkist and Tudor monarchies, arbitrary taxes, "forced loans", and "benevolences" and other illegal methods of extracting revenue without parliamentary consent were attempted.

The showdown arrived with the era of the Stuarts (James I, 1603 to 1625; Charles I, 1625 to 1649; Charles II, 1660 to 1685, and James II, 1685 to 1688). In the era of James I and Charles I, not only did the normal contest between the king and the parliament over the power to tax continue, but fused into the dispute was the rise to power in England of the Puritans and Oliver Cromwell.

Parliament became more and more truculent. Not only would the members of parliament refuse on most occasions to authorize the taxes requested by the king, but in addition, members would make speeches on the floor of the parliament assailing the king and his ministers. Parliament attempted to impeach ministers. The king, in turn, imprisoned members of parliament.

In the 1640's, the century's long battle erupted into a bitter and bloody civil war. Cities divided against cities. Nobles chose sides between the King and parliamentary forces. Members of Parliament were imprisoned, their estates forfeited and on occasion their lives lost. Finally in 1649, the parliamentary forces led by Cromwell and his new model army, were completely victorious; the King was captured and executed. England ceased to become a kingdom and became a republic with Cromwell at its head.

But Cromwell proved in the long run to be the leader in not of the entire country nor even of all the parliamentary factions. Instead Cromwell's power rested narrowly on a zealous band of religious fanatics known as Puritans. What they tried to impose upon England was an anathema to everything that that great country ever wished or ever willed. Cromwell died in 1658. In 1660, the monarchy was restored and Charles II became King.

The House of Stuart was restored, however, with not constitutional guarantees. The supremacy of Parliament was not declared in any formal document nor was the King required to acknowledge that his powers were limited or derived from the people. And while in form and law, the King was supreme—in fact, he was no subservient to Parliament.

During the reign of Charles II (1660 to 1685) there was a de facto truce between the King and Parliament. The King refrained from imposing taxes or levies without parliamentary consent and the Parliament, in turn, granted the King greater privileges and liberties than they had been willing to grant to either James I or Charles I.

On Charles II's death, however, James II ascended to the English throne. But where Charles II had adjusted to the parliamentary system, James II did not. James II lacked Charles II's tact and diplomacy. He assumed the crown with the full intention of exercising arbitrary authority. He attempted to discard the law. He attempted to bring Roman Catholicism back to an England that was now thoroughly Protestant. Immediately, an intense and bitter battle started between the King and Parliament. The King imprisoned some members of Parliament. In a short span of 3 years, the situation became so tense that James was driven from the throne.

William of Orange was invited by Parliament to come to England to assume the throne. William came and jointly assumed the throne with Mary, the daughter of James II. But at least, Parliament had proved itself supreme, William and Mary were crowned subject to the conditions expressed in "the declaration of right."

These set forth innumerable parliamentary grievances and asserted parliamentary powers. With slight changes "the declaration of right" was enacted by Parliament as the Bill of Rights. William and Mary, therefore, ruled England at the sufferance and at the will of Parliament. They had limited powers and, most importantly, were subservient to a Parliament which had complete domination over the power to tax and the power to spend. The bill of rights said specifically.

"That levying money for or to the use of the crown by pretense or prerogative, without grant of Parliament for longer time or in other manner than the same is or shall be granted, is illegal."

The Bill of Rights is—without question—one of the most crucial documents in Anglo-American constitutional history. For it marked the end of a struggle which had taken almost five centuries. As the great historian, Maitland observed, with the passage of The Bill of Rights "one great chapter of England history has been closed." Or as Shepard Morgan in his history of parliamentary taxation in England said:

"With the passage of the Bill of Rights the principle was vindicated that Parliament rather than the Crown has the power to tax. . . . The corollary principle that Parliament has the power to appropriate supplies for specific purposes and that it can demand an accounting for the money so appropriated were accorded general acquiescence then and thereafter." (The History of Parliamentary Taxation in England by Shepard Morgan, New York: 1911; pp, 307, 308).

The passage of the English Bill of Rights in 1689 occurred almost a 100 years before our constitutional convention. By the time we held our constitutional convention and started discussing the theories of separation of powers, there was relatively little debate on the power of the purse—that is the power to tax and the power to spend. There was relatively little debate because to everyone involved the question had been irrevocably settled. Congress was to have the power of the purse and no one seriously disputed it, challenged it, or thought that any other conclusion should be reached. To insure that Congress would be the ultimate repository of the power of the purse, the constitutional convention enacted article 1, section 8, of the Constitution which says:

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States."

and article 1, section 9:

"No money shall be drawn from the Treasury, but in consequence of appropriations may be law."

The issue of legislative fiscal supremacy could not have been made more clear than it was in the first Congress. Alexander Hamilton, the first Secretary of the Treasury, tried to persuade the Congress to allow the President to establish an executive budget. The effort was rejected out of hand by the Congress. As one author has observed:

". . . jealousy between the legislative and executive branches of the Government became so intensified that Congress sought executive decentralization in budgetary matters . . . thus budget making became an exclusively legislative function in the National Government and as such it continued for more than a century." (Public Budgeting, by A. E. Buck, p. 17)

No—American blood has never been spilled, brother has not been turned against brother nor the President against Congress over the issue of taxing and spending, because nobody, and I re-emphasize, nobody including Presidents, thought the President should have that power.

During the entire nineteenth century. Congress alone determined the budgetary priorities of the United States. As is required by the constitution, fiscal matters originated in the House of Representatives. As a matter of fact, until 1865, the ways and means committee of the House was responsible both for taxation and appropriations. In 1865, the House appropriations committee was created to consider appropriations and in 1867, the Senate followed suit. But, regardless of the method of handling fiscal matters in the Congress, it is fair to say that it was exclusively handled in Congress.

Even into the twentieth century, Congressional Supremacy of budgetary matters continued. As a matter of fact, there was no executive budget until 1921. Up to that time, although the executive obviously had a hand in determining what the budget recommendations of each of its cabinet departments would be, the various recommendations from all departments were simply given to the Secretary of the Treasury and he in turn presented them to Congress. It was Congress that estimated revenues, set priorities and determined appropriations.

Then in 1921, Congress enacted the budget and accounting act of 1921. This act was not designed to give the President the power to determine the policies of this country, but rather to give the President the power to administer the Government—the fiscal power of planning and oversight—the power that any executive officer of a corporation has to run the corporation.

And, what do we see today? We stand here in the Senate of the United States, considering the possibility of giving the President the power to limit all Federal expenditures over $250 billion. We are considering saying: "Cut where you want, Mr. President. It doesn't matter what Congress thinks our national priorities should be. You do whatever you want to limit Federal expenditures to $250 billion. It's beyond us."

The suggested $250 billion expenditure ceiling is not the first time Congress has toyed with the idea of delegating fiscal powers to the President. In the late '50's and early 1960's, the idea was in vogue of delegating to the President the power to raise or lower the tax rates in the United States by as much as 10% a year. Fortunately, this suggestion received short shrift from Congress. Then in 1968, the Congress passed the first of its so-called expenditure ceilings. This ceiling, however, was not a firm ceiling. First, "uncontrollable" programs were exempt. Secondly, a two billion dollar cushion was allowed. So a ceiling that was originally enacted to be $180 billion dollars in 1960, totalled $185 billion.

A ceiling was again tried in 1969, but the exemptions enacted with the ceiling were sufficiently porous that the effect was no ceiling at all. A similar attempt in 1970 was equally unsuccessful Thus the efforts in 1968, 1989, and 1970 were illusory. There were too many holes to call these genuine expenditure ceilings. But the efforts may have, unfortunately, foretold the future. Like an incoming tide, the waves of an expenditure. ceiling crept ever closer to surrounding the fiscal powers of Congress.

Now, Mr. President, we stand on the threshold of the decision which may make the difference as to how this country is governed in the future. We soon will vote on whether or not to give the power to control spending to the President.

Why does Congress give away this power? Why does Congress not hold this power unto itself? I can find only two reasons. First, its easier to give it away. That way we don't have to make the tough decisions prospectively. We can wait until the President makes them and then we can applaud or criticize him as we choose, depending upon public opinion. If he makes an unpopular decision, Congress can stand back and say—that was a foolish thing for the President to do.

Congress would not have made such a terrible decision. And if the President happens to make a decision that is popular, Congress can come forward and applaud the President, exclaim how wise we all are, bask in the collective glory of the popular decision, and hope that we'll all be re-elected together. But in either event, Congress has no responsibility, because we will have given that power to the President.

The second reason we give away these powers is that we say to ourselves "it can't be done." We "can't" really run the post office well, if at all. We "can't" make decisions about military bases overseas. We "can't" set the wages for government employees. We "can't" determine when or whether to institute wage and price controls. We "can't" fathom the Federal budget and how to control Federal expenditures, so we must delegate that power to the President. "Can't"—can't—can't." Well, Mr. President, "can't" is just an excuse to avoid the onerous and rather unpleasant task of leadership. It's not that Congress can't answer these questions—it's just that Congress has no desire to.

Mr. President, the intricacies and mysteries of the Federal budget are not beyond us. It is self-evident that every parliamentary democracy in this world manages to estimate government income, set priorities, determine appropriations and put it all into a document called a budget.

Most of these democracies don't even have the independent executive and those that do usually have a weak executive totally dependent upon the legislative branch of government. The making and fashioning of taxation and expenditures in most free countries of the world are done by the legislative body, not by an executive, and if it can be done in those countries, it can be done here.

Mr. President, I am the first to fault Congress. We are fiscally corrupt. Left to Congress, we will probably succeed in bankrupting this Nation. We haven't the discipline and courage to either expand revenues or trim expenditures. We don't like to raise taxes and we're reluctant to cut appropriations. The answer is said to be, "delegate the power to the President." Mr. President, this is a Hobson choice—leave the power with a Congress with no discipline or delegate it to the President to save the country from Congress and the devil with what may be the ultimate consequences of the delegation. It's the unfortunate choice between a fiscally irresponsible Congress and a totally irresponsible Congress.

When Jack Kennedy was a member of this body, he headed a commission to determine the five greatest Senators of all time. The committee heard experts from all over the United States. It weighed and sifted recommendations from the best scholars in the field of American Government this country could produce. And finally the Commission named the five greatest Senators of all time. Two were from this century—Bob Taft of Ohio and Bob La Follette of Wisconsin—and three out of the last century—Daniel Webster, perhaps the greatest orator in the history of the Senate, John C. Calhoun, the great southerner and Henry Clay, who is perhaps by historical acclaim, the greatest Senator of all time.

It is interesting that the latter three, Clay, Calhoun and Webster, all served in the Senate at about the same time. They served at a time when that small room across from the Senate disbursing office was the Senate Chamber. I'm happy to see that the Legislative Appropriations Act of 1973 provides for the restoration of this beautiful old Senate Chamber. But even in its present rather disheveled condition, a person can go into that room and sit quietly and with any degree of imagination can hear the Clays, the Calhouns, and the Websters debating the great issues of those days. The Missouri Compromise, the Kansas-Nebraska Act, the tariff of abominations, the opening of the West, the Bank of the United States, and perhaps most importantly, the theory of nullification so strongly championed by Calhoun and so eloquently argued in the Webster-Hayne debates. This theory of nullification was, of course, the precursor of the eventual War Between the States.

The theory of nullification produced an extraordinary struggle between the congressional forces led by Calhoun who supported nullification and President Andrew Jackson who opposed it with all his might and main.

There perhaps could have been no more illustrative and dramatic moment in the history of our country than at that small banquet at the Indian Queen Hotel in Washington in 1830. President Jackson and Calhoun were at the banquet. Calhoun and his supporters were determined to use the banquet as a vehicle for furthering nullification. Jackson was equally determined that no such effort succeed.

When the banquet reached the time appropriate for toasts Jackson rose and looking squarely at Calhoun, proposed the following toast:

"Our Federal Union—it must be preserved!"

Calm and reposed, Calhoun rose, gazed with determination at the President and raised his glass and said:

"The Union—next to our liberty—the most dear."

These were great men facing momentous decisions. These were men aware of the dangers of executive power and the possibilities of the loss of Congressional prerogative. Henry Clay was quite disturbed about it when he said in 1840:

"In my deliberate opinion, the present distressed and distracted state of the country may be traced to the single cause of the action, the encroachment, and the usurpations of the executive branch of the government."

Yes indeed these were great men—striding these corridors—sitting at some of the very desks we now use—debating the critical issues of their day. But while these men may have been divided in their opinions they were united on one thing. And that was that the policies of this country should be made on the floor of Congress—not in the White House.

Today, the problem is not that the executive is trying to steal our powers. The graver problem is that we are prepared to give them away. Congressional power is like chastity. It is seldom lost by force. It is usually yielded voluntarily. We sit here a timid and tremorous little band, too undisciplined to exercise our prerogatives and too unwilling to exercise our authority.

It's time to return to the courage and conviction of the Clays and the Calhouns and the Websters—to determine for ourselves as a Congress what the policies of this country should be.

It does require courage and determination, and most of all it requires leadership. We can make the policies of this country. Short of the physical and mental limitations that God imposes upon man, there is nothing that man cannot do if he believes in it. And Congress is nothing but man combined into a legislative body for the purpose of governing a country.

The only thing that distinguishes us as members of the House and Senate from the rest of our citizens is that we have been elected to a position of political leadership, and the minimum that the voters of this country have a right to expect is leadership. It's incredible that the members of Congress, who have spent the better part of their adult lives asking the voters of their respective constituencies to delegate to them the power to determine the policies of this country, should now run from the chance to make those decisions. Decisions, I might re-emphasize, that Englishmen died for, so that policy might be made in parliament rather than by a king. Decisions that a Clay, Calhoun or a Webster would never delegate to a president. They would be aghast at what we are contemplating and they would be ashamed to be associated with such an act.

We can delegate this power to the President, and having done it once this year, we'll surely do it again the year after that, and the year after that, and the year after that. Once having told the President that he spend only $250 billion, the last restraints are off Congress. We can then appropriate $260, or 70 or 80 or 90 billion dollars without care. The responsibility will no longer be ours. We can then, with total abandon, go back to our constituents and tell them that we tried to appropriate $10 billion dollars for housing, but the President cut it. We can tell educators that we tried to appropriate $30 billion dollars for education, but the President cut it. He's the one that has no heart or humaneness, no understanding of the problems of this country. We can say it in perfect safety because we know we can never be called to account for our actions. And after four or five years of making these reckless statements, Congress will then gradually wither into a moribund instrument, called forth from time to time to confirm ambassadors and judges and to pass routinely upon matters of trivia.

I'm reminded of that fateful day long ago in Philadelphia as Benjamin Franklin emerged from the constitutional convention in Independence Hall. A woman, Mrs. Powell, anxiously approached Dr. Franklin and said: "Well doctor, what have we got—a republic or a monarchy?" "A republic," replied Benjamin Franklin, "If you can keep it."

We will soon be celebrating the 200th anniversary of that republic. During those years, we have undergone much change. But, throughout, we have jealously guarded the principles upon which this republic was built and has flourished.

Can we keep it? Will 1976 mark the celebration of 200 years of a glorious republic or year 3 of an executive monarchy? The decision is ours. What do we want: A republic or a monarchy?

HISTORICAL ANALYSIS OF ENGLISH HISTORY

(Prepared by Stanley D. Heisler, Legislative Assistant to Senator Packwood)

Congressional control of taxation and the purse strings of government is not new—it is largely derived from England.

Prior to the rise of Parliament, the medieval English king was expected to pay for his government and his personal household from revenues received from his own estates, from feudal dues, etc. Taxation—as we now know it—was only resorted to on extraordinary occasions. Indeed, Maitland notes that "it is not until the very end of the Anglo-Saxon time that we hear of anything that can be called a tax."

After the Norman conquest, Maitland enumerates seven different sources of royal revenue:

In the first place there were the demesne lands of the crown. The remnant of the old folk land had become *terra Regis*, and this constituted the ancient demesne, Then escheats and forfeitures were constantly bringing to the King's hand new demesne lands. Apart from his being the ultimate lord of many manors—he was by far the largest landowner of the kingdom. Secondly, there were his feudal rights—rights which had steadily grown in some directions, if they had been diminished in others . . . Thirdly, the profits of justice in the King's court must have been very considerable. Under John the sale of justice had become scandalous. By the charter, he promised to sell justice to none—but without exactly selling justice, there was much profit to be made by judicial agencies; fees could be demanded from litigants, and in the course of proceedings, civil as well as criminal, numerous fines and emercements were inflicted. Fourthly, the King had many important rights to sell, in particular the right of jurisdiction, and though the more far sighted of the Kings dreaded and checked the growth of proprietary jurisdiction, there was always a temptation to barter the future for the present. The right to have a market was freely sold, and many similar rights. Pardons again were sold. The towns had to buy their privileges bit by bit. What is more, the grantee of any privilege had in practice to get the grant renewed by every successive King. That the King was bound by his ancestors' grants might be the law, but it was law that no prudent man would rely on. Offices too, even the highest offices of the realm, were at times freely bought and sold—this does not seem to have been thought disgraceful. Fifthly, a good deal could be made out of the church—when a bishop died, the King took the temporalities, the lands, of the see into his own hand, and was in no hurry to allow the see to be filled; this however was an abuse. Sixthly, the King had a right to tallage the tenants on his demesne lands were found many of the most considerable towns . . . Lastly, somehow or another, the process is obscure, the King had become entitled to certain customs duties: Magna Carta recognizes that there are certain ancient and right customs (antiquae et recate consuetudines) which merchants can be called upon to pay, and with these it contrasts unjust exactions, or maletolts. To all this we may add that the obligations of tenure supplied the King with an army which could be called up in case of war.

(The Constitutional History of England by F.W. Maitland, pp. 92–94)

However, in the reign of King John, taxes were so oppressive that the barons were driven to revolt. The result was Magna Carta.

Magna Carta was, in essence, a treaty between the King and the barons. And, though it antedated Parliament, in a very real sense, it was a Parliamentary document. For it established, if not the right, at least the unremitting claim of the community of the realm to be consulted in matters of high policy and in the demand that no extraordinary taxation (as distinct from customary feudal dues) should be levied without consent.

Though Magna Carta spelled the beginning of the end of absolutism—arbitary rule lingered on, in one form or another, for another four and a half centuries.

During the reign of Henry III, it became customary for the National Council to grant money to the King. On January 24, 1218 "suctage" or "shield-money" was exacted by the National Council. Also, one writer has found a note of a land tax levied by the National Council on January 9, 1218.

(The History of Parliamentary Taxation in England by Shepard Morgan P. 77).

The above appear to be the very earliest instances of general taxation in England through the National Council.

In 1224, England was at war with Phillip II for the possession of Poictou. But, as the taxes were insufficient to fund Henry III's war effort, the King demanded that a tax be placed on moveables. The Barons on the National Council refused to consent to the tax unless the King should "of his own natural and good will" renew Magna Carta. The King yielded and re-issued Magna Carta. And, this re-issue took the form of a contract between the barons and the King—as it stated that:

"The archbishops, bishops, abbots, priors, earls, barons, knights, freeholders, and all persons of the realm, give the fifteenth part of all moveables to the King for this concession and granting of liberties."

(Quoted in The History of Parliamentary Taxation in England, P. 80.)

This is likely the first—but certainly not the last—conditional grant of taxation of the King of England. Indeed, there were instances in the thirteenth century when the Council refused to make any grant of taxation on the King's request. In 1232, for instance, the Earl of Chester—speaking for the barons—objected to a request for money with which to carry on the war with France because the barons had served in France themselves.

In 1242, as England was on the brink of war with France, Henry III summoned the National Council. But realizing that the King sought more revenue, and

"That the King had so often harassed them in this way on false pretenses . . . they made oath together that at this council no one should on any account consent to any extortion of money to be attempted by the King."

(Quoted in The History of Parliamentary Taxation in England by Shepard Morgan, Pp. 84–5.)

When the Council met, it refused to raise money as the King requested on the grounds that he had engaged in the war without asking their advice and that he had so often extorted large sums of money from them.

But though the Council refused Henry III's demand for revenue, he induced the barons individually to give him what he had been unable to induce the Council to give him.

In 1224, Henry asked the Council to raise funds to fight a war in Scotland. Being unwilling to make an unconditional grant of revenue, the Council appointed a committee of twelve to respond to the King's demand. The Committee complained of the King's nonobservance of Magna Carta, of the King's reckless expenditure of money, and demanded the appointment of a justiciar and a chancellor. However, as the King would not submit to this compulsion, he refused the petition and ordered the Council to reassemble in 1245. The nobles then expressed their willingness to grant him revenue, provided that in the meantime the King would choose proper counselors and institute reforms. The nobles insisted that whatever money was granted to the King should be expended not by the King, but by a committee of twelve nobles for the King's benefit. But Henry III refused to agree to these terms and the Council adjourned

In 1245, during Henry III's absence in Gascony, the Regents—Queen Eleanor and Earl Richard Cornwall—broadened the base of the Council by summoning two knights from each county to meet with the Council. The Knights were to be chosen by the counties themselves, probably in the county court, since there the machinery of election already existed. In 1246, at the assembly of the National Council in London, the name "Parliament" was first applied to it.

At the Parliament of 1255, the magnates of the realm were summoned to Westiminister. This was necessary because in 1254, in an effort to secure the crown of Sicily for his son, Henry III had agreed to pay the Pope 90,000 Pounds. But the Parliament refused to grant this money to the King because all the members of the Parliament had not been summoned, according to the terms of Magna Carta.

At the first Parliament of 1258, the barons refused to help Henry III pay an installment on the 90,000 Pounds he owned the Pope. The barons, led by Simon de Montfort, attacked the King for reducing the realm to destitution by mortgaging it to the Pope, and for granting such enormous favors to his followers that it was now impossible to shake off even such insignificant enemies as the Welsh. The barons insisted that they intended to put an end to the King's excesses. They demanded that the King sanction the appointment of a committee of twenty-four "by the whole of Parliament on behalf of the community" which would have complete control over the Exchequer and full power to reform the government.

The King relented and chose twelve persons and the barons chose twelve more to compose the committee. The committees began by drawing up a set of articles known as the Provisions of Oxford, by which all the powers of government were placed in their hands. In effect, this put the kinship into a commission. All important administrative officials—i.e. the chancellor, justiciar and treasurer—were appointed by and responsible to the barons. The sheriffs were likewise under control of the Council

However, in actual operation, the Provisions of Oxford were unsuccessful. The provisional government lasted for a year and a half from its creation in June, 1258, without interruption. Thereafter, it continued for four years with a number of breaks until 1263, when the civil war began between Simon de Monfort and the King.

In 1261, Pope Alexander VI absolved Henry III from his oath to obey the Provisions of Oxford and excommunicated all those who opposed the King's absolution.

This all but brought about the impending civil war. In 1263, Louis IX of France agreed to arbitrate the dispute between Henry III and the barons. In the famous Mise of Amiens, Louis decided in favor of Henry III. The result was civil war.

At the Battle of Leives, in May, 1264, Simon de Montfort defeated and captured Henry III and his son, Prince Edward. In January, 1265, de Montfort summoned a Parliament to London, including the barons and ecclesiastics and two knights from the shires and two burgesses or citizens from each larger town. This led to de Montfort's fame as: "The founder of representative government in England."

In calling to the Parliament elected representatives of the boroughs, de Montfort completed the formation of the English Parliament on substantially the same basis on which it operates today.

De Montfort's action outraged many of the barons and he quarreled with his principal supporter, the Earl of Gloucester. In May, 1265, Prince Edward escaped from his captors and was joined by Gloucester. In August, 1265, Simon de Montfort was defeated and killed in the Battle of Evesham. De Montfort's death was followed by Henry III's restoration to the throne. On Henry's death in 1272, his son Edward I became King.

Edward I was a wise and prudent monarch. And, as one historian has written:

"It was in the reign of the valiant and sagacious Edward I that our Parliamentary institution and the civil law began to advance by rapid strides."

Edward I's first Parliament met in April, 1275. This Parliament consisted, not only of the prelates and barons but of four knights from each county and four burgesses from each borough. This Parliament enacted the first statute of Westminster which was composed of 51 articles including a provision for regulating the feudal aids which were required upon the knighting of the lord's son or the event of the marriage of his daughter. Twenty shillings on the knight's fee and 20 shillings from each parcel of land held in socage yielding 20 pounds a year would be the maximum rates.

This same Parliament also made a grant of customs duties on wool, wool-felts, and leather. The grant of a duty on wool by Parliament has great significance to the constitutional history of England because, in granting this customs duty, Parliament assumed the power of assenting to a tax which previously had been considered within the prerogative of the King himself.

The knights of the shire were summoned to Edward's second Parliament which met in October, 1275. This Parliament granted the King a tax on movables.

In 1282, Edward I was involved in a war to conquer Wales. Finding himself in financial difficulty, Edward initially sought to avoid calling a Parliament by negotiating with individuals for the money he needed to carry on the war. But as these private offerings were insufficient, the King decided to call his second Parliament.

On November 24, 1282, the King issued writs to the sheriffs, ordering them to send to Northampton or York—as the case may be—on January 20, 1283:

All freeholders, not already with the army capable of bearing arms and holding lands of more than 20 pounds annual value; Four knights from each county having full power over the community of the same county; and two men from each city, borough and market town having like power for the community of the same.

The knights and burgesses—meeting at Northampton granted a tax to the King. At York, the knights and burgesses also made a grant to the King. In this manner the King discovered that it was easier to raise his revenue through a Parliament than through private solicitations.

Four years later, on October 8, 1294, King Edward I being in need of money—both to suppress a rebellion in Wales and for his projected expedition against Phillip the Fair for the recovery of Gascony—again summoned Parliament to meet at Westminster on November 12. This Parliament granted Edward I a tax.

The following year, 1295, is a landmark in Parliamentary history. For, in this year, Edward I summoned the first full and model parliament in English history. This Parliament was so constituted as to represent, and have the power to tax, the entire nation.

Edward I summoned the Model Parliament on the theory that "what touches all, by all should be approved." It met on November 27, 1295. Each of the estates met by itself and each made its grant to the King independently of the others. The barons and the knights of the shire gave Edward an eleventh of their moveables, the clergy a tenth, and the burgesses and citizens a seventh. One author has remarked that this is probably the first instance where three estates taxed themselves in different proportions.

But Edward I's financial problems grew with the passage of time. To raise money to carry on his extensive wars, Edward I needed massive infusions of revenue—which he raised by arbitrary exactions from all classes of his subjects—both lay and clerical. The clergy resisted these taxes, under the bull of Pope Boniface VIII, Clericis Laicos, which forbade—under pain of excommunication—the payment of any tax, whatever, on the revenues of the church to a layman.

However, Edward I's outlawry of the clergy in January, 1294 and the temporary confiscation of the estates of the see of Canterbury which followed, compelled the clergy to abandon their untenable position and to yield to the King's demands.

The merchants were also upset with the King at this time, because the King had taxed them heavily and seized their wool (as wool was most readily convertible into currency). The barons were irritated by the King's flagrant disregard of the many provisions of Magna Carta and the Charter of the Forest.

Edward I next summoned a "Parliament" to meet at Salisbury on February 24, 1297-but invited only the baronage without any bishops or representatives of the Commons. The King proposed that the barons should go to fight in Gascony. But the barons refused and—on their refusal, the King threatened to confiscate their lands and give them to those who would go. The assembly broke up.

On May 15, Edward I issued writs for a general military levy on all the landowners of the kingdom, the value of whose lands exceeded 20 Pounds. The barons were to assemble in London on July 7, prepared to go to France. However, the barons violently opposed this unconstitutional tax.

As he was still in need of money to finance this war, Edward I induced an irregular assembly of some of the barons and others who had attended the military summons to make a grant of an eighth from the barons and knights and a fifth from the towns. Edward ordered the collection of the eighth and fifth and directed the seizure of all the wool in the kingdom-promising to pay for it as soon as he was able.

As the King was prepared to embark for the continent, a bill of grievances prepared by the barons was presented to him. The barons complained of the heavy taxes which reduced them to poverty; that they were not treated according to law and custom; that the provisions of Magna Carta and the Charter of the Forest had been breached; and that the tax on wool was too heavy.

Rather than answer the remonstrance, the King sailed to Flanders leaving his son—the Prince of Wales—as regent. But as soon as the King had sailed, the barons entered the Exchequer and forbade the barons there to seize the wool or collect the taxes until the charters had been confirmed. The barons were supported by a large military following and by the citizens of London.

Assessing the gravity of the situation, the Prince of Wales called a full Parliament—at which knights of the shire attended as representatives of the commons as well as the lay and clerical baronage. The Confirmatio Cartarum was published on October 10, 1297 and immediately sent to the King at Ghent, and there confirmed by him on November 5. The former tax of an eighth and a fifth were annulled and a new grant of a ninth was substituted.

The Confirmatio Cartarum was not merely a re-issue of Magna Carta and the Charter of the Forest. It also enacted a series of new provisions intended to deprive the Crown, in the future, of its assumed right of arbitrary taxation. The most critical parts of this covenant are clauses 6 and 7. After enumerating, in the fifth clause, the illegal taxes and exactions of Edward I, the 6th clause declares:

"Moreover we have granted to us and our heirs, as well to archbishops, bishops, abots, priors and other folk of holy church, as also to earls, barons and to all the community of the land, that no business from henceforth will we take such manner of aids, mises, nor prises from our realm, and for the common profit thereof, saving the ancient aids and prises due and accustomed."

Clause 7 relates to the new duty on wool—"the Maletote"—and provides that:

"The King shall never take this nor any other without common consent and good will; saving to us and our heirs the custom of wool, skins and leather granted before by the commonalty."

This "Confirmation of the Charters" of 1297 is of crucial significance to English constitutional history. One author has observed that as a part of the foundation on which the English constitution was built, the Confirmation is hardly less important than Magna Carta itself.

(Constitutional History of England, by George Buxton Adams, p. 190).

The significance of this Charter rests on the fact that it established the exclusive right of Parliament to tax the people of England—except for the collection of the customary feudal dues.

It has been written that:

"The articles generally represented the gain of a struggle extending over a period of eighty-two years; and while verbally they seemed to indicate but little advance over John's Great Charter, in reality they were infinitely more important as there was a power now behind them with due machinery for their enforcement.

(History of the English Parliament, Vol. I by G. Barnett Smith, p. 162).

In 1307, Edward I died. Six months later, on February 25, 1308, the new King was crowned. But, where Edward I was strong and prudent, his son—Edward II—was weak and inept.

The oath which Edward II took in French (as he was not familiar with Latin) was of great constitutional importance, for it not only recognized the limitation of the Royal power by existing laws, but that the power to alter these laws and enact others could only be exercised with the consent of the people. In fact, Edward II's oath was unusually stringent. The last of the four promises required of the King was this:

"Sire, do you grant to hold and to keep the laws and righteous customs which the community and the realm shall have chosen, and will you defend and strengthen them to the honor of God, to the utmost of your power.

Edward answered:

"I grant and promise."

Edward II didn't call on Parliament until April, 1309. It was fully attended by the clergy, lords, burgesses and knights. The Commons granted the King a twenty-fifth of their movables, on condition of a redress of grievances which were detailed in eleven articles.

Two of the eleven articles dealt with taxation. The first complained of the abuses of purveyance, and the seizure of articles of food, the imposts on wine, cloth, and merchandise. The second dealt with the New Customs which Edward I had provided for in the Carta Mercatoria in 1303. The king agreed to these conditions.

In 1327, Edward II was deposed by a revolution. He was succeeded by his son, Edward III, then only 14-years old. The new King took the same stringent oath that his father had taken earlier.

The regularity with which Edward III summoned Parliament had a decisive impact on English constitutional history—for it strengthened the power of the House of Commons by affording them an opportunity for its frequent exercise. As Edward III was perpetually involved in wars, he was repeatedly compelled to ask Parliament to raise money to pay for them. Thus during the fifty years of his reign, forty-eight sessions of Parliament were held.

In spite of the Confirmation Cartarum, Edward I, occasionally Edward II, and Edward III continued to levy arbitrary taxes of every kind. The Commons, however, by their continual remonstrances, their conditional grants and their liberal subsidies, succeeded in establishing its control over direct taxation.

In 1332, because rebellion had broken out in Ireland, the King assigned commissioners to tallage—a tax levied at a feudal lord's arbitrary discretion upon more or less servile dependents, who had neither the power nor the right to refuse—the cities, towns and royal demesnes throughout England. But Parliament met three months later, on September 9, 1332, and persuaded the King to revoke these commissions to collect tallage. Parliament then offered, as a substitute, the grant of a fifteenth from the shires and a tenth from the towns. In accepting this grant, Edward III promised for the future that he would not lay such a tallage.

"Except as was customary in the time of our ancestors, and as he might rightly do."

Paralleling the struggle against tallaging the royal demesne, was the contest with the King in matters of custom on wool. In 1303, Edward I established the Nava Custuma ("New Customs") on wools and other articles.

This was annulled by the Ordinances of 1311 but renewed by Edward II in 1322 and confirmed on the accession of Edward III, who later—with his Council—imposed other similar taxes. Repeatedly, the Commons petitioned against these exactions or attempted to set up a precedent in its favor by granting a similar tax. It was not until 1340 that Parliament succeeded in controlling this illegal tax.

On January 20, 1340, Parliament met. The Lords offered to grant the King "the tenth sheaf, the tenth lamb, and the tenth fleece, payable in two years" and the Commons granted the King 30,000 sacks of wool—on condition that the King accept certain articles drawn up by them. (In the event that the King rejected the articles, they offered a free gift of 2500 sacks of wool).

Edward did reject them and called a new Parliament which met on March 29, 1340. Instead of a tenth, the prelates, barons and knights of the shire granted the king the ninth sheaf, fleece and lamb for two years. The towns granted a ninth of goods and the rest of the nation a fifteenth. In addition, a custom of forth shillings was granted on each sack of wool, on each three hundred wool-fells, and every last of leather. But the grants were conditional: the King had to accept the articles prepared by the Commons. The king finally accepted them and the articles were re-drafted into statutory form.

The statute pertaining to the duty on wool provided that:

"And for this grant, the King by the assent of the prelates, earls, barons, and all others assembled in Parliament, hath granted, that from the feast of Pentecost that commeth in a year, he nor his heirs shall not demand, assess, or take, nor suffer to be take more custom of a sack of wool of any Englishmen but half a mark of custom only; and upon woolfells and leather the old custom . . . And this establishment lawfully to be holden and kept, the King hath promised in the presence of the prelates, earls, barons, and others in his Parliament, no more to charge, set, or assess, upon the custom, but in the manner as afore is said."

The second statute is much more sweeping. It stated that:

"We . . . will and grant for us, and our heirs, to the same prelates, earls, barons, and commons, citizens, burgesses, and merchants . . . that they be (not) from henceforth charged, nor grieved to make common aid, or to sustain charge, if it be not by the common assent of the prelates, earls, barons, and other great men, and commons of our said realm of England, and that in the Parliament; and that all the profits raising from the said aid, and of the words and marriages, customs, and escheats, and other profits rising of the said realm of England, shall be put and spent upon the maintenance of the safeguard of our said realm of England and of our wars. . . ."

These statues are crucially important to the constitutional history of England for they clearly enunciated the principle that Parliament was the sole authority for levying taxes on the nation at large.

As one writer has observed:

"The promise of Edward to abide by the recommendation of Parliament in the matter of the subsidy on wool, was an admission by the King that not he but they had final control over the laying of customs duties. Thus was established the principle to be defended and likewise to be questioned in the future. That Parliament alone had the power to lay a tax on wool. . . . (Also), by the statute which provided that no charge or aid should be levied but by consent of Parliament, tallage died a legislative death. And not only was this statute aimed at tallages but as well at every species of unauthorized taxation."

(The History of Parliamentary Taxation in England by Shepard Morgan; NY-1911; Pp. 178-9).

After the enactment of the vital statutes of 1340. Parliament was willing to bargain with the King for the control of his customs duties. But problems developed because, at this time, Parliament could not yet enforce this right, but rather could only petition the King for redress. And, the King frequently assented to Parliamentary petitions and then broke his word. For instance, in 1340, Edward III received a grant from Parliament of forty shillings on a sack of wool, for a year and a half, on condition that he would abolish the maletolt—Maletolt was "evil tolls"—i.e. unconstitutional duties or taxes.

In 1342, the King procured a duty of forty shillings per sack of wool from the merchants without the consent of Parliament and issued orders for its collection. Parliament balked at this because it realized that the tax fell not on foreign merchants but upon English wool growers. Edward III then declared that the price of wool would remain fixed, pursuant to an act of Parliament, and that consequently the foreign merchants would have to pay the tax. Commons agreed to this and granted the King a duty of forty shillings on a sack of wool for three years.

After the passage of three years and the revocation of the act fixing the price of wool, as the King had no authority to continue the duty, Parliament petitioned against its continuance. When the King replied that he had secured the approval of the barons and of the merchants for the duty, and that he had already pledged the revenues to be raised by the duty to his creditors, the House of Commons—finding that it couldn't win their point—contented themselves with the belief that having established the principle, they could at anytime demand the implementation of it, and extended the duty for another two years.

In 1348, the Commons presented a remonstrance to the King, asserting that the wool subsidy was, in actuality, a land tax. Parliament then granted a fifteenth for three years on condition that the subsidy of wool should cease in three years, and that for the future "no such grant should be made by the merchants." The language was all encompassing: no "imposition, tallage or charge by way of loan or in any other manner," was to be laid "without the grant and assent of the commons in Parliament." Edward III accepted the grant and the conditions.

However, in 1362, arbitrary exactions on wool received the attention of the Commons and the statute passed in that year provided that thereafter no subsidy should be set on wool without the assent of Parliament. But notwithstanding these explicit and repeated assertions that Parliament had the sole right to levy the subsidy on wool, Edward at times continued to exact the maletolt. The matter arose again in 1371 and was met with a similar statute.

As Parliament's power grew, so too did its faculty to supervise the expenditure of money so raised—which would later evolve into the "power of the purse". In 1237, during the reign of Henry III, William of Raleigh had suggested to the National Council that it appoint a committee with whom the proceeds of a grant of taxation be deposited and by whom the money be expended. One writer has suggested that the reason this proposal was not taken was perhaps, "due to the ignorance of the baronage" of its ramifications.

(The History of Parliamentary Taxation in England by Shepard Morgan, pp. 184-5)

Parliament never asserted the power to supervise the expenditure of money during the reign of Edward I, because he was too strong; or during the reign of his son, Edward II, because the power of the Crown was for a time delegated to others. But during the reign of Edward III—primarily because of his endless and extravagant military expenditures—Parliament demanded a voice in the disposition of public funds. In 1340, a Parliamentary Committee was appointed to examine the accounts of the collectors of the last grant of taxation to the King. In the words of the statute, the committee was assigned to see that the "profits of the said realm of England shall be put and spent upon the maintenance of the safeguard of our said realm of England, and of our wars."

(Quoted in The History of Parliamentary Taxation in England, by Shepard Morgan, p. 185).

The following year, Parliament appointed commissioners for the same purpose. The 1341 act said:

"The great men and commons of the land pray, for the common profit of the King and themselves, that certain persons be deputed by commission to audit the accounts of all those who have received the wool of our said lord, or other aid granted to him; and also of those who have received and paid out his money, as well beyond the seas as in the realm from the commencement of his war until now; and that the rolls and other remembrances, obligations and other things made abroad be delivered into the chancery, to be enrolled and recorded, just as was wont to be done heretofore."

(Quoted in The History of Parliamentary Taxation in England, by Shepard Morgan, p. 185).

In time, this power of Parliamentary oversight evolved into the "power of the purse". In 1344, for instance, Parliament demanded that the money granted should be spent solely for the purpose for which it had been asked. In 1348, it granted money specifically to defend England against Scotland. And, in 1353, a subsidy on wool was granted which could only be applied to fighting the war.

In fact, all of these acts were the starting point of Parliamentary (and Congressional) appropriations. And, though the Parliamentary appropriations we now perceive did not exist at this time, the foundations for the appropriations process were firmly laid by the end of the fourteenth century.

On Edward III's death in 1377, his eleven-year-old grandson—Richard II—assumed the English throne. Parliament took full advantage of Richard II's youth. It not only solidified its power that no money could be levied or laws enacted without Parliament's consent and that the administration of government was subject to their inspection and control but it also secured two vital rights which were first established in the reign of Edward III—viz. the right to examine public accounts and appropriate supplies and the right to impeach the King's ministers for misconduct.

At Richard II's first Parliament in 1377, grants of two fifteenths and tenths were made for the prosecution of the French war on the express condition that two persons be appointed as Treasurers, to receive the money granted to the King and to spend it "for the said wars and for no other work."

(Quoted in The History of Parliamentary Taxation in England by Shepard Morgan; p. 185).

Richard II's next Parliament met in 1378. The House of Commons demanded that it be allowed to examine the public accounts. The King ordered the governmental accounts produced with the understanding:

That this shall not in future be considered a precedent or an inference that this should have been done otherwise than by the personal volition and command alone of our said lord the king . . ."

(Quoted in The History of Parliamentary Taxation in England by Shepard Morgan, p. 192).

In 1379, as England was in imminent danger of invasion, Richard II called on Parliament to raise the needed money. It is significant that this year, the King voluntarily, without reservation and without waiting for a petition from Parliament, informed the Commons that the Treasurers were prepared to show them "in writing their receipts and expenditures made since the last Parliament."

(Quoted in The History of Parliamentary Taxation in England by Shepard Morgan, p. 193).

In 1380, a similar committee, with more extensive powers, was appointed. Thus, it became apparent that by 1380, the right of the Commons to investigate the accounts and appropriate the supplies was clearly established.

However, during this period, the expenses of the wars in France and Scotland and the ordinary expenses of government were so great that the Royal treasury was bare. Indeed, the King had even pawned the Crown Jewels. To remedy this problem, the House of Commons set up a poll tax and continued the duty on wool. But as the new tax was the equivalent of a laborer's weekly earnings, it ignited a political explosion. Indeed, the poll tax of 1380 has been termed the last precipitating cause of the great Peasant Revolt of 1381.

The bloody rebellion was quelled within a short time, but it had taught the members of Parliament what can happen when the weight of taxation burdens the people.

From 1389 to 1397, Richard was a model monarch—ruling within the constitution and allowing Parliament to control both taxation and the expenditure of public money. But in 1398, Parliament granted Richard II a custom on wool for five years, tunnage and poundage for life and a duty on wool, woolfells and leather for life. Further, Parliament gave the King a tenth and a half and a fifteenth and a half for a year and a half. And, if this wasn't enough, Parliament recklessly delegated its authority to eighteen members chosen from the whole body—ten lords temporal (six to be a quorum), two earls as proctors for the clergy, and six members of the House of Commons. As one commentator has observed:

"The committee consisted of persons devoted to the King's interests, and its powers were so indefinitely expressed that it completely usurped the rights of the legislature, and exercised all the powers and functions of a full parliament."

(History of English Parliament, Volume I, p. 237 by G. Barnett Smith).

Whatever Parliament's intention, these actions had the effect of installing Richard II as an absolute monarch. The cumulative effect of this delegated authority was to destroy the limitations which Parliament had so painstakingly placed on the King's prerogative.

But Richard's despotism sealed his fate. He banished the Dukes of Hereford and Norfolk. And then seized the estates of John of Gaunt—in spite of his promise to secure them to Hereford in the event of his father's death. Richard II's tyranny incited Henry of Lancaster to action. While Richard II was in Ireland, Henry led a revolt against the King. With no difficulty, he raised an army of 60,000 men. On Richard's return to England, he resigned his throne—and Parliament accepted his resignation.

Richard's fate—much like that which awaited Charles I and James II—resulted from his failure to understand the developing constitutional history of England. As one writer has observed:

"The trouble with Richard was that he did not go to school to (learn) history. Parliament was putting into practice what it could learn from the experience of its predecessors. Richard, swept with a desire, intense and perhaps insane, to wield the septre of absolutism, was blinded to what he might have read, and underwent the consequences."

(The History of Parliamentary Taxation in England by Shepard Morgan, p. 202.)

Henry of Lancaster was crowned Henry IV on October 13, 1399. The new King chose not to buck the tide of increasing Parliamentary authority. Indeed, during the reigns of the three Lancastrian Kings, the power of the Parliament was more complete than ever before—fuller than it would be until the Bill of Rights was enacted in 1689. Parliament voted the taxes, appropriated money to the King and examined public accounts. Indeed, instances of direct taxation without Parliament's assent were very rare under the Lancastrian kings.

An example of the freedom Parliament enjoyed under the Lancastrians was the Common's attempt to make the granting of appropriations dependent upon the redress of grievances a regular Parliamentary procedure. In 1401 the House of Commons asked that the King respond to their petitions before they granted supplies. The King resisted firmly and the Commons relented for the time being, but the practice gradually became established.

In 1410, Henry IV asked Parliament for permission to collect a tenth and a fifteenth annually, whenever Parliament was not in session. But Parliament had learned the effect of such a grant from Richard II and was resolved never again to foster the rise of a tyrant. Accordingly, it refused the King's request.

When Henry IV died in 1413, his son—Henry V—acceded to the throne. Though his reign lasted less than a decade, he proved to be a wise King and a brilliant soldier. And though the taxation during his reign was heavy, Parliament willingly granted taxes to the King to fight France.

When Henry V died at the age of thirty-five, his son and heir—Henry VI—was barely a year old. Henry VI won the dubious distinction of being one of the only Lancastrians to attack Parliament's supremacy in taxation. In 1425, while the King was still a child, his uncles—the Duke of Bedford and the Duke of Gloucester—as regents, united with other lords and announced in Parliament that, with the advice of the justices, a tax granted upon certain conditions by the House of Commons in the previous Parliament should be collected and levied by the King—notwithstanding any conditions in the grant. The Commons, though, firmly established their undoubted right by making a fresh grant and restating the former conditions with the following explicit addition:

"No part thereof be beset ne dispendid to no othir use, but only in and for the defense of the seid roialme."

(Quoted in English Constitutional History by Thomas Pitt Taswell-Langmead, p. 207.)

The War of the Roses—the intermittent civil and dynastic war between the Houses of York and Lancaster—was responsible for the fall of the Lancastrians and the accession of the Duke of York to the throne in 1461. As one writer summed up the reign of the three Lancastrian kings:

"The right of Parliament as against that of the King to control taxation was enunciated again and again, not only in the instance of direct taxation, including the levies of tallage, but in the case of the customs, as indicated in the legislation prohibiting the maletolt.

"But the enunciation of powers of Parliament was not followed by complete and undisputed exercise of the rights so enunciated. The Kings clung to what they deemed their ancient prerogatives and more than once over-stepped the law. The Yorkists and Tudors showed a disposition somewhat less amendable."

(The History of Parliamentary Taxation in England by Shepard Morgan p. 212.)

While the Lancastrians respected the taxing powers of Parliament, the Yorkist and Tudor monarchs continually assailed them. Parliament granted Edward IV tonnage and poundage and a duty on wool for life in 1465. Besides this, Parliament granted the new Yorkist King frequent fifteenths and tenths.

But, not content with Parliament's generous grant, Edward initiated a new method of extracting money from his subjects, without the consent of Parliament—called "benevolences". The benevolence was a "gift" made to the King by individuals or groups, ostensibly out of charity, but really under coercion. This means of extortion differed from the "forced loans" of Richard II only in that the King incurred no obligation for repayment.

Apparently no objection was made in Parliament to this unconstitutional tax. Edward IV also raised additional revenue by reviving obsolete statutes and laying fines for breaches of them. He also collected ancient debts due the Crown. This enabled Edward IV to rule England as an absolute monarch. He raised revenue in violation of the English Constitution and the clear weight of precedent. During his rule not a single statute was enacted in redress of grievances. And, amazingly, Parliament seemed to acquiesce to the King's assertion of his prerogative. Edward IV surely set back the development of English constitutional history.

Upon Edward IV's death in 1483, the crown passed to his son—Edward V. But the twelve year old King lost his crown in two months to his scheming uncle, Richard III. Richard III received a grant from Parliament in 1484 of tunnage and poundage and a duty on wool for life. But as his reign ended with his death on Bosworth Field the next year, he didn't have an opportunity to emulate the despotism of either Richard II or Edward IV.

However, Parliament spoke out against benevolences during Richard III's reign. The address which was presented to Richard in 1483, when he was invited to assume the throne said:

"For certainly wee be determined, rather to aventure and committe us to the perill of oure lyfs and jepardye of deth, than to lyve in suche thraldome and bondage as we have lyved long tyme heretofore, oppressed and injured by Extorcions and newe Imposicions, ayenst the Lawes of God and Man, and the Libertee, old Police and Lawes of this Realme, wheryn every Englishman is enchanted."

(Quoted in English Constitutional History by Thomas Pitt Taswell-Langmead, Pp. 232–3.)

Further, Richard III's first and only Parliament in 1484—declared benevolences illegal and said that they were to be "dampened and annulled forever."

(Quoted in The History of Parliamentary Taxation in England by Shepard Morgan p. 217.)

Henry VII—the first of the Tudor kings—won his crown at the Battle of Bosworth. During his reign—and that of the other Tudor monarchs—Parliament didn't increase its powers; but, rather, it lost ground.

Though Henry VII ruled for nearly a quarter century, he only called seven Parliaments—and six of the seven met within the first eleven years of his reign. Henry's first Parliament gave him a grant of tonnage and poundage and a duty on wool for life. In 1491, Henry VII resorted to benevolences to raise needed revenues. And, in 1495, Parliament turned its back on the precedents and made this benevolence lawful ex post facto. It further impowered the King to enforce the promises of those who had promised money but not yet paid it. The act points up the validity of Maitland's observation that:

"Under the Tudors the danger is of a different kind—it is not so much that the King will tax without Parliamentary consent, but that Parliament will consent to just whatever the King wants and will condone his illegal acts."

(The Constitutional History of England By F.W. Maitland, p. 181).

Like Edward IV before him, Henry VII revived ancient statutes and rigorously exacted fines for every violation of them.

Henry VII was succeeded by his son, Henry VIII, in 1509. His first Parliament granted him tunnage and poundage for life, but with the distinct proviso:

"That these grants be not taken in example to the Kings of England in time to come."

(Quoted in English Constitutional History by Thomas Pitt Taswell-Langmead p. 256)

The four following parliaments granted Henry VIII liberal subsides to wage the war with France. But in 1523, Cardinal Wolsey committed a severe breach of Parliamentary privilege. Since the time of Henry IV it was the custom that the King should not know of the progress of a grant of taxation until the House of Lords and Commons had agreed on the grant. Wolsey reversed this process.

He went to the House of Commons with all his following:

"With his maces, his pillars, his pole-axes, his cross, his hatte, and the great seal too * * *"

(Quoted in the History of Parliamentary Taxation in England by Shepard Morgan, p. 223)

Wolsey asked the Commons for 800,000 Pounds, collected over four years and to be raised by a 20% property tax on everyman's lands and goods. He addressed the House of Commons and it debated the question for fifteen days. At the end, Parliament granted the King a graduated property tax, much smaller in amount and to be paid over four years.

As a consequence of this action, Henry VIII did not summon the next Parliament for seven years. In the meantime, the King raised needed revenues through "forced loans" and "benevolences". The forced loan of 1522 required every man to swear to the value of his possessions and to contribute a ratable portion according to such declaration, on the King's promise of repayment out of the next subsidy granted by Parliament.

In 1526, commissions were issued for the collection of a sixth from the goods of the laity and a fourth from the clergy. This demand was unanimously resisted. The people knew enough law to know that these exactions were illegal. The clergy led the movement against the tax, asserting that:

"The king could take no man's goods without the authority of Parliament."

(History of Parliamentary Taxation in England by Shepard Morgan, p. 255)

The royal commissions were forcibly resisted in several counties and open rebellion erupted in Suffolk. The effect of this was to force Henry VIII to withdraw the commission.

As his "forced loan" scheme had failed, Henry VIII now demanded a voluntary benevolence. However, the people of London objected so strenuously to this, as it was illegal under the statute of Richard III, that it also had to be withdrawn.

In 1544, Henry VIII again sought a "forced loan" from all persons who earned 50 Pounds or more a year. Parliament was so subservient to Henry VIII in this that a statute was enacted granting the King all sums borrowed from his subjects since 1542, with a further provision that any money which his Majesty should have already paid in discharge of these debts, should be refunded by the creditor or his heirs.

Henry VIII died in 1547. He was succeeded by his son, Edward VI, who died a child. Edward was followed by Mary. After Mary's five year reign, Queen Elizabeth I ascended to the throne.

Though Queen Elizabeth's rule was despotic, she was loved by the people of England. And, Parliament granted her taxes with great liberality. She exacted "forced loans" from the wealthy—but endeavored to repay them as soon as possible. Elizabeth circumvented Parliament by raising revenue through the grant of monopolies—based upon the right of the Crown to assure an inventor the exclusive benefits of his invention or innovation.

The importance of the Yorkish and Tudor monarchs is that though they did little to advance Parliamentary supremacy in taxation and spending—they did not destroy whatever progress had been made. And, the later effort of the Stuart Kings to end Parliamentary supremacy was responsible for the establishment of permanent parliamentary control over taxation and appropriation.

James I—the first of Stuart Kings was a staunch advocate of the "Divine Right of Kings." He earnestly believed that a King was appointed by God and responsible only to him. His subjects could not resist the King's commands, as that was a sin. James I felt that, as God's deputy on Earth, he was above Parliament, above the laws of England and above the people. He believed that it was his duty to see to the welfare of his subjects, for God would hold him accountable for his stewardship. But beyond that point he had no responsibility. Whatever privileges Parliament possessed, the courts possessed, or any individual possessed, were theirs by grace of the King, and were not held by any right. Clearly a conflict between such a monarch, on the one hand, and Parliament and the courts on the other was brewing.

The Common Law courts were strongly opposed to James I's concept of absolutism. Led by Sir Edward Coke—a noted author, Chief Justice of the Court of Common Pleas and later Chief Justice of the Court of King's Bench—many influential judges and lawyers insisted that the Common Law controlled the King's royal prerogative. They asserted that the rights of both Kings and Parliament were derived and limited by precedent.

The Common Law courts did not, however, early accept Coke's view of the King's limited powers. This fact is pointed up by Bate's Case (2 St. Tr. 371; 1606). As King James I needed more revenue to pay for the necessary expenses of the state, instead of applying to Parliament, he acted on his own prerogative and imposed a duty of five shillings per hundredweight on imported currants—over and above the duty which was set on them by the Statute of Tunnage and Poundage.

John Bate, an English merchant trading with the East, refused to pay the duty. Bate was brought to trial before the Court of Exchequer. The judges were unanimous in approving of the King's right to impose the extra duty on his own prerogative. However, as it was to later develop, this was in incorrect statement of the Common Law.

The right of earlier sovereigns to raise and lower tariff duties by proclamations had been established. But the right had been limited to trade regulation, to secure protection or retaliation and fair trade. As one distinguished English constitutional historian has written:

"In using it not for such purposes but to raise revenue, James was assuming an important constitutional power which the precedents did not warrant. It was perhaps natural, however, that a court of law, bound normally by the letter of precedents rather than by the remote consequences which might be involved, should decide as it did." (Constitutional History of England by George Buxton Adams (Holt, 1938).)

Bates's Case is representative of the conflicts between the Crown and Parliament that dominated England for the next eight decades. The King would stretch a precedent to cover a substantial increase in royal power, and the courts held that the precedent justified the new application. On the basis of the decision in Bate's Case, for instance, James I shortly afterwards issued a new "Book of Rates" in which heavy additional duties were placed on a great number of imports.

However, Parliament did not sit idly by as the King imposed new and unlawful taxes. In 1610, the Commons objected to the schemes James I had used to raise more royal revenue. It enacted a bill providing that no new duty could be imposed without the consent of Parliament; but the House of Lords rejected it.

King James then forbade the Commons to continue. The Commons thereupon refused and announced that they would proceed to "a full examination of the King's alleged prerogative powers regarding taxation." As James had tired of Parliament's haggling and at its delay in granting money to him, he dissolved Parliament in February 1611 and didn't call a second Parliament until April 1614.

But, James I's second Parliament was inflamed over the King's imposition of new taxes without Parliament's consent and unanimously enacted a bill denying the King's right to impose taxes on his own initiative. As Parliament refused to grant the King the taxes he desired, James dissolved it in June before it had voted him any taxes—and sent four members of the House of Commons to the Tower in punishment for their conduct.

James I's third Parliament did not meet until January, 1621—and during the decade from 1611 to 1621, when no Parliament except that of 1614 which did nothing, had met, James resorted to a host of extra-legal means of raising revenue. "Forced loans" were used, old debts and fines were ruthlessly collected, titles were sold and a new title of baronet was created.

The outbreak of the Thirty Years' War between the Catholic and Protestant states of Germany (whose leader, Frederick, the Elector of the Palatinate, was James' son-in-law) incited England to go to the aid of the Protestants and the people bitterly opposed the King's policy of securing peace in Europe through an alliance with Spain. As Spain's invasion of the Palatinate in 1620 signaled that England's involvement in the conflict was imminent, James summoned Parliament to meet at the end of January, 1621 to provide for a war if it should prove necessary.

When Parliament met, James asked that it appropriate 500,000 Pounds for an army. Parliament appropriated 160,000 Pounds for the King and then began to debate their grievances. Led by Sir Edward Coke, Commons attacked the granting of industrial patents to courtiers; it impeached the Lord Chancellor—Francis Bacon—for accepting bribes; and it placed "The Great Protestation" in their Journal which declared that the Commons' privilege were "the ancient and undoubted birthright and inheritance of the subjects of England."

This infuriated the King. He ripped the "Great Protestation" from the Journal and then dissolved Parliament. Two leaders of the House—one of them Sir Edward Coke—whom the King had earlier dismissed from the post of Lord Chief Justice for refusing to accept his commands—were imprisoned. Another member—John Pym—a wealthy landowner who sat for a small Wiltshire borough, was placed under house arrest.

As James I couldn't wage war with Spain without Parliament's granting him taxes to raise an army and buy supplies, he sent his son and The Duke of Buckingham to Madrid in 1623 to arrange a marriage with the Infanta. But when the negotiations broke down they returned to England hot for war. James now called the Parliament again.

James' fourth Parliament was summoned in 1624 and unlike the earlier Parliaments of his reign, it felt more friendly toward the King. This Parliament was determined to fight a war against Spain in the Elizabethan manner and it was eager to assist the Protestant cause in Germany. The House of Commons voted 300,000 Pounds for the war against Spain but, as it concluded that the King was often spending money for purposes against its wishes, Commons devised a scheme for parlimentary control, not only of its levying but of its spending. Therefore, to ensure the proper expenditure of money, the Subsidy Bill contained a clause whereby money was paid into the hands of commissioners appointed by the House of Commons, to be expended by them upon direction of the council of war.

James I's death in 1625 brought his son Charles I to the throne. As he was eager to wage war with Spain, he asked his first Parliament for a large grant of money for that purpose. However, as the Commons were resolved to abolish the abuses of Royal prerogative it refused to vote adequate funds to fight Spain.

The House of Commons immediately made it clear that they intended to debate foreign affairs and religious reforms as they didn't want to take any chance on Charles dissolving Parliament as soon as it had granted him the needed taxes. Instead of granting tonnage and poundage duties to the new King for life—as had been the custom of two centuries—the Commons gave them for one year only. In fact, Charles didn't get this income at all as he later dissolved Parliament before the House of Lords had passed the bill.

The second Parliament of Charles I met from February to June, 1626. The House of Commons proceeded to prepare for the impeachment of the Duke of Buckingham—the King's favorite minister—whom it believed responsible for the worst abuses. The King told the Commons that he would not permit Buckingham to be impeached and informed them that their first business was the granting of supplies and that he would not permit his servants in high posts to be impeached for they merely acted at this command. The Commons refused to grant supplies until their grievances were redressed.

On May 8, the impeachment of Buckingham was brought up to the House of Lords by the managers for the Commons. Two of them were immediately thrown into the Tower for things they said in their speeches—and the Commons resolved to do no further business until the release of their members. The King yielded with reluctance, but when the Commons resolved that tonnage and poundage could not legally be collected unless granted and that no supply would be voted until Buckingham was removed, the King dissolved his second Parliament on June 15.

Clearly since Charles' accession to the throne, Parliament had assumed a new place of power in the state. Not even the relatively powerful parliaments of the Lancastrian era, or of James I showed the same spirit. But Charles' Parliament felt themselves on a par with the King. They were resolved to do battle with the sovereign on equal terms—for the passage of time had given Parliament formidible weapons: the levying of taxes, the power of impeachment and the various other privileges of Parliament.

As the Commons had once again refused to vote the King supplies for the war, he had to find a way to meet the necessary expenses of government. Charles I now pawned the Crown jewels and mortgaged Crown lands. He began to levy tonnage and poundage without Parliamentary consent and tried to exact the revenue denied to him by levying a "forced loan" which, again, was taxation without Parliamentary sanction. The "forced loan" was widely resisted, whereupon a number of knights and rich men were arrested under royal warrants for their refusal to pay, while soldiers were quartered with the King's poorer subjects.

Chief Justice Carew, who refused to find these "forced loans" legal, was dismissed from office. After this, the Court of King's Bench granted Writs of Habeas Corpus to five knights who had been imprisoned by the Crown for refusing to contribute to the "loan." but, though the Writ was granted, the Warden of the Fleet refused to release the prisoners because he declared that he was acting on a warrant from two members of the Privy Council ordering that the knights be held "by special order of his Majesty."

This precipitated a grave constitutional crisis. The prisoners, upon being informed that they were not entitled to bail asserted that the ancient rights of the subject set forth in Chapter 39 of the Magna Carta were at stake. They contended that freedom from arbitrary arrest was basic to English liberty. But the knights were not released, and Chief Justice Hyde held in the Case of the Five Knights (or Darnel's Case) that:

"If no cause of the commitment be expressed, it is to be presumed to be a matter of state which we cannot take notice of."

Thus, the constitutional question of whether Charles I could imprison his subjects without cause was, for the time, left unsettled.

After flagrantly violating the liberties of his subjects in unexampled fashion, Charles was compelled—by the necessities of the war with France—to call another Parliament which met on March 17, 1628. Among the members of the new House of Commons were no fewer than twenty-seven of the men who had been imprisoned by orders of the King for refusal to pay the "forced loan."

When Charles I addressed Parliament, he concentrated upon the grave dangers that England faced in the war with France and Spain. He declared that it was their duty to find a speedy way of supplying the government's needs and that if they failed to do so, he would have to use those other means which God hath put into my hands, to save that which the follies of particular men may hazard to lose.

But Parliament paid no attention to the King's urgings. Instead of making even a small grant, the House of Commons immediately set to work to reform the abuses before granting a tax. However, unlike earlier Parliaments, this concentrated not on the King's ministers—but on the King's misinterpretation" of the constitution which Commons felt threatened to establish absolute government. The Commons—and the nation—were greatly inflamed about four specific grievances: illegal taxation, arbitrary imprisonment, the billeting of soldiers on individuals and punishment by martial law. The Commons put their grievances to the King in the Petition of Right.

In the Petition of Right, the Commons did:

Humbly pray your most excellent Majesty that no man hereafter be compelled to make or yield any gift, loan, benevolence, tax or such like charge without common assent by act of Parliament.

The King reluctantly agreed to consent to the Petition of Right. And, though it was of little or no immediate practical value, "* * * the historical and constitutional meaning of the Petition of Right stands in line with the more important Magna Carta of 1215 and the Bill of Rights of 1689 * * * It stated principles and precedents and it became a precedent itself in the long assertions of the powers of Parliament and the supremacy of law in England." (A Constitutional and Legal History of England by Goldwin Smith (New York; 1955) P. 320.

As another noted scholar has written of the Petition of Right, it was: * * * the first attempt made since the beginning of the struggle between King and Parliament to draw a definite line between prerogative and law, to fix with some exactness the point where the power which is above the law shall end and where the reign of law shall begin. This it attempts to do, not as to a general matter but in specific particulars. That in doing this it reduces the King's prerogative powers and sets new limitations to them is quite in harmony with the spirit of past constitutional growth." (Constitutional History of England by George Burton Adams (NY; 1938) P. 295).

After Charles I accepted the Petition of Right, the Commons voted him money. But relations between the King and Parliament had by no means healed. They soon clashed on the question of tunnage and poundage—which the King had exacted without the consent of Parliament and the Commons was determined to place the grant upon its true constitutional basis. A bill was then prepared granting tunnage and poundage, but it was delayed to remonstrate against the King's illegal collection of tunnage and poundage duties. To prevent this Charles brought the session to an end.

When the second session of Charles' third Parliament opened six months later, Commons was still incensed with the King and proceeded in its battle against unlawful taxation. Fuel had been added to the fire by the proceedings against certain merchants who had refused to pay the duty. Their goods had been distrained, and when the owners sued on writs of replevin, the courts found for the Crown holding that the King's right had been established beyond question in the Case of Bate—which had arisen two decades earlier.

In order to prevent the Parliament from further remonstrating against the King's claim to tunnage and poundage, Charles at first ordered a short adjournment and then a longer one. But this time, Commons was in no mood to go home until it had placed its opinions on record. The House of Commons accordingly voted against adjournment.

When the Speaker declared that he had the King's orders to leave his chair, he was forcibly held down by two members, while the door was locked to prevent members who wished to go from leaving. The House then passed resolutions providing that:

(1) Whoever advised the collection of tunnage or poundage without Parliamentary consent should be considered "a capital enemy of the kingdom and commonwealth."

(2) Whoever voluntarily paid tunnage and poundage thus levied should be considered a traitor to the liberties of the land.

After these resolutions were passed, the Commons voted to adjourn.

The King was outraged at the Commons' action. He accused the Commons of attempting to exert a universal, overswaying power which belongs only to me and not to them.

The King dissolved Parliament on March 10, 1629—and it would not meet again for eleven years. The King was determined to govern England "by those means God put into my hands."

Charles moved swiftly to punish the leaders of the opposition. Nine members of the House of Commons were arrested, sent to the Tower and their papers seized. When they sought a Writ of Habeas Corpus, the prisoners learned that they were detained under the King's order. At their trial, the prisoners pleaded the privileges of Parliament and declined to make any other pleas. The court found that they should each be imprisoned at the King's pleasure.

As no adequate grant of taxes had been made by any of his three Parliaments and he no longer dreaded the checks which might be imposed by Parliament, the King proceeded to govern England without Parliament. He continued his illegal levies of tunnage and poundage. He revived such obsolete customs as the compulsory distraint of knighthood and forest fines based upon Henry II's Assize of the Forest of 1184. He expanded his extensive sale of monopolies—soap, fisheries, the vintner's company, etc. He collected feudal dues whenever he could.

But the most important discovery of new revenue was the revival and extension of "ship money." In medieval times this had been a levy imposed in times of national emergency on the port towns of England by which these ports were asked to provide ships for the navy. Charles' first writ for ship money was issued in October, 1634 and it was near enough to the tradition practice not to lead to serious opposition. It called upon port towns to furnish ships of war, but of a size which were only found in London, or in lieu of these to levy a sum of money sufficient to cover the cost of one. As one author has observed: "The demand was a transition from ancient precedent to a practically undisguised tax." (Constitutional History of England by George Burton Adams (New York, 1938) P. 301).

The Lord Mayor of London at first resisted the writ. But it was soon acceded to with little opposition.

When the second writ appeared in August, 1635, it was extended to all the Kingdom on the ground that as the support of the navy concerned the safety and defense of all, so all should contribute to that end. It then became clear that ship money had become a general tax on the people of England. For, whereas the earlier writs only demanded the actual equipment of ships, the latter writs directed the sheriffs to assess every landowner and other inhabitatnts—according to his particular means—and to enforce the payment by distress.

Considerable resistance developed to the second writ. It was felt that ship money had become, in fact, a tax levied without Parliamentary grant—violating the Petition of Right.

The third writ was issued in October, 1636, and like the second extending the levy to the whole kingdom made it plain to everyone that the King had discovered a method of annual taxation which could be used to finance the government.

And, it soon became evident that if the King could lay such a tax upon alleged grounds of national necessity—determined by himself alone—that there was no limit to this arbitrary taxation. And, believing that the writs of ship money were clearly an unconstitutional tax, many persons resisted them. But by far the most celebrated case was that of John Hampden. In 1637, the sum of 4500 Pounds was demanded from Buckinghamshire. John Hampden—a cousin of Oliver Cromwell—refused to pay twenty shillings assessed upon his land in the parish of Stoke Mandeville. Hampden was tried before the Court of Exchequer in November, 1637.

Hampden was eloquently defended by Oliver St. John who argued against the tax alleging that it violated the Magna Carta, the statutes of Edward III, the Petition of Right and there was no national emergency as England was not actually engaged in a war at that time. But the judges found for the King. Two judges decided in favor of Hampden on technical grounds and three judges found for him on all counts. But the remaining seven held against him. One judge wrote that:

"The King pro bono publico may charge his subjects, for the safety and defense of the kingdom, notwithstanding any act of Parliament, and a statute derogating from the prerogative doth not bind the King; and the King may dispense with any law in cases of necessity."

Further, another judge wrote that:

"No act of Parliament can bar a King of his regality—therefore acts of Parliament to take away his royal power in the defense of his kingdom are void."

But, though Hampden had lost the case, he had won a place in the hearts of the people of England for resisting the hated tax. The trial galvanized the resistance of the people to the tax. But, in spite of popular resistance to it, the King succeeded in financing the government without Parliament for eleven years. As one writer has observed:

"The financial dependence of the King on Parliament, which was at that date the only thing making a meeting of Parliament necessary, seemed for the moment at least to be successfully overcome."—Constitutional history of England by George Buxton Adams (New York, 1938, P. 304-5).

For a period, Charles I's arbitrary measures were successful and it appeared that Parliament would never again be summoned to Westminster. During this period Charles and Archbishop Laud endeavored to reconstruct the Church of England according to the aristocratic ideas of the high church party—which had the effect of ending religious and political liberty in England. And, the ensuing persecution of the Puritans drove many to America.

The oppressive policies of Charles I are of more than passing interest to Americans because they generated the basic constitutional ideas which the English Puritans brought to America and which—in a century and a quarter—became the bedrock on which the American Constitution was fashioned.

As Charles was apparently successful in reconstructing the Church of England, he endeavored to do the same thing to Scotland by crushing Presbyterianism in Scotland. In the summer of 1637, Charles and Archbishop Laud sought to impose a version of the English Book of Common Prayer on the Church of Scotland. But the Scots were too thoroughly devoted to Presbyterianism to accept this. When an attempt was made to read services from the Book of Common Prayer in Edinburgh, riots broke out. The Scots set up a resistance group known as "The Tables" and the Scottish Covenant was drafted inviting the Scottish Protestants to swear the resist to the death these religious innovations. To meet the Scottish resistance, Charles was compelled to raise an army—which placed too great a strain on his make-shift finances.

When the Chancellor of the Exchequer informed him that the Royal Treasury was empty, Charles sought a contribution from London and then from the entire nation and loans were requested. Another obsolete levy upon the counties for the support of a military force—"coat and conduct money"—was revived. But every levy was resisted and failed to raise the needed revenue.

Therefore, the King bowed to necessity and called what became known as the "Short Parliament"—which met on April 13, 1640. But it soon became evident that the members of the House of Commons sympathized with the Scots and would do nothing until their many grievances were redressed. The King pressured Commons to vote an immediate grant of money to allow him to prosecute the war—and to settle their grievances later. The House of Lords voted that appropriations should come before grievances which the Commons rejected as a "high breach of privilege." The King then offered to give up ship money in return for a grant of twelve subsidies. But the Commons balked at this too—holding the collection of ship money to be a crime and the judgment against Hampden an infamy; which they would never assent to.

When Charles was convinced that they could not be moved, he dissolved the Parliament, after a three week session in which nothing had been done. But, though Parliament accomplished little of a tangible nature, it learned how strong it was against the King and it learned that the bulk of the English people were united behind them.

After the dissolution of the "Short Parliament", the King imprisoned some members of the House of Commons and the sheriffs ruthlessly proceeded to collect ship money and coat and conduct levies. The King seized pepper from the warehouses of the East India Company and bullion from the London goldsmiths. The Lord Mayor and aldermen of London were coerced into making a "loan." A convocation—which supported the King's Scottish policy—tried to support a general benevolence; two attempts were made to get a loan from Spain in return for help against the Dutch; it was proposed that the coinage be debased and it was planned to seize Spanish bullion deposited in the Tower for coinage. But all these efforts were of no avail. They generated very small sums while the expenses of government skyrocketed.

Meanwhile, the army which had been raised posed a critical problem. It was undisciplined, poorly supplied, and scarcely paid at all. It had to be quartered on the country and martial law had to be rigorously enforced—both in violation of the Petition of Right.

Finally, in August of 1640, the Scots crossed the border. When the two armies confronted each other at Newburn—near Newcastle—a mere cannonade dispersed the English ranks. Newcastle surrendered to the Scots and once more the King was forced to come to terms with them.

As the historian Thomas Pitt Taswell-Langmead has observed:

"After the defeat at the ford of Newburn-on-Tyne, the English army, disheartened, undisciplined, and disaffected, had retreated to York, leaving the counties of Northumberland, and Durham to be possessed by the victors. 'The game of Tyranny' observes Macaulay, 'was now up. Charles had risked and lost his stake. . . . His army was mutinous, his treasury was empty; his people clamoured for a parliament; addresses and petitions against the government were presented. Strafford was for shooting the petitioners by martial law; but the King could not trust the soldiers.' "—(English Constitutional History by Thomas Pitt Taswell-Langmead; P. 440.)

At the end of August, 1640, twelve peers petitioned the King "to summon a Parliament within some short and convenient time." But in a last-ditch effort to avoid summoning Parliament, Charles seized on an old precedent. As the National Council had once performed some of the functions of Parliament—and as it had continued to meet long after Parliament had been established—the King issued writs for a meeting of Peers at York on September 24, 1640. The Great Council met and concluded a treaty with the Scots, by which they were to hold the two northern counties until a definite peace was made and to receive 25,000 Pounds per month for their expenses. The Council also pledges the security of the Peers to a loan to fill the King's sagging coffers.

But, as this expedient proved inadequate to solve the King's staggering problems, King Charles reluctantly called his fifth Parliament—the so-called "Long Parliament." It met at Westminster on November 3, 1640.

The entire House of Commons stood united in their opposition to the King. Roughly sixty percent of the members of the previous "Short Parliament" were reelected. As one historian has observed:

"The King addressed the Commons in an unusually conciliatory speech, but the Stuart tyranny had gone too far, and the Lower House was absolutely bent upon redress. Neither can the men who came to this Parliament with such a resolve be blamed, for it depended upon them whether people and Parliament should recover their ancient liberties, or become the mere vassals of the Sovereign."—(*History of the English Parliament* By G. Barnett Smith; Volume I, Page 399)

And, in a large sense, it was the Long Parliament which framed the basic constitutional ideals upon which the American Republic was fashioned.

Under the leadership of John Pym and John Hampden, the House of Commons struck first at the King's advisors—by impeaching the Earl of Strafford. Strafford was accused of subverting "the fundamental laws", of "exercising tyrannical and exorbitant power." When it became clear that Strafford would never be found guilty of high treason by the judicial process of impeachment before the House of Lords, the Commons turned to condemn him to death by a Bill of Attainder. The bill passed both Commons and Lords. Realizing that he, too, was in peril, the King signed the Bill and on May 12, 1641, over 200,000 people saw Strafford executed.

Meanwhile, Parliament acted to make arbitrary rule impossible in the future. First, to protect itself against a possible "untimely adjourning, proroguing, or dissolving" by the King, it provided that a Parliament could not be dissolved without its consent. Second, in the Triennial Act, it established that Parliament was to meet once every three years, whether or not it had been summoned by the King.

Ship money was next attacked and declared illegal—and the judgment against John Hampden was annulled. The collection of tunnage and poundage duties without the consent of Parliament was made unlawful). Compulsory knighthood and the abuse of forest fines were prohibited.

However, in November, 1641, Parliament prepared the Grand Remonstrance which recited the wrongdoings of Charles I, and set forth what had to be done to remedy national grievances and set forth further demands. For example, it proposed that the King's ministers should be "such as Parliament may have cause to confide in." This Grand Remonstrance passed Commons by a majority of only eleven out of over 300. This angered Charles I and he directed the Attorney General to lay articles of impeachment for treason before the Lords against five members of the House of Commons. And, though the men escaped before they could be arrested, this greatly inflamed the passions of the people and hastened the drift toward civil war.

But, before the civil war actually broke out, Parliament presented its final demands to the King in the so-called Nineteen Propositions. By the terms of the Nineteen Propositions, the privy councillors, the principal officers and judges of the state, the tutor's of the King's children, all were to be appointed only with the approval of Parliament. It asked the King to put royal forts and castles under Parliamentary control, to dismiss his military forces; to take away the votes of all Roman Catholic peers, and to promise that his children would not conclude any marriage not approved by Parliament.

Charles refused and the civil war began—to be terminated in a little over two years. After the Presbyterians had been expelled from Parliament, the remainder (known as the "Rump") tried the King for treason and sentenced him to death.

What followed were eleven years of military despotism. After Cromwell's death, the dead King's son, Charles II, was placed on the throne. The House of Stuart was restored to the throne, but with no constitutional guarantees. The supremacy of Parliament was not declared in any formal contract, nor was the King required to acknowledge that his powers were limited by, or derived from, the people. Indeed, there was nothing of a constitutional character to even indicate that Charles I had been deposed. And, though, in form and law, the King was supreme—he was now, in fact, subservient to Parliament.

Charles II's first Parliament granted him the proceeds of the Customs for life. Parliament abolished the feudal incidents, e.g., wardship, marriage and knight's service, and the three feudal aids: knighting the King's son, ransoming the King, and furnishing a dowry for his eldest daughter. Parliament made up for the revenues lost by abolishing these by granting the Crown an hereditary tax on beer and some other liquors.

The year 1665 marked the reassertion of legislative control over the spending of the public money, viz., the practice of Parliamentary appropriations. Prior to this time, the King went to Parliament with requests for money. But, generally, once the money was raised, the King could spend it as he wished.

Sir George Downing amended the Subsidy Bill of 1665 to provide that the money raised in accordance with the Bill be applicable solely to the prosecution of the Dutch War—and that money could not be paid out by the Exchequer save by special warrant stating that as the purpose of the payment.

In 1667, Parliament solidified its control of the purse strings of England by appointing a Parliamentary commission to examine the public accounts in order to determine that the funds raised in the Supply Bill of 1665 were, in fact, spent solely for the Parliamentary designated purpose. This Parliamentary commission later expelled the Treasurer of the Navy from the House of Commons for spending public money without a warrant.

As one author has observed:

"The bill was the natural consequence of the liberty of appropriation enjoyed under the Commonwealth. The exercise of the principle of appropriating supplies in detail was not carried to its full extent until after 1689. Its importance is difficult to overestimate. It placed the executive power in a position of perfect dependence upon the bill of Parliament, for the money requisite for any administrative act was to be forthcoming only in accordance with the previously expressed intent of Parliament."—(The History of Parliamentary Taxation in England by Shepard Morgan; New York: 1911; Pp 304–5).

Another writer has written:

"The foundation was securely laid for the changes that followed after his expulsion. Modern Anglo-Saxon legislatures have considered the practice of appropriations, now extended to even minute items of expense, to be one of the most essential sources of their power and have guarded it with the utmost care. It is a check upon government policy not by calling a minister to account for what he has done, but by rendering action which is not approved of impossible in advance. The full establishment of the right of appropriation should probably be regarded as the last step in the creation of so great a power in Parliament over the executive that resistance was hardly possible . . . "—(Constitutional History of England by George Buton Adams, New York: 1938, P. 349).

On Charles II's death in 1685, James II acceded to the English throne. But where Charles II had been willing to adjust to the Parliamentary system, James II was not. James II lacked Charles II's tact and diplomacy. He assumed the Crown with the full intention of exercising arbitrary authority—as had the earlier Stuart Kings. He attempted to bring Roman Catholicism back to England.

Prior to calling his first Parliament James II had collected customs duties by proclamation—i.e. without Parliamentary sanction. But, in spite of this poor beginning, the Parliament—which was overwhelmingly royalist—granted him a large revenue for life and seemed ready to do anything else within reason which the King wished. But this spirit of harmony didn't last long.

Primarily because of his zealous desire to restore England to Catholicism, James clashed with Parliament. In 1685, Parliament balked when the King asked that a large standing army be raised in which Roman Catholics were to hold key positions. Instead of complying with the King's request, the Commons gave the King less than he sought and attempted to impose conditions. This infuriated the King to the extent that he committed a member of the Parliament to the Tower for saying: "We are all Englishmen and not to be frightened out of our duty by a few high words."

Refusing to tolerate such criticism, the king dismissed his first, and only, Parliament.

These and other outrages so inflamed the nation that in November, 1688, William of Orange was invited to come to England. An advisory "assembly" was called to assume the provisional government of England pending the calling of a Parliament—composed of the Lords and of the members of the House of Commons which last met in the Parliament of Charles II. The assembly advised the calling of a convention Parliament, and letters were issued for the holding of Parliamentary elections. The convention Parliament met on January 22, 1789, and remained in session until August 20, and later continued its work in a second session.

On February 13, 1689, William and Mary were crowned subject to the conditions expressed in the *Declaration of Right*. That same day, the Convention Parliament declared itself to be the Parliament and its acts valid law.

The *Declaration of Right* with some slight changes was—in the second session of Parliament—incorporated into the *Bill of Rights*. Specifically, the *Declaration of Right* enumerated the arbitrary acts of James II and declared each of them specifically to be illegal.

On October 25, 1689, the *Declaration of Right* was enacted by Parliament, in statutory form, as the *Bill of Rights*. It stated that King James "did endeavor to subvert and extirpate . . . the laws and liberties of this kingdom . . . by levying money for and to the use of the crown, by pretense of prerogative, for other time and in other manner than the same was granted by Parliament." Then followed the absolute assertion "that levying money for or to the use of the crown by pretense or prerogative, without grant of Parliament for longer time or in other manner than the same is or shall be granted, is illegal."

The *Bill of Rights* is—without question—one of the most crucial documents in Anglo-American constitutional history. For, it marked the end and summed up the results of a struggle which had lasted for over four centuries. As Maitland observed, with the *Bill of Rights* "one great chapter of English history had been closed."

Clearly the impact of the *Bill of Rights* was not limited to England. It had as great an impact on the British colonists who came to America—who had suffered as much in their charters and in their free governments from the absolutism of Charles I and James II as had the people of England. And, reacting from British experience—and from their own experience under British rule—the Framers wrote into our Constitution the exclusive function of Congress to impose taxes and to control public expenditures by appropriations.

As one author has observed:

"With the passing of the Bill of Rights the principle was vindicated that Parliament rather than the crown has the power to tax. . . . The corollary principle that Parliament has the power to appropriate supplies for specific purposes and that it can demand an accounting for the money so appropriated were accorded general acquiescence then and thereafter."—(The History of Parliamentary Taxation in England by Shepard Morgan; New York: 1911; pp. 307–8).

[Resumption of Senate Proceedings]

The PRESIDING OFFICER (Mr. Bentsen). The question is on agreeing to the amendment of the Senator from Idaho (Mr. Jordan).

Mr. MCCLELLAN. Mr. President, I just want to make a brief statement about this.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. MCCLELLAN. Mr. President, I have prepared a comparable amendment, not identical, to be introduced and would have possibly offered it had I the opportunity to do so. However, during the afternoon, I was engaged in a conference with the House members of the Appropriations Committee on the Supplemental Appropriation bill. I would prefer to have had the amendment I prepared to the one of the Senator from Idaho (Mr. Jordan), but it will have to go to conference if it is adopted and some moderate change would be made in conference if it is found advisable to do so. Since it does have the basic approach that I have in the amendment that I intended to offer, I intend to support this amendment.

Now I want to say at this time that I will have serious difficulty voting for the House bill just voted for the $250 billion limitation.

I am reluctant, most reluctant, to vote for a measure and confer upon the Chief Executive the power to completely reject and to strike from the bill what Congress, on any project or program that Congress, in its judgment and wisdom, has established and authorized under the law.

For that reason, Mr. President, I hope that the senator's amendment will be agreed to.

While I have this moment, Mr. President, I would like to say to the Senate that immediately after action on this amendment, if I can get the floor, I intend to offer an amendment, adding a new title to the bill.

It will be noticed in this bill that provision has been made for a joint committee to deal with the study from now until some time next year. That would be a temporary committee. And that committee's functions and duties would expire.

Mr. PROXMIRE. Mr. President, will the Senator yield at that point?

Mr. MCCLELLAN. I yield.

Mr. PROXMIRE. Mr. President, I am very interested in the Senator's proposed committee.

However, I would like to tell the Senator that at about 2:30 this afternoon I was to be recognized. And I understood that I was the next one to follow the Jordan amendment. I will not take very long.

Mr. MCCLELLAN. Mr. President, I am very sorry. The Senator understands that I have not been on the floor. If that is the order, of course, I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I would be happy to yield to the chairman of the Appropriations Committee if he desires. However, I would prefer it if I could proceed.

Mr. MCCLELLAN. No. I will confer with the Senator about this in the course of our voting. However, in the meantime I intend to advise the Senate that I shall offer an amendment to add a new title, and the new title will be practically identical to a bill that the Senate passed on eight different occasions to create a Joint Committee on the Budget, not temporary, but permanent. I have added one thing to its duties, and that is that after performing the duties already provided in that bill, that it submit its recommendations with respect to a ceiling each year in the budget on the amount of appropriations we should make.

I hope that amendment will be adopted. I have just taken this moment to make mention of my purpose to support the distinguished Senator's amendment. And I think that it may need some small modifications, at least in conference. But I shall support it. And I would hope that the Senate would agree to it. At least, we passed this bill eight times, and the House only rejected it one time, and only rejected it by 15 votes. That is the first time they considered it. They never could get to a vote before that because it was opposed by the chairman of the Appropriations Committee of the House primarily. Now that the House has awakened to the necessity for some kind of committee, for some kind of study, and for some kind of additional service that is necessary for the Congress to ably and properly and effectively perform its duties, I think it is time to consider the bill that the Senate has already passed eight times. I think it is perfectly appropriate that that measure be adopted as an amendment and add a new title to the bill.

Mr. PASTORE. It was my privilege for the past several years each time the distinguished Senator, the chairman of the Appropriations Committee, introduced his bill for a joint committee, to cosponsor that particular legislation. As I understood, it was not exactly a study. It was not a study at all. But here we are dealing with $250 billion every year, which is a tremendous amount of money. It comes to the committee under 12 different titles, and there is no coordination.

We do not know once we have appropriated the money just how the money is being spent. We have no facilities, no faculties, to follow that money to make sure. The only opportunity we have is when they come up again, to ask them how they spent the money last year. We have to take their word for it.

After all, the Office of Budget and Management has a continuance of operation. They can follow these things through with the administration. But we have no facilities, no faculties at our disposal.

What the Senator did suggest was that we would have a joint operation with the House, that we would have proportional steps in there, that once we appropriate money, we make sure that the money has been used for the purpose for which it was appropriated. That was the purpose of his bill.

Mr. MCCLELLAN. That was one of the purposes. We hear only the appropriations on most every bill, with one or two exceptions, like Public Works. But we hear primarily from agencies that want the money to spend, but there is no way for us to check against the immediate intentions they say they have and the information they submit to us.

While I have the floor, I would like to suggest to my colleagues that this bill to which I have referred and that has passed a number of times had many cosponsors. In the 87th Congress it had 67 cosponsors. In the 88th Congress, it had 77 cosponsors. In the 90th Congress it had 66 cosponsors. So at least nearly two-thirds of the Senate have cosponsored the bill each time in the past.

Now, I do hope tonight, or when this amendment is offered, that I will have the support of my colleagues who have heretofore been very well advised as to what this proposal will do and the need for it.

Mr. BENNETT. Will the Senator yield to me?

Mr. MCCLELLAN. I am glad to yield.

Mr. BENNETT. As the manager of the bill, I think I am prepared to accept the amendment of the Senator. I would like to see it. I would appreciate the opportunity to look at a copy of it. By the time the Senator is ready to offer it, I think we would probably be willing to accept it without question.

Mr. MCCLELLAN. I will be glad to do that. I would like to suggest one thing to be added to the bill, other than technical amendments not necessary to meet existing law. This clause has been added to the bill. This is under subsection (2) of some section of the bill—the duty of the committee:

"Recommended to the appropriate standing committees of the House of Representatives and the Senate such changes in existing laws as may effect greater efficiency and economy in government."

And we added at that point:

"(b) a ceiling for expenditures and net lending under the budget of the United States Government for the fiscal year."

Mr. BENNETT. May I see that?

Mr. MCCLELLAN. Yes. This is the only one I have before me now. It is one I shall want to introduce.

Mr. BENNETT. After the Senator from Wisconsin is recognized, I will be glad to discuss it with the Senator.

Mr. MCCLELLAN. That is the only substantive change made in the bill as it passed the Senate.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. MCCLELLAN. I yield.

Mr. CRANSTON. Mr. President, I am delighted that the chairman of the Committee on Appropriations lends his support to the Jordan amendment. The Jordan amendment is the way we can have a ceiling without delegating the authority of this body to the executive branch.

The distinguished Senator from Oregon (Mr. Packwood) made an eloquent, articulate address on this topic, and it is a very important topic.

I believe, contrary to his conclusions, that the Jordan amendment gives us the opportunity to behave in a fiscally responsible way while retaining our power.

The Senator went through a long history respecting the abdication of power.

Mr. President, behind the Jordan amendment is the Percy amendment, which I have been privileged to cosponsor. It does set a procedure where we can have a solid, constructive, prudent approach to this matter, to set a ceiling that takes into account what we can expect to come in and take out, and put that together in an overall budget, which is what the Senator from Oregon discussed.

TEMPORARY INCREASE IN THE DEBT LIMIT

The Senate continued with the consideration of the bill (H.R. 16810) to provide for a temporary increase in the public debt limit and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973.

Mr. JAVITS. Mr. President, I shall be brief. I wish to put the Senate in mind of another point which has been made, in addition to the very, very moving address of the Senator from Oregon. I think we all liked it so much because he does not speak too often and it was really a great speech. Many of us feel he is entitled to our sincere congratulations.

He put me in mind of talk in the corridor that whatever we pass will go right down the hatch in conference and we will be right back here with a $250 billion ceiling, which is just like the administration asked for and which passed the other body.

So I express the hope, as one Senator, that when I vote "yea" on the Jordan amendment, because I agree with the Senator from Georgia, the Senator from California (Mr. Cranston) and many other Senators that this is the way to do it under present circumstances and because the people have a say, in this, too, and I think they have a right to feel as they do about expenditures and taxes, that we are going to stay with this and we should. By the size of the vote we serve notice that conference reports coming back here with these provisions dropped down the nearest hole are not going to find favor in the Senate.

Mr. President, that is one of the things that the speech of the Senator from Oregon should inspire in us all. This is not just a vote that we are not for giving up our powers on this amendment, but these things have a way to come back in a final way with lots of feeling.

I hope Senators will vote with the understanding that when they vote this way on the Jordan amendment they will vote so that there votes will not be meaningless. I hope very much the size of the vote and the conviction of the Senate will carry that message.

Mr. SCHWEIKER. Mr. President, I rise to strongly associate myself with the remarks of the Senator from New York (Mr. Javits). As a cosponsor of the amendment of the Senator from Idaho (Mr. Jordan) I believe this is a very important basic principle. I certainly concur with the thoughts of the Senator from Oregon.

I though the Senator made some very fine statements, explicit points, and pertinent principles. I differ with him slightly. I feel that the way to do the things that he wants to do is to vote for the Jordan amendment, to stand up and vote on that measure. Nevertheless, I commend him and I join with the Senator from New York (Mr. Javits) in saying that if this body expresses its favor with the Jordan amendment, and I hope for that, I could not vote for a conference report which would come back and incorporate the House approach, which is the reason the Senator from Oregon so well outlined it. I associate myself with the Senator from New York because that could be the issue.

I believe the Senator from Idaho (Mr. Jordan) has the votes to win that basic issue. I hope it does not stop there. The conferees should take this into account in conference because it is a gut issue and as a gut issue I am going to vote down any conference report that goes back to the House approach of giving away economic responsibilities.

Mr. GRAVEL. Mr. President, I share the same views as my colleague. I, too, went over to my colleague from Oregon and congratulate him on a fine speech. In fact, I can say that during my service here it is the finest speech I have heard in this Chamber. I have heard better rhetoric but I have heard no better grasp of history or better logic of an important problem affecting this Nation. So I am going to pay him what to my mind is the ultimate compliment, when I hear something very good. I say to him that he persuaded me. I was going to vote for the Jordan amendment; I am now going to vote against it.

It is not to often in the legislative process that minds are really changed in this Chamber, because of the operation of the system. But I was persuaded, I went up to my colleagues from Oregon and I asked what solution he had. I understand the Jordan amendment. It is a tinkering process to get to another goal. Of course, it is true, and I understand the statement of the Senator from New York and the statement of the Senator from Pennsylvania, that we are going to continue that quid pro quo; we will go for that if something does not occur; but that is the way erosion usually takes place, with one simple act.

I asked the Senator from Oregon what his solution was. He said he was going to vote against the Jordan amendment. Then, he was going to vote against the whole piece of legislation. That strikes me as logic because there is no way we will get into trouble if we do not hold things down.

I do wish to address a question to a member of the committee. What would happen if we voted this down? I address that question to the Senator from Utah (Mr. Bennett), who has just returned to the floor.

Mr. BENNETT. One week after October 31 the Federal Government would be unable to pay its bills. It could not meet its obligations. The dollar would die in the world market because nobody could trade it. We would have about 1 week's flow; 1 week's money in the bank. After that week the Federal Government would be bankrupt, unable to pay its bills, and I cannot conceive that any Senator would want to take the responsibility for voting for that.

I have been in the Senate a long time and I know there are always votes against the debt limit. Remember that the debt limit is the basic objective of this bill—the spending ceiling is the secondary objective. I know many Senators are going to vote against the debt limit in this bill—I suppose praying in their hearts that enough of us will vote for it so that this event will not take place, but there is not any question about it. This is what would happen.

Mr. GRAVEL. If my colleague will excuse my ignorance, I would like a little information as to how this would be precipitated. What would really happen?

Mr. BENNETT. The debt limit would fall from $450 billion to $400 billion on that day. We already have more than $400 billion of debt outstanding—something like $435 billion. That debt outstanding is represented by bonds that constantly need to be renewed. Some of them are notes that have to be renewed every week. We could not renew another note. Then all we could do would be to float around on the amount of money in the bank. That would last until about election day, and then the Federal Government would grind to a halt.

It could not pay its bills, it could not pay its salaries. The dollar would drop in the world market so precipitously that no one can imagine the debacle it would create.

Mr. GRAVEL. How much are we shy between now and the end of the fiscal year if we leave the debt where it is right now?

Mr. BENNETT. I will answer that question. The Treasury says they need a limit of $465 billion to get us through the fiscal year, but if we let the bill die, the Federal debt limit drops back to $400 billion. That would be disastrous. We do not have a continuing debt ceiling of $450 billion. We only have a ceiling of $450 billion to the end of October. Then it drops to $400 billion.

Mr. GRAVEL. So if we do not get it, what is it we are talking about? A difference of $15 billion?

Mr. BENNETT. I cannot tell the Senator to the day. We probably would have to be back here in February or March to pass it again.

Mr. GRAVEL. Suppose on Monday we pass a ceiling we have now? What is the ceiling now? $450 billion? Is that not what the ceiling is now?

Mr. BENNETT. Yes.

Mr. GRAVEL. What catastrophe would be visited upon this occasion if that were to occur?

Mr. BENNETT. That would take us to about March, and then we would face the same situation.

Mr. GRAVEL. Which would mean it would put the responsibility on the rest of us. Is that right?

Mr. BENNETT. I have been through this many, many times in my 22 years in the Senate. We come up to this point, we argue about it, and we rail about the fact that the Government should not go into debt, but we eventually face up to the fact that none of us wants the responsibility of letting the Government go bankrupt.

Mr. GRAVEL. I want to assure my colleague that I do not want to let the Government go bankrupt, but I like the concept that my colleague from Oregon has enunciated, and I am not reluctant to take the responsibility of lowering taxes or raising taxes to raise money. I want to make my vote meaningful in that direction. If that means voting against this amendment and voting against them all, that may be the way to do it.

What happens if we continue the debt ceiling at $450 billion?

Mr. PACKWOOD. Mr. President, if the Senator will yield, I would like to propound a question to my friend from Utah. Could not we do better simply by deleting title II of this bill, which is the debt limitation, and send that out from Congress?

Mr. BENNETT. No. It would have to eliminate the $465 billion.

I am reminded that it automatically drops to $400 billion. If we want to keep going as we are now, we have to replace the $465 billion figure with the figure of $450 billion.

Mr. GRAVEL. This is title I.

Mr. PACKWOOD. That is title I of the bill.

Mr. BENNETT. Yes.

Mr. GRAVEL. I address myself to my colleague from Oregon. If we wanted it to stay the same, we would substitute for title I a provision saying we raise the debt ceiling to $450 billion. That would be a check on the administration and protect us. Is that correct?

Mr. PACKWOOD. These sections are severable. Title II has the debt limitation. That could go. We could amend title I to make it whatever we wanted.

Mr. GRAVEL. That would give us some control, because that would give us a $15 billion hammerlock on the administration, which we are giving away now.

Mr. BENNETT. It would not have that effect. It would merely bring us back that much sooner to face the same problem. We have already faced it twice this year. This is the third time. If we put it off until March, we will have to come back in March.

Mr. GRAVEL. What is the problem we are facing? Is it the fact that we are spending money?

Mr. BENNETT. No, that is not the problem. The problem is that full faith and credit of the United States dies because we can no longer sell any bonds.

Mr. GRAVEL. But my colleague overlooks one thing. I say this humbly. The full faith and credit is attached to borrowing money to spend money on projects. That is what the $15 billion is for.

Mr. BENNETT. No.

Mr. GRAVEL. What are they borrowing for if it is not to spend money?

Mr. BENNETT. Because we already have a debt of $450 billion. We turn it over. It is not like a continuing debt such as one might have in a bank for 20 years. It is represented by hundreds of issues. It is represented in large part by notes which are floated for 90 days or 6 months.

Mr. GRAVEL. I confess I do not have the brain power or understanding, but if we are borrowing money just to tread water, then we can tread water with $450 billion. If through some device the interest is creeping it up and making it $465 billion, then obviously that increase is all due to an increase in the interest. I do not think that is the case, because we are supposed to be servicing the debt by appropriating money for it. Where is that $15 billion?

Mr. BENNETT. That comes from increased appropriations which the Congress has already made, and they have got to be met. Congress has appropriated the money. We have to have it. That is a part of the problem. The other part is that we have accumulated a debt over many years. I cannot think of the year when we had no Federal debt.

Mr. GRAVEL. Was not this debt contributed to by a deficit this year?

Mr. BENNETT. Yes.

Mr. GRAVEL. Will not this debt be contributed to by a deficit next year?

Mr. BENNETT. Yes.

Mr. GRAVEL. What is the best way to get our hands on that deficit? It is to stop the spending. Is that right?

Mr. BENNETT. Yes.

Mr. GRAVEL. A good conservative, however, in my mind, if a person is fiscally responsible, is not going to let them run wild by raising the ceiling. That is the first grip we could get on this problem.

Mr. BENNETT. Unfortunately, that does not work.

Mr. GRAVEL. Why?

Mr. BENNETT. Because it is not an effective brake. It does not say to the American people, "We are going to stop spending when we reach this point." It says to all the people who own bonds, including people who own savings bonds, "Your bonds are no longer worth anything, because we cannot redeem them."

Mr. GRAVEL. I do not understand that, and I do not think I can accept it at face value. Does the Senator mean to tell me that $15 billion is all the money that is going to redeem bonds?

Mr. BENNETT. Look——

Mr. GRAVEL. I am prepared to vote for $450 billion, which is what we have now. All I am suggesting is the possibility of continuing that. The Senate is telling me they need another $15 billion to redeem bonds that people are going to put up.

Mr. BENNETT. No. I have to go back and start all over again. We now have a debt ceiling of $450 billion, which permits the Treasury to borrow what it needs.

Mr. GRAVEL. Up to that amount.

Mr. BENNETT. Up to $450 billion. All the money that Treasury is borrowing is represented by bonds that are outstanding. Does the Senator follow that?

Mr. GRAVEL. I follow that, but let me ask one point. In that $450 billion we already have covered the deficit of this year, which was over $20 billion. Was it not?

Mr. BENNETT. No; we do not have it covered, because this is the fiscal year of 1973, and to cover that deficit we have got to have the additional $15 or $16 billion, in the opinion of the Treasury. They are the people we have to trust in these matters.

Mr. GRAVEL. That is money we have appropriated. That is the point I am trying to make. It accounts for that increase?

Mr. BENNETT. But in the management of the debt, which is another part of the function of the Treasury, these outstanding bonds keep coming due every day or two.

Mr. GRAVEL. I realize that, and I realize that we must meet our obligations, but I am not sure by the Senator's argument, that we have to increase the debt to meet the bonded indebtedness. Our indebtedness today is $450 billion. If we raise the ceiling, that is raising spending.

Mr. BENNETT. Let me go back further. I have said that if we keep it at $450 billion—and we can—that simply means we will be back in February or March to raise it again. What we have already appropriated will carry us to another crisis, and we will have to raise the debt ceiling to take care of the deficit that will accumulate during the fiscal year 1973.

Mr. HUMPHREY. Will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. HUMPHREY. I am beginning to get the sense of this debate. For a period of time it was somewhat difficult, but what I believe I am hearing is that Congress cannot adjourn and there will be no problem in the next 3 months.

Mr. BENNETT. No, no.

Mr. HUMPHREY. Wait a minute. This Congress could adjourn——

Mr. BENNETT. This Congress could not adjourn without having to come back on October 31, because on October 31 we will be $50 billion over the authorized debt ceiling.

Mr. GRAVEL. Perhaps I can help the Senator from Minnesota. If we took title 1 and just made it the status quo—that is, left it at $50 billion, which would give us a ceiling of $450 billion, which is what it has been and then throw the rest of this away—we would still have some power left.

Mr. HUMPHREY. That is exactly what the Senator from Minnesota was getting at: that we could leave the debt ceiling at what it is. Instead of inserting the figure $65 billion, it would be $50 billion, and it would carry us through until March.

Mr. BENNETT. The Senator is correct. It will be $450 billion on January 1. On January 15 we will be over the $450 billion.

Mr. HUMPHREY. So before the new Congress would come into operation or session——

Mr. BENNETT. That is right.

Mr. HUMPHREY. We would have, as a matter of Government, to default on the payments.

Mr. BENNETT. That is right. We would have to be called back.

Mr. GRAVEL. Would not that depend on the revenues received between now and then? If the economy were in good shape, obviously the revenues would increase.

Mr. BENNETT. That is based on past estimates by the Treasury Department of the revenues that will be available between now and then. But I do not think we can take that chance and say that revenues will be better.

Mr. CRANSTON. Will the Senator yield?

Mr. GRAVEL. I yield.

Mr. CRANSTON. We are talking about two ceilings. One is the ceiling on the debt, and we will have to keep upping that until we get a ceiling on spending. Once we get a ceiling on spending and get a budget that takes into account what is incoming and what is outgoing, then we will not have to get together on the ceiling or deficit. We will finally get the deficit in hand. But we will not get it in hand without a ceiling. That is why I am supporting the Jordan amendment.

Mr. BENNETT. But we cannot go home until this bill expires. We would destroy the credit of the United States, and we cannot leave the debt limit at $450 billion, unless we come back before January 15 and go through the same exercise.

Several Senators. Vote, vote.

Mr. PACKWOOD. Mr. President, regardless of the outcome, whether the Jordan amendment is voted up or down, I will offer an amendment to strike title II of the bill, which is the expenditure ceiling.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

SEVERAL SENATORS. Vote, vote.

Mr. AIKEN. If the Jordan amendment is approved by a sizable majority, then I suggest that when we go into conference, after the conferees have been appointed, they be instructed to stock with the amendment. That will save them a lot of time on rejecting an undesirable conference report, which I feel will not be passed.

I hope the Jordan amendment will be adopted and that the Senate sticks with it. Such action will save us hours before the end of the session—possibly several days.

Mr. BUCKLEY. Mr. President, I am deeply troubled by the proposal that the Executive should be delegated the authority to cut expenditures at will in order to maintain a $250 billion ceiling on Federal spending during the current fiscal year.

I am troubled, in large part, because it represents a delegation of congressional authority which could establish a most dangerous precedent. But I am even more troubled by the abdication of fiscal responsibility, on the part of the Congress which has made the proposed delegation probable and even necessary.

We are caught on the horns of the proverbial dilemma. On the one hand, we are faced with the fact that the Congress has shown no disposition to exercise that self-restraint which is essential to avoid adding new fuel to our inflationary pressures. The political and social consequences of a significant rise in the rate of inflation are simply too serious to ignore. They will not be alleviated by asserting prerogatives which on the record the current Congress will not exercise. On the other hand, we run the danger of establishing a practice which is subject to the gravest abuse by a future President and which will merely encourage a further abdication of fiscal responsibility by future Congresses.

This lack of self-discipline on Capitol Hill forces us to consider alternatives each of which poses substantial dangers. And in this there is a lesson. The Constitution will safeguard our liberties only so long as each branch of our Government will face up to its responsibilities.

On balance I would approve a delegation of budget-cutting authority to the President within reasonably narrow limits. This is why I have voted for the Taft amendment. I must oppose the Jordan amendment, however, because of its mechanical rigidity. I simply do not feel that it is prudent to require one reciprocal percentage cut in each of the nonexcluded categories of expenditures.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

So the amendment of Mr. Jordan of Idaho was agreed to.

Mr. JORDAN of Idaho. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

Mr. PACKWOOD. The reason for that debate was a long history in the speech as to the battle in England of Parliament to gain control of spending. And a thumbnail history of it is roughly as follows.

The King normally had enough revenues, crown revenues without consent of Parliament to run the royal household, to run the kingly duties, but the King never had enough money to make war. So whenever he wanted to make war, he would have to go to Parliament and ask it to pass taxes or revenues of some kind to make enough money to make war. And if the King was popular, the Parliament would often do it. Or if war was popular, it would do it. But in doing it, they would gradually put riders in the bill to correct some grievance that Parliament had in terms of the kingly exercise of prerogatives, and they often related to his efforts to raise money by what Parliament thought were extracurricular methods.

Over the centuries and finally culminating in 1689 in the English Bill of Rights, the Parliament finally gave itself the full power of the purse, which is why, 100 years later when we adopted our Constitution, there was almost no debate about the issue of who had control of the purse. Congress did. It was not a significant factor in the debates when we adopted our Constitution.

There is no question but that Congress still has that power. We can argue all we want—how long have we heard this argument the President says, well, Congress cannot spend any money, or this country cannot spend any money Congress does not appropriate. And then somebody else will say appropriations have been cut every year above the level that the President wanted. And then somebody else will say, yes, that is because Congress 2 years ago passed some kind of an authorization compelling the President to ask for more money that he did not want to ask for, and then we cut it 5 percent and say we cut what he asked.

That argument can go back and forth as long as we are here. Both the President and Congress are at fault. Both Republicans and Democrats are at fault. And there is no point in finger pointing at the President or finger pointing at the Congress, one or the other, and saying it is your fault; no, it is your fault; it is your fault; it is your fault.

This is what we are up against and why I finally changed my mind on the constitutional amendment, and it was experience, not logic. In a democratic society—and we are that—it is difficult, well-nigh impossible, for elected officials to say no unless they are compelled to say no.

Take the health reform bill we are considering, for example. Every single group that has any tangential connection to the delivery of health wants to be included in the basic benefit package. They may have the most tangential connection, but they are convinced they are the linchpin to the delivery of health services so they come to us and they lobby us. And all of us, being decent and nice people, not wanting to say no, say, "I will consider your position."

Finally, 10 or 15 groups, all of which want to be included, have come to us and, not wanting to say no and not having enough money for all of them, we probably include them all but say we will only pay these particular groups 50 percent of their bills, when everyone else gets 100 percent and that way it fits within the money alloted. In a year or two they come to us and say why are we only getting 50 percent when they are getting 100 percent? We say that is not fair; you should get 100 percent, so the spending compounds and goes on.

I am not saying we are any worse sinners than anybody else. It is I think human nature when somebody comes up to you and asks for your help, you like to help them. You do not want to say no, get out of here; I do not agree with you. At worse, if that is what you are thinking, you probably finesse it. You finesse it with your neighbor; you finesse it with your constituents. You say thanks very much; I appreciate it. That is a very well-reasoned argument. I will give it consideration. They go away thinking you have agreed with them.

That is why we are in the situation that we find ourselves. We have said yes to everybody. We have said yes to Social Security recipients, yes to Medicare, yes to Medicaid, yes to defense for a long period of time, although defense is now not the factor that is driving the deficit. It may have been at one time, but it certainly is not now.

I will cite the statistics you have heard in one form or another, or take four programs: Social Security, other Government civilian retirement, military retirement, and Medicare-Medicaid. Those four plus interest: Those four, plus interest, in 1963 were 24 percent of our budget. In 1973, they were 37 percent; those four, plus interest. In 1983, 47 percent; 1993, 56 percent. Absent any change in the law, in the year 2003, they will be 69 percent of all the money we spend. That means one of two things. Either all other programs get squeezed—Amtrak, education, the Environmental Protection Agency, the Forest Service, airport safety, and everything else gets squeezed—or we raise taxes to pay for it, or we borrow.

The latter is what we have been doing most of the time because we did not want to say no to Amtrak, we did not want to say no to the Forest Service, and we did not want to say no to the EPA. So we borrowed. The only restraint we have had at all in the last 6 years was the budget agreement made between the Congress and President Bush in 1990 and then extended again last year that put caps on what could be spent. That is the only restraint we have had. And those do not apply to the entitlements. They are exempt.

So I have come, out of experience, to the conclusion that we need a balanced budget amendment to compel us to do what we know we should do. I do not think even those who are going to vote against this amendment will disagree with the conclusion of what is trying to be reached.

We know what we should do. But by experience we have proven ourselves and Presidents incapable of doing it. Or do we have temporary moments of euphoria when the deficit goes down a bit? Yes. But over the years, is that euphoria justified year after year? No. Not a bit.

So I congratulate the Senator from Illinois [Mr. SIMON], and the Senator from Idaho [Mr. CRAIG].

Are there defects in this amendment? I have listened to the arguments. I suppose there are defects in everything we do. If I were king of a government, I am not sure I could draft it better. Will it work exactly as we hope it will work? Will the courts do exactly what we think it will do? There is no guarantee. But ask yourselves: What is the alternative? Because it is not perfect in somebody's eyes, does that mean we do nothing and go on with what we are doing, or do we say we cannot do that? So let us try this. The risk of doing nothing and continuing on our present path is worse than the risk that the amendment might not be perfectly drawn.

So I am happy to support it; have been happy to support it for the last 10 years. I have been here long enough that I came to that conclusion, not out of logic but out of experience, that decent as most Members of Congress are—I find them decent in the House and Senate—and decent as most constituents are, everybody sees the world in their eyes. Their eyes is that we should balance the budget but not at their expense.

How many times have you gone to the civic club lunch and somebody gets up, and says, "You cannot run this place like you ought to." He says, "You borrow money," to which I first used to say, "Yes. You can run your business like we run the Government, if the bank will loan you money forever and only ask you to pay the interest. You can run your business at a loss forever." Most businesses cannot do that.

Then I will say to the person, "All right, how many people in the room favor a balanced budget amendment?" Ninety-five percent put up their hands. "How do you think we should balance the budget? Raise taxes?" "No. Oh, no. Do not raise taxes." "Cut spending? How many want to cut spending?" Ninety-five percent. "Where should we cut? Social Security?" "Oh, no, no, no, not Social Security." "Medicare?" "Heavens no. That does not even pay for prescription drugs now." We cannot cut Medicaid. "Highways? Highways are terrible." "No, not highways."

You start going down the list of where you are going to cut. You know where we are going to cut? Waste, fraud, and corruption. That is where. That is going to balance the budget by getting rid of all the waste, fraud, and corruption. Except when you look at Social Security and you realize that their administrative costs are less than 2 percent—Social Security, not the Medicaid part. The pension part is a relatively automatic program. How long did you work? How much did you make? How old are you? Here is your check. It goes up automatically with the Consumer Price Index, and there is not much discretion. We can administer that program very effectively.

Is there any waste, fraud, and corruption in that program? I do not think so. Is there any waste, fraud, and corruption in Medicare? There we have cuts in fraud in Medicare more on the part of the providers than the consumers, and it is a more difficult program to administer because there is more discretion in it. But if you ask the average citizen if there is waste, fraud, and corruption in Medicaid, they would say, "No, I do not think so." Medicare? Not many people say so. Interest on the debt? We have to pay that. We would be sued if we did not pay that.

So do I understand the ramifications of this amendment, if it works? Again, I am not going to try to second-guess what the courts may do 5 years now. Do I understand the ramifications? Yes. Do I understand that, if it passes, we will have to raise taxes or cut programs or a combination of both? Yes, I understand that. Am I prepared to cut programs? Yes. Where? I have said it for the last several years. I will say it again. I think our retirement programs—military retirement, civilian retirement, Social Security—need to be restrained. And we should not be raising them by a cost of living every year.

I think our health programs have to be dramatically restrained. And perhaps the most discouraging comment I have heard about the President's program was given not by a supporter, but by somebody who certainly thought it was not bad, Dr. Reischauer, head of the Congressional Budget Office, when he was testifying. He indicated what the effect of the President's program would be. This is where he said the premiums are taxes, and it made some of the President's supporters mad that they were being called taxes. But they are in essence.

He testified more or less favorably about the President's program. Then he made this statement: If this program goes into effect, the President's health reform program, and everything works right, why, then the percentage of our gross national product that we spend on health in 10 years will be 19 percent instead of 20 percent. We are currently spending 14 percent. And if everything the President proposes works right, we go from 14 to 19 percent of our gross national product spent on health.

Our health outlays will have to be trimmed. That means there may be some services we now pay for that we cannot pay for, and we may have to ask consumers to pick up more of the costs. Yes. That is where I would like to start before I consider tax increases although I do not write off tax increases as a possibility. We have done it in conjunction with cuts.

So Madam President, let me say again that I have reached my decision on experience, not logic. My experience is that Republicans and Democrats, Presidents and Congress, will continue to spend and increase the deficit so long as we are governed by the present Constitution, or until the country goes bankrupt, which has happened in most other civilized countries in their history. I assume it could happen to us. It has happened to most countries in the world. Then you repudiate your debt and start over. And for a long time you are on a balanced budget because nobody will loan you money. I hope it does not come to that.

I hope this amendment is adopted. There is ample period of phasing in of this amendment to meet its requirements—assuming it works, as we hope it will. There is ample time to meet the requirements. It is not like we are passing it and saying tomorrow, find out how you are going to narrow a $200 billion deficit.

If we are forced to it, can we do it? Yes. If we are not forced to it, will we do it? No.

So, Madam President, I hope this Congress will pass this. I have no doubt that the States will ratify it in a very short period of time, even though they may know that some of the things we may cut are gifts and grants and matching funds that we now give to the States.

I congratulate the Senator from Illinois and the Senator from Idaho again. They have done a yeoman's job on this. I wish them good luck, and I hope they have 67 votes.

Mr. SIMON. Madam President, I simply want to commend the Senator from Oregon. The reality is that we have to simply face up to this thing. The Senator has learned, as he says, from experience, that we have to do this. We just cannot let these things go up endlessly. In fact—if the page can take this over to Senator PACKWOOD—this is from OMB's four volumes that we get with the budget. If you look at that graph there, it says "Lifetime Net Tax Rates Under Alternative Policies." I was born in 1928, and I end up with about 30 percent. I assume the Senator was born around 1940.

Mr. PACKWOOD. 1930.

Mr. SIMON. You are in the same category.

This was put together by OMB to show what a great thing they have done. Down here it says "future generations." Before we passed reconciliation last year, column 1 says that 93 percent of lifetime earnings would go for taxes. Then after we pass reconciliation, it is 82 percent; and then in the next two columns, if you assume health care reform and you assume the optimistic economic scenario of the administration, in 10 years, without a down blip at all, future generations will pay 66 to 75 percent of their net lifetime earnings in taxation.

Mr. PACKWOOD. If the health bill works.

Mr. SIMON. If it works.

Madam President, as my colleague from Oregon knows, that just is not going to happen. What we will do before we get there is we will do what countries have done historically, from ancient Florence down to Germany after World War I, and others: We will start printing money. We will devastate savings and retirement funds and everything. I think the Senator from Oregon has hit the nail on the head in his comments. I simply commend him for what he has said.

Mr. PACKWOOD. I thank my good friend.

Mr. SIMON. Madam President, I suggest the absence of a quorum, and I ask unanimous consent that the time of the quorum call be divided among Senator CRAIG, Senator REID and myself, but not Senator BYRD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. GRASSLEY. Madam President, I ask unanimous consent to speak as in morning business for 8 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator is recognized.

FRAUD IN PUBLIC CONTRACTING

Mr. GRASSLEY. Madam President, today I will speak for a few minutes on the topic of public contract fraud.

The taxpayers got good news Tuesday when the Supreme Court let stand the court of appeals' ruling in U.S. ex rel. Kelly versus Boeing that the whistleblower provisions of the False Claims Act are constitutional. That should settle the issue once and for all. Congratulations to Senate legal counsel Michael Davidson and assistant Senate legal counsel Claire Sylvia for their outstanding advocacy on the side of Congress and the taxpayers.

I had hoped the new Justice Department would step in and advocate the constitutionality of whistleblower lawsuits, but I am still waiting for Attorney General Reno and her assistants to follow up on their confirmation hearing promises to consider reversing the hostile neutrality of the previous administration.

This and other matters have caused me concern that the new administration is no more committed to an aggressive stance on public contract fraud than the previous two administrations were. That concern was compounded on Wednesday, when Attorney General Reno and President Clinton nominated Defense Department general counsel Jamie Gorelick to be second-in-command of the Justice Department. I am concerned that this nomination signals an administration willingness to let the fox guard the chicken coop when it comes to fraud on the taxpayers.

Ms. Gorelick has a fine reputation as an effective lawyer and bar activist. What concerns me is how she earned that reputation—by specializing in getting defense contractors off the hook for fraud against the United States. Ms. Gorelick spent the last 12 years working as outside counsel for companies like General Electric, Teledyne, and United Technologies. I have always been uncomfortable with the revolving door between the Justice Department and the public contract defense bar. In this instance, I am concerned that Ms. Gorelick has campaigned so hard and so long for the contractors' side of fraud issues that she will find it difficult to turn around and zealously protect the interests of taxpayers. I am anxious to hear the extent to which she will recuse herself from issues that affect the former clients in the defense industry, or her former colleagues in the public contract bar.

My concern about how Ms. Gorelick will handle fraud matters as Deputy Attorney General is heightened by the fact that her current office—Pentagon general counsel—is currently advocating positions on a major fraud statute which favor the defense industry over the taxpayers. I look forward to her confirmation hearing in order to discuss these issues in detail.

The Judiciary Committee is presently considering housekeeping amendments to the whistleblower provisions of the False Claims Act. Under the act, better known as the "Lincoln law"—after its enactment in 1863 to deal with fraud by Civil War arms manufacturers—private citizens with knowledge of fraud can sue the culprit on behalf of the United States, and share in the Government's recovery. Since Representative HOWARD BERMAN and I got amendments enacted in 1986 which revived the act, the Lincoln law has brought $588 million back into the Treasury. The Government now recovers more money through these whistleblower lawsuits than through suits initiated by the Justice Department.

Not surprisingly, Defense contractors hate the whistleblower law. They hate it because it is very effective at exposing their fraud. The law allows honest employees who don't want to be party to their employer's fraud, and who find the Federal bureaucracy lackadaisical in its representation of the taxpayers, to act as citizen attorneys general and make their employers accountable for the fraud.

When we enacted the amendments to the Lincoln law in 1986, I knew we would be hearing from the Defense contractors down the road. It has finally happened. The contractors and their slick lobbyists have descended on Capitol Hill. They are breaking out the crying towels, complaining about how hard it is to cope with the whistleblower lawsuits. A coalition of major defense contractors is pushing for a series of amendments which would emasculate the Lincoln law. They are also pushing a bill to streamline procurement law—which is another way of saying they want to gut much of the procurement reform legislation of the 1980's.

These same companies have paid out more than a half-billion dollars in penalties and settlements for fraud in just the past 3 fiscal years—a quarter of which comes from whistleblower lawsuits alone. My message to the contractors is: Stop the fraud, instead of blowing money on billable hours in futile efforts to gut the Government's antifraud tools.

While I expect companies who feed at the public trough to lobby to weaken fraud statutes, I am always surprised at the extent to which the administration, be it Republican or Democrat, seems more interested in protecting contractors than protecting taxpayers. But my experiences with the Reagan administration, the Bush administration, and now the Clinton administration have all shown me that's the case. The Defense Department is out to protect its contractors, and the Justice Department is out to protect the Defense Department. Which brings me back to Ms. Gorelick.

The Defense Department has been pressing within the Government for amendments which would significantly weaken the Lincoln law—amendments nearly identical to those promoted by the defense industry. I want to know from Ms. Gorelick why lawyers in her office have been advocating amendments which would gut the whistleblower law. I want to know whether she has directed these efforts, whether she agrees with the positions advocated by her office, and whether she will press the same antiwhistleblower agenda when she gets to DOJ.

This is especially important given the current lack of leadership on these issues at DOJ. While the Attorney General and her chief deputies all pledged to reverse the previous administration's hostility to whistleblowers, their actions speak louder than their words. So far, the Department has shown itself to be more responsive to the antiwhistleblower sentiments of career lawyers burrowed into the bowels of the civil division, and to the defense industry's protectors at the Pentagon.

I want the change in leadership at the Justice Department to accomplish a change in policy on fraud and whistleblowers, not a step back in the other direction.

I yield the floor.

BALANCED BUDGET AMENDMENT

The Senate continued with consideration of the joint resolution.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. President, I yield to the senior Senator from Virginia 10 minutes.

The PRESIDING OFFICER. The Senator from Virginia [Mr. WARNER], is recognized for up to 10 minutes.

Mr. WARNER. Mr. President, I thank the managers of the bill.

Mr. President, I am in somewhat of an awkward position in that I had hoped to submit this amendment yesterday. Unfortunately there was a unanimous-consent request of which I was not aware and I accept the responsibility for not having gotten the amendment in a timely manner. At an appropriate time in the course of this debate, I will try to prevail on the managers and, if necessary, the Senate as a whole to consider the wisdom of this amendment.

Mr. President, the balanced budget amendment, which I support, provides some flexibility with respect to Federal budgeting in time of war.

Section 5 of the proposed constitutional amendment says that:

> The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

It also says that those provisions:

> may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution.

In subsequent debate, I will point out the very few instances in which—certainly in recent history—this country has declared war, despite the numerous military engagements we have been involved in short of such a formal declaration of war. Lives and limbs and the dollars of our Nation can be spent in military engagements, and have been spent in military engagements many times, without the Congress of the United States declaring war.

That is the specific problem that I find with the underlying balanced budget amendment, which hopefully can be addressed with respect to my amendment.

I am concerned that providing budget flexibility only in the situation of war—that is, where actual conflict has already commenced—is too tight a restriction to serve the Nation's security interests. My amendment would provide wartime flexibility also during a national security emergency declared by either the President or the Congress.

Mr. President, there is a whole framework of laws that have grown up in this area describing what constitutes a national security emergency, and in subsequent debate I will specifically bring to my colleagues' attention those laws and what they are. My amendment tries to make this overall budget amendment, the constitutional amendment, comport with this recent body of law that has grown up here in recognition, Mr. President, of the fact that Congress does not declare wars as it did in times past.

If the balanced budget amendment provided budgeting flexibility only when a war had already commenced, as written, it would be just too late, I say most respectfully to the authors. Modern wars are high-tech, fast-moving, come-as-you-are affairs. In other words, we fight such wars, defend freedom and security, with what we have in our arsenals at the time that conflict arises, with the men and now the women that are in uniform and that are trained, and with the Guard and the Reserves, which are a very important adjunct to our overall national defense.

Once a war has begun, it is too late, with today's technology, to start building ships and planes and ordering the equipment that our brave men and women in uniform need.

We need to provide some budgeting flexibility there for periods of tension or increased threat that may occur in the period before a war breaks out, which would assure that our Armed Forces could prepare and ready themselves to either fight the war or hopefully deter it.

And may I depart on that point?

Very often, our President recognizes the opportunity to deter war, to stop it before it starts, by declaring a national emergency, by augmenting our overall national security, be it calling up the Guard or Reserve, or ordering the materials beforehand, and letting that send a signal to deter that war before it starts.

I just simply say, in all due respect to the distinguished author and managers of the joint resolution, I think the balanced budget amendment is drawn too tightly, and it takes away from the Commander in Chief of the Armed Forces of the United States the opportunity to deter and take such steps that might avoid war, to give him the flexibility to do what he or she, as the case may be, thinks appropriate to deter, through diplomacy and other means, to protect American interest—again, a way to avoid a war as is written into this amendment.

Accordingly, I propose that the budget flexibility that applies under the balanced budget amendment in wartime also should apply in time of national security emergency. We do not, of course, want to simply delegate broad authority to a President to claim, as a matter of just a passing moment with him, that a situation is a national security emergency and thereby escape the fiscal discipline imposed by the balanced budget amendment.

We do not do that, I say to the distinguished author. My amendment would not do that.

My amendment would provide a mechanism that if the President declared a national security emergency for the purposes of the balanced budget amendment, and Congress were to disagree with that declaration, we could, by joint resolution, override the President's waiver for the balanced budget amendment. Thus my amendment includes a set of checks and balances.

In short, while I would give the President the authority to trigger the balanced budget amendment in the event of a national security emergency, my amendment reserves to the Congress the power to decide whether the balanced budget amendment would continue to apply during such period.

So, Mr. President, at the appropriate time, I will discuss this amendment with the managers and hope that I can have it considered by this body as part of this debate. I regret not having included it yesterday in the unanimous consent agreement.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois, [Mr. SIMON].

Mr. SIMON. As the Senator knows, we have an agreement and it would take unanimous consent to permit the Warner amendment to be adopted.

I ask a page here if you could take this to Senator WARNER.

This is from the GAO report of June 1992. This has obviously changed some, slightly. But if you will look at their projections from 1990 down, take a look at defense spending in 1990, 24 percent, you see the squeeze that takes place in defense down to 8 percent.

You know, when you talk about what is the threat to defense in the future, it is this growing cancer of interest, because we are just not being fiscally responsible.

I join Senator WARNER in wanting a strong, adequate, mobile defense. I look forward to working with him. But I just wanted to point that out, because it is one of the realities that we have to face in the future.

Mr. WARNER. Mr. President, I thank the distinguished manager.

Mr. President, I ask unanimous consent to proceed for another 8 minutes, if that is agreeable.

The PRESIDING OFFICER. The Chair would assume that the request would have the time chargeable to the Senator from Idaho.

Mr. WARNER. Mr. President, would it be possible to ask unanimous consent to proceed in morning business for 6 minutes?

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. If I could respond to my friend from Virginia, we have been debating this balanced budget amendment and all day long we have had people coming over to speak in morning business and we have not debated the balanced budget amendment.

I stated earlier today that we had to get to the balanced budget amendment. So I am constrained to object.

How long does the Senator wish to take?

Mr. WARNER. Mr. President, I simply wish to speak on behalf of a group that attended a meeting with the President of the United States this morning to discuss several key issues. But if it is going to be totally disruptive, I could possibly summarize my remarks in 2 minutes. I think I have maybe 2 minutes, Mr. President, under my current time allocation.

The PRESIDING OFFICER. The Senator has 1 minute and 37 seconds remaining on the time yielded to him by the Senator from Idaho.

OUR INTELLIGENCE SYSTEM

Mr. WARNER. Mr. President, a group of us from the leadership met with the President this morning with reference to the very serious case involving our intelligence system. We had a thorough discussion on that.

This Senator has not spoken out, even though I am vice chairman of the Intelligence Committee, about the Ames case. And I will continue to withhold my thoughts on it because, believe me, we should maintain a tight lip for fear that somehow a statement made by, say, a person in my position on the Intelligence Committee or others could jeopardize the criminal procedures to which these two defendants, the Ames family, should be accorded under the laws of this country.

It would be a double tragedy if, for some reason, through statements made or other actions, we would jeopardize the criminal process in this case so that due process is not fully met and accorded these individuals.

I do not say it on behalf of the individuals. I say it on behalf of this country. This has been a tragic case and it would be a double tragedy if somehow they got off as a consequence of statements.

I would also add that I recommended to the President and the group at this meeting that it is incumbent upon myself, the chairman of the Intelligence Committee, and our two counterparts in the House, together with other members, such as Senator COHEN, who has taken an initiative in this area, to draft a law which will change, perhaps not completely, the manner in which we currently—could I ask of the managers another 1½ minutes?

Mr. SIMON. I yield 1½ minutes of my time to Senator WARNER.

The PRESIDING OFFICER. The Senator is recognized for an additional 1½ minutes chargeable to the Senator from Illinois.

Mr. WARNER. I thank the distinguished manager.

Let me repeat the statement.

It is incumbent upon those of us who have the responsibility over the respective Intelligence Committees of the two bodies to work with the administration in drafting a statute which will change, perhaps not completely, but change the manner in which we maintain a check and balance on our own persons in that system—not a wholesale invasion of their personal lives. But if a U.S. citizen is going to serve in the intelligence business, voluntarily, then I think they will have to consider, particularly in these most sensitive portions of our intelligence like counterintelligence, they will have to accede to a greater degree of monitoring of their personal lives so as to preclude ever again the American public awakening to see individuals in these high positions, such as the Ames family, conducting their lifestyle as has been reported.

I felt the meeting was a very encouraging one on several aspects. It is a continuing opportunity for this body to consult with the President and his chief advisers on matters of great sensitivity to this country.

I thank the Chair and I thank the managers.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I yield myself as much time as I may consume.

The PRESIDING OFFICER. The Senator is recognized accordingly.

Mr. SIMON. Mr. President, just commenting on the last item that Senator WARNER commented on, way back when, I served in military intelligence in the Army. I do not think there is any question that the CIA has to monitor the personal finances of people who work for the CIA. If there is anyone who is working for the CIA and is showing a very lavish lifestyle, serious questions have to be asked. That is just basic in intelligence, but the basics have not taken place.

BALANCED BUDGET AMENDMENT

The Senate continued with the consideration of the joint resolution.

Mr. SIMON. Mr. President, since 1980, we have spent $1.7 trillion, I regret to say—$1.7 trillion—on interest. In the next 5 years, we will spend $1.7 trillion on interest. We have to change those habits. We spend $800 million a day on interest. That would pay for more than the entire annual Federal budget for Amtrak.

That would be about the same as the annual budget for the FDA. These are fiscal 1994 figures.

That is one-fourth of the annual budget for our WIC Program that provides so much help to so many women and infants.

It is 44 times the annual operating budget for Yellowstone National Park, which we spend each day in interest for which we get nothing other than higher interest rates.

And one-forth the annual budget for Head Start, for interest; we get nothing for it.

Clearly, we have to do something. With all due respect for my friend from Nevada, the Reid amendment will not do anything. The Reid amendment, in fact, if it had been in effect all these years would not have reduced the deficit one dime. This morning's New York Times, in an article by Adam Clymer, says,

> The substitute version—

referring to the Reid version—

> was intended to serve as a political figleaf that would allow some Senators to vote for the measure and then, after its near certain defeat, vote against the original version and still tell constituents they had supported a balanced budget amendment.

That is the story right there. That is what it is, otherwise, the sponsors would not have requested that we have to have 67 votes to adopt the amendment. It is the first time we ever had that kind of request.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. SIMON. I will be happy to yield for a question.

Mr. FORD. Mr. President, the Senator from Illinois, my distinguished friend, is accusing me as a cosponsor of the Reid amendment as being a stalking horse. I assure him that I am not. I intend to get every vote for that resolution that I possibly can. So I do not care what is read in the paper or what you read into the RECORD. I want my personal record to be there that I am not giving you or anybody else cover to vote for this amendment. If you want to vote for the amendment, which I think is better than yours—and I am not shopping it to see if I can get something on it to get a few more votes.

I just want to clear the record, Mr. President, regardless of what you read in the newspaper—we just heard our distinguished President pro tempore fuss a little bit about the news this morning.

I just wanted everybody to know this is not a cover for everybody. This is a legitimate resolution that is put forward for my colleagues to consider. If they like it better than the Simon resolution, well and good. If they do not, we will just take our chances. But I am not a cover for anybody here to vote for this resolution by Senator REID, myself and Senator FEINSTEIN and Senator CONRAD, to give them cover so they will not have to vote for the Simon resolution.

Mr. SIMON. Will my colleague from Kentucky, and I am pleased to serve with him, and we served as lieutenant governors way back when——

Mr. FORD. You will be telling how old we are. Be careful.

Mr. SIMON. Will my colleague recall any other time we had an amendment offered where the sponsors of the amendment requested that there had to be a 67-vote approval for the acceptance of the amendment?

Mr. FORD. This is a stand-alone resolution. I have never heard of any other constitutional amendment being shopped around like any other piece of legislation to see what you would like to have so I can get enough votes. You call ours a budget amendment light, or something. I am not more lighter than you are. You do not have enough votes. You are light; you do not have enough votes for adoption of your amendment yet. If you are going to call ours light and start making light—l-i-g-h-t—of it then I think I ought to be here to defend myself, and I will be in a few minutes.

Mr. SIMON. Mr. President, when I referred to his budget amendment light, I was not referring to the votes, but I was referring to the substance of it. When the amendment says that you have to balance estimated outlays and estimated receipts rather than real outlays and real receipts, that is fairly significant.

When the amendment also says you can have a capital budget and for State governments and local governments, that frequently is necessary. At the Federal level, we have no project that requires that. The biggest project in the history of humanity has been the Interstate Highway System. Because of a Senator by the name of Albert Gore, Sr., we did not, as President Eisenhower requested, issue bonds. But Albert Gore, Sr., said, "Let's have a tax increase and do it on a pay-as-you-go basis."

That is what we ought to do. That is what GAO has suggested. We ought to divide within the budget investment and operating expenses, but they make very clear it would be a disaster for the country to start down the business of saying, well, capital projects—that means highways, airports, all kinds of things that would be there.

This amendment by my friend from Nevada has no muscle, has no teeth. We are going to gum the deficit down with this one. It has no teeth at all. Our amendment says if you want to increase the debt, you have to have a three-fifths majority. That is tough. Senator BYRD says it is too tough. I think it is realistic. I think it has to be tough, otherwise it becomes meaningless.

Finally, this proposed amendment mentions the Director of the Congressional Budget Office in the constitutional amendment. It talks about the Federal Disability Insurance Trust Fund in the constitutional amendment. The Constitution does not mention the Secretary of State or Secretary of Defense or other offices. We should not be doing that.

In just 2 final minutes I want, Mr. President, to talk about something else. I do not recall whether the Presiding Officer was here when we had the New York City crisis. But people said: "How come someone did not warn us?" And then they had to make dramatic cutbacks. Some of the programs for the poor, for example, were cut back 47 percent.

We are here warning you right now for the Nation—and unlike New York City, which has the umbrella of the Federal Government, there is no umbrella for the United States of America. Yes, there is the International Monetary Fund if we had minor problems, but not for a country that is one-fifth of the world's economy.

To my friends who are in opposition to my amendment, I would like to speak very directly. Among the labor unions—and I have, by and large, voted with labor unions. Sometimes we have differed, but by and large, I have been a strong supporter because philosophically I agree with it—I can understand why ASFME, some of the governmental unions oppose this because there will be some diminution of the numbers of people working for the Federal Government. I do not think there is any question about that. That is true short term. Long term, I think those employees will be well served by this so that we do not spend the money on interest and we can be spending the money on other projects. But I can understand that.

But for the construction unions and the industrial unions, they get absolutely nothing out of this continued deficit. When the New York Federal Reserve Bank study says we lost 5 percent GNP in 1978 to 1988 because of the deficit and CBO says 1 percent is 650,000 jobs, that is 3¼ million jobs. I cannot tell you how many of those jobs are UAW jobs or Steelworkers or in the construction trades. But there is no question we lost hundreds of thousands of union jobs because of that deficit.

When the Wharton School of Economics a week ago yesterday, in their report, says if this is adopted, their prediction is that 30-year bonds will drop from 6.5 percent to 2.5 percent, that would be a bonanza for home construction and industrial investment in this country. Clearly, among the major beneficiaries if this is passed are those who are members of the industrial unions and the construction unions.

Then when we spend money on interest—and this past year, past fiscal year we spent $293 billion. That is more than the total budget was when I was elected to the House of Representatives. Of that amount, much of it we spend here, but it is not countercyclical, like money we give, for example, to someone on Social Security. Someone on Social Security who receives $800 is going to spend $800. Someone who receives money from a Treasury bill will spend it if it is a wise investment. But if things look like they are shrinking, the economy is shrinking a little bit, they hold on; they save it. Plus 17 percent of those holdings are held by foreign individuals and foreign governments, and that is the public acknowledgement. There are those in addition to that 17 percent who, primarily because of domestic laws in their countries, hide it, but 17 percent is there for sure.

That means of the money we spend for interest, about $60 billion every year goes overseas or to other countries. That is money that does not create any jobs in this country. That is just a drain on our country. It is a drain that we ought to stop.

In terms of those who fight for those who are less fortunate, for the poor in our country, the reality is, as the GAO points out, as interest grows as a larger and larger part of the pie, that squeezes out our ability to respond to the needs of the poor.

In the Concord Coalition study—and I have to say I have been impressed. While I do not agree with every recommendation they make, I have been impressed with the solid work they do in their economic studies—they say because of the deficit we have not had the industrial investment we should and the loss in productivity has cost us to the point where today the average American family gets $35,000 a year. If we had not had the deficits, it would be $50,000 a year. And again, 3.75 million jobs. If we had something up here to create 3.75 million jobs, we would be overwhelmed with people fighting for it.

I think it is important that we continue our effort to save those jobs, and the only way you are going to do it I think is with a balanced budget amendment.

Look at the area of education. In the last 12 years, in inflation adjusted dollars, education has been minus 8 percent while interest has gone up 91 percent. What if 12 years ago we had had a balanced budget amendment? I think education would have grown. Certainly interest would not have grown as it did. It would have given us the flexibility to do some things.

Finally, for senior citizens, because there is a concern, we are protecting, according to Bob Myers, the Chief Actuary for 23 years of the system—and I just read a statement by Senator MOYNIHAN, a letter to the editor he had in the Washington Post where he said he really learned a great deal about the Social Security System from Bob Myers—Bob Myers says the only way to protect Social Security trust funds is to have a balanced budget amendment.

I think we have to do the responsible thing. I think we need a constitutional amendment. I believe we are heading for one. Whether we are going to do it next Tuesday or not, I do not know. I hope we do the responsible thing and pass it Tuesday.

I was on a program last night with my colleague from Nevada, Senator REID, and he said it is coming. I would keep in mind what Senator HATCH said on this floor yesterday and what Senator BROWN of Colorado said the other day, that if we do not pass a moderate constitutional amendment as I have proposed here, together with many of my colleagues, the next one that passes may be much tougher than this. We have something I think is balanced, it is in the best interests of the country, and I hope we will do the responsible thing and pass it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I yield 20 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for up to 20 minutes, the time chargeable to the Senator from Nevada.

Mr. FORD. Mr. President, I thank the Senator from Nevada for allowing me this time.

I support a balanced budget amendment and always have. The borrow and spend policies of the past must not continue. We all know that. The ability to expand our economy and provide job opportunities for this and future generations, much less provide for a nation that can function beyond simply servicing its debt, absolutely depends upon bringing the deficit under control. I think that my friend from Illinois would agree with this sentiment and I agree in principle with his amendment. I think that the Senator has done the Nation a great service by his tireless work on behalf of this serious matter. However, there is room for improvement in most things including, the original language of Senate Joint Resolution 41.

It is the job and the responsibility of the Congress to control the spending of our Nation. Unfortunately, we have abandoned this role, to a large degree, by running large budget deficits during normal times. By normal times I mean not during war, or recessions. This practice is not only fiscally irresponsible, but with the huge debt we are now passing along to our children, it has become morally irresponsible as well. We as a congress and, being the representatives of the people, as a nation must begin to regain control of our spending policies. We need something that forces us to do this. An amendment to the Constitution would do just that. While one law can be changed by passing another law, this legislation would make fiscal discipline mandatory.

However, the Congress must not pass the buck once again by relinquishing control of the budget all together. Congressional control must be maintained and our amendment does just that. Deficit spending by itself is not the problem. The problem is chronic deficit spending in good times not just bad ones. Furthermore, we are not borrowing at the present time to rebuild infrastructure by building roads, airports, or an information super highway. Nor have we been borrowing for the last 30 years to bring a faltering economy out of recession or prepare for war. We have had the need from time to time during that period and during these periods, borrowing represents sound fiscal policy. During times of war or economic downturn, these policies help the economy and help our Nation as a whole. But this is not what we have been doing at all. What we have been doing is borrowing to pay the interest on previous debt.

Let me put this in terms that every American can understand. When a company decides to expand or buy more efficient equipment, it generally borrows the money, knowing that this investment will more than pay for itself in the future. The profit earned is used first to pay off the loan and the extra is kept as income. The key word in all of this is invest. Investment as our President has been saying for some time is good, it provides benefits in years to come. We invest a great deal of money on the Federal level, upwards of $200 billion. This money is well spent and will pay dividends to our children and their children. When we build a highway, it increases economic efficiency and activity, real dividends that pay off in real jobs and increased incomes. Congress should not cut off its nose to spite its face. Our amendment protects this vital investment portion of spending. It keeps responsibility with the Congress and gives us the flexibility that we need during hard times and the discipline we need during the good ones to manage the budget in a responsible manner.

Let me get back to my example of a business borrowing to expand or upgrade its facilities. Bad fiscal policy is when all of the profits earned from the improvements are frittered away on other expenses, and the loan is never repaid. When this happens, the situation goes downhill fast. If the belt is not tightened and the loan is not paid off, the company, no matter what, will go bankrupt. It can borrow more money for a time but eventually it must pay off its loans or the banks will eventually turn that company down. We are a nation that is getting perilously close to that last loan. We are borrowing not to invest for growth, but instead simply and irresponsibly to pay off interest on past loans. All the while our debt continues to mount and we have nothing to show for it. This is the type of behavior that must be stopped and our amendment is the prescription for this sickness. It stops the bad borrowing but keeps the Congress in control of investing in our Nation's future.

Our Founding Fathers placed the country's purse strings under the explicit control of the Congress. Our amendment keeps the control here. The judicial branch of Government has no business deciding on what program should be cut or what revenue should be raised. That is our responsibility. Our amendment keeps that responsibility right where it belongs. I won't talk on this point too long because, I think there is complete agreement among us on this point. However, I cannot stress enough that we in the Congress must make the hard choices, and if we do not our amendment calls for an internal solution. Should this happen, this legislation calls for uniform cuts; with everyone and every program paying equally. That is fair and just and it would be a congressional action.

Let me speak on another matter of grave concern to many of our citizens. That is the sanctity of the Social Security system. Many years ago, our Nation made a pact with its people to help them in retirement, whether that be in old age or by disability. Our amendment respects that agreement, in fact it reinforces it, makes it stronger, safer and more secure. This amendment has a lot to do with responsible action and nowhere is that needed more than on dealing with Social Security. It is exempt from our amendment, thus securing and fortifying its position as a separate trust fund. Neither receipts nor outlays will be counted as part of the budget under this provision. As my friend, and colleague from North Dakota [Mr. DORGAN] has pointed out, "the Social Security system is not causing the deficit." Its revenues and surpluses should not be used to mask the deficit nor should its outlays be counted as part of expenditures. Our proposal protects the sanctity of this most vital program.

In closing, I would like to stress just how strongly I favor a balanced budget amendment, but it must be the right amendment and our amendment is it. I have supported and continue to support my colleague from Illinois in his efforts to control Federal spending, however, our proposed changes make this a more honest and more workable amendment. Surpluses in trust funds whether it be for airports, Social Security or highways, will not be used to mask the true size of the deficit. And, equally important, it will allow Congress to maintain the flexibility needed during wars or recessions while protecting our capital investments and curtailing our practice of borrowing to pay interest on past loans.

Mr. President, I do not think anyone in this body with certainty can tell us what will happen in the future if we have a balanced budget amendment to our Constitution. I do not think we can say with certainty. And so with uncertainty, we get all the horror stories. And all the horror stories if this does not pass; something is going to happen. If it does pass, some other things are going to happen.

The implementing legislation that is required, if and when a balanced budget amendment passes, will give us some idea and eliminate some of the uncertainties, but that will be the legislative branch prerogative to pass the implementing legislation. So I wish to kind of put a little oil on the water if I can as to all the uncertainties we have been hearing about in the last few days.

We also hear the horror stories that if the Simon amendment passes, the courts will become the legislative body. Well, we scurried around and I guess now you have the Danforth amendment included in the Simon amendment, because the horror story was that the courts would then become the legislative body of this land. They would tell us what new taxes to impose and what programs to cut or what all new taxes and no programs cut or programs cut and no new taxes. So under the Simon original amendment the courts would have had jurisdiction over the legislative body. So we scurry around and find an amendment that will basically eliminate it. Not good enough. Not good enough because the Reid amendment says only the legislative body.

Well, then we hear we have no way to say to those of us who will make a vote, have discipline because the courts will not. So whichever way you go, you can find somebody on the other side.

It reminds me when I was president of a civic organization, and we had a question that was bothersome to me. I turned to the legal counsel for the civic organization, and I said, "Which way should we go on this?" He said, "Mr. President, go either way and we will make a heck of a case out of it." And so that is what I think we find here. Go either way and we will make a case on it.

We eliminate the worry of the courts telling the legislative body that is elected by the people what to do and what not to do, and that was our idea which was finally accepted by the so-called Simon amendment.

In 1983, the Social Security Program was in horrible shape. Everyone in this body understands that we were in real trouble with Social Security. But we all came together in a bipartisan way and corrected the problem with Social Security in outyears. Now they say the only way that you can save Social Security is a balanced budget.

Well, we are still collecting out of my check every month, and I suggest my distinguished colleague from Illinois is having his taken out every month. I do not know what that has to do with a balanced budget except if it is out there you can use it to help balance the budget.

So what the Reid amendment says is that after we have gone through the 1983 labor to fix the Social Security question, we have included in this amendment that we would not touch Social Security. On this floor you hear it. "Don't touch Social Security." Now we are trying to say a balanced budget saves it. That is the only way because they do not have this exclusion in this amendment. In the cloakrooms you hear talk, "We have to save Social Security." And over the lunch table we hear it, "We should not destroy Social Security." So the Reid amendment or resolution has taken care of that problem.

Do you know something, Mr. President? You can sympathize with me over this a little bit. I have heard for days now, and really for years: If 40-some-odd Governors can operate under a balanced budget, why cannot Federal Government? Well, Mr. President, I had the privilege, as you did, given me by the people of my State to serve as Governor. I even had the line-item veto. And the Kentucky Constitution states that the Governor—nobody else—the Governor must reduce expenditures if it is determined that the State would have a shortfall. But if you want to raise taxes, you have to call a special session for the purpose of raising taxes.

Now we hear that we do not want to operate like Governors. We just want to use them as operating under a balanced budget. We are going to give you an opportunity to say that you do not want to operate like Governors. You just want to use them as an image out there that operates under a balanced budget because Governors must operate under a balanced budget. Then we think that is good. But we do not want the Federal Government to do that.

Let us follow the State procedure, if it works. And it is simple. I operated, as I said earlier, under this procedure. We had an operating account and a capital account. I never vetoed a budget. I never exercised the line-item veto in 4 years. And I left $300 million in surplus. Pretty good, I thought, a lot better than we are doing here. We had the operating account and we had the bond issue. We have T bills here. Whatever the legislative process is, after the amendment is approved or disapproved, if it is, right now they are a little bit light. They call our amendment light. But they are light in votes, and they are struggling now to try to figure out a way to get some more. They are condemning our proposal because it has, in my opinion, more common sense in it than theirs.

So we had our operating account. We had our bond issue. We had the payments to be made out of the operating account. We paid it. We had a balanced budget. We had a surplus. Our estimates were pretty good.

If we had not gotten the agreement, as we now have, to vote next Tuesday at 3 o'clock, and then 4 hours later on the second amendment, we would have had the opportunity to vote on each one of those amendments to the Simon amendment, because many in this Chamber felt the Simon amendment did not include the exclusion of the courts. That is one. Social Security is another. You would have the operating and capital construction accounts to vote on up or down. And we would have had to vote on each one of those separately. We would delay moving towards a balanced budget, and the delays would have been, I think, helpful to those that oppose a balanced budget.

Mr. President, I interrupted the distinguished Senator from Illinois [Mr. SIMON], awhile ago when he was reading from the newspaper that this amendment is just a stalking horse to give cover to those who want to vote for a constitutional amendment that probably will not pass, and then that gives them a reason to vote against Senator SIMON.

Let me clear everybody's mind. I am for a balanced budget amendment. And I intend to vote for a balanced budget amendment, and maybe two before next week is over. But some ideas around here might just be worth looking at for a moment. There might be a moment. If you look into the future and how we are going to operate, this may be a pretty decent idea to try.

I hear that, "Oh, well, if we are going to vote for this, we will not have to do anything for 7 years." I thought we were under a budget constraint now. I thought we had caps on our budget now. I thought this was the third straight year of deficit decline, unprecedented in the last 31 years since Harry Truman. I thought we would have to continue to do that even though we required 2001 to have the budget balanced or begin that process.

I think this is a way we can do this to accommodate most people, rather than take the position that it is this way or nothing. I come from the State of Henry Clay. Henry Clay was a great compromiser. Henry Clay described compromise as "negotiating hurt"—negotiating hurt. You had to give up something most of the time that you really did not want to, and it hurt to give it up. But for the sake of progress, for the sake of bringing a consensus together, compromise is a pretty good thing.

So, we offer to the colleagues in the Senate the ability to say, we are not going to disturb Social Security. I do not care what you say about a balanced budget as long as you take it out of your paycheck and put it into a Social Security account. That is where it belongs.

We talk about capital construction of the highways. We are taxing now and not spending it. We are not spending it. We have billions; a $15-, $17-, $18-billion surplus in the highway account. We are not spending it.

Talk about airports capital construction; 10 percent of every ticket that is purchased goes into the airport improvement trust fund. There is $7, $8 billion in there not building airports. What is a balanced budget going to do for that? We are already charging the tax.

We can have our operating account. We can have our capital account. Some say that we ought to balance the Federal budget like we do our house account or our budget at home. We have an operating account at home. That operating account is the amount of income we have. We buy a car.

We can buy a car, maybe not a luxury car, but one within our means and what we can pay for. We decide we want to buy a house, and it may not be a mansion, but it is what we can pay for. What we should have in an operating account is our income. We make those payments on those capital investments that we have, and we keep our operating account balanced. I do not see anything wrong with it. If Governors operate that way—and some are beating their chests saying if Governors can do it, we can do it—here is how Governors do it. I operated under it. I understand it. I had a veto of the budget; I had the line-item veto; all of those, when I was Governor. We operated out of an operating account and out of a capital account. It was in the budget. We made our payments and we had a surplus.

I do not understand why that is not at least tickling the interest of some folks. But we are rigid right now. "It is ours or nothing." Well, you may just get nothing, with a capital "N." And you are light right now on votes. If you are light on votes, why not look at something that will be workable, because you will get some votes for this one. With the others, you might just pass this amendment. But the way you are going now, you are light by several votes.

My colleague keeps talking about taxes. I do not know that this brings new taxes. That one does. That is all I have heard is "the courts imposing taxes." Yes; we will have to pay taxes. For the Simons resolution, the report was $570 in new taxes per individual in my State. If you want it, I will get it and give it to you. Everybody quotes the paper around here. I will give you an article out of the paper. They do not necessarily have to be true, but we sure do quote them. So all of this propaganda is being put out.

So I hope that those who are so rigidly stuck to one amendment could at least give this one a little read; look at it a little bit. We take care of depression; we take care of war; we take care of those things. I think it is important that we have the opportunity to put something in place. If you are going to tinker with the Constitution now, give the Constitution something that will work. Give it something that you think would have a chance of working. And then the implementing legislation will set up the procedure whereby we use the operating account, and what is the capital construction, and how do we pay for it? Do we use T-bills for capital and pay the bills off?

We heard the Senator from Illinois say that it was Albert Gore, Sr. that said pay as you go and put on new taxes, and President Eisenhower was saying let us bond it and pay the bonds off. That was a difference of opinion then. So we taxed the payoff; rather than having an operating fund to pay off capital construction, pay off the bond issue.

So I hope that we will give this very serious consideration. I will have other things to say before the vote comes next Tuesday, and I welcome any cosponsors. We have had many come to us this morning to talk about it. We have picked up a good many votes today. We are further away from passing this amendment than Senator SIMON is, but if we combined our efforts, we would pass it.

You say I am a stalking-horse? No; I am not a stalking-horse. You say I am trying to give people cover. No; they are not getting cover from this one. We have a legitimate proposal to be given to the colleagues in the U.S. Senate, that they can go back home and say: I voted for a Constitutional amendment to balance the budget that is doable.

The other one is, you either eliminate or increase taxes, or both. I do not think this one puts you in the posture of raising taxes. That is a great, great difference, in my opinion. I have been listening very carefully as to raising taxes and how much new tax it is going to cost to pay for the Simon resolution, and I think it is time we take a step back and look at an opportunity now to have a balanced budget amendment. I do not have the words to get you out on the edge of the seat or the ability to say, boy, that is it. I just do not have that ability.

I do believe sincerely that we have an amendment that is important, an amendment that should be considered, and maybe, just maybe, we can put our two groups together and say that we have a resolution here that could be doable; it is workable, and we could vote for a balanced budget, and the future of Senator SIMON's unborn grandchildren will be saved.

I yield the floor.

Mr. REID. Mr. President, if I can ask my friend from Idaho a question. It is my understanding that Senator MURKOWSKI is going to speak now.

Mr. CRAIG. I believe he is en route.

Mr. REID. Senator CONRAD is in the building. We have arranged for Senator MURKOWSKI to go first, but if he is not here, perhaps Senator CONRAD can speak first.

I ask that the time run against the three floor managers.

The PRESIDING OFFICER. Who yields time?

Mr. FORD. I suggest the absence of a quorum, with the time divided one-third/one-third/one-third among the floor managers.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I yield 30 minutes to the Senator from North Dakota.

The PRESIDING OFFICER (Mr. FEINGOLD). The Senator from North Dakota [Mr. CONRAD] is recognized for up to 30 minutes.

Mr. CONRAD. I thank the Chair and I thank the Senator from Nevada.

I thank him for the time. But more than that, I thank him for authoring this amendment which I think is now the only amendment that has any chance of passing this Chamber.

Mr. President, the other day I took the floor and explained to my colleagues why I believed there had to be specific changes to the Simon balanced budget amendment for it to have a chance of passing.

It is well known that I am one of the swing votes with respect to this question. Senator REID from Nevada is recognized as one of the swing votes, and there are others, on the question of whether or not any balanced budget amendment would pass the Senate of the United States.

Let me make clear I believe there is a need for a balanced budget amendment. I believe there is a need because when I look at what has happened over the last decade, I conclude that additional pressure is needed for us to finish the job of getting our fiscal house in order.

Mr. President, I have brought with me several charts to illustrate that point.

This chart shows the deficits from 1980 to the year 2004 as a percentage of our gross domestic product. And it shows during this period what happened during the Reagan and Bush years when deficits escalated dramatically and we went up to having deficits that were running over 6 percent of gross domestic product.

Last year we put in place a budget deal that dramatically reduced deficits as a percentage of our gross domestic product. Real progress was made, but, Mr. President, I say to my colleagues, look at what happens as we get past 1996, 1997, and 1998. Then we see the deficit again start to increase as a percentage of our gross domestic product. I think it is an indication that more must be done.

Let me go to the next chart, Mr. President, that shows the gross debt of the United States. I have taken a very long timeframe because I think this is instructive, and I hope people around the country will have a chance to learn what has happened with respect to debt in this country's history.

We saw back in 1940 that our debt in comparison to the size of our economy, our gross domestic product, was just over 50 percent. Then we went into the war years, and debt in comparison with the size of our economy skyrocketed. The United States took on more and more debt as we financed the Second World War, and we left that war with debt to gross domestic product of over 120 percent.

Mr. President, that was the high watermark. Once World War II ended, the United States entered into a period in which debt in relationship to the size of our economy fell consistently. For nearly 40 years, almost without interruption, the debt of the United States dropped in relationship to the size of the economy until we got to the Reagan years, and then we saw the debt start to grow dramatically in relationship to the size of our economy. And look what happened. It shot up. We had gotten down to 34 percent in terms of gross debt compared to the domestic product of this country, and then it skyrocketed until we got over 70 percent.

As a result of last year's budget agreement, we have stopped the growth in relationship to the size of our economy.

So, much was accomplished last year but not enough, not enough because you can see we are looking at an uptick, and that is going to grow as those deficits compared to the size of our economy grow as a result of the CBO's prediction of what happens once we get past 1998 and 1999. That is why it makes sense to put more pressure on the process to hold down the growth of deficits, to hold down the growth of debt.

Mr. President, yesterday a fatal error was made, I believe, by those advocating the Simon amendment. The fatal error was to agree to limit amendments to the Simon-Craig underlying balanced budget amendment. I had urged the day before not to limit amendments, do not limit amendments, because there are fatal defects with what is before us from the Simon-Craig coalition.

Mr. President, let me just say the situation that we confront now leaves us with a Simon balanced budget amendment and a Reid balanced budget amendment. In my judgment, the only balanced budget amendment that has any hope of passing this body is the Reid balanced budget amendment.

I hope my colleagues are listening.

I think most vote counters know the Simon-Craig amendment as it is before us will not pass. It will fall 3 to 5 votes short. The only amendment that has a possibility of getting 67 votes in this Chamber is the amendment that has been offered to us by Senator REID of Nevada.

Why is that the case? Mr. President, I believe it is the case because central to the Simon amendment is a raid on the Social Security Trust Funds in order to provide for a balanced budget. This is the Achilles' heel of the Simon-Craig amendment. In fact, it is really misnamed. It is not just a balanced budget amendment. It is a loot of the Social Security trust funds in order to get a balanced budget amendment. That is the Achilles' heel of what has been put in front of us by Senator SIMON and Senator CRAIG.

Let me just point out why I say what they have offered us is a loot of the Social Security trust funds balanced budget amendment.

Mr. President, Social Security is included in the Simon balanced budget amendment that is before us today. It assumes that we will balance the budget by using the Social Security trust funds surplus.

This chart, Mr. President, shows the surplus in Social Security that is anticipated over the next years, from 1993 to 2004. Look at what the amendment contemplates that is before us from Senator SIMON and Senator CRAIG. It says we are going to take $47 billion of surplus from Social Security in 1993; $62 billion in 1994; $70 billion in 1995; $76 billion in 1996; $84 billion in 1997. That is how we are going to balance the budget. We are going to use the Social Security trust funds surplus to balance the budget.

I hope my colleagues are listening, and I hope they are realizing the implications of what is before us. This is the same old shell game—we are going to use the trust funds to balance the budget.

I will tell you there are an awful lot of Social Security recipients out there who are going to be mighty surprised to find out that when they go to the cupboard to get their Social Security check, the cupboard is bare, and the cupboard is bare because the trust funds have been systemically looted to balance the Federal budget.

Mr. President, we have been doing that and we have been doing that for too long. That cannot be enshrined in the Constitution. That is why the other day I urged my colleagues to permit further amendments to the Simon-Craig underlying balanced budget proposal, because Social Security needed to be taken out for that amendment to have any chance to pass, in my judgment.

Senator REID has done that. Senator REID's proposal does not use Social Security trust funds to balance the budget. They are specifically precluded.

Mr. President, I think all of us remember just a few years ago a President of the United States addressing a joint session of Congress and saying to the Members there, "Don't mess with Social Security." Remember that? He got a standing ovation from all the Members. Oh, how soon we have forgotten, because now we are contemplating a constitutional amendment that would loot the Social Security trust funds in order to provide a balanced budget; in my judgment, a profound mistake and one that will prevent the Simon-Craig amendment from ever passing this Chamber.

Mr. President, that is why I say there is only one balanced budget amendment that has any chance of passing this Chamber and that is the Reid balanced budget amendment.

First, it does not loot the Social Security trust funds in order to provide a balanced budget.

Mr. RIEGLE. Will the Senator yield briefly just for one moment on that point?

Mr. CONRAD. I am happy to yield.

Mr. RIEGLE. I thank the Senator.

I want to commend him for the great importance of his comments at this time. I think the threat to the Social Security trust funds is one of the great dangers in this so-called balanced budget proposal.

The Senator is exactly right in pointing out that under the guise of balancing the budget or trying to, over the last few years, we have been looting the Social Security trust funds and in effect using those balances within the structure of the budget to appear to be paying for other things that have nothing to do with Social Security. And it is wrong that we do that. I think the Senator from North Dakota performs a great service to the country by laying this out. I thank him and commend him.

Mr. CONRAD. I thank the Senator from Michigan.

I just might say, the Senator from Michigan, who serves on the Budget Committee with me, may recall that one night we were in session in the Budget Committee and I asked my colleagues, "What makes us the same as Reverend Jim Bakker?"

I think many of my colleagues remember, Rev. Jim Bakker—Jim and Tammy, who used to have the PTL show on television—is now in a Federal prison. I asked my colleagues why he was there. And there was sort of a silence as people were trying to recall the events that led to his incarceration. And I reminded them that he is in a Federal jail for raising money for one purpose and using it for another. That is why Jim Bakker is in jail.

Under that test, all of us could be in a jail because we have gone out and told the American people we are raising money for the Social Security trust funds, we are running surpluses, so when the baby boomers retire we are ready to pay the bill. But, do you know what? There is no money in the trust funds. There is a piece of paper.

Mr. RIEGLE. Stack of IOU's.

Mr. CONRAD. A stack of IOU's. There is a chit. There is a chit that says, "Well, we will pay you back in the by-and-by, but right now we are using the money for some other purpose."

Mr. REID. Will the Senator yield for a question?

Mr. CONRAD. I am happy to yield.

Mr. REID. Senator FORD, the senior Senator from Kentucky, answered the question here earlier and I want to ask you the same question.

A newspaper reported that those supporters of this amendment were a stalking horse for the leadership. Recognizing the background and the personality of the Senator from North Dakota, are you a stalking horse for the leadership on this amendment?

Mr. CONRAD. I think the leadership would be mighty surprised to find me to be a stalking horse for them on almost any subject. I am somebody that is viewed as very independent around here.

I am a stalking horse for one thing. I truly want to accomplish a mechanism to hold down budget deficits and to move us towards a balanced budget, but to do it in a way that does not endanger the economy of this country, does not harm future economic growth, does not use the Social Security trust funds as a mechanism to balance the Federal budget. I have been opposed to that from day one.

Mr. SIMON. Will my colleague yield?

Mr. CONRAD. I am happy to yield to my good friend.

Mr. REID. As long as it is on the time of the Senator from Illinois.

Mr. SIMON. I would be happy to have it charged to my time. I appreciate the caution of my colleague from Nevada.

The Senator from North Dakota has been a stalwart on the Budget Committee in terms of these things.

Is the Senator from North Dakota aware of the statement by Bob Myers, the actuary for 23 years for the Social Security system, that says the balanced budget amendment that I have introduced is the only protection that the Social Security system can have?

Mr. CONRAD. I am.

If I might just say, on my time, I think he is right with respect to a balanced budget amendment. Of course, he wrote the letter—and I have read the letter, read it carefully—he wrote the letter before the Reid amendment was available to us.

I have enormous respect and real affection for my colleague from Illinois. He has been someone who, by the way, has been rather consistent in his view that we should not use Social Security trust funds to balance the budget.

Mr. SIMON. We agree.

Mr. CONRAD. I know he has been put in a difficult situation here by being part of a coalition of others having different views. I just say to you, I believe this deeply: I think at this juncture, the only balanced budget amendment that has a chance of passing this body is the Reid amendment.

As I said the other day, I was very hopeful that the Simon-Craig amendment would have remained open for amendment so that some of these things could have been addressed. That did not happen. I understand perhaps the reason for it.

But I say to you now, I believe the tide has changed. I believe if one sits down and carefully thinks about where we are, the only chance to pass a balanced budget amendment is the Reid amendment.

Mr. SIMON. If my colleague would yield just once more here.

Mr. CONRAD. I am happy to.

Mr. REID. On the time of the Senator from Illinois.

Mr. SIMON. On my own time, yes, Mr. President.

In terms of doing statutorily what the Senator is suggesting, I would strongly favor that and I have favored it for some time. But to do it in terms of a constitutional amendment, I believe, is unwise for several reasons; one of them being the reality that starting in the year 2024 Social Security is not running a surplus, but a deficit. That means that anyone 35 years of age or younger right now would, if this amendment were adopted, be in some jeopardy.

So I favor statutorily doing that. I do not favor blocking that off in terms of the Constitution because of the long-term implications.

And then I would finally say, the need to pass something. When Senator RIEGLE says it is just a slip of paper that is there, that is what is there for Social Security trust funds right now, called U.S. bonds.

And where are we headed? Every other nation, when we go down that road, every other nation has monetized the debt, had hyperinflation. The most recent example is Mexico. In 1988, they had a 12.5-percent deficit relative to GDP. They had 114 percent inflation. That 114 percent inflation means cutting the Social Security trust funds in half, cutting savings in half, and everything else.

So we are talking about something that is calamitous for the future of our country and, I regret to say—and I have great respect for my colleague from Nevada—that because of the loopholes in the amendment of my colleague from Nevada, I do not think if, it had been in effect for the last 12 years, that it would have saved one dime.

Mr. CRAIG. Will the Senator yield on my time?

Mr. CONRAD. If I might just complete my thoughts, and I will be happy to yield again.

Mr. CRAIG. If you can yield to me on my time, I would like to ask a question.

Mr. CONRAD. Mr. President, we can come back to that. I very much would like to complete my statement and thoughts because I have spent a great deal of time soul searching on this question.

I am convinced at this moment that no balanced budget amendment will be adopted by this Chamber other than the Reid amendment. I think I can count the votes. The Simon amendment is not going to achieve the necessary votes, and it will not because of certain defects.

The first of them I have identified as the Social Security problem. We can talk about 2024. What is happening right now has significant implications for 2024. The Social Security trust funds are running huge surpluses and, under the terms of the amendment that is before us from Senator SIMON and Senator CRAIG, they will use these surpluses to balance the budget. That is, I believe, a profound mistake. Using trust funds to balance the operating budget is a mistake and it is a mistake that will continue until at least the year 2015 or 2020, and beyond that it is hard to project.

Mr. CRAIG. Will the Senator yield on that point? That was the point I wanted to cover.

Mr. CONRAD. I would like to come back because I have a number of other points. I would very much like to come back and hear the thoughts of the Senator.

Let me talk about a matter I addressed the other day with respect to another defect that I see in the Simon-Craig amendment that I think will cause it to fail. That is the matter of using estimates. The Simon amendment in section 6 provides that Congress can implement the balanced budget amendment by the use of estimates.

We have had a bitter experience with estimates. This chart shows the problem with estimates. Gramm-Rudman-Hollings 1985 versus Gramm-Rudman-Hollings 1987 versus the actual deficit. Gramm-Rudman-Hollings for 1985 is in blue; Gramm-Rudman-Hollings for 1987 is in green; and the red bar is the actual deficit. Look at the experience we have had.

For 1986, blue bar: That is what Gramm-Rudman-Hollings said we would experience by way of deficits. That was the law. Instead, the red bar shows what we experienced. Instead of $172 billion of deficits, well over $200 billion, $221 billion.

For 1987: They were pretty close.

For 1988: You can see the variance. Gramm-Rudman-Hollings 1985 predicted; Gramm-Rudman-Hollings 1987 is this level; here is the actual deficit.

Let us go to 1990, where you see the real disparity. Gramm-Rudman-Hollings of 1985 said we would have a deficit of $36 billion that year, and we had a $221 billion deficit. For 1991, the 1987 Gramm-Rudman-Hollings predicted deficits of about $64 billion. Instead, we were approaching $270 billion of deficits.

Mr. SIMON. Will my colleague yield?

Mr. CONRAD. Not at this point, but I will be happy to yield later.

The point is, Mr. President, estimates are the Achilles' heel here. We can make any kind of estimate around here—any kind of estimate. We will bring back the old "rosy scenario" and we all know what will happen. The President will send up a budget that will overestimate the revenue and will underestimate the expenditures, and it will say that we are in balance and we will not be.

Mr. President, that is a very serious problem with respect to the Simon-Craig amendment. I might add, the Reid amendment suffers from some of this same trouble because it, too, uses estimates. I tried very hard to get that part of it changed with respect to the Reid amendment. I failed on that. But I believe that is an Achilles' heel of the Simon amendment. At least, in the Reid amendment, there is a provision that calls for the Congress to institute a system that would allow us to look back and institute across-the-board cuts if the estimates are off. That will provide an enormous incentive not to phony up the estimates.

No. 3: In the Simon-Craig amendment, there is no provision for recession. It would be a serious economic mistake for us to implement a constitutional amendment that would require a supermajority to take the steps necessary to emerge from a recession. The worst thing in the world you can do if you are in recession is to cut spending and raise taxes. That is the worst thing you can do. That has the potential of turning a recession into a depression.

Mr. President, the Reid amendment wisely has provided an exemption for when we are in recession, and a recession not determined by Congress but a recession determined by the nonpartisan Congressional Budget Office Director based on a specific definition of recession.

The fourth point: The Simon-Craig amendment has no provision for a capital budget. We have heard a lot of talk on this floor that the States almost uniformly have a balanced budget requirement, but what budget are they balancing? They are balancing, almost without exception, their general fund operating budget. In fact, I am told by GAO that 48 States provide for their balanced budget requirement to apply to their operating budget. In practice, according to GAO, it does not apply to their capital budget.

Somebody watching me will say, "What is he talking about; operating budget, capital budget? Why don't they balance all the budgets?" Probably the easiest way to explain it is, when you buy your home, you do not pay for it all within 1 year. You have a mortgage, and that makes economic sense because that house is not going to depreciate, is not going to lose value over time. In fact, it is going to add value over time, in all likelihood. So issuing a mortgage and paying it off over time makes sense. The same is true of governments—State government and Federal Government. When it acquires capital assets, it should not be required to pay cash on the barrelhead for long-lived assets. That does not make economic sense.

The Reid amendment addresses that specific problem. It provides for a capital budget, just the way the States have a capital budget, that is treated differently for the purposes of a balanced budget amendment.

I was talking at noon today to the distinguished Senator from Kentucky, who is former Governor of the State of Kentucky. I asked him: "Senator FORD, when you were Governor of Kentucky, did you have a balanced budget requirement?" He told me he did. And I asked him: "Did you have a capital budget?" And he told me, yes, he did. I asked him if the balanced budget requirement applied to the operating budget or the capital budget? And he said quite clearly, the operating budget.

That is the way the States operate, and if people want to talk about a balanced budget amendment that is the same as what the States have, more than 40 of the States have provisions for a capital budget and they balance their operating budget. Why? Because it makes economic sense. What is before us in the Simon-Craig amendment does not have that provision.

Again, I just want to say, I implored my colleagues the other day: Do not close your minds to the prospect or the possibility of allowing other amendments to the Simon-Craig balanced budget amendment because there are problems with it that we could have an opportunity to correct so we would strengthen it.

Yesterday, a decision was made to shut it down and not have any more amendments. I believe that was a mistake. I believe that killed the chance for the Simon-Craig amendment to be adopted by this Chamber, at least this year.

Mr. President, that is why I believe, as we meet today, the only amendment that has any chance of being adopted by this body is the Reid amendment, and I am quick to acknowledge the prospects are mighty slim, because those who are the advocates of the Simon-Craig amendment probably are not going to budge, just as they would not budge to allow amendments. That means we will not get enough people, who really do want to see a balanced budget amendment to the Constitution, to vote for one.

There is a fifth issue that I identified the other day as being a serious matter, and that is allowing the courts into this whole process. I think it would be a profound mistake to allow the courts of the United States to write the budgets for the country.

Judges are not elected by anyone. Federal judges are appointed; they are not elected. This country believes in having elected people make budget decisions. The Reid amendment excludes the courts specifically and completely from involvement in this process. Can you imagine the possibilities here, Mr. President, if we allow the courts into the process? Why, we will have the 1994 budget decided by probably 1996 or 1997.

Mr. President, I would be quick to acknowledge the Simon-Craig forces have altered their amendment to in large measure exclude the courts. There is still a provision that will allow court determinations on the question of whether or not there is an unbalanced budget. I think we would be better off without that. The Reid amendment specifically and completely precludes the courts from being involved.

The PRESIDING OFFICER. The Senator has spoken for 30 minutes.

Mr. CONRAD. Can I have 2 additional minutes?

Mr. REID. The Senator can have 5 minutes.

Mr. CONRAD. I thank the Senator from Nevada.

We have a weekend here to think this over. I hope we use that time wisely. Right now, we are on a collision course that is going to lead nowhere. Right now, we are on a course that is going to mean the defeat of the Reid amendment and the defeat of the Simon-Craig amendment and will have raised the issue, but we will not have advanced the ball.

Mr. President, there is another possible outcome. The other possible outcome is that people decide we really do need to do something about holding down the growth of debt in this country, that the only amendment that has a chance of passing is the Reid amendment, and that all of us who want to see something done should come over and support the Reid amendment.

The reason, again I say to my colleagues, I believe the Reid amendment is the only one that has any chance of passing is because it does not loot the Social Security trust funds to balance the budget. It does not do that.

It has a provision for dealing with the problem of using estimates. It has an exclusion for a time of recession. It has a provision for a capital budget just like over 40 of the States do that have a balanced budget provision. That makes simple economic sense.

Finally, Mr. President, it excludes the courts so we do not find ourselves in an absurd situation of having the Federal courts deciding the budget of the United States. No one ever elected a judge. No judge in this country, no Federal judge is elected by the people. The House of Representatives, the Senate of the United States, the President of the United States were elected by the people to make those decisions, and we should make them. The buck stops here.

Mr. President, I have thought long and hard about this question. I have enormous respect for the Senator from Illinois. I have worked closely with him on the Budget Committee. I have grown not only to respect his efforts in this regard but to admire him as a person. I also have affection and high regard for the Senator from Idaho. He is sincere about what he is doing. I, too, am sincere. I have reached a conclusion that may be different from the conclusion they have reached. My conclusion is that the only chance to pass a balanced budget amendment is the Reid amendment that is before us on Tuesday next.

I hope those who really do want a balanced budget amendment will think over the weekend. Are they going to make what they view as the best the enemy of the good, or are they going to support an amendment that might actually pass? Are we going to have an issue, or are we going to have an amendment? That is the question.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, if the Senator will yield just for a moment, someone has handed me a quotation from Leon Panetta. I do not ascribe to this. But Leon Panetta said, "There are going to be some Members who are going to have an alternative proposal in order to give them cover to come out against the Simon proposal." This is the Seattle Post Intelligencer, February 18.

Two questions to my colleague.

Mr. CONRAD. Maybe if I could just answer on the first one——

Mr. REID. This is on Senator SIMON's time, right?

Mr. SIMON. This is on my time, right.

Mr. CONRAD. I can only speak for myself. I think there are those who have that agenda. It is not mine. I am persuaded that the amendment that is before us on the Senator's side cannot win. It is going to fall three to five votes short. It is going to fail, I believe, because of the reasons I outlined. Virtually all of those are addressed in the Reid amendment. I say to you, I implore you to think about passing that Reid amendment. It is the only one, I believe, that now has a chance.

I understand the stalking-horse. Frankly, there are those who have that agenda. I think we should be quick to acknowledge there are some. Not Senator REID, I can tell you that. Not Senator FORD, I can tell you that. They want a balanced budget amendment as much as I do. I think they have reached the same conclusion. There are fatal defects. And, again, I am not sure why the decision was made to foreclose amendments. I understand there is a difference of opinion on that side. But I think once that decision was made, the only balanced budget amendment that has a chance is the Reid amendment.

Mr. SIMON. Two questions. One is those estimates that the Senator has, is it not true where they are way off, those are multiyear estimates?

Mr. CONRAD. Yes.

Mr. SIMON. The reality is particularly if we fail with three-fifths to extend the debt ceiling, those estimates are going to be very, very tight.

Then on the recession, is the Senator from North Dakota aware that since 1962 we passed 11 economic stimulus programs, each one of which has received over 60 votes?

Mr. CONRAD. Yes. Let me say, if I can respond first on the question of estimates; were these actual multiyear estimates? Yes. Were they flawed? Yes. We have seen in every year the estimates flawed. Yes. If we have this balanced budget amendment as outlined by the Senator from Illinois pass, do I believe there will be games played? Absolutely. I saw it every year of Gramm-Rudman, every year the administration came up here with "old rosy scenario" in which they overestimated the receipts. They underestimated the expenses in order just to meet the Gramm-Rudman restriction.

Mr. SIMON. The Reid amendment relies on estimates infinitely more than our amendment, because we have the discipline, the teeth, of saying if you want to raise the debt, you have to have a three-fifths vote.

Mr. CONRAD. Let me be very clear. I tried to be clear in my statement. The Reid amendment also has estimates. I argued against that. I think the use of estimates is a mistake in the one amendment of the Senator from Illinois, as well as his. When I looked at the rest of the Reid proposal, I think it is far superior, and it is the only one that has a chance of passing.

In addition, Senator REID does have the provision to address the question if estimates are wrong. It is not as much as I might like to have, but I say to the Senator on these other grounds that the only one that has a chance of passing at this point, I believe, is the Reid amendment.

Mr. REID. Mr. President, before the Senator from Illinois leaves——

Mr. CRAIG. I have a person waiting who has been here now for a time ready to speak. I will yield 1 minute of my time, and 1 minute only. Let us move.

Mr. REID. I ask Senator SIMON: Are you saying that your estimates are better than mine?

Mr. SIMON. No. What I am saying is, we provide that estimates can be used. But we also provide that revenue has to match outlays, which the one of the Senator from Nevada does not provide; and, second, we provide that if you want to increase the Federal debt, it requires a three-fifths vote. That means that there is real teeth. Those teeth are not in the version of the Senator from Nevada.

Mr. REID. We will discuss this later, Mr. President.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, before I yield to the Senator from Alaska, let me make one brief comment about the figures in the Social Security trust funds that the Senator from North Dakota has talked about.

Mr. President, those trust fund dollars are not here today. They are borrowed out and used to fund current activities of the Government. The reason he chose the year 2003 is that is when he and I are ready, or getting very close to being ready, for our Social Security checks, what happens at that time? The actuarials say some very real things happen at that time. Taxes have to go up to pay for it or budgets have to be cut.

So let us not use the straw or the stalking-horse, whichever one must call it, about the Social Security issue. It is false to in any way argue that either one of these proposals puts the Social Security trust fund in jeopardy. If in the year 2003 this Congress does not choose to raise taxes to fund the checks at that time, those trust funds are in jeopardy. The Senator from North Dakota serves on the Budget Committee, and he knows that. So let us not play games with the Social Security issue.

I now yield 10 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, we would all agree we have the deepest respect with regard to the efforts of Senator REID and those that are supportive of the Reid substitute amendment.

Furthermore, Mr. President, I think we have to recognize that some say we should learn by history, some say in reality we do not learn much. We have heard explanations given of Gramm-Rudman 1, Gramm-Rudman 2, the 1990 budget agreement. But the American people are absolutely bewildered by this witchcraft of budgeteering that is occurring.

The American public looks at their lifestyle in relationship to their checkbook, the reality that they will write a check, and they have enough money to cover that check. And the fact that the Government somehow, through this witchcraft, carries on and accumulates debt.

Now the American public is being told that the interest on that debt is having to be borrowed, and they are asking, where is Congress? And it appears Congress puts forth a convoluted effort to address any alternative other than reducing spending. We have seen the administration's efforts to increase taxes but not reduce spending. But we are faced with an extraordinary opportunity here for the first time to do something that would mandate self-discipline.

My colleagues suggest that we should have the self discipline. We certainly should. But we do not. Otherwise, we would not have accumulated $4.5 trillion worth of debt.

I come from a banking background. I know that interest goes on, night and day. I have said this time and time again. It is like having a horse that eats while you sleep. Now we are borrowing money to pay the interest on the debt, which is 14 percent of our total budget and growing.

Mr. President, I speak in opposition to the substitute offered by the distinguished Senator from Nevada, and I urge my colleagues to reject this transparently flawed substitute. It will never bring us even close to achieving a balanced budget. I will tell you why.

The reason is that it exempts capital investments. I will tell you what those capital investments are, because they are truly staggering, and that is an extraordinary loophole. But first, I would like to draw a picture of today's reality.

I have said it before. The Government is broke. The reason that we have that $4.5 trillion debt, the reason we are today borrowing more than $200 billion just to cover the cost of interest on the debt, is that Congress has always, always, always, found loopholes to avoid the hard decisions needed to balance the budget. We all agree on that. How long can it last? Tomorrow? The next day?

Well, we have seen what has happened to some of the South American countries. We have seen what double-digit inflation did in this country in the seventies. Remember December of 1980. Remember what the prime rate was, Mr. President? The rate at that time, the prime rate, 20.5 percent, inflation running at 11 percent. So for those who say it cannot happen, it has happened. It could happen again.

We have seen the disintegration of the monetary system of many South American countries as a consequence of too much debt, and the inability to pay that debt.

Some of the opponents of the balanced budget amendment contend that it would make it impossible for the Government to respond to an emergency or crisis because outlays and receipts will always have to be in balance. But our amendment, the amendment of the Senators from Idaho and Illinois, is not inflexible.

My colleagues should not generalize about it. They know that in any economic emergency, Congress, by three-fifths majority, can waive the balanced budget requirement.

Mr. President, in the past 5 years, Congress has provided emergency funding in response to numerous natural disasters—earthquake, hurricanes, and floods. Three weeks ago, we passed the largest disaster relief bill in our history—more than $7 billion—to help the victims of the California earthquake.

In every instance where we have provided emergency benefits, some of us supported using offsetting spending cuts, which I think was the responsible thing to do to ensure that the emergency spending would not increase the deficit. And in every case, every single case, Congress rejected these offsets.

Where is the self-discipline? We face emergencies, but we are not willing to make offsetting spending cuts. What do we do? We simply add it to the deficit because it is very convenient to pass the cost on to future generations.

But the American public is starting to wake up and say, hey, how long, how far? They are becoming very concerned.

I maintain that if you left this question to the public, they would say take the medicine now, drop the budgetary witchcraft that is going on. The public understands the revenue stream that comes in. They understand the expenditures. But they do not understand how you can keep spending, because they know if they try that, their checks are going to bounce.

The constitutional amendment that we are debating now would allow Congress to meet any emergency. I am confident that Members of future Congresses will not allow this amendment to prevent us from providing emergency assistance. However, it may put a greater degree of pressure on some Members to find offsetting ways to pay for those emergencies instead of always putting such spending aside and outside the scope of the budget.

Mr. President, during the recent debate on aiding the victims of the California earthquake, I proposed, as an alternative to public funding of Presidential elections, that we have a checkoff on our IRS return. The checkoff would provide the individual American taxpayer with the opportunity of simply checking $3 to go for disaster relief instead of public taxpayer funding for Presidential elections. Well, we had a bit of a bipartisan debate on that and ultimately we failed in that effort. But the point is, Mr. President, that was a way to offset some of the efforts and tribulations associated with disasters such as we have with earthquakes, floods, and hurricanes.

Mr. President, I have heard it said that operating a Government with a balanced budget amendment would somehow harm citizens of the Western States. It is true moving from a $200 billion a year deficit to a zero deficit is not going to be easily done. East, west, north, south, I do not care where you come from. We are all going to feel the pain of withdrawal from our 33 years of addiction. For 33 years we have been running a deficit, out of the last 34.

The American people understand tough medicine. They would rather take it sooner than later. People are ready to make the sacrifice. I have served as chairman of the Veterans Committee, and ranking on that committee.

The veterans have told me they will take an equitable cut, as long as it is equitable—across the board, fair, and equal. I think most Americans are willing to make that kind of a sacrifice. The only way to reduce spending will be to set priorities, saving the most important programs, and cutting the least important ones.

My greatest concern for the West is not the specter of a balanced budget amendment kicking in in the year 2001, but the budget that was delivered to Congress just a few weeks ago. Under this administration, some say the West may not have anything to worry about by 2001, because much that has been taken away from us under the current system has occurred. The only difference is that under a balanced budget amendment, maybe we would not see the same rise in funding for regulatory programs such as the increase for the EPA, which we cannot afford now. It is amazing to me that the majority of the Members cannot understand the merits of having some balance in that Environmental Protection Agency. We should be considering a cost benefit or risk analysis in the process of decisionmaking, but we cannot seem to come to that.

Without a balanced budget amendment, programs important to the West are being cut right and left. We borrow money to pay for the creation and enforcement of new regulations. The Department of Interior is letting Park Service personnel go by the hundreds and hiring hundreds of lawyers.

Mr. President, I think we can maintain a strong defense under a balanced budget. We can implement a strong resource development policy under a balanced budget, and we can take care of core Government functions like aviation and the Postal Service. Those of us who care about these core functions believe the only way to protect it for our children is to reduce deficit spending now. We must address the realities associated with the increased interest costs we are going to face in a few years, when our interest costs are going to be more than our current military budget.

Mr. President, it is mandatory that we have a healthy country to meet our obligations. It is mandatory that we tell our environmental friends that we need a healthy economy to meet our environmental obligations. I have said the country is broke. If we do not get our finances in line by addressing entitlements, mandatory spending, and distinguish low-priority programs from crucial Government programs, we are going to be looking at cutting the Coast Guard, the Federal Aviation Administration, and Defense.

Mr. President, I want to return to the primary issue before us today: Why we need to change the Constitution to address the deficit crisis. I will run through three charts briefly, because they show the history of the budget agreement failures in the last 10 years. It is interesting to note that every genuine effort made here has failed. During that period, we have had budget summits, reconciliation bills, tax increases, sequesters, minisequesters, and all of those efforts failed to achieve their intended goal—a zero deficit—for the simple reason that we held entitlements off the table and found more loopholes and excuses for not doing the one thing that actually would have worked: Cutting Federal spending.

Chart one shows the promise. Remember Gramm-Rudman 1, which was adopted in 1985? As you can see, Gramm-Rudman was supposed to bring us down to a zero deficit over this 6-year period from 1985 to 1991. From a projected high of $172 billion, the deficit was supposed to come down by $36 billion a year to zero in 1991.

In reality, by 1991, instead of a zero deficit, we had a $269 billion deficit. That is history lesson No. 1.

History lesson No. 2: In the second chart, I have shown the revisions we made in Gramm-Rudman in 1987. We were all enthusiastic about it. In that year, we revised the original target. Quite frankly, this agreement was an even more astounding failure than the original Gramm-Rudman, which certainly was not the fault of the Senators involved but of the Congress. We found enough ways to get around the law. When the deficit was supposed to be $100 billion in the year 1990, in reality, it turned out to be double that. It was supposed to be $100 billion but, in reality, it was $221 billion. Then we move over to 1991. The deficit was supposed to be $64 billion. Instead, there was over a 400-percent increase, and it was up to $269 billion. In 1992, the deficit was supposed to only be $28 billion, and headed down. But, in reality, it was up 1,000 percent to over $290 billion.

Of course, by 1990, it was clear that none of the targets would be even remotely met. So at that time, President Bush entered into a summit agreement and made the mistake of breaking his no-tax pledge. I happened to be down at the White House at the time he made that decision. He was genuinely convinced that if he allowed the tax increase, Congress would respond and reduce spending. It did not work.

The third chart shows how the deficit was supposed to come down by that agreement in 1990. Unlike the earlier budget agreements, this time the deficit targets were allowed to be adjusted and the deficit targets did not include off-budget trust fund balances. This chart shows that, by 1995, the on-budget deficit was expected to be only $83 billion. In fact, the chart shows the actual deficit is nearly 270 percent higher, at $225 billion, over here. Here is the actual deficit, and here was the projected deficit.

Why did all these agreements fail? Because we allowed spending to increase by more than 53 percent, from $990 billion to more than $1.5 trillion. I would also note that these agreements failed because we, in Congress, decided to create budget exemptions for more than 135 different programs. We simply exempted them. We exempted the economic development revolving fund, the check forgery insurance fund, and the Higher Education Facilities Loan and Insurance Program—and that is just 3 of 135 programs we exempted from the cuts.

Mr. President, that is Congress' sorry budget control track record for the past 10 years. The bottom line: Interest payments increased 57 percent, from $136 billion to $213 billion; and the national debt, in 10 years, more than doubled, from $2.1 trillion to more than $4.5 trillion.

If these trends are not reversed, interest will consume upward of $365 billion—$1 billion for each day—and the national debt will more than double to $9 billion in 10 years. That is our past record of trying to correct this problem. This is why the only solution to the problem is to change the Constitution. It is evident that history speaks for itself.

Mr. President, let me talk very briefly about the Reid substitute. When I first read the language of this amendment I was reminded of the Potemkin villages that the Russian Tsars used to allow foreign guests to visit. These villages gave the visitor the false impression that Russian peasant life was rich and bountiful when, in fact, they were merely facades for show like a Hollywood set. These villages were designed for one and only purpose—to deceive the foreign visitor.

The same can be said of this proposed substitute except in this case it is not the foreign guest, but the American public that is being misled. If this amendment is adopted, we will effectively have abandoned any hope that our Nation's debt and deficit will ever be controlled. For this amendment is so transparently flawed, that it is impossible to believe that it is being offered as a serious alternative to our amendment. If this substitute is adopted, it will be proof positive that this institution will stop at nothing to avoid facing our fiscal responsibilities.

The central element of this substitute is the requirement, and I quote: "the operating funds of the United States for any fiscal year shall not exceed total estimated receipts to those funds for that fiscal year * * *." And in defining operating funds, the substitute excludes so-called capital investments.

What are capital investments, Mr. President? Providing a Federal grant for constructing a bridge would surely qualify. And so would a new aircraft carrier. But the Federal Government makes many more investments that yield long-term benefits to our Nation. In a section of the President's budget, the administration provides its definition of investment outlays. Let me quote from the President's budget:

> Investment outlays are outlays that yield long-term benefit. They take several forms and are made for many purposes. They can be direct Federal outlays or grants to State and local governments. They may be aimed at improving the efficiency of internal Federal agency operations or at increasing the Nation's overall stock of capital for economic growth. They can be for physical capital, which yields a stream of services over a period of years, or for research, development, education, and training, which are less tangible but also increase income in the future or provide other long-term benefits.

Here is the crunch, Mr. President. Capital investments are outlays that yield long-term benefits. They take several forms. They are made for many purposes. They can be direct Federal outlays or grants to States and local governments. They may be aimed at improving the efficiency of internal Federal agency operations. It is wide open. It means just about anything the Government can justify.

So, as anyone can see, the capital investment exception contained in this substitute could be used to effectively take all Government spending off the table for balanced budget purposes. Would anyone in this body disagree that the Head Start program should be considered an investment in our human capital? Of course, it should.

Mr. President, we are down to a time where we must start making the tough decisions. If we do not make them now, the medicine is going to be worse later.

I encourage my colleagues to support the balanced budget amendment because I am absolutely convinced this is almost the last chance we have. If we do not take it now, it is simply going to elude us. The fact is that we have amended the Constitution only 17 times, out of necessity. This is another necessity. The survival of our economic system is at stake here because nothing else has worked.

Thank you. I thank my colleagues and particularly my friend from South Carolina who has been so patient.

I yield the floor.

Mr. CRAIG. Mr. President, let me thank the Senator from Alaska for his outstanding statement.

I now yield to the great Senator who is the original sponsor of this issue, this very important constitutional amendment, Senator STROM THURMOND, such time as he may consume.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I wish to commend all Senators who have joined in on the underlying resolution, Senate Joint Resolution 41. I especially commend Senator SIMON, Senator HATCH, and Senator CRAIG for their great work and tireless efforts on this important issue.

Mr. President, I am compelled to rise in reply to the earlier remarks against the balanced budget amendment by various distinguished Senators.

As everyone in this Chamber and the Nation realizes, there is no greater supporter of a strong national defense than I am. I have supported our military forces in war and peace, while in uniform, and as a civilian for over 70 years. I am always vitally concerned about threats to our defense capability and our defense budget. In my judgment, one of the greatest threats to the long-term security of this Nation is an ever-growing budget deficit. We must have the capability to meet military and economic threats in the 21st century and we may not be able to do so if we bankrupt ourselves now.

It is obvious we will not discipline ourselves without a balanced budget amendment. Therefore, we must ensure the essential discipline through this amendment.

Let me quote from yesterday's edition of Roll Call, where 250 economists endorsed the balanced budget amendment. I repeat, 250 economists—professionals who closely study economic trends, who know budgets up and down—endorsed the balanced budget amendment.

I want to quote from their brief remarks:

> Why do we need the Balanced Budget Amendment now, when no such constitutional provision existed for two centuries? The answer is clear. Up until recent decades, the principle that government should balance its budget in peacetime was, indeed, a part of our effective constitution, even if not formally written down. Before the Keynesian-inspired shift in thinking about fiscal matters, it was universally considered immoral to incur debts, except in periods of emergency (wars or major depressions). We have lost the moral sense of fiscal responsibility that served to make formal constitutional constraints unnecessary. We cannot legislate a change in political morality; we can put formal constitutional constraints into place.

Mr. President, there should be no doubt that we must structure the amendment so that national defense will not be disproportionally hit and that all elements of the Federal budget, including entitlements, be subject to fiscal discipline and responsibility.

Our long-term security is based upon the overall strength of this Nation—moral, economic, and military. In order to sustain our greatness and continue global leadership, these elements must be balanced.

I wish there were another way, but it appears that only with the balanced budget amendment can we sustain the greatness of this Nation.

We have not balanced the Federal budget in 31 years—I repeat, in 31 years, 31 long years. This is proof of the necessity to mandate a balanced budget. The only way to effectively accomplish this is through a constitutional amendment.

Mr. President, the big spending has to stop. How are you going to stop it? We can mandate it. That is the way to stop it. We can compel it. That is the way to stop it. We can require it. That is the way to stop it.

I remember years ago Senator Harry Byrd successfully shepherded a bill through the Congress to achieve a balanced budget, and before the year was out, it was nullified by subsequent legislation which pushed appropriations above the budget.

You just heard the remarks by the distinguished Senator from Alaska, Senator MURKOWSKI, about the Gramm-Rudman-Hollings amendment. One thing has been tried after another. Nothing has worked. You cannot stop it. You have to compel the Congress to do it. They have been spending, spending, spending for years and years.

How are you going to stop it? There is no way to stop it unless you compel them to do it. That is what this amendment does. This constitutional amendment makes the Congress stop spending more than they take in.

I say now is the time, now is the year to adopt a balanced budget amendment. Do it now and not put it off. And do not give excuses. Other proposal have too many loopholes which would swallow up the requirement of a balanced budget. That is hogwash. It will not do it. Our underlying proposal, Senate Joint Resolution 41, is the effective way to balance the budget.

The PRESIDING OFFICER (Mr. MATHEWS). The Senator from Illinois.

Mr. SIMON. Mr. President, will my colleague from South Carolina yield for one question?

Mr. THURMOND. I am glad to yield.

Mr. SIMON. The Senator from South Carolina made the point about our defenses in his opening remarks. As the ranking member on the Armed Services Committee, is it not true that it is impossible to be strong militarily if you are weak economically?

Mr. THURMOND. Absolutely. If we are going to keep a strong defense, we have to provide for it through the economy. We have to stop spending more than we take in or we cannot continue to provide for defense. If we want to protect this country, we have to stop spending more than we take in so we can provide for defense.

Mr. SIMON. I thank my colleague and I appreciate his leadership.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank my colleague from South Carolina for a truly outstanding statement from his years of experience here. It was spoken very clearly that this Congress cannot demonstrate its fiscal will unless it is compelled to do so.

I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I am going to speak now. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Nevada has 53 minutes.

Mr. REID. Thank you very much. I would ask my two colleagues to agree that Senator BYRD can speak at 4:10 and use his time.

Mr. SIMON. No objection.

Mr. REID. Mr. President, the Reid amendment, the amendment that was offered yesterday on my behalf, Senator FORD's behalf, and that of Senator FEINSTEIN, is a balanced budget amendment, but it is one that is not balanced on the shoulders and backs of senior citizens around the United States. It is a balanced budget amendment that is realistic. If a State were asked to live by the Simon amendment, they would all be bankrupt. They could not live the way that the Simon amendment proponents are asking this Government to live.

I mentioned and I mention again that the States have, as Governors have long acknowledged, capital operating budgets. It is a system that works well.

My amendment wants to treat the Federal Government like States are treated. That is not unrealistic. And that includes Social Security being off budget. States have their pension liabilities generally off budget. The State of Illinois, if they were asked to live by the Simon amendment, would be bankrupt before anybody else because they have the largest unfunded pension liability of any State in the Union, I have been so advised.

If we asked an individual family to live by the Simon amendment, only the very wealthy in this country could have a home, unless they wanted to rent it, or could have a car, because you would have to pay cash for it.

Mr. President, the Federal Government over the years has not done a good job of matching expenditures with income. And that is too bad.

This is no better illustrated than by what happened during the years of Presidents Ronald Reagan and George Bush. Now, they tried an experiment—and they were supported most of the time by the Congress—and it was a dismal failure.

We have done pretty well this past year, not great; we have a long way to go. But we have the lowest percentage of deficit to gross national product since 1979; the best in 15 years. Not great, but OK.

There are other good things happening, too. The President has appointed the Kerrey-Danforth Commission. This is a bipartisan commission. Senator KERREY is a Democrat from Nebraska; Senator DANFORTH a Republican from Missouri. They have a significant number of people on this panel that the President has selected, people who are from the private sector.

This is not going to be a quick Government fix that is being contemplated but, quite the contrary, this Kerrey-Danforth Commission is going to review entitlement programs and other mandatory programs and look at alternative approaches to the current tax system. I think that is a laudatory goal.

Some of the people on the commission from the private sector are Bob Denham, chairman and CEO of Salomon Brothers; Ms. Karen Horn, chairman and CEO of Bank One out of Cleveland; Mr. Pete Peterson, chairman of the Blackstone Group; Mr. Richard Trumka, president of the United Mine Workers. There are people from State and local government, like the mayor of Tampa, FL, Sandra Freedman, and the Governor of the State of Colorado, Ray Romer.

I think what is being done is great. We are trying to do something about having this Government meet its financial responsibilities.

Health care: We all know we have to do something about health care. Health care is bankrupting our country. This year, health care costs in America will go up over $100 billion; not $100 million—over $100 billion. We will not get health care that is one bit better, but it will cost us $100 billion. Total health care costs in our country will exceed $1 trillion this year. Now, if we did something about health care costs, we would do a great deal about bringing spending under control.

So, we are doing some good things. But we are not doing enough, and I acknowledge that. That is why I have offered my amendment—an amendment that is realistic; one that, if passed, we could charge down this slope and do a good job. It is not something that is so unrealistic that it is only to give people cover. Many people who are supporting the balanced budget amendment know that it will never happen, know that it will not help. They have drafted something so difficult, so unrealistic, that they can just say, "Well, it did not pass, but I am for a balanced budget amendment."

I cannot believe that the sponsors of the Simon amendment would not have a Social Security exclusion. Sometimes you lose the ability to understand why things happen.

In 1990, there was a sense-of-the-Senate resolution here that said that Social Security should be off budget. Ninety-eight Senators voted to take it off budget. It is off budget. But yet, we know that now the Simon people are thinking, "Well, we will do it by legislation." Unrealistic again.

So we need to proceed with a realistic budget amendment. As so clearly stated by my friend from North Dakota, Senator CONRAD, we need to do more than have budget by sound bites. Little, quick, catchy tunes that the TV stations love and the newspapers pick up. We need to have a realistic amendment, and that is what we have, a balanced budget amendment.

I am very disappointed. I frankly thought that my friends on the other side of the aisle would like my amendment. But I was disappointed to read an AP wire story by David Espo that quotes my friend from Idaho, the senior Senator from Idaho, that he and other Republicans would vote against REID's amendment.

Let us have my amendment. It is realistic. If it passed, we could do something to balance the budget. It would happen quickly. But we do not need to balance the budget on the backs of senior citizens.

I had here a chart yesterday talking about my amendment and Senator SIMON's amendment. I will talk about it again today.

First, my amendment excludes Social Security. We have heard a lot here that the Senators who were sponsoring the Simon amendment say they are going to take care of Social Security; if you do not believe it, we will give you a quote from a man by the name of Myers.

Well, let me give you a quote by a man by the name of Ball. There is nobody in the country—and I say no one without any reservation—that knows more about Social Security than Mr. Robert Ball. He served as Commissioner of the Social Security System under three Presidents, under President Kennedy, President Johnson, and President Nixon. Here is what Mr. Ball said about Mr. Myers and of the promises of those that are seeking the Simon balanced budget amendment that they will somehow save the senior citizens through legislation. During hearings last week he said:

> In fact, I do not think any of us has a reasonable way of knowing what future Congresses would do. And we are talking about a constitutional amendment which will stand perhaps forever, at least a long, long time. And to judge that they will not take actions that are permitted and quite with great pleasure to take them because of what Mr. Myers characterizes as reasons for not moving, I think he is really quite naive.
>
> He says, this will not happen, that they will not touch Social Security after a budget balancing amendment is passed, because it would be against integrity, logic, and fair play. It would, but the pressures would be extraordinary. I believe it would put at great risk the monthly benefits of 42 million people who are currently receiving benefits and the benefits of millions more who are working and building credits for future benefits.
>
> In 1993 alone, 134 million earners worked under Social Security. Practically every American family has a major stake in the program.

You see, Mr. President, this is not just a program for people with white hair. This is a program for every American family. It is hardly a special interest group to be defending Social Security.

Mr. Ball continues:

> The program today keeps 15 million people out of poverty and millions more from falling into near poverty. But what is frequently overlooked is it is much more than a poverty program. It is the only retirement program for 6 out of 10 workers—

60 percent—

> in private industry and the base on which private pensions are built for the other 4 out of 10.

The other 40 percent.

> Social Security is family insurance as well as a retirement plan, life insurance protection under Social Security.
>
> It pays nearly 3 million children each month. And, of course, there is also protection against loss of income because of disability.
>
> The protection of young families is very significant. All this protection; retirement, survivors, and disability insurance, would be put at risk, if this constitutional amendment were passed, in my judgment.
>
> The amendment provides a great opportunity for those who favor cutting Social Security and radically restructuring it. Social Security is self-financed and responsibly financed. It has had no part in creating the deficit and the staggering debt. It has always paid its own way.

Now, anybody come here and tell me this amendment is a stalking-horse for the leadership. I am offended that people would say that. This is an amendment that protects the Social Security system of our country, and my friends on the other side of the aisle, rather than spitting it to the New York Times, should be spitting it to the senior citizens of this country and work to pass this amendment.

Second, this amendment that I am sponsoring with Senators FORD and FEINSTEIN has a separate capital budget, as I mentioned. It would treat our budget like the very successful programs we hear the Governors brag about all the time. Should we have less? Our implementing legislation says if we do not do it, we will assign an officer of this branch of Government to make across-the-board cuts.

Third, we have a recession exemption that is also reasonable. If there are two quarters of less than 1 percent growth, then we can spend and/or reduce taxes and keep us out of the depressions that faced this country all last century and the first part of this century. Since 1929, we have avoided depressions because of the ability of the Government to help in times of crisis. Where we went wrong is we did not save our money during the eighties when we had economic times so good and there was not a war.

Also, I want to talk about another very important difference between my amendment and that of Senator SIMON. I have not called their amendment a phony, I have not called it a sham and the other words that they have tried to spin on the people who have offered this amendment and the people who support this amendment. But I will just tell you the facts without any illustration of what term of art could describe it.

The amendment offered by my friend from Illinois and others, everyone should understand, has in it the words "fiscal year" without any definition. What does that mean? Can you change it legislatively 1 day each year, 1 month each year? This amendment is worthless because the legislative body could change it, as has been done around here with paying people their retirement benefits, you can stall it off for a quarter, a month, a year, a couple days. My amendment does not allow that. We define the starting date. We say the first Monday in February. You cannot change that by legislation. It is a defined time. It is not broad and generalized like fiscal year.

Mr. President, I talked a little bit yesterday about newspapers. I want to do a little more today. I want to do it because I ran out of time and did not have time to cover all of the articles regarding the Simon amendment. It is best illustrated I guess by the cartoonist Walt Kelly who does Pogo. They quote him in the Las Vegas Sunday newspaper on the 20th of February of this year by saying: "We have met the enemy and he is us"—talking about the fact that the amendment is not what it is supposed to be.

Dr. Albert Johns, a former professor at UNLV and other institutions around the country, who writes a column called "Action Seniors," wrote a column on the 13th day of February that said this:

> Many Members of Congress today nurture the idea that by supporting a balanced budget they can change Social Security from an entitlement program to a welfare benefit program.

Everyone listening, everyone who is so dead set to vote for Simon in spite of the damage to the seniors, should listen to what Dr. Johns says. Not only is he a newspaperman, but he is a scholar.

> This would enable them to use Social Security funds to balance the budget by taking benefits away.

U.S. News & World Report on the 28th day of this month says, among other things, talking about the Simon amendment:

> The appreciation of Keynesian fiscal flexibility is commendable, but it hardly disguises the amendment's enormous shortcomings. Advocates point to the States, 49 of which require balanced budgets.

We have talked about that. U.S. News understands a State's balanced budget is not the Simon amendment balanced budget.

> Legal challenges would inevitably follow every House and Senate vote, turning the judicial branch of Government into an adjunct of the legislative branch. Many scholars on the left (Laurence H. Tribe of Harvard Law School) and right (former Appeals Court Judge Robert H. Bork) seem to think a balanced budget amendment is positively wacky.

Talking about the Simon balanced budget amendment:

> * * * however, [the amendment] lets those boys and girls in Washington off the hook. Its principal Senate sponsor, Paul Simon of Illinois, admits as much. "In politics," Simon says, "it is easier to duck a difficult decision than to face it."

The article goes on:

> Did you elect your Congressman and your Senators to make the easy calls? If you did not vote, vote against anyone who supports this larcenous abdication of congressional responsibility?

These are not my words, these are from Michael Ruby of the U.S. News & World Report.

The Nevada Appeal in its July 15 edition says:

> In a scant half page, an impressive collection of the Nation's top legal scholars from universities like Harvard, Yale, Stanford and Chicago sum up the case against the balanced budget amendment to the Constitution. From Laurence Tribe and Archibald Cox on the left to Robert Bork and Charles Fried on the right, the 17 jurists blast the amendment * * * as a serious mistake.

It goes on to say:

> Yet another form of false compliance, the jurists' letter cites the amendment would create "a permanent incentive to accomplish national objectives through mandates and regulatory burdens on State and local governments and the private sector * * * Despite the superficial appeal, the balanced budget amendment would exacerbate distortions already present in the political system without curing the Federal Government of overcommitment. For that, the only antidote is political will.

That is what the Reid amendment is about.

The Washington Post, on February 22 of this year says the people that are sponsoring this amendment, the Simon amendment:

> * * * resisted even the most modest proposal by the President last year to cut Social Security costs by subjecting the larger share of benefits to the income tax.

They claim to be shocked by the proposal the President and others have now made to curb health care costs, what the indignant critics say would be tantamount to rationing.

It goes on to say that this is just a bad idea.

We have, from the San Francisco Chronicle, dated February 13:

> The balanced budget vote in the Senate will probably be another squeaker. Senators Feinstein and Boxer can vote for democratic government and economic responsibility by helping to put a stake through the heart of this brain-dead proposal.

The Salt Lake Tribune, February 18, 1994:

> Conservatives could beat their gums for it without having to vote against a single appropriation dear to the special interests of their State. A liberal could protect his seat from attack by the usual forces calling him a tax-and-spend liberal.

And in any event, the amendment and its true meaning would be litigated to the outer limits of the Supreme Court's competence and desire to set fiscal policy.

Now, we know the nightmare that this amendment which Senator SIMON has offered would create in the courts. They have attempted to alleviate it by the amendment they offered. They claim one of the merits of this amendment is that it has been around so long. It is interesting they would wait until the last minute to amend it.

Of course, they had to amend it because of the way it is written, litigation would be the byword of the day. I would also suggest that the amendment they have offered does not solve those problems.

The Baltimore Sun has also editorialized on the 6th of February, saying a number of things about the Simon amendment.

> The proposed amendment is a phony.

That is a quote from the Baltimore Sun.

> It presents to legislators a chance to propose procedures for cutting the deficit while offering them ample opportunity to slip-slide away when it comes to actually raising taxes or cutting spending.
>
> It is somewhat ironic that the latest effort to pass this unsavory amendment comes just after the release of a Clinton budget that shows some progress in holding down the size of the deficit. More, much more, needs to be done about the deficit, especially in the entitlement area. But one would think this is not the moment to change the Constitution.

The Seattle Post Intelligencer, in its edition of the 9th of February of this year, said about the Simon amendment:

> Two thousand years ago, as Senate Appropriations Committee Chairman Robert Byrd tells it, the Roman Empire fell because the Senate transferred its control of the purse strings to Rome's imperial rulers, and thus lost its power to prevent dictatorial errors and excesses.
>
> But Byrd has made a crusade of protecting the American political system against what he sees as a similar fatal Senatorial mistake, in the modern form of a constitutional amendment to mandate a balanced budget.
>
> Byrd stands alone, like Horatius defending the bridge over the River Tiber against the Etruscan army, holding back an enemy that marches inexorably onward.
>
> Perhaps we can draw hope from the fact that Horatius was victorious against great odds. He held the invaders at bay long enough for the Romans to destroy the piling holding up the bridge into the city. When the bridge collapsed, he dived into the river and swam to safety. Or so legend has it.

Mr. President, I hope we defeat the Simon amendment and support the Reid amendment, an amendment that is reasonable, an amendment that is logical, an amendment that they have lived by. An amendment that would allow our citizens, if it were given to them, to live by. That is what this is all about.

The Reading Eagle, Reading, PA, last year, in November said:

> Bright-eyed liberals and bushy-tailed conservatives may like the sound—

Talking about the Simon amendment—

> of their well-meaning oratory on the matter. But theirs is not the way America is going to choose.
>
> The balanced budget amendment looks to us like an unnecessary, undesirable impossibility—a tiger by the tail dressed up to look like a wise old owl.

Now, we have heard comments, facetious in nature, that our amendment relies on estimates. Of course; so does theirs. The difference between theirs and ours is that ours has a mechanism for enforcement; theirs does not. Capital budget? Yes, we have a capital budget. They do not. And I am proud of the fact that the sponsors of this amendment have a provision for an operating and a capital expenditure budget. States do it. They do it well. We can do it well.

I guess they want more—maybe I have put not enough in my amendment. Maybe it needs more. Well, I think we have to be very careful what we put in the Constitution, and I have been very, very careful what I have proposed to put in the Constitution. I followed the admonition and advice given by Justice John Marshall in the famous McCulloch versus Maryland case, where he said:

> A Constitution, to contain an accurate detail of all the subdivisions of which its great powers will admit, and of all the means by which they may be carried into execution, would partake of the prolixity of a legal code, and could scarcely be embraced by the human mind. It would probably never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of the objects themselves * * * [W]e must never forget that it is a constitution we are expounding.

Justice John Marshall, the most famous Supreme Court Justice ever in the history of the United States.

There have also been comments that this amendment is political cover. Political cover was invented by the proponents of the Simon amendment, according to a few of the newspapers I have presented from around the country. My amendment, offered by the Senator from Nevada, the Senator from Kentucky, and the Senator from California, is a fair amendment. It allows us to carry on with the affairs of this country and to balance the budget the way the States balance their budgets, and not on the backs of senior citizens and others who depend on Social Security. So that is where the political cover is. They are in the wrong bedroom, Mr. President.

There has been some criticism, especially with the press, as to why we would have CBO make the estimates. Who is going to make their estimates? The same CBO worked pretty good when they came out critical in certain areas of the President's health care package. My friends from the other side of the aisle jumped for joy.

Well, we know CBO. Reischauer and all the directors we have had, whether there has been a Democratic President or a Republican President, have been fair and honest. That is why they are in my amendment.

My amendment retains the integrity of the Constitution of the United States but, as the Framers of our Constitution intended, reserves fiscal policy to those who are elected by the people to carry out fiscal policy. It retains a requirement that three-fifths of the Congress must approve deficit spending.

But we have an additional burden in the Simon amendment that I think is quite interesting. On the debts we have incurred, even debts that this Government already owes, they want a three-fifths vote. That is wrong.

My friends on the other side of the aisle said, well, that is easy. It is not easy to get 60 votes to do something in the Senate. For example, last year alone there were 30 attempts to waive the budget act. Waiving the budget act requires 60 votes. Of those 30 waivers, two succeeded. Of course, you now not only have three-fifths here, you have three-fifths in the other body. A 60-percent requirement is a serious enforcement. That is why my amendment does the possible. It requires three-fifths to deficit spend, but not three-fifths to extend debt this country has already incurred.

I ask unanimous consent that those budget act waivers be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1993 BUDGET WAIVERS

No. and date of action	Object of waiver	Section of 1974 Budget Act	Result (and vote)	Congressional Record Page Nos.
(1) Mar. 3, 1993	S. 382 (H.R. 920), "Emergency Unemployment Compensation Amendments of 1993" Domenici et al. Amendment No. 67.	Section 306	Rejected (44–55)	S2294–S2295
(2) Mar. 10, 1993	S. 460 (H.R. 2) "National Voter Registration Act of 1993," McCain et al. Amendment No. 73.	do	Rejected (45–52)	S2601–S2602
(3) Mar. 31, 1993	H.R. 1335 "Emergency Supplemental Appropriations Act of 1993," Kohl/Shelby Amendment No. 287.	do	Rejected (52–48)	S4083
(4) May 14, 1993	S. 714 "Thrift Depositor Protection Act of 1993" (Gramm/Mack/Brown), Amendment No. 365.	do	Rejected (43–53)	S5908
(5) June 22, 1993	H.R. 2118 "Supplemental Appropriations Act of 1993" (Roth et al.) Amendment No. 487.	Section 311	Rejected (39–59)	S7568
(6) June 23, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Mitchell/Bumpers), Amendment No. 502.	Section 305(b)(2)	Rejected (54–44)	S7702–S7720
(7) June 23, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Dole et al.) Amendment No. 506.	Section 410	Rejected (43–55)	S7721–S7736
(8) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Sasser/Mitchell/Dodd) Amendment No. 510.	Title III	Rejected (54–43)	S7830
(9) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Roth et al.) Amendment No. 525.	Section 310(d)(2)	Rejected (56–42)	S7874
(10) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Dole et al.) Amendment No. 536.	Section 310(G)	Rejected (48–50)	S7892
(11) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Bryan et al.) Amendment No. 543.	Section 305(b)(2)	Rejected (52–45)	S7913–S7919
(12) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Domenici/Nunn) Amendment No. 544.	Section 313(b)(1)(A)	Rejected (53–45)	S7920
(13) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" Amendment No. 542	Section 313(b)(1)(A)	Rejected (53–45)	S7920
(14) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Graham/Moseley-Braun/Harkin) Amendment No. 548.	Section 310(d)(2)	Rejected (15–83)	S7921
(15) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Agriculture Committee)	Section 313(b)(1)(A)	Rejected (38–60)	S7922
(16) June 24, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Bryan Amendment No. 551).	Section 936	Rejected (20–78)	S7922
(17) June 25, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Bumpers Amendment No. 545).	Section 305(B)	Agreed (69–29)	S7923
(18) June 25, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (DeConcini/Sasser/Feingold) Amendment No. 555.	Section 305(b)(2)	Rejected (55–43)	S7923
(19) June 25, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Gramm Amendment No. 557).	Section 313(b)(1)(A)	Rejected (55–43)	S7924
(20) June 25, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Burns et al.) Amendment No. 558.	Section 310(d)(2)	Rejected (46–52)	S7925–S7927
(21) June 25, 1993	S. 1134 "Omnibus Budget Reconciliation Act of 1993" (Hutchison Amendment No. 513).	Section 305(b)	Rejected (58–40)	S7930
(22) Aug. 4, 1993	H.R. 2267 "Emergency Supplemental Appropriations for Relief from the Major Widespread Flooding in the Midwest (Durenberger Amendment No. 764).	Section 306	Rejected (35–64)	S10327–S10341
(23) Aug. 6, 1993	H.R. 2264 (S. 1134) Omnibus Budget Reconciliation Act of 1993" (McCain constitutional pt. of order).	Section	Rejected (44–56)	S10655–S10681
(24) Oct. 5, 1993	H.R. 2750 "Department of Transportation and Related Agencies Appropriations Act, 1994" (Warner Amendment No. 1015).	Section 602(b)	Rejected (35–63)	S12917–S13044
(25) Oct. 26, 1993	H.R. 3167 "Unemployment Compensation Amendments of 1993" (Hutchison/Shelby et al.), Amendment No. 1081.	Section 311(a)	Rejected (50–44)	S14319
(26) Oct. 26, 1993	H.R. 3167 "Unemployment Compensation Amendments of 1993" (Moynihan)	Section 12	Rejected (59–38)	S14326
(27) Oct. 27, 1993	H.R. 3167 "Unemployment Compensation Amendments of 1993"	Section 311	Agreed (61–39)	S14487
(28) Oct. 27, 1993	H.R. 3167 "Unemployment Compensation Amendments of 1993" (Bumpers Amendment No. 1084).	Section 311	Rejected (36–61)	S14496
(29) Oct. 27, 1993	H.R. 3167 "Unemployment Compensation Amendments of 1993" (Gramm Amendment No. 1087).	Section	Rejected (58–39)	S14515
(30) Oct. 27, 1993	H.R. 3167 "Unemployment Compensation Amendments of 1993" (McCain Amendment No. 1088).	Section 302(f)	Rejected (46–51)	S14515

Mr. REID. Mr. President, I also want to talk for a little bit about statements that have been made: Well, the Reid amendment, I cannot believe anybody would ever carry it out. I do not think we are serious about it. I do not think they would really go through on what they say they would do if the amendment passes. And it is only wishful thinking.

We can go back to one of the sponsors of the Simon amendment, Senator HATCH, who yesterday made the following statement:

> I do not think there is a person in this body who would not be interested in living up to his oath of office, which requires fealty to the Constitution of the United States, who would not take it seriously and who would not realize that the game is up around here, and that we have only 7 years on a glidepath to reach a balanced budget.

It is interesting. I am sure Senator HATCH does not mean that his glidepath is more moral than our glidepath or that his glidepath is somehow more genuine than our glidepath. I think, if you submitted this to the American public, they would overwhelmingly support the Reid-Ford-Feinstein balanced budget amendment. Why? Because it is not a game. We are exempting, as the Senate said we should in a 98-to-2 vote, Social Security. It treats us like their own States are treated.

Senator HATCH went on to say:

> I have to tell you, I cannot imagine a Member of this body, if this resolution passes both Houses of Congress, who would not take their responsibilities very, very seriously to start that day and do what is right.

He is talking about his amendment. Does he think any less of ours if it passed? I hope not.

He said:

> Furthermore, to say that by putting our declaratory judgment language in the amendment we are preventing enforcement also could be construed as an insult to every Member of Congress * * *.

So I will not belabor the point other than to say we believe that the amendment that we have offered is realistic, it is doable, and my friends on the other side of the aisle, rather than carping about this amendment, should be glad that it is offered and should join the supporters.

As Senator CONRAD has indicated, the Simon amendment is not going to pass. The amendment is doomed. Why not join in this amendment? With their support, this amendment would pass. It would march us down the road to economic recovery more quickly.

There has also been a statement made: How could the unanimous-consent agreement ever have been reached that would require 67 votes to pass my amendment? Well, Mr. President, this particular amendment, if adopted by a majority vote, would ultimately require 67 votes to pass. So as the advertisement says, you can pay me now or you can pay me later. I have to get 67 votes to pass my amendment. The Senator from Illinois, who is so well respected in this body, wanted a vote on his amendment. I believe he is entitled to a vote on his amendment. I did not feel that, through parliamentary maneuvers, I should somehow think to take away an up-or-down vote on the Simon amendment. Perhaps that could have been done. I do not think that would have been fair, for lack of a better term. So what we have here is an up-or-down vote on the Reid amendment and an up-or-down vote on the Simon amendment.

The point I am making, Mr. President, is that, as Senator SIMON's staff said to my staff yesterday, may the best amendment win. I believe the best amendment should win. If the Simon amendment is not going to pass, that leaves the possibility of only one amendment to prevail. I think they should join and support this amendment.

Like the Simon amendment, this amendment requires the Federal Government annually to balance operating expenses with its revenues. It allows flexibility during time of war or threat to the national security. It must take effect by the year 2001.

Where my amendment differs is in areas that I believe are truly justified. It allows the creation of a separate capital budget. It allows flexibility during times of economic recession. It preserves Social Security as a separate trust fund.

And, this amendment specifically protects the fundamental constitutional policy of the balance of powers.

In short, Mr. President, this amendment is pragmatic while being proactive, enforceable but not unworkable, and it is responsible without being reckless.

Mr. President, I, like everyone in this Chamber, have watched and listened to the senior Senator from Illinois. He was a Lieutenant Governor of his State. I was a Lieutenant Governor of mine. He was elected first. I came later. He was then elected to the House. He came first. I came later. He was elected to the Senate. He came first. I came later. I have followed Senator SIMON on many, many things. I have the greatest respect and admiration for him and his family, his integrity, and however we decide on this amendment, it is not going to change that. His record is already written in the history books of this country.

But in spite of the great integrity that he has and the reputation he has, and as much as I would like to support him on this issue. I cannot. I have tried. I have searched my conscience. I have searched my mind separate and apart from my conscience. I have delved as much as I can into my heart.

I cannot support the Simon amendment because it is flawed. I think that over this weekend the supporters of the Simon amendment should, in unison, join in the Reid-Ford-Feinstein amendment and make a balanced budget a reality. This would go to the House and pass like corn flakes early in the morning.

Mr. President, I am hopeful that we can pass this amendment. I believe that it is the right thing to do for the Senate of the United States and the right thing to do for this country.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I yield myself such time as I may consume.

Mr. President, as I said yesterday on the floor of the Senate—and I do not think the Senator was here when I mentioned it—I have great respect for my colleague from Nevada. He is one of the best Members of this body. But I think he is offering, in the words of USA Today, his amendment as a weak substitute.

I think that is in fact what it is. It has so many loopholes that it is not going to get us where we have to go.

Let me deal specifically with the criticisms that he makes of my amendment. No. 1, on the courts. It is interesting that we get criticized no matter what we do on this one. If you have the possibility of the courts intervening, people say the courts are going to get enmeshed. If we adopt the Danforth amendment, as we have done, to severely limit court involvement, they say it is meaningless. The reality is that even without the Danforth amendment, court involvement would be minimal, because the courts have made clear that they do not get involved in what are called "political questions."

The concern has arisen because of the Jenkins case in Missouri, where the courts said to a school district: In order to comply with an integration order, we are going to impose a tax here. That arose under the 14th amendment. There is no such likelihood here, even without the Danforth amendment. And the best illustration was when our former colleague, Senator Barry Goldwater, and several Members of this body, went to the U.S. Supreme Court on the agreement that President Carter made with the People's Republic of China and in effect abrogated a treaty that we had with the Republic of China, with Taiwan. Senator Barry Goldwater said that you cannot do this, this is illegal. Candidly, I think Barry Goldwater had a very good legal point. But the Supreme Court said that we are not going to get involved in a case that is between the executive and the legislative; that is a political question. And that is, of course, what we have here. If there was any question, that has been clarified by the Danforth amendment.

My friend from Nevada says we have the lowest deficit to GDP we have had since 1979. That is true, but you look at those projections, and they go up and up and up and up from here on out. And that spells trouble with a capital "T". As you look at other countries, countries that have had high deficits relative to GDP have ended up monetizing their debt—just printing money. You can take a gamble that we will be the first country in history not to do that, but it is a huge gamble with the future of our country.

On Social Security. In the Budget Committee, I have been the champion of Medicare, which is the part of Social Security that comes before the Budget Committee. Retirement does not come before the Budget Committee because it is automatic. I have been the champion of that. I do not believe we should be attacking Social Security retirement. That is not the cause of our deficit. But to pretend that the Reid amendment will protect Social Security is simply not a reality.

If, under the Reid amendment, you were to come in and say, OK, let us reduce Social Security taxes 1 percent and increase income tax 1 percent, that would be perfectly possible. You know, there are all kinds of ways of evading that, or increasing the income tax paid on Social Security. There are all kinds of things that could be done. The reality is that the protection for Social Security rests in this body, with the Members here, who will do what we can —and I think we will—to protect Social Security. I have made clear that I prefer not using that surplus in determining the balance. I am willing to say that in a sense-of-the-Senate or in a statute, but not in the Constitution, for one reason, this provision recognizes a surplus right now. But that surplus is not a permanent thing. Starting in the year 2024, the Social Security trust fund goes into deficit, and that means anyone under the age of 35 would not be protected.

At the invitation of my friend from Nevada, I met with the University of Virginia soccer team, and one of the stellar members of that team is his son. I was pleased to meet his son, as well as the coach. And, obviously, next to his son, the most outstanding member of the team, I discovered, was from the State of Illinois. But every one of those members——

Mr. REID. His name is Mike Fisher.

Mr. SIMON. From Batavia, IL.

Mr. REID. He started every game this year.

Mr. SIMON. Before we know it, we are going to have a discussion on the University of Virginia soccer team.

Mr. REID. It would be a lot more fun than this, would it not?

Mr. SIMON. Every one of those bright young men on that team will not be protected by this Reid amendment, because of the deficit situation. We cannot adopt a constitutional amendment that anticipates we are going to have a surplus into the indefinite future. Clearly, we ought to do what we can to protect Social Security.

Finally—and I saw Senator BYRD on the floor a moment ago, and I know he wants to take the floor—I point out that we simply have to stop borrowing from our children and our grandchildren. When Senator Paul Tsongas testified last week before my subcommittee, he said, "This is a moral issue. What right do we have to borrow from our children in order to satisfy our present desires?"

In terms of the media that he quoted, it is interesting there is a gradual movement—slow, I admit—but a gradual movement of economists and media over to the side that we have to do something here. Senator Tsongas testified last week that if someone is against this, they are either part of the media or in academia. Well, that is not quite true, but it has kind of been historically true. But there is gradual movement in what I think is the right direction.

Finally, my friend from Nevada says that his resolution has a mechanism for enforcement.

I will read this:

> The Congress may by appropriate legislation delegate to an officer of Congress the power to order uniform cuts.

We can do that now.

We do not need a constitutional amendment to do that. The mechanism of enforcement that we have in our amendment, which the Presiding Officer, Senator MATHEWS, is a cosponsor of, the mechanism that we have in our amendment says if you want to raise the debt ceiling of the Federal Government you need a three-fifths vote. That has muscle. That has teeth. What we need is something that is meaningful.

There is no question that if my amendment passes we are going to have a little pain. Senator Tsongas described our situation as a debt addiction. I think that is correct. And just like a drug addiction or alcohol addiction, to get rid of the addiction is going to take a little bit of pain. It is going to pinch us a little bit. But not getting rid of the addiction is going to cause us infinitely more pain, and to suggest that we ought to do something that looks like we are doing something but really is not substantial, I do not think we ought to play those kinds of games with the public or with ourselves.

I hope we can pass my amendment. I hope the Reid amendment is defeated and that we can do what we ought to do for future generations of this country.

Mr. President, I do not know if Senator BYRD is going to address the Senate.

Mr. REID. Perhaps we should suggest the absence of a quorum. He said he would return shortly. I do not think he decided for sure if he is going to speak.

Mr. SIMON. If it is all right with Senator REID we will divide the quorum call three ways.

Mr. REID. Excluding Senator BYRD.

Mr. SIMON. Senator REID and myself, but not on Senator BYRD's time, and I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I know that some of my colleagues are very troubled about this constitutional amendment—and I am directing my comments toward the amendment that is authored by Senator SIMON and several other Senators.

As I talk with some of my colleagues, I know they are wrestling with the decision, and some say to me that they are very concerned about the debt and the deficit and the interest on the debt. And, of course, I understand that. I think we can handle that problem. It will take some time.

We did not get into this mess exactly overnight. A little less than one-fourth of the total debt accumulated over a period of 192 years, dating from the beginning of the Republic in 1789 and continuing through 39 administrations, up until Ronald Reagan, the beginning of his Presidency in 1981.

And, of course, that was a period of time in which we paid off the debts of the Revolutionary War—remember, we had to go into debt in fighting that war—paid off the debts of the Revolutionary War; fought the War of 1812 against the British; the war with Mexico, 1846 to 1848; the Civil War, 1861 to 1865; the Spanish-American War, 1898; World War I, during which I was born; World War II, the Korean war; the Vietnam war; all of these wars, the panics and recessions throughout the 19th century, and the Great Depression in the early thirties, throughout all of these events, costly as they were, we had accumulated a debt amounting to a little under $1 trillion when Mr. Reagan became President and was sworn into office in January 1981.

During those next 12 years, under the Reagan and Bush administrations, the debt increased three times; in other words, it had quadrupled from, let us say, $1 trillion to $4 trillion.

How much is $1 trillion? Counting at the rate of $1 per second, it would take me—I say me, because I learned under the old math, not the new math—so it would take me 32,000 years to count $1 trillion. A lot of money.

And so, it took a long, long time to accumulate this debt of now roughly $4.5 trillion. It is not going to be easy. We cannot wipe out the deficits in one single year without imposing upon our country a terrible trauma, which would be counterproductive, which would turn the economy on its head and put millions of people out of work. It would also create reverberations throughout the world.

So we have to go about it in an orderly, careful, thoughtful way. I think that President Clinton and the Congress started down that road, took up where the 1990 summit left off, the 1990 summit, which was held during the Bush administration. And we injected into the budget, into budget policy, some real discipline—real discipline. At the 1990 summit we said we have to have pay-as-you-go, pay-as-you-go. If the committees of the Congress create new entitlement programs, they are going to have to find some way to pay for them. If they are going to increase this program they are going to have to decrease something else. That is what we meant by pay-as-you-go. If they are going to cut taxes on the one hand, they are going to have to increase taxes on something else, or they are going to have to pay for that in one way or another. So that was discipline. I insisted on that at the budget summit.

I also insisted on 60-vote points of order in this Senate on certain budgetary, fiscal, appropriations matters, and that has been an excellent disciplinary tool which has forced us to avoid breaching the allocations, breaching the caps, and I perceive this as the right way to go. We will have to take similar actions in the future. We will have to do more.

Therefore, I say, let us continue down that road and we will eventually get control of the deficits. That is what we are seeking to do. And at the same time we will do it in a way that will not throw our economy into a tailspin.

There is not a Senator, not one Senator who opposes the Simon amendment, who does not believe as fervently as any other Senator believes that we should get our deficits under control and bring down that interest on the debt and ultimately bring down the debt itself. We are told by our friends here that the way to do this is by constitutional amendment. No such amendment has ever been adopted by Congress and ratified by the States.

The Simon constitutional amendment—and when I say Simon amendment, he is the chief sponsor but, of course, I include the other Senators as well who are cosponsoring that amendment and who will support it. My friends who are troubled, who are wrestling with this matter, speak about how concerned they are about the deficits and say we have to do something. We have to do something. We have to force ourselves to do something. We have to have something that will discipline us. We have to force ourselves. So, they say, they do not want to continue down the road we are going, in which we are trying to methodically and systematically and in an orderly way deal with these deficits. I have confidence that we will deal with them.

So they do not want to pass that legacy on to their children. I am concerned about our children and our grandchildren as well. I also do not want to pass on to our grandchildren the legacy of a Constitution that is not what it was, a Constitution that is torn and rent. And I say to them, think about the Constitution you are passing on to your children. You will not be passing on the same Constitution to them that has come down to us after more than 200 years. It will not be the same Constitution and it will not be, in time, a representative democracy.

Why? Because this constitutional amendment takes away that majoritarian principle that undergirds our democracy and which undergirds any other democracy, that principle being: The majority rules.

This is a prescription for minority rule. A small minority in one House can thwart the efforts of the entire other body and the great majority in the body in which that particular minority may exercise its powers under this constitutional amendment. That small minority can extract from the majority and extract from the President of the United States whatever it wants to extract. It can get its pound of flesh. And, unless the majority, the overwhelming majority in both Houses knuckles under, yields, in order to placate that minority, then we will be unable to get the three-fifths majority to waive the Constitution in circumstances that may be exceedingly serious; unable to get the three-fifths necessary to raise the debt limit.

There are only five instances in the—I refer to the Constitution as the original Constitution that our Framers gave us—there are only five instances in which there is a supermajority requirement. I have named those already before: Overriding the President's veto, the expulsion of a Member in either body, approving the ratification of treaties, convicting a President or other Federal officer who has been impeached, and amending the Constitution.

There are three other instances, somewhat curious if you study them, in the amendments. I believe it is the 12th amendment, and the 14th amendment, and possibly the 25th amendment. Some of these have to do with quorums, and on another day I will deal with them in particular.

But the point here is we only have amended our Constitution 27 times; 10 of those times being referred to as the Bill of Rights, the first 10 amendments, and the remaining 17. Among the remaining 17, two have wiped each other out, the 18th amendment, the prohibition amendment, and the 21st amendment, which wiped it out, so there are two that wash each other. Or at least the second amendment washed out the first one. So actually we have only amended that Constitution 15 times, what amounts in essence to 15 times, following the first 10 amendments, the Bill of Rights.

Here we are about to amend it again and this time it is going to deal with fiscal policy. None of the others did it. No other constitutional amendment has dealt with fiscal policy.

So this is an extremely serious matter, and I will not go into the amendment in any further depth than I have today, which has not been very much. But I will say this: This amendment has great appeal out there in the country, a great appeal. Ask the American people if they favor a constitutional amendment to balance the budget. Yes, they favor it by a whopping majority—by a whopping majority.

Ask them if they want to cut Social Security payments? Oh, no, they do not want to do that in the main, or if they were to be asked whether or not they want to pay higher taxes, you will get a mixed answer on that one.

Or do they want to cut defense? There, again, it would be divided, and we will not see the great majority that we see who support a constitutional amendment to balance the budget.

Of course, people just are not aware as to what is really in this amendment. They do not have the time to study the Federalist Papers. The average American has to be concerned about the bread and butter on his table, sending his children to college, putting a new roof on the house, paying a mortgage off on the farm. They do not have time to go back and read the Constitution and the history of England and Montesquieu's history of the Romans, the Federalist Papers or Madison's notes at the convention. They do not have the time to do those things. And so it is understandable as to how they would feel.

Many of our Senators during campaigns promise to vote for a constitutional amendment to balance the budget, in the heat of the campaign. Senators do that thoughtlessly, undoubtedly. Many of them have come to me and have stated to me that they do not like this amendment. They do not think it is a good amendment. They think it is terrible, but they say that they committed themselves during the campaign to vote for a constitutional amendment on the balanced budget, therefore, they do not feel they can vote against this.

It seems to me that one needs to ask himself: Am I being truthful to my own conscience? Am I being faithful to the trust that is reposed in me? This is not to say that all Senators who support this amendment are not sincere. Some of them sincerely believe this is the only way to do it. I can understand their frustration. I am frustrated also. The American people are frustrated.

So I do not say this with disrespect for any Senator, but I do know in talking with a good many Senators around here, several times I have encountered Senators who have said, "I promised in a campaign I would vote for a constitutional amendment."

We go up to that desk, hold up our hand before God and man and swear to support and defend that Constitution. Montesquieu said that when it comes to an oath, the Romans are the most religious people in the world. The Romans believed in keeping an oath and, during my several speeches last year on the history of the Romans, I talked about the keeping of the oath and how serious the Romans were about it, how Regulus, who was captured by the Carthaginians—I told the story of Regulus, the consul, who, even though he knew he was going to his doom upon his return to Carthage, told the Roman Senate that he would keep his oath with the Carthaginians they exacted from him when they sent him to Rome with other Carthaginians in the interest of having a peaceful cessation to the hostilities. And it seems Regulus took the position, he told the Roman Senate, when he gave his oath whether it was to a friend or to an enemy, he was going to keep his oath. So he knew he was going to be tortured to death and that is what happened.

So the Romans kept their oath. Therefore, it occurs to me that although I may make a commitment in the heat of a campaign, not having studied the matter sufficiently and later having the opportunity to study, to read history, to ponder over that Constitution and the oath that we take to support and defend it, then I should be able to look in that mirror and say: "I'm keeping my oath to the Constitution."

I have found that people—if one has to break a promise, if he will explain why he broke it, how the facts had changed or the facts were different from what he knew when he made the promise and the facts are these—I have found that the people are fair, they are reasonable, they are understanding, and I would say nine times out of 10, they will have more respect for that person for having done what he thought was best for his country rather than merely keep a promise that was an ill-spoken promise and one that was made without all of the facts at one's disposal.

I was opposed to the Panama Canal Treaty and so stated it in West Virginia. I wrote columns that appeared in my papers in which I said I was opposed to the Panama Canal Treaty. But when I studied the 1903 treaty and the subsequent treaties, when I studied the history and when I read every possible thing that I could get my hands on to read—I read "The Path Between the Seas" by McCullough. What a book—I came to the conclusion that it was in the best interest of the United States to ratify those treaties.

Consequently, as leader of my party in the Senate, and at that time majority leader in the Senate, I led the effort to approve the ratification of the treaties. Howard Baker was the minority leader. Without Howard Baker, without the support of the minority leader—on that occasion it was the minority leader and several Republican Senators—without their support, we could never have mustered the two-thirds vote that was required to approve the ratification of the treaties. We could not have done it. That was an act of sheer statesmanship.

If ever there comes a time when another one of those panels out in the reception room in the direction towards which I am pointing my finger—there are five great Senators who have their pictures out there on the panels—if ever there comes a time when another Senator's face is painted on those panels, I hope it will be Howard Baker's portrait, because he demonstrated real statesmanship—statesmanship. He went against the grain of his own party, I think, but he stood for what was best for America.

So there came times when I had to break what I had made as a promise, but I did it because I concluded after much study that it was the right thing to do, that it was in the best interest of my country, and today my conscience is clear. There are a good many people in my State of West Virginia who have never forgiven me for that, and they remind me of it every now and then. But that is the price we have to pay. We have to pay a price to be a Senator, to take the right stand.

And so, on the great issues that come before this country, truly great issues, it seems to me that we have an obligation to be intellectually honest with ourselves and with others and that we should think not so much of what is best for my political career or my being reelected but what is best for my country.

In 1982, I voted for a constitutional amendment to balance the budget—in 1982. In 1986, I voted against a constitutional amendment to balance the budget, because I had studied it more. I came to the conclusion that it was the wrong thing to do. And that constitutional amendment to balance the budget in 1986 was defeated by one vote, and my vote changed. I have never regretted it.

We have to live with ourselves, and mainly we have to think of this country. This is—as I say, it is kind of an alluring, an attractive amendment. It is easy to vote for. It does not cost anybody anything. It does not create one dime in revenue. It does not raise anyone's taxes one thin dime. It does not cost any program.

We do not have to balance the budget until 2001. And as a matter of fact, in 2001 we do not have to balance the budget. We do not have to ever balance the budget under this amendment because it says we do not in section 6:

> Congress shall enforce this amendment by appropriate legislation which may take into consideration estimates of outlays and estimates of receipts.

We will never balance the budget on that basis. The sixth section says do not believe what you see in the first section because you really do not have to balance it.

So it is a very attractive approach, and I can understand the appeal that it has out there in the country. But if we adopt that amendment, we are going to be sorry.

I say to the distinguished Senator from Nevada, I am sure that he has read about the Pied Piper of Hamelin, who on July 22, 1376, according to Robert Browning, appeared at a meeting of the town council, in the town of Hamelin on the Weser River, and the mayor and the town council were very much troubled about the rats in the town. The rats are killing the cats and chewing on the babies in cradles and getting into the cheese vats.

And so the mayor and the town council were about to be run out of town by the populace, and they were beside themselves as to how they might deal with this situation. And as they sat there, they heard a knock on the door, and who walked in but this tall, thin man dressed in a red and yellow coat with a scarf around his neck, red with yellow stripes. He had small blue eyes and a sharp nose and sharp face. He had a pipe tied onto his scarf. And all the time he was talking with the town council his fingers were, as it were, playing on that pipe. And he told them that he could get rid of these rats.

They said, "How much would it cost?" "1,000 gilders." "1,000 gilders? We will give you 50, 50,000 gilders if you can rid this town of these rats." And he told how he had rid other kingdoms of lice and various other vermin. "Oh, we will give you 50,000."

Out into the street he went. He started playing on that magic pipe, and the rats poured out of the buildings into the street—great rats, small rats, lean rats, brawny rats, brown rats, black rats, gray rats, tawny rats. They poured out into the street, and the Pied Piper just went right on down the street to the River Weser, and into the river all the rats plunged, except one old rat who was strong as Julius Caesar, and he lived to tell the tale.

So the Pied Piper came back to the meeting of the mayor and the town council. He said, "I want my money, 1,000 gilders." "A thousand? Oh, come on. Take 50"—I mean not 50,000 but 50—"gilders." He said, "I'm a busy man. I've got another job to do."

So out he walked. This time he played a different tune on that pipe, and all the little feet came pattering, pouring into the streets—the children of the city. So down the road he went playing his tune, and he headed in the direction of Koppelberg Hill. And the mayor and the city council said, "Oh, he'll never get those children over that hill. That will stop them."

Well, Robert Browning tells us in his poem:

When, lo, as they reached the mountain-side,
A wondrous portal opened wide.
And when all were in, to the very last,
The door in the mountain-side shut fast.
Did I say, all? No. One was lame,
And could not dance the whole of the way.
And in after years, if you would blame
His sadness, he was used to say, -
"It's dull in our town since my playmates left.
I can't forget that I'm bereft.
Of all the pleasant sights they see,
Which the Pied Piper also promised me.

The moral of the story was if you have promised ought, keep your promise.

We are promising a great deal, more than we can keep in this amendment. It is going to be very disappointing if this amendment ever becomes a part of our Constitution. We, most of us here at least, will live to see that it was a terrible, terrible blunder. And what a legacy we will pass on to our children and grandchildren.

Mr. President, there is not a man or woman in this body who is not a politician. And everybody in here had to be a politician unless they were appointed. But politicians are naughty. We all play politics in here. There are times when we will vote one way or another on a matter that we think will help politically. I think I will vote this way about 50–50, or I am going to vote this way. Or I will vote with Mr. Clinton on this one or I will vote against Mr. Clinton on this one.

But when it comes to matters of this kind, a matter that goes to the very heart of the Constitution, to the heart of this Republic, then we wrestle and we are tormented at times in reaching a decision. This is not an ordinary vote. We cast this kind of vote very seldom.

As I said to a Senator yesterday, you are going to pass on a legacy to your children and grandchildren. And it will not be the same Constitution that the Framers wrote. And it is going to undermine that principle of majority rule. That is the underlying principle that tells us whether it is a democracy or not. Also, if you vote for this, you will be voting for something that is very destructive to the constitutional system of checks and balances and separation of powers.

I cannot speak for any other Senator. I can be no judge of any other Senator. I cannot get inside any other Senator's mind or heart. I can only deal with myself. And I am very concerned about this amendment.

"Oh, he is the chairman of the Appropriations Committee, and so and so is on his committee." Now, that is kind of tawdry to ascribe to another Senator who is on my committee the lack of willpower on his own. Milton speaks of Gods giving man the freedom of the will to exercise his will.

It is rather amazing. They used to tell ghost stories when I was a boy. And I was fascinated with those ghost stories. I speak about some of the ghost stories in connection with this Capitol in my books in the history of the Senate.

So I am hearing ghost stories when I hear these stories about, "Well, Senator BYRD is chairman of the Appropriations Committee, and Senators have to go to him to get things they want for their States," as though I would approach a Senator or even think of approaching a Senator in that way. It is demeaning to other Senators to ascribe to them a weakness such as that, that they would cast their vote on this amendment simply because they are on my committee and I am chairman of the committee, and therefore that they might be expected to suffer some retaliation. That is a joke. Those people are seeing ghosts. They are looking for something. They are seeing ghosts.

I am concerned because I love this Senate. I love the Constitution. I might support a particular amendment to the Constitution if it dealt with a prayer in schools. I believe in prayer. I believe in having prayer in schools. I believe in having prayer certainly at commencement, voluntary prayer by a student, and the majority of the students want to have a prayer. I see nothing wrong with that. As a matter of fact, I see a lot of good in it. I see a lot that has happened to our country that is bad since the Supreme Court decision dealing with prayer in schools. Whatever we take out of our schools today in another generation will be out of the country.

So I would amend the Constitution in one particular or another, but never, never would I again. As I say, I voted for a constitutional amendment in 1982 and against one in 1986. And I would never vote for it again, never because I believe in the constitutional system of checks and balances. I know too much about the history of the English people, about the history of the Romans, and about the history of our own country, about the Framers, about the Constitution. I know a lot more than I knew in 1982.

I believe, I am convinced, that if this amendment were to become a part of the Constitution, the power of the purse that has been vested by the Framers in the legislative branch would be gone. No longer would we have a tripartite government in which the three branches are coordinate and equal. The power would flow to the executive, or would flow to the judiciary, and as a consequence, in the final analysis, all three departments of power would be severely damaged.

I am reminded, may I say to my friend from Idaho, he is a fine debater, and he is a very dedicated Senator, dedicated to his convictions. He and I differ on this particular matter.

But I expect he read years ago Chaucer's "Canterbury Tales."

He nods his head in the affirmative.

Senator REID will remember that Chaucer was born around 1340 and died in 1400. He lived, therefore, during the remains of Edward III, who reigned from 1327 to 1377. He was followed by Richard II, who reigned from 1377 to 1399, and who was deposed by Parliament. Well, Chaucer, in the "Canterbury Tales," demonstrates a keen knowledge of England in the Middle Ages.

His story was a theme in which several persons who had gathered at the Tabard Inn, South Wark, would, on their way to the shrine of St. Thomas at Canterbury, each tell two stories. Chaucer died before he was able to finish what he had set out upon. But his "Canterbury Tales" aptly described life in England and the kinds of people. It included a cross-section of the people of England. There was the squire and the friar and the monk and the cook and the sailor, the knight, the wife of Bath, and the pardoner and the merchants and the physician.

I just want to refer to one tale this afternoon: The Pardoner's Tale. The pardoner was one of those preachers who was assigned to raising funds for a particular religious program or cause, and he would render indulgences in exchange for a contribution or financial gift. So he was a pardoner. Well, the pardoner told this tale, and it is apt here.

The pardoner told the story of three young men who were sitting in a tavern, and they were drinking, feeling their oats, making a good deal of noise, like some people do these days when they get too much in their cups—some when they do not get their cups. They heard a carriage go by with a bell, and it was bearing a corpse. So one of them said, "Knave, who is this who has died?" The knave responded, and so did the innkeeper, and said, "This is so and so. He was killed by an enemy called 'Debt,' and this enemy has been killing a good many people in the countryside. A thousand people have died in the last little while."

These three roisterers got up and said, "Let us go out into the streets and find this enemy called "Debt," who has been taking the lives of our friends. They came upon an old man with a cane. They asked the old man where they could find this enemy called "Debt," and he responded that if they go over there on the hill beneath that oak, they would find the enemy called

"Debt." They went to the hill, and under the big oak tree there they found a pile of gold. They sat down by the pile of gold and they talked among themselves. They decided that they ought to take this gold home, but they ought to wait until nightfall, lest some thief fall upon them and take the gold and take their lives at the same time.

One said to the other two, "Let us draw straws." They called them "cuts." They did not call them straws. I take it they were straws or some such. So they drew straws. The idea was that the one who drew the shortest straw would go into the nearby town and buy some bread and wine and they would have lunch, until night came on when they would take the gold away.

So the one who had drawn the particular straw went into town. After he had gone, the other two got together and they said, "Why should we divide this gold among the three? Why should it not be ours? We will just divide it two ways. When he comes back, I will embrace him as though in jest, and I will rive him with my dagger, and you do the same and we will just divide this gold between the two of us."

Meanwhile, on his way into town, the one ruffian was thinking to himself: "Why should that gold have to be divided among three? Why could I just not have it all?"

He, therefore, went to the nearest apothecary and said, "Give me your strongest poison, I have rats that are eating my capons, and there is also a certain polecat, and I want to kill them." He was told that there was a poison that just a grain of it would kill instantly. He bought some of the poison and went out into the street, and from a wine seller bought three bottles of wine. He opened the wine, and in two of the bottles he put the poison.

He made his way back to the tree. As they had said they would do, one embraced him and rived him with his dagger. The other did the same, and he fell dead on the pile of gold. The other two sat down to have the bread and wine. They opened the wine. They drank the wine, and they died with excruciating pain. They fell on the pile of gold. So all three died. They killed themselves.

I see in this amendment the poison which in the end will be destructive of all three branches of the Government. Courts will enter into the situation and the people will resent being taxed by the courts. They will resent the order of the courts, that the legislative branch raise the taxes, or they will resent the President of the United States using impoundment powers, using the line-item veto, using rescission powers to cut their Social Security, veterans compensation, military pay, military retirement, whatever; and the legislative branch, of course, will have its powers swept to the other two branches. So we end up with all three branches damaged.

Mr. President:

I saw them tearing a building down,
A group of men in a busy town;
With a "Ho, heave, ho" and a lusty yell,
They swung a beam and the sidewall fell.
I said to the foreman, "Are these men skilled
The type you'd hire if you had to build?"
He laughed, and then he said, "No, indeed,
Just common labor is all I need;
I can easily wreck in a day or two,
That which takes builders years to do."
I said to myself as I walked away,
"Which of these roles am I trying to play?
Am I a builder who works with care,
Building my life by the rule and square?
Am I shaping my deeds by a well-laid plan,
Patiently building the best I can?
Or am I a fellow who walks the town,
Content with the labor of tearing down?"

We are going to tear down something that is sacred to the memories of Americans, sacred to the memories of our forefathers. We are going to destroy it. It has taken years to build. Those Framers underwent sufferance, threats to their lives. They paid dearly—Washington at Valley Forge. It was not easy, and it took years for this Republic to grow, to become strong, to become the light of the world, the beacon to every heart who cherishes liberty.

But with one stroke, I can easily wreck in a day or two that which took builders years to do. We better think about what we are doing. We will be tearing down something that it took years to build.

Mr. President, on Monday, we will resume our discussions. On Monday, I hope that I will have an opportunity to trace in a somewhat cursory way the power of the purse. I would like to talk about how the English Parliament developed, and how over a period of centuries of struggle, the power of the purse was lodged in the hands of the people's elected representatives in Commons. That is important, in my view, to the discussion here.

I want to lay in the RECORD a bit of history because, after all, that is what influenced Montesquieu in great measure, the history of the Romans, the history of the English. And these two histories, it is my understanding, had the greatest influence on Montesquieu as he developed his political philosophy and system, political system, separation of powers, and checks and balances.

So I hope to do that on Monday. I do not know how this is going to come out in the end. We may prevail against the amendment; we may not.

It is a decision that could well affect every man, woman, boy, and girl in this country today, and the lives of millions who will come after us.

I want that record to show the history that brought us where we are, the history of this Republic, the history of the English struggle, the colonial experience, and how the Framers who knew Plutarch, who knew Polybius, who knew Tacitus, and who knew Cicero, who knew about classical Rome and knew about the English, I want the history of this debate to have that background because those who read that history a hundred years from today, and if we prevail they will be thankful. If we do not, they will know that we tried.

I thank my colleagues for being patient. I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Nevada.

Mr. REID. Mr. President, I have no more requests for time on my side.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I have no further requests for time on my side. But by unanimous consent, I would like to enter into the RECORD an editorial by David Gergen, a "Dear Colleague" letter signed by several Senators, an editorial by George Will of the Washington Post, a statement in behalf of Senate Joint Resolution 41 by the U.S. Chamber of Commerce, and also a statement by the Balanced Budget Amendment Coalition, a broad cross-section of American interest groups representing our citizens, from the small farmer to the blue-collar worker.

I ask unanimous consent they be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, June 1, 1992]

BALANCE THE BUDGET—BY FORCE

(By David Gergen)

In one of his pithier observations, Winston Churchill once said that "Americans can be counted on to do the right thing, after they have exhausted all other options." The politicians of this country have now exhausted a raft of different options to bring our federal finances under control—deficit limits, tax increases, caps on domestic spending, cuts in defense spending—but the nation's budget remains shamefully out of whack. The time has come to recognize that the right thing to do is something we have long resisted: Amend the Constitution so that Congress and the president are required to balance the budget.

A balanced-budget amendment has always represented an indictment of our democratic system. It openly confesses that our elected representatives are incapable of making rational, tough-minded decisions on their own and must be strapped into a straitjacket by force of law. It says that as citizens, we are so unwilling to curb our appetites for more services and fewer taxes that we penalize any politician who demands self-discipline. As Sen. Phil Gramm of Texas says, "Everybody wants to go to heaven, but nobody wants to do what it takes to get there."

Yet for all inherent flaws and dangers of an amendment, an honest look at our past behavior and the future burdens we are imposing on our children makes a compelling case for its adoption. Isn't it better to accept a forced diet than to gorge ourselves to death? Consider: In the first 175 years of our republic, we balanced the budget or recorded a surplus 60 percent of the time. But since then, as government has exploded in size and scope, we have balanced the books less than 4 percent of the time. In the first 20 decades of the republic, we accumulated a total national debt of $1 trillion; in the past decade, we more than tripled that amount. From 1950 to 1980, Washington's borrowing soaked up less than 10 percent of our national savings pool; since 1980, federal deficits have sucked in roughly two thirds of our private savings. As a result, our rate of gross investment has been too low (in recent years, half of Japan's as a percentage of gross domestic product), our interest rates too high, and now our job creation is too slow. Total interest payments on the national debt will climb in the next fiscal year to $315 billion, the largest single item in the budget; of that, Washington will send some $40 billion to foreign creditors, more than it will spend on educating our children.

Momentum is now building in Congress to pass Sen. Paul Simon's budget amendment before the July recess and send it forward to the states, where more than 30 have signaled an eagerness to embrace it. Opponents rightly charge that many in Congress are acting out of desperation, anxiously trying to appease voters with something—anything—before the anti-incumbent mood sweeps them from power. The true test to apply to a candidate this fall is not whether he favors an amendment but whether he also shows constituents what services he will cut and what taxes he will raise.

To reach balance will require wrenching changes, especially in federal services. Since 1979, contrary to popular myth, federal spending has shot up from 20 percent to 25 percent of GDP, a level we haven't seen since the aftermath of World War II. Double-digit inflation has pushed the cost of Medicaid and Medicare to $200 billion this year; these costs will escalate to $600 billion in a decade. A balanced-budget amendment will clearly bring a crunch in Medicare and Medicaid, prompting the biggest overhaul of health care in this century. As it decides where to cut, Washington must also decide what priorities may demand more resources. How, for example, will we become a more productive, cohesive nation unless we fully fund Head Start? Inevitably, we must face up to the prospect of higher taxes.

But we can no longer flinch from reality; we can no longer afford the illusion that we can borrow our way to prosperity. President Bush, who shares responsibility with the Democratic Congress for the dreadful state of our finances, should now work with Capitol Hill to ensure that an amendment to the Constitution is carefully and wisely drawn, that the country is fully informed of the consequences and that we move forward immediately—no more mañanas—to restore our financial solvency. Somehow 49 out of our 50 states have learned to live within laws requiring balanced books; surely Washington can do the same.

U.S. Senate,
Committee on the Judiciary,
Washington, DC, February 24, 1994.

Dear Colleague: During floor consideration of the Balanced Budget Amendment, Senators Simon and Hatch will modify S.J. Res. 41 to incorporate language clarifying the role of the judiciary of its enforcement. This modification will make absolutely no substantive change in the operation of S.J. Res. 41 but simply will provide an explicit assurance that the role of the courts will go no further than permitted under existing legal precedents.

We disagree with those who argue that passage of S.J. Res. 41 will result in the courts setting budget policy, but we have agreed that it would be beneficial to clarify the issue. The language that we plan to add to the amendment reflects our longstanding understanding of the role of the courts in enforcing the amendment. Courts would be limited to reviewing the actions of Congress and the executive and determining whether the amendment has been violated, leaving the policy decisions regarding what actions should be taken to the political branches.

This language responds to the concern expressed by Senators Danforth, Cohen, Domenici and Nunn that the courts will become too involved in budget policy, as well as the opposite concern that S.J. Res. 41 will be entirely unenforceable.

S.J. Res. 41 preserves the ability of Congress through implementing legislation, to further regulate the role of the courts in enforcing the amendment. Under Article III of the Constitution, Congress possesses authority to establish federal court jurisdiction and remedies. Thus, Congress can confer, deny, or limit court jurisdiction over cases arising under this amendment through statue. Congress can also pass legislation to provide for expedited adjudication.

The text of S.J. Res. 41 is reprinted on the back of this letter. If you have any questions, you may contact any one of us or Aaron Rappaport (Simon 4-5573), Larry Block (Hatch 4-7703), Damon Tobias (Craig 4-2752), Janis Long (DeConcini 4-8178), Thad Strom (Thurmond 4-9494) or Ed Lorenzen (Stenholm 5-6605).

Sincerely,

Paul Simon,
Dennis DeConcini,
Orrin Hatch,
Charles Stenholm,
Larry Craig,
Strom Thurmond.

S.J. Res. 41 (as Modified)

(New language in italic)

ARTICLE—

"Section 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"Section 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"Section 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"Section 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts. *The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to this section.*

"Section 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"Section 8. This article shall take effect beginning with fiscal year [1999] *2001* or with the second fiscal year beginning after its ratification, whichever is later.".

[From the Washington Post, Feb. 24, 1994]

Arguments Out of Balance

(By George F. Will)

Opponents of the constitutional amendment that would encourage—no more than that—balanced budgets rely on arguments that devour one another. They say the amendment is an inconsequential gimmick—and they say it would eviscerate government. They say the amendment is unnecessary because Congress can be trusted to act responsibly—and they say Congress cannot be trusted to respect the amendment if it is put into the Constitution.

The wizards in the White House, tightly in the grip of the conceit that the future is to them an open book, say the amendment would force grim choices costing the average Social Security or perhaps Medicare recipient at least $1,000 a year, and they have listed the annual cost of the amendment to each state. Vermont? $418 million. How does the White House know so much about choices the nation would make under a constitutional requirement to align revenues and outlays?

Besides, another argument made against the amendment is that instead of making grim choices, Congress would make a mockery of the Constitution. This argument, coming from members of Congress incapable of blushing, is: Trust us, not the amendment, to achieve fiscal discipline, because we are so untrustworthy we would treat the amendment as more loophole than bridle. "Emergencies" would be declared promiscuously, programs would be put "off budget," receipts and outlays would be redefined, cost and revenue projections would be cooked—in short, there would be even more of the trickery that now goes on.

Sen. Carl Levin, a Michigan Democrat opposed to the amendment, notes that it "relies on statutory definitions that can easily be changed," such as the definition of "fiscal year." He warns that Congress might redefine "fiscal year" to mean "eleven months or three years." Oh. Congress is so cynical, don't bother trying to bind it with constitutional fetters? Does Levin have such a low opinion of his colleagues that he thinks it would be easier to fiddle the meaning of "fiscal year" than to get 60 percent of both houses of Congress honestly to authorize a deficit, as the amendment allows?

The word "crisis" has become another classification used so casually that it no longer classifies. Even so, it is peculiar to say (as does Lloyd Cutler, who was counsel to President Carter) that there would be a "constitutional crisis" if an "emergency"—say, many hurricanes and earthquakes—necessitated spending that required a constitutional super-majority to authorize a deficit. If the "emergency" could not catalyze 60 percent of Congress, would it really be much of an emergency?

Opponents of the amendment warn that it deprives the government of "flexibility" needed to adjust fiscal policy to stages of business cycles. Of course this argument cannot be used by opponents who say the amendment would be too porous to inhibit the government. And this argument requires faith in the government's aptitude for fine-tuning fiscal policy to "manage" the economy. And the people making this argument must explain this: Flexible government, unconstrained by a balanced budget requirement, has run deficits at every stage of every business cycle since the last balanced budget, in 1969, and President Clinton, who opposes the amendment, projects deficits far into the future.

When the deficit was around $300 billion, critics said the balanced budget requirement was ruinously Draconian. Now that the deficit has temporarily dipped below $200 billion, opponents say the requirement is unnecessary. And opponents say the projections of rising deficits by the end of the decade mean that the requirement soon would be ruinously Draconian.

Yes, if Congress passes the amendment, the states, which get about 20 percent of their money from Washington, might reject it. (Thirteen states can stop an amendment. That limit on majoritarianism is more substantial than the mild requirement of a 60 percent vote to run a deficit.) Yes, Congress might respond to a balanced budget requirement by stepping up its "spending by indirection"—imposing unfunded mandates on the states, regulating business, and so on. (Last year the Clinton administration regulations filled 69,688 pages of the Federal Register, the third highest total in history, behind only the last two Carter years.)

Which is to say, the balanced budget amendment can inconvenience legislative careerists but cannot make them virtuous. Which brings us to the source of the real passion against the amendment: deficit spending is, in effect, public financing for the campaigns of incumbents, enabling them to charge only 75 to 85 cents for every dollar of government they dispense. So the vote on the amendment is a referendum on a political style: borrow and borrow, spend and spend, elect and elect.

Balanced Budget Amendment: Constitutional Issues

The U.S. Chamber of Commerce, the nation's largest business federation, has endorsed S.J. Res. 41, the Balanced Budget Amendment to the U.S. Constitution. The Chamber believes that this measure, sponsored by Sens. Simon (D-IL), Hatch (R-UT) and Craig (R-ID), will help move the federal government toward fiscal responsibility. This paper discusses the most significant constitutional and legal questions raised by this landmark legislation, along with some of the conclusions reached by the U.S. Chamber.

IS A BALANCED BUDGET REQUIREMENT APPROPRIATE SUBJECT MATTER FOR THE CONSTITUTION?

Some commentators have argued that a balanced budget requirement is a mere rule of accounting, incompatible with the broad principles embodied in the Constitution. It is worth noting that the Constitution already contains several narrowly-focused economic and fiscal provisions, including the requirement of "a regular statement and account of the receipts and expenditures of all public money" (Article I, Section 9), and the requirement that "duties, imposts and excises . . .[be] uniform throughout the United States (Article I, Section 8).

Moreover, the Balanced Budget Amendment embodies two principle themes of the constitution: limitation on federal power, and protection of politically under-represented groups against majoritarian abuse. Thomas Jefferson, who perceived the inherent tendency of central government to expand, supported a constitutional prohibition of federal borrowing as a means of protecting individual liberty. For most of the nation's history, the growth of the federal government was held in check by an implicit policy against deficits, except during war or recession. In recent times, the erosion of this principle has created persistent structural deficits, removed the need to limit and prioritize programs, and led to an excessively large federal sector. The BBA requirement that federal operations be funded from current revenues restores an important principle of fiscal responsibility and limited government.

Likewise, the protection of groups with limited access to the political process has emerged as a major theme of Constitutional law.[1] Limitations have been placed on governmental actions which unfairly impact racial minorities, aliens and other "discreet and insular" groups.[2] Because future generations who will bear much of the burden of current policy lack input into the electoral process, it may be that their interests are undervalued in federal budget decisions. The Balanced Budget Amendment seeks to ensure that the vital interests of young and future Americans are reflected in the decisions of Congress, embodying a principle of fairness and political inclusion consistent with the best provisions of the Constitution.

Footnotes at end of article.

CAN THE DEFICIT PROBLEM BE SOLVED SHORT OF AMENDING THE CONSTITUTION?

Statutory attempts to impose fiscal discipline upon the federal government have failed, largely because Congress was able to change the rules in mid-game. The ambitious deficit reduction targets of the 1985 Gramm-Rudman-Hollings law were repeatedly modified when they conflicted with Congress' spending ambitions. Likewise, big-ticket items such as unemployment compensation payments and disaster relief are customarily designated as "emergency" spending, which exempts them from spending caps. Between 1980 and 1990, each year's actual spending exceeded the targets of that year's budget resolution by an average of $30 billion (the excess was $85 billion in 1990).[3]

Each statutory response to the deficit has shown the same vulnerability: hard-won budget rules can be waived or modified by a simple majority vote. Not surprisingly, a majority can usually be assembled to support more spending. The key advantage of a Constitutional amendment is that tough budgetary rules can be placed beyond the reach of simple Congressional majorities. The Simon/Hatch proposal requires yearly enactment of a balanced budget, unless Congress approves a specific deficit for that fiscal year by a three-fifths vote of each house. (A simple majority of each house can waive the balanced budget requirement during a time of war.) The supermajority requirement reflects the view that incurring a deficit should be an exceptional even that requires clear consensus. The Simon/Hatch Amendment commits future Congresses to avoid structural deficits, while providing them the flexibility to respond to true emergencies.

IS THERE ANY PLACE FOR STATUTORY SOLUTIONS?

While the Balanced Budget Amendment mandates a zero deficit by FY 99 (or the second fiscal year after enactment), it does not specify how to get there. The Chamber believes that enactment of a BBA will force Congress to take a close look at statutory mechanisms designed to reach that goal, and this will probably begin well in advance of final ratification by the states. In approving S.J. Res. 41, the Senate Judiciary Committee contemplated enactment of "legislation that will better enable the Congress and the President to comply with the language and intent of the amendment."[4] Additional budget process reforms may include tax and spending limitations, line-item veto authority, and the creation of an independent commission to recommend spending cuts. The BBA will thus lay the groundwork for further budget process reforms at the statutory level.

WILL CONGRESS AND THE PRESIDENT STILL HAVE THE FLEXIBILITY TO RESPOND TO NATIONAL EMERGENCIES?

The Simon/Hatch Amendment does not prohibit Congress from running a deficit in a given year; it merely requires that this decision be approved by three fifths of each house. This degree of consensus is required for many important decisions, including the approval of a treaty, and override of a Presidential veto. In the BBA, the three-fifths requirement reflects the view that incurring a deficit should be an exceptional event that is carefully scrutinized. At the same time, this provision allows Congress and the President the flexibility to respond to genuine emergencies. Should large-scale domestic problems such as recessions or natural disasters alter budget needs, it will be possible to assemble a three-fifths consensus that recognizes this. In the case of foreign aggression, the balanced budget requirement can be suspended by a simple majority vote of each house.

WILL THE AMENDMENT THRUST THE COURTS INTO AN INAPPROPRIATE ROLE OF CUTTING PROGRAMS AND RAISING TAXES?

Some commentators have raised questions about the enforcement of a Balanced Budget Amendment. A primary concern is that Congressional efforts to meet the balanced budget requirement would be challenged in the courts, and the judiciary would be thrust into the role of weighing policy demands, slashing programs and increasing taxes. On the other hand, there is a legitimate and necessary role for the courts in ensuring technical compliance with the amendment. The Chamber believes that these concerns can be reconciled in implementing legislation, which draws upon existing legal principles.

In general, the courts have shown an unwillingness to interject themselves into the fray of budgetary politics. The New Jersey Supreme Court observed that "it is a rare case . . . in which the judiciary has any proper constitutional role in making budget allocation decisions."[5] The judiciary has remained clear of most budget controversies through doctrines of "non-judiciability," including "mootness," "standing," and the "political question" doctrine.

A case is considered moot, and can be rejected by the court, if the matter in controversy is no longer current (this will be a factor in many budgetary controversies, such as those based on unplanned expenditures or flawed revenue estimates which become apparent near the end of the fiscal year). The doctrine of standing limits judicial access to parties who can show a direct injury over and above that incurred by the general public. The logic is that the grievances of the public (or substantial segments thereof) are the proper domain of the legislature.[6] The U.S. Supreme Court has held that status as a taxpayer does not automatically confer standing to challenge federal actions,[7] and has barred taxpayer challenges of budget and revenue policies in the absence of special injuries to the plaintiffs.[8] The political question doctrine is a related principle that the courts should remain out of matters which the Constitution has committed to another branch of government. The Supreme Court has held that a "political question" exists when a case would require "nonjudicial discretion."[9] This would be the case with many budgetary controversies, such as the choice to cut particular programs, which by their nature require ideological choices and the balancing of competing needs.

In contrast, courts have asserted jurisdiction over politically tinged controversies where they find "discoverable and manageable standards" for resolving them. In *Baker* v. *Carr*,[10] the U.S. Supreme Court reasoned that objective criteria guide judicial decisionmaking and limit the opportunity for overreaching. In the balanced budget context, the "discoverable and manageable standards" principle can help demarcate lines between impermissible judicial policymaking, and the needed enforcement of accounting rules and budget procedures.

In all likelihood, a strong framework of accounting guidelines will emerge from implementing legislation. The Senate Judiciary Committee has interpreted Section 6 of the bill to impose "a positive obligation on the part of Congress to enact appropriate legislation" regarding this complex issue.[11] Judiciary Committee staff on both the House and Senate side have indicated their intention that implementing legislation embrace stringent accounting standards that will minimize the potential for litigation. Should legitimate questions arise concerning the methods by which Congress balances the budget, these standards will also provide objective criteria which meet constitutional standards for judicial intervention.

The implementing package is also likely to establish guidelines for judicial involvement, defining what issues are judiciable and which parties have standing to challenge Congressional decisions. State budget officers, for example, could be given standing to contest unfunded federal mandates. These enforcement procedures, coupled with budget process and accounting guidelines, will operate against a backdrop of traditional legal principles to rationally limit judicial action. The effect should be to prevent judicial overreaching into legislative functions, while providing a check on Congressional attempts to evade the requirements of the BBA through procedural and numerical gimmickry.

FOOTNOTES

[1] See John Hart Ely, Toward A Representation-Reinforcing Mode of Judicial Review, 37 Md. Law Review 451 (1978).

[2] *United States* v. *Carolene Products Co.*, 304 U.S. 144 (1938), footnote 4.

[3] Source: The Economic and Budget Outlook. Congressional Budget Office (January 1993), p. 108.

[4] S. Rpt. 103-163, 103rd Congress, 1st Session (1993), p. 6.

[5] *Board of Education* v. *Kean*, 457 A.2d 59 (1982).

[6] *Flast* v. *Cohen*, 392 U.S. 83 (1968) (Harlan, J., dissenting).

[7] *Massachusetts* v. *Mellon*, 262 U.S. 447 (1923).

[8] *United States* v. *Richardson*, 418 U.S. 166 (1974) (plaintiffs challenged a statute allowing the CIA to avoid public reporting of its budget); *Simon* v. *Eastern Kentucky Welfare Rights Organization*, 426 U.S. 26 (1976) (plaintiffs challenged a Revenue Ruling granting favorable tax treatment to certain hospitals as inconsistent with the Internal Revenue Code).

[9] *Baker* v. *Carr*, 369 U.S. 186 (1962).

[10] Id.

[11] S. Rpt. 103-163, 103rd Congress, 1st Session (1993).

[From the Balanced Budget Amendment Coalition]

AN OPEN LETTER TO MEMBERS OF THE U.S. SENATE

The undersigned organizations urge you to vote for and support the Balanced Budget Amendment, S.J. Res. 41, introduced by Senators Simon, Hatch, DeConcini, Thurmond, Craig and Heflin. This bipartisan proposal (with 55 total Senate cosponsors) has already passed the Senate Judiciary Committee on a 15 to 3 vote, the strongest committee action ever in support of this legislation. Senate floor consideration of S.J. Res. 41 is expected shortly.

The Framers of the U.S. Constitution assumed each generation of Americans would pay its own bills—and that the federal budget would, over time, remain roughly in balance. According to Thomas Jefferson, "we should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves."

In today's era of mass media, special interest politics, and expensive and sophisticated election campaigns, the checks and balances established 200 years ago are not up to the job of controlling the federal deficit. Recent Congresses and presidents have proven themselves incapable of acting in the broader national interest on fiscal matters. Whenever Congress considers spending cuts that could help balance the budget, only a few Americans are aware of it, and fewer still express their views about it. By contrast, those who stand to lose from budget restraint—typically the beneficiaries and administrators of spending programs—are well aware of what they stand to lose. They mount intensive lobbying campaigns to stop fiscal restraint.

This pro-spending and pro-debt bias has led to 24 straight unbalanced budgets. It took our nation 205 years—from 1776 to 1981—to reach a $1 trillion debt. Now, just 12 years later the debt is $4.4 trillion. Each year, interest payments rise as the overall debt grows. These payments are one of the fastest-rising items in the federal budget—they now account for virtually the entire deficit, all by themselves. A succession of statutory remedies has failed to stem this historic and highly dangerous turn of events.

S.J. Res. 41 is a sound amendment that has evolved through years of work by the principal sponsors. It provides the Constitutional discipline needed to make balanced federal budgets the norm, rather than the rare exception (once in the past 31 years), and it offers the proper flexibility to deal with national emergencies.

In addition to requiring a three-fifths majority vote to deficit spend or increase the federal debt limit, S.J. Res. 41 is designed to make raising federal taxes more difficult. It would require the approval of a majority of the whole number of both House and Senate—by roll call votes—in order to pass any tax increase. This adds accountability as well as an appropriate focus on spending restraint.

Unless action is taken now, federal debt and deficits will continue to cripple our economy and mortgage our children's future. We urge you to support S.J. Res. 41, the Balanced Budget Amendment.

Sincerely,

American Farm Bureau Federation.
National Association of Manufacturers.
Council for Citizens Against Government Waste.
International Mass Retail Association.
National American Wholesale Grocers' Association.
The Seniors Coalition.
U.S. Chamber of Commerce.
National Taxpayers Union.
Citizens for a Sound Economy.
American Legislative Exchange Council.
National Association of Home Builders.
National Cattlemen's Association.
Associated Builders and Contractors.
U.S. Business and Industrial Council.
Precision Metalforming Association.
Concerned Women for America.
National Association of Wholesaler-Distributors.
National Truck Equipment Association.
Dairy and Food Industries Supply.
Steel Service Center Institute.
Truck Renting and Leasing Association.
Door & Hardware Institute.
Independent Bakers Association.
American Machine Tool Distributors.
National Association of Plumbing-Heating-Cooling Contractors.
U.S. Federation of Small Businesses.
National Independent Dairy Foods Association.
National Roofing Contractors Association.
Southern Forest Products Association.
Nebraska Motor Carriers Association.
Iowans for Tax Relief.
National Taxpayers Union of Ohio.
Nebraska Taxpayers Association.
Arizona Federation of Taxpayers.
The Lincoln Caucus (AZ).
United Taxpayers of New Jersey.
Kansas Libertarian Party.
North Dakotans for Good Government.
The Christian Coalition.
Americans for a Balanced Budget.
The Gas Appliance Manufacturers Association.
Associated Equipment Distributors.
American Subcontractors Association.
American Association of Boomers.
American Tax Reduction Movement.
Motorcycle Industry Council.
National Association of Brick Distributors.
Automotive Service Association.
Lead or Leave.
American Supply Association.
American Bakers Association.
National Ready Mixed Concrete Association.
The Bankers Institute.
Tennessee Grocers Association.
Howard Jarvis Taxpayers Association (CA).
National Taxpayers United of Illinois.
North Valley Taxpayers Association (AZ).
It's Time (AZ).
Alliance of California Taxpayers and Involved Voters (CA).
Connecticut Taxpayers Committee.
Kansas Taxpayers Network.
Citizens Against Higher Taxes (PA).
Citizens for Constitutional Property Rights, Inc. (FL).
Tax Accountability '93 (IL).
Landlords United for Tax Relief (IL).
New Jersey Citizens for a Sound Economy.
Virginia Citizens for a Sound Economy.
Citizens for Limited Taxation (MA).
Protect Oregon Property Society.
Sacramento County Taxpayers' League (CA).
Orleans County Taxpayers Association, Inc. (NY).
Warwick Taxpayers Association (NY).
South Carolina Policy Council.
Kendall County Taxpayers League (TX).
Federation of Wisconsin Taxpayers Organizations, Inc.
Macomb County Taxpayers Association (MI).

St. Clair County Taxpayers Association (MI).
Tax Cap Committee (FL).
Homeowner-Taxpayer Association, Bexeter County (TX).
Taxpayer's Action Network of Sarasota County (FL).
Taxpayer's Action Network of Cook County (IL).
Central Florida Taxpayer's Action Network.
Routte County Taxpayer's Action Network (CO).
Berkley County Taxpayers Association (WV).
Citizens for Political Reform (WV).
Free Market Committee (TX).
Taxpayers United, Inc. (MI).
Angry Taxpayers Action Committee (IL).
Committee for Good Government (FL).
New York Citizens for a Sound Economy.
Citizens for Fiscal Responsibility (ME).
Florida Tax Watch, Inc.
Minnesota Taxpayers United.
Tucson Business Coalition (AZ).
Westchester Taxpayers Alliance (NY).
Voice of South Dakota Taxpayers.
United Taxpayers of Monroe County and Greater New York State.
Utah Taxpayers Association.
Citizens for Sensible Taxation (VA).
Committee to Eliminate Government Waste (MI).
Idaho State Property Owners Association.
Lampasas County Taxpayers Association (TX).
San Francisco Taxpayer's Action Network.
Waste Watchers, Inc. (CA).
Taxpayer's Action Group of Naples (FL).
Metairie Taxpayer's Action Network (LA).
Leasburg Taxpayer's Action Network (MO).
West Virginia Citizens Against Government Waste.
Concerned Citizens for West Virginia.
Tax Accountability Committee (NV).
Del Norte Taxpayers League (CA).
Napa City/County Taxpayers Association (CA).
Marin United Taxpayers Association (AL).
Taxpayers Education Association (CA).
Taxpayer's Action Network of Rochester (NY).
Association of Glenn County Taxpayers (CA).
Hands Across New Jersey.
United Taxpayers of San Diego (CA).
Florida Taxpayers Association (NY).
Greenwood Lake Taxpayers Association (NY).
Valley Central Taxpayers Association (NY).
Town Taxpayers Association (NY).
Pine Bush Taxpayers Association (NY).
Cornwall Citizens Alliance (NY).
Newburgh School District Taxpayers Association (NY).
Taxpayer's Action Network of Western New York (NY).
Taxpayers Association of Fort Worth and Parent County (TX)
Pennsylvania Leadership Council.
Granite State Taxpayers, Inc. (NH).
Concerned Taxpayers of Manchester (NH).
Humboldt Taxpayers League (CA).
Taxpayer Association of El Dorado County (CA).
Shasta County Taxpayers Association (CA).
Union Beach Taxpayer's Action Network (NJ).
Taxpayer's Action Network of St. Louis (MO)
Canton Taxpayer's Action Network (OH).
Paul Gann's Citizens Committee (CA).
Taxpayers Watchdog Committee (IN).
Alliance of California Taxpayers and Involved Voters (Santa Cruz).
Minisink Valley Taxpayers Association (NY).
Mt. Hope Taxpayers Association (NY).
Chester Taxpayers Association (NY).
Middletown Taxpayers Association (NY).
Taxpayers Action Group (NY).
Concerned Citizens of Greenville (NY).
Goshen Taxpayers Association (NY).
Council for Cincinnatians Against Government Waste (OH)
Cochella Valley Taxpayer's Action Network (CA).
Conservative Coalition (AR).
Nevada Taxpayers Association.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Charged to the Senator from Idaho?

Mr. CRAIG. Yes.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator yields back the remainder of his time.

Mr. CRAIG. I yield back the remainder of my time.

Mr. REID. I think it would be permissible that we yield back the remainder of Senator SIMON's time.

Mr. CRAIG. Mr. President, the Senator from Illinois had left me with his time. I did not ask unanimous consent for it and do not think we will need it. I think that would be appropriate.

The PRESIDING OFFICER. Without objection, the time of the Senator from Illinois is yielded back.

All time has been yielded back.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. There is no time remaining to be charged, except the time of the Senator from West Virginia. The Senator from West Virginia has 7 minutes remaining. I would not want the time charged against his time.

Mr. BYRD. Mr. President, I thank the Chair.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yield back.

The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO ED STEGNER

Mr. DANFORTH. Mr. President, in Missouri, Ed Stegner's name is virtually synonymous with conservation and responsible stewardship of our natural resources. His countless contributions to the cause of conservation will be recognized on March 11. For those who wish to leave the world better than we found it, Ed's career offers many lessons.

Ed Stegner was born on September 24, 1925, on a family farm near Bunceton, MO, in Cooper County. He now owns the farm where he was born and has added to the acreage. Wildlife management is his highest priority, particularly turkey and quail. He actively farms the land, demonstrating that wise use of the land is compatible with good habitat for wildlife.

He acquired many of his values as a child who learned to hunt, fish, and trap with his father and brother. He saw quickly that abundant wildlife requires good habitat.

He served as a gunner in the Army Air Corps in World War II, resuming his studies at Missouri University after the war, earning a bachelors degree in agriculture. After college, he taught vocational agriculture to veterans, contributing to the improvement of farming practices in our State.

In 1953, he joined the Conservation Federation of Missouri as its executive secretary, a title later changed to executive director. Since that time, he has been the principal representative of Missouri conservationists before the State legislature and Congress, and before State and Federal natural resource agencies. For most of his 40-year career, he was our only full-time advocate for wildlife conservation.

His many accomplishments include his chairmanship of the Governor's Wild Rivers Advisory Committee, as organizer of the Prairie Foundation, and as secretary of the Citizens Committee for Conservation, which secured passage of an ambitious new conservation program funded by a dedicated sales tax. Most of Missouri's environmental legislation bears the imprint of his active involvement.

He is a member of many professional and citizen conservation groups, and has been honored by many more. Of the numerous awards and recognitions that have come his way, none means more than his selection by the Missouri Conservation Commission as a master conservationist, an honor that is given sparingly.

Ed Stegner intends to use his retirement for his hobbies—hunting turkey and quail, and being an amateur dog trainer. I certainly wish him success in creating time for these pursuits, but he should know that a great many people expect him to remain active in the conservation movement. When opportunities present themselves to help preserve Missouri's natural heritage, I feel certain that Ed Stegner will do what he has done his entire adult life: he will lend an able and expert hand to a very good cause.

DIERDRA LEIGH SHARPUS

Mr. MCCONNELL. Mr. President, the media characterization of "Generation X" as a bunch of apathetic, angst-ridden, self-absorbed young people certainly did not apply to Dierdra "Dia" Leigh Sharpus. For Dia Sharpus, a can-do former intern of mine, anything was achievable. Nothing came easy, though hard work was embraced. She expected excellence from herself; and for that reason, success was inevitable.

Dia's was a face of the younger generation that most people had not yet seen, but those like me who had were heartened—even humbled. Her life was so remarkable that her death last week, at the age of 21, is particularly hard to accept.

The loss to family, friends, and colleagues—including those on my staff who worked with her—is deeply felt. Yet we will reflect on Dia's life, not with remorse, but rather with thankfulness that we were able to know her, and with appreciation for the boundless enthusiasm with which she lived.

My acquaintance with Dia began when she applied for an internship in my office in 1991. Having been initiated into public service myself as an intern for Senator John Sherman Cooper, I pay close attention to the internship program in my office. Dia was among the finest candidates we have had, and the youngest I have ever hired.

She was president of her sophomore, junior, and senior high school classes, student council representative, and managing editor of her school paper. Throughout her academic career, she had won several scholarships and awards.

Not surprisingly, Dia excelled as an intern while simultaneously handling full-time university studies. The longer you knew Dia, the more you expected of her—but never more than she expected of herself.

Last week, Kentucky and America lost one of their best and brightest. A young woman who was an exemplary human being as well as an outstanding student and staffer. Dia's life stands as testament to what is possible and admirable. Her life should give us hope.

THE 13TH ANNUAL WASHINGTON-IRISH ST. PATRICK'S DAY RUGBY TOURNAMENT

Mr. PELL. Mr. President, I rise today to bring to the attention of my colleagues the 13th Annual Washington-Irish St. Patrick's Day Rugby Tournament which will be held in Washington, DC in March.

For the past 13 years, competitors from local clubs, universities, as well as teams from different States and countries, have participated in this tournament. In the past, countries such as Australia, Great Britain, Canada, and Germany have been represented. But what makes this year's tournament different is that, of the more the 60 teams scheduled to participate, one will be from Russia.

The Pensa Rugby Football Club from Moscow, representing the Confederation of Independent States, will be the first such team to enter an organized rugby tournament in the United States. While they are in Washington, the Russian players will stay with the Washington-Irish Rugby Club players. Upon completion of the tournament, the 35-member Russian club will move on to games in Baltimore and New York before returning home.

I believe that the participation of the Russian team speaks well of the improving relations between our two countries. At a time when our athletes are competing in Lillehammer, it is important to recognize the role that sports play in building a greater understanding between citizens of different nations.

On a similar note, I was pleased to have the opportunity last summer to have a role in the World Scholar-Athlete Games which were held in Newport, RI. The Games—a junior Olympics of sorts—brought together more than 1,500 teenagers from every State of the United States as well as from 107 countries, to foster camaraderie and understanding among future world leaders through sport and cultural activities. I have long held the view, Mr. President, that only through closer contact with the citizens of other nations can we knock down the wall of ignorance and isolation. Hopefully, through programs such as the rugby tournament and the Scholar-Athlete Games, misconceptions about other cultures will diminish, or preferably be totally eliminated.

I salute the Washington-Irish Rugby Football club for their work in organizing and hosting this event.

RECOGNIZING RECIPIENTS OF THE GIRL SCOUT SILVER AND GOLD AWARDS AND THE BOY SCOUT EAGLE AWARD

Mr. CHAFEE. Mr. President, it is with great pleasure that I today pay tribute to the accomplishments of the Girl Scouts and Boy Scouts from Rhode Island. Once again from these fine organizations emerges an admirable group of young women and men who have distinguished themselves as leaders in their respective communities.

Since the beginning of this century, the Girl Scouts and Boy Scouts have provided thousands of youngsters each year with the opportunity to make friends, explore new ideas, and develop leadership skills, along with a sense of determination, self-reliance, and teamwork.

The Silver and Gold Awards represent the highest awards attainable by junior and high school Girl Scouts. These awards are presented only to those who possess the qualities that make our Nation great, namely; commitment to excellence, hard work, and genuine love for community service. Similarly, the Eagle Scout Award is an extraordinary award with which only the finest Boy Scouts are honored. To earn the award—the highest advancement rank in Scouting—a Boy Scout must demonstrate proficiency in the rigorous areas of leadership service and outdoor skills.

I am honored to ask my colleagues to join me in congratulating the recipients of these awards. Their activities are indeed worthy of praise. Their leadership benefits our community greatly and serves as role models for their fellow peers. If this group is representative of our future governance there is no doubt that our future will be in good hands.

Lastly, we must not forget the unsung heroes who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, Scout leaders, and Scouting organizations that have given generously of their time and energy in support of Scouting.

It is with great pride that I submit a list of the young women and men who have earned this award.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

GIRL SCOUT SILVER AWARD RECIPIENTS, 1993

Bellingham, MA: Karen Rao.

Cranston, RI: Sarah Paine, Mary Anne Sivo, Amanda Toppa.

Cumberland, RI: Shannon Combs, Katrin Myrberg.

East Greenwich, RI: Heather Denny-Brown, Kimberly Gaffney, Julie Hendrickson, Jennifer Robinson, Kristen Swanson.

Hope Valley, RI: Jen Gamble, Jill Vaughn.

Johnston, RI: Sandra Shackford.

Narragansett, RI: Heather Damon, Jessica Festa, Kate Hohman, Renee Johnson, Jill Raggio.

Newport, RI: Mary E. Cooke.

North Providence, RI: Marissa Borrelli.

North Scituate, RI: Kate Donnelly.

Portsmouth, RI: Jessica Arent, Lindsay Correra, Camille Dumont, Andrea Hunt, Emily Lyons, Jane Lyons, Rebecca Richard, Anne Short, Cynthia Spain.

Providence, RI: Roseanne Suvajian.

Riverside, RI: Cochette Dollof.

Saunderstown, RI: Sarah Sewatsky.

Wakefield, RI: Meghan Higgins.

Warwick, RI: Kate Derby, Jennifer Laliberte, Erin Lutynski, Cristin Majkut, Melissa Murphy, Rachel Shannon, Laura Tanner.

West Kingston, RI: Brandi Kenyon.

West Warwick, RI: Heather LaBelle.
Woonsocket, RI: Kimberly Hebert.

GIRL SCOUT GOLD AWARD RECIPIENTS, 1993

Ashaway, RI: Stephanie Lewandowski.
Bradford, RI: Lori Kinsey.
Charlestown, RI: Allison Hitte.
Coventry, RI: Robin Triggs.
Cranston, RI: Melissa Rhynard.
Pawtucket, RI: Heather Carroll, Amanda Young.
Portsmouth, RI: Sarah McCarthy.

1993 CLASS OF EAGLE SCOUTS

Barrington, RI: Richard James Wood, Stuart E. Kiely, Matthew David Mueller, Scott Cohen, Christopher D. Harrison.
Bristol, RI: Christopher A. Vedro, Derek M. Moitoso.
Caroline, RI: Sean S. McIntire.
Charlestown, RI: Michael R. Schipritt, Brian Wayne Rhodes, Andrew N. Deslaurier, Andrew Nathan Zalit.
Coventry, RI: Alan John McDonald, Craig Marcotte, Steven A. St. Pierre, Sean Anderson, John R. Degraide, Forest Handford, Aaron R. Becker, R. Seth Kelley.
Cranston, RI: Raymond A. Pontarelli, Jr., Joseph Jacob Ackroyd, Jeffrey D. Peckham, Franco S. Medeiros, James Edward Mullin, III, Matthew A. Voccio.
Cumberland, RI: J. Bradley Stump, Cristofor Mark Cataudella, Matthew Logan Kizlinski, Stephen E. Samek, David Kevin Coutu, Ryan Benjamin Billington, Christopher B. Contois, Richard G. Larouche, II.
East Greenwich, RI: William Radcliffe Thompson, Michael J. Schwendiman, Michael A. Hultquist, Glenn E. Russell, Timothy R. Bennett, Brian P. Derham, Todd Muffoletto.
East Providence, RI: Jason Charles Brehm.
Greenville, RI: Steven Michael Bailey, Derek Joseph Wagner.
Harrisville, RI: Jay Victor Langlais.
Johnston, RI: Jeremy Vincent Pistacchio, Mark Leonard VanRotz, Michael Rotondo.
Lincoln, RI: Bryan J. Gore.
Manville, RI: Joseph S. O'Garr.
Narragansett, RI: Daniel Alan Clarkin.
Newport, RI: William F. Augustus, Brenton V. Morris, John Bruce Stubbs.
North Kingstown, RI: Donald Bumgardner.
North Providence, RI: Bryan Joseph Myre, Dan Brady.
North Scituate, RI: Michael N. Desjarlais, Grant S. Wilson.
Pascoag, RI: Thomas Joseph Coleman.
Pawtucket, RI: Timothy Durst, Timothy D. Seward, Curtis Brown Rogers, Jeffrey J. Gomes.
Peacedale, RI: David Coleman.
Portsmouth, RI: Todd R. Gurney, Brian M. Lingerfelt, Richard A. Erwin, Jr., David R. Brown, Christopher M.C. Mulligan, Richard J. Ort, Robert L. Morris, Aaron Janssen, Samuel E. Johnson.
Providence, RI: Edison O. Santana, Brendan G. Elliott, Allen M. Cowett, Christopher Gargaro, James A. Prendergast, Jonathan Andrew Kosterlitz, Charles E. Kubbe, Jr., Robert A. Mercer, III, John E. McMullen.
Riverside, RI: Jeremy Ryan McDonald.
Rumford, RI: Robert Fregault.
Smithfield, RI: Douglas Youch.
Wakefield, RI: Jeffrey M. Robidoux, Kyle P. Higgins, David M. Williams, Jr., Joshua Martin, David Moretti.
Warwick, RI: Ryan Boulais, Robert L. Belluso, Jason S. Richards, Stephen T. Preiss, Brian Matthew Daniels, Edmund R. Coletta, Michael P. Toole, Jeffry T. Ross, Kenneth R. Flynn.
West Warwick, RI: Jonathan Joubert, Keith Forcier, Joseph Baris, III, Jamie Roy Villanueva, Doyle K. Delovio, Joshua J. Barrette, Lokahi Kealohi Delovio, Michael Eric Brown, Raymond J. Fields, Jr., Mark Kenneth Mitchell.
Westerly, RI: Gregory W. Latz, Thomas M. Grasso.
West Kingston, RI: Brian Patrick Betty.
Woonsocket, RI: Todd Desjardin, William M. Tharpe.
Connecticut:
Pawcatuck, CT: Michael Shawn Cryan.
Massachusetts:
North Dighton, MA: Brian J. Stone.
Rehoboth, MA: Curtis Killam, Matthew E. Killam.
Seekonk, MA: Jonathan Abell, Robert M. Cox, Stephen James Coyle, Michael P. Coyle, Ethan Philip Sluter, John T. Gaebe, David A. Fasteson, Nathan W. Foulkes.
Uxbridge, MA: Bertram H. Stewart, III, Jeffrey S. Thayer, Jeremy F. Stratton.

PAT KRAUSE

Mr. JOHNSTON. Mr. President, when I first came to the Senate, I was very fortunate in that Senator Henry M. Jackson convinced me to become a member of what was then the Committee on Interior and Insular Affairs and which later became the Committee on Energy and Natural Resources. Immediately upon joining the committee I became chairman of the Subcommittee on Territories and Insular Affairs, as had Senator Jackson several years before me. As Chairman, I had the unique experience of dealing with my counterpart on the House side, Congressman Phil Burton—an experience no one warned me about.

That history, however, is merely background on how I, and my staff, both in my office and on the committee, came to know one of the most decent and caring individuals we ever had the good fortune to meet. Pat Krause was brought to the staff of the House Interior Committee by Congressman Burton to be their territorial specialist during the 1970's and worked there for 15 years. Pat died on February 23 at the Washington Home, and I cannot really express how much we will all miss her.

There was never anything false or pretentious with Pat. She was warm and open, with a laugh that could shake the halls. She cared deeply about the residents of the territories and the trust territory. You always knew her concern was honest and sincere. Even after she left the House Committee she remained committed to the welfare of the residents of our territories and the close personal friendships which had developed with my staff continued. She was a truly decent and wonderful person and we will miss her very much. On behalf of myself and all those who knew her, I want to extend my sympathies to her sisters and brother. She was a remarkable person and we will treasure her memory.

HEBRON ATTACK MUST NOT DERAIL PEACE

Mr. PELL. Mr. President, this morning's news brought word of a horrible tragedy in the Middle East. A deranged Israeli settler—an American immigrant, wearing an Israeli military uniform—opened fire with an automatic weapon inside the mosque at the Tomb of the Patriarchs in Hebron. By early accounts, as many as 50 Palestinians have been killed, and 170 wounded.

This is the worst incident of Israeli-Palestinian violence in the Middle East since Israel and the Palestine Liberation Organization signed their Declaration of Principles last September. The mind-numbing number and severity of the casualties cannot help but have an impact on the negotiations between Israel and the PLO. It is the duty of the United States, Israel, and the Palestinians to ensure that the response to this incident does not spin out of control and lead to the derailment of the peace process.

The reaction of the United States and the Israeli leadership has been swift and appropriate. Secretary of State Christopher expressed horror at the news, saying that the violence "underscores the imperative of accelerating the negotiations to implement the Declaration of Principles." Israeli Prime Minister Yitzhak Rabin condemned the "loathsome criminal act," adding that "this is a difficult day for all of those Arabs and Jews alike, who seek peace." Rabin also was reported to have telephoned Arafat to express his condolences.

The Palestinians understandably are stunned by the slaughter. Already there are reports of unrest and rioting, despite the fact that Israel has placed a curfew on Hebron and sealed off Gaza. PLO Chairman Yasser Arafat was quoted this morning as saying the killings are "a real tragedy, and will make a very negative backfire on the whole peace process."

My sincerest hope is that Israelis and Palestinians both will recognize the very real possibility that the motivation behind this repugnant act was precisely to undermine the peace process. If Israelis and Palestinians allow themselves to be swayed off course in the emotional turmoil of the moment, it will only serve the cause of the enemies of peace. It will ensure the victory of extremism.

This is a time of sadness and mourning for the loss of innocent Palestinian life. I deplore the senseless killing, which is a further consequence of a generation subjected to hate and ignorance. But this morning's events cannot, indeed, must not, be allowed to sound the death knell of the peace process. That would be the biggest tragedy of all.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, as of the close of business on Thursday, February 24, the Federal debt stood at

$4,541,554,540,331.42, meaning that on a per capita basis, every man, woman and child in America owes $17,419.88 as his or her share of that debt.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2234. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Armed Services, to the Committee on Banking, Housing, and Urban Affairs, to the Committee on Commerce, Science, and Transportation, to the Committee on Energy and Natural Resources, to the Committee on Environment and Public Works, to the Committee on Foreign Relations, to the Committee on Governmental Affairs, to the Committee on the Judiciary, and to the Committee on Small Business.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-378. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Appropriations.

"SENATE CONCURRENT RESOLUTION NO. 308.

"Whereas, the sea lamprey is a deadly and costly parasite that attaches to fish and eventually kills them. Years ago, the sea lamprey nearly destroyed the lake trout stock in Lake Michigan. It is now returning to its former strength after years of diligent effort and millions of taxpayers' dollars spent to fight it. This vampire-like parasite has the potential to destroy the sport and commercial fishing in the Great Lakes; and

"Whereas, in the summer of 1993, the Senate Standing Committee on Natural Resources and Environmental Affairs held hearings in Sault Ste. Marie concerning the reemergence of the sea lamprey problem. Committee members learned firsthand about the return of the sea lamprey and the importance of funding the control program for this dangerous invader. There are large numbers of lamprey in northern Lake Huron, many in northern Lake Michigan, and more threatening other Great Lakes; and

"Whereas, the Great Lakes Fishery Commission, a joint effort between the governments of the United States and Canada, has the ability to control sea lampreys. The commission treats 400 Great Lakes tributaries and some Great Lakes with poison that kills fledgling lampreys. In addition, the commission sterilizes male lampreys and uses in-stream devices to screen lampreys. These measures have successfully protected the fish in the Great Lakes from the brutal parasite. However, its 1994 budget is not sufficient to continue this effort completely and effectively. The United States government should provide the necessary funding to continue this successful project and to preserve and protect our precious Great Lakes; now, therefore, be it

"*Resolved by the Senate (the House of Representatives concurring)*,

"That we memorialize the Congress of the United States to fully fund the sea lamprey control program; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the Michigan Congressional delegation, and the Great Lakes Fishery Commission."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 313. A bill to amend the San Juan Basin Wilderness Protection Act of 1984 to designate additional lands as wilderness and to establish the Fossil Forest Research Natural Area, and for other purposes (Rept. No. 103-230).

S. 455. A bill to amend title 31, United States Code, to increase Federal payments to units of general local government for entitlement lands, and for other purposes (Rept. No. 103-231).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DORGAN:

S. 1873. A bill to amend the Solid Waste Disposal Act to permit Governors to limit the disposal of out-of-State municipal and industrial waste in States, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN:

S. 1874. A bill to designate the U.S. Courthouse located at 940 Front Street in San Diego, CA, and the Federal building attached to the courthouse as the "Edward J. Schwartz Courthouse and Federal Building"; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself, Mr. NUNN, Mr. THURMOND, Mr. ROBB, Mr. WARNER, Mr. STEVENS, Mr. LOTT, Mr. GRAMM, Mr. NICKLES, Mr. BOND, Mr. GRASSLEY, Mr. GREGG, Mr. BROWN, Mr. GORTON, Mr. DOLE, Mr. COHEN, Mr. COCHRAN, Mr. COATS, Mr. BURNS, Mr. COVERDELL, Mr. HATCH, Mrs. HUTCHISON, Mrs. KASSEBAUM, Mr. MACK, Mr. MCCAIN, Mr. D'AMATO, Mr. MURKOWSKI, Mr. ROTH, Mr. SIMPSON, and Mr. SMITH):

S. 1875. A bill to extend caps on defense and nondefense discretionary spending through fiscal year 1998; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have 30 days to report or be discharged.

By Mr. INOUYE (for himself and Mr. MCCAIN):

S. 1876. A bill to amend the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such act, and for other purposes; to the Committee on Indian Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN:

S. 1873. A bill to amend the Solid Waste Disposal Act to permit Governors to limit the disposal of out-of-State municipal and industrial waste in States, and for other purposes; to the Committee on Environment and Public Works.

INTERSTATE TRANSPORTATION OF MUNICIPAL AND INDUSTRIAL WASTE ACT OF 1994

• Mr. DORGAN. Mr. President, today I am introducing legislation that would provide States with the authority to regulate municipal and industrial waste being imported and deposited within their borders. The legislation I am introducing today is very similar to a bill that my colleague Senator COATS introduced last year which would grant States the authority to restrict imports of municipal waste. That bill, S. 439, the Interstate Transportation of Municipal Waste Act of 1993, only relates to municipal waste. I am a cosponsor of Senator COATS' bill because I believe that it is important that States should have a say with respect to imported waste that is being deposited within their borders. However, I believe that this authority needs to be applied to industrial as well as to municipal waste. That is the only distinction between the bill I am introducing today and S. 439: My bill applies to both municipal and industrial waste, whereas S. 439, only affects municipal waste imports.

Without congressional action, the States cannot impose restrictions on the interstate flow of waste originating in another State. The commerce clause of the Constitution gives the Congress, not the States, the power to regulate interstate commerce and that includes waste. The U.S. Supreme Court struck down State-imposed restrictions on receiving out-of-State waste as unconstitutional impediments to interstate commerce because Congress has not authorized such State action, thus, making it clear that States cannot impose restrictions on waste imports unless the Congress grants them the authority to do so.

The fact is that nearly every State in the Union exports and receives trash from other States. I do not believe that we should put an end to that. However, it is very concerning to me that rural communities, especially in the Midwest, are being targeted by large companies and Eastern States to dispose of their waste. It concerns me that they get the industry, the jobs, the economic growth and we get the trash. This does not seem right—especially if we are forced to accept this trade without any say in what gets hauled into our State.

Mr. President, I believe that the Senate needs to act in this area. It is just not fair that States cannot have a say in what goes on in their own backyard. I urge my colleagues to support not only my legislation but the legislation that Senator COATS introduced in the first session of the 103d Congress. I commend Senator COATS for his leadership in this area and I look forward to working with him and the rest of my colleagues in advancing legislation related to the interstate transportation of waste.

I ask unanimous consent that the full text of my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1873

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Interstate Transportation of Municipal and Industrial Waste Act of 1994".

SEC. 2. INTERSTATE TRANSPORTATION OF MUNICIPAL AND INDUSTRIAL WASTE.

Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new section:

"SEC. 4011. INTERSTATE TRANSPORTATION OF MUNICIPAL AND INDUSTRIAL WASTE.

"(a) AUTHORITY TO RESTRICT OUT-OF-STATE MUNICIPAL AND INDUSTRIAL WASTE.—

"(1) IN GENERAL.—

"(A) PROHIBITION ON DISPOSAL.—Except as provided in subsection (b), if requested in writing by both an affected local government and (if a local solid waste planning unit exists under State law) an affected local solid waste planning unit, the Governor of a State may prohibit the disposal of out-of-State municipal and industrial waste in any landfill or incinerator that is subject to the jurisdiction of the Governor or the affected local government.

"(B) PROCEDURE.—Prior to submitting a request under this section, the affected local government and solid waste planning unit shall—

"(i) provide notice and opportunity for public comment concerning any proposed request; and

"(ii) following notice and comment, take formal action on any proposed request at a public meeting.

"(2) EXCEPTIONS.—Beginning with calendar year 1994, in the case of landfills covered by the exceptions provided in subsection (b), the Governor of a State may—

"(A) notwithstanding the absence of a request in writing by the affected local government and the affected local solid waste planning unit, if any—

"(i) limit the quantity of out-of-State municipal and industrial waste received for disposal at each landfill of the landfills in the State to an annual quantity equal to the quantity of out-of-State municipal and industrial waste received for disposal at the landfill during the calendar year 1992 or 1993, whichever is less; and

"(ii) limit the disposal of out-of-State municipal and industrial waste at the landfills that received, during calendar year 1992, documented shipments of more than 50,000 tons of out-of-State municipal and industrial waste representing more than 30 percent of all municipal waste and industrial waste received at the landfill during the calendar year, by prohibiting at each such landfill the disposal, in any year, of a quantity of out-of-State municipal and industrial waste that is greater than 30 percent of all municipal and industrial waste received at the landfill during calendar year 1992; and

"(B) if requested in writing by the affected local government and the affected local solid waste planning unit, if any, prohibit the disposal of out-of-State municipal and industrial waste in a landfill cell in any of the landfills that does not meet the design and location standards and leachate collection and ground water monitoring requirements under the laws of the State (including regulations) in effect on January 1, 1994, for new landfills.

"(3) ADDITIONAL LIMITATIONS.—In addition to the authorities provided in paragraph (1)(A), beginning with calendar year 1997, the Governor of a State, if requested in writing by the affected local government and the affected local solid waste planning unit, if any, may further limit the disposal of out-of-State municipal and industrial waste as provided in paragraph (2)(A)(ii) by reducing the 30 percent annual quantity limitation to 20 percent in each of calendar years 1998 and 1999, and to 10 percent in each succeeding calendar year.

"(4) APPLICATION OF LIMITATIONS.—

"(A) IN GENERAL.—Any limitation imposed by the Governor of a State under paragraph (2)(A)—

"(i) shall be applicable throughout the State;

"(ii) shall not discriminate against any particular landfill within the State; and

"(iii) shall not discriminate against any shipments of out-of-State municipal and industrial waste on the basis of State of origin.

"(B) RESPONSE TO REQUESTS BY AFFECTED LOCAL GOVERNMENTS.—In responding to requests by affected local governments under paragraphs (1)(A) and (2)(B), the Governor of a State shall respond in a manner that does not discriminate against any particular landfill within the State and does not discriminate against any shipments of out-of-State municipal and industrial waste on the basis of State of origin.

"(5) PROCEDURE FOR EXERCISING AUTHORITY.—

"(A) INFORMATION FROM GOVERNOR DOCUMENTING QUANTITY OF WASTE.—The Governor of a State who intends to exercise the authority provided in this paragraph shall, not later than 120 days after the date of enactment of this section, submit to the Administrator information documenting the quantity of out-of-State municipal and industrial waste received for disposal in the State of the Governor during each of calendar years 1992 and 1993.

"(B) NOTICE AND COMMENT.—On receipt of the information submitted pursuant to subparagraph (A), the Administrator shall notify the Governor of each State and the public and shall provide a comment period of not less than 30 days.

"(C) DETERMINATION BY ADMINISTRATOR CONCERNING QUANTITY OF WASTE.—Not later than 60 days after receipt of information from the Governor of a State under subparagraph (A), the Administrator shall determine the quantity of out-of-State municipal and industrial waste that was received at each landfill covered by the exceptions provided in subsection (b) for disposal in the State of the Governor during calendar years 1992 and 1993, and provide notice of the determination to the Governor of each State. A determination by the Administrator under this subparagraph shall be final and not subject to judicial review.

"(D) PUBLICATION OF QUANTITY OF WASTE.—Not later than 180 days after the date of enactment of this section, the Administrator shall publish a list of the quantity of out-of-State municipal and industrial waste that was received during each of calendar years 1992 and 1993 at each landfill covered by the exceptions provided in subsection (b) for disposal in each State in which the Governor of the State intends to exercise the authority provided in this paragraph, as determined in accordance with subparagraph (C).

"(6) DESIGNATION OF AFFECTED LOCAL GOVERNMENT.—

"(A) IN GENERAL.—Not later than 90 days after the date of the enactment of this section, the Governor of each State shall designate which entity listed in subsection (c)(1) shall serve as the affected local government for actions taken under this section.

"(B) FAILURE TO MAKE DESIGNATION.—If the Governor of a State fails to make a designation, the affected local government of the State shall be the city, town, borough, county, parish, or other public body created pursuant to the law of the State with primary jurisdiction over the land or the use of land on which the facility is located.

"(b) EXCEPTIONS TO AUTHORITY TO PROHIBIT OUT-OF-STATE MUNICIPAL AND INDUSTRIAL WASTE.—The authority to prohibit the disposal of out-of-State municipal and industrial waste provided under subsection (a)(1) shall not apply to—

"(1) landfills in operation on the date of enactment of this section that—

"(A) received during calendar year 1992 documented shipments of out-of-State municipal and industrial waste; and

"(B) are in compliance with all applicable State laws (including any State rule or regulation) relating to design and location standards, leachate collection, ground water monitoring, and financial assurance for closure and post-closure and corrective action;

"(2) proposed landfills that, prior to January 1, 1994, received—

"(A) an approval from the affected local government to receive municipal waste and industrial waste generated outside the county or the State in which the landfill is located; and

"(B) a notice of decision from the State to grant a construction permit; or

"(3) incinerators in operation on the date of enactment of this section that—

"(A) received, during calendar year 1992, documented shipments of out-of-State municipal and industrial waste;

"(B) are in compliance with the applicable requirements of section 129 of the Clean Air Act (42 U.S.C. 7429); and

"(C) are in compliance with all applicable State laws (including any State rule or regulation) relating to facility design and operations.

"(c) DEFINITIONS.—As used in this section:

"(1) AFFECTED LOCAL GOVERNMENT.—Subject to subsection (a)(6), the term 'affected local government', with respect to a landfill or incinerator, means the elected officials of the city, town, borough, county, or parish in which the facility is located.

"(2) AFFECTED LOCAL SOLID WASTE PLANNING UNIT.—The term 'affected local solid waste planning unit' means a political subdivision of a State with authority relating to solid waste management planning in accordance with State law.

"(3) INDUSTRIAL WASTE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'industrial waste' means refuse (and refuse-derived fuel) generated by an industrial source, consisting of paper, wood, yard wastes, plastics, leather, rubber, or other combustible or noncombustible materials such as metal or glass, or any combination thereof.

"(B) EXCEPTIONS.—The term 'industrial waste' does not include—

"(i) any solid waste identified or listed as a hazardous waste under section 3001;

"(ii) any solid waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9604 or 9606) or a corrective action taken under this Act;

"(iii) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or diverted from industrial waste and has been transported into the State for the purpose of recycling or reclamation;

"(iv) any solid waste that is—

"(I) generated by an industrial facility; and

"(II) transported for the purpose of treatment, storage, or disposal to a facility that is owned or operated by the generator of the waste, or is located on property owned by the generator or a company with which the generator is affiliated;

"(v) any solid waste generated incident to the provision of service in interstate, intrastate, foreign, or overseas air transportation;

"(vi) any medical waste that is segregated from or not mixed with industrial waste; or

"(vii) any material or product returned from a dispenser or distributor to the manufacturer for credit, evaluation, or possible reuse.

"(4) MUNICIPAL WASTE.—

"(A) IN GENERAL.—The term 'municipal waste' means refuse (and refuse-derived fuel) generated by the general public or from a residential, commercial, or institutional source, or any combination thereof, consisting of paper, wood, yard wastes, plastics, leather, rubber, or other combustible or noncombustible materials such as metal or glass, or any combination thereof.

"(B) EXCEPTIONS.—The term 'municipal waste' does not include—

"(i) any solid waste identified or listed as a hazardous waste under section 3001;

"(ii) any solid waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9604 or 9606) or a corrective action taken under this Act;

"(iii) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or diverted from municipal waste and has been transported into the State for the purpose of recycling or reclamation;

"(iv) any solid waste generated incident to the provision of service in interstate, intrastate, foreign, or overseas air transportation;

"(v) any medical waste that is segregated from or not mixed with municipal waste; or

"(vi) any material or product returned from a dispenser or distributor to the manufacturer for credit, evaluation, or possible reuse.

"(5) OUT-OF-STATE MUNICIPAL AND INDUSTRIAL WASTE.—With respect to a State, the term 'out-of-State municipal and industrial waste' means municipal waste and industrial waste generated outside of the State. To the extent that it is consistent with the United States-Canada Free Trade Agreement, the North American Free Trade Agreement, and the General Agreement on Tariffs and Trade, the term shall include municipal waste and industrial waste generated outside of the United States.".

SEC. 3. TABLE OF CONTENTS AMENDMENT.

The table of contents in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901) is amended by adding at the end of the items relating to subtitle D the following new item:

"Sec. 4011. Interstate transportation of municipal and industrial waste.".●

By Mrs. FEINSTEIN:

S. 1874. A bill to designate the United States Courthouse located at 940 Front Street in San Diego, CA, and the Federal building attached to the courthouse as the "Edward J. Schwartz Courthouse and Federal Building;" to the Committee on Environmental and Public Works.

EDWARD J. SCHWARTZ COURTHOUSE AND FEDERAL BUILDING

● Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Courthouse located at 940 Front Street in San Diego, California, and the Federal Building attached to the courthouse shall be known and designated as the "Edward J. Schwartz Courthouse and Federal Building."

SEC 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the courthouse and Federal building referred to in section 1 shall be deemed to be a reference to the "Edward J. Schwartz Courthouse and Federal Building."

U.S. SENATE,
Washington, DC, February 25, 1994.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation, Public Buildings and Economic Development, Washington, DC.

DEAR MR. CHAIRMAN: I was recently asked by U.S. Congresswoman Lynn Schenk of California and the judges of the District Court for the Southern District of California to introduce legislation renaming the courthouse and federal building in San Diego, California the "Edward J. Schwartz Courthouse Federal Building." I am honored today to introduce this legislation.

I believe that renaming the courthouse would be a fitting honor for Judge Schwartz in light of his long and distinguished service. Judge Schwartz started his career in 1959, when he was appointed by California Governor Pat Brown to the Municipal Court bench. In 1964, he was elevated to California's Superior Court. Four years later, in 1968, Judge Schwatz was nominated by President Johnson and confirmed by the United States Senate to serve on the U.S. District Court for the Southern District of California, making him the first judge appointed to this district. On November 20, 1969, Judge Schwartz became the Chief Judge, a position that he held until he achieved senior status in 1982.

During his tenure as Chief Judge, Judge Schwartz played an integral role in planning, supervising and constructing the federal courthouse and federal building. Under his leadership, California's Southern District has developed from a small vicinity of Los Angeles to one of the busiest districts in the nation. At the age of 81, Judge Schwartz continues to try cases today.

For the past 35 years, Judge Schwartz has selflessly devoted his life and career to the citizens of Southern California. I believe that the renaming of the courthouse in San Diego after Judge Edward J. Schwartz will not only honor him for his outstanding service to his court and this country, but will serve as a monument for his contributions to future generations. I hope that you will give this bill your consideration as soon as possible.

Sincerely yours,

DIANNE FEINSTEIN,
U.S. Senator.●

By Mr. DOMENICI (for himself, Mr. NUNN, Mr. THURMOND, Mr. ROBB, Mr. WARNER, Mr. STEVENS, Mr. LOTT, Mr. GRAMM, Mr. NICKLES, Mr. BOND, Mr. GRASSLEY, Mr. GREGG, Mr. BROWN, Mr. GORTON, Mr. DOLE, Mr. COHEN, Mr. COCHRAN, Mr. COATS, Mr. BURNS, Mr. COVERDELL, Mr. HATCH, Mrs. HUTCHISON, Mrs. KASSEBAUM, Mr. MACK, Mr. MCCAIN, Mr. D'AMATO, Mr. MURKOWSKI, Mr. ROTH, Mr. SIMPSON, and Mr. SMITH):

S. 1875. A bill to extend caps on defense and nondefense discretionary spending through fiscal year 1998; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have 30 days to report or be discharged.

FIREWALLS LEGISLATION

Mr. DOMENICI. Mr. President, today I am introducing legislation that would adopt separate caps on defense and nondefense discretionary spending through 1997.

This legislation would protect the defense budget.

The best advocate for this legislation is President Clinton. As he said in his State of the Union Address:

> Nothing is more important to our security, than our nation's Armed Forces.
>
> This year many people urged me cut our defense spending further to pay for other programs. I said no. The budget I send to Congress draws the line against further defense cuts. It protects the readiness and quality of our forces. Ultimately, the best strategy is to do that.
>
> We must not cut defense further. I hope the Congress, without regard to party, will support that position.

The defense levels in this legislation are identical to those in President Clinton's budget submission.

While I think the defense budget is being cut too quickly—this legislation would protect the defense budget from additional cuts.

Last year we shifted a total of $3.2 billion from the defense budget to fund domestic programs.

This legislation would prevent these shifts for the next 3 years.

With this legislation, savings from further defense cuts could only be used for deficit reduction.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DISCRETIONARY SPENDING LIMITS

[Dollars in billions]

	Fiscal year				
	1994	1995	1996	1997	1998
Clinton defense budget:					
Budget authority	261.748	264.165	255.873	252.569	
Outlays	280.580	271.087	261.564	256.972	
Nondefense:					
Budget authority	251.615	251.013	262.758	274.986	
Outlays	262.128	268.549	285.754	289.907	
Total discretionary spending:					
Budget authority	513.363	515.178	518.631	527.555	530.092
Outlays	542.708	539.636	547.318	546.879	547.055

By Mr. INOUYE (for himself and Mr. MCCAIN):

S. 1876. A bill to amend the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such act, and for other purposes; to the Committee on Indian Affairs.

SOLID WASTE DISPOSAL ACT AMENDMENTS OF 1994

• Mr. INOUYE. Mr. President, I introduce a bill that would recognize the important role that tribal governments must play in the enforcement of the Solid Waste Disposal Act on Indian lands. I am joined in this effort by my distinguished friend and colleague from Arizona, vice chairman of the Committee on Indian Affairs, Senator JOHN MCCAIN.

The purposes of this legislation are to acknowledge and affirm the inherent authority of Indian tribal governments to regulate the development, operation, and maintenance of solid waste and other waste facilities on Indian lands consistent with the Environmental Protection Agency's Indian policy and the overall Federal policy of Indian self-determination that arises out of the United States Government-to-Government relationship with the Indian Nations.

The Congress has attempted to improve the environmental quality of lands within Indian country by enacting provisions authorizing tribal government to assume primary responsibility in certain circumstances for implementing the full array of environmental laws, including the Clean Air Act, the Safe Drinking Water Act, and the Clean Water Act. This bill would simply extend the same status to tribal governments as that which is recognized under these other laws, by authorizing tribal governments to assume primary responsibilities for programs under the Resource Conservation and Recovery Act.

This bill will eliminate any confusion as to the authority of tribal governments to regulate environmental quality on Indian lands by clarifying that tribal governments are to be treated as States under the Resource Conservation and Recovery Act in the same manner as they currently are treated under all other major environmental acts.

Mr. President, this is an important bill. I call upon my colleagues to give this measure their careful review and favorable consideration.

Mr. President, I ask that the text of the bill and a section-by-section analysis appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO GRANT STATE STATUS TO INDIAN TRIBES FOR ENFORCEMENT OF SOLID WASTE DISPOSAL ACT.

(a) DEFINITIONS.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903) is amended—

(1) in paragraph (13)(A), by striking "or authorized tribal organization or Alaska Native village or organization,";

(2) in paragraph (15), by inserting after "State," the following: "Indian tribe,"; and

(3) by adding at the end the following new paragraphs:

"(42) The term 'Indian country' means—

"(A) all land within the limits of any Indian reservation under the jurisdiction of the Federal Government (including any right-of-way running through the reservation), notwithstanding the issuance of any patent;

"(B) all dependent Indian communities within the borders of the United States, including dependent Indian communities—

"(i) within the original territory or territory that is subsequently acquired; and

"(ii) within or without the limits of a State; and

"(C) all Indian allotments with respect to which the Indian titles have not been extinguished, including rights-of-way running through the allotments.

"(43) The term 'Indian tribe' means any Indian tribe, band, group, or community, including any Alaska Native village, organization, or regional corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)) that—

"(A) is recognized by the Secretary of the Interior; and

"(B) exercises governmental authority within Indian country.".

(b) TREATMENT OF INDIAN TRIBES AS STATES.—Subtitle A of such Act (42 U.S.C. 6901 et seq.) is amended by adding at the end the following new section:

"SEC. 1009. INDIAN TRIBES.

"(a) IN GENERAL.—Subject to subsection (b), the Administrator may—

"(1) treat an Indian tribe as a State for the purposes of this Act;

"(2) delegate to an Indian tribe primary enforcement responsibility for programs and projects established under this Act; and

"(3) provide Indian tribes grant and contract assistance to carry out functions of a State pursuant to this Act.

"(b) ENVIRONMENTAL PROTECTION AGENCY REGULATIONS.—

"(1) IN GENERAL.—

"(A) TREATMENT.—Not later than 18 months after the date of the enactment of this section, the Administrator shall issue final regulations that specify the manner in which Indian tribes shall be treated as States for the purposes of this Act.

"(B) AUTHORIZATION.—Under the regulations issued by the Administrator, the treatment of an Indian tribe as a State shall be authorized only if—

"(i) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

"(ii) the functions that the Indian tribe will exercise pertain to land and resources that are—

"(I) held by the Indian tribe, the United States in trust for the Indian tribe, or a member of the Indian tribe (if the property interest is subject to a trust restriction on alienation); or

"(II) are otherwise within Indian country; and

"(iii) in the judgment of the Administrator, the Indian tribe is reasonably expected to be capable of carrying out the functions to be exercised in a manner consistent with the requirements of this Act (including all applicable regulations).

"(2) EXCEPTIONS.—

"(A) IN GENERAL.—If, with respect to a provision of this Act, the Administrator determines that the treatment of an Indian tribe in the same manner as a State is inappropriate, administratively infeasible, or otherwise inconsistent with the purposes of this Act, the Administrator may include in the regulations issued under this section a mechanism by which the Administrator carries out the provision in lieu of the Indian tribe in an appropriate manner.

"(B) STATUTORY CONSTRUCTION.—Subject to subparagraph (C), nothing in this section is intended to permit an Indian tribe to assume or maintain primary enforcement responsibility for programs established under this Act in a manner that is less protective of human health and the environment than the manner in which a State may assume or maintain the responsibility.

"(C) CRIMINAL ENFORCEMENT.—An Indian tribe shall not be required to exercise jurisdiction over the enforcement of criminal penalties.

"(c) COOPERATIVE AGREEMENTS.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and each State in which the lands of the Indian tribe are located may, subject to review and approval by the Administrator, enter into a cooperative agreement, to cooperatively plan and carry out the requirements of this Act.

"(d) REPORT.—Not later than 2 years after the date of enactment of this section, the Administrator, in cooperation with the Secretary of the Interior, the Director of the Indian Health Service, and Indian tribes, shall submit to Congress a report that includes—

"(1) recommendations for addressing hazardous and solid wastes and underground storage tanks within Indian country;

"(2) methods to maximize the participation in, and administration of, programs established under this Act by Indian tribes;

"(3) an estimate of the amount of Federal assistance that will be required to carry out this section; and

"(4) a discussion of proposals by the Administrator concerning the provision of assistance to Indian tribes for the administration of programs and projects pursuant to this Act.

"(e) TRIBAL HAZARDOUS WASTE SITE INVENTORY.—

"(1) INVENTORY.—Not later than 2 years after the date of enactment of this section, the Administrator shall undertake a continuing program to establish an inventory of sites within Indian country at which hazardous waste has been stored or disposed of.

"(2) CONTENTS OF INVENTORY.—The inventory shall include—

"(A) the information required to be collected by States pursuant to section 3012; and

"(B) sites located at Federal facilities within Indian country.".

(c) TECHNICAL AMENDMENT.—The table of contents for subtitle A of such Act (contained in section 1001 of such Act (42 U.S.C. prec. 6901)) is amended by adding at the end the following new item:

"Sec. 1009. Indian tribes.".

SEC. 2. LEAKING UNDERGROUND STORAGE TANK TRUST FUND.

Section 9508(c)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking "Except as provided" and inserting the following:

"(A) PURPOSES.—Except as provided"; and

(2) by adding at the end the following new subparagraph:

"(B) SET ASIDE FOR INDIAN TRIBES.—Notwithstanding any other provision of law, for each of fiscal years 1995 through 1999, the Secretary shall reserve an amount equal to not less than 3 percent of the amounts made available to States pursuant to subparagraph (A). Such amount shall be used only by Indian tribes (as defined in section 1004(43) of the Solid Waste Disposal Act) to carry out the purposes referred to in subparagraph (A).".

SECTION-BY-SECTION ANALYSIS OF S. 1876

SECTION 1. AUTHORITY TO GRANT STATE STATUS TO INDIAN TRIBES FOR ENFORCEMENT OF SOLID WASTE DISPOSAL

Section 1(a)—Definitions. This section amends the Solid Waste Disposal Act (42 U.S.C. 6903) with the three following changes: (1) deletes the phrase "unauthorized tribal organization or Alaska Native village or organization" from paragraph (13)(A) of the Act; (2) inserts the phrase "Indian tribe" after the term "State" in paragraph (15) of the Act; and (3) inserts two new definitions for the terms "Indian Country" and "Indian tribe".

Section 1(b)—Treatment of Indian Tribes as States. This section amends the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) by adding a new section to read "Sec. 1009. Indian Tribes".

Section 1009(a) states that the Administrator, subject to Sec. 1009(b), may (1.) treat an Indian tribes as a State for purposes of this Act; (2.) delegate to an Indian tribe primary enforcement responsibility for programs and project established under this Act; and (3.) provides that Indian tribes grant and contract assistance to carry out functions of a State pursuant to this Act.

Section 1009(b)(1)(A) instructs the Administrator, no later than 18 months after the date of enactment of this Act, to issue final regulations that specify the manner in which Indian tribes shall be treated as States under this Act.

Section 1009(b)(1)(B) instructs the Administrator to treat an Indian tribes as a State only if (1.) the Indian tribes has a governing body to carry out substantial governmental duties and powers; (2.) the Indian tribe will govern over exercises that pertain to land and resources that are held by the Indian tribe, or held in trust for the Indian tribe or member (if the property is interest is subject to a trust restriction on alienation) by the United States, or otherwise within Indian country; and (3.) the Administrator finds that the Indian tribe is reasonably expected to be capable of carrying out the functions in a manner consistent with the requirements of this Act and applicable regulations.

Section 1009(b)(2)(A) allows the Administrator to include a mechanism within the regulations issued pursuant to this Act which allows the Administrator to carry out the provisions of the Act in lieu of the Indian tribe, if the Administrator has determined that the treatment of an Indian tribe as a State in inappropriate, administratively infeasible or otherwise inconsistent with the purposes of this Act.

Section 1009(b)(2)(B) states that nothing in this section permits and Indian tribe with primary enforcement responsibility for programs established under this Act to act in a manner that is less protective of human health and the environment than which is required of a State with similar responsibility.

Section 1009(b)(2)(C) directs that an Indian tribes is not required to exercise jurisdiction over the enforcement of criminal penalties.

Section 1009(c)—Cooperative Agreements. This section allows an Indian tribes and each State, where Indian land is located, to enter into cooperative agreements to plan and carry out the requirements of this Act, subject to review and approval of the Administrator.

Section 1009(d)—Report. Instructs the Administrator, in cooperation with the Secretary of the Interior, the Director of the Indian Health Service, and Indian tribes to submit to Congress a report, not later that 2 years after enactment of this section. This report shall include the following: (1) recommendations for addressing hazardous and solid waste and underground storage tanks in Indian country; (2) methods to maximize the participation in and administration of, programs established under this Act by Indian tribes; (3) an estimate of the amount of Federal assistance to carry out this section; and (4) a discussion of proposals by the Administrator concerning the provisions of assistance to Indian tribes.

Section 1009(e)(1) & (2)—Tribal Hazardous Waste Site Inventory. Instructs the Administrator to undertake a continuing program to establish an inventory of sites within Indian country where hazardous waste has been disposed of or stored. The inventory must list include the (1) information required to be collected by States pursuant to section 3012, and (2) the sites located at Federal facilities within Indian country.

Section 1(c)—Technical Amendment. This section instructs that the table of contents for subtitle A of the Solid Waste Disposal Act (contained in section 1001) be amended to add the new section: "Sec. 1009. Indian tribes.".

SECTION 2. LEAKING UNDERGROUND STORAGE TANK TRUST FUND.

Section 2 amends Section 9508(c)(1) of the Internal Revenue Code of 1986 to delete the phrase "Except as Provided" and insert in lieu of a new subparagraph to read "Section 9508(c)(1)(A) Purposes—Except as provided". This section also creates a new subparagraph (B), to read "Section 9508(c)(1)(B)—Set Aside for Indian Tribes". This section provides that notwithstanding any other provision of law, the Secretary shall reserve for Indian tribes an amount equal to not less than 3 percent of the amounts made available to States pursuant to subparagraph (A) for each the fiscal years 1995 through 1999 to be used to carry out the purposes referred to in subparagraph (A).•

• Mr. McCAIN. Mr. President, I am pleased to join today with my good friend, the distinguished chairman of the Committee on Indian Affairs, Senator INOUYE, as a cosponsor of long-overdue legislation to amend the Solid Waste Disposal Act to authorize the Environmental Protection Agency to treat tribes as States. This legislation is similar to provisions which have already been included in the Clean Air Act, the Clean Water Act, and the Safe Drinking Water Act. These Federal environmental laws were all amended in the 1980's to provide for the treatment of tribes as States.

Unfortunately, when we first began enacting our national environmental laws we either neglected to include Indian tribal governments or included them as municipalities. This latter practice is completely inconsistent with our usual practice of maintaining a direct government-to-government relationship between the Federal and tribal governments. By the mid-1980's it was clear that tribal environmental concerns were being almost completely ignored by State and Federal officials. The States had demonstrated an unwillingness or inability to assist tribes and the Environmental Protection Agency claimed that it lacked legal authority to deal directly with tribal governments. Since that time, considerable progress has been made toward assisting Indian tribal governments to develop and implement environmental regulatory programs. Under the Clean Water Act, over 40 tribes have been certified by EPA as eligible for treatment as States.

The Solid Waste Disposal Act is the only remaining major environmental law which fails to provide for the treatment of tribes as States. This has made it difficult for EPA and the Indian tribal governments to address a variety of solid and hazardous waste problems on Indian lands, including the problem of leaking underground storage tanks. The bill we are introducing today is intended to correct this situation. I urge all of our colleagues to join with us to ensure prompt enactment of this legislation.•

ADDITIONAL COSPONSORS

S. 1180

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1180, a bill to amend the Internal Revenue Code of 1986 to encourage the production and use of wind energy.

S. 1447

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1447, a bill to modify the disclosures required in radio advertisements for consumer leases, loans, and savings accounts.

S. 1651

At the request of Mr. D'AMATO, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1651, a bill to authorize the minting of coins to commemorate the 200th anniversary of the founding of the U.S. Military Academy at West Point, NY.

S. 1676

At the request of Mr. MACK, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1676, a bill to provide a fair, nonpolitical process that will achieve $65,000,000,000 in budget outlay reductions each fiscal year until a balanced budget is reached.

S. 1860

At the request of Mr. DODD, the names of the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Texas [Mrs. HUTCHISON], the Senator from Arkansas [Mr. BUMPERS], the Senator from Wyoming [Mr. WALLOP], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 1860, a bill to authorize the minting of coins to commemorate the 1995 Special Olympics World Games.

SENATE JOINT RESOLUTION 34

At the request of Mr. BROWN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 34, a joint resolution proposing a constitutional amendment to limit congressional terms.

SENATE JOINT RESOLUTION 150

At the request of Mr. SARBANES, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of Senate Joint Resolution 150, a joint resolution to designate the week of May 2 through May 8, 1994, as "Public Service Recognition Week."

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. WOFFORD, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress in support of the President's actions to reduce the trade imbalance with Japan.

SENATE RESOLUTION 182

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. WOFFORD] was added as a cosponsor of Senate Resolution 182, a resolution entitled "A Call for Humanitarian Assistance to the Pontian Greeks."

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, February 25, beginning at 10 a.m. to conduct a hearing on mutual to stock conversions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. REID. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Friday, February 25 to resume consideration of the Graham substitute amendment to S. 1114, the Water Pollution Prevention and Control Act of 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Friday, February 25, 1994, at 10 a.m. to hold nomination hearings on the following nominees: Mr. Thomas L. Baldini, of Michigan, to be a U.S. Commissioner on the International Joint Commission, United States and Canada; Mr. Charles R. Baquet III, of Maryland, to be Deputy Director of the Peace Corps; and Ms. Jeanette W. Hyde, of North Carolina, to be Ambassador to Barbados, and to serve concurrently and without additional compensation as Ambassador to the Commonwealth of Dominica, St. Lucia, and to St. Vincent and the Grenadines.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Family Policy Committee on Finance be permitted to meet today at 9:30 a.m. to hear testimony on welfare reform.

ADDITIONAL STATEMENTS

FACES OF THE HEALTH CARE CRISIS

• Mr. RIEGLE. Mr. President, I rise this morning in my continuing effort to put a face on the health care crisis before our country. Today I want to share the story of Rose Mallot, of Sterling Heights, MI. Rose has put off surgery to remove her ovaries because she does not have insurance to cover the medical costs.

Rose Mallot is 40 years old and works part time for a local newspaper. Last year she only earned $12,000. Rose has been uninsured for 3 years since she lost the coverage that she had through her former husband's employer. The newspaper that she works for does not offer health insurance to part-time workers, and Rose cannot afford the high cost of an individual policy which would cost hundreds of dollars each month. Even if she could afford her own policy, it would probably not cover her preexisting condition.

Rose's gynecologist has recommended on several occasions that Rose have her ovaries removed due to cysts that have formed on them. This procedure would cost $15,000 for hospitalization and physician charges—more than Rose's total income last year. Rose certainly does not have the money to pay for the surgery, nor does she have health insurance to cover the costs.

Rose sees her gynecologist regularly and pays discounted fees out-of-pocket. On one occasion, the pain of these cysts was so excruciating that she was forced to go to the emergency room for treatment. She received an injection to reduce her pain temporarily, but nothing could be done to address the cause of her pain. The emergency room treatment cost Rose $153—a cost that she must meet without the help of insurance.

In an attempt to reduce the size of the cysts, Rose has been taking a medication that costs $92 for 30 pills. Her doctor has prescribed that Rose take 4 of the pills each day, so her medication costs her almost $400 per month—about 40 percent of her income. Again, Rose does not have health insurance to cover these costs.

Luckily for Rose, the cyst growth seems to be controlled by the medication, and surgery is not an emergency at this point in time. But eventually Rose will need to get this problem taken care of.

Mr. President, the health care reform proposal that President Clinton has presented to this Congress would guarantee that Rose would always have health insurance coverage—regardless of her health condition or her marital status or her employment status. And it would guarantee that she would have a comprehensive set of benefits that would meet her needs—including prescription drug coverage.

Mr. President, we must pass health care reform legislation this year, and I am going to do everything I can to work with my colleagues to iron out our differences and pass a reform plan that guarantees comprehensive, affordable coverage to every American.•

COMMEMORATING THE 75TH ANNIVERSARY OF GRAND CANYON NATIONAL PARK

• Mr. McCAIN. Mr. President, this Saturday, February 26, marks the 75th anniversary of Grand Canyon National Park.

This historic occasion is important to people throughout the world but it's especially significant to the people of Arizona. As citizens of the Grand Canyon State, we take immense pride in the park and appreciate the awesome stewardship responsibility with which we, today's caretakers of the canyon, have been vested.

Anyone who has visited the Grand Canyon, beheld a sunrise at Navajo Point, hiked the back country on the Tanner Trail or run the rapids at Lava Falls understands what many scribes and poets have tried in vain to describe. Words pale before the indescribable. But, perhaps, John Wesley Powell, the Civil War hero who, in 1869, was the first intrepid soul to fully explore the Grand Canyon captured it best. He said, simply "The Grand Canyon is the most sublime spectacle on earth."

The 75th anniversary is an opportunity to reflect on what the canyon means to each of us. It's time for grateful remembrance of our forefathers who had the wisdom and foresight to recognize the value of the Grand Canyon and to make protection of its resources our guiding ethic.

We remember people such as John Wesley Powell; and President Benjamin Harrison, who, in 1876, as a Senator from Indiana, introduced the first bill to establish the canyon as a national park. We remember President Theodore Roosevelt under whose leadership conservation of the natural resources of the canyon was so nobly advanced; And, the flamboyant Henry Fountain Ashurst, the Arizona Senator, whose father perished in the Canyon, and who, in 1919, introduced the bill signed by President Woodrow Wilson creating Grand Canyon National Park 75 years ago. And, with fondness and gratitude, we remember the many other citizens and public servants who have dedicated their careers and their lives to seeing that the canyon should be forever grand.

As we remember and honor the past, it's also a time to take stock of the present—to examine how well we are meeting our responsibilities as today's stewards of the Grand Canyon. It's time to rededicate ourselves to preserve and protect the Grant Canyon for the next 75 years and beyond.

Proper stewardship of the canyon and its resources has never been simple or easy. Like a white-water rafting adventure on the Colorado River, the course is calm and subtle as some points and twisting and rough at others, but it is always well worth the trip.

Over the past several years, we have been confronted with a myriad of difficult and complex issues affecting the park. We have enjoyed success on a number of fronts but many challenges are ahead. There is much work to be done.

Safety issues and noise pollution associated with excessive overflights of the park demand our continued attention. In 1987, we passed the National Parks Overflights Act, which zoned the airspace over the canyon and established, in law, the groundbreaking goal of restoring natural quiet to the canyon environment. Visitors seeking peace and solitude in which to enjoy the canyon experience deserve the opportunity to do so without the incessant intrusion of aircraft noise. At time the Grand Canyon has seemed more like national airport than a national park.

We have made some progress. Flights below the rim have been banned and certain areas of the Canyon are off limits to aircraft, but much work remains to be done. The number of park overflights has increased since passage of the legislation, and we have not yet met our goal of "substantially restoring the natural quiet of the Grand Canyon."

We must press on until the goal is achieved. Quiet aircraft technology must be developed and brought on line by air tour operators as soon as feasible. Pending the transition to such technology, if we need to limit the number of overflights to assure public safety and restore the natural quiet to meet the goals of the law, then that's what we must do.

Clearly, there is a limit to the amount of traffic park airspace can accommodate before safety and natural quiet are compromised. We must endeavor to find that level and manage the airspace accordingly.

The Federal Aviation Administration and the National Park Service are reviewing canyon air regulations and will meet with air tour operators and others next month to begin updating the regulations. They should approach this work committed to meeting the standards and expectations codified in the National Park Overflights Act.

On another front, we must continue our efforts to protect air quality and visibility at the Grand Canyon. In 1992, an historic agreement was reached to control pollution from the Navajo Generating Station to improve and protect canyon visibility. But, there is more we can do.

Today, under the auspices of the Environmental Protection Agency and Grand Canyon Visibility Transport Commission, we are investigating other potential contributors to canyon pollution, including emissions from the Mohave Power Plant in southern Nevada, and haze creeping into the region from the Los Angeles basin. Studies on the impact of these sources and potential remedies will be completed next year. Sources that significantly impact canyon air quality should be cleaned up to protect the scenic vistas for which the Grand Canyon is world-renowned.

In the past few years we have made great strides in protecting the park's water-based resources and recreation. In 1992, we passed the Grand Canyon Protection Act to stop the damage caused by fluctuating water releases from Glen Canyon Dam-flows which were destroying Colorado River beaches, degrading recreation and harming fish and wildlife within the park.

As a result of the new law, water now flows from the dam in a manner that better protects downstream resources. The Department of the Interior will complete a final environmental impact study on dam operations by the end of the year.

The study will give us the scientific data we need to reconcile the dam with the need to preserve, protect and enhance the natural resources of the Grand Canyon National Park—as required by the Grand Canyon Protection Act. Our challenge now is to see that the good intentions and lofty goals of the law are matched by our actions to implement it.

Mr. President, overflights, air quality, Colorado River protection, are just a few of the challenges we still confront.

The world is a much different place than when Woodrow Wilson signed Senator Ashurst's bill establishing Grand Canyon National Park. In 1919, its first year as a National Park, the Grand Canyon was visited by just over 100,000 people, and operated on a budget of $40,000.

Seventy-five years later, over 5 million people from all over the world visit the Canyon yearly and the Park Service will employ 350 people and spend $12 million to manage the park.

Visitation is expected to double within the next 10 years.

Times will continue to change, but our stewardship responsibilities will not. They will only be made more complicated by the growing demand and encroachments of expanding civilization.

We are deciding how the future will look today. The National Park Service is currently crafting the Grand Canyon's general management plan which will guide the park into the next century on critical issues such as park user levels, land use, river management, back country management, services, infrastructure, transportation, staffing and funding, just to name a few.

Wisely, and most appropriately, our laws provide for and encourage public review and participation in park management planning. I hope that all concerned citizens will exercise their rights and responsibility to participate in the process as we debate the management plan and set the course for tomorrow.

The Grand Canyon is a shared resource and we have a shared responsibility to ensure a future for the park that is worthy of its place as the centerpiece of our natural heritage and one of the seven wonders of the world.

The general management plan, with its public participation process, will be a particularly constructive forum in which to debate and address the most critical issue facing the Grand Canyon—how to deal with increasing demand for the park and its impact on visitor experience and the canyon environment. There are as many ideas on this topic as there are commentators on the issue.

Some have suggested that controls should be placed on visitation in the near future through a visitor reservation system. Perhaps someday restricting the number of visitors may be necessary to ensure the visitor experience and the canyon environment remain world class. But, I do not believe that we are at that point today.

One of the prime directives of the National Park Service is to provide for the enjoyment of park resources for the American people. I fear that a reservation system is a burdensome, bureaucratic and premature answer to a problem that lends itself to a less onerous solution.

The primary problem with park crowding is that too many private vehicles clog the roads at certain times of the day and too many people are funneled into a small section of the park. It seems to me that the money and manpower necessary to implement a reservation system could be used more effectively to alleviate crowding by improving alternative transportation opportunities for visitors. We should give people more opportunity and incentive to park private vehicles outside of the park and use alternative transportation within.

In 1990, Congress ordered the Department of Transportation to conduct a study on alternative modes of transportation within national parks to alleviate crowding and to enhance visitor experience. That study will be completed shortly and could offer some valuable and timely alternatives.

Let's not lose sight of the fact that Grand Canyon National Park is over 200 miles long and has five public access roads on the south rim. In addition to alternative transportation, we should look at ways to disperse visitors by encouraging entry at points other than the main south rim entrance through Tusayan, where the vast majority of visitors congregate. In seems to me that with proper planning we could disperse visitation more widely and relieve crowding without constructing intrusive or unnecessary development in areas of the park that should remain as pristine as possible.

The Grand Canyon is a national shrine—a place where people seek solace and inspiration, to see the humbling work of ages and the awesome hand of God—to experience something much greater than themselves. Needing the Government's permission to visit the Canyon is like needing a reservation to go to church. It just isn't in keeping with the spirit of what the Grand Canyon is all about.

All options deserve to be debated by the public through the general management planning process and examined in the appropriate environmental studies before we take any steps to implement a reservation system which should be our last, not our first, resort.

Mr. President, the next 75 years at the Grand Canyon will surely be as challenging as the past. Before embarking on his trip to brave the unchartered rapids of the Grand Canyon, John Wesley Powell said,

> We are now ready to start on our way down the Great Unknown * * * We have an unknown distance to run; and unknown river to explore. What falls there are, we know not; what rocks beset the channel, we know not; what walls rise over the river, we know not.

Those words echo from the past, echo forth to appropriately describe our own journey into the future—the Great Unknown.

But, like Powell, with courage and determination, we, too, can negotiate the distance with honor and success and bequeath to the next generation a proud canyon legacy that ensures the Grand Canyon will remain "The most sublime spectacle on earth."

On this 75th anniversary, let's rededicate ourselves, as Theodore Roosevelt admonished—

> To keep the canyon for our children and our children's children, and for all who come after us, as one of the great sights which every American, if he can travel at all, should see.

I ask that the text of the law creating Grand Canyon National Park be printed at this point in the RECORD.

The text follows:

SIXTY-FIFTH CONGRESS. SESS. III

CHAP. 44.—AN ACT TO ESTABLISH THE GRAND CANYON NATIONAL PARK IN THE STATE OF ARIZONA

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby reserved and withdrawn from settlement, occupancy, or disposal under the laws of the United States and dedicated and set apart as a public park for the benefit and enjoyment of the people, under the name of the "Grand Canyon National Park," the tract of land in the State of Arizona particularly described by and included within metes and bounds as follows, to wit:

Beginning at a point which is the northeast corner of township thirty north, range one east, of the Gila and Salt River meridian, Arizona; thence west on township line between townships thirty and thirty-one north, range one east, to section corner common to sections one and two, township thirty north, range one east, and thirty-five and thirty-six, township thirty-one north, range one east; thence north on section lines to the intersection with Tobocobya Spring-Rowe Well Road; thence northwesterly along the southwesterly side of said Tobocobya Spring-Rowe Well Road, passing and in relation to United States Geological Survey bench marks stamped "Canyon" and numbered 6340, 6235, 6372, 6412, 6302, 6144, and 6129, through townships thirty-one and thirty-two north, ranges one east and one and two west, to its intersection with the section line between sections nine and sixteen in township thirty-two north, range two west; thence west along the section lines through townships thirty-two north, ranges two and three west, to its intersection with upper westerly rim of Cataract Canyon; thence northwesterly along upper rim of Cataract Canyon, crossing Hualapai Canyon and continuing northwesterly along said upper rim to its intersection with range line, township thirty-three north, between ranges four and five west; thence north on said range line, townships thirty-three and thirty-four north, ranges four and five west, to north bank of the Colorado River; thence northeasterly along the north bank of the Colorado River to junction with Tapeats Creek; thence easterly along north bank of Tapeats Creek to junction with Spring Creek; thence easterly along the north bank of Spring Creek to its intersection with Gila and Salt River meridian; township thirty-four north, between ranges one east and one west and between section six, township thirty-four north, range one east, and section one, township thirty-four north, range one west; thence south on range line between ranges one east and one west to section corner common to sections seven and eighteen, township thirty-four north, range one east, and sections twelve and thirteen, township thirty-four north, range one west; thence east on section lines to section corner common to sections seven, eight, seventeen, and eighteen, township thirty-four north, range two east; thence south on section lines to township line between townships thirty-three and thirty-four north, range two east, at section corner common to sections thirty-one and thirty-two, township thirty-four north, range two east, and sections five and six, township thirty-three north, range two east; thence east on township line to section corner common to sections thirty-one and thirty-two, township thirty-four north, range three east, and sections five and six, township thirty-three north, range three east; thence south on section lines to section corner common to sections seventeen eighteen, nineteen, and twenty, township thirty-three north, range three east; thence east on section lines to section corner common to sections thirteen, fourteen, twenty-three, and twenty-four, township thirty-three north, range three east; thence north on section lines to section corner common to sections one, two, eleven, and twelve, township thirty-three north, range three east; thence east on section lines to the intersection with upper rim of Grand Canyon; thence northerly along said upper rim of Grand Canyon to main hydrographic divide north of Nankoweap Creek; thence easterly along the said hydrographic divide to its intersection with the Colorado River, approximately at the mouth of Nankoweap Creek; thence easterly across the Colorado River and up the hydrographic divide nearest the junction of Nankoweap Creek and Colorado River to a point on the upper east rim of the Grand Canyon; thence by shortest route to an intersection with range line, townships thirty-three and thirty-four north, between ranges five and six east; thence south on said range line, between ranges five and six east, to section corner common to sections eighteen and nineteen, township thirty-three north, range six east, and sections thirteen and twenty-four, township thirty-three north, range five east; thence east on section lines to section corner common to sections sixteen, seventeen, twenty, and twenty-one, township thirty-three north, range six east; thence south on section lines to section corner common to sections eight, nine, sixteen, and seventeen, township thirty-one north, range six east; thence west on section line to section corner common to sections seven, eight, seventeen, and eighteen, township thirty-one north, range six east; thence south on section lines to township line between townships thirty and thirty-one north at section corner common to sections thirty-one and thirty-two, township thirty-one north, range six east, and sections five and six, township thirty north, range six east; thence west on township line to section corner common to sections thirty-four and thirty-five, township thirty-one north, range five east, and sections two and three, township thirty north, range five east; thence south on section line to section corner common to sections two, three, ten, and eleven, township thirty north, range five east; thence west on section lines to range line, township thirty north, between ranges four and five east, at section corner common to sections six and seven, township thirty north, range five east, and one and twelve, township thirty north, between ranges four and five east, to section corner common to sections seven and eighteen, township thirty north, range five east, and sections twelve and thirteen, township thirty north, range four east; thence west on section line to section corner common to sections eleven, twelve, thirteen, and fourteen, township thirty north, range four east; thence south on section line to section corner common to sections thirteen, fourteen, twenty-three, and twenty-four, township thirty north, range four east; thence west on section lines to section corner common to sections fifteen, sixteen, twenty-one, and twenty-two, township thirty north, range four east; thence south on section line to section corner common to sections twenty-one, twenty-two, twenty-seven, and twenty-eight, township thirty north, range four east; thence west on section lines to range line, township thirty north, between ranges three and four east, at section corner common to sections nineteen and thirty, township thirty north, range four east, and sections twenty-four and twenty-five, township thirty north, range three east; thence north on range line to section corner common to sections eighteen and nineteen township thirty north, range four east, and sections thirteen and twenty-four, township thirty north, range three east; thence west on sections lines to section corner common to sections fourteen, fifteen, twenty-two, and twenty-three, township thirty north, range three east; thence north on section line to section corner common to sections, ten eleven, fourteen, and fifteen, township thirty north, range three east; thence west on section lines to range line at section corner common to sections seven and eighteen, township thirty north, range three east, and sections twelve and thirteen, township thirty north, range two east; thence north on range line to section corner common to sections six and seven, township thirty north, range three east, and sections one and twelve, township thirty north, range two east; thence west on section line to section corner common to sections one, two, eleven, and twelve, township thirty north, range two east; thence north on section line to township line at section corner common to sections thirty-five and thirty-six township-one north, range two east, and sections one and two, township thirty north, range two east; thence west on township line to the northeast corner of township thirty north, range one east, the place of beginning.

SEC. 2. That the administration, protection, and promotion of said Grand Canyon National Park shall be exercised, under the direction of the Secretary of the Interior, by the National Park Service, subject to the provisions of the Act of August twenty-fifth, nineteen hundred and sixteen, entitled "An Act to establish a National Park Service, and for other purposes": *Provided*, That all concessions for hotels, camps, transportation, and other privileges of every kind and nature for the accommodation or entertainment of visitors shall be let at public bidding to the best and most responsible bidder.

SEC. 3. That nothing herein contained shall affect the rights of the Havasupai Tribe of Indians to the use and occupancy of the bottom lands of the Canyon of Cataract Creek as described in the Executive order of March thirty-first, eighteen hundred and eighty-two, and the Secretary of the Interior is hereby authorized, in his discretion, to permit individual members of said tribe to use and occupy other tracts of land within said park for agricultural purposes.

SEC. 4. That nothing herein contained shall affect any valid existing claim, location, or entry under the land laws of the United States, whether for homestead, mineral, right of way, or any other purpose whatsoever, or shall affect the rights of any such claimant, locator, or entryman to the full use and enjoyment of his land and nothing herein contained shall affect, diminish, or impair the right and authority of the county of Coconino, in the State of Arizona, to levy and collect tolls for the passage of live stock over and upon the Bright Angel Toll Road and Trail, and the Secretary of the Interior is hereby authorized to negotiate with the said county of Coconino for the purchase of said Bright Angel Toll Road and Trail and all rights therein, and report to Congress at as early a date as possible the terms upon which the property can be procured.

SEC. 5. That whenever consistent with the primary purposes of said park the Act of February fifteenth, nineteen hundred and one, applicable to the locations of rights of way in certain national parks and the national forests for irrigation and other purposes, and subsequent Acts shall be and remain applicable to the lands included within the park. The Secretary of the Interior may, in his discretion and upon such conditions as he may deem proper, grant easements or rights of way for railroads upon or across the park.

SEC. 6. That whenever consistent with the primary purposes of said park, the Secretary of the Interior is authorized, under general regulations to be prescribed by him, to permit the prospecting, development, and utilization of the mineral resources of said park upon such terms and for specified periods, or otherwise, as he may deem to be for the best interests of the United States.

SEC. 7. That whenever consistent with the primary purposes of said park, the Secretary of the Interior is authorized to permit the utilization of areas therein which may be necessary for the development and maintenance of a Government reclamation project.

SEC. 8. That where privately owned lands within the said park lie within three hundred feet of the rim of the Grand Canyon no building, tent, fence, or other structure shall be erected on the park lands lying between said privately owned lands and the rim.

SEC. 9. The Executive order of January eleventh, nineteen hundred and eight, creating the Grand Canyon National Monument, is hereby revoked and repealed, and such parts of the Grand Canyon National Game Preserve, designated under authority of the Act of Congress, approved June twenty-ninth, nineteen hundred and six, entitled "An Act for the protection of wild animals in the Grant Canyon Forest Reserve," as are by this Act included with the Grand Canyon National Park are hereby excluded and eliminated from said game preserve.

Approved, February 26, 1919.•

A RESPONSE TO RACISM

• Mr. LAUTENBERG. Mr. President, last November Khalid Abdul Muhammad made a speech at Kean College in New Jersey that set off a firestorm because of its ugliness and words of hatred and abuse. This speech has refocused national attention on the vast racial divides still evident in our country. On Monday, February 28, 1994, Mr. Muhammad will be back in New Jersey, to make a speech at Trenton State College. We don't know what he will say. But, his speech at Kean College and his reappearance in our State have sparked a debate on the appropriate response to hate speeches.

Mr. Muhammad's speech was false, racist, anti-Semitic, repugnant and a disservice to all Americans, as stated in the amendment the Senate approved earlier this month. It was far reaching in its venom. It was more than racist and anti-Semitic. It was anti-Catholic. It was antigay. It was antiwhite. It was vicious, divisive, and harmful.

This view of Mr. Muhammad's remarks, which were largely endorsed by

Mr. Farrakhan, is shared by most African-Americans. I have been contacted by many people in New Jersey, including a number of Moslems, many of them African-Americans, who reject Mr. Muhammad's remarks as inconsistent with their religion and their beliefs. Many secular African-American leaders have repudiated his remarks as well.

Mr. President, how shall we handle future attempts to spread such hatred on our college campuses? And how ought we react to the fact that much of the audience that listened to that abusive speech applauded it?

We have to expose the lies. We have to unveil the truth. We have to bare the hypocrisy of these accusations and not let their distortions stand. The accusations he made should infuriate the fair minded and all should reject the filth he spews.

We cannot prevent Mr. Muhammad or Mr. Farrakhan from speaking on college campuses, or from any platform in America. In our democratic society, we must respect and protect free speech. The Founding Fathers had great faith in an educated citizenry. They provided for an almost absolute right to free speech, counting on informed debate to quell those words and writings and speeches which were offensive or even potentially destabilizing. We've cherished these rights throughout our history, and honored them under difficult conditions—even during wartime.

A David Duke has the right to lecture on college campuses. So does a George Wallace. So does a Mr. Muhammad and a Mr. Farrakhan.

But, these liberties also carry responsibilities. They carry the responsibility to contest them and to speak out against them. Universities do not have to volunteer to give bigotry a platform. But if they choose to do so, they have an obligation: to underscore the factual and ethical flaws in the arguments to which their students are exposed.

They have a responsibility to live up to the standards of intellectual integrity which they pursue and seek to inculcate.

Students can issue invitations to speakers whose message is inconsistent with scholarly findings, intolerant of different points of view, and incompatible with a real search for truth. But when they do, the university and community of which they are a part have an obligation to make sure that their students are exposed to alternative views.

In New Jersey, under the leadership of the Council of Christians and Jews, we are planning a statewide forum to explore these issues. A number of colleges are already prepared to initiate or strengthen their own efforts in this area: The Richard Stockton College of New Jersey, for example, has an ongoing Community Human Relations Coalition which provides a forum for discussing these issues. In my judgment, these responsibilities go beyond disputing the premises of hateful speech. They extend to probing the issue of why such messages are so well received.

The Kean college audience Mr. Muhammad addressed was made up of less than 200 students. But those 200 students are among the expected to be leaders in the African-American community. They obviously have academic talent. They are getting an education that will prepare them for a successful professional and personal life. Yet many responded to Mr. Muhammad's speech of hate with cheers of approval.

We condemn Mr. Muhammad and his message. But we must also reach out to the students who were moved by his rhetoric of hate and attracted by his words of violence.

Mr. President, we must figure out why those words fall on receptive ears. We have to come to grips with the fact that some of our students liked what they heard.

Why? Why did they like what they heard? The answer is they are like other people—capable of prejudice. The answer is that the poverty, the racism, the hopelessness, they have witnessed in their communities has stoked anger—and it is a small step from anger to hatred. The answer is that many have been treated badly—and feel the system leaves them out. The answer is that they have seen racist statements made by whites—prominent whites in some cases—go unchallenged.

Mr. President, we need to condemn what was said in the strongest possible terms. But, in the end, we have to do more than condemn. We have to respond so that we prevent prejudice from taking seed and growing and bursting into a deadly bloom.

We have not found a way to reach the students who cheered Mr. Muhammad's speech. We have not been successful in dealing with their pain and their anger—which can easily spill over to violent episodes of rage and hatred.

That, Mr. President, is the hard part of what we have to do. We must condemn Mr. Muhammad's speech at Kean College. It was unacceptable. It was abhorrent and could not be left uncontested. But, we must also look ahead. Kean College has already taken steps to sponsor symposiums on hate and colloquiums on diversity. When Mr. Muhammad speaks at Trenton State tonight, the Mercer County community has plans for rebuttal speakers in conjunction with his visit.

That's good. But, it must be more than a sporadic effort. Unless we are resigned to continue moving apart, we need to start moving together. We need to make sure that racist slander shrivels under a constant light of critical examination. But we must also do more to bring our young people—all of our people—together.

We do that, Mr. President, by talking to one another. By establishing frameworks for real dialog; by sitting down at the same table to put a human face on the blurred portraits we have of one another. With its multiethnic and multicultural population, California has developed programs to promote understanding and empathy among young people of different ethnic groups. Students in ethnically diverse schools have been paired to expose them to other cultural practices and lifestyles. Los Angeles mandated a program like this for so-called skinheads convicted of bias crimes.

So, when Mr. Muhammad returns to New Jersey, he will find a different environment awaiting his arrival. His words will be challenged, if appropriate to do so, and placed in the glare of publicity. His visit will be followed by a forum to further promote tolerance.

Mr. Muhammad can only prevail if we respond to his attacks with silence. Or if we respond to his words of hate and violence with acts of hate and violence.

The response of the people of New Jersey and the Nation demonstrates that he will not prevail.

Mr. President, I am proud of the response in my State to these events. In New Jersey, we must continue efforts to improve race relations and address the root causes of prejudice and ethnic conflict. We are one of the most ethnically diverse States in the country. We need to learn to live together, work together, and be enriched, not embittered, by our diversity.•

STATEMENT ON THE CONFIRMATION OF WILLIAM J. RAINER TO BE CHAIRMAN OF THE BOARD, U.S. ENRICHMENT CORPORATION

• Mr. DODD. Mr. President, it gives me great pleasure to congratulate a good friend and a Connecticut standout, Bill Rainer, who was recently confirmed by this body as chairman of the board of the U.S. Enrichment Corporation.

I came to know Bill several years ago when he cofounded and became managing director of Greenwich Capital Markets, Inc., of Greenwich, CT, an investment banking firm specializing in Government securities. Under Bill's direction, Greenwich Capital grew from a fledgling newcomer to the competitive capital markets into a highly profitable and established player on Wall Street. This was no small feat during the 1980's, a period of turbulent markets and fierce competition.

Bill's experience building a successful start-up firm will prove an invaluable asset as he assumes leadership of the newly-formed U.S. Enrichment Corporation. He will face enormous challenges attempting to strengthen the financial underpinnings of our Federal enrichment program even as the U.S. share of these markets continues to decline. The ultimate objective of these efforts, privatization of the U.S. Enrichment Corporation, will give the U.S. taxpayers a return of the substantial investment they have expended over the years on our enrichment activities.

I am confident that William Rainer will approach these challenges with the same measure of aplomb—and, ultimately, success—that he has displayed throughout his career. He possesses the right mix of experience and business acumen to lead the corporation through this transition. Perhaps just as importantly, however, Bill also is deeply committed to public service, and is eager to use his considerable skills and experience in service to the American people. I know that he will serve our citizens with integrity and distinction.

I thank the Chair for permitting me this opportunity to congratulate William Rainer upon his confirmation.•

STATEMENT ON THE NOMINATION OF STROBE TALBOTT

• Mr. GRAHAM. Mr. President, I rise today to express my concerns with the nomination of Strobe Talbott to be Deputy Secretary of State.

As a general principle, I give a presumption of correctness to nominations of the President for top level management positions. For this reason, I voted earlier this week to confirm the nomination of Strobe Talbott. He is well qualified and has the experience to effectively advance U.S. foreign policy. I must express my apprehensions of this vote, however, in light of Mr. Talbott's past views on the nation of Israel.

I remain firm in my opposition to unjustifiable condemnations of Israel and my commitment to the special relationship between the United States and Israel. I am, therefore, concerned with the article in Time in which Mr. Talbott wrote:

> Menachem Begin recognized that American Jews wield influence far beyond their numbers but he also knows there is considerable pent-up irritation in the U.S. with the power and the pro-Israel lobby which includes, of course, many non-Jews and that a significant body of American Jewish opinion opposes him.

I am further concerned with Mr. Talbott's characterizations of Israel as a "dubious asset" and "an outright liability to American security interests."

Mr. Talbott stressed in his confirmation hearings that many of these fragmentary references concerning Israel did not accurately characterize his current or past views. Although I believe Mr. Talbott, I will monitor his actions closely to ensure United States support for a strong and independent Israel.•

TRIBUTE TO ASSEMBLYMAN HARRY A. MCENROE AND COUNTY CLERK PATRICIA MCGARRY DRAKE

• Mr. LAUTENBERG. Mr. President, I rise today to commend the achievements of two outstanding New Jerseyans, Assemblyman Harry A. McEnroe of South Orange, and Essex County Clerk Patricia McGarry Drake of Newark.

As life-long residents of New Jersey, both Mr. McEnroe and Ms. Drake have demonstrated an outstanding commitment to serving the citizens of Essex County. They have each been honored in numerous ways by the county in which they serve, as well as various organizations in New Jersey.

Before his career as a New Jersey State assemblyman, Harry McEnroe served on the board of freeholders and as freeholder director of Essex County. In addition, he has an exemplary list of accomplishments in community service, including substantial contributions in developing New Jersey's solid waste recycling program. In the past, he has received the Irishman of the Year Award from the Friends of Brian Boru. Most recently, in his official capacity, McEnroe was awarded Legislator of the Year by the New Jersey Association of Counties.

Ms. McGarry Drake has also served the citizens of New Jersey with distinction. While working her way from clerk typist to county clerk, she developed a keen understanding of the services provided by the clerk's office and earned both the respect of her colleagues and the citizens she served. Most recently, McGarry Drake began her term as first vice president for the County Officers Association. Her list of honors includes the standard bearer of the P. McGarry Drake Civic Association, and the Irishwoman of the Year Award from the Friends of Brian Boru.

I pay tribute to both of these upstanding individuals and the many contributions they have made on behalf of the citizens of New Jersey.•

THE 76TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

• Mr. RIEGLE. Mr. President, yesterday marked the 76th anniversary of Estonia's declaration of independence from czarist Russia. I rise today to commemorate this important date, and to offer my congratulations and continued support to the People of Estonia and the Estonian-American community here in the United States.

The Republic of Estonia first declared its independence on February 24, 1918, ending hundreds of years of foreign domination. The anniversary of this date is important in honoring the Estonian people for their resolve in building a free nation. It is equally fitting that we take this opportunity to recognize the long struggle Estonians face, and the many challenges that threaten Estonia's continued independence.

Despite the 1920 peace treaty that established the government of the Republic of Estonia as its legitimate governing body, Estonia again came under Soviet control in 1940 as a result of Russia's Ribbentrop Pact with Nazi Germany. For the next half century, Estonians were brutally repressed under Soviet domination, and it would not be until the end of the cold war that the Estonian people would regain control of their own country and their own future.

In 1991, Estonia once again declared its independence from the Soviet Union, reestablishing the autonomy it had sought 73 years earlier. The world was reminded during that tumultuous time of the strength and bravery of the Estonian people. The struggle of Estonia and its Baltic neighbors to withdraw from the Soviet Union heralded the collapse of the giant Soviet empire. Once their independence was achieved, the world looked proudly upon the Baltic nations symbols of the worldwide struggle for freedom.

The decades of foreign control were not without great cost to the Estonian people, however. The damage to the Estonian population is immeasurable—thousands were killed, deported, or otherwise brutally repressed. They are also struggling to cope with the massive and widespread environmental damage caused during the 50 years of Soviet rule. The years following independence have also been riddled with problems—Russian troops continue to occupy Estonia, and the treatment of ethnic Russians in Estonia remains a point of contention between the Estonian and Russian Governments.

The problems Estonians have faced have been daunting, but the ability of the Estonian people to meet these challenges head on is truly remarkable. In 1992, the first free elections were held in Estonia since its independence from the Soviets. The economy is also faring better than many of the former Soviet States, and is in fact one of the fastest growing in Europe. The Estonian currency is stable and inflation is low, and members of the European Union have authorized the negotiation of free-trade agreements which could result in a free-trade zone between Estonia and the European Union. Finally, Estonia has signed on to the Partnership for Peace plan which provides for cooperation with NATO members in maintaining security in Eastern Europe.

Mr. President, Estonian Independence Day this year is truly a celebration of a people who have overcome enormous challenges in establishing a free nation. It has only been through the courage, spirit, and perseverance of the Estonian people that they have finally succeeded. On this occasion, we must remind ourselves of the struggle of the past 76 years, and the need for the international community to continue to support Estonia in its efforts to maintain its freedom. Let us commemorate this anniversary by pledging to continue to stand by the Estonian people as they work to achieve their goal of self-determination.●

STATEMENT ON THE NOMINATION OF CHIEF JUSTICE ROSEMARY BARKETT

● Mr. GRAHAM. Mr. President, on February 24, 1994, I spoke on the floor of the Senate regarding the nomination of Chief Justice Rosemary Barkett to the Eleventh Circuit Court of Appeals. For the RECORD, I submitted a copy of an opinion, Foster versus State, of the Florida Supreme Court. Unfortunately, a page was inadvertently left out during transcription. I ask for unanimous consent that the opinion be reprinted in its entirety in the RECORD.

The opinion follows:

EXHIBIT 1

[No. 76639, Supreme Court of Florida, Oct. 22, 1992, Rehearing Denied April 1, 1993]

CHARLES KENNETH FOSTER, APPELLANT, v. STATE OF FLORIDA, APPELLEE.

Defendant was convicted in the Circuit Court, Bay County, of murder and sentenced to death and he appealed. The Supreme Court affirmed, 369 So.2d 928. Denial of first and second postconviction motions were affirmed by the Supreme Court, 400 So.2d 1, and 518 So.2d 901, but resentencing was ordered. Denial of federal habeas corpus petitions was affirmed by the Court of Appeals, 707 F.2d 1339, 823 F.2d 402. On remand from resentencing, the Circuit Court, Bay County, Don T. Sirmons, J., entered sentence of death and defendant appealed. The Supreme Court held that: (1) defendant had not received ineffective assistance of counsel; (2) jury was adequately instructed on mitigating circumstances; (3) court properly overruled challenges for cause; but (4) sentencing order was defective for failing to state whether court had found certain mitigating circumstances to exist.

Affirmed in part and vacated and remanded in part.

Barkett, C.J., concurred in part and dissented in part and filed an opinion in which Shaw and Kogan, JJ., concurred.

Kogan, J., concurred in part and dissented in part and filed an opinion.

1. Criminal Law 998(21).

Successive postconviction motion may be dismissed if it fails to allege new or different grounds for relief and the prior determination was on the merits or, if new and different grounds are alleged, the failure to raise those issues in prior motion constitutes an abuse of process. West's F.S.A. RCrP Rule 3.850.

2. Criminal Law 998(21).

Postconviction motion alleging ineffective assistance of counsel was an abuse of process where there was no showing of justification for the failure to raise it in either of the two prior motions. West's F.S.A. RCrP Rule 3.850.

3. Criminal Law 641.13(6).

In view of defendant's confession, there was no reasonable probability that outcome of trial would have been different had counsel obtained additional evidence, so that defendant did not show ineffective assistance of counsel.

4. Criminal Law 996(3).

Witness' unavailability at resentencing hearing, so as to make her prior testimony admissible, was established by evidence that investigators had been unable to locate her or her former husband, that they had called a telephone number given to them a number of times and have left messages for the witness, who never returned the calls, and that attempts to subpoena her were unsuccessful.

5. Criminal Law 662.60.

Defendant's right to confrontation was not abridged when prior testimony of witness was admitted at resentencing hearing where court admitted the witness' cross-examination testimony in addition to her direct testimony.

6. Witnesses 837(4).

It was not an abuse of discretion to exclude evidence of witness' 1989 convictions when admitting at resentencing hearing testimony which she had given at the first trial in 1975.

7. Criminal Law 996(3).

There was no *Brady* violation by state's failure to provide defendant with mental health records of witnesses at resentencing hearing where the state denied having the records.

8. Homicide 357(3, 11).

Finding that murder was especially heinous, atrocious, or cruel, and cold, calculated, and premeditated, thus authorizing imposition of death penalty, was supported by evidence that victim was severely beaten prior to having his throat slit, that victim was pulled from vehicle by his genitals and stabbed in the throat a second time, that he would have lived 20 to 30 minutes after the wound was inflicted, that defendant then cut the victim's spine with a knife, and that victim would have lived three to five minutes after the spinal cord was severed. West's F.S.A. §921.141(5)(h, i).

9. Homicide 311.

Jury was adequately instructed that it could consider any relevant evidence in determining whether to impose the death penalty where court informed the jurors that they could consider, in addition to other factors, "any other factor of defendant's character or record and any other circumstance of the crime or offense," and defense counsel discussed mental health mitigation in detail.

10. Homicide 341.

Error in failing to give defendant's requested instruction containing an expanded definition of the aggravating factor that the homicide was heinous, atrocious, and cruel was harmless where defendants' killing of victim was especially heinous, atrocious, and cruel by any standard.

11. Jury 90, 105(1), 108.

Court was not required to strike for cause at resentencing hearing in capital murder prosecution juror who indicated bias against persons who have had numerous appeals, person who went to junior high school with defendant and "had a couple of fights" with him, and person who was allegedly predisposed to imposing death penalty for all premeditated murders.

12. Jury 108.

Court properly excused venire member who stated on voir dire before resentencing hearing in capital murder prosecution that she did not believe that she could vote to impose the death penalty in any situation other than murder within a prison setting.

13. Homicide 358(1).

In the absence of evidence that state's attorney acted with purposeful discrimination in seeking death penalty in defendant's case, court was not required to hold evidentiary hearing on claim that use of the death penalty in the county was racially discriminatory, based on statistical evidence indicating that persons whose victims were white were more likely to be charged with first-degree murder and convicted of first-degree murder.

14. Homicide 358(3).

Court's statement in sentencing order imposing death penalty in murder case that it had considered the evidence in support of mitigating factors and that the mitigating circumstances were outweighed by the aggravating factors did not demonstrate that it had determined whether the two statutory mental mitigating circumstances existed or whether any mitigating circumstances were found to exist or what weight was given to them, so that the sentencing order was defective; error was not harmless.

Richard H. Burr and Steven W. Hawkins of NAACP Legal Defense and Educational Fund, Inc., New York City, and Steven L. Seliger, Quincy, for appellant.

Robert A. Butterworth, Atty. Gen., and Mark C. Menser, Asst. Atty. Gen., Tallahassee, for appellee.

Per curiam.

Charles Kenneth Foster appeals the sentence of death imposed upon him after resentencing. He also appeals the denial of his motion for postconviction relief. Our jurisdiction is based upon article V, section 3(b)(1), Florida Constitution.

Foster was convicted of murder and sentenced to death in 1975. This Court affirmed the conviction and death sentence in *Foster* v. *State*, 369 So.2d 928, 929 (Fla.), *cert. denied*, 444 U.S. 885, 100 S.Ct. 178, 62 L.Ed.2d 116 (1979). The following facts are set forth in that opinion:

"Anita Rogers, 20 years of age, and Gail Evans, 18 years of age, met defendant and the victim, Julian Lanier, at a bar. They knew defendant, but the victim was a stranger.

"The girls, after a discussion, agreed to go to the beach or somewhere else to drink and party with the men. The victim bought whiskey and cigarettes, after which the four of them left in the victim's Winnebago camper. The victim was quite intoxicated and surrendered the driving chore to Gail. The defendant and the girls had planned for Gail to have sex with the victim and make some money. Gail parked the vehicle in a deserted area and, after some conversation concerning compensation, the victim and Gail began to disrobe.

"Defendant suddenly began hitting the victim and accusing him of taking advantage of his sister. Defendant then held a knife to the victim's throat and cut his neck, causing it to bleed profusely. They dragged the victim from the trailer into the bushes where they laid him face down and covered him with pine branches and leaves. They could hear the victim breathing so defendant took a knife and cut the victim's spine.

"The girls and defendant then drove off in the Winnebago and found the victim's wallet underneath a mattress. The defendant and the girls split the money found in the wallet and left the vehicle parked in the parking lot of a motel.

"The next morning Anita Rogers went to the Sheriff's Department and reported what had happened. . . ."—*Foster*, 369 So.2d at 928–29.

The trial court denied relief on Foster's first postconviction motion, and this Court affirmed. *Foster* v. *State*, 400 So.2d 1 (Fla. 1981). In addition, federal courts denied Foster relief on two federal habeas petitions. *Foster* v. *Dugger*, 823 F.2d 402 (11th Cir. 1987), *cert. denied*, 487 U.S. 1241, 108 S.Ct. 2915, 101

L.Ed.2d 946 (1988); *Foster* v. *Strickland*, 707 F.2d 1339 (11th Cir. 1983), *cert. denied*, 466 U.S. 993, 104 S.Ct. 2375, 80 L.Ed.2d 847 (1984). In *Foster* v. *State*, 518 So.2d 901 (Fla. 1987), *cert. denied*, 487 U.S. 1240, 108 S.Ct. 2914, 101 L.Ed. 2d 945 (1988), we affirmed the denial of Foster's second postconviction motion, but we granted his habeas petition and ordered resentencing due to *Hitchcock*[1] error.

On remand for resentencing, Foster filed a 3.850 motion. The trial court refused to continue the resentencing hearing until resolution of the 3.850 motion. Following the jury's 8-4 recommendation, the trial judge imposed the death penalty.[1] Thereafter, the court summarily denied the 3.850 motion without an evidentiary hearing.

We address first Foster's claim that the trial court erred in denying his 3.850 motion without an evidentiary hearing. Foster's motion alleged a violation of *Brady* v. *Maryland*, 373 U.S. 83, 83 S.Ct. 1194, 10 L.Ed.2d 215 (1963), and ineffective assistance of trial counsel. The *Brady* claim centers around Foster's allegation that the state failed to disclose that it offered Gail Evans and Anita Rogers deals in exchange for their testimony at trial. Although the court did not hold an evidentiary hearing on this claim, Foster presented the evidence on which he relies to support the claim at a hearing on his motion, to preclude admission of Rogers' and Evans' 1975 trial testimony. Rogers' ex-husband testified that several years after the trial, Rogers told him that the state had promised not to prosecute her in return for her testimony.

In his claim of ineffective assistance of counsel, Foster asserts that trial counsel failed to discover that Rogers and Evans believed that Foster was "crazy" at the time of the attack. Had counsel been aware of this, Foster reasons, he would have pursued mental health defenses that would have precluded a finding of premeditated murder. He also alleges that counsel failed to discover, or alternatively the state failed to disclose, that Foster cut off the victim's penis during the course of the attack.

[1] This is Foster's third postconviction motion. A successive motion may be dismissed if it fails to allege new or different grounds for relief and the prior determination was on the merits or, if new and different grounds are alleged, the failure to raise those issues in a prior motion constitutes an abuse of process. Fla. R. Crim. P. 3.850. To overcome this bar, a movant must allege that the grounds asserted were not known and could not have been known to him at the time of the earlier motion. *Christopher* v. *State*, 489 So. 2d 22, 24 (Fla. 1986). The movant must show justification for the failure to raise the issues in the prior motions. *Id.*

[2] Foster alleged ineffective assistance of trial counsel in his initial postconviction motion. We rejected that claim on the merits.[3] *Foster*, 400 So. 2d 1. Foster has not previously raised a *Brady* claim. Although he alleges the discovery of new facts in order to avoid application of the abuse of process doctrine, he has failed to demonstrate or even allege that the facts could not have been known to him at the time of his earlier motions. We note that Foster has been represented by the same counsel since at least the time of the appeal of the denial of his first post conviction motion in 1981. Having failed to show any justification for his failure to raise the present claims in his earlier post conviction motions, the instant motion constitutes an abuse of process. *Spaziano v. State*, 545 So.2d 843 (Fla. 1989); *Tafero v. State*, 524 So.2d 987, 988 (Fla. 1987); *Booker v. State*, 503 So.2d 888, 889 (Fla. 1987); *Christopher v. State*, 489 S.2d at 25.[4]

[3] Even if there were no procedural bar, Foster's claim would not prevail. At trial, Foster made a witness stand confession in which he stated:

"I reckon I'll just cop out. I have done it, killed him deader than hell. I ain't going to set up here, I am under oath and I ain't going to tell no —— lies. I will ask the Court to excuse my language. I am the one that done it. They didn't have a damn thing to do with it. It was premeditated and I intended to kill him. I would have killed him if he hadn't had no money and I know I never told you about it, but I killed him."—369 So.2d at 929.

In light of Foster's confession, there is no reasonable probability that the outcome of the trial would have been different had any of the evidence Foster now asserts was not disclosed or not discovered been presented. *Strickland v. Washington*, 466 U.S. 668, 104 S.Ct. 2052, 80 L.Ed.2d 674 (1984) (one alleging ineffective assistance of counsel must show deficient performance and prejudice); *Hegwood v. State*. 575 So.2d 170, 172 (Fla.1991) (to establish *Brady* violation, one must prove that had the evidence been disclosed, a reasonable probability exists that the outcome of the proceedings would have been different).

[4] Gail Evans personally testified at the resentencing hearing. However, over Foster's objection, the court allowed the state to introduce the testimony of Anita Rogers from the 1975 trial. Foster claims that the court failed to conduct an appropriate inquiry into Rogers' unavailability before admitting her prior trial testimony and that the use of her testimony abridged his right of confrontation.

We find no error in the trial court's determination that Rogers was unavailable. According to the assistant state attorney, in 1989, in an effort to find Rogers, investigators from that office attempted to locate her ex-husband. They were unsuccessful. In late May of 1990, shortly before the resentencing proceeding, defense counsel gave the state attorney Rogers' address and telephone number in Tampa. The state attorney called the number several times. He left messages on an answering machine as well as with a man who answered the telephone and said that he was Rogers' former brother-in-law. Rogers never returned the phone calls. At the state attorney's request, the Hillsborough County Sheriff's Department attempted to subpoena Rogers but were unsuccessful. A deputy attempting to serve the subpoena was advised by someone at Rogers' address that she was out of town at an unknown location. This was sufficient to establish Rogers' unavailability for purposes of the resentencing hearing.

[5] Further, Foster's right of confrontation was not abridged. The court admitted Rogers' cross-examination in addition to her direct testimony. The court also allowed Foster to rebut Rogers' testimony with other witnesses. Under these facts we find no error in the admission of Rogers' trial testimony. *See Hitchcock v. State*, 578 So.2d 685, 690 (Fla.1990) (upholding the admission in resentencing proceeding of trial transcript where the state was unable to locate the witness and the court admitted the witness's entire trial testimony, including cross examination), *cert. denied*, —— U.S. ——, 112 S.Ct. 311, 116 L.Ed.2d 254 (1991).

[6] At resentencing, Foster sought to impeach Rogers' trial testimony by introducing evidence that she had been convicted of false reporting of a crime and grand larceny in 1989. The trial court excluded evidence of the convictions, apparently finding that the 1989 convictions were not probative of Rogers' truth and veracity at the time of the 1975 testimony. We find no abuse of discretion in the exclusion of this evidence. *Teffeteller v. State*, 495 So.2d 744, 745 (Fla. 1986). ("[I]t is within the sound discretion of the trial court during resentencing proceedings to allow the jury to hear or see probative evidence which will aid it in understanding the facts of the case in order that it may render an appropriate advisory sentence.").

[7] One day before the resentencing proceeding was scheduled to begin, Foster filed a motion pursuant to *Brady v. Maryland*, 373 U.S. 83, 83 S.Ct. 1194, asking the court to require the state to disclose Rogers' and Evans' mental health records. The state attorney objected, indicating the state did not have the records and had no better access to the records than did defense counsel. Foster challenges the trial court's denial of his motion.

Foster has not shown a *Brady* violation. The state denied having the records. Further, Foster made no showing that he could not have obtained this evidence with reasonable diligence. *See Hegwood v. State*, 575 So.2d 170, 172. Foster cites no case for his proposition that it was the state's obligation, rather than his own, to obtain such records.

[8] Foster also claims that the trial court erred in finding the murder to be especially heinous, atrocious, or cruel[5] and cold, calculated and premeditated.[6] The court relied on the following evidence to find the aggravating factor of especially heinous, atrocious, or cruel;

"The circumstances of the killing indicate a consciousness and pitiless regard for the victim's life and was unnecessarily tortuous to the victim, Julian Franklin Lanier. The victim did not die an instantaneous type of death. The victim was severely beaten prior to death. His nose was fractured, his face was severely bruised and his eyes were swollen shut from edema from hemorrhage and swelling resulting from the beating. After beating the victim, the defendant took out a knife and told the victim 'I'm going to kill you; I'm going to kill you.' There is evidence that one of the girls present asked the defendant not to do it. The defendant then proceeded to stab the victim in the throat. There is evidence of a defensive wound to the victim's hand which indicates the victim attempted to fend off the knife as the defendant stabbed him in the throat.

"After stabbing the victim in the throat, the defendant grabbed the victim by his testicles, or genitals, in order to move the victim outside. The victim groaned or moaned and the defendant stabbed the victim in the throat a second time. This second wound cut the victim's internal and external jugular veins. The victim could have lived from 20 to 30 minutes after this wound was inflicted.

"Neither of these wounds to the neck severed the victim's vocal cords. There is evidence that the victim asked the defendant not to do it again before he was stabbed a second time.

"After the second stab wound, the victim was dragged into the woods where he was covered with bushes. The marks on the victim's body indicated to the medical examiner, that the victim was either alive or dead a very short time before he was being dragged. It is consistent with what happened next to assume the victim was alive.

"After the victim was covered in the woods, one of the girls accompanying the de-

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Footnotes at end of article.

fendant reported to the defendant that she could hear the victim breathing. The defendant then went back to the victim, who was lying face down, uncovered him and cut the victim's spine with a knife. As described by one witness, there was no air coming from the body of the victim after she heard "the cracking" of the spine. The medical examiner indicated the victim could have lived 3 to 5 minutes after his spinal cord was severed."—This evidence establishes that the murder was especially heinous, atrocious, or cruel.

The trial court relied on these same facts to find the murder to be cold, calculated, and premeditated. In addition, the court relied on Foster's witness stand confession and Anita Rogers' trial testimony. Rogers testified that prior to the attack, Foster asked her to exchange class rings with him. Foster's ring bore the initial "K." He told Rogers that he wanted to switch rings because his ring would have left "K" impressions on the victim, thus identifying him as the perpetrator. As the prosecutor argued to the jury, if Foster had not intended to kill the victim, it would have made no difference if there were "K" impressions on the victim because he would have been alive to identify Foster. These facts establish the existence of a careful plan or prearranged design to kill.[7] *Rogers v. State*, 511 So.2d 526, 533 (Fla.1987), *cert. denied*, 484 U.S. 1020, 108 S.Ct. 733, 98 L.Ed.2d 681 (1988).

[9] Next, Foster claims that the jury charge and the prosecutor's closing argument limited the jury's consideration of mitigating evidence in violation of *Cheshire v. State* 568 So.2d 908 (Fla.1990) (state may not restrict consideration of mitigating circumstances solely to "extreme" emotional disturbances; any emotional disturbance relevant to the crime must be considered). The court gave the following special instruction:

"Among the mitigating circumstances which you may consider are the following. First, the crime for which the defendant is to be sentenced was committed while he was under the influence of extreme mental or emotional disturbance.

"Second, that the capacity of the defendant to appreciate the criminality of his conduct or to conform his conduct to the requirements of law was substantially impaired.

"Third, that the defendant had an abusive family background.

"Fourth, the defendant's poverty.

"Fifth, the physical illness of the defendant.

"Sixth, the defendant's love for and love by his family.

"Seventh, any alcohol or drug addiction of the defendant.

"Eighth, a troubled personal life including depression and frustration.

"Ninth, physical injuries suffered by the defendant.

"Tenth, the defendant's lack of childhood development.

"Eleventh, the effect of death of loved ones on the defendant.

"Twelfth, the learning disability suffered by the defendant.

"Thirteenth, the defendant's potential for positive sustained human relationships.

"Fourteenth, any other aspect of the defendant's character or record and any other circumstances of the crime or offense."

Foster argues that this instruction created a substantial risk that the jury believed that they could only find the mental health evidence to be mitigating if it rose to the statutory level. In addition to being given the quoted instruction, the jury was informed that it must consider any aspect of the defendant's character and background or any other circumstance presented in mitigation and that there was no limitation on the mitigating factors which could be considered. Viewing the instructions as a whole, we find no reasonable likelihood that the jurors understood the instruction to preclude them from considering any relevant evidence. *Robinson v. State*, 574 So.2d 108, 111 (Fla.), *cert. denied*,—U.S.——, 112 S.Ct. 131, 116 L.Ed.2d 99 (1991). Further, in closing argument, defense counsel discussed the mental health mitigation in detail. He argued that the evidence rose to the statutory level but nevertheless argued that Foster was clearly under an emotional disturbance even if it did not meet the level required by statute. Accordingly, we reject this claim.

Next, Foster asserts that the court erred in refusing to give certain jury instructions. The rejected instructions deal with the following subjects: (1) the determination of the aggravating factor of especially, heinous, atrocious, or cruel; (2) the determination of the aggravating factor of cold, calculated, and premeditated; and (3) the jury's pardon power. He also alleges that the jury instructions on these two aggravating circumstances were inadequate.

[10] The instruction given on heinous, atrocious, and cruel was the same as the one held to be inadequate in *Shell v. Mississippi*, 498 U.S. 1, 111 S.Ct. 313, 112 L.Ed.2d 1 (1990). Therefore, the court erred in failing to give Foster's requested instruction which contained an expanded definition of that aggravating factor. We conclude, however, that the error was harmless. As may be seen from that portion of the trial judge's order previously quoted, Foster's killing of Julian Lanier was especially heinous, atrocious, and cruel by any standard. The jury could not have been misled by the inadequate instruction. We further hold that the court did not abuse its discretion in refusing to give the other jury instructions which Foster had requested.

[11] Next, Foster asserts that the court erred in failing to strike three venire members for cause. He argues that: (1) Carol Ann Pope should have been excused because she indicated bias against persons who have had numerous appeals; (2) Thomas Martin should have been excused because he went to junior high school with Foster and the two of them "had a couple of fights"; (8) Marion Pelland should have been excused because she was predisposed toward imposing the death penalty for all premeditated murders. Foster exercised peremptory challenges to excuse these three jurors.

The test for determining juror competency is whether the juror can lay aside any bias or prejudice and render his verdict solely upon the evidence presented and the instructions on the law given to him by the court." *Lusk* v. *State*, 446 So.2d 1038–1041 (Fla.), *cert. denied*, 469 U.S. 873, 105 S.Ct. 229, 83 L.Ed.2d 158 (1984). The record does not support Foster's allegations regarding these potential jurors. We have reviewed the transcript of jury selection and do not find any basis for excusing these jurors for cause.

Next, Foster claims that the trial court improperly excused venire member Deluzain for cause in violation of the principles established in *Witherspoon* v. *Illinois*, 391 U.S. 510, 88 S.Ct. 1770, 20 L.Ed.2d 776 (1968), and *Wainwright* v. *Witt*, 469 U.S. 412, 105 S.Ct. 844, 83 L.Ed.2d 841 (1985).

[12] A juror may be excluded in a death case if his views on capital punishment "would prevent or substantially impair the performance of his duties as a juror in accordance with his instructions and his oath." *Adams* v. *Texas*, 448 U.S. 38, 45, 100 S.Ct. 2521, 2526, 65 L.Ed.2d 581 (1980). The record evinces Deluzain's inability to set aside her own beliefs in deference to the law. *Randolph* v. *State*, 562 So.2d 881, 337 (Fla.), *cert. denied*, 498 U.S. 992, 111 S.Ct. 538, 112 L.Ed.2d 548 (1990). She said that she did not believe that she could vote to impose the death penalty in any situation other than a murder within a prison setting. When asked whether she could set aside her feelings against the death penalty if the murder were sufficiently aggravated, she responded that she was not sure that she could. The trial court did not abuse its discretion in excusing her for cause.

[13] Further, Foster challenges the circuit court's refusal to allow him to show that the use of the death penalty in Bay County, Florida, is racially discriminatory. Foster moved to preclude the state attorney's office from seeking the death penalty in his case based on his assertion that the Bay County State Attorney's Office pursued prosecution much more vigorously and fully in cases involving white victims than in cases involving black victims.

In support of his claim, Foster proffered a study conducted by his counsel of some of the murder/homicide cases prosecuted by the Bay County State Attorney's Office from 1975 to 1987. Analyzing the raw numbers collected, Foster concluded that defendants whose victims were white were 4 times more likely to be charged with first-degree murder than defendants whose victims were black. Of those defendants charged with first-degree murder, white-victim defendants were 6 times more likely to go to trail. Of those defendants who went to trail, white-victim defendants were 26 times more likely to be convicted of first-degree murder. The court refused to hold an evidentiary hearing, finding that the alleged facts did not make out a prima facie claim of discrimination.

The United States Supreme Court rejected a similar challenge in *McCleskey v. Kemp*, 481 U.S. 279, 107 S.Ct. 1756, 95 L.Ed.2d 262 (1987). McCleskey claimed that the imposition of Georgia's death penalty was racially discriminatory in violation of the Eighth and Fourteenth Amendments. He relied on a statistical study, the Baldus study, which purported to show a disparity in the imposition of Georgia's death penalty based on the race of the victim and the race of the defendant. The raw figures collected by Professor Baldus indicated that defendants charged with killing white victims received the death penalty in 11% of the cases, but defendants charged with killing blacks received the death penalty in only 1% of the cases. Baldus further found that the death penalty was assessed in 22% of the cases involving black defendants and white victims; 8% of the cases involving white defendants and white victims; and 3% of cases involving white defendants and black victims. The figures indicated that prosecutors sought the death penalty in 70% of the cases involving black defendants and white victims; 32% of the cases involving white defendants and white victims; 15% of the cases involving black defendants and black victims; and 19% of the cases involving white defendants and black victims.

After accounting for numerous variables that could have explained the disparities on other than racial grounds, the Baldus study found that defendants charged with killing white victims were 4.3 times as likely to receive a death sentence as defendants charged with killing black victims. Black defendants were 1.1 times as likely to receive a death sentence as other defendants. As a black defendant who killed a white victim, McCleskey argued that the Baldus study demonstrated that he was discriminated against because of his race and the race of his victim.

The Court held that McCleskey "must prove that the decisionmakers in *his* case acted with discriminatory purpose." *McCleskey*, 481 U.S. at 292, 107 S.Ct. at 1767. The Court rejected McCleskey's claim because he offered no evidence specific to his own case to support an inference that racial considerations played a part in his sentence. The Court found the Baldus study to be insufficient to support an inference that the decisionmakers in McCleskey's case acted with purposeful discrimination.

Foster's claim suffers from the same defect. He has offered nothing to suggest that the state attorney's office acted with purposeful discrimination in seeking the death penalty in his case. See *Harris v. Pulley*, 885 F.2d 1354, 1875 (9th Cir. 1988), *cert. denied*, 493 U.S. 1051, 110 S.Ct. 854, 107 L.Ed.2d 848 (1990); *Byrd v. Armontrout*, 880 F.2d 1, 10 (8th Cir. 1989), *cert. denied*, 494 U.S. 1019, 110 S.Ct. 1326, 108 L.Ed.2d 501 (1990); *Kelly v. Lynaugh; 862 F.2d 1126, 1135 (5th Cir. 1988) cert. denied*, 492 U.S. 925, 109 S.Ct. 3263, 106 L.Ed.2d 608 (1989). The trial court was not required to hold an evidentiary hearing on this claim. *Harris*, 885 F.2d at 1375 (defendant not entitled to evidentiary hearing where he offered no proof that decisionmakers in his case acted with discriminatory purpose).

Foster argues that *McCleskey* does not foreclose his challenge because his evidence focuses solely on the practices of one prosecutor's office, whereas the Baldus study consisted of generalized statistics covering every aspect of Georgia's death penalty scheme. The *McCleskey* Court questioned whether a state "policy" of discrimination could be deduced by studying the combined effects of hundreds of decisionmakers.

The Court in *McCleskey* held that: [T]he policy considerations behind a prosecutor's traditionally "wide discretion" suggest the impropriety of our requiring prosecutors to defend their decisions to seek death penalties "often years after they are made." Moreover, absent far stronger proof, it is unnecessary to seek such a rebuttal, because a legitimate and unchallenged explanation for the decision is apparent from the record: McCleskey committed an act for which the United States Constitution and Georgia laws permit imposition of the death penalty.

". . . Implementation of these laws necessarily requires discretionary judgments. Because discretion is essential to the criminal justice process, we would demand exceptionally clear proof before we would infer that the discretion has been abused."—*McCleskey*, 481, U.S. at 296–97, 107 S.Ct. at 1769–70 (citations omitted).

The figures proffered by Foster do not constitute "exceptionally clear proof" of discrimination. *See Harris v. Pulley*, 885 F.2d at 1375. Foster's figures do not account for any of the myriad of nonracial variables that could explain the disparity. *See McCleskey*, 481 U.S. at 295, n. 15, 18 S.Ct. at 1769, n. 15 ("decisions whether to prosecute and what to charge necessarily are individualized and involve infinite factual variations. . . ."). Even assuming the validity of Foster's study,[8] the raw numbers analyzed by Foster do not show a significantly greater disparity than figures proffered by the Baldus study which had taken into account numerous nonracial variables.[9]

[14] Finally, Foster claims that the trial court's sentencing order fails to evaluate the proposed mitigating factors as required by *Rogers v. State*, 511 So.2d 526 (Fla. 1987), *cert. denied*, 484 U.S. 1020, 108 S.C. 733, 98 L.Ed.2d 681 (1988). In discussing the manner in which the trial court should consider mitigating circumstances in a case in which the state seeks the death penalty, we said:

"[T]he trial court's first task in reaching its conclusions is to consider whether the facts alleged in mitigation are supported by the evidence. After the factual finding has been made, the court then must determine whether the established facts are of a kind capable of mitigating the defendant's punishment, i.e., factors that, in fairness or in the totality of the defendant's life or character may be considered as extenuating or reducing the degree of moral culpability for the crime committed. If such factors exist in the record at the time of sentencing, the sentencer must determine whether they are of sufficient weight to counterbalance the aggravating factors."—*Id*. at 534.

In addressing mitigation in the sentencing order, the trial court first listed thirteen mitigating factors that Foster had offered for consideration. The court then stated:

"The Court must note that there is a conflict in evidence on the questions of whether the capital felony was committed while the defendant was under the influence of *extreme* mental or emotional disturbance and the capacity of the defendant to appreciate the criminality of his conduct to the requirements of law was *substantially* impaired (emphasis supplied)."

After discussing the conflict in the evidence, the court then concluded:

"The Court will therefore consider this conflict in the weight to be given these two factors in relating to the aggravating circumstances.

"The Court has considered the evidence presented in support of each of these mitigating factors and, in weighing these factors against the aggravating factors, finds that the aggravating circumstances outweigh the mitigating circumstances in this case."

While it is evident that the court considered the mitigating circumstances, we cannot tell whether the court determined whether either of the two statutory mental mitigating circumstances existed. In fact, we are unable to say whether the court found any of the mitigating circumstances to exist or what weight was given to them. Unlike *Rogers*, we cannot say that this defect in the sentencing order was harmless error.[10]

Accordingly, we vacate the sentence of death and remand the case for the trial judge to enter a new sentencing order following the dictates of *Rogers* and *Campbell v. State*, 571 So.2d 415 (Fla.1990).[11] *See Lucas v. State*, 568 So.2d 18 (Fla.1990). We affirm the denial of Foster's motion for postconviction relief.

It is so ordered.

OVERTON, McDONALD, GRIMES and HARDING, JJ., concur.

BARKETT, CJ., concurs in part and dissents in part with an opinion, in which SHAW and KOGAN, JJ., concur.

KOGAN, J., concurs in part and dissents in part with an opinion.

BARKETT, Chief Justice, concurring in part, dissenting in part.

I concur in the majority's resolution of all the issues except for Foster's claim regarding the discriminatory use of the death penalty in Bay County, Florida.

The majority concludes that Foster "has offered nothing to suggest that the state attorney's office acted with purposeful discrimination in seeking the death penalty in his case." Majority op. at 463. My disagreement is not so much with that statement as with a standard that requires showing something that is virtually impossible to show: *purposeful* discrimination. *McCleskey* v. *Kemp*, 481 U.S. 279, 107 S.Ct. 1756, 95 L.Ed.2d 262 (1987).

In *McCleskey*, the U.S. Supreme Court dismissed McCleskey's analogous federal equal protection claims, holding that a defendant must establish both "the existence of purposeful discrimination" and a "discriminatory effect" on that particular defendant. *Id*. at 292, 107 S.Ct. at 1767. I agree that under the federal precedent *McCleskey* would control this case.

Foster, however, claims a violation of the Equal Protection Clause of the Florida Constitution. Art. I, §2, Fla. Const. Despite the principles adopted in *Traylor* v. *State*, 596 So.2d 957 (Fla.1992), establishing the primacy of the Florida Constitution, the majority completely ignores Foster's state constitutional challenge. I believe that Foster's claim deserves full consideration.

Despite earlier transgressions,[12] Florida in recent years has clearly established its commitment to equality of treatment in the courts. *See, e.g., Report and Recommendations of the Florida Supreme Court Racial and Ethnic Bias Study Commission* (1990 & 1991); *The Florida Supreme Court Gender Bias Study Commission Final Report* (1990). Indeed, while the U.S. Supreme Court was still requiring a defendant to meet the impossible burden of proving that discriminatory jury selection practices were employed systematically in a number of similar cases or contexts, *Swain v. Alabama*, 380 U.S. 202, 85 S.Ct. 824, 13 L.Ed.2d 759 (1965), this Court took the lead in *State v. Neil*, 457 So.2d 481 (Fla. 1984), *clarified by State v. Castillo*, 486 So.2d 565 (1986), and established guidelines under the Florida Constitution to guard against the racially discriminatory use of peremptory challenges.[13] The U.S. Supreme Court followed suit two years later in *Batson v. Kentucky*, 476 U.S. 79, 106 S.Ct. 1712, 90 L.Ed.2d 69 (1986), when it overruled the *Swain* standard and acknowledged that it imposed a "crippling burden of proof" that rendered a prosecutor's peremptory challenges largely immune from constitutional scrutiny. *Id*. at 92–93, 106 S.Ct. at 1720–21. The Court found that a prosecutor's use of peremptory challenges is subject to the constraints of the Equal Protection Clause when there is some basis for believing that the challenges are used in a racially discriminatory manner.[14]

The U.S. Supreme Court in *Batson* recognized the invidious nature of discrimination. *Id*. at 93–96, 106 S.Ct. at 1721–23. Justice Marshall, in a concurring opinion, noted that discrimination is not often blatantly expressed, and in many cases it is subliminal:

"A prosecutor's own conscious or unconscious racism may lead him easily to the conclusion that a prospective black juror is 'sullen,' or 'distant,' a characterization that would not have come to his mind if a white juror had acted identically. A judge's own conscious or unconscious racism may lead him to accept such an explanation as well supported."—*Id*. at 106, 106 S.Ct. at 1728 (Marshall, J. concurring).

Studies of unconscious racism have shown that the perpetrator does not feel particularly punitive toward minorities, rather, he or she wants to remain distant and is less likely to feel empathy because of the distance. Sheri Lynn Johnson, Comment, *Unconscious Racism and the Criminal Law*, 78 Cornell L. Rev. 1016, 1020 n. 27 (1988). While society has largely rejected blatant stereotypes and overt discrimination, more subtle forms of racism are increasing: "A burgeoning literature documents the rise of the 'aversive' racist, a person whose ambivalent racial attitudes leads him or her to deny his or her prejudice and express it indirectly, covertly, and often unconsciously." *Id.* at 1027–28 (footnotes omitted).

Discrimination, whether conscious or unconscious, cannot be permitted in Florida courts. As important as it is to ensure a jury selection process free from racial discrimination, it is infinitely more important to ensure that the *State* is not imposing the ultimate penalty of death in a racially discriminatory manner. The U.S. Supreme Court may eventually recognize that the burden imposed by *McCleskey* is as insurmountable as that presented by *Swain*. In the meantime, defendants such as Foster have no chance of proving that application of the death penalty in a particular jurisdiction is racially discriminatory, no matter how convincing their evidence.[15]

"Assuming, for the sake of argument, that unconscious discrimination exists, how can it be proven? As the U.S. Supreme Court recognized in *Village of Arlington Heights v. Metropolitan Housing Development Corp.*, 429 U.S. 252, 266, 97 S. Ct. 555, 564, 50 L.Ed.2d 450 (1977), "[s]ometimes a clear pattern, unexplainable on grounds other than race, emerges from the effect of the state action even when the governing legislation appears neutral on its face." In cases involving jury pools, for example, the U.S. Supreme Court has recognized that a strict application of the purposeful discrimination standard generally required under the Equal Protection Clause is inequitable. *See Washington v. Davis*, 426 U.S. 229, 242, 96 S.Ct. 2040, 2048, 48 L.Ed.2d 597 (1976) (explaining the standard applicable to jury cases); *Castaneda v. Partida*, 430 U.S. 482, 493–96, 97 S.Ct. 1272, 1279–81, 51 L.Ed.2d 498 (1977). A prima facie case of intentional discrimination can be established by showing that representation of a minority in the jury venire falls below the population as a whole or by demonstrating that criteria are subjective and lead to exclusion or underinclusion. Once the prima facie case has been established, the burden then shifts to the State to rebut that case. *Partida*, 430 U.S. at 494–97, 97 S.Ct. at 1280–82; *see also Alexander v. Louisiana*, 405 U.S. 625, 92 S.Ct. 1221, 31 L.Ed.2d 536 (1972); *Turner v. Fouche*, 396 U.S. 346, 90 S.Ct. 532, 24 L.Ed.2d 567 (1970). This standard amounts to something considerably less than purposeful and deliberate discrimination; indeed, the Court in these cases has expressed a willingness to consider discriminatory impact, as evidenced by statistics, that cannot be traced to blatant or overt discrimination.

"I believe that statistical evidence of discrimination in capital sentencing decisions should similarly establish a violation of article I, section 2 of the Florida Constitution. "Statistical" evidence should be construed broadly to include not only historical analysis of the disposition of first-degree murder cases in a particular jurisdiction, but also other information that could suggest discrimination, such as the resources devoted to the prosecution of cases involving white victims as contrasted to those involving minority victims, and the general conduct of a state attorney's office, including hiring practices and the use of racial epithets and jokes. When racial bias, whether conscious or unconscious, exists in an environment where decisions about seeking the death penalty are made, all aspects of that bias should be available for evaluation by a court in reviewing evidence of discrimination.

"In crafting a standard for proving racial discrimination in death penalty decisionmaking under the Florida Constitution, it is appropriate to borrow from the *Neil* and *Slappy* peremptory challenge line of cases, which gives the trial court discretion to determine whether a prima facie case has been established. *See, e.g., Neil; Slappy; Wright v. State*, 586 So.2d 1024, 1027–28 (Fla. 1991); *Reed v. State*, 560 So.2d 203, 206 (Fla.), *cert. denied*, 498 U.S. 882, 111 S.Ct. 230, 122 L.Ed.2d 184 (1990). As in the area of peremptory challenges, a bright line test for determining whether racial discrimination in the decision to seek the death penalty has occurred would be counterproductive. *See Slappy*, 522 So.2d at 21–22. Racial discrimination in the capital sentencing process should be evaluated as a whole, and it is impossible to anticipate all of the circumstances in which it might be manifested. The trial court is in the best position to evaluate whether a party has demonstrated sufficient evidence of discrimination to warrant an inquiry.

"I suggest the following standard: A party asserting racial discrimination in the State's decision to seek the death penalty should make a timely objection and demonstrate on the record that the discrimination exists and that there is a strong likelihood it has influenced the State to seek the death penalty. Such discrimination conceivably could be based on the race of the victim or on the race of the defendant. Once the trial court determines that the initial burden has been met by the defendant, the burden then shifts to the State to show that the practices in question are not racially motivated. If the trial court determines that the State does not meet that burden, the State then is prohibited from seeking the death penalty in that case.

"Accordingly, because the majority has applied a federal constitutional standard in Foster's case that is impossible to meet and has missed the opportunity to craft a state constitutional standard such as that discussed above, I dissent from that portion of the opinion."

FOOTNOTES

1. *Hitchcock* v. *Dugger*, 481 U.S. 393, 107 S.Ct. 1821, 95 L.Ed.2d 347 (1987).

2. The trial court found three aggravating circumstances: (1) the murder was committed during the course of a robbery; (2) the murder was cold, calculated, and premeditated; and (3) the murder was especially heinous, atrocious, or cruel. Foster offered thirteen mitigating circumstances. The trial court found that the mitigation did not outweigh the aggravating circumstances.

3. In addition, we note that Foster raised ineffective assistance of counsel claims in his two federal habeas petitions. The claims were denied after evidentiary hearing and the denials were affirmed on appeal. *Foster* v. *Dugger*, 823 F.2d 402 (11th Cir. 1987), *cert. denied*, 487 U.S. 1241, 108 S.Ct. 2915, 101 L.Ed.2d 946 (1988); *Foster* v. *Strickland*, 707 F.2d 1339 (11th Cir. 1983), *cert. denied*, 466 U.S. 993, 104 S.Ct. 2375, 80 L.Ed.2d 847 (1984).

4. In addition, we note that the motion was filed outside of the limitations period established by rule 3.850. The motion fails to allege that the facts upon which his claims are based "could not have been ascertained by the exercise of due diligence." Fla.R.Crim.P. 3.850.

5. §921.141(5)(h), Fla.Stat. (1989).

6. §921.141(5)(i), Fla.Stat. (1989).

7. Foster also contends that the application of the cold, calculated, and premeditated aggravating factor to his crime violates the Ex Post Facto Clause because the factor did not exist at the time of this crime. We have repeatedly rejected this claim. *See Sireci v. State*, 587 *So.2d* 450, 454 (Fla. 1991), *cert. denied*,—U.S.—, 112 S.Ct. 1500 117 L.Ed.2d 639 (1992); *Zeigler v. State*, 580 So.2d 127 (Fla.), *cert. denied*—U.S.—, 112 S.Ct. 390, 116 L.Ed.2d 340 (1991); *Combs v. State*, 403 So.2d 418, 421 (Fla. 1981), *cert. denied*, 456 U.S. 984, 102 S.Ct. 2258, 72 L.Ed.2d 862 (Fla. 1982).

8. The weight to be given to the results of such a small statistical sample as this is questionable. *See McCleskey*, 481 U.S. at 295, n. 15, 107 S.Ct. at 1768, n. 15.

9. The figures indicating that of the defendants who went to trial, white-victim defendants were 26 times more likely to be convicted of first-degree murder than were black-victim defendants cannot be attributed to a decision by the Bay County State Attorney's Office and thus are not relevant here.

10. In view of our disposition of this issue, we do not address Foster's argument with respect to proportionality.

11. While *Campbell* did not become final until after the original sentencing order was entered, its additional requirements will obviously be applicable to any new sentencing order.

12. *See, e.g., State ex rel. Hawkins v. Board of Control*, 93 So.2d 354 (Fla.), *cert. denied*, 355 U.S. 839, 78 S.Ct. 20, 2 L.Ed.2d 49 (1957); *State ex rel. Hawkins v. Board of Control*, 83 So.2d 20 (Fla. 1955), *cert. denied*, 350 U.S. 413, 76 S.Ct. 464, 100 L.Ed. 486 (1956).

13. *See also State v. Slappy*, 522 So.2d 18 (Fla.) *cert. denied*, 487 U.S. 1219, 108 S.Ct. 2873, 101 L.Ed.2d 909 (1988) (holding that any doubt as to whether the complaining party has met its initial burden, should be resolved in that party's favor).

14. The U.S. Supreme Court recently held that the Equal Protection Clause also prohibits a criminal defendant from engaging in purposeful discrimination on the basis of race in the exercise of peremptory challenges. *Georgia v. McCollum*,—U.S.—, 112 S.Ct. 2348, 120 L.Ed.2d 33 (1992). This Court held in *Neil* that both the State and the defense may challenge the allegedly improper use of peremptories. 457 So.2d at 487.

15. In this case, Foster presented statistical evidence showing that even though blacks constituted 40% of the murder victims in Bay County cases between 1975 and 1987, all 17 death sentences that were imposed were for homicides involving white victims. Additionally, the study produced by Foster concluded that defendants whose victims were white were four times more likely to be charged with first-degree murder than defendants whose victims were black. Of those defendants charged with first-degree murder, white-victim defendants were six times more likely to go to trial, and of those defendants who went to trial, white-victim defendants were 26 more times likely to be convicted of first-degree murder. Other studies also suggest that discrimination may be resulting in harsher penalties for those who kill whites. *See, e.g.*, Bob Levenson & Debbie Salamone, *Prosecutors See Death Penalty in Black and White*, The Orlando Sentinel, May 24, 1992, at A1 (analyzing 283 first-degree murder cases prosecuted from Jan. 1, 1986, through Sept. 30, 1991, in Orange, Osceola, Seminole, Brevard, Lake, and Volusia counties, and finding that prosecutors sought the death penalty 27% of the time when white victims were involved and only 14% of the time when minority victims were involved).●

ORDERS FOR MONDAY, FEBRUARY 28, 1994, AND TUESDAY, MARCH 1, 1994

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Monday, February 28, that following the prayer, the Journal of proceedings be approved to date and the time for the two leaders reserved for their use later in the day; that the Senate then resume consideration of Senate Joint Resolution 41, the balanced budget constitutional amendment, with the time for debate on Monday extending until 7 p.m., with the time controlled as provided for under the provisions of a previous unanimous consent agreement; further that on Tuesday, March 1, the Senate stands in recess from 12:45 p.m. to 2:30 p.m., in order to accommodate the respective party conferences; that on Tuesday, March 1, the 40 minutes prior to the vote on passage of Senate Joint Resolution 41 be divided between the majority and Republican leaders, with the Republican leader controlling the first 20 minutes and the majority leader controlling the 20 minutes immediately prior to the vote; with the 40 minutes being deduced proportionately from the sides controlling the debate time; further that Senator BYRD be recognized for up to 30 minutes immediately prior to the 20 minutes provided here for the Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL MONDAY, FEBRUARY 28, 1994, AT 10 A.M.

Mr. REID. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 5:35 p.m., recessed until Monday, February 28, 1994, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

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HOUSE OF REPRESENTATIVES—*Monday, February 28, 1994*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY) laid before the House the following communication from the Speaker:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 28, 1994.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O God, how we can know and experience the meaning of covenant, a covenant with you, our Creator, and a covenant with those about us. May we be open to the spirit that nurtures and forgives and supports us in all we do, with all our hopes and desires. And may we grow in our covenant with each other, to bless each other in our needs, to learn to respect each other and to truly live, to experience the joys of life that are greater than ever we could ask or imagine. Bless us this day and every day, we pray. Amen.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California [Mr. LANTOS] please come forward and lead the House in the Pledge of Allegiance.

Mr. LANTOS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 24) "An Act to reauthorize the independent counsel law for an additional 5 years, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GLENN, Mr. LEVIN, Mr. PRYOR, Mr. COHEN, and Mr. STEVENS to be the conferees on the part of the Senate.

CONDEMNING ALL TERRORIST ACTS IN THE MIDDLE EAST AND URGING RENEWED EFFORT TO BRING PEACE TO THE REGION

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, I rise today to condemn the outrageous and insane terrorist act which caused the death of dozens of innocent civilians in the Mosque of Hebron last Friday. This deranged and mindless act is only the most spectacular attempt by religious fanatics on all sides to halt the most promising peace process in the region in half a century. It follows the mindless assassination of 31 Israeli civilians, including a pregnant woman, by Arab terrorists since the Israeli-Palestinian agreement was signed last September. And it precedes the outrageous bombing of a Catholic Church in Junieh, Lebanon, on Sunday in which nine worshipers lost their lives in an attempt by Islamic fundamentalists to prevent the visit by the Pope to the Roman Catholic community of Lebanon.

I invite all my colleagues to join me in condemning these terrorist outrages in the Middle East and in calling on all responsible leaders to rededicate their efforts to the ongoing peace process with renewed determination. Mr. Speaker, it ill-behooves leaders of government and organizations which have sponsored terrorist attacks for two generations to inflame public opinion with cold-blooded cynicism in the wake of these tragedies.

I call on Mr. Arafat and the leaders of Syria, Jordan, and Lebanon to follow the example of the Prime Minister of Israel and accept the invitation of President Clinton to resume the peace negotiations without delay and with renewed determination.

BALANCED BUDGET AMENDMENT

(Mr. THOMAS of Wyoming asked was given permission to address the House for 1 minute.)

Mr. THOMAS of Wyoming. Mr. Speaker, Members of this House will soon, I hope next week, have an opportunity to vote on the tax limitation balanced budget amendment. Many of my constituents are understandably leery of amending the Constitution, and it is serious business. But we need a serious measure to alleviate our unprecedented national debt, $4.5 trillion.

Government spending is out of control. High taxes burden the working people of this country, and future generations will continue to be saddled with skyrocketing deficits.

Mr. Speaker, Government spending devours almost half of the Nation's income. And Americans are not getting their money's worth.

Some say that the balanced budget amendment is just a gimmick, that it does not work. I can tell Members that it does work. We have it in my State of Wyoming, along with a line-item veto, and it does, indeed, work.

It provides constitutional discipline to the legislative spending. We must take action now to balance the budget and to limit taxes. We owe it to hardworking taxpayers who send us here and to the children who will lead us into the future.

I urge my colleagues to support a tax limitation balanced budget amendment.

CRIME IN AMERICA

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, today the Brady law goes into effect. It requires a 5 day waiting period on the purchase of handguns and is a good first step in our fight to get guns out of the hands of criminals and off of our streets. And, it is a first step we must take, for our country, for our future, and for our children.

This month in my home town of New Haven, CT, a 7-month-old child was shot to death while sitting in a stroller in her grandmother's living room. A 7-month-old baby. The murder of Danielle Taft, left our community outraged and deeply saddened.

In New Haven and across this country, the list of young victims of handgun violence grows. I have talked to children whose parents won't let them play outside because they fear they may be killed. Other children tell of going to bed at night to the sound of gunfire. This has got to stop. Fear of death should not govern childhood. Gunfire is not an acceptable lullaby.

Taking guns off our streets is a critical first step to returning our neighborhoods to the people who live there. And, to the children who play there.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TRIBUTE TO MR. JESUS BARCINAS

(Mr. UNDERWOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, today, I rise to commemorate the passing of one of Guam's most senior public servants and authorities on the Chamorro language and culture, Mr. Jesus Barcinas.

With distinction and a deep commitment to his community, Mr. Barcinas served as commissioner to the southern village of Malesso' before World War II. His service was so noteworthy that his activities were documented in Laura Thompson's premier work on Chamorro culture, "Guam and Its People," published in 1942. He also served as councilman in the prewar Guam Congress. And in the middle of the battle for Guam, he heroically met United States military ships in a canoe to provide them with information about Japanese activities.

In his later years, Mr. Barcinas served with great distinction in the bilingual program on Guam and on the Chamorro Language Commission. In those capacities, he shared his deep understanding and knowledge about the Chamorro language. For myself, he added to my understanding about our language and mentored me in ways which will stay with me the rest of my life.

Tun Jesus is survived by seven children and our best wishes go out to each one of them.

Thank you Tun Jesus for all your help for our people and our language.

ON THE MIDDLE EAST

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, I want to add my voice to these who condemn in the most absolute terms possible the savage murder by a Jewish Fundamentalist, Baruch Goldstein, of dozens of innocent people at prayer. That was an outrageous act.

Those who seek in any way to justify it or explain it away are guilty of a terrible, terrible moral mistake.

It is essential, particularly those of us who have supported and continue to support the State of Israel, to make clear how abhorrent we found that act. I commend the Government of Israel, Prime Minister Rabin, Prime Minister Peres, and others, for the steps they are now taking to insure that this does not happen again. It is important that the Government of Israel carry out its responsibilities, legal and moral, to protect individuals of all faiths against this small minority of terrorists.

□ 1210

Finally, it would be a terrible mistake for governments of all sorts and political movements of all sorts to give that murderer his final victory, because efforts to undermine the peace process now going forward in the Middle East, taken because of revulsion at that murder, would have the terrible ironic effect of giving the murderer what he sought to achieve.

It is essential that the Israeli Government continue with its steps to make sure this does not happen again and to protect people. It is essential that all make clear our absolute unmitigated condemnation of this act, and any who would defend it or explain it away.

It is also essential that people of good will not allow this act to succeed ultimately and derail the peace process, but to go forward with the peace process, precisely so acts like this are much less likely in the future.

UNITY IN THE WESTERN WORLD MAY BRING PEACE TO BOSNIA

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, "Operation Deny Flight" was put in by NATO in October 1992. The idea was, it was the only thing that NATO could really agree on vis-a-vis the former area of Yugoslavia. That was that the war on the ground had been so terrible that the one thing we would do is make sure it did not explode into the air, to only magnify the terror on the ground.

I am very pleased today to see that it appears that NATO finally, after 44 years, has acted together in saying, "We meant what we said in October of 1992, and we will enforce what we said in February of 1994." It is tragic that the planes did not leave NATO when they were given the warning to either land or they would be shot down, but they appeared to be on a bombing mission, they appeared to be testing NATO's will, and I must say how pleased I am that NATO found its spine and stayed there and showed its will.

Let us hope that this means that the peace process will now only accelerate in Bosnia as the Western World is finally coming together and finally sticking together.

AMERICA SHOULD BACK RECONCILIATION TALKS IN BURMA

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, recently I had the privilege of meeting for 6 hours with Aung San Suu Kyi in Rangoon, Burma. This is the next Nelson Mandela international human rights case. She is a woman of towering strength and conscience, yet the world has yet to hear from her because she has been under house arrest for the last 5 years following a detention after her party in Burma won 80 percent of the vote.

Mr. Speaker, she symbolizes freedom, democracy, and human rights, not only for the Burmese people but throughout the world.

There is a possibility in the days ahead that the ruling Burmese Government will engage in talks on political reconciliation in Burma with Aung San Suu Kyi. We need to back this effort. U.S. policy has been firm behind Aung San Suu Kyi, democracy, and human rights. That policy should now intensify.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. THURMAN). Pursuant to the Speaker's announced policy of February 11, 1994, and under the order of the House of today, the Chair recognizes the following Members for 5 minutes each: Mr. OWENS of New York, and Mr. GONZALEZ of Texas.

INTRODUCTION OF H.R. 28, THE FEDERAL RESERVE SYSTEM ACCOUNTABILITY ACT OF 1993

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, it is now abundantly clear in financial markets around the world—and it will become painfully clear to consumers all over America when they become priced out of the housing market or have trouble paying their bills because of rising interest rates—that the Federal Reserve acted with extreme malfeasance and tightened its vice grip on the American public when we needed it least.

The Federal Reserve's recent actions have injured the Nation's economy and its ill-conceived notions will affect every one of us.

According to an article in today's New York Times, the Fed is using its intuition to steer the Nation's economy. In other words, they are guessing that the economy needs an ice cold bath, even though no fever is evident. And the cover of this week's Economist has a large picture of Chairman Greenspan as a puppeteer pulling the strings of the administration with the headline, "No wonder the markets are confused."

On Monday, January 31, Federal Reserve Chairman Alan Greenspan told the congressional Joint Economic Committee (JEC):

> A number of questions will have to be addressed by the Federal Open Market Committee [FOMC]. Foremost will be when is the appropriate time to move to a somewhat less accommodative level of short-term interest rates.

At the hearing, Chairman Greenspan also announced that the inflation rate for 1993 was far below the official 2.7 percent, below even 2 percent and close to price stability. He agreed that the inflation rate was the lowest in nearly 30 years with the exception of 1 year, 1986.

That was Monday. Three days later on Thursday, February 3, 1994, when the FOMC met in Washington, the Federal Reserve raised a short-term interest rate it had been keeping at 3 percent. Uncertainty shot through the bond markets although most experts speculated that the Fed would return to the 3 percent target it had held for over a year. But the next day, the Federal Reserve announced it would target a slightly higher rate of 3.25 percent.

Chairman Greenspan's ambiguous language was quickly followed by equally confounding explanations from other Federal Reserve Governors and bank presidents. This left bond markets throughout the world in a state of panic because they were second-guessing each other while trying to decipher all the inscrutable rhetoric.

On Sunday, February 20, 1994, The Atlanta Journal and Constitution carried a story with the headline, "Fed Official's Comment Causes Rate Turmoil" which recounts the previous Thursday's confusion:

> in the middle of the day, the Fed's Jerry Jordan [president of the Cleveland Federal Reserve Bank] reportedly said the Fed had backed away from a policy that would help keep rates down. Jordan also said low rates and low inflation are here to stay. The financial markets, which were already on edge, seized on his comments as meaning the federal funds rate was going to go up again soon.

The panic the Federal Reserve started in bond markets caused long-term interest rates to rise from 6.23 percent on January 31, 1994, when Chairman Greenspan made his vague threats about taking action at some unforeseeable future time, until they reached 6.75 percent on February 24, 1994.

Had the Federal Reserve announced a one-time move and flatly stated that was all for the foreseeable future, they may have at least avoided the extreme uncertainty that started to collapse world-wide bond prices and raise interest rates.

It's time for this policy of obscuration to end. I urge the Fed to clearly state its intentions rather than trying to persuade us that nothing is happening when just the opposite is true. There is absolutely no reason to raise interest rates and even less reason to inject panic and uncertainty into bond markets. Chairman Greenspan's Fedspeak, which says little but causes everyone to guess which way the economy is heading, results in an onslaught of panic attacks up and down Wall Street and around the world as traders try to decipher what the Nation's monetary monks are really pushing. Are they putting the brakes on? Are they refilling the gas tank? Or are they lost without a map? No one knows, because the real policy has not been answered.

My bill, H.R. 28, the "Federal Reserve System Accountability Act of 1993," would require Federal Open Market Committee members to disclose their monetary policy decisions promptly. H.R. 28 also requires that within 60 days of the FOMC meeting, the Fed release a detailed record of their decision because their actions affect the employment and purchasing power of every American. They should be individually accountable. The bill also calls for the General Accounting Office [GAO] to examine substantial parts of Federal Reserve operations which are now restricted from inspection.

These provisions would force the Federal Reserve to be more accountable to the public. If its every move were scrutinized, the public would learn in advance that the Fed was trying to pull the wool over its eyes. With a decent public record, the markets would work better, and we'd know for sure if the Fed is driving the economy over a cliff or actually has a road map it can read.

Madam Speaker, I include for the RECORD the article referred to in the issue of February 26, 1994, in the Economist.

NO WONDER THEY ARE CONFUSED

"Come, children," wrote Thackeray, "let us shut up the box and the puppets, for our play is played out." If only such advice were heeded in Washington, DC, for in that city of budding economic puppeteers a play is under way that could determine the course not only of the American economy but also of economies elsewhere. For determine read damage, for this is a play that is generating, and risks worsening, the most harmful of all feeling sin the great audience of financial markets and ordinary companies: confusion.

At almost any moment in any economy some confusion is unavoidable. Information even abut recent economic trends is patchy and unreliable; information about the future is nonexistent, and thus uncertainty about what might, or might not, happen is ever-present. But one variable, at least, is capable of clarification. That variable is the government's use of the limited number of economic instruments at its disposal. Those instruments—principally interest rates, taxation and spending, and trade regulations—do not control the economy but they do influence it, sometimes mildly and sometimes powerfully. It is the direction of that influence that is currently at issue in America, not overtly but covertly. And the confusion is arising because different puppeteers appear to want to use different instruments to achieve conflicting ends.

THE ANTI-INFLATION POLICY THAT PROVOKED FEARS OF INFLATION

On February 4th, when Alan Greenspan, chairman of America's Federal Reserve, surprised everyone by raising short-term interest rates by a quarter of a percentage point, the first rise in official American rates for five years, the message ought to have been clear. There was not yet any firm evidence of a revival in inflation, but the Fed felt that the experience of previous recoveries was that if you wait until inflation punches you in the nose, the subsequent fight (i.e., monetary tightening) will have to be nasty. This time, the Fed seemed to say, we are determined to maintain price stability without a bloody nose.

Such a move should have reassured financial markets—particularly those for government bonds, since expectations of future inflation play a big role in setting bond yields. The Fed's new determination ought, in other words, to have resulted in a fall in yields. The opposite has happened, not just for American bonds but also for those in Western Europe and Japan. Yields have risen (and prices have fallen) ever since the Fed made its move, and equities fell sharply on February 24th.

Why? One answer, popular among market pundits, is that investors now believe that the Fed knows something they don't, and that that something is that inflation is about to accelerate. But this is implausible. Central bankers' knowledge about future inflation is no better than anybody else's: it consists of guesswork based on publicly available statistics, and on models, sophisticated or otherwise, of past relationships. The only thing a central bank knows more about than the markets do is its own attitude, which is why evidence of a tougher attitude ought to have been reassuring.

A better answer is that the Fed's policy is only part of the story. Central banks always disagree with politicians about inflation; that is their job. When Mr. Greenspan made his move, the White House and Treasury were shocked. Quite rightly, they had not been informed; quite rightly, they put a brave face on the matter. It is no surprise that they disagree with such early tightening. But the surprise has been that their words since February 4th not only make that disagreement clear, but also threaten to subvert the tightening itself.

Chief among those subversive words and actions has been the administration's policy on trade. A week after the monetary tightening, America threatened trade sanctions against Japan. That would have been unsettling enough for financial markets and businessfolk, since a trade war would certainly depress growth in America and elsewhere, though it would not necessarily be inflationary. But alongside those threats also came hints that some administration officials favour a weaker dollar, and are not worried that this could boost inflation.

That is not a direct confrontation with the Fed. After all, the Fed, not the administration, controls interest rates, which are the only effective means of influencing the dollar's international value in the medium term. Yet connect it with the next fact and it becomes worrying: two of the Fed's fiercest opponents of inflation, David Mullins and Wayne Angell, have recently resigned from the board of governors, and Mr. Greenspan himself has only two years of his term to run. In his semi-annual report to Congress on February 22nd Mr. Greenspan appeared to acknowledge worries about the loss of Mr. Angell by stressing that he, too, favoured one of Mr. Angell's favourite inflation-spotting tools, the gold price. No matter: the Clinton administration has a chance to appoint three new governors, perhaps more to its taste than the old ones. One candidate for Mr. Greenspan's job is likely to be Larry Summers, the Treasury's top official for international affairs (see page 32).

All this means that the markets are right to think that policy makers in the world's largest economy are in a tangle: some want to be tough on inflation, some want to be tough on Japan, some want a weaker dollar, some want to raise public spending (and perhaps taxation) to pay for reform of America's health care. These things cannot all be done at once. And in the case of the currency there is the added complication that other countries are unlikely to co-operate.

Japan does not want a stronger yen, for its recession is deepening. Germany does not mind a strong D-mark, but since its Bundesbank is trying to lower interest rates while the Fed is raising American ones, the opposite is likelier to transpire. When finance ministers from the seven big industrial countries meet this weekend, they will doubtless discuss all this and may even produce a communiqué calling, as usual, for greater policy co-ordination and free holidays for all. But it will mean nothing until the confusion at the heart of American economic policy is removed. With the American economy now enjoying strong growth, with Britain tagging along behind, and with some signs that even Western Europe's economy may at last be picking itself up off the floor, it is the sort of time when governments ought to be able to help rather than hinder. But they cannot resist tugging at the strings.

THE RIDDLE OF THE BONDS

Bond-buyers on both sides of the Atlantic are panicking. America's fear higher interest rates and faster inflation. Europe's have little reason to turn tail.

Not even the carefully chosen words of Alan Greenspan, chairman of America's Federal Reserve Board, have convinced investors that the six-year-long bull market in Treasury bonds is not heading for extinction. In his testimony before a congressional committee on February 22nd, Mr. Greenspan suggested that further increases in interest rates were likely but hardly imminent; there was little evidence, he said, that inflation was accelerating. The bond markets believed him for a bit and, forgetting its massive sell-off of February 18th, moved the price of long-dated Treasuries higher. But he proved king for only a day: over the next two days, the long bond fell again.

Such unease makes a certain sense in America, where stronger-than-expected economic recovery provided the backdrop for the Fed's first tightening of monetary policy in five years on February 4th and the dollar's weakening against the yen has made dollar-denominated assets less appealing. The puzzle is Europe. Bond prices there plummeted on February 24th—as did equities—having already fallen earlier in the week. Few markets can have failed so spectacularly, and so quickly, to live up to earlier expectations.

At the end of last year European bonds seemed certain to shoot skywards. The heady mixture of low inflation, slow growth and declining interest rates looked irresistible. No matter that America's strengthening economy was unnerving its Treasury bonds. Though European bonds had tracked them closely for most of 1993, the markets seemed likely to become detached in 1994. As inflationary pressures subsided in Europe (especially in Germany), the next movements in interest rates would be downward, so bond markets there would rise.

Like most dead certs, this one fell at the first fence. American and European monetary policies have diverged, as expected: an increase of a quarter of a percentage point in America's federal funds rate on February 4th was followed by small cuts in Britain, France and Belgium and by a half-point cut in Germany's discount rate. Bond markets, however, have stayed together. The yield on ten-year German government bonds (Bunds) has risen to well over 6%—an increase of more than a quarter-point in February alone. Indeed, since the start of this year German bond prices have fallen even further than America's. And the yields on German Bunds, which set the floor for long-term European rates, have risen faster than those in Europe's other government-bond markets. Why?

Foreign—particularly American—investors have been dumping Bunds, and they have plenty to sell. Last year foreigners scooped up DM163 billion ($94 billion), or 70%, of Germany's net new issuance of government and government-guaranteed bonds. That was roughly double the amount they had bought in 1992. German investors buying through Luxembourg accounted for some of the foreign purchases, but probably not much more than 5%. Genuine foreigners concentrated mostly on long-term federal bonds, buying half of those issued last year.

ON SECOND THOUGHTS

Their change of heart this year was prompted by two things. The first was growing disappointment over the glacial pace at which the Bundesbank is cutting short-term interest rates. In January the three-month German interest-rate futures contract on London's futures market sold at a price which predicted that interest rates would drop to 4.5% by September. Now it predicts that rates will have fallen only to 5% by then.

German inflation and money-supply growth have remained stubbornly high. Although the Bundesbank admits that these figures are distorted, it has been slow to lower its most important interest rates. The repo rate—at which the Bundesbank promises to repurchase securities from banks—has been stuck at 6% since December 2nd. That has had profound implications for bond investors. The repo rate, by defining the short-term cost of money, determines how much those who borrow to finance purchases of government bonds must pay to do so (most American hedge funds, for example, pay at least a quarter-point more than the repo rate).

Since the repo rate has been higher than longer-term rates, investors who borrow have had to pay more on their loans than they were collecting in interest on their bonds. They were willing to do that as long as they expected borrowing costs to decline quickly or, more importantly, the price of bonds to go up, as they did from 1990 until 1994. But the snail's-pace fall in short-term rates has made investors increasingly nervous about incurring running losses, or "negative carry", on their bond investments.

The second reason for investors' change of heart was concern at the downward drift of American Treasury prices in January. Though there is no reason why the two markets should move in tandem, with little more than speculation about domestic interest-rate movements to divert them, investors in European bonds have been transfixed by the actual movement in American prices.

Those who leveraged their European bond positions, either by borrowing to buy in the cash market or (more often) of loading up on futures, have been especially worried by persistent "negative carry" and wavering bond prices. Both hurt more when positions are leveraged. So hedge funds and the proprietary trading desks of American investment banks, in particular, have been selling, mainly through the futures markets; daily trading volumes in ten-year Bund contracts in London are running this month at twice their average last year.

As foreigners retreat, domestic investors have not stepped in to buy German's cheapening government bonds. They have better alternatives, for one thing. These include bank bonds, which offer yields 50 basis points higher than those on Bunds; at the start of 1993 the spread was three basis points.

And bonds have become less attractive to German investors since the tax authorities started to crack down on tax avoidance. Many domestic investors dodged the 30% withholding tax imposed in 1993 on interest payments by setting up Luxembourgh bank accounts. In January 1994 the taxmen started to investigate Dresdner Bank for allowing clients to do it.

Despite all this, European bond prices are still more likely to move up than down. Once investors' current bout of nerves has calmed, the Bundesbank's slow easing should boost bonds. Most economists expect both consumer-price inflation and money-supply growth to fall in Germany this year. By cutting its discount rate, the Bundesbank has signalled that it wants interest rates to fall further. If money-supply figures due to be released on February 28th show less growth, it may decide to cut the repo rate, too. European bonds might then, belatedly, live up to expectations.

DEBUNKING THE YELLOW PERIL

Like Arab investors' alleged speculation in gold, it is one of the financial world's old chestnuts. When yields on 30-year Treasuries rose to 6.64% on February 18th (up from their low of 5.77% in October), Wall Street worried that the Japanese were dumping the bonds in retaliation for America's threatened trade sanctions. What a waste of worry.

First, the Japanese no longer hold anything like as many Treasury bonds as they once did. They owned $106 billion-worth at the end of 1992, according to the latest Federal Reserve data, only about 3% of the total outstanding.

Second, America no longer needs to rely on foreigners to finance its budget deficit, for during the 1990s the deficit has fallen and domestic savings have become available. Edward Hyman, chairman of New York-based International Strategy and Investment, says that borrowing by government, companies and consumers rose by more than $900 billion a year in the mid-1980's. In 1993, however, it increased by only $575 billion. Meanwhile their savings has risen from $600 billion a year in the mid-1980's to around $800 billion last year, resulting in net savings of about $225 billion. True, much of it is financing investment (one reason that the OECD expects America's current-account deficit to increase this year). But if bond prices are attractive, there is money at home to buy them.

That point may now be at hand. Mr. Hyman reckons that underlying inflation will be 2% this year, which means that a 30-year bond offers a respective real yield of 4.5%. Such a return might also appeal to Japanese investors, who currently receive a nominal yield of only 3.5% at home (though prices there may actually fall this year). Another reason to be bullish is that most professional money managers are bearish. Less than a third of bond-fund managers think bond prices will rise, according to a survey published by Market Vane on February 22nd.

Still, the surprise is that yields have risen as far as they have, given the lack of any real inflationary pressures. One explanation is that the ubiquitous trend-following hedge funds have sold the market short in recent months. In an attempt to make up the considerable losses they have sustained elsewhere, however, they will probably now cover their profitable shorts by buying Treasury bonds. Who needs the Japanese.

☐ 1220

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. THURMAN). Pursuant to the Speaker's announced policy of February 11, 1994, the gentleman from New Mexico [Mr. RICHARDSON] is recognized for 1 hour as the designee of the majority leader.

BURMA'S AUNG SAN SUU KYI

Mr. RICHARDSON. Madam Speaker, today I wish to inform the House about a recent trip I undertook on behalf of the House Intelligence Committee to Rangoon, Burma. Burma in Southeast Asia pops up in the news and in the public conscience infrequently, but in the days ahead my prediction is that international attention will focus on this Nation, will focus on the United States policy toward this nation and international policy toward this nation and on one valiant woman, Aung San Suu Kyi.

The public has yet to learn about this remarkable woman, a woman I had the privilege of visiting for 6 hours while in Rangoon. She has been under house arrest for the past 5 years. Her party won conclusive elections 4 years ago, 80 percent of the vote, and the military government proceeded to put her under house arrest and jailed thousands of members of her political party.

Today she is still under house arrest, able to see only her family physician and a very narrow circle of personal individuals. I had the privilege of visiting her; the first nonfamily member in the last 5 years to see her. The Burmese Government, responding to a request that I had made last year, agreed to let me visit with her for a period of approximately 6 hours over 2 days.

Madam Speaker, I can tell you that she is a woman of conscience, a tower of intellectual strength, a woman of principles. She asks for nothing, except democracy in her country. She asks for nothing in terms of personal assistance from the government as they keep her in detention. She is allowed to see only her family members on occasion. Like Nelson Mandela, while in captivity she spends an enormous amount of time meditating, speaking about human rights, and writing.

Madam Speaker, I also had an opportunity to spend 4 hours with General Khin Nyunt, who is the head of military intelligence and represents the Burmese Government.

I proposed a dialog—talks between Aung San Suu Kyi and the leader of the Burmese Government, General Khin Nyunt. These talks, hopefully, would lead to political reconciliation. In the days ahead I am hopeful that a decision will be made and the Burmese Government, which has made some modest steps toward democracy and respect for human rights will conclude that: If they want to improve policy with the United States, if they want to improve their standing in the international community, they will engage in true political dialog with Aung San Suu Kyi. She must be set free. She must be released unconditionally. The thousands of political prisoners in Insein prison should also be allowed freedom, and there should be an effort to legitimize the political convention that is going on right now in Burma. It is a convention that does not include true opposition such as Aung San Suu Kyi.

Madam Speaker, I undertook this mission as a Member of the U.S. Congress and a member of the Committee on Intelligence. I was not a Presidential envoy, although I did carry a letter of support from President Clinton to Aung San Suu Kyi which was released by the White House last week and very firmly states America's support for this valiant woman in her quest for freedom and human rights.

In preparation for this trip, I spent 5 hours in London with Dr. Michael Aris, the husband of Aung San Suu Kyi and an Oxford scholar, to learn his thoughts on my critical meeting with his wife.

In addition to that meeting I held in Burma, which included sessions with U.S. Embassy officials of the Burmese Foreign Ministry and prison visits, I also spoke to numerous Burmese citizens in Rangoon. In addition, I met with various groups in Washington, with officials from the United Nations, and with many others that have studied Burma to a far greater degree than me.

Madam Speaker, I am not a Burmese expert. I came to be involved as a member of the Congressional Human Rights Caucus on the Burma issue which, along with Representative ROHRABACHER, in a truly bipartisan effort we attempted to get some political prisoners out of Burma and met with success. In addition, with several other Members we participated in an amendment that gave financial assistance to some of the Burmese refugees that are currently on the Thai border.

This is the second trip that I have undertaken to Burma. I first made the request in August 1993 in Rangoon to see Aung San Suu Kyi. The ruling government said perhaps if I returned I would be given that opportunity to talk to her.

In my judgment, it was a productive 2 days in Rangoon. Let me say that my visit was completely coordinated with the State Department, with the White House and officials in the Clinton administration. We spoke with one voice. I emphasized the strong support of the American Government and the American people for Aung San Suu Kyi and her democratic Burma. She made clear her determination to remain in Burma and pursue efforts to establish a democratic representative government responsive to the needs of the people.

Aung San Suu Kyi also expressed her desire for a genuine high level dialog with the Burmese Government. She believes a substantive dialog between the Burmese Government and the country's democratic forces is the only way out of Burma's current political impasse. She also provided me with her responses to messages from President Clinton, U.N. Secretary General Boutros Ghali, and U.N. High Commissioner for Refugees and Human Rights, José Ayala Lasso of Equador. I understand in the days ahead these messages will be released.

During my meeting with the Chairman of the Burmese Government, Lt. Gen. Khin Nyunt, I expressed my appreciation for the humanitarian gesture of permitting me to meet with Aung San Suu Kyi and to visit four political prisoners in Insein prison. I made clear United States concerns about human rights and democratization in Burma, including the need for an immediate and unconditional release of Aung San Suu Kyi and all other prisoners of conscience, and the announcement for a timetable, a realistic timetable for transition to democracy. General Khin Nyunt informed me that his government is moving ahead with his plans to establish a constitutional government. He also strongly expressed his desire for positive, better relations with the United States.

☐ 1230

I relayed to General Khin Nyunt the desires of Aung San Suu Kyi as well as my desire to see a high-level dialog with his government. He stated in his reply that this is not alone for him to decide, but that his ruling government will consider authorizing him to engage in talks with Aung San Suu Kyi and that consideration will also be given to another proposal that I made, and that is that the International Committee for the Red Cross be permitted to visit political prisoners in Burma as well as to allow NGO's nongovernment organization activities in the country.

All of these matters are being considered by this Government. The release of Aung San Suu Kyi, whether the government enters into a political dialog with her, whether the International Red Cross is permitted to visit Insein prison, whether NGO's are allowed to move ahead and to participate in the activities of the country, I believe that if these efforts are granted, if these initiatives are taken by the Burmese Government, that these are very positive steps.

Let me stress it is my view that the situation in Burma is at a critical crossroads, and that the Burmese basically should settle their problems on their own terms and in their own way. This is why I proposed that Aung San Suu Kyi meet with Gen. Khin Nyunt.

My 2 days in Burma will, hopefully, further getting Aung San Suu Kyi and Gen. Khin Kyunt together for talks.

I should say, when I mention talks and dialog, that this is something that the Burmese must settle for themselves. However, the international community can assure that these talks are meaningful.

What we need to do, and it is my hope that the United States Government, like Japan, Sweden, and the United Nations, be catalysts in this effort, but recognize that the responsibility and the main thrust of political dialog should be undertaken between the democratic forces represented by Aung San Suu Kyi and the ruling government. In other words, let us allow the Burmese to settle this for themselves, but let us stand on behalf of human rights, let us stand on behalf of democracy, and as I made clear, let us stand behind what Aung San Suu Kyi represents.

I think it is particularly important also that other players engaged in these efforts, in particular, Ambassador Yozo Yokoda, the head of the U.N. Human Rights Commission. Ambassador Yokoda should be allowed to visit Aung San Suu Kyi. Other Members of Congress, other Members of the Senate in the past have asked to see her, they too should be allowed. Now that I was allowed to see her, others from the international community and human rights groups, should be allowed to engage in discussions with her. But most hopefully, many of these issues can be settled if a dialog takes place between Aung San Suu Kyi and Gen. Khin Nyunt.

Let me again stress that I am simply an individual who is pleased with the gesture of the Burmese Government to allow me to be an individual to see her for the first time. As I have described her before. She is a woman of towering intellectual ability and strength of conscience. She is a woman of passion and commitment. She is a woman that stands for the best ideals of democracy. She is a woman that is practical and pragmatic and is ready to engage in talks on political reconciliation without any preconditions.

I recognize that this is an issue which the United States is going to play an active and positive role in. I believe it is President Clinton's strong emphasis on human rights and democracy that made much of this possible.

Through President Clinton's efforts and his administration, international pressure and for the release of Aung San Suu Kyi is having an effect in Burma. We have seen the release of some political prisoners in Burma. We have seen the presence of the International Human Rights Commission in the area. We have seen some dialog with ethnic groups. All of these are encouraging signs, but the Burmese Government must be remanded that more is necessary.

Nothing, however, is more important than this high-level dialog with Aung San Suu Kyi and Gen. Khin Nyunt. Let me stress that I also believe the other side, Gen. Khin Nyunt, is a pragmatic individual who is sincere about wanting to heal the divisions in Burma.

I think that some of the negotiations with the various dissident groups in his country should continue. But the key to political reconciliation is to talk to a woman of 49 years of age, a thin, slight woman who, nonetheless, represents at least 80 percent of the Burmese people and a large contingent of support in the international community.

What is wrong with two individuals sitting down and trying to mesh their differences? That is all we are asking for, a dialog between two people to start the political reconciliation in this country that is rich in historical tradition, that is rich in the strength of its people, that is rich in its religious roots, that before 1988 had a very solid and positive relationship with the United States.

Madam Speaker, it is my hope in the days ahead to speak again about the Aung San Suu Kyi issue in Burma. The United States is right now engaging in a policy review toward this country. It is important, as we pursue this policy review, that we stand behind Aung San Suu Kyi and democracy and human rights, that we, nonetheless, recognize that if talks take place between Aung San Suu Kyi and the Burmese Government, that that is an important gesture. It does not mean that we are going to have a normalization of relations, but at the same time, if there is a political dialog, if there is a release of political prisoners, if there is an assortment of measures that indicate that Burma is moving toward democracy, then you will see a normalization of relations.

It is critically important, too, that the United Nations take a more active role. The U.S. Government, along with others, has called for a special envoy to get involved with the Aung San Suu Kyi and Burmese issues. It is important that the international community remain active on this issue and not allow the momentum of the last week stall.

Because Burma is small and perhaps is not as strategically important to us as others, does not mean that the United States should not take a principled position on human rights. As we pursue an activist policy, that hopefully will speed democratization in Burma, the American people will see that policies on behalf of human rights and democracy are being carried out by the Clinton administration in many other areas including China, Southeast Asia, Central America, and Latin America. That and the administration's support for a United Nations component on human rights, is a clarion call that, once again, the Clinton administration human rights policy has notched another very positive development.

I am here on behalf of many Democrats, Republicans, individuals around the country and around the globe who would like to see democracy in Burma. I urge my colleagues and those listening to watch and stand in support of this woman who is in solitary confinement, under house arrest. She deserves the attention of the world.

Nelson Mandela has achieved much of his goal, now the world's attention moves to Burma. It moves with Aung San Suu Kyi, the Nobel Prize winner of several years ago who stands alone but stands on behalf of the light of democracy and human rights.

Mr. Speaker, I submit for the RECORD the following material:

THE WHITE HOUSE,
Washington, DC, February 10, 1994.

DEAR DAW AUNG SAN SUU KYI: Let me take the opportunity to express again my deep concern about your welfare and to applaud your remarkable courage in pursuing human rights and democracy for the people of Burma. Despite your four and one-half years of detention, your determination and courage continue to inspire friends of freedom around the world. Recent resolutions adopted in the United Nations General Assembly and the United Nations Human Rights Commission make clear the international community's outrage over your continued detention as well as that of all other prisoners of conscience in Burma.

I also want to assure you of the United States' continuing support for the struggle to promote freedom in Burma. The 1990 elections handed your party an overwhelming mandate from Burma's people and firmly rejected military rule. Obviously, the path to democratic change must be worked out by the Burmese themselves who have assigned you a key role in bringing about such a democratic transition. We strongly condemn the effort to deny you the right to participate freely in the political life of Burma.

You have my utmost admiration for your stand. Like your courageous father, you symbolize the authentic aspirations of the Burmese people. History is on the side of freedom throughout the world and I remain confident that your cause will prevail.

Please accept my warmest personal regards.

Sincerely,

BILL CLINTON.

FROM THE ANGLICAN ARCHBISHOP OF
CAPE TOWN, THE MOST REVEREND
DESMOND M. TUTU, D.D. F.K.C.,
Cape Town, South Africa, February 21, 1994.

Hon. BILL RICHARDSON,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN RICHARDSON: Archbishop Desmond Tutu wishes to commend you for your recent visit to Burma and meeting with Aung San Suu Kyi. His Grace is in regular contact with Ms. Michelle Bohana of the Institute for Asian Democracy, who keeps him informed of the situation in Burma.

The Archbishop and Mrs. Betty Williams are among those Nobel Laureates, and others, who have been campaigning for the release of Suu from house arrest and thus he applauds your efforts in this regard, as well as encouraging the return of Burma to democracy. His Grace and Mrs. Williams also met with President Clinton to advise him and Vice President Gore on the situation and hopes that the President too may use his influence to persuade the SLORC to lift all restrictions on Suu and the democratic movement in Burma.

With sincere good wishes and praying God's blessing upon you.

Yours sincerely,

Rev. CANON ROWAN O. SMITH.

[From the (Bangkok, Thailand) Nation, Feb. 18, 1994]

SUU KYI'S INNER STRENGTH WILL FREE BURMA FROM SLORC

Burma scholar Josef Silverstein has every reason to be convinced that Aung San Suu Kyi is Burma's woman of destiny.

"There is no other person who has achieved her status, love and respect from the people of Burma and the support from foreign governments who have appealed on her behalf. She is her father's daughter—intelligent, honest, tough and fearless," he writes in a chapter in Freedom from Fear—a collection of Suu Kyi's writings edited by her husband Michael Aris.

The ruling Rangoon military junta's apparent refusal to give her freedom after the completion of her five-year detention in July, or expel her from the country, or take any action other than the continuation of her house arrest; just shows the extent to which they will go to cling to illegitimate power.

In the face of the Nobel Peace Prize awarded to her in 1991 for her fight for democracy and human rights in Burma and the growing call from world leaders to free her, the State Law and Order Restoration Council (SLORC) responded by reiterating its position that she was free to go into voluntary exile provided she renounced politics.

CALM AND RESOLUTE

In her interview with the New York Times' Philip Shenon on Monday, Suu Kyi proved Silverstein's words true. She is still her father's daughter—and four and a half years under house arrest have not dampened her spirit in the least.

"The concept of driving somebody out of their own country is totally unacceptable to me. They have tried to pressure me to leave the country in ways that no selfrespecting government should try," she told The New York Times.

"Whatever they do to me, that's between them and me; I can take it," she added. * * *

Shenon had this to say of Suu Kyi; "She spoke in a calm; resolute voice that betrayed none of the suffering of her isolation."

Admirably, the National League for Democracy leader remains as straightforward and dynamic as she was before her arrest in 1989. Despite almost five years of being under heavy armed guard at her own home and previous nutritional problems due to lack of funds. Suu Kyi remains in reasonably good health.

Also on Monday, U.S. Congressman Bill Richardson, who is a close associate of President Bill Clinton, held two rounds of talks with Suu Kyi and met with SLORC leader Lt. Gen. Khin Nyunt in a shuttle diplomacy bid to try to get a dialogue started.

Clearly, Richardson's meeting was timed by the military junta to coincide next week with the meeting of the UN Human Rights Commission in Geneva, where Burma's appalling human rights record will come under scrutiny.

SLORC recently removed guard posts around Suu Kyi's house and the Nobel Laureate's first meeting with non-family foreigners since 1989 is intended by the military junta to be seen by the world as a significant advance.

But leopards never change their spots. SLORC is still very conscious of Suu Kyi's continuing power to influence events, and because of this they have extended her five year detention period by another year.

Despite some small economic improvements for those connected to the regime, popular opposition to the junta remains just below the surface. The cowards that they are, SLORC feels that if Suu Kyi was released before the junta assures firm control over the new constitution and a military-dominated government she would automatically become a focus for that opposition.

U.S. Congressman Richardson delivered a personal letter from Clinton to Suu Kyi in which the US president praised her for her deep courage in pursuing human rights and democracy for the Burmese people. Clinton also pledged continued US support for the struggle to promote freedom in Burma.

A QUESTION OF TIME

These brave words in support of Suu Kyi must be matched by deeds. The United States is in an excellent position to push for an arms and trade embargo against the military junta. * * *

That Burma's people are "prospering" because of SLORC's external trade, made possible in large part by Asean's "constructive engagement" policy, is just a big myth.

International pressure can change the situation in Burma and free Aung San Suu Kyi and other political detainees. For Asean to continue to associate itself with a corrupt and brutal military regime is indeed disgraceful.

Aung San Suu Kyi's strength and fortitude in the face of SLORC's repressive rule gives the Burmese people a model to emulate. It's only a matter of time now before freedom comes their way.

[From the Bangkok (Thailand) Post, Feb. 17, 1994]

TRUE GRIT IN THE FACE OF OPPRESSION

How would you hold up after five years of solitary confinement? What if you had either to serve an unjust, indefinite prison term or surrender your deepest principles? If your own government called you a "dangerous subversive", would you take it personally?

Daw Aung San Suu Kyi's interview on Monday with New York Times reporter Philip Shenon, carried yesterday in the Bangkok Post, shows that she has held up commendably well, 'to say' to say the least. Her own protestations to the contrary, Suu Kyi more obviously than ever, belongs in the very first rank of moral and political leaders who have unblinkingly faced down oppression. No comparison to Mahatma Gandhi, Martin Luther King, Vaclav Havel or any other figure can possibly leave her wanting. Her abiding freedom from fear bodes well indeed for the future of the country she cherishes so dearly, and for the cause of democracy worldwide. "Whatever (the SLORC do to me . . . I can take it," she said. "What's more important is what they are doing to the country."

Suu Kyi's remarks underscore several traits we know; already she shared with the very greatest of human beings. She is genuinely humble. She learned she had won the 1991 Nobel Peace Prize from the BBC, we now know. "I felt tremendous humility and tremendous gratitude," she said on Monday. "I was very grateful. The prize meant that the whole movement for democracy will receive a lot more recognition." She remembers the suffering of others and the purpose of her own suffering. "Isolation is not difficult," she said. "I know that other people have suffered a lot more. People have died."

She is unbending in her bedrock principles. "The concept of driving somebody out of their own country is totally unacceptable to me," she said. On whether she would accept the junta's offer of freedom if she agreed to leave Burma, she said, "That is never going to happen." She calls the SLORC's planned constitutional convention, "an absolute farce. . . . "If people are not allowed to speak and if they are just there to nod their heads, there's nothing. It's not a convention. I can't accept it as something that seriously represents the will of the people at all."

She eschews any dictatorial ambitions a lesser person might have nursed. "I'm not interested in any sort of personality cult or personality politics. This is what you've got to avoid from the beginning. We want to see a democracy based on social principles, not on personality."

Perhaps unfortunately, Suu Kyi has become the symbol of democracy and unity in Burma. Democratic politics in Burma to an extent is personality politics. Ironically, if anyone can change that, surely it is Suu Kyi. Through the interview, she sent a message to her allies, "They must stop squabbling among themselves," she pleaded. "If there's something on which they cannot agree, put it on ice. . . . You must go and give them a message that I said, 'Don't be afraid.' "

Don't be afraid. Powerful words, from the author of the book Freedom of Fear. "Where people are daring to be politically active, they enjoy more rights," she once wrote. "Where people are fearful, however, they suffer more oppression. . . . If we want democracy, we need to show courage. . . . By courage I mean the courage to do what one knows is right, even if one is afraid." Powerful words not only in Burma but elsewhere—here in Thailand, for example.

Illegitimate governments rule by "terror", we tend to say. But who feels the terror more? Surely the oppressors feel it more keenly than the oppressed. "The evildoers run and hide, they hide in the shadows," writes exiled Haitian president Jean-Bertrand Aristide, "hoping darkness will protect them and allow them to continue to commit their crimes."

The world has learned that just inside the front door of her house, Suu Kyi has posted political slogans in large letters. "You cannot use martial law as an excuse for injustice," reads one. Asserts Aristide: "Beware the person who feels angry upon hearing the words of truth."

The parallel of Haiti is timely to note, since U.S. President Bill Clinton gave Suu Kyl a letter through Congressman Bill Richardson. Clinton's recent abandonment of Aristide's and Haiti's cause is shameful. Let us hope Mr. Clinton's bold, courageous friend, Mr. Richardson and others can prevail on him and others, such as our own government, to do better by Aung San Suu Kyi.

THE RHETORIC IS GREAT, BUT THE REFORM IS NOT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

Mr. HORN. Madam Speaker, our current President ran on a platform proclaiming change and reform. Today I wonder: What happened to those changes? Where is the reform?

Last year, the President abandoned the cause of real campaign finance reform. Now the so-called candidate of change has embraced the status quo in the Federal Election Commission.

Every candidate knows it takes months, sometimes years, to get an investigation of bad practices in political campaigns that too often go on in both parties in this country.

The Federal Election Commission is crippled by low funding and partisan gridlock. So what did the candidate for change propose? He reappointed the same Federal Election Commission Commissioners who represent the partisan gridlock, and then in his new budget not only is the promised stronger Federal Election Commission missing, but funding for the FEC is actually cut.

Ask the New York Times, one of America's greatest and most distinguished newspapers.

□ 1240

Recently, it wrote on its editorial pages,

> Mr. Clinton set back the cause of campaign reform by shortchanging the Federal Elections Commission. The President's budget,

In the words of the New York Times,

> fails to provide enough money for the agency to keep up with its current mission, much less for an expanded role.

As I suggested earlier, it barely keeps up with its current mission. Candidate for change? President Clinton may utter words of reform and utter them very convincingly, but his actions are right out of the status quo playbook.

Madam Speaker, I enclose for the RECORD an editorial from the New York Times of February 19, 1994, on the Federal Election Commission.

[From the New York Times, Feb. 19, 1994]

FEDERAL ELECTION COMMISSION

President Clinton says he is foursquare for serious campaign finance reform. But he has a strange way of showing it.

His impassioned speechmaking notwithstanding, Mr. Clinton silently stood by last year as House Democrats hatched and passed a campaign finance measure designed to keep money from special-interest political action committees flowing to incumbents. Its weak provisions now pose an obstacle to serious reform as the issue moves to a House-Senate conference committee.

Recently Mr. Clinton made the task even harder. He quietly set back the cause of campaign reform by shortchanging the Federal Election Commission in his proposed 1995 budget.

A strengthened law will mean significant new responsibilities for the notoriously weak F.E.C.—the agency charged with keeping candidates within the rules. Instead of enhancing the F.E.C.'s ability to enforce the law, and signaling a commitment to making it work, Mr. Clinton's proposed budget fails to provide enough money for the agency to keep up with its current mission, much less plan for an expanded role. The $23 million Mr. Clinton allocates for next year—about $9 million less than the agency had requested—will actually force a cut in its operations.

Granted, money is tight. But in a $1.5 trillion budget, surely it is possible to find at least the modest $3 million more needed to fund the F.E.C. at its current operating level. In another disappointment, Mr. Clinton has announced he will renominate two longtime members of the six-member commission, Lee Ann Elliott, a Republican, and Danny McDonald, a Democrat, rather than select distinguished new members who might help break the agency's partisan gridlock.

Where is the Bill Clinton who has pledged time and again to make campaign finance reform a top priority?

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. THOMAS of Wyoming) to revise and extend his remarks and include extraneous material:)

Mr. BEREUTER, for 5 minutes, on March 1.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. OWENS, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. THOMAS of Wyoming) and to include extraneous matter:)

Mr. DORNAN.

Mr. GOODLING.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. TRAFICANT.

Mr. LEVIN.

(The following Members (at the request of Mr. HORN) and to include extraneous matter:)

Mr. BLACKWELL.

Mr. GOODLATTE.

Ms. ROS-LEHTINEN.

Mr. KREIDLER.

Mr. LEHMAN.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

February 25, 1994:

H.R. 2339. An act to revise and extend the programs of the Technology-Related Assistance for Individuals With Disabilities Act of 1988, and for other purposes.

H.R. 3617. An act to amend the Everglades National Park Protection and Expansion Act of 1989, and for other purposes.

ADJOURNMENT

Mr. HORN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 41 minutes p.m.), under its previous order, the House adjourned until tomorrow, March 1, 1994, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2636. A letter from the Secretary of Health and Human Services, transmitting the Surgeon General's report on preventing tobacco use among young people, pursuant to 15 U.S.C. 1337(a); to the Committee on Energy and Commerce.

2637. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report pursuant to section 3(e) of the AECA concerning the unauthorized transfer of U.S.-origin defense articles, pursuant to 22 U.S.C. 2314(d); to the Committee on Foreign Affairs.

2638. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by Derek Shearer, of California, to be Ambassador to the Republic of Finland, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2639. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by Ryan Clark Crocker, of Washington, to be Ambassador to the State of Kuwait, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2640. Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by Edward S. Walker, Jr., of New York, to be Ambassador to the Arab Republic of Egypt, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2641. A letter from the Executive Secretary, Barry M. Goldwater Scholarship and Excellence in Education Foundation, transmitting the annual report on the activities of the inspector general for fiscal year 1993, pursuant to Public Law 95-452, section 5(b), (102 Stat. 2526); to the Committee on Government Operations.

2642. A letter from the Assistant Secretary (Management), Department of the Treasury, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2643. A letter from the Chairman, Federal Labor Relations Authority, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2644. A letter from the Chairman, Federal Maritime Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2645. A letter from the Director, The Woodrow Wilson Center, transmitting the annual report on the activities of the inspector general for fiscal year 1993, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2646. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Natural Resources.

2647. A letter from the Acting Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting views and recommendations of the Secretary of the Army on a study by the Army Corps of Engineers of flood damage reduction and storm damage prevention at the coastal areas of Tampa Bay, FL; to the Committee on Public Works and Transportation.

2648. A letter from the Secretary of Energy, transmitting a report on the updating of the comprehensive program management plan; to the Committee on Science, Space, and Technology.

SUBSEQUENT ACTION ON REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 1593 to the Committee on the Judiciary extended for a period ending not later than April 15, 1994.

The Committee on the Judiciary discharged from further consideration of H.R. 3221; H.R. 3221 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of the XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SANTORUM (for himself, Mr. ARMEY, and Mr. DUNCAN):

H.R. 3918. A bill to guarantee individuals and families continued choice and control over their doctors, hospitals, and health care services, to secure access to quality health care for all, to ensure that health coverage is portable and renewable, to control medical inflation through market incentives and tax reform, to reform medical malpractice litigation, and for other purposes; jointly, to the Committees on Energy and Commerce, Ways and Means, Education and Labor, the Judiciary, and Rules.

By Mr. BLUTE (by request):

H.R. 3919. A bill to restrict the use of social security account numbers to purposes related to social security and other social services; jointly, to the Committees on Ways and Means and Government Operations.

By Mr. MILLER of California (for himself, Mr. LEHMAN, Mr. SHARP, and Mr. DEFAZIO):

H.R. 3920. A bill to provide for the licensing of all new Federal nuclear facilities by the Nuclear Regulatory Commission, and to establish a Federal Nuclear Facilities Regulatory Review Commission to recommend an approach to subjecting existing Federal nuclear facilities to independent regulation; jointly, to the Committees on Natural Resources, Energy and Commerce, Armed Services, and Science, Space, and Technology.

By Mr. GOODLATTE:

H.R. 3921. A bill to authorize and request the President to issue a posthumous commission appointing Johnson Chestnut Whittaker a second lieutenant in the Army; to the Committee on Armed Services.

By Mr. CLINGER (for himself and Mr. RAHALL):

H. Con. Res. 213. Concurrent resolution expressing the sense of the Congress that telephone directories within the eastern and midwestern United States should include information relating to natural disaster survival techniques; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MACHTLEY introduced a bill (H.R. 3922) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for each of the vessels *Shamrock V* and *Endeavour*; which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 346: Mr. FISH.

H.R. 439: Mr. FROST, Mrs. FOWLER, and Mr. KLUG.

H.R. 586: Mr. VISCLOSKY.

H.R. 1080: Mr. REGULA.

H.R. 1191: Mr. REGULA.

H.R. 1957: Mr. DIAZ-BALART.

H.R. 2064: Mr. CRAMER, Mr. COLEMAN, Mr. COX, and Ms. WOOLSEY.

H.R. 2079: Mr. SKEEN.

H.R. 2135: Mr. DORNAN.

H.R. 2147: Mr. DEFAZIO and Mr. FARR.

H.R. 2544: Ms. ROS-LEHTINEN, Mr. COYNE, Mrs. MALONEY, Mr. PALLONE, Mr. SAXTON, Mr. KOPETSKI, Mr. ENGEL, Ms. LOWEY, Mr. COOPER, Mr. DEUTSCH, Mr. JOHNSON of South Dakota, Mr. FROST, Ms. SLAUGHTER, Ms. MOLINARI, Mr. WYDEN, Mr. SISISKY, Mr. MACHTLEY, and Mr. LIPINSKI.

H.R. 2671: Mr. LINDER

H.R. 2721: Mr. FROST and Mr. EVANS.

H.R. 2873: Mr. KOPETSKI, Mr. BROWN of Ohio, Mr. MACHTLEY, Mr. KREIDLER, and Ms. SHEPHERD.

H.R. 2937: Mr. KNOLLENBERG and Mr. STENHOLM.

H.R. 3005: Mr. MOORHEAD, Mr. SKEEN, Mr. BARTON of Texas, Mr. SAM JOHNSON, and Mr. COMBEST.

H.R. 3021: Mr. BLILEY.

H.R. 3288: Mr. PAYNE of Virginia.

H.R. 3293: Mrs. FOWLER.

H.R. 3417: Mr. CRAPO.

H.R. 3421: Mr. MOORHEAD, Mr. MANZULLO, Mr. GEKAS, Mr. BARTON of Texas, Mr. FAWELL, Mr. SAM JOHNSON, and Mr. LINDER.

H.R. 3527: Ms. SHEPHERD, Mr. KENNEDY, and Mrs. SCHROEDER.

H.R. 3660: Mr. WISE, Mr. KIM, and Mr. WILLIAMS.

H.R. 3771: Mr. LEVY, Mr. HOCHBRUECKNER, Ms. FURSE, Mr. BILBRAY, Mr. FILNER, Mr. STUDDS, Mr. LIPINSKI and Mr. JOHNSON of South Dakota.

H.R. 3820: Mr. LIPINSKI, Mr. WHITTEN, and Mr. MCCOLLUM.

H.R. 3827: Ms. LOWEY, and Mr. LIPINSKI.

H.R. 3906: Mr. BROWN of Ohio.

H.J. Res. 129: Mr. REGULA.

H. Res. 365: Mr. FAWELL, Mr. WALSH, and Mr. SCHAEFER.

SENATE—*Monday, February 28, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 10:01 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Honorable HARRY REID, a Senator from the State of Nevada, offered the following prayer:

Let us pray.

The Lord is my shepherd; I shall not want. He maketh me to lie down in green pastures: he leadeth me beside the still waters. He restoreth my soul: he leadeth me in the paths of righteousness for his name's sake. Yea, though I walk through the valley of the shadow of death, I will fear no evil; for thou art with me; thy rod and thy staff they comfort me. Thou preparest a table before me in the presence of mine enemies: thou anointest my head with oil; my cup runneth over. Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord forever.—Psalm 23:1–6.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 28, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BALANCED BUDGET AMENDMENT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of Senate Joint Resolution 41, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 41) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate resumed consideration of the joint resolution.

Pending:

Reid Amendment No. 1471, in the nature of a substitute.

Mr. FORD. Mr. President, I suggest the absence of a quorum equally divided three ways.

The ACTING PRESIDENT pro tempore. Without objection, the time will be divided four ways.

Mr. FORD. Mr. President, I suggest the absence of a quorum to be equally charged to three Members, excluding Senator BYRD.

The ACTING PRESIDENT pro tempore. In my capacity as a Senator from the State of Nevada, I object.

Who yields time?

(Mr. DODD assumed the chair.)

Mr. HATCH. I yield such time as I may need.

Mr. President, I am here not to find personal fault with anybody, but I do want to talk about the Reid amendment because it is merely a figleaf. The Reid amendment is simply a sham, a cover vote to allow Members to say to their constituents, the vast majority of whom want a balanced budget amendment and to whom they have been saying they will get a balanced budget amendment, that they supported something by that name.

Proponents of the Simon-Hatch amendment are not alone in this assessment. The New York Times reported last Friday that "the substitute version was intended to serve as a political figleaf that would allow some Senators to vote for the measure and then, after its near certain defeat, vote against the original version and still tell constituents they have supported a balanced budget amendment." That is an article entitled "Option May Doom Budget Amendment (for Now)." That is in the New York Times of this last Friday, February 25.

Indeed, although the Reid amendment was unveiled just last Thursday, the possibility of such an alternative was signaled a week earlier by a key administration official. On February 18, Leon Panetta, President Clinton's Director of the Office of Management and Budget, and a long-time foe of the balanced budget amendment, had this to say:

> If you allow people to say, "Are you for or against a balanced budget," you'll lose it.

Mr. Panetta explained:

> There are going to be some Members who are going to have to have an alternative proposal that they can vote for in order to give them cover to come out against the Simon proposal.

Describing the process of developing sufficient cover for Senators, Mr. Panetta further explained that "you're basically counting votes and you're basically saying to Members, 'What do you need?' To the extent that a Member says, 'I need a constitutional amendment' * * * you probably have to design an alternative amendment to the Constitution that would in some way protect them."

So there is nothing that we have not understood here. Leon Panetta made it very clear they were going to come up with a sham amendment that would get some people off the hook so they could say they voted for a balanced budget amendment when, in fact, it is nothing but a sham.

Mr. President, I do not believe the Reid amendment has any chance of passing in the Senate with the requisite 67 votes, and neither does the leadership. Even if it did, a substantial change of this nature to the balanced budget amendment will kill its chance of passage in the House of Representatives. In 1992, the Gephardt amendment which had similar exemptions lost handily. It got only 104 votes for it and over 300 votes against it.

Make no mistake, this is a killer amendment, and its purpose is to undermine a true balanced budget amendment called the Simon-Hatch-Thurmond-DeConcini-Craig amendment.

The ironies of offering the Reid amendment are very interesting to me. The real case against the Reid amendment, however, is not based on motive, it is based on merit.

On its merits, Mr. President, this alternative is simply not acceptable. In fact, it is quite ironic that Senate Joint Resolution 41, the product of years of hearings and public and congressional debate, has been criticized as trivializing the Constitution. Talk about trivializing the Constitution. The Senate will vote tomorrow on the Reid balanced budget amendment to the Constitution, a proposal unveiled just 4 days ago. Not 1 day of hearings, not one constitutional expert, not any backing from anybody. It is merely a facade so some people can cover their back sides and then vote against the real amendment, the Simon-Hatch-Thurmond-DeConcini-Craig amendment.

It is quite ironic as well that Senate Joint Resolution 41 has been criticized as being undemocratic. Talk about undemocratic. The Reid alternative, No. 1, cedes authority to suspend the operation of a constitutional requirement

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

to balance the budget to the Director of the Congressional Budget Office, an unelected official whose appointment is not even subject to congressional confirmation and, No. 2, says the Congress may delegate the power to order uniform cuts in the budget to some unnamed "officer of Congress." We have all heard the expression "a player to be named later." If this alternative passes, we will have a similar provision in the U.S. Constitution.

Mr. President, it is ironic as well that opponents of the Simon-Hatch amendment have incorrectly criticized it as a gimmick which can be easily circumvented. It is the Reid alternative, however, that has mammoth loopholes, such as exemptions for everything outside of undefined "operating funds" of the United States, or what it refers to as "capital investments." Talk about loopholes, that could include anything in the budget.

No. 3, The Reid amendment is unacceptable as a balanced budget amendment. It is a pure and simple sham. The Reid amendment is simply not an acceptable alternative to the Simon-Hatch balanced budget amendment for four reasons:

First, the Reid amendment has no functional enforcement provision. What good is a balanced budget amendment if there is no incentive to enforce it?

Second, it allows deficit spending through so many loopholes that under it we would never get the debt under control.

Third, the Reid amendment constitutionalizes questionable economic policies.

And, fourth, the Reid amendment conflicts with the philosophy underlying the Constitution in two ways: It explicitly cedes broad constitutional authority to unelected officials in a way wholly inconsistent with traditional constitutional law and principles, and it denies fundamental norms of due process by denying access to any court to vindicate any private rights.

Each of these flaws opens the amendment to abuse and creates a vent through which the pressure to make the hard choices escapes, along with the possibility of a balanced budget. The Reid amendment allows numerous avenues for deficit spending through which Congress can continue its current profligacy. It contains numerous abdications of congressional responsibility and accountability for taxing and spending decisions. And finally, it supports continued congressional irresponsibility.

In contrast, the Simon-Hatch amendment requires Congress to take responsibility for all Federal spending and taxing decisions. It forces Congress to set priorities and make spending decisions within the limits of the available revenues. It requires Congress to spend for the things the American taxpayers are willing to pay for and no more. It stops the further abdication of congressional responsibility encouraged in the Reid amendment and requires Congress to once again take its constitutional duty seriously and in the way the framers intended.

Let me discuss the reasons I have referred to one at a time.

Mr. President, the Reid amendment has no effective enforcement provision to help assure that a budget actually be balanced. Sections 1 and 2 of the Reid amendment require that the "estimated outlays of the operating funds of the United States do not exceed the estimated receipts of those funds." However, what is noticeably absent from the amendment is a backup enforcement provision to ensure a balanced budget if those estimates are wrong.

Furthermore, section 5 of the Reid amendment allows enforcement only in accordance with some possible future legislation, ensuring that Congress can control how much or how little enforcement is available. As a consequence, the Reid amendment really is an unenforceable gimmick because there is no absolute institutional enforcement mechanism to limit the amount of debt if the estimates are wrong.

By contrast, the Simon-Hatch amendment requires that actual outlays and receipts be in balance, not just the estimates. Most importantly, to ensure this, the Simon-Hatch-Thurmond-DeConcini-Craig amendment has a critical backup provision. It requires that there be no increase in the national debt limit unless there is a three-fifths vote to waive the debt ceiling. Thus, while the Simon-Hatch amendment allows for pragmatic reliance on estimates, it does not allow the uncertainty of estimates to increase the national debt as a matter, of course. If the estimates are wrong, under the Simon-Hatch-Thurmond-DeConcini-Craig amendment, Congress must fix it. Congress must balance the actual receipts and outlays or it bumps into the debt ceiling.

The Simon-Hatch amendment's debt ceiling provision cannot be changed by later legislation. And it is this provision in the amendment, a provision noticeably absent from the Reid alternative, that provides a significant and permanent enforcement mechanism to ensure that mistakes in estimates—and they will occur—do not mean increases in debt.

Mr. President, the Reid amendment does not require that the whole budget be balanced, and it contains a number of loopholes through which large deficits could be run.

Sections 1 and 2 of the Reid amendment only require the balancing of the estimated receipts and outlays of Federal "operating funds." Operating funds is not defined in the amendment and could be defined by legislation in any way to avoid operation of the balanced budget requirement. The Reid amendment allows everything other than operating funds to be paid for by deficit spending.

According to section 3 of the Reid amendment, even this weak requirement of balancing Federal operating funds, however defined, can be avoided for a full 2 years if there is ever an economic slowdown for two quarters as estimated by, guess what, the Congressional Budget Office. Thus, if the economy slows down for two quarters, or the Congressional Budget Office determines that it has or will in its own estimation, Congress has free rein to run up deficits for 2 full years under this amendment.

Mr. President, it is unbelievable that anybody would argue this is a balanced budget amendment.

Furthermore, the Reid amendment also exempts a number of potentially mammoth accounts from the balanced budget requirement under section 4 including—get this—"capital investments." Capital investments is not defined and its meaning is not agreed upon at the Federal level. Who knows how broadly that is going to be construed? It could cover everything from education to transportation expenditures. Would welfare payments be considered investment in human capital? Virtually everything could be excluded by this loophole.

In stark contrast, the Simon-Hatch amendment requires that all Federal outlays and receipts be balanced. This means that there will not be a false requirement to balance a small part of the budget while numerous other accounts are still stacking up mountains of debt. And there is no automatic copout that allows deficit spending in the Simon-Hatch amendment. If there is going to be deficit spending under Simon-Hatch, it will require a broad consensus in Congress to go on record as approving it.

Mr. President, the Reid amendment constitutionalizes questionable economic policies. Section 3 of the Reid amendment allows deficit spending in times of recession or economic slowdown. More precisely, it allows 2 years of deficit spending if the director of the Congressional Budget Office estimates that economic growth has been or will be 1 percent or less for 2 consecutive quarters.

Now, this is a distorted version of Keynesianism, and it is not clear that it would work to stimulate our current economy. In fact, our recent history seems to refute such an expectation. We had record deficits and zero or low growth over the last 3 years. This sort of stimulus mechanism obviously is not working.

Moreover, we have been running deficits for three decades. Have we been in a recession requiring this stimulus for three decades? Because of deficit stimulus has the economy avoided the business cycle for three decades? No. The correlation between deficits and prosperity is far from clear, based on our history.

Furthermore, I have not heard any evidence suggesting that the definition of recession embodied in the Reid amendment is the right one. Why is it 1 percent growth or less for two quarters as provided by the Reid amendment? Why should that then enable Congress to run up deficits for 2 succeeding years? Come on. This is not even a serious effort if you really look at it.

I have other questions about this provision. At the level we are now spending, that is, about $1.5 trillion each year, just how big of a deficit will we have to run to stimulate the economy? We already have our foot to the floor on the debt accelerator. We cannot seriously argue that pushing our debts further will be helpful.

With all these questions about the economic assumptions underlying the amendment, I think this is precisely the wrong kind of narrow economic policy to staple into the timeless Constitution.

The Simon-Hatch amendment avoids this morass by simply requiring balanced budgets as a rule unless a supermajority of Congress agrees otherwise.

A balanced budget norm is an unassailable principle. Under the Reid alternative, however, it is a rule swallowed by exceptions.

D. THE REID AMENDMENT IS AT ODDS WITH CONSTITUTIONAL PRINCIPLES IN THAT IT CEDES BROAD POWER TO UNELECTED OFFICIALS AND CONFLICTS WITH DUE PROCESS NORMS

Mr. President, the Reid amendment, if passed, would radically alter fundamental principles of our Constitution. It does not simply amend Senate Joint Resolution 41. It works a revolution in the constitutional balance of power between the President and the Congress, tilting the equilibrium in favor of the legislature. It violates fundamental norms of due process by altogether denying a potential litigant even the possibility of seeking redress for harms committed by those violating the amendment. And it overturns specific precedents of the Supreme Court of the United States upholding the doctrine of separation of powers and protecting rights under the fifth amendment.

Once again, section 3 provides, in part, that the amendment "shall be suspended" for 2 consecutive fiscal years "if the Director of the Congressional Budget Office, or any successor, estimates that real economic growth has been or will be less than 1 percent for two consecutive quarters during the period of those 2 fiscal years."

Talk about loopholes. Talk about a ridiculous provision. Talk about control of the budget by unelected officials. Talk about something that should never be written into the Constitution.

Section 5 states that the amendment "shall be enforced only in accordance with appropriate legislation enacted by Congress. The Congress may, by appropriate legislation, delegate to an officer of Congress the power to order uniform cuts."

You talk about violations of separation of powers. Talk about unconstitutional thinking. Talk about lack of due process. Talk about turning over our destiny to somebody who is not elected for anything. That is what this amendment does.

The naming of these two officials in a constitutional amendment is strange indeed, and, I believe, unprecedented. It is unequivocally clear that the delegation to the Director of the CBO to suspend the operation of the amendment upon the estimation that a "recession" exists or will exist violates the principle of separation of powers—so too does the delegation to some yet unnamed "officer of Congress" to order uniform budget cuts.

The proponents can argue, well, this is a constitutional amendment. Therefore, it will be constitutional if it passes. We all know it is not going to pass. Let me just say this: If it did, it would fly in the face of more than 200 years of constitutional law and theory and practice. It would undermine the very Constitution that we have all believed in all these years.

In *Bowsher* v. *Synar*, 478 U.S. 714 (1986), the Supreme Court, declared unconstitutional a section of the Gramm-Rudman-Hollings Act. Section 251 of the act mandated that the Directors of the OMB and the CBO submit deficit estimates and program-by-program budget reduction calculations to the Comptroller General.

The Supreme Court was right in making that decision. We warned the budgeteers at that time. They came to me as chairman of the constitutional subcommittee, and said, "What should we do?" I said, "That will be unconstitutional." It was. But they had to satisfy the House. So they went ahead and put the Comptroller General in anyway, and they were knocked down in the Bowsher case.

The Comptroller General had to review the Directors' joint report and report his conclusions to the President. The President, in turn, was required by the act to issue a sequestration order mandating the spending reductions specified by the Comptroller General—unless Congress through legislation obviated the need for the sequestration order.

In holding section 251 of the act unconstitutional, the Court noted that the Comptroller General—a congressional officer subject to removal by Congress—in determining exactly what the President had to sequester, was performing an act "executive in nature."

That is very important, Mr. President. This amendment is just going to ignore all our constitutional history and allow appointed people in Congress to make these fundamental decisions—nonelected people.

Congress may determine by law the existence and scope of executive duty. However, once Congress makes its choice through the enactment of legislation, "its participation ends" as the Court stated in Bowsher:

> Congress can thereafter control the execution of its enactment only indirectly—by passing new legislation. By placing the responsibility for execution of the Balanced Budget and Emergency Deficit Control Act in the hands of an officer who is subject to removal only by itself, Congress in effect has retained control over the execution of the Act and has intruded into the executive functions.

And it will be violating standard constitutional norms involving the separation of powers. The Constitution simply does not permit such intrusion. If this passes, it would be a constitutional amendment and it would be part of the Constitution. But it would be very unwise, very unwarranted, and would fly in the face of 200 years of constitutional history.

Mr. President, the Reid amendment does permit such intrusion. It allows two congressional officers to retain control over the administration of the amendment: The Director of the CBO, who is only removable by Congress, is delegated authority to determine the existence of a recession and suspend the operation of the amendment; and an unnamed congressional figure is delegated the authority to make budget cuts—the very act the Bowsher Court found to violate separation of powers. Not only would the Reid amendment overturn Bowsher, it would eviscerate the constitutional cornerstone doctrine of separation of powers. We must heed, Mr. President, the warning of James Madison, called by many the "Father of the Constitution," not to do what the Reid amendment does—commingle legislative and executive powers. As Madison admonished in the Federalist No. 47: "There can be no liberty where the legislative and executive powers are united in the same person, or body. * * * " The Federalist No. 47, page 325 (J. Cooke ed. 1961).

Yet that is not the only problem the Reid amendment has with the fundamental principles of the Constitution; it also violates fundamental norms of due process of law. Section 5 of the amendment provides for enforcement only by Congress through implementing legislation. Thus, if Congress does not provide for judicial review, a potential litigant is denied his day in court. Compare that with the Simon-Hatch amendment, which is silent as to judicial review but limits the relief that courts may grant to declaratory relief to prevent the undue intrusion of the judiciary into the budget process. If standing and justiciability can be demonstrated by a litigant, and if the claim does not amount to a noncognizable political question—a possibility which I suggest is remote—Simon-Hatch would allow for a vindication of a private right. Not so with the Reid proposal. Even the opportunity to demonstrate the legitimacy of a claim is denied.

Article III of the Constitution grants to Congress broad powers to limit the jurisdiction of lower Federal courts and even the appellate jurisdiction of the U.S. Supreme Court. This proposition was settled by the post-Civil War case of *Ex Parte McCardle*, 74 U.S. (7 Wall.) 506 (1869). However, Mr. President, it has also been settled that in limiting the jurisdiction of courts, Congress may not deprive a party of a right vested in the Constitution. *United States* v. *Bitty*, 298 U.S. 393, 399-400 (1908). This the Reid amendment would accomplish. By denying access to any court—State or Federal—the amendment could in effect read out of the Constitution the fifth amendment's guarantee of due process of law.

How can anybody who wants a balanced budget amendment do that to the Constitution? That right is a fundamental right deriving from, as Mr. Jefferson so elegantly stated, "Nature and nature's God"—and not from any political process.

Mr. President, there are other issues arising from these provisions that suggest they are inconsistent with our constitutional system of Government. Section 5 of the Reid amendment allows a delegation to "an officer of Congress the power to order uniform cuts." There is no indication that the officer of Congress must be an elected official. Who will it be? It is simply unprecedented to have a constitutional delegation of power to impose across the board cuts in the budget of the United States to a single Member of Congress or, potentially, any minor unelected congressional employee.

Mr. President, what does the term "uniform cuts" mean? The Reid proponents have been implying they are across-the-board cuts, but that is not clear. If this new budget czar only makes across-the-board cuts, Congress again avoids making hard decisions about budget priorities. If the cuts are not across the board, we potentially have impoundment authority under the Constitution of the United States given to unelected officials.

It does not take any brains to figure this out from reading that amendment.

Most amazing is the fact that this alternative amendment provides that the constitutional requirement of a balanced budget can be suspended by the Director of the Congressional Budget Office. Can you imagine? What we have is a proposed amendment to the Constitution of the United States referring to the Director of the Congressional Budget Office and authorizing this unelected official, whose appointment is not even subject to Senate confirmation, to suspend the operation of the Constitution. And they call our amendment undemocratic.

Give me a break.

Mr. President, for all these reasons and more the Reid amendment, this political figleaf, this caricature of a constitutional amendment, must be rejected.

The American people must not—and will not—be fooled.

Mr. President, the only serious balanced budget amendment is the one that has been going through the process and has endured for the last 12 years, the Simon-Hatch-Thurmond-DeConcini-Craig amendment. It is the only one that will move this Nation to a balanced budget and the only one that will restore congressional responsibility and accountability to the Federal budget process. The Congress knows it, and the American people deserve, and will not accept anything less than their Senators' support for the Simon-Hatch balanced budget amendment.

Mr. President, I happen to revere the Constitution of the United States. I know that it is subject to conflicting evaluations from time to time. I understand we can differ on some constitutional interpretations, but there are some basic things you cannot differ on, and I have tried to enumerate them here today.

If this type of amendment passes—it will not—but if it does pass, we are jeopardizing our constitutional way of life and the fundamental values that have made this country the greatest country in the world.

We are causing the Constitution to lose its value with this type of an amendment. We are causing the Constitution to be treated as though it is not the most fundamentally good political document in the history of the world. And frankly we are in danger of losing our freedom if we enact something like this. But nobody believes it is going to be enacted. We all know it is a fig leaf to provide cover for those who have promised the folks back home they are going to vote for a balanced budget amendment so they can go home and say they voted for a balanced budget amendment, and we better put that in quotes a "balanced budget amendment." They will not put it that way, but that is the way it should be put so they can then slide by and not have to face the wrath of the voters. Let it be known right here and now that the wrath of the voters is going to be there. It may not be in the next few weeks or the next month, but it is going to be there when people start to look and understand what is being done here today and tomorrow in that vote at 3 o'clock in the afternoon.

I hope nobody is going to be deceived by this amendment, and I hope that we will have those who are truly undecided look at these facts and these problems and help us on this Simon-Hatch-Thurmond-DeConcini-Craig amendment and help us get it passed to see if we can get this country under control.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I rise in strong opposition to the distinguished Senator from Nevada [Mr. REID] and his amendment that is being debated now and will be voted on, I believe, tomorrow around 3 o'clock.

I have worked with the Senator from Nevada, and he knows my deep respect for him and friendship for him. He has been a strong supporter of the balanced budget amendment.

So I understand the Senator's concern with the present Simon-Hatch amendment that is before us and now this substitute.

But the provisions in the Reid amendment, in my judgment, would turn the balanced budget amendment into the very gimmick that some opponents of the Simon-Hatch amendment say it is. They argue that it is not well thought out, that it has loopholes, and that it is not going to work.

The Reid amendment would create two large loopholes in the balanced budget amendment by eliminating Social Security trust funds and outlays for capital investments from the balanced budget requirements. The Federal budget would be divided into capital expenses and operating expenses similar to many State budgets. I can just imagine all types of expenditures being classified as "capital expenses" in order to avoid the requirements for a balanced budget.

Congress could—and would—as we have, in the past, unfortunately engage in all sorts of budgeting gimmickry. The balanced budget amendment would truly be meaningless. The amendment of the Senator from Nevada does not require a vote to raise the debt ceiling. Those of us who have debated raising the debt ceiling realize how significant it is that this country and this Congress continuously raises the debt ceiling without regard to the consequences of our actions. We do not truly address the problem because we are afraid that a check will not go out, that the Federal Government will come to a close. The American public needs to know that this Nation is broke and we are living on future generations' money. We cannot continue to do this. This provision in the Reid amendment gives Congress the power to add to our $4.7 trillion debt with the same ease we can currently. The requirement for a supermajority vote to raise the debt ceiling under the Simon-Hatch amendment was the subject of much discussion.

The consensus was that it was necessary if we were ever going to stop the endless borrowing and actually get to a position where we could reduce the Federal debt itself, not just the growth of the Federal debt but the actual Federal debt.

Clearly, if the Reid amendment passes Congress will have a back door to continue down the path of fiscal irresponsibility.

Our Constitution has survived for over 200 years because it embodies broad principles that are timeless in their application. The Reid amendment, I think, violates the spirit of the Constitution by including details of a process better left to implementing legislation, for example, the Reid amendment provides that Congress can suspend the balanced budget requirement if the Director of the Congressional Budget Office, a nonelected person, not even appointed by the President, estimates that the economy is in a recess. It is totally unprecedented for a Government official, one that is not constitutionally created and subject to change by the will of the Congress, to be named in the Constitution. This is really a flaw that should be addressed even if we should, and I do not think we will, pass the Reid amendment.

Furthermore this "recession exemption" will allow Congress to suspend a constitutional requirement at the first sign of economic downturn. All you have to do is convince the Director of the Congressional Budget Office to say "I estimate that the economy is in recession" and the requirement for a balanced budget can be waived. That does not make sense.

If we continue to deficit spend and add to the debt at the first sign of a rocky economy we are never going to have a balanced budget.

I understand the concern that many have about including Social Security funds in a balanced budget amendment. This Senator has stood on this floor for many years and voted to preserve the Social Security Program and keep the Social Security funds safe. I know that many of my colleagues are worried about this issue but this is another red herring. Although Social Security is running a surplus today, that may not always be the case. In 1978, when I first came here, it was projected it was going to be broke and run a deficit, and we corrected that. We are all aware of the probability that sometime in the future Social Security trust funds could be in trouble. Congress has been at the forefront of providing the funds necessary thus, that has not happened.

But, what would happen if Social Security ran out of money? Including them within the parameters of the balanced budget amendment will guarantee that funds will be available to meet the obligations to future retirees.

Entitlement spending constitutes 47 percent of the Federal budget. If we are going to balance the budget we need to look at all spending, including Social Security. Those individuals who depend on Social Security, Medicaid, and other Government programs should not fear being cut off. These programs are an important priority of our Government and there is no way they will be dismantled. I think that has been proven time and time again. We saw an effort to wipe out cost of living increases in the early eighties under the Reagan administration. That is this Congress, this Senate, and the House of Representatives, that said, "No, Mr. President, we are not going to do that."

The most serious threat to Social Security is our $4.7 trillion national debt. Net interest on the debt now consumes 16 percent of the Federal budget. If the debt remains unchecked by the year 2015 interest on the debt will devour more than 10 percent of the gross domestic product. This is equal to about 40 percent of anticipated Federal spending. This interest obligation will begin to crowd out Social Security while the continued buildup of debt will impair the ability of future taxpayers to refund moneys borrowed from the trust fund. This will endanger the welfare of Social Security far more than a balanced budget amendment. Quite frankly, a balanced budget amendment will protect Social Security.

The Simon amendment has been the subject of numerous hearings and countless hours of debate. it reflects a broad consensus within Congress and outside groups. The proposed Reid amendment has had the benefit of none of this debate or hearings.

Voting for the Reid alternative is not a vote for fiscal responsibility. It is a vote for business as usual.

We do it all the time, and we are likely to do it again, although I do not believe it is going to pass, because I think enough of us understand that the Reid amendment truly will not work. It has not been well thought out and will not result in a balanced Federal budget that the Simon-Hatch amendment will do.

If some of my colleagues feel they must vote for the Reid amendment—and I respect that—then go ahead and do so. But, please, do not leave it there and then walk away and think that you have taken care of the balanced budget issue. Go on and vote for the Simon-Hatch amendment. Have the courage to vote for a true constitutional amendment. There is no reason that you need to vote just for one, to so-call cover yourself. Vote for both.

Take a chance that a balanced budget amendment will change the course of this country's fiscal deficit and put it on the right road for a change. Otherwise, all will be for naught in this effort to pass a constitutional amendment to balance the budget and this great country will suffer.

Once again, we will be sending a message that we cannot rise above special interest politics and act in the national interest. This, in turn, will feed the very doubts that have spawned distrust not only of congressional incumbents but of the political parties that are represented in this body.

I encourage every Member to think seriously about their vote and to think seriously about the nature of what we are debating here and the importance of passing a constitutional amendment that would do the job.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that the Senator from Maine wishes to take 3 minutes on something not related to this debate. I have a few minutes under the time I have reserved to me, and then Senator BYRD, the President pro tempore of the Senate, wishes to take his 2 hours and 14 minutes, or whatever time he wishes.

I am wondering if we could have a unanimous-consent agreement that the Senator from Maine be recognized for 3 minutes as if in morning business; that his time not be charged against any of the proponents of the various amendments before the Senate; then I be recognized; and then Senator BYRD be recognized.

The PRESIDING OFFICER. Does the Senator make that request?

Mr. REID. I do make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Maine is recognized.

Mr. COHEN. I thank my colleague from Nevada and also my colleague from West Virginia for their agreeing to allow me to proceed very briefly.

THE UNITED STATES HAS A MAJOR SPY PROBLEM

Mr. COHEN. Mr. President, last week, Senator BOREN and myself introduced a measure to try to respond to the recent incident that revealed that the United States has a major spy problem. I am referring, of course, to the revelation that a CIA employee with access to highly sensitive information has been on the Soviet payroll or Russian payroll for some years now.

I might say, it strikes many people as somewhat inconsistent for the Russian Government to be holding out its right hand for assistance from the United States and, at the same time, with its left hand, it is picking our pockets.

Nonetheless, I think we have to point the finger of blame not only at Moscow but also at ourselves.

Four years ago, Senator BOREN and myself introduced a measure that would have reformed our counterintelligence system and, in my judgment, could have prevented the kind of thing that has taken place here with Mr. Aldrich Ames. He has now joined a list of a long string of those who have betrayed their country.

In the past, people betrayed their country out of ideological zeal. But the days of Philby, Burgess, MacLean, Blount, and the Rosenbergs are over. Now our Nation's secrets are sold at the espionage bazaar to the most generous buyer.

More spies have been named during the last 14 years than ever before in our history. They have been clerks, analysts, counterespionage specialists, cryptanalysts, officers, and enlisted personnel from every one of our military services. They are not high-profile, derring-do agents of spy fiction fame, but faceless, unglamorous individuals who have access to our most important secrets. They are what Tom Allen and Norman Polmar call our Merchants of Treason. And we seem to be capable of detecting them only when some family member turns them in, they surrender, or when a Soviet defector discloses their identities.

John Walker, a Navy radioman, operated a spy ring for 17 years before his former wife—no femme fatale out of Robert Ludlum or Len Deighton's novels—but a woman who worked for a time at a local shoe factory in Maine for $2.65 an hour, turned him in. Without Barbara Walker's phone call to the FBI, John Walker would in all probability still be jeopardizing the lives of every American so that he could profit.

I might note parenthetically that Walker equated himself with the skullduggery of certain Wall Street traders. He did no more than Ivan Boesky—trade a little inside information. What Ames, Walker, Whitworth, Howard, Pelton, and others did was strike a Faustian bargain of sorts—they traded our lives for cash, undermining our deterrent against war, enabling potential adversaries to neutralize the very heart of our strength.

With the fall of the Berlin Wall, it was suggested that this was all behind us. The cold war is over we were told. John LeCarre has written that the days of George Smiley and Karla are history. It is time to face new enemies—drugs, terrorism, poverty, brush fire wars, and the pollution of our planet.

Many spies may have indeed come in from the cold, Mr. President, but unfortunately many more will bask and flourish in the warm sun of our new relationship with Russia and East European nations—not to mention some of our closest allies.

The era of the cloak and dagger may be over, but the cloaks are likely to multiply and those who wear them become even more persistent in their effort to procure military, industrial, and commercial secrets.

The proposals contained in our bill, S. 1869, will not put an end to espionage. They are designed to do three things. Deter U.S. citizens from spying. Detect those who are not deterred. Help prosecute those who trade our security for their own enrichment.

Legitimate questions have been raised about rights of privacy. The subject is not a trivial one and must always remain sensitive to the fact that we do not want to Stalinize our intelligence community in the name of national security. Access to our Nation's secrets is a privilege—one that must be more carefully granted and more carefully guarded. It is our responsibility to seek and strike the appropriate balance between guarding the right of privacy against those who would betray our Nation. I believe that balance has been struck by this legislation, which would:

Establish uniform requirements for access to sensitive classified information and require persons considered for such access to make personal financial reports during that period and for 5 years after their access is terminated.

Establish a new criminal offense for possession of espionage devices where intent to spy can be proved.

Establish criminal offenses for selling or transferring top secret materials or removing them without authorization.

Require persons with access to sensitive classified information to agree to report any foreign travel that has not been authorized as part of their official duties.

Make some Government employees subject to random polygraph tests.

Tighten laws barring profit from espionage.

Expand existing authority to deny retired pay to those convicted of espionage in foreign courts.

Permit the FBI to obtain financial records and consumer reports on persons believed to be agents of foreign powers without those persons being notified.

Authorize the Attorney General to pay rewards of up to $1 million for information leading to arrests or convictions for espionage or for the prevention of espionage.

Subject physical searches in the United States to the same court order procedure that is required for electronic surveillances.

When Senator BOREN and I introduced our bill 4 years ago, it was dismissed as perhaps a relic of cold-war thinking. But we believe it is even more imperative, now that the so-called cold war is over and that the Berlin Wall is down.

"Why now?" we were asked. To which we could only respond: If not now, when? After the next Felix Bloch?

Regrettably, Mr. President, we now know that was not a hypothetical question. It is only now that a new spy scandal is upon us that people are realizing the need to improve our counterintelligence system.

Our bill, in essence, would deter those who might consider spying. It would help to detect those we fail to deter, and ultimately it would help our authorities to prosecute those individuals who betrayed their country.

Let us act swiftly before our collective memory once again fades. For if we do not act now, when will we? After the next Aldrich Ames? Mr. President, I call this to the attention of my colleagues. I think it is an important piece of legislation. We should have passed it 4 years ago. It is time that we bring it forward now and pass it.

I thank my friend for yielding the floor.

BALANCED BUDGET AMENDMENT

The Senate continued with the consideration of the joint resolution.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I hope every senior citizen and every disabled American was listening to the presentation made by the Senator from Utah and the Senator from Arizona.

The Reid balanced budget amendment balances the budget, but not on the backs of senior citizens. I also think the American public who listened to the presentation of the Senator from Utah could recognize that this is legal mumbo jumbo, his amendment better than any amendment. I am going to give you a lawyer's interpretation of why.

The American people do not need lawyers telling them what is right. The Reid amendment allows the balanced budget to take place, but not on the backs of senior citizens. It allows a balanced budget to be treated as States are treated, where you protect the pensioners and you allow capital construction. It is as simple as that, just like States are handled. Just like the State of Utah, just like the State of Arizona, just like the State of Connecticut, just like all of the States of the country, we have an operating budget and a capital budget. No legal mumbo jumbo will take away from the basic tenets of my amendment.

The Senator from Utah complains that my amendment allows Congress to delegate the power to order across-the-board cuts to a congressional officer. The Senator from Utah is correct when he says that this provision is intended to overrule the decision in Boucher versus Synar. The Reid amendment would allow Congress to provide by law that a neutral third party, the Comptroller General of the United States, could referee across the board. This is the same compromise Congress embraced in the 1985 Gramm-Rudman-Hollings Act, of which the Senator from Utah was one of the major proponents.

The Senator from Utah and the Senator from Arizona complain that my amendment delegates powers to an unelected official, the Director of CBO, to make economic determinations. The point of this provision is to provide that a nonpartisan, unelected official could make this determination. That seems totally reasonable.

But I find it amazing that the Senators from Utah and Arizona complained of ceding power to unelected officials.

In testimony before the Senate Budget and Appropriations Committees, respected constitutional scholars testified that the Simon amendment granted the President increased impoundment powers. Section 5 of my amendment ensures that this will not happen under my amendment.

You see, Mr. President, my amendment preserves what the framers of our Constitution wanted. They wanted separate but equal branches of Government. The Simon amendment makes them unequal and gives all the power to the President.

Now, the Senator from West Virginia and the President pro tempore of the Senate has lectured long—11 lectures, each an hour long—talking about what happened in Rome when the legislative branch gave up its power to the executive branch.

We are not only going to do it, we are going to do it here in the Simon amendment by constitutional amendment. Ridiculous.

If the Simon amendment passes, some minor bureaucrat, or plural, bureaucrats, in the bowels of OMB will be making the decision about where cuts will be made. Talk about delegating power to unelected officials. They have just won the Olympics.

They talk about their constitutional amendment. Which one? The one that has been floating around for 4 years or the one we are going to vote on now that they were forced to amend last week? Which constitutional amendment is theirs? Is it the one that has been around for 4 years or is it their new one?

Each one of us, Mr. President, is a politician. But politics, you see, is not everything. All of us are loyal to a party, but each has a much higher loyalty. It is to that better angel that I wish to appeal today.

The time has come to forget party, forget self, forget all the narrow sexual and political interests that divide us. The time has come to remember instead that we are united by our duty which lies to our country.

Mr. President, I think that every Member of this body knows that the amendment written by Senator SIMON will not pass. I have to tell each one listening that as much as I respect its author and his goals, it should not pass in that form.

The Senator from Utah categorized those supporting the Reid amendment with various names. I do not intend in this body to in any way denigrate those who are proponents of the Simon amendment, but we know, and I read into the RECORD at length on Friday what newspapers across this country call the Simon amendment. The Baltimore Sun, for example, calls it a "Hoary Old Hoax." Others call it a phony.

These are not names I dreamed up. These are names that newspapers categorized.

I know that it is not the goal of Senator SIMON and my friends on the other side who support his amendment to bring this Nation to an economic crash unequaled by anything since 1929. I know it is not their goal to leave this Nation's senior citizens, its disabled, its widows and orphans lying ill-fed and freezing in our streets. I know it is not their goal to allow this Nation's transportation system, this Nation's whole infrastructure to deteriorate to a point where trains could have no tracks on which to run, trucks could have no highways on which to ride and airplanes no runways on which to land and citizens no building in which to conduct the Nation's business.

I know that is not their goal, but they know that would be the end result of this so-called Simon balanced budget amendment which took no account of capital spending and Social Security. I think it says reams that the Senator from Utah talked a lot about legalities, legal complications. I remember when I tried cases. Usually lawyers did that when the facts did not support their case. They talked a lot of legal gobbledygook when the facts did not support their case. That is why I asked the senior citizens and disabled in this country to hone in on what the Senator from Utah said because he did not mention Social Security, which would be devastated as a result of the Simon amendment.

Secretary Shalala testified if all programs were reduced across the board, the Simon amendment would require $52 billion in cuts to Social Security. Need I say more? Social Security is self-funded. Employers and employees pay into that fund. It is a separate trust fund.

They know the result, Mr. President, and they know that as a consequence, there is enough common sense, enough fiscal sense to keep the Simon amendment from passing. They also know, as do I and every Member of this body, that we must reduce the Federal deficit. There are programs which will have to go, and not just wasteful or inefficient ones. Everyone in this body would like to find waste in spending. Certainly it exists. We must seek it out and attempt to kill it. Such spending is a small portion of what we expend every year. It has fallen to us rather to choose between the good which must fail and the good which may survive.

We face not just in 2001 but right now any number of hard choices, and to paraphrase a maxim I learned in school, "Hard choices make bad laws." Indeed, they do.

Originally, perhaps, our Federal system was mostly devoted to defense and foreign policy. Mr. President, I think we can agree that there are certain functions which have been assumed by this Federal Government since the 1930's which the people and the States do not want us to forsake. I think we can, I think we do agree that those functions must certainly include Social Security and the maintenance of the transportation system, including airports, canals, and more, which has been and which remain essential to this Nation's continued prosperity.

We agree on those points and yet we continue to disagree on the amendment offered. Why is that? I suspect that many of those who will not compromise on this issue, who say they wanted all or nothing take that position because they know that nothing is what they will get and nothing really is what they want. They do not really want a balanced budget amendment passed. They want to be able to say they went home and voted for a balanced budget amendment.

The Senator from Utah recognizes that the best defense is a good offense. So rather than trying to talk about the qualities of both amendments, all he can do is tend with his legal mumbo jumbo to confuse the issue. The fact of the matter is, I believe many people who are supporting the Simon amendment do not want anything to pass. They want to be able to go home and say they voted for a balanced budget amendment. They do not want this body to face the hard choices the Reid amendment would entail. They want to be able to say they would face them but for the Senators' votes.

Remember, my amendment makes it doable. It makes it doable. Instead of taking responsibility for what they want, they want others to take the blame.

My fellow Senators in both parties, for the sake of our Nation, for the sake of prosperity, and for the sake of our oaths and, really, our honor, I beg you to listen to reason. I proposed a workable, realistic balanced budget amendment, one which would pass this body and easily pass the other body and be ratified by the States. The Simon amendment is not going to pass here, but if it did, it would not pass the other body and I doubt seriously it would pass the States. But mine would because the States would be faced with a constitutional amendment that would parrot and follow what they have to do every year: A reasonable way to getting this country's fiscal house in order.

Unless you vote for this, the Reid amendment, this debate will produce nothing except self-serving speeches, and this Nation will have received nothing except empty promises. If you really believe, if you really care, if you are really willing to face the hard choices, which is our duty to make, then I ask you to join me and support my amendment.

Mr. DECONCINI. Will the Senator yield? I want to correct the RECORD. I made a reference that the Senator from Nevada voted for the 1986 balanced budget amendment. That is incorrect. He had just been elected to the Senate. I apologize for that.

Mr. REID. I recognized it did not happen, so I was not going to correct it.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the power of the purse is no accident, and its inclusion in the Constitution of the United States is not there by chance. The British constitution, which is an unwritten constitution, except for certain documents and statutes and cases in the common law courts, is the archetype of the United States Constitution which is the oldest written successful constitution in the world.

Montesquieu knew about the English struggle, the struggle of our English forebears to wrest from the monarch the power of the purse and to place it into the hands of the elected representatives of the people in Parliament, and particularly in the House of Commons.

Last year, I spoke about the history of the Romans. I made 14 speeches on the history of the Romans. I did that because Montesquieu was very much impressed by the Romans and by their system of Government, and it was from the Romans and the institutions of England that Montesquieu developed his political and philosophical system of separation of powers and checks and balances.

He believed that the three major departments, the legislative, the executive, and the judicial, must be separated in order to preserve freedom and liberty.

Now, Mr. President, I think it is important that we talk about the history of England and think, as we do so, as to how we came to have the United States Constitution which parallels in so many ways the Constitution of England.

Mr. President, early in the current millennium there were various kingdoms and subkingdoms in England. Eventually, the seven main kingdoms formed a heptarchy. They were East Anglia, Mercia, Kent, Northumbria, Sussex, Wessex, and Essex, and from time to time one or the other of these kingdoms would gain the predominance over the rest of the kingdoms. It was during the reign of Egbert, who reigned from 802 to 839, that Wessex achieved domination over all of the other kingdoms, and it was under the reign of Edward the Elder when all of England was considered to be one kingdom.

Now, let me begin by stating the names of the kings, the monarchs of English history beginning with the Anglo-Saxon and British kings, and the first one I have been able to trace in an unbroken line was—and these will be spelled differently from the phonetic sound or pronunciation of the name—Cerdic, who reigned from 519 to 534; Cynric, 534 to 560; Ceawlin, 560 to 591; Ceolric, 591 to 597; Ceolwulf, 597 to 611; Cynegils, 611 to 643; Cenwalh, 643 to 645.

There was an Interregnum from 645 to 648. Then, Cenwalh was king again from 648 to 672; 672 to 673 was under the monarchy of Cenwalh's wife, Seaxburg; 674 to 676, Escwine; 676 to 685, Centwine; 685 to 688, Caedwalla; 688 to 726, Ine; 726 to 740, Ethelheard; 740 to 756, Cuthred; 756 to 757, Sigeberht; 757 to 786, Cynewulf; 786 to 802, Beorhtric; 802 to 839, Egbert; 839 to 855, Ethelwulf; 855 to 860, Ethebald; 860 to 866, Ethelberht; 866 to 871, Ethelred I; 871 to 899, Alfred; 899 to 924, Edward the Elder; 924 to 939, Ethelstan; 939 to 946, Edmund; 946 to 955, Edred; 955 to 959, Edwig, and 959 to 975, Edgar the Peaceful; 975 to 978, Edward the Martyr; 978 to 1016, Ethelred II, or Ethelred "the redeless;" 1016, Edmund Ironside, the son of Ethelred; and 1016 to 1035, Cnut; 1037 to 1040 was Harold Harefoot. He was the illegitimate son of Cnut.

Then 1040 to 1042 was Harthacnut, who was the legitimate son of Cnut. He reigned from 1040 to 1042, and we are told that he died "while standing at his drink." He was under 24 years of age when he died.

Beginning on Easter Sunday, 1043, Edward the Confessor reigned until January 5, 1066.

Then on January 6, 1066, Harold II, son of Godwin, became king, and he reigned until the Battle of Hastings on October 14, 1066.

William the Conqueror took office on Christmas Day, 1066. He reigned from 1066 to 1087. William II, or William Rufus, 1087 to 1100. Then Henry I, 1100 to 1135; Stephen, 1135 to 1154; Henry II, 1154 to 1189; Richard I, Richard the Lionhearted from 1189 to 1199; John from 1199 to 1216; Henry III, 1216 to 1272; Edward I, 1272 to 1307; Edward II, 1307 to 1327; Edward III from 1327 to 1377; Richard II from 1377 to 1399; and Henry IV of Lancaster from 1399 to 1413. Then, Henry V, 1413 to 1422; Henry VI, from 1422 to 1461; Edward IV, 1461 to 1483; and Edward V, also in 1483. He was the son of Edward IV, and was murdered in the tower by his uncle, Richard III. And along with Edward V, his younger brother, the Duke of York, was also murdered in the tower. Richard III had the two boys murdered.

Then Richard III reigned from 1483 to 1485. He was killed at the Battle of Bosworth Field on August 22, 1485. Henry (Tudor) VII fought in that battle against Richard III. And that battle ended the 30 years of war that we know of as the Wars of the Roses.

Then from 1485 to 1509, Henry VII reigned; Henry VIII reigned from 1509 to 1547. Henry VIII had six wives: Catherine of Aragon, Anne Boleyn, Jane Seymour, Anne of Cleves, Catherine Howard, and Catherine Parr.

Following Henry VIII's death in 1547, Edward VI reigned from 1547 to 1553. He was the son of Jane Seymour. And then from 1553 to 1558, Mary, Bloody Mary, who was the daughter of Catherine of Aragon reigned. Elizabeth, the daughter of Anne Boleyn, reigned from 1558 to 1603; James I of England—he was also James VI of Scotland—reigned from 1603 to 1625. Charles I, his son, reigned from 1625 to 1649.

There was an Interregnum from 1649 to 1660, during which Oliver Cromwell ruled. In 1660 came the Restoration.

Charles II reigned from 1660 to 1685. James II reigned from 1685 to 1688. William of Orange, after he was crowned, jointly with Mary, was known as William III. They reigned from 1689 to 1702. Mary's sister, Anne, reigned from 1702 to 1714. Then George I, 1714 to 1727; George II, 1727 to 1760; George III from 1760 to 1820; George IV from 1820 to 1830; William IV from 1830 to 1837; Victoria reigned from 1837 to 1901; Edward VII ruled from 1901 to 1910, and George V reigned from 1910 to 1936; in 1936, Edward VIII abdicated the crown with the title of Duke of Windsor. I remember that very well, 1936. Then from 1936 to 1952, George VI reigned. From 1952 to the present time, Elizabeth II has been the English monarch.

Now, Mr. President, I would like now to trace, if I can, the development of Parliament and along with it talk about some English history.

Parliament had its roots in the Witenagemote of the Anglo-Saxon period.

The Witenagemote, the small gemots and folkmoots, the magnum concilium, and the curia regis, all of these were the base from which Parliament in later centuries came into being.

The Witenagemote was the King's Council. It was made up of the important men of the realm, the earls, the sheriffs, the thanes, the bishops, the abbots, and it advised the king in matters of war, shared with him in matters of the taxation, in dealing with foreign governments, and matters involving the military, and so on.

It was based on the importance of the individuals. It chose the king. A smaller council within this larger council was called the Witan. It was made up of members of the king's household, some of the more important officials, and it was in constant attendance upon the king. The king could not disregard the Witan or the Witenagemote. The Witenagemote chose the king, usually on the basis of his being hereditary and in the line of the family.

When William I, William the Bastard, who was the son of Robert the Devil, the Duke of Normandy, defeated Harold II at the Battle of Hastings on Senlac Hill in 1066, William I brought feudalism to England, which he implanted on the old Anglo-Saxon institutions.

There had been some great kings among the Anglo-Saxons. Alfred, 871–899, was a great king. He was educated, and he fostered a love for the arts and education. And he was one of the four brothers who were the sons of Ethelwulf, the four brothers being Ethelbald, Ethelberht, Ethelred I, and Alfred. Edmund, who was the son of Ethelstan, was killed by a thief in his own banquet hall. Edward the Martyr was killed by those who wanted to see Ethelred II have the crown. Edward the Martyr was treacherously murdered by the supporters of Ethelred II.

Cnut was the son of Sweyn "Forkbeard" of Denmark. And Cnut took to himself a temporary wife, Elfgifu. She was the daughter of the Earl of Northumbria, and to him and Elfgifu was born an illegitimate son, Harold Harefoot.

Cnut then married Emma, the widow of Ethelred II, and to them was born Harthacnut. When Cnut died in 1035 there was a brief Interregnum to 1037. Then Harold was made king and ruled to 1040. Harthacnut, the legitimate son of Cnut, then ruled until 1042. Edward the Confessor, as I have already indicated, reigned from Easter day 1043 to January 5, 1066.

Edward the Confessor married the daughter of the Earl of Godwin. Edward the Confessor was the son of Ethelred and Emma. When Edward the Confessor died on January 5, 1066, Harold II, son of Godwin, became king the next day. He only reigned from January to October. He fought his brother, Tostig, at the battle of Stamford Bridge on September 25, 1066.

At the battle of Stamford Bridge, Tostig had joined forces with Harold Hardrada, King of Norway. Both of them were killed in that battle of September 25. Harold was victorious. But at that time, he had heard that William the Conqueror had invaded the southern part of England—and they fought a terrible battle on October 1066. Harold was killed in that battle.

William the Conqueror, William I, became king. He was a Norman, and came to England and implanted feudalism. Under feudalism the important criterion was based on land holding.

The old Witenagemote, the King's Council, now became the Magnum Concilium, the Great Council. And what originally was the witan, the smaller council within the Witenagemote, now became the Curia Regis, a smaller council within the Great Council, the Magnum Concilium.

The membership of the Curia Regis, depended not upon the greatness nor the importance of the individual, as was the case in the Witenagemote. Land holding was the important criterion, under the Magnum Concilium and the Curia Regis.

The Magnum Concilium was expected to meet about three times a year. The Curia Regis that constantly attended the King, followed him wherever he went. It was made up of the chamberlain, the justiciar, the constable, the chancellor, and other household officers, such as the butler and the royal steward. The chancellor was the King's secretary.

William I died from a fall from a horse. William II was a cruel king, and reigned from 1087 to 1100, at which time he was killed in a hunting accident.

Henry, who was in the hunting party, immediately made off and seized the treasury, and made himself king.

Henry I reigned from 1100 to 1135. Under Henry I, the system of itinerant justices began. Itinerant justices out of the Curia Regis, would go into the various hundreds of shires and villages, which were administrative units, and hold court.

William I had brought the accusing jury, the sworn inquest from the continent. Henry I also used the accusing jury. As time went on, the King's court consisted of a jury, and the King's justices from the Curia Regis. A case could be taken from the shire court or from the hundred court, and brought into the King's court by a writ for a fee. Writs were used to command that the case be brought before the King's court. There was a different writ for each kind of action.

Henry II, who reigned from 1154 to 1189, was a great king. The petit jury became a formal part of the King's court, and offered a satisfactory instrument for settling civil and criminal cases. Henry II increased the number of itinerant justices. He increased the number of writs. He enlarged upon the court of exchequer which had originated under Henry I, and which was an outgrowth of the Curia Regis. The exchequer court audited the fees, fines, and the revenues collected by the sheriffs on behalf of the King. The exchequer court was probably called the exchequer court because of the checkered cloth that covered the table of accounts.

Also, Henry II created what was to become the court of common pleas. He created this court from the selection of five barons who were permanent members of the Curia Regis. And those five barons sat at Westminster the year round, and decided cases that were brought into the court of common pleas.

Richard I, who reigned from 1189 to 1199, Richard the Lion-Hearted, busied himself in the Crusades and fought in the Holy Land. As a matter of fact, he was on the way back from one of the Crusades in 1192, when he was arrested and imprisoned by the Duke of Austria. Richard I was ransomed in 1194 by the payment of a ransom, which came from a tax levied upon the people of England.

In 1199, Richard I was killed while making war in France. John became King. We remember John mostly by the Magna Carta, which was signed by him on the banks of the Thames on June 15, 1215, where he was forced by the barons to attach his signature.

There were 63 clauses in the Magna Carta. These clauses did not express any abstract principles; they righted wrongs. They were in simple language, language the common people could understand. The Magna Carta was the great charter of English liberty. It was reconfirmed in 1216 and 1217, and became a statute in 1297 when Edward I confirmed the charters.

The Magna Carta, clause XII, provided that there would be no aids, no taxes without their having the common consent of the realm—the common counsel, I believe, are the exact words—the common counsel of the kingdom.

Chapter XXXIX, which was probably one of the most important clauses, provided that no free man should be arrested, imprisoned, exiled, banished, dispossessed, or otherwise shorn of his standing except by the judgment of his peers and according to the law of the land. That "law of the land" phrase was exceedingly important, because it came to be the "due process" clause in the fifth amendment of our own Constitution and the 14th amendment. Also, as I have mentioned, clause XII is very important as we trace the developments in the power of the purse, and its being placed into the hands of the commons, the elected representatives of the people of England, and into our own legislative branch here in Congress.

Henry IV became King of England as a result of his having been made King by Parliament. He reigned from 1399 to 1413. He was the first of the Lancastrian Kings, and the power of the purse and the liberties of the people of England progressed greatly during the reign of Henry IV and the other Lancastrian kings.

Edward I has been called "The Father of Parliament." Under Edward I, Parliament began to take its form—not in its intricate details, a form that remained fluid for several years. Edward I summoned the "Model Parliament" in 1295. There had been some rudimentary Parliaments summoned earlier. King John had summoned a conference at St. Albans in 1213, and Queen Eleanor and the Earl of Cornwall had summoned a conference in 1254.

At King John's conference, there were four knights elected from each county. At Queen Eleanor's conference in 1254, there were two knights from each county. In 1264, Simon de

Montfort called a conference, which was to take place in 1265. He instructed the sheriffs to bring to that conference two knights from each county, two citizens from each city, and two burgesses from each borough.

In 1295, Edward I held what was known as "the Model Parliament." He invited two knights from each shire, two citizens from each city, and two burgesses from each borough. He invited the moneyed class, the business and commercial interests, the merchants. The King wanted money, so he called all branches of society who were in a position to supply it. He included the town and rural middle class.

In 1297, he needed moneys for his wars, and he asked Parliament for money. Before the Parliament would grant him the moneys he desired, they drew up the Confirmation of the Charters, which incorporated the Magna Carta, the Charter of the Forest, and other charters, and he signed that Confirmation of the Charters in 1297.

Then Parliament gave him his money. In the Confirmation of the Charters, the king agreed that henceforth there would be no taxes granted except by the common consent of the kingdom.

This was significant for two reasons in particular. One, it meant that in the future, Parliament would have to be convened if there was going to be any discussion of nonfeudal taxes, and all elements of society would be included, and it also was significant for the reason that henceforth Parliament would use the power of the purse to redress grievances and exact concessions from the king. That was a real milestone on the way to the full achievement of English liberty.

Edward II, who reigned from 1307 to 1327, was deposed by Parliament, one of the reasons being that he had misappropriated moneys that had been granted him by Parliament.

Great strides were made in the development of Parliament and in the power of the purse during the reign of Edward III. Edward III reigned from 1327 to 1377. The Hundred Years War was begun during his reign. He declared war on France in 1337. It lasted 116 years, to 1453, although called the Hundred Years War. Edward III repeatedly had to ask Parliament for moneys to carry on his war with France.

Parliament learned that it could effectively use this power of the purse to exact concessions from the crown, and to bring about a redress of grievances, and it used this power of the purse very effectively. Money talks. Parliament found that out.

During the reign of Edward III, the "Good Parliament" convened in 1376. It was during the "Good Parliament" that Parliament discovered a particularly effective weapon with which to bring the ministers of the King into submission. Richard Lyons, who was a customs officer and merchant, was impeached, along with other officers for having misused their offices. The weapon of impeachment was used effectively by Parliament in subsequent centuries.

In 1377 the first Speaker, so-called, of the House of Commons was named. He was Sir Thomas Hungerford. Another very important thing happened in the early part of Edward III's reign. Parliament, which had met in the Parliament chamber for several years, continued to meet in the Parliament chamber, but the knights and burgesses separated off from the hereditary Members of the Parliament. The knights and burgesses met in the precincts of Westminster Abbey. They would all meet together at the beginning of the session of Parliament, but then afterwards they separated, the knights and burgesses to meet in Westminster Abbey, and the Parliament or what later became the House of Lords continued to meet in the Parliament chamber.

They would meet separately and debate the questions and make their decisions separately, and then they would come back into the Parliament as they made their final debate and cast their votes. This was very important. This was about 1339 to 1341. Certainly, in the early 1340's, the Commons became separate from the Lords. As a matter of fact, it was in 1340 that the first appropriations were made by Commons, the first distinct instance of appropriations "made by Commons with the assent of the Lords." They were made first by what we would call the lower House.

In 1407, Henry IV sought to initiate revenues in the House of Lords. The House of Commons resisted and said that this would be in derogation of their privileges and their liberties. Therefore, Henry IV, in 1407, in the presence of both bodies, the Commons and the Lords, said that henceforth—henceforth—appropriations would be made, taxes would be made by Commons with the assent of the Lords.

From time to time this procedure was challenged. In 1552, during the reign of Edward VI, son of Henry VIII, the Lords passed a bill dealing with the treasurer. The Commons resented this, and said that they had, through custom, the power to initiate revenue bills.

They agreed with every detail that was in the bill; they agreed with the substance that was in the bill that had been passed by the Lords. But just to show that they were not going to ever have revenue bills begin in the House of Lords, they passed an entirely new bill containing the same substance, the same details as the bill that had come down to them from the House of Lords.

Under the Lancastrian's, as I said a little earlier, the Commons made great progress in developing the powers of the purse and vesting that power in Parliament.

Under the Tudors, Parliament did not fare so well. Henry VIII would seize church lands and sell them in order to avoid calling Parliament into session and asking for money. Elizabeth was very popular, so during the reign of the Tudors, Parliament did not fare too well. Elizabeth died in 1603 and James I of England became King.

James I believed in the divinity of Kings. He maintained that the King was the deputy of the Lord and that to be disobedient to the King was a sin because it was being disobedient to the Lord. He therefore made the claim that members of Parliament had no rights except rights that were accorded to them by the King. He said that they had been debating and meddling in matters that were beyond their scope, beyond their capability, and that he, the King, could punish them for misdemeanors as much while they were sitting as after the session was over.

The members of Parliament were very incensed about this and so they drew up what is known as the Apology of the Commons. They presented it to James. In the Apology of the Commons, they asserted that they, as members of Parliament, had all the rights and liberties that had been customary in England for centuries. That they had a right to debate matters of state and they would do so. They said that the voice of the people is as the voice of God. Vox populi, vox Dei.

In 1614, James dissolved Parliament, and Parliament did not meet again for 7 years—from 1614 to 1621.

James had had his problems with Parliament. He was a very arrogant monarch. He had arrested Sir Thomas Shirley and imprisoned him for debt. Parliament insisted that members of Parliament, while in session and on the way thereto and on the way therefrom, were privileged from arrest for civil causes. This was a prolonged argument. But finally James acceded to the position of Parliament and agreed that members of Parliament had freedom from arrest.

Also, there was a disputed election in 1604 between Sir Francis Goodwin and Sir John Fortescue. The King favored the election of Fortescue. Parliament decided that Goodwin had won the election. Finally, after a great deal of back and forth arguments, King James acceded to the rights of Parliament to determine the qualifications, returns, and elections of its own members. Never again was that right challenged.

James dissolved Parliament in 1614 and it never met until 1621. When it met, of course, the Parliament wanted to discuss the grievances and James wanted money. He was very hard up for money. But Parliament insisted on discussing the grievances which had occurred throughout the past 7 years.

Sir Edward Coke had his old enemy, the Lord Chancellor Francis Bacon, impeached. Bacon was found guilty of taking bribes and was sent to the tower.

The members of Parliament presented to the King what is known as the Great Protestation, in which they stated that they had inherited the rights of Englishmen from time immemorial and that they had a perfect right to debate matters of state; they had a right to freedom of speech, which, as far back as Henry IV, in 1407, had acceded to. Henry IV, in 1407, had agreed that members of Commons and the House of Lords were free to speak their minds in Parliament and were not to be questioned in any other court or place.

Well, a few days later, James, in privy council, tore out the pages—tore the pages of the Great Protestation out of the journal after Parliament had been adjourned.

James died in 1625. His son, Charles I, succeeded him, and of course Charles I believed strongly also in the divine right of kings, and he and Parliament became embroiled immediately in their arguments.

In 1628 Parliament drew up a Petition of Right, and in that petition, Parliament stated that arbitrary imprisonment should cease, arbitrary taxation should cease, and it set forth certain other liberties that had been infringed on. And the Petition of Right is considered another great milestone, along with the Magna Carta and the Bill of Rights.

In 1629, Charles ordered an adjournment of Parliament from March 2 to March 10. When the Speaker started to carry out the order of the King, the Speaker was seized and held in his chair. And the doors of the House of Commons were locked and three resolutions were passed quickly putting the grievances of the Commons on record, after which the doors were opened and the King's messengers were allowed to enter to get to take the mace. On March 10, Charles dissolved Parliament. Parliament did not meet from 1629 to 1640.

In the meantime, Charles brought back the Lord Deputy of Ireland, Sir Thomas Wentworth—Black "Tom Tyrant." Thomas Wentworth believed in using ruthless policies. He used ruthless, dictatorial policies in oppressing and suppressing the Irish. He had long ago ceased to support Parliament. He believed in using tyrannical methods in dealing with people.

He advised Charles I that—inasmuch as the Irish rebellion continued and the Scots had moved into some of the northern counties of England, Wentworth, who had been given the title Earl of Strafford by Charles I, advised Charles to call Parliament into session and take action to raise moneys and so on and drive the Scots out of England. Strafford advised Charles I that the people of England were anti-Scottish anyhow and that they would support the King in moving against the Scots. But as a matter of fact, the Scots stayed in the northern counties and the people of England applauded the Scots because they did not like Charles I. The English reaction was not as Strafford had hoped.

So, in 1640 when Parliament met, because Charles had pawned the crown jewels and sold the crown lands and had exhausted every means of raising funds, nonparliamentary funds—he had put the country into debt—so he finally, finally had to call Parliament back in session.

Parliament was not in a mood to give Charles funds. It immediately took action against Charles' ministers. The Commons had Strafford arrested and brought him before the House of Lords but there was no evidence of treason to support an impeachment. Therefore, Commons, instead of being able to proceed with the impeachment and having the Lords convict Strafford, resorted to an act of attainder which needed no evidence of guilt but merely condemned the accused to death.

Charles I had promised Strafford that he, Charles I, would not see him, Strafford, die; that he would save him, he would stand by him. But Charles I, out of fear for himself and his family, signed the death warrant and, on May 12, 1641, Strafford was beheaded on Tower Hill before a crowd of 200,000 people.

The next year, on January 4, 1642, Charles came down to Parliament with 400 swordsmen and entered the House of Commons, intending to arrest John Pym and John Hampden and three other leaders. But they had heard he was coming and had left, having escaped on the River Thames.

Charles and his 400 swordsmen, of course, were met with cries of protest and they walked out. This was on January 4, 1642. Matters went from bad to worse. And on August 22, 1642, Charles unfurled the royal standard on the meadows of Nottingham. The civil war was on.

London, with 500,000 people, and the south and east of England went over to Parliament's side. The navy went over to the side of Parliament. Charles had strength in the northern and western counties among the well-to-do, the large land holders. The Battle of Marston Moor was fought on July 2, 1644, and, as a result of that battle, Charles lost all of the northern counties of England. The next year, in June 1645, Charles' main army was defeated by Cromwell and Fairfax at the Battle of Naseby.

On January 6, 1649, Parliament created a high court of justice to try Charles I of England for treason. The court found Charles guilty of being a tyrant, a traitor, a murderer, and a public enemy to the good people of England and declared that his head should be severed from his body. On January 30, just 24 days later, Charles was beheaded in front of his palace at Whitehall.

There was an Interregnum from 1649 to 1660. Oliver Cromwell and the army pretty much took over. England was declared a commonwealth, and the monarchy and the House of Lords were abolished. In 1654, the army wrote a constitution called the Instrument of Government. It declared England a protectorate and Cromwell, who had rejected the offer of the title of King, was named Lord Protectorate.

Cromwell died in 1658. His son Richard tried to carry on Oliver Cromwell's policies, but Richard was a weak man and was very unsuccessful. In 1660, General George Monk, who was commander of the British occupation forces in Scotland, came down from Edinburgh and took over London and declared for a free Parliament. A free Parliament was elected and in 1660 declared that henceforth England should be ruled by Kings and Lords and Commons.

Charles II, son of Charles I who had been on the continent, came back to Dover in 1660 and was crowned King. He reigned from 1660 to 1685, and it was during his reign in 1679 that the Habeas Corpus Act was enacted.

Charles II died in 1685. His brother, James II, then became King. James was an arrogant, weak king, and the Whigs and the Tories invited William of Orange and his wife Mary to England to become the sovereigns. William of Orange was a grandson of Charles I and Mary was the daughter of James II.

They reached England in November of 1688. In December, James II left England forever. He threw the great seal of England into the Thames River and took refuge in the court of Louis XIV of France, the Sun King.

In January, the English Parliament drew up a Declaration of Rights and offered to make Mary and William of Orange joint sovereigns provided they accepted the Declaration of Rights.

On February 13, 1689, they promised to comply with the Declaration and were crowned joint sovereigns. In that Declaration of Rights, which was in December of 1689 incorporated into a statute known as the Bill of Rights, William and Mary promised and acceded to certain demands set forth in that Declaration. Levying of money without grants of Parliament was proclaimed illegal, and trials by jury were assured. Freedom of speech in Parliament was guaranteed, and excessive fines and excessive bail were to end. The Bill of Rights, enacted in 1689, gave to Parliament and the people of England supremacy over the Crown.

The Act of Settlement, which followed in 1701, was enacted to guarantee that the Stuart line would never again reign in England. And in the Act of Settlement, we find another very important provision, namely, that judges were to serve for life, not at the pleasure of the King. They could only be removed from office by the action of both Houses of Parliament upon proof of bad conduct.

We have had a brief taste to quench our thirst for water from the fountain of English liberty, and we have noted some of the great milestones along the way in the form of the great documents—the Magna Carta, the Confirmation of the Charters, the Great Protestation, the Petition of Right, the Apology of the Commons, the Declaration of Rights, the Bill of Rights, the Act of Settlement.

Let me now, Mr. President, touch upon some of the parallels between the English constitution and our own Constitution.

The first parallel is that of bicameralism—bicameralism.

Bicameralism, as we have noted, began in the 1340's when the knights and burgesses separated from the lords into a separate body, and we saw there the House of Commons emerge.

Now, in our own Constitution, article I provides that, "All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."

There in article I, section 1 is the bicameralism which grew out of the colonial experience and from the English experience.

Article I, section 2 provides for the House of Representatives and how its Members will be elected based on population.

Article I, section 3 speaks of the Senate and states that its Members will be selected by the State legislatures. At first they were not elected by the people. They were selected by the legislatures of the States.

The seventeenth amendment providing for the election of Senators was ratified in 1913.

We will recall that during the reign of Edward III in the year 1377, the first speaker so-called was selected for the House of Commons. His name was Thomas Hungerford.

In article I, section 2 provision is made for an election of Speaker in the House of Representatives.

Also, in article I, section 2, it is provided that Members of the House shall be inhabitants of the States in which they are chosen.

Article I, section 3 says that Senators shall be inhabitants of States for which they are chosen.

Now, from where did this come? Well, this came about in England as a result of the packing of Parliament by the kings. Sheriffs would announce as their nominees, knights who were not residents of the counties which they were to represent. Therefore, in 1413 legislation was passed by Parliament providing that the members of Parliament should reside in the areas that they were to represent, and that act was repeated in 1430 and again in 1445.

Our Constitution therefore picked up on that.

One of the things that we saw throughout English history was the proroguing, dissolving, adjourning of Parliament by the kings. We saw that, from 1614 to 1621, no Parliament met. We saw that from 1629 to 1640, 11 years, Parliament did not meet.

So the members of Parliament had no opportunity to voice their grievances. They had no opportunity to make the power of the purse work. And that was cured finally in the Bill of Rights, in 1689, which provided that Parliament would meet often. Article I, section 4 of our U.S. Constitution provides that Congress shall meet annually. So we can see the parallel there.

I spoke a little while ago about Sir Francis Goodwin and Sir John Fortescue, and the disputed election involving both men. We saw that the outcome was that Parliament won the dispute with King James I. He acceded to the position of Parliament that it had the right to be the judge of the returns, elections, and qualifications of its own members. That right was never again challenged.

In our own Constitution, article I, section 5, gives each house of the Congress the right to judge the qualifications, elections and returns of its own members.

In article I, section 6, Members of the Congress are protected against arrest on civil causes while Members are in session, while they are on their way to a session, or while they are on their way from a session. We traced that back earlier to the matter involving Sir Thomas Shirley, who was imprisoned for debt. James I had quite a prolonged disagreement with the Commons. But Commons prevailed.

Article I, section 6, also provides that Members of the House and Senate have freedom of speech and debate in either House and shall not be questioned in any other place.

We saw that in 1407, Henry IV acceded to that position on part of the Commons, and stated that members of both Houses should be free to speak their will. Moreover, the English Bill of Rights of 1689 specifically protected freedom of speech in Parliament.

Article I, section 6, also provides that no person holding any civil office under authority of the United States may be a Member of the House or the Senate. Under article I, section 6, no Member of Congress may accept any office for which the emoluments have been increased during the term for which he was elected. That is a separation of powers matter, resulting from another parallel in British history, that being that the Kings would try to pack Parliaments with their favorites—Members of the House of Commons who drew pensions or other benefits from the Government. Parliament put a stop to that. And we find that provision in article I, section 6 of the Constitution.

Article I, section 7, provides that bills be passed in both Houses and presented to the President. If he agrees to the bill, he signs it. If he disagrees, he may veto it. How did that come about?

Prior to the 14th and 15th centuries, the King, sitting with the privy counsel, promulgated the law in the form of ordinances. Later, in the time of Edward I, Edward II, Edward III, the knights and burgesses presented petitions to the King even without the support of the nobles. The King and his ministers might incorporate those petitions into a statute. They might change this or that detail, or they might even do nothing.

So the members of Commons, the middle class, the knights and burgesses, were able to have their views put into a petition. If the King accepted the petition, then he and his ministers would perhaps put it into a statute, often with some changes.

In the time of Henry the IV, bills were substituted for petitions, so that the bill contained the statute in the form that the members of Parliament desired. When the King received the petition, it was in the form of a bill. He could no longer change it. The bill contained the statute.

The bill carried the statute in the form that it was to become law. The Kings and their ministers could no longer make changes. The King either signed the bill in its entirety, or he could refuse to sign it. Therefore, in article I, section 7, we see that bills from the Congress go to the President, and he may sign each bill or he may veto it. He is not to change it. He has no line-item veto. He is to sign it or reject it in its entirety.

In article I, section 9, we see the power of the purse. In article I, section 9: "No money shall be drawn from the Treasury, but in consequence of appropriations made by law." And this is the milk in the coconut, going back to the Magna Carta. As a matter of fact, the first rudimentary appropriation occurred in the reign of Ethelred II, 978 to 1016, in the form of the Danegeld, which was a land tax, and was agreed to by the witenagemote. It had certain limitations, the limitations being that the tax was to be spent to deal with the requirements of the Danish invasion. It was not to be used to pay off the previous debts.

So here was a rudimentary appropriation, which had conditions and limitations agreed upon by the witenagemote. By the time of Edward III, it was becoming customary to attach conditions to money grants.

Article I, section 8 provides that Congress shall have power to levy and collect taxes. We have traced this power through the centuries. We saw it in clause XII of the Magna Carta. We saw it again in the Confirmation of the Charters in 1297 at the time of Edward I. We saw it in the English Bill of Rights in 1689, which made the Commons supreme over the King, because its power over the purse was secure.

Article III, section 1 provides that judges shall hold office for life, and can be removed only for bad behavior. That parallel was found in the Act of Settlement in 1701, during the reign of William III—Mary had died—and, of course, that provision has come down to us from the English model.

Article III, section 3 provides that no person shall be convicted of treason except on the testimony of two witnesses to the same overt act, or as a result of confession in open court. The English Treasons Act was enacted in 1696, and provided that no person should be indicted or tried for treason except upon the testimony of two lawful witnesses.

Then, of course, the due process clause in the 5th and 14th amendments, as I say, really had its origination in the Magna Carta, paragraph 39, which said that no freeman should be dispossessed of his property, imprisoned, exiled, except by the judgment of his peers and "according to the law of the land." "The law of the land," that phrase appeared from time to time in English history, and the words "due process" in the U.S. Constitution can properly be said to have their basis in that phrase.

The eighth amendment to the Constitution has to do with excessive bail and fines.

The English Bill of Rights declared that there should be no excessive bail required and no excessive fines imposed, and we find that in our own amendment No. 8 to the United States Constitution. We are protected against excessive fines and excessive bail.

Mr. President, we have been able to follow through the long course of the centuries the rights and freedoms and the guarantees of those rights and freedoms, long in the English Constitution. And we found that the central pillar of that English Constitution, like we found in the history of the Romans, was the power over the purse. When the Roman Senate gave away its power over the purse to the dictators and to the emperors, it gave away its power to check the executive.

Therefore, we should be instructed by these histories—the history of the Romans and the history of the English peoples—that the power of the purse is the central strand in the whole cloth of Anglo-American liberty. I am somewhat proud to be of English and Scottish descent. I do not go around calling myself an Anglo-American. I think there are too many of these hyphenated Americans. We are all Americans. We were born in this country. I am an American, not an Anglo-American. I am an American.

We should understand that the English model was the root of our own system and our Constitution. The colonial governments were built upon the English model. The English model of a bicameral legislature was translated to the colonies in the form of houses of representatives freely elected by the people, and upper houses or councils, the members of which were appointed by the Royal Governors.

The power of the purse did not come to us by chance, and this is such a matter of importance that I am chagrined, really amazed, that so little attention is being given to the votes that will occur tomorrow, so little attention being given by the press—now and then there is a column or an editorial—so little attention being given by the Members of the two bodies, so little attention being given by the people. In the 1830's or 1840's or 1850's, the galleries would have been filled to overflowing by people from this city. The carriages would be a dozen deep waiting on the outside, carriages that brought interested citizens to listen to the debates. The papers would have been filled with stories about the balanced budget.

I cannot conceive of Daniel Webster or Calhoun or Clay or Benton of Missouri, any of the great Senators of all time voting for a constitutional amendment on a balanced budget. They treasured too much this balance of powers and separation of powers, checks, and balances. They knew Plutarch, Polybius, Cicero, Demosthenes, Tacitus. They knew about classical Greece and classical Rome. They knew about Plato. They would never have supported a rape of the Constitution such as we see in this constitutional amendment on a balanced budget. They would have spoken out against it. And if we had had radios and televisions in those days of the 1800's, the airwaves would have been filled with protests because this would have been a matter of great moment to the people of the country. And it is a matter of great moment to the people of the country today. What are we talking about? The Olympics? What stories occupy the front pages? Certainly not the balanced budget.

Let me just simply say that this is a vital matter in its outcome and effect on the children and grandchildren of all of us, and to all posterity to come. Once this power of the purse, once this Constitution has been amended to destroy the separation of powers and checks and balances, then we have destroyed our structure of government, we have destroyed a Constitution of over 200 years, and the legacy that we will hand on to our children will not be something for which they will rise up and call us blessed.

Kipling wrote a bit of verse, "The Reeds of Runnymede," Runnymede, where the great Charter was signed by King John in 1215:

> At Runnymede, at Runnymede,
> Your rights were won at Runnymede.
> No freeman shall be fined or bound,
> Or dispossessed of freehold ground,
> Except by lawful judgment found and passed upon him by his peers!
> Forget not, after all these years,
> The charter signed at Runnymede.

I yield the floor.

The PRESIDING OFFICER. At this time the Chair recognizes the Senator from Nevada, Senator REID.

Mr. REID. Mr. President, I wonder if I could enter into a dialog with my friend from Utah and the President pro tempore of the Senate. I have some speakers that would like to come to the floor. I am wondering if we could arrange some time during the day so they do not have to come and wait around. Senator FEINGOLD, for example, wants to come at 1:30 for 15 minutes. Does the Senator have a speaker at that time?

Mr. HATCH. If the Senator would yield, I am happy to accommodate the Senator. We have four right now who would like to speak, as well. I would be happy to alternate.

Mr. REID. That would be fine.

(Mr. DORGAN assumed the chair.)

Mr. HATCH. Do you have anybody to speak right now?

Mr. REID. I want to speak for just a few minutes.

Mr. HATCH. Senator MURKOWSKI will be here at 1:15. I ask unanimous consent that when he arrives he be given an opportunity to speak.

Mr. REID. How long does he wish to speak?

Mr. HATCH. I believe he wants about 15 minutes.

Mr. REID. Could I have Senator FEINGOLD speak when Senator MURKOWSKI finishes?

Mr. HATCH. Yes.

Mr. REID. And then Senator DORGAN wishes to speak, and we will arrange that.

Mr. HATCH. Senator BURNS would like some time today, so I would ask him to get over as soon as he can. And Senator DURENBERGER would also like to speak. I would be happy to work in every way with my friend and colleague.

Mr. REID. I thank the Senator

I want to compliment the Senator from West Virginia, the President pro tempore, for his wide-ranging accounting of the history of the power of the purse. The encyclopedic memory of the Senator from West Virginia is truly a marvel.

Senators and others listening, I am sure were aware that his speech dealing with history, including the reign of the British monarchs, was without notes, entirely from memory, including the spelling and the dates that they held office.

I wish to compliment the Senator from West Virginia, as well, for his stalwart defense of the congressional power of the purse. As Senator BYRD has explained, the English-speaking world has vested power over taxing and spending primarily with the legislature since before the English civil war of the mid-1600's. This decision to lodge fiscal powers in the Government unit with ties close to the taxpayer resulted, in significant part, from the practical expedient that those legislators could most ably assess the ability of taxpayers to contribute.

Shifting this power away from Congress would result in less representative democracy. And shifting the powers to the President and the courts is exactly what the Simon amendment would do.

The Danforth amendment to the Simon amendment limits somewhat the involvement of the courts enforcing the constitutional amendment. But neither the Simon amendment nor the Danforth amendment to the Simon amendment limits the powers of the Executive.

In contrast, section 5 of my amendment explicitly precludes a President from claiming new impounding powers. As a consequence, under the Simon amendment, the President who has taken an oath to uphold the Constitution will have taken an oath to enforce article 1 of the Simon amendment. That section says: "Total outlays for any fiscal year shall not exceed total receipts for the fiscal year."

If late in the fiscal year, the Director of the Office of Management and Budget feels the outlays are exceeding revenues, then, under the Simon amendment, the President will have the constitutional duty to impound funds to prevent a violation of the Constitution. Of course, the sad part about that is that the President will also have the pleasure of choosing which programs he wishes to cut in order to ensure that the Constitution is enforced.

I say to Senators, especially those who represent small States by virtue of population: Which programs would he be most apt to cut? Of course, those that would affect small States.

This power will significantly enhance the power of the President relative to the Congress.

Earlier today, the senior Senator from Utah complained that my amendment would run contrary to the fifth amendment rights of due process because my amendment prohibits the courts and the President from enforcing the amendment. That says it all.

But it is the Simon amendment, Mr. President, that will threaten the rights of American citizens.

Let me read from the testimony of one constitutional expert, Louis Fisher, of the Congressional Research Service before the Appropriations Committee.

Mr. Fisher said:

> Mr. Chairman, you talked about the power of the purse, and one thing that occurs to me that with the fall of the Soviet Union my institution, CRS, is visited all the time by countries in Eastern Europe, and Russia, and other countries. And what they study when they come here and what they are so impressed by is Congress as an institution. They marvel at Congress, a coequal, independent body, capable of checking the presidency, because they are used to a system in which power is concentrated in the executive. . . .
>
> And I would say that the power that makes Congress very distinct, particularly from other parliamentary governments, is the power of the purse.

That is where our Founding Fathers deliberated and with this great ability did that to make our system of government very unique.

Mr. Fisher went on to say:

> And the framers were so familiar to make sure that that power was put in Congress to protect not just Congress as an institution but to protect individual citizens. That is how liberties are protected.
>
> I think if the balanced budget amendment were adopted as we have said it would give the President new leverage over impoundment and an item veto, moving money around, and that would give the President leverage over you and other Members because the President could use that not just in the budgetary arena but everywhere.
>
> If the President wants a treaty passed, if he wants a nomination to go through, if the President, as they all do, has a special spending project that he wants, he can come and tell you that there is something in your district that is on the table to be canceled, my budget bureau is looking at it, it looks as though we might have to ax it, but while I'm talking to you I would like just to know what you are going to do next week on the vote on that nominee or on the treaty or spending package.
>
> And this is leverage that would be so destructive to Congress as an institution, and if Congress is destroyed—I think worldwide we know that an independent legislative branch is a guarantee for individual liberty.
>
> Just another remark on this issue of respecting the Constitution. I think in recent years we have gotten into the habit of thinking that the court, particularly the Supreme Court, is the guarantor of the Constitution. But I think you know, if you look over the last 200 years, that all three branches participate in that process. I would say in terms of behavior Congress to my mind is at the top in protecting rights and liberties and in respecting the Constitution.

It is precisely to avoid this diminution of powers of the Congress at the expense of the executive branch that section 5 of my amendment provides that Congress and only Congress shall enforce the Reid amendment when it becomes part of our Constitution. The Simon amendment fails to protect against the power grab by the executive branch, and this is, in my opinion, a fatal, fatal flaw.

Mr. HATCH. Once again Senator REID argues that Simon/Hatch implicitly grants to the President authority to impound funds, to suspend the operation of spending measures, or to rescind earmarked funding measures.

Admittedly, the law of Presidential impoundment is far from clear. However, the plain meaning and the structure of Senate Joint Resolution 41, buttressed by its legislative history, indicate that the amendment does not grant to the President any additional authority, and, in fact, is intended only to circumscribe Congress' taxing, borrowing, and spending powers.

Specifically, section 1 of Senate Joint Resolution 41 directs that outlays exceed receipts only if three-fifths of both Houses of Congress vote so provide. The only mention of the President is in section 3, which requires that the President submit a balanced budget to Congress for each fiscal year.

This view is supported by the committee report and prior floor debates, which make it clear that the amendment grants to the President no new additional authority.

Finally, section 6 of the BBA mandates that Congress promulgate enforcement legislation. This is a strong indication that Congress, and not the President, has the exclusive authority to establish a mechanism to ensure a balanced budget. The President's constitutional role is limited to enforcing that legislative mechanism.

In any event, impoundment authority is probably irrelevant. Although the Supreme Court has not decided the issue whether the President possesses constitutionally inherent executive impoundment authority, it has held that the President may not impound funds when Congress mandates that the sums be spent. *Kendall* v. *United States ex rel Stokes*, 37 U.S. (12 Pet.) 524 (1838). See *State Highway Comm.* v. *Volpe*, 479 F.2d 1099 (8th Cir. 1973); *Nat'l Council of Community Health Centers, Inc.* v. *Weinberger*, 361 F.Supp. 897, 900 (D.D.C. 1973).

This implicitly supports the position that, even if the President possesses limited impoundment authority, Congress could protect its constitutional and institutional prerogatives by promulgating detailed enforcement legislation pursuant to section 6.

Once passed, such legislation would trump any conflicting presidentially created enforcement procedure such as impoundment because the President must enforce the law Congress creates.

Mr. REID. I ask my friend from Vermont if he wishes to speak?

Mr. LEAHY. Mr. President, I say to my good friend from Nevada, as he knows, because he was here, I have waited for the last 2 or 3 hours hoping to get a chance to make a short statement which will probably take me about 10 or 11 minutes, at best.

Mr. REID. Is this in relation to the balanced budget amendment?

Mr. LEAHY. Yes.

Mr. REID. I would simply ask whose time would the Senator want to use?

Mr. LEAHY. Mr. President, how much time does Senator BYRD have?

The PRESIDING OFFICER. The Chair would advise the Senator from Vermont that the Senator from West Virginia has 13 minutes remaining.

Mr. LEAHY. On the Simon amendment?

Mr. REID. We have divided up the time by four, and he used 2 hours and 1 minute. We each have 2 hours and 15 minutes.

Mr. LEAHY. Mr. President, maybe I should vote with Senator SIMON so I could have more time to talk about this.

Mr. REID. I thought my colleague said his statement only took 10 minutes.

Mr. LEAHY. I am sure—yes, I will seek to be recognized for 10 minutes.

The PRESIDING OFFICER. The Chair will advise that the Senator from West Virginia controls 13 minutes for the remainder of the day under the previous unanimous consent agreement. The Senator from West Virginia would control that time.

Mr. REID. I am sure Senator BYRD, if he needs more time—we can work something out if he personally needs more time. So, unless there is some objection, go ahead and use Senator BYRD's time. If he needs more time, we will work that out.

I note for the Senator this is very tight because Senator MURKOWSKI is due here about 1:15.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Chair will inquire of the Senator from Vermont if he is seeking recognition and, if so, under what provisions of time?

Mr. LEAHY. Mr. President, I ask to be recognized for 10 minutes under the time controlled by Senator BYRD, the Senator from West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Vermont is recognized for 10 minutes.

Mr. LEAHY. We have heard everybody from the Founders of the Constitution to eminent columnists quoted in this debate on the balanced budget amendment. I have read these quotes. I have read the columns. I have read the various editorials. But I thought, considering the fact that some of the debate on both sides has become somewhat more simplistic, I would draw my inspiration not from the CBO or OMB or GAO. I thought I would go to that famous philosopher, the Cowardly Lion in the Wizard of Oz.

Balancing the budget is not about baseline and sequesters. To quote the Cowardly Lion from the Wizard of Oz, it is about courage. Let me tell you what he might say about this debate:

> What makes a king out of a slave: Courage.
> What makes the flag on the mast to wave? Courage.
> What makes the elephant charge his tusk, in the misty mist, Or the dusty dust,
> What makes the muskrat guard his musk? Courage.
> What makes the Sphinx the seventh wonder? Courage.
> What makes the dawn come up like thunder? Courage.
> What makes the Hottentot so hot?
> Who put the ape in apricot?
> What have they got that I ain't got? Courage!

Mr. President, the Cowardly Lion finally got his courage. Now, we ought to get a little. We do not need a constitutional amendment to balance the budget. There are only three ways to lower our budget deficit—cut spending, raise taxes, or a combination of both. And the last time I looked, Congress has all the constitutional authority to do these.

As the Cowardly Lion points out, courage is not something given to you. It comes from within.

Since the beginning of Reaganomics, the White House, with too much complicity from Congress, has been living in a dreamland in Oz, a dreamland where we could spend more, tax less, and still balance the budget. Anybody outside of Congress and outside the administration knew that was impossible. And $3 trillion of debt later we know all too well that Reaganomics was an economic nightmare.

Fortunately, the American people gave Congress a wake-up call in 1992, and they voted for a change. Working with President Clinton, Congress has begun to get our fiscal house in order. Last year, Congress passed the largest deficit reduction package in history, and the annual deficit fell over $35 billion. Over the next 2 years, annual budget deficits are estimated to decline even further. The last time we had 3 years of declining budget deficits was when Harry Truman occupied the White House.

We must continue to work toward a cure for the deficit disease. But we are not going to do it by selling the American people a snake-oil remedy. Congress must face our spending choices honestly. We have to make tough and painful decisions.

The balanced budget amendment, if approved, would let Congress off the hook. But not the American people who would then be at the mercy of spending decisions that had been taken out of the hands of their representatives. In fact, some might call the balanced budget amendment a full-employment lawyers benefit package. The amendment could triple the number of lawyers in this country, a sobering thought if ever there was one. And even then, these lawyers would be unable to handle all the court cases we would see under a balanced budget amendment.

Here is the stark reality of what would happen under the balanced budget amendment, just in one small State, my own State of Vermont. Across-the-board spending cuts are going to hurt the most vulnerable in my home State. The Treasury Department estimates that these blanket reductions would cut, per year, $1,068 for the average Social Security recipient, $759 for each person on Medicare; $439 less for each Medicaid recipient. We would cut money to fight crime, to build highways and bridges, to protect the environment and educate our children—all of that would be cut.

The balanced budget amendment, if we have courage, is unnecessary. But it is also dangerous. It would demean the Constitution, would endanger our economy, and throw the budget process into the courts. The U.S. Constitution is perhaps the most treasured document of governance in history. Its system of checks and balances and individual rights is genius in its elegance and its simplicity.

Those who would alter this charter have a very, very heavy burden of proving the merit of amendments. They must prove the amendment has so much merit that it could bring about this change after 200 years of a Constitution that has worked so well. I think the proponents of the balanced budget amendment have not met this burden. The balanced budget amendment would invite the worst kind of cynical evasion and budget tricks. The overwhelming temptation will be to exaggerate estimates of economic growth and tax receipts, underestimate spending, and use all kinds of accounting ruses.

You think we have a separate set of books now? This amendment is going to amaze even the best accountants. We have seen far too much of this as Congress wrestled to meet past statutory targets. With Congress facing a constitutional mandate, you are going to see bobbing and weaving moves that make the Olympic slalom races look like they are a straight line.

In passing a constitutional directive that will inevitably encourage evasion, we invite scorn not only toward Congress, but toward the Constitution itself. Let us not debase our national charter in a misguided political attempt to show the American people that we finally mean business on the deficit. The way we prove that we mean business is to pass specific, politically painful legislation that reduces our debt.

Look at the economic disaster that could occur during recessions. Deficits rise because tax receipts go down and various government payments, like unemployment insurance, go up. This amendment requires that taxes rise or spending falls. As Herbert Hoover discovered back in 1930, that is precisely the wrong medicine at the wrong time.

Of course, the amendment's sponsors tell us a supermajority, 60 percent of both Houses of Congress, could waive the balanced budget requirement at any time. What they are saying is that a minority of 40 percent, can control the economic destiny of this country. I vote for majority control, not for minority control. Our economic policy has to be flexible enough to accommodate an ever-changing economy, an impossible task when 21 States in the Senate, 21 States of whatever size, could hold the budget hostage in times of economic emergency.

As I said before, the balanced budget amendment will surely throw the Nation's fiscal policy into the Federal courts. That is the last place issues of taxing and spending should be decided.

This amendment flatly states that "total outlays for any fiscal year shall not exceed total receipts for that fiscal year * * *" Who is going to determine an "outlay" or a "receipt"? What happens if revenue projections are off and outlays do exceed receipts? Does the President then have the unilateral authority to cut programs? Do the courts? The amendment is a full-employment opportunity for lawyers in this country.

The President and a minority of Congress would undoubtedly clash about answers to all these questions, and the Federal courts would be called upon to decide them as a matter of constitutional law—perhaps in thousands of taxpayer lawsuits brought by individuals challenging particular Government funding decisions across the country. Answering these questions could take years, working their way up to the Supreme Court, before a final decision is made.

Constitutional scholars like Larry Tribe and Robert Bork may not agree on many things, but one thing they do agree on is that a balanced budget amendment would flood the courts with unwieldy, unmanageable lawsuits to straighten out the budget years after the fact.

They also agree that it will kick massive responsibility for how tax dollars are spent to unelected Federal judges.

A balanced budget amendment is not a cure for the deficit disease, but a prescription for controversy and gridlock among the branches of Government. It would grossly alter the separation of powers that has stood for over 200 years as a testament to our Founding Fathers' wisdom. The debts of voodoo economics will be paid off by future generations. Do we really want to inflict posterity with voodoo constitutionalism as well?

Let us put an end to this debate on a balanced budget amendment to the Constitution. Congress needs to move beyond this gimmick—a gimmick that is not only unnecessary, but also dangerous. We need to begin debating the real issues facing the American people—health care reform, welfare reform, the crime bill and specific deficit reduction measures. And we need to do it now.

Let us not trivialize the Constitution with Government-by-gimmicks.

I retain the remainder of Senator BYRD's time.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, under a previous agreement, Senator HATCH has yielded 15 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska [Mr. MURKOWSKI], is recognized for 15 minutes.

Mr. MURKOWSKI. Mr. President, I wish you a good morning, and my colleagues as well.

I rise today in opposition to the amendment pending offered by my distinguished colleague from Nevada, Senator REID. As we reflect on the issue of a balanced budget, Mr. President, I can not help but recall in 1986 unloading the mail on the Capitol steps with a number of other colleagues. That mail was a public outcry concerning the merits of a balanced budget.

Today we are addressing that same issue, as it remains unresolved. Just a few days ago, we had an opportunity to see another truckload of mail come in from all over the country with regard to the balanced budget and the necessity of recognizing that, indeed, what we are faced with is a fiscal crisis.

While I listen to my distinguished colleagues consider various criticisms regarding the balanced budget amendment, I cannot help but reflect on the bottomline reality, and that is that we are now borrowing in excess of $200 billion—as a matter of fact $212 billion—to pay interest on our accumulated 4.5 trillion dollars' worth of debt. Many of my colleagues seem to think that this can go on for a considerable length of time or that we could correct it by initiating specific spending cuts.

But history indicates, Mr. President, that we simply do not have the self-discipline to do that. We do not have the self-discipline to address the entitlements, to freeze the entitlements, reduce the rate of growth of the entitlements. We have very little discretionary spending left, so now we are jockeying around again to find some other alternatives.

There are basically two alternatives. Perhaps some of my friends would suggest that given enough time, we are going to come up with a third one. There is a third way. You either increase revenues or reduce spending.

The balanced budget amendment would mandate a balanced budget. And it puts the responsibility where it belongs as opposed to using the excuse that somehow we should have the self-discipline that we do not have. I think we are at a crucial time relative to the economic viability of our Nation, because this simply cannot go on and the significance of this debate is that we have an opportunity to do something about it now.

The amendment pending by the Senator from Nevada purports to be a substitute for the balanced budget amendment that I am cosponsoring with Senators SIMON and CRAIG. Yet, even a cursory reading of the amendment shows that this amendment in itself will not even remotely serve to balance the budget.

Quite the contrary, if this amendment is adopted, we will have abandoned once more any hope of our Nation's deficit coming under control, for this amendment is so transparently flawed that it is impossible to believe that it is being offered as an alternative to a balanced budget amendment. If this substitute is adopted, it will be proof positive that this institution again will stop at nothing to avoid facing our fiscal responsibilities.

Mr. President, the central element of this substitute is the requirement, and I quote:

> Total estimated outlays of the operating funds of the United States for any fiscal year shall not exceed total estimated receipts to those funds for that fiscal year.

In defining—and I do not think we have really reflected on this—in defining "operating funds," the substitute excludes so-called capital investments. Well, Mr. President, what are capital investments? As the President's budget analysis correctly recognizes:

> The classification of spending into investment or current outlays is a matter of judgment.

Who is going to exercise the judgment on whether spending should be placed in the operating budget or the capital budget? Should this language be included in the Constitution, I am certain that we will have endless debates between the Congressional Budget Office, the Office of Management and Budget, and every agency of Government in trying to decide the appropriate allocation of spending between capital and operating expenses.

Mr. President, for several decades, the Federal budget has included general classifications relating to capital and operating expenses. In general, capital investments—and this is what is excluded in this amendment—capital investments have included physical investment in terms of research, development, education, and training. The National Performance Review contained a far narrower definition of investment to include only common commercial-type products used to support the delivery of Federal services—office buildings, computers, hospitals, automobiles, and similar physical products. However, the National Performance Review [NPR], excluded investments in military weapons systems and bases, as well as special purpose capital projects such as the space station and dams.

Mr. President, some economists would contend that human capital investments—and mind you, capital investments are excluded—human capital investments should be included in capital spending on the theory that such necessities as childhood immunization, maternal health, and substance abuse treatment programs all promote less costly future health problems.

That is true. But the list of capital human investment projects is absolutely endless, and we all know it. Yet, they are excluded in the sense of coming under capital investments.

The loopholes that such an exemption creates would, in essence, make the amendment meaningless, Mr. President.

There is another aspect of this capital investment exception that I would like to discuss, and that deals with the issue of how to treat grants to States and local governments. Currently, for some grants to State and local governments, the recipient jurisdiction, not the Federal Government, ultimately decides whether the money is used to finance the investment or current operating expenses. How will the Federal Government categorize these grants?

Currently, community development block grants are classified in the Federal budget as physical investment even though some of these grants may be spent for operating current programs. By contrast, general purpose fiscal assistance is classified as current spending, although some of the money may be spent by recipient jurisdictions on physical investments. We will have an endless debate on these issues with no practical solutions should the current amendment be adopted.

As anyone can see, the capital investment exception contained in this substitute could be used to effectively take hundreds of billions of dollars of Federal spending simply off the table and give the American people the illusion that the Federal budget is being balanced. In fact, if we use the historical definition of Federal investment outlays that is included in the President's current budget, $239 billion of Federal investment would not be counted as Federal spending in the fiscal year 1995 that we are soon to consider.

In other words, under the proposed Reid substitute, the Federal budget deficit for fiscal year 1995—$176 billion—just disappeared, went into thin air because we decided not to count so-called capital investments. This is simply an accounting gimmick and nothing more, and the American people will not be deceived by this subterfuge.

The exclusion of investment capital from the budget calculation will not reduce spending. It will not save us a single dime in the amount of interest we will have to pay out to service that $4.5 trillion debt. What it will do is feed cynicism about the budget process as practiced in our Nation's Capital.

One other thing, Mr. President, and that is the exclusion of Social Security and disability insurance spending. This is very troubling because section 4 of the substitute excludes outlays from the Social Security and disability insurance trust funds from being counted in determining whether the budget is balanced.

What this section of the substitute does is for the first time in our history enshrine in our Constitution a program created by statute, in this case the Social Security and disability insurance programs. I assume the authors of this substitute think it is unnecessary to count Social Security outlays because the program is currently running a surplus. But as we all know, Mr. President, in the next 30 to 35 years, that surplus could very well turn into a deficit. How are we to then account for so much spending? Will we just go on another borrowing spree unfettered but any limits?

Finally, Mr. President, we do not have to wait 30 years to address the trust fund issue? We only have to look down the road to fiscal 1996 with regard to disability insurance trust funds. Let me quote from the administration's budget.

> The balances of the Social Security disability insurance trust funds are expected to be exhausted in 1996.

Mr. President, all of us know that over the next year we are going to reallocate payroll tax rates to ensure that disability insurance trust funds do not go into bankruptcy. Yet under the substitute amendment we are considering, there is no urgency to change the formula. A deficit in the fund can be made up by simply borrowing—again more borrowing—and it will simply not be counted as part of the deficit. In addition, it is certainly possible that we could add other programs to the disability fund to cover medical services now provided by Medicaid or the Indian Health Service or children's health or any one of a series of social insurance programs. And under this substitute, these programs would not be covered under the balanced budget amendment.

Mr. President, this substitute should be rejected. It would exacerbate public mistrust of Congress and would in this Senator's opinion make it simply impossible to ever get us out from under the mountain of debt that threatens to bankrupt this Nation.

Mr. President, I am sure that many of the American people wonder just what kind of witchcraft we are up to here when we talk about a budget process that is anything more than revenues and expenses. The American public simply does not understand how this process can go on in the sense that we go through the budget; we have our revenues; we have our expenses; and then everything else we need we add to the deficit. The American public is interested in the reality of fiscal responsibility. That suggests you balance your checkbook, and if you do not have it in your account, your checks bounce.

So, Mr. President, we are spending 14 percent of our budget currently—14 percent—on interest on that debt. We are borrowing to pay that debt, about $212 billion in interest. It simply cannot go on, Mr. President. We have seen what Gramm-Rudman 1 has done, Gramm-Rudman 2; we have seen the 1990 tax proposals, and we have changed each time the circumstances under which these legislative corrections were intended so that we could continue to spend, so that we could continue to add to the deficit.

The reality is the American people know, Mr. President, we are going to have to pay the piper. And we are passing an opportunity on now as we consider the merits of a balanced budget amendment simply to a future time when we are going to have a crisis, and it is going to be that much more difficult to take care of.

So I would urge that my colleagues reject the pending amendment from my good friend from Nevada and support the Craig amendment which is the balanced budget amendment.

Furthermore, Mr. President, I know that many people are concerned with the effects that this may have on the vulnerability of States and various programs, but I can tell you the people of my State are more concerned about the survival of our system and are willing to make sacrifices if necessary to get Government back on track, back to fiscal responsibility, and there has to be a time to do it. I suggest this is the time.

Finally, Mr. President, I ask unanimous consent that an article which appeared in the Anchorage Daily News, Friday, February 25, in a section under the Anchorage Times, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Anchorage Daily News, Feb. 25, 1994]

STOP US, PLEASE

As Congress moves forward on a proposed amendment to the U.S. Constitution to require a balanced federal budget, one can detect a plea for help from the nation's Capitol. It's like the desperate message of the serial killer written on the wall of his latest victim: "Stop me, before I kill again."

The fact of the matter is Congress has been slowly killing this nation with its inability to control spending. The numbers are staggering a $4.5 trillion national debt, expected to be over $6 trillion before the end on this decade. Six trillion dollars, by the way, is $6,000,000,000,000—and that's borrowed money on which taxpayers must pay interest each year. Over the next five years, interest on that borrowed money will amount to some $1.2 trillion.

Think of all the domestic programs, defense expenditures, health care, education improvements, whatever, that $1.2 trillion could buy. Instead it must go to interest payments on the deficit.

For decades politicians have pledged to do something about the horrible spending spree situation. The nation has seen promise after promise come and go. Well-meaning plans, like the Gramm-Rudman balanced budget law of the last decade, appeared sincere but wound up accomplishing nothing.

Entitlement programs like Medicare and other federal programs to fund highway construction, fight crime, support education and

> so forth have continued to grow despite the best intentions of the administration and the Congress.
>
> The balanced budget amendment would be a drastic solution. It would require the federal government starting in the year 2001 to balance spending and revenues each year. Only by a vote of three-fifths of both the House and Senate could spending exceed revenues in any particular year.
>
> As a constitutional amendment, rather than a law, the court would have the authority to force Congress to fulfill this obligation. The amendment would work, but it would be painful. An estimated $400 billion to $500 billion would have to be trimmed from annual federal spending by 2001, unless massive new taxes are levied.
>
> For the balanced budget constitutional amendment to pass it will take a vote of two-thirds majority in the Senate and House. Then three-fourths of the states will have to ratify.
>
> The Clinton administration and key Democrats in Congress are marshaling their supporters to stop the amendment. They don't want to be constrained from spending more money to implement new domestic programs. Many special interest groups are also out in full force to derail the move.
>
> Alaska's congressional delegation needs to hear the sentiment of Alaskans. Let Sens. Ted Stevens and Frank Murkowski and Rep. Don Young know they have your support to balance the budget.

Mr. MURKOWSKI. I would conclude by stating that this editorial is pleading to the Congress of the United States to address the opportunity before us to stop this process of runaway, fiscal irresponsibility and take the medicine now by adopting a balanced budget amendment.

I thank the Chair. I thank my colleagues. I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield 15 minutes to the Senator from Wisconsin [Mr. FEINGOLD].

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. FEINGOLD], is recognized for 15 minutes.

Mr. REID. Mr. President, if I could, just as matter of parliamentary inquiry, Senator CRAIG and I—I am sure with the concurrence of Senator SIMON—would like to make this afternoon a little more orderly. After Senator FEINGOLD finishes, Senator CRAIG is going to address the Senate for a reasonable period of time, 15 or 20 minutes, whatever, and then after that, if Senator BURNS is available, he would come and speak. Following that, we would arrange time for the Senator from North Dakota to speak. That would give Senators notice of what might take place in the next hour or so.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 15 minutes.

Mr. FEINGOLD. I thank the Chair and I thank the Senator from Nevada for his leadership in bringing forward this amendment.

I rise to support the amendment of the Senator from Nevada and to oppose Senate Joint Resolution 41. But in doing so let me, first of all, say that the sentiment behind the balanced budget amendment is a very real and very legitimate one. I especially want to indicate that with regard to the sincerity and effort by the senior Senator from Illinois. I know he is doing it for the right reason. I know he is doing it because he wants to eliminate our Federal deficit, and he believes that this amendment is the way to do it.

It comes out of a very legitimate frustration that the American people have about the way the Federal Government runs up debts and deficits and just has not adopted the discipline of paying as you go, the most commonsense principle that you find when you talk to your constituents.

I noticed during the 1992 campaign that the balanced budget amendment was often linked with two other proposals, the notion of a line-item veto and the idea of term limits. These were the three you always got questions about, and the reason was that they are simple answers, I think really almost pseudo answers, to the real question.

Mr. President, the real question that the people in all 50 States are asking is why is there so much spending and so much waste at the Federal level? That is why this debate is here today. In my view, the only real answer to that question is that we have to continue to do what we started to do last year in this Congress, and that is to start identifying specific cuts and making those cuts. We did that to the tune of $500 billion.

But I wish to emphasize that, of course, that was only a start, and nothing better than a start, because we still have annual deficits and the debt is going up. We all know that. The problem is that this amendment is a simplistic solution to that problem that will not work. In fact, I think the balanced budget amendment will make it more likely that we will go back to having higher deficits and make it more likely that we will have an even worse Federal debt in the coming year.

The actual issue before us today is, should we pass Senate Joint Resolution 41 or should we amend that provision as the Senator from Nevada has suggested by something that makes a little more sense?

It seems to me, having listened to the debate for a couple of days, that the Senator from Nevada is far closer to having a proposal that makes sense than does the original proposal. I think the Senator from Nevada has minimized some almost bizarre consequences that can occur if we were to pass Senate Joint Resolution 41 as it now reads.

First of all, through the leadership of the Senator from Nevada and his amendment, there has been some real effort on the floor to deal with the fact that Senate Joint Resolution 41 could heavily involve courts in an area they have never been—deciding what cuts and what taxes we should have in order to achieve a balanced budget. I know that the sponsors of the original joint resolution may want to amend it as well to reflect that concern. I think the leadership of the Senator from Nevada has helped clean that part of this issue up.

Another big difference between Senate Joint Resolution 41 and the proposal of the Senator from Nevada is the distinction between capital and operating budgets. As has been said many times on this floor, we want to use the examples of the balanced budget requirements of the States and the local governments, but at those levels a distinction is made between capital budgets and operating budgets. If a local government wants to build a golf course and they can determine that by charging green fees over 10 years they can pay for it, they can proceed to do so under a budget that distinguishes between capital and operating budgets.

As I understand it, the original proposal here would make that impossible. The Federal Government could not plan in this way, as our local governments do, and still comply with the balanced budget requirement.

I also appreciate the fact that the amendment of the Senator from Nevada takes Social Security out of this thing. I believe Social Security is a contract with the American people. I believe that those who paid into the system were promised that if they paid in they would get the benefit when they became eligible. I do not think we should leave that to chance. And in that sense the Senator from Nevada has a much more honest and a much more assuring proposal for those that worked hard for this country and for all of us who now expect to have their benefits protected.

The Senator has also made a lot more sense in the original proposal when he takes out this idea of requiring a supermajority to get anything done in this body. The majority leader made a good point the other day when he pointed out that if you like the filibuster just in the Senate, wait until you see what it will look like after you get done with having to have a 60-percent vote for any change such as the California earthquake emergency legislation, a measure that would have required a vote of over 60 as I understand it under the original proposal.

Finally, I want to give a lot of credit to the Senator from Nevada for identifying and getting rid of what I think is one of the worst provisions in Senate Joint Resolution 41; and that is the idea that to actually eliminate a Federal tax expenditure, a tax loophole, that you will not just have to have a majority of the Senate any more, but a majority of those actually seated—a higher number than normal, another sort of supermajority.

If our goal here is to reduce the Federal deficit and actually balance the budget, why would we require more votes than normal to close a tax loophole? It will not be enough just to get a majority of 90 Senators or who are here. You would have to have a majority of all the Senators seated.

For any tax expenditure out there, whether it is the tax breaks given to the Puerto Rican drug companies, accelerated depreciation, tax-loss farming for farmers—a provision we got rid of a few years ago fortunately—or the three martini lunch, it will not be enough just to have the votes you have most of the time to eliminate them. You would have to get, in effect, a supermajority. Why would this be something we would want to have in a constitutional amendment to try to get rid of our deficit problem?

These tax expenditures are just as big a problem in our Federal Government spending habits as are other wasteful spending programs. For example, until we got going in the last budget, a corporation could deduct a salary above $1 million for a corporate executive. It was a deduction. Under this amendment, without the change suggested by the Senator from Nevada, you would need a special majority to get rid of that provision. We saw how hard it was just to get a raw majority. We needed the Vice President of the United States to come in here to break the tie. So you would have a very odd result without the Reid amendment. The result is Social Security is not protected but you give extra special protection to the tax benefits that are particularly likely to help the wealthy.

So, for all these reasons, Mr. President, I believe that the Senator from Nevada has a far better provision, a more honest provision, and one that is more likely it work.

But I also want to take this opportunity to express my reservations about the whole idea of a balanced budget amendment. I was presiding the other day, as you are now, Mr. President, when I heard the Senator from Illinois saying that it does not really matter if the effective date for the balanced budget amendment is 2000 or 2001 because he said no one is going to wait. He listed the various Senators who were not going to wait to get the job done. I agree. The Senator from Illinois won't wait.

I am afraid last year I saw a number of people out here who will wait and wait a good long time before they actually start voting for some of the spending cuts we have. They had opportunity after opportunity to vote for those cuts last year, and if you look at the record, many of those who are the strongest advocates for the original provision are among those who almost never voted for spending cuts.

The greatest risk with regard to getting a balanced budget is that we will lose our focus. It is very easy in a legislative body to lose your focus because there are so many issues. Sometimes you can almost purposely lose your focus. So you don't have to really face the tough questions, so you don't have to really deal with the fact that cutting the Federal deficit is an extremely painful process where you cannot possibly come out with everyone liking it.

That is the real danger. In fact, earlier this year in early January there was a report in the Washington Post that there was a big debate going on within the White House itself. That debate was whether or not they should just put deficit reduction behind us; a comment made by some was we did that last year. I think there is a great risk that it will be left behind. It is unclear who won that debate at the White House. There are some good signs. The President's budget looks tough. I think there should be more cuts but it definitely includes some tough budgeting that can bring the deficit down even further. But there are some bad signs. I thought one of the bad signs was when the President, in his State of the Union, said he was going to take defense cuts off the table, that there would be no more defense cuts.

So, I am really not sure where we are heading on the issue of further cuts that are needed, and I think the greatest risk here is not the failure to pass the balanced budget amendment but that this body, now, this year, and the other House as well, would say we did that last year even though the debt is still rising, and the deficit needs to come down more.

So, to evaluate the purpose and the effect of Senate Joint Resolution 41, you have to look at it in context. What will it do now? The context now is the 1995 budget proposal. The battle is to identify the priorities within that proposal to get the cuts it has proposed and perhaps to get more cuts. Then the question becomes will the passage of the balanced budget amendment help or hurt our efforts to bring the deficit down in the coming year? I am convinced, after listening to the debate and talking to people back home, that the balanced budget amendment as originally proposed will make it less likely that we will do what we were sent here to do—to bring the deficit and the debt down now.

This has been the way it has looked to me since listening to the people during the 1992 campaign. At that point I heard a lot of talk about the balanced budget amendment, but it was my conclusion that we did not need a balanced budget amendment; we needed a balanced budget. I, like many other candidates, proposed a plan that would have eliminated the Federal deficit in 5 years. Some of it taxes, a lot of it spending cuts, 2-to-1 margin spending cuts to taxes. About half of that plan has already become law because of the efforts of the Clinton administration.

I found that some of those cuts are not very easy to get, like getting rid of the space station or the Trident missile. We won few of them, and identified more cuts to make, and added some of those to our list. We found, for example, that if we go to the $1 coin instead of the dollar bill we can save $2 billion. It is an ongoing process of identifying things that can be cut and actually enacting the specific cut.

That is why I participated in the development of the Kerry-Brown plan, 1 of 15 Senators to join in. I did not like all of the things in that proposal but that was part of the process, to come together. Everybody puts their specific cuts on the table and says, OK, I am not happy with all of this—but it is a team process. We did the same thing with a group led by Senator JOHN KERRY.

All of these efforts had one thing in common that the balanced budget amendment completely lacks, and that comes down to one word: specificity. The balanced budget amendment does not begin to tell you how we are going to achieve the balanced budget it purports to cause to happen.

The way you can tell when you are actually doing the job on the balanced budget issue is when you start getting phone calls, and those phone calls should not be saying way to go on passing the balanced budget amendment. They should say how can you let us down. Anytime somebody is saying to you how could you let us down you are not doing anything. Until you have a wool farmer come up to you in your district and say how could you RUSS FEINGOLD, propose cutting the wool and mohair subsidy, or until you have a retired Federal employee call you up and say how can you delay my COLA; until you have that, all that you have done is talk.

That is my concern. This proposal, Senate Joint Resolution 41, does not tell us how we are going to get the job done, much like the Gramm-Rudman bill, which also did not work. What it does is play unwittingly into a tendency in a legislative body to go with fads. Issues become fads.

I saw this in the State senate when I was in the Wisconsin Legislature. There was a huge hubbub about the drug problem for about 6 weeks. It seemed like every member of the senate had a proposal to deal with the drug problem. We passed a few of them. Then we did not talk about the issue for 6 or 7 months. We saw the same thing with education. I have seen it time and again where people think that they have done something but they don't finish the job.

I think the passage of the balanced budget amendment would turn this issue of deficit reduction into more of a fad than a genuine effort.

In effect, if I can use a football analogy, this is a punt. We are punting the ball with the balanced budget amendment when we now have the ball and can actually gain yardage by cutting spending. What we are saying in effect, to the American people, is when we get the ball back later on from the States, we will figure out what we are going to do to cut spending. And I think that is the worst possible outcome.

We, in effect, will say we will tell you the specifics later on when we have the ball again. To me, Mr. President, this is a total evasion of our current responsibility. If you want to cut a program to save even a few million dollars in the next few years, the response will be why do that, it is such a little amount, and we have to eliminate the whole thing in a few years anyway, let us not bother with it. It will be a blank check and not deal with the small and large items over the next few years.

Mr. President, to conclude, I thank the Senator from Nevada for his leadership. I want to read two comments. One is from the New York Times and one is from my constituents. The first was in an article last Friday entitled "Beyond Budget Debate Hyperbole." There are comments by Peter Peterson, who wrote a book entitled "Facing Up: How To Rescue the Economy From Crushing Debt and Restore the American Dream." Many people thought that Mr. Peterson, given the title and work of his book, would be very enthusiastic about this balanced budget amendment proposal:

> The balanced budget amendment's sponsors say it would put pressure on the Government to find ways to bring its accounts into balance.

But Mr. Peterson is ambivalent about that argument. "Its great virtue would be its symbolism," Mr. Peterson writes. "But we must be aware that in that very symbolism there is also a danger. It might persuade us to think we have solved our problem and thus divert our attention from the real business at hand: making choices."

That, Mr. President, is what I mean by specificity. This is all about making the tough choices, not just changing a few words in the Constitution without real effect.

Finally, Mr. President, the best messages I always get are from my constituents. This is one from a couple in Wonewoc, WI, who say:

> GREETINGS, SENATOR: The front page of the State Journal carries the story of the drive to have a balanced budget amendment. First it was that Gramm-Rudman-Hollings nonsense and now this.
>
> The people send men and women to Congress to make the hard choices, to be counted on to take tough votes even if it hurts at next election time. We do not send them to Congress to hide behind some automatic gimmick with the nerd excuse, "We would like to do more, but our hands are tied by the balanced budget amendment."
>
> We all want cuts in spending but not this way.

So those are the words that probably have the greatest impact on me. These folks elected me to come out here and make the tough decisions, not hide behind an excuse.

For that reason, I urge the adoption of the Reid amendment.

I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, let me speak briefly to a couple of comments the Senator from Wisconsin has made today as it relates to his concern about a balanced budget amendment to our Constitution. I want to have the Senator's attention for a few moments, if I could, because I find it unique that the basis of his reaction and therefore rejection of this process is to suggest that we are not specific enough in how we would arrive at these areas that we have delineated on a section-by-section basis.

How does the Constitution speak to being specific about the right of free speech? It does not list a thousand ways in which free speech shall be obtained in our Nation. What it says is that this is a principle and this is a right that is established, and we expect our Government to carry it out because it is a right of the people. Thousands of pages of civil law later, and a variety of court tests that even go on today, free speech is adhered to—not that our Founding Fathers were so specific in the beginning, but because it was a right.

I think the Senator is every bit as concerned as I am about fiscal responsibility, and I in no way in my comments want to impugn his record in the time that he has been here. His votes in this area have been excellent. He and I have joined in a variety of areas to cut the budget. But what we might disagree on is the approach. This is why, after 14 years—not just a gimmick and not just a passing fancy, but after 14 years of efforts and hearings and hearings and votes and votes—we now have Senate Joint Resolution 41. This is the work product of over a decade. Why? Because with the American people, balancing the budget has never been a fad; it has never been a fancy. They are growing alarmed at a Congress who apparently views it as neither or they would have done it. They just do not believe in it. For over five decades now, we have seen the accumulation and phenomenal debt structure; yet, today, the Senate and House combined have no real answer for it. Ronald Reagan did not do it, George Bush did not do it. In fact, they added to the debt. We added to the debt during that time. It must be a "we," because the House and the Senate and executive are all involved.

Well, some Senators are saying, "Gee whiz, give Bill Clinton a chance. Look at all he has done in such a short time." Maybe we should say: All he inherited that had already made some cuts in 1990, and look at the taxes he added to it that helped drive down the deficit a little bit.

Mr. President, this talks about Bill Clinton's toughest budget yet. It talks about the 115 cuts in spending, or the $700 million that would be cut if we adhered to all of those 115 cuts in spending. In a $1.5 trillion budget, it is but the blink of an eye; yet, at the same time, well, the President asks for a near $150 billion increase in the Import-Export Bank and almost a $200 billion increase in the Franklin Delano Roosevelt Commission. Excuse me, those are hundreds of thousands—a doubling of that commission that has gone on since 1955 trying to figure out what would be an appropriate memorial for Franklin Delano Roosevelt when all we would have to do is put a sign over the bridge: Entering the legacy of the Franklin Delano Roosevelt, the largest bureaucracy in the world. That would not cost over $100,000. It would be just a little paint and a little time.

When it comes to rhetoric about balancing budgets, the citizens of this country have just about had enough. It is not a fad with them, it is a reality. It is a reality of 14 years of effort here in Congress by people like myself and PAUL SIMON and ORRIN HATCH and STROM THURMOND and DENNIS DECONCINI. We are not engaged in a fad, nor are we engaged in fraud. What you have before you is an amendment to the Constitution of our country, which for that 14-year period has done all of this, Mr. President. It has selected over 3,000 pages of hearing record this year alone before the Judiciary Committee itself. It collected all of these pages of hearing testimony. You see, it is business afoot that we have taken very, very seriously, because you do not just tread lightly into the Constitution. You do not go in and adjust the single greatest rudder on the ship of the United States. You do it with great caution and, I hope, with great concern.

There is another amendment on this floor. The New York Times called it a fig leaf. If it is a figleaf, I suggest that any Senator wanting to wear it best not because it will not cover much and it could greatly embarrass them.

It is an amendment with not one day of hearings, not one page of record, but thought up in the back room of some Senator's office as an illusion. Their tactic was to allow someone to escape a tough vote. Let us be honest. If you want to vote for a balanced budget amendment, vote for the one that has 3,000 pages of hearing record, the examination of constitutional scholars, and the endorsement of 250 economists from around the Nation. Do not vote for something that was brought up in the 11th hour that represents nothing but an effort to avoid the issue. That is reality. That really is the bottom line. We can run, but we cannot hide from our responsibility, and our responsibility always has been to vote up or down on the issues, to go home and tell our constituencies why we did or why we did not.

Oh, we can wring our hands and go home and say it did not have a capital budget in it; it was going to wipe out Social Security; it was going to dry up defense. Or you could go home and say all of those are legitimate matters and responsible issues that ought to be inside a budget, and I was voting for my grandchildren and for the fiscal stability of this country and nothing ought to be off budget. We all have to make these tough votes.

That is the honest answer. But we have some gamesmanship on the floor that is or, I should say, has no second at this moment.

Let me say how important this is from my point of view, from the point of view of 3,000 pages of testimony over a decade of time before the House and the Senate Judiciary Committees. And I do this although the Senator from Nevada is off the floor. I asked his permission to do so, so that it would not appear to be something done behind his back.

I have here four pages of questions that I have submitted to the Senator from Nevada on a section-by-section basis. I have asked him to respond to this so that we can put it in the RECORD because, while these questions have been answered about this amendment, no questions have been answered about his amendment.

I think if this is going to be a responsible debate, if he does not want the New York Times to call it a fig leaf, if he does not want Leon Panetta to say, "Oh, well, we are going to drum up some substitute to give a few folks cover," then he really better answer the questions like, section 1: Whose estimate is to be used to establish estimated receipts? Would Congress have to approve the receipts estimated? If the Reid amendment does require the Congress to continue to pass annual concurrent budget resolutions, can you explain why you chose to place the relatively new statutory requirement into the Constitution? If not, what alternative mechanisms do you envision?

Those are clearly legitimate questions. I do not think that kind of detail ought to be in an amendment. There is not a constitutional scholar who believes it ought to be that way. And our Founding Fathers intentionally were general in the nature of how they phrased the specific right of the American citizen.

But clearly there ought to be this, and this is 3,000 pages of case record that is an important part of any legislation we pass and, as you know, Mr. President, is especially an important part of a constitutional amendment.

Why? Well, for all the reasons I have just given. But there is another very important reason. We hope that our amendment will pass the Senate and that the identical amendment will pass the House and that three-fourths or 38 States required to ratify it would then begin what I said last Thursday to be one of the most important debates in the history of our country on a State-by-State basis in the halls of every legislative body of our State legislatures. They will constantly refer in the debate to these records. They will research what Congress meant by section 6: "The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts." They will read that. They will then turn to this because they, too, will want to know before they pass the amendment what happens if the Reid amendment passes with none of the kind of committee record and hearing record that is appropriate.

Well, I guess it is guesstimate or it is a very busy Senator from Nevada running around the country from legislature to legislature trying to tell them what he meant. Or if a few constitutional scholars come up and say, "Well, you know, Senator, I really think you should have said it differently," do we dare at that point send out to the State legislatures a notice saying, "Oh, by the way, we have asked for a slight modification in the resolution that you are considering as an amendment to the Constitution?"

Has that ever happened before when the Congress of the United States sends out an amendment for State legislative ratification? No, I do not think so.

The reason it did not happen was that it was never a fig leaf or a cover or a fad. It was always a well-thought-out, well-researched, and well-written document. Why? Mr. President, we are dealing with the Constitution.

You know this body passes a lot of law in the course of a year. Several years ago Senators, all wise and just in their thinking, passed a luxury tax thinking they would raise a few dollars by it, and what they found out was it ended up costing the Treasury money because it threw so many people out of work because, human nature being what it was and is, you were not going to hoodwink the taxpayers, and they avoided it by changing their buying habits, plain and simple. We just revoked it a year ago. We just revoked it. And how did we do it? We did it by 51 votes or a majority vote on the floor of the U.S. Senate. We had made a mistake.

I did not happen to vote for it in the beginning, but we, meaning collectively the Congress, had made a mistake. When we make mistakes here on the floor of the U.S. Senate, we can change them with 51 votes or a majority vote.

That cannot be done with a constitutional amendment. Once we send it to the States and if 38 States ratify it, you just cannot go, "Whoops, I made a mistake." In my opinion, and in the opinion of a good number of constitutional scholars embodied in this committee record file and in the 250 economists whose names I put into the CONGRESSIONAL RECORD on Friday, they will also say that, if you pass the Reid amendment, you might just be caught in the business of saying, "Whoops."

Let me explain a little bit about why I believe that. Under the Reid alternative, it is possible to continue to run deficits as large or larger than our current deficits. How could it be? This is a balanced budget amendment. Is it not on auto-pilot? Do we not just get there in 6 years?

Under this amendment we do except under extremely extraordinary circumstances. But enacting a balanced budget amendment that would allow us to continue to burden future generations with a rapidly increasing debt is possible under the Reid amendment. All you have to do is redefine capital budget. What is a capital budget? Is it bricks and mortar? Well, in most State legislatures it is. In most State legislatures that do capital budgeting and bond the expenditure of that budget, they do it to build roads, they do it to build buildings, they do it in the acquisition of long-term investment that will last a generation.

Well, there we go—generation, future, thinking into the future. Why not on WIC? Why not on food stamps? That is a capital investment in the future of our youth.

Well. Under the Reid amendment, the Congress with 51 votes could so define under section 6 of his what it is all about. Therein lies one of the great and gaping loopholes of this Senator's amendment.

In Analytical Perspectives, page 109, it reads: "Does the Reid alternative contemplate a capital budget of—" and what they are doing is reflecting on the physical capital nature of a budget of State governments versus current Federal expenditures. And guess what they came up with. They have suggested that under the Reid amendment you could have an $89 billion capital budget. Well, that sounds about right. Or you could have a $123 billion capital budget. Why the difference? It is change in definition, broadening of the definition. Or you could have a $191 billion capital budget. Or you could have a $233 billion capital budget under the Reid amendment.

And yet, he is standing on the floor of the United States Senate with some of his colleagues, looking the American people in the eye and saying: "Pass my balanced budget amendment. Mine is the workable one."

What about enforcement? We were not willing to walk away from it. In ours, we were willing to say, "Yes, the courts have a role. No, they do not have the right to increase taxes. They do not have the right to say where the money ought to be spent."

But there is a necessary mechanism when you are dealing with the Constitution, and that is for the courts to say whether you are or whether you are not. Not to say how you are or how you are not, but to say that you are. And that is exactly what we do in this process. We made sure that that became a part of it and all they can do is to declare—and that is a very important enforcement mechanism.

The Reid amendment walks away from that very approach. In fact, they would simply say that the Congress itself is the enforcer.

Oh, my goodness, do we not understand history just a little bit? Do we not recognize how proper we have been with the passage of different other balanced budget laws in the last two decades and how skillfully we enforced them? We enforced them all the way into a $4.5 trillion debt. Because, when the decisionmaking got tough, the Congress chickened out.

Therefore, it is phenomenally important that we arrive at an amendment that is enforceable; that does force this body on this floor to make the tough votes, not to walk away, not to redefine, not to skip lightly through the loopholes that now have the Reid amendment looking like a substantial portion of Swiss cheese.

Well, those are some of the important issues involved. Now let me talk about another issue for a moment, and that is the issue of Social Security, an issue that is extremely important to all of us. It is an issue that deserves legitimate consideration, not that it is just Social Security, but because Social Security embodies a lot of other very important issues when this comes to spending and priorities.

There are some who will say they will not vote for the amendment that I support—the Simon-Hatch-Craig-Thurmond amendment—because Social Security is still on and in the budget; that you have to take Social Security out of the budget; that you will use the trust funds and the revenue in those trust funds, better known as reserves, to balance the budget and that that would be a fiscal travesty.

What they do not say is that the reserves that are there today, and under the Social Security law when it was created, allow only the Government to borrow from the reserves; and every extra dime that is there today building for the year 2003 when the reserves will peak and the baby boomers will start reaching out for their Social Security check, all of that money is borrowed, now loaned to the Government to offset spending.

The Senator from North Dakota on Friday spoke a great deal about it and based part of his support for the Reid amendment on the fact that it takes Social Security off budget. He used the year 2003 as that moment in time.

Well, what is it? It is a moment in time in which we all have to get honest about what we are doing right now—which is terribly unfair to the Social Security trust funds—and that is we are spending against them. We are borrowing the money and we are continuing to borrow every dime that goes out. And the year of reckoning in the year 2003 is when that money has to be paid out. If I am here—and I do not know I will be—we are going to have to face some tough decisions.

Today, without a change in budgeting, those decisions would have to be made. Under a balanced budget amendment, such as the kind that Senator SIMON and I have proposed, that decision would still have to be made.

But here is the reality of Social Security that nobody wants to talk about. And that is the reality of the current Social Security tax on employers and employees and the revenue flow it is bringing in versus the baby boom population that will soon be entering in the Social Security network system. And when D-day comes—D-day means when there is not any money left and there are hundreds of billions of dollars worth of checks to go out—that day, based on our actuarial studies and the current tax for Social Security, is the year 2025. Oh, it is a long way off. No, it is not. It is about 30 years off. That is not very far off, if you are going to make decisions that embody not $1 billion but $1 trillion. And we ought to be busy right now making sure that when this day comes, there is going to be revenue there.

How do you do it? You force prioritization. You say you cannot spend here, you ought to spend over here, or you should not spend as much, or you ought not be taxing this much, or maybe in some areas you ought to be asking for more revenue.

The only way you get there, according to some of the actuarials who are fearful of us unable to meet this day, is you have to bring it inside a balanced budget. To simply leave it on the outside ignores the fact and covers it under this fig leaf of illusion that denies the reality of those very kinds of tough decisions.

I am absolutely amazed that anyone would come to this floor and say we are going to deal in a fiscally responsible way with Government expenditures, except in all of these areas we will move off budget because we do not want to deal with them because they are political hot potatoes.

Not once have you heard me say—nor will you hear me say, because I believe it is not necessary to do it—the words "cut Social Security."

But if you move it off budget, it no longer serves as a pressure to serve the right kind of prioritizing of other Federal expenditures to assure that Social Security will remain solvent, not just in the year 2003 but in the year 2025.

I am truthfully amazed, Mr. President, that anybody would suggest that you are going to hold Social Security secure and leave it off budget.

We are a rich nation today. We are, without question, one of the richest nations in the world. Because we are rich, we can be phenomenally giving—and we have been. We spend hundreds of billions of dollars a year on the poor and the less fortunate, all in the hopes of lifting them up and causing or providing for them a better environment in which they can achieve. But the only reason we are able to do that is because we are rich. And the only reason we are rich is that we can still pay the interest on the $4.5 trillion of debt that we have already borrowed.

The day we cannot pay the interest we turn from a rich nation to a poor nation. That can occur literally overnight. And when that occurs all of those programs, from Social Security, to food stamps, to shelter for the homeless will be up and in question because there simply will be no money left to provide for them at the level that was expected of them.

That is the fundamental argument behind why all issues have to be inside any budgeting process. It is, without question, one of the major loopholes, along with capital budgeting, that has been provided in the Reid amendment. We have held no hearings on the Reid amendment, there is no committee record, and therefore it has limited basis for support other than the kind of support that would be gained if it is in fact only a fig leaf or a stalking-horse.

Tomorrow evening we will vote on the amendment that has been worked for over a decade by Senators SIMON and HATCH, myself and Senator THURMOND. We will vote on an amendment that is embodied here in over 3,000 pages of committee record. We will vote on an amendment that is clearly simple and straightforward in its language, and forces this Congress, for the first time in its 200-plus-year history, to examine why it is and what it does. And no fig leaf nor any phony piece of alternative will serve us better. That is the choice. It is so simple and yet it is so difficult.

Mr. President, I ask unanimous consent a Washington Times article of February 28, and a list of "Questions for Senator REID" be printed in the RECORD, and reserve the remainder of my time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BALANCED BUDGET AMMUNITION

If proponents of the balanced budget amendment are looking for the strongest arguments for their proposal, they need look no further than President Clinton's proposed budget for fiscal 1995.

Contrary to the president's boast that this is the "toughest budget" ever sent to Congress, it would increase spending for some of the most unnecessary, wasteful and ineffective programs in the government.

With the administration forecasting that the budget deficit will be $235 billion this year and close to $200 billion next year, asking for more money for programs that are proven failures is the height of irresponsibility. Yet this is what the White House has done.

While it is true that the budget calls for eliminating 115 largely minor spending programs as well as a number of other cuts, these cuts are sheep masquerading in sheep's clothing.

The 115 items would save only $700 million in annual outlays out of a $1.5 trillion budget. And even if all of the proposed cuts were approved, overall spending under Mr. Clinton's budgets would still be $110 billion more next year than it was last year.

In fact, the best-kept news media secret in Washington today is that while the president cuts some spending programs with one hand, he expands many more with the other. Among them:

The Economic Development Administration: This $265 million lending agency has lost hundreds of millions of dollars in bad loans and failed business schemes. EDA has been gouged by waste, fraud and abuse, with no evidence that it has helped any local economy, but Congress insists on keeping it alive. Mr. Clinton's proposed increase: $78 million.

The space agency: Maintaining a space program is important to America's future in technology and science, but in a time of record deficits it is hard to make a case for spending increases. Mr. Clinton wants to increase the National Aeronautics and Space Administration's $14.2 billion budget next year by $228 million.

The Appalachian Regional Commission: This 1960s-era antipoverty agency has been singled out by the General Accounting Office, Congress' auditing arm, as one of the government's most ineffective programs. Much of its $149 million budget is devoted to pork-barrel spending for road construction, with little evidence it has had any impact on poverty. Mr. Clinton would boost its $149 million budget by $31 million.

Legal Services Corp.: This $400 million agency is a vestige of the anti-poverty programs of the 1960s. Its purpose is to provide legal assistance to the poor, but this jobs program for lawyers has had little or no effect on alleviating the old War Department thought it would use in wartime. It has been on virtually every budget-cutting list as a highly expendable program. Incredibly, Mr. Clinton's budget calls for preserving the program and proposes to cancel its $1.3 billion accumulated debt and add it to the deficit.

"If you can't get rid of the national helium program, what can you get rid of," asks Rep. Christopher Cox of California.

Community Development Block Grants: Readers of this column know about the excesses of this Housing and Urban Development Department program. Enacted to help low-income communities, much of its funds have gone to wealthy towns like Newport Beach, and Palo Alto, Calif., and Stamford, Conn., to build tennis courts and bike trails and to renovate movie theaters.

Overall, Mr. Clinton is asking for nearly $400 million more for all community development programs.

The budget is loaded with hundreds of other programs that would either have their spending hiked or preserved, when they should be cut or zeroed out:

The $208 million International Trade Administration would get another $40 million; the Census Bureau $24 million more; $20 million for U.S. Travel and Tourism promotion; and $24 million for the Boat Safety program.

The Export-Import Bank, whose loans to other nations benefit Fortune 500 companies, wants its credit account outlays boosted from $472 million to $600 million. Mr. Clinton agreed.

Even the never-ending Franklin Delano Roosevelt Commission, established in 1955 to develop a memorial for FDR, is down for $347,000 this year and another $170,000 next year.

If the continued existence of these and many hundreds of other nonessential federal expenditures isn't reason enough for adopting a balanced budget law, what is?

QUESTIONS FOR SENATOR REID REGARDING REID BALANCED BUDGET AMENDMENT PREPARED BY SENATOR LARRY CRAIG, FEBRUARY 28, 1994

SECTION 1

1. Whose estimates would be used for establishing "estimated receipts"?

2. Would Congress have to approve the receipts estimate?

3. Does the gentleman believe that his amendment will require an annual concurrent budget resolution? Would this be the mechanism for arriving at the Constitutionally required estimates?

4. If the Reid amendment does require that Congress continue to pass annual concurrent budget resolutions, can you explain why you chose to place this relatively new statutory requirement into the Constitution? If not, what alternative mechanism(s) do you envision?

5. Is there anything comparable to the debt limit provision of S.J. Res. 41 that would prevent the use of rosy scenario estimates to comply with the amendment in form only?

6. Would the President have any role in a decision to approve deficit spending? Would this role include approving estimates?

7. Would the estimates be required before the beginning of the fiscal year?

8. As economic and fiscal circumstances change during a fiscal year, would section 1 require revisions of the estimates? Would Congress be required to pass a new concurrent resolution to revise the estimates?

9. What would happen if Congress did not establish or did not provide for the establishment of the Constitutionally required estimates?

SECTION 2

1. Would the amendment provide an incoming President with the option of submitting a budget later than the first Monday in February, as President Clinton did last year?

SECTION 3

1. Can the gentleman explain why his amendment provides Congress with less discretion in choosing whether or not to relax budget discipline during slow growth than it has under the Budget Enforcement Act? (The BEA provides that Congress may vote to suspend the discipline of the BEA if CBO projects negative growth for two consecutive quarters or if the Commerce Department finds that actual growth was less than 1 percent for two quarters.)

2. Why did the gentleman choose a lower threshold in determining a recession in order to waive the amendment (projected growth of less than one percent) than the threshold for a vote on suspending the BEA (projected negative growth)?

3. Is it the Senator's intent that his amendment will supersede the provisions of the Budget Enforcement Act of 1990 and prohibit a BEA vote of Congress to suspend the budget discipline of the BEA during times of slow growth?

4. Can the Senator explain how the provision for suspending the amendment would operate during periods in which there is no Director of the Congressional Budget Office?

5. Can the Senator explain why the amendment would be waived for two fiscal years after a determination that economic growth has been less than 1 percent, even though the economy might be in an expansionary phase during the second fiscal year after the determination?

6. Can the Senator explain why he granted the Director of CBO, an unelected, minor official, the authority to determine whether or not the provisions of a Constitutional amendment should be waived?

SECTION 4

1. Why did the Senator choose not to define the term "capital investment" in his amendment?

2. What is the Senator's understanding of what would be considered a "capital investment" under his amendment? Would it include spending for scientific research and development? The construction of government office buildings? The purchase of military hardware? Would it include spending for grants to state and local governments for capital expenditures? What about grants such as Economic Development Administration grants that may be used for both capital and non-capital items? Does the Senator believe, as the Chairman of the House Government Operations Committee does, that capital expenditures should recognize "human capital" such as job training, education and head start?

3. Would there be any restraint on the type of items that were included in the capital budget or the magnitude of borrowing to finance capital expenditures comparable to the restraint placed on states through bond ratings?

4. What impact would the Section of the Reid amendment have on the treatment of capital expenditures which currently are subject to the discretionary caps in the BEA? Does the amendment implicitly or explicitly exempt programs from the BEA caps? If not, would we have two sets of accounting in which capital investments are off-budget for purposes of the Constitution, but subject to caps and sequesters under statutes?

5. Is there any restriction on what could be defined as "outlays of the Federal Old Age and Survivors Trust Fund"? Could Congress fund Medicare, veterans benefits, civil service and military retirement or other spending from outlays of the OASDI Trust Fund?

6. Does the Senator's amendment make any provision for the years in which the Social Security trust fund will face cash shortfalls?

7. Is there anything in the Senator's amendment that would prevent Congress from cutting Social Security benefits?

8. If the definitions of OASDI receipts and outlays would be restricted by the amendment, would Congress be prohibited from establishing new OASDI benefits and/or changing the trust fund's funding mechanisms?

SECTION 5

1. Can the Senator explain why he chose to include in his amendment language overturning the Supreme Court case of Bowsher vs. Synar regarding the fundamental Con-

stitutional doctrine of separation of powers by allowing Congress to vest the executive authority to order uniform cuts in an officer of Congress?

2. Does the Senator believe that it is appropriate for Congress to overturn a Supreme Court decision through a Constitutional amendment without the benefits of hearings?

3. Is it the Senator's understanding that this section prohibits absolutely any judicial enforcement of the amendment unless Congress passes legislation explicitly granting a role to the courts?

4. What is the meaning of the phrase "appropriate legislation enacted by Congress"? If Congress passed no implementing legislation, does the black letter of the amendment preclude any enforcement?

5. Would the provision allowing Congress to enact "appropriate legislation" allow Congress to pass legislation denying any judicial standing under the amendment, contrary to the provisions of Article III of the Constitution?

6. Does the provision granting Congress the ability to "delegate to an officer of Congress the power to order uniform cuts," allow Congress to pass legislation requiring across-the-board cuts in Social Security?

7. Could Congress choose to exempt any programs from the uniform cuts that could be ordered under the amendments, or does the phrase "uniform cuts" mandate the inclusion of any or all programs?

8. Would the "officer of Congress" have any discretion in determining which programs would be subject to uniform cuts?

9. What examples of an "officer of Congress" does the Senator contemplate could order uniform cuts? Could the Secretary of the Senate or the Doorkeeper of the House or the Architect of the Capital order cuts?

SECTION 6

1. Why did the gentleman choose to make Section 5 (which overturns Supreme Court decisions on separation of powers and allows an officer of Congress to order uniform cuts) and Section 6 of the amendment effective immediately?

Mr. DASCHLE. Mr. President, as the father of three children, I worry about the effect of continued deficit spending on future generations of Americans. As a Senator from South Dakota, I fear what a future of mounting national debt will do to the quality of life of the people I represent and to the standing of our country in the world. For these reasons, I will vote in favor of the balanced budget amendment.

For the past 25 years, our Federal budget has not once run a surplus, or even been in balance. Rather, in every single year since 1969, the Federal Government has spent more money than it has taken in. The tab for that reign of self-indulgence is finally coming due.

During the 1970's, these deficits did not pose a significant threat to the Nation's economic future, and they were largely ignored. Over the next 12 years, the deficit almost quadrupled, ballooning from $73.8 billion in 1980 to over $290 billion in 1992. During the period, the deficits were noticed, but not seriously addressed.

Today, in this debate on a balanced budget amendment, we are being forced to face the consequences of our inaction. Quite simply, we are building a legacy of debt for our children and grandchildren, and hamstringing our ability to address pressing national priorities.

According to the Congressional Budget Office, the national debt now stands at $4.4 trillion. This means that the Federal Government owes more than $17,000 for every U.S. citizen, adults and children alike.

And this debt is not just a dark cloud looming in the distance. It has a very real and devastating effect now on the Government's ability to meet the immediate needs of its citizens and invest in the future.

Like private citizens, the Government must pay interest on its debt. For fiscal year 1993, we paid $198.8 billion in net interest, the second largest expenditure in the Nation's budget. This sum represents money that could have been used to stimulate job creation, invest in new technologies, protect our environment, maintain our defense capabilities, enhance the quality of life of low-income seniors, expand educational opportunities and reduce the deficit.

To remedy our fiscal situation, we must stop spending beyond our means. This will not require the emasculation of important domestic priorities, as some suggest. What it will require, however, is a commitment on the part of the Government to pay for the programs we want and to stop doing the things we do not really need to do.

Families understand the concept of fiscal restraint. They know that when money is tight, they will have to forgo vacations and put off buying a new car. They are accustomed to paying for the important things first—food, medical care, housing, savings for college—and then thinking about other expenditures. Parents are also sometimes forced to say "no" because what their children want is too expensive or not really needed at the time.

It is time for Government to learn a few lessons from America's families. Government must learn to set budget priorities and to pay for these priorities. It also must learn to say "no" to special interests when the programs they advocate are too costly or don't fit within the Nation's spending priorities.

Living within a budget is never easy, as families well know. There are many worthy programs which depend on Federal funds and which have the support of many in Congress. But for the sake of our Nation's economic well-being, and for the sake of our children and grandchildren, we must decide which programs we are willing to pay for and which ones we are not.

Some of my colleagues feel, as does President Clinton, that we can make these tough budget choices without amending the Constitution. I wish they were right, but history indicates that they are not.

Since I began serving the citizens of South Dakota in the Congress, there have been six laws passed to constrain Federal spending and reduce the deficit. Quite obviously, none has worked. Each time these laws required tough budget choices—choices that would have been politically unpopular—Congress and the President found ways to get around them.

Our Nation can no longer afford to evade these choices. To do so threatens our status as a world power and the standard of living for future generations. Too much is at stake for us to settle for the status quo.

According to the General Accounting Office, it is imperative that the Government take action now to address our budget deficit. By the year 2020, most of the baby boom generation will have retired, and those retirees will be supported by a smaller working population. In order to ensure that we can meet our commitments to future retirees without jeopardizing the standard of living of working men and women, we must seek to maximize economic growth during the early 21st century. Our current budget deficit is eating away at that growth and undermining our economic potential.

It is true that some progress on the deficit has been made. Last year, President Clinton and the Congress worked together to enact a budget plan that will reduce the deficit by almost $500 billion over 5 years. I supported this plan because it was a good first step toward addressing the deficit. Indeed, according to the Congressional Budget Office, the recent upswings in the economy are due largely to passage of this plan.

If we could continue to achieve meaningful deficit reduction in this manner, a balanced budget amendment to the Constitution would not be necessary. Unfortunately, however, there is ample reason to question whether Congress and the President would be able to muster the collective political will to push through another far-reaching deficit reduction proposal. As it was, last year's plan passed the Congress by only a few votes—1 out of 100 in the Senate; 2 out of 434 in the House.

A balanced budget amendment will provide the fiscal discipline our Nation must have in order to meet the needs of the present generation without bankrupting those of the future. Sworn to uphold the Constitution, Congress and the President will be forced to make the further tough decisions our bire budgetary situation demands.

By adding a balanced budget amendment to the Constitution, we as a nation are embracing the principle that Government should not spend beyond its means. This is a principle worthy of inclusion in the document that sets forth the limits of governmental power and protects the rights of individual citizens.

Thomas Jefferson, who supported placing limits on the Government's borrowing power in the Constitution, put it this way: "We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay for them ourselves." That wisdom rings particularly true today.

Requiring the Government to operate within its budget does not mean that all important new initiatives or existing programs will have to be abandoned or gutted. Nor does it mean we would be forced to renege on our current obligations to America's seniors. For my part, such a requirement would not lessen my commitment to providing universal health care coverage, protecting Social Security, or meeting other basic needs of our citizenry.

The balanced budget amendment would not take effect until 2001. The means that Congress and the President will have 7 years to address the current deficit and reach a consensus on our Nation's budget priorities. We will have time to find ways to live within our means and still meet existing obligations to our citizens, particularly the elderly. In addition, gradual reduction of the deficit over a period of years will prevent unnecessary shock to the economy.

I believe the key to keeping America strong is to invest in our future while spending within our means. A balanced budget amendment will not do this for us, but will make us do it for ourselves.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois, Senator SIMON.

Mr. SIMON. Mr. President, I yield myself so much time as I may consume.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I am not going to speak at length right now on the Reid amendment. I have indicated already I think it has just massive loopholes in it, in what is called capital expenditures, and the fact that it has no enforcement mechanism. My staff has checked out the loophole for periods of low economic growth and of the past 44 years, in 22 years that would have been another loophole in that particular amendment.

I would like to take a few minutes now to analyze an editorial that appeared in the New York Times today in opposition to the amendment that Senator CRAIG and I and others are sponsoring. Let me add my appreciation to Senator CRAIG. He has been a real workhorse on this and I have really appreciated his willingness to dig in.

Let me just quote a few sentences from the New York Times editorial. Among other things it does condemn deficits. It says, "borrowing threatens to siphon money away from businesses."

Borrowing not only threatens to siphon money away, it is siphoning money away. The Concord Coalition study—and I have been impressed by the economic research that goes into their studies even though I do not agree with every conclusion that they have—said if it were not for the deficit the average American family income today would be $50,000 rather than $35,000. And that is because of the borrowing that takes place from the Federal Government that has replaced business spending. Then they say, "At current growth rates, Congress can run deficits and still keep the debt growing less quickly than incomes."

Whoever wrote this editorial just took a look at the next 2 or 3 years and did not look at the outyears. In the outyears it goes up and up and up and up.

Then they say, "But the biggest danger lurking in a balanced budget amendment has to do with the way Congress keeps its books. The Federal budget lumps together ordinary spending for farm subsidies or administrative salaries, and long-term investment for mass transit or scientific research."

It is very interesting that the last year we had a balanced budget was 1969. That was the year we landed a man on the Moon. We did not borrow money for the space program. We did it on a pay-as-you-go basis. There is nothing we cannot do on a pay-as-you-go basis. We built the Interstate Highway System on a pay-as-you-go basis. And as far as mass transit, I would be willing to vote for a 2-cent or 3-cent gasoline tax increase for mass transit. But there is no justification for issuing bonds for mass transit. If we had a 2-cent or 3-cent gasoline tax for mass transit, that would significantly increase the amount of money spent in mass transit in New York City and Chicago. I do not know about Bismarck, ND, Mr. President—but for many of our urban areas.

Then they say, "at risk will be spending on education, training, and infrastructure." It is very interesting. Look at the last 12 years, what we have spent in the last 12 years. If you adjust for inflation, education went down, minus 8 percent. Yes, in nominal dollars we went up, but inflation went up more rapidly. Other things, defense—which a lot of people think is a big growth item—went up 16 percent. Entitlements went up 32 percent, largely because of health care and growth in numbers. But the big growth item is interest, it went up 91 percent.

What if we had a balanced budget amendment 12 years ago? Education clearly would have done better than it did. So that argument just is specious.

It says, "Though the 1993 budget law should keep deficits tame for now, they are expected to soar again by the end of the decade. But the villain is almost entirely health care costs."

There is no question health care costs are part of it. But the big villain is payment for this debt. We have from 1980 through 1993 spent $1.7 trillion on interest. That is over a 13-year period. In the next 5 years, we will spend $1.7 trillion on interest. That is a huge thing on the backs of our children and future generations.

What is interesting in the New York Times editorial is what is not mentioned. They do not mention the threat of monetizing the debt. I ask unanimous consent to have printed in the RECORD the article from the Times, and from OMB, their table that shows this.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SIMON. The Presiding Officer, Senator DORGAN, has heard me speak about this several times now. It says that someone born when I was born, 1930—I was born in 1928, I will spend about 30 percent of my lifetime income on taxation. But when you get down to future generations and, if you assume every projection in terms of their projection on what is going to happen to the economy, and that shows 10 years of solid growth without a dip, and second we are going to save all the money they say we are going to save on health care—and I hope we do but I am not that optimistic—but they say future generations, even with this assumption, 66 to 75 percent of lifetime earnings of future generations will go for taxation.

Mr. President, that is just not going to happen. We are going to start printing money before that happens, and this whole question of monetizing the debt is not addressed at all. That is a huge, huge cloud, dark cloud on the horizon for us.

And then the second thing that they do not address at all in this amendment is our reliance on foreign individuals and foreign governments to buy our bonds; 17 percent of that ownership is publicly acknowledged. In addition, there are individuals and governments that do not want it known publicly, and they hide it. They hide it largely because, in their own countries, there are laws against them taking money out of the country. So it is hidden.

At the very least, it is 17 percent. The reality is you cannot for 25 years in a row borrow money for spending more than you take in without having bankers question what you are going to do and, at some point, those international bankers are going to question it.

Lester Thurow, a distinguished economist who came from, I regret to say, Mr. President, South Dakota rather than North Dakota—he came from Montana originally. His parents lived in South Dakota. The Presiding Officer is more on top of this than I am.

Lester Thurow says the question is not if foreign governments and individuals are going to withdraw their money from us; the question is when they are going to do it.

I see my colleague from Idaho rising.

Mr. CRAIG. Will the Senator yield? The Senator has made an extremely important point as relates to who finances our debt structure. Of that 17 percent today, that represents in interest payments about $40 billion a year in interest on debt that goes overseas to foreign investors.

As I last checked, I think our foreign aid was $20.3 billion, or somewhere in that range. The thing that I find ironic about this is that we spend about $20 billion plus in foreign aid, and we like to think that most of it goes to the poor and the downtrodden, and yet the $40 billion we pay in interest to foreign investors goes to the most wealthy. It is the bankers, it is the wealthy class that has the money to invest in our debt structure that gets all of the money back. So we pay over two times as much to the foreign wealthy as we are able to put out in foreign aid to the foreign poor. Why? Because of debt.

I thank the Senator for yielding.

Mr. SIMON. I thank my colleague, and I will simply say, his figures are too conservative. The reality is, if you take 17 percent of roughly $300 billion, you are talking about $51 billion that goes overseas, and that does not count the hidden ownership. No one knows what that is.

But the point that you make is absolutely valid. The big foreign aid we have is foreign aid not for the poor but for those—I am curious where you got the $41 billion figure. That must be from net—

Mr. CRAIG. Apparently it is. In this debate, I would not dare say, well, it is only a few billion. But in that business, it really is, tragically enough.

Mr. SIMON. Even assuming your figures, the reality is this is roughly twice as much——

Mr. CRAIG. That is the point.

Mr. SIMON. As foreign aid that goes to those who are poor.

Mr. CRAIG. As you just mentioned, it goes to an entirely different class of people.

Mr. SIMON. Absolutely. The point is well taken.

Mr. President, I yield the floor.

EXHIBIT 1

[From the New York Times]

A WRONGHEADED AMENDMENT

When the Senate votes tomorrow on a constitutional amendment, proposed by Senator Paul Simon of Illinois, that would require Congress to balance the Federal budget, the outcome will be close. Such an amendment would be a political mistake. It would allow a mere 40 out of 100 senators and a similar minority in the House to block legislation that would create a deficit. And because the amendment includes no enforcement procedure, it would drag courts where they do not belong—into routine budget disputes.

Fiddling with the Constitution could be defensible if a mighty public purpose were at stake. But Mr. Simon's amendment, and substitute versions also up for voting, would engrave into the Constitution a standard—zero deficits—that makes little economic sense. The deficit, as measured by Congress, takes no account of inflation, no account of growth, no account of recession and no account of the value of public investment.

Yes, the Federal deficit over the last 15 years has been too high. When the Government spends more than it taxes, it borrows the balance. Borrowing threatens to siphon money away from businesses that would have used it for plants and equipment. When this happens, the private economy is left less productive—a blow to our children's living standards.

So Federal borrowing must be contained. But at what level? For several reasons the answer is not necessarily zero. Consider the impact of growth. As incomes rise, individuals can afford to carry more debt. At current growth rates, Congress can run deficits and still keep the debt growing less quickly than incomes. Or consider the impact of inflation. Inflation eats away at the economic value of government bonds that individuals hold. At current rates of inflation, Congress could run a $100 billion deficit without raising the real value of the debt.

But the biggest danger lurking in a balanced budget amendment has to do with the way Congress keeps its books. The Federal budget lumps together ordinary spending (for farm subsidies or administrative salaries) and long-term public investment (for mass transit or scientific research). Forced to cut out hundreds of billions from the deficit, Congress will be driven to eliminate big-ticket investments whose payoffs are far into the future and preserve lower-cost giveaways to politically powerful special interests. At risk will be spending on education, training and infrastructure.

The proposed amendment also poses a threat when the economy turns sour. During downturns, tax revenues fall off, sending the budget into deficit. Under the amendment, Congress would be required to cut spending and raise tax rates—throwing the economy into a steeper tailspin. The only way out is for three-fifths of each house to suspend the amendment—a vote that would be nearly impossible to achieve until the economy had slipped badly.

Though the 1993 budget law should keep deficits tame for now, they are expected to soar again by the end of the decade. But the villain is almost entirely health care costs. The answer to that is health care reform, not a destructive constitutional straitjacket.

TABLE 3–3. LIFETIME NET TAX RATES UNDER ALTERNATIVE POLICIES

[In percentages]

Generation's year of birth	Before OBRA93	After OBRA93	With health care reform	Health care reform but faster cost growth
1900	23.6	23.6	23.6	23.6
1910	27.2	27.2	27.2	27.2
1920	29.0	29.0	29.1	29.1
1930	30.5	30.6	30.9	30.9
1940	31.6	31.9	32.4	32.2
1950	32.8	33.2	34.0	33.5
1960	34.4	35.0	35.9	35.2
1970	35.7	36.5	37.6	36.6
1980	36.0	36.9	38.2	36.7
1990	35.5	36.5	38.3	36.2
1992	35.4	36.3	38.3	36.0
Future generations	93.7	82.0	66.5	75.2
Percentage difference: future generations and 1992	165.1	126.0	73.9	108.8

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we had an agreement before Senator SIMON arrived that Senator DORGAN could speak next for 15 to 20 minutes. So I will preside while he does that, off my time.

Mr. SIMON. That is perfectly acceptable to me.

Mr. CRAIG. Mr. President, I was unaware and I accept that agreement certainly because we want to keep the debate moving. I ask the Senator from Oklahoma be able to follow immediately following the Senator from North Dakota.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from North Dakota is recognized for 20 minutes followed by the Senator from Oklahoma.

Mr. DORGAN. Mr. President, thank you very much for your courtesy.

I have listened with interest to this debate about the constitutional amendment to balance the budget.

This debate is now 1 week old. And I want to mention that I was reading last evening a small book that I am sure Senator SIMON has read, since he reads everything. It is a book written by Mr. Fulghum entitled "All I Really Need to Know I Learned in Kindergarten."

He points out that the lessons you learn in kindergarten are enduring lessons. They really are all that you need to know. Mr. Fulghum says the lessons are: Share everything; play fair; do not hit people; put things back where you found them; clean up your own mess; do not take things that are not yours; say you are sorry when you hurt someone; wash your hands before you eat; flush; and when you go out into the world, watch for traffic, hold hands and stick together.

I read his book a couple of times because the lessons are simple but pretty straightforward. The lesson for this debate, I suppose, is do not take things that are not yours. We are literally spending resources today that are not ours. They are our children's and our grandchildren's. But we are avoiding tough choices and we keep spending our children's resources.

We have an addiction to debt. It is not just Government debt that is a problem. Our country is addicted to debt. It is not just Government, but individuals, too. Go home and open your mail tonight and see if you do not have another credit card company asking you to please accept some of their credit so you can go deeper into debt. You are even preapproved.

Corporate debt has risen astronomically. Consumer debt has risen astronomically. Federal debt and Federal yearly deficits have increased at an alarming and dangerous pace.

But when Congress tries to cut the deficit, we get into these awful partisan wrangles about whether this remedy is better than that remedy. Do we cut spending? If so, which programs do we cut? Do we raise taxes? If so, which ones? These debates can be agonizing.

This Senate is now considering two constitutional remedies. Some feel very strongly that any constitutional remedy is inappropriate. They believe very strongly that this is a terrible mistake. My friend, the Senator from West Virginia, [Mr. BYRD], a Senator of legendary service around here, someone for whom I have the highest respect, feels very strongly that any constitutional approach is fundamentally wrong.

I do not share that view. I did share it some years ago when I came to Congress. I do not share it any longer. I believe we must find the strongest possible solution to force this country's fiscal policy into some kind of balance.

The question is, what remedy will we use? I am definitely going to vote for the substitute amendment offered by the Senator from Nevada, [Mr. REID]. But even if Senator REID's amendment fails, I am willing to vote for the constitutional amendment offered by Senator SIMON. I do not believe those who brought the Simon amendment to this floor really believe that they are offering us the Old Testament; it is the word; it is the word that is unchangeable; it is the only word. No, that is not the case.

The Senator from Nevada has offered constitutional language that would amend the Constitution to require a balanced budget, but would make several changes in what is offered by Senator SIMON.

I would say to my colleagues that I, too, have had reservations about changing the Constitution in any way. I revere that document. I think all Senators do.

We have seen different attempts to change the Constitution, and I have resisted them—flag burning amendments, prayer amendments, abortion amendments. I have said, "I'm sorry, I just don't think we ought to change the Constitution in that way."

But as we have gone through these debates year after year after year, our fiscal policy has been dangerously out of balance, with seemingly no hope of getting it under some control. We are now suggesting a constitutional amendment to force us to control our budget.

A constitutional amendment? I agree with that. Is the Reid amendment an appropriate amendment? Yes, I think it is. Is the Simon amendment an appropriate and good amendment? Yes, I think it is, too.

I do not think that you must be in a position of saying I will vote for one and then against the other, or I will support the other and not the one. Let me describe why.

The Reid amendment includes a provision dealing with Social Security that I drafted. That is an improvement, in my judgment, over the Simon amendment.

The Senator from Idaho has argued that my provision makes balancing the budget easier. It is exactly the opposite in fact. If you take Social Security out of the constitutional amendment, you require a higher threshold, a higher standard, a greater amount of effort to get this budget into some balance. As the Simon amendment now stands, you conceivably could have a $100 billion yearly surplus in Social Security and a $100 billion yearly operating deficit in the rest of the budget. Under the Simon amendment you would be perfectly in balance. But you would not have forced the savings necessary in the Social Security system. The Social Security system is saving up for some lean years to come. If the rest of the Government runs a deficit, we will defeat the purpose of the Social Security surplus.

In 1983 we passed a Social Security reform bill that increased Social Security taxes, the most regressive of all taxes. We changed the retirement age from 65 to 67 and made a number of other adjustments in the system. We deliberately decided that we needed to build up a surplus between now and the year 2035—so that we would have a balance to use when the baby boomers retire.

At the end of the Second World War all these folks came out and produced the biggest crop of babies in the history of this country. The baby boomers, the war babies they call them. When they retire, we will have the maximum strain on the Social Security system.

In 1983, we decided we had to save for that day, so we created a Social Security system that deliberately runs a surplus. This year the surplus is between $64 and $70 billion.

You can say, the Federal deficit is x, but if you do not add the Social Security surplus to x, you are not speaking honestly.

This chart shows the real budget deficit according to the President's budget. Next year it will be $171 billion. But the honest number is $241 billion, because we are using $70 billion in Social Security surpluses to show a lower deficit. If you exclude the Social Security surplus, the deficits grow year by year: $242 billion, $266 billion, $272 billion, all the way to the year 2004 when our budget deficit will be $503 billion.

This problem is not getting better. This problem is getting worse.

That is why the Reid amendment, which excludes the Social Security surplus, is preferable. I appreciate very much the Senator from Nevada including my provision excluding Social Security.

This next chart shows what the debt will be if you count the assets of the Social Security trust funds. We will have a $4.9 trillion debt in 1995. In 1999, our debt will be $6.3 trillion. By the year 2004, we will owe around $8 trillion.

Some would try to justify this debt by reminding us that families borrow. They ask, "Do you know a husband and wife who pay off their car the day they buy it? Do many families write a check to buy a house?"

No. They borrow that money. That is true. But when the family buys the car and goes into debt, it has to make incremental payments every single month to reduce the debt. When a family buys a house and goes into debt, that family must make incremental payments every single month to reduce the mortgage. No one in this Chamber can name a single month since 1980 in which the public debt has fallen. In every month since then, the debt has risen. That is why I conclude we need a constitutional amendment to balance the budget.

The Reid amendment, some say, is weak because it makes an exception during a recession. It would enable the Government to help the economy grow out of a recession. I do not see this as a liability. That provision is an asset.

Others complain that the Reid amendment has a capital budget capability in it. That is not a problem for me. In my judgment, that is an asset. That is what the States do. And that is what private corporations do.

So the Reid balanced budget amendment is an amendment that I can and will easily support.

I bet that if you skip ahead 100 years from now and read the financial history of the United States, you will look back at this past decade and a half, and you will say, "What on Earth were those men and women serving in the Congress thinking about? How on Earth could they have believed that they should do what they did, spend about 24 percent of the gross national product, raise about 19 percent in revenue, and charge the remaining 5 percent to the kids. How on Earth could they have hooked their entitlement programs to inflation so they were automatically increased and then have indexed their tax system so that it did not adjust for inflation, and have created this tremendous imbalance? How on Earth could they have believed that they were going to get out of that mess?"

A constitutional amendment will end budget business as usual. And let me emphasize that we have made massive constitutional changes before. For years in this country women could not vote. Do you not suppose that back in the 1860's, 1880's, 1890's people would say, "Why should we give women the right to vote? Things are just fine the way they are. Nobody is complaining. It is just fine."

We had a time in this country when it was just fine to own a slave. At least that is what they thought. The Supreme Court even said it was fine. At the time people thought, "Well, gee, I think we are doing the right thing. This does not seem wrong."

Our country has done many things that did not seem wrong at the time. This country's current fiscal policy is one of them.

A couple of years ago, a professor of history at Yale, named Paul Kennedy, wrote a book called "The Rise and Fall of the Great Powers." He evaluated the rise and fall of civilizations, of societies, and tried to understand why that happened. Over long periods of history, countries rise up, and become rich and powerful. When they do that, they reach outward, and they extend their interests to other parts of the world. When they extend their interests, they try to secure those interests, and they build up their military forces to protect those interests. Inevitably, another country rises up and competes. And because the first country is using all of its money to defend its over-extended interests abroad, it does not make the economic investments necessary to sustain its future, and it falls.

I mention this because we have to make some choices if we are to sustain our long-term prosperity.

The Senator from Nevada has offered a constitutional amendment to balance the budget. I am going to vote for it.

If the Reid amendment does not pass, the Simon amendment will be before us. I will likely vote for it. I want us to decide now, not tomorrow, not next year, not a decade from now, that my children, when they go into the job market, are going to find a growing economy. I want America to remain a land of opportunity. And that is simply not going to happen under the current set of circumstances.

This President has done more than his recent predecessors to cut our deficit. He proposed a gutsy plan last year to Congress, and I am proud I voted for it. Some of it was very controversial. I understand that. But it does not take me 5 seconds to stand up and take credit for voting for that plan. It was the right thing. It raised some taxes, yes. It cut some spending, yes. It was certainly tough, but I voted for it. I am proud of that.

Even with that tough medicine, we do not now see a blueprint for reconciling our entitlement programs and other spending with our revenues. Even with what we did last year, we do not have a plan for the future of this country. That is why I am convinced we must impose on ourselves the discipline of a constitutional balanced budget amendment.

We could put this in the Constitution at 5 minutes after 3 this afternoon and it will not make one nickel's difference in the deficit. We will have to make changes to comply with the Constitution. We are going to have to make difficult choices. But putting this requirement in the Constitution, as either the Reid amendment, or the Simon amendment would do, will require us to do the right thing for our children and for our country.

That is why I am pleased to stand today in support of what the Senator from Nevada has offered the Senate: a constructive, appropriate, well-written, thoughtful constitutional amendment. And I hope that when we vote on that at 3 o'clock tomorrow the Senate will approve the proposal of the Senator from Nevada.

I thank the Senator from Nevada for his courtesy.

The PRESIDING OFFICER (Mr. DORGAN). Who yields time?

Mr. HATCH. I yield to the Senator from Oklahoma 10 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 10 minutes off the time of the Senator from Utah.

Mr. NICKLES. Mr. President, first, I wish to congratulate my colleague and friend, Senator DORGAN from North Dakota, for his statement. Especially his statement in which he said he was going to vote for the Reid amendment and that, if it should not pass, he intends to vote for the Simon amendment. I happen to prefer the Simon amendment. It is my intention to vote against the Reid amendment in favor of the Simon amendment. But I want a balanced budget amendment to pass.

I think it is vitally important that we take some steps today and tomorrow to make it pass.

I also wish to compliment my friends and colleagues, Senator SIMON, Senator CRAIG, Senator HATCH, and Senator THURMOND, for their leadership on this issue. Senators HATCH and THURMOND I have had the pleasure of working with for some time, and they have been diligent in their efforts to try to pass a constitutional balanced budget amendment. We did pass it on the floor of the Senate, I believe, in 1982 by a couple of votes. We have tried a couple of times subsequent to that and have been short a couple of votes. My guess is, Mr. President, this will be a very close vote and, in all likelihood, will be decided by one or two votes.

So every single vote is important. This is probably one of the most important votes that we will cast this year.

It is interesting to note the significant history of this debate. I would love to find that the vote that was cast in 1994 will be a vote to pass the balanced budget amendment for the second time in the Senate, and hopefully the House will concur.

I also, Mr. President, would like to compliment Senator BYRD for his tenacity, for his commitment, and for his dedication in opposition. He is very persistent. I happen to appreciate somebody who is willing to stand up on difficult issues and express themselves very forcefully, and certainly he has done so.

I also had the opportunity to participate in some of the hearings that Senator BYRD conducted last week. I felt maybe those hearings were a little unbalanced. They were certainly constructed to advocate Senator BYRD's position in opposition to the balanced budget amendment. I appreciate that, although I disagree with the results. I mentioned that to Senator BYRD and also to some of the witnesses.

Mr. President, I became concerned after listening to some of the witnesses that Senator BYRD had the one day I attended—Secretary Shalala, Secretary of Health and Human Services, made some very draconian statements. She said that if we pass the balanced budget amendment we will take the "care" out of Medicare and we will take the "security" out of Social Security. I happen to disagree. Secretary Brown of Veterans Affairs was there, and he said that if we pass this, we are going to gut programs for veterans. We would have to have an 11.2 percent reduction in veterans programs and not even be able to fund programs for service-connected veterans.

I could not help but think the administration is really mounting a hype campaign against this amendment that is not sustained by facts or reasonable analysis.

I also serve on the Budget Committee, and we had Secretary Bentsen and OMB Director Panetta before the committee. They were talking about how great it is that the deficit is declining substantially. Last year, in January 1993, CBO estimated the deficit for 1995 would be $284 billion, and in January 1994, CBO estimated that the deficit will be $171 billion. That is an improvement of $113 billion in 1 year.

I will insert for the RECORD an analysis of where that $113 billion comes from.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEW SPENDING IN THE CLINTON BUDGET PLAN, INCREASES ABOVE 1994 LEVELS [1]

[In billions of dollars]

	1995	1996	1997	1998	1999	Total
Crime bill initiatives:						
Budget authority	2.466	4.333	5.049	5.553	6.581	23.982

NEW SPENDING IN THE CLINTON BUDGET PLAN, INCREASES ABOVE 1994 LEVELS—Continued

[In billions of dollars]

	1995	1996	1997	1998	1999	Total
Outlays	.736	2.324	3.925	4.982	6.449	18.416
Head Start:						
Budget authority	.700	1.400	2.100	2.800	3.500	10.500
Outlays	.463	1.204	1.872	2.567	3.266	9.372
Housing vouchers:						
Budget authority	1.339	1.408	1.478	2.658	3.138	10.021
Outlays	.456	1.003	1.633	2.301	3.064	8.457
NIH:						
Budget authority	.517	.999	1.501	2.024	2.569	7.610
Outlays	.758	1.429	2.118	2.820	3.343	10.468
Title 1 education:						
Budget authority	.667	.909	1.152	1.397	1.642	5.767
Outlays	.029	.583	.899	1.151	1.395	4.057
National service:						
Budget authority	.275	.784	1.012	1.285	1.610	4.966
Outlays	.165	.504	.908	1.189	1.468	4.234
Dislocated workers:						
Budget authority	.347	.746	1.047	1.047	1.095	4.282
Outlays	.415	.797	1.184	1.497	1.594	5.487
WIC:						
Budget authority	.354	.704	.956	1.035	1.184	4.233
Outlays	.316	.674	.925	1.017	1.161	4.093
Goals 2000:						
Budget authority	.595	.895	.895	.895	.895	4.175
Outlays	.141	.605	.916	.981	.987	3.630
NIST growth:						
Budget authority	.415	.569	.859	.887	.902	3.632
Outlays	.157	.411	.687	.887	.986	3.128
IRS tax modification:						
Budget authority	.295	.803	.841	.787	.610	3.336
Outlays	.244	.671	.829	.849	.718	3.311
SSI processing:						
Budget authority	.327	.156	.668	.743	.862	2.756
Outlays	.371	.516	.700	1.046	1.145	3.778
Highways:						
Budget authority	.323	.323	.168	.168	.168	1.150
Outlays	.621	1.475	1.767	1.767	1.846	7.476
Homeless programs:						
Budget authority	.427	.177	.177	.177	.177	1.135
Outlays	.286	.408	.676	.933	1.072	3.375
All other increases:						
Budget authority	5.803	7.087	8.034	8.609	9.438	38.977
Outlays	3.019	6.435	8.372	9.871	10.870	38.567
Total:						
Budget authority	14.856	21.293	25.937	30.065	34.371	126.522
Outlays	8.177	19.039	27.411	33.858	39.364	127.849

SOURCE OF DEFICIT CHANGE SINCE PRESIDENT CLINTON TOOK OFFICE

[In billions of dollars]

	Fiscal year 1993		Fiscal year 1994		Fiscal year 1995		Fiscal year 1996		Fiscal year 1997		Fiscal year 1998		Total 1993–98	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
CBO deficit baseline (January 1993)	310		291		284		287		319		357		1,848	
CBO deficit baseline (January 1994)	255		223		171		166		182		180		1,177	
Deficit change	(55)		(68)		(113)		(121)		(137)		(177)		(671)	
Sources of deficit change:														
Spending cuts [1]	4	−7	4	−6	(5)	4	(20)	17	(39)	28	(56)	32	(112)	17
Tax increases [2]	0	0	(28)	41	(46)	41	(56)	46	(66)	48	(67)	38	(263)	39
Debt service	0	0	(1)	1	(2)	2	(7)	6	(13)	9	(20)	11	(43)	6
Economic changes	0	0	(13)	19	(15)	13	(12)	10	(14)	10	(25)	14	(79)	12
Technical and other [3]	(59)	107	(31)	46	(45)	40	(27)	22	(5)	4	(9)	5	(176)	26
Total	(55)	100	(68)	100	(113)	100	(121)	100	(137)	100	(177)	100	(671)	100

[1] OBRA 1993 discretionary and mandatory spending cuts minus higher outlays for emergency unemployment compensation and supplemental appropriations for flood relief.

[2] OBRA 1993 tax increases.

[3] Technical reestimates (deposit insurance, revenues, and medicare/medicaid) and OBRA 1993 debt service savings.

Note.—Details may not add due to rounding.

Sources: CBO January 1993 report, CBO September 1993 report, CBO January 1994 report.

Year	Revenues	Outlays	Deficits	Gross debt
1960	92	92	0	290,525
1961	94	98	(3)	292,648
1962	100	107	(7)	302,928
1963	107	111	(5)	310,324
1964	113	119	(6)	316,059
1965	117	118	(1)	322,318
1966	131	135	(4)	328,498
1967	149	157	(9)	340,445
1968	153	178	(25)	368,685
1969	187	184	3	365,769
1970	193	196	(3)	380,921
1971	187	210	(23)	408,176
1972	207	231	(23)	435,936
1973	231	246	(15)	466,291
1974	263	269	(6)	483,893
1975	279	332	(53)	541,925
1976	298	372	(74)	628,970
1977	356	409	(54)	706,398
1978	400	459	(59)	776,602
1979	463	504	(40)	828,923
1980	517	591	(74)	908,503
1981	599	678	(79)	994,298
1982	618	746	(128)	1,136,798
1983	601	808	(208)	1,371,164
1984	667	852	(185)	1,564,110
1985	734	946	(212)	1,816,974
1986	769	990	(221)	2,120,082
1987	854	1,004	(150)	2,345,578
1988	909	1,064	(155)	2,600,760
1989	991	1,143	(153)	2,867,537
1990	1,031	1,253	(221)	3,206,347
1991	1,054	1,324	(270)	3,598,993
1992	1,091	1,381	(290)	4,002,669
1993	1,153	1,408	(255)	4,352,000
1994	1,251	1,474	(223)	4,690,000
1995	1,338	1,509	(171)	4,995,000
1996	1,411	1,577	(166)	5,314,000
1997	1,479	1,661	(182)	5,656,000
1998	1,556	1,736	(180)	6,003,000
1999	1,630	1,834	(204)	6,375,000
2000	1,706	1,931	(226)	
2001	1,783	2,039	(256)	
2002	1,868	2,156	(288)	

Mr. NICKLES. Mr. President, some people will say that $113 billion reduction was a direct result of the deficit reduction package that passed last year. My colleague from North Dakota said he was proud to have voted in favor of that package. I was proud to have voted in opposition to it because it contained over $2 in tax increases for every $1 of spending cuts. For fiscal year 1995, the spending cuts that were projected by CBO as a result of last year's package totaled $5 billion. The tax increases totaled $46 billion; plus $2 billion in debt savings. Economic changes were $15 billion and technical and others were $45 billion; in other words, we are not going to spend so much money on S&L's.

But the point I am making is that of the $113 billion, only $5 billion of it was spending cuts. I might add for the

RECORD we are ultimately not going to have $5 billion in spending cuts because we just passed an urgent supplemental that is going to increase spending by $8.5 billion.

So finally there are not going to be any spending cuts according to CBO, in 1995. Also, Mr. President, there are no spending cuts in 1994 or in 1993. In the first 3 years of this administration there are no spending cuts whatsoever. In 1993, there was a $4 billion spending increase. There was also a $4 billion spending increase for 1994. So, I did not support the Clinton tax package because I did not feel it was balanced.

My point is that some of us who really and truly believe in deficit reduction and really and truly believe in achieving a balanced budget did not feel as though the package that passed last year was very balanced. It was loaded with taxes—retroactive taxes in some cases—and spending cuts that are very heavy in the outyears. Most of the spending cuts do not occur until after the next Presidential election.

Mr. President, the reason I bring up spending is because I see that as a real source of the problem. Federal spending has ballooned in the past several decades. Some people say it has grown just in the last 12 years. No it has not.

I will insert this chart for the RECORD, but in 1960, we spent less than $100 billion—actually $92 billion; in 1970, we spent less than $200 billion. I might add for my colleagues, this includes Social Security. In 1980, we spent a little less than $600 billion. Ten years later, in 1990, that more than doubled; we spent $1.2 trillion. Actually, it was $1.253 trillion. So we more than doubled in the next 10 years, between 1980 and 1990.

In the year we are looking at now—1995—we will spend $1.5 trillion. By 2000, we will spend $2 trillion. Federal spending continues to escalate at a very rapid rate. To me, that is the problem. We had massive tax increases last year, but you see the total deficit continuing to expand.

As a matter of fact, in President Clinton's first 4 years, according to his budget estimates, the national debt will increase $1.3 trillion. If you looked at the next term, or the next 4 years, the national debt will increase from about $4 trillion in 1992 to $6.4 trillion in the year 1999. That is an increase of $2.4 trillion between 1990 and 1999.

So the Federal debt, given the tax package that passed last year, given the so-called spending cuts that have happened, will actually increase by $2.4 trillion between the year 1990 and 1999. That is according to CBO. I will insert these for the RECORD, also.

What does that mean? When we talk about trillions of dollars, I think it is hard for most people to comprehend. Basically, it means that the Federal debt, per capita, is $17,000 for every man, woman, and child in the United States. That is a figure we can grasp—$17,000 for every single man and woman and child in the United States. In 1980, it was about $4,000. So it increased dramatically and continues to increase dramatically in the next 4 to 8 years. That is the reason we need to pass the balanced budget amendment.

I agree with my colleague from North Dakota that that does not mean we have solved the problem. It means that we in Congress are going to have to make difficult decisions that may not be popular, and they may result in some politicians being defeated. But we have to make some of those difficult decisions. Forty-eight States have provisions in their constitutions that require a balanced budget. We should have it in the Federal Constitution, as well.

Some of my colleagues say we have already made dramatic spending cuts. If you look at the total growth in spending, you see we really have not touched the mandatory spending. Again, Senator DORGAN mentioned that in his comments. Yes, we had budget agreements in 1990 and 1993 that limit or freeze discretionary spending, but we really have not grappled with the so-called uncontrollable spending, the mandatory spending in the Federal budget. I doubt that we will, until we are forced or required to by the Constitution. This is spending that will increase automatically by law, unless we change the law.

It is going to take some congressional courage of both Democrats and Republicans to make that happen. But it has not happened. It did not happen throughout the 1980's. It did not happen under President Reagan's administration or under President Bush's administration, and it has not happened under President Clinton's administration.

I am concerned about some of the things proposed for the future, because when we look at some of these charts, they do not include health care reform. I notice that President Clinton has a lot of new spending in his budget, not even in the entitlement categories. He wants to spend $127 billion in new spending over and above 1994 enacted levels. I will include a table of those increases for the RECORD, as well.

While a lot of people say we need to cut spending, they do not vote that way. We had a vote on the floor of the Senate a couple weeks ago to cut spending by $94 billion, and we could not get a majority vote for it. We had a vote on the floor about the same time on an urgent supplemental. Some of us wanted to pay for it, and we got 43 votes. They said, "We want to help the people who are victims of the disaster in California, but we do not want to pay for it." So we added $8.5 billion to the national debt.

Some of us really believe we need to cut spending. Some are more than willing to make difficult votes to do so. But I think it may take a constitutional amendment to enable us to get 50 votes to make that happen.

This amendment does not prescribe how we get there. It says you cannot spend more than you take in. That means legislators have to make difficult decisions.

I am also concerned about other new spending that the administration has proposed. There are now proposals in the Clinton health program that say the Federal Government should pick up 80 percent of the health costs for retirees between the ages of 55 and 65. That will only explode in costs. There are also new long-term disability benefits and new prescription drug benefits. There are massive new subsidies for business. President Clinton is going to subsidize small business and big business.

Big businesses will not have to pay any more than 7.9 percent of their payroll cost for health care. Right now, it may be 15 and 20 percent. Who is going to make up the difference?

Small business will pay 3.5 percent. The Clinton benefit package is estimated by the CBO to cost about $6,000 per family. If they only have to pay 3.5 percent, then the taxpayers are going to have to make up the balance.

Mr. President, this administration is calling for a lot of new spending. I believe it is irresponsible because it is not paid for. I look at these previous votes that we have had on a balanced budget amendment and I see that the national Federal debt continues to escalate every time. I would like to think we would pass it now instead of coming back and debating this on the floor 2 years, or 4 years from now, and instead of saying we have $4.4 trillion debt, we have a $6-point-something trillion debt.

The debt now totals $17,000 for every person in the United States. I would hate to think we will be debating this again when it is $25,000 per person, or $30,000 per person, or when it is $40,000 per person.

Mr. President, this, in my opinion, is the most critical vote we will cast in the Senate, certainly, this year. Again, I wish to compliment Senator SIMON, Senator HATCH, Senator CRAIG, and Senator THURMOND, and all of the colleagues that have shown the courage to take a strong stand on this issue. I think it is vitally important, and I hope my colleagues will concur with our vote tomorrow.

I yield the floor.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I yield 5 minutes to the distinguished Senator from New Hampshire.

Mr. GREGG. Mr. President, first, I wish to congratulate the author of this amendment, the Presiding Officer in the chair for the moment, and Senator

CRAIG from Idaho. I think it is an excellent proposal and has been already reflected in the discussion on this floor. It is probably the most significant vote that we will cast in this session of the Senate. Hopefully, it will pass and, if it passes, it will be the most significant action which this Congress has taken in literally decades in order to get its house in order and the fiscal house of this Nation in order so that we may pass on to the next generation a stronger and more vibrant nation than we received when we took the position of responsibility that we have here today as Senators.

That is the test which I think any generation must put itself to in evaluating how it addresses its role in history. Do we, as a generation, pass on to our children and succeeding generations a stronger and more vibrant country?

The answer today to that question would be no. Under the numbers that have already been discussed here and the proposal sent up by the President in his budget submission, it has been pointed out that a child born today will pay 82 percent of his or her earnings in taxes; that a person born between the period 1950 and today will pay over 60 percent of his or her earnings in taxes. It is only the generation born before 1950 that is going to pay a third of its earnings in taxes.

It is certainly not an appropriate legacy for our generation to be passing on to the next generation a tax burden of 82 percent. It undermines the capacity of the next generation to obtain prosperity and live the type of lifestyle which our generation has been fortunate enough to have.

So this balanced budget amendment comes forward in a very critical time so that we can put in place the laws that are necessary and the actions that are necessary within this Congress in order to bring down that heavy burden on the next generation in the area of taxes.

A lot of people have spoken today who have had reservations about this amendment and have said that it is inappropriate to introduce it into the Constitution because it will violate the authority of the Congress. The power of the Constitution comes not from the Congress or from the people who serve in the Senate or the House; the power of the Constitution comes from the people. That is fundamental to our form of government. It is a "we the people" form of government.

When you look at the Constitution, that is a living, breathing document that was structured in a way by our forefathers so that the people when they desired it to be changed could do so through the amendment process. This amendment is consistent with that authority which is retained in the people.

Let us remember that should we pass this joint resolution out of this Senate and should it be passed out of the House and, therefore, should it be sent back to the States for ratification, it would still not be law until it had been ratified by 38 States, and that would engender a tremendous, vibrant, and appropriate debate across this country as to the appropriateness of a balanced budget amendment. That debate would be good. It would be excellent, and it would involve the people of this Nation in deciding their future and whether or not they wish to tie this to the Constitution.

If the Congress wished to abate that debate and take steam out of the initiative, the Congress could do so with relative ease by putting in place legislation which would address the long-term deficit—do what we are supposed to do anyway. But we have not done that. We have not done it for 25 years, and I doubt that we will do it in the immediate future.

But if the Congress wished to in some way mitigate the impetus for passage of this amendment at the State level, it could do so by undertaking its obligation to manage the deficit appropriately and manage the finances of the Nation appropriately but, in the alternative, should the Congress not undertake that, should it not put in place the appropriate actions to mitigate the initiatives, then it would probably pass the 38 States, and should it pass the 38 States, it would be the people speaking and the people amending the Constitution, and that is where the authority rises, and that is where it should be.

We, as a nation, really do have an obligation and we, as a Senate, have an obligation to give our children the same opportunity for prosperity for their capacity to have a fine and excellent lifestyle as we have had, but we have robbed our children of that capacity due to our irresponsible actions in the area of managing the fiscal policies of this Nation.

Everyone has pointed out that this constitutional amendment will not immediately correct that problem. But what we also all understand is that this constitutional amendment will put in place the mechanisms which will force this Congress over the long run—it will not happen immediately, but over the long run—to take the action which is responsible and which is appropriate to assuring the prosperity and the financial solvency of this Nation.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator's 5 minutes have expired.

Mr. GREGG. I thank the President and yield back my time.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I yield such time as the Senator may need to the distinguished Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I thank the Senator from Utah.

Mr. President, I would like to speak primarily today on the question of judicial taxation. But at the outset, I want to express why I believe a constitutional amendment is appropriate in dealing with the question of the budget.

A number of people have raised the question of whether or not this is appropriate for the Constitution. They say that we should just go ahead and legislate and that by putting a balanced budget amendment in the Constitution it is doing something that is not necessary and is not really appropriate for constitutional language.

I take the opposite view. The fact is that we have not done a good job of balancing the budget. We never do it. It used to be thought that countercyclical spending was the way to operate an economy—that at the down times in the economy, we would run deficits; and in prosperous times, we would run a surplus; that over a period of time, it would balance out.

We do not do that. We do not even begin to. In good times and bad times, the times of recession and times of great prosperity, we go on year after year after year and never running a surplus, always running a deficit, and the result of this is that in a very short period of time, 20 years, the national debt has gone from under a $½ to $4½ trillion. We are not capable of dealing with the budget deficit under the present structure in which we are working.

But I believe that there is a special reason why this is appropriate for a constitutional amendment, and that is that our constitutional structure was designed by our Founding Fathers to protect those elements in our society who would not be protected by a simple democracy. So we built into our Constitution a system of checks and balances.

Why do we have a system of checks and balances? We did it to protect those people who are minorities, those people who are from various regions of the country that might be underrepresented to make sure that the majority does not run roughshod over them.

The same is true with respect to the Bill of Rights. The Bill of Rights could be called an undemocratic document because it says that regardless of what the majority says, minorities are protected. Peoples' liberties are protected even if they are a minority of one.

The present state of affairs in our country is that we have a forgotten and totally unprotected minority, and that forgotten and unprotected minority is our children. The unprotected group in this country are the people who are not beneficiaries of the largess of the Federal Government, the people who are not the beneficiaries of the very popular entitlement programs, the people who are not receiving checks from Uncle Sam, our children, our grandchildren, and generations yet to come with whom we are saddling a debt which is now $4½ trillion and which is growing every day without any sign of doing anything to try to bring that debt under control.

So I believe that when there is a portion of our populous that is suffering because of the way we are conducting our affairs, we should look at the Constitution and see if there is not some way to provide some protection for our posterity.

That, as a matter of fact, was part of the reason for the Constitution, in the preamble, to secure the blessings of liberty for our posterity. Well, what has happened to our posterity?

I remember a number of years ago when Paul Volcker was the Chairman of the Federal Reserve Board, he met with the Senate Finance Committee and we were discussing then the problem of the Federal deficit. Paul Volcker said that running deficits year after year is like consuming arsenic; like arsenic poisoning. He said:

> Arsenic poisoning does not kill a person instantly. It kills a person over a long period of time by making the person weaker and weaker and weaker. So it is with the deficit. So it is with the mounting national debt. It is not something that kills us instantly, usually; it is something that makes us weaker and weaker and weaker.

So older people in our country and middle-aged people in our country can enjoy the largess of the Federal Government and not really worry about how weak as a country we are going to be 10, 20, 30 years down the road. We can say, "Well, that is for our children to worry about. That is for our grandchildren to worry about." And therefore, our children and our grandchildren are being disadvantaged by the way we, who are older, are conducting our own affairs.

So when there is a vulnerable part of our population, that is exactly the time when we should be looking at our Constitution to ask ourselves: Are we doing a sufficient job of protecting that vulnerable population? Right now, we are not doing a sufficient job of protecting our children and generations to come. So it is time to address that in the Constitution. That is precisely what this proposed amendment would do.

I have had a problem with the proposed constitutional amendment, and I want to tell the Senate what the problem is and what we are going to do about it. The problem which I have seen is I have been concerned that if we were to pass a constitutional amendment relating to a balanced budget, the effect of the constitutional amendment could put in the hands of the judiciary the power to reach a balanced budget. In other words, my concern was that a Federal judiciary, a Supreme Court in particular, that is an activist court at some future time could take the position that if Congress does not do the job of meeting the requirements of the balanced budget amendment, then the court would do that job in the place of Congress.

A lot of people have said, well, that is ridiculous. A court would never do that. A court would never assume such a power, to create a balanced budget. A court would never get into the business of ordering taxes or ordering specific spending cuts.

However, just a few years ago, a Federal district court in Kansas City, MO, held that it had the power to order tax increases in order to improve the public schools of Kansas City in connection with a desegregation case.

Last night, as a matter of fact, for people who watch "60 Minutes," there was a program about the Kansas City school district and what happened as a result of the Federal court ordering increased taxes and increased spending on a school district in the amount of $1.2 billion for the Kansas City, MO, school district.

So after the case of Missouri versus Jenkins, decided by the Supreme Court, it is clear that under certain circumstances, the Federal courts have assumed the power to impose taxes. And my concern was that Missouri versus Jenkins could be the model for some future action by the Federal courts.

This is not, incidentally, a new concern. The Senator from Illinois, who is managing this constitutional amendment, was good enough to chair a hearing in the Judiciary Committee a year or 2 ago about a proposed constitutional amendment that I had offered with respect to judicial taxation. That was a much broader amendment than the change in the language which we are dealing with in connection with this constitutional amendment.

But, in any event, it has been an issue that I have been wrestling with, and as a result of that wrestling and as a result of discussions, especially with the Senator from Illinois and his staff and the Senator from Utah and his staff, the result has been a modification in the language of the proposed constitutional amendment to provide as follows:

> The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to article VI.

Let me first make a comment about what this change in language does not do. This language is not intended to expand the subject matter jurisdiction of the Federal courts. This language is not intended to manufacture a case or controversy under article III of the Constitution, where one would not otherwise exist. We do not intend by adopting this language to create a new form of case or controversy.

The hurdle that litigants must be able to clear with respect to a justiciable case would continue to exist. A case or a controversy would still have to exist in the future, just as it does today.

But the reason that this language was put in was concern about what a future court might do in expanding what has traditionally been the understanding of what a case or controversy is. In the last 30 years or so, the Supreme Court of the United States has done that.

It used to be thought that the Federal courts did not have jurisdiction over reapportionment cases. It used to be thought that the business of drawing congressional district lines or legislative district lines was not a matter that a court would do; that the court would say that is inherently a legislative responsibility and that it was not something that a court would do.

Well, in the 1960's, the Supreme Court of the United States got into the business of reapportionment cases in Baker versus Carr. So the definition of the kinds of cases the Federal courts would handle was expanded.

It used to be thought that Federal courts did not have the taxing power. Well, in Missouri versus Jenkins, the court said that well, under certain circumstances, anyhow, the courts do have the power to tax. And because of this expansion of the understanding of what courts can now deal with—what meets the qualifications with respect to standing and justiciability and political question and all of the other barriers that used to keep cases out of the courts—because of this expansion I, for one, was concerned that a future Supreme Court would expand the understanding of case or controversy.

So, to repeat, it is not the intention of the authors of this language to expand the definition of case or controversy. It is not the intention to expand the presented state of the law with respect to cases that meet the subject matter jurisdiction qualifications to get into Federal court. Rather, what we are talking about is strictly the question of remedy. If, at some future time, some Federal court were to hold that some litigant is appropriately before the court, then we are saying that the remedies the court can order are declaratory judgment and that is it—not the power to issue an injunction, not equitable relief, not the power to order the increase of taxation or the cutting of spending. But only—only—the power to enter a declaratory judgment, again providing that it is a real controversy.

We also say that if Congress sees fit in implementing legislation to grant the courts additional powers, then those additional powers could, of course, be assumed by the courts. I do not think Congress would do that, but we leave open that possibility.

This language, which has now been accepted by the managers of the bill and which will be incorporated into the constitutional amendment that we will be voting on tomorrow, solves the problem of opening up the possibility of court-ordered taxation or court-ordered spending cuts. In order to sew this up and to make sure that what we intend is actually done, my office has contacted two constitutional scholars representing, really, both ends of the spectrum with respect to liberal and conservative constructions of the Constitution. We asked Judge Robert Bork, and also Professor Laurence Tribe of Harvard Law School, their views of what we have done.

Judge Bork said:

> The grant of the power to order a declaratory remedy, limited as it is in this language, does not give rise to judicial discretion to fashion any other order or injunction or expand jurisdiction.

And Professor Tribe told us,

> I do not agree with the argument that the power of declaratory judgment which is being granted here could be used as injunctive power or permit the judiciary to meddle with Congressional powers. That concern is dealt with in this language, which is explicit.

So, again, it is our purpose in offering this language with respect to judicial taxation and judicial orders with respect to spending that the courts have no such power, and that is the analysis that has been given us, both by Judge Bork and by Professor Tribe. I am confident, therefore, that the language which has been accepted by the managers does deal with this important issue.

Some people might say, well, if the courts are not going to have the power to tax and the courts are not going to have the power to order spending cuts, why do it? Does the constitutional amendment, then, accomplish anything?

My answer to that question is yes, it does, because in most cases, throughout the history of the United States, it has been assumed that courts do not have the power either to perform article I powers under the Constitution—that is the legislative powers—or to order Congress to do so. It has generally been viewed that the operation of the Congress in exercising its constitutional responsibilities has been off limits with respect to Federal court orders. The fact that Federal courts have been very reluctant to get into the business of supervising Congress because of the separation of powers does not mean that article I of the Constitution is a nullity. It does not mean that Congress, therefore, is an ineffectual organization.

The reason the Congress operates in accordance with its responsibilities under article I of the Constitution is not that we fear a court order. The reason is we have taken an oath to uphold the Constitution of the United States and, therefore, the fact that we have explicitly taken from the courts the power to tax and the power to order spending cuts in the enforcement of this constitutional amendment does not render the amendment a nullity. If it does, then all of article I of the Constitution would be a nullity, because it is not enforced by the courts.

So what we are left with, I think, is an amendment that is cured of the problem that I saw in it, the problem I was concerned about, the problem that unless it had been remedied would lead me to vote against the constitutional amendment. I am now going to vote for it. I am going to vote for it because I am confident that this amendment does not put in the hands of the Federal courts the power to tax and the power to spend but, rather, this constitutional amendment provides some additional discipline on the Congress of the United States in spending the people's money, and most particularly in spending money that we do not even have, money we are borrowing from our future.

It is, in my opinion, the appropriate role of the Constitution to do just that, and I will vote for the proposed amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield 15 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is yielded 15 minutes.

Mr. COATS. Mr. President, I thank the distinguished Senator, my friend from Utah, for the time.

We have had a lot of complex arguments about this issue here in the last several days. For me, it boils down to a very simple argument, and it is a very simple principle, the principle of: Do not spend more than you earn. It is something I was taught as a child and something I attempt to teach my children and something I hope will be passed on in our family from generation to generation. If you spend more than you earn, you are going to get in trouble.

Yes, you can go out and borrow, but then you begin to start paying interest and that interest will accumulate. Pretty soon, the interest will start eating up a significant portion of what you make. Pretty soon, you will dig yourself into a hole from which you cannot emerge. It will affect your standard of living. It may affect your very livelihood. So you shouldn't spend more than you earn.

That is a principle I would guess almost all parents in America try to pass on to their children. It is something that every head of household knows he or she has to live by, or risk financial ruin. It is something every businessman and every business woman in America knows they have to live by and discipline themselves to, or it risks failure of that business.

It seems that is something every institution in America has to live by, except the Federal Government. Only the Federal Government has ignored that principle of do not spend more than you earn.

There is no question that the situation we face with our current deficit and our current national debt is urgent. We all know the budget has only been balanced once in the last 30 years. As a result now, our national debt, because of the accumulation of debt that is added every year from deficit spending, has now reached more than $4.5 trillion; that has generated an interest payment in this fiscal year of over $200 billion—$200 billion of this year's receipts from taxpayers will have to be paid on interest alone. It will not go for infrastructure development, it will not go for medical research, it will not go for social programs, it will not go to meet human needs, it will not go to defense, it will not go as a return to the taxpayer of their hard-earned dollars. It will simply be paid on interest, and that interest debt is going to continue to mount year after year. It is something which our children are going to have to inherit.

For those who think making an attempt today to balance the budget is going to impose hardship on our population, they ignore the hardship that is being imposed on us today, the things that we cannot invest money in—education, health, environment, welfare, defense, whatever it might be, capital investment—we cannot invest that money because it simply is being paid on interest—more than $200 billion for fiscal year 1994.

If that money were just returned to the taxpayer and invested in the private sector, it would have a significant positive impact on our economic performance as a nation.

I admit that amending the Constitution is not an easy matter, nor a matter that we should take lightly. It is one of the most serious acts of which the Congress is capable because it alters the fundamental compact between our Government and its people.

But I would also argue that the accumulation of debt threatens the very endurance of that compact, the very endurance of what that compact was meant to achieve in the first place. That compact was not only an agreement between the Government and the people, but an agreement between us and future generations so that they can carry forward that dream that our Founding Fathers envisioned.

Just this past Friday, I was in Philadelphia for a business meeting and I had some time at lunch, jumped into a cab and went over to Independence Hall to, once again, stand in the room where our Founding Fathers struggled and drafted that document that has formed the basis for the governing of our people. Once again, I was inspired by the stories of the tour guide and by the atmosphere and being present in that room. I realized the gravity of what we were attempting to do here: Amend that document which has so well served this Nation for more than 200 years.

But I also realized that the Constitution is a living document. It is not a sacred document. It is a living document, a document that ought to be examined to see if it can be improved or modified. Our Founding Fathers, as we know, just 2 years after enactment added 10 amendments. No one argued then that the document was so sacred that it could not be changed. Since that time, we have added 17 more. Amendments should not be added unless they are a matter of great national importance, and I believe what we are debating today is one of those matters of great national importance.

I do not think it is out of line to say that Congress has lost a great deal of respect and a great deal of credibility with the American people. We have promised what we cannot deliver, and one of the things that we have promised is that we can handle this deficit without something as dramatic and as serious as amending the Constitution; that we can legislatively deal with this problem. We have promised the American people time and time again that we will give them a balanced budget; that we will eliminate this Federal deficit and we will even begin perhaps paying down the national debt.

We have spent the full measure of trust that this institution has with the American people on that promise. But the spending habits of Congress, it seems, are just too entrenched. I believe we have not delivered because rather than an ideological battle, this has something to do with power: The power of the purse, the power of appropriation, the power of spending the peoples' money, and we do not want to give that power up because deficit spending has always made great political sense.

It is wonderful to be able to tell groups that come into our office, "Well, we will see what we can do." It is much tougher to say, "That is a worthy idea and I, perhaps, could give you some support but, you see, I am sworn to uphold the Constitution of the United States and that requires that we pay for that idea. We can either pay for it by finding a program to eliminate or reduce and, therefore, free up some money and pay for this new idea, or we can pay for it by asking you to pay more in taxes to cover it."

That is honest legislating. That is accountability to the people that we represent. But instead, we are able to politically promise a benefit without inflicting any sacrifice or commitment on the part of the American people to pay for that benefit until future generations. And so we can easily skirt through our term or terms of office without facing up to the reality that someone is going to have to pay that bill. "Oh, we will let another politician worry about that in their term. I will just get through my terms of office here and push that down the line; other generations can pay for it."

The future has no vote in the current election, and so we pass on that accountability and responsibility.

We have had before us a whole series of promises to pay that debt. When I came here in 1981, the Congress had just finished efforts in 1978 and 1979 to legislatively balance the budget. We have now had a whole series of tax reduction acts and tax recovery acts and budget acts and on and on. I am not here today to assign blame or responsibility for not doing the job. I am here today to say, let us put the past behind us, let us face this problem together and let us try to do something about it.

There are those who say the amendment before us that Senator SIMON, Senator HATCH and others are offering is not a silver bullet; that it will not automatically solve our problems. They note that Congress could still engage in deceptive budget practices. They say that a constitutional amendment will be no substitute for courageous choices.

My response to that is this: First, this amendment, by requiring a supermajority, three-fifths, to add new debt, would permanently tilt the rules of the budget process toward restraint, and we need that tilt. We need that restraint.

Second, I believe, it would transform the nature of our commitment to a more responsible budgeting process. It is one thing to vote for a deficit, but it is quite another to vote to violate the Constitution of the United States.

We stand here at the beginning of every term of Congress, and when we are sworn in, we place our left hand on the Bible and our right hand in the air and we swear to uphold the Constitution of the United States. That is a sacred trust. That is a commitment that we make to ourselves, to the people we represent, and to our maker. And it is no light matter to simply say, "Well, we'll find a loophole," or "We'll work around that pledge or that commitment." Anyone who would trivialize that commitment, I would say, is unworthy of holding public office. Anyone who would violate a constitutional pledge would betray any promise, any trust, and I think they will discover a storm of outrage from the public that they had pledged to represent.

Our voluntary restraint cries, our legislative action cries have rung hollow, because too many of those promises have ended in disappointment, and too many of those promises have been broken. We regularly waive statutory restraints. In fact, the Congressional Budget Act, which was one of those promises, has been waived since its enactment in 1974. The Congressional Budget Act has been waived more than 600 times. Over the past 15 years, Congress has passed, at least, five new laws designed to either create a balanced budget or enforce budgetary discipline.

We have heard the promises made from this floor, the floor of the House of Representatives, and I will not repeat those because they are embarrassing. The statements made by Members—by all of us—this will do the job, we finally got a handle on the deficit —yes, it is not responsible to keep spending more money than you earn. So, therefore, this latest act is going to take care of the problem.

David Gergen, who is the President's adviser, wrote an interesting column in U.S. News & World Report, June 1, 1992. Listen to what he said:

> The politicians of this country have now exhausted a raft of different options to bring our Federal finances under control—deficit limits, tax increases, caps on domestic spending, cuts in defense spending—but the Nation's budget remains shamefully out of whack.

He went on to say:

> The time has come to recognize that the right thing to do is something we have long resisted: Amend the Constitution so that Congress and the President are required to balance the budget.

That is a statement with which I agree. I do not know if David Gergen still agrees with it. He is now advising this President, and this President opposes what we are doing. But just 1½ years ago, David Gergen said something that I think instinctively we all know to be true. The right thing to do is something we have long resisted; that is, amend the Constitution so that we are required to balance the budget.

Now, the critics say the sky is falling. The President's point man, Robert Rubin, said, "We need to save the country from this disaster."

The White House claims that the only way to get a balanced budget is through dramatic tax increases or draconian spending cuts. They said that tax hikes would throw us into a recession. That is the first time I heard the White House say that. I am glad to hear them acknowledge that particular point. When it comes to raising taxes or gutting the Pentagon's budget, I do not question that the President speaks with some authority. And I am glad to know that he has belatedly acknowledged that raising taxes is akin to playing recession roulette. But the truth is we do not have to raise taxes or gut spending programs to balance this budget.

A whole raft of plans have been proposed. I introduced last year the families first bill which simply places a cap on overall Federal spending. Right now, Federal spending is growing at about 4.5 percent a year. If we cut that in half, we could reduce the deficit to zero in 8 years.

We can get from here to there. It does not have to be the Coats plan. I think the first bill is a viable way of dealing with that, of reordering some of our priorities, and I have spoken on that act on this floor before. But it shows that the budget can be balanced by limiting the growth of Government spending—not massive cuts in Government spending but by limiting the growth or forcing us to live up to our obligations; and if we, as a people, say we need that particular program of Government or expenditure of Government, then we must be willing to pay for it.

The cap proposal that I have offered creates a Commission like the Base Closing Commission, and then backs it up with a sequester across the board.

The PRESIDING OFFICER. The time yielded to the Senator from Indiana has expired.

Mr. COATS. I wonder if I could have 3 additional minutes.

Mr. SIMON. Mr. President, I will yield 4 additional minutes of my time to the Senator.

Mr. COATS. I thank the Senator and commend him for his leadership on this important issue. It has been a joy to work with him on it.

The point is that we do not have to gut Federal spending. We can get from here to there. We have ample time to get from here to there. The amendment is crafted so there is an emergency exit in case of a national security emergency. It is not the draconian, destroy-America process that some would have us believe.

Now, Mr. President, I stated earlier that I came to Congress in 1981, so I have only been here 13 years. When I came, we were running a $78.9 billion annual deficit and our national debt stood at $994.3 billion, less than $1 trillion, 13 years ago. It took this country over 200 years to reach the first trillion dollars of debt. I stand here today, 13 years later, and the national debt is $4.5 trillion—4.5 times higher than when I arrived—and I am a junior Member of this institution.

That is a legacy of which I am ashamed of. And, yes, I can point to all the votes for balanced budget amendments and I can point to taxpayer hero awards and bulldog of the Treasury; I have the trophies in my office. I can point to those votes, but I am ashamed that 13 years our national debt has risen from under $1 trillion to $4.5 trillion.

Now, we can stand here and point the finger. Republicans can say the Democrats controlled the Congress, and therefore it is their fault. Democrats can say the Republicans had the White House, and it is their fault. I think we ought to stop pointing any fingers and say we have a major problem facing us today. What are we going to do about it? Are we going to blame each other or are we going to do something about it?

For those who like to claim that historically we do not have a basis to do what we are doing, I say just look at the history of the past 13 years. Look at the promises. Look at the failed promises. Look at the failed efforts of Congress to do something about this. We are led to no other conclusion than that a constitutional amendment and swearing to uphold that Constitution is the only way we are going to bring fiscal accountability and discipline to this process. It is the only way we can save ourselves from ourselves.

It is too tempting to pass programs to give people benefits and not worry about how it is paid for, not have to face them and say you have to pay more in taxes if that is what you want, or you have to eliminate spending in another program to pay for it. It is too tempting politically, and we are not going to solve this problem unless we are forced to do it constitutionally.

Would it not be a joy to look people in the eye and say, "It is a good-sounding program, but I am sworn to uphold the Constitution and I cannot do it unless we pay for it."

I do not want this destructive legacy on my watch. I cannot imagine any Senator would want this destructive legacy on his watch. We have an opportunity tomorrow; we have an opportunity to do what we all know we should do. It is time to end this charade of saying we have the will to do it. We do not. We have proven we do not have the will to do it. We never will have the will to do it. We need the backbone guaranteed to us by swearing to uphold the Constitution of the United States.

We betray moral commitments because we place an unfair burden on the future. This is a destructive legacy we are leaving because it is a Congress without courage. The courage will come when we vote tomorrow on a real amendment to balance the budget.

The PRESIDING OFFICER. The Senator's additional 4 minutes have expired.

Mr. COATS. I thank the Senator for his generous time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I wonder if, with my friends who are managing this bill with me in the Chamber today, we could arrange some sequence of time so that Members are not waiting around. It is my understanding the Republican leader is going to speak for 5 minutes or so.

Mr. DOLE. That is right, in leader's time, for 3 or 4 minutes.

Mr. REID. I understand that. And then following that, it is my understanding that Senator HEFLIN has been granted——

Mr. SIMON. At that point, I will yield 15 minutes to Senator HEFLIN.

Mr. HEFLIN. Twenty.

Mr. SIMON. Twenty minutes to Senator HEFLIN, and then 20 minutes to Senator GRAHAM. And then the Senator and I are both yielding, even though he is speaking against both of us, 30 minutes to Senator BUMPERS.

Mr. REID. Fifteen minutes each; that is right.

Mr. SIMON. All right.

Mr. REID. So that should get us through the next hour or so.

Mr. SIMON. Yes.

Mr. BUMPERS. Mr. President, I wonder if we could make that by unanimous consent request so we will each know about what time we are going to be able to speak.

Of course, the leader has his own time, but I ask unanimous consent that following the minority leader's 5 minutes, there be 20 minutes allocated from Senator SIMON to Senator HEFLIN; and following that, there be 20 minutes to the Senator from Florida [Mr. GRAHAM] also allocated by Senator SIMON.

Mr. SIMON. That is correct.

Mr. BUMPERS. And following that, 30 minutes allocated to me, 15 minutes from Senator SIMON and 15 minutes from Senator REID.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Was leader time reserved? I do not want to use any of their time.

The PRESIDING OFFICER. Leader's time was reserved.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that the unanimous-consent request that was just granted be amended to allow Senator MATHEWS to speak after Senator GRAHAM for 10 minutes.

Mr. SIMON. That is perfectly acceptable to me. In fairness to our colleague, Senator BUMPERS, who was here——

Mr. REID. I talked to him about that. I explained that to him.

Mr. SIMON. All right. I have no objection.

Mr. REID. I cleared that with Senator BUMPERS.

The PRESIDING OFFICER (Mr. MATHEWS). Without objection, it is so ordered.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I have long supported the constitutional amendment requiring a balanced budget. When I first came to the Senate, the first bill I introduced and the first bill that I introduce at the beginning of each succeeding Congress is a resolution calling for a balanced budget constitutional amendment.

I think the adoption by the committee, or at least the proposed adoption, regarding the courts, through the language, "The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment of such remedies as are specifically authorized in implementing legislation pursuant to this section" is a good addition.

I want to raise some questions, and then I would like to perhaps have Senator REID respond after I recite them and get some specific clarification regarding to what his proposal will do.

I like his idea concerning Social Security. I think it ought to be off-budget.

But in reading the amendment, I have a number of questions that arise in my mind. First, the Reid proposal, as I understand it, would eliminate section 2 of the Simon amendment, which is:

> The limit on the debt of the United States held by the public shall not be increased unless the three-fifths of the whole number of each House shall provide by law for such an increase by rollcall vote.

The other provision that seems to be omitted is dealing with taxation:

> No bill to increase revenues shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

I think those are mistakes.

The primary purpose of the national debt is to act as an enforcement. If you went astray somehow, and came down to the time of raising the debt limit, we all know that there are drastic consequences if it is not raised. The requirement of a three-fifths vote to raise the debt limit is an enforcement provision that is in our amendment. I have some reservations about the omission of that mechanism in the Reid amendment.

I am troubled by certain language, in the Reid amendment, and maybe it can be explained. There are phrases like "estimated" and "operating funds." Under the Simon amendment, the language "total outlays" and "total receipts" do not lend themselves to an interpretation other than "total." But when you get into issues on "estimated," does this mean that Congress has the authority to define what estimated outlays will be? Does this mean that Congress will have the right to define what "operating funds" will be? Do operating funds include payment of interest and debt service? Do operating funds include entitlement payments? Do operating funds include such matters as weapons that over a long-term basis, such as an aircraft carrier——

Mr. REID. Will my friend yield?

Mr. HEFLIN. I will finish, and then I will come back to you and ask the questions.

Those things concern me as to whether or not they are within the power of Congress to legislate and define. Therefore, that presents a question of a loophole that could be used.

Of course, the issue that is raised by a lot of us is this issue of the suspension if a declaration of war is in effect. Under the Simon amendment, it is waived; it is not automatic. This makes it automatic. Then it provides, "If the Director of the Congressional Budget Office, or any successor, estimates that the economic growth has been or will be less than 1 percent for 2 consecutive quarters during the period of those 2 fiscal years." I interpret that to mean that over a 2-year period, which is 24 months, if estimated in the last 6 months of that 24-month period, there would be economic growth less than 1 percent; therefore, it would go into effect. That seems to me to be very difficult for anybody to estimate what the growth will be 18 months in advance. We estimate economic growth in calculating what revenues will be, and that sort of thing, 12 months in advance. But to try to do that for 18 months in advance seems to cause some problems. Maybe I do not understand this fully.

Then, under the total estimate receipts of operating funds that shall be derived, these are the exclusions from net borrowing. Under the Simon amendment, net borrowing is excluded. I do not understand what the word "net" means, and I would like to know that.

Then, you exclude the Federal Old Age and Survivors Insurance Fund, that being Social Security. I was under the impression that also the highway trust fund and aviation trust fund would be excluded. But I do not see that. Maybe that has been changed.

The words "capital investment" is a question that raises a lot of concern with a lot of us. What is a capital investment? Is a capital investment highways? Is it a building? Is it an aircraft carrier? Is it a B-2 bomber? I do not know. These things, again—if this is subject to definition by legislation as to what it would be, there is that danger, as I see it, that it could be a loophole.

Then the issue of delegation to an officer of Congress the power to order uniform cuts. This is given to an officer of Congress rather than to an officer of the executive branch. Constitutionally, we can do whatever we want to. But, historically, the matter of execution of the laws has been carried out by the executive branch.

Then, we have the issue regarding what are some essential functions. In my State, we have what is called proration. If revenues do not meet appropriations then we prorate, cut across the board. But there are certain essential operations of government that are not cut—police forces, the judiciary. There are certain operations of government that are not subject to a uniform cut across the board. I see the language "by appropriate legislation delegate the power to order uniform cuts." Perhaps that is broad enough. I am not sure what section 6 really means when it says that "sections 5 and 6 of this order shall take effect upon ratification."

I would like to go over these things and ask Senator REID, if he would, to explain some of these. I still have not made up my mind how I am going to vote on his amendment.

Senator REID, are the terms "operating fund" and "estimate" subject to congressional definition?

Mr. REID. I respond to my friend from Alabama that we have significant experience with capital budgets. We have set forth in the Federal budget capital expenditures. We have used that for some 40-odd years and, of course, all State governments—not all, but virtually all—use the capital budget. We have significant experience with which to direct our implementing language relating to capital budgets. So I think that would be fairly easy, I say to my friend.

Does that answer the Senator's question?

Mr. HEFLIN. Well, we are dealing with the Constitution here, and we are dealing with words of estimation and the statutory construction that is given to it. I have some question as to what these words mean, what is included within it. We are dealing right now with—you say "total estimated outlays for operating funds." I am not sure that the experience of what has been done in the past when adopting a new constitutional amendment, the constitutional amendment is not subject to the language that is contained therein, not necessarily the experience of the past.

Mr. REID. I say to my friend from Alabama that my response is, as I have indicated, estimates used for establishing estimated receipts which, for example, under my amendment would be provided by the same sources that would provide them in furtherance of section 6 of the Simon amendment which states "The Congress shall enforce and implement this article by appropriate legislation which may rely on estimates of outlays and receipts."

So if the Senator has trouble with the word "estimates," then you should look at the underlying Simon amendment, because it also uses the word estimates.

Mr. HEFLIN. I am cognizant of that, and that causes me some concern with regard to the Simon amendment, also. Like the words "operating funds"—again, what is operating funds? What is excluded from operating funds, and what is included with them? That is a concern of mine.

Mr. REID. I respond by saying that, as I have indicated, virtually every State has an operating budget and a capital budget. Senator FORD, a former

Governor of Kentucky, came and spoke at some length about how he conducted business when he was the Governor of Kentucky, and it was easy to determine the operating budget and the capital budget. Even though we do not separate them in our own Federal budget, the GAO and the Congressional Budget Office have, for many years, done studies to determine where the capital expenditures are in the Federal budget. So this is not illusory. This is something actually in the work that we have done for many years.

Mr. HEFLIN. Let me go ahead to some of the other things, since we are short of time here.

On this estimate of a recession under any fiscal year and the first fiscal year thereafter, are we dealing with a 24-month period, basically?

Mr. REID. As the Senator knows, we work on a yearly budget, and what is contemplated here is that sometime during one of those 2 years of the Congress, if there are 2 successive months where the growth is less than 1 percent, then that is where this would kick in.

And it would be according to where it came during that 2-year cycle, recognizing that it would probably only affect one yearly budget because we work on a yearly budget.

Mr. HEFLIN. The way I read the language, the article shall be suspended for any fiscal year which is for 1 year and the first fiscal year thereafter. We, of course, are dealing with a budget that is adopted prior to the fiscal year. In other words, the Senator thinks it can be less than 2 years?

Mr. REID. I think it would be hard to make it for 2 years. It would be very difficult because CBO does not project recessions. They never do. They just do not do it. Their projections are otherwise. So it would have to be somewhere during that.

Mr. HEFLIN. Under this they would be required to, would they not?

Mr. REID. I do not think they would be required to. I say they have not done it in the past. I assume we could get them to start doing that even though it would be extremely difficult to do that.

Mr. HEFLIN. You adopt a budget in advance. The budget is in advance of a fiscal year. Section 2, for example, says not later than the first Monday in February the President shall submit for the fiscal year beginning in that calendar year. You are adopting a budget in advance of the beginning of a fiscal year. So that causes me concern, whether or not we are forcing the CBO to have to make projections for a period of 24 months in advance of the beginning of the fiscal year.

Mr. REID. I would say to the Senator from Alabama it is my belief that this provision could kick in during a year and then the next fiscal year is when, in fact, we would have to do something. I think that is quite clear that is how it would work. I think under the current budgeting methods and processes we use it would work quite well.

Mr. HEFLIN. Let me ask the Senator about section 4 where he uses the words "total estimated receipts of the operating funds shall exclude those derived from," and it says "net borrowing." In the Simon amendment, it includes borrowing derived from borrowing. I do not understand exactly what is meant by "net" there. Would the Senator explain that to me?

Mr. REID. I would be happy to.

The budget experts have told us that the word "net" is the appropriate term of art to use, that it comes out to the same monetary number that is in the Simon amendment. They just felt the word "net" is a better term of art.

Mr. HEFLIN. Usually "net" means you subtract from gross and gross borrowing subtracted from some figures may mean the same thing. I am just curious.

Mr. REID. That question has been raised and we were told by the experts that the word "net" is a better term of art; however, it accomplishes the same thing as the underlying Simon amendment.

Mr. HEFLIN. All right.

Now, what interpretation can we give of capital investments? What is the definition and what would be inclusive and what would be exclusive, and what guidelines would we use in determining what capital investments are?

Mr. REID. If I could respond to my friend, as I have indicated, we feel there is sufficient experience in the State and even in the Federal legislation to give us significant direction.

I refer, as the esteemed former chief justice of the Alabama Supreme Court knows, that John Marshall wrote on a number of occasions but I think never any more concisely than he did in the McCulloch versus Maryland case where he said:

> The Constitution, to contain an accurate detail of all the subdivisions of which its great powers will admit, and of all the means by which they may be carried into execution, would partake of the prolixity of a legal code, and could scarcely be embraced by the human mind. It would probably never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of the objects themselves * * * We must never forget that it is a constitution we are expounding.

I would just reiterate to my friend the main difference between the Reid amendment and the Simon amendment is that we are suggesting that capital expenditures not be included to balance the budget, Social Security be off budget and there be a provision for recessionary times. That is the main difference.

There is a limit, as Justice Marshall said, that you can put in this document. We have given, as he has suggested, an outline. We allow for implementing legislation. We feel there is significant history.

The PRESIDING OFFICER. The Chair will indicate that the time yielded to the Senator from Alabama has expired.

Mr. REID. Mr. President, I yield to the Senator 5 minutes from my time.

Mr. HEFLIN. All right.

My fear is that this is subject to legislative definition. If it is subject to legislative definition, then we can have a broad group of expenditures that would come under the category of capital investments. If it is in any way related to affect something that is fixed or of a capital nature, it allows for a lot of leeway, and I am fearful that it would be subject to a loophole. How can we, in effect, close that loophole if it be such a loophole?

Mr. REID. Far from to try to argue legalities with my friend from Alabama who is the legal mind of the Senate I would say this, however, that if the Senator has any questions, any problem with the language of my amendment, then he should tremble at the Simon amendment. The reason I say that is they have indicated they are going to correct all these problems, problems related to capital expenditures, problems related to Social Security, all these problems they are going to correct by legislation.

So, my response is, as I have indicated here on this floor a number of times before, Senator HATCH on Thursday or Friday last said that he felt that we would carry out our constitutional mandates.

My response is that, yes, the Reid amendment will have all the teeth that the Simon amendment has. Both amendments rely on future Congresses to abide by its oath to uphold the Constitution. The Simon amendment relies on future Congresses to define new terms, the limit on the debt of the United States held by the public. That term is nowhere defined in law now. The debt limit defined in title 31, section 3101 of the United States Code, is an entirely different concept. What would prevent the use of creative accounting to define the new limit, and would prevent the Congress defining certain types of borrowing out of the new limit.

The answer is that it is the sworn duty of Congressmen to uphold the Constitution to prevent that. The answer is the same for my amendment.

I also suggest to my friend from Alabama that one of the terms used in the Simon amendment is fiscal year. I lock in a specific date, the first Monday of February. Fiscal year could be changed by legislation. It could be changed by a day, a month, a quarter, a year.

So, I believe, and I know based upon my time here in the U.S. Senate, that the senior Senator from Alabama is really concerned about legalities, but I would respectfully suggest to my friend, the legal scholar of this institution, that any problems that are seen in the Reid substitute are certainly replete through the Simon amendment.

I think the Senator and the other Members of this body have to rely on Members of the U.S. Senate to conduct themselves in a manner consistent with the Constitution, whatever it might be.

Mr. HEFLIN. I thank the Senator. I appreciate the Senator yielding the extra time.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I ask unanimous consent to yield 1 minute of my time and for it to be credited against me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I simply want to commend the colleague from Alabama for what he pointed out. There are massive loopholes here and the one particularly he started off with. We permit estimates. You have to have estimates. But we say that revenue has to match outlays. The Reid amendment says estimated revenues have to match estimated outlays. What you are talking about is either revenues and outlays have to match or estimates have to match. Those are huge differences, and I appreciate the comments of my colleague from Alabama.

Mr. President, I yield 20 minutes to my colleague from Florida, Senator GRAHAM.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Thank you, Mr. President.

I appreciate my good friend and colleague from Illinois providing me this time to discuss the balanced budget amendment, primarily from the perspective of its significance as an intergenerational contract.

But before I proceed to that, I would like to rise in defense of an American who hardly needs to be defended, the great third President of the United States, Thomas Jefferson.

In an earlier debate, it was stated that Thomas Jefferson, had he been in attendance at the Constitutional Convention, would have proposed an amendment to the Constitution of the United States at that time very similar to the one that we are now debating.

Thomas Jefferson said:

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our Government to the genuine principles of its Constitution. I mean an additional article taking from the Federal Government the power of borrowing.

President Jefferson's fidelity to that principle has been questioned because, as President of the United States, he requested of Congress and Congress granted the authority, first, to attempt to purchase the Floridas, east and west Florida, then in the possession of Spain. And when his emissaries were unable to accomplish that objective but had the even greater opportunity to make the Louisiana Purchase, he authorized them to do so and requested of Congress the funds to pay for that substantial addition to the size of the United States of America, a purchase which virtually doubled the size of our Nation and protected U.S. economic interests that were still then under threat by European empires.

It has been stated that that act of President Jefferson created a hypocrisy relative to his earlier professed opposition to Federal Government borrowing.

I would like to rise in defense of President Jefferson. When President Jefferson became the President of the United States in 1801, the national debt was $80.713 million, largely a result of the Federal Government assuming the debts of the then individual colonies, subsequently individual States, which had accumulated in the successful fight of the American Revolution.

When President Jefferson left the Presidency 8 years later, including the indebtedness which had been secured for purposes of the Louisiana Purchase, the debt of the United States was $53.173 million. He had reduced the national debt by approximately $27 million, almost half during the course of his 8 years as President.

His influence, however, did not end when his Presidency ended. The American political figure who is most linked in history with Thomas Jefferson was his successor President and a great son of the State of our Presiding Officer now, Andrew Jackson.

I am pleased to report that during Andrew Jackson's administration the national debt for the first and only time in American history was virtually eliminated. In 1835, at the end of President Jackson's 8-year period of Presidency, the national debt was $38,000.

Now that is a commitment to intergenerational responsibility, to balancing the budget each generation at a time. That is not a position which has left us as we are now some almost 200 years since the Presidency of Thomas Jefferson. It is a concept which lives today.

I would like, Mr. President, to read from a letter and ask unanimous consent to have it printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAHAM. This is a letter I received, dated February 14, from Mr. Dean Thompson, of Indian Harbour Beach, FL. Mr. Thompson wrote me as follows:

> Dear Senator GRAHAM: I urge to you vote "yes" for the balanced budget amendment, S.J. Res. 41.
>
> I am a retiree, nearly 74 years of age and fully realize that many of us retirees will suffer financial loss by passage of the balanced budget proposal. I don't see any other solution, after many years of lip service, Congress cannot and will not take the drastic action needed to get our financial house in order.
>
> Whatever the sacrifices, we will survive and our children's children will be the better because of it.

I agree with Mr. Thompson. There is no issue, Mr. President, which raises the issue of intergenerational conflict more sharply than the question of Social Security.

Social Security was enacted in the depths of the Depression with an important but simple goal, and that was to lift that group of Americans, older Americans, who had, to the largest extent of any group in our Nation, fallen into abject poverty, out of that poverty by providing them with an economic foundation for their retirement years.

In my own State of Florida, Mr. President, during the 1930's, prior to Social Security, the State of Florida provided the great sum of $8 per month as the economic support for its indigent elderly.

It was to give that group of Americans some security and respect that Social Security was adopted. We are now the trustees of that contract for our older Americans.

What have we done with that responsibility? Until the early 1980's, Social Security was a pay-as-you-go system. Each year, the Congress would appropriate the funds from the trust fund or, if necessary, from general revenue that were required in order to pay that year's outflow of funds from Social Security. Recognizing that that system was placing Social Security in jeopardy, in 1983, we adopted a major reform, which had the goal of bringing Social Security into an actuarially balanced system, balanced over three generations.

Since that time, we have been collecting substantially greater funds than are required to meet current obligations, recognizing the fact that beginning at the end of the first quarter of the 21st century many Americans who were born in the period immediately after World War II would themselves become Social Security beneficiaries and would impose tremendous demands on the system. And thus, we have been building up a surplus in order to prepare for that time when large numbers of Americans will be expecting to receive their Social Security benefits.

The current projections are that by the year 2024, which is approximately the year in which Social Security demand will begin to exceed receipts, we will have a Social Security surplus approaching $5 trillion.

What are we doing with this tremendous surplus that is being developed? Are we handling it like a pension fund?

Are we putting it aside into secure conservative investments so that the proceeds will be there when the demand arrives? No, that is not what we are doing, Mr. President.

What we are doing is funding the national debt in large part with those surpluses. What we are doing is taking the proceeds which have been made available for purposes of securing the economic future of older Americans and we are investing them to fund the Federal deficit.

By accumulating the massive national debt, we are weakening our future ability to meet the obligations that we are incurring on behalf of older Americans.

Our late distinguished colleague, Senator Heinz, referred to it as embezzlement. The current chairman of the Senate Finance Committee has used a blunter term. He calls it thievery. I use a third term. I call it intergenerational warfare.

What we are doing is absolutely assuring that we are going to be placing our children in conflict with our grandchildren and our grandchildren in conflict with our great grandchildren. Because, when the day arrives in approximately 2024 when this debt will have to be paid, we are going to face a massive combination of increased taxes, reduction in spending and other programs, and reneging on the promises made for Social Security. We are putting off to the next three generations an enormous intergenerational warfare if we do not reverse what has happened in the last 25 years, which is the continued development of a culture of indebtedness and a culture of putting off to the future, our obligations.

I would like to quote the conclusion of a statement made to the Senate Judiciary Committee on February 17, by Mr. Robert J. Myers. Mr. Myers served in various actuarial capacities with the Social Security Administration from 1934 to 1970. He was the chief actuary for the last 23 of those years.

In 1981–82 he was Deputy Commissioner of Social Security, and in 1982–83 he was Executive Director of the National Commission on Social Security Reform, which led to the changes that I alluded to earlier.

What did Mr. Myers say about the current state of Social Security and the urgency of the passage of a balanced budget amendment? He stated:

> In my opinion, the most serious threat to Social Security is the Federal Government's fiscal irresponsibility. If we continue to run Federal deficits year after year, and if interest payments continue to rise at an alarming rate, we will face two dangerous possibilities. Either we will raid the Trust Fund to pay for our current profligacy, or we will print money, dishonestly inflating our way out of our indebtedness. Both cases would devastate the real value of the Social Security Trust Fund. Regaining control of our fiscal affairs is the most important step we can take to protect the soundness of the Social Security Trust Fund. I urge the Congress to make that goal a reality and to pass the balanced budget amendment without delay.

In conclusion, in my judgment the most compelling case for taking the action that I hope we will take tomorrow is what is happening in 1994. What is happening in 1994 is that there is no plan for further deficit reduction in the context of future increases in our deficits.

Much has been made of the fact that, by virtue of the action that we took in August of last year, there is now going to be a reduction below the estimate in terms of future annual deficits. And that is good. That is very good.

However, what is less well understood is the fact that after 1998, deficits will start to rise again. This first chart shows the changes that have occurred as a result of our actions in August. This orange line would have been the deficit reduction line had we done nothing. The green line indicates what, in fact, is going to occur, which is a substantial reduction below what was estimated.

However, I note that the orange line projects out for an additional 5 years beyond what the Office of Management and Budget is presently projecting, based on August 1993 actions. This is what the Congressional Budget Office projects will be the trend line over the next 10 years, and that is that after 1998, when the budget reaches a point of $180 billion annual deficit, it will start to rise. And by the year 2004, just 10 years from now, we will be back at annual deficits of $365 billion a year.

There is no plan to deal with the implications of that decline and then rapid increase in budget deficits as we enter the 21st century.

Second, there is the argument against the amendment that, if we adopt this amendment it is going to cause pain; that it will result in some increased taxes, or it will result in some reduction in spending. The answer to that is, "Of course." That is the whole purpose. If we cannot use this amendment as a driving force to accomplish the result of reducing the deficit, all we are saying is we are prepared to let our children and grandchildren pay our bills.

Like many Members of the Senate, I have recently received a document from the administration which outlines the impact of this budget reduction on my State of Florida, and I agree with the statements that are made in this document.

I ask unanimous consent to have that document printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GRAHAM. That document just underscores what the consequences will be if we do not adopt this amendment. I assume the logic of that statement of the consequences of adopting this amendment is that we should not adopt this amendment and that we should not balance the budget; that we should continue to do the easy thing, which is to let our children and grandchildren pay our costs.

Finally, if there ever was a year in which we should be substantially reducing the deficit, it is 1994. Most of the arguments against this amendment have been predicated on extreme years of fiscal stress on our Nation: Times of war, times of depression or recession. This is neither a time of war nor a time of depression or recession. In fact, this is a time of booming economic growth. Unemployment has fallen sharply, down nearly a full percentage point since 1993. Housing starts rose 25 percent between July and December. Spending for durable equipment is expanding at its fastest pace since 1972. Inflation is low, prices rose just 2.7 percent in 1993, the smallest increase since 1986.

Last month, for the first time in more than 4 years, consumer prices were virtually flat. The economy is so strong that the Federal Reserve has raised interest rates and threatens to do so again.

If we cannot balance our budget, if we cannot show some serious movement in deficit reduction in a year like 1994, when are we ever going to do it? Yet we are proposing to have the ninth largest deficit in the almost 205-year history of this constitutional Government in 1994. If we cannot do better than that in 1994, when are we ever going to do better?

Mr. President, I believe if we do not have a plan for deficit reduction over the next 10 years in place in 1994, if we do not have the courage to face the reality that there is going to be some pain and sacrifice required in order to accomplish this objective—as Mr. Thompson has recognized in his letter—and if we do not get discipline in a boom year such as 1994, I ask when will we ever have that discipline?

My answer is we are not likely to have that discipline unless we do what most of our States have done, and that is to place into our national Constitution an intergenerational compact which says this generation is going to pay its bills. We will not ask our children to do it for us. That, in essence, is what this amendment is about.

This amendment says to our older Americans, we are going to be faithful to our trust in the Social Security System and we are going to bring our deficits under control. We are going to be reducing the national debt. We are going to be solidifying the economic foundation for your future.

An opportunity such as we have tomorrow does not come frequently. I believe if this Senate adopts a balanced budget amendment such as the amendment that has been presented by our colleague from Illinois, it will pass the House of Representatives, it will pass the requisite number of States, and we will have been able to say to our children and grandchildren that we were, as Thomas Jefferson requested, prepared to take that action necessary in order to secure their economic future; that we are prepared today, in 1994, to make the difficult choices and understand the sacrifices that will flow from that choice because it is our obligation to do so.

EXHIBIT 1

INDIAN HARBOR BEACH, FL,
February 14, 1994.

Hon. BOB GRAHAM,
Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: I urge you to vote "yes" for the balanced budget amendment, S.J. Res 41.

I am a retiree, nearly 74 years of age and fully realize that many of us retirees will suffer financial loss by passage of the balanced budget proposal. I don't see any other solution, after many years of lip service, Congress cannot and will not take the drastic action needed to get our financial house in order.

What ever the sacrifice, we will survive and our children's children will be better off because of it.

Sincerely,

DEAN F. THOMPSON.

EXHIBIT 2

THE STATE OF FLORIDA AND THE BALANCED BUDGET AMENDMENT

What does a Balanced Budget Amendment mean to the State of Florida? While supporters offer a lot of tough talk, few proponents spell out the details of how they would achieve this laudable goal. The Director of the CBO, Robert Reischauer, has indicated—and this administration agrees—that any discussion of a balanced budget amendment must be in the context of an honest discussion about the program cuts and tax increases necessary to achieve such a balance. According to Reischauer, "it would be a particular folly to pass a balanced budget amendment and ignore the need to expeditiously enact legislation that would offer some hope of complying with it." Make no mistake, balancing the budget would require tough choices and cost Florida billions.

In order to encourage a more realistic, responsible debate, the Treasury Department has analyzed five possible routes to a balanced budget in 2000. These projections do not include the contractionary impact on the economy that might accompany a sharp rise in taxes or reduction in spending over such a short period of time. In this sense, these are very conservative estimates of the cost of such an amendment to the people of Florida.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. SIMON. Mr. President, I simply want to commend our colleague, the cosponsor of this legislation, for his excellent statement. So Members may know what procedures are under the unanimous-consent agreement, Senator MATHEWS is going to speak next, then Senator BUMPERS, and then Senator SPECTER has requested some time, and then Senator MCCAIN.

I will follow that order and I understand there may be some others after that.

I also ask unanimous consent to have printed in the RECORD a statement by former Attorney General Dick Thornburgh, that was sent to me today, "Time for a Balanced Budget Amendment."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TIME FOR A BALANCED-BUDGET AMENDMENT

(By Dick Thornburgh)

The United States Senate is poised, once again, to consider a balanced-budget amendment to the United States Constitution, S.J. Res. 41. Despite President Clinton's opposition, it appears that this measure's time may have finally come.

Strong support exists for the amendment. The National Governors Association (which President Clinton once headed) has long expressed its approval, on a bi-partisan basis, of the measure, as well as a presidential line-item veto and a separate capital budget (which differentiates investments from current outlays). These budget-balancing tools are already available to most governors and state legislatures. And they work.

National polls consistently indicate that the overwhelming majority of Americans favor a balanced-budget amendment and the legislatures of more than thirty states have even called for a federal constitutional convention to consider such an amendment.

It has become almost axiomatic to lament the woeful lack of will on the part of successive administrations and the Congress to make any meaningful progress toward deficit reduction. Most recently, President Clinton's so-called deficit reduction package is not such at all. It would merely temporarily reduce the rate of increase in our national indebtedness. And it is subject to the same hazards of congressional override as the now-defunct Gramm-Rudman-Hollings Act, which was to have produced a zero deficit by 1993.

If real debate is to take place on the Senate floor this year, it will likely include the following arguments usually raised against a balanced-budget amendment, to which I offer brief rejoinders.

First, it will be argued that the amendment would "clutter up" our basic document in a way contrary to the intention of the founding fathers. This is clearly wrong. The framers of the Constitution contemplated that amendments would be necessary to keep it abreast of the times. It has already been amended on 27 occasions.

Moreover, at the time of the Constitutional Convention, one of the major preoccupations was how to liquidate the post-Revolutionary War debts of the states. Certainly, it would have been unthinkable to the framers that the federal government itself would systematically run at a deficit, decade after decade. Indeed, the Treasury did not begin to follow such a practice until the mid-1930s.

Second, critics will argue that the adoption of a balanced-budget amendment would not solve the deficit problem overnight. This is absolutely correct, but begs the issue. Serious supporters of the amendment recognize that a phasing-in period, such as the seven years contemplated by S.J. Res. 41, would be required to reach a zero deficit.

During this interim period, however, budget makers would be disciplined to meet declining deficit targets in order to reach a final balanced budget by the established deadline.

As pointed out by former Commerce Secretary Peter G. Peterson in his sensible book, "Facing Up," such "steady progress toward eliminating the deficit will maintain investor confidence, keep long term interest rates headed down, and keep our economy growing."

Third, it will be argued that such an amendment would require vast cuts in social services and entitlements or defense expenditures. Not necessarily. True, these programs would have to be paid for on a current basis. Certainly, difficult choices would have to be made about priorities and levels of program funding. But the very purpose of the amendment is to discipline the executive and legislative branches actually to make these choices and not to propose or perpetuate vast spending programs without providing the revenues to fund them.

The amendment would, in effect, make the president and congress fully accountable for their spending and taxing decisions, as they should be.

Fourth, critics will say that a balanced budget amendment would prevent or hinder our capacity to respond to national defense or economic emergencies. This concern is easy to counter. All sensible amendment proposals feature a "safety valve" to exempt deficits incurred in responding to such emergencies, requiring, for example, a three-fifths "super majority" in both houses of congress. Such action should be based on a finding that such an emergency actually exists.

Fifth, it will be said that a balanced-budget amendment would be "more loophole than law" and might be easily circumvented. The experience of the states suggests otherwise. Balanced-budget requirements are now in effect in all but one of the 50 states and have served them well.

Moreover, the line-item veto, available to 43 governors, would assure that any specific congressional overruns (or loophole end-runs) could be dealt with by the president. The public's outcry, the elective process and the courts would also provide backup restraint on any tendency to simply ignore a constitutional directive.

In the final analysis, most of the excuses raised for not enacting a constitutional mandate to balance the budget rest on a stated or implied preference for solving our deficit dilemma through "the political process"—that is to say, through responsible action by the president and congress.

This has been tried and found wanting, again and again.

Surely, this country is ready for a simple, clear and supreme directive that its elected officials fulfill their fiscal responsibilities. A constitutional amendment is the only instrument that will meet this need effectively. Years of experience at the state level argue persuasively in favor of such a step. Years of debate have produced no persuasive arguments against it.

And the stakes are high. Perhaps Thomas Jefferson put it best:

"To preserve our independence, we must not let our rulers load us down with perpetual debt."

That is the aim of a balanced budget amendment. Reform-minded senators will have a chance to help end "credit card" government by supporting S.J. Res. 41 when it comes to a vote later this month.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized for 10 minutes.

Mr. MATHEWS. Mr. President, as I begin my presentation this afternoon on the balanced budget amendment, I would like to start out by paying tribute and thanking my colleague from Illinois, Senator SIMON, for making this Nation face its failures.

I think almost without question he has kept the pressure on us, he has kept the pressure on the Nation by saying we have to face up to this growing debt and these continuing deficits if we, as a nation, are going to survive. We have said on this floor that if we are going to be strong defensively, we have to present a strong economic front. I believe this sincerely, and I want to commend my colleague and thank him on behalf of the people of Tennessee for that which he has done: For bringing us to this point because, hopefully, tomorrow we are going to make a decision that will strengthen this Nation and strengthen the purse strings that we are charged with holding onto.

I think as most of my colleagues know, I am a product of State government. I spent 40 years as a part of Tennessee State government, most of that time as one of two principal State financial officers: As commissioner of finance, which is a budgetmaking function, management function in State government, and 13 years as State Treasurer, which I suppose is more the banking function of the management of the dollars until they are expended.

Let me say to this body and to the people of this country that a balanced budget concept is not a strange concept to me, nor is a balanced budget a stranger because I have, during that 40-year period, never been a part of a deficit budget. We have managed to live within our resources or to take those actions that are required to bring a budget within the resources during this entire period.

I am a cosponsor and started out as a cosponsor of Senator SIMON's amendment. As the debate began to develop and as we began to look at the amendment and what some pointed out as being shortcomings in one amendment, and as we began to look at the Reid amendment, which purported to address some of those shortcomings, I have found two significant differences in the Simon amendment and the Reid amendment which lead me to believe that for this point in time the Reid amendment is a better approach for this Nation to take. Let me address that briefly.

First of all, the Reid amendment recognizes those principles of State finance which say that instead of trying to capitalize assets, instead of attempting and requiring that we pay the full cost of an asset in the year in which it is built, it says that a capital asset, such as this building we are in today, is going to serve generations in the future, and that it is perfectly all right to put the payment of this over a reasonable period of time into the future.

In Tennessee State government, we use a 20-year capitalization program. So we spread the annual costs of any debt retirement we create for an asset over this period of time, but it becomes a part of the operating budget, and those generations which are going to enjoy it in the future also pay a reasonable portion of the cost.

This is not true on an expendable program. This is not true on expenditures which consume themselves in the year in which they are made. But if we are looking at capital assets, the acquisition or payment of capital assets, we look at it in terms of this being done over a period of time and this being outside what we consider the normal operating budget.

Second, I think the Reid amendment says something else to us, and that is a pension program. The national pension program, the Social Security program that we have, says to the people of this Nation, the working people, that if you work and pay into this, when the time comes, when you meet the criteria for retirement, dollars are going to be there to pay that allowance, and they are not going to be diverted to some other use.

My colleague from Florida a moment ago talked about the fact that instead of the dollars we are paying into the Social Security trust fund building up and earning interest and this being a way in which we can enrich that fund, these dollars are being siphoned off to pay the national debt, being siphoned off to pay other expenses. And, Mr. President, this must stop. The older Americans, the people in this country who, over a period of many years, have made contributions day by day, week by week, and month by month to this fund are owed the responsibility of being able to look forward to their retirement years with the income which is to come from this. If we leave this fund unprotected, if we let the moneys be siphoned off or used for anything that we might decide as a body to appropriate those dollars for, we are doing a disservice to these people.

Mr. President, the years of my experience convince me that the Reid amendment creates the kind of discipline that has worked for State governments. It takes the crucial step of dividing operating budgets from capital budgets. It enables us to make a distinction between approval for responsible debt and for irresponsible debt. It allows flexibility to meet fiscal emergencies, and it takes a wise step of safeguarding the Social Security trust fund.

Mr. President, what we are facing is an emotional issue in the sense that the people of this Nation understand, have become concerned, and are demanding that we take action to correct an inadequacy, a failing in our fiscal policies. But, Mr. President, it is more than an emotional issue. It is an issue that demands that we address it rationally, that we address it with determination, and it is one which is crying out to be solved.

Tomorrow, as we face this issue, it is my plan to support the Reid amendment because I believe it brings fiscal discipline to the budget without a straitjacket. It brings us face to face with the American people. It makes us look them in the eye and say, "We believe that these things we are doing are important enough to ask you to provide additional dollars, to ask you to accept less by way of programs."

Or it makes us take those actions that are necessary to live within the means that we provide. And for that reason, Mr. President, it is my intention tomorrow to support the Reid amendment, and I invite my colleagues to do the same.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. Under the previous arrangement, the Senator from Arkansas is recognized for 30 minutes.

Mr. BUMPERS. Mr. President, I thank the Chair. I especially thank the Chair and the distinguished Senator from Illinois for yielding me time. The Senator from Illinois knows I do not favor his amendment so that makes his generosity even greater and my appreciation deeper.

I will address most of my remarks to the resolution of the Senator from Illinois and not the substitute offered by the distinguished Senator from Nevada, Mr. REID.

I think every mind in the Senate has been made up, and I come here today simply to make a record.

I do not intend to vote for the Simon resolution. I did not vote for the so-called balanced budget amendment in 1986.

Mr. President, everything I have to say has probably been said dozens of times in the Chamber in the last week, but I did not say them, and I wish to. I wish to say also, nobody can deplore deficits with any greater degree of drama than I can. I have stood on this floor, until I felt I would drop, with amendments to cut the deficit, cut spending. And these charts that show all the red ink are accurate. Nobody knows it better than I do because I was here when the red ink started soaring under Ronald Reagan, the man who came to town to balance the budget and left town having tripled the national debt.

I have heard a lot of Senators talk about courage, and I do not mean to denigrate a single one of my colleagues. I have the utmost respect for all of them, and most everybody here I consider my friend. But, Mr. President, it does not take any courage to vote for Senator SIMON's amendment. That is the popular thing to do. Even though this is not a hot item with the American people just now. I think Time magazine last week showed that only 6 percent of the people list the national debt or the deficit as their No. 1 concern—6 percent. Twenty-nine percent feel crime is the biggest problem, 26 percent health care, 6 percent the deficit. But make no mistake about it; if you went up and down the streets of America and you asked, "America, do you favor a balanced budget amendment in the Constitution," 80 percent would answer, "yes."

So I will tell you where courage comes in. It takes the courage to vote "no" and then follow that up and courageously vote to stop spending, which causes the deficit.

(Mr. FEINGOLD assumed the Chair.)

Mr. BUMPERS. Mr. President, there were 11 Senators—11; I want it put on my epitaph that I was one of them—that voted against that crazy nonsense in 1981 that Ronald Reagan sent over here saying we are going to grow our way out of this mess by cutting taxes and raising spending.

What a dynamite idea. We cut taxes and increased spending with the predictable result, red ink. There were 11 Senators who said this is palpable nonsense, and I was one of them. But 89 Senators voted "yes," and that is the reason we stand here today doing our very best to deal with the problem. If my only concern was going to be to go home and tell the people I voted the popular vote, I would vote "aye."

I do not enjoy going home and telling the Chamber of Commerce that I voted against this when every single person sitting in the audience thinks I have taken leave of my senses? I do not enjoy it any more than you think I would enjoy it.

Mr. President, why are we dealing with what everybody agrees is a colossal problem, in a political way? Mr. President, Senator SIMON came to my office and made as fine a presentation as anybody has ever made to me on this issue. If I were ever going to vote for it, I would have done it following that presentation because he is very persuasive. And there would be another small reason, and that is my personal friendship and respect for him.

But I daresay, Mr. President—and this does not sound quite right, but the truth of the matter is, in my opinion, that of the 65 Senators who will vote for Senator SIMON, 40 of them are praying to God there are 34 with the courage to vote "no." I am going to help take them off the hook because I am voting "no." Why do we want to take a problem and deal with it in such a way? Why do we want to postpone the hard choices until every Senator here will have served out his existing term and maybe more?

The answer is 2001. Between now and the year 2001, we will keep voting for Milstar and the D-5 missile and more defense spending than all of the rest of the world combined because we do not want to be a super military power. And the red ink will continue to soar.

Mr. President, when it comes to courage, we were given an opportunity to be courageous last summer, and the Senator from Illinois was one of the courageous people in that debate. The President of the United States, Bill Clinton, came to town and instead of giving us a rhetorical choice saying, just listen to my words and the budget will balance itself. He said I am going to raise taxes on the wealthiest people in America and we are going to cut $250 billion in spending. Mr. President, there are two ways to deal with the deficit, both of them very unpopular: Raise taxes and cut spending. You get different constituencies but they are both unpopular.

And where were all of those people who want to do something about the deficit? Here was a President who took a very unpopular proposal to Congress and said if you really want to do something about the deficit, here is your opportunity. And do you know how much it passed by? One vote in the Senate, one vote in the House.

Do you know who voted "no?" Forty, forty of the Senators who are supporting the Simon amendment. They finally got a chance to stand up and be counted and honestly do something about the deficit and 40 of that 60-plus Senators who are going to vote for a few words in the Constitution and assume that solves the problem, voted "no."

Mr. President, I never hated to go home as badly in my life as I did after I cast that vote. Everybody in Arkansas thought their taxes were going up. But as so often is the case, do you know what the people of this country now think? They think President Bill Clinton did something very important. They know he did something important. Do you know why they know? Because the deficit has been heading down dramatically ever since he became President. In 1993, down dramatically; 1994, down dramatically; 1995, down again.

Mr. President, the only quarrel the President and I have—and incidentally, Mr. President, one of the reasons your phones are not ringing off the wall and the letters pouring into your offices on this amendment this time as it did in 1986 is because the deficit at the end of 1995 is going to be about half what it was when Bill Clinton became President, and everybody knows it. They know the deficit is headed south, and they are depending on this new young President to keep it headed south. Now the President and I have a slight disagreement, and the disagreement is this: He believes that health care, health care reform, will keep the deficit headed south.

I do not know whether I believe that or not. But I can tell you one thing. Where he and I disagree is there are a lot of other places we can continue cutting to keep the deficit headed south that will not do damage to our economy, and the growth rate we have going right now can be sustained. The space station, Milstar, the D-5 missile—billions of dollars could be eliminated and no damage done to the economy.

Mr. President, we had growth under Ronald Reagan, we had economic growth and we had growth in the deficits. I used an expression on the floor a hundred times: "You let me write 200 or 300 billion dollars' worth of hot checks every year and I'll show you a good time too." We wrote about 200 or 300 billion dollars' worth of hot checks every year and still wound up with a deficit and a recession.

Mr. President, this President has given us a choice between rhetoric and action. Last year he got action by one vote. Here we are about to put a provision in the Constitution that will require 60 votes to do much of anything.

Let's assume that Congress projects that we will have enough income coming in in the year 2000 to balance the budget. But in the middle of the year, April 1, we realize our projections were wrong, the economy is headed down, and we are about to have a deficit.

Under the Simon amendment we have to have 60 votes or the Social Security checks are not going to go out the first of the month. Well, I assume you would get 60 votes. But, Mr. President, that could be a dangerous assumption. I was a Member of the U.S. Senate when we could not get 51 votes to raise the debt ceiling. Do you know what happened? Government shut down. A lot of people remember that. Employees were furloughed and CBO ultimately said the cost of the idiocy and lack of courage by the U.S. Congress in not raising the debt ceiling when we should have, cost the taxpayers of this country about $60-$70 million just so Members could go home and beat their chests to the Chamber of Commerce, and say, I voted not to raise the debt ceiling. That is like ordering a big steak, and when the bill comes, "What do you mean pay for this meal? I am not going to pay for this meal just because I ordered it and ate it." That is what we did, and it cost the taxpayers $60-$70 million. But sixty votes will be required here. You may get them and you may not. We could not get 51 then.

Now one of the basic concerns that everybody had was what if we have a depression and you cannot get 60 votes to unbalance the budget? And the depression deepens. It is a rule of thumb that for every point, the growth rate goes down, the gross domestic product goes down, it costs the Treasury $20 billion. So you have an economy going down. And Congress says it's not going to do anything to stop the slide. And so for every point it goes down, add another $20 billion to the deficit. They say, well, Congress will not be that irresponsible. Will they not? They were willing to shut the Government down as I just described for you.

Then, of course, a basic concern most of us had was that the courts could take over the Congress; that the court would say you cannot spend money or you must raise taxes or God knows what else. So now, as I understand it, after the Reid amendment is defeated—and it will be—amendments will be placed in the Simon substitute to say two things: No. 1, instead of balancing the budget in 1999 or 1998, we are going to push it off a little bit to 2001. No. 2, we are going to say the courts may not inject themselves into this except in a declaratory way.

Mr. President, this Chamber is full of lawyers and every lawyer here knows that a declaratory judgment is worth a warm bucket of spit. So what you will have is the only provision in the U.S. Constitution that is unenforceable. You think about it.

Proponents say, well, Congress will deal with it. Will they? Welcome to Gramm-Rudman-Hollings. We thought up every contrivance known to man to make sure we did not comply with Gramm-Rudman-Hollings. If we had a line-item veto, it would take ROBERT C. BYRD about 3 minutes to say every sentence will end with a semicolon, or the enrolling clerk will do this, that, and the other. It would not be worth a warm bucket of spit.

We are looking for easy solutions: Put a few words in the Constitution; pass a law; go home, and get the good government award.

I will tell you what a courageous Senate we have here. Here is a chart showing the results of 24 votes to cut spending last fall.

Now, I'm pointing to an important figure right here. It shows 14 Senators in the U.S. Senate voted to cut in excess of $2.5 billion. Out of 100 U.S. Senators, 14 voted on those 24 cuts that would have cut more than $2.5 billion.

I could tell you who they were, and I could tell you how they stand on this amendment. That would not serve any purpose.

But look at this figure: We had 30 Senators that were willing to cut a $½ billion in spending. That is only 30 percent of the Senate, willing to cut ½ billion off a $250 billion deficit. Tragic!

I want to pay a little tribute at this point. I did my own study. I am using the one that Senator MITCHELL did on the 24 votes. I counted 20 votes last year on spending cuts. A good big portion of them were mine. But of the 20 amendments I studied, there were only 2 Senators that stood head and shoulder above everybody else in courage. And that was the Presiding Officer, the Senator from Wisconsin, Mr. FEINGOLD; and his colleague, Senator KOHL. They voted for 80 percent of those cuts. They are split on this amendment, and I can understand that. But I think people who stand up here and cast those courageous budget cuts ought to be recognized.

Look at this chart. These items are just my amendments. These are the amendments I offered last year, and this does not count the National Endowment for Democracy—only $35 million. That is not much by Senate standards.

Here is the space station. We could have saved $1.6 billion in this year of our Lord 1994. But we voted 40–59 not to do that. Do you know what the total savings on that would have been counting interest over the life of the project? $216 billion. We could not see fit to do that.

SDI and ballistic missile defense, $400 million. We could have saved $28 billion over the life of those projects, and on and on.

Total savings, direct and interest. On the intelligence budget, $400 million. We tried to save that. We could have saved $119 billion over a 30-year period counting interest. On the D–5 missile, we could have saved $35 billion. That effort was defeated when the Senate had an easy chance to save $35 billion.

Do you know why the superconducting super collider was scrapped? Not because of the U.S. Senate—I stood here 4 years in a row trying to kill that sucker. This is the closest I ever got: 42–57. But look what the House did to it: killed it by 280–150. Thank the House for that, not the Senate.

When you talk about courage, do not talk about the courage to vote for this amendment. Talk about the courage of voting for spending cuts, because it requires no courage to vote for this resolution.

Let us assume that we agree that the budget is about to become unbalanced, and Social Security checks are not going to go out, Medicaid checks are not going out, defense spending checks are not going to go out, Medicare checks are not going to go out, medical research checks are not going to go out; everything is going to come to a halt because we have to have a balanced budget. You might say "you know Congress will not let that happen."

It won't? They let the Government shut down for 3 days just since I have been here. Why would I want to tempt fate by assuming that 60 Senators would not let that happen when we could not muster 51 to keep Government going? There has been one filibuster after another in the last 12 years. That has been the name of the game. What we would do here is legitimize filibusters by putting them in the Constitution.

What is democracy all about? Majority rule? I guess not, because under this amendment it will take 60 votes to keep Government in business. How long would it take to collect a tax increase to get Government operating again?

Every question we ask raises another question. We are talking about the world's greatest Nation becoming a pitiful monster. What do you say to the two Senators from California, who had an earthquake and $20 billion in damage? We will have to wait until next year or until we can raise taxes, or find 60 votes to waive the deficit.

How about those Midwestern floods, when most every Senator in the U.S. Senate stood and lamented the terrible plight of the people in all of those Midwestern States? What do you do about that? Nothing?

And what about Hurricane Andrew or any other disaster? The House made a valiant run just the other day to make Congress pass a bill to pay for any additional disaster relief.

Mr. President, I do not have to look at those charts or these charts to know how this all happened. All I know is that this is no solution.

As long as we continue to squander money on defense the way we have, you are never going to balance the budget. But it is not just defense; I am not picking on them. They just have the biggest slice of the pie.

I can tell you that we are never going to have enough jobs for our people; we are never going to have enough education for our people; we are never going to have the kind of health care we want; we are never going to allow our people the dignity they have the right to expect from a great Nation, until we get our spending priorities in order.

This great, great Nation has the highest crime rate in the world; and 25 percent of its children under 6 years of age living below the poverty line, like they live in Chiapas, Mexico. You do not have to be a rocket scientist to know that our spending priorities are wrong.

Mr. President, let me just say that this amendment—I do not mean this to be disrespectful—does not even pass the giggle test. There are just too many questions that simply cannot be answered. I would consider it one of the gravest tragedies ever to befall this Nation if this amendment should suddenly be made a part of that great, great document that the wisest men in the history of this country, maybe of the world, put together back in 1787. This makes prohibition look like what Diogenes was looking for when he was looking for an honest man.

One of the great failings of the media is that they never report the hypocrisy around here that we are all guilty of from time to time. They never report who rales the loudest about deficits and then votes against every spending cut that comes up in the Senate.

Just as an aside: I have a pamphlet here, "Robert Byrd's Balanced Budget." Have you seen this, Senator? This comes from the Ronald Reagan Republican Center, Washington, DC, paid for by the National Republican Senatorial Campaign Committee. It is headlined: "Robert Byrd and the Constitutional Amendment; What He Said in 1982 and What He Said in 1994." Admittedly, they are at odds. It makes me respect him more, as I do anyone else who has the wisdom to change his views when he sees they should be changed. The last line of this: "The two things that have grown the most in the last decade are the U.S. budget and Robert Byrd's hypocrisy."

Mr. President, there is absolutely no room in this debate—and the Senator from Illinois will be the first to echo what I say—for personality conflicts. This is a grave issue when you start talking about tinkering with the Constitution. Next to the Bible, it is the most sacred document we know. Senator BYRD is doing exactly what he believes in, and what I believe in. I admire him for taking the leadership in this. Frankly, if it were not for his tenacity and determination and intellect, I am not sure we would have won this battle—and we are going to win it. This amendment will not pass, largely thanks to him.

Yesterday morning in my hometown newspaper, the Arkansas Democrat-Gazette, an Associated Press story, said: "Senate to Defeat Balanced Budget Amendment." It went on to say that because the President has been twisting arms, because Senator MITCHELL has been twisting arms, and because people in the Senate fear ROBERT BYRD, this amendment is going to be defeated.

What an insult. It is insulting to them, but it is even more insulting to everybody else. I am not voting for it because I fear ROBERT BYRD or because GEORGE MITCHELL said anything to me about it. Certainly, the President has not called me about it. I am not voting for it because I consider it to be a bad idea. That is too simple for a lot of people who write for newspapers to understand. But this resolution will fall because it is a bad idea.

Mr. President, the one thing we can do to make the people of this country more cynical than they already are, and as they sit around the coffee shops and talk about why Congress cannot get the deficit under control, and stop all that spending, the worst thing you can do to them is to say: We put this in the Constitution, and now it is all taken care of. And then a few years down the pike, they will find that they have been had once again; that, it is unenforceable because there is nobody to enforce it except the good will of the Congress.

It is unenforceable because it requires a supermajority to unbalance the budget. It even says you can waive it in case of a declared war or military conflict that threatens our national security.

What if you are not in a conflict but you are going to have to spend a few billion dollars getting ready for one that you feel you are going to have to fight? What happens then? You cannot do it if it unbalances the budget.

Back to the point: When the people find out, if they ever do, that the wool has been pulled over their eyes once again by what they consider to be a hypocritical Congress, then all you have done is raised the cynicism level still higher, and God knows that is the biggest problem we have in this country.

So, Mr. President, again I thank my friend from Illinois for yielding this time to me and the Senator from Nevada to vent my spleen and say these few things about it.

I see the Senator from Illinois on his feet. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I will just comment for 3 minutes on the speech by my colleague from Arkansas. Then I want to yield to the Senator from Pennsylvania.

First of all, 80 percent of what he had to say, believe it or not, supports the balanced budget amendment rather than negates it because he is talking about all our deficiencies.

I voted with him on that 1981 Reagan tax cut. I voted with him on the majority of those things up on that board.

In terms of waiting, when we say it is 2001, we are going to wait until 2001, the reality is every Member here, whether they are for my amendment or against it, if it passes, we know it is going through the House; we know it is going to be adopted by the States. We are going to start work on it right away so that we get on a glide path. We know that.

In terms of it taking 60 votes in time of recession, since 1962 we have passed 11 stimulus packages in the United States Senate. Every one of those passed by more than 60 votes. We can do that.

And in terms of a majority not being able to get things done, in the Constitution there are 8 exceptions right now to the majority controlling things. When James Madison proposed a Bill of Rights, one of Alexander Hamilton's arguments initially opposing it was you are taking power away from the majority, and James Madison talked about majority abuses.

Anyone who looks at this deficit for 25 years in a row, the kinds of things the Senator is talking about, that is why we need some special provisions here.

In terms of it being unenforceable, my good friend from Arkansas is slightly inconsistent, and I am not suggesting I am always consistent, when we have the three-fifths for extending the debt, and he says it is unenforceable. I think that is a very tough enforcement provision.

Gramm-Rudman-Hollings was not any good because it was statutory. I think it did a little bit of good in terms of restraint, but whenever it is statutory we can get around it.

And then Senator BUMPERS, who is a strong supporter of education, take a look at the last 12 years, yes, in nominal terms we increased education. In inflation adjusted terms, we spent minus 8 percent on education. And what happened on interest? It went up 91 percent. Interest squeezed out our ability to respond on those social questions.

And then every argument my friend from Arkansas used right now we used in 1986. In 1986 people said we can balance the budget without a constitutional amendment. In 1986 the deficit was $2 trillion, and now we are hearing exactly the same arguments and the deficit is $4½ trillion plus.

Mr. President, I ask unanimous consent to print a table entitled "Lifetime Net Tax Rates Under Alternative Policies" in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

LIFETIME NET TAX RATES UNDER ALTERNTIVE POLICIES

[In percentages]

Generation's year of birth	Before OBRA93	After OBRA93	With health care reform	Health care reform but faster cost growth
1900	23.6	23.6	23.6	23.6
1910	27.2	27.2	27.2	27.2
1920	29.0	29.0	29.1	29.1
1930	30.5	30.6	30.9	30.9
1940	31.6	31.9	32.4	32.2
1950	32.8	33.2	34.0	33.5
1960	34.4	35.0	35.9	35.2
1970	35.7	36.5	37.6	36.6
1980	36.0	36.9	38.2	36.7
1990	35.5	36.5	38.3	36.2
1992	35.4	36.3	38.3	36.0
Future generations	93.7	82.9	66.5	75.2
Percentage difference: future generations and 1992	165.1	126.0	73.0	108.8

Mr. SIMON. Forget GAO projections and all the others. Look at the lifetime net tax rates under alternative policies. Under OMB figures in that budget they just gave us, tax rates for someone my age, 1930—I was born in 1928—but let us say 1930 are 30 percent, and for someone—I want to have the attention of my colleague from Arkansas on this—for future generations, and this is if the health care bill passes and saves all that they project, if we have 10 years of prosperity in a row without a dip, both of which are somewhat questionable, even though I am a cosponsor of the Clinton health program, the administration says 66 to 75 percent of the lifetime earnings of future generations will go for taxation.

It is not going to happen. We are going to print money. That is the reality.

Mr. BUMPERS Mr. President, will the Senator yield for a question?

Mr. SIMON. I am pleased to yield, and I do want to yield.

Mr. SPECTER. Mr. President, if I may ask my colleague, he was going to speak for 3 minutes until 5:30 and we had scheduled me to follow. I wonder if I might proceed without more extended debate.

Mr. BUMPERS. Let me say to the Senator from Pennsylvania this will only take a couple of minutes. This is not going to be a long colloquy. I just wanted to inject a question here.

Is there a unanimous consent agreement for the Senator from Pennsylvania to speak?

Mr. SIMON. We do not have a unanimous consent agreement.

Mr. SPECTER. The Senator said 5:30. The Senator from Illinois said he would be 3 minutes.

Mr. BUMPERS. We will not detain the Senator long. I just wanted to ask the Senator from Illinois a couple of questions.

I want to ask the Senator, No. 1, if the Senators in this body do not have the courage to cut spending and balance the budget now, and you put this in the Constitution, and there is absolutely nothing and no way to enforce it, because you are taking the courts out of it, what is it in this amendment that is going to change the courage of the Members of the Senate to balance the budget? That is the first question.

The second question: If we wind up in the middle of the year seeing that either we have grossly overestimated revenues, or grossly underestimated spending and that we are therefore headed for an unbalanced budget—but the Senator cannot get 60 Senators to waive the budget. I want the Senator to tell me what would he do in each of these cases.

Mr. SIMON. I would be pleased to answer the question. Senator SPECTER assures me he has some appointments waiting.

I yield to the Senator from Pennsylvania and then I will be pleased to answer the questions of the Senator from Arkansas.

Mr. BUMPERS. I probably am not going to hang around that long. I do not want to detain the Senator from Pennsylvania, either.

The PRESIDING OFFICER. How much time does the Senator from Illinois yield to the Senator from Pennsylvania?

Mr. SIMON. I yield 15 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 15 minutes.

Mr. SPECTER. Mr. President, I thank the Senator from Illinois. I will say my very brief word of explanation that I had thought I was scheduled at 5 p.m. I had commitments, but then the Senator from Arkansas retained the floor until 5:30. Then there were 2 more minutes requested by the Senator from Illinois. When the colloquies proceed it is very difficult to establish any time limit. So I thank my colleague from Illinois for yielding to me at this time.

I support the constitutional amendment for a balanced budget because I firmly believe that the Congress needs to develop discipline through a constitutional amendment to live within our means.

When the Senator from Arkansas talks about some of his efforts on spending cuts, I supported the Senator from Arkansas when he fought valiantly to have a substantial cut in the space station last year and the year before and the year before that. I believe had this constitutional amendment been in effect the effort by the Senator from Arkansas to cut the funds of the space station would have carried.

As long as the Congress may engage in deficit spending, then it is always easier not to cut the expenses and to let one more item go through on an appropriations bill. However, if we were bound to balance the budget so that every time we authorized money for an additional expenditure we had to raise taxes, then I think the expenditures would not be made. If this body were looking at the space station expenditures in the context that taxes had to be raised, I believe there would be a difference in the response of the Senate and the House of Representatives.

It is my submission as a fundamental matter that if an item is worth appropriating for then we ought to have the courage to raise taxes for it.

But the practical fact of life is that our constituents would not stand for such increases in taxes, would not stand for increase in tax in the range of some $200 billion more. The consequence would be that we would make the hard choices and that we would make spending cuts or if we found that we could not cut as much as we wanted to on spending cuts then we might look at taxes. But I think taxes would be a very, very last resort.

It is my view, Mr. President—a view that I have backed up in the 1982 vote on a constitutional amendment for a balanced budget when I supported it and the 1986 vote on the constitutional amendment for a balanced budget when I again supported it—that this country ought to live within its means, just as any individual has to live within his or her means. If any individual does not live within his or her means, that individual winds up in a bankruptcy court.

When the Senator from Arkansas talks about the great Constitution of the United States, I agree with him totally. Long before my days in law school, I was enthralled by the Constitution. When I studied constitutional law in law school, there was an added reverence for it. As a practicing lawyer, I worked a great deal on constitutional issues, especially when I was district attorney in Philadelphia and chief of the appeals division. During the course of the work I have had on the Judiciary Committee and serving on the Constitutional Law Subcommittee and on the occasions where we have confirmations of Supreme Court nominees. Now there is an occasion to go back and reread the constitutional law cases.

Currently, I have been deeply enmeshed in Supreme Court decisions, as I am preparing for an argument in the Supreme Court of the United States on Wednesday, the day after tomorrow, and revisiting the issues of separations of powers and constitutional authority.

I believe that the Senator from Arkansas is correct that the Constitution of the United States is the greatest document ever produced by man. But the Constitution of the United States is the only Constitution that I know of that has no limitation on spending.

We have constitutions in 50 States. Illustrative is the constitution of my State, Pennsylvania. Pennsylvania has a constitutional requirement for a balanced budget. If Pennsylvania did not have a constitutional amendment for a balanced budget, I can assure you, Mr. President, and the 12 million people in Pennsylvania that Pennsylvania would not go through the rigors of the budget when they face the hard questions of what can be spent and what has to be taxed.

I believe the same principle is true in the other States; that if States had added latitude, as does the Federal Government, to engage in deficit spending, then deficit spending would be the rule rather than the exception.

When the Senator from Arkansas talks about the wonders of the current President in reducing the deficit, I think the facts do not support that. There have been lesser expenditures in savings and loans recently, for example, which yielded a very substantial savings as compared to the years during the preceding President.

When the President of the United States makes a projection that he is reducing the deficit by $500 billion, it simply is not so, or it depends on how you calculate it. The deficit projection was $1.6 trillion. When the President talked about reducing the deficit by $500 billion, he was saying realistically that the deficit would be $1.1 trillion. And that is how much the deficit is going to go up in the 5-year projection by President Clinton.

So the debt, which is now $4.3 trillion, will go to $5.4 trillion, or even higher.

Mr. President, none of us would think for a minute about buying something, consuming it, and charging it to our children. And none of us would think for a minute about buying something and consuming it and charging it to our grandchildren.

I have had the pleasure, Mr. President, for the last 40 days to have a new granddaughter. It is a little more emphatic to me now as I look at a constitutional amendment for a balanced budget on the principle—I see Senator SIMON nods in affirmative; he does not nod too often in the affirmative when I am speaking, but he is now. But it brings to home, as I hold that 5 pound 5 ounce child.

On the day she was born, I said to my son Shanin, "Where do you think she will be in the year 2074?" And I projected ahead just 80 years, hoping that her life expectancy would be 80 years. And Shanin, my son, looked at me and said, "I don't know where we will be. I guess we will not be here." But she will still be paying for the deficit in the year 2074 and beyond if this Government does not take some step to reduce it.

And that is the basic issue, Mr. President. I believe that the Congress long ago should have gone beyond the constitutional amendment for a balanced budget and should have enacted the line-item veto, the provision which would enable the President to strike specific items.

I have done some research on that subject and have concluded that the President currently has the constitutional authority to exercise the line-item veto. A number of us, this Senator included, urged President Bush to exercise the line-item veto. When I did that one day, President Bush said to me his lawyer told him he did not have the authority. I suggested to President Bush that he change lawyers. That would get me into a lot of trouble with the bar association if they ever took up the issue.

I had an occasion to talk with President Clinton recently when I accompanied him on a trip to Pennsylvania and I urged President Clinton to exercise the line-item veto.

I have made a part of the CONGRESSIONAL RECORD that legal research which shows that the key article in the Constitution of the United States was copied from a Massachusetts constitution which has the line-item veto, as do other States. Pennsylvania and Georgia have the same provision. It would be my hope that one day a President will have the courage to exercise the line-item veto. And if it requires a constitutional amendment first, then I am prepared to do that.

The issue before us is the constitutional amendment for a balanced budget. I think it ought to be adopted.

On the procedural level, we are faced with a somewhat unusual situation, and that is that we have the constitutional amendment by the Senator from Nevada pending before the constitutional amendment by the Senator from Illinois. My preference is the constitutional amendment by the Senator from Illinois, because it is more restrictive.

Now I know that there are those who favor the amendment by the Senator from Nevada because it precludes cuts on Social Security. I am opposed to cuts on Social Security. It is my view, Mr. President, if we adopt the amendment by the Senator from Illinois, that, as a matter of our discretion, we can protect Social Security and we can protect the interests of the senior citizens. I think we can do that. I think that, as a matter of establishing our priorities, this Congress will be able to put our priorities in order and make sure that the needy and the senior citizens are protected.

But I am in a bit of quandary, candidly, as I said to both Senator REID and Senator SIMON, as to how to vote. If Senator REID's amendment does not pass short of a vote and I vote against it and then Senator SIMON's does not pass. Senator REID's amendment is better than none, although I prefer Senator SIMON's amendment.

So I am in somewhat of a quandary at this moment as to how to approach the first vote on the amendment by the Senator from Nevada.

But I do believe firmly, Mr. President, that the time has long passed when the Congress of the United States ought to take a stand on a constitutional amendment for a balanced budget. It is a basic factor of living within our means.

I believe that we should have adopted this amendment in 1982, when the Senate passed it 69 to 31, and one of those 69 votes was mine. I believe we should have passed it in 1986 when we were one vote short with the vote of 66 to 34, one vote short of the two-thirds majority.

I urge my colleagues to make the hard decision. We can work it out on a set of rational priorities and do our job and not burden future generations with a debt which we certainly would not do on an individual basis and we ought not to do on a collective basis. The only way to put the zeal and the resolve and discipline to this Congress or any Congress is to have the requirement. I think we can discharge that duty. I intend to vote for the constitutional amendment for a balanced budget, and I urge my colleagues to support the amendment.

Mr. President, a nation, like a family, should live within its means. It is unfair to saddle future generations with our failure to pay for what we spend. While we should be able to limit spending without constitutional constraints, the historical fact is that the Congress and the executive branch have not been able to do so. Therefore, the Senate's consideration and prompt approval of this balanced budget amendment to the Constitution is necessary to restore sound fiscal policy in this Nation's Government.

I have been a strong supporter and a proponent of a balanced budget amendment during my tenure in the Senate. On January 21, 1993, I introduced Senate Joint Resolution 5 to amend the Constitution to require a balanced budget which is nearly identical to the amendment we are considering today. I had originally introduced Senate Joint Resolution 5 for a balanced budget amendment to the Constitution in the 102d Congress.

The Federal Government has been operating at a deficit since 1961. Since then, the problem has grown worse, culminating in the huge budget deficits over the past decade. In fiscal year 1989, the deficit was $152.5 billion. The President's budget request for fiscal year 1995 projects a deficit of $165.1 billion compared to the $234.7 billion recorded for fiscal year 1994. It is my hope that this is true deficit reduction for fiscal year 1995. However, we must recognize that although it is below the fiscal year 1994 deficit total, the Congressional Budget Office estimates that the deficit will be above $200 billion by 1999 unless prompt action is taken. Further, it is important to understand that our Nation's debt continues to increase. Under President Clinton's budget proposal the Nation's debt is projected to increase from $4.6 trillion in fiscal year 1994 to $6.27 trillion by fiscal year 1999.

This chronic deficit and growing debt has an extremely deleterious effect on the economy. It removes vital capital that would otherwise be available for private investment to help the economy grow. The fiscal year 1995 budget estimates a debt of $4.9 trillion. The interest on that debt totals $212.8 billion which could be better spent on our Nation's decaying infrastructure or improvements to our Nation's health care system.

I strongly believe that there is no issue more important to our country in the long-term than this deficit. No sharper arrow can be placed in our country's quiver to combat these chronic deficits than a balanced budget amendment. It places the sanction of our fundamental law on the need for a balance between receipts and expenditures. The President and all Members of Congress take an oath to uphold the Constitution. Requiring a balanced budget in the text of the Constitution as a legally enforceable provision will force us to curb deficit spending. As all parties in the political system have shown themselves to be unable to withstand the vicissitudes of the current political system, the answer is to change the system.

This proposed amendment would require the President to transmit a balanced budget to Congress for its consideration in which total outlays to not exceed receipts. This requirement puts the initial onus on the President to propose a balanced budget. The amendment would prohibit deficit spending unless three-fifths of the whole number of both Houses of Congress provide for a specific excess of outlays over receipts. Thus, even though the amendment would permit deficit spending, it would do so only upon the approval of a supermajority of the House and the Senate, and even then the scope of the deficit would be limited to the amount specifically authorized by Congress. The provisions of the amendment could be waived by simple majority vote in any year in which a declaration of war is in effect.

Obviously, a constitutionally mandated balanced budget could require significant spending cuts and/or revenue increases. To require a balanced budget too soon would result in severe economic dislocation. Therefore, the resolution we are considering would not require a balanced budget until the year 2001. There has been analysis distributed showing the State-by-State impact on cuts that would be necessary to achieve a balanced budget by the year 2000. It is important to point out that this analysis assumes that Congress will impose these cuts in a single fiscal year, rather than a phased-in approach. In considering my support for this amendment, I am mindful of the special problems facing my State. Numerous Federal programs are critical to the economy of Pennsylvania. In the long run, however, neither Pennsylvania nor any other part of the country will remain prosperous if we fail to address the intolerable Federal deficit.

I have said before that political will is the best answer to the problem of our Nation's budget deficit. But we who are responsible for representing our constituents have focused on the deficit now for many years and have been unable to come up with a solution acceptable to a sufficient majority. Our political institutions have failed to resolve this problem. When an issue as fundamental to our Nation's future as the deficit proves to be politically intractable, the answer must be to enshrine the value of a balanced budget among the core values in our Constitution, to remove it from the vicissitudes of the political arena. That is what a balanced budget amendment would achieve. It is an idea whose time is overdue, and I hope that Congress will approve and send to the States for ratification a balanced budget amendment this year.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, first of all, I congratulate my colleague on becoming a grandfather. I am pleased to have him join the ranks. Talk about taxation without representation, that little grandchild of yours faces that.

Mr. SPECTER. If I might respond in one sentence? She has representation—me. I intend to vote for this constitutional amendment.

Mr. SIMON. I thank my colleague. I yield 10 minutes to the Senator from Arizona [Mr. MCCAIN].

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, I have not engaged much in this debate because I think we all recognize political reality here. The political reality is that the distinguished chairman of the Appropriations Committee, in opposition to this bill, has sufficient votes to defeat the Simon balanced budget amendment. I think the chairman would not have agreed to a vote on this legislation if he had not had the votes to prevail. So all we are doing here is going through an exercise in establishing a record.

But I will suggest to my colleagues, when this amendment is defeated, and it will be by one or two votes—I see a rather incredulous look on the face of my friend from Illinois. The fact is I have dealt with the Senator from West Virginia on the line-item veto and many other issues. I have the highest regard for his parliamentary skills and his ability to count votes. He would not have agreed to a vote on the Simon amendment following the vote on the Reid amendment if he did not have sufficient votes to defeat it. I believe that is the reality. We will find out tomorrow evening whether I am right or wrong.

If I am wrong, I will be overjoyed. If I am right and the Senator from West Virginia has sufficient votes to defeat this very important amendment, I predict to my colleagues this issue is far from over. By a 4 to 1 margin the American people strongly support a balanced budget amendment to the Constitution. I support it. I do not believe we should override the overwhelming view and will of the American people. Frankly, I think it is very incredible and unjust that we continue to do so.

Mr. President, the national debt is over $4 trillion. In fiscal year 1994, the Federal Government will pay more than $200 billion in interest, or some $800 million every day. Every child born in this country today will inherit a $17,000 public debt.

These numbers are facts, Mr. President. We are talking about a millstone of debt we are placing on the shoulders of our children and grandchildren. And we now have an opportunity to stop this insanity.

Let me repeat, the national debt is over $4 trillion. We pay more than $800 million every day on interest on the debt. Every child born in this country today inherits a $17,000 share of the debt.

The Congress' spending spree has led to 24 straight unbalanced budgets. It took our Nation 205 years—from 1776 to 1981—to reach a $1 trillion debt. Now in just 12 years, the debt has amassed to $4.4 trillion.

The facts bear witness that the Congress does not possess the discipline to control its spending habits. For 33 of the last 34 years the Congress has passed budgets where outlays exceeded receipts. As the deficit continues to grow, by the end of the century we will be spending more money to pay the interest on the debt than we will on defense.

Some say that the balanced budget amendment is not necessary because the Congress alone controls the power of purse and can balance the budget without any constitutional directive to do so.

We have the power of the purse, alright, Mr. President. And it is a power we have abused. We are now spending from a purse that belongs to future generations.

Mr. President, the Congress has clearly not exercised the control necessary to balance the budget on its own. We are a Congress addicted to spending. We continually spend the taxpayer dollars on studies of cow flatulence and other pork barrel projects. And there is no end in sight.

Since we cannot control ourselves, there is only one light at the end of the tunnel: the balanced budget amendment. The balanced budget amendment will give us guidelines to follow. It will force us to make tough choices on which programs to fund and how to prioritize our spending. The balanced budget amendment will give our children and grandchildren hope for a prosperous future—that is quickly sinking under a growing tidal wave of red ink.

Our Founding Fathers saw the importance of avoiding debt. The Framers assumed that each generation of Americans would pay its own bills and that over time the budget would remain in balance.

Thomas Jefferson stated:

> We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Thomas Jefferson also stated:

> And to preserve [the people's] independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.

Mr President, the Founding Fathers realized that at certain times, there may be a need to temporarily incur debt. Many here have cited the Louisiana Purchase as an example. But the Louisiana Purchase is an entirely different matter from some of the pork we are currently funding.

But, Mr. President, we are not talking about the Louisiana Purchase. The public is well informed. The public is demanding the balanced budget amendment not because we are spending its money on worthwhile items, but because we are spending it on wood utilization research, studies on cranberry and blueberry disease and breeding, and locoweed research.

For two centuries, except to fund great national priorities or war, the Congress spent only what money it collected. But in the last 12 years, the Congress found out that it can spend money for purposes that are not national priorities or truly in the national interest and stick our children with the price tag. It may be good politics to do so, but it is unconscionable public policy. And it is time to stop it.

Deficit spending is a disease. We need tough medicine. Over-the-counter statutory cures have proven too weak and ineffective. There is one cure left: the balanced budget amendment.

Opponents to this cure have made dark ominous claims about possible side effects. I respect the arguments made by the opponents of this measure. There is no more formidable Senator to debate these issues than the esteemed chairman of the Appropriations Committee. I commend him on his expertise and lively debate.

As I stated, many claims have been made about the possible side effects of the balanced budget amendment. These scare tactics are effective. But the fact of the matter is none of the side effects can be worse than the disease. Staggering deficits will regularly effect every Government program, cost jobs, and rob our children. The more we spend on interest, the less resources we have for other vital goods and services.

Additionally, as the Judiciary Committee stated:

> [I]nterest payments work to redistribute income in the wrong direction. The money for these payments comes out of the pockets of taxpayers, primarily low and middle income families. These same working families are so burdened by the high interest rates that the deficit sustains. On the other end of the scale are the more fortunate and well-off, who can afford to invest in Treasury bonds and receive high interest payments.

Mr. President, these low- and middle-class families are the ones who most benefit from Government services and who—when they are forced to live without them because Government dollars are being wasted to pay interest on the debt—most suffer.

Additionally, because these interest payments slow the growth of the economy, there are fewer and fewer jobs for middle and lower income Americans.

I also want to address one specific spurious charge regarding this legislation effect on Social Security made by the opponents of the amendment.

It is wrong to seek to balance the budget on the backs of our seniors. The Social Security system is a self-financing trust created to assist our Nation's seniors and that trust in no way should ever be jeopardized.

In 1983, when I was first elected to Congress, the Social Security trust fund were in jeopardy—losing over $1 million an hour. That year, we adopted the recommendations of the bipartisan National Commission on Social Security Reform.

The reforms worked. Today the trust fund is healthy—with sufficient reserves to pay benefits well into the next century.

Social Security is a sacred trust between our country's citizens and the Government. It is not an entitlement or a handout. We must preserve that trust and not violate it by leaving the Social Security trust fund on budget and subject it to a balanced budget amendment. Leaving the Social Security trust fund on budget masks the size of debt and is political chicanery of the highest magnitude.

Mr. President, the esteemed senior Senator from New York, one of the Senate's foremost experts on the Social Security system stated on September 10, 1992:

> Social Security is not an entitlement; it is a contributory pension insurance program. Persons pay into an account, and their name and their number and payments are kept track of over the years; when they retire, they are paid back according to a formula that has been in law and is predicted and understood.

Unfortunately, many have mischaracterized Social Security as an entitlement and assert that it must be included in any budget calculations. However, as Senator MOYNIHAN noted, Social Security is not an entitlement; it is a Government administered pension insurance program.

As Robert Myers, the chief actuary of the Social Security Administration from 1947 to 1970 stated:

> The Social Security trust fund is one of the great social successes of this century. The program is fully self-sustaining, and is currently running significant excesses of income over outgo. The trust fund will continue to help the elderly for generations to come—so long as the rest of the Federal Government acts with fiscal prudence.

I had hoped that the Social Security trust fund would have been exempt from the provisions of the bill. I will continue to fight for that.

However, as Mr. Meyers correctly points out:

> [T]he most serious threat to Social Security is the Federal Government's fiscal irresponsibility. If we continue to run Federal deficit year after year, we will face two dangerous possibilities. Either we will raid the trust funds to pay for our current profligacy, or we will print money, dishonestly inflating our way out of indebtedness. Both cases would devastate the real value of the Social Security trust funds.

He continues:

> Regaining control of our fiscal affairs is the most important step that we can take to protect the soundness of the Social Security trust funds.

Mr. President, that is exactly what the balanced budget amendment would do—it would allow us to control our fiscal affairs. A responsibility that is long overdue.

I want to take this opportunity to thank my friend from Illinois for his efforts. Even when this loses, this battle will not be over because the American people will not allow it to be over. I look forward to working with him to bring this issue up again, because it will not die until the will of the people is enacted, and that is a balanced budget amendment to the Constitution.

I also comment that one of my colleagues on the floor earlier was talking about how he had voted for various cuts in spending. I rely on the view of the National Taxpayers Union, the Citizens Against Government Waste, the Citizens for a Sound Economy, and others who monitor the performance and the votes of the Members of this body. I think the public will find out by looking at those ratings as to who is in favor of spending money and has given us this over $4 trillion debt and who has not and who votes for cuts.

The fact is, we just had a stark reaffirmation of the inability of this body to bring spending under control when we voted down the Kerrey-Brown amendment just weeks ago. That amendment would have cut $97 billion from an over $1 trillion budget, and this body could not see its way clear to make those cuts. So if there is anyone who believes that this body is serious or this Congress is serious about bringing the deficit down to zero, they simply have to look at the repeated efforts by Members of this body to enact cuts in spending, which time after time go down in defeat—in many cases overwhelmingly so.

I just want to point out yet again several facts we should bear in mind when we go through this debate. The national debt is over $4 trillion. In 1994 the Federal Government will pay more than $200 billion in interest, or some $800 million every day. That $800 million being spent every day does not buy a food stamp, does not build a home, does not take care of anybody in need. It simply pays the interest on the debt that we have accumulated, which we will continue to pay and pay. It does not do anyone any good. In fact, in the view of some, it is a redistribution of wealth that is unconscionable.

There are some very cynical people around who have made the assertion—which has some credibility to it; that is their reason—that they divine why Congress has not balanced the budget. Because if 85 cents out of every dollar is in the budget and an additional 15 cents is laid on future generations of Americans to pay, that gives them an additional 15 cents they would not have to pay for pork barrel projects and unnecessary and wasteful spending, which goes on and on and on, much of it in the form of the most obscene kind of spending: $2.5 million to study the effect on the ozone layer of flatulence in cows; $2.5 billion in highway demonstration projects, of which 40 percent went to four States and four States alone. Highway demonstration projects have been characterized, I think correctly, as a way that a Congressman or Senator can demonstrate that he or she has enough clout to get pork for their State.

The list of waste and pork goes on and on. It is obscene, it is unacceptable, and it has to stop. That is why overwhelmingly the American people, who are neither stupid nor uninformed, overwhelmingly support the balanced budget amendment to the Constitution. And, even as laudable as some of the aspects of the Clinton budget are, it also mandates deficits for the foreseeable future.

Would a balanced budget be painful? Yes. Would it make things difficult? Yes. Would we have to protect Social Security? Yes. But is business as usual acceptable to the American people and to future generations of Americans? I say the answer that the American people are telling us is overwhelmingly no. That is why I say to my friend from Illinois, in the words of Winston Churchill, "Never give up. Never give up. Never give up." We are mortgaging the future of our children and grandchildren by laying this debt on them. It is unacceptable.

It is an abrogation of our responsibilities when we seek public office and we raise our hands and swear that we will support and defend the Constitution of the United States against all enemies, foreign and domestic that we now act in this fashion. We have a domestic enemy here, a domestic enemy that is gnawing away at the very fiber of America's economy. We cannot continue to run up this incredible debt. We cannot continue to pay these interest costs, to the tune of $200 billion a year, $800 million a day. We cannot do it and expect to have a sound economy. If we do not enact a balanced budget amendment, then we cannot do away with that debt except through debasing the currency. If we debase the currency, yes, then we can pay off the national debt. But debasing the currency destroys the middle class of America.

Mr. President, I will not take any more of my colleagues' time—I know others want to speak—because this round of the battle is over. I know we do not have the votes to pass the Simon-Craig amendment. But I do know this. It is not over. It will not be over until we pass it. And we will not have fulfilled our obligations to the people of this country until we provide them with the fiscal sanity that they need and deserve.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I appreciate the remarks of the Senator from Arizona. He, typically, is very energized and speaks with great feeling. For that reason, I say to the Senator from Arizona that he recognizes, as I stated Friday, that the Simon amendment is dead. Therefore, I think it would be in the best interests of this country, and the Senate as an institution, that we adopt the Reid substitute. Why do I say that? Because it requires a balanced budget amendment by the year 2001, but it does it through realistic budgeting. That is, Social Security would be off-budget. There would be capital and operating budgets like we have in all States. But the problem I see is, as the Associated Press last week quoted the senior Senator from Idaho, he said the Republicans are going to vote against the Reid amendment. That means not only is the Simon amendment dead, but my amendment will also fail. That is too bad.

My friend from Illinois, and then the Senator from Pennsylvania, said—I am paraphrasing this: We are not worried about Social Security because my friend from Illinois said the legislation to correct that is on the path. The Senator from Pennsylvania said we can correct that with legislation.

We have that clearly as not being able to occur. The administrator of the Social Security Administration for three Presidencies has stated just 2 weeks ago that anyone who suggests that is simply wrong.

He was responding to a man by the name of Mr. Myers who said we do not have to worry about Social Security; it is more important to have a balanced budget than to worry about Social Security. What Mr. Ball has stated, and I think we all recognize his being an expert, is:

> Let me, therefore, confine my testimony to the effect of the amendment on Social Security, a program to which, along with Medicare, I have devoted my life.

He goes on to say:

> We are talking about a constitutional amendment which will stand perhaps forever, at least a long, long, time. And to judge they will not take actions that are permitted and quite with great pressure to take them because of what Mr. Myers characterizes as reasons for not moving, I think is really quite naive.
>
> He says this will not happen, that they will not touch Social Security after a budget balancing amendment is passed, because it would be against integrity, logic, and fair play. It would, but the pressures would be extraordinary. I believe it would put at great risk the monthly benefits of 42 million people who are currently receiving benefits and the benefits of millions more who are working and building credits for future benefits.

Mr. Ball continues:

> In 1993 alone, 134 million earners worked under Social Security. Practically every American family has a major stake in the program. It is hardly a special-interest group to be defending Social Security. The program today keeps 15 million people out of poverty and millions more from falling into near poverty. But what is frequently overlooked is it is much more than a poverty program. It is the only retirement program for 6 out of 10 workers in private industry, and the base on which private pensions are built for the other 4 out of 10.
>
> Social Security is family insurance as well as retirement protection. Life insurance protection under Social Security. It pays nearly 3 million children each month and, of course, there is also protection against loss of income because of disability. The protection of young families is very significant.
>
> Now, all this protection, retirement, survivors, and disability insurance would be put at risk . . . by a constitutional amendment——

Talking about the Simon amendment.

> forcing a balanced budget. The amendment provides a great opportunity for those who favor cutting Social Security and radically restructuring it.
>
> Social Security is self-financed and responsibly financed. It has had no part in creating the deficit and the staggering debt.

This is a man whose qualifications are not surpassed, who says if the Simon amendment passes, Social Security will be put at great risk. Mr. President, my amendment preserves Social Security. My amendment allows the Nation's budget to be balanced by the year 2001. It prohibits deficit spending unless it is approved by a three-fifths vote. It retains the integrity of the Constitution. It is a realistic way of balancing the Federal budget because it is patterned after how the States balance their budgets. In effect, the Federal Government will be asked under the Reid substitute to operate like families and the States.

I have struggled with the arguments of my friend from Illinois, and I have arrived at the point that I believe his amendment is fatally flawed and, for that reason, it will fail. As I mentioned to my friend from Arizona, he acknowledged that the Simon amendment is going to fail. Why not join the Reid amendment, the Reid substitute, because the House is going to come up with some kind of a balanced budget amendment, and I would bet it will be something comparable to my substitute.

My amendment is pragmatic, it is enforceable, it provides three simple differences with the Simon approach: No. 1, it provides flexibility during times of economic recession to prevent depression, and we have documented how depressions occur and occur and occur, and have occurred prior to 1929. It allows the Federal Government to prudently borrow for infrastructure needs, capital investments, roads, airports, mass transit, and it preserves Social Security as a separate trust fund.

Earlier today, I met with members who support my amendment. For example, the National Committee to Preserve Social Security consists of 6 million people. Its executive vice president, Max Richmond, was present in room 211 today where he stated the Reid amendment is protection for 6 million people who belong in his organization.

We also received support from the National Alliance of Senior Citizens, who support the Reid amendment. I ask unanimous consent that a letter on behalf of the National Alliance of Senior Citizens, signed by their chief executive officer, Peter J. Luciano, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ALLIANCE OF
SENIOR CITIZENS,
Washington, DC, February 28, 1994.
Senator HARRY REID,
U.S. Senate, Washington, DC.

DEAR SENATOR REID: On behalf of the National Alliance of Senior Citizens, this letter is to express our strong support for the Reid Balanced Budget Amendment. Your approach to this important issue recognizes the critical distinction of Social Security, namely that it is a Trust Fund, built from the contributions of working men and women for their retirement. The surplus in this Trust Fund is an investment that working Americans have made for their future, and for this reason, Social Security must not be treated as simply another budget item in the battle for fiscal responsibility.

Senior citizens have as much at stake as other Americans—perhaps more—in seeing the federal government return to a prudent fiscal policy. The National Alliance of Senior Citizens was founded twenty years ago for that very purpose—to ensure a voice for senior Americans who believe national policy on aging must be based on sound fiscal principles. It is well known that rising taxes and inflationary policies, such as huge budget deficits, do particular harm to those on fixed incomes.

But there is an important difference—in anyone's budget, private or public—between Savings Accounts, Investment Accounts, and Current Consumption Accounts. The Reid Balanced Budget Amendment recognizes these key distinctions, and in doing so, helps protect the future of elderly Americans and the contributions for retirement they have already made.

On behalf of the 117,000 members of the National Alliance of Senior Citizens, we are greatly heartened, Senator, by your informed approach to eliminating federal budget deficits.

Sincerely,

PETER J. LUCIANO,
Chief Executive Officer.

Mr. REID. Mr. President, among other things, the National Alliance of Senior Citizens states that the Reid balanced budget amendment recognizes key distinctions and, in doing so, helps protect the future of elderly Americans and the contribution for retirement they have already made.

We need the support of people on the other side of the aisle. It is the right thing to do. This should not be a partisan issue. It should be an issue that is handled on its merits.

I ask those on the other side of the aisle to join with me in passing out of this body a balanced budget amendment that is prudent, reasonable, and workable.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. BINGAMAN). Who yields time? The Senator from Illinois.

Mr. SIMON. Mr. President, just a comment or two in response to two questions posed by Senator BUMPERS earlier. In terms of Social Security, the person who made the point that a balanced budget amendment is the basic protection that is needed by the Social Security system was the Chief Actuary for the Social Security system for 23 years.

I point out, second, that the Reid amendment Social Security portion is fine for the surplus, but starting in the year 2024, Social Security goes into a deficit. It provides absolutely no protection for anyone 35 years of age or younger. That is something to keep in mind.

In terms of people saying now the Simon amendment is dead, that is probably the weakest argument I can think of for voting against an amendment. The question should not be what its status is—and I am not about to give up. I think the point made by Senator MCCAIN is that we just have to keep fighting this battle—but the question is on the merits.

Finally, Senator BUMPERS asked two questions because I had yielded to Senator SPECTER and was not able to answer at the time. He says:

> If Congress miscalculates revenues or spending and this becomes apparent by the middle of the year and the budget becomes or is about to become unbalanced and the Congress is unable to muster 60 percent to waive, what happens?

Several things. First, we have to pass implementing legislation so we have procedures. I would suggest that we aim for a 1-percent surplus.

Number two is we make clear in the committee report we will have to have about a 2- or 3-percent leeway that can be shifted over to the next fiscal year, and then we will adjust in that next fiscal year. I think clearly that can be done.

Third, we are going to end up with estimates that are closer. I have been on the Budget Committee either in the House or the Senate the majority of my years. Some years—and I see my colleague from New Mexico here—some years when we could not get an agreement, we just changed the estimates and we ended up with unreal estimates. This is going to force us to make some real estimates.

Then, finally, of course, you have the provision of 60 percent.

His second question:

> Why does the Senator believe Congress would vote to balance the budget and cut spending or raise taxes enough to accomplish that when there is no mechanism to force such cuts or revenue increases? We have no history of such courage to indicate such actions will be taken and then assume again that you cannot get 60 percent.

The reality is, a constitutional amendment does give us a little political cover. That is the simple reality. Not only does it give us political cover, but the people back home will say to us: "How come you voted for a balanced budget amendment and then did not follow through?"

It gives us political cover to do some things that we have not had the courage to do, and it forces us to do that.

I would say, finally, to Senator BUMPERS, the choice is just to continue drifting. What is his answer? What is the answer of those who oppose this? David Broder's column this morning comments that there is no alternative by those who oppose this. Do we just continue piling up these deficits? I think we have to do better. This is an opportunity to do better.

Mr. President, I yield 15 minutes to the Senator from New Mexico, Mr. DOMENICI.

Mr. REID. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. REID. Could the Chair indicate to the floor managers how much time they have?

The PRESIDING OFFICER. The Senator from Nevada controls 33 minutes, the Senator from Illinois controls 21 minutes, the Senator from West Virginia controls 3 minutes, and the Senator from Utah, Mr. HATCH, controls 1 minute.

Mr. REID. I thank the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 15 minutes.

Mr. DOMENICI. Mr. President, before my time runs, might I inquire of Senator SIMON, I do not understand what this time applies against, but is 15 minutes too much of the time, so the Senator will not have too much left?

Mr. SIMON. No, I am pleased to yield 15 minutes to the Senator.

Mr. DOMENICI. I thank the Senator.

Mr. President and fellow Senators, I do not choose tonight to speak about the Simon-Craig balanced budget amendment, which is the underlying amendment. I will try to do that tomorrow. I stated on Friday that I was going to support that, and I will state my reasons in some detail tomorrow.

Tonight I just choose to give an analysis of the Reid amendment, and once again my very good friend from Nevada, Senator REID, as he always does, has come up with an interesting legislative proposal. But I do not think anybody should assume that the Reid amendment strengthens the budget process of the United States and moves us in any way, shape or form toward a real balanced budget.

First of all, it makes the system more complex than it is today, and it is plenty complex today. While it purports to deliver a balanced budget, it lacks the enforcement tools to accomplish this result.

Now, the Reid amendment, as I indicated, is a very innovative and, some might even say, an exciting way to legislate about a balanced budget. I think it is an exciting way to avoid a constitutional amendment which will direct and force a balanced budget. The Reid amendment only requires "operating funds" Mr. President, in quotation marks because that is in his bill, "operating funds"—to be balanced. The Reid amendment would exempt Social Security and capital investments. So now we would have to monitor four budgets: the operating budget deficit, the capital budget deficit, the Social Security surplus or deficit budget, and, yes, the unified budget of the United States, which everyone feels is what is really important for the economic well-being of the country.

There is no generally accepted definition of operating funds, I say to my friend from Illinois, no generally accepted definition. We are now writing a new word into the budget language in the Constitution for which we have no regularly accepted definition. There is no accepted definition of a capital investment, and we are writing that into this Constitution and saying capital investments are exempt from the balanced budget rigor and vitality, and thus whatever you spend on capital investment need not be offset because it does not count against the budget deficit.

Very interesting. President Clinton's budget includes three different displays of the capital budget, with deficits ranging from $46 billion to $160 billion for the year 1995. Depending upon what it means, we have a $46 billion operating budget submitted by the President, or a $160 billion budget, and yet nobody has a real definition of what a capital investment budget is.

With the Reid amendment, Congress would define its way out of the deficit without cutting a thing. Just define capital budget sufficiently broad to include all kinds of things that are close calls and you will take off budget enough so you will come close to a balanced budget in 6 or 7 years and you will not have cut anything.

In fact, I would interject here, my good friend FRITZ HOLLINGS at lunch today was speaking about a capital budget, and instantly what came to his mind was the notion about buying the Brooklyn Bridge, or mortgaging it, or finding a way to acquire the Brooklyn Bridge. Frankly, we are going to do one better with this constitutional amendment because we can buy the Brooklyn Bridge with taxpayer dollars and define it as capital investment and not worry about the effect on the budget deficit. We have just acquired another capital asset, the Brooklyn Bridge, for whatever it is worth.

If we go to OMB's definition of a Federal capital investment, Congress could not reduce any "capital" programs, capital being in quotation marks, to balance the operating budget.

To put this in a clearer light, the savings from over 100 of the President's proposed 115 terminations are in capital programs and under a capital budget could not be used to balance the budget. Or another way, no one would want to because you can spend on capital items and not count it against the deficit.

So the President, who went across the land bragging about $3.5 billion in outlays and many more in budget authority from these terminations, more than 100 of those programs would be defined off the budget from the standpoint of concern for balance because they would be defined as part of a capital budget.

Now, Mr. President, neither the GAO [the Government Accounting Office], or the CBO [the Congressional Budget Office], which very recently entered a very interesting analysis of health reform. CBO is the congressionally created independent entity that the President has told us heretofore ought to be the one we all use to get the budget numbers right. Both GAO and CBO argue that Congress should use the unified budget concept, the basis found in the Simon-Craig amendment.

I do not know whether the Clinton administration supports this Reid amendment or not. They do not support the underlying amendment. Let me tell you, they have opposed a capital budget proposal that surfaced in the House a year ago. And I assume it is because of some of the things I have just said. The vagaries of a capital budget, actually, with nothing else in the Reid amendment, just the vagaries of that, should lead everybody to conclude it is not a balanced budget amendment. It is a balanced budget as-defined-by-Congress amendment. But the question is, does it add to the debt or not? Which, interestingly enough, is the safeguard in the Simon-Craig amendment at a point in time you stop increasing the debt held by the public. Is that not right, I ask the Senator?

Mr. SIMON. Yes.

Mr. DOMENICI. Frankly, under the Reid amendment, capital budgets would not have anything to do with deficits, but they would have a lot to do with increasing the debt. If you spent $100 billion worth of capital investments in a budget, which would not count, and you balanced the rest of the budget, you would still be $100 billion in the red and you would have to borrow to pay for these capital investments, whether you called it a capital budget that you were borrowing for, freeways and highways of America that you wanted to borrow money for, or the Brooklyn Bridge that you wanted to buy, and had to pay for.

While the proponents of this amendment claim that this will protect Social Security, the Reid amendment does no such thing. It takes Social Security off budget. Is that security for the Social Security budget? I understand some of the groups that support seniors are all on board the Reid amendment. It does not protect retirees' benefits one iota because there is no protection against changing the beneficiaries. You can increase what you paid to the beneficiaries and break the Social Security trust fund. And nobody can do anything except say that it is on its own. Social Security would not be treated as part of the budget deficit.

You could decrease the Social Security taxes, I say to my friend from Illinois, under the rubric name of helping the economy, thus making the off-budget Social Security trust fund less solvent.

Interestingly enough, Mr. President, today if you tried any of those things, there is a wall. This is a firewall created by a budget resolution that requires 60 votes, if you are going to in any way change the receipts coming into the Social Security trust fund. That is better protection than taking it off budget as is recommended here. As a matter of fact, for those who want to really protect Social Security—I say to my friend from Illinois—what we ought to do is make the firewall which is now 60 votes part of the substantive law instead of the budget resolution because we can change the budget resolution with 50 votes.

What I wanted to do, and what I had great support for but could not get it out of committee, was to go ahead and write into the Budget Impoundment Act of the land that you could not change the receipts flowing into the trust fund for Social Security without 60 votes. But right now today the Social Security trust fund is protected more by a budget resolution that is currently in effect than it would if you adopt this constitutional amendment.

We do not need this exception to protect that fund. For those who want to protect it, we will put the language in tomorrow, an amendment to the Budget Impoundment Act that ought to be adopted like that if you are worried about the Social Security trust fund. It will say you cannot change it in any significant way—the expenditures or the receipts of the Social Security trust, without a supermajority. That will protect it. This will not. This will make it subject to a "we want to write in enabling legislation for the so-called balanced budget constitutional amendment" proposed by my good friend from Nevada, Senator REID.

As I indicated, the Social Security trust fund is more apt to be raided if taken off budget as proposed by the Reid amendment. The Social Security fund is more apt to be exposed to insolvency through payroll tax cuts or beneficiary expansions since these proposals would not affect the budget.

Is that not interesting? It would not affect the budget because the budget is the operating budget, the Social Security is the Social Security budget, and the capital improvements budget is the capital improvements budget, the other three, except for operating, being immune to the rigors of balance.

Besides being overly complex and endangering the Social Security System, the pending amendment lacks the necessary enforcement tools and is filled with loopholes. Unlike the Simon-Craig amendment which requires 60 percent vote of each House to increase the debt limit, the Reid amendment has no controls over the debt. But Social Security can go up or down in its reserves, and it will not affect the operating deficit. The capital budget does not even have to be paid for. Of course we can write enabling legislation saying we have to. But essentially, that is not what is intended in this amendment.

What is really intended is that the capital budget be in some way managing capital over years instead of annually. And might I repeat that neither the Congressional Budget Office nor the GAO recommend a capital budget. They recommend a unified budget which is what is being controlled in the Simon-Craig amendment.

The Reid amendment itself gives the Congressional Budget Office director the authority to suspend the article in the event that CBO projects economic growth of less than 1 percent for two consecutive quarters.

Frankly, we write all kinds of things into the Constitution. But very interesting, we are literally going to write into the Constitution of the United States the Director of the Congressional Budget Office.

I believe if you want to do a recession-triggering mechanism, then why not suggest it on the Simon-Craig amendment if that is what you really want to do? You do not need to take everything off budget under the Reid amendment. If you think it is in order to spend in deficit during a recession which would be two consecutive quarters of no real economic growth, which is a definition economists use, offer it here on the floor as an amendment to Simon-Craig. I am not sure it will pass. But you make the same point. You do not need to take everything off budget to provide this flexibility in the operating budget.

Mr. SIMON. Mr. President, will my colleague yield on one question?

Mr. DOMENICI. Of course.

The PRESIDING OFFICER. The Chair would advise that the Senator's 15 minutes has expired.

Mr. SIMON. I yield 3 additional minutes to the Senator from New Mexico.

The Senator pointed out one thing that frankly has not been discussed. But in terms of the substance, I agree with the Senator entirely. But the Senator mentioned that the amendment would include the Congressional Budget Office in the Constitution. Do we include the Secretary of State or Secretary of Defense or Secretary of any Cabinet office in the U.S. Constitution? Does this make this something like the Constitution of the State of Louisiana that is a thick book in terms of all the details?

Mr. DOMENICI. No. We do not. I say to my friend, he asked that knowingly. But I must tell you it is very interesting. Because the question is even more than that. It is how do you get rid of the CBO director? Whomever it is, it has to be a person. So write it into this Constitution. Right now the Senate majority leader and the Speaker of the House appoint the CBO director. He can be removed by the passage of a simple resolution by either House. What are we going to provide? Are we going to have a political way to get rid of them? Every 4 years are we going to rotate this person? It is an invitation to politicize the Congressional Budget Office, an arm of the Constitution. In terms of balanced budgets, if you concluded that you wanted a recession trigger in the proposal of the Senator of Illinois, you could include it in implementing legislation in the proposal of the Senator from Illinois as I understand if you want to write that kind of thing in.

Finally, the Reid amendment would weaken the Presidency. I will have more to say tomorrow when I address the policy nature of the Simon-Craig amendment that could invigorate the power of the Presidency in enabling legislation. But this would weaken the Presidency, which I doubt over the long run will help us achieve a balanced budget amendment. In a sense, it is trivializing the Constitution by writing specific exemptions, mandates, and authorities that are better left for statute.

So in conclusion, it is clear to me that this is not an amendment which will bring to the American people a point in time when we add no more to the debt and call that a balanced budget which is precisely where we ought to arrive at at some point in time, not adding to the debt.

The Reid amendment will permit us to add to the debt in at least two major ways, either by reducing reserves for the Social Security Trust Fund, thus adding to the real debt, or putting capital improvements in place which are not accountable for, which we do not have to pay for, which you could add to the deficit regularly on that score.

Overall, I think it is far inferior to the amendment offered by Senators SIMON and CRAIG.

I yield the floor.

Mr. REID. Mr. President, I respond to my friend from New Mexico, for whom I have affection and with whom I have enjoyed working in the years I have been in Congress. There was a statement made about how we monitor these four budgets. The fact of the matter is that we monitor three of them now—the operating funds, Social Security, and the unified budget, all of which is the capital aspect of the budget.

Also, there is no generally accepted definition of operating funds nor capital investment. I suggest to my friend from New Mexico that the fact of the matter is that for 40-odd years, we have been carrying this in our accounting of the Federal budget. States have had decades and decades of experience. There was a statement that you could buy the Brooklyn Bridge and call it capital. Using that inversely, you could use the Simon amendment and you could buy the Brooklyn Bridge and say it does not add to the debt.

The fact of the matter is, I think Senator HATCH, on Thursday, talked about how we as Members of Congress must handle this. The Senator from Utah said that he did not feel there was a person in this body who was not interested in living up to his oath of office. He went on to say:

> I cannot imagine a Member of this body, if this resolution passes both Houses of Congress, who would not take their responsibilities very seriously. Furthermore, to say that by putting their declaratory language in the amendment we are preventing that is also to be construed as an insult to Congress, because if we are obligated to meet the terms of this constitutional amendment, that alone is enforcement, and the ballot box is going to be even more enforcement.

We have to take the good faith of those supporting the Simon amendment and those who support the Reid substitute. And I suggest again, Mr. President, that those people who are supporting the Simon amendment—about which there was acknowledgment on the floor today by just about everybody that it is not going to pass. There should be a general consensus that the Reid substitute should pass. It is something that is reasonable. It treats the Federal Government like State governments are treated. It is something that would have a significant chance of passing in the other body. I believe that it is something that is extremely important, and we should pass it.

I also suggest that if you look at what my friend from New Mexico has said, that my amendment would not protect Social Security by taking it off-budget. If that would not protect it, frankly, I do not know what would. In fact, I would like to read a quote from both the minority leader and Senator DOMENICI, statements that they made following the CBO, coming out with a criticism, a critique of the President's health care program. This, Mr. President, is on the independence of CBO coming from my friend from New Mexico and my friend from Kansas, the minority leader.

Senator DOLE said:

> I congratulate the CBO Director, Mr. Reischauer, because I think they did put together a very objective and a comprehensive analysis under very difficult circumstances.

My friend Senator DOMENICI said:

> I rise today, I say to the Senate and my fellow Senators, to congratulate a very, very courageous employee of the United States Government, the Director of the Congressional Budget Office, Dr. Reischauer. Frankly, he has been under enormous pressure and did the right thing.

If taking Social Security off-budget, I repeat, would not work, what would?

My friend from New Mexico voted in 1990 with 97 other Senators—this Senator included, and the senior Senator from Illinois included—to take Social Security off-budget. It was 98-2. Today, there is a 60-vote firewall protecting Social Security. The fact of the matter is that we all recognize that. There is no intention of repealing that.

So for these and other reasons, I think that my friend from New Mexico and other Members in the other body, over the night, during the night, in the morning, I ask that they strongly consider supporting the Reid amendment, because if anybody wants a balanced budget amendment out of the U.S. Senate this year, they should support the Reid amendment. The Simon amendment will not pass. It does not have the votes.

I know that my friend from Idaho has stated, as the AP reported, that the Republicans are not going to support the Reid substitute. That is too bad. This should not be a partisan issue. The Reid substitute is going to be comparable to what is going to come out of the House of Representatives. I think this would be a dramatic step forward if the Senate would pass the Reid substitute, send it to the House, then this year—not next year, or the year after that, or the year after that, but this year—we would have a balanced budget amendment, one that treats the United States Government like State governments, where they balance their budgets, one that protects the Social Security trust fund, and they are totally sufficient and adequate to take us for the next 75 years—three-quarters of a century. I think we should protect those moneys, because we have an obligation to the people who paid into that.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. REID. We have made an agreement and there is not a lot of time left, but I know the Senator asks short questions. I will take a short question.

Mr. DOMENICI. The Senator mentioned in his remarks—and I think he made a very good argument in rebuttal, but I do not agree, as he understands. But I think the Senator always, in rebutting arguments on the other side, does it in a very excellent way, and I commend him for it. The Senator mentioned that under the Simon-Craig amendment, this Brooklyn Bridge could be off budget, too. In 1982, when this balanced budget was working its way through, it did not have the debt limit on it yet. We did that afterward. But a simple word was inserted by the then Senator Chiles from Florida and Senator DOMENICI from New Mexico, and I think it is in there, where you refer to outlays and receipts. It says "total" outlays and receipts. Heretofore, it just said "receipts and outlays." The history of the word "total" is that you cannot exclude any outlays or receipts, as you have indicated. They are going to be counted anyway, and whether you include them or not, they end up adding to the deficit, which adds to the debt. So you cannot exclude anything. I wonder if the Senator was aware of the word "total" in there when he made his remarks?

Mr. REID. The problem, I say to my friend is—using the Brooklyn Bridge as an argument—if in fact we did not want to live up to what Senator HATCH said was our constitutional obligation and duty—and I take for granted we would all try to do that. But assuming that we did not, there would be no reason that you could not have a law that would require some private entity to buy the Brooklyn Bridge and work out some arrangement with the Federal Government.

So we have to rely on the good faith of those constitutional officers, which we are, to follow what is the law. I mentioned earlier today that the Reid amendment, I believe, will have all the teeth that the Simon amendment has. Both amendments rely on future Congresses to abide by their oaths, to uphold the Constitution. The Simon amendment relies on future Congresses to define the new term limit on the debt of the United States held by the public.

The term is nowhere defined in the law now. The debt limit is defined in title 31, section 3101 of the United States Code. It is an entirely different concept.

What prevents the use of creative accounting to define the new limit? What prevents the Congress from defining certain types of borrowing out of the new limit?

The answer is the sworn duty of Senators and Congressmen to uphold the Constitution is what would protect that.

The answer is the same for my amendment.

I suggest to my friend from Illinois that Senator LEVIN wishes to speak. I see the Senator from New Mexico rising.

Mr. DOMENICI. I thank the Senator, and I understand his remarks. I understand we will give a response on enabling legislation.

I thank the Senator very much.

Mr. REID. How much time does the Senator from Illinois have?

The PRESIDING OFFICER. The Senator from Illinois has 3 minutes remaining.

Mr. REID. It is my understanding the Senator will yield 3 minutes.

Mr. SIMON. I yield 3 minutes and my colleague from Nevada will yield 7 minutes.

Let me add that I am going to have to leave here no later than 7 o'clock. I would hope we could get a time agreement for tomorrow morning and I think whatever the time agreement is prior to the Reid amendment it should be divided four ways. I think our colleague from Nevada would agree to that.

Mr. REID. Yes, except for a half hour in the afternoon from 2:30 to 3. The Senator and I will divide that.

Mr. SIMON. In the afternoon it is a little different.

Mr. REID. Of course.

Mr. SIMON. It depends on what happens to the Reid amendment.

Mr. REID. I am talking about between 2:30 and 3 when we finish the conference. I am out of the picture after that perhaps.

Mr. SIMON. All right.

Mr. REID. As soon as Senator LEVIN starts talking maybe we can get together to work something out.

Mr. SIMON. I hope to do that.

I yield to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 10 minutes, 3 minutes yielded by the Senator from Illinois and 7 minutes yielded by the Senator from Nevada.

Mr. LEVIN. Mr. President, first, I thank the Senators from Illinois and Nevada. They are courteous.

I oppose the amendment of the Senator from Illinois. He is still allowing those who oppose the amendment his time and where he has surplus time to raise our point. It is most appreciated.

I worked with the Senator from Illinois back in 1986 to try to use some of the new revenues that were coming from tax reform for deficit reduction. He may remember that there were very few votes in this Chamber for that use of those revenues. We were right then and working together then on deficit reduction.

I believe the current amendment of the Senator is a mistake. I spoke last week on it. I feel either it will give the minority too much power or, what is more likely, in my view, is that loopholes in the amendment will be used to evade what its intent is, and one of those loopholes is the fact that estimates can be used under section 6. He has addressed that issue.

The Senator from Illinois has indicated that there is a backup to the misuse of those estimates, that if rosy scenarios were used, as they were in the eighties, to create fictitious surpluses or to show that there will be no deficits that as a matter of fact then you have the backup of a debt limit which then must be voted by 60 percent of the Senate to be increased.

But very quickly let me say how easy it is to evade it. The head of the budget office, Robert Reischauer, said:

> Probably the most important difficulty with the balanced budget amendment rule is that it offers many opportunities for avoidance or evasion. One way to evade the balanced budget constraints might be to base the budget on overly optimistic economic and technical assumptions.

That is the CBO head who is talking. I think he is absolutely right.

The argument that my friend from Illinois uses is that there are some teeth that he has in this amendment to stop that, and the teeth is this requirement that there be 60 votes to raise the limit on the debt held by the public.

At one point I think he called that the muscle against overly optimistic assumptions, against rosy estimates. I do not believe it is a realistic hammer at all.

As a matter of fact, I think that the suggestion that we might not raise the debt limit to pay our debts is a suggestion which has no basis in our history. We are going to pay our debts. We have proven it over and over again. So it is not teeth that is in the amendment.

This is a nuclear weapon that the Senator from Illinois has suggested would be used to enforce the balanced budget amendment.

I ask the unanimous consent here that a letter from the Secretary of the Treasury, then-Secretary James Baker, be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, July 8, 1987.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate,
Washington, DC.

DEAR LLOYD. I am writing to request that the Congress act by July 17 on legislation to extend the debt ceiling. The temporary debt limit enacted May 15 expires at midnight on July 17. The ceiling then reverts to the $2.1 trillion permanent ceiling—about $195 billion below the amount of debt that we estimate will be outstanding.

The Congress enacted only a two-month extension of the temporary debt limit in May to assure that there would be no other choice but to revisit the debt limit in mid-July. Enactment of a debt limit extension by July 17 is crucial to prevent disruptions in Treasury debt management that would begin immediately. As described below, in the absence of timely Congressional action the Government could well default on its obligations on July 30, and almost certainly will do so on July 31.

The following actions must be taken if the Congress delays enactment of a debt limit increase. On July 17, we would have to (1) notify the 44,000 savings bond issuing agents not to sell any more bonds and (2) notify the Federal Reserve Banks to stop issuing State and local government series (SLGS) Treasury securities. Interruption in the availability of SLGS will result in lost interest earnings and interest arbitrage rebate problems for municipal entities. Furthermore, Treasury will be unable to invest or roll over maturing investments of trust funds and other Government accounts. For many of these accounts, Congressional action will be required if any resultant losses of investment income are to be restored.

Disruptions in Treasury's normal market financing will begin on July 20 with the postponement of the weekly bill auction. On July 23, $13.7 billion maturing bills will have to be redeemed in full. We will notify the thousands of smaller investors who use the Treasury book-entry system that they may receive a check instead of their requested reinvestment of the redemption proceeds in new bills. This will be done so that they can plan alternative investments. Smaller investors in book-entry Treasury bills maturing July 30 would also have to be notified, with the additional warning that the checks may not be honored on July 30.

The Treasury may well not have enough cash to pay off $13.7 billion of maturing weekly bills on July 30. Even if the Treasury managed to get through July 30, our balance would be perilously small and we would almost certainly run out of cash the next day. On July 31, in addition to defaulting on $10.2 billion of maturing marketable Treasury notes, the United States would not be able to honor $2.1 billion of benefit payments to veterans and supplemental security income beneficiaries. Further, on August 3, $17.1 billion of social security benefit payments could not be honored, nor could $4.2 billion of benefit payments to railroad, military and civil service retirees.

I should stress that defaulting on already outstanding, validly incurred obligations has far graver effects than halting operations of the Government when spending authority is allowed to lapse, such as when there is a delay in action on appropriations. A failure to pay what is already due will cause certain and serious harm to our credit, financial markets and our citizens, it is not remotely similar to a lapse in authority to incur new obligations.

I urge you to seek cooperation of your colleagues and to act quickly on a debt limit increase in order to prevent unnecessary problems and later default on the Government's obligations. We are requesting an increase in the current debt ceiling to: (a) $2,800 billion, an amount sufficient to get through May 1989, and avoid the burden of dealing with this time-consuming issue in the midst of election year schedules; or (b) $2,578 billion, the amount estimated in the President's Budget to be necessary for FY 1988.

I cannot overemphasize the damage that would be done to the United States' credit standing in the world if the Government were to default on its obligations, nor the unprecedented and catastrophic repercussions that would ensue. Market chaos, financial institution failures, higher interest rates, flight from the dollar and loss of confidence in the certainty of all United States Government obligations would produce a global economic and financial calamity. Future generations of Americans would have to pay dearly for this grave breach of a 200-year old trust.

Sincerely,

JAMES A. BAKER III.

Mr. LEVIN. Let me read just the last paragraph in his letter in the July 31, 1987 Congressional RECORD, when it was suggested we should not raise the debt limit.

I cannot overemphasize the damage that would be done to the United States' credit standing in the world if the Government were to default on its obligations, nor the unprecedented and catastrophic repercussions that would ensue. Market chaos, financial institution failures, higher interest rates, flight from the dollar and loss of confidence in the certain of all U.S. Government obligations would produce a global economic and financial calamity.

So I think that the suggestion that there is this backup here to enforce the provision in the Simon amendment that outlays must equal revenues is a suggestion which is not based on any realistic assessment of what is doable. We cannot refuse to pay our debts or it will be a national and international calamity. Yet that is what the Senator from Illinois seems to me is suggesting as the way to avoid the rosy scenario from becoming operative under his amendment, which again does permit the use of estimates.

Now, in his answer to the argument that the minority would be allowed too much power and that there is somehow or other a straitjacket in this amendment, my good friend, my dear friend from Illinois says the following: That 60 percent of us could vote to have an unbalanced budget. That is basically the flexibility which is in this amendment.

My question really to him is this. If 60 of us voted under his amendment for an unbalanced budget, would that be in accord with the Constitution?

Mr. SIMON. The answer is that it would, and that is why we have that flexibility. We do not go as far as Thomas Jefferson wanted to go. He wanted to absolutely prohibit any Federal Government borrowing.

Mr. LEVIN. I think this is a very important point, against the argument that somehow or other that fealty to the Constitution down the road will prevent us from voting for an unbalanced budget, since the provision itself provides that one can be loyal to the Constitution after this passes and still vote for an unbalanced budget.

Mr. SIMON. The answer is that we could, but the argument that my colleague from Michigan makes is precisely the opposite of the argument that we have been hearing over and over and over again on the floor.

Some of my colleagues say this is too tough. My colleague from Michigan says it is too easy. I think the reality is it is sensible.

Mr. LEVIN. I think both sides actually on this debate are using alternative arguments. I think supporters of the constitutional amendment are saying this is real teeth, real muscle; on the other hand, it is flexible.

By the way, as I read the Senator's section in his constitutional amendment it has no restrictions on the use of 60 votes. He does not have a provision in here that is only in case of emergency or only in case of disaster. It is simply a 60-vote requirement. Is that correct?

Mr. SIMON. A 60-vote requirement, and that is tougher than where we are right now.

Mr. LEVIN. My point is when some of the proponents of this constitutional amendment argue that somehow or other we will not use the provisions of this Constitution, those who want to have an unbalanced budget will not fully use the loopholes or fully use the provisions of the Constitution, what the proponents of the amendment of the Senator from Illinois ignore is one can be loyal to the Constitution under his amendment and vote for an unbalanced budget.

Mr. SIMON. The answer is we will occasionally do so, and for those who say what about a recession, since 1962 we have had 11 stimulus packages pass the U.S. Senate. All of them passed with more than 60 votes.

Mr. LEVIN. So when the Baltimore Sun wrote in its editorial that it was very strongly in opposition in this amendment because it believes thatu Congress will slip and slide—I think those are the words of the editorial—that Congress will slip and slide under this amendment to do what it always has done, I believe it has good reason to reach that conclusion.

This amendment presents the legislators a chance to propose procedures for cutting the deficit while offering them ample opportunity to slip and slide away when it comes to actually raising taxes or cutting spending.

I have one other question to my friend from Illinois. The requirement in this amendment is that the President submit a balanced budget to the Congress. It does not have a date in that language as the Reid amendment does, by the way. But my question is this: Is there any prohibition in his amendment against the President submitting two budgets, one a balanced budget and, second, an unbalanced budget with a suggestion to Congress that 60 percent of the Congress vote for the unbalanced budget?

Mr. SIMON. Absolutely not. And the argument that we are taking away Presidential prerogative is not valid.

The President has the obligation to submit a balanced budget. But the President may very well say, because of circumstances, we are in a recession or whatever the circumstances, that he recommends that there be this movement away from it. But it is tougher.

I say to my friend from Michigan, on this argument as well as the previous argument, when you say we are going to slip and slide, it may be that we will get into the habit of going over 60 votes, but it is better than drifting the way we are right now. And what is the alternative? I have not heard the alternative.

Mr. LEVIN. Mr. President, putting into the Constitution language which is full of loopholes is not an improvement on the current situation. Quite the opposite.

It will lead the public into believing we are doing something when we are not. In doing that, it will lead the public to new depths of cynicism. It will take Congress and the President off the hook until 2002. That will give Congress and the President 7 years more for excuses not to act. They will act on the illusion that the amendment will somehow do it for us.

This amendment will, as a result, do damage during the next 7 years with great uncertainty as to what will happen thereafter.

There is no substitute for the exercise of will now to cut the deficit.

Putting off the fateful day until 2002, and then being uncertain as to whether there will be any deficit reduction is not the exercise of will. It is a copout in the name of the Constitution.

Our Constitution deserves better. Our people deserve better.

Under the Simon amendment, Members of Congress voting for an unbalanced budget will be upholding the Constitution, just as those voting against an unbalanced budget.

So the argument that the oath to uphold the Constitution is the true enforcing mechanism is misplaced. That leaves the language of the amendment as an unenforceable hope. No court can enforce it by the amendment's own terms. And Members of Congress will be true to their oath by the terms of the amendment, whether they vote for a balanced or unbalanced budget.

Amendments to the Constitution should be enforceable. This one is not and I cannot support it.

The PRESIDING OFFICER. The Chair would advise the Senator from Michigan that his 10 minutes has expired.

Mr. LEVIN. I thank my friend from Nevada and I thank my friend from Illinois.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I yield the remainder of my time to the Senator from Massachusetts.

I understand the time of Senator SIMON has expired.

Mr. SIMON. I was hoping we could work out a time agreement before tomorrow morning.

Mr. REID. I have met with policy staff and I told them what I thought we had agreed on, with the exception of Senator BYRD—I was not able to clear that with Senator BYRD. Senator SIMON and Senator HATCH and I will come in at 9 and go until a quarter to 1, until the conference starts, and have the time equally divided on the amendment, and time from 2:30 to 3:00, that block of time, will be divided 15 minutes to Senator SIMON and 15 minutes to me.

Mr. SIMON. That is perfectly acceptable.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I support balancing the budget. I have come to the floor of this Senate again and again to offer proposals to cut waste out of the budget. I am ready to cut further—ready to raise some revenue if necessary—and ready to reform our entitlement programs. As far as I am concerned everything is on the table and I would be happy if we voted today on a specific plan to eliminate the deficit.

I support balancing the budget and I voted previously to do so with Gramm-Rudman-Hollings. During the last few days, I decided to revisit the issue of an amendment to the Constitution as a means of leveraging the responsibility we seek. I wanted to determine if I was missing something in the argument—if there was perhaps some constitutional basis for moving in this direction. I wanted to test again whether my opposition in the past was reasonable or not.

I have spent some time in the past days reviewing my thinking, rereading some early American documents, testing my thinking against other's.

As much as I would like to see us balance the budget, I find this amendment wanting and I will oppose it.

I oppose the amendment because it merely sets a goal, but does nothing to reach it or to enforce a process of reaching it.

I oppose the amendment because the process it creates is far more likely in the long run to injure our economy than to help it and to cost jobs than to create them.

I oppose the amendment because by pushing the date for reckoning further into the future, the proposal will allow this body to avoid taking meaningful steps now in favor of delay and political expediency.

And I oppose the amendment because legitimate examination makes it clear that it undermines the intentions of the Founding Fathers and does damage to the principal of majority rule.

Recent events around the world remind us of how terribly precious and delicate democracies can be. They take so much effort and time to create, and yet they are vulnerable to sudden and complete devastation.

We are now contemplating a change to the document that founded our democracy. Our Constitution is not only the description of our Government, but the inspiration and blueprint for every democracy and future democracy in the world. Amending the Constitution is the most serious undertaking this Congress can consider. It cannot be taken lightly. We have amended the Constitution only 17 times since the Bill of Rights, 203 years ago. Every extant amendment serves to clarify the rights of our citizens, or to alter the very structure of the branches of our Government. Only once in the entire history of our Nation have we done what the proponents of this amendment ask us to do, to enshrine a mere policy decision in the Constitution. That was when we began Prohibition, and the amendment failed so unconditionally that we needed another amendment to eliminate its effect. Yet, staring at the face of this record, proponents of the balanced budget amendment seek to drag us backward in history toward the certain disaster of a policy-based amendment.

A constitutional amendment is not just politics as usual, it is not just another vote on the floor of the U.S. Senate, it is not a decision we can make with a best guess as to its implications and repercussions. We should not change the U.S. Constitution without a near-complete certainty of the consequences of our actions.

Some on the other side argue that it is precisely because of this gravity that this step must be taken. Only the weight of a constitutional amendment would force us to take steps to finally balance the budget. This argument sounds great, and indeed, it has seduced the votes of some in this Chamber and the support of many outside it.

But this attempt to legitimize the measure fails to withstand scrutiny. Why—because this proposed amendment includes last-minute changes that prohibit courts from enforcing it. Of what severity is a constitutional amendment that can't be enforced by the courts? If gravity is what we are looking for, if a Constitution-level mandate is needed, then we need an enforceable and immediately effective balanced budget plan, not this amendment.

The amendment provides further evidence of its inappropriateness in its inclusion of an escape from the requirement of a balanced budget if a supermajority votes to allow it. This escape is an admission that the balanced budget obligation is not enduring, but conditional. It is an implicit admission that the economic decision to balance a budget or to run a deficit is a political judgment of the moment. This loophole subjects the amendment to perpetual tests of its appropriateness under contemporary conditions and undermines any claims to the absoluteness which applies to every other amendment to our Constitution.

I am prepared to vote today, tomorrow, next month, or as soon as possible, on a plan to balance the budget, and I am prepared to live by the majority vote of this body—51 votes. It is clear, however, through the actions of some of our colleagues, that they are not willing to abide by such a vote. They do not want certain results, and they are specifically seeking to install in the Constitution the right of a minority to preclude outcomes of which they disapprove. Nothing that exists in the Constitution nor any expressed intent of the Framers suggests that this is appropriate or good for America. To the contrary, everything written and everything argued during the tumultuous years of constitutional creation and evolution make clear that this was precisely the kind of tyranny the Framers sought to avoid.

Yet by passing this amendment we would, in one fell swoop, reverse 200 years of protections of majority rule, first by requiring a three-fifths vote in each House to allow deficit spending, and second, by requiring a majority vote of all sitting Members—not even those present and voting—of each House to increase revenues. Whenever a supermajority is required, the minority is given control.

The question of whether sufficient cause exists to have a 1-year deficit should not be subject to the control of a minority. The Framers of the Constitution expressed their intent with utter clarity by permitting the minority such power in only three incredibly important areas. A supermajority is constitutionally required only for the ratification of treaties, the override of a veto, and for impeachment. As much as we might fervently hope for or want a balanced budget, we must not permanently damage the democratic system of majoritarian rule by imposing supermajority requirements in new and unnecessary areas.

In the Federalist Papers, Madison calls majority rule "the fundamental principle of free government," which would be "reversed" if legislative "power would be transferred to the minority."

I respectfully submit, Mr. President, that we do not need new opportunities for gridlock. We have enough already.

Today, 41 Senators can already prevent this body from voting on a measure that the majority favors. It was the minority that prevented this body from voting on President Clinton's stimulus package in the midst of a recession. It was the minority, while violent crimes soared out of control, that prevented the passage of the Brady bill until last year. In recent years, as they have grown more frustrated being in the minority, Republican Senators have grown more and more willing to use the Senate's rules to prevent action on items favored by the majority. The number of filibusters has increased dramatically in recent years. Until 1986, the filibuster was used rarely—no more than three times per year on average. From 1987 to 1992, it was used 19 times per year on average.

Make no mistake about it. If we make it easier for the minority party to block the will of most of the people, the minority party—whichever party that happens to be—will use that power. I respectfully submit, Mr. President, that we do not need new constitutional opportunities for gridlock. We have enough already.

Mr. President, to understand the danger we are facing, imagine a time after the budget has been balanced when the economy is in a deep recession. The President decides that we need to create a small deficit in order to jumpstart the economy. This is the solution Keynes proposed to get the Nation out of the Great Depression. It is what we are currently prescribing for the Japanese economy to get it out of its recession. Yet 41 Senators—fundamentally opposed to deficits, or simply moved by political considerations to frustrate the party in power—could eliminate this option.

If the recession caused tax receipts to decline and entitlement expenditures to increase—as usually happens in a recession—these few Senators could force draconian spending cuts by banding together with nine others who are opposed to tax increases. In this case, if Congress was unable to form the simple majorities to cut expenditures in the midst of a recession, the situation would be thrown into the courts and the Nation would be launched into a constitutional crisis.

According to Charles Fried, Solicitor General under Ronald Reagan, the balanced budget amendment

> Would just make it that much harder to govern, giving those who want to put obstacles in the way of Government new opportunities for obstruction.

Fried goes on to state that,

> People choose a President and Congress to govern. If they govern badly they should be thrown out, not provided with excuses. It is simple enough, and this is what majority rule is about. Our safeguard is the responsibility of the legislators and the wrath of the people if the legislators betray them. Everything else is a gimmick.

The real tragedy of this proposal is just that. It is a gimmick. In return for altering our Constitution, our Nation would get nothing. The amendment would not in itself ever lead to a balanced budget. If we pass this constitutional amendment, nothing will happen this year. Or next year. Most likely, this amendment to the Constitution would not take effect until after President Clinton is constitutionally prohibited from serving a third term: The year 2001.

Why are we proposing do-nothing constitutional amendments when, after 12 years of Congress hiding its head in the sand, it is finally beginning to deal with some real issues? Perhaps because making choices is a difficult business, and for many the urge is still strong to look for something that makes it seem like more is happening than really is.

When Carter came to town, the magic want was the fact that after all the lies of Watergate, we would have a President we could trust. But truth was not enough, as Carter eventually found out. Mere recognition of the truth did not produce a President and a Congress willing to make hard choices.

When Reagan came to town in 1980, the magic wand was supply side economics: Lower taxes would generate so much economic activity that the budget would be balanced by 1983. Instead, we had a budget deficit of $207 billion in 1983, which was three times larger than President Carter's worst year. In 8 years, Ronald Reagan's magic wand had concocted over $1.3 trillion in new Federal budget deficits. George Bush—unable to make any different choices about the Federal budget than Ronald Reagan—added another trillion on top of that in just 4 years.

In 1985, a group of legislators joined together behind a 5-year plan to end the deficits. It was called Gramm-Rudman-Hollings, and it was a tough plan to break us of our addiction to deficits by 1990. But still too many in Government—most notably the President himself—were not ready to face the music of Gramm-Rudman. They wanted another magic wand instead.

So Gramm-Rudman's targets were revised, and key spending areas were excluded from it. By the time we got to 1990, and the Andrews Air Force Base budget agreement, we had abandoned Gramm-Rudman entirely, and put into place a new magic wand—a budget agreement with separate walls for military and domestic spending, and which excluded hundreds of billions of dollars in Federal spending entirely—the S&L and bank bailouts.

This magic wand, the Andrews Air Force budget agreement, never worked as anything other than a temporary straitjacket. That agreement left us—and President Bush, whose presidency it helped destroy—bound and hobbled, barely able to move, forbidden to make different choices than those it imposed, regardless of whether cities went up in smoke or children failed to be educated or streets became unsafe or people could not find jobs.

When President Clinton came to town, he could have replaced that magic wand with yet another. For the most part, he did not. He proposed real spending cuts and a real tax increase as part of a $500 billion deficit reduction plan. I believe, and said so at the time, that the plan should have been tougher—spending cuts should have been greater, and the biggest piece of deficit reduction, health care, was left for later. But the plan reflected real choices. And it hurt. And because it hurt, it was politically unpopular.

But as a result, the deficit is finally going down—in a way it could not have when we were simply waving magic wands and chanting incantations. The deficit is now projected to decline for 3 years in a row—something it has not done since Harry Truman was in office.

President Clinton has shown we do not need an amendment. We need the will to make choices.

How ironic then, that the proponents of the balanced budget amendment have chosen this moment to push for their version of the magic wand.

I guess the reason should not be a mystery. If we want to continue reducing the deficit, the next step we must take is to overhaul our entitlement programs. We must begin with health care reform and not stop until we have examined Social Security. It is little wonder that no one wants to take on these politically poisonous tasks.

So they are pressing us to adopt another magic wand to end the Federal budget crisis—this time, a constitutional amendment that will do nothing to balance the budget in 1994, 1995, or 1996, and which could take 6 years in all to go into effect, if ever.

It is like what the Duchess told Alice in Wonderland about the meaning of having jam "every other day." Every other day meant you could have jam yesterday or jam tomorrow, but never jam today.

Instead of unbalancing the Constitution, let us vote on a plan that will balance the budget. Rather than waiting 4 or 5 years to take action on the budget, let us exert some discipline now.

I came to the floor last month with an amendment to cut the Federal budget by $45 billion. I lost on that vote, just as DALE BUMPERS has lost the many budget cutting amendments he has filed over the years, until he finally terminated the supercollider project last year. I lost in part because, for many Members, it is easier to vote for a balanced budget in the distant future than even small budget cuts today.

They reminded me of St. Augustine's prayer, "Give me chastity and continence, oh God, but please do not give them yet."

For a full week now, the U.S. Senate has debated a constitutional amendment to require a balanced budget. We have held countless hours of hearings. Editorial writers have penned dozens, perhaps hundreds, of articles arguing the pros and cons of this amendment. Scholars have written papers. Interest groups have mobilized.

If only this energy had gone into balancing the budget.

Mr. President, if the Senate and this town had as much will as rhetoric, we could have focused all this time and energy on developing a real plan to eliminate the deficit.

In the final analysis, we do not need an amendment, we need to summon the will to just do it. We need to stop posturing, roll up our sleeves, and get down to the dirty work of making the tough choices that we were sent here to make.

Americans are not fooled for a moment by this debate over what color fig leaf we use to cover up our own lack of will. They know better.

Walter Lippman wrote in 1932 in times far harder than these that,

> Politicians continue to think that the way to please and to reassure the people is to pat them gently and feed them pap. The(y) are wrong. They do not understand the human animal. They have forgotten that in the carnal nature of man there are chords of fortitude and heroism which, when they are struck, vibrate with an unaccountable energy. How else explain the great periods of history that punctuate the drab and flat routine of existence, except by the fact that when they must, men can rise so far above themselves that they hardly know themselves?

It has been a generation or more since we Americans last came together to do great things; a generation or more since our inner resources of decency and strength were mobilized in a cause broader and more far-reaching than narrow self-interest; a generation or more since we were asked to put aside the petty bickering of partisanship and division and focus instead on what we Americans together can achieve.

We are the people who tamed a continent, built the mightiest industrial engine the world has ever known, brought Hitler to his knees and won the cold war—there is not a problem we face today that we cannot solve.

But there is not a problem we will solve if we remain unwilling to make tough choices and to face the truth.

It is reality time, Mr. President.

Time to end the fantasies and phony debates.

Time to stop patronizing our citizens and start challenging them.

Time to understand that it is only when we are honest with ourselves that we are able to draw fully on the profound strengths of character that lie deep within our people, and that whenever we have been able to do that, we have never failed—and I believe will never fail—to accomplish our goal.

Mr. President, it has been a generation or more since as Americans we really came together to do what we might consider great things, a generation or more since our inner resources or personal resources of decency and of strength were brought together and mobilized in a cause that reaches more than narrow self-interest.

It has been a generation or more since we were asked to put aside the petty bickering of partisanship which has characterized so much of what happens here and instead focus on what Americans together can achieve. We ought to think about that because we are the people who tamed a continent. We are the people who built the mightiest industrial engine that the world has ever known. We brought Hitler to his knees, and we won the cold war. There is not a problem we face today that we could not solve if we were willing to summon the will to undertake it.

There is no problem that will be solved because of words put on a piece of paper. There is not a problem we will solve if we remain unwilling to make tough choices and to face the truth.

So I respectfully suggest to my colleagues who are sincere in wanting to balance the budget but not really facing up and doing it, it is reality time. It is time we ought to stop patronizing our citizens and we ought to start challenging ourselves and them to join together in making those hard choices. It is time to understand that it is only when we are honest with ourselves that we are able to draw fully on the strengths of character which lie deep within our people and whenever we have been able to do that we have not failed. I believe we will not fail if we do that.

Mr. President, everything should be on the table. We should be willing to bring to this floor a vote on a combination of raising revenue and making cuts or just making cuts or doing that and finding other areas for revenue than we thought of previously, or both, or a combination. But we should do it. It does not take an amendment to the Constitution without enforcement mechanism, that does not go into effect to the next century to do anything except fool the American people.

I thank the Chair for his patience.

Mr. D'AMATO. Mr. President, I rise today to support Senate Joint Resolution 41, the proposed amendment to the Constitution of the United States requiring a balanced budget.

Mr. President, deficit spending is truly out of control. By running huge deficits, we are robbing and bankrupting our children and our children's children to perpetuate our wasteful spending. Indeed, the people who are really going to get hurt without this amendment are either too young to vote or have simply not yet been born.

The President's own budget proposal, in a section entitled "Analytical Perspectives," says that future generations of Americans will face a staggering 82 percent lifetime net tax rate assuming no change in the status quo. This same budget also estimates that the total debt will rise almost $1 trillion in the next 5 years alone. We have got to get this runaway spending under control now, not later. We cannot afford to wait any longer.

Mr. President, the gross interest on the debt today exceeds $290 billion, a figure higher than the entire Federal budget just 20 years ago. To make these figures more understandable: We now spend more than $800 million a day in interest on the debt; $800 million a day. Interest payments as a percentage of the budget have doubled just since 1970 from 7 to 14 percent. In addition, nearly 20 percent of our interest payments are sent overseas to foreign investors. In 1993, the treasury sent $41 billion overseas in interest payments.

The numbers don't stop there. Do most of my colleagues realize that the Government has spent more than it has taken in for 55 of the last 63 years? Or that we last had a balanced budget in 1969?

The average family in New York now spends $2,300 a year just to pay off the debt interest. Eventually, this excessive spending will catch up to us. The American people can no longer tolerate inaction or stalemate when it comes to reducing the deficit. It is a fundamental responsibility of every American taxpayer to pay his or her own bills. As many of us know, this is not an easy task. Expenses of hard-working, middle-class families can easily outpace income. As the costs of health care, education, housing, and basic needs gradually increase, so too does the difficulty of paying those bills.

But the American people find a way. When needs arise, they tighten their belts. They exercise fiscal constraint. They spend their money wisely. There has been a lot of needless rhetoric about what the balanced budget amendment will do to this group or that industry. That's nonsense. The balanced budget amendment by itself will not cut service for the poor, will not by itself cut benefits for senior citizens, will not by itself force cutbacks in defense spending. Not at all.

But the balanced budget amendment will force the Congress and the President to prioritize within a balance of receipts and outlays. We will learn to spend what we take in. We will relearn the spending habits of past generations, and the responsible commitment to those of the future. If this balanced budget amendment does not result in cuts in government spending, it will ensure that we pay only for all the Government that we really need.

Mr. President, the balanced budget amendment is not a quick-fix solution, it is not a gimmick. It has been observed that if this proposal were a gimmick, we would have enacted it long ago. No, this amendment will give us the discipline with which to retrain ourselves, and spend within our means.

Our national debt threatens the future of our country, threatens our economic viability, threatens our children and our children's children. History has taught us this lesson.

While I believe we should support a balanced budget amendment, there are other issues we must address to alleviate this awful debt burden now. We must act responsibly and exhaust all efforts to cut bureaucracy, cut waste and freeze out-of-control spending. By curbing spending, we can prevent Government from suffocating the small businessman or the middle-class taxpayer. In addition, we must redirect Federal programs to focus on self-sufficiency. We must offer the opportunity for people to contribute to society, not remain dependent upon the Government. We must support workfare, not welfare. We must give families not just a piece of the American dream, but a mechanism to make that dream come true.

This is a historic debate, Mr. President, a debate designed to cure, over time, the economic maladies of debt and deficit spending which affect us all. The balanced budget amendment is a long-term proposition. It won't take effect until 1999, at the earliest. It gives us time to prepare for its constitutional requirements, which are not that complex; they simply state that we cannot spend more than we take in.

I last had an opportunity to vote for a balanced budget amendment in 1986. The National Debt at that time was $2.1 trillion. Today, that figure, in just 8 years, has more than doubled, to $4.6 trillion. By 1999, 5 years hence, this figure rises to $6.3 trillion. These are not my figures. These numbers are taken right out of the administration's proposed budget. Mr. President, these figures are staggering, outrageous, and unacceptable: Four thousand, six hundred billion dollars in national debt today, with no end in sight without the balanced budget amendment.

We must move on the balanced budget amendment and demand that action on issues like this not be delayed another day.

I lend my support and commend my colleagues for their assertiveness in addressing a critical domestic policy issue—that of achieving a Federal balanced budget, so our future generations can enjoy a healthy and prosperous America in every way. We owe them that.

Mr. LUGAR. Mr. President, I have supported the balanced budget constitutional amendment ever since it was first introduced in 1979. I will continue to support it because it is the correct policy for our Nation.

While budget deficits may be convenient in the short term, they are fatal if they are allowed to become the usual practice over the long term. The General Accounting Office has estimated that if we achieve a balanced budget by 2001 and adhere to it thereafter, real per capita income will be 36 percent higher in the year 2020 compared to the no-action alternative.

Throughout most of our Nation's history, a balanced budget has been an unwritten constitutional norm. By the 1830's, the Revolutionary War debt, which the new Nation had assumed, had been paid off entirely. After the Civil War, a total of 28 consecutive budget surpluses helped bring about a gradual reduction in the Civil War debt. Despite occasional unpredicted deficits in hard times, the Civil War debt had been trimmed from $3 to $1.2 billion by 1916. In the 1920s, the Nation started repaying the debt from World War I until the Great Depression and the Second World War intervened.

In the years following World War II, the Federal budget was sometimes in surplus and sometimes in deficit. From fiscal years 1947 through 1960, the sum total of all budget deficits—$31 billion—exceeded the sum total of all budget surpluses—$30 billion—by only $1 billion. Although the debt left over from World War II and the Great Depression was not retired, the basic norm that the Federal budget should be balanced in peacetime remained in place.

In the 1960's and 1970's, the economic philosophy of John Maynard Keynes came into vogue within the Federal Government. We were told that the Federal budget need not be actually balanced but only needed to be balanced at full employment. Whatever its theoretical merits or demerits, congressional budget habits developed in accordance with this philosophy and established a 30 year trend of deficit spending. During the 1960's and 1970's, Congress and the President attempted to stimulate the economy in slow times, but the countercyclical measures they adopted were often ill-timed, taking effect as the economy was already recovering. And Congress and the President did not adhere to the other half of the Keynesian equation. They did not pass budget surpluses in times of excess demand.

There are those who disagree that a balanced budget is the correct economic policy for our Nation. I have been surprised by the recent effort of the administration to blunt the momentum toward a balanced budget amendment by publicizing how much it would cost individual States if it worked. The implication is that we should not even attempt to balance the budget. This pork barrel approach reinforces the need for a constitutional amendment to protect our children and grandchildren from any further burden of debt.

The experience of the past 30 years offers little hope that we will ever achieve a balanced budget without a constitutional amendment. We have achieved just one budget surplus during this period—fiscal year 1969—and it occurred by accident. In the past decade, there have been two statutory attempts—Gramm-Rudman I and Gramm-Rudman II—to place us on a binding schedule leading to a balanced budget. Both statutes were overturned before they came anywhere near the goal of a balanced budget. We have adhered to the unwritten norm of a balanced peacetime budget throughout most of our constitutional history. It is time to write into our fundamental law the basic principle that the Nation must not spend beyond its means.

A constitutional amendment is enforceable. Section 1 of Senate Joint Resolution 48 mandates that:

> Total outlays for any fiscal year shall not exceed total receipts for that year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

It has been alleged that under the amendment Congress might make overly optimistic assumptions about outlays and receipts in order to show a balanced budget for the upcoming year and that courts would be reluctant to overturn such an action. This problem could be resolved by implementing legislation that provides for automatic spending cuts or other appropriate measures if Congress misestimates receipts or outlays for a given fiscal year.

However, even in the absence of such a provision, section 2 of the proposed article provides an additional, firm remedy. For it declares that:

> The Limit on the Debt of the United States shall not be increased unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

Failure to raise the debt ceiling in accordance with the terms of the amendment would thus be legally invalid. I urge support for the balanced budget constitutional amendment.

MORNING BUSINESS

HONORING MAJ. GEN. JOHN D. SLINKARD, USAF, ON THE OCCASION OF HIS RETIREMENT

Mr. LEVIN. Mr. President, it is my pleasure to recognize Maj. Gen. John D. Slinkard, the Director of Contracting for the Air Force Materiel Command, on the occasion of his retirement. Throughout his 33 years of service, General Slinkard has dedicated himself to the thankless effort of making our procurement system work. Over the last 8 years, he has served as one of the top acquisition officials for the Air Force; before that, he served as DOD's Federal Acquisition Regulation Program Manager, helping produce the Governmentwide regulation that serves as the basis for Government contracting to this day.

Most recently, General Slinkard served as a member of the advisory panel on streamlining the acquisition laws—the so-called section 800 panel—playing an important role in stimulating the comprehensive acquisition reform effort that is now underway in the Congress. It is worth noting that many of the most significant recommendations of the section 800 panel emerged from the subgroup on contract formation, on which General Slinkard served as the Government representative.

In addition, General Slinkard, as chairman of the Corporate Information Management [CIM] Procurement Council, was responsible for the activities of the recently completed Process Action Team on Electronic Commerce/Electronic Data Interchange [EC/EDI] in Contracting. This team has developed a plan that should allow over 80 percent of DOD's contracting actions to be performed electronically, allowing vendors to register at a single site and access all DOD small purchase requirements. General Slinkard's contribution to this effort was critical to the adoption of a plan that is likely to serve as the basis for DOD contracting practice well into the next century.

General Slinkard's extensive contracting experience,, reputation for forthrightness, and superior judgment have earned him justifiable trust and respect throughout the Government procurement community. In recent years, he has testified on important issues of acquisition policy before the Senate Armed Services Committee, on which I serve, as well as other House and Senate committees. He has also proved a valuable resource to my staff and the staffs of other Members of Congress as they have worked to understand and improve the Federal acquisition system.

General Slinkard leaves a legacy that will not soon be forgotten by his fellow officers, civilian colleagues, or Members of Congress. His hard work and dedication are, and will continue to be, an inspiration for all who know him. My colleagues and I join in thanking General Slinkard for his service and wishing him and his wife, Donna, continued success and good health.

AMERICAN HEART MONTH

Mrs. MURRAY. Mr. President, February is American Heart Month. This month gives special recognition to the seriousness of cardiovascular diseases, including heart attack and stroke, America's No. 1 killer of men and women and a leading cause of disability.

During American Heart Month, the American Heart Association and its more than 3.6 million volunteers canvass neighborhoods nationwide. They distribute educational materials and solicit public support for the AHA mission, the reduction of disability and death from cardiovascular diseases and stroke.

This year's American Heart Month theme is "Kids Who Use Their Brains Use Their Bodies." According to the AHA, healthy lifestyles started in childhood may make the difference in reducing the chances of heart attack and stroke later in life. AHA-sponsored activities and information during this month are aimed at teaching children about the importance of regular exercise, proper nutrition, and not smoking to take care of their hearts.

Brandin Johns, an 11-year-old Poulsbo Elementary School student in Poulsbo, WA, is featured in the American Heart Association's "Kids at Heart" video package used during American Heart Month. This story focuses on Brandin's personal struggle with heart disease and how the love from his family, support from his school, and advances from medical research help with his life-threatening disease.

Brandin was born with a congenital heart defect that causes his heart to beat abnormally. As a result of research progress, an automatic defibrillator, modified for his particular case, can shock Brandin's heart back into normal rhythm. Brandin must carry this device everywhere he goes. His entire family, his school nurse, and others have been trained to use the automatic defibrillator. He almost died from cardiac arrest in 1989. His congenital heart defect will not be outgrown and cannot be cured, but thanks to medical research breakthroughs, Brandin has a promising future. I am proud of Brandin and his courage.

Many people think heart disease does not strike children. I applaud the American Heart Association's work in increasing the awareness of Americans that infants and children can suffer from heart disease. The AHA reports that more than 600,000 children in the United States have some form of heart disease and nearly half of the approximately 80 million Americans under the age of 21 will eventually die of heart attack and stroke. According to the AHA, about 440,000 children have malformed hearts and about 32,000 infants with congenital heart disease are born every year. AHA statistics show that about 9 percent of these newborns die from these inborn heart defects before age 1. Congenital heart defects are the most common form of birth defects and the most prevalent cause of fatal birth defects.

Progress has been made against cardiovascular diseases, but they remain the leading cause of death in the United States. We need further advances in the diagnosis, treatment, and prevention of America's No. 1 killer, cardiovascular diseases, including heart attack and stroke.

I ask unanimous consent that this year's Presidential proclamation on American Heart Month be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

[Proclamation 6648 of Feb. 3, 1994]

AMERICAN HEART MONTH, 1994

(By the President of the United States of America)

The heart is one of nature's most efficient and durable machines. During an average lifetime, the heart contracts an amazing 2.5 billion times. Although we now realize that it functions as a life-giving pump, the human heart was thought of by ancient man as the very soul of one's being. Certain words, such as "courage" and "cordial," are derived from the Latin word for heart, symbolizing its prominence and significance.

Heart disease was not recognized until about 1500 A.D., for the heart was considered so delicate and sensitive that death was believed to be inevitable if the heart were injured in any way. Although most causes of heart disease observed early in the 20th century are still present today, the treatment and cures of the disease are not dramatically altered.

Today, heart disease is one health threat that Americans can conquer. Extraordinary scientific advances, together with increased public awareness, have forged one of this century's greatest medical achievements, saving untold lives through improved prevention and treatment. However, as long as cardiovascular diseases and stroke threaten the lives of Americans, we must continue in our diligent efforts to fight these diseases.

Today, many Americans are joining in this fight by taking steps to reduce their chances of developing a cardiovascular disease. They have learned to avoid the major risk factors by controlling blood pressure and blood cholesterol, by avoiding tobacco products, and by becoming more physically active.

At the same time, scientists are developing better ways to detect and treat cardiovascular diseases and stroke. Revolutionary advances are reducing the physical suffering exacted by heart disease and are making diagnosis and treatment more successful.

The Federal Government has contributed to these achievements by supporting research and public education through its National Heart, Lung, and Blood Institute. The American Heart Association, through its research and education programs and its vital network of dedicated volunteers, has played a crucial role in bringing about these remarkable accomplishments.

The results of the many scientific and public education achievements are dramatic. From 1972 through 1990, the death rate from heart disease dropped 39 percent and the death rate from strokes fell 57.4 percent.

However, these advances have not yet eradicated the devastating consequences of heart disease, which remains the leading cause of death in the United States today. American men and women still suffer about 1.25 million heart attacks each year. About 50 million Americans still have high blood pressure—and uncontrolled high blood pressure is a major cause of stroke. Virtually every American has grieved for a relative or friend debilitated or killed by a cardiovascular disease or stroke.

In recognition of the need for all of us to become involved in the ongoing fight against cardiovascular diseases, the Congress, by Joint Resolution approved December 30, 1963 (77 Stat. 843; 36 U.S.C. 169b), has requested that the President issue an annual proclamation designating February as "American Heart Month."

Now, therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim the month of February 1994 as American Heart Month. I invite the Governors of the States, the Commonwealth of Puerto Rico, officials of other areas subject to the jurisdiction of the United States, and the American people to join me in reaffirming our commitment to combating cardiovascular diseases and stroke.

In witness whereof, I have hereunto set my hand this third day of February, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

WILLIAM J. CLINTON.

LANDMINES

Mr. LEAHY. Mr. President this week in the Russell Building Rotunda, there is an exhibit of photographs which I urge all Senators and staff to stop by and see. They are photographs of victims of anti-personnel landmines. There are also several actual landmines on display—with the explosive removed, of course—and some printed materials which describe in shocking detail the global problem of landmines.

This exhibit is not meant to offend anyone. In fact, the photographs that were selected do not depict the worst aspects of landmine injuries. But they do show the terrible consequences of landmines for hundreds of thousands of civilians around the world.

Over the past 2 years, the Congress has taken bold steps to focus world attention on the epidemic of civilian casualties from landmines. Two years ago, my amendment to impose a 1-year moratorium on exports of anti-personnel landmines from the United States was signed into law by President Bush. Last year, the Senate voted 100–0 to extend the moratorium for an additional 3 years.

On Veterans Day last year, I went to the United Nations to introduce on behalf of the United States a resolution calling on all countries to support an international export moratorium. That resolution passed the General Assembly unanimously on December 16.

These are more than symbolic gestures, but they are only a beginning. By themselves, they will do little to stop the enormous numbers of civilian casualties from landmines.

Today, despite the dramatic rise in public and media interest in dealing with this problem, far more mines are being strewn than are being cleared. In the former Yugoslavia, 3 million mines have been scattered in the past 2 years. Millions of mines contaminate Georgia, Azerbaijan, and Tajikistan.

Let me give some examples of the incredible size of the landmine problem.

In Angola, over one-third of the country is infested with mines.

In Afghanistan, where tens of thousands of people have been maimed, 8 out of 10 mine victims die before they reach a hospital.

In northern Somalia, there are 23,000 amputees. Over two-thirds are under the age of 15.

Over a third of all mine casualties are women and children.

Mr. President, during the Second World War, Korea and a few other large scale conventional wars, landmines were used as defensive weapons against enemy soldiers—to guard a perimeter, or channel the enemy into an area. But that changed by the Vietnam war, and since then the overwhelming majority of mines have been used as offensive weapons against civilians, scattered indiscriminately by the millions.

Cheap to buy, easy to make and transport, mines have become a weapon of choice of Third World armies and insurgent groups. Their purpose is not just to maim and kill, but to destroy the social and economic fabric of a society by isolating whole communities, depopulating vast areas of territory, and preventing the return of refugees.

In dozens of countries where people survive by growing their own food, huge areas of scarce arable land have become useless death traps from landmines.

Mr. President, years ago, the world outlawed chemical weapons because they do not discriminate between a soldier and a civilian. Our military also recognized that if we used chemical weapons we would endanger our own troops, because chemical weapons will poison whoever breathes the air.

The world condemned Saddam Hussein when he used chemical weapons against the Kurds. When Iraqi troops dynamited the Kuwaiti oil wells, spewing millions of barrels of crude oil over the desert, we called it environmental warfare.

I challenge anyone to explain to me how this is different from landmines.

The State Department has said, and I quote: "landmines may be the most toxic and widespread pollution facing mankind."

In Vietnam, over 7,300 American soldiers were killed by mines or booby traps, and many more were injured.

Landmines can be scattered from the air by the hundreds-per-minute. A mine then lies in wait for weeks, months, or years, until an unsuspecting person, usually a civilian, steps on it. A mine the size of a shoe polish can is powerful enough to blow the leg off an adult, or pulverize a child.

Landmines are easy to lay, but extremely difficult to detect and life-threatening to remove. They blend in with the soil or ground cover, and are quickly obscured by a layer of dust or vegetation. They are often made of plastic, undetectable to metal detectors.

Imagine trying to get rid of millions of mines strewn indiscriminately over an area the size of Oklahoma. That is Cambodia today, where 1 of every 236 people is an amputee.

This photograph shows a typical Cambodian street scene. A pair of men with crutches, each missing part of a leg.

Another photograph shows a young Mozambican boy. He lost both his legs from a mine. He is one of tens of thousands of children around the world whose lives have been shattered by landmines.

Mr. President, nobody doubts that landmines have some military use. What weapon does not? Anything that can wound or kill has a military use. But there are 100 million landmines littering the world that are maiming and killing hundreds of innocent people a month. If children walking to school or playing in a field were getting their legs blow off in Little Rock, Portland, ME, or Topeka, KS, you can bet we would be doing everything possible to stop it.

Instead, it is happening in foreign places where medical care is often almost nonexistent, and physical labor is necessary for survival.

It is time to ask whether landmines are so militarily necessary that they are worth the immense cost that society is forced to pay to repair the enormous damage, and the horrendous suffering they cause.

It is time to ask whether we really need a weapon whose victims are 80 percent innocent civilians. Is that something we should tolerate? I do not think we should.

Over the next several months I intend to speak often on this floor about the landmine problem. There is tremendous public interest in strong international action to stop this scourge. A global campaign to ban landmines, supported by UNICEF, the Vietnam Veterans of America Foundation, and over 80 other non-governmental organizations around the world is gaining members every week.

An U.N. conference on landmines is planned for late next year. In preparation for that conference, three experts meetings are scheduled this year in Geneva. The first is being held this week.

The administration plans to actively participate in these meetings, and I have urged it to seek advisory status for Members of Congress and their staffs, and observer status for non-governmental organizations that have an expertise in this area. This is essential to ensure full consideration of all the issues, including an in-depth examination of the military use of mines versus their effects on civil society.

I have also urged the administration to seek the broadest possible agenda for negotiations on the full range of issues.

The central goal of these meetings should be to answer the following questions:

How can the production, stockpiling, export, transfer, possession and use of mines be limited so they do not endanger civilians?

Can such limitations be enforced in the real world?

All options should be fully considered, up to and including a total ban on the production, possession or use of anti-personnel landmines.

In addition, I plan to hold hearings on the landmine problem, as well as introduce legislation which builds on the anti-personnel landmine export moratorium amendment that was unanimously supported in the Senate last year.

Mr. President, landmines have become weapons of terror for hundreds of millions of innocent people around the world. We can change that. The explosion in media and public attention on the landmine problem in the past year has shown that people everywhere want to put an end to this carnage.

I ask unanimous consent that a February 28, 1994, article in the New York Times on landmines be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RED CROSS TO ASK U.N. TO LIMIT LAND MINES

UNITED NATIONS, Feb. 27—The International Committee of the Red Cross, at a meeting of the United Nations Disarmament Committee on Monday in Geneva, plans to call for a complete ban on the use of anti-personnel mines.

The meeting, the first of three, is to prepare for a 1995 conference to consider changes in the 1980 Geneva Convention on limiting the use of weapons deemed to be "excessively injurious or to have indiscriminate effects."

The ban would not cover antitank mines, which are bigger and thus easier to locate, more expensive and not as widely scattered.

The Red Cross also wants to outlaw or sharply restrict the industrial development of laser weapons, which inflict permanent blindness. "Blinding as a method of warfare has to be outlawed now," Cornelio Sommaruga, president of Red Cross, said by telephone from Geneva.

He also said the Red Cross wanted to strengthen the 1980 convention by improving the verification of compliance and extending the provisions to include civil wars. "Most wars today are civil wars, and it is illogical to ban the use of certain weapons against foreigners but allow them against your own people," he said.

SENATE USE OF DOUBLE-SIDED PAPER

Mr. LAUTENBERG. Mr. President, I rise to urge my colleagues to join me in reducing the amount of paper generated in the U.S. Senate by adopting a policy of using double-sided paper in their personal and committee offices. By shrinking our use of paper, we can save the taxpayer money and reduce our use of natural resources.

The United States generated 196 million tons of garbage in 1990. The largest component of the municipal solid waste stream—52 million tons in 1990—is paper and paperboard. We need to address our Nation's mounting garbage problem by generating less garbage, particularly paper waste.

The U.S. Congress has initiated some commendable measures to deal with this problem. Among these are the recycling program that each Senator's office participates in and the printing of the CONGRESSIONAL RECORD on recycled paper generated by Garden State Paper in Garfield, NJ. Yet, while these programs extend the life of the raw materials that are used to manufacture products, the highest priority in the Nation's waste management hierarchy is to prevent the generation of waste in the first place.

Well over 1,000 hearings are held by Senate committees during each congressional year. Invited witnesses—ranging from 1 to 20 at any given hearing—are required to submit at least 50 and in some cases 200 copies of their written testimony, depending on individual committee rules. I have personally seen statements that were longer than some books I have read. And while lengthy testimony may sometimes be necessary, submitting this testimony in a wasteful manner is unjustifiable. Most written testimony is printed on only one side of the paper and in a double-spaced format.

Senate staff are also responsible for generating large quantities of paper. Few Senate offices are connected by the same computer system, preventing staff from communicating via E-mail.

Instead, most correspondence between and often within Senate offices, including informal memos, is conducted in writing.

A front page article in the Washington Post on November 14 cited the president of the American Forest and Paper Association stating that Washington is the paper capital of the world. In fact, the paper industry estimates that offices in the area consumed so much copier paper last year that if laid end to end, it would reach the Moon and back nine times over.

The U.S. Senate must put an end to the practice of wasting paper. The Office of the Secretary of the Senate estimates that nearly 42 million sheets of copier-grade paper are used by the Senate during a calendar year. Using double-sided rather than one-sided copies would reduce the quantity of paper used in the conduct of Senate business by as much as 50 percent. According to the Congressional Research Service, this practice alone could save over 1,700 trees annually. Urging witnesses to submit testimony on double-sided paper could save even more trees.

In addition, using figures provided by the Secretary of the Senate, I estimate that double-sided copying in Senate offices would save the American taxpayer almost $100,000 a year just in copier paper procurement costs. Moreover, while there occasionally are legitimate reasons for using a double-spaced format—such as drafting legislation—printing documents single-spaced as a general rule would further reduce the quantity of paper needed to produce documents and the expenditure for procuring copy paper.

Double-sided copying would not impose an unreasonable hardship or inconvenience on the public. The technology to copy papers in duplex format is readily available today, and the cost of copying documents in duplex at commercial copy centers is less than or equal to the cost of copying documents on one side only.

Three months ago, President Clinton issued an Executive order aimed at using Government procurement to prevent and recycle waste. One provision in this order requires every Government agency to encourage that all documents printed internally be printed double-sided. I commend the President on this initiative and call upon Congress to join the executive branch and lead the Nation in instituting waste reduction practices. I hope that my colleagues will join me in supporting this meaningful initiative.

I had intended to offer a resolution to change the Senate rules to encourage the use of double-sided paper in the Senate. After discussing the matter with Senator FORD, chairman of the Rules Committee, I decided not to introduce the resolution. Instead, Senator FORD agreed to write to Senators urging that each Senator support the use of single-spaced and double-sided paper for office communications. I want to thank Senator FORD for his cooperation. I ask unanimous consent that a copy of the letter I wrote to Senator FORD and the letter Senators FORD and STEVENS wrote to each Member be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 25, 1994.
Sen. WENDALL H. FORD,
Chairman, Committee on Rules and Administration, Washington, DC.

DEAR WENDELL: I have prepared a resolution which would require committee witnesses to submit testimony in a double-sided (duplex) and single-spaced format. As you know, witnesses at Senate hearings must submit anywhere from fifty to two hundred copies of their testimony, depending on individual committees' rules. Additionally, the resolution would require Senate staff, to the extent practicable, to copy informal memos and other documents in this format. Such a change in procedure would significantly reduce the amount of paper that is used to conduct Senate business.

Paper and paperboard, taken collectively, is the largest component of municipal solid waste in this country. And Washington, in addition to being the Nation's capitol, is also the paper capitol of the world. A recent front page article in "The Washington Post" reported that if the paper used in Washington last year was laid end to end, it would reach the moon and back nine times over.

Our staff have discussed the resolution and I understand that you are supportive of duplex, single-spaced copying as a way to reduce paper waste. I understand that you will be sending a letter to all Senators, strongly encouraging committee chairs and Senators to adopt this policy in their respective committees and offices. I will withhold introducing my resolution with the hope that your appeal will produce some tangible results.

I recently instituted such a policy in my personal office and, while it necessitates some minor changes in daily habits, my staff has been very receptive. I believe that staff members in our colleagues' offices will be pleased with this small but meaningful contribution that we are making toward resolving our nation's solid waste management problem.

Sincerely,
FRANK R. LAUTENBERG.

U.S. SENATE, COMMITTEE ON RULES AND ADMINISTRATION,
Washington, DC, February 2, 1994.
Hon. FRANK R. LAUTENBERG,
U.S. Senate, Washington, DC.

DEAR FRANK: Thank you for your letter of January 25, 1994. I am pleased to inform you that Senator Stevens and I have written to all Senators, committee chairman, and ranking members regarding this matter. Copies of these letters are enclosed.

We hope there will be a reduction in the use of paper as a result of this communication.

Sincerely,
WENDELL H. FORD,
Chairman.

U.S. SENATE, COMMITTEE ON RULES AND ADMINISTRATION,
Washington, DC, February 2, 1994.
Hon. ——— ———,
U.S. Senate,
Washington, DC.

DEAR ——— ———: Reduction of paper and printing costs continue to be a major initiative of the Rules Committee. Senator Lautenberg suggested an amendment to the Standing Rules of the Senate that would require paper conservation practices. While we object to incorporating such detail into the Standing Rules, we do support this principle.

We therefore urge each Member, to the extent practicable, to use a single-spaced and double-sided (duplex) format for office communications. Use of this format will decrease costs to the taxpayers by reducing waste disposal and printing costs.

We appreciate your consideration of this proposal.

Sincerely,
TED STEVENS,
Ranking Member.
WENDELL H. FORD,
Chairman.

U.S. SENATE, COMMITTEE ON RULES AND ADMINISTRATION,
Washington, DC, February 2, 1994.
Hon. ———
Chairman, Committee on ———, U.S. Senate, Washington, DC.

DEAR ———: Reduction of paper and printing costs continue to be a major initiative of the Rules Committee. Senator Lautenberg suggested an amendment to the Standing Rules of the Senate that would require paper conservation practices. While we object to incorporating such detail into the Standing Rules, we do support this principle.

We therefore urge each Committee to adopt a rule to require that all written statements submitted to the Committee be single-spaced and double-sided (duplex) and that transcripts of testimony be single-spaced. Use of this format will decrease costs to the taxpayers by reducing waste disposal and printing costs.

We appreciate your consideration of this proposal.

Sincerely,
TED STEVENS,
Ranking Member.
WENDELL H. FORD,
Chairman.

IN RECOGNITION OF NORMA WOOD AND DALE CHISMORE

Mr. PRYOR. Mr. President, I rise today to recognize the achievements of two Arkansans who have dedicated their lives to educating our Nation's youth.

Today, as part of the Governor's Day for Higher Education in Baxter County, Mrs. Norma Johnson Wood and Dr. Dale Chismore will receive Lifetime Achievement Awards. These citizens of Mountain Home, AR, could not be more deserving of such an honor.

Norma Johnson Wood, a native of Baxter County, has been a teacher and librarian in a number of Arkansas communities during her lifetime. Mrs. Wood's contribution to the schools and local libraries of Monkey run, Yellville, and Mountain Home cannot be measured. Instrumental in the development of the Arkansas Student Librarian Association, Mrs. Wood has also been an active member of the Arkansas Librarian Association and the Arkansas Education Association. In 1986, Mrs. Wood lent her expertise and dedication to the Arkansas State University/Mountain Home Technical College library project. By all accounts, the project was a great success. Today, Norma Wood serves on the Mountain Home Technical College Advisory Board.

Dr. Dale Chismore, an Iowa native, moved to Mountain Home in 1976. he brought with him a lifetime of experience in the field of education. During his career, Dr. Chismore served as a secondary school principal, a consultant to the Iowa State Department of Education, and a specialist at the U.S. Office of Education. Though retired, Dr. Chismore has become an active and valuable member of the Mountain Home community. Like Mrs. Wood, he is a member of the Mountain Home Technical College Advisory Board as well as the North Central Arkansas Higher Education Foundation.

Mr. President, I know my colleagues join me in congratulating Mrs. Wood and Dr. Chismore on their day of honor. We hear a great deal about the problems facing our education system, and they are certainly serious. However, it is encouraging and refreshing to have the occasion to recognize individuals who for so many years have engaged in the noble endeavor of educating our young people.

WHITE HOUSE ETHICS

Mr. DOLE. Mr. President, imagine this: Ronald Reagan, as Governor of California, becomes a 50–50 partner in a real estate deal with the owner of a California savings and loan. The S&L goes under, is seized by Federal regulators, and a series of criminal and civil investigations is initiated by Federal regulators.

Governor Reagan becomes President Reagan. He appoints a close personal friend and top campaign official, Jim Baker, to head the independent agency charged with overseeing the S&L industry and with bringing civil and criminal actions against S&L wrongdoers.

Press reports suggest that the President may be indirectly implicated in a civil suit brought against the California S&L by the supposedly independent Federal agency. As the expiration date for the civil statute of limitations approaches, Mr. Baker meets at the White House with Ed Meese, Mike Deaver, and other White House political officials to discuss the status of the agency's investigation. The White House meeting is shrouded in secrecy, only to be revealed weeks later because of congressional prodding.

Of course, Mr. President, this is all fiction. But, it is fair to say that if these events had indeed occurred during the Reagan administration, the expressions of outrage in the press, and on the floors of the Senate and House, the clamor for congressional hearings, would have shot off the political Richter Scale.

Last Thursday, Roger Altman, a college classmate of President Clinton and the acting CEO of the supposedly independent Resolution Thrust Corporation, revealed for the first time that he sought out a meeting with White House officials, allegedly to offer a heads up on the so-called Madison Guaranty statute of limitations issue. According to Mr. Altman's own account, he did not even seek a meeting with David Kendall, President Clinton's personal attorney, but rather with White House political officials—Bernard Nussbaum, Harold Ickes, and Margaret Williams, the chief of staff for the First Lady.

With the exception of the New York Times and the Washington Times, and today the Washington Post, the press reaction to the Altman revelation—and the glaring conflict of interest it describes—has been muted at best. In fact, USA Today reported that the Altman meeting was "minor" and there was probably "nothing improper" about it. Apparently, Mr. Altman did not buy into this benign description, since he finally recused himself from the Madison matter last Friday.

Mr. President, Mr. Altman's shocking revelation underscores the need for full congressional hearings on the Madison-Whitewater affair. As the New York Times editorialized yesterday:

> Senator Donald Riegle, the chairman of the Senate Banking Committee, needs to step up his committee's oversight activities * * * Opposition leaders are right when they say that a Republican White House that so recklessly meddled in the Justice Department, the R.T.C. and other agencies would be shelled with endless congressional investigations.

That is the end of the quote. It is the New York Times. I ask unanimous consent that the editorial be made part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 27, 1994]

SLOVENLY WHITE HOUSE ETHICS

President Clinton and his helpers keep saying they have nothing to hide on Whitewater. So some evil genie must be making them act as if they do. The latest affront is the boneheaded conclave convened by Deputy Treasury Secretary Roger Altman to give a "heads up" to three White House officials about the Resolution Trust Corporation inquiry into a savings and loan association connected to Mr. and Mrs. Clinton.

Mr. Altman said he wanted to brief Bernard Nussbaum, the White House counsel, Harold Ickes, the deputy chief of staff, and Margaret Williams, the First Lady's chief of staff, on when the statute of limitations would run out on the R.T.C. investigation of Madison Guaranty Savings and Loan.

That is an interesting question and not unrelated to other questions that Republicans on the Senate Banking Committee and other reasonably curious Americans would like to have answered. Here are four:

1. Was Madison used to convert Clinton campaign funds to personal funds for the then Governor?

2. Did a regulator appointed by Governor Clinton go easy on Madison because it was owned by the Clinton's political ally, James McDougal, who was also the Clinton's business partner in the Whitewater Development Company?

3. Did the Clintons pay the same amount of money for their half share of Whitewater that Mr. McDougal paid for his? This question is important because it bears on whether Mr. Clinton, while Governor, received gifts or claimed undeserved tax deductions in connection with Whitewater.

4. Did Mrs. Clinton's law firm behave properly in its dealings with Madison and bank regulators?

Given that such questions are now before a special counsel and the R.T.C., a meeting between Mr. Altman and top White House aides was improper on its face. It could never have taken place in a White House that had even a rudimentary respect for the common-sense rules on conflict of interest. The Clinton team has taken the nation back to the sham ethics of the early Reagan Administration. That crowd believed conflicts of interest could not exist since they could not conceive of letting any law or rule of propriety interfere with the political and financial interests of the President or his buddies.

The stated reason for this meeting will not wash. Information on the statute of limitations could be had from the newspapers or a brief memo from the R.T.C. legal staff. Senator Alfonse D'Amato and Representative Jim Leach therefore have reason to suspect that the goal of the meeting was to control political damage or compromise the R.T.C.'s investigation. Who knows what the White House has learned about the R.T.C. findings? After all, it was only through Mr. D'Amato's efforts that the Government released an R.T.C. document suggesting that Mrs. Clinton's law firm had failed at proper disclosure of its dealings with Madison.

In response to bad publicity, Mr. Altman has recused himself from the R.T.C. inquiry on Whitewater. His R.T.C. deputy should now take over all his duties at the agency until a permanent director is appointed. Senator Donald Riegle, the chairman of the Senate Banking Committee, needs to step up his committee's oversight activities. Other Democrats like Senator John Kerry need to cease their myopic defense of Mr. Clinton on a matter about which neither the Senator nor the public has been fully informed.

Opposition leaders are right when they say that a Republican White House that so recklessly meddled in the Justice Department, the R.T.C. and other agencies would be shelled with endless Congressional investigations. It is time for the Democratic Congressional leaders, Thomas Foley and George Mitchell, to try to educate this White House about the normal protocols of governance. Explaining what Representative Leach meant when he said "arm's length" would be a start.

Clinton aides behave as if their President had deep deposits of public trust. In fact, that account was pretty slim when Mr. Clinton got to Washington, and it is just about tapped out now.

Mr. DOLE. Mr. President, the bottom line is: The American people now know about Mr. Altman's unseemly meeting with White House officials precisely because Banking Committee Republicans used the opportunity of an RTC oversight hearing to ask Madison-related questions. If there had been no hearing, it is unlikely this information would have surfaced any time soon. And it is clear that Mr. Altman recused himself only because of the negative publicity his meeting inspired.

The Altman revelation also raises other important questions: Did Mr. Altman have any contacts with the FDIC while the FDIC's legal division was preparing its conflicts-of-interest opinion regarding the Rose law firm? If so, what were the nature of these contacts? Has Mr. Altman had any discussions with Webster Hubbell, a former partner of the Rose law firm and now Associate Attorney General, regarding the RTC's criminal referrals on Madison and the RTC's pending civil investigation? And has Mr. Hubbell himself had any contacts with officials at the FDIC, the RTC, or the White House about any element of the Madison-Whitewater affair?

Why did White House counsel Bernard Nussbaum meet with Mr. Altman in the first place? Surely, he was aware of the impropriety of such a meeting. He had a lot of experience in the Watergate hearings. Has Mr. Nussbaum been in touch with the RTC, the FDIC, or the Justice Department about Madison-Whitewater?

Mr. President, you know you are heading in the right direction when tough questions are responded to not with substantive answers, but with personal attacks. Unfortunately, David Wilhelm, the chairman of the Democratic National Committee, took this low-road approach when he fired off a letter last Friday personally attacking the integrity of Senator D'AMATO, the ranking member of the Senate Banking Committee.

If Mr. Wilhelm believes these bullying tactics will somehow intimidate congressional Republicans, I have some bad news for him: They will not. We will continue to ask the tough questions until the American people get the full accounting of Whitewater that they deserve.

SALUTE TO WISCONSIN OLYMPIC MEDALISTS

Mr. KOHL. Mr. President, for the past 2 weeks, much of the world has focused its attention on the 1994 Winter Olympic Games in Lillehammer, Norway. Today, I rise and pay tribute to the Wisconsinites who participated in the 1994 Winter Olympic Games, especially the seven who won medals. The seven medalists represented the United States in men's and women's speedskating, men's short-track relay, and snowsculpting.

In speedskating, Dan Jansen of Greenfield, and Bonnie Blair of Milwaukee both skated to gold medal finishes. Jansen's world record performance in the men's 1,000m event is the crowning achievement of his career after tragedy and disappointment stood in his way in past Olympic competitions. For Blair, the 1994 games showed her continued dominance over the world of women's speedskating, as she skated to two gold medals.

In the men's 5,000m short-track relay, Andy Gabel of Pewaukee and John Coyle of Milwaukee helped pace the U.S. men's team to a silver medal finish.

Not to be outdone, the U.S. snowsculpting team came away with a bronze medal behind the talent and skill of Milwaukeeans Bill Hackbarth, Paul Hess, and Craig Yanek.

The hard work, dedication and perseverance displayed by all the participants personifies the Olympic spirit. When faced with adversity, each displayed what it takes to become an Olympic champion. On behalf of all Wisconsinites, as well as the entire nation, we congratulate you, our Olympic champions.

TRIBUTE TO NEIL BONNETT

Mr. HEFLIN. Mr. President, stock car racing and sports fans in Alabama and across the South were shocked and saddened yet again on February 11 when driver Neil Bonnett, native of Hueytown and a senior member of the famed Alabama Gang, was killed during the opening practice session for the Daytona 500.

This was the third tragic death in 18 months of a member of the gang. Star Davey Allison died in a helicopter crash in July, and his brother Clifford was killed in a car crash 11 months before that. Sadly, the Daytona track claimed its second victim in just 4 days only a few hours before Neil's funeral when Rodney Orr, a racer from Palm Coast, FL, was killed during a practice lap.

Only 47 years old, Bonnett was making a comeback from a crash in 1990 in which he suffered a severe concussion and partial memory loss. After that crash, he became the host of a television racing show on the Nashville network. Although he had a promising TV career, his friends and colleagues knew that his heart and soul were in racing.

Bonnett began his racing career in the early 1970's with another member of the Alabama Gang, his long-time friend Bobby Allison. Over the course of his career, he claimed 18 NASCAR victories.

Neil Bonnett will long be remembered not only as a world-class sportsman and competitor of the highest order, but also as a loving husband, father, and friend who just couldn't ignore his passion for car racing. He will be sorely missed by those thousands who knew him, worked with him, competed against him, or simply watched him race. I extend my sincerest condolences to his wife, Susan, and their children, David and Kristen.

DANGERS OF OCEAN DUMPING OF NUCLEAR MATERIALS

Mr. DURENBERGER. Mr. President, the current practice of dumping radioactive waste in ocean waters poses a great danger to the environment and the people of this planet. We must act on our concern for this problem using readily available technology to clear the seas of these very dangerous contaminants. Only through remedial action can we preserve the quality of our oceans for future generations.

I wish to take this opportunity to share with my colleagues a recent article from the International Economy, written by Koji Yamazaki, deputy chairman of the Board of Counselors, The Japan Research Institute, Ltd., in Tokyo. Mr. Yamazaki has long been concerned about the harm to the ecology caused by the Russian Navy's dumping of radioactive wastes from nuclear-powered submarines in the Arctic Ocean and the Sea of Japan.

The article entitled, "The IMF-Soviet Submarine Connection: A Letter to Vice President Al Gore" explores the risk from present wastes dumped in the ocean and the need to harness commercially available technologies to clean up these wastes. The author calls upon a consortium of nations—including the United States, Japan, and Russia—to participate in this most important endeavor. He suggests a unique approach to financing this project through the auspices of the International Monetary Fund.

Mr. Yamazaki has addressed his concerns about ocean dumping of nuclear wastes to our former colleague, Vice President AL GORE, because of his record of accomplishment in improving the environment and because of his continuing efforts to make further progress.

The problems created by the ocean dumping of radioactive materials are easily obscured in the other serious dangers to our environment. Mr. Yamazaki's article makes a significant contribution by drawing the attention of the international community to the need and present possibility of making the oceans of this world free of man-made nuclear contaminants. I want to express my gratitude to Mr. Yamazaki's lasting commitment to the resolution of this most important problem.

Mr. President, I ask unanimous consent that the text of the article be included in the RECORD, and I urge my colleagues to read this article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMF-SOVIET SUBMARINE CONNECTION: A LETTER TO VICE PRESIDENT AL GORE

(By Koji Yamazaki)

Dear Mr. Vice President, recent reports from the Russian Presidential Office reveal facts, to date concealed, on ocean dumping of radioactive wastes from nuclear-powered submarines by the former Soviet Union (FSU). Obsolete nuclear reactors, some with spent nuclear fuels intact, have been dumped in the Arctic Ocean and the Sea of Japan by the former Soviet navy. These reactors contain some of the most toxic materials known to man, including cesium and strontium, that remain radioactive for generations. We cannot afford to wait to discover the long term effects of this nuclear waste.

Unless this barbarous dumping is halted at once the present as well as the future health of the human race will be seriously endangered. It is imperative that we, by every means possible, jointly persuade Russia to stop submarine dumping at once and ensure that such acts are never repeated.

In response to this some would say, "As long as the water temperatures are low and the currents are slow, the risks are very small." Yet I would strongly disagree.

Even King Solomon at the height of his wisdom did not understand the way of a man with a maiden. How can we discern the way of fish in the ocean? Indeed, there are four things that are too horrifying for me, four things that I do not understand: the way fish eat; the way the ecosystems change; the way metal decays; and the way oceans move. These are issues of the food chain; chain reactions in the marine ecosystem; containers becoming rotten under the deep water and radioactive substances leaking out over time, and "upwelling water"—a phenomenon, not yet scientifically clarified, but which is the sudden upsurge of water occurring in otherwise calm deep water.

Mr. Vice President, if you cannot guarantee that the waters will remain still and cold, the risk is so high that the whole of mankind will be affected.

For the sake of our children and our children's children, we cannot afford to take the risk.

One thing is very clear: simply adopting another international declaration will not solve the problem. Marine dumping has been illegal for a long time and what we need now is action.

ENSURING COMPLIANCE

Is it possible to remedy the situation with technology? The answer is yes, but only if the advanced technology of the West is fully utilized. In the case of obsolete Russian submarines with spent nuclear fuels remaining in their reactors, advanced robotics technology, as well as the spent fuel management technology of the U.S., Japan and Europe are indispensable for the safe disassembling of these reactors. These technologies are commercially available, but expensive.

The safe treatment of liquid radioactive wastes from atomic submarines already dumped in the ocean requires other advanced technologies from the West. This process of recovery is more complicated but also possible, if we take prompt action.

Mr. Vice President, as the West already has this technology, what is needed is to orchestrate the joint efforts of the West—the U.S., Japan and Europe—and Russia, too, into working harmony. Now that the Cold War is over, the West needs a new vision—a vision not of fighting, but of working together. In that sense, tackling these common problems together is a new step—a sure and endurable step that leads to the peace of the world.

However, the real problem is not merely the technology but how to finance the operations, since the amount of money required would be significant.

Mr. Vice President, here is a novel idea on how to fund the hunt for the new "Red Octobers," that are presently ticking away under the oceans. In the International Monetary Fund (IMF), which is the central organization for economic aid to the FSU, there exists a system called Special Drawing Rights (SDR), a mechanism of so-called "artificial money creation."

In short, in allocating SDRs we have to take two fundamental aspects into account. One is the need to avoid inflation. This is a matter of principle. For example, the allocation of SDRs to aid LDCs cannot be admitted, as there are theoretically no limits to LDC aid. For SDRs to be allocated it is absolutely necessary to have a limit, a clear-cut defined limit.

Second is the relationship to international liquidity. This is a matter of logic. It's true to say that when the SDR system was first introduced it was formulated so that allocations would be acceptable only to satisfy the need to supplement global international liquidity. If we stick to this original notion it would be almost impossible to admit the SDR allocation when total liquidity is as great as it is now.

However, the IMF is, in essence, an organization composed of sovereign states. Their consensus, or a majority opinion, can become the spirit as well as the interpretation of the IMP rules and regulations. Using SDRs to hunt and destroy the new Red Octobers overcomes the financing issue facing the G7 countries in their aid to Russia's inherited problems from the FSU.

It may be argued that environmental issues do not fall under the mandates of the IMF. Contrary to this argument, I believe that crucially important issues such as these—which have much to do with the present as well as the future hereditary soundness of the species called "human beings"—should be included in the IMF mission.

Mr. Vice President, if it proves to be impossible to tackle this problem only because of the amount of money needed, given the presently constrained financial conditions of most of the countries of the West, then it would be wise and advisable to allow the allocation of SDR's.

In this case, even though the amount of money involved is significant, there exists a limit, a very definable limit. Because of this there would be no risk of inflation. The worst policy would be to postpone taking action, or to spend time on extended studies and observations because there isn't enough money to tackle the issue. Soon it will be too late to act: the real damage would have been done to the seas, fish, human beings, and to life as we know it.

By altering the existing rules and regulations, the SDR allocated in this way should not be distributed to the contracting parties according to their quota shares, but pooled (all or part) in a fund established at the IMF and paid directly to the firms that actually do the job.

It will be better not to given Russia a lump sum, but instead to make payments directly to the parties carrying out the work. This will stop the monetary aid from being politicized and improve the overall efficiency of that aid. The former Soviet navy has for years handled nuclear submarine disposal by dumping reactors at sea. Mr. Yeltsin has officially confirmed this as fact.

There are four questions that need to be addressed. The first question is: Why give this aid to Russia? The answer is: By providing Russia this aid we are saving the world's oceans. This is a global emergency. It's not Alaska alone, but the whole United States. It's not Russia alone, but the whole world.

The second question is: Wouldn't this endanger the sovereignty of the world's monetary authorities? Above all, wouldn't it affect the monetary policy of the U.S. Federal Reserve System? The answer is? Certainly not. Just compare the size of the existing liquidity in the marketplace and that of probable or possible SDR allocations. It would be like a cup of water poured into the ocean. Unlike cesium and strontium, it won't kill anybody. In addition, an eighty-five majority consent is a sure guarantee.

The third question is: Can we add one or two other limited cases to the list? The answer is yes, but probably only one as an exception—the dangerous Chernobyl power reactors. It depends how you, the United States, think. This issue has the same roots and is the same global danger to humanity as marine dumping, if not more.

There are fifteen Chernobyl-type power reactors still operating in the FSU. In addition, there are ten dangerous first generation reactors of another type still operating in the FSU and Eastern Europe.

Some will argue against this statement. Nevertheless, the problem is so bad that the best we can do is to provide these countries with technical assistance and advice.

Although it is indeed true to say that the human element is crucially important in the maintenance of safety, I believe that we need to establish a sure way to tackle this issue further for the future.

A good American friend likened it as living in a cottage under a huge Alpine mountain. Snow falls, accumulating large masses in the higher elevations. People know that an avalanche is inevitable. The only question is when and how. If it comes, we all know what it means to our whole world.

We would not be defending Russian reactors as such, but rather we are defending the source of energy for the whole world. It is clear for all to see, that once the second Chernobyl-like disaster occurs there will be no chance for the world's nuclear power plants to exist. When that happens there will be no use in blaming the Russians. The fate of the world will be determined at that very moment. Time should not be wasted.

However, the cost to tackle this will be significant. The World Bank experts estimate the cost as U.S. $21 to $28 billion. A German finance minister estimates 15 billion DMs. Japanese experts guess somewhere in the region of U.S. $20 to $50 billion, and probably more. The important point is, it is more than likely that the cost will exceed what the West can afford to bear. So it follows, a special fail-safe device such as SDR allocation is needed to tackle this global issue fully.

Both of these problems: ocean dumping and nuclear power reactors are problems of settling post-Cold War arrangements and, therefore, need to be handled jointly with the West.

The fourth and last question is: How can we resist the thousands of other global demands? The answer is: It can be done only by the solid, determined disciplined leadership and self-restraint of the world leaders, and especially of the United States. While taking extraordinary measures with courage, they must be prepared to reject any abuses.

What I am proposing is not to enter through the wide gate that leads to inflation, nor stand still in front of the gate and wait for the devastation of the seas and the poisoning of the air to happen. Instead, I propose we go through the narrow gate without hesitation, and with determination take the road that leads to the restoration of our mother earth.

It was Thomas Jefferson who said ". . . laws and institutions must go hand-in-hand with the progress of the human mind," and ". . . institutions must advance also to keep peace with the times."

I sincerely hope that by your good counsel, Mr. Vice President, the 42nd President of the United States of America, will pay due attention to this history-tested advice of the 3rd President, and start moving to act. The Red Octobers are potentially as dangerous as any hazard affecting our global environment and we can capture and recover them now.

JUSTICE BLACKMUN'S REPUDIATION OF THE DEATH PENALTY

Mr. DURENBERGER. Mr. President, one of the Supreme Court's most distinguished and respected justices—and a native son of my home State of Minnesota—recently came to a conclusion regarding capital punishment that should make policymakers take notice. Justice Harry Blackmun abandoned his past ratification of the death penalty on the Court. He concluded that the inherent unfairness of the death penalty—especially toward poor and minority defendants—means that it can never constitutionally be applied.

Justice Blackmun's views do not command a majority on the Court, and it is unlikely that they will in the near future. But the thoughtfulness of his reasoning should make legislators less hasty to create new offenses eligible for the death penalty, as they have been doing on crime legislation currently before Congress. The crime bill passed by the Senate at the end of last year would impose the death penalty for over 50 new offenses.

Crime is the No. 1 issue on people's minds, according to recent polls, and rightly so. The problem of crime and violence has escalated into a public health crisis.

People deserve to be safe in their homes and communities. Kids deserve a chance to grow up. But they do not deserve to be told by Congress that the solution to crime lies in shrill cries for the death penalty.

There is simply no evidence that the death penalty is a deterrent to crime. In fact, States which have no death penalty have statistically lower murder rates than States with the death penalty. And ironically, it costs more in our system to execute a criminal than it does to incarcerate a felon for life. Add to these practical concerns the issue of unfairness articulated by Justice Blackmun, and you have some very powerful arguments against capital punishment.

The expansion of the death penalty by Congress may be an effective public relations strategy, but it is not effective crime policy. And as Justice Blackmun has pointed out, it is an abomination in a Nation that has dedicated itself to justice and fairness. America deserves better.

Mr. President, I ask unanimous consent that an editorial from the Minneapolis Star-Tribune on this topic be entered in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star-Tribune, Feb. 24, 1994]

BLACKMUN'S BREAK—HE REJECTS COURT EMBRACE OF DEATH PENALTY

Occasionally a Minnesotan does something so brilliant or kind that even in late February, you're proud to hail from the Land of Snow, Ice and Nice. Count among those moments of pride U.S. Supreme Court Justice Harry Blackmun's soliloquy on the death penalty.

"From this day forward, I no longer shall tinker with the machinery of death;" Blackmun wrote. "Rather than continue to coddle the Court's delusion that the desired level of fairness has been achieved . . . I feel morally and intellectually obligated simply to concede that the death penalty experiment has failed."

As Blackmun acknowledged, he did not come to this position easily. "For more than 20 years I have endeavored . . . to develop procedural and substantive rules that would lend more than the mere appearance of fairness to the death penalty endeavor."

Those efforts were futile: "It is virtually self evident to me now that no combination of procedural rules or substantive regulations ever can save the death penalty from its inherent constitutional deficiencies. The basic question—does the system accurately and consistently determine which defendants 'deserve' to die?—cannot be answered in the affirmative." And the U.S. Constitution provides that if the death penalty "cannot be administered consistently and rationally, it may not be administered at all."

Blackmun focuses, as he must, on constitutional arguments, and concludes that no amount of tinkering can rid the death penalty of inherent unfairnesses in its application, or relieve its bias against impoverished and minority defendants. Absent that possibility of perfection, Blackmun concludes, the death penalty is clearly unconstitutional. He makes a powerful case.

But by his use of quotation marks in asking which defendants "deserve" to die, Blackmun also suggests he's uncomfortable with the larger moral question, which is whether any human being has the right to decide that another deserves to die. The answer to that question should be an unqualified "No," from which flows the most basic argument against capital punishment; that even if it were possible to administer with absolute fairness and consistency, and thus could pass constitutional muster, it would remain a moral abomination. It can no more reasonably claim a respectable place in American Life than the heinous crimes for which it is imposed.

Blackmun concludes by saying he is optimistic that the Supreme Court eventually will conclude that the death penalty "'must be abandoned altogether.' I may not live to see that day, but I have faith that eventually it will arrive. The path the court has chosen lessens us all. I dissent."

If the court's embrace of death lessens everyone, this dissent has an opposite and wonderfully curative effect. Well done, Justice Blackmun.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt stood at $4,543,467,032,059.70 as of the close of business on Monday, February 25. Averaged out, every man, woman, and child in America owes a part of this massive debt, and that per capita share is $17,427.22.

FEDERAL EMPLOYEE BUYOUT LEGISLATION

Mr. ROTH. Mr. President, when Vice President GORE announced his efforts to reinvent Government everyone applauded the goal of making Government more efficient and costing the taxpayer less. Now, when faced with the opportunity to do so, the players seem to be backing away from the table. In fact, the House Democrats aren't even willing to come to the table.

The real issue here is how serious Congress is about putting teeth into the recommendations of the National Performance Review. I am very serious. That is why I have pushed to ensure that not only downsizing occurs, but more importantly savings are used to benefit the American taxpayer.

When the Government downsizes by 252,000 employees we should not miss this opportunity to fully dedicate this downsizing dividend toward an important goal.

My first choice is to fund the crime bill with the savings from downsizing Government. If, however, that does not happen, I believe the only other appropriate place for those savings is to reduce the deficit.

Today's Washington Post includes an article that tells a story of how Washington really works. Some dispute the President's idea of spending our downsizing dividend on fighting crime.

The stalemate has occurred over the issue of what to do with all of the savings that will flow from downsizing Government. President Clinton has clearly stated his position. He wants to put 100,000 police on the street. He wants to fund a tough crime bill through savings created by downsizing Government. He's adopted my position.

The Senate has also agreed with this position. My amendment to the bill ensures that this will happen.

Both the House and the Senate have passed similar legislation to provide for these buyouts. As a long-time supporter of Governmentwide early out authority without buyouts, and as author of S. 797 to provide for such early retirements, I am astonished as to why this legislation has encountered its current stalemate.

The House, unfortunately, will not even agree to call a conference on this legislation.

I urge the House Democratic leadership to recognize the critical need for passage of this bill and either accept the Senate version or call for a House-Senate conference immediately.

MESSAGES FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PRYOR:

S. 1877. A bill to amend the Internal Revenue Code of 1986 to clarify the deductibility of interest and similar amounts attributable to deferred compensation; to the Committee on Finance.

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. BRADLEY, Mr. LAUTENBERG, Mrs. BOXER, Mr. PELL, and Mr. CHAFEE):

S. 1878. A bill to amend title 18, United States Code, to promote the safe use of guns and to reduce gun violence; to the Committee on Finance.

By Mr. COCHRAN (for himself and Mr. LOTT):

S. 1879. A bill to provide disaster assistance to producers for certain losses due to freezing conditions in 1994, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred, or acted upon, as indicated:

By Mr. KERRY (for himself, Mr. KENNEDY, Mr. STEVENS, Mr. PELL, Mr. MITCHELL, Mr. COHEN, and Mr. MURKOWSKI):

S. Res. 183. A resolution expressing the sense of the Senate that the action taken by the Government of France against United States seafood products is a totally unwarranted action that is having severe repercussions on U.S. seafood producers and, in general, the U.S. fishing industry; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRYOR:

S. 1877. A bill to amend the Internal Revenue Code of 1986 to clarify the deductibility of interest and similar amounts attributable to deferred compensation; to the Committee on Finance.

NONQUALIFIED DEFERRED COMPENSATION CLARIFICATION ACT OF 1994

Mr. PRYOR. Mr. President, today I rise to introduce legislation in order to clarify the law with respect to nonqualified deferred compensation arrangements.

These arrangements are very important to businesses, both small and large, as a tool to attract and keep key employees. As such, certainty in the tax law is critical to these businesses' employers and employees, and further I might add that because of their widespread use, the U.S. Treasury has a very keen interest in seeing that the tax treatment of these arrangements is clearly defined, so that no unintended and/or indefensible tax loopholes are opened.

Mr. President, for many years employers and employees have entered into nonqualified deferred compensation agreements. In 1942, because of abuse in this area, Congress amended the 1939 Code to expressly deal with and clarify the tax treatment of these agreements. Since this time, the law was generally understood to be that compensation, including interest, paid or accrued pursuant to a nonqualified deferred compensation agreement is not deductible until includable in the income of the employee. Today, this matching rule is embodied in Internal Revenue Code section 404.

On December 30, 1993, this general principal of law has been disrupted by the Ninth Circuit Court of Appeal's opinion in Albertson's versus Commissioner of the Internal Revenue Service.

Albertson's involved an unfunded deferred compensation arrangement under which the employee's deferred compensation amount was increased each year by an amount which reflected the employer's time value of money, which the court referred to as additional amounts. Everyone agreed that the underlying deferred compensation amount was not deductible until includable in the income of the employee. The dispute centered on Albertson's claim for a current deduction of the accrued, but unpaid, additional amounts, on the reasoning that they constituted interest, not compensation, and were, therefore, not subject to the section 404 matching rules.

The ninth circuit opened the debate by posing the issue as whether the additional amounts were interest, and if so, whether interest was subject to the matching rules of section 404. In sum, the court held the additional amounts constituted interest which were not subject to the timing restrictions of section 404, allowing Albertson's to deduct currently the accrued, but unpaid, interest.

Mr. President, regardless of the merits of the court's reasoning in Albertson's, the ruling, if allowed to stand, will result in an unintended, indefensible and unmanageable tax loophole.

This loophole is created by the court's apparent departure from the matching principal. The result may be to create an investment vehicle that allows a current deduction for accrued interest against taxable income with no corresponding inclusion in the income of the employee until it is paid many years down the road. This favorable tax treatment was never intended for nonqualified deferred compensation arrangements which are generally for high paid individuals and not subject to discrimination rules to protect employees at all income levels.

Another result of the decision could be for some to interpret the ruling as not departing from the matching principal, and therefore, reason that the employee is required to include the interest amount in income at the same time the employer takes a current deduction for the accrued interest. Clearly, this result was never intended or expected. Employees should not be required to pay tax on deferred compensation until cash is received.

Mr. President, Albertson's is a case involving a 1983 tax year. In 1986, section 404 was amended to clarify, and arguably to broaden the scope of compensation under the law. The court, of course, did not interpret the effect of the 1986 amendment which may cause even more confusion with respect to the proper tax treatment of these arrangements since 1986. Also, I might add that, since this is a ninth circuit opinion, other regions of the country may or may not choose to adopt, in whole or in part, the ninth circuit's reasoning.

So, in the meantime, what course of action should a taxpayer take? Should employers amend their returns to take a current deduction under Albertson's or forgo the current deduction but risk losing it altogether when the deferred compensation is actually paid years later? Do employees face an accelerated tax liability with penalties and interest even though they have received no cash under the arrangement?

Also, the Government must view this development as holding the potential to cost the U.S. Treasury billions of dollars for a preferential tax regime that was never intended by Congress.

Mr. President, the court's decision in Albertson's may or may not stand. Further judicial developments could take years to resolve. I believe Congress has many compelling reasons to act now to clarify the law and no reason to stand idly by.

Congressional intent is clear: Interest, under a nonqualified deferred compensation agreement, is not deductible by an employer until includable in the income of an employee.

Mr. President, consistent with this intent, I offer this legislation to clarify the law in order to avoid imposing uncertainty on taxpayers, to protect the U.S. Treasury, and to prevent what could be years of litigation. I urge my colleagues to join me in this effort.

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. BRADLEY, Mr. LAUTENBERG, Mrs. BOXER, Mr. PELL, and Mr. CHAFEE):

S. 1878. A bill to amend title 18, United States Code, to promote the safe use of guns and to reduce gun violence; to the Committee on Finance.

GUN VIOLENCE PREVENTION ACT OF 1994

Mr. METZENBAUM. Mr. President, on behalf of myself and Senators KENNEDY, BRADLEY, LAUTENBERG, BOXER, PELL, and CHAFEE, I would like to introduce the Gun Violence Prevention Act of 1994.

I am proud to do so on this very historic day that the Brady bill becomes the law of the land. It is the cornerstone of effective firearm regulation and will prevent many felons from getting guns from dealers. It will save lives. We can thank Sarah and Jim Brady for that.

The Brady act is a great start but it is obvious that we need to do more in order to attack the appalling epidemic of gun violence in this country.

Let's face the fact—there is a gun crisis in this country. There are over 200 million guns in America. An American is killed by a gun every 14 minutes. Every 50 seconds, someone is raped, robbed, or assaulted with a handgun.

And we are all paying the price. Our children are paying the price. Foreign tourists are paying the price. Shopkeepers are paying the price. Innocent bystanders are paying the price. We are all victims.

Since 1968, more than 300,000 Americans have been murdered by guns. In 1992, more than 35,000 people were killed by gunfire. Today, only cars cause more fatal injuries than guns, and guns are expected to take the lead very soon. And we cannot even begin to count the number of nonfatal injuries from guns.

From 1987 to 1992, the rate of murders committed with handguns increased 52 percent, while the murder rate committed with all weapons other than handguns has actually declined. In 1990, 10 people were killed in Australia by handguns, 22 in Great Britain, and 68 in Canada. In the United States, that figure was 10,567. Handgun homicides have now reached 13,000 a year.

Homicide has replaced AIDS as the 10th leading cause of death in America, and it is the 2d leading killer of those between the ages of 15 and 24.

Aside from the toll on human lives, the economic costs from gun violence are staggering. A 1989 study by the Centers for Disease Control and Prevention estimated the lifetime economic cost of gun violence in 1985 at $14.4 billion. And that was 1985.

And what kind of country are we creating for our children? What can we say when our children are afraid to go to school; when we are afraid to let them go outside to play.

Gun violence takes the life of a child every 2 hours—that is a classroom-full every 2 days. Murder is now the third leading cause of death for elementary and middle school children—ages 5 to 14. Between 1979 and 1991, nearly 50,000 children were killed by guns—that is the same number of American battle casualties in the Vietnam war. The number of 10- to 17-year-olds who used guns to commit murder skyrocketed 79 percent during the 1980's. Given current trends, more than half the persons arrested for homicide will soon be under the age of 21. This is supposed to be the land of the free, not a combat zone. This is madness. Enough.

We cannot allow our neighborhoods to be turned into battlefields and our schools be turned into prisons. It is time we fought back. We started that fight with the Brady act. Now it is time to continue that fight.

Today, I am introducing legislation to begin the debate on the next generation of protections against gun violence. I am happy to have with me as original cosponsors of the Gun Violence Prevention Act of 1994 Senators KENNEDY, BRADLEY, LAUTENBERG, BOXER, PELL, and CHAFEE.

This bill is designed to build upon the foundations of the Brady act that takes effect today. It is a comprehensive approach giving law enforcement more tools to keep guns out of the hands of criminals. We are not trying to take any gun away from anyone. This is a set of prospective requirements only—the next generation of progress toward curbing gun violence.

This legislation will make the Brady act more effective. For example, a primary feature of the new bill is the licensing and registration of handgun transfers. In order to get a handgun, an individual would have to have a valid State handgun license. To sell a handgun, the seller would have to register the transfer with the State police. This is an idea that Senator KENNEDY has had since 1971 when he introduced a bill calling for licensing and registration. President Clinton has asked Attorney General Reno to look into this idea.

Licensing is a barrier to gun crime. It involves a thorough background check, including fingerprint I.D. and residency verification. These are necessary in order to stop felons from acquiring guns through the use of false identification and to stop gunrunners from going interstate to take advantage of weaker gun laws in other States.

Licensing also allows States to design a handgun safety training course for all handgun purchasers. Finally, licensing makes it possible to regulate secondary transfers of guns.

In this country, we require a license and registration in order to operate a car. We should require at least as much to own a handgun as to drive a car.

The handgun license would be similar to a driver's license. It would be issued by the State and consist of an identification card with a photograph. Licensing would apply only to the purchase of a new gun. Anyone who already owns a handgun would not have to do anything, unless they want to transfer it. The transfer of a gun would have to be registered.

Registration allows for speedier and more reliable tracing of guns used in crime. Without registration of secondary transfers, the investigative trail often leads to a dead end after the primary sale by a dealer.

In addition to handgun licensing and registration, this bill would:

Restrict firearm possession by persons convicted of violent crimes. People prone to violence should not have guns;

Restrict firearm possession by juveniles;

Require the proper storage of guns away from juveniles;

Require licensing of private firearm arsenals—20 guns, 1,000 rounds. This is necessary to prevent people like David Koresh from acquiring large arsenals without the knowledge of law enforcement;

Limit handgun purchases to one per month. Who needs 10, 20, or 50 guns besides gunrunners?;

Tighten the regulation and screening of gun dealers, including raising the license fee. This is necessary to weed out illegitimate dealers;

Compensate the victims of gun violence by making people pay for the injuries they cause by violating the firearm laws, and increasing the tax on handguns and using the proceeds to treat victims;

Prohibit certain weapons that pose a special danger to society, such as semiautomatic assault weapons, Saturday night specials, explosive ammunition, and large-capacity magazines;

Require manufacturers to add safety devices to guns. This would cut down on accidental shootings, especially by young children; and

Encourage gun exchange programs. This has been shown to be an effective way to reduce the number of guns on the street.

While the Brady act will save lives, this comprehensive legislation is necessary to offer a solution to America's epidemic of gun violence. I urge my colleagues to join me and the other original cosponsors in supporting this measure.

I ask unanimous consent that a copy of the bill be printed in the RECORD following my statement, that a statement by Senator BRADLEY follow thereafter, and that supporting statements by Sarah and Jim Brady follow Senator BRADLEY's statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gun Violence Prevention Act of 1994".

SEC. 2. FINDINGS AND DECLARATIONS.

The Congress finds and declares that—

(1) crime, particularly crime involving guns, is a pervasive, nationwide problem;

(2) crimes committed with guns threaten the peace and domestic tranquility of the citizens of the United States and threaten the security and general welfare of the Nation and its people;

(3) crimes committed with guns, and especially handguns, have created a substantial burden on interstate commerce;

(4) crime at the local level is exacerbated by the interstate movement of guns;

(5) guns and ammunition are easily concealed and transported across State lines in interstate commerce, and as a result, individual State action to regulate them is made less than effective by lax regulation in other States;

(6) in fact, even before the sale of a firearm, the gun, its component parts, ammunition, and the raw materials from which they are made have moved considerably in interstate commerce;

(7) while criminals move freely from State to State, ordinary citizens and foreign visitors may fear to travel to or through certain parts of the country due to concern about violent crime and gun violence, and parents may decline to send their children to school for the same reason;

(8) the occurrence of gun violence in schools has resulted in a decline in the quality of education in our country and this, in turn, has an adverse impact on interstate commerce and the foreign commerce of the United States;

(9) States and localities find it almost impossible to handle gun-related crime by themselves due in part to the failure or inability of other States or localities to take strong measures; and

(10) accordingly, it is necessary to establish national standards to promote the safe use of firearms and to reduce gun violence, including handgun licensing and registration, expanded prohibitions against firearm transfers to, or possession by, children and persons likely to misuse or commit crimes with firearms, requirements for gun safety and safe storage, strengthened regulation of licensed manufacturers, importers, and dealers, and prohibitions on the sale of semiautomatic assault weapons and other dangerous weapons.

TITLE I—HANDGUN LICENSING AND REGISTRATION

SEC. 101. STATE LICENSE REQUIRED TO RECEIVE TRANSFER OF A HANDGUN.

(a) IN GENERAL.—Section 922 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(u)(1) It shall be unlawful for any person to sell, deliver, or otherwise transfer a handgun to an individual (including an individual taking possession of a handgun as employee or agent of another person) who is not licensed under section 923 unless—

"(A) the transferor (or a licensed dealer, if State law so directs or allows) has verified that the transferee possesses a valid State handgun license by—

"(i) examining the State handgun license;

"(ii) examining, in addition to the State handgun license, a valid identification document (as defined in section 1028) containing a photograph of the transferee; and

"(iii) contacting the chief law enforcement officer of the State that issued the State handgun license to confirm that the State handgun license has not been revoked;

"(B) the transferor (or licensed dealer) has provided to the chief law enforcement officer of the State in which the transfer is to take place a State handgun registration form for the handgun to be transferred; and

"(C)(i) not less than 7 days have elapsed from the date on which the transferor (or licensed dealer) contacted the chief law enforcement officer of the State pursuant to subparagraph (A)(iii); or

"(ii) the transferee has presented to the transferor (or licensed dealer) a written statement, issued by the chief law enforcement officer of the State in which the transferee resides within the previous 10 days, stating that the transferee requires access to a handgun because of a threat to the life of the transferee or any member of the household of the transferee.

"(2) It shall be unlawful for any person to sell, deliver, or otherwise transfer handgun ammunition to an individual (including an individual taking possession of handgun ammunition as employee or agent of another person) who is not licensed under section 923 unless the transferor (or licensed dealer) has verified that the transferee possesses a valid State handgun license by—

"(A) examining the State handgun license; and

"(B) examining, in addition to the State handgun license, a valid identification document (as defined in section 1028) containing a photograph of the transferee.

"(3) It shall be unlawful for any individual (including an individual acting as employee or agent of another person) who is not licensed under section 923 to receive transfer of a handgun or handgun ammunition unless the individual possesses a valid State handgun license.

"(4)(A) As used in this subsection, the term 'State handgun license' means a license issued under a State law that provides for the issuance and revocation of licenses and the reporting of losses and thefts of handguns and handgun ammunition consistent with this paragraph.

"(B) A State handgun license shall—

"(i) be issued by the chief law enforcement officer of the State in which the licensee resides;

"(ii) contain, at a minimum, the licensee's name, address, date of birth, physical description, a unique license number and a photograph of the licensee; and

"(iii) remain valid for a period of not more than 2 years, unless revoked.

"(C) A State handgun license shall not be issued unless the chief law enforcement officer of the State determines that the applicant—

"(i) is at least 21 years of age;

"(ii) is a resident of the State, by examining, at a minimum, documentation in addition to a valid identification document (as defined in section 1028), such as a utility bill or lease agreement;

"(iii) is not prohibited from possessing or receiving a handgun under Federal, State, or local law, based upon name- and fingerprint-based research in all available Federal, State, and local recordkeeping systems, including the national system designated by the Attorney General pursuant to the Brady Handgun Violence Prevention Act; and

"(iv) has been issued a State handgun safety certificate.

"(D) The chief law enforcement officer of the State may be authorized to charge a fee for issuance of a State handgun license.

"(E) If a chief law enforcement officer of the State determines that an individual is ineligible to receive a State handgun license and the individual in writing requests the officer to provide the reasons for that determination, the officer shall provide the reasons to the individual in writing within 20 business days after receipt of the request.

"(F)(i) A State handgun license shall be revoked if the chief law enforcement officer of the State that issued the license determines that the applicant no longer satisfies 1 of the qualifications described in subparagraph (C).

"(ii) A person possessing a State handgun license that is revoked shall return the license to the chief law enforcement officer of the State in which the licensee resides within 10 days after receipt of notice of the revocation.

"(G) The applicant shall be required under State law to report the theft or loss of a firearm within 24 hours after the theft or loss is discovered, to—

"(i) the Secretary;

"(ii) the chief law enforcement officer of the State; and

"(iii) appropriate local authorities,

failure to report to be punishable by a civil penalty of $1,000 or such greater amount as State law may provide.

"(5)(A) As used in this subsection, the term 'State handgun registration form' means a form prescribed under State law consistent with this paragraph.

"(B) A State handgun registration form shall contain, at a minimum—

"(i) information identifying the transferee, including name, address, date of birth, and State handgun license number; and

"(ii) information identifying the handgun, including make, model, caliber, and serial number.

"(C) The chief law enforcement officer of the State shall furnish information from handgun registration forms to Federal, State, and local law enforcement authorities upon request.

"(D) The chief law enforcement officer of the State may be authorized to charge a fee for registering a handgun.

"(6)(A) As used in this subsection, the term 'State handgun safety certificate' means a certificate under a State law that provides for the issuance of certificates in accordance with this paragraph.

"(B) A State handgun safety certificate shall be issued by the chief law enforcement officer of the State in which the applicant resides.

"(C) A State handgun safety certificate shall not be issued unless the chief law enforcement officer of the State determines that the applicant—

"(i) has completed a course, taught by law enforcement officers and designed by the chief law enforcement officer of the State, of not less than 2 hours of instruction in handgun safety; and

"(ii) has passed an examination, designed by the chief law enforcement officer of the State, testing the applicant's knowledge of handgun safety.

"(D) The chief law enforcement officer of the State may be authorized to charge a fee for the handgun safety course and examination described in subparagraph (C).

"(7) As used in this subsection, the term 'chief law enforcement officer of the State' means the chief, or equivalent officer, of the State police force, or the designee of that officer.".

(b) Definition of Handgun Ammunition.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(30) The term 'handgun ammunition' means—

"(A) a centerfire cartridge or cartridge case less than 1.3 inches in length; or

"(B) a primer, bullet, or propellent powder designed specifically for use in a handgun.".

(c) Penalty.—Section 924(a)(1)(B) of title 18, United States Code, is amended by striking "or (q)" and inserting "(q), or (u)".

(d) Effective Date.—The amendments made by this title shall become effective on the date that is 180 days after the date of enactment of this Act.

(e) Amendment of Brady Act.—

(1) Interim provision.—Section 922(s)(1) of title 18, United States Code, is amended by adding "or on the effective date of subsection (u), whichever occurs earlier," after "60 months after such date of enactment,".

(2) Permanent provision.—Section 922(t) of title 18, United States Code, is amended by striking "firearm" each place it appears and inserting "firearm other than a handgun or ammunition other than handgun ammunition".

(3) Technical correction.—Section 922(t)(1)(B)(ii) of title 18, United States Code, is amended by inserting "or State law" after "section".

(f) Funding.—

(1) Grants for establishing systems of licensing and registration.—The Attorney General shall, subject to the availability of appropriations, make a grant to each State (as defined in section 921(a)(2) of title 18, United States Code) to be used for the initial startup costs associated with establishing a system of licensing and registration consistent with the requirements of section 922(u) of title 18, United States Code.

(2) Authorization of appropriations.—There is authorized to be appropriated for grants under paragraph (1) a total of $200,000,000 for fiscal year 1995 and all fiscal years thereafter.

TITLE II—RESTRICTIONS ON FIREARM POSSESSION

SEC. 201. PROHIBITION OF TRANSFER OF A FIREARM TO, OR POSSESSION OF A FIREARM BY, A PERSON CONVICTED OF A VIOLENT CRIME OR SUBJECT TO A PROTECTION ORDER.

(a) Prohibition of Transfer.—Section 922(d) of title 18, United States Code, is amended—

(1) by striking "or" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and by inserting "; or"; and

(3) by inserting after paragraph (7) the following new paragraph:

"(8)(A) is under indictment for, or has been convicted in any court of, an offense that—

"(i) involves the use, attempted use, or threatened use of physical force against another person; or

"(ii) by its nature involves a substantial risk that physical force against another person may be used in the course of committing the offense; or

"(B) is required, pursuant to an order issued by a court in a case involving the use, attempted use, or threatened use of physical force against another person, to refrain from contact with or maintain a minimum distance from that person.".

(b) Prohibition of Possession.—Section 922(g) of title 18, United States Code, is amended—

(1) by striking "or" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and by inserting "; or"; and

(3) by inserting after paragraph (7) the following new paragraph:

"(8)(A) has been convicted in any court of an offense that—

"(i) involves the use, attempted use, or threatened use of physical force against another person; or

"(ii) by its nature involves a substantial risk that physical force against another person may be used in the course of committing the offense; or

"(B) is required, pursuant to an order issued by a court in a case involving the use, attempted use, or threatened use of physical force against another person, to refrain from contact with or maintain a minimum distance from that person.".

SEC. 202. PROHIBITION OF TRANSFER OF A FIREARM OR AMMUNITION TO, OR POSSESSION OF A FIREARM OR AMMUNITION BY, A JUVENILE.

(a) Offense.—Section 922 of title 18, United States Code, as amended by section 101(a), is amended by adding at the end the following new subsection:

"(v)(1) It shall be unlawful for a person to sell, deliver, or otherwise transfer—

"(A) a handgun or handgun ammunition to any individual who the person knows or reasonably should know is less than 21 years of age; or

"(B) a firearm other than a handgun, or ammunition other than handgun ammunition, to any individual who the person knows or reasonably should know is less than 16 years of age.

"(2) It shall be unlawful for any person to knowingly possess and intentionally control—

"(A) a handgun or handgun ammunition if the person is less than 21 years of age; or

"(B) a firearm other than a handgun, or ammunition other than handgun ammunition, if the person is less than 16 years of age.

"(3) This subsection does not apply to—

"(A) a temporary transfer or temporary possession of a firearm or ammunition if the firearm or ammunition is possessed and used by the person who is underage—

"(i) with the personal supervision and consent of a person who is at least 21 years of age who is not prohibited by Federal, State, or local law from possessing a firearm;

"(ii) with the consent of the underage person's parent or legal guardian; and

"(iii) in accordance with State and local law;

"(B) an underage person who is a member of the Armed Forces of the United States or the National Guard who possesses or is armed with a firearm or ammunition in the line of duty;

"(C) a transfer by inheritance of title of a firearm or ammunition to an underage person, except that subsection (v)(2) shall apply to the possession by an underage person as a result of such a transfer; or

"(D) the transfer to, or possession by, an underage person of a firearm or ammunition while defending himself or herself or other persons against an intruder into the residence of the underage person or a residence in which the underage person is an invited guest.".

(b) Penalties.—Section 924(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(6) A person who violates section 922(v) shall be fined not more than $1,000, imprisoned not more than 1 year, or both, except that a person under the age of 18 who violates section 922(v)(2) for the first time shall be sentenced to probation on appropriate conditions and shall not be incarcerated unless the person fails to comply with a condition of probation.".

SEC. 203. STORAGE OF FIREARMS AWAY FROM JUVENILES.

(a) Offense.—Section 922 of title 18, United States Code, as amended by section 202(a), is amended by adding at the end the following new subsection:

"(w)(1) Except as provided in paragraph (2), it shall be unlawful for any person to store or leave a loaded firearm, or an unloaded firearm and ammunition that can be fired by that firearm, at any place to which the person knows, or reasonably should know, a juvenile is likely to gain access at a time when the juvenile is not under the personal supervision of an adult who is not prohibited by Federal, State, or local law from possessing the firearm.

"(2) As used in this subsection—

"(A) the term 'juvenile' means a person who has not attained 16 years of age; and

"(B) the term 'adult' means a person who has attained 21 years of age.".

(b) Notice.—Section 923 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(l) Each licensed dealer shall post conspicuously at each of the dealer's places of business the following warning in block letters that are not less than 1 inch in height:

"IT IS A FEDERAL CRIME TO STORE OR LEAVE A LOADED FIREARM, OR AN UNLOADED FIREARM AND ITS AMMUNITION, WHERE AN UNSUPERVISED JUVENILE CAN GAIN ACCESS.".

(c) Penalty.—Section 924(a)(5) of title 18, United States Code, is amended by striking "or (t)" and inserting "(t), or (w)".

SEC. 204. FEDERAL ARSENAL LICENSE.

(a) Offense.—Section 922 of title 18, United States Code, as amended by section 203(a), is amended by adding at the end the following new subsection:

"(x) It shall be unlawful for a person to possess more than 20 firearms or more than 1,000 rounds of ammunition unless the person—

"(1) is a licensed importer, licensed manufacturer, or licensed dealer; or

"(2) has been issued an arsenal license pursuant to section 923(m).".

(b) Arsenal License.—Section 923 of title 18, United States Code, as amended by section 203(b), is amended by adding at the end the following new subsection:

"(m)(1) The Secretary shall issue an arsenal license if—

"(A) the applicant has—

"(i) filed a sworn application with the Secretary, stating—

"(I) the applicant's name, address, and date of birth;

"(II) that the applicant is at least 21 years of age; and

"(III) that the applicant is not prohibited from possessing or receiving a firearm under Federal, State, or local law;

"(ii) filed with the Secretary a certificate, dated within the previous 60 days, from the chief law enforcement officer of the applicant's State of residence, stating that the applicant has not exhibited such a propensity for violence, instability, or disregard of the law as may render the applicant's possession of an arsenal a danger to the community; and

"(iii) paid an arsenal license fee of $300 for a 3-year license period; and

"(B) the Secretary has determined that the information in the application is accurate, based in part upon name- and fingerprint-based research in all available Federal, State, and local recordkeeping systems.

"(2) The holder of an arsenal license shall be subject to all obligations and requirements pertaining to licensed dealers under this chapter.".

(c) PENALTY.—Section 924(a)(5) of title 18, United States Code, as amended by section 203(c), is amended by striking "or (w)" and inserting "(w), or (x)".

(d) EFFECTIVE DATE.—The amendments made by section shall become effective on the date that is 180 days after the date of enactment of this Act.

SEC. 205. RESTORATION OF FIREARM PRIVILEGES.

(a) RESTORATION BY SECRETARY.—

(1) REPEAL OF AUTHORITY.—Section 925 of title 18, United States Code, is amended—

(A) by striking subsection (c); and

(B) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(2) TECHNICAL AMENDMENTS.—(A) Section 922(d) of title 18, United States Code, is amended in the matter following paragraph (7) by striking ", or to a person who has been granted relief from disabilities pursuant to subsection (c) of section 925 of this chapter".

(B) Section 38(b)(1)(B)(i) of the Arms Export Control Act (22 U.S.C. 2778(b)(1)(B)(i)) is amended by striking "925(e)" and inserting "925(d)".

(b) RESTORATION BY A STATE OR THE PRESIDENT.—Section 921(a)(20) of title 18, United States Code, is amended—

(1) in the first sentence—

(A) by inserting "(A)" after "(20)"; and

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) in the second sentence by striking "What" and inserting the following:

"(B) What"; and

(3) by striking the third sentence and inserting the following new subparagraph:

"(C)(i) A conviction that has been expunged or set aside, or for which a person has been pardoned or has had civil rights restored, shall not be considered to be a conviction for purposes of this chapter if—

"(I) the expungement, setting aside, pardon, or restoration of civil rights applies to a named person; and

"(II) the authority that grants the expungement, setting aside, pardon, or restoration of civil rights expressly authorizes the person to ship, transport, receive, and possess firearms and expressly determines that the circumstances regarding the conviction and the person's record and reputation are such that the person is not likely to act in a manner that is dangerous to public safety and the granting of the relief is not contrary to the public interest.

"(ii) Clause (i) shall not apply to a conviction of a serious drug offense (as defined in section 924(e)(2)(A)) or violent felony (as defined in section 924(e)(2)(B)).".

TITLE III—RESTRICTIONS ON GUN SELLERS

SEC. 301. PROHIBITION ON MULTIPLE HANDGUN TRANSFERS.

(a) IN GENERAL.—Section 922 of title 18, United States Code, as amended by section 204(a), is amended by adding at the end the following new subsection:

"(y)(1) Except as provided in paragraph (2), it shall be unlawful for any person to—

"(A) receive transfer of more than 1 handgun during any 30-day period;

"(B) transfer to another person more than 1 handgun during any 30-day period; or

"(C) transfer a handgun to another person if the transferor knows or reasonably should know that such person has received transfer of another handgun during the previous 30-day period.

"(2) Paragraph (1) shall not apply to—

"(A) a transfer of a handgun to a person who is licensed under section 923;

"(B) a transfer of a handgun by inheritance;

"(C) a transfer of a handgun if another handgun is given by the transferee to the transferor in exchange; or

"(D) a transfer of a handgun that has been approved by the chief law enforcement officer of the State of residence of the transferee in accordance with regulations issued by the Secretary under subsection (b).

"(3) As used in this subsection, the term 'chief law enforcement officer of the State' has the meaning stated in section 922(u)(7) of title 18, United States Code.".

(b) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe regulations that—

(1) provide procedures for a chief law enforcement officer to approve the transfer of more than 1 handgun during a 30-day period if—

(A) the transferee is a private security company licensed to do business in the State where the transfer takes place; or

(B) the transferee is replacing a handgun that had been received and then stolen within the 30-day period; and

(2) require a person who is licensed under section 923, before transferring a handgun, to receive a sworn statement from the transferee that the transferee has not received transfer of another handgun during the prior 30-day period.

(c) MAINTENANCE OF RECORDS.—Section 923(g)(3)(B) of title 18, United States Code, is amended by striking all of the paragraph after "entity" and by inserting "other than Federal, State, or local law enforcement authorities.".

(d) PENALTY.—Section 924(a)(1)(B) of title 18, United States Code, as amended by section 101(c), is amended by striking "or (u)" and inserting "(u), or (y)".

(e) EFFECTIVE DATE.—Subsections (a) and (d) shall become effective on the date that is 30 days after the effective date of the regulations prescribed under subsection (b).

SEC. 302. COMPLIANCE WITH STATE AND LOCAL LAW AS CONDITION TO LICENSE.

Section 923(d)(1) of title 18, United States Code, is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(F)(i) the business to be conducted under the license is not prohibited by State or local law in the place where the business premise is located; and

"(ii) the applicant certifies that—

"(I) the business to be conducted under the license complies with the requirements of State and local law applicable to the conduct of the business; and

"(II) the applicant has notified local authorities, in a manner determined by the Secretary, of the filing of the application.".

SEC. 303. LICENSE APPLICATION FEES.

Section 923(a) of title 18, United States Code, is amended—

(1) in paragraph (1)(A) by striking "$1,000" and inserting "$10,000";

(2) in paragraph (1)(B) by striking "$50" and inserting "$1,000";

(3) in paragraph (1)(C) by striking "$10" and inserting "$1,000";

(4) in paragraph (2)(A) by striking "$1,000" and inserting "$10,000";

(5) in paragraph (2)(B) by striking "$50" and inserting "$1,000";

(6) in paragraph (3)(A) by striking "$1,000" and inserting "$10,000"; and

(7) in paragraph (3)(B) by striking "$200 for 3 years, except that the fee for renewal of a valid license shall be $90 for 3 years" and inserting "$1,000 per year".

SEC. 304. ACTION ON FIREARMS LICENSE APPLICATION.

Section 923(d)(2) of title 18, United States Code, is amended by striking "forty-five-day" and inserting "180-day".

SEC. 305. INSPECTION OF FIREARMS LICENSEES' INVENTORY AND RECORDS.

Section 923(g)(1)(B)(ii) of title 18, United States Code, is amended by striking "once during any twelve-month period" and inserting "3 times during any 12-month period, or at any time with respect to records relating to a firearm involved in a criminal investigation".

SEC. 306. REQUIREMENT OF BUSINESS LIABILITY INSURANCE.

Section 923(d)(1) of title 18, United States Code, as amended by section 302, is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(G) the applicant certifies that the business is covered by an insurance policy providing personal injury protection to any person injured, while engaged in lawful activity, by a handgun obtained through the negligence of the applicant, to a limit of $100,000 for loss sustained by any such person as a result of bodily injury or death.".

SEC. 307. LICENSE FOR AMMUNITION DEALERS.

Chapter 44 of title 18, United States Code, is amended—

(1) in section 922(a)(1)(B)—

(A) by striking "or licensed manufacturer" and inserting ", licensed manufacturer, or licensed dealer"; and

(B) by striking "or manufacturing" and inserting ", manufacturing, or dealing";

(2) in section 922(a)(2) by inserting "or ammunition" after "any firearm";

(3) in section 922(a)(3) by inserting "or ammunition" after "firearm" each place it appears;

(4) in section 922(a)(5) by inserting "or ammunition" after "firearm" each place it appears;

(5) in section 922(b)(2) by inserting "or ammunition" after "firearm" each place it appears;

(6) in section 922(b)(3) by inserting "or ammunition" after "firearm" each place it appears;

(7) in section 922(b)(5) by striking "armor-piercing";

(8) in section 923(a) by striking ", or importing or manufacturing" and inserting "or";

(9) in section 923(g)(1)(A)—

(A) by inserting "or ammunition" after "firearms" the first place it appears;

(B) by striking "firearms" the second place it appears; and

(C) by striking "licensed collector, or any licensed importer or manufacturer of ammunition" and inserting "or licensed collector"; and

(10) in section 923(g)(2)—

(A) by inserting "or ammunition" after "firearms"; and

(B) by inserting "or ammunition" after "firearm".

SEC. 308. CHECK OF FIREARM STORE EMPLOYEES.

(a) PROHIBITION.—Section 923 of title 18, United States Code, as amended by section 204(b), is amended by adding at the end the following new subsection:

"(n) A licensed importer, licensed manufacturer, or licensed dealer shall not employ any person in a position in which the person would have unsupervised access to firearms or ammunition unless—

"(1) in the case of access to handguns or handgun ammunition, the person has a valid State handgun license; and

"(2) in the case of access to firearms other than handguns or ammunition other than handgun ammunition—

"(A) the person is at least 18 years of age;

"(B) the licensee has contacted the national system designated by the Attorney General pursuant to the Brady Handgun Violence Prevention Act and the system has notified the licensee that the possession of a firearm by the person would not violate Federal, State, or local law; and

"(C) the licensee has verified the identity of the person by examining a valid identification document (as defined in section 1028) of the person containing a photograph of the person.".

(b) PENALTY.—Section 924(a)(1)(B) of title 18, United States Code, as amended by section 301(d), is amended by striking "or (y) of section 922" and inserting "or (y) of section 922, or section 923".

SEC. 309. PROHIBITION OF SALES BY LICENSEES OTHER THAN ON LICENSED PREMISES.

Section 923(j) of title 18, United States Code, is amended to read as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer shall not sell, deliver, or otherwise transfer a firearm from any motorized or towed vehicle or at a location other than the location specified on the license.".

SEC. 310. RESPONSES TO REQUESTS FOR INFORMATION.

Section 923(g) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(6) Each licensee shall respond immediately to a request by the Secretary for information contained in the records required to be kept by this chapter as may be required in the conduct of a criminal investigation. The requested information shall be provided orally or in writing, as the Secretary may require.".

SEC. 311. REPORTS OF THEFT OR LOSS OF FIREARMS.

Section 923(g) of title 18, United States Code, as amended by section 310, is amended by adding at the end the following new paragraph:

"(7) Each licensee shall report the theft or loss of a firearm from the licensee's inventory or collection, within 24 hours after the theft or loss is discovered, to the Secretary, the chief law enforcement officer of the State (as defined in section 922(u)(7)), and appropriate local authorities.".

SEC. 312. DEFINITION OF FIREARM EXPANDED TO INCLUDE COMPONENT PARTS.

Section 921(a)(3)(B) of title 18, United States Code, is amended by striking "or receiver" and inserting ", receiver, barrel, stock, ammunition magazine, or any part of the action".

SEC. 313. COMMON CARRIER DELIVERY TO LICENSEES.

Section 922(f)(2) of title 18, United States Code, is amended to read as follows:

"(2) It shall be unlawful for any common or contract carrier to deliver in interstate or foreign commerce any firearm or ammunition without—

"(A) examining the Federal firearms or ammunition license of the recipient; and

"(B) obtaining written acknowledgement of receipt from the recipient of the package or other container in which there is a firearm or ammunition.".

SEC. 314. CIVIL LIABILITY FOR VIOLATION OF FIREARM LAW.

Section 924 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) Any person who sells, delivers, or otherwise transfers any firearm or ammunition in violation of Federal law shall be liable for all damages proximately caused by such sale, delivery, or other transfer.

"(2) An action to recover damages under paragraph (1) may be brought in a United States district court by, or on behalf of, any person, or the estate of any person, who suffers bodily injury or death as a result of the discharge of a firearm or ammunition sold, delivered, or transferred in violation of Federal law. Prevailing plaintiffs in such actions shall be awarded costs and reasonable attorneys' fees. Punitive damages shall be recoverable by the plaintiff if the defendant is found to have intentionally or recklessly violated the law.

"(3) No action under paragraph (2) may be brought by or on behalf of a person who was engaged in a criminal act against the person or property of another person at the time of the injury.

"(4) Nothing in this section shall be construed to preempt or otherwise limit any other cause of action available to any person.".

TITLE IV—PROHIBITED WEAPONS

SEC. 401. PROHIBITED WEAPONS.

(a) PROHIBITION.—Section 922 of title 18, United States Code, as amended by section 301(a), is amended by adding at the end the following new subsection:

"(z)(1) Except as provided in paragraph (2), it shall be unlawful for any person to manufacture, transfer, or possess a prohibited weapon.

"(2) Paragraph (1) does not apply with respect to—

"(A) the manufacture by or for, transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof;

"(B) any lawful transfer or lawful possession of a prohibited weapon that was lawfully possessed before the date this subsection takes effect; or

"(C) the manufacture, transfer, or possession of any prohibited weapon by a licensed manufacturer or licensed importer for the purposes of testing or experimentation authorized by the Secretary.".

(b) DEFINITIONS.—Section 921 of title 18, United States Code, as amended by section 101(b), is amended—

(1) in subsection (a)—

(A) in paragraph (28) by striking "'semiautomatic rifle' means any repeating rifle" and inserting "'semiautomatic firearm' means any repeating firearm"; and

(B) by adding at the end the following new paragraphs:

"(31) The term 'prohibited weapon' means—

"(A) a firearm muffler or firearm silencer;

"(B) a short-barreled shotgun;

"(C) a short-barreled rifle;

"(D) a destructive device;

"(E) a semiautomatic assault weapon;

"(F) a Saturday-night-special handgun;

"(G) a nonsporting ammunition; and

"(H) a large-capacity ammunition feeding device.

"(32)(A) The term 'semiautomatic assault weapon' means—

"(i) any of the firearms, or types, replicas, or duplicates in any caliber of the firearms known as—

"(I) Norinco, Mitchell, and Poly Technologies Avtomat Kalashnikovs (all models);

"(II) Israeli Military Industries Uzi and Galil;

"(III) Beretta AR-70;

"(IV) Colt AR-15 and Sporter;

"(V) Fabrique Nationale FN/FAL, FN/LAR, and FNC;

"(VI) SWD M-10, M-11, M-11/9, and M-12;

"(VII) Steyr AUG;

"(VIII) Intratec TEC-9, TEC-DC9 and TEC-22; and

"(IX) revolving cylinder shotguns, such as (but not limited to) the Street Sweeper and Striker 12;

"(ii) a semiautomatic rifle that has an ability to accept a detachable magazine and has at least 2 of the following:

"(I) a folding or telescoping stock;

"(II) a pistol grip that protrudes conspicuously beneath the action of the weapon;

"(III) a bayonet mount;

"(IV) a flash suppressor or barrel having a threaded muzzle; and

"(V) a grenade launcher;

"(iii) a semiautomatic pistol that has an ability to accept a detachable magazine and has at least 2 of the following:

"(I) an ammunition magazine that attaches to the pistol outside of the pistol grip;

"(II) a barrel having a threaded muzzle;

"(III) a shroud that is attached to or partially or completely encircles the barrel and that permits the shooter to hold the firearm with the nontrigger hand without being burned;

"(IV) a manufactured weight of 50 ounces or more when the pistol is unloaded; and

"(V) a semiautomatic version of an automatic firearm; and

"(iv) a semiautomatic shotgun that has at least 2 of the following:

"(I) a folding or telescoping stock;

"(II) a pistol grip that protrudes conspicuously beneath the action of the weapon;

"(III) a fixed magazine capacity in excess of 5 rounds; and

"(IV) an ability to accept a detachable magazine.

"(B) The term 'semiautomatic assault weapon' shall not apply to—

"(i) any of the firearms specified in Appendix A to this section as such firearms were manufactured on or prior to January 1, 1994; and

"(ii) any firearm that—

"(I) is manually operated by bolt, pump, lever, or slide action;

"(II) has been rendered permanently inoperable; or

"(III) is an antique firearm.

"(33) The term 'Saturday-night-special handgun' means—

"(A) any handgun that has a barrel, slide, frame or receiver which is a die casting of zinc alloy or any other nonhomogeneous metal which will melt or deform at a temperature of less than 800 degrees Fahrenheit;

"(B) any pistol which does not have a positive manually operated safety device, a double action revolver which does not have a safety feature which automatically causes the hammer to retract to a point where the firing pin does not rest upon the primer of the cartridge, or any single action revolver which does not have a safety feature which by manual operation causes the hammer to retract to a point where the firing pin does not rest upon the primer of the cartridge;

"(C) any revolver with a safety device which cannot withstand the impact of a weight equal to the weight of the revolver dropping from a distance of 36 inches in a line parallel to the barrel upon the rear of the hammer spur, a total of 5 times;

"(D) any pistol that has a combined length and height less than 10 inches with the height (right angle measurement to barrel without magazine or extension) being at least 4 inches and the length being at least 6 inches, or any revolver that has a barrel length of less than 3 inches or has an overall frame (with conventional grips) length (not diagonal) of less than 4½ inches; or

"(E)(i) uses ammunition of the following calibers—

"(I) .22 short;

"(II) .25;

"(III) .32; and

"(ii) has an overall weight, while unloaded, of less than 18 ounces.

"(34) The term 'nonsporting ammunition' means—

"(A) any of the ammunition, or types, replicas, or duplicates of the ammunition known as—

"(i) Dragon's Breath; or

"(ii) .50 caliber BMG;

"(B) any ammunition that contains an incendiary or explosive charge;

"(C) any handgun ammunition measuring more than .45 inches in diameter; or

"(D) any handgun ammunition that produces a force at the muzzle in excess of 1,200 foot pounds.

"(35) The term 'large-capacity ammunition feeding device'—

"(A) means a magazine, belt, drum, feed strip, or similar device which has a capacity of, or which can be readily restored or converted to accept, more than 6 rounds of ammunition, or any combination of parts from which such device can be assembled; but

"(B) does not include an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition."; and

(2) by adding at the end the following appendix:

"APPENDIX A

Centerfire Rifles—Autoloaders

Browning BAR Mark II Safari Semi-Auto Rifle
Browning BAR Mark II Safari Magnum Rifle
Browning High-Power Rifle
Heckler & Koch Model 300 Rifle
Iver Johnson M-1 Carbine
Iver Johnson 50th Anniversary M-1 Carbine
Marlin Model 9 Camp Carbine
Marlin Model 45 Carbine
Remington Nylon 66 Auto-Loading Rifle
Remington Model 7400 Auto Rifle
Remington Model 7400 Rifle
Remington Model 7400 Special Purpose Auto Rifle
Ruger Mini-14 Autoloading Rifle (w/o folding stock)
Ruger Mini Thirty Rifle

Centerfire Rifles—Lever & Slide

Browning Model 81 BLR Lever-Action Rifle
Browning Model 81 Long Action BLR
Browning Model 1886 Lever-Action Carbine
Browning Model 1886 High Grade Carbine
Cimarron 1860 Henry Replica
Cimarron 1866 Winchester Replicas
Cimarron 1873 Short Rifle
Cimarron 1873 Sporting Rifle
Cimarron 1873 30″ Express Rifle
Dixie Engraved 1873 Rifle
E.M.F. 1866 Yellowboy Lever Actions
E.M.F. 1860 Henry Rifle
E.M.F. Model 73 Lever-Action Rifle
Marlin Model 336CS Lever-Action Carbine
Marlin Model 30AS Lever-Action Carbine
Marlin Model 444SS Lever-Action Sporter
Marlin Model 1894S Lever-Action Carbine
Marlin Model 1894CS Carbine
Marlin Model 1894CL Classic
Marlin Model 1895SS Lever-Action Rifle
Mitchell 1858 Henry Replica
Mitchell 1866 Winchester Replica
Mitchell 1873 Winchester Replica
Navy Arms Military Henry Rifle
Navy Arms Henry Trapper
Navy Arms Iron Frame Henry
Navy Arms Henry Carbine
Navy Arms 1866 Yellowboy Rifle
Navy Arms 1873 Winchester-Style Rifle
Navy Arms 1873 Sporting Rifle
Remington 7600 Slide Action
Remington Model 7600 Special Purpose Slide Action
Rossi M92 SRC Saddle-Ring Carbine
Rossi M92 SRS Short Carbine
Savage 99C Lever-Action Rifle
Uberti Henry Rifle
Uberti 1866 Sporting Rilfe
Uberti 1873 Sporting Rifle
Winchester Model 94 Side Eject Lever-Action Rifle
Winchester Model 94 Trapper Side Eject
Winchester Model 94 Big Bore Side Eject
Winchester Model 94 Ranger Side Eject Lever-Action Rifle
Winchester Model 94 Wrangler Side Eject

Centerfire Rifles—Bolt Action

Alpine Bolt-Action Rifle
A-Square Caesar Bolt-Action Rifle
A-Square Hannibal Bolt-Action Rifle
Anschutz 1700D Classic Rifles
Anschutz 1700D Custom Rifles
Anschutz 1700D Bavarian Bolt-Action Rifle
Anschutz 1733D Mannlicher Rifle
Barret Model 90 Bolt-Action Rifle
Beeman/HW 60J Bolt-Action Rifle
Blaser R84 Bolt-Action Rifle
BRNO 537 Sporter Bolt-Action Rifle
BRNO ZKB 527 Fox Bolt-Action Rifle
BRNO ZKK 600, 601, 602 Bolt-Action Rifles
Browning A-Bolt Rifle
Browning A-Bolt Stainless Stalker
Browning A-Bolt Left Hand
Browning A-Bolt Short Action
Browning Euro-Bolt Rifle
Browning A-Bolt Gold Medallion
Browning A-Bolt Micro Medallion
Century Centurion 14 Sporter
Century Enfield Sporter #4
Century Swedish Sporter #38
Century Mauser 98 Sporter
Cooper Model 38 Centerfire Sporter
Dakota 22 Sporter Bolt-Action Rifle
Dakota 76 Classic Bolt-Action Rifle
Dakota 76 Short Action Rifles
Dakota 76 Safari Bolt-Action Rifle
Dakota 416 Rigby African
E.A.A./Sabatti Rover 870 Bolt-Action Rifle
Auguste Francotte Bolt-Action Rifles
Carl Gustaf 2000 Bolt-Action Rifle
Heym Magnum Express Series Rifle
Howa Lightning Bolt-Action Rifle
Howa Realtree Camo Rifle
Interarms Mark X Viscount Bolt-Action Rifle
Interarms Mini-Mark X Rifle
Interarms Mark X Whitworth Bolt-Action Rifle
Interarms Whitworth Express Rifle
Iver Johnson Model 5100A1 Long-Range Rifle
KDF K15 American Bolt-Action Rifle
Krico Model 600 Bolt-Action Rifle
Krico Model 700 Bolt-Action Rifles
Mauser Model 66 Bolt-Action Rifle
Mauser Model 99 Bolt-Action Rifle
McMillan Signature Classic Sporter
McMillan Signature Super Varminter
McMillan Signature Alaskan
McMillan Signature Titanium Mountain Rifle
McMillan Classic Stainless Sporter
McMillan Talon Safari Rifle
McMillan Talon Sporter Rifle
Midland 1500S Survivor Rifle
Navy Arms TU-33/40 Carbine
Parker-Hale Model 81 Classic Rifle
Parker-Hale Model 81 Classic African Rifle
Parker-Hale Model 1000 Rifle
Parker-Hale Model 1100M African Magnum
Parker-Hale Model 1100 Lightweight Rifle
Parker-Hale Model 1200 Super Rifle
Parker-Hale Model 1200 Super Clip Rifle
Parker-Hale Model 1300C Scout Rifle
Parker-Hale Model 2100 Midland Rifle
Parker-Hale Model 2700 Lightweight Rifle
Parker-Hale Model 2800 Midland Rifle
Remington Model Seven Bolt-Action Rifle
Remington Model Seven Youth Rifle
Remington Model Seven Custom KS
Remington Model Seven Custom MS Rifle
Remington 700 ADL Bolt-Action Rifle
Remington 700 BDL Bolt-Action Rifle
Remington 700 BDL Varmint Special
Remington 700 BDL European Bolt-Action Rifle
Remington 700 Varmint Synthetic Rifle
Remington 700 BDL SS Rifle
Remington 700 Stainless Synthetic Rifle
Remington 700 MTRSS Rifle
Remington 700 BDL Left Hand
Remington 700 Camo Synthetic Rifle
Remington 700 Safari
Remington 700 Mountain Rifle
Remington 700 Custom KS Mountain Rifle
Remington 700 Classic Rifle
Ruger M77 Mark II Rifle
Ruger M77 Mark II Magnum Rifle
Ruger M77RL Ultra Light
Ruger M77 Mark II All-Weather Stainless Rifle
Ruger M77 RSI International Carbine

Ruger M77 Mark II Express Rifle
Ruger M77VT Target Rifle
Sako Hunter Rifle
Sako Fiberclass Sporter
Sako Safari Grade Bolt Action
Sako Hunter Left-Hand Rifle
Sako Classic Bolt Action
Sake Hunter LS Rifle
Sako Deluxe Lightweight
Sako Super Deluxe Sporter
Sako Mannlicher-Style Carbine
Sako Varmint Heavy Barrel
Sako TRG–S Bolt-Action Rifle
Sauer 90 Bolt-Action Rifle
Savage 110G Bolt-Action Rifle
Savage 110CY Youth/Ladies Rifle
Savage 110WLE One of One Thousand Limited Edition Rifle
Savage 110GXP3 Bolt-Action Rifle
Savage 110F Bolt-Action Rifle
Savage 110FXP3 Bolt-Action Rifle
Savage 110GV Varmint Rifle
Savage 112FV Varmint Rifle
Savage Model 112FVS Varmint Rifle
Savage Model 112BV Heavy Barrel Varmint Rifle
Savage 116FSS Bolt-Action Rifle
Savage model 116FSK Kodiak Rifle
Savage 110FP Police Rifle
Steyr-Mannlicher Sporter Models SL, L, M, S, S/T
Steyr-Mannlicher Luxus Model L, M, S
Steyr-Mannlicher Model M Professional Rifle
Tikka Bolt-Action Rifle
Tikka Premium Grade Rifles
Tikka Varmint/Continental Rifle
Tikka Whitetail/Battue Rifle
Ultra Light Arms Model 20 Rifle
Ultra Light Arms Model 28, Model 40 Rifles
Voere VEC 91 Lightning Bolt-Action Rifle
Voere Model 2165 Bolt-Action Rifle
Voere Model 2155, 2150 Bolt-Action Rifles
Weatherby Mark V Deluxe Bolt-Action Rifle
Weatherby Lasermark V Rifle
Weatherby Mark V Crown Custom Rifles
Weatherby Mark V Sporter Rifle
Weatherby Mark V Safari Grade Custom Rifles
Weatherby Weathermark Rifle
Weatherby Weathermark Alaskan Rifle
Weatherby Classicmark No. 1 Rifle
Weatherby Weatherguard Alaskan Rifle
Weatherby Vanguard VGX Deluxe Rifle
Weatherby Vanguard Classic Rifle
Weatherby Vanguard Classic No. 1 Rifle
Weatherby Vanguard Weatherguard Rifle
Wichita Classic Rifle
Wichita Varmint Rifle
Winchester Model 70 Sporter
Winchester Model 70 Sporter WinTuff
Winchester Model 70 SM Sporter
Winchester Model 70 Stainless Rifle
Winchester Model 70 Varmint
Winchester Model 70 Synthetic Heavy Varmint Rifle
Winchester Model 70 DBM Rifle
Winchester Model 70 DBM–S Rifle
Winchester Model 70 Featherweight
Winchester Model 70 Featherweight WinTuff
Winchester Model 70 Featherweight Classic
Winchester Model 70 Lightweight Rifle
Winchester Ranger Rifle
Winchester Model 70 Super Express Magnum
Winchester Model 70 Super Grade
Winchester Model 70 Custom Sharpshooter
Winchester Model 70 Custom Sporting Sharpshooter Rifle

Centerfire Rifles—Single Shot

Armsport 1866 Sharps Rifle, Carbine
Brown Model One Single Shot Rifle
Browning Model 1885 Single Shot Rifle
Dakota Single Shot Rifle
Desert Industries G–90 Single Shot Rifle
Harrington & Richardson Ultra Varmint Rifle
Model 1885 High Wall Rifle
Navy Arms Rolling Block Buffalo Rifle
Navy Arms #2 Creedmoor Rifle
Navy Arms Sharps Cavalry Carbine
Navy Arms Sharps Plains Rifle
New England Firearms Handi-Rifle
Red Willow Armory Ballard No. 5 Pacific
Red Willow Armory Ballard No. 1.5 Hunting Rifle
Red Willow Armory Ballard No. 8 Union Hill Rifle
Red Willow Armory Ballard No. 4.5 Target Rifle
Remington-Style Rolling Block Carbine
Ruger No. 1B Single Shot
Ruger No. 1A Light Sporter
Ruger No. 1H Tropical Rifle
Ruger No. 1S Medium Sporter
Ruger No. 1 RSI International
Ruger No. 1V Special Varminter
C. Sharps Arms New Model 1874 Old Reliable
C. Sharps Arms New Model 1875 Rifle
C. Sharps Arms 1875 Classic Sharps
C. Sharps Arms New Model 1875 Target & Long Range
Shiloh Sharps 1874 Long Range Express
Shiloh Sharps 1874 Montana Roughrider
Shiloh Sharps 1874 Military Carbine
Shiloh Sharps 1874 Business Rifle
Shiloh Sharps 1874 Military Rifle
Sharps 1874 Old Reliable
Thompson/Center Contender Carbine
Thompson/Center Stainless Contender Carbine
Thompson/Center Contender Carbine Survival System
Thompson/Center Contender Carbine Youth Model
Thompson/Center TCR '87 Single Shot Rifle
Uberti Rolling Block Baby Carbine

Drillings, Combination Guns, Double Rifles

Baretta Express SSO O/U Double Rifles
Baretta Model 455 SxS Express Rifle
Chapuis RGExpress Double Rifle
Auguste Francotte Sidelock Double Rifles
Auguste Francotte Boxlock Double Rifle
Heym Model 55B O/U Double Rifle
Heym Model 55FW O/U Combo Gun
Heym Model 88b Side-by-Side Double Rifle
Kodiak Mk. IV Double Rifle
Kreighoff Teck O/U Combination Gun
Kreighoff Trumpf Drilling
Merkel Over/Under Combination Guns
Merkel Drillings
Merkel Model 160 Side-by-Side Double Rifles
Merkel Over/Under Double Rifles
Savage 24F O/U Combination Gun
Savage 24F–12T Turkey Gun
Springfield Inc. M6 Scout Rifle/Shotgun
Tikka Model 412s Combination Gun
Tikka Model 412S Double Fire
A. Zoli Rifle-Shotgun O/U Combo

Rimfire Rifles—Autoloaders

AMT Lightning 25/22 Rifle
AMT Lightning Small-Game Hunting Rifle II
AMT Magnum Hunter Auto Rifle
Anschutz 525 Deluxe Auto
Armscor Model 20P Auto Rifle
Browning Auto-22 Rifle
Browning Auto-22 Grade VI
Krico Model 260 Auto Rifle
Lakefield Arms Model 64B Auto Rifle
Marlin Model 60 Self-Loading Rifle
Marlin Model 60ss Self-Loading Rifle
Marlin Model 70 HC Auto
Marlin Model 9901 Self-Loading Rifle
Marlin Model 70P Papoose
Marlin Model 922 Magnum Self-Loading Rifle
Marlin Model 995 Self-Loading Rifle
Norinco Model 22 ATD Rifle
Remington Model 522 Viper Autoloading Rifle
Remington 552BDL Speedmaster Rifle
Ruger 10/22 Autoloading Carbine (w/o folding stock)
Survival Arms AR–7 Explorer Rifle
Texas Remington Revolving Carbine
Voere Model 2115 Auto Rifle

Rimfire Rifles—Lever & Slide Action

Browning BL–22 Lever-Action Rifle
Marlin 39TDS Carbine
Marlin Model 39AS Golden Lever-Action Rifle
Remington 572BDL Fieldmaster Pump Rifle
Norinco EM–321 Pump Rifle
Rossi Model 62 SA Pump Rifle
Rossi Model 62 SAC Carbine
Winchester Model 9422 Lever-Action Rifle
Winchester Model 9422 Magnum Lever-Action Rifle

Rimfire Rifles—Bolt Actions & Single Shots

Anschutz Achiever Bolt-Action Rifle
Anschutz 1416D/1516D Classic Rifles
Anschutz 1418D/1518D Mannlicher rifles
Anschutz 1700D Classic Rifles
Anschutz 1700D Custom Rifles
Anschutz 1700 FWT Bolt-Action Rifle
Anschutz 1700D Graphite Custom Rifle
Anschutz 1700D Bavarian Bolt-Action Rifle
Armscor Model 14P Bolt-Action Rifle
Armscor Model 1500 Rifle
BRNO ZKM–452 Deluxe Bolt-Action Rifle
BRNO ZKM 452 Deluxe
Beeman/HW 60–J–ST Bolt-Action Rifle
Browning A-Bolt 22 Bolt-Action Rifle
Browning A-Bolt Gold Medallion
Cabanas Phaser Rifle
Cabanas Master Bolt-Action Rifle
Cabanas Espronceda IV Bolt-Action Rifle
Cabanas Leyre Bolt-Action Rifle
Chipmunk Single Shot Rifle

Cooper Arms Model 36S Sporter Rifle
Dakota 22 Sporter Bolt-Action Rifle
Krico Model 300 Bolt-Action Rifles
Lakefield Arms Mark II Bolt-Action Rifle
Lakefield Arms Mark I Bolt-Action Rifle
Magtech Model MT-22C Bolt-Action Rifle
Marlin Model 880 Bolt-Action Rifle
Marlin Model 881 Bolt-Action Rifle
Marlin Model 882 Bolt-Action Rifle
Marlin Model 883 Bolt-Action Rifle
Marlin Model 883SS Bolt-Action Rifle
Marlin Model 25MN Bolt-Action Rifle
Marlin Model 25N Bolt-Action Repeater
Marlin Model 15YN "Little Buckaroo"
Mauser Model 107 Bolt-Action Rifle
Mauser Model 201 Bolt-Action Rifle
Navy Arms TU-KKW Training Rifle
Navy Arms TU-33/40 Carbine
Navy Arms TU-KKW Sniper Trainer
Norinco JW-27 Bolt-Action Rifle
Norinco JW-15 Bolt-Action Rifle
Remington 541-T
Remington 40-XR Rimfire Custom sporter
Remington 541-T HB Bolt-Action Rifle
Remington 581-S Sportsman Rifle
Ruger 77/22 Rimfire Bolt-Action Rifle
Ruger K77/22 Varmint Rifle
Ultra Light arms Model 20 RF Bolt-Action Rifle
Winchester Model 52B Sporting Rifle

Competition Rifles—Centerfire & Rimfire

Anschutz 64-MS Left Silhouette
Anschutz 1808D RT Super Match 54 Target
Anschutz 1827B Biathlon Rifle
Anschutz 1903D Match Rifle
Anschutz 1803D Itermediate Match
Anschutz 1911 Match Rifle
Anschutz 54.18MS REP Deluxe Silhouette Rifle
Anschutz 1913 Super Match Rifle
Anschutz 1907 Match Rifle
Anschutz 1910 Super Match II
Anschutz 54.18MS Silhouette Rifle
Anschutz Super Match 54 Target Model 2013
Anschutz Super Match 54 Target Model 2007
Beeman/Feinwerkbau 2600 Target Rifle
Cooper Arms Model TRP-1 ISU Standard Rifle
E.A.A./Weihrauch HW 60 Target Rifle
E.A.A./HW 660 Match Rifle
Finnish Lion Standard Target Rifle
Krico Model 360 S2 Biathlon Rifle
Krico Model 400 Match Rifle
Krico Model 360S Biathlon Rifle
Krico Model 500 Kricotronic Match Rifle
Krico Model 600 Sniper Rifle
Krico Model 600 Match Rifle
Lakefield Arms Model 90B Target Rifle
Lakefield Arms Model 91T Target Rifle
Lakefield Arms Model 92S Silhouette Rifle
Marlin Model 2000 Target Rifle
Mauser Model 86-SR Specialty Rifle
McMillan M-86 Sniper Rifle
McMillan Combo M-87/M-88 50-Caliber Rifle
McMillan 300 Phoenix Long Range Rifle
McMillan M-89 Sniper Rifle
McMillan National Match Rifle
McMillan Long Range Rifle
Parker-Hale M-87 Target Rifle
Parker-Hale M-85 Sniper Rifle
Remington 40-XB Rangemaster Target Centerfire
Remington 40-XR KS Rimfire Position Rifle
Remington 40-XBBR KS
Remington 40-XC KS National Match Course Rifle
Sako TRG-21 Bolt-Action Rifle
Steyr-Mannlicher Match SPG-UIT Rifle
Steyr-Mannlicher SSG P-I Rifle
Steyr-Mannlicher SSG P-III Rifle
Steyr-Mannlicher SSG P-IV Rifle
Tanner Standard UIT Rifle
Tanner 50 Meter Free Rifle
Tanner 300 Meter Free Rifle
Wichita Silhouette Rifle

Shotguns—Autoloaders

American Arms/Franchi Black Magic 48/AL
Benelli Super Black Eagle Shotgun
Benelli Super Black Eagle Slug Gun
Benelli M1 Super 90 Field Auto Shotgun
Benelli Montefeltro Super 90 20-Gauge Shotgun
Benelli Montefeltro Super 90 Shotgun
Benelli M1 Sporting Special Auto Shotgun
Benelli Black Eagle Competition Auto Shotgun
Beretta A-303 Auto Shotgun
Beretta 390 Field Auto Shotgun
Beretta 390 Super Trap, Super Skeet Shotguns
Beretta Vittoria Auto Shotgun
Beretta Model 1201F Auto Shotgun
Browning BSA 10 Auto Shotgun
Browning BSA 10 Stalker Auto Shotgun
Browning A-500R Auto Shotgun
Browning A-500G Auto Shotgun
Browning A-500G Sporting Clays
Browning Auto-5 Light 12 and 20
Browning Auto-5 Stalker
Browning Auto-5 Magnum 20
Browning Auto-5 Magnum 12
Churchill Turkey Automatic Shotgun
Cosmi Automatic Shotgun
Maverick Model 60 Auto Shotgun
Mossberg Model 5500 Shotgun
Mossberg Model 9200 Regal Semi-Auto Shotgun
Mossberg Model 9200 USST Auto Shotgun
Mossberg Model 9200 Camo Shotgun
Mossberg Model 6000 Auto Shotgun
Remington Model 1100 Shotgun
Remington 11-87 Premier Shotgun
Remington 11-87 Sporting Clays
Remington 11-87 Premier Skeet
Remington 11-87 Premier Trap
Remington 11-87 Special Purpose Magnum
Remington 11-87 SPS-T Camo Auto Shotgun
Remington 11-87 Special Purpose Deer Gun
Remington 11-87 SPS-BG-Camo Deer/Turkey Shotgun
Remington 11-87 SPS-Deer Shotgun
Remington 11-87 Special Purpose Synthetic Camo
Remington SP-10 Magnum-Camo Auto Shotgun
Remington SP-10 Magnum Auto Shotgun
Remington SP-10 Magnum Turkey Combo
Remington 1100 LT-20 Auto
Remington 1100 Special Field
Remington 1100 20-Gauge Deer Gun
Remington 1100 LT-20 Tournament Skeet
Winchester Model 1400 Semi-Auto Shotgun

Shotguns—Slide Actions

Browning Model 42 Pump Shotgun
Browning BPS Pump Shotgun
Browning BPS Stalker Pump Shotgun
Browning BPS Pigeon Grade Pump Shotgun
Browning BPS pump Shotgun (Ladies and Youth Model)
Browning BPS Game Gun Turkey Special
Browning BPS Game Gun Deer Special
Ithaca Model 87 Supreme Pump Shotgun
Ithaca Model 87 Deerslayer Shotgun
Ithaca Deerslayer II Rifled Shotgun
Ithaca Model 87 Turkey Gun
Ithaca Model 87 Deluxe Pump Shotgun
Magtech Model 586-VR Pump Shotgun
Maverick Models 88, 91 Pump Shotguns
Mossberg Model 500 Sporting Pump
Mossberg Model 500 Camo Pump
Mossberg Model 500 Muzzleloader Combo
Mossberg Model 500 Trophy Slugster
Mossberg Turkey Model 500 Pump
Mossberg Model 500 Bantam Pump
Mossberg Field Grade Model 835 Pump Shotgun
Mossberg Model 835 Regal Ulti-Mag Pump
Remington 870 Wingmaster
Remington 870 Special Purpose Deer Gun
Remington 870 SPS-BG-Camo Deer/Turkey Shotgun
Remington 870 SPS-Deer Shotgun
Remington 870 Marine Magnum
Remington 870 TC Trap
Remington 870 Special Purpose Synthetic Camo
Remington 870 Wingmaster Small Gauges
Remington 870 Express Rifle Sighted Deer Gun
Remington 879 SPS Special Purpose Magnum
Remington 870 SPS-T Camo Pump Shotgun
Remington 870 Special Field
Remington 870 Express Turkey
Remington 870 High Grades
Remington 870 Express
Remington Model 870 Express Youth Gun
Winchester Model 12 Pump Shotgun
Winchester Model 42 High Grade Shotgun
Winchester Model 1300 Walnut Pump
Winchester Model 1300 Slug Hunter Deer Gun
Winchester Model 1300 Ranger Pump Gun Combo & Deer Gun
Winchester Model 1300 Turkey Gun
Winchester Model 1300 Ranger Pump Gun

Shotguns—Over/Unders

American Arms/Franchi Falconet 2000 O/U
American Arms Silver I O/U
American Arms Silver II Shotgun
American Arms Silver Skeet O/U
American Arms/Franchi Sporting 2000 O/U

American Arms Silver Sporting O/U
American Arms Silver Trap O/U
American Arms WS/OU 12, TS/OU 12 Shotguns
American Arms WT/OU 10 Shotgun
Armsport 2700 O/U Goose Gun
Armsport 2700 Series O/U
Armsport 2900 Tri-Barrel Shotgun
Baby Bretton Over/Under Shotgun
Beretta Model 686 Ultralight O/U
Beretta ASE 90 Competition O/U Shotgun
Beretta Over/Under Field Shotguns
Beretta Onyx Hunter Sport O/U Shotgun
Beretta Model SO5, SO6, SO9 Shotguns
Beretta Sporting Clay Shotguns
Beretta 687EL Sporting O/U
Beretta 682 Super Sporting O/U
Beretta Series 682 Competition Over/Unders
Browning Citori O/U Shotgun
Browning Superlight Citori Over/Under
Browning Lightning Sporting Clays
Browning Micro Citori Lightning
Browning Citori Plus Trap Combo
Browning Citori Plus Trap Gun
Browning Citori O/U Skeet Models
Browning Citori O/U Trap Models
Browning Special Sporting Clays
Browning Citori GTI Sporting Clays
Browning 325 Sporting Clays
Centurion Over/Under Shotgun
Chapuis Over/Under Shotgun
Connecticut Valley Classics Classic Sporter O/U
Connecticut Valley Classics Classic Field Waterfowler
Charles Daly Field Grade O/U
Charles Daly Lux Over/Under
E.A.A./Sabatti Sporting Clays Pro-Gold O/U
E.A.A/Sabatti Falcon-Mon Over/Under
Kassnar Grade I O/U Shotgun
Krieghoff K–80 Sporting Clays O/U
Krieghoff K–80 Skeet Shotgun
Krieghoff K–80 International Skeet
Krieghoff K–80 Four-Barrel Skeet Set
Krieghoff K–80/RT Shotguns
Krieghoff K–80 O/U Trap Shotgun
Laurona Silhouette 300 Sporting Clays
Laurona Silhouette 300 Trap
Laurona Super Model Over/Unders
Ljutic LM–6 Deluxe O/U Shotgun
Marocchi Conquista Over/Under Shotgun
Marocchi Avanza O/U Shotgun
Merkel Model 200E O/U Shotgun
Merkel Model 200E Skeet, Trap Over/Unders
Merkel Model 203E, 303E Over/Under Shotguns
Perazzi Mirage Special Sporting O/U
Perazzi Mirage Special Four-Gauge Skeet
Perazzi Sporting Classic O/U
Perazzi MX7 Over/Under Shotguns
Perazzi Mirage Special Skeet Over/Under
Perazzi MX8/MX8 Special Trap, Skeet
Perazzi MX8/20 Over/Under Shotgun
Perazzi MX9 Single Over/Under Shotguns
Perazzi MX12 Hunting Over/Under
Perazzi MX28, MX410 Game O/U Shotguns
Perazzi MX20 Hunting Over/Under
Piotti Boss Over/Under Shotgun
Remington Peerless Over/Under Shotgun
Ruger Red Label O/U Shotgun
Ruger Sporting Clays O/U Shotgun
San Marco 12-Ga. Wildflower Shotgun
San Marco Field Special O/U Shotgun
San Marco 10-Ga. O/U Shotgun
SKB Model 505 Deluxe Over/Under Shotgun
SKB Model 685 Over/Under Shotgun
SKB Model 885 Over/Under Trap, Skeet, Sporting Clays
Stoeger/IGA Condor I O/U Shotgun
Stoeger/IGA ERA 2000 Over/Under Shotgun
Techni-Mec Model 610 Over/Under
Tikka Model 412S Field Grade Over/Under
Weatherby Athena Grade IV O/U Shotguns
Weatherby Athena Grade V Classic Field O/U
Weatherby Orion O/U Shotguns
Weatherby II, III Classic Field O/Us
Weatherby Orion II Classic Sporting Clays O/U
Weatherby Orion II Sporting Clays O/U
Winchester Model 1001 O/U Shotgun
Winchester Model 1001 Sporting Clays O/U
Pietro Zanoletti Model 2000 Field O/U

Shotguns—Side by Sides

American Arms Brittany Shotgun
American Arms Gentry Double Shotgun
American Arms Derby Side-by-Side
American Arms Grulla #2 Double Shotgun
American Arms WS/SS 10
American Arms TS/SS 10 Double Shotgun
American Arms TS/SS 12 Side-by-Side
Arrieta Sidelock Double Shotguns
Armsport 1050 Series Double Shotguns
Arizaga Model 31 Double Shotgun
AYA Boxlock Shotguns
AYA Sidelock Double Shotguns
Beretta Model 452 Sidelock Shotgun
Beretta Side-by-Side Field Shotguns
Crucelegui Hermanos Model 150 Double
Chapuis Side-by-Side Shotgun
E.A.A./Sabatti Saba-Mon Double Shotgun
Charles Daly Model Dss Double
Ferlib Model F VII Double Shotgun
Auguste Francotte Boxlock Shotgun
Auguste Francotte Sidelock Shotgun
Garbi Model 100 Double
Garbi Model 101 Side-by-Side
Garbi Model 103A, B Side-by-Side
Garbi Model 200 Side-by-Side
Bill Hanus Birdgun Doubles
Hatfield Uplander Shotgun
Merkell Model 8, 47E Side-by-Side Shotguns
Merkel Model 47LSC Sporting Clays Double
Merkel Model 47S, 147S Side-by-Sides
Parker Reproductions Side-by-Side
Piotti King No. 1 Side-by-Side
Piotti Lunik Side-by-Side
Piotti King Extra Side-by-Side
Piotti Piuma Side-by-Side
Precision Sports Model 600 Series Doubles
Rizzini Boxlock Side-by-Side
Rizzini Sidelock Side-by-Side
Stoeger/IGA Uplander Side-by-Side Shotgun
Ugartechea 10-Ga. Magnum Shotgun

Shotguns—Bolt Actions & Single Shots

Armsport Single Barrel Shotgun
Browning BT–99 Competition Trap Special
Browning BT–99 Plus Trap Gun
Browning BT–99 Plus Micro
Browning Recoilless Trap Shotgun
Browning Micro Recoilless Trap Shotgun
Desert Industries Big Twenty Shotgun
Harrington & Richardson Topper Model 098
Harrington & Richardson Topper Classic Youth Shotgun
Harrington & Richardson N.W.T.F. Turkey Mag
Harrington & Richardson Topper Deluxe Model 098
Krieghoff KS–5 Trap Gun
Krieghoff KS–5 Special
Krieghoff K–80 Single Barrel Trap Gun
Ljutic Mono Gun Single Barrel
Ljutic LTX Super Deluxe Mono Gun
Ljutic Recoilless Space Gun Shotgun
Marlin Model 55 Goose Gun Bolt Action
New England Firearms Turkey and Goose Gun
New England Firearms N.W.T.F. Shotgun
New England Firearms Tracker Slug Gun
New England Firearms Standard Pardner
New England Firearms Survival Gun
Perazzi TM1 Special Single Trap
Remington 90–T Super Single Shotgun
Snake Charmer II Shotgun
Stoeger/IGA Reuna Single Barrel Shotgun
Thompson/Center TCR '87 Hunter Shotgun.''.

(c) REGISTRATION OF FUTURE TRANSFERS OF PROHIBITED WEAPONS.—Section 5845(a) of the Internal Revenue Code of 1986 is amended in the first sentence—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting "; and (9) a prohibited weapon (as defined in section 921 of title 18, United States Code).".

(d) IDENTIFICATION MARKING.—Section 923(i) of title 18, United States Code, is amended by adding at the end the following new sentence: "The serial number of any prohibited weapon manufactured after the date of enactment of this section shall clearly show the date on which the weapon was manufactured.".

(e) PENALTY.—

(1) VIOLATION OF SECTION 922(2).—Section 924(a)(1)(B) of title 18, United States Code, as amended by section 308(b), is amended by striking "or (y)" and inserting "(y), or (z)".

(2) USE OR POSSESSION DURING CRIME OF VIOLENCE OR DRUG TRAFFICKING CRIME.—Section 924(c)(1) of title 18, United States Code, is amended in the first sentence by inserting ", or semiautomatic assault weapon" after "short-barreled shotgun,".

SEC. 402. FIREARMS AND CHILD SAFETY.

(a) UNLAWFUL ACT.—Section 922 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(aa)(1) It shall be unlawful for a person to manufacture or import a firearm that does not have as an integral part a device or devices that—

"(A) prevent a child of less than 7 years of age from discharging the firearm by reason of the amount of strength, dexterity, cognitive skill, or other ability required to cause a discharge;

"(B) prevent a firearm that has a removable magazine from discharging when the magazine has been removed; and

"(C) in the case of a handgun other than a revolver, clearly indicate whether the magazine or chamber contains a round of ammunition.

"(2) Paragraph (1) does not apply with respect to the manufacture or importation by or for the United States or a department or agency thereof or a State or a department, agency, or political subdivision thereof.".

(b) PENALTY.—Section 924(a)(5) of title 18, United States Code, as amended by section 204(c), is amended by striking "or (x)" and inserting "(x), or (aa)".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on the date that is 1 year after the date of enactment of this Act.

SEC. 403. INCREASED TAX ON HANDGUNS AND HANDGUN AMMUNITION.

(a) INCREASED TAX.—Section 4181 of the Internal Revenue Code of 1986 (relating to imposition of tax on firearms) is amended—

(1) by striking "10 percent" and inserting "30 percent";

(2) by striking "Shells, and cartridges" and inserting "ammunition other than handgun ammunition (as defined in section 921 of title 18, United States Code)"; and

(3) by inserting at the end the following:

"ARTICLES TAXABLE AT 50 PERCENT

"Any handgun ammunition (as defined in section 921 of title 18, United States Code).".

(b) TAXES ON HANDGUNS AND HANDGUN AMMUNITION TO HEALTH CARE TRUST FUND.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end the following new section:

"SEC. 9512. HEALTH CARE TRUST FUND.

"(a) ESTABLISHMENT OF THE TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the "Health Care Trust Fund", consisting of such amounts as may be appropriated or credited to such Trust Fund as provided in this section.

"(b) TRANSFERS TO THE FUND.—There are hereby appropriated to the Health Care Trust Fund amounts equivalent to the taxes received in the Treasury under section 4181 which are attributable to the tax on articles subject to the 30-percent and 50-percent tax rates.

"(c) EXPENDITURES FROM THE TRUST FUND.—Funds in the Health Care Trust Fund shall be available, as provided in appropriations Acts, only for the purpose of making grants to assist hospitals, trauma centers or other health care providers that have incurred substantial uncompensated costs in providing medical care to gunshot victims except that no single hospital, trauma center or health care provider may receive more than 1 percent of the funds appropriated under this section.

"(d) ELIGIBILITY FOR TRUST FUND MONEYS.—A hospital, trauma center or other health care provider is eligible to apply for grants from the Trust Fund for any calendar year if the hospital, trauma center or health care provider—

"(1) is in compliance with Federal and State certification and licensing requirements;

"(2) is a not-for-profit entity; and

"(3) has incurred substantial uncompensated costs during the previous calendar year in providing medical care to gunshot victims.

"(e) REGULATIONS FOR TRUST FUND.—The Secretary shall, not later than 60 days after the date of enactment of this section and in consultation with the Secretary of Health and Human Services, issue such regulations as are necessary to implement the provisions of this section.".

(c) TECHNICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 9512. Health Care Trust Fund.".

TITLE V—GUN EXCHANGE TAX INCENTIVES

SEC. 501. MODIFICATIONS TO CERTAIN LIMITATIONS ON CHARITABLE DEDUCTION.

(a) GENERAL RULE.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR GUN EXCHANGE PROGRAM CONTRIBUTIONS.—

"(A) DEDUCTION ALLOWED FOR FULL MARKET VALUE.—The deduction under subsection (a) for any qualified gun exchange program contribution shall be an amount equal to its fair market value and no reduction under paragraph (1)(A) shall be made in the amount of such contribution.

"(B) INCREASE IN CORPORATE PERCENTAGE LIMITATION.—The limitation of subsection (b)(2) shall be increased by the lesser of—

"(i) the aggregate amount of qualified gun exchange program contributions made by the taxpayer during the taxable year, or

"(ii) 5 percent of the taxpayer's taxable income computed as provided in subsection (b)(2).

"(C) QUALIFIED GUN EXCHANGE PROGRAM CONTRIBUTION.—For purposes of this paragraph, the term 'qualified gun exchange program contribution' means any charitable contribution of property described in paragraph (1) of section 1221 or of a coupon or similar instrument which may be used to acquire property so described if—

"(i) such contribution is to a governmental unit described in subsection (c)(1) or to an organization described in subsection (c)(2) which is designated by a governmental unit as a qualified recipient of gun exchange program contributions,

"(ii) the property (or coupon or similar instrument) is to be transferred in exchange for firearms to persons surrendering firearms to a governmental unit in a gun exchange program established and administered by such governmental unit, and

"(iii) the taxpayer received from the governmental unit or organization designated under clause (i) a written statement that the property (or coupon or similar instrument) was transferred as provided in clause (ii)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contributions made after the date of the enactment of this Act.

SEC. 502. MODEL PROGRAM.

(a) MODEL PROGRAM.—The Attorney General shall develop a written model program for business-sponsored gun exchange programs.

(b) DISTRIBUTION.—Not later than 3 months after the date of enactment of this Act, the Attorney General shall make available such model to States, units of local governments, and businesses.

Mr. BRADLEY. Mr. President, I rise as an original cosponsor to speak in support of the Gun Violence Prevention Act. I want to congratulate the Senator from Ohio, Senator METZENBAUM, for his work on this bill. In addition, on the day the historic Brady bill goes into effect, I want to thank Jim and Sara Brady for working so diligently to highlight the need for comprehensive handgun legislation. The Brady bill was a good first step, and this legislation is an important second step in the process of curbing irresponsible handgun use in this country.

Every year, more than 24,000 Americans, 65 a day, are killed with handguns, in homicides, by committing suicide, and by unintentional injuries. Handguns account for only one-third of all firearms, but are responsible for two-thirds of all firearm-related deaths. Handguns are used in about 80 percent of all firearm murders. Ninety-five percent of the people injured by a handgun each year require emergency care or hospitalization. Of these, 68 percent require overnight care and 32 percent require a hospital stay of 8 days or more. In 1991, the United States led the developed world with 14,373 gun murders, as compared to 186 gun murders in Canada, 76 in Australia, 60 in England, and 74 in Japan. One difference between the United States and the other countries cited is that the other countries all have much stricter gun control laws.

A new handgun is produced every 20 seconds in America. For at least a decade now, almost half of America's households have contained at least one gun and at least 25 percent have owned a handgun. According to one commentator,

> Gun ownership has become so pervasive that the mere fact of possession has become a problem in and of itself. The presence of guns, especially handguns in homes, has begun to be recognized as a danger to the families who live in those homes.

Some will argue that these grim statistics are the result of weak law enforcement, light sentencing, legitimate fear, and the waning of family values. Others will argue that they are the result of joblessness, poverty, and long-term neglect of our most violent neighborhoods. I have no doubt that the growing rate of violent activity has been aggravated in part by all these factors. But accepting many of these causes of handgun violence does not erase the reality that crime and deviant behavior have become much more of a burden on our society because of the explosive growth in handguns. Disputes that were settled with fists and knives 10 years ago are now being settled with guns. The number, availability, and destructive ability of handguns has contributed significantly to this tragedy.

The purpose of this bill is to make it at least as difficult to use a handgun as it is to drive a car. When the evidence on the danger of handguns is made clear to us on a daily basis, it is irresponsible to allow an instrument which can cause so much physical and psychological damage to be made available to people on such a liberal basis.

This bill makes it illegal to purchase a handgun without a valid, State-issued handgun license. The license would be similar to a driver's license and consist of an identification card with a photograph. In order to acquire the license, a person would have to undergo a background check, present proof of residency in the State of purchase, get fingerprinted, and pass a handgun safety course offered by a local law enforcement officer. Only new purchases of handguns would require a license. Those who currently possess handguns would not have to acquire a license unless they wanted to purchase more handguns.

To stop the transfer of handguns from straw man purchases to criminals and others intending to commit crimes, this legislation requires that all handgun transfers be registered with local officials. If the person transferring the weapon does not register the transfer, he or she will be in violation of Federal law.

To curb interstate gun running, this bill limits the purchase of a handgun by any one person to one a month. When this provision goes into effect, maybe Interstate 95 will lose its nickname, the "Iron Road," as it becomes less easy to run guns from States with little gun control to States, like New Jersey, that already enjoy some of the protections in this bill.

I am particularly pleased, Mr. President, that this bill incorporates my legislation, S. 1798, which increases the licensing fees for federally licensed firearm dealers. In addition to existing requirements, federally licensed firearm dealers would have to prove that they are in compliance with State and local laws, pass background checks, and pay $3,000 for a 3-year license. Today, there are more gun dealers than gas stations and grocery stores. This is outrageous, and I hope these provisions will change that situation.

This legislation also incorporates legislation I introduced with Senator MURRAY to increase the Federal tax on handguns to 30 percent as well as increasing the Federal tax on handgun ammunition to 50 percent.

Mr. President, this bill does prohibit the manufacture of semiautomatic assault weapons and Saturday night specials and ammunition which has no purpose other than to inflict as much damage on the human body as possible. But this bill does not restrict the purchase of any legitimate sporting weapons. Rifle and shotgun purchases are not affected. The bill is narrowly drafted to affect only those instruments and practices that are causing a disproportionate amount of the carnage.

In closing, Mr. President, we must continue our fight to end the death and destruction of our children and our families, which is too easily becoming a fact of life in our cities and towns. I urge support for this responsible handgun licensing and registration legislation.

STATEMENT OF JAMES BRADY—FEBRUARY 28, 1994

Last night, Sarah and I hosted an "end of the wild west" party to celebrate the implementation of the Brady Law. For that is what today marks—the end of unchecked access to guns by criminals, the deranged, and children. And while there is clearly reason to celebrate, we know that there is much more to do.

Almost daily, we pick up our morning newspapers and we read of gun-related tragedies. Too often, these tragedies involve innocent children. So while the gun lobby continues to argue that gun control legislation will not reduce gun crime, I will continue to ask, what crimes have our children committed that they deserve to live in fear of being mowed down as they walk to school? Of what are they guilty that they should be planning their own funerals instead of planning for their proms or graduations?

I believe that it is we who are guilty—for allowing the special interest gun lobby to run rough shod over public opinion for too long. But no longer. Today, the Brady Bill is the law of the land. And today, I begin the campaign for "Brady II," a comprehensive legislative plan to end America's epidemic of gun violence. Sarah and I are in this for the long haul. For as long as it takes until we can proudly say that the United States has a sensible national gun control policy.

STATEMENT OF SARAH BRADY, CHAIR, HANDGUN CONTROL, INC., FEBRUARY 28, 1994

Today we mark the first day under the Brady Law. It's been a long struggle, and we've heard a lot in recent days about whether the Brady bill will reduce gun-related violence in our society. The answer is, absolutely. Today, for the first time, America's law enforcement officials will be able to enforce a 25-year-old law on a national level. The 1968 Gun Control Act prohibits convicted felons and others from purchasing guns, but it failed to include a federal enforcement mechanism. While half of the states in this country enacted waiting periods and background checks to screen out illegal purchasers, the other half did not. Today, law enforcement in every state will finally have the means to keep handguns out of the hands of criminals.

We've also heard a lot in recent days about the confusion surrounding implementation of the Brady Law. Remember, this is the first significant change in 25 years—some confusion is to be expected. But nearly half the states currently conduct background checks, and have successfully stopped thousands upon thousands of prohibited persons from purchasing handguns over the years. Cops have been the biggest supporters of the Brady Bill because police know what will work—and they have said over and over that they would rather spend the time and resources preventing crimes than mopping up after a crime has been committed.

In addition, the Brady Law closes the loophole that currently enables criminals to travel from states with tough gun laws into states with weak or no gun laws to buy the weapons that fuel the illegal market. More than 90% of Americans wanted the Brady Law; 87% of gun owners supported the legislation. The Brady Law will work. It must be given time to do what it is intended to do. The Brady Law will make a difference.

But for all that the Brady Law will do, we know that we need to do more. In December, Handgun Control unveiled a comprehensive package of initiatives designed to end America's epidemic of gun violence. Today, that plan is being introduced as legislation in the 103rd Session of Congress by my two good friends, Senator Howard Metzenbaum and Congressman Charles Schumer. Senators Pell, Bradley, Lautenberg, Boxer, Chafee and Kennedy are original co-sponsors. The Handgun Violence Prevention Act of 1994 includes measures that Handgun Control has long espoused—such as licensing of handgun owners, registration of handgun purchases, and limits of those purchases to one per month. It is especially meaningful to Jim and I that Senator Kennedy will be with us as a leader in this campaign, for it was his legislation calling for licensing and registration—more than twenty years ago—that helped move this country in the direction of saner gun laws.

The National Center for Health Statistics estimates that by the year 2003, death from gunshot wounds will exceed automobile fatalities. We must begin our efforts to turn that terrible trend around. We must begin with a strong comprehensive plan of action, and we must begin now.

By Mr. COCHRAN (for himself and Mr. LOTT):

S. 1879. A bill to provide disaster assistance to producers for certain losses due to freezing conditions in 1994, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DISASTER ASSISTANCE LEGISLATION

Mr. COCHRAN. Mr. President, today, I am introducing legislation to provide disaster assistance to farmers who have suffered losses from the recent ice storm in the South.

Earlier this month, many counties in Mississippi suffered severe damage due to a winter storm of freezing rain and ice. This storm caused extensive damage to millions of acres of commercial orchards and timber. For example, it is estimated that it will be 8 to 10 years before normal production will be realized for up to one-half of Mississippi's pecan orchards. Severe damage was incurred on 3.7 million acres of forestland in the northern part of the State and included both young pine plantations and mature pine and hardwood timber. It is also estimated that the cost of cleanup and tree repair will exceed $1,000 per acre. In addition, the State's livestock and dairy industry suffered significant losses due to this storm.

This devastating ice storm not only affected Mississippi, but other States in the Midsouth and the Eastern portion of the United States. This bill will provide disaster assistance for orchard crop, forest crop, livestock, and dairy losses. Due to the severe damage to orchard trees, which will affect production for several years, this bill also provides assistance to orchard crop producers through 1998. The fact that no crop insurance is available for many of the producers suffering losses makes the enactment of this bill even more critical.

I urge other Senators to join me in this effort to ensure that disaster assistance will be made available to eligible farmers.

ADDITIONAL COSPONSORS

S. 289

At the request of Mr. REID, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 289, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from rules for determining contributions in aid of construction, and for other purposes.

S. 499

At the request of Mr. LOTT, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 499, a bill to amend title 18, United States Code, to provide mandatory life imprisonment for persons convicted of a third violent felony.

S. 784

At the request of Mr. HATCH, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 784, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish standards with respect to dietary supplements, and for other purposes.

S. 1026

At the request of Mr. LOTT, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1026, a bill to amend the Internal Revenue Code of 1986 to provide that certain deductions of members of the National Guard or reserve units of the Armed Forces will be allowable in computing adjusted gross income.

S. 1333

At the request of Mr. KENNEDY, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1333, a bill to improve the admissions process at airports and other ports of entry and to strengthen criminal sanctions for alien smuggling investigatory authority of the Immigration and Naturalization Service.

S. 1447

At the request of Mr. BRYAN, the names of the Senator from South Dakota [Mr. DASCHLE], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 1447, a bill to modify the disclosures required in radio advertisements for consumer leases, loans, and savings accounts.

S. 1625

At the request of Mr. BROWN, the names of the Senator from Montana [Mr. BURNS], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Wisconsin [Mr. FEINGOLD], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 1625, a bill to prohibit the sale of defense articles and defense services to countries that participate in the secondary and tertiary boycott of Israel.

S. 1690

At the request of Mr. PRYOR, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1819

At the request of Mrs. KASSEBAUM, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1819, a bill to prohibit any Federal department or agency from requiring any State, or political subdivision thereof, to convert highway signs to metric units.

S. 1836

At the request of Mr. DOLE, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1836, a bill for the relief of John Mitchell.

S. 1859

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1859, a bill to terminate the Department of Energy's program to promote the use of liquid metal reactors for the disposal of high-level radioactive waste.

S. 1863

At the request of Mr. COHEN, the names of the Senator from Tennessee [Mr. MATHEWS], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of S. 1863, a bill to amend title II of the Social Security Act to institute certain reforms relating to the provision of disability insurance benefits based on substance abuse and relating to representative payees, and for other purposes.

SENATE JOINT RESOLUTION 161

At the request of Mr. BUMPERS, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Missouri [Mr. DANFORTH], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of Senate Joint Resolution 161, a joint resolution to designate April 1994, as "Civil War History Month."

SENATE JOINT RESOLUTION 163

At the request of Mr. LEAHY, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Nebraska [Mr. EXON], the Senator from North Dakota [Mr. DORGAN], the Senator from Michigan [Mr. LEVIN], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Delaware [Mr. BIDEN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Dakota [Mr. PRESSLER], the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. BOND], the Senator from Georgia [Mr. NUNN], the Senator from Montana [Mr. BURNS], the Senator from Louisiana [Mr. BREAUX], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Virginia [Mr. WARNER], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from South Carolina [Mr. THURMOND], the Senator from Indiana [Mr. COATS], the Senator from Wisconsin [Mr. KOHL], the Senator from Alabama [Mr. SHELBY], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Washington [Mrs. MURRAY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Wyoming [Mr. SIMPSON], the Senator from California [Mrs. FEINSTEIN], the Senator from Vermont [Mr. JEFFORDS], the Senator from Hawaii [Mr. AKAKA], the Senator from Illinois [Mr. SIMON], the Senator from Wyoming [Mr. WALLOP], the Senator from Mississippi [Mr. LOTT], the Senator from Kentucky [Mr. FORD], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Colorado [Mr. CAMPBELL], the Senator from Wisconsin [Mr. FEINGOLD], the Senator from Tennessee [Mr. SASSER], the Senator from Oregon [Mr. PACKWOOD], the Senator from Texas [Mr. GRAMM], the Senator from Colorado [Mr. BROWN], the Senator from California [Mrs. BOXER], the Senator from Michigan [Mr. RIEGLE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Utah [Mr. HATCH], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Joint Resolution 163, a joint resolution to proclaim March 20, 1994, as "National Agricultural Day."

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. WOFFORD, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress in support of the President's actions to reduce the trade imbalance with Japan.

AMENDMENT NO. 1471

At the request of Mr. REID the names of the Senator from Tennessee [Mr. MATHEWS] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Amendment No. 1471 proposed to Senate Joint Resolution 41, a joint resolution proposing an amendment to the Constitution of the United States to require a balanced budget.

SENATE RESOLUTION 183—RELATIVE TO U.S. SEAFOOD PRODUCERS

Mr. KERRY (for himself, Mr. KENNEDY, Mr. STEVENS, Mr. PELL, Mr. MITCHELL, Mr. COHEN, and Mr. MURKOWSKI) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 183

Whereas the United States sells over $100 million of fresh and frozen seafood products to France annually;

Whereas the actions of the Government of France are adversely affecting the United States fishing industry;

Whereas this adverse effect is particularly severe on those parts of the industry that harvest, process and market fresh "underutilized species" such as dogfish, monkfish and skate, and causes disruptions to the normal flow of commerce for developed United States fisheries such as salmon and groundfish;

Whereas the French markets for these species and other species are important since Europeans, particularly the French, value fresh seafood products highly;

Whereas the Government of France is continuing to require inspections and testing, despite accepting the existing United States seafood certification programs of the National Marine Fisheries Service and the Food and Drug Administration;

Whereas the Government of France's additional inspections and testing are continuing without adequate justification or evidence of human health risks;

Whereas the unsubstantiated additional inspections and testing required by the Government of France, which can take up to four days, delay the delivery of fresh seafood products to the point where they begin to spoil and thus have effectively closed the French market to fresh United States seafood products; and

Whereas the harassment by the Government of France of seafood producers and products from the United States violates international agreements and raises serious questions about the usefulness of entering into agreements with the European Union and France: Now, therefore, be it

Resolved, That the Senate—

(a) calls upon the Government of France to stop immediately its harassment of United States seafood producers and products;

(b) demands that the Government of France compensate United States companies that have had seafood products damaged by its actions;

(c) calls upon the President of the United States to identify appropriate forms of sanctions that can be taken against the Government of France for its egregious violation of international agreements.

Mr. KERRY. Mr. President, Today I want to report on the recent actions by the Government of France that violate international agreements on trade and are unfairly penalizing the United States producers and exporters of fresh and frozen seafood. Unfortunately, and most apparent to all of us, the Government of France is attempting to appease its citizens, and prevent its rebellious fishermen from taking further violent actions, by conducting seafood inspection programs with no basis or justification other than harassment. To make matters worse, these actions of the French Government were implemented unilaterally without adequate warning and in contravention of French and European international trade obligations.

If I may explain further, the Government of France, in response to violent demonstrations and rioting by French fishermen protesting the importation of foreign seafood, has taken several measures. It established minimum import prices on a number of fishery products; tightened controls on import documentation and sanitary requirements; and most significantly, on February 8, 1994, implemented a ban on seafood imports from all but five non-European countries—Canada, Faroe Islands, Chile, Argentina, and New Zealand. As stated, these restrictions and the embargo came without advance notice.

The immediate effect of these measures was the stranding of 25 to 30 tons of fresh fish, valued at $250,000, at the Customs Office at Charles DeGaulle Airport in Paris where, without refrigeration, the seafood soon spoiled, began to rot and had to be destroyed. The long-term effects of these policies could be just as significant. The exporting of fresh and frozen seafood products to France is a $100 million a year business.

The Government of France justified these measures by stating that it simply has begun to enforce the European Union directives regarding seafood imports that were to go into effect next year. Only those countries whose seafood inspection regimes had received approval from the European Union were exempted from the ban.

Properly, the administration reacted swiftly to the French failure to honor its obligations as a member of the European Union and the General Agreement on Tariffs and Trade. The State Department in consultation with Ambassador Kantor immediately expressed our extreme displeasure with the French actions and challenged the French assertion that our inspection regimes did not meet the European Union standards. Information provided by the Food and Drug Administration and the National Marine Fisheries Service provided sufficient evidence that exporters who met the United States inspection regime standards would also meet European Union standards. Therefore on Saturday, February 12, 1994, 4 days after the embargo began, France had no choice but to add the United States to the list of countries from which seafood products could be imported.

This should have been the end of this problem but it is not. The lifting of the ban on United States products only means that United States products are allowed into France. However, the French, in an apparent effort to continue to placate their rebellious fishermen have maintained they have the right to conduct rigorous inspection of all seafood imports and to detain these products while awaiting results of tests ordered. This policy has resulted in needless delays of up to 4 days and in reality, means that fresh seafood, including monkfish which can spoil in one day, cannot make it to market in time.

Furthermore, the main point of entry for fresh seafood products, Charles DeGaulle Airport, is still closed to imports based on the fact that it does not have sufficient refrigeration capacity to store products that are being detained. The other Paris airport, at Orly, also has been closed to imports since its storage facility is at capacity.

These events have had a disastrous effect on the fishermen and producers of fresh seafood, especially in Massachusetts. Hundreds of individuals, and families are affected, from the fishermen who catch the fish, to the workers in processing plants, to airline workers who transport the products. I have heard from plants throughout New England that are faced with no option except to lay off workers or to close down operations until the situation is resolved. In other cases, exporters have tried alternate routes through other European Union Countries in an effort to get their products to markets in France. In an attempt to overcome the delays, Larry Sylvia of Family Fisheries in New Bedford, MA, has been flying his fresh seafood into a neighboring European Union country daily and then trucking it into France. However, his profit is being eaten up by the extra shipping costs. Now, there are reports from the French authorities that United States seafood products that arrive in France through other European Union Countries may be subject to further inspections once they reach the marketplace.

These French actions are yet another blow to the New England fishing industry since the majority of the exports to France are species such as dog fish, monkfish, and skate that at present have little United States domestic demand. However, Europeans, particularly the French, value these species much more and offer much higher market prices. The harvesting and marketing of these underutilized species was to be an important part of the plan for the New England fishing industry to transition from the present fishery primarily composed of groundfish, such as cod and haddock. This transition is necessary since the National Marine Fisheries Service management plans cut groundfish harvests by half over the next 5 years beginning in March 1994. This reduction in harvests is already being predicted to have disastrous effects on traditional fishing communities like New Bedford and Gloucester. The restrictions by the French will only exacerbate the problems of an already struggling fishing industry.

I have been in continuous contact with the Secretary of Commerce, the United States Trade Representative, the State Department, and the National Marine Fisheries Service so I know that the administration has acted quickly to respond to these unwarranted actions of France. Senator

KENNEDY, Congressman FRANK, and I have encouraged Secretary Brown to continue efforts to lift the de facto French embargo. I also have provided the U.S. Trade Representative and the State Department with examples of the immediate impact these restrictions are having on the New England fishing industry. I applaud the efforts of Representatives FRANK, STUDDS, and TORKILDSEN in their introduction of a House Resolution calling upon the Government of France to stop its harassment of United States seafood imports and for President Clinton to identify areas for retaliatory trade sanctions against France.

I appreciate the efforts and coordination of the Federal agencies and departments involved in resolving this issue. However, the latest advisories to the industry from the National Marine Fisheries Service and the FDA recommend that "fresh product should not be shipped to French airports for the foreseeable future and that frozen products are likely to suffer delays." The Federal message has been "in time we will work it out," but time is running out as the U.S. fresh seafood exporting industry is grinding to a halt. I am in a difficult position of explaining to my constituents that everything that can be done is being done and that they must be patient. This industry is one that can ill afford to be patient. Tomorrow may be too late. I encourage the State Department to pressure the French Ministry of Agriculture and Fisheries to ease the effects of the inspections by giving preference to fresh products over frozen products, to reduce the inspection time to 24 hours, and to reopen the Charles DeGaulle airport to fish imports as soon as possible.

I understand that the Government of France is exercising its sovereignty and its right to establish standards for the safety of the French people. However, in this case it has not established nor demonstrated any evidence that United States products are contaminated and somehow pose a health threat to the French population. Consequently, France is failing to honor its obligations as a member of the European Union and as a signatory to the General Agreement on Tariffs and Trade. By these actions the French have capitulated to the threat of violence rather than standing up for what is right. The French Government action's are even more difficult to understand when you realize that the United States annually imports $360 million of French seafood products, not to mention other food products. France has much more to lose than we do if we pursue our lawful remedies under international trade agreements.

I support the actions of Ambassador Kantor advising French Trade Minister Longuet on Thursday, February 17, 1994, that the harassment activities of the Government of France are not in the interest of France as an exporting nation. Furthermore, unless these unwarranted harassment efforts cease I call upon the President to institute appropriate retaliatory trade sanctions against France as soon as possible.

Mr. KENNEDY. Mr. President, I join in expressing my strong disapproval of the continuing actions by the French Government against United States seafood imports. There is no justification for France's protectionist actions against these imports. The actions clearly violate the international trade agreements that we have negotiated in good faith with both France and the European Union.

The continue harassment by France has resulted in serious damage to American fishermen. The United States fishing industry exports thousands of dollars' worth of fresh seafood each day to France. New England fisherman have already been hard hit by the recent recession, and they certainly cannot afford to suffer further economic loss as a result of unjust French trade policies.

Although France recently added the United States to its list of countries from which seafood products can be imported, France continue to harass our products by requiring them to undergo rigorous and unwarranted inspections. In addition, certain ports of entry into France remain closed to our imports. These unnecessary obstructions, restrictions, and needless delays have resulted in the spoilage of many fresh seafood products.

The trade barriers that France continues to impose on these imports must be eliminated immediately. The Senate resolution that we are introducing today urges France to comply with international trade regulations and end its harassment of United States seafood imports. It also ask restitution to the American fishing industry for the damage that has been suffered, and it urges the President to identify appropriate counter-measures to be taken against France if this distressing situation is not resolved immediately.

AMENDMENTS SUBMITTED

HEALTH SECURITY ACT

HARKIN (AND OTHERS) AMENDMENT NO. 1472

(Ordered to lie on the table)

Mr. HARKIN (for himself, Mr. HATFIELD, Mr. KENNEDY, and Mrs. KASSEBAUM) submitted an amendment intended to be proposed by him to the bill S. 1757, a bill to ensure individual and family security through health care coverage for all Americans in a manner that contains the rate of growth in health care costs and promotes responsible health insurance practices, to promote choice in health care, and to ensure and protect the health care of all Americans; as follows:

At the appropriate place in title III, insert the following new subtitle:

Subtitle ___—Health Research

SEC. _____1. SHORT TITLE.

This subtitle may be cited as the "Health Research Act of 1994".

SEC. _____2. FINDINGS.

The Congress finds the following:

(1) Nearly 4 of 5 peer reviewed research projects deemed worthy of funding by the National Institutes of Health are not funded.

(2) Less than 2 percent of the nearly one trillion dollars our Nation spends on health care is devoted to health research, while the defense industry spends 15 percent of its budget on research.

(3) Public opinion surveys have shown that Americans want more Federal resources put into health research and support by having a portion of their health insurance premiums set aside for this purpose.

(4) Ample evidence exists to demonstrate that health research has improved the quality of health care in the United States. Advances such as the development of vaccines, the cure of many childhood cancers, drugs that effectively treat a host of diseases and disorders, a process to protect our Nation's blood supply from the HIV virus, progress against cardiovasculor disease including heart attack and stroke, and new strategies for the early detection and treatment of diseases such as colon, breast, and prostate cancer clearly demonstrates the benefits of health research.

(5) Among the most effective methods to control health care costs are prevention and cure of disease and disability, thus, health research which holds the promise of cure and prevention of disease and disability is a critical component of any comprehensive health care reform plan.

(6) The state of our Nation's research facilities at the National Institutes of Health and at universities is deteriorating significantly. Renovation and repair of these facilities are badly needed to maintain and improve the quality of research.

(7) Because the Omnibus Budget Reconciliation Act of 1993 freezes discretionary spending for the next 5 years, the Nation's investment in health research through the National Institutes of Health is likely to decline in real terms unless corrective legislative action is taken.

(8) A health research fund is needed to maintain our Nation's commitment to health research and to increase the percentage of approved projects which receive funding at the National Institutes of Health to at least 33 percent.

SEC. _____3. NATIONAL FUND FOR HEALTH RESEARCH.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States an account, to be known as the "National Fund for Health Research" (hereafter referred to in this section as the "Fund"), consisting of such amounts as are transferred to the Fund under subsection (b) and any interest earned on investment of amounts in the Fund.

(b) TRANSFERS TO FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Fund an amount equal to the amounts designated under paragraph (2) and received in the Treasury.

(2) AMOUNTS.—

(A) IN GENERAL.—With respect to each calendar year beginning with the first full calendar year during which a comprehensive health care reform program utilizing a regional and corporate health alliance structure has been implemented, each such alliance shall set aside and transfer to the Treasury of the United States the applicable amount under subparagraph (B) and under section 6097 of the Internal Revenue Code of 1986.

(B) APPLICABLE AMOUNT.—The applicable amount under this subparagraph with respect to a regional or corporate alliance shall be equal to—

(i) with respect to the first full calendar year described in subparagraph (A), .25 percent of all health premiums received by the alliance for such year;

(ii) with respect to the second calendar year described in subparagraph (A), .50 percent of all health premiums received by the alliance for such year;

(iii) with respect to the third calendar year described in subparagraph (A), .75 percent of all health premiums received by the alliance for such year; and

(iv) with respect to the fourth and succeeding calendar years described in subparagraph (A), 1 percent of all health premiums received by the alliance for such year.

(3) DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS.—

(A) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR THE NATIONAL FUND FOR HEALTH RESEARCH

"Sec. 6097. Amounts for the National Fund for Health Research.

"SEC. 6097. AMOUNTS FOR THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may designate that—

"(1) a portion (not less than $1) of any overpayment of the tax imposed by chapter 1 for the taxable year, and

"(2) a cash contribution (not less than $1), be paid over to the National Fund for Health Research established under section ______3 of the Health Research Act of 1994. In the case of a joint return of a husband and wife, each spouse may designate one-half of any such overpayment of tax (not less than $2).

"(b) MANNER AND TIME OF DESIGNATION.—Any designation under subsection (a) may be made with respect to any taxable year only at the time of filing the original return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made either on the 1st page of the return or on the page bearing the taxpayer's signature.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this section, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last day prescribed for filing the return of tax imposed by chapter 1 (determined with regard to extensions) or, if later, the date the return is filed.

"(d) DESIGNATED AMOUNTS NOT DEDUCTIBLE.—No amount designated pursuant to subsection (a) shall be allowed as a deduction under section 170 or any other section for any taxable year.

"(e) TERMINATION.—This section shall not apply to taxable years beginning in a calendar year after a determination by the Secretary that the sum of all designations under subsection (a) for taxable years beginning in the second and third calendar years preceding the calendar year is less than $5,000,000.".

(B) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of such Code is amended by adding at the end the following new item:

"Part IX. Designation of overpayments and contributions for the National Fund for Health Research.".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to taxable years beginning after December 31, 1993.

(c) EXPENDITURES FROM FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay annually, within 30 days after the President signs an appropriations Act for the Departments of Labor, Health and Human Services, and Education and related agencies, or by the end of the first quarter of the fiscal year, to the Secretary of Health and Human Services on behalf of the National Institutes of Health, an amount equal to the amount in the National Fund for Health Research at the time of such payment, to enable the Secretary to carry out the purpose of section 404F of the Public Health Service Act, less any administrative expenses which may be paid under paragraph (3).

(2) PURPOSES FOR EXPENDITURES FROM FUND.—Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following new section:

"SEC. 404F. EXPENDITURES FROM THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—From amounts received for any fiscal year from the National Fund for Health Research, the Secretary of Health and Human Services shall distribute—

"(1) 2 percent of such amounts during any fiscal year to the Office of the Director of the National Institutes of Health to be allocated at the Director's discretion for the following activities:

"(A) for carrying out the responsibilities of the Office of the Director, National Institutes of Health, including the Office of Research on Women's Health and the Office of Research on Minority Health, the Office of the Alternative Medicine and the Office of Rare Diseases Research; and

"(B) for construction and acquisition of equipment for or facilities of or used by the National Institutes of Health;

"(2) 2 percent of such amounts for transfer to the National Center for Research Resources to carry out section 1502 of the National Institutes of Health Revitalization Act of 1993 concerning Biomedical and Behavioral Research Facilities;

"(3) 1 percent of such amounts during any fiscal year for carrying out section 301 and part D of title IV with respect to health information communications; and

"(4) the remainder of such amounts during any fiscal year to member institutes of the National Institutes of Health and Centers in the same proportion to the total amount received under this section, as the amount of annual appropriations under appropriations Acts for each member institute and Centers for the fiscal year bears to the total amount of appropriations under appropriations Acts for all member institutes and Centers of the National Institutes of Health for the fiscal year.

"(b) PLANS OF ALLOCATION.—The amounts transferred under subsection (a) shall be allocated by the Director of NIH or the various directors of the institutes and centers, as the case may be, pursuant to allocation plans developed by the various advisory councils to such directors, after consultation with such directors.".

(3) ADMINISTRATIVE EXPENSES.—Amounts in the National Fund for Health Research shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

(A) modifying the individual income tax return forms to carry out section 6097 of the Internal Revenue Code of 1986;

(B) carrying out this section with respect to such Fund; and

(C) processing amounts received under this section and transferring such amounts to such Fund.

(4) TRIGGER AND RELEASE OF FUND MONIES.—No expenditures shall be made pursuant to section ____3(c) during any fiscal year in which the annual amount appropriated for the National Institutes of Health is less than the amount so appropriated for the prior fiscal year.

(d) BUDGET ENFORCEMENT.—Amounts contained in the National Fund for Health Research shall be excluded from, and shall not be taken into account for purposes of, any budget enforcement procedures under the Congressional Budget Act of 1974 or the Balanced Budget Emergency Deficit Control Act of 1985.

HEALTH SECURITY ACT

HARKIN (AND OTHERS) AMENDMENT NO. 1473

(Ordered to lie on the table)

Mr. HARKIN (for himself, Mr. HATFIELD, Mr. KENNEDY, and Mrs. KASSEBAUM) submitted an amendment intended to be proposed by him to the bill S. 1779, a bill to ensure individual family security through health care coverage for all Americans in a manner that contains the rate of growth in health care costs and promotes responsible health insurance practices to promote choice in health care, and protect the health care of all Americans; as follows:

At the appropriate place in title III, insert the following new subtitle:

Subtitle ___—Health Research

SEC. _____1. SHORT TITLE.

This subtitle may be cited as the "Health Research Act of 1994".

SEC. _____2. FINDINGS.

The Congress finds the following:

(1) Nearly 4 of 5 peer reviewed research projects deemed worthy of funding by the National Institutes of Health are not funded.

(2) Less than 2 percent of the nearly one trillion dollars our Nation spends on health care is devoted to health research, while the defense industry spends 15 percent of its budget on research.

(3) Public opinion surveys have shown that Americans want more Federal resources put into health research and support by having a portion of their health insurance premiums set aside for this purpose.

(4) Ample evidence exists to demonstrate that health research has improved the quality of health care in the United States. Advances such as the development of vaccines, the cure of many childhood cancers, drugs that effectively treat a host of diseases and disorders, a process to protect our Nation's blood supply from the HIV virus, progress against cardiovasculor disease including heart attack and stroke, and new strategies for the early detection and treatment of dis-

eases such as colon, breast, and prostate cancer clearly demonstrates the benefits of health research.

(5) Among the most effective methods to control health care costs are prevention and cure of disease and disability, thus, health research which holds the promise of cure and prevention of disease and disability is a critical component of any comprehensive health care reform plan.

(6) The state of our Nation's research facilities at the National Institutes of Health and at universities is deteriorating significantly. Renovation and repair of these facilities are badly needed to maintain and improve the quality of research.

(7) Because the Omnibus Budget Reconciliation Act of 1993 freezes discretionary spending for the next 5 years, the Nation's investment in health research through the National Institutes of Health is likely to decline in real terms unless corrective legislative action is taken.

(8) A health research fund is needed to maintain our Nation's commitment to health research and to increase the percentage of approved projects which receive funding at the National Institutes of Health to at least 33 percent.

SEC. _____3. NATIONAL FUND FOR HEALTH RESEARCH.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States an account, to be known as the "National Fund for Health Research" (hereafter referred to in this section as the "Fund"), consisting of such amounts as are transferred to the Fund under subsection (b) and any interest earned on investment of amounts in the Fund.

(b) TRANSFERS TO FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Fund an amount equal to the amounts designated under paragraph (2) and received in the Treasury.

(2) AMOUNTS.—

(A) IN GENERAL.—With respect to each calendar year beginning with the first full calendar year during which a comprehensive health care reform program utilizing a regional and corporate health alliance structure has been implemented, each such alliance shall set aside and transfer to the Treasury of the United States the applicable amount under subparagraph (B) and under section 6097 of the Internal Revenue Code of 1986.

(B) APPLICABLE AMOUNT.—The applicable amount under this subparagraph with respect to a regional or corporate alliance shall be equal to—

(i) with respect to the first full calendar year described in subparagraph (A), .25 percent of all health premiums received by the alliance for such year;

(ii) with respect to the second calendar year described in subparagraph (A), .50 percent of all health premiums received by the alliance for such year;

(iii) with respect to the third calendar year described in subparagraph (A), .75 percent of all health premiums received by the alliance for such year; and

(iv) with respect to the fourth and succeeding calendar years described in subparagraph (A), 1 percent of all health premiums received by the alliance for such year.

(3) DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS.—

(A) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR THE NATIONAL FUND FOR HEALTH RESEARCH

"Sec. 6097. Amounts for the National Fund for Health Research.

"SEC. 6097. AMOUNTS FOR THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may designate that—

"(1) a portion (not less than $1) of any overpayment of the tax imposed by chapter 1 for the taxable year, and

"(2) a cash contribution (not less than $1), be paid over to the National Fund for Health Research established under section _____3 of the Health Research Act of 1994. In the case of a joint return of a husband and wife, each spouse may designate one-half of any such overpayment of tax (not less than $2).

"(b) MANNER AND TIME OF DESIGNATION.—Any designation under subsection (a) may be made with respect to any taxable year only at the time of filing the original return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made either on the 1st page of the return or on the page bearing the taxpayer's signature.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this section, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last day prescribed for filing the return of tax imposed by chapter 1 (determined with regard to extensions) or, if later, the date the return is filed.

"(d) DESIGNATED AMOUNTS NOT DEDUCTIBLE.—No amount designated pursuant to subsection (a) shall be allowed as a deduction under section 170 or any other section for any taxable year.

"(e) TERMINATION.—This section shall not apply to taxable years beginning in a calendar year after a determination by the Secretary that the sum of all designations under subsection (a) for taxable years beginning in the second and third calendar years preceding the calendar year is less than $5,000,000.".

(B) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of such Code is amended by adding at the end the following new item:

"Part IX. Designation of overpayments and contributions for the National Fund for Health Research.".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to taxable years beginning after December 31, 1993.

(c) EXPENDITURES FROM FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay annually, within 30 days after the President signs an appropriations Act for the Departments of Labor, Health and Human Services, and Education and related agencies, or by the end of the first quarter of the fiscal year, to the Secretary of Health and Human Services on behalf of the National Institutes of Health, an amount equal to the amount in the National Fund for Health Research at the time of such payment, to enable the Secretary to carry out the purpose of section 404F of the Public Health Service Act, less any administrative expenses which may be paid under paragraph (3).

(2) PURPOSES FOR EXPENDITURES FROM FUND.—Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following new section:

"SEC. 404F. EXPENDITURES FROM THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—From amounts received for any fiscal year from the National Fund for Health Research, the Secretary of Health and Human Services shall distribute—

"(1) 2 percent of such amounts during any fiscal year to the Office of the Director of the National Institutes of Health to be allocated at the Director's discretion for the following activities:

"(A) for carrying out the responsibilities of the Office of the Director, National Institutes of Health, including the Office of Research on Women's Health and the Office of Research on Minority Health, the Office of the Alternative Medicine and the Office of Rare Diseases Research; and

"(B) for construction and acquisition of equipment for or facilities of or used by the National Institutes of Health;

"(2) 2 percent of such amounts for transfer to the National Center for Research Resources to carry out section 1502 of the National Institutes of Health Revitalization Act of 1993 concerning Biomedical and Behavioral Research Facilities;

"(3) 1 percent of such amounts during any fiscal year for carrying out section 301 and part D of title IV with respect to health information communications; and

"(4) the remainder of such amounts during any fiscal year to member institutes of the National Institutes of Health and Centers in the same proportion to the total amount received under this section, as the amount of annual appropriations under appropriations Acts for each member institute and Centers for the fiscal year bears to the total amount of appropriations under appropriations Acts for all member institutes and Centers of the National Institutes of Health for the fiscal year.

"(b) PLANS OF ALLOCATION.—The amounts transferred under subsection (a) shall be allocated by the Director of NIH or the various directors of the institutes and centers, as the case may be, pursuant to allocation plans developed by the various advisory councils to such directors, after consultation with such directors.".

(3) ADMINISTRATIVE EXPENSES.—Amounts in the National Fund for Health Research shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

(A) modifying the individual income tax return forms to carry out section 6097 of the Internal Revenue Code of 1986;

(B) carrying out this section with respect to such Fund; and

(C) processing amounts received under this section and transferring such amounts to such Fund.

(4) TRIGGER AND RELEASE OF FUND MONIES.—No expenditures shall be made pursuant to section ____3(c) during any fiscal year in which the annual amount appropriated for the National Institutes of Health is less than the amount so appropriated for the prior fiscal year.

(d) BUDGET ENFORCEMENT.—Amounts contained in the National Fund for Health Research shall be excluded from, and shall not be taken into account for purposes of, any budget enforcement procedures under the Congressional Budget Act of 1974 or the Balanced Budget Emergency Deficit Control Act of 1985.

• Mr. HARKIN. Mr. President, I rise today on behalf of myself and Senators HATFIELD, KENNEDY, and KASSEBAUM to introduce the fund for health research as a bipartisan amendment to President Clinton's Health Security Act. Congressman COYNE of Pennsylvania will be sponsoring this measure in the

House. This is a critically important amendment that addresses an issue that has been largely overlooked.

As health care spending devours more and more of the national budget, our medical research budget is dying of starvation. This year the Nation will spend nearly $1 trillion looking after the sick and less than 2 percent of that looking for cures, preventive measures and more effective treatment.

By comparison, the Department of Defense spends 15 percent of its budget on research. The cold war is over, but the war against disease and disability continues. It's time that our budget reflects that reality.

The fund for health research represents a bipartisan solution, and health care reform is the appropriate vehicle.

Mr. President, we commend the President and Hillary Clinton for taking the lead on health-care reform. Two years ago this Nation was discussing whether to reform our health-care system. Thanks to their courage and commitment, today we're not talking about whether, but when—and what kind of reform we're going to have.

But unfortunately, until now the thrust of the health care debate has been over how to pay the health-care bills—not how to prevent them. Unless we address the main cause of skyrocketing costs—disease and disability—any steps we take on health-care reform will be about as effective as rearranging the deck chairs on the *Titanic.*

We propose giving medical research a boost by amending the President's Health Security Act. The fund for health research would increase funding for the National Institutes of Health by $5 billion a year. It would be financed by a 1 percent set-aside from each health-insurance premium as well as proceeds from a check-off on Federal income-tax forms. This would increase NIH research funding by 50 percent.

Mr. President, medical research is lagging in the United States because funding for approved NIH grants has fallen below 25 percent, compared to rates of 30 percent or more just a decade ago.

Sadly, the United States is cutting back on medical research at the same time medical researchers stand poised on the verge of major lifesaving discoveries.

Just 3 months ago, researchers announced they had identified a genetic flaw linked to as many as one in seven cases of colon cancer, as well as a number of other fatal cancers. Last December researchers reported they may have identified a genetic risk factor for Alzheimer's disease.

If confirmed, this finding could lead to a simple diagnostic blood test, saving over $250 million a year, and could ultimately lead to a treatment for the disease.

This could save the Nation as much as $50 billion in long-term care costs alone—aside from the costs in human suffering, which we can't begin to measure.

But because the budget agreement Congress just negotiated freezes discretionary spending for 5 years, we lack the resources to meet this vital need.

The only way to change course, Mr. President, is to fund health research with a revenue source outside the budget process. The fund for health research would use an appropriate vehicle: Health insurance premiums.

Mr. President, our proposal has tremendous support. It has been endorsed by over 200 national organizations representing consumers, business groups, seniors, physicians, and top researchers. It is supported by numerous Nobel Prize-winners as well as our distinguished former Surgeon General, C. Everett Koop.

Most Americans support the goal of the fund for health research, as well as the financing mechanism. In a recent Lou Harris poll, 9 out of 10 Americans favored spending more money on health research. More than 70 percent said they're willing to pay $1 more per week in insurance premiums to support health research.

The timing of the introduction of the fund for health research is especially appropriate in light of the death last Monday of one of America's most tireless crusaders for health research, philanthropist Mary Lasker. Mary Lasker died at age 93 at her home in Greenwich, CT.

Thanks to her we have the National Institutes of Health—the world's preeminent health research institute. She is truly the mother of the NIH, and was integral to establishing each of its 13 institutes. In 1984, a center at the NIH was named in her honor: the Mary Woodard Lasker Center for Health Research and Education.

The best way to honor the legacy of Mary Lasker is to focus on alleviating disease and suffering as soon as possible. I encourage our colleagues to support the fund for health research so we can focus on preventing disease rather than just paying the bills.

Mr. President, I ask unanimous consent that a list of the groups endorsing our amendment, a set of questions and answers regarding the fund, and a recent Lou Harris survey on this subject be included in the RECORD along with a copy of the amendment at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FUND FOR HEALTH RESEARCH—ENDORSEMENTS

AIDS Treatment News.
Albert and Mary Lasker Foundation.
Allergan.
Allergy and Asthma Network.
Alliance for Aging Research.
Alliance for Eye and Vision Research.
Allied Signal.
Alzheimer's Association.
Ambulatory Pediatric Association.
American Academy of Allergy and Immunology.
American Academy of Audiology.
American Academy of Child and Adolescent Psychiatry.
American Academy of Dermatology.
American Academy of Neurology.
American Academy of Opthamology.
American Academy of Orthopedic Surgeons.
American Academy of Otolaryngolog-Head and Neck Surgery, Inc.
American Academy of Physician Assistants.
American Association for Cancer Research.
American Association for Dental Research.
American Association for the Study of Liver Diseases.
American Association of Anatomists.
American Association of Blood Banks.
American Association of Colleges of Nursing.
American Association of Colleges of Osteopathic Medicine.
American Association of Colleges of Pharmacy.
American Association of Colleges of Podiatric Medicine.
American Association of Mental Retardation.
American Association of University Professors.
American Cancer Society.
American Cleft Palate Association.
American College of Allergy and Immunology.
American College of Human Genetics.
American College of Neuropsychopharmacology.
American College of Nurse-Midwives.
American College of Rheumatology.
American Congress of Rehab Medicine.
American Family Foundation.
American Federation for Aging Research.
American Gastroenterological Association.
American Geriatrics Society.
American Health Foundation.
American Heart Association.
American Lung Association.
American Nurses Association.
American Neurological Association.
American Occupational Therapy Association.
American Otological Society.
American Pediatric Society.
American Physiological Society.
American Podiatric Medical Association.
American Porphyria Foundation.
American Psychiatric Association.
American Psychological Association.
American Psychological Society.
American Social Health Association.
American Society for Biochemistry and Molecular Biology.
American Society for Cell Biology.
American Society for Gastrointestinal Endoscopy.
American Society for Microbiology.
American Society for Pharmacology & Experimental Therapeutics.
American Society of Addiction Medicine.
American Society of Clinical Nutrition.
American Society of Hematology.
American Society of Human Genetics.
American Society of Nephrology.
American Society of Therapeutic Radiology and Oncology.
American Society of Tropical Medicine and Hygiene.
American Surgical Association.
American Thoracic Society.
American Urological Association.

American Veterinary Medical Association.

Anxiety Disorder Association of America.

Arthritis Foundation.

Association for Chemoreception Sciences.

Association for Medical School Pharmecology.

Association for Practitioners in Infection Control.

Association for Research in Vision and Ophtamology.

Association of Academic Departments of Otolaryngology.

Association of Academic Health Science Library Directors.

Association of American Cancer Institutes.

Association of American Medical Colleges.

Association of American Physicians.

Association of American Veterinary Medical Colleges.

Association of Anatomy Cell Biology Neurobiology Chairpersons.

Association of Behavioral Sciences & Medical Education.

Association of Chairman of Departments of Physiology.

Association of Medical and Graduate Departments of Biochemistry.

Association of Medical School Pediatric Department Chairman.

Association of Pathology Chairman.

Association of Pediatric Oncology Nurses.

Association of Professors of Dermatology.

Association of Professors of Medicine.

Association of Reproductive Health Professionals.

Association of Schools of Public Health.

Association of Teachers of Preventive Medicine.

Association of University Environmental Health Sciences Centers.

Association of University Professors of Opthamalogy.

Autism Society of America.

Biophysical Society.

Bowman Gray School of Medicine Department of Biochemistry.

Brown University School of Medicine.

Candlelighters Childhood Cancer Foundation.

Central Society for Clinical Research.

Child Neurology Society.

Children's Blood Foundation.

Citizens for Public Action on Blood Pressure and Cholesterol, Inc.

Cleft Palate Foundation.

Coalition of Patient Advocates for Skin Disease Research.

College on Physicians and Surgeons, Columbia University.

Cooley's Anemia Foundation.

Cooper Hospital/University Medicare Center.

Corporation for the Advancement of Psychiatry.

Council of Community Blood Centers.

Crohn's and Colitis Foundation of America.

Cult Awareness Network.

Cystic Fibrosis Foundation.

DES Action.

Deafness Research Foundation.

Digestive Disease National Coalition.

Dystrophic Epidermolysis Bullosa Research Foundation of America.

Eczema Association for Science and Education.

Endocrine Society.

Epilepsy Foundation of America.

FDA Council.

Federation of American Societies for Experimental Biology.

Federation of Behavioral, Psychological and Cognitive Sciences.

Foundation for Ichthyosis & Related Skin Types.

Fred Hutchinson Cancer Research Center.

Friends of NIDCD.

General Clinical Research Centers Director's Association.

Genetics Society of America.

Health Care Engineering Policy of IEEE—USA.

Human Rights Campaign Fund.

Huntington's Disease Society of America.

IEEE—USA, Health Care Engineering Policy Committee.

Infectious Diseases Society of America.

International Rett Syndrome Association.

Johns Hopkins University, School of Medicine.

Joint Council of Allergy and Immunology.

Joslin Diabetes Center.

Juvenile Diabetes Foundation.

Learning Disabilities Association.

Leukemia Society of America.

Lupus Foundation of America.

Medical Library Association.

Microscopy Society of America.

Myasthenia Gravis Foundation.

Nathan W. and Margaret T. Shock Aging Research Foundation, Inc.

National Allergy and Asthma Network.

National Alliance for the Mentally Ill.

National Association for Biomedical Research.

National Association for Rural Mental Health.

National Association of Development Disabilities Councils.

National Association of Nurse Practitioners in Reproductive Health.

National Association of Pediatric Nurse Associates and Practitioners.

National Association of Psychiatric Treatment Centers for Children.

National Breast Cancer Coalition.

National Caucus of Basic Biomedical Science Chairs.

National Caucus and Center on Black Aged.

National Coalition for Cancer Research.

National Committee to Preserve Social Security and Medicare.

National Council on Spinal Cord Injury.

National Depressive and Manic-Depressive Association.

National Foundation for Depressive Illnesses.

National Head Injury Foundation, Inc.

National Hemophilia Foundation.

National Marfan Foundation.

National Minority AIDS Council.

National Multiple Sclerosis Society.

National Neurofibromatosis Foundation.

National Organization for Rare Disorders.

National Osteoporosis Foundation.

National Parkinson's Foundation.

National Perinatal Association.

National Psoriasis Foundation.

National Rehabilitation Association.

National Spinal Cord Injury Foundation.

National Sudden Infant Death Syndrome Alliance.

Older Women's League.

Paget Foundation.

Paralyzed Veterans of America.

Parkinson's Action Network.

Research Rett Syndrome.

School of Medicine and Dentistry, University of Rochester.

Scleroderma Research Foundation.

Sickle Cell Disease Association of America.

Society for Academic Anesthesiology Chairs.

Society for Critical Care Medicine.

Society for Gynecological Investigation.

Society for Investigative Dermatology.

Society for Neuroscience.

Society for Investigative Dermatology.

Society for Surgery of the Alimentary Tract.

Society for the Advancement of Women's Health Research.

Society of Chairman of Academic Radiology Departments.

Society of Surgical Chairman.

Society of Toxicology.

Society of University Otolaryngologists.

Spina Bifida Association of America.

Susan Komen Breast Cancer Foundation.

Surgical Infection Society.

The American Parkinson Disease Association, Inc.

The French Foundation for Alzheimer Research.

The Gerontological Society of America.

The Jeffrey Modell Foundation.

The National Center for Voice & Speech.

The Society of Surgical Oncology.

Tourette Syndrome Association.

United Scleroderma Foundation.

University of Alabama School of Medicine.

University of Michigan Medical School.

University of Vermont College of Medicine.

Upjohn Company.

Wake Forest University Medical Center.

Yale University School of Medicine.

YWCA of the U.S.A.

FUND FOR HEALTH RESEARCH—QUESTIONS AND ANSWERS

What does the proposal call for?

As a component of health care reform, a mechanism would be established to provide additional funds for health research over and above those provided to the National Institutes of Health (NIH) in the annual appropriations process. When fully phased in, approximately 1 percent of all the monthly health insurance premiums collected by corporate and regional alliances would be set aside and regularly transferred by the alliances into a Fund For Health Research in a manner consistent with the set aside for graduate medical education and academic health centers proposed in the President's health care reform plan. This additional set aside should generate sufficient funds to provide for an approximately 50 percent increase in funding for the NIH.

Each year amounts within the Fund would automatically be allotted to each of the NIH Institutes and Centers. Five percent of the monies would be directed to extramural construction and renovation of research facilities, the National Library of Medicine, and the Office of the Director. So that an appropriate range of basic and applied research is supported, each Institute and Center would receive the same percentage of the remaining Fund monies as they received of the total NIH appropriation for that fiscal year. In order to insure that the additional funds generated do not simply replace regularly appropriated NIH funds, monies from the Fund would be released only if the total appropriated for the NIH in that year equal or exceed the prior year appropriations.

Additional monies for the Fund would be generated by a voluntary Federal income tax check-off. Every year, when filing their Federal income tax returns, Americans would be given the opportunity to designate tax overpayments and contributions for health research. Monies from the check-off would be deposited in the Fund.

Why is this proposal necessary?

Health research has brought us the advances in treatment and prevention of disease and disability that define our current high standards of medical practice and promises even more remarkable advances in the near future. Perhaps more than any other component of our health care system, it holds the promise of both reducing medical costs and improving quality. Yet, because the Federal budget agreement freezes discretionary spending for the next four years, Federal funding for health research will likely not even keep up with inflation unless a separate funding stream is established. Health care reform offers the best opportunity to establish such a new stream.

What is the status of the Harkin/Hatfield proposal?

A formal amendment detailing the proposal will be introduced February 28, 1994. Efforts will focus on having the proposal attached to any health care reform proposal reported out by the Committees and adopted by the full Senate. It is anticipated that a similar proposal will be put forward in the House of Representatives. A hearing focusing on the Fund was held before the Senate Labor and Human Resources Committee on December 8, 1993.

Will the Fund simply replace exiting monies appropriated to NIH?

No. Monies generated by the Fund would be in addition to, not in replacement of those provided to each of the NIH Institutes in the normal appropriations process. Monies from the Fund could not be allotted unless total NIH appropriations in that year were equal or greater than the prior year appropriations. Therefore, the Fund could not be used as a mechanism to replace to reduce regularly appropriated funds.

What is the relationship of the premium set-aside in the Harkin/Hatfield proposal to the set aside for academic health centers and graduate medical education in the Clinton health reform plan?

The two are separate and complementary. The graduate medical education and academic health center set aside will provide many important research institutions with needed support. However, this set aside does not directly fund health research. The Harkin/Hatfield proposal does.

How would money from the Fund be allocated among research priorities?

The proposal does not pick winners and losers among areas of health research. It does not interfere with the funding decisions made through the normal appropriations process. Funds would be allocated to each of the NIH Institutes and Centers based on the percentage that each of these entities received of the total NIH appropriation for that year. Monies allotted to each NIH entity would be spent according to a plan developed by the entities' advisory council in consultation with the Director. Each Institute would decide the appropriate distribution of Fund monies among various research priorities within the Institute.

In recognition of the poor state of many medical research facilities, 2 percent of the total Fund would be taken off the top for extramural construction and renovation of research building and facilities. In accordance with traditional funding patterns, 1 percent of the total Fund would go to the National Library of Medicine. An additional 2 percent would go to the NIH Director for intramural construction and renovation and other activities supported by the Office of the Director.

How much support is there for the Fund for Medical Research?

The Harkin/Hatfield proposal has widespread support among the American people and among the health, health research and business communities. A Louis Harris poll released in December found that over 70 percent of Americans support such a plan. Support was strong across all age and income groups and in all regions of the country. In addition, over 200 organizations representing millions of Americans have endorsed the proposal. The fund has been endorsed by numerous Nobel Laureates, leading health care experts and business leaders.

[From Research America]

MEDICAL RESEARCH AND HEALTH CARE CONCERNS: A SURVEY OF THE AMERICAN PUBLIC

(Conducted by Louis Harris & Associates, November 1993)

The Harris nationwide poll was conducted by telephone within the United States between November 11th and 15th, among a cross section of 1,254 adults. Figures for age, sex, race, education and region were weighted where necessary to bring them into line with their actual proportions in the population.

Research America, a national not-for-profit organization dedicated to raising public awareness of and support for medical research, commissioned Louis Harris and Associates to ask seven questions about medical research as part of a larger survey focusing on a broad range of current issues. The margin of error is approximately 3 percent.

HIGHLIGHTS

1. Americans rank medical research as their single highest research priority.

When asked which one type of scientific research is most valuable, Americans overwhelmingly favor medical research (66%). Environmental (18%), energy (6%) and defense (4%) finish next. None of the other four types (space, electronics, computers and transportation) is preferred by more than 1 percent.

The same question was asked nationally in April of 1992. The only type of research to garner a significant increase between April '92 and November '93 is medical research.

Women are more likely than men to say medical research is most valuable.

[In percent]

Type	*April 1992*	Nov. 1993, overall	Nov. 1993, men	Nov. 1993, women
Medical	49	66	59	73
Environmental	29	18	18	17
Energy	10	6	9	3
Transportation	3	1	2	1
Defense	2	4	5	3
Space	2	1	2	1
Computer	2	1	2	1
Electronics	1	1	2	--

2. Americans think this nation is not spending enough on medical research.

Nine out of ten Americans (91%) believe this nation should spend more on medical research to better diagnose, prevent and treat disease.

In fact, 60% feel this country should spend a lot more on medical research—more than those saying spend on energy, space and defense research combined (35, 10 and 9 percent, respectively).

Sixty-four percent of women believe this nation should spend *a lot* more on medical research compared to fifty-six percent of men.

3. Not only do Americans want more spent on medical research, but Americans are willing to pay for it.

If assured the money would be spent for additional medical research:

74% are willing to spend $1 more per week in taxes;

75% are willing to spend $1 more per prescription drug; and

77% are willing to spend $1 more per week in insurance premiums.

4. The actual amount spent on medical research is well below what the American people believe should be spent.

At the moment, about three cents out of each health care dollar spent in the U.S. goes for medical research. The median value suggested by those surveyed: 10 cents per dollar.

5. As we reform the health care system, the majority of Americans think the commitment to medical research should be higher.

When asked about medical research specifically in the context of health care reform, 56% of those surveyed said the national commitment to medical research should be higher while only 5% said it should be lower. Thirty-eight percent said the commitment should remain about the same.

In the context of health care reform, 58 percent of women think the national commitment to medical research should be higher and 55 percent of men feel it should be higher.

HIGHLIGHTS

1. Americans rank medical research as their single highest research priority.

When asked which one type of scientific research is most valuable, Americans overwhelmingly favor medical research (66%). Environmental (18%), energy (6%) and defense (4%) finish next. None of the other four types (space, electronics, computers and transportation) is preferred by more than 1 percent.

The same question was asked nationally in April of 1992. The only type of research to garner a significant increase between April '92 and November '93 is medical research.

African-Americans value medical research significantly more than the overall average.

[In percent]

Type	April 1992	Nov. 1993, overall	Nov. 1993, African-American
Medical	49	66	79
Environmental	29	18	9
Energy	10	6	2
Transportation	3	1	1
Defense	2	4	3
Space	2	1	3
Computer	2	1	1
Electronics	1	1	1

2. Americans think this nation is not spending enough on medical research.

Nine out of ten Americans (91%) believe this nation should spend more on medical research to better diagnose, prevent and treat disease.

In fact, 60% feel this country should spend a lot more on medical research—more than those saying spend a lot more on energy, space and defense research combined (35, 10 and 9 percent, respectively).

Nearly three out of every four (74 percent) African-Americans believe that this nation should spend a lot more on medical research.

3. Not only do Americans want more spent on medical research, but Americans are willing to pay for it.

Percentage willing to spend more if assured the money would be spent for additional medical research:

[In percent]

	Overall	African-American
$1 more per week in taxes	74	83
$1 more per prescription drug	75	84
$1 more per week in health insurance premiums	77	89

4. The actual amount spent on medical research is well below what the American people believe should be spent.

At the moment, about three cents out of each health care dollar spent in the U.S. goes for medical research. The median value suggested by those surveyed: 10 cents per dollar.

5. As we reform the health care system, the majority of Americans think the commitment to medical research should be higher.

When asked about medical research specifically in the context of health care reform, 56% of those surveyed said the national commitment to medical research should be higher while only 5% said it should be lower. Thirty-eight percent said the commitment should remain about the same.

In the context of health care reform, 66 percent of all African-Americans contend that as we reform the health care system the national commitment to medical research should be higher.

HIGHLIGHTS

1. Americans rank medical research as their single highest research priority.

When asked which one type of scientific research is most valuable, Americans overwhelmingly favor medical research (66%). Environmental (18%), energy (6%) and defense (4%) finish next. None of the other four types (space, electronics, computers and transportation) is preferred by more than 1 percent.

The same question was asked nationally in April of 1992. The only type of research to garner a significant increase between April '92 and November '93 is medical research.

The Hispanic population values medical research four times higher than any other type of scientific research.

[In percent]

Type	April 1992	Nov. 1993, Overall	Nov. 1993, Hispanic
Medical	49	66	68
Environmental	29	18	15
Energy	10	6	3
Transportation	3	1	3
Defense	2	4	1
Space	2	1	3
Computer	2	1	....
Electronics	1	1	5

2. Americans think this nation is not spending enough on medical research.

Nine out of ten Americans (91%) believe this nation should spend more on medical research to better diagnose, prevent and treat disease.

In fact, 60 percent feel this country should spend a lot more on medical research— more than those saying spend a lot more on energy, space and defense research combined (35, 10 and 9 percent, respectively).

Nearly two out of every three (65 percent) Hispanics believe that this nation should spend a lot more on medical research.

3. Not only do Americans want more spent on medical research, but Americans are willing to pay for it.

Percentage willing to spend more if assured the money would be spent for additional medical research:

[In percent]

	Overall	Hispanic
$1 more per week in taxes	74	78
$1 more per prescription drug	75	70
$1 more per week in health insurance premiums	77	82

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At the moment, about three cents out of each health care dollar spent in the U.S. goes for medical research. The median value suggested by those surveyed: 10 cents per dollar.

5. As we reform the health care system, the majority of Americans think the commitment to medical research should be higher.

When asked about medical research specifically in the context of health care reform, 56% of those surveyed said the national commitment to medical research should be higher while only 5% said it should be lower. Thirty-eight percent said the commitment should remain about the same.•

• Mr. HATFIELD. Mr. President, my good friend, the great philanthropist, Mary Lasker said, "If you think research is expensive, try disease." These words capture the motivation and message of Senator HARKIN, Representative COYNE, and myself in proposing legislation in our respective Chambers to establish the national fund for health research.

Disease is expensive, far more expensive than medical research, costing this Nation hundreds of billions of dollars annually. Yet none of the major health care reform bills currently under consideration take seriously the role of medical research—the single means by which we will conquer disease.

Today, federally supported research on Alzhemier's disease totals $300 million, yet it is estimated that $90 billion is expended annually on care. Federally supported research on diabetes totals $290 million, yet it is estimated that $25 billion is expended annually on care. Federally supported research on mental health totals $613 million, yet it is estimated that $130 billion is expended annually on care.

Disease drives the cost of health care. Without new knowledge to develop new strategies to prevent disease, new treatments to delay the progression of disease, and new interventions to cure disease, health care costs will continue to spiral out of control. We can cap costs in the near term, but without a long-term strategy to bring these costs down or eliminate them entirely, we have only a partial solution to our health care delivery dilemma.

Health research is a central mechanism for controlling these health care costs and is an essential cost control element for comprehensive health care reform.

Disease is also expensive in another sense; it takes a heavy toll on the quality of life for millions of Americans and their families. Yet, recent dramatic developments in molecular medicine and genetics have spawned tremendous optimism and opportunity for advancing understanding and new treatments.

Uncovering the genes responsible for disorders, such as Huntington's disease, cystic fibrosis, certain rear disorders, and some forms of breast and colon cancers give hope to millions of afflicted individuals. But if we fail to maintain a vibrant health research enterprise these hopes will be dashed and the treatments of tomorrow will be the treatments of today.

It is very troubling to me that at a time when the biomedical sciences have entered such an era of unprecedented opportunity, fault lines are appearing in our research infrastructure.

In fiscal year 1993, one of the first red flags appeared. The Congress, for the first time since I have served in the Senate, appropriated less money for the National Institutes of Health than the President had requested. In fiscal year 1994 the outlook was worse. The President's budget recommended funding below the fiscal year 1993 level for 9 of the 19 NIH institutes and centers.

At the time, the percentage of research grant applications the NIH is able to fund has reached a 10-year low. The NIH estimated that under the President's budget, the number of scientifically meritorious research grants funded would fall to only one in five. Fortunately, the Congress did not concur in the President's recommendation, but instead appropriated a 5.2-percent increase for each of the institutes and centers.

This year, the budget requested by the President includes a 4.7-percent increase for the NIH, although over half of the proposed increase is targeted to specific research programs. It is, nevertheless, a more promising starting point than the budget of a year ago. However, because we are in the middle of a 5-year freeze on discretionary spending, one can only predict that meeting the President's request for the NIH will be difficult at best.

In the 1980's this country witnessed a massive military defense buildup. In the 1990's, nothing short of a disease defense buildup will yield the cost containment required and quality of life hoped for from enactment of comprehensive health care reform. Through the legislation we are introducing today to establish the national fund for health research, we are taking the first step toward this disease defense buildup—and we are doing so with the solid support of the American public.

A recent Harris poll has shown that Americans strongly support health research and are willing to put their money behind their words. The poll asked Americans which type of scientific research they favored—66 percent favored medical research. Environmental research followed at 18 percent, energy research at 6 percent, and defense finished at 4 percent. At the moment, about 3 cents out of each health care dollar spent in the United States goes to medical research. Of those surveyed, the value suggested was at least 10 cents per dollar. Even more encouraging is that if assured that the funds would be spent for medical research, 74 percent of Americans are willing to spend $1 more per week in taxes, 75 percent are willing to spend $1 more per prescription drug, and 77 percent are willing to spend $1 more per week in insurance premiums.

As a member of the Senate Appropriations Committee for over 20 years, I know that the stability we need in medical research cannot be accomplished solely through the regular appropriations process. A dedicated funding source is required to ensure annual appropriations to meet the challenges of reduced health costs and improved quality of life for millions of Americans suffering from disease and disability.

The national fund for health research, which would fall outside of the Federal budget process, achieves this objective. When fully implemented, funding for medical research would increase by 50 percent and yield support for 1 out of 3 meritorious research proposals. This is accomplished through two funding options: a setaside on health insurance premiums and a voluntary Federal income tax checkoff.

Senator HARKIN and I are introducing our legislation today as an amendment to S. 1779, the administration's health care reform plan as sponsored by Senator KENNEDY, which is pending on the Senate calendar, and as an amendment to S. 1775, the administration's health care reform plan sponsored by Senator MOYNIHAN, which is also pending on the Senate calendar. When these bills are referred to committee, our amendment will also be referred to both the Labor and Finance Committees. It is our intention to have this concept considered on every possible health care reform vehicle. It is already attached to S. 1770, the health care reform plan sponsored by Senator CHAFEE, of which I am a cosponsor. We will pursue it on any other moving vehicle which purports to be a comprehensive health care reform bill. It is our intention to see the national fund for health research established as soon as possible.

On Thursday, February 17, the First Lady stated "medical research and health care reform go hand in hand," and I agree. The legislation we are introducing today will make this shared objective a reality. I urge my colleagues to join in this truly bipartisan effort to make sure the Nation's response to health care reform is complete.•

Mrs. KASSEBAUM. Mr. President, I am pleased to cosponsor the Health Research Act of 1994, being introduced today by Senator HATFIELD and Senator HARKIN. This legislation is aimed at expanding research funding through the National Institutes of Health [NIH]. It would do this by establishing a biomedical research trust fund. This trust fund would augment, not replace, resources currently provided to NIH through the appropriations process.

Americans of all ages benefit from the findings of biomedical research funded by the NIH. The foundation of this effort is the many committed scientists throughout this country. Through investigator-initiated efforts, these individuals have developed effective diagnostic and treatment methods for debilitating or deadly illnesses. Unfortunately, the NIH is currently able to fund only one out of five research proposals.

The $5 billion biomedical research trust fund created by this legislation would help reverse this situation. The funding raised through both a health insurance premium surcharge and a tax checkoff would allow the NIH to support a greater proportion of the grant proposals it receives. Such an increase in funding would help secure the benefits of biomedical research for generations to come.

In addition to establishing the trust fund, this legislation would also authorize the distribution of the fund to each institute, in proportion to the institutes' appropriations. While this approach has merit, I hope to work with my colleagues to improve this method. Mr. President, I believe that a portion of the trust fund, or the entire trust fund, should be distributed to the NIH director to be used at his own discretion.

Leaving the distribution of the trust fund in the hands of the Director is advantageous for a couple of reasons. First, control of the trust fund would help strengthen the role of the NIH Director. Because NIH funds are appropriated directly to each institute, the NIH Director currently has limited powers. Second, the ability to fund trans-institute efforts would improve research for many illnesses which require collaborative efforts among different institutes. Such illnesses are not currently well served by the existing funding walls posed by the institutes and the institute-specific appropriations process.

Mr. President, I look forward to working with the Senator from Oregon and the Senator from Iowa to improve this legislation. I ask unanimous consent that my statement be made part of the RECORD at the appropriate place.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the effect of the administration's Superfund reauthorization proposals on the Department of Energy's Environmental Restoration and Waste Management Program.

The hearing will take place on Thursday, March 24, 1994, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC. 20510, Attention: Sam Fowler.

For further information, please contact Sam Fowler of the committee staff at 202/224–7569.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KERRY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Monday, February 28.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

1995 SPECIAL OLYMPICS WORLD GAMES COMMEMORATIVE COIN ACT

• Mr. DURENBERGER. Mr. President, it is an honor for me to join with my distinguished colleague from Connecticut, Senator DODD, as an original cosponsor of S. 1860, the 1995 Special Olympics World Games Commemorative Coin Act.

As we have proudly watched our athletes represent the United States in Lillehammer, I am reminded of another group of special individuals who give their utmost not only in the athletic arena, but in their daily lives. Three years ago this summer, Minnesota hosted over 6,000 athletes from around the world as they competed in the International Special Olympics. These games were the largest sporting event in the world in 1991—and the largest international multisport event ever held in Minnesota. I, along with members of my staff, appreciated the opportunity to admire these world-class competitors as they exhibited courage, fortitude, and a sincere desire to be the best.

These games play a vital role in the continued development of public awareness of the potential and capabilities of people with handicaps. The support which these athletes receive from their coaches, families, friends, and volunteers is returned many times over by the outstanding human spirit displayed by these special competitors.

Mr. President, I hope my colleagues will join me in support of S. 1860 as we recognize the achievements of some truly admirable individuals who have taught us so much.•

THE 100TH ANNIVERSARY OF THE UKRAINIAN NATIONAL ASSOCIATION

• Mr. MOYNIHAN. Mr. President, I understand that this month marks the

100th anniversary of the Ukrainian National Association and I am pleased to extend my warmest congratulations on this milestone.

During those 100 years the people of Ukraine suffered unimaginable deprivations. And yet, throughout Ukraine's national nightmare its friends and supporters never wavered in their support of the Ukrainian people. Today, we rejoice in the independence of Ukraine and look forward to ever stronger cultural, social, and political relations between Ukraine and the United States.●

RECOGNITION OF MARVISTA ELEMENTARY SCHOOL

• Mr. GORTON. Mr. President, I rise to recognize Marvista Elementary School in Seattle, WA for excellence in education.

Last month while I was home in Washington State, I held an education conference where I met with many teachers, administrators, parents, and students to discuss educational concerns in our State. While their thoughts and ideas were as varied and different as the many people who populate Washington, one theme was constant. Innovative and resourceful programs which educators work hard to plan and execute deserve more recognition. I therefore promised to recognize, on a monthly basis, a school or school program that is outstanding and innovative. Marvista Elementary is a school very deserving of such recognition.

At my education conference I noted two important issues for education reform. First, strong parental involvement is key to the success of students. Secondly, because of limited financial resources available to schools, innovative partnership programs with corporations are beneficial in helping the individual schools educate our children.

Marvista Elementary has been a leader in both these fields. Their PTA has been recognized as one of the most active and involved in the State. For the past 2 years, the PTA has earned statewide recognition as the outstanding local unit with its volunteers devoting over 4,000 hours to the student learning process. It is this outstanding parental involvement that is essential in educating our children.

Recognizing the limited resources available to most schools, including their own, Marvista Elementary initiated a unique partnership program with the Boeing Corp. Fifth and sixth grade students are given the opportunity to learn from Boeing employees who volunteer their time before school to assist the students in mathematics. Student participation in this award winning math program is at an amazing 34 percent. Boeing, being a major player in the economy of Washington State, is demonstrating once again that it is innovative and bold by participating in this outstanding program that assists the community. Programs such as this are key to the future of education.

Its many innovative programs have made Marvista Elementary School a leader and brought about a healthy learning environment to the students. The teachers and administrators of Marvista have established successful programs and ideas which should be promoted throughout Washington State, as well as the entire U.S.●

ORDERS FOR TUESDAY, MARCH 1, 1994

Mr. KERRY. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. Tuesday, March 1; that following the prayer, the Journal of proceedings be approved to date, and time for the two leaders be reserved for their use later in the day; that the Senate then resume consideration of Senate Joint Resolution 41, the balanced budget constitutional amendment, with the time until 1 p.m. controlled under the provisions of a previous order; further, that the time from 2:30 p.m. to 3 p.m. be equally divided and controlled between Senators SIMON and REID or their designees; provided further that the previously ordered party conferences commence at 1 p.m. and extend until 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. KERRY. Mr. President, if there is no further business to come before the Senate today, I ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 7:27 p.m., recessed until Tuesday, March 1, 1994, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate February 28, 1994:

DEPARTMENT OF STATE

DAVID M. RANSOM, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF BAHRAIN.

EXTENSIONS OF REMARKS

OSTEOPATHIC PHYSICIANS' CERTIFICATION A MUST FOR MEDICAID

HON. MIKE KREIDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. KREIDLER. Mr. Speaker, I rise today to introduce a bill which amends title XIX of the Social Security Act to continue to permit Federal payment under the Medicaid Program for services to children and pregnant women performed by physicians certified by medical specialty boards recognized by the American Osteopathic Association [AOA]. This bill will make a technical correction to the Omnibus Budget Reconciliation Act of 1990 [OBRA90] by recognizing AOA certification.

In an effort to prevent unqualified doctors from providing specialized treatment to Medicaid patients, Congress enacted a provision of OBRA90 which would require that physicians serving these populations be certified in family practice, pediatrics, or obstetrics by the medical specialty board recognized by the American Board of Medical Specialties [ABMS] for family practice, pediatrics, or obstetrics. While the goal of ensuring that the best-qualified providers serve these vulnerable Medicaid populations is appropriate, the language that passed directly subverts that goal.

Specifically, the provision fails to recognize as eligible those physicians certified by the AOA. In so doing, the provision also fails to recognize that there are two types of physicians permitted to practice medicine and surgery, and recognized as such by the Federal Government and State governments across this Nation: allopathic physicians, to whom M.D. degrees are conferred, and osteopathic physicians, to whom D.O. degrees are conferred. Further, there are respective certifying bodies for each of these professions: the ABMS, which certifies physicians who have trained in allopathic post-graduate programs, and the AOA, which certifies those physicians who have trained in osteopathic post-graduate programs.

At a time when this Nation is grappling with the need to reform its health care system, allowing this legislative omission to proceed, unchecked, would create a flagrant conflict with one of the primary goals of health care: ensuring quality care to the underserved. For more than a century osteopathic physicians have been filling a unique and vital niche in the delivery of health care in America. Despite the fact that osteopathic physicians constitute only 5.5 percent—about 35,000 osteopathic physicians—of the Nation's physician-manpower, they serve approximately 1 out of every 4 Medicaid recipients in the United States. Indeed, the failure to recognize osteopathic certification in general/family practice, pediatrics, and obstetrics will deny a quarter of this Nation's Medicaid patients the quality health care they deserve and know.

This is why I am introducing this measure, which I strongly urge my colleagues to support. It is my hope that this bill will provide a significant step toward ensuring that the vital services provided by osteopathic physicians remain available to any Medicaid beneficiary seeking them, particularly pregnant women and children under the age of 21.

The bill follows:

H.R. 3906

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMITTING FEDERAL PAYMENT UNDER MEDICAID FOR SERVICES FURNISHED TO CHILDREN OR PREGNANT WOMEN BY INDIVIDUALS CERTIFIED BY BOARD RECOGNIZED BY AMERICAN OSTEOPATHIC ASSOCIATION.

(a) IN GENERAL.—Section 1903(i)(12) of the Social Security Act (42 U.S.C. 1396b(i)(12)), as redesignated by section 13631(c)(3) of the Omnibus Budget Reconciliation Act of 1993, is amended—

(1) by amending clause (i) of subparagraph (A) to read as follows:

"(i) is certified in family practice or pediatrics by the medical specialty board recognized by the American Board of Medical Specialties for family practice or pediatrics or is certified in general practice or pediatrics by the medical specialty board recognized by the American Osteopathic Association,"; and

(2) by amending clause (i) of subparagraph (B) to read as follows:

"(i) is certified in family practice or obstetrics by the medical specialty board recognized by the American Board of Medical Specialties for family practice or obstetrics or is certified in general practice or obstetrics by the Medical Specialty Board recognized by the American Osteopathic Association,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Omnibus Budget Reconciliation Act of 1990.

A TRIBUTE TO THE HONORABLE BISHOP S.C. MADISON

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. BLACKWELL. Mr. Speaker, I rise today on the floor of the U.S. House of Representatives to pay tribute to one of the Nation's most beloved clergymen. On Thursday, February 24, the Honorable Bishop S.C. Madison was honored at a celebration service at the United House of Prayer for All People, in the great city of Philadelphia, recognizing his outstanding years of service to the Lord Jesus Christ. To commemorate this most special occasion, I would like to take a moment to reflect on the remarkable career of this outstanding American.

A native of Greenville, SC, Bishop Madison has deep roots in the United House of Prayer. From the age of 8 years old when his mother put his name on the rolls of the House of Prayer, Bishop Madison quickly advanced through the church, and became a leader among his peers. As a Boy Scout, a member of the Musical Shout Band, and later as a deacon, Bishop Madison's calling was clear from the beginning. At the tender young age of 17, he received the Holy Ghost, entered into the ministry, and served faithfully in the House of the Lord throughout the States of Virginia, North Carolina, and South Carolina.

At 23 years of age, he was appointed by church founder Bishop C.M. Grace to the general council, the highest ecclesiastical body of the organization. In this capacity, Bishop Madison traveled extensively across the United States, and to Cuba. Bishop W. McCollough, Bishop Grace's successor, eventually sent Bishop Madison to Pennsylvania, where he became chairman of Pennsylvania, supervising all of the Houses of Prayer in the Commonwealth of Pennsylvania. He soon took on similar positions in Maryland and the District of Columbia, culminating in his appointment as senior minister in 1986. The torch was soon passed, and now Bishop S.C. Madison is the beloved leader of the United House of Prayer for All People.

Mr. Speaker, his accomplishments are far too many to name here, but some of his crowning achievements include raising from the 1st through the 32d Degree in Masonry, serving as a participant at the request of President Carter at a White House briefing on domestic violence in May 1980, and his appointment as lieutenant colonel and aide de camp to Gov. Zell Miller of Georgia.

The city of Philadelphia has been especially blessed by Bishop Madison's loving guidance. He and his followers are tireless advocates of community housing, and have constructed and continue to build numerous churches and houses throughout our great city.

Mr. Speaker, I would like to ask my colleagues to rise and join me in paying our greatest tributes to the Honorable Bishop S.C. Madison. I would also like to extend warm appreciation to Bishop Madison's beloved congregation throughout the United States. May God continue to bless and smile on this truly great man, enabling him to continue to preside over our spiritual community for many years.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

KEY DOCUMENTS PROVE INNOCENCE OF JOSEPH OCCHIPINTI

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. TRAFICANT. Mr. Speaker, as part of my continuing efforts to bring to light all the facts in the case of former Immigration and Naturalization Service agent Joseph Occhipinti, I submit into the RECORD the second part of a sworn affidavit from one Luis Rodriguez:

SWORN AFFIDAVIT FROM LUIS RODRIGUEZ

NURYS TRAVEL AGENCY

(1) On April 27, 1991, I met with Nurys Brito, the owner of Nurys Travel located at 1 West 182 Street, Bronx, New York. At that time, I told Nurys that I was a drug dealer from New Jersey and had never filled any income tax paper with the IRS. I told Nurys I was trying to bring a relative to the United States with a green card and needed false tax papers to show I worked and paid taxes. During that conversation, I told her that I was also looking for a new agency to send my drug money to the Dominican Republic. She told me that the maximum she consent was 5,000 Dollars. However, agreed to discuss this matter further. Nurys attitude was positive and she appeared to be interested in my deal.

(2) On April 30th, 1991, I returned to see Nurys at the travel Agency in order to finish our discussion. She was very nervous, but agreed to make a phone call about the money transfers. I overheard Nurys tell someone on the phone that she did not personally know me, and hang up the phone. Nurys told me in a changed attitude that they would not do anything illegal at the travel agency. I had learned from Nurys Secretary that she had attended an earlier meeting with the prosecutor. I believe it was the same meeting "Santana" told me about with the prosecutor warned the witnesses to be careful.

CHECO GROCERY/MEDINA GROCERY

(1) On April 20, 1991, I bought from the Checo Grocery located at 421 Audubon Ave., New York, New York, a bottle of untaxed Dominican rum. I also discussed with one of the employees the sale of the stolen beer, as well as the purchase of a case of untaxed rum for a hundred and fifty Dollars (US$150.00). The employee whose name was Checo agreed to buy ten cases of the stolen beer at five ($5.00 dollars) per case, I also bought a "bolita". I was told to call "Radhames" on April 23rd, 1991 at telephone number (212) 927 2382. I had learned that "Radhames" was the owner of the Medina Grocery and was related to Enrique Checo, both of whom were witnesses against the Officer Occhipinti.

(2) On April 27, 1991, I called the Medina Grocery and was told that there was no "Radhames" there.

(3) On April 30th, 1991, I called the number given to me by Checo and spoke to someone named Raymundo, regarding the sale of the stolen beer.

(4) On April 30th, 1991, I went to the Johnny and Ray Grocery at 4163 Broadway, New York, New York. I went there because I was told Enrique Checo was the owner. At that time, I bought a bottle of untaxed Dominican rum.

(5) I have been informed that Enrique Checo and Leonidas Liberato—Checo testified in the Grand Jury that they were not involved in gambling activities. That testimony was false in view of my investigation.

J & M GROCERY

(1) On April 22, 1991, I went to the J & M Grocery at 275 Wadsworth Ave., New York, New York and placed a gambling bet. I spoke to an employee about the sale of the stolen beer. The employee told me to speak to Maximo the Boss who would be interested.

(2) On April 30, 1991, I met with Jose Prado at the J & M Grocery. I learned at that time that Mr. Prado was also the owner of the "El Gigante Grocery". I spoke to Mr. Prado about the stolen beer, who agreed to buy three hundred (300) cases at seven ($7.00) Dollars per case.

(3) I have been informed that Mr. Prado denied in the Grand Jury his involvement in illegal activities. That testimony is a lie because I recall also placing a bet at the "El Gigante Grocery", which is owned by Mr. Prado.

YEYA GROCERY

(1) On April 22, 1991, I placed a gambling bet at YEYA Grocery located at 1608 Saint Nicholas Ave., New York, New York.

(2) On May 7, 1991, I went to Yeya Grocery and met with Elias Taveras, who was a witness against Mr. Occhipinti. Mr. Taveras was complaining that on May 5th, 1991, the police had gone to his bodega and arrested two of his employees for "bolitas" and selling untaxed rum. During the conversation I told Mr. Taveras that I was a drug dealer in New Jersey interested in wiring large amounts of drug money to the Dominican Republic. He agreed to help me and brought me into the "Los Rosantes Travel Agency", which was next door to the Bodega. Inside the agency, I met a man called Santos who agreed to wire for me twenty five thousand ($25,000) dollars in drug money to the Dominican Republic.

(3) I have been informed that Mr. Taveras testified in the Grand Jury that he was not involved in gambling activities. That testimony was a lie in view of my undercover investigation.

(4) I have been informed that Mr. Taveras denied at trial his offer to help me legally wire twenty five thousand Dollars ($25,000) in drug money. That testimony is a lie and could be verified by reviewing the taped conversation.

TELEVICINE PRINTING

(1) On April 19, 1991, I went to the Televicine printing located at the 3785 Broadway, New York, New York. I met the owner, a man called Andres Flores. According to a sign at the store, Mr. Flores prepared income tax papers. I explained to Mr. Flores that I was a drug dealer from New Jersey with no legitimate earnings. I told him I needed false income tax papers in order to get my relative into the United States with a green card. I wanted to show the consulate I was employed and paid my taxes. He agreed to sell me the false tax return for ninety five ($95.00) Dollars. I left Mr. Flores a forty ($40.00) Dollars deposit and was given a receipt. I was told to return on April 20th, 1991 in order to pick up the papers.

(2) On April 20, 1991 I returned to the Televicine Printing and was given the false income tax papers from Mr. Andres. I paid them fifty ($50.00) Dollars as final payment.

(3) I have been told that Mr. Flores had testify before the Grand Jury and denied being involved in any illegal activities. Mr. Flores lied to the Grand Jury.

UPTOWN TRAVEL SERVICES

(1) On April 18, 1991, I went to the Uptown Travel Services at 3750 Broadway, New York, N.Y. I met with Raymundo Tejada, the owner who was also a witness against Mr. Occhipinti. I told Mr. Tejada that I was a drug dealer from New Jersey interesting in wiring drug money to the Dominican Republic. We agreed to meet later in order to discuss this matter. I was given his business card.

(2) On April 20, 1991, I returned to the travel agency and spoke to Mr. Tejada. He agreed to wire twenty five thousand ($25,000) Dollars in drug money to the Dominican Republic. We also discussed his preparing false immigration documents for one of my relatives. During that conversation, I told Raymundo that I was looking for a new source of cocaine in order to get a better price. He told me that he would look around even though he doesn't sell drugs.

(3) I have been told that Mr. Tejada told the Grand Jury that he was not involved in Illegal activities. That testimony is a lie base upon my undercover work.

This Affidavit is made freely and voluntarily, and without any pressure or coercion being used.

INVESTIGATIONS OF CONVENIENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. DORNAN. Mr. Speaker, our colleague, Representative ERNEST ISTOOK, wrote a superb editorial which appeared in the Washington Times on Monday, February 21. The editorial examines the rationale behind the upcoming resolution compelling our ethics committee to investigate and report allegations of embezzlement at the House post office. The text of his article is as follows:

INVESTIGATIONS OF CONVENIENCE

Congress will have another opportunity soon to clean up its own house, by compelling the House Ethics Committee to open a long-overdue probe of the House Post Office. Several members of Congress evidently used the Post Office to embezzle tens of thousands of dollars from taxpayers. It's time to do something about it.

The House can find the time to investigate anyone and anything—except itself. Even the U.S. Senate has taken huge chunks of time to launch an ethics probe into sexual harassment allegations aimed at one of its members. Yet embezzlement somehow escapes similar attention from the House!

The House Post Office affair is a continuing scandal that has never died, though many have sought to bury it. For years, the embezzlement was discussed—and dismissed—as only a rumor. Six postal employees have been convicted of various improprieties, but the last was the bombshell. Last July 19, Robert V. Rota, for 20 years the postmaster, made a surprise guilty plea in federal court to three counts of conspiracy to aid embezzlement. In the court papers, government prosecutors stated they could prove "the embezzlement of United States funds by certain United States congressmen." The court papers described how the scheme worked: Congressmen were given cash from Post Office funds, while official records would make it look like they had bought stamps with their office funds. Although naming no names, the prosecutors implicated "several members of Congress," involving tens of thousands of dollars. But in almost eight months since then, there have been no indictments of any of these.

How many members of Congress? Who are they? And why has nothing been done about them? The stock answer is that the Justice Department is investigating, so the House should stand aside and leave the matter alone. That answer isn't good enough, for multiple reasons: First, because the House has an independent constitutional duty to act against wrongdoers. Second, because it's questionable whether the Justice Department will resolve the whole mess.

The House ethics committee's foremost job is to pursue major violators, not minor ones. The Constitution charges us with policing the "disorderly behavior" of our members. We cannot pass the buck to anybody else to do this for us. In fact, when a separate House task force reviewed general postal operations in 1992, Mr. Rota lied to cover up the embezzlement scam. The task force also bristled at the suggestion from the Department of Justice (DOJ) that Congress should leave such matters alone, only prosecutors should pursue them. Accusing Justice of trying to "thwart" internal probing by the House, the Task Force's report stated it was "hampered by DOJ's intermeddling and interference with this legislative mandate."

The proper question is not whether the House should investigate even while anybody else does so. The proper question is how we coordinate and work together. As the task force also concluded, "Failure to communicate information developed by one branch to assist the other branch represents a gridlock which can not be allowed to continue." (The task force also noted that the ethics committee should be used to pursue any alleged wrongdoing by House members or employees.)

If let to itself, would the Department of Justice clean up this mess? The absence of indictments after eight months is disturbing, especially since the prosecutors at that time told the court confidently that they could prove the embezzlement. It's crucial to recognize that, no matter how diligently a local prosecutor may investigate, issuing subpoenas and questioning witnesses, DOJ will not prosecute a member of Congress without express approval from DOJ's very highest level. The new administration has twice replaced the prosecutor on this case, and the original investigating grand jury was dissolved. The attorney general also recently refused to prosecute two Clinton-Gore campaign workers, who used their new State Department jobs to leak confidential files to the press (doing so to embarrass the Bush administration). Despite strong urging from the inspector general, the attorney general declined to prosecute. If two campaign underlings have the political stroke to escape prosecution, it's natural to wonder whether members of Congress can also evade indictments by the current Department of Justice.

Many in Washington want to keep the lid on this scandal. There's worry over where an investigation might lead. The House Banking scandal began with a few overdrafts, and exploded to reveal a major pattern of abuses. But this is a different scandal. It's worse. At the House Bank, overdrafts by one member were covered with funds of other members. At the House Post Office, it was taxpayers' money that was directly looted.

The right course to pursue is the straightforward one. Use the ethics committee. We spend millions of taxpayers' dollars to operate a House ethics committee. It is their duty to pursue the embezzlement, and the duty of every House member to require that this be done. The Justice Department certainly should do its job and pursue the criminal issues, but the House must pursue the broader area of ethics, whether criminal charges are ever brought or not. The House has power to discipline or expel its members. An ethics committee inquiry is the necessary first step in the process.

More than 50 House members, Republican and Democrat, have joined an effort to start this process. We are acting to force a floor vote, immediately after the President's Day Holiday, on a privileged resolution that compels our ethics committee to open its investigation, and to issue a public report on its findings. Every House Member who votes for the effort will be voting for cleaning up this mess, and declaring that no member of Congress is above the law. All who vote against it will be endorsing business as usual, ignoring the stench of the embezzlement at the House Post Office, and inviting the American people to continue to hold their noses at the very mention of the United States Congress.

JOSÉ ENRÍQUE PUENTE, POET AND SCHOLAR

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to highlight the achievements of Dr. José Enríque Puente, Cuban poet and professor.

Dr. Puente is a brillant scholar who has seen his work published and praised by many in the literary community. He has had a distinguished career as a writer and professor at Virginia Military College and Louisiana State University of Southwestern Louisiana.

"Veinte Sonetos Clásicos," Dr. Puente's latest work, is best described in his own words as a homage to the sonnet, that poetic composition which lives through centuries in all languages and dialects. Dr. Puente's works demonstrate that although there are many different languages and cultures in this world, we can all be united through poetry.

Dr. Puente is a political refugee who fled to the United States from Cuba in search of freedom and democracy. Although he has never returned to his homeland, he keeps its memory alive through his poetry.

Dr. Puente received his masters degree and Ph.D. at Louisiana State University. While in Cuba, he studied administrative law and obtained a doctorate degree in social sciences and law.

Dr. José Enríque Puente has had many literary accomplishments and has provided inspiration to our community through his writings.

INTRODUCTION OF LEGISLATION TO AWARD TO JOHNSON C. WHITTAKER HIS COMMISSION OF SECOND LIEUTENANT IN THE U.S. ARMY POSTHUMOUSLY

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. GOODLATTE. Mr. Speaker, I am introducing a bill today that will correct an injustice which was brought to my attention by the filming of "Assault at West Point" in my district. This movie details the terrible events surrounding the stripping of Johnson C. Whittaker's commission.

Mr. Whittaker was born a slave in 1858, but he worked hard and became one of the first black cadets at West Point in 1876. For most of his time at the U.S. Military Academy he was the only black student, which led to his almost complete ostracization from the corps of cadets, many of whom did not want to see him receive his commission.

On a night before exams, three hooded students tied Whittaker to his bed, beat him severely, then left him in the barracks unconscious and bleeding.

A court of inquiry was established by the school administration. The result was a court martial on the grounds that Whittaker had inflicted the wounds on himself in order to avoid taking a philosophy exam. He was found guilty and was thrown out of the Academy.

It was 2 years before President Arthur reversed the conviction on the grounds that the court martial had been illegal, but Whittaker was formally discharged by the Secretary of War because he had failed the philosophy exam 2 years earlier.

Despite these incredible setbacks, Mr. Whittaker had a very successful life. He practiced law in South Carolina, and later he taught in Oklahoma and at the University of South Carolina.

Although Mr. Whittaker is no longer alive, I believe that we owe him, as well as his descendants, both vindication and justice. Therefore, my bill requests that the President posthumously award Johnson Chestnut Whittaker his commission of second lieutenant in the U.S. Army.

I am proud that Johnson C. Whittaker's story is now being told and that the dramatization of these events was filmed in my district at Virginia Military Institute in Lexington and in the city of Staunton. I am hopeful that this film will serve as the impetus to fix an injustice long left uncorrected. I ask my colleagues to help right a wrong by supporting this bill.

CONGRATULATING THE UKRAINIAN NATIONAL ASSOCIATION [UNA] ON ITS 100TH ANNIVERSARY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. LEVIN. Mr. Speaker, I wish to extend my congratulations to the Ukrainian National Association, the oldest and largest Ukrainian-American organization in the United States, on the very special occasion of its centennial anniversary.

A century ago, on February 22, 1894, the Ukrainian National Association was founded as a fraternal insurance organization to assist the tens of thousands of poor Ukrainian laborers struggling to survive in the coal mines and factories of the newly industrial America.

The purpose of UNA was to improve the lot of Ukrainian-Americans living in freedom in the

United States and ensure that Ukrainians realize full participation in American life.

While the UNA has helped to create and preserve Ukrainian identity in the United States by providing for the cultural, social, and educational needs of the Ukrainian-American community, it has never lost sight of the aspirations of Ukrainians in Ukraine.

The UNA has helped Americans to understand the Soviet role in repressing and persecuting the people of Ukraine. Through the UNA's publication of the Ukrainian Weekly, American politicians learned of Stalin's brutal policies of forced collectivization that starved to death more than 7 million Ukrainians in 1932–33; the repression of human rights activists in the 1970's and 1980's; and Ukraine's hard-fought freedom from Soviet subjugation in 1990–91.

The UNA is now working to help the newly independent Ukraine through humanitarian, educational, and technical assistance. With the United States Government and numerous private voluntary organizations, the UNA is playing a critical role in helping to promote democratic and free market institutions in Ukraine.

Mr. Speaker, I congratulate the UNA on its first 100 years of dedicated service and extend my best wishes for the future.

INTRODUCTION OF THE FEDERAL NUCLEAR FACILITIES LICENSING AND REGULATION ACT

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1994

Mr. LEHMAN. Mr. Speaker, for nearly half a century, the Department of Energy and its predecessors have operated nuclear weapons and nuclear energy research and development facilities without having to answer to any outside entity for the safety of those facilities. As a consequence of that arrangement, the Federal nuclear complex today is an almost inconceivable environmental mess. Estimates of the eventual cost to clean up those facilities have ranged as high as $500 billion.

Today, GEORGE MILLER, PHIL SHARP, PETER DEFAZIO, and I are introducing a bill that will end the era of DOE self-regulation under the Atomic Energy Act. The Federal Nuclear Facilities Licensing and Regulation Act will make DOE accountable to outside regulation for its nuclear activities in the same way the agency is accountable for its hazardous waste and air quality activities under RCRA and the Clean Air Act.

Under the Atomic Energy Act, commercial nuclear facilities are licensed and regulated by the Nuclear Regulatory Commission, or for some nuclear materials users by the States under agreement with the NRC. Only the Department of Energy has been generally exempt from this regulatory regime.

There have been several exceptions to DOE's self-regulating status under the Atomic Energy Act. Spent nuclear fuel and high-level radioactive waste management facilities, such as repositories and interim storage facilities, must be licensed by the NRC. This is the case with respect to military wastes as well as wastes from the commercial nuclear power industry. In addition, demonstration nuclear powerplants must also be licensed by the NRC under the Energy Reorganization Act of 1974.

The Waste Isolation Pilot Plant Land Withdrawal Act of 1992 made that facility for defense transuranic wastes subject to regulation by the Environmental Protection Agency under the Atomic Energy Act. Finally, the Energy Policy Act of 1992 made the uranium enrichment plants of the new U.S. Enrichment Corporation subject to regulation by the NRC.

The trend away from DOE self-regulation is clear. It has even been accelerated by Energy Secretary Hazel O'Leary's admirable decision to voluntarily submit the agency's facilities to regulation by OSHA.

The bill we are introducing today simply seeks to finish the job. After decades of questionable environmental stewardship, DOE's credibility on the question of safety is nearly nonexistent. Secretary O'Leary's "openness" initiatives should go a long way to improve that situation, but we believe independent regulation will be necessary to assure that cleanup and safe continued operation of these facilities is possible.

The bill would immediately impose a requirement that any new Federal nuclear facilities be subject to licensing and regulation by the NRC. Facilities that do not yet exist will clearly be easier to regulate. For the much more difficult problem of existing facilities, the bill creates a Presidential blue ribbon commission to study the options and make recommendations for further congressional action in 18 months.

As chairman of the primary subcommittee with oversight responsibility over the NRC, I am determined to work to ensure that the new role we give that agency in this bill does not adversely affect the Commission's existing responsibilities to regulate commercial nuclear facilities. The Commission will clearly require additional resources to accomplish its new responsibilities under this act.

We understand fully that this is a very big initiative that will involve numerous committees on both sides of the Congress and require close cooperation with the administration to do the job right. We are getting a cautiously positive initial response from the administration about the fundamental concepts and approach embodied in the bill. There will no doubt need to be considerable debate about the details.

We are conscious that the Department's ongoing internal regulatory efforts cannot be put on hold while this debate on outside regulation proceeds. We will work closely with the Department to ensure that no such undesirable consequences occur.

We believe the fundamental goals of this bill will inevitably be achieved, and the sooner the better. We are committed to begin this debate now and to see it through to conclusion. My Subcommittee on Energy and Mineral Resources will hold hearings on the Federal Nuclear Facilities Licensing and Regulation Act beginning next week.

I urge my colleagues to join with us in support of this bill to end DOE self-regulation of its nuclear facilities.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 1, 1994, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 2

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Labor, Health and Human Services, and Education, and related agencies.

SD–192

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense, and the future years defense program, focusing on the unified commands military strategy and operational requirements.

SR–222

Commerce, Science, and Transportation

To hold hearings on S. 1822, to safeguard and protect the public interest while permitting the growth and development of new communications technologies.

SR–253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.

345 Cannon Building

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for foreign assistance programs.

SH–216

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Alcohol, Tobacco and Firearms, and United States Customs Service, both of the Department of the Treasury.

SD–116

Banking, Housing, and Urban Affairs
To continue hearings on regulatory consolidation.
SD-538

Environment and Public Works
Superfund, Recycling, and Solid Waste Management Subcommittee
To hold hearings on the Superfund cleanup process, focusing on States' responsibility and community participation.
SD-406

Judiciary
To hold hearings on the nomination of Thomas A. Constantine, of New York, to be Administrator of Drug Enforcement, Department of Justice.
SD-226

Labor and Human Resources
To hold hearings on proposed legislation to revise the Elementary and Secondary Education Act.
SD-430

Small Business
To hold oversight hearings on the Small Business Administration's 7A guaranteed business loan program, and disaster loan program.
SR-428A

1:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1995 for the Departments of Labor, Health and Human Services, and Education, and related agencies.
SD-192

2:00 p.m.
Armed Services
Force Requirements and Personnel Subcommittee
To hold hearings to examine the medical treatment of service members and veterans who served in the Persian Gulf War.
SH-216

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation to authorize funds for fiscal year 1995 for the National Aeronautics and Space Administration (NASA).
SR-253

Labor and Human Resources
To resume hearings on the Administration's proposed Health Security Act, to establish comprehensive health care for every American, focusing on early retirees.
SD-430

3:00 p.m.
Foreign Relations
To hold hearings on the nominations of Donald M. Blinken, of New York, to be Ambassador to the Republic of Hungary, Richard Dale Kauzlarich, of Virginia, to be Ambassador to the Republic of Azerbaijan, and Derek Shearer, of California, to be Ambassador to the Republic of Finland.
SD-419

MARCH 3

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up proposed legislation to reorganize the Department of Agriculture.
SR-332

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Labor, Health and Human Services, and Education, and related agencies.
SD-192

Armed Services
To continue hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense, and the future years defense plan, focusing on the unified commands military strategy and operational requirements.
SR-222

Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings to examine the procurement of weapons process by the Department of Defense, focusing on operational testing activities.
SD-342

Rules and Administration
To hold hearings to examine emerging and current state-of-the-art technology which may have an impact on the future operations of the Senate.
SR-301

Indian Affairs
To hold hearings on the President's proposed budget request for fiscal year 1995 for the Indian Health Service, Department of Health and Human Services.
SR-485

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Supreme Court of the United States, and the Judiciary.
S-146, Capitol

Banking, Housing, and Urban Affairs
To continue hearings on regulatory consolidation.
SD-538

Budget
To hold hearings to examine defense contractor abuses.
SD-608

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 218, to convey certain lands in the State of Arizona, S. 859, to reduce the restrictions on certain land conveyances, S. 1233, to resolve the status of certain lands in Arizona that are subject to a claim as a grant of public lands for railroad purposes, S. 1586, to establish the New Orleans Jazz National Historical Park in Louisiana, and H.R. 1183, to validate land conveyances in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company.
SD-366

Finance
To resume hearings on health care reform issues, focusing on health care benefits packages.
SD-215

Judiciary
Business meeting, to consider pending calendar business.
SD-226

10:30 a.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings to examine U.S. policy toward North Korea.
SD-419

1:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1995 for the Departments of Labor, Health and Human Services, and Education, and related agencies.
SD-192

2:00 p.m.
Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
To hold hearings on global economic and environmental policy.
SD-419

Judiciary
To hold hearings on the nominations of Franklin D. Burgess, to be United States District Judge for the Western District of Washington, Ancer L. Haggerty, to be United States District Judge for the District of Oregon, Michael J. Davis, to be United States District Judge for the District of Minnesota, and Daniel T.K. Hurley, to be United States District Judge for the Southern District of Florida.
SD-226

2:30 p.m.
Select on Intelligence
To hold hearings to examine the process of classifying documents.
SH-216

MARCH 4

9:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the American Battle Monuments Commission, Cemeterial Expenses (Army), the National Credit Union Administration, the Federal Deposit Insurance Corporation, the Resolution Trust Corporation's Inspector General Office, the Consumer Product Safety Commission, the Center for Consumer Information, the Consumer Information Center, the Neighborhood Reinvestment Corporation, and the Court of Veterans Affairs.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Labor, Health and Human Services, and Education, and related agencies.
SD-192

Governmental Affairs
Regulation and Government Information Subcommittee
To hold joint hearings with the Committee on the Judiciary's Subcommittee on Juvenile Justice to examine the system of rating video games.
SD-342

Judiciary

Juvenile Justice Subcommittee

To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Regulation and Government Information to examine the system of rating video games.

SD-342

Joint Economic

To hold hearings on the employment/unemployment situation for February.

Room to be announced

10:00 a.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Agriculture.

SD-138

Banking, Housing, and Urban Affairs

To continue hearings on regulatory consolidation.

SD-538

Budget

To hold hearings to examine twenty-first century goals for American schools.

SD-608

MARCH 7

1:30 p.m.

Appropriations

Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the U.S. Capital Police Board, and the Architect of the Capitol.

SD-116

MARCH 8

9:30 a.m.

Energy and Natural Resources

To hold hearings on the President's proposed budget request for fiscal year 1995 for the Department of Energy, focusing on renewable energy programs.

SD-366

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense.

SD-192

Appropriations

Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Library of Congress, and the Office of Technology Assessment.

SD-116

Finance

To resume hearings to examine proposed health care reform issues, focusing on graduate medical education and academic health centers.

SD-215

2:30 p.m.

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense program.

SR-222

MARCH 9

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for conservation programs of the Department of Energy.

SD-138

Budget

To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1995 budget for the Federal Government, focusing on defense.

SD-608

MARCH 10

9:30 a.m.

Rules and Administration

To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing Rules of the Senate.

SR-301

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Navy and Marine Corps.

SD-192

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Highway Administration, Department of Transportation.

SD-138

Finance

To resume hearings to examine health care reform issues, focusing on health care cost containment.

SD-215

Commission on Security and Cooperation in Europe

To hold hearings to examine how the conflict in Bosnia- Herzegovina has effected the children of the region.

SD-562

1:30 p.m.

Appropriations

Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Government Printing Office, and the General Accounting Office.

SD-116

2:00 p.m.

Armed Services

To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.

SD-G50

Governmental Affairs

To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.

SD-G50

Veterans' Affairs

To hold hearings on proposed budget requests for fiscal year 1995 for veterans programs.

SR-418

2:30 p.m.

Labor and Human Resources

To hold hearings to examine the Employee Retirement Income Security Act's (ERISA) preemption of State prevailing wage laws.

SD-430

MARCH 11

9:30 a.m.

Governmental Affairs

To hold hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.

SD-342

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Indian Health Service, Department of Health and Human Services.

SD-138

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the General Services Administration, and the Federal Law Enforcement Training Center, Department of the Treasury.

SD-116

10:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation to reauthorize the Earthquake Assistance Program.

SR-253

MARCH 15

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Army.

SD-192

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Land Management, Department of the Interior.

SD-116

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of the Attorney General.

S-146, Capitol

2:00 p.m.

Governmental Affairs

To resume hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.

SD-342

MARCH 16

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Health and Human Services.

SD-192

10:00 a.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for Small Community and Rural Development, Farmers Home Administration, and Rural Electrification Administration, all of the Department of Agriculture.

SD-138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of State.
S-146, Capitol

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Internal Revenue Service, Department of the Treasury, and the Office of Personnel Management.
SD-116

2:00 p.m.
Armed Services
To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD-106

Governmental Affairs
To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD-106

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on competition in the U.S. biotechnology industry.
SR-253

MARCH 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Governmental Affairs
To hold hearings to examine contract and financial management at the Department of Energy.
SD-342

Rules and Administration
To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing Rules of the Senate.
SR-301

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Jewish War Veterans, the Blinded Veterans Association, and Non Commissioned Officers Association.
345 Cannon Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Air Force.
SD-192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Science Foundation, and the Office of Science Technology Policy.
SD-124

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Inspector General, Department of Transportation, and the Interstate Commerce Commission.
SD-138

MARCH 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Education.
SD-138

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on manpower and personnel programs.
SD-116

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Commerce.
S-146, Capitol

MARCH 23

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Secret Service, Department of the Treasury, and the Executive Residence at the White House.
SD-116

2:00 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Forest Service, Department of Agriculture.
SD-138

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to examine science and technology policy issues.
SR-253

MARCH 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Labor.
SD-138

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Veterans of World War I, Association of the U.S. Army, the Retired Officers Association, and the Military Order of the Purple Heart.
345 Cannon Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for National Guard and Reserve programs, focusing on manpower and equipment requirements and the restructuring of brigades.
SD-116

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Emergency Management Agency.
SD-124

2:00 p.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

MARCH 25

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Management and Budget, and the Executive Office of the President.
SD-116

APRIL 11

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Marketing and Inspection Services, Animal and Plant Health Inspection Service, Food Safety and Inspection Service, and Agricultural Marketing Service, all of the Department of Agriculture.
SD-138

APRIL 12

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on classified programs.
S-407, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Oceanic and Atmospheric Administration, Department of Commerce.
S-146, Capitol

APRIL 13

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Energy, focusing on fossil energy and clean coal programs.
SD-116

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Coast Guard, Department of Transportation.
SD–138

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Postal Service, and the Financial Crimes Enforcement Network.
SD–192

APRIL 14

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on health services and infrastructure.
SD–192

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Bureau of Investigation, and the Drug Enforcement Administration, both of the Department of Justice.
S–146, Capitol

APRIL 18

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Science and Education, Agricultural Research Service, Cooperative State Research Service, Extension Service, and Alternative Agricultural Research and Commercialization, all of the Department of Agriculture.
SD–138

APRIL 19

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on strategic programs.
SD–192

APRIL 20

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Treasury.
SD–116

APRIL 21

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on intelligence programs.
S–407, Capitol

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Housing and Urban Development.
SD–106

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Fish and Wildlife Service, Department of the Interior.
S–128, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Securities and Exchange Commission, and the Federal Communications Commission.
S–146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Aviation Administration, Department of Transportation.
SD–138

APRIL 25

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for International Affairs and Commodity Programs, Natural Resources and Environment, Agricultural Stabilization and Conservation Service, Foreign Agriculture Service, Soil Conservation Service, and Federal Crop Insurance Corporation, all of the Department of Agriculture.
SD–138

APRIL 26

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on National Foreign Intelligence Programs (NFIP) and Tactical Intelligence and Related Activities (TIARA).
S–407, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Justice Programs, and the Immigration and Naturalization Service, both of the Department of Justice.
S–146, Capitol

APRIL 27

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Transit Administration, Department of Transportation, and the Washington Metro Transit Authority.
SD–138

APRIL 28

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Environmental Protection Agency, and the Council on Environmental Quality.
SD–106

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Information Agency.
S–146, Capitol

2:30 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Indian Affairs, Department of the Interior.
SD–116

MAY 3

9:30 a.m.
Energy and Natural Resources
To hold hearings on Boron-Neutron Cancer Therapy.
SD–366

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Food and Consumer Services, Food and Nutrition Service, and Human Nutrition Information Service, all of the Department of Agriculture.
SD–138

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on defense conversion programs.
SD–192

MAY 5

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Legal Services Corporation.
S–146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Transportation Safety Board, and the National Highway Traffic Safety Administration, Department of Transportation.
SD–138

MAY 10

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Commodity Futures Trading Commission, the Farm Credit Administration, and the Food and Drug Administration, Department of Health and Human Services.
SD–138

MAY 11

10:00 a.m.
Appropriations
Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Park Service, Department of the Interior.

S–128, Capitol

MAY 12

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Corporation for National and Community Service.

SD–106

MAY 17

10:00 a.m.
Appropriations
Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on the Pacific Rim, NATO, and peacekeeping programs.

SD–192

MAY 19

10:00 a.m.
Appropriations
Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense.

SD–192

Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Veteran's Affairs, and the Selective Service System.

SD–106

MAY 20

9:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Veteran's Affairs and Housing and Urban Development, and independent agencies.

SD–138

MAY 25

10:00 a.m.
Appropriations
Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Interior.

S–128, Capitol

MAY 26

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Aeronautics and Space Administration.

SD–106

JUNE 8

10:00 a.m.
Appropriations
Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Energy.

S–128, Capitol

JULY 19

10:00 a.m.
Appropriations
Defense Subcommittee

Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense.

SD–192

CANCELLATIONS

MARCH 3

10:00 a.m.
Appropriations
Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the U.S. Senate, and the Congressional Budget Office.

SD–116

HOUSE OF REPRESENTATIVES—*Tuesday, March 1, 1994*

The House met at 10:30 a.m. and was called to order by the Speaker.

MORNING BUSINESS

The SPEAKER. Pursuant to the order of the House of Friday, February 11, 1994, the Chair will now recognize Members from lists submitted by the majority and minority leaders for "morning hour debates." The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leaders limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Missouri [Mr. EMERSON].

OBSERVANCE OF THE ATTACK OF MARCH 1, 1954, ON MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES

The SPEAKER. Under the Speaker's announced policy of February 11, 1994, the gentleman from Missouri [Mr. EMERSON] is recognized during morning business for 5 minutes.

Mr. EMERSON. Mr. Speaker, I rise today to note the fact that it was 40 years ago today that the House was assaulted by a group of terrorists who were in this corner gallery here. This is not an occasion that we celebrate, but it is one that we note, and 40 years seems to be a significant milestone.

Mr. Speaker, I happened to be a Page at the time. That was the second session of the 83d Congress. This being the second session of the 103d Congress means that an awful lot of water has gone over the dam in the intervening period. Another Page at the time, the gentleman from Pennsylvania [Mr. KANJORSKI], I gather, will be here at a later period today and may speak on this subject also and I will join him then for further exposition of the event.

Mr. Speaker, I shall not speak at length just now. I wanted to say that there is a lot of curiosity on this subject, which is a reason that I bring it up today. I was visiting recently with our distinguished Parliamentarian, Mr. Brown, and his associate, Mr. Johnson, and they told me about a file that exists in the Parliamentarian's office noting the occasion, what happened on that particular day.

They called to my attention a memorandum in that file that was written by an employee of the Parliamentarian's office, Mr. Joe Metzger, whom I recall. Mr. Metzger apparently was given to making side notes, separate and apart from the record, of occurrences in the House of Representatives that were unusual in nature.

On a day or so following the event of March 1 in the House of Representatives, Mr. Metzger wrote a narrative describing what occurred on that occasion, which, quite frankly, is as good a report as I have seen anywhere. He was here. He saw it all. I too, saw the event as it occurred.

Mr. Speaker, I was the overseer of the Pages at the time on the Democratic side of the House, so I had a very good view of the gallery in which this incident occurred, but there was a difficulty at that time getting ambulances and first aid to the Members who had been wounded. Five Members had been wounded.

Pages were called upon to be stretcher bearers. When the ambulances arrived, I exited the Chamber, having helped carry a couple of Members to awaiting ambulances, and I was not here for the aftermath. Some of the more interesting details of that day were in the aftermath of the shooting, which appear in Mr. Metzger's account.

Mr. Speaker, I include for the RECORD the account of Mr. Metzger of the House shooting which he had prepared somewhere in the day or so immediately following the incident on March 1, 1954. I think the gentleman from Pennsylvania [Mr. KANJORSKI] has reserved time for a later period in the day, and I shall reserve the remainder of my remarks and will join him on that occasion.

The account of Mr. Metzger is as follows:

On Monday, March 1, 1954 (83d Congress, 2d Session), the House was considering a resolution from the Rules Committee, H. Res. 450, to provide for the consideration of H.J. Res. 3, a joint resolution amending the Act approved July 12, 1951, relating to the supplying of agricultural workers from Mexico. After the previous question was ordered on agreeing to the resolution, a point of order was made that a quorum was not present, and the Speaker determined that 243 Members were present, a quorum. The question was put on agreeing to the resolution, and a division being demanded, by Mr. Cooley of N.C., the Speaker counted the Members rising in the affirmative and announce that the "Ayes" would be seated and the "Noes" should rise. At this moment, at approximately 2:30 p.m., a fusillade came from the gallery of the House. Four Puerto Rican terrorists, 1 woman and 3 men, fired 20 to 30 pistol shots from Gallery 11, located in the southwest corner of the chamber to the left and rear of the Speaker. The woman fired several shots, some upward into the ceiling and probably also some downward into the crowd of Members on the floor. She waved a Puerto Rican flag and shouted "Viva Puerto Rico." The men fired wildly into and among the Members, scattering bullets from one side of the chamber to the other. Five Members were wounded. Other bullets struck the table of the majority leader, unoccupied seats, and also the side walls at the rear toward the northeast corner of the chamber. The House was thrown into a state of utter disorder, and the Speaker, on his own initiative and without request from the floor, at 2:32 p.m. declared the House in recess subject to the call of the Chair. Members wounded were: Mr. Bentley of Michigan, Mr. Jensen of Iowa, Mr. Davis of Tennessee, Mr. Fallon of Maryland, and Mr. Roberts of Alabama.

Other Members, including three who were physicians, Dr. Judd of Minnesota, Dr. Miller of Nebraska, and Dr. Fenton of Pennsylvania, assisted and gave first aid to the wounded.

After a recess of about ten minutes the Speaker called the House to order, and on motion of the Majority Leader, Mr. Halleck of Indiana, the House adjourned at 2:42 p.m.

Ambulances had been called and in a short time after the shooting the wounded Members were taken to hospitals.

Meanwhile, the Puerto Ricans who fired the shots had left the gallery. The woman, Lolita Lebron, and two of the men, Rafael Miranda and Andres Cordero, were captured and disarmed before they were more than a few feet beyond the gallery door. The other man, Irving Flores Rodriguez, escaped from the Capitol, but he was arrested in a Washington bus station later in the day.

Injuries sustained by the Members were as follows:

Mr. Bentley of Michigan was struck high in the chest. The bullet perforated the right lung; drove through the diaphragm; tore through the liver, which was virtually shattered, and went through the stomach. At the outset Mr. Bentley's condition was regarded as critical, and he was said to have on a 50–50 chance to survive.

Mr. Jensen of Iowa, was struck in the right shoulder. The bullet passed across to the left side and lodged under his left shoulder blade.

Mr. Davis of Tennessee, was hit by a bullet which passed through the calf of the right leg.

Mr. Fallon of Maryland, was wounded in the fleshy part of the upper thigh on the right side, and the bullet passed all the way through.

Mr. Roberts of Alabama, was struck in the left leg, the bullet entering the fleshy area just above the knee and passing downward and all the way through.

Mr. Bentley, Mr. Fallon, and Mr. Roberts were taken to Casualty Hospital, and Mr. Jensen and Mr. Davis were taken to Bethesda Naval Medical Center.

The Puerto Ricans involved in the shooting were identified by police as belonging to the Puerto Rican Nationalist Party. Two other members of that party had tried to assassinate President Truman in 1950, at Blair House on Pennsylvania Avenue, N.W., which was being used as the temporary Executive Mansion at that time. The four terrorists were all residents of New York City. The woman, Lolita Lebron, a divorcee 34 years old, boasted that the shooting was planned on February 22d, and was staged to draw attention to the question of independence for Puerto Rico. Accordingly to police, the incident was timed to coincide with the opening of the Tenth Inter-American Conference in Caracas, Venezuela.

According to the District of Columbia Police, the guns used by the Puerto Ricans and later taken from them were four automatic pistols of German make, 3 9-millimeter Lugers (one with an 8-inch barrel and two with 4-inch barrels) and a 9-millimeter "P-38" Walther with a 4-inch barrel.

The shooting came as a complete surprise. Many Members who were present on the floor of the House at the time later stated they thought a series of fire-crackers had been set off. Even after seeing the pistols in the hands of people in the gallery, some Members thought blank cartridges were being fired. Only after seeing that some Members were wounded and seeing holes in the furniture did many Members realize that real bullets were being fired at the House in session. All found it almost incredible that such a thing was actually happening.

After the wounded were taken to hospitals, conferences were held by the leaders of both parties regarding security measures which might be necessary for the protection of the House and its Members.

All outstanding gallery cards were cancelled, effective the day following the shooting. New cards were printed for distribution the following day, with a request being made to all Members by the Speaker that gallery cards be issued only to persons who could be vouched for by each Member issuing the new cards.

A Congressional Reception which had been scheduled at the White House for the evening of March 2, 1954, was cancelled by the White House.

Expressions of indignation at the shooting and communications expressing sympathy to the wounded Members were received by the Speaker from far and wide. Thousands of letters and telegrams of this nature were received. Many of the letters and telegrams came from people in Puerto Rico. The Resident Commissioner from Puerto Rico made a stirring speech in the House the day following the shooting (CONGRESSIONAL RECORD, March 2, 1954, delivered during recess but not in RECORD) to the effect that the people of Puerto Rico were as disturbed over the matter as were the people of the United States. The Governor of Puerto Rico sent his best wishes to the Speaker on the day of the shooting, and on the following day flew from Puerto Rico and called in person upon the Speaker to denounce the shooting and convey the sympathies of Puerto Rico. The House took a brief recess on March 2, 1954, for greeting the Governor of Puerto Rico informally in the House Chamber.

Resolutions and bills proposing security measures of various kinds were introduced in the House for several days following the shooting. The House on March 4, 1954, adopted a resolution (H. Res. 456) authorizing that necessary medical expenses for Members injured by the shooting on March 1st be paid from the Contingent Fund of the House.

All five of the wounded Members had been discharged from the hospitals by the end of May, 1954. Mr. Roberts, the last to return to his duties, was walking on crutches and spent a lot of his time in a wheel chair at the time of his return to the House on May 25, 1954. It was expected that Mr. Roberts would require medical treatment for at least a year after his release from the hospital, owing to the injured nerves in his leg. Mr. Bentley also continued to require medical attention at the end of the 2d Session of the 83d Congress.

The four Puerto Ricans were brought to trial in the U.S. District Court for the District of Columbia. They were convicted and given the maximum sentences for their crimes. Mrs. Lolita Lebron was convicted on 5 counts of assault with a dangerous weapon, but was given a verdict of not guilty on the counts of assault with intent to kill. She was sentenced to serve 3 years and 4 months to 10 years on each of the counts for which convicted, sentences to run consecutively. Thus her total sentence was to serve from 16 years 8 months to 50 years.

Each of the three men, Rafael Concel Miranda, Irving Flores Rodriguez, and Andres Figueroa Cordero was convicted of 5 counts of assault with a dangerous weapon and 5 counts of assault with intent to kill. They were each sentenced to serve 5 to 15 years on each of the counts of assault with intent to kill, sentences to run consecutively. Thus, each received a sentence to serve from 25 to 75 years. Each of the men also received the same sentence as did Mrs. Lebron, but the latter being for the same act of assault were to run concurrently with the former. Thus, each of the men was sentenced to serve a total of from 25 to 75 years.

IT DOESN'T HAVE TO BE GOVERNMENT-RUN HEALTH

The SPEAKER. Under the Speaker's announced policy of February 11, 1994, the gentleman from Florida [Mr. GOSS] is recognized for 2 minutes.

Mr. GOSS. Mr. Speaker, I am happy to avail myself of this new time. I think this is a time that this body can use to begin to focus on the issues of the day in a more relaxed and a more meaningful and organized way.

Obviously, Mr. Speaker, there is a little out there today that is catching more attention or more need in the way we go about business in our country than health care and all of the proposals for health care reform that are out there. It has come to my attention that as more and more seniors, small businesses, and middle-income families understand the serious flaws in the President's Government-run health plan, they are saying "No" in ever-increasing numbers. And now despite intensive White House wooing, the national AARP reportedly refused to make the endorsement the Presisdent had worked so hard to attain. Why? The executive director of AARP, Mr. Horace Deets, said, "An organization's endorsement is only as valid as the degree of support it enjoys from its members. It's our members' endorsement that the President wants." Seniors know Government-run health will likely lead to reduced quality, less choice, and waiting lines for important medical procedures.

That is what is happening in other areas where the government is running health care. They know, our seniors know, that health reform does not have to mean Government-run health care. They know there are other choices out there that we are debating or need to debate. They are asking us to get busy working on them.

Mr. Speaker, I think this forum is exactly the type of forum that we should be using for that debate, and I encourage my colleagues to take advantage of this that our leaders have responded to to give us these opportunities.

RECESS

The SPEAKER pro tempore (Mr. GENE GREEN of Texas). There being no further requests for morning business, pursuant to clause 12, rule I, the Chair declares the House in recess until 12 noon.

Accordingly (at 10 o'clock and 37 minutes a.m.) the House stood in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 noon.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May we respect Your land, O God, and our land, a promised land, full of so many blessings and opportunities. May we be good inhabitants of Your creation and good stewards for the generations ahead. May we treasure the gifts of the land, from sea to shining sea, and be custodians of all the environment, so the plenty of the present time will continue to bless those of the generations yet to come. We know this to be our responsibility and we pray we will have courage and wisdom to be good caretakers of all Your gifts to us. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from North Carolina [Mr. BALLENGER] please come forward to lead the House in the Pledge of Allegiance?

Mr. BALLENGER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WHERE IS THE CRIME BILL?

(Mr. CLEMENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, where is the crime bill? I do not know of anything on people's minds more than crime today, the fear people have in their homes, the senseless, brutal killings, violence in our schools, physical assaults, drive-by shootings. I hear that over and over and over again.

The other body has already voted on it last year. I know I ask, and I know the President of the United States asks, and many other Members ask, to have the opportunity to vote on a crime bill. We ought to have the opportunity to vote on it this week and not wait another week.

The President has pleaded with this House of Representatives, as others have as well.

Mr. Speaker, I believe a majority of Members are ready to consider a strong crime legislation. Let us not wait until the calendar gets so crowded with so many other important issues that we are prevented from full and open debate.

The House needs to act, and it needs to act now for the sake of all Americans fearful that criminals are close to taking control.

Mr. Speaker, please schedule anticrime legislation, and let us do it now.

IF NOT THIS, WHAT?

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the House will vote on the balanced budget amendment to the Constitution in the second week of March; 218 Members have signed a discharge petition making such a vote a sure thing.

Opponents of fiscal sanity will use a host of scare tactics to derail the balanced budget amendment, but I urge my colleagues to not be fooled.

We need a balanced budget amendment to the Constitution. We need to get our fiscal house in order. And we need to do it now.

Abraham Lincoln once said, "You cannot keep out of trouble, by spending more than you earn."

Well, the Congress cannot long stay out of serious trouble by piling debts into debts.

I urge my wavering colleagues to consider the options. If not this, what? If not now, when?

Let us pass a balanced budget amendment, and let's do it now.

THE 40TH ANNIVERSARY OF BRAVO TEST IN MARSHALL ISLANDS

(Mr. UNDERWOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, 40 years ago the United States conducted a test of a 15 megaton hydrogen bomb at Bikini atoll in the Marshall Islands. This test, called Bravo, was a significant event in the cold war arms race, and ensured that the United States would not fall precipitously behind the Soviet Union in developing this new generation of mass terror weapons.

Unfortunately, for the people of Bikini, Rongelap, Enewetok, and Utirik atolls, as well as other far flung atolls of the Marshall Islands, Bravo signaled a different event of mass terror.

The fallout from Bravo literally snowed radioactive particles on their islands. Some were subsequently evacuated from their islands; most had already absorbed the poisonous radioactive waste; the excuse for not moving the islanders: There was a sudden downwind which brought this cancerous snowstorm.

Now, forty years later, as the Department of Energy begins to tell the secret story of radiation experiments, I join Chairman GEORGE MILLER in calling for the complete story of the saga of the Marshall Islands nuclear tests, and of the Bravo shot in particular.

In the 12 years of tests, 66 nuclear devices were detonated with the cumulative destructive force of 7,000 Hiroshima bombs on these islands—neighbors to my home islands.

Let us open up the files, let us find out what really happened, what went wrong, and let us fulfill our moral responsibility to the people of the Marshall Islands and provide the necessary health assistance for the radioactive rain that we showered on their islands 40 years ago.

BALANCED BUDGET AND HEALTH

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, the other body is set to vote on the virtues of a balanced budget amendment to the Constitution today.

If we enact the Clinton health care plan, any talk of a balanced budget will be long forgotten.

The estimates of the Clinton plan impact on the budget range from the troubling to the terrifying.

CBO says that the President is $130 billion off on his forecasts.

DRI/McGraw estimates that his plan will add $113 billion to the deficit by the year 2000.

Mr. Speaker, increasing the deficit is irresponsible, especially when the money goes to funding more bureaucrats at the expense of the taxpayers.

We have heard a great deal about the balanced budget, and it is a goal I heartily support.

But I urge my colleagues to keep this in mind: If we pass the Clinton health reform plan, we can forget about ever achieving a balanced budget.

DEFICIT REDUCTION PLAN WORKS; DOOMSAYERS WERE WRONG

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, this week there is more proof that last year's doomsayers employed empty rhetoric when they predicted economic disaster if the President's deficit reduction plan was enacted.

Jobs are being created at the rate of 164,000 per month, the fastest rate in 4 years. Last year, 1.6 million jobs were added to the economy, a half million more than the 4 previous years combined. The unemployment rate has dropped almost 1 full percentage point in just 12 months.

Business investments have rocketed. Spending on major appliance and other durable goods is 11 percent higher than the last quarter of 1993. Inflation is under control, interest rates remain low, and the housing market has strengthened by 25 percent since July.

The deficit reduction package was a good bill. Our Nation has grown stronger. The economy has improved, and will improve still more—despite last year's doomsday rhetoric. I am confident we will act once again to further improve the economy and control the deficit—and once again spite the doomsayers.

□ 1210

THE BATTLE FOR A BALANCED BUDGET: THE DEMOCRATS VERSUS THE TAXPAYERS

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, the battle is about to begin.

In one corner, the challenger: the American taxpayer.

In the other corner, the undisputed champion of big government: the Democratic congressional leadership.

At stake is fiscal responsibility.

A betting man might give the odds to the taxpayers. After all, tens of millions of Americans are standing firm in support of a balanced budget. But their opposition, the Washington Democrat establishment, is not to be taken lightly. They will defend the status quo to the last breath.

Mr. Speaker, the special interests will be ready. The Democrat leadership will be entrenched, but congressional supporters of a balanced budget amendment will have the taxpayers on their side, and this is one battle the taxpayers cannot afford to lose.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked for this 1 minute so that I might inquire of the distinguished majority leader how our program will unfold for today, and the balance of tomorrow, and maybe the rest of the week.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I am happy to yield to the distinguished majority leader.

Mr. GEPHARDT. Mr. Speaker, I say to the gentleman from Illinois [Mr. MICHEL], the distinguished minority leader, as you know, we have talked with you and other members of your leadership, and we want to inform the membership of the House that we have decided to postpone action today on H.R. 6, the Improving America's Schools Act, otherwise known the elementary and secondary education bill. Additionally, Mr. Speaker, we are postponing action on a bill which would have been scheduled to be considered under suspension of the rules, S. 1789, funding for seismic retrofit of bridges, and therefore there will be no votes today.

Mr. Speaker, I know that this decision inconveniences many Members who accommodated their schedules to be here today while expecting votes on amendments to the education bill, but our decision, reached in consultation with the Republican leadership, was based on the request by the gentleman from Kentucky [Mr. NATCHER] to suspend voting on today only so that he may recover from a treatment he is receiving today at Bethesda Naval Hospital.

As all of my colleagues know, Mr. Speaker, Chairman NATCHER's distinguished service in the House is underscored by the record setting votes he has cast without missing a single vote. To date he has cast 18,397 votes.

Mr. Speaker, the chairman has communicated to us that he would suspend his treatment, which is critical for his recovery, so that he could be here to vote today. We felt that it was important that he get that treatment quickly so that he can get back on his feet quickly, and I know that I join all of our colleagues in wishing him a speedy recovery from this treatment so that he can be again in our midst. We will be meeting at 2 p.m. tomorrow to resume action on the Elementary and Secondary Education Act.

I am also told that the gentleman from Oklahoma [Mr. ISTOOK] is going to file a motion that may or may not go forward on tomorrow, but he is protecting his right on his motion.

Mr. MICHEL. Mr. Speaker, I simply want to concur in the gentleman's remarks, and particularly with respect to our distinguished colleague, the gentleman from Kentucky [Mr. NATCHER] who we all would regard as a prince of this House and certainly deserving of our according him this request, knowing full well how much it means to him and to his welfare. So, I thank the majority leader and the Speaker for taking the time to inform the House of the reasons for our adjusting the schedule. I think certainly it is very justified and is well within the bounds.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Illinois [Mr. MICHEL] and know that a lot of Members went out of their way to be here today, and we apologize to them for the inconvenience. But this is a human institution that has to pay attention to human needs within the institution, and that is what we tried to do today, and I say to the Members, "I appreciate your cooperation."

Mr. ISTOOK. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I yield briefly to the gentleman from Oklahoma.

Mr. ISTOOK. Mr. Speaker, pursuant to the order of the House last Wednesday I would like to give notice of the revised language which we have been working on on a privileged resolution which, under the previous order of the House, I would be bringing up tomorrow.

As I have mentioned to the majority leader, we will continue to consult with him and others to see if we can achieve a consensus language and determine whether or not we will, in fact, bring this up tomorrow as opposed to Thursday since the different deadlines have been pushed back.

But to satisfy the priorities of the House, Mr. Speaker, I will ask unanimous consent that the revised language, which I will present to the Clerk, be included in the RECORD, and, as I mentioned to the majority leader, I would certainly appreciate the opportunity to confer later today and see if we can achieve a bipartisan consensus.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The revised language in the resolution on the House Post Office investigation, House Resolution 238, is as follows:

RESOLUTION ON HOUSE POST OFFICE INVESTIGATION, H. RES. 238, AS AMENDED BY MR. ISTOOK

Calling on the Committee on Standards of Official Conduct to initiate an inquiry into activity at the House Post Office to determine violations of House rules.

Whereas, allegations reported in public and made in official court documents that personnel of the House Post Office provided illegal cash to certain members in three ways: (1) cash instead of stamps for official vouchers, (2) cash for postage stamps which, had earlier been purchased with official vouchers, and (3) cash for campaign checks;

Whereas, these allegations directly affect the rights of the House collectively, its safety, dignity, and the integrity of its proceedings; and the rights, reputation, and conduct of its Members;

Whereas, Article I, Section V of the Constitution gives each House of the Congress responsibility over disorderly behavior of its Members;

Whereas, the Committee on Standard, of Official Conduct has jurisdiction over the conduct and behavior of current House Members, Officers, and employees, including investigatory authority, and is the appropriate body of this House to conduct any inquiry: Now, therefore, be it

Resolved, That the Committee on Standards of Official Conduct is instructed to immediately investigate all possible violations that are related, but not limited to, the documents received by the Committee on Standards, of Official Conduct from the Committee on House Administration, and the allegations stated above; and be it further

Resolved, The Committee on Standards of Official Conduct shall coordinate its investigation with the related efforts of the Department of Justice so as to not jeopardize any ongoing criminal investigation; and be it further

Resolved, That in pursuing its investigations, the Committee on Standards of Official Conduct shall determine Members, Officers or employees who have violated House rules, practices and procedures in connection with the House Post Office; and be it further

Resolved, The Committee shall inform the Department of Justice regarding the procedures and aspects the Committee intends to investigate. If the Department of Justice then responds that a specific matter the Committee intends to investigate is material to, or subject of an official investigation, the Committee may defer that inquiry pending the conclusion of the investigation by the Department of Justice; and be it further

Resolved, That, the Committee on Standards of Official Conduct shall file a public status report within 60 days of the adoption of the resolution and periodically thereafter.

WHAT REALLY HAPPENED IN WACO?

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, 11 Branch Davidians who were charged with murder were acquitted. The Justice Department suffered a major defeat. The Government said they had proof that the Davidians were armed and waiting to ambush and kill their agents. The fact is, Mr. Speaker, the Government presented no such evidence at trial.

The Government also said they had a videotape that would prove conclusively that the Davidians fired first. The fact is the Government never presented any videotape at trial.

What really happened at Waco?

Four brave officers dead, 80 citizens dead, including 18 children exterminated. The fact is we had big people, Government people in high places, that orchestrated theater for the 6 o'clock news, and now they have got to answer for the ghosts at Waco.

My colleagues, there is a problem here. Many Americans fear that their

Government is coming at us, and what they fear even worse, I say to my colleagues, is that Congress keeps looking the other way.

It is time to investigate Waco, and let us find out what really happened.

THE BALANCED BUDGET AMENDMENT

(Mr. HORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORN. Mr. Speaker, the die is cast. The date is set. The time has come to vote on the balanced budget amendment in the House. It is going to be on the calendar. Thanks to a successful discharge petition, Mr. Speaker, we will have a vote on this amendment in the second week of March. The time to restore fiscal sanity is at hand.

Let us all hope that this vote means something. Let us hope that the other body acts responsibly and passes the balanced budget amendment that it is now debating.

Why do we need a balanced budget amendment to the Constitution? Because the majority in the Congress has not had the political courage and the will to balance the budget on its own.

It does not have the will to spend less money, and it will not take the steps necessary to fight our deficit.

Mr. Speaker, the time is coming to vote on the balanced budget amendment to the Constitution. We need to send this amendment to the States for ratification, and we need to do it this month.

PREVENTING TOBACCO USE AMONG YOUNG PEOPLE

(Mr. MEEHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEHAN. Mr. Speaker, today the tobacco industry will lose more than 1,100 customers. That is how many smokers will kick the habit or die. What are the cigarette companies going to do about it? Meet Joe and Josephine Camel. Everything that is wrong with advertising, they are guilty of.

Since the Joe Camel advertising campaign began in 1987, Camel has increased its annual sales of cigarettes to children by $476 million. Studies have shown children can link old Joe Camel to cigarettes as quickly as they connect Mickey Mouse to Disney.

The tobacco industry devotes $4 billion a year to marketing cigarettes to young people. The advertising and promotions help persuade more than 1 million Americans under the age of 18 to start smoking each year. Smoking is a personal decision, but it is a decision for adults to make.

Last week, Surgeon General Dr. Elders released her report on "Preventing Tobacco Use Among Young People." I commend her efforts to put a halt to this epidemic, and I urge my colleagues to join in the fight to put Joe Camel out of a job.

□ 1220

CONGRESS CONSIDERS BALANCED BUDGET AMENDMENT

(Mr. EWING asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, repetition, I hope, will have its way and that we will in fact come to a balanced budget in this Congress. In the last 33 years, in all but 1 year, we have had a deficit in our Federal budget.

Mr. Speaker, I do not normally suggest that we amend our Constitution, but it is simply time to adopt a balanced budget amendment. It is time that the Congress kicked the addictive habit of deficit spending and do what every hard-working American family has to do—limits expenditures to the amount of its income. It is finally time to put this great Nation of ours back in the black, if not for us, for our children and our children's children.

Mr. Speaker, let us hope that the other body will adopt a balanced budget amendment, and that we will then follow suit immediately.

VETERANS' BUDGET FALLS SHORT

(Mr. STEARNS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, we had a large meeting today with the Veterans of Foreign Wars Commander and he had courage to tell it like it is.

Now, it is clear that the budget proposed for the Department of Veterans Affairs by the Clinton administration falls short in almost every area.

It appears that the VA is being sent a message that it can slowly begin to wind down. The hope is that the veteran will simply go to other carriers or providers. From the evidence contained in the VA budget, veterans can assume, and should consider, that the VA is to become a second-class health care provider.

It is startling to reflect that at a time when this Government is paying benefits to Iraqi POW's to relocate in this country, our Nation's veterans find themselves being told there is not enough for them. For the record, I have introduced House Concurrent Resolution 141, which expresses the sense of the Congress that the Federal Government should terminate the policy of allowing resettlement of members of the Iraqi Armed Forces in the United States.

One of the reasons I introduced H.R. 408, the Veterans Bill of Rights, is to insist that veterans receive the care and follow through on our promise to care for them—to continue to respect them as a cherished and distinct population. Truly, their sacrifice has been unique, their care and protection must be our first priority. Let us not tie the vitality and rejuvenation of the VA to any other piece of legislation. Let us do right by the veteran of the merits of his or her service.

We must turn this budget around and deliver better and more thorough care for our Nation's veterans.

AID PROGRAM FOR STATES OF THE FORMER SOVIET UNION PRESENTS ONGOING PROBLEMS

(Mr. DUNCAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, a little over a year ago the Congress, unfortunately, voted to send $12 billion to the States of the former Soviet Union through the International Monetary Fund and World Bank.

We had already sent and are still sending billions more through other programs, departments, and agencies.

I have opposed this aid because we are well over $4 trillion in debt and still losing hundreds of millions more each and every day. But even those who support this aid should be upset about two articles which appeared last week in the Wall Street Journal.

The headline last Thursday said: "U.S. Aid is Quite a Windfall for U.S. Consultants." The stories told of consultants reaping millions, with typical consultants receiving $800 a day figuring in all costs. Some consultants are receiving as much as 90 percent of certain aid contracts.

The article said that there is "dancing in the streets" by consultants, but hardly any of the money is getting through to the average Russian. The stories reported of "criticism because of waste and meager results," and quoted one expert as saying that "the aid benefits Russians minimally, if at all," and that he expects "a scandal down the road that is going to upset the taxpayers."

The Federal Government today really helps almost no one other than the bureaucrats who work for it and well-connected Government contractors.

Mr. Speaker, this Russian aid should end. It is not helping the Russians, and it is unquestionably hurting American taxpayers.

A TRIBUTE TO THE LATE WELLY K. HOPKINS

(Mr. PICKLE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, 2 days ago Welly K. Hopkins gently passed away at 95 years of age. Welly K. was a native of Gonzales, TX where he was born on September 3, 1898. He attended the University of Texas Law School and became an attorney in 1923, returning to Gonzales to practice law.

In 1930, while campaigning for the Texas State Senate, Welly recruited an enterprising young man, Lyndon Baines Johnson, to serve as his campaign manager. Welly's campaign was successful and they became inseparable friends. As a member of the Texas Senate, Welly was distinguished as being a strong and combatant friend of labor and people who work for a living.

In 1935, at the insistence of Vice-President John Nance Garner, he was commissioned as a special assistant to the Attorney General of the United States in charge of the trial section of the criminal division. During his tenure he prosecuted cases all across the country involving the right of coal miners to engage in collective bargaining. His vigorous advocacy of the rights of the working man brought him to the attention of John L. Lewis, president of the United Mine Workers of America, for whom he went to work in 1940.

He served Mr. Lewis and the United Mine Workers for 29 years. During these years Welly fought for collective bargaining agreements to improve the working conditions of miners, to provide health benefits for them and their families, and to establish pension plans for them in retirement. His advocacy on behalf of the coal miners of America took him from the mines to union halls, and from congressional hearing rooms to the U.S. Supreme Court.

Throughout his long life Welly K. Hopkins was privileged to know and serve some of the great leaders of our times. He particularly treasured his lifelong friendship with Congressman, Senator, and President Lyndon Johnson. He honored their work and cherished their confidence and friendship. During the 1930's, 1940's, and 1950's his was one of the strongest voices in Congress and the city of Washington that shaped the destinies of workers in this country. He was a great individual, and we mourn his passing.

HEAP

(Ms. ESHOO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ESHOO. Mr. Speaker, I strongly support H.R. 6 for several reasons. Most importantly it will help prepare our youth for a productive future. However, it will do little good to prepare our children for higher education if parents cannot afford it.

Higher education these days is often a matter of checkbooks as much as textbooks.

In 11 years it will cost over $71,000 for 4 years at a public college and more than $139,000 at a private university.

That is why I am introducing the Higher Education Accumulation Program or HEAP Act of 1994. This would allow parents to make tax deductible contributions to special savings accounts earmarked for their children's college or vocational education—in effect, an IRA for their children's education.

Mr. Speaker, by encouraging families to save for their children, we help give future generations access to all the advantages of higher education.

I ask my colleagues to support this legislation which offers parents suffering from collegiate sticker shock a HEAP of relief.

CONSERVATION RESERVE PROGRAM DUE TO EXPIRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, unless Congress acts soon, millions of acres of grassland and tree cover protecting our soil, streams, and wildlife will be plowed and converted to cropland and an important investment in our environment will be lost.

For 8 years, our Nation's natural resources have been protected by the Conservation Reserve Program. This Federal program provides the necessary incentive for farmers to convert land unfit for crops into grasslands and tree cover. Grasslands and trees, in turn, prevent topsoil erosion, improve water quality, and provide essential cover and nesting for wildlife.

Unfortunately, Mr. Speaker, the Conservation Reserve Program expires in 1995. Currently, 36.5 million acres are enrolled in the program and rapidly declining conservation funds will force nearly all land out of the program by the year 2001. Many of those concerned about protecting our natural resources are asking what will happen upon the program's expiration. If history repeats itself and current surveys are accurate, these grasslands and trees will be converted to cropland and our water, soil, and wildlife will be placed, once again, at risk.

Mr. Speaker, in the 1970's, Congress neglected the expiration of another Conservation Program, the soil bank. Predictably, when the incentives for that Conservation Program expired, precious grasslands were converted to cropland and an investment in our soil, water, and wildlife was lost.

Therefore, last week, this Member introduced legislation to extend and significantly modify the Conservation Reserve Program. By permitting the Secretary of Agriculture and, most importantly, farmers, a greater role in determining which land to protect, this legislation saves taxpayer dollars by better focusing precious conservation funds on our Nation's most environmentally sensitive lands.

Mr. Speaker, this Member's legislation accomplishes this important dual task by, first and foremost, permitting the early withdrawal of certain lands from the Conservation Reserve Program. Critics of the CRP have rightly criticized this generally excellent program because it did not focus sufficiently on the most environmentally sensitive land, for example, the most highly erodible land. Nationally, 24 percent of the land enrolled in the CRP is not even classified as highly erodible. Therefore, this Member believes it is first necessary to stop spending precious conservation funds on land which merely requires good stewardship for production.

Second, this legislation would allow the Secretary of Agriculture to work with farmers to modify current CRP contracts. Critics of the program have shown that many incentive payments are excessive. Therefore, this legislation would enable the Secretary of Agriculture to reduce incentive payments on certain lands while permitting farmers greater flexibility to use certain lands. In many circumstances, and with sensitivity to other economic interests which may be affected, CRP land can be devoted to economically productive uses such as haying, grazing, and the production of grass for alternative fuels without any negative environmental effect.

Third, this legislation would permit the Secretary of Agriculture and farmers to work together to choose those parts of fields and agricultural lands which will best protect our groundwater, streams, and wildlife. Often, entire fields have been enrolled in the Conservation Reserve Program when partial fields would suffice. Sometimes, a narrow strip of land along a waterway will filter agricultural chemical runoff while protecting the water quality of the waterway. Most importantly, by allowing partial fields to be enrolled in the program, precious conservation funds can be saved and reinvested in other, more environmentally sensitive lands.

Fourth, this legislation would permit farmers to harmonize field boundaries with each other, and if desirable, transfer cropland base acres from conservation reserve program land to other producers to use on nonhighly erodible land provided that they remain enrolled in the program. This increased flexibility and elimination of restraints on the transfer of cropland base will serve as an incentive for farmers to keep environmentally sensitive land in the program by making it easier for adjacent landowners to farm productive land while protecting environmentally sensitive land.

Finally, this legislation places a cap on the Secretary of Agriculture's incentive payments on CRP land. This specified 80 percent cap of previous payment incentives reflects various surveys which indicate that many farmers are willing to keep their land in the program even if incentive payments are reduced. Also, this legislation seeks to further promote conservation compliance requirements by requiring, in limited circumstances, that established soil erosion limits are required if a farmer wishes to remain in the CRP.

Mr. Speaker, our precious natural resources are in danger if Congress fails to address the expiration of the Conservation Reserve Program. It is not a simple task to protect our Nation's soil, waterways, and wildlife, yet the Conservation Reserve Program has admirably met its objectives. In Nebraska alone, this program annually saves an estimated 32 million tons of soil from being washed away and carried into our Nation's waterways.

Nevertheless, this Member acknowledges that changes are needed if the CRP program is to meet the environmental and budgetary challenges of the future. Therefore, this Member asked Mr. Jim Barr, my district office manager who is also a local farmer, to begin a real grassroots legislative drafting effort. He and this Member did so by meeting with farmers, soil conservationists, and local natural resources experts to gather information and ideas for improving the CRP from lessons learned in past conservation efforts. Together, these individuals have produced for my review and modification what I believe to be innovative and sensible grassroots legislation. This Member strongly believes the revision prepared will save taxpayer dollars by better focusing precious conservation funds on our Nation's most environmentally sensitive lands. This Member would like to thank Jim Barr, my agricultural and trade legislative assistant, Mr. Dan Martz, my environment legislative assistant, Mr. Alan Feyerherm, and the many farmers and experts who contributed to this legislation.

Mr. Speaker, the challenge is now before the Congress. We cannot ignore the expiration of this important conservation program. We must reauthorize and reform this program well before the current authorization expires. If my fellow colleagues wish to avoid the disastrous mistakes of our past efforts—the destruction of expensive conservation structures and practices—we must ensure that the CRP continues as a reformed and improved program. If we act now and act quickly we can maintain and preserve the millions of acres of grassland and tree cover which protect our soil, streams, and wildlife. Most importantly, we can enable our Nation's farmers to continue to produce the necessary cheap supply of food which all American's enjoy while still adequately preserving our Nation's precious soil and water resources for future generations of Americans.

In conclusion, this Member urges his colleagues to examine and cosponsor, H.R. 3894, the CRP Reform and Reauthorization Act which was introduced last Thursday. It is this Member's hope that our congressional agricultural committees may thus incorporate the provisions of this legislative proposal in a timely reauthorization of the Conservation Reserve Program.

□ 1230

CRIME REFORM

The SPEAKER pro tempore (Mr. Klein). Under a previous order of the House, the gentleman from Michigan [Mr. Smith] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, last Friday we had a meeting of our crime advisory task force in Michigan. Crime has got to be one of the top priorities of not only the Federal Government, but certainly State and local government and individual families. Crime is getting out of control in this country as more and more young people grow up without respect for other people, without respect for other people's property, probably without very much respect for themselves.

At our crime advisory task force meeting we talked about not only the importance of beefing up law enforcement officers and enhancing our ability to apprehend those individuals that were committing a crime, but we talked about increasing the efforts of our court systems and the judicial branch of government to have a quicker scolding of those individuals that were apprehended and charged with a particular crime. And also we talked about the need for reform in our State Department of Corrections and in our jail system so that truly there was some real penalty to those individuals who were sentenced to those institutions.

In too many cases, those criminals in our State prison system have it better off than they do on the outside.

We had school educators also who said it is so important that we start instilling in these young people some of the value systems, some of the morality, some of the ethics, that are attempted to be taught in our homes.

One of the county sheriffs gave me the statistics of one of their particular school systems, and I would just like to read a couple of them. One out of four of the females surveyed reported sexual abuse. In other words, someone in her family or someone else did sexual things to her that she did not want or forced her to touch them sexually. One in five students reported physical abuse, when one adult caused a student to have a scar, a black and blue mark, welts, bleeding, or a broken bone.

In our survey, a large number of the teachers thought it was illegal to teach values and morals in the school system. I think that we need to re-look at a very serious situation in this country and develop ways that it is not only going to increase our efforts for apprehension and a better judicial system and doing away with the revolving door circumstances of our State prison system, but also we are going to have to start reinforcing those values and ethics and morality.

Representative Emerson and I tomorrow are making an amendment, offering an amendment to H.R. 6, asking for a plan promoting ethics and values. This amendment to H.R. 6 asks for a study and plan of how schools can assist families in reinforcing values. Specifically, it names and defines 10 ethical principles that should be considered. Maybe, Mr. Speaker, I don't have time to go through all 10. I will submit them for the Record. Let me read a couple. Honesty: To be truthful, sincere, forthright, straightforward, frank and candid; to not cheat, steal, lie, deceive, or act deviously.

□ 1240

Integrity: to be principled, honorable, and upright; to not be two-faced or unscrupulous; promise-keeping, to be worthy of trust, keep promises, fulfill commitments, and abide by the spirit as well as the letter of the agreement.

This amendment specifically names and also has a short definition for loyalty, fairness, caring for others, respect for others, responsible citizenship, pursuit of excellence, and accountability.

In a situation where many teachers feel that somehow it might be illegal to teach these kinds of values in our school system, and for individuals that say, "I want to teach my own values," I would remind them that in previous years we had books such as Dick and Jane that had stories having a conclusion of what is right and wrong. Somehow we are going to have to make serious changes in our criminal justice system, but also changes in reinforcing the importance of family units and the importance of having young people grow up with a strong feeling of values and integrity.

I include for the Record a further listing of the 10 ethical principles:

Honesty: To be truthful, sincere, forthright, straightforward, frank and candid; to not cheat; steal, lie, deceive, or act deviously.

Integrity: To be principled, honorable, and upright; to not be two-faced or unscrupulous.

Promise-keeping: To be worthy of trust, keep promises, fulfill commitments, and abide by the spirit as well as the letter of an agreement.

Loyalty: To be faithful and loyal to family, friends, employees, clients, and country.

Fairness: To be fair and open-minded, willing to admit error, and, if appropriate, change positions and beliefs; to demonstrate a commitment to justice and the equal treatment of individuals.

Caring for others: To be caring, kind, and compassionate; to share; to be giving and of service to others; to help those in need and avoid harming others.

Respect for others: To demonstrate respect for other people's property, human dignity, and privacy; to be courteous, prompt, and decent; to not patronize, embarrass, or demean.

Responsible citizenship: To obey the laws and, if a law is unjust, protest it and try to change it but continue to obey.

Pursuit of excellence: To pursue excellence in all matters and in meeting personal responsibilities; to be diligent, reliable, industrious, and committed; to perform all tasks to the best of one's ability, develop and maintain a high degree of competence, and be well informed and well prepared; to not be content with mediocrity; to not strive to "win at any cost".

Accountability: To be accountable and accept responsibility for decisions, for the foreseeable consequence of actions and inactions, and for setting an example for others.

Dr. Kevin Ryan, director of Boston University's Center of the Advancement of Ethics and Character, said that the Nick Smith amendment will encourage States and local school districts to look at and seriously consider their role in character development.

The 10 ethical principles were developed by the Josephson Institute of Ethics. Currently, States that have set up value education commissions or actually implemented the teaching of ethical principles in the classroom are California, New Jersey, New York, Maryland, New Hampshire, Virginia, and Pennsylvania.

AMERICA'S RESPONSIBILITY TO DISCLOSE THE TRUTH ABOUT RADIOACTIVE FALLOUT IN THE MARSHALL ISLANDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, today is the fortieth anniversary of the Bravo shot, the detonation of the largest nuclear device ever tested by the United States. The 15-megaton Bravo blast was 1,000 times more powerful than the atomic bomb which devastated Hiroshima. It blanketed thousands of square miles with radioactive fallout, including inhabited atolls in the Marshall Islands, the Pacific island nation then administered by the United States under a trusteeship agreement with the United Nations.

Last week, the Committee on Natural Resources held a hearing during which testimony made clear that the United States breached the trust placed in it 40 years ago. Against the advice and admonition of its own military and civilian experts, the joint task force responsible for the Bravo test failed to evacuate inhabited atolls which they knew were directly in the path of potentially dangerous levels of radioactive fallout. After heavy fallout contaminated the inhabited islands as predicted, the task force responded half-heartedly to the emergency, evacuating only a few islands and only after the people on them had been exposed to radiation for several days. A shroud of secrecy covered up the fact that thousands more people, including American servicemen and their families, had been exposed to radioactive fallout from Bravo.

The aftermath of the Bravo debacle continues in the Marshall Islands today. The committee heard testimony that on one island of the Nation's most populous atoll, the rate of thyroid disease, including cancer, is 100 times higher than any place else in the world. We have received telephone calls and letters from American veterans and their families who are suffering from debilitating diseases which they relate to their exposure to fallout from the Bravo test.

Mr. Speaker, we have just begun the process of uncovering the truth about the legacy of U.S. nuclear testing in the Pacific. The Department of Energy has begun declassifying and disclosing documents long held secret in its files. However, DOE has only a part of the picture. It is important that all Government agencies, including the Departments of Defense, Interior, State, and Justice, release information about the tests and their effects.

I call upon the administration to take the U.S. role in the Marshall Islands nuclear weapons testing as seriously as it has its role in nuclear medicine testing here in the United States. There is a fine line between intentionally injecting an American citizen with plutonium and intentionally leaving a Marshall Islander in the path of radioactive fallout. We have a responsibility to disclose the truth about both.

THE FEDERAL RESERVE BOARD AND ACCOUNTABILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Federal Reserve Chairman in the past, and I have been on this committee, known as the Committee on Banking, Finance and Urban Affairs, and it used to be the Committee on Banking and Currency when I first came here over 32½ years ago, so I have seen some seven or eight different Federal Reserve Board Chairmen, they have traditionally deluded the American people into thinking that there is no need for individual accountability for their decisions by proclaiming the institution's independence from politics. However, this is only a useful sleight-of-hand to shift the public focus off of Federal Reserve objectives which predominantly benefit its banker constituency instead of the public it was created to serve by the Congress.

Mr. Speaker, the truth is that the Fed is a skillful, wily and eager political player when it suits its own purposes.

For example, the Fed does not like the administration's plan to consolidate bank regulatory agencies. It also does not like my bill to require greater accountability—and Fed officials are leaving no stone unturned in their efforts to defeat these bills. Notes from similar political wars in the 1970's, incidentally, show how the Fed played the game then, and how it is playing the game today.

I often hear from some of my colleagues who say they receive calls or are visited by their local bankers who ask them, "What are you doing to stop HENRY GONZALEZ from politicizing the Federal Reserve?" These worried bankers are dispatched by the Fed to do its political bidding—the same as always.

They have done that with former Chairman Wright Patman and they did it with the other succeeding chairmen of the Committee on Banking, Finance and Urban Affairs, while some Federal Reserve Presidents and Governors are wailing about the horrors of losing their political virginity, so to speak.

To show how hypocritical this is, I have attached a Federal Reserve checklist from the collection of former Federal Reserve Chairman Arthur Burns that outlines "contacts and projects on GAO—the General Accounting Office—audit issue."

Here is a Chairman who takes the super-secret proceedings of the Open Market Committee for 3 years, and then on his retirement dispatches them as if they were his own personal property to the Gerry Ford Library at the University of Michigan in Ann Arbor, and squirrels them away there.

In the meanwhile, we find out about it and have taken a look at those papers. Those are public documents. Those were never intended to be personal, private papers of a Fed Chairman.

Here recently, when we had the historical hearing, at no time before in my memory did we ever have all the Governors and Presidents and the Chairman of the Fed at a hearing, in order to ask them just how they could reason and explain their great actions, that have everything to do with the well-being of the average American citizen, his standard of living, wages, whether he has a job at all; those are all decisions that are made in secret by these super-selected individuals who account to nobody, other than to their own whims, prejudices, and special interests. They are the creatures of the banking system, and obedient to the private banking system, not to the Congress that created them, nor to the President, as I have brought out ad nauseam.

Despite the fact that the Fed maintains that it never lobbies a Congress, the Burns checklist, which I will include here today, proves otherwise. It is a blueprint for an efficient and high-powered lobbying effort that includes using top Fed officials and the officials from the same banks the Federal Reserve regulates. This is clearly unethical and it is clearly violative of the very fundamental premises upon which our whole governmental structure has been based, not only since the Constitution but since colonial times.

The Federal Reserve then and today assigns these minions to contact past and present Government officials for horror stories and arranges meetings for the Chairman with the Senate and House Members, to be certain that their message has been heard.

□ 1250

The Burns paper shows how to contact "Federal Reserve Bank Directors and Friends (through Bank Presidents)." Since 6 of the 9 bank directors of each of the 12 Federal Reserve Banks are elected by the bankers in the district, we know what they mean by "friends." This is evidence of the Fed's outrageous practice of using officials of the same private banks they regulate to conduct lobbying campaigns against any legislation the Federal Reserve does not like.

After reading these documents, does anyone still believe that we should trust the Federal Reserve to regulate many of the Nation's commercial banks and bank holding companies from the greatest interest of the greatest number of our American people? The Fed does not have an arm's length relationship with those they regulate; they are in bed together. It is an incestuous relationship.

This is why I am supporting legislation to take from the Federal Reserve its bank supervisory role and give it to a new, autonomous bank regulatory agency which will not be beholden to any constituent group.

Our Government, through its elected representatives setting the Nation's policy, has worked through the years, over 200, and successfully managed the people's business when the will of the people was expressed faithfully and dutifully through its agents.

The Fed uses its banker friends for lobbying to keep the Federal Reserve from being fully examined by the GAO, and to prevent the Congress from requiring that the Federal Reserve release complete minutes of its eight annual Federal Open Market Committee [FOMC] meetings to the public or anything else.

No other country in the world has this kind of autonomous central bank operation, no country in the world, Japan, France, Germany, Great Britain, none. We are the only ones.

The FOMC transcripts and notes I have collected indicate that Federal Reserve officials were frantic in their attempts to get themselves an exemption from the proposed 1976 "Government in the Sunshine" legislation. This legislation required all Government agencies to release to the public complete minutes of their meetings. The files document a full-press operation inside the Fed. For example, I quote from a December 2, 1975 memo from Ken Guenther, the Federal Reserve's chief liaison to Federal Reserve Chairman Arthur Burns:

Ken Guenther is a Federal Reserve employee who today is the big honcho, the big tamale of the Independent Bankers Association of America. Where do Members think his representation of the so-called Independent Bankers of the United States is?

I quote him from December 2, 1975 when he was the chief liaison to the Federal Reserve Chairman, Arthur Burns:

THE CLAY OPERATION

I talked with George Clay [president of the Kansas City Federal Reserve Bank] both yesterday and today and emphasized the urgency of contacts between now and December 9. Clay will focus first on the (congressional) Subcommittee and then spread to the full (congressional) Committee. He is approaching this effort enthusiastically.

Like others at the Fed, President Clay wanted to make sure that the public never learned what was being said at the FOMC meetings, lest the light of accountability prove blinding to the decisionmakers at the Fed.

My colleagues, it is very clear that the Federal Reserve is anything but nonpolitical. I intend to bring individual accountability to the Federal Reserve and let some sunshine in so that we have a detailed record of its Federal Open Market Committee meetings, and understand its presently secret machinations.

My bill, the Federal Reserve System Accountability Act of 1993, H.R. 28, requires prompt release of monetary policy changes, timely release of a detailed record of FOMC meetings, and allows the GAO to examine substantial parts of Federal Reserve operations which are now restricted from inspection. To do any less would be to short-change the American public.

I include for the RECORD the memo to Chairman Burns from Ken Guenther in its entirety as follows:

December 2, 1975.

To: Chairman Burns.
From: Ken Guenther.
Subject: Your Meeting with Chairman Hills.

The following is a list of actions you have taken on the Government in the Sunshine legislation in the House.

Contacts With Members of the Subcommittee on Government Information and Individual Rights, in Addition to Your Testimony

(1) Breakfast with Chairwoman Abzug.

(2) Telephone conversation with Sam Steiger (ranking minority member).

(3) Telephone conversation with Clarence Brown of Ohio (minority member).

(4) A letter enclosing your testimony to the three Subcommittee Republicans (Steiger, Brown, and McCloskey).

Comments: Note that we have done little with the Democratic members of the Subcommittee, and there are eight Democrats (including the Chairwoman) and only three Republicans on the Subcommittee. Ashley recommended that you talk with Democratic Congressmen Moss, Moffett, and Maguire.

Contacts With Other Members of the Full Committee

(1) You have written to Garry Brown of Michigan and Willis Gradison of Ohio, Republican members of the Committee, who also sit on Senate Banking, and expressed your concern over this legislation. Mr. McMahon (whom Tom O'Connell dismisses as not being worth much) of Congressman Wylie's office called here and offered to be helpful, noting that he has been coordinating with Brown and Gradison. (See attached memo.) McMahon is not willing to go the "exempt the Fed" route, feeling it is not politically salable. Wylie asked you the question from the floor at the House Republican Conference meeting.

(2) This week you will be meeting with Frank Horton, the ranking minority member of the Committee, and with St Germain, who sits on both Government Operations and House Banking.

Comments: Again, more must be done with the Democratic side, but this can wait until the bill is reported out of the Subcommittee. Suggested contacts include the Committee Chairman Jack Brooks of Texas (Ashley noted that his ownership of a bank could work against us), Moorhead of Pennsylvania, Richardson Preyer of North Carolina (I believe Clarence Brown suggested this), and Jim Wright of Texas. In addition to these, it probably would be worthwhile contacting the second ranking Committee member (L.H. Fountain, Democrat of North Carolina) and Ben Rosenthal, given Rostenthal's effection for you.

(3) Earlier the White House suggested contacting John Erlenborn of Illinois, the second ranking Republican on the Committee, in addition to Horton. You may wish to discuss this and other possible fruitful Committee contacts with Horton.

Note—Horton comes from Rochester, New York—east of the Genesee River, Barber Conable comes from Rochester—west of the Genesee River. Horton is a moderate-to-conservative Republican, a favorite of the Gannett papers, has many Kodak and Xerox workers in his district, and has won his elections quite handily. He is my parents' and families' Congressman. He might be interested in Marine Midland matters.

Your Other House Contacts

(1) With Reuss and Ashley.

(2) With John Anderson and you followed up with a letter.

(3) With John Rhodes and you followed up with a letter.

(4) You discussed contacting Bolling with Ashley, and Ashley indicated it wouldn't hurt. This contact can wait until the matter moves closer to the floor.

Note—I wouldn't recommend that any effort be made to stop the legislation in Rules, since I feel it would be futile. In my judgment, the attempt to bottle up legislation in Rules which passed the Senate by a 94–0 vote would be counterproductive. Bolling could be very useful on the floor and could make some helpful preparatory noises in Rules—if he were so included.

The Clay Operation

I talked with George Clay both yesterday and today and emphasized the urgency of contacts between now and December 9. Clay will focus first on the Subcommittee and then spread his net to the full Committee.

He is approaching this effort enthusiastically.

The SEC Strategy in the Subcommittee

Unlike us, the SEC feels it has a Democratic friend in the Subcommittee, Mr. Moss. They are concentrating on Moss in the effort to have him introduce the SEC amendment—as put forward in the Hills' testimony. They are also working with liberal Republican McCloskey in this amendatory effort, and Hills is a personal friend of McCloskey.

If they get a Subcommittee Democrat, their chances of success are greater than ours—assuming that Steiger will be offering the Fed amendment. This argues for working with Hills and Moss, looking towards an amendment that will meet the SEC needs and our needs.

As indicated this morning, Moffett already is playing games, and this does not bide well in terms of his cooperation.

ANNIVERSARY OF PUERTO RICAN TERRORIST ATTACK ON HOUSE CHAMBER

The SPEAKER pro tempore (Mr. KLEIN). Pursuant to the Speaker's announced policy of February 11, 1994, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 5 minutes.

Mr. KANJORSKI. Mr. Speaker, I see my colleague coming down the center aisle by the name of BILL EMERSON. I saw BILL EMERSON walk down that center aisle 41 years ago when he and I first met each other as congressional pages. I was a wide-eyed young man from Pennsylvania at the age of 16, and young Mr. EMERSON had just removed the straw from his mouth in Missouri, and we were both committed to government service and trying to get a beginning start to understand what democracy was about. So I welcome my colleague from Missouri, the Honorable WILLIAM EMERSON, who represents the Eighth Congressional District of Missouri today as I address the House of Representatives and the Speaker to call their attention to the historical moment that today represents in parliamentary history in the United States.

BILL EMERSON and I some 40 years ago today were both present on the House floor as congressional pages when the independent movement of Puerto Rican terrorists entered the gallery up here on my extreme left and stood and unfurled an independent flag of Puerto Rico and started to openly fire on the individuals that were occupying the floor of the House of Representatives, striking five of those Members, several of them seriously, and causing the first historically recordation of a democratic parliamentary body having been fired upon in the entire world.

That of course occurred sometime in the afternoon of March 1, 1954, when BILL and I were young men. I was in the far corner of the Chamber where the Democratic pages sit now and where they sat then. And when the firing started, it initially in this Chamber sounded like firecrackers. But I became aware of the fact that they were bullets by being sprayed by one of the pieces of marble when one of the bullets hit the marble and sprayed it in the area where the pages were located. It caused me to hit the floor at the time, and then over the ensuing 15 or 20 minutes after that BILL and I joined several of our colleagues in taking the Members that were struck by the bullets out to the ambulances from the floor of the Capitol.

I now welcome my good friend and I guess my oldest friend—it is terrible to say it, is est friend—it is terrible to say it, is it not, BILL—my oldest friend in the country, and somebody I have shared so many happy moments with and so many sad moments with over the last 40 years, the Honorable WILLIAM EMERSON of Missouri.

Mr. EMERSON. Mr. Speaker, I thank the gentleman for yielding. I have reserved some time also so I think we may go in tandem here for a few minutes.

In the gentleman' RECORD an account that Mr. Johnson and Mr. Brown, the Parliamentarians, had shown to me that had been written within hours or at least within a day or so of the event, an account written by Mr. Metzger who was once a Clerk to the Parliamentarian here. And it is as faithful as an account as I have seen anywhere.

The gentleman and I were very busy that day. Immediately following the shooting there was an attempt by the pages, I remember Arthur Cameron in particular who was the overseer of the pages in the Democratic Cloakroom spent many minutes, probably 15 or 20 minutes, trying to persuade various hospitals and ambulance services that the event that had occurred had indeed occurred. Most people thought it was a joke, because terrorist events just did not occur in 1954. But he persuaded a couple of entities to send ambulances. I recall one arrived from Bethesda Hospital, all the way out in Bethesda, and another from the old Emergency Hospital in Northeast.

As the gentleman will recall, and here is a photograph that I have asked Mr. Pierson to bring to us, a picture of the gentleman from Pennsylvania [Mr. KANJORSKI] and myself with my mouth wide open there trying to get out this door of the Capitol to go down the steps to take, I believe, that was Mr. Bentley of Michigan on the stretcher there. This other page is Bill Goodwin who was a page from Michigan, and here is former Congressman Wayne Hayes between you and me in this photograph.

They only sent drivers with the ambulances, no stretcher bearers or anything. And as I recall, we accompanied in the ambulance Mr. Bentley and Mr. Fallon to the old Emergency Hospital in Northeast. Some accounts that I have read said three Members went to the Emergency Hospital. But if the gentleman's memory coincides with mine, there were really two. I think it was Mr. Bentley and Mr. Fallon who went in the ambulance that you and I accompanied over to Northeast, and Mr. Jensen and Mr. Roberts and Mr. Davis were in the ambulance that went to Bethesda. Am I correct in that?

Mr. KANJORSKI. My best recollection is that you and I carried three of the five Members down, but we did get in an ambulance with two. And I think the less serious cases were sent to the other hospital.

□ 1300

THE 40TH ANNIVERSARY OF THE PUERTO RICAN TERRORIST ATTACK UPON THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore (Mr. KLEIN). Pursuant to the Speaker's announced policy of February 11, 1994, the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes.

Mr. EMERSON. Mr. Speaker, I ask the gentleman to stay and join me in the 5 minutes that I have available here.

You know there is something that I want to recount. The gentleman from Pennsylvania [Mr. KANJORSKI] and I have recounted this story many times in our reminiscences, the older we get, and I thought the story was over and done with many, many years ago and had not thought about it in a long, long time.

But when I was traveling in Sudan in 1989 with the late Mickey Leland, who was chairman of the Hunger Committee, he and I were there together about the famine in Sudan on the occasion immediately prior to the trip in which he tragically lost his life. He asked me to tell him the story about the day they shot up the House of Representatives, which I did much as, you know, the little 3- to-5-minute version of it.

I concluded by telling him that I had later read back in the late 1970's, after telling him the story of the event, that I had later read sometime in the late 1970's that President Carter had pardoned the people who had perpetrated that event, and I had never known why. I had not taken the time or the trouble to call the Justice Department and find out.

He told me that he knew the answer to that, that he had been instrumental in helping to secure the release of some Americans who had been languishing in Cuban prisons. Mickey Leland told me there had been some Americans languishing in Cuban prisons since the Bay of Pigs, and the price of the release of those prisoners was that the perpetrators of the event here in the

House of Representatives be pardoned, which seemed to me to be an equitable arrangement.

Mr. KANJORSKI. If the gentleman will yield, I just thought maybe it became in vogue in 1989 to fire on Members of Congress.

Mr. EMERSON. I do not know. I leave that to the gentleman's characterization.

I thought then that I had heard the ultimate chapter in that story, that the people who had perpetrated the event here were traded for Americans who were in Cuban prisons from the time of the Bay of Pigs, but a little bit later, I believe it was in 1990, the deputy United States marshal, Clarence Comer, who holds forth in the Federal Building in Cape Girardeau, MO, my hometown where I have one of my district offices, came to Washington to receive an award of the Marshal's Service. It is the highest medal that one in the Marshals Service can receive, the highest honor one can receive. It is the Marshals equivalent of the Congressional Medal of Honor. Clarence performed a very heroic act in our community that resulted in his receiving this award, and he came here with his wife and family and was in my office and saw this photograph on my office wall. It connotes some action that may relate to an event that a law enforcement officer would be interested in, and he said, "BILL, what is this picture on your wall?"

I told him the story, and then I told him what Congressman Leland had told me about the trade, and he said, "I cannot believe you are telling me this story." And I said, "Why is that? Do you think I am misleading you?" He said, "No." He said, "I was the U.S. marshal who accompanied Lolita Lebron and her accomplices to San Juan where the folks coming out of Cuba we met in San Juan and traded the Americans for the Puerto Rican terrorists."

I hope that is now the end of the story, but it has sort of been a lifelong "There is yet another chapter in it for me," and I hope that is now the end of it.

Mr. KANJORSKI. Well, I say to the gentleman, as you know, 40 years have passed since that day, and you and I have had the pleasure of living through those 40 years and living that historic moment and now serving, again, in the Congress.

I was thinking on my way in this morning of the feelings that existed in the United States in 1954 as best as I can recollect them as a young man, and the feelings that exist in the United States in 1994. And although it is a larger country by almost 100 million more people, it is, indeed, a safer country because, as you recall in 1954, we were in the throes of the beginning of the nuclear era and all the threats and the insurmountable ability to suppress communism in the world and its march around the world. Korea had just ended, and we were not at all certain at that time what our future lives would lead.

And now in 1994, I thought to myself we still have some of the doubts, but over that 40-year period you and I, from the beginning of the fight to engage the American system as supreme in the world as opposed to the Soviet system, have lived long enough to see this Nation conquer its enemy not having engaged in any war at all, and that we should take this moment to reassure the young pages that are here on the floor and the American people that America is, indeed, as good or better a nation today as it was in 1954, that although we have our troubles today, we had our troubles in 1954, and that the challenges we seem to be meeting today are much more attractive challenges than that of death and nuclear war as they existed in 1954.

Mr. EMERSON. I thank the gentleman for his observations.

I concur in his remarks. As I tell my constituents with some frequency, this is the most exciting time in which to be alive, the next century that we are soon to enter, and even after serving 14 years in the House of Representatives, I remain an optimist about our system of government and about our prospects for the future. I thank the gentleman for yielding to me, and I am glad to have yielded to him. I think the Speaker is telling us our time is expired.

I thank the gentleman.

The SPEAKER pro tempore (Mr. KLEIN). Pursuant to the Speaker's announced policy of February 11, 1994, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the majority whip, there being no minority designee.

CRITICS WERE WRONG ABOUT THE BUDGET AND THEY'RE WRONG ABOUT HEALTH CARE

Mr. BONIOR. Mr. Speaker, there is a story that my grandfather used to love to tell about the time he immigrated from Ukraine to Hamtramck.

The town was filled with Polish and Ukrainian immigrants. And one time, one of these people from the old country robbed a bank.

He was caught right away, but he did not have the money on him. And he didn't speak a word of English.

The police chief got an interpreter, sat them both down in the jail, and told the interpreter, "Ask this man where the money is."

The interpreter asked, but got no answer.

The chief took out his gun, placed it on the table, and said: "You tell this guy he better answer or he's in big trouble."

The interpreter asked again, but again, he got no answer.

Finally, the chief picked up the gun, pointed it at the bank robber's forehead and said, "You tell this guy he better talk or he'll be sorry."

The interpreter delivered the message, and this time the robber said in Polish: "I confess. I stole $100,000 and dropped the money in a dry well behind the bank. The money's there."

The interpreter thought a minute, turned to the chief and said: "The robber says he's not afraid to die."

Mr. Speaker, I think of that story a lot every time I think about last year's budget battle.

Those of us who supported the President's budget felt like we had equally reliable interpreters working against us.

Time and time again, we were warned that passing the President's budget would make the sky fall—release swarms of locusts—and bring a plague down on our house.

We have heard it year after year, decade after decade.

Every time our Government tries to do something good for people, to improve people's lives and to lift them up, our friends on the other side of the aisle say it is socialism—big government—tax and spend.

Let us recall the Republican rhetoric we heard during the budget debate of 1993.

We were told that the budget bill would lead to a job-killing recession.

We were told that "Clearly, this is a job-killer in the short run" and that the impact on job creation would be devastating.

We were told that the budget would mean, "Higher deficits, a higher national debt, deficits running $350 billion a year, more unemployment, higher interest rates and higher inflation."

And one gentleman even said to those of us who voted for the plan, "This is now your package. We will come back here next year and try to help you when this puts the economy in the gutter."

Well, Mr. Speaker, guess what: Next year is here.

And each and every one of their predictions has fallen flat on its face.

The truth is that for the first time in 12 years, our deficit is going down instead of up.

For the first time in 8 years, investment is going up instead of down.

And for the first time in 4 years, the economy is creating jobs instead of destroying them.

The budget we passed last year cut $255 billion in spending;

It eliminated over 340 separate budget items.

And it reduced the size of the Federal bureaucracy—to its lowest point in 30 years.

Last summer, the so-called experts were predicting that if we passed the President's budget, this year's deficit would be $300 billion.

Well, the experts were wrong.

Because we passed the plan, this year's deficit is projected to be under $180 billion—a 40-percent drop.

And if we stick with this plan, we will post 3 consecutive years of declining deficits for the first time since Harry Truman lived in the White House.

The best news is, it is working for the economy.

Right now, interest rates are down and homes sales are up.

Inflation is down and auto sales are up.

Unemployment is down and incomes are up.

And all told, our economy has created more jobs in the past year alone than in the 4 years of President Bush combined.

That's a good start, Mr. Speaker, and more needs to be done. Much more needs to be done.

But it just goes to show that when you make tough choices, you get results.

But now our friends on the other side of the aisle are up to their old tricks. They lost the budget battle, so now they are bringing the same old scare tactics to the health care debate.

Now, we are being told that guaranteed health insurance is socialism, now or later and a dictatorship in health care.

We are being told that President Clinton wants to deliver a monstrous, Government-run, bureaucratic nightmare that is not reform.

And in response to the President's State of the Union Message last month, the Republican line was that the President's health plan means, "More cost. Less choice. More Government control. And less control for you and your family."

Once again, the President is trying to bring positive change to America. And once again, our friends on the other side of the aisle are using the same old cliches, scare tactics, and tired rhetoric.

Well, we have a saying for this kind of thing in America: Fool me once, shame on you. Fool me twice, shame on me.

The American people are not going to be fooled again.

The Republicans were wrong about the budget then and they are wrong about the health care plan now.

As the majority leader pointed out a few weeks ago, it is not the first time in history that they've been wrong about health care.

It is not the first time they've been out of touch.

Let us recall the great debates over Social Security and Medicare.

Back in 1935, Republican Congressman John Taber said Social Security was "insidiously designed to prevent business recovery" and "to enslave workers." Republican Congressman Daniel Reed said it was "the lash of the dictator."

That is what he said about Social Security.

In 1965, when Democrats pushed for Medicare, Republican Congressman James Utt said it was "socialized medicine." Republican Congressman Joel Broyhill said, "It would impair the quality of health care, retard the advancement of medicine and displace private insurance."

Medicare?

And as the majority leader pointed out, back in the mid-1960's, a young Republican actor said that if Medicare passed, "we'd spend our sunset years telling our children and our children's children what it once was like in America when men were free."

The actor's name was Ronald Reagan.

And he was talking about Medicare.

They did not get it then and they don't get it now.

Well, the American people get it.

They want a health system that covers everyone and provides all Americans with health insurance that can never be taken away.

They want a health care system controlled by people who care about our health, not just our wallets.

They want a system that helps seniors and expands Medicare.

And want a health care system for everyone. Every day. Always.

After 50 years of starts and stops, that is the plan President Clinton has proposed for America—despite what others try to tell you.

And I give him a lot of credit for putting health care on the agenda.

The problem is, we have a lot of special interests who don't want change. Who are trying to distort the plan. And I think there is a lot of confusion about what the plan will do and what it will mean for the average family.

Over the coming months, I have received time on this floor to talk about health care reform, to talk about the issues that confront us, and to answer some of the questions I'm receiving from people back home.

As I have said before, I may not be Marcus Welby, I may not even be Doogie Howser, but I think I can give people some idea about how the President's health care plan might work and how it compares to other plans.

And it is important to recognize from the beginning that we're talking about a moving target here. The President's plan is likely to change in the months to come.

It has got to go through the committees, and through both Houses of Congress, before it comes to a vote.

This is just the beginning of the process—not the end.

But that is what the democratic process is all about—taking the good ideas other people have and incorporating them to make a good plan even better.

In the end, we will have a health care plan and a health care system that we can all be proud of.

That will save money and save lives.

And that will work for all of us.

But as we move toward that goal, I do get a lot of questions from back home.

One question I get asked a lot is, "David, why do you support the President's plan?"

Mr. Speaker, that is a good question. Right now, there are at least six major health care plans before Congress.

Six major plans that are very thoughtful plans, proposed by very thoughtful people, and they all have some good qualities about them.

But the President's plan is the only plan that has one essential feature.

One essential feature that 79 percent of the American people said in a recent poll must be the cornerstone of health care reform.

One essential feature that four out of every five Americans believe must be part of any plan that passes Congress.

And that one essential feature is this: the President's plan is the only plan that provides all Americans with guaranteed private health insurance that can never be taken away.

Not if you change jobs.

Not if you lose your job.

Not if you move, start a small business, or retire.

No matter what happens, you can never lose your coverage.

And the president's plan is the only plan that makes that guarantee.

"So," you might ask. "What exactly is the President proposing?"

In a nutshell, the President is proposing a twofold solution.

First, to make sure everyone is covered, his plan builds upon what works today in the private sector, by expanding the employer-based system we have today.

His plan would require employers to help pay for coverage—it would subsidize insurance for small businesses, low-wage workers, and the jobless—and it would set up insurance-purchasing pools called health alliances to make policies cheaper.

He would require that all people, at a minimum, be covered by a standard set of benefits as good as the benefits packages offered by most Fortune 500 companies—and no matter what happens, those benefits can never be taken away.

Second, the President would also try to control health costs. He would cap the two big Government health care programs so that they grew only about half as fast as inflation and weed out much of the waste, fraud, abuse, and duplication in the system today.

His plan would also rewrite the rules for the health-care market, to force private insurance companies to compete on how well they can take care of people, not how many people they can drop from coverage when they get sick.

And, in case the competition of the free market doesn't do enough to restrain costs, the President's plan would impose strict limits on how fast insurance companies can jack up premiums.

Mr. Speaker, by far the most common question I get is the most personal: "How is all this going to affect me?"

Here is what that means in English: after reform, almost all of us will be able to sign up for a health plan where we work, just like we do today.

You will get brochures that give you easy-to-understand information on the health plans in your area—including an evaluation of the quality of care and a consumer satisfaction survey. And you can choose the plan that is best for you and your family.

If you are self-employed or unemployed, you sign up at the health alliance in your area—which is made up of consumers and local business owners who bargain with insurance companies for affordable health care for you and your family.

Many people say to me, David, I have a good plan through my employer now. Will I be able to keep the plan I have now?

The answer is "yes"—one of the features we are going to absolutely insist on during health care reform is that people do not lose the good benefits they may already have now.

If your employer is currently paying 100 percent of the cost of your plan, he or she can continue to pay 100 percent. We are trying to preserve what is right with our system just as much as we are trying to fix what is wrong.

Many of the people back home also want to know: Will I still be able to choose my own plan and doctor?

The answer is "yes"—you will always be able to choose your own plan and doctor. In fact, you will probably have more choices than you have right now.

Under today's system, rising health care costs have forced many businesses to limit the health plans for their employees. Nearly three-quarters of small- and medium-sized businesses today offer just one plan—meaning you are stuck with that plan and the doctors it covers.

More than half of America does not really have any choice today at all.

Under the health security plan, no boss will be able to tell you which doctor to go to or which plan you can join.

Every American will have the choice among a number of high quality plans.

You can stay with your current doctor, join a network of doctors and hospitals, or join a health maintenance organization. Depending on the area you live in, you could be offered many choices within those three main areas. Your doctors can be part of any plan they want to.

Every year, you can switch plans. And if your doctor switches plans—you can move with him.

Another common question is, "How good is the standard benefits the President is proposing?"

The standard package of benefits the President is proposing for all Americans is at least as good as the benefits offered by most Fortune 500 companies. And you can never lose it.

In fact, the President's plan is also the only private-based plan that specifies what benefits are covered.

The other plans leave that chore to a commission to decide benefits—only after the bill is signed into law.

Under the President's plan, you will be covered for hospital care, doctors visits, emergency and laboratory services, substance abuse, and mental health treatments.

And for the first time ever, prescription drugs will be covered.

In today's system, your insurance may cover you if you get sick—but it will not pay a penny to keep you healthy in the first place.

The President's plan will encourage prevention by paying 100 percent of the cost for regular check-ups, well-baby visits, mammogram, Pap smears, and other preventive care—to keep people healthy in the first place, so we can avoid more costly care down the road.

Mr. Speaker, many people also ask me if premiums and copayments will go up under the new system.

The answer is "no," premiums and copayments will be brought under control.

We are not going through this long, painful process of reform just so that people end up paying more money for less care.

You know how the system works today—you may have a plan with a $250 premium. But if you get sick just once, you may see that premium shoot up to $2,500—and there is nothing you can do but pay it.

Under the health security plan, insurance companies won't be able to charge you more just because you're sick.

Mr. Speaker, a lot of older Americans who are living on fixed incomes write me to ask if they'll be able to stay on Medicare.

The answer is "yes"—under the President's plan, older Americans who receive Medicare will still be able to receive their Medicare benefits exactly as they do today.

In fact, Medicare will be made stronger—because for the first time ever, Medicare will cover prescription drugs—and no senior will ever again have to choose between the food they need to survive and the medicine they need to live.

It is important to point out that the President's plan is the only plan that covers prescription drugs and long-term care for seniors.

Under this plan, old people will not be made to pay more just to pay for health care for young people.

And if you decide that you want different coverage, older Americans will be able to choose among different health plans that may offer fuller benefit packages and lower payments.

But, many people ask me, what if someone in my family has a preexisting condition? Will they be covered?

The answer is yes—under the Health Security plan, it will be illegal to refuse to insure people just because they've been sick.

After reform passes, nobody can ever be denied coverage again. Health plans will have to accept people—healthy or not. They will not be able to charge you more for being sick.

And most important, they cannot cut you off when you reach a lifetime limit. Because the President's plan abolishes lifetime limits for good.

Mr. Speaker, those are just some of the questions I get. And those people who tell me it does not matter what plan we enact into law remind me of the old story about the veterinarian and taxidermist who shared the same office.

Their slogan was "Either way you get your dog back."

There is a difference between what plan we choose.

The President's plan is the only plan that provides to all Americans guaranteed private health insurance that can never be taken away.

It is the only plan that covers prescription drugs and long-term care for seniors.

And it is the only plan that guarantees you will never be denied coverage or dropped from coverage again.

Is it a perfect plan? Of course not.

Some things will change between now and the time the President signs a bill into law.

And we are going to be working with Democrats and Republicans over the coming months to make a good plan even better.

Is it complicated? Of course it is—it has to be. Health care is 14 percent of the gross national product.

It is a difficult issue—and sometimes it seems we're dealing with a whole other language.

But we all have a responsibility to get this system under control.

And I am going to keep coming to this floor in the days to come, and I am going to continue to answer the questions I get from back home.

Because the American people know what's at stake. They feel this health care crisis every day.

They do not need any more interpretations.

They do not need any more partisan bickering.

They do not need any more fearmongering or tired old rhetoric. What they need is the truth.

What they deserve is honest answers.

And it is up to all of us to make sure they get them.

□ 1330

CONGRESSIONAL ACCOUNTABILITY LEGISLATION

The SPEAKER pro tempore (Mr. KLEIN). Under a previous order of the House, the gentleman from New Hampshire [Mr. SWETT] is recognized for 60 minutes.

Mr. SWETT. Mr. Speaker, I am continuing a conversation that I started a couple of weeks ago that I hope will, among other things, bring about a greater sense of cooperation among my colleagues here in the House of Representatives and the American public and will act in a constructive way towards developing a greater relationship between the people of this country and their Government. I started talking 2 weeks ago about some basic values that I felt were necessary in order to bring about this relationship or this new paradigm that will help this country go into the 21st century, not working at odds on with another between communities and between individuals but, rather, as a team, recognizing that we have a lot of differences among our diverse population but we had darned better decide that there are some common values and common ground and common elements that we could all agree upon as we discuss our differences that ultimately will lead us to some very productive resolutions. I would like to start just by reading a quote that Abraham Lincoln gave back in 1838, where he says, and I quote: "All the armies of Europe, Asia, and Africa combined with all the treasures of the Earth, our own excepted, in their military chest, with a Bonaparte as a commander, could not be force take a drink from the Ohio nor make a track on the Blue Ridge in a trial of a thousand years. If destruction be our lot, we must ourselves be its author and finisher. As a nation of free men, we must live through all time or die by suicide."

That has stuck with me ever since I first heard that quote, because I sense right now that we are very successfully accomplishing a death by suicide in this Nation because we are unable to understand the important elements of agreement and commonness between us.

I hope over these next few minutes to carry on this conversation with some colleagues of mine from both sides of the aisle, and I am proud and pleased to have with me today a good partner in a piece of legislation that is a very important part of this constructive act, Congressman CHRIS SHAYS of Connecticut, who will be speaking in a few moments about his perspective with regard to the congressional accountability legislative that he and I are coauthoring.

But before I get to that point, I just want to continue reestablishing and affirming the foundation upon which this dialogue is going to be carried out. There are some very basic principles I think we as Members of Congress and as Americans ought to set forth and hopefully agree should be followed.

The first is that our society is based on a profound respect for individuals and the sacredness of the human being. The second is that good government serves the greater good by balancing the needs of the few with the many through the needs of pragmatic, reasonable decisionmaking and consensus. Third, that in a free society, as individual freedoms increase, so do individual responsibilities. And fourth, that the Government's role is to provide the policy tools to increase individual freedom, prosperity, and common values such as the need for strong families, and that elected officials are the public servants who fulfill the will of the public for the public good.

□ 1340

I don't think that either extreme, on the right or the left, can truly claim these four principles. A whole new paradigm, a whole new way of thinking, has to be established, in order for us to bring forth the solutions that this country, and probably this planet, so desperately need.

It is important for us to talk. It is important for public officials to talk, but not for the sake of talking. Rather, we must make examples of ourselves by stating forth the plan, and then moving forward and accomplishing that plan. That is a very important element of the discussion today, because we are talking about not only basic principles, but actions and plans that we can implement that begin to rebuild that bridge of trust between the Government and the American public, maybe between Republicans and Democrats to the extent that that is necessary, but certainly between people, so that we understand in Government what the plight of people's lives and problems that they face in those lives might be out in the neighborhoods.

Today we are going to be talking about the congressional accountability legislation that Congressman SHAYS and I have authored and are very fortunate now to have over 245 cosponsors on board supporting.

I think what is most important to begin in this discussion is the understanding that this is not just a symbolic piece of legislation. This is a piece of legislation that, if and when implemented, and we assume that it will be probably by mid-April this year, that it is going to take that bridge that has decayed and fallen between the people and the Congress, and start to rebuild that span so that communication, and, most importantly, trust, will begin to traverse across in both directions.

The trust that needs to exist between people of a democracy and their government is so important, because without it, any action that we take in this body, either speaking from the well of the House or working in committees, will fall not only on deaf ears, but will fall on minds that feel that it is only to their detriment and their destruction that we work.

We are trying to reestablish a positive relationship, so that that is not the problem.

Now, it seems almost unbelievable that Congress would pass laws that it exempted itself from while it required the rest of the country to follow. Why is this noncompliance so? Why is it wrong that we do it? I think these are very simple questions that can be so easily answered. But for the RECORD, let us explore momentarily what the answers might be.

They are obvious I think to everyone who listens in or engages in this debate. Ordinary people just do not understand why Congress does not comply with its own laws. What is good for the goose ought to be good for the gander.

Why should Congress be a class apart or a privileged group, who people seem to see them as, set above the citizenry it is supposed to be representing?

Whenever I am out talking to my constituents, I make it a point of always, whether I am talking to children or adults, of reinforcing in their minds the fact that I know who pays my salary, and I know who I represent. And in that, I am the servant or the employee and the electorate or the taxpayer is the employer.

Two centuries ago James Madison in the Federalist Papers called for Congress to be subjected to its own laws. Now, over 200 years later, we have an opportunity to make his expressed hope a reality.

So what this is really is a reality check. It gives Members of Congress an opportunity to prove to the public that we understand their plight, we know what they are going through as they deal with the regulations, and we obviously, through our direct connection, hopefully, will begin to legislate better laws, more sensitive requirements, that not only may free up some people in the public to conduct their lives with a little more dignity and a little more respect, but gives them a sense that the Government trusts them to do exactly that. It doesn't mean that we would want to put anyone in a position that they could get away with irresponsible or undesirable behavior. But we do want the American public to believe and to behave as though the Government trusts them. Hopefully, in return Government will regain their trust as well.

These bridges of trust between Congress and the people we serve will be rebuilt as an understanding begins to develop between people in the neighborhoods and people inside the beltway.

This step must be taken or else we will continue to see the erosion of our community as we continue to fight, one with another, rather than to begin to work cooperatively, in bringing about a better society for all Americans.

Congress certainly will pass better laws if it has to anticipate what living under them might be like. There is an important educative function served by making Congress obey the laws that it passes for others. If the institution must live by the laws that it enacts, Members of Congress will learn firsthand how their actions affect the lives of others.

I happen to be an architect, so this is something that I often like to refer to when I talk about this legislation. We are designing a piece of legislation hopefully that gives me and my colleagues an opportunity to empathize and to be sensitive to the plight of Americans as they go through their lives on a daily basis.

Only this isn't a house, this isn't a building that is being designed; this is hopefully a relationship that helps us better design those legislative houses or legislative buildings that are an ongoing business of the Congress.

It is a matter of simple equity. How can we deny our own employees the legal rights and remedies that we extend to others? Are our own employees less deserving of those rights than workers in other enterprises? Even though we often stress the need to move forward on this issue in terms of rehabilitating the reputation of Congress, we must never lose sight of the fact that the most basic reason for ending the congressional exemption from various labor and employment laws is to provide our employees with the same protections that we have decided that others deserve.

This is not a small matter. It is not a simple symbolic gesture. It has very deep and fundamental ramifications that I think belie and speak of the values that are so important to making the Congress operate at a high level of quality and responsiveness.

There is, I think, a need for going through the chronology of this legislation just very briefly to give a history of what has been done, at least from the perspective that CHRIS SHAYS, a Republican from Connecticut, and I have been engaged.

It was introduced back in January of 1993, the first day after we got back from our reelection campaigns, and a month later we testified for the first time before the joint committee. That was testimony that put forward the congressional accountability legislation before a committee or task force that was established to try and look at now we can make the Congress operate better.

In May, we passed the 218 cosponsors mark, and this means that a majority of the House had signed on as cosponsors to the legislation. When a simple majority signs on, that means the legislation is very easily passed when it is brought to a vote, provided all of those cosponsors remain loyal to the legislation.

In August, Speaker FOLEY endorsed the concept of H.R. 349, the legislation that we had brought forward for congressional accountability, and in a letter, he stated so, that he asked Congressman SHAYS and myself to work with the Joint Committee on the Organization of Congress to implement the proposal.

In September, on the 23d, Speaker FOLEY in a speech on congressional reform given at the National Press Club, reiterated his support for bringing Congress under the laws that we pass for the rest of the land.

□ 1350

This is very important because, as one moves legislation through the body, it is imperative that we have the support of both Members on either side of the aisle and the leadership in order to demonstrate to the country that we are unified and understand the need for this legislation, but also for expediting the process as well.

Skipping over a few dates, we now have just recently, today, I will start by going back to last week. Last week CHRIS and I took part in a press conference held on the Senate side of the Capitol, where Senators GRASSLEY and LIEBERMAN endorsed and put forward their companion piece of legislation, in some respects even an improvement over what we had initially drafted, that we are working with them in getting through the Senate side of the Congress.

And then today, just this morning, the Employment Policy Foundation announced a release, their release of a study called Above The Law. I have a copy of it right here, "Above The Law," in which they cite our legislation as well as the efforts of others in Congress who are trying to deal with this. And they applaud the work that CHRIS and I and our colleagues have been engaged in and are working with us to see that this legislation moves forward as expeditiously as possible. I will quote out of their document on page 100, where it says:

> Representative SHAYS, a Republican from Connecticut, and Representative SWETT, a Democrat from New Hampshire, along with 246 original cosponsors, recently introduced broad-based legislation to end congressional exemptions. Their bill, H.R. 349, entitled "the Congressional Accountability Act," would apply the following major Federal employment laws to all legislative entities in the same manner and to the same extent as they applied to the private sector and the executive branch.

Those laws are the National Labor Relations Act, something that in the Joint Committee on Congressional Organization, CHRIS and I hope that we can convince them it needs to be strengthened, but it is being taken care of on the Senate side. The Fair Labor Standards Act, I am sorry. That is the one that we are looking to be strengthened. The former is, in fact, imparted in our legislation.

Title 7 of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991; the Age Discrimination in Employment Act, from 1967; Occupational Safety and Health Act, that is something that we are going to have to address more succinctly on the House side, but we are working as well with the Senate to make sure that it is in there. And it is a part of the legislation.

We also have the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990. There are any number of groups besides the group that put together "Above The Law," who have endorsed this legislation. I have letters from the U.S. Chamber of Commerce, eastern region, endorsing the legislation. I have a letter from Citizens Against Government Waste, endorsing this legislation. Common Cause has recently endorsed this legislation. And I have spoken with Ralph Nader and have gained his favorable inclination toward this legislation and hope to receive an endorsement at some point as well.

The most important thing, I think, that I can say, before I turn over some time to my colleague from Connecticut, is that this is a piece of legislation that goes way beyond symbolism. The beauty of it is that it costs taxpayers no money initially.

I say "initially" to be perfectly honest, because as you look around the Chamber here, you will notice there are no sprinkler heads in the ceiling. One of the problems that this legislation would cause is a need to look closely at OSHA and its requirements to determine where those deficiencies on Capitol Hill might need to be adjusted and met. But we are not looking at this only from where can we spend money to bring us under the requirements of regulation. I hope this opens up a whole new creative attitude toward legislative effort, where we are looking at what we might be able to do to reasonably restructure regulations and requirements so that some people might gain a little more breathing room, without incurring any negative impact on their fellow citizens.

I think that is a very important and creative approach that needs to be brought into the legislative process.

I am going to conclude for now and ask my good friend from Connecticut to stand and give us a few moments of his time in talking about this very important piece of legislation, and I will conclude my remarks after any number of colleagues have had their opportunity to speak. Thank you for coming. The time is yours.

Mr. SHAYS. I appreciate your yielding the floor to me. I think about how incredible a discussion like this must be to so many people, when we talk about Congress having to live under the same laws that the rest of the country has to live under. It seems pretty logical and kind of basic. It is unfortunate that we are having this kind of discussion that we even need to.

It is very appropriate that it is happening today, because as the gentleman from New Hampshire points out, the employment policy foundation came out with their 3-year study done by Thomas Reed and Bradley Cameron, and they entitle it, appropriately, "Above the Law." And it is incredible to think that the U.S. Congress, in a sense, acts as if it is above the law by simply not having the law apply to itself the same way it applies to people in the private sector and in the executive branch.

So this is an appropriate day, given the fact that this 3-year study has finally come out. But as you went through the history, I would love to just make mention of a few people, because for years, people like Bill Gradison and BILL GOODLING in particular and HARRISON FAWELL in the House have spoken out about this issue and an individual who is no longer here, Bill Dannemeyer. Bill Dannemeyer was the first to introduce the Congressional Accountability Act. But he regretfully sought to make it more of a partisan issue and, therefore, we have the very needed benefit of both sides on this issue.

You also and the Senate had people like Senator GRASSLEY who have spoken out on it for years. What has happened is, I think, a very important evolution where we had these individuals who were speaking continually on this issue and very few people paid attention.

In fact, even the press hardly paid much attention to it either. It is almost like, what do you expect, this is Congress. This is the way it happens.

When we introduced the bill jointly, Representative SWETT and I, when we introduced this, we introduced it with two Republicans, JAY DICKEY and ROSCOE BARTLETT and with DAVID MANN on the Democratic side, with you, DICK SWETT and PAUL MCHALE. And it was introduced by six Members of Congress. Then we had the added boost of having the freshman class endorse it, over 100 Members of the new class of Congress, Republicans and Democrats. And ERIC FINGERHUT and KAREN SHEPHERD on the Democratic side and TILLIE FOWLER and PETER TORKILDSEN on the Republican side. So it had an active 10 Members of Congress, 5 Republicans and 5 Democrats. And then, as you point out, the Speaker as well.

What I think is significant is that, as you point out, we have more than a majority of Congress supporting it.

It does not take a brain surgeon to know that if we apply laws to someone else, they should apply to us. As you mentioned, you make reference to the fact that Congress has exempted itself using separation of powers as a reason or the speech and debate clause. But really a misuse of those two powers.

There is also the power of checks and balances. One branch making sure that it keeps account of what the other branch is doing to make sure that that branch never gets above the law, that it is never above the law. So I would wager to say that the separation of powers takes a back step to the whole issue of checks and balances and also that the speech and debate clause, which was intended to prevent a Member from being sued in court for actions they took as Members of Congress, was never intended to protect a Member of Congress for abuse that they might heap upon an employee.

Now, we are moving forward with this legislation and it is, in the course of working on it, we had the added benefit of the Joint Committee on the Organization of Congress. And this committee was looking at many issues, including the Congressional Accountability Act. It is exciting that they have made it a centerpiece of the bill to come out before the House, regretful that other parts beyond congressional accountability were not included.

Also, it is regretful that one part, the whole issue of OSHA, is exempted from this law as they have brought it forth, at least, and presented it to the Committee on Rules. The Committee on Rules is now debating it.

As the Members know, we need to get the Committee on Rules to put OSHA back into the bill, and do what Senators LIEBERMAN and GRASSLEY have advocated in their bill, that it also includes the whole issue of collective bargaining.

When I was in the State House we gave State employees the right to collective bargaining in the State House in Connecticut, and we had an exemption, that the general assembly in Hartford, the Connecticut General Assembly, would not be under collective bargaining. The executive branch would be but we would not be. The private sector was already in it.

I remember speaking to my minority leader and saying, "We should come under the law." He looked at me very incredulously and said, "We could not function." That really gets us to the whole point. There are some people who do not want Congress to be under the law because they did not vote for it for the executive branch or the private sector. There are some, particularly, who are not great fans of OSHA, so their argument might be that we should not come under the law, because they never wanted the law to pass in the first place.

The bottom line to this whole discussion is that we will write better laws if we come under the law. As the gentleman points out, there are certain parts of OSHA that may cost money, a sprinkler system, and some Members are reluctant on a fiscal matter to have us come under OSHA, but that could be phased in.

But as a Member pointed out today in the press conference he and I attended, what about the work rules OSHA has and certain equipment that you cannot ride, that carry large reams of paper to various offices and so on? He noticed, for instance, an employee riding that when it was not intended to be ridden.

If in the private sector, as he pointed out, that was noted by OSHA, an employer could be fined $7,000. So even this whole issue of having to conform to OSHA, as it relates to the physical reconstruction of buildings and so on, there is also the other aspect, that there are OSHA laws that would not cost a penny.

Now I notice that we have Mr. FINGERHUT and we have JAY DICKEY, a Democrat and a Republican, both cosponsors of this legislation, and there is more I could say, but I would like to just end my part now and just emphasize that Congress cannot be above the law, that we will write better laws when we have to live by the same laws everyone else has to live by, and that as a centerpiece in the discussion, the 10 primary cosponsors of this bill, we basically decided this: If it applies to the executive branch and it applies to the private sector, it should apply to us. That is the test.

So when we debate this bill on the floor of the House, if we have left out OSHA, then we are going to be very outspoken in our effort to put OSHA back in. We do not want to say, "We have done 90 percent of it, and it is not like we are not willing to compromise, but we defeat the whole purpose of the bill if in the end we leave out something and we are still above the law in some areas.

So I thank my friend for yielding to me. I notice that the gentleman from Massachusetts [Mr. TORKILDSEN] is here as well. This bill has 245 cosponsors.

Mr. SWETT. Two hundred and forty-six now.

Mr. SHAYS. That is nice to know. I guess I would also say that the public can have a tremendous amount of impact. They may have made assumptions that we are under all the laws. It may not have occurred to them that we are not. It never did to me until I was elected.

We need their help, as well, in helping move forward this legislation so when it is finally drafted it does everything we intend it to do. I welcome, along with the gentleman from New Hampshire [Mr. SWETT], I welcome my colleagues here and thank them deeply, particularly the freshman Members.

Because just as there were the GRASSLEY's and the HARRIS FAWELL's and the BILL GOODLING's who came before, what has really made a difference in this legislation, absolutely, are the 90-plus out of 100-plus Members of the freshman class, 90 have cosponsored this legislation. It would go nowhere without their support, so I am deeply grateful to my colleagues, the new Members of this Chamber.

I thank the gentleman for yielding.

Mr. SWETT. I thank the gentleman. I really appreciate those words he has given us. I think the best thing to do at this point in the remaining 25 minutes is to let as many of our colleagues speak to this legislation as possible, and I will ask their deference in my recognizing people in the order that they came. I yield to the gentleman from Arkansas [Mr. DICKEY].

Mr. DICKEY. I thank the gentleman from New Hampshire [Mr. SWETT]. I want Members to know that I am a small business person in Pine Bluff, AR. My businesses are not gigantic. The volume of sales is not such that we can go around making corrections and additions and having inspections all the time, but yet in one summer's time I had an inspection from OSHA, EPA, the fire department, local fire department, the Americans With Disabilities Act inspection team came in, the health department, and a building inspector.

What I am saying is this: That I am hoping, and I am listening carefully, if someone were to come and say, "We cannot have these things applied to Congress because the wheels of justice would come to a grinding halt," I'm going to say, "I know that, because that is what exactly happens to small businesses."

I want to go over one particular instance. I built a store in 1987, a restaurant in 1987, and the architects provided in that a ramp for us to have off-center, away from the front door. That ramp was kind of convoluted. It was kind of neat. It had the post for the light there, for the parking light, parking lot light, and then it went up and back around. It was a neat little deal. It came right back up and then you are on the walkway.

The inspection we had said "no," you have to have that in the front door. You have to have that right in the front door. So we had constructed all of this for that particular ramp. We lost a parking place in doing that. We put a parking lot ramp right there. We then had to move this ramp over to the front door and we virtually lost in essence a full parking place, and lost the best parking places on the whole lot, because we had this constructed over here and those two there.

If those very things would happen in this body, and someone would say, "This is absolutely ridiculous," then I could say, "Yes, that is what is happening. I hope that we do not bring those regulations into this House, I mean into this body, because it will bring it to a grinding halt." I hope they will say, "Maybe we ought to reconsider some of the effects of these things, so we have a cost-effective reference." That is what I hope. I think I am speaking for every small business person in the United States, because what we are doing out there is, we somehow are giving jobs to people who are inspectors, who are coming and trying to find that something is wrong, and we are sitting there trying to bite the bullet on bottom lines, we are trying to please customers, we are trying to satisfy everybody else, and these inspectors come in and give us a list of things we have to do, and then sometimes they do not even come back to inspect.

Here is in essence what I think we ought to do. We ought to adopt the plan, this Congressional Accountability Act. We should adopt the slogan that, "Congress ought to do unto itself what it has done for others." If we will do that, then we will encourage people to get into business, we will not accuse them of something by sending out these inspectors, and we will lead interference for people to take chances, to take risks, and to provide a service to this country and our economy, and we will all be better off.

I am for this bill. I want to thank those of the Members who have been on the cutting edge, and I hope we can succeed in getting this across and giving the peace of mind to the people of America.

Mr. SWETT. I thank the gentleman very much. I might say as an architect you might have hired the wrong individual. The ADA is such that there is reasonableness in that. What we have to do is bring that sense of reasonableness into the rest of government, because we do not have to put ourselves under such restrictive, mistrusting circumstances. I think there is a real need to evaluate the creative options that any of these issues and solutions or obstacles that we come up against might impose.

Once we have a chance of seeing that we, in Congress, have to deal with the same thing that you as a small businessman, or I, as a small businessman, had to deal with when we were out in the private sector, and what all of the other Americans across the country are dealing with, I think we would all of a sudden have a willingness to be a little more reasonable and to start addressing those issues in a way that holds everyone harmless and safe and yet allows everyone also to get their lives moving along at a productive clip.

I thank the gentleman very much.

I yield to the gentleman from Ohio [Mr. FINGERHUT], a really good friend of mine, one of the new Members in Congress.

I have to make mention that as this special order goes forward, more and more people filter into the Chamber. So far it is fun to notice that everybody that comes in happens to be of the younger set. We are all the kids in Congress, but I think that is partly because we recognize there is a real need for this kind of activity.

I am pleased to yield to the gentleman from Ohio [Mr. FINGERHUT].

Mr. FINGERHUT. I thank the gentleman for yielding to me. I want to say that as a new Member of this body, one of the things I tried to do was find those people, young or old, who shared similar views and similar values, and finding the gentleman as a colleague has really been a special pleasure for me, as well as the cosponsor of this legislation, the gentleman from Connecticut [Mr. SHAYS].

It is an all too infrequent occurrence, frankly, in this body to see Republicans and Democrats working together on an issue of such major importance. I really appreciate the gentleman's leadership.

I also want to acknowledge my freshman colleague, the gentleman from Arkansas, JAY DICKEY, who spoke, as usual, very eloquently, and the gentleman who will soon speak, the gentleman from Massachusetts, PETER TORKILDSEN, PETER and his colleague, the gentlewoman from Florida, TILLIE FOWLER, cochaired the Republican Freshman Task Force on Reform. I, together with my colleague, our friend, KAREN SHEPHERD, the gentlewoman from Utah, cochaired the Democratic Freshman Class Task Force on Reform. Together, we have been working with the gentleman on this legislation from the beginning.

Mr. SWETT. The gentleman might just talk to the unusual quality of what the freshmen, both on the Democratic and Republican sides of the aisle, the unusual quality of that relationship, and how that came about.

Mr. FINGERHUT. I appreciate that question. As I think the gentleman knows, this is one of the largest freshman classes in history, certainly the largest since World War II, and I think there was a unifying theme to our election.

That was the sense that we had to restore the public's faith in the operations of this institution.

Very quickly, we realize that we could not do that if we stayed in our separate corners and did not work together. So when the Democrats reached out to the Republicans and the Republicans reached out to the Democrats and we said, "How can we build some confidence to work together," this question, the question of the accountability of Congress to the laws it passes for others, rose to the top of the list. This is such an obvious point, this is something so desperately needed, something that the public wants so badly that if we can work together and be successful on this issue, then we can build the confidence to work together on other issues.

□ 1410

I thank the gentleman for that question.

I just wanted in my few minutes to tell a couple of stories actually. Congressman SWETT and Congressman SHAYS have outlined the need for the legislation. You have outlined the contents of the legislation. But maybe yet, because it has been 1½ years into this session of Congress, and you have had this now for two sessions of Congress, maybe yet the urgency of it has not sunk in to every nook and cranny of this building, and if it has not, let me try and tell you why it should be.

I held in my district, the 19th District of Ohio, since September 26 town hall meetings on the subject of health care reform. Ever since the President made his speech to the joint session of Congress in September and introduced his call for universal health care legislation, I have been meeting with my constituents, as I know many other Members of Congress have been doing the same. And in every meeting, after I gave a brief presentation of what it was we were going to talk about, I would then open the floor to questions. And the first question that was asked in every single town hall meeting, the first question that was asked was, "Congressman, are the Members of Congress going to live by the health care bill that they pass for everybody else, or are you just going to exempt yourselves from this like you have from every other law?" And I have to say that I was stunned by the frequency of the question, and also I was really saddened by it.

Mr. SWETT. If the gentleman will yield, that is exactly what came across when I was out in the district over the holidays and more recently in the last few weeks in my district, and obviously it is right there at the surface. People want that accountability.

Mr. FINGERHUT. Without any question. And what really gets me about this experience I had in my district was if you are asked about it here in Washington they will say oh, this is just a bunch of Members of Congress who are trying to get publicity by running against the institution, or by trashing the institution. Nothing could be further from the truth. I am not making this up; you are not making up this issue. This is the first question asked by my constituents at every health care town hall meeting. And it really made me sad, because the fact is that this is like a ton of bricks that is on our shoulders, that is weighing us down as we try and address every other substantive issue that is out there.

How are we going to get the public's confidence that the very difficult compromises that are going to need to be made on health care, and on our budget deficit, on welfare reform, or on any of the other major issues that we want to address in this Congress, how are we going to get their confidence that we are making the decisions in the right manner with the public interest in mind, with only thinking about what is right if we cannot get over that threshold of credibility that they know that we are willing to live by what we do to them? It is maddening, and it is saddening that that is what we confront.

I will tell one other quick story and then yield back my time. The very first time this question came on the floor this year was in the debate over the Family and Medical Leave Act. As I recall, that legislation came to the floor maybe 3 weeks into our term, so that the new Members of Congress were really new, really fresh, and there was a debate on this subject. I recall there being a very somewhat serious debate on this floor over whether the separation of powers would prevent Congress from including itself in the laws and having courts enforce laws against us the same way they would against a businessman in my district. And I left this floor thinking well, jeez, this is a serious constitutional argument. So I said what the heck, and I picked up the phone and I called some noted constitutional scholars in congressional districts, some noted constitutional lawyers and some constitutional professors who teach constitutional law and I asked should I be concerned about the separation of powers. And they just started laughing, and they said, "What are you talking about? Congress is subject to criminal laws. If you take a bribe, if you rob or steal, God forbid, you are going to be prosecuted by the authorities. Why shouldn't you be subject to the civil laws that we pass that carry penalties with them that every other American citizen has to be subjected to?"

So out there there is no question that we need to do this. And I just want to make a plea to the gentleman, not just for the substance of the bill because I know you understand that as well as anybody, and Congressman SHAYS does as well as anybody, but the urgency. We have got to pass this bill. This is the threshold credibility test for all of the other important issues that this Congress needs to address on behalf of the American people.

So I thank the gentleman for his initiative, and I am at your disposal, as I know are many others, new Members of this body who want to see this legislation passed, passed in the strongest possible form, not get watered down, and passed now.

Mr. SWETT. I thank the gentleman very much. The urgency of this issue is very much apparent. I appreciate your bringing that point in, and I hope that is what my good colleague from Massachusetts, Representative TORKILDSEN, will continue to press. I yield to my friend who pushed forward on this very theme.

Mr. TORKILDSEN. I thank my friend from New Hampshire for yielding and want to thank both Congressman SWETT and Congressman SHAYS for taking the initiative on this. I know a number of Members have. Also I appreciate your mentioning that the freshman class has made a difference. As the cochairman of the Republican Freshman Task Force I have worked with many freshman Members such as TILLIE FOWLER and also the Democratic freshman class, ERIC FINGERHUT and KAREN SHEPHERD, and I think the freshmen really have made a difference on this. I think it is a key point where you have a large group of Members, of new blood, that you can tackle some problems that really have not been addressed in the past.

I did have a prepared statement and I would like to go over some points as time allows. But I just say look around and you see a body that will say it knows the evils of discrimination, of an over-secret government and of a dangerous workplace. But the same body passed laws to address all of those wrongs, but look around you and you will also see a Congress that has not been willing to live by any of those remedies that it has offered for everyone else.

Many people say Congress is out of touch with the American people. The refusal of Congress to obey many of its own laws is one reason why many people do not have confidence in the decisions that are made here.

□ 1420

While Congress has conveniently decided it should not have to follow laws ranging from the 1964 Civil Rights Act to the Freedom of Information Act, today I would like to talk about one specific area: OSHA regulations.

Why does Congress enforce standards in almost every workplace in America and then decide congressional employees do not deserve similar protection? Congressional employees deserve those protections, and equally important, American employers deserve a Congress that is willing to practice what it preaches, or perhaps more to the point, will only preach what it is willing to practice.

Mr. Speaker, this is an area I am particularly sensitive about, because prior to being elected to Congress, I served as commissioner of the Department of Labor and Industries for the Commonwealth of Massachusetts. I knew Congress had exempted itself from most labor laws, but an incident soon after I arrived here drove the point home. I was walking through one of the underground tunnels that connect the House offices with the Capitol when a worker drove by on an electronic forklift that was not designed to carry human beings. Was this act illegal? Not in

Congress, but it would have been illegal if it had happened in any private workplace in the United States. If an OSHA inspector had seen that incident, the worker's employer could have been fined up to $7,000 even if no accident had happened. That fine of $7,000 is a very serious punishment when no accident occurs.

Yet in Congress not only was there no fine, it was not even illegal, because Congress had exempted itself from OSHA.

If we are to reearn the confidence of the American people, we can start with simple commonsense actions like following the same laws the rest of America obeys, laws that we as Members of Congress write.

There is talk about a watered-down version of this legislation coming to the floor. This would be a mistake. A double standard is still a double standard.

We need to pass the Congressional Accountability Act to make all laws apply to Congress.

I commend the gentleman from New Hampshire [Mr. SWETT] and the gentleman from Connecticut [Mr. SHAYS] and all other Members who have taken the lead on this issue and say let us not lose focus of what we have to do. We have to hold Congress accountable, and only when Congress must follow all laws will the American people begin to believe that we are willing to accept the same responsibility we put on other people.

Mr. SWETT. I thank the gentleman very much.

Again, it appears that we are all here patting each other on the back, but the real issue is that we have to make sure that all of our colleagues, and everyone out there in the entire country, is aware that this is happening so that we can bring this legislation to some kind of successful conclusion.

I think one person who probably has more to do with that than anyone who has spoken so far today is the ranking member of the Joint Committee on Congressional Organization, the gentleman from California [Mr. DREIER]. I appreciate the gentleman being here, and the time is his to speak as he sees fit on the topic.

Mr. DREIER. I thank my good friend for yielding. I congratulate him for taking out this special order and the leadership he and my friend, the gentleman from Connecticut [Mr. SHAYS], have shown on this issue of congressional compliance.

Obviously as the gentleman from Massachusetts [Mr. TORKILDSEN] has said, there has been a wide range of support which has emanated from the 115 newly elected Members of the Congress on this issue of congressional reform, and obviously compliance is an important part of it.

My friend mentioned earlier the fact that James Madison in the 57th Federalist talked about the importance of having a legislature comply with the laws that it imposes on the people, and if it does not, then it is no longer responsive to the will of the people.

It seems to me that we need to realize, and this report "Above the Law" which we unveiled this morning at the news conference is very important, because what we are doing is we are taking a step toward congressional compliance.

Now, I should say that this issue of congressional compliance is only part, and with all due respect, a small part of the overall issues of reform. My friend mentioned the fact that I spent calendar year 1993 along with our colleague, the gentleman from Indiana [Mr. HAMILTON], cochairing this first committee in nearly half a century, since actually 1946, that has been put together in a bipartisan, bicameral way to deal with overall reform of the institution, and while we are pleased that many aspects of the legislation that my two friends from New Hampshire and Connecticut have introduced, and important parts of it are incorporated in our report, frankly, one of the most important aspects of the legislation in the Shays-Swett bill is this issue of OSHA compliance.

One of the things that I have found is that, as I have talked with many people in California and in other parts of the country, they are enraged at the fact that we are not only exempted from the litany of items which are addressed in your legislation, but also another item which you have, and unfortunately is not included in the final report from the Joint Committee on the Organization of Congress, is this issue of the Occupational Safety and Health Administration.

Many of the regulations promulgated by the Federal Government onto the American people, onto the backs of the private sector, will continue to be exempted under the report that came out. Congress will continue to be exempted under the report that came out from our Joint Committee on the Organization of Congress.

So I think one of the things we need to realize as we look at this issue of congressional reform is it is going to be critically important for us to get the committee on which I sit, the Committee on Rules, to grant a rule which will allow for the important amendments that I know my friend will want to have incorporated in this issue of congressional reform.

I also have found, from having talked to people around the country, that this issue of reform does hit a very important note. They were talking, several of my friends, and the gentleman from Connecticut [Mr. SHAYS] I think earlier mentioned, and the gentleman from Ohio [Mr. FINGERHUT], this issue of compliance with the health care legislation. Congress should be required to comply with it.

One of the things that hit me, and I have said this throughout our hearings, on this issue of congressional compliance was that in the 1992 campaign, I talked about the need for Congress to comply with the laws that it imposes on the American people. My father happened to be in the audience when I talked about congressional compliance. He came up to me and said, "DAVID, you are wrong. What you should do is anytime you in Washington are considering promulgating a regulation on those of us who are small businessmen," of which my father is one, "you should have to live with it for 1 year, and only after you decide that it is a very helpful, beneficial regulation, only then should you impose it on the rest of us."

And that gets to the point which I was making earlier this morning. I think, as we look at this issue of congressional compliance with the laws that we impose on the private sector, my goal is to finally get to the point where we realize that much of what we impose on the private sector of our economy is extraordinarily onerous.

The gentleman from Pennsylvania [Mr. GOODLING] at the news conference this morning was referring to the fact that they look at OSHA reform, it will get to the point where it could conceivably obliterate those who have still survived in the private sector today. So it is my hope that much of what we impose on the private sector, when we realize how onerous it is, we will possibly reduce that regulatory burden so the private sector will have an opportunity to have a greater opportunity to succeed, and it seems to me that is going to be a very important thing.

I congratulate both of my friends here for the hard work they have put into this effort of congressional compliance.

As was said earlier, we are not simply patting ourselves on the back. We have a long way to go. The process has just begun, and I should say that if we do not get a rule which will allow for the kinds of amendments which we need and the American people want us to implement on the issue of congressional reform, I believe that the weak package which has come out of our joint committee so far could turn out to be a very, very sad commentary on congressional reform.

Mr. Speaker, I would simply say to my colleague, the gentleman from New Hampshire, and others that I hope there will be a bipartisan effort to ensure an opportunity for all of our colleagues to participate in the issue of reform when it does finally hit the floor.

Mr. SWETT. The gentleman from Connecticut [Mr. SHAYS] and I will appreciate your help in that effort that is coming up on March 23. That is when we are going to be talking to the Committee on Rules about the procedure for this legislation.

I yield to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding to me before the gentleman from Maryland [Mr. BARTLETT] speaks.

I just wanted to make reference to one area I had not spoken to, and that was the whole concept of the public's opinion about this.

Obviously it is very supportive. But it was documented in a piece that we received from Ross Perot last year from United We Stand. In March they did a survey, the first national referendum of government reform, and in it Ross Perot's organization, United We Stand, did this and asked a number of questions. They asked 17 questions to get the public's opinion about the budget and so on. One of the questions was, "Do you believe that Congress should not exclude itself from legislation it passes for us and should correct this discrepancy immediately?" Ninety-nine point four percent of the people said, "Yes." Now, admittedly using the word "discrepancy" was a bias in his question. Ross Perot knew he was stating the question this way.

He asked that an organization, the Gordon Black Co., do a scientific poll on the same questions that his organization had asked, and when they did it in a scientific poll, "Congress must comply with its own laws," 87 percent of the American public said "yes"; that beat out the balanced-budget amendment, which was 71; elimination of foreign lobbyists, which was 67 percent; reducing the role of domestic lobbyists, 78; eliminating political action committees, 69; no special campaign money, 70 percent; giving the President line-item veto, 61 percent; 87 percent of the American people said that we should comply with our own laws.

□ 1430

That was done in a scientific way. In an unscientific way, 99 percent of the million people that Ross Perot's organization polled. It is just very clear from the moral ground, from a very practical ground, that we write better laws. I wanted to put this into the RECORD before my colleague [Mr. BARTLETT] proceeds, who was one of the original six Members who actually joined in this bill and actually introduced his own bill. He, like the rest of us, feel that Congress cannot be above the law.

Mr. SWETT. I thank the gentleman for his comments.

Mr. Speaker, I yield to my good friend, the gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT. I thank my friend for yielding.

Mr. Speaker, I made a number of promises to my constituency when I was running for Congress, and one of those promises was that I was going to submit a bill to apply the laws to Congress, all the laws and regulations that they apply to everyone else but exempt themselves from.

I did that on the first day, and I mean to keep that promise.

From what I hear about the district, they are not going to be interested in an application of regulations that permit us to police ourselves. I heard that if we had OSHA come in to apply to us the rules they apply to everyone else, they must shut us down.

Two good things would happen if they did that: No. 1, we would do no further harm to the Republic while we were shut down; and, second, we would very quickly change those laws that shut us down. We need to live by the laws and regulations that are applied to everyone else.

Also, there are some irritants out there that may be important to us, but I will tell you the harm they do us far outweighs the good they do us. One of those irritants is free parking at the airports. Our constituents lug their luggage in from the back 40, they get up there to the terminal all tired and sweaty in the summertime, frozen in the wintertime, and they see those free parking spaces not used up close, and they remind themselves, "I really do hate Congress."

We really need to change that. We do not need those irritants out there that give us the reputation that we do not deserve. We need to work to remove those irritants so that we can have the reputation that the Congress did have, the reputation that the Congress deserves, so that we can be effective in legislating, so that we can be effective in governing this great country.

We have an enormous percentage of our constituents behind us. We just have to have the courage to do the right things that our constituents are demand of us.

I thank the gentleman.

Mr. SWETT. I thank the gentleman.

Mr. Speaker, in conclusion, the urgency is there. This is a very important piece of legislation. It is very important really from very basic perspectives. The foundation that we create by putting forth this legislation is that our actions do speak louder than our words. The days that we spend as Representatives here in Washington are spent in direct contact with the legislation that we know we are providing for the people around the country. That is something that is going to connect us much more closely to the people we serve than anything else that we do:

It does not cost the country any money except as we evaluate what the problems are here. And even then we have the ability to be creative in finding solutions that are not necessarily financially oriented but may be oriented more toward the spirit of cooperation, toward a spirit of bringing the community together.

This is the kind of communication, the kind of cooperation that we are going to have to bring forth in this country if we are going to solve these problems. It is an urgent problem. It is one that needs to be solved today.

We have seen people from both sides of the aisle come down in the last hour talking about the need for bringing forward congressional accountability, not so that we have sprinkler heads in Congress, not so that we do not ride on machinery that is not supposed to be ridden on by our staff, but because we have to bring back the trust that this country deserves to have in its Government.

If we cannot build that bridge, we ultimately will see the remaining stalwarts, the remaining piers and foundations erode and dissolve and be washed away with the last tide. That is something that I would hope we can avoid in this country.

That is something that President Lincoln certainly tried to avoid when he spoke those prophetic words about national suicide back in 1838. He certainly did everything in his power, including giving his life, to preserve the Union during the Civil War. These are not overemphasized nor melodramatic statements; these are very subtle and very important foundation values upon which we can build a better and stronger country if we only but recognize that they must be adhered to.

Mr. Speaker, I appreciate all of my colleagues for their very good words that they gave regarding congressional accountability. This is not the end of the debate or the discussion; we will be doing this again in the future. We need to bring this message to the Members of Congress and to the American public because without it we are but talking to empty chairs and hollow walls.

I appreciate, once again, all of the thoughts and commitments that my colleagues have made.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WASHINGTON (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of official business.

Mrs. COLLINS of Illinois (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. BEREUTER) to revise and extend their remarks and include extraneous material:

Mr. BAKER of California, for 5 minutes, on March 8.

Mr. SMITH of Michigan, for 5 minutes, today.

The following Members (at the request of Mr. MEEHAN) to revise and extend their remarks and include extraneous material:

Mr. OWENS, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. KANJORSKI, for 5 minutes, today.

Mr. RICHARDSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Mr. BEREUTER) and to include extraneous matter:

Mr. GILMAN.
Mr. MICHEL.
Mr. BILIRAKIS.
Mrs. BENTLEY.
Mr. CLINGER.
Mr. KING.
Mr. ROHRABACHER.

The following Members (at the request of Mr. MEEHAN) and to include extraneous matter:

Mr. GORDON in two instances
Mr. OLVER.
Mr. REED in three instances.
Mr. LIPINSKI.
Mr. CLYBURN.
Mr. COPPERSMITH.
Mr. FOGLIETTA in two instances.
Mr. GEJDENSON.

The following Members (at the request of Mr. SWETT) and to include extraneous matter:

Mr. MILLER of California.
Mr. HORN in two instances.
Mr. FORD of Michigan.
Ms. WATERS in two instances.
Mr. KIM.
Mr. CRANE.
Mr. KLEIN in three instances.
Mr. BAKER of California.
Mr. ROTH.
Mr. BILIRAKIS.
Mr. SOLOMON in two instances.
Mr. POMEROY.
Ms. KAPTUR.

ADJOURNMENT

Mr. SWETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 36 minutes p.m.), the House adjourned until tomorrow, March 2, 1994, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2649. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to the Philippines, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

2650. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-186, "The Nuclear Disarmament and Economic Conversion Constitutional Amendment Proposal Act of 1992," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2651. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-188, "Dedication of Land in Square 5338, S.O. 86-24, Act of 1994", pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2652. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-189, Cable Television Communications Act of 1981 Amendment Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2653. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-190, "Patient Counseling Amendment Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2654. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-191, "Insurance Omnibus Amendment Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2655. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-192, "Closing of a Public Alley in Square 86, S.O. 92-84, Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2656. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-194, "Motor Vehicle Biennial Inspection Amendment Act of 1993," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2657. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-195, "St. Martins Catholic Church Equitable Real Property Tax Relief Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2658. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-196, "Vestry of the Brookland Parish of the Protestant Episcopal Church of the Diocese of Washington, D.C. Equitable Real Property Tax Relief Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2659. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-197, "United House of Prayer Equitable Real Property Tax Relief Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2660. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-198, "Property Conveyancing Revision Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2661. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-199, "Cherubim and Seraphim Church Equitable Real Property Tax Relief Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2662. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-200, "Star of Bethlehem Church Equitable Real Property Tax Relief Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2663. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-201, "Health Care Provider Costs Reimbursement Commitment Temporary Amendment Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2664. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Various Opportunities That Allow Customers to Receive Water and Sewer Services at a Reduced Rate," pursuant to D.C. Code, section 47-117(d); to the Committee on the District of Columbia.

2665. A letter from the Commissioner, Immigration and Naturalization Service, transmitting a letter expressing the strong opposition of the Immigration and Naturalization Service [INS] to the amendment to H.R. 6, which have been proposed by Congressman DANA ROHRABACHER; to the Committee on Education and Labor.

2666. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to United Arab Emirates for defense articles and services (Transmittal No. 94-17), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2667. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting memorandum of justification for Presidential determination regarding the draw down of Department of the Treasury funds to support sanctions enforcement efforts against Serbia-Montenegro, pursuant to Public Law 101-513, section 547(a) (104 Stat. 2019); to the Committee on Foreign Affairs.

2668. A letter from the Executive Director, Thrift Depositor Protection Oversight Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2669. A letter from the Chairman, Prospective Payment Assessment Commission, transmitting the Commission's report on issues affecting health care delivery in the United States, pursuant to Public Law 101-508, section 4002(g)(1)(B) (104 Stat. 1388-36); to the Committee on Ways and Means.

2670. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's report on extension of certain Medicare municipal health services demonstration projects, pursuant to Public Law 101-239, section 6135 (103 Stat. 2222); jointly, to the Committees on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER of California (for himself, Mr. DOOLITTLE, and Mr. LEVY):

H.R. 3923. A bill to amend the Internal Revenue Code of 1986 to provide tax credits to businesses with employees performing services in their residences or in telecommuting centers; to the Committee on Ways and Means.

By Mr. CARR:

H.R. 3924. A bill to amend title 18, United States Code, to provide enhanced sentences to repeat violent offenders; to the Committee on the Judiciary.

By Mr. CLYBURN:

H.R. 3925. A bill to authorize and request a posthumous commission in the Army for Johnson Chesnut Whittaker; to the Committee on Armed Services.

By Mr. FRANKS of New Jersey (for himself, Mr. Ackerman, and Mr. Boehner):

H.R. 3926. A bill to authorize funds for emergency road repairs in response to the severity of the 1993-94 winter, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. GLICKMAN (for himself, Mr. Skaggs, and Mr. Bilbray):

H.R. 3927. A bill to provide for a uniform system for classifying and declassifying information, and for other purposes; jointly, to the Committees on Armed Services, Permanent Select Committee on Intelligence, Rules, and Government Operations.

By Mr. HERGER:

H.R. 3928. A bill to expand the special program for the sharing of Forest Service timber sale receipts to include those counties in which national forests are situated that are affected by decisions related to the California spotted owl; to the Committee on Agriculture.

H.R. 3929. A bill to amend titles II and XVI of the Social Security Act to provide that, for purposes of determining whether an individual is under a disability, engagement in an illegal drug-related enterprise demonstrates ability to engage in substantial gainful activity; to the Committee on Ways and Means.

H.R. 3930. A bill to identify illegal aliens who consume scarce health care resources in the United States and who do not pay for such care and to seek reimbursement for this care from the home government of the aliens; jointly, to the Committees on Energy and Commerce, Ways and Means, the Judiciary, and Foreign Affairs.

By Mr. LANCASTER (for himself, Mr. Rose, Mr. Clayton, Mr. Price of North Carolina, Mr. Coble, and Mr. Manton):

H.R. 3931. A bill to amend the Magnuson Fishery Conservation and Management Act to make North Carolina a member of the Mid-Atlantic Fishery Management Council; to the Committee on Merchant Marine and Fisheries.

By Mr. SCHUMER:

H.R. 3932. A bill to amend title 18, United States Code, to promote the safe use of guns and to reduce gun violence; jointly, to the Committees on the Judiciary, Ways and Means, and Energy and Commerce.

By Ms. SLAUGHTER:

H.R. 3933. A bill to amend the Internal Revenue Code of 1986 to provide that distributions from a controlled foreign corporation to a United States shareholder shall be excluded from gross income if at least a portion of the distribution is invested in certain property located in the United States and in the employment of new employees in the United States; to the Committee on Ways and Means.

By Mr. SWETT:

H.R. 3934. A bill to amend title 28, United States Code, to provide that district courts give notice of default judgments to the parties against whom such judgments are entered; to the Committee on the Judiciary.

By Mr. BROWN of Ohio (for himself and Mr. Upton):

H. Res 372. Resolution expressing the sense of the House of Representatives concerning providing as part of health care reform financial incentives to promote worksite health promotion programs; jointly, to the Committees on Energy and Commerce and Education and Labor.

By Mr. GLICKMAN (for himself and Mr. Hansen):

H. Res. 373. Resolution providing for the consideration of the bill (H.R. 3087), proposing to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. McCollum and Mr. Whitten.

H.R. 885: Mr. Boehner, Mr. Boucher, and Mr. Ballenger.

H.R. 1131: Mr. Hefley.

H.R. 1517: Mr. Tucker.

H.R. 1627: Mr. Manzullo.

H.R. 1712: Mr. Rogers, Mr. Dornan, and Mrs. Roukema.

H.R. 1874: Ms. Furse.

H.R. 1980: Mr. Penny, Mr. Hansen, and Mr. Gunderson.

H.R. 1999: Mr. Andrews of New Jersey, Mr. Levy, Mr. Farr, Mr. Kyl, Mr. Gallegly, and Mr. Taylor of North Carolina.

H.R. 2420: Mr. Filner and Ms. McKinney.

H.R. 2443: Mr. Sawyer, Mr. Gunderson, Mr. Derrick, Mr. Ravenel, Mr. Diaz-Balart, Mr. Clement, Mr. Michel, Mr. Miller of Florida, Mr. Thompson, Mr. Hoyer, Mr. Costello, Ms. Kaptur, Mr. Sharp, and Mr. Barlow.

H.R. 2671: Mr. Ballenger.

H.R. 2829: Ms. Byrne, Mr. Serrano, Mr. Foglietta, Mr. Filner, Mrs. Mink of Hawaii, Mrs. Lloyd, Mr. Faleomavaega, Mr. Kopetski, Mr. Frost, and Ms. Brown of Florida.

H.R. 2859: Mr. McCollum, Mr. Hoekstra, Mr. Whitten, and Mr. Levy.

H.R. 2882: Mr. Solomon.

H.R. 3021: Mr. Lehman.

H.R. 3023: Mr. Herger, Mr. Collins of Georgia, Mr. Gillmor, Mr. Bilbray, Mr. Bishop, Mr. Holden, Mr. Stump, Mr. Grandy, Mr. Gallegly, Mr. Sam Johnson, Mr. Reed, Mr. Calvert, Mr. Manzullo, Ms. Woolsey, Mr. Gilchrest, Mr. Hamilton, Mr. Conyers, Mr. Bereuter, Mr. Camp, and Mr. Porter.

H.R. 3246: Mr. Filner, Mr. Gilman, Mr. Hochbrueckner, Mr. Kasich, Mr. Kopetski, Mr. Sensenbrenner, Mr. Wynn, Mr. Holden, Mr. Kreidler, Mr. Rahall, Mr. Hobson, Mr. Gordon, Mr. McHugh, Mr. Sarpalius, Mr. Swift, Mr. Rose, Mr. Emerson, and Mr. Leach.

H.R. 3293: Mr. Petri.

H.R. 3328: Mr. Lancaster.

H.R. 3367: Mr. Petri, Mrs. Vucanovich, Mr. Dornan, and Mr. Bachus of Alabama.

H.R. 3404: Mr. Peterson of Minnesota and Mr. Darden.

H.R. 3475: Mr. McNulty, Mr. Shays, Mr. Evans, Mr. Diaz-Balart, Mrs. Bentley, Mr. Hughes, and Ms. Snowe.

H.R. 3626: Mr. Lazio.

H.R. 3663: Mr. Coleman.

H.R. 3790: Mr. Clyburn.

H.R. 3795: Mr. Levy.

H.R. 3869: Mr. Ortiz and Mr. Torres.

H.J. Res. 9: Mr. Weldon.

H.J. Res 253: Mr. Kasich, Mr. Romero-Barcelo, Mr. Coble, Mr. Lipinski, Mr. Sawyer, Ms. DeLauro, Mr. Hughes, Mr. Tejeda, Mr. Deutsch, Mr. McDermott, Mr. Rose, Mr. Bacchus of Florida, and Mr. Gordon.

H.J. Res. 291: Mr. Lancaster, Ms. Pryce of Ohio, and Mr. Watt.

H.J. Res. 303; Mr. Bryant, Ms. Woolsey, Mrs. Meek of Florida, Mr. Klein, Mr. Dreier, Mr. Rose, Mr. Bilirakis, Mr. Johnston of Florida, Ms. DeLauro, Mr. Lipinski, Mr. Blute, Mr. Spratt, Mr. Hall of Texas, Mr. Bliley, Mr. Skeen, .Mr. Linder, Mr. Stearns, Mr. Lewis of Florida, Mr. Whitten, Mrs. Vucanovich, Mr. Evans, Mr. Sundquist, Ms. Pelosi, Mr. Hobson, Mr. Dornan, Mr. Kanjorski, Mr. Sarpalius, Mr. Richardson, and Mr. Ford of Michigan.

H.J. Res. 310: Mrs. Bentley, Mr. Gallo, Mr. Gilman, Mr. Baesler, Mr. de la Garza, Mr. Durbin, Mr. Pallone, Mr. Dicks, Mr. Montgomery, Mr. Gibbons, Mr. McHale, Mr. Coleman, and Mr. Franks of Connecticut.

H. Con. Res. 122: Mr. Rowland, Mrs. Unsoeld, and Mr. Gene Green of Texas.

H. Con. Res. 147: Mr. Evans.

H. Res. 238: Mr. McInnis, Mr. Miller of Florida, Mr. Shays, and Mr. Camp.

SENATE—*Tuesday, March 1, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable BARBARA BOXER, a Senator from the State of California.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge him, and he shall direct thy paths.—Proverbs 3:5, 6.

Gracious God, Author, Sustainer, Consummator of history, awaken the Senators and their staffs to the reality of the guidance of a sovereign God in their daily affairs. Help them see the wisdom in the Proverb with which this prayer began. Help them understand that submitting to God does not stop their thinking process but, on the contrary, vitalizes them. Help them think more clearly. Help them see the big picture. Help them see the way to go.

You have said in Your Word, loving God, "The steps of a good man are ordered of the Lord * * *"—Psalm 37:23. Make this promise real to Your servants. Give them the humility to acknowledge their dependence upon God, in the confidence that he or she is most independent when living in dependence upon God.

In Jesus' name Whose every moment, every step, every word was God-led. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 1, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BARBARA BOXER, a Senator from the State of California, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. BOXER thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order leadership time is reserved.

BALANCED BUDGET AMENDMENT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of Senate Joint Resolution 41, a resolution proposing an amendment to the Constitution of the United States to require a balanced budget, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 41) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate resumed consideration of the joint resolution.

Pending:

Reid amendment No. 1471, in the nature of a substitute.

The ACTING PRESIDENT pro tempore. The time until 1 p.m. today shall be equally divided between the Senator from West Virginia [Mr. BYRD], the Senator from Utah [Mr. HATCH], the Senator from Illinois [Mr. SIMON], and the Senator from Nevada [Mr. REID].

Who yields time?

Mr. REID addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Madam President, with some urgency and concern, I spoke yesterday to this Chamber about the balanced budget amendment. That urgency and concern have only increased.

I believe a specter haunts this body, Madam President. Gaunt, lined, and hollow eyed as death it leers down at us with malicious glee. It is the ghost of lost chances; the shade of missed opportunities; the phantom of wrong turns in the paths to which the Senate has turned this Nation's feet over these 200 years past.

In the fire of its eyes one may read of the rejection of the League of Nations and of Smoot Hawley. Around its shoulders are draped the shades of isolationism and it proudly wears the ribbon of McCarthyism. Heaped at its feet are the meaningless failed economic theories upon which this Chamber and our Nation have pinned their past economic hopes. It counts them with glee as a miser counts coins; glorying in every program and every promise that the budget would be balanced by 1933, by 1964, by 1991.

That specter is laughing now, Madam President, and clapping its bony hands, for once again this body is engaging for its entertainment in a sham and a charade.

The Simon bill will fail, Madam President. Its supporters have conceded as much. My amendment, my substitute, has enough support; that taken together with Simon, it would finally result in passage of a constitutional amendment to the States. Naturally, once the Simon supporters recognized that their bill would fail one would expect they would flock to an amendment that gives them most of what they want and which assures the same requirements for the end result they seek a balanced budget. One would think so, but that is only common sense, and now, as too often before common sense and the common good seem to be an uncommon commodity in this debate.

I ask you now my fellow Senators, to look not to your own partisan political interests, not to party nor dogma nor cant. Listen instead to the still, small voice of reason.

I plead with my friends on the other side of the aisle who have had someone announce on their behalf that none of them would vote for the Reid substitute. I plead with them to place the future of this country over the benefit of the next election.

Look not to how you will be best able to fool your constituents with snake oil tales and opium pipe dreams of what might have been if only those others had been true to the quest. Do not seek to camouflage what you have not done with stories of what might have been.

Rather, I ask my friends on the other side of the aisle to join me in voting for a substitute which if it passed would join us together. So let us join and stand together for that upon which we can agree. This is the way the political process is supposed to work. It is the only way this body can effectively work.

E pluribus unum; one from many. It is this Nation's motto. It is a touchstone for the Union. Too many of us have forgotten that guiding light; too many of us have forgotten our responsibility to work together in the common interest; too many have forgotten that politics is the art of compromise, the art of the possible.

I ask one more time of my friends on the other side of the aisle, will you join with me? Together we can make a mighty change and place this Nation on a road to fiscal responsibility. Separately, we will achieve nothing.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

I have been told several times today that the media announced last night or this morning that the Reid substitute is going to fail, and that the Simon amendment was going to fail. What have we accomplished?

So, Madam President, the specter is watching and glowing, but the Nation is watching and hoping. Let us stand together and be counted together. It is the only way we will make a difference, the only way to lay this ugly shade to rest.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. SIMON. Madam President, I yield to the Senator from Massachusetts. How much time does he need?

Mr. KENNEDY. If the Senator will yield, I understand that the chairman of the Appropriations Committee is on his way to the floor. I am not familiar with how the time is divided prior to the lunch period.

Mr. SIMON. Senator BYRD has 1 hour, Senator REID has 1 hour, Senator HATCH has 1 hour, and I have 1 hour.

I assume the Senator from Massachusetts is speaking on behalf of the Simon amendment.

Mr. KENNEDY. Madam President, the Senator is usually correct 99 percent of the time.

Mr. REID. I will be happy to yield to the Senator from Massachussetts some time. I am sure Senator BYRD will give it back to me.

Mr. KENNEDY. If I could have 15 minutes.

Mr. SIMON. I feel the same. Whatever the time the Senator from Massachusetts needs.

The ACTING PRESIDENT pro tempore. Who is yielding to the Senator from Massachusetts?

Mr. REID. Will Senator BYRD give Senator KENNEDY 15 minutes?

Mr. BYRD. Madam President, as a former Boy Scout, I would consider it to be my good deed for the day to yield to Senator KENNEDY 20 minutes.

Mr. KENNEDY. Madam President, I oppose the balanced budget constitutional amendment. I support the goal of a balanced budget, but it is wrong for Congress to tamper with the Constitution to achieve it.

Congress and the Clinton administration have made remarkably good progress in reducing the deficit in the past year. Last August, we enacted the most significant deficit reduction ever—$500 billion over the next 5 years.

We are succeeding where the past two Republican administrations have failed. The deficit is coming down. The economy is heading up. There is no need to take the extreme step of amending the Constitution to achieve our economic goals.

It does not take a constitutional amendment to reduce the Federal deficit or balance the Federal budget. All it takes is enough courage by Congress and the administration to make the tough decisions we are elected to make. If we are not willing to balance the budget, the Constitution cannot do it for us.

Amending the Constitution could well make all our economic problems worse. Writing this kind of straitjacket into the Nation's founding charter could jeopardize our economy, diminish the Constitution, distort its system of checks and balances, and undermine the principle of majority rule that is at the core of our democracy.

The amendment is unsound and unwise economic policy, because it would require a balanced budget each and every year, regardless of the condition of the economy, unless three-fifths of the Senate and House vote to approve a specific deficit.

In the Great Depression of the 1930's, nearly one-fourth of our citizens were out of work. It is no accident that this country has not suffered a depression like that since then. The ability to cut taxes or increase spending during recessionary times, even though it means an increase in the deficit, has been a powerful tool to stabilize the economy, and we should not weaken it by amending the Constitution. When the economy slides into a recession, Government policies such as tax cuts, unemployment compensation, and jobs programs have provided the means to sustain families in need and to maintain demand for the goods and services produced by business.

The balanced budget constitutional amendment could well make these "countercyclical" Government tax and spending policies impossible. To a great extent, these policies go into effect automatically, to avoid even the delays inherent in the legislative process. When unemployment increases by 1 percent, the budget deficit increases by $50 billion because of decreased tax revenues and increased spending for benefits for unemployeed workers and their families. In recessionary times, the balanced budget constitutional amendment would require just the opposite—tax increases and spending cuts. It could turn painful recessions into catastrophic depressions, with dire consequences for the Nation.

Supporters of the amendment often make what they call a "common sense" argument that it would simply require the Federal Government to balance its budget in the same way that American families do. That argument is not common sense—it is nonsense.

Have the sponsors of this amendment ever heard of a home mortgage? If this amendment applied to families, it would require all homeowners to pay off their entire mortgage immediately, this year. You could not borrow to buy a home, or pay for college. I doubt that the sponsors of this amendment would vote to put any family into that kind of straitjacket, and they should not do it to the country either.

Most State constitutions permit deficit spending for long-term capital investments. But the balanced budget constitutional amendment would flatly prohibit prudent deficit spending for long-term investments or even to ease the effect of a recession, unless a deficit is agreed to by a three-fifths vote of the Senate and the House.

As Senator MOYNIHAN pointed out during the debate last week, President Roosevelt convinced narrow legislative majorities to accept deficit spending to finance the construction of warships during the 1930's, to ensure that America would have a Navy ready and able to fight Nazi Germany when war began. If the balanced budget constitutional amendment had been in place, those investments in our Nation's security would not have been made.

Today, by preventing expenditures to solve long-term problems, the balanced budget amendment would jeopardize the Nation's economic vitality, and make it more difficult to mobilize to protect national security.

The amendment is unsound as a matter of economic policy, and it is equally unsound as a matter of constitutional law. The true genius of the Framers who gathered in Philadelphia and wrote the Constitution 200 years ago is in the system of checks and balances that has preserved our democracy, allowed the Nation to flourish and protected our most fundamental rights and liberties for more than two centuries.

The balanced budget constitutional amendment says nothing about how it would be enforced; and the Judiciary Committee report is ominously silent on this important issue. But any fair reading of the amendment makes clear that it is fraught with dangerous possibilities.

A wide range of constitutional scholars have testified that the amendment inevitably gives the President broad powers to impound Federal funds to achieve the amendment's goal. Neither the language of the amendment nor the text of the Judiciary Committee report suggests any limit to this broad impoundment authority. The historic power of the purse that has served this country so well would be taken from Congress and given to the President.

The amendment would also undermine important principles of our Federal system by giving Congress and the President a strong additional incentive to place unfunded mandates on the States in order to avoid increasing the budget deficit.

The sponsors of this amendment are already among the strongest critics of unfunded mandates. Why would they vote to expand them? If this amendment passes, Members of future Congresses can say to themselves, "Why come up with the funds to pay for Federal benefits, and the three-fifths vote needed to appropriate those funds, when a simple majority vote can mandate the States to provide them?"

The amendment would also give the courts a new and highly controversial role in resolving important and complex budget and economic disputes—disputes that unelected judges are ill-quipped and ill-suited to resolve.

Suppose a future President orders an across-the-board cut in Social Security payments to avoid a predicted deficit. A Social Security recipient would undoubtedly have legal standing to bring suit to challenge the cut, and argue that there was no budget deficit, and the President lacked the authority to make the cut.

A Federal district judge would be required to hold a trail to determine whether or not the Federal budget would be balanced for the year in question. The trial would no doubt involve many expert witnesses and take months or even years to complete. When it is over, the judge would issue an opinion as to the legality of the across-the-board cut. If the cut is found to be illegal, it could have profound economic consequences for the Nation.

If we adopt this constitutional amendment, cases of this kind will not be rare. Scores of them could occur every year. The Federal courts would be required to spend hundreds of hours, and millions of dollars, to resolve them.

In fact, under the language of the amendment as it is now pending before the Senate, the judges hearing those cases could order tax increases or spending cuts to remedy violations. Obviously, such orders from judges would profoundly alter the role of the courts in our constitutional system.

In seeking to avoid such results, the sponsors of the amendment have indicated their intent to add a provision offered by Senator DANFORTH to strip the Federal courts of any authority to remedy violations of the amendment, except by issuing declaratory judgments.

The proposed modification would create a new double standard for constitutional violations. The Federal courts would retain their traditional authority to remedy violations of all other provisions of the Constitution. But when a President or Congress violates the balanced budget amendment, a Federal court would be powerless to do anything but declare that a violation exists. The modification would turn the balanced budget amendment into the first toothless amendment the Constitution has ever had.

Finally, the proposed amendment would undermine the principle of majority rule that is at the core of our constitutional democracy. In the Federalist Papers, James Madison rejected the idea of requiring super-majorities to pass legislation. To do so, he wrote, would mean that "the fundamental principle of free government would be reversed."

The balanced budget amendment would do just that—substitute minority rule for majority rule.

Forty-one percent—a minority—of the membership in the Senate or the House could block a measure the majority felt was needed to protect the economy. If you like filibusters, if you like gridlock, you will love the balanced budget constitutional amendment.

I fully support the goal of balancing the Federal budget. But today's budget deficits are the bitter fruit of 12 years of "buy-now-pay-never" budgets from past Republican administrations. Supply-side economics was an experiment that failed.

After 12 years of these reckless measures, we finally have a President ready, willing and able to take the difficult steps necessary to deal with the budget deficit.

President Clinton has provided impressive leadership. Last year, Congress passed a $500 billion deficit reduction package, which has resulted in low interest rates and a recovering economy. As a result, we will have declining deficits for 3 years in a row, for the first time since President Harry Truman was in the White House.

It is ironic—but predictable—that so many Republicans who opposed that deficit reduction plan last year are now seeking cover by supporting a balanced budget constitutional amendment. They are for a balanced budget in the abstract, but they voted "no" when the time came to act.

Controlling spiralling health care costs is the next essential step in reducing the budget deficit. Here again, President Clinton is providing real leadership that will result in real deficit reduction. And here again, it is Republicans who are raising objections and complaining that the cost controls in the President's plan are too strong.

Obviously, it will take additional steps in deficit reduction to achieve a balanced budget by the end of this century. But not one of the proponents of a constitutional amendment have offered a serious proposal to achieve that result. It is no wonder that the sponsors of the amendment do not want it to take effect until the year 2001. "Gone With the Wind"—I will worry about it tomorrow, they say. And tomorrow is the next century.

The fault is not in the Constitution. Let us rededicate ourselves to achieving lasting economic prosperity for the Nation in ways that count, and spend no more time debating gimmicks that have no place in the Constitution.

Finally, I commend the chairman of the Appropriations Committee, Senator BYRD, for the extraordinary leadership he has provided in building a solid case against the balanced budget amendment and demonstrating its many economic and constitutional flaws.

Senator BYRD cares deeply about the Constitution and the country and the legacy that we will leave to our children and grandchildren. His dedicated efforts to preserve, protect and defend the Constitution against this unwise and mischievous proposal deserve the gratitude of every American. He is truly a profile in courage for the Constitution and the country.

In sum, the balanced budget constitutional amendment will not cut the deficit by a single dollar. It will endanger the economy, distort the constitutional system of checks and balances, and substitute gridlock-by-minority for government by majority. And it should not pass.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Madam President, I yield 10 minutes to the Senator from California [Mrs. BOXER].

The ACTING PRESIDENT pro tempore. The Senator may be recognized when she is removed from the chair.

The PRESIDING OFFICER (Mr. REID). The Senator from California is recognized.

Mrs. BOXER. Thank you very much, Mr. President.

I plan to vote in favor of the Reid balanced budget amendment and against the Simon version.

When I was elected to the U.S. Senate about a year ago, I pledged to make my primary focus economic recovery for my State. Economic recovery that is steady, strong and consistent. Economic recovery that builds a solid base for California's future

That economic recovery can only move forward if we have real deficit reduction; low-interest rates that stimulate private investment in business and homes; public sector investment in education, economic conversion, and the information highway; expanded trade opportunities; health care reform; and Federal reimbursement to the States for such costs as immigration.

We are on course with this President and this Congress.

Last year we enacted a $500 billion deficit reduction plan that will bring down the deficit from 4.9 percent of gross domestic product in 1992 to 2.3 percent of gross domestic product in 1998.

Mr. President, I well remember the prediction of doom on the other side of the aisle when we debated the President's deficit reduction plan. We did not get one vote of support from Members on the other side of the aisle. We did not get one vote for a plan that is producing real deficit reduction, meaningful deficit reduction. A plan that is having a positive impact on our economy.

Roughly 1.6 million jobs were created over the past year, more jobs than were created during George Bush's 4 years in office.

Real GDP is expected to grow at a steady annual rate of nearly 3 percent.

Inflation is low. And, inflation is a very cruel tax indeed. It rose at a rate of only 2.7 percent last year, which was the smallest annual rise in 7 years.

The 30-year mortgage rate dropped from 8.22 to 7.09 percent over the last year. And, 5.4 million American homeowners refinanced their mortgages, putting money in their pockets.

This is surely a strong start. My home State is still lagging. We got hit harder by this recession, and the impact of reducing the military budget is felt worst in our State. But I say: We are on the right track, and I believe California will join in this economic recovery, as long as we are smart and we do not do things that will take us off course.

I believe Senator SIMON's version of the balanced budget amendment would, in fact, divert us from this economic recovery.

Now, I know there are philosophical arguments on whether any constitutional amendment on a balanced budget is consistent with our constitutional heritage, and I respect those who argue this point.

But, I want to address the economic consequences of the Simon amendment, consequences which will affect real people with real problems, consequences which simply can and should not be ignored, consequences which will impact virtually all Americans.

A study by the Wharton Econometrics forecasting group, the leading economic forecasters in this Nation, found that, with Senator SIMON's balanced budget amendment: California would lose over 712,000 jobs by the year 2003; and, personal income in California would drop by 12 percent over the next 10 years. The Treasury Department found that the Simon amendment would cost California between $21 billion and $24 billion a year.

The prospects for the Nation's economy are just as serious. Wharton Econometrics found that, with the Simon budget amendment: 6.4 million jobs would be destroyed by the year 2003; the Nation's economic output would drop sharply; taxes would have to rise to record levels; State and local government services would be severely constrained; and, income would drop in the country by roughly $479 billion by 2003.

And, what about Federal assistance after an earthquake or a flood or a hurricane? The Simon amendment would require a supermajority vote for disaster aid approval, which could mean either no aid or delayed aid for those suffering after a natural disaster. Talk about tyranny of a minority.

The Simon amendment makes no distinction between a capital budget and the operating budget, a distinction that is crucial in meeting the needs of a community after an emergency. A capital budget could be used to pay for important disaster aid.

And, what about bad economic times? Lord knows, we have lived through those. The deficit increases automatically whenever the economy weakens. Senator Simon's amendment would force Congress to raise taxes and cut expenditures when the economy is already weak or in a recession—exactly the opposite of what is needed for a weak economy.

And, what about Social Security? It will be in jeopardy under the Simon amendment.

I do not believe this is the course to follow.

In contrast, the Reid amendment addresses many of my concerns.

The Reid amendment excludes Social Security from the balanced budget amendment. This will prevent the Government from destroying a program that has lifted our senior citizens out of the poorhouse. Many people are too young to remember, but we certainly never want to go back to those days. This is a program that pays for itself. Social Security would be put on a chopping board with the Simon amendment, and I think that is wrong.

The Reid amendment allows capital investments to be excluded from the supermajority vote. Most States with balanced budget requirements have separate capital and operating budgets. Many States finance capital projects, such as roads and bridges and airports, outside their operating budgets. I think that makes sense. We must be able to finance certain investments that will make our Nation strong and secure and competitive in the future.

The Reid amendment also allows greater flexibility in times of economic downturn. It gives us the power to help stimulate the economy and job creation in times of slow economic growth.

Mr. President, I know this has been a long and difficult debate. I feel very strongly that this Congress and this President have taken real steps to lower the deficit; not phony steps, not steps for the year 2002 or 2001 or 1999, but real steps. And we are seeing the rewards in terms of a stronger economy.

I believe that the Reid amendment takes all the objections that I have laid before this body and meets them head on. That is why I will vote for the Reid amendment and I will very clearly and strongly oppose the Simon amendment

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Chair, in his capacity as a Senator from the State of Nevada, suggests the absence of a quorum, and asks unanimous consent that the time be divided equally.

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMON. Madam President, let me respond just very briefly to my friend and colleague, Senator KENNEDY, in his brief remarks.

When he says this will result in the President having authority to impound, there is not one word in this amendment that gives the President any additional authority. The only thing we say to the President is, you have to submit a balanced budget when you submit a budget. So that simply is not accurate.

Second, when he suggests that we are saying to States, we are going to give you all kinds of unfunded mandates, we do a lot of that right now, as you know, Madam President. I am a cosponsor of a bill that would say, when we give these mandates, we have to give the finances with them. But there is nothing to stop us from doing that right now.

In terms of the amendment being toothless, we are being criticized on both sides: That it is toothless and that it is too tough. When we say to raise the debt you have to have a three-fifths majority, that is teeth. That is tough, and it has to be tough. It is not toothless.

In terms of moving away from majority rule, James Madison warned about majoritarian abuses. I think we have clearly, for 25 years, spent more than we have taken in. That is an abuse of future generations, as well as ourselves, by the majority.

The average American income, family income, today is $35,000. The study that was released by the Concord Coalition says the average American family income today would be $50,000, but for the deficits that we have piled up. That is an abuse.

In the Constitution there are eight different instances where you have an exception to majority rule, plus, the Bill of Rights is clearly a place where we say we are not going to let the majority do things.

Alexander Hamilton originally opposed the Bill of Rights because he said it was taking power away from the majority. It does. But when there is a potential for abuse, we take away certain powers.

So long as we have a balanced budget, there is a majority rule here. When you have a situation where you have a deficit, that will require 60 votes.

But we have, since 1962, on 11 different occasions, passed in this body stimulus packages to respond to recession, each time passed by more than 60 votes. We can do it, but it does stop some of the abuses.

Senator KENNEDY mentioned we have had declining deficits 3 years in a row. That is correct. And to the credit of

President Clinton and the Members who voted for that, that is happening. But then they start back up again.

Two other points: One is the Senator says that this does not take effect until the year 2001. That is correct. We have to get on a glide path.

But I know if this passes, the Senator from California, Senator BOXER, the Senator West Virginia, Senator BYRD, and all the rest of us will start work immediately to make sure we get on that glide path.

The arguments against it are precisely the same arguments we heard in 1986. In 1986, the deficit was $2 trillion. Now it is $4.5 trillion. If we do not pass it this time, this is not going to die. The deficit will keep piling up and we are going to hear the same arguments as the deficit piles up, as we get closer and closer to the edge of the cliff in terms of policy.

Two points were not mentioned by my colleague from Massachusetts.

I regret I was not on the floor when the Senator from California spoke. Perhaps she did mention these. But two things were not mentioned.

One is, as you project, as you take OMB's statistics from the budget books they gave us, no nation has gone that far in terms of debt-and-debt service without monetizing the debt, without just printing money, without having hyperinflation. We can take a chance that we can be the first Nation in history to do that, but we are taking a huge risk. I suggest we do not take that risk. It is not prudent to take that risk.

Second, the question of foreign debts was not mentioned. Seventeen percent of our debt is now held by foreign governments or foreign individuals. That is the publicly held debt. In addition to the publicly held debt, there are those, I think largely because of laws in their own countries, that do not want it publicly known. We do not know what that figure is. But at some point, a prudent international banker is going to say, "I ought to put my money somewhere else."

Lester Thurow, one of our great economists, says the question is not if they are going to do that, the question is when they are going to do that. We have to take a look at that. So, with due respect, I differ with my colleague from Massachusetts.

I would like to, finally, quote from a letter of Thomas Jefferson. This is in 1816, 10 years before he died, after he had been President. We have had a number of Jefferson letters inserted in the RECORD. Here he says:

> Private fortunes are destroyed by public as well as private extravagance. And this is the tendency of all human governments. A departure from principle becomes a precedent for a second; that second for a third, and so on * * *.

That is exactly the path we have followed, that Thomas Jefferson talked about here in this letter of 1816.

I hope we do the right thing. I hope we reject the Reid amendment and adopt the Simon amendment.

Mr. BYRD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Madam President, on yesterday I spoke about the history of our English forebears and about the various parallels that exist between our own written Constitution and the unwritten English constitution. There are those who undoubtedly feel that it is superfluous to talk about history, especially the history of England or the history of the Romans, in connection with the amendment that is going to be voted on toward the end of this day.

First, let me say that I respect my colleague from Nevada, Mr. REID, and those who are supporting his amendment. The Senator from Nevada is seeking to cure some of the many ills with which our Nation would be inflicted in the event that the Simon amendment, God forbid, ever becomes a part of our Constitution. I applaud Senator REID and others for their efforts.

But try as they may, there is no way to cure the ills imbedded in the Simon amendment. It is like a hydraheaded monster: Chop off one head, another head appears. Therefore, I shall direct my brief remarks toward the Simon amendment.

The history of England is, indeed, germane to this debate, as is the history of the Romans. Montesquieu knew that. That is why Montesquieu wrote a history of the Romans. The two things that had the greatest influence on the shaping of Montesquieu's political philosophy and political system were the history of the Romans and the history of the English institutions. The Founding Fathers, the Framers of our own Constitution, were greatly influenced by Montesquieu and his political system of separation of powers, and checks and balances. It is important, therefore, that those histories be studied.

Let me just briefly call attention, again, to some of the parallels that exist in both the English and the American Constitutions. After all, we must remember that our Colonies adopted the British model, with some adjustments made for local conditions and social forces that were existing at the time of the Colonies, and certain adjustments to include republican principles.

Our constitutional framers leaned upon the experience of the Colonial governments which had reflected the bicameralism of the British model, which, when transferred to the Colonies, took the form of Houses of Representatives elected by the people, and upper councils, the members of which were appointed by the Royal Governors.

Section 2 of Article I of the Constitution provides for a House of Representatives. Section 3 of Article I provides for a Senate which, at the time that the Constitution was framed, would be made up of individuals selected by the State legislatures. Hence, the principle of bicameralism came down to us from the English archetype, Article I, section 1, stating that:

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Also, in section 2 of Article I, we note that:

> No person shall be a Representative who shall not * * * when elected, be an inhabitant of that State in which he shall be chosen.

Article I, section 3, states that:

> No person shall be a Senator who shall not, when elected, be an inhabitant of that State for which he shall be chosen.

These provisions, too, have roots in the Middle Ages when kings sought to pack the Parliaments. The sheriffs would announce as their nominees, knights who had not been chosen in the shires which they were supposed to represent, but who were chosen outside the counties which they were to represent. But, in 1413, the last year of Henry IV's reign, and again in 1430 and in 1445, legislation was enacted to require that the members of Commons should reside in the counties, the shires, the cities, the boroughs which they represented.

Section 2 of Article I, provides that:

> The House of Representatives shall chuse their Speaker and other Officers * * *.

This is taken from the British model. The British Commons chose their first Speaker, Thomas Hungerford, in the year 1377, during the rule of Edward III.

Section 3 of Article I says that:

> The Senate shall have the sole power to try all impeachments.

And section 2 says that:

> The House of Representatives shall * * * have the sole power of impeachment.

Does the United States Constitution follow the British model in this respect? Yes. The first impeachment under the English constitution occurred in 1376, in what was called the "Good Parliament," during the reign of Edward III. Richard Lyons, a customs officer and merchant, and other officers were impeached for abusing their offices.

Then in 1621, when Parliament met, after having not met for 7 years, going back to 1614, Sir Edward Coke, who was at that time a Member of the House of Commons, brought about the impeachment of his old enemy, Lord Chancellor Francis Bacon. Bacon admitted to having taken bribes, and he was sent to the tower. He was not executed but, nevertheless, he could never hold any office under the government from that time forward.

So we see that Article I, sections 2 and 3 provide for impeachment and trial, and, again, after the British model, impeachment to be brought in the House of Commons; in our system in the House of Representatives; and trial under the English system by the House of Lords, and, in our system, by the United States Senate.

Section 4 of our own Constitution says that:

> The Congress shall assemble at least once in every Year * * *.

Now, this was extremely important because the kings called Parliament into session only when the kings needed money. When they could not borrow from the kings of France or Spain, or raise necessary funds through non-parliamentary means, they had to resort to calling Parliament into session. When they were forced to ask Parliament for grants, the members would demand concessions before providing the necessary funds. This was the power of the purse at work.

For 7 years, from 1614 to 1621, Parliament was not in session. James I refused to convene Parliament. From 1629 to 1640, Parliament was not in session because Charles I would not convene Parliament. Parliament never met for 11 years. Charles I badly needed money grants, and finally was driven to call Parliament into session. He was encouraged to do so by Sir Thomas Wentworth—"Black Tom Tyrant"—who was the Lord Deputy of Ireland and who was ruthless in his policies. Wentworth believed in despotic government, and advised Charles I to call Parliament into session because the Scots had overrun the northern counties of England. Sir Thomas Wentworth, who was made the Earl of Strafford by Charles I, told the King that it was popular to be against the Scots—the English being anti-Scottish—and that Charles would be applauded if he called Parliament back into session, secured money grants and bought the Scots out of England. The Scots were costing England 850 pounds a day but the Scots refused to get out of the northern counties until an agreement could be reached with Parliament to meet their demands.

Therefore, the English kings had to call Parliament into session when they needed money. But when they could make do without grants, they prorogued Parliament, or dismissed it or dissolved Parliament. That was a major problem: the Kings avoided having Parliament meet often.

Finally, when the English Bill of Rights was made into a statute on December 16, 1689, that document, the English Bill of Rights provided that Parliament should meet often. This allowed Members to debate their grievances, and to use the power of the purse to obtain a redress of those grievances. Therefore, we find that in our own Constitution, section 4 of Article I provides:

> The Congress shall assemble at least once in every year * * *.

Section 5, Article I of the U.S. Constitution provides that:

> Each House shall be the Judge of the Elections, Returns, and Qualifications of its own Member * * *.

During the reign of James I, in 1604, there was a contested election between Sir Francis Goodwin and Sir John Fortescue. The King favored Fortescue, but the Commons insisted upon judging the election. Commons won.

After a long dispute, James I acceded to the right of Commons, to judge the elections, returns, and qualifications of its own Members, and that right was never again challenged.

In Article I, section 6, we find that "in all cases, except Treason, Felony and Breach of the Peace" Senators and Representatives shall "be privileged from Arrest during their Attendance at the Session of their respective Houses, and in going to and returning from the same * * *."

Freedom from arrest. This was a right accorded to Members of the Witenagemote, as far back as Ethelberht, the first Christian King of Kent, one of the Anglo-Saxon kingdoms, who lived from 560 to 616. So, this right goes back all the way to the 6th century. He provided that no person should be put in danger when that person had been commanded to attend a meeting of the Witenagemote.

King Cnut, who reigned from 1016 to 1035, had the same rule. He provided protection against arrest of any Members who were commanded to attend meetings of the Witenagemote.

Sir Thomas Shirley was imprisoned for debt in 1604. The House of Commons insisted that King James I had no right to collect forced loans. Thomas Shirley had been imprisoned because he refused to pay the forced loan demanded by the King. Commons won this battle also. James I reluctantly accepted the House of Commons' decision upholding Shirley's claim of freedom from arrest.

Also Article I, section 6, the U.S. Constitution, provides that Members of both Houses shall be protected in the freedom of speech and debate and "for any Speech or Debate in either House, they shall not be questioned in any other Place."

Henry IV, who reigned from 1399 to 1413, acknowledged the right of Commons to debate freely, and, in 1407, he proclaimed that the Lords and Commons had this right, which was finally confirmed by the English Bill of Rights in 1689 which declared that: "Freedom of speech, debates, and proceedings in Parliament ought not to be questioned in any place out of Parliament."

Section 6 also provides that "no Person holding any Office under the United States, shall be a Member of either House during his Continuance in Office." And the English had that problem, too, when the kings sought to pack Commons with their favorites.

The Act of Settlement of 1701 provided that no person who had an office or place of profit under the King or received a pension from the crown was capable of serving as a member of the House of Commons.

Article I, section 7, provides:

> All Bills for raising Revenue shall originate in the House of Representatives.

That provision has its roots in the Middle Ages. Henry IV made a solemn declaration before a joint session of both Houses in 1407, in which he laid down the principle that in the future, grants would be made by the Commons and assented to by the House of Lords.

That right was violated from time to time, but finally in 1677, under Charles II, the Commons passed a historical resolution declaring that all supplies and aids to the King "ought to begin with the Commons" and that it was the sole right of the Commons to direct, limit, and appoint in such bills the purposes, conditions, limitations, and qualifications of such grants; which ought not to be changed or altered by the Lords.

As the years went by, the Commons were more and more insistent on the origination in the House of Representatives of revenue bills.

Article I, section 7, also provides that:

> Every bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a Law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated * * *.

Early on, the King and the Privy Council issued ordinances which had the effect of law. Then as the Knights and Burgesses during the time of Edward I—who ruled between the years 1272 to 1307—were included in the Parliament, the Knights, and Burgesses insisted on providing petitions to the King requesting this or that law. The King would consider the petitions with his Privy Council, and the King and the Privy Council might or might not convert such petitions into statutes. Sometimes the King and Council would change the details from those prescribed in the petition, and the resulting statute might be very different from the original petition.

Then by the reign of Henry IV, bills were being substituted for petitions. So that when Parliament passed a bill, it contained within its four corners the exact statute that Parliament wanted. The King and his Privy Council could no longer change that. The statute was already in the bill. The King could accept or reject the bill in its entirety, but he could not alter or change any of its details.

Therefore, we find that in our own Constitution, Article I, section 7, bills that pass the House of Representatives and the Senate are presented to the President for his signature. He has to sign them or reject them in their entirety. He does not have a line-item veto. Our Framers were wise in copying from the experience of the English.

Section 8. The Congress shall have power to lay and collect taxes.

That was a power that Parliament insisted upon. The Danegeld was a land tax which was approved by the Witenagemote under Ethelred the Unready, Ethelred II, who reigned from 978 to 1016. The Magna Carta provided that taxes should only be levied by common counsel of the Kingdom. And as the years went by, Parliament insisted upon that right. Therefore, we have hundreds of years of English history in which the Parliament insisted that grants could only be made, and taxes could only be levied by act of Parliament.

Finally, that, too, was nailed down by the English Bill of Rights in 1689 which said that there would be no levying of money except by the grant of Parliament. It was never again a matter of question.

Article I, section 8, of the U.S. Constitution references the raising and support of armies "but no appropriation of money to that use shall be for a longer term than 2 years."

The late 1700's, Parliament provided that appropriations or expenditures for the army had to be renewed annually. Consequently, our Framers copied after the English experience.

Article I, section 9, provides that, The Privilege of the Writ of Habeas Corpus shall not be suspended * * *.

The Habeas Corpus Act was passed in England in the year 1679. It provided that no British subject could be imprisoned without being brought to a speedy trial.

Article I, section 9, also provides that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law."

This, again, is rooted in the antiquity of the English experience.

The power of the purse was wrested from the English monarchs and vested in the Parliament.

Article III, section 1 of the Constitution says, in part, "The judges, both of the supreme and inferior courts, shall hold their offices during good behavior."

In the Settlement Act of 1701 it was provided that judges would no longer serve at the pleasure of the King, but they could be removed only for ill behavior, and that had to be proved in both houses of Parliament. So we have the same thing in our Constitution. Judges shall hold their offices during good behavior.

Finally, let us take a brief look at the amendments, and I shall not detain the Senate long. I will only touch on one or two of these amendments. I shall mention especially the due process in the fifth amendment.

The Magna Carta was the foundation for this phrase "due process." There were 63 clauses in the Magna Carta, and in clause No. 39 it was provided that no free man would be imprisoned, banished, exiled, dispossessed of any of his property, or in any way have his standing injured except by the judgment of his peers and—get this—according to the law of the land. The law of the land. The law of the land. That was a magic phrase, used time and again in the English constitution throughout its development.

That phrase, "the law of the land," became our own phrase, "due process," in the fifth amendment to our own Constitution.

Finally, amendments VI and VII of our own Constitution deal with trial by jury in criminal cases and in civil cases. The English Bill of Rights provided for trial by jury. Of course, the roots of that right go all the way back to William I, who brought from the continent the sworn inquiry. Henry I who ruled from 1100 to 1135 and, Henry II from 1154 to 1189, developed this instrument, the jury trial, which likewise had continental origins.

Finally, I will just touch upon the eighth amendment: "Excessive bail shall not be required nor excessive fines imposed." Again, the English Bill of Rights in 1689 provided against excessive fines and excessive bails.

So here we are. Let me sum it up by saying that in instance after instance, clause after clause, phrase after phrase of our own Constitution were adapted from the experience in the English Constitution.

Therefore, it is important that we consider the English history; we should not just consider the history of our own Constitution from the time it was written. We should also consider the roots of that Constitution, and the roots of the power of the purse.

In my discussions concerning the history of the Romans last year, we found that when the Roman Senate gave up its power over the purse—and it had complete control over the purse—when it gave up that power over the purse to the dictators and to the emperors, it gave away its power to check the emperors, to check the dictators, to check the executive.

We should not just consider our Constitution from the year of its writing, in 1787, up to the present time as being in a vacuum. We must study the English roots of the Constitution. We must know why these phrases are in the Constitution. We must know from where they came. What was the history? What were the historical events that generated them? We have to realize that our English brethren gave their blood, often at the point of the sword, for these rights. They executed a king, Charles I of England, for being a traitor, a murderer, a tyrant, and public enemy to the good people of England. They executed Charles I on January 30, 1649.

These are matters that are serious. They ought to be considered. We must not forget the roots from which this priceless jewel, the Constitution of the United States, came.

I implore Senators not to vote for an amendment that will destroy that Constitution, destroy the separation of the powers, destroy the checks and balances, and shift away from the Congress the power of the purse, which is the central pillar of the Constitution that protects the liberties and freedoms of all Americans.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. (Mrs. FEINSTEIN). The Senator from Utah.

Mr. HATCH. I yield 7 minutes to the Senator from Texas.

Mr. REID. Parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator yield for an inquiry?

Mr. HATCH. Yes. I would be happy to yield for an inquiry.

Mr. REID. If I could ask my friends who are managing this legislation, we all have a number of Senators who wish to speak. I am wondering if we could, to make it easier for everyone, kind of arrange the time a little bit.

Mr. HATCH. Why do we not work out a list? Why do we not move to Senator HUTCHISON?

Mr. REID. She will speak how long?

Mr. HATCH. Seven minutes.

Mr. SIMON. I have indicated to Senator EXON that I will yield to him next.

The PRESIDING OFFICER. The Senator from Texas [Mrs. HUTCHISON] is recognized for 7 minutes.

Mrs. HUTCHISON. Thank you, Madam President. I thank Senator HATCH.

Madam President, I rise today to add my voice to those who are calling for a balanced budget amendment. I want to compliment the senior Senators from Illinois and Utah, Mr. SIMON and Mr. HATCH, for their fine work on this very important legislation. Without their courage and leadership, we would not be close to enacting mandatory fiscal responsibility.

You may have seen the editorial cartoon reprinted in Saturday's Washington Post showing the famous bow tie of the senior Senator from Illinois. It shows what might be called the "bow tie argument," that a balanced budget will squeeze too tight.

The opponents of the amendment are saying that we cannot have a balanced budget because we cannot balance the budget. If there was ever an inside-the-beltway policy argument, that is it. Imagine the Framers of our Constitution adopting such a view. We would not have the fifth amendment which says that private property shall not be taken for public use without just compensation.

Of course, the Framers knew that public funds were limited. Some had struggled with financing the Revolutionary War and the Government under the Articles of Confederation. But as the first stewards of our country, they put the Government on a pay-as-you-go basis. They did not write, "The Government will not pay citizens for seized property because it will not have the money—so it may seize private property without paying for it."

The Framers believed in a limited Federal Government. And I do not think they would view our grandchildren's pocketbooks as open to seizure.

If we are going to hear more vague claims against the amendment in order to protect the Constitution, I want them to include the respect for all of the Constitution, including protection of private property, freedom from excessive Government intrusion into daily lives. I do not believe we are protecting the Constitution by continuing to add to a $4 trillion debt.

We have heard objections that the contractionary economic policy of a balanced budget will bring on the next Great Depression. Cutting Federal spending and freeing up capital for private investment will not bring a depression. But interest payments swallowing up the Federal budget will.

Herbert Hoover probably saw this coming when he said, "Blessed are the young, for they shall inherit the national debt."

The balanced budget amendment does not strictly require a balanced budget. It requires that spending not exceed revenue unless three-fifths of each House votes to permit a deficit. The amendment only tilts the playing field back in favor of a balanced budget. Obviously, the playing field is not level now or we would not have over $4 trillion in gross Federal debt and almost $300 billion a year in gross interest payments.

Of course, balancing the budget will not be easy. But what is the opponents' alternative? Increasing the Federal deficit?

It does not give me any comfort to know that our deficit for 1995 is less than expected, mostly because of higher taxes and lower-than-expected savings and loan bailout costs. Unless we take action now, the deficit and debt will continue to grow.

The plan I support to balance the budget is the First Act, also known as Putting Families First. Under the First Act, we can save $542 billion over 5 years by limiting the annual growth in Federal spending to 2 percent a year. The budget can be balanced by the year 2001, and we can provide tax relief for American families with children, including a tax credit of $500 per child; incentives for private savings and investment, including expanded IRA's and IRA equity for homemakers, and lower taxes on capital gains; and a repeal of the retirement earnings test for older Americans on Social Security.

These are not across-the-board spending cuts. They are discretionary reductions in future spending increases. To meet the 2 percent ceiling in growth in Federal spending, the cuts would be determined by a commission, as proposed by Senator MACK —a spending reduction commission. Then Congress would have to vote up or down on their recommendation, like we do on the Base Closing Commission.

Madam President, there is a plan. It will balance the budget; it will take money out of Washington and put it back into the pocketbooks of American families; it will increase the savings rate and reduce the tax rate on investments. The First Act will increase private investment in business, create jobs that increase economic growth, and increase tax revenues. No scary-sounding cuts in dollars inflated to the year 2000 will be necessary—just cuts in increases in future spending. All we must do is stop acting as politicians with short-term goals and act as the Framers did, as statesmen protecting the future of our country.

In closing, I want to encourage all of my colleagues to think carefully before they vote today. Before voting, think of the heroes of the Alamo that have been mentioned here before on the floor. Senator SIMON, there really was a back door at the Alamo. The back door was a line drawn in the sand. Colonel William Barret Travis drew the line in the sand before the battle, and he asked all those who wanted to stay and fight to cross the line. They had the chance to leave. All but one of the 184 men crossed that line, and the one, Jim Bowie, said, "Carry my stretcher across that line."

So that band of 184 men crossed the line to stay and fight 6,000 soldiers coming to the Alamo under Santa Anna. Those brave men voluntarily closed the door to protect the independence of Texans for generations to come.

The Congress of the United States today has the opportunity to voluntarily close that back door and protect the future of generations of Americans to come. Thank you.

I yield the floor.

Mr. HATCH. Madam President, I thank the distinguished Senator from Texas for her cogent remarks.

The managers of the bill—the three of us—have gotten together to try to get a list of speakers in order, so everybody will know when their turn is. If I could recite that order, I think it will help everybody to get here on time and to take their place.

Senator REID would like 1 minute at this time. Then Senator THURMOND will have 8 minutes. Then there will be Senator EXON, Senator COHEN, Senator SASSER, Senator BURNS, Senator FORD, Senator KEMPTHORNE, Senator ROBB, and Senator COVERDELL. That is as far as we got.

Mr. REID. Madam President, if I can suggest to my friend from Utah, I think it would be well that he list the amount of time and who is yielding in case we get out of whack with the time.

Mr. HATCH. I am not sure what the time is. Senator THURMOND, 8 minutes. Senator EXON has 10 minutes. Senator THURMOND will be yielded time by me. Senator EXON's time will be yielded by Senator SIMON. Senator COHEN has 10 minutes from me. Senator SASSER needs how much time?

Mr. REID. I will yield him 20 minutes.

Mr. HATCH. Senator BURNS gets 10 minutes from me. Senator FORD has how much time?

Mr. REID. Ten minutes.

Mr. HATCH. Senator KEMPTHORNE has 5 minutes from me or Senator SIMON; Senator ROBB, 5 minutes; and Senator COVERDELL 5 minutes, from either Senator SIMON or me.

Mr. SIMON. Madam President, this is just for the convenience of Members; this is not a unanimous-consent request. We reserve the right to have some flexibility in this.

Mr. REID. Madam President, I ask unanimous consent that the remaining time of Senator BYRD be yielded to me. I ask that with the consent of Senator BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. The reason I wish to stand at this time is to spread across the RECORD in this Congress and for the American public and future generations, something that is unique that we just heard. I am an attorney. I went to law school, practiced law, had dozens of jury trials. I have a son that is an attorney, and I have another son going to law school at Stanford University. I did not have—and I am sure my sons did not, even though they went to fine law schools—a lesson on what the Constitution is really about, such as the one provided by the President pro tempore of this Senate.

This morning, he went through article by article of that Constitution, and he gave us the reason it is in our Constitution, and the history of why it is in our Constitution. I, frankly, wish that I had someone spend an hour with me before I went to law school so it would have made studying the Constitution much more meaningful. I am going to send a copy of the remarks of the President pro tempore of the Senate to my son, the practicing lawyer, and to my son, who is in one of the finest law schools in the world, Stanford University, because no matter how fine the professors are at Stanford, they could not have a better lesson on the Constitution than the one we have just heard this morning.

Mr. HATCH. Madam President, I yield 8 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Madam President, I rise today in opposition to the substitute amendment offered by Senator REID which we will vote on today at 3 p.m.

The language of the substitute amendment has been referred to as a figleaf, a spurious attempt to provide political cover for those who believe they should vote to support a constitutional amendment to balance the budget but fear its consequences. I do not question the sincerity or motivation of Senators who have spoken in favor of the Reid substitute amendment. However, it is clear that the substitute amendment is rife with loopholes which swallow the mandate of achieving a balanced budget.

Over the years, proponents of an effective balanced budget amendment have carefully crafted language to address the concerns of constitutional scholars, economists, and others across the Nation. The language contained in Senate Joint Resolution 41 is a result of many hearings, debates, and thoughtful discussion to constitutionally restrain congressional spending in an effective manner. Included in our proposal is a practical safety valve which would allow the Congress, when necessary, to engage in deficit spending by a three-fifths vote or during military conflict.

By contrast, the language of the Reid amendment has appeared within the last few days without the benefit of any hearings or meaningful discourse beyond the Senate floor. The Reid amendment would exclude capital expenditures from being considered as outlays by the Federal Government under the mandate of a balanced budget amendment. There is no consensus as to what should or should not be included as part of a capital budget. It strikes me as inappropriate to place such an ambiguous concept as capital budgeting in the Constitution as a narrow policy decision.

If the Reid amendment becomes part of the Constitution, I predict that there would be a great push to redefine many Federal programs from noncapital spending items to place them in the capital budget. Under this scenario, by manipulating the capital budget, we could face even larger deficits than we have today. This loophole in the Reid amendment would render a balanced budget amendment meaningless.

Further, the Reid amendment would suspend the dictates of a balanced budget amendment any time the Director of the Congressional Budget Office estimates that real economic growth has been or will be less than 1 percent for two consecutive quarters. Madam President, this is an enormous amount of power the Congress would be shifting to the CBO Director. Just imagine, under the Reid amendment, the Director of the CBO—who serves at the pleasure of the majority leader and Speaker of the House—would have the power through his estimates on economic growth to suspend, nullify, and to eliminate the mandate of a constitutional amendment.

I do not believe that the Founding Fathers envisioned, nor would the American people accept, such an arrangement whereby a Government official could derail the mandate of a constitutional amendment. On the other hand, our proposed constitutional amendment, Senate Joint Resolution 41, allows the Congress by a three-fifths vote to exercise reasoned judgment as to the necessity for engaging in deficit spending. Under Senate Joint Resolution 41, we could rely on the CBO estimates of economic growth but it need not be the only factor to consider when making a decision on deficit spending.

Madam President, I will vote against the Reid amendment because in my opinion it will fall short of our goal to achieve and maintain balanced budgets. The Federal Government has posted deficits in 56 of the last 64 years, balancing the budget only eight times in 64 years. I repeat only eight times in 64 years. This Nation is $4.2 trillion in debt and deficits continue to loom on the horizon unchecked and without any restraint. The national debt will continue to rise and there is no assurance when we will ever begin paying off the principal on this debt. For the time being, we are merely servicing the debt by spending over $200 billion—I repeat over $200 billion—annually in interest payments. Perpetual deficit spending is a shameful reality and a disgraceful legacy which we are leaving to future generations.

I urge my colleagues to vote against the Reid amendment and instead vote for Senate Joint Resolution 41 which is the only truly effective proposal to constitutionally mandate balanced Federal budgets.

I repeat again: We have balanced this budget only one time in 31 years, only eight times in 64 years. How are we going to stop it? The Congress has not shown the willingness to stop it. They have not shown the will to stop it. The only way to stop it is to mandate the Congress to stop it, to make the Congress stop it, require the Congress to stop it, and the only way to do that is to pass a constitutional amendment. There is no other way to do it. Do we want to ever balance the budget? If so, let us pass this constitutional amendment, this constitutional amendment No. 41. That is the only way we will get results.

Madam President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Illinois.

Mr. SIMON. Madam President, I yield 10 minutes to the Senator from Nebraska [Mr. EXON].

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. EXON. I thank the Chair and I thank my colleague from Illinois.

Madam President, having listened to much of the debate on and off the Senate floor, I have come to the conclusion that many of the arguments for and against the proposed balanced budget amendment are lacking in substance. There has been entirely too much bombast and questioning of the motives of Members on opposite sides of the issue.

I come to the floor to support the balanced budget amendment and in opposition to the substitute currently before the Senate.

The timing of the substitute amendment before us, basically to create a separate capital and operating budget, might have some merit from a technical standpoint. It is not new. The concept has been around for years. But to bring it up at this juncture is clearly ill conceived. It will not prevail, and I believe that is a given.

I think we should not be wasting as much time as we have on this substitute, notwithstanding the sincere efforts of its well-intentioned sponsors. It is going nowhere and the more time we waste debating before burying it forever, at least for now, the more tarnished our image becomes.

Three weeks ago, I addressed the Senate and expressed my pleasure over the encouraging news that the Congressional Budget Office had brought to the Senate Budget Committee regarding the dramatic upswing in the overall economy. This was due largely to the deficit reduction bill that we passed last year, according to the nonpartisan Congressional Budget Office. Our actions to date have allowed the CBO to dramatically reduce its estimates of our projected deficits over the coming years. However, this does not mean that we can relax in our efforts to bring expenditures more in line with receipts.

For those of you who doubt what I am saying, I suggest that we look at CBO's numbers. Our projected deficit for 1994 is $223 billion; for 1995, $171 billion; for 1996, $166 billion; for 1997, $182 billion; and for 1998, $180 billion. That is a total of $922 billion over the next 5 years of debt that we are simply passing on to the next generation of Americans. Suffice it to say, even with our recent steps in the right direction, we have a long, long way to go.

In addition, we should all pay close attention to the fact that our deficits are projected to stop decreasing and to start increasing significantly in 5 or 6 years. At that point, we veer off of our downward glide path toward a balanced budget. As President Clinton suggests, health care reform may reverse that upward trend. Yet, the details of such reform are too unpredictable, and our cost projections too unreliable at this point, to be confident of that result.

We dare not rely solely on health care reform to also solve our deficit problems. I have never been of the mind that health care reform can be fashioned to cost the Government less.

We have allowed our government to operate in the red for far too many years and it is quite simply time to begin to stop. It is foolish to continue the unabated growth of our Federal debt as it continues on its ever increasing upward spiral dramatically. The Federal debt stands at over $4.4 trillion. That is the killer, even more than the annual deficits which add to it. If we stopped deficit spending tomorrow, we would still have to deal with our mountain of debt and its crushing interest payments which gobble up about 15 percent of our entire annual budget.

I have heard before, and I hear again, more than a few excuses for not adopting a balanced budget amendment but for the most part they boil down to one complaint. Please do not change the status quo or cut my program. Do not upset the apple cart. Keep things just the way they are and continue to curse the beast and the process that got us to this point.

But, I maintain it is time to change. We have started down that path with the adoption of the hard fought deficit reduction bill, but I am afraid that we are going to stop with the task only half complete. In my view, we must continue down that path and pass the balanced budget amendment.

Adoption of such an amendment will surely cause our President and Congress to consider and pass legislation equally as controversial as the deficit reduction bill. I can well understand the reluctance many of us have to engage in a similar battle. Yet, we were sent here to make those difficult and tough decisions, not to continue to ignore them.

I do not necessarily disagree with all the arguments of those who say we should not need a balanced budget amendment. We should indeed simply be able to pass, or get on a steady glide path toward, a balanced budget without a constitutional amendment. We should—but we do not. I believe we have proven ourselves incapable of achieving that goal over the years, despite the constant hand-wringing and rhetoric about the evils of deficit spending and the mounting debt which we are leaving to our children and grandchildren.

Let there be no mistake. Even if the amendment is added to the Constitution, it will not be a cure-all. It is no panacea. It sure will not be easy. Unfortunately, whether it is the best solution or not, Congress and the President seem to need the hammer of a constitutional amendment to force us to do our duty. Even with some obvious pitfalls, I reject the argument that it will "trivialize" the Constitution.

Madam President, I have been a longtime proponent of the balanced budget constitutional amendment and have introduced my own version during the last several years. When I was Governor of the great State of Nebraska, I had the benefit of a similar provision in the Nebraska State Constitution. That mandate forced fiscal discipline and has kept my State fiscally sound.

A half-dozen years ago, I stood here in the Senate and said that it was time to swim out of our sea of red ink and to put our economic ship on course. We failed to pass a balanced budget constitutional amendment then and I am sad to say that the red ink continued to flow at even a greater rate.

Many who oppose the amendment for a meaningful balanced budget amendment still maintain it is not necessary. They fail to understand history.

During my 15-year history on the Budget Committee, I have been pleading and reasoning for stronger fiscal discipline. On May 14, 1982, 12 years ago, beginning on page S-5329 of the CONGRESSIONAL RECORD, I warned of the coming peril. Then we had much smaller yearly deficits and a national debt of a little over $1 trillion. Today it is over $4.4 trillion. I cited then the alarming projected trend of rising yearly deficits of $2.8 billion in 1970 to $175 billion in 1987. I detailed the corresponding annual national debt increases, from $382 billion in 1970 to $2 trillion in 1987. Obviously, little heed was said; even I did not then anticipate a $4.4 trillion national debt by 1994. So much for those who say we can do this on our own without the discipline of a balanced budget amendment. If history teaches us anything, it should be clear that we need to dramatically change course.

Those opposed to the basic constitutional amendment should be credited with making some valid points. However, their bottom line inconsistency is that while professing support for its worthy goal, they offer the historic and failed alternative: just do it without a constitutional requirement. Sounds reasonable, but they conveniently ignore the fact that this way has not worked and has minuscule chances of ever working in the future.

I can sympathize with their argument that we cannot responsibly accomplish the desired goal in 7 years, given the magnitude of the problem and the uncertainty of future unforeseen problems that could face us.

I do not like gimmickry. That was the reason I voted against Gramm-Rudman, Gramm-Rudman II, son of Gramm-Rudman and the other phony 5-year plans that could not and would not work. I believe that history has proven me right, as all but the diehard opposition to the constitutional amendment seem to agree.

Reality and the doable must be understood. I have always maintained that if we were going to be eventually successful, we need to be committed with a workable plan with teeth and get on a course of a glide path to balance that I think will probably require a minimum of 8 to 12 years.

Do I think we can accomplish the worthy ultimate goal in the 7-year timeframe required in the proposed constitutional amendment? No. And you can take my word for it and call me a liar if we miraculously accomplish it in 7 years.

But the redeeming feature that is wisely in place in the proposal allows the Senate, by 60 of its 100 votes, to suspend the requirement temporarily if and when we can't prudently accomplish the mission as scheduled.

I still have enough confidence in this body that we can and will muster the three-fifths vote when and if necessary to do what must be done.

Is that not a loophole that you could, to use the ever-popular phrase, drive a truck through? Not if you understand the process. After 7 years, we would be on the spot, a vote to temporarily suspend the mandate by 60 votes would be tough. If the people do not think we acted properly and prudently, the spotlight clearly would be on "the dirty or courageous five dozen," and they could be shortly voted out of office.

The point is that this is a good proposition to force responsibility, with the teeth to make it happen as quickly as practicable and possible.

Is the constitutional amendment proposal a flawless approach to getting something done? No, probably not, but at long last we have a chance to solve the fiscal mess that has been created over a considerable period of time. In my view, with all of its warts, it is the only chance we have, since all others have failed.

As a longtime fiscal realist or conservative, I believe that our Government, like a family or business, cannot continue unabated to spend more than it has without facing financial ruin. I thus intend to support this Resolution calling for a balanced budget amendment and strongly urge my colleagues to do so as well.

Thank you, Madam President.

Madam President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Madam President, I yield 10 minutes to the distinguished Senator from Maine.

The PRESIDING OFFICER. The Senator from Utah has yielded to the Senator from Maine, who is recognized.

Mr. COHEN. I thank the Chair.

Madam President, I remember when President Clinton submitted his budget last year—a document of some 1,200 to 1,300 pages. I recall reading an article by a distinguished columnist and journalist in this city, David Broder. He said, in all of those 1,200 to 1,300 pages, two numbers that were missing. One number was, as I recall, $940 billion. That $940 billion represented the amount of additional debt we will accumulate, assuming President Clinton's budget works as planned. Assuming all the projections are accurate, assuming all the interest rates calculations and revenue projections are correct, we will still go nearly $1 trillion more in debt during the next 5 years.

The second number that was missing was 57 cents. Fifty-seven cents did not appear anywhere in the President's budget. The 57 cents represents the amount of the individual income tax dollars that go to pay interest on the debt. Out of every dollar that we pay in personal income taxes now, 57 cents goes just to pay interest on the debt.

Madam President, we are engaged in what I have called fiscal child abuse—fiscal child abuse. We are beating our children with what I would call the equivalent of rubber hoses. The bruises do not show just now. There are no telltale signs of the beating, but the pain is going to last their lifetimes and probably be passed even on to their children.

Mr. President, I rise in support of Senate Joint Resolution 41, amending the Constitution to require a balanced budget.

I have not always supported the balanced budget amendment. When this measure was considered by the Senate in 1982 and again in 1986, I felt that Congress could and would address deficits without the aid of a constitutional amendment. Several years ago, however, I realized that I had been wrong about Congress' ability to deal responsibly with deficits. For instance, when it came time for the tough spending cuts ordered by the Gramm-Rudman deficit reduction law, Congress did not have the will to follow through. So in 1992, for the first time I supported a balanced budget amendment in the Senate.

I would like to begin my remarks by explaining why I think a balanced budget is good policy. I will then explain why I have reached the conclusion that a constitutional amendment, despite its limitations, offers the only chance of balancing the budget. Finally, I will address the arguments offered by opponents of the balanced budget amendment, many of which I think are grossly misleading.

Public debt is not inherently bad. For example, it was both necessary and wise for the Federal Government to borrow heavily during World War II. In the three decades immediately following the war, the United States gradually paid down this debt. Beginning in the seventies and worsening in the eighties, however, the Federal Government reversed this trend by borrowing more and more to pay for current expenses. It is important to understand that the huge deficits we have been running for the past 15 years have not been to finance public investments that will yield benefits in the future. We have been borrowing simply to pay for current consumption.

Contrary to popular belief, Congress is never faced with the choice of raising taxes or borrowing money to finance Government. Spending can only be paid for through taxes; it is simply a question of whether we use today's or tomorrow's tax dollars. Borrowing invariably means that future taxes will be higher than they would otherwise be. The deficit poses a problem for younger generations because it represents higher taxes in the future. In fact, the Office of Management and Budget recently published an analysis of the growing tax burden. The report forecast that, without changes in Federal law, the average net tax rate for future generations would eventually reach 82 percent of their lifetime earnings. Clearly, this would be an unsustainable situation.

This situation is compounded by the fact that, because today's Government borrowing draws down the pool of savings available for investment, future generations will be less able to afford higher taxes than they otherwise would be. Rising standards of living require investments in infrastructure, plants, equipment, education, et cetera. Savings—personal, business, and government—provide the source of this investment. By running a deficit, the Federal Government draws down the national pool of savings by an equal amount. With less savings and less investment, economic growth will not be as quick. As a result, future generations will be hit with a larger tax bill and be less prepared to handle it.

Beyond current and future economic problems caused by repeated deficits, they pose a serious problem in terms of diminishing respect for Congress. For many, Congress' inability to balance its books symbolizes our inability to act responsibly. For the sake of the integrity of the institution, Congress cannot continue to promise the American people long-term deficit reduction and do little about it. Actions do speak louder than words. If a majority in the Congress take the view, as some economists do, that deficits do not matter, that case should be made clearly to the public, and the disconnect between words and deeds can be abolished.

Personally, I believe deficits do matter and now would like to explain why I think a constitutional amendment to require a balanced budget is necessary.

As I mentioned, I have not always supported the balanced budget amendment. During the debates in 1982 and 1986, I argued that Congress should address deficit reduction through legislation rather than through changes to the Constitution.

Since I made those arguments, however, we have tried to deal with the deficit through various pieces of legislation. While some have helped at the margin, none have successfully addressed the structural deficits that continue to be part of the budgetary landscape. The brief respite of relatively lower deficits we will enjoy for the next few years should not be interpreted as a sign that we have conquered the deficits. In fact, such arguments reflect precisely the sort of short-term thinking that permitted deficits to grow out of control in the 1980's. The evidence is undisputed that, unless significant steps are taken, deficits early in the next century will dwarf those of the 1980's.

We have tried every conceivable statutory option to force Congress to be more fiscally responsible. With few exceptions, these efforts have failed. A constitutional amendment appears to be the only solution left.

Amending the Constitution is not something that Congress should propose lightly. It is a very serious matter. However, I believe that the balanced budget amendment is consistent with the historic role of the U.S. Constitution to safeguard the rights of those who may be underrepresented in the political process. In this case the underrepresented individuals are future generations who are being asked to pay for our profligacy.

I would now like to address the arguments that have been made against the balanced budget amendment currently before the Senate.

I respect the view of those who oppose the balanced budget amendment. After all, I once shared their view. Nonetheless, the distorted rhetoric offered by some opponents of this amendment has been regrettable.

Reports, for instance, claiming to detail specific cuts that would be required under the balanced budget amendment are baseless. Certainly, balancing the budget will require spending to be cut, and it would be disingenuous for me to suggest that these cuts will occur in 49 States only. Some of these cuts will obviously affect Maine. Nonetheless, to suggest that the amendment predetermines cuts in specific programs is grossly misleading.

It is ironic that those arguing that the balanced budget amendment will force disastrous cuts in spending in the same breath criticize the amendment as a gimmick that will not work.

It is also misleading to suggest that the balanced budget amendment is some sort of sham. The sham has been with budget rules that Congress has bent and broken at every stage. The balanced budget amendment will only be a sham if Members of Congress lose all respect for the integrity of the Constitution—an occurrence I do not expect under any circumstances.

Suggesting that the balanced budget amendment offers Members of Congress an "easy" political vote is also unfortunate. The easy votes have been the ones to spend repeatedly beyond our means. Although the balanced budget amendment will not itself reduce the deficit, I have not shied away from proposing tough spending cuts. Last year, I joined Senators DANFORTH, BOREN, and JOHNSTON in offering a tough bipartisan alternative to President Clinton's budget. Our plan would have cut $2 in spending for every $1 in new taxes. More recently, I joined Senator KERREY and others in offering a list of cuts totaling nearly $100 billion over 5 years. My support for the balanced budget amendment is not a matter of political convenience. I am willing to support the spending cuts that will be necessary to enforce it.

Madam President, I know all about 30-second spots. I know what has happened to our political system. I know all about the tactics used by political opponents in coming elections. I know that every one of those cuts that I voted for will be held up on television and someone will say: Look what he did. He voted to cut this program and that program. He is cruel and he is heartless. And I know what the political consequences of having to face voters under the compressed time of a senatorial campaign is all about. So I do not need to be lectured about postponing effective dates being an act of cowardice.

It is also misleading to suggest that the balanced budget amendment would somehow target senior citizens. Nothing could be further from the truth. To the extent that deficits fuel inflation that undermines the purchasing power of those on fixed incomes, seniors have much to gain from lower deficits.

Also, the balanced budget amendment preserves the statutory provisions that protect the Social Security trust fund. For example, the law excluding Social Security from across-the-board cuts under current budget law would be unaffected by the balanced budget amendment.

While the Social Security trust fund currently operates at surplus, it is expected to face severe cash shortfalls early in the next century. Balancing the budget by 2001, as required by the proposed balanced budget amendment would ensure the viability of the trust fund for current and future retirees.

It is also misleading to suggest that the balanced budget amendment would prevent Congress from responding in times of national crisis. The balanced budget amendment does not categorically prohibit deficits. With the approval of at least three-fifths of the Congress, deficits would be permitted. In times of war or dire economic circumstances warranting deficit spending, three-fifths of the Members of the Congress can be expected to recognize the need for deficits at these times. Unfortunately, Congress has too often viewed deficits not as necessary evils in times of dire circumstances, but as normal parts of the annual budget process.

The balanced budget amendment would essentially raise the burden of proof for when Congress should deficit spend. Deficits would be permitted only when three-fifths of the Members of Congress are convinced that special circumstances exist to warrant them.

Finally, I would like to address the concerns that the balanced budget amendment would open the door for judges to enforce this law by taking it upon themselves to raise taxes and cut spending. Unlike some of the other arguments that have been raised against the balanced budget amendment, I find that to be a very serious and legitimate one.

As a member of the Senate Judiciary Committee, I take very seriously the prospects of judges usurping Congress' role in making budgetary decisions. Judges are simply not qualified to undertake these responsibilities. Permitting them to do so would be irresponsible and would upset the delicate balance of power between the three branches of Government.

To address this concern, I worked with Senators DANFORTH, NUNN, and DOMENICI to develop constitutional language to restrict the role of the Judiciary with respect to the balanced budget requirement. I am pleased that this language has been incorporated into the balanced budget amendment that the Senate is now considering.

Our provision would permit the Supreme Court to rule on the constitutionality of the Federal budget, but would prohibit the Court from taking further steps to enforce its ruling unless such steps were specifically outlined by Congress. In other words, judges could not order taxes or spending cuts unless specifically authorized to do so by Congress. It is unimaginable that Congress would grant such authority.

This is not to suggest, however, that the balanced budget amendment would be unenforceable. The balanced budget amendment will be honored because the legislative and executive branches respect the Constitution. Neither branch will want to see the Constitution honored in the breach, as this would undermine respect for the Constitution among all citizens.

Suggesting that the balanced budget amendment is not enforceable simply because judges would not be empowered to raise taxes or cut spending ignores the fact that, in the end, no judicial decision is ever self-enforcing. As was at issue in the seminal case of Marbury versus Madison, the rulings of the Supreme Court are honored by the other two branches of Government not because the Supreme Court itself has the means of enforcement, but because the other two branches of Government respect the judiciary and the U.S. Constitution.

I cannot help but note the irony that those suggesting that the amendment's language limiting the role of judges renders the balanced budget requirement meaningless have in the past vehemently argued that it would be disastrous to have judges raising taxes and cutting spending. If this reflects a change of heart on this matter, I would point out that, under the proposed balanced budget amendment, Congress could authorize judges to raise taxes and cut spending. I doubt, however, that Congress would want to grant such authority.

In closing, I would like to make three points that I think put this debate into context.

First, 37 States have balanced budget amendments. Complying with these requirements is not always convenient. But over the long term, forcing governments to balance their budgets promotes good government.

Second, the fact that taxpayers are willing to finance only $1.3 trillion of the 1.5 trillion dollars' worth of current Government services, it is reasonable to question whether the public really wants as much Government as we currently provide.

Last, we should not lose sight of the fact that there is no free lunch here. Every dollar the Government borrows is a dollar unavailable for job-creating investment in the private sector. Also, every dollar the Government borrows today is a dollar tomorrow's taxpayers will have to repay. At its most basic level the balanced budget amendment stands for the simple principle that we should pay today for the Government we use today. If we are unwilling to put the money on the barrel ourselves, by what right can ask future generations to put their money on the barrel?

I heard my distinguished colleague from Illinois quote from Thomas Jefferson earlier this morning. There is another quote which I am familiar with. Jefferson said that whenever one generation spends money and taxes another to pay for it, that we are "squandering futurity on a massive scale." We are squandering futurity on a massive scale.

What we have been engaged in over many, many decades has been the squandering of the future of our children by refusing to do that which we are elected to do and that is to make the hard, tough choices of allocation of responsibilities and priorities. We have not measured up to that responsibility. We have tried every device to force ourselves to do this. A balanced budget amendment is a last resort for me, but I feel it is an absolutely critical one.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

The Senator from Illinois.

Mr. SIMON. I will yield myself 1 minute simply to commend my colleague from Maine for his excellent, logical remarks. And particularly, he is a wordsmith. When he comes up with a phrase, "fiscal child abuse," that is precisely what we are doing. We are imposing on our grandchildren and future generations this huge burden. This amendment says let us stop it.

I commend our colleague from Maine.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, if I could take another minute, I would like to just join in that commendation because I know how difficult it is for the distinguished Senator from Maine to change his point of view with regard to this. Because I was here in 1982, I was here in 1986, and helped to bring those amendments to the floor.

Frankly, I think he is right. We have reached a point where we can no longer continue doing what we are doing. This is the only alternative left. Not the Reid amendment, which will not solve the problem, but the Simon-Hatch amendment, which is the consensus amendment and the only one that has a chance of getting through both Houses of Congress.

I thank him for his good remarks here today. At this particular point I know we are supposed to have Senator BURNS here. Senator SASSER could not be here at this time so we are hoping Senator BURNS will come to the floor and we can have him take his time.

The PRESIDING OFFICER. Who yields time? The Senator from Nevada.

Mr. REID. Madam President, I want to bring to the attention of this body during this lull in the proceedings, a column written by James Schlesinger, former Secretary of Defense, Director of Intelligence and Director of Budget.

It is interesting that a number of people who were so vehemently supporting—so strongly supporting, I should say—the Simon-Hatch balanced budget amendment are also people who are in the throes of talking about how great our defense should be, how strong our military should be.

I think those individuals should really look at what they are doing, according to former Secretary Schlesinger.

> The balanced budget amendment—talking about the Simon amendment—is an arrow pointed straight at the heart of America's defenses.

He says, among other things:

> Given the many who vigorously support or profess to support a strong national defense, I have been astonished that so many appear to be advocates of the balanced budget amendment considering its dire consequences for our defense posture. Either they do not understand these consequences or, conceivably, they are just posturing. What we have here is a formula for unilateral disarmament designed for ostensibly conservative reasons. No true supporter of defense could logically vote for this amendment. It is the best way to ensure the recessional of American power.

I think those individuals should reassess their position and take a look at the Reid substitute.

Madam President, I suggest the absence of a quorum and ask that the time be allotted equally between the three managers of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CAMPBELL). Without objection, it is so ordered.

Mr. REID. Mr. President, I yield myself as much time as I may consume.

During this lull in the proceedings, I thought it would be important—in that we have just a short amount of time to debate the Reid substitute—I think it is important to note again the differences between the Simon balanced budget amendment and the Reid substitute, which is also a balanced budget amendment.

The Reid substitute does what is done in virtually every State in the Union. Virtually every State in the Union has a balanced budget. We should have one, but we should do it in a reasonable manner. What the Reid substitute does is say, yes, we should have a balanced budget, but we should also have an operating and a capital budget, like the States have. We should also take off the budget Social Security.

In effect, in calling for an operating budget and a separate capital budget, we are simply asking the Federal Government to balance its budget the same way that States, families and businesses balance their budgets. That seems reasonable.

We all know that balancing the Federal budget, as the Simon-Hatch amendment would have us do, would be devastating to the country. The Reid amendment treats Social Security participants fairly by setting the Social Security trust funds outside the budget and establishes the Social Security trust fund and not the "Social Security Slush Fund."

For those who say, well, there is going to come a time when the Social Security funds may not be there, it certainly is not going to be there if this amendment passes. Mr. Ball, who was head of the Social Security Administration during three Presidents, testified—and I have read that testimony time after time before this body the last 3 days—where he said if the Simon amendment passes, it will be the end of Social Security. So that is the reason we have to recognize the importance of the Reid substitute.

It is interesting that there are those who say the Reid substitute is, by the terms of one newspaper report, a fig leaf. Mr. President, if it is a fig leaf, a cover, I would ask the Members on the other side of the aisle to call my bluff and vote for this amendment because the way things now stand, the Simon amendment, we have all acknowledged, is dead, and now they are saying mine is dead. That is probably true because the spokesperson on Friday for the Simon-Hatch position, the senior Senator from Idaho, said no Republicans would vote for my amendment. That puts me 44-0 right to begin with and then there are some people who will not support any balanced budget amendment. That also puts me in trouble.

So those people who believe in a balanced budget amendment, that recognize that this is not a partisan issue, I suggest, Mr. President, that they call my bluff and vote for the Reid-Ford-Feinstein amendment.

I see on the floor one of the cosponsors, the senior Senator from the State of Kentucky. I yield to him 10 minutes, or if he needs more, of course, he is welcome to that.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. FORD] is recognized for 10 minutes.

Mr. FORD. Mr. President, I have but a few minutes to speak this morning on behalf of the Reid-Ford-Feinstein balanced budget amendment. So I will concentrate my remarks this morning on trust.

The public trusts the Congress to keep the Nation's finances in order. Nowhere is that agreement and that trust more evident or more important than in governing the Social Security trust fund.

In the debate over our amendment and the Simon amendment, honesty and protection of the trust fund have played a very big role. Right now, surpluses in the trust funds are being used to hide the true amount of the deficit. The biggest example of this is in Social Security, but it is by no means alone in this distinction.

During the 1980's, we allowed the Federal trust funds to run up huge surpluses. We would collect a gasoline tax to fund highway construction but then not spend it all on highways, thus creating an accounting surplus. The problem is, we did spend money elsewhere creating masked deficit and budgetary illusions.

The Simon amendment will allow us to continue to do this. I have a speech in my folder that I made back in October of 1987 that addressed this very issue. This particular speech dealt with the Aviation trust fund. At the time, it represented a $6 billion surplus.

Mr. President, I say to my colleagues that that is only peanuts when compared to Social Security. According to OMB, from 1985, when the Social Security System started to run a surplus, to 1993, it singlehandedly covered up $366 billion in Government red ink. Social Security covered up $366 billion in Government red ink.

If you think that is bad, wait until we look to the future. From 1994 through the year 2001, the date that

Senator Simon's amendment would likely take effect, CBO projects another $703 billion in budgetary chicanery, for a grand total of $1.69 trillion worth of deception.

When compared with that, the deficit hidden by the other trust funds are small potatoes—only another $35 to $40 billion. Pretty soon though, as we have heard in the past, it adds up to real money. We pat ourselves on the back and claim to cut spending and do what is right for our electorate, all the while our Social Security trust fund is full of IOU's.

Well, I, and those who support our amendment, mean to do something about that. Our amendment respects the pact our Nation made with its people many years ago. It reinforces it, makes it stronger, safer, and more secure. Social Security is exempt from our amendment, thus securing and fortifying its position as a separate trust fund. If you do not believe me, just listen to the Gray Panthers, and they will tell you themselves. I have here three letters to that effect. AARP, the National Alliance for Senior Citizens, and the National Committee to Preserve Social Security and Medicare, all endorse Social Security's treatment under this amendment.

Other trust funds will be treated honestly as well. They will be considered as a part of the capital budget that invests in infrastructure and development. Building highways and airports pays dividends in the future through higher productivity and job opportunity and growth. Social Security and these other trust funds did not cause the deficit, and under our amendment they will not be used to hide the deficit either. This is honest budgeting and a workable balanced budget amendment.

Mr. President, time is short and a vote on the Reid-Ford-Feinstein balanced budget amendment is near. Unfortunately, I fear that it is not near passage but defeat. Standing beside that defeat will be a good faith effort of those who are truly concerned about the world that we leave for future generations. Standing beside that defeat will be the last attempt of this Congress to face reality and tackle an ever-crippling debt and deficit problem. Standing beside that defeat will be faith in Government. I support the efforts of my friend and colleague from Illinois to take on this persistent fiscal dishonesty, but his version of the amendment will go down to defeat as well.

The Reid-Ford-Feinstein amendment is the only amendment that could stand the chance of final passage. We all know that. Yet standing by the defeat of yet another balanced budget will be my colleagues from the other side of the aisle. Instead of getting what they could, they will go home proud of taking the supposed moral high ground. If that is what they want, they can have it. What I want and what 70 percent of our Nation's people want is a sound financial future. What they will get is more of the same under the Simon amendment, for standing tall at the end of the day will be disenchantment, dishonesty, and fiscal irresponsibility.

I hear so much about "if 40-some-odd Governors can operate a balanced budget, why can't the Federal Government."

Well, I give them an opportunity. I operated under it. It worked. We had a huge surplus when I left the Governor's office. We had an operating account. We had a capital account.

They say operate like you do at home. At home you have income, your salary. That is your operating account. You buy a car within your means. You pay that out of your operating account. You buy a home. You pay that out of your operating account. But your operating account is always balanced. And we have a time period in which to pay it off.

They say, "Oh, we will never implement that legislation." How do you know we will not? I have seen some amazing things come out of this Chamber. I have seen people work and do the right thing.

I think implementation of this amendment will work. I think we can make it work. But on the other hand, if we want an issue, fine. Stay with Senator SIMON and Senator HATCH. Stay with them and then have an issue when you go home.

But do you want a balanced budget amendment? There are enough votes with those who are supporting that amendment that we can get one.

Oh, I hear all this, "The House is going to make us do it." I have never seen us make the House do anything. I have never seen the House make us do anything. So when they pass their balanced budget amendment, what is it going to do? It is going to die between here and there. That is what is going to happen to it. It is going to die between here and there.

"Oh, we will be forced into it." Nope. The House will not do that to us. We will not do it to the House. So if you want a balanced budget amendment operated like Nebraska was operated, like Kentucky was operated, I will guarantee you that we can do the right thing.

That is what it is all about here today, to do the right thing. We have an operating budget. We are going to pay this in 10 years. The slice is in here. We have IOU's in the Social Security. We are going to buy it. It is in operating. We buy it, pay it off. So Social Security is sound. I do not understand why it takes a brain surgeon to understand how you operate a budget the way the States do.

And so, Mr. President, I would hope that we would reconsider between now and 3 o'clock this afternoon that this is an opportunity to pass a balanced budget amendment that will work and will give us a financially sound future, not only for ourselves but for our children and our grandchildren.

I hear my distinguished friend say he is going to do it for his unborn grandchildren. I have five. The Senator is no "Lone Ranger." I am just as worried about my grandchildren as he is. And I think I have a pretty good idea. I have had to work under it. I had to operate it. I understand how it works. There are few in this Chamber who do. You will find that most of those will vote for this amendment because it works.

Do it like the Governors do; pass the Reid amendment. Do it like you do at home and operate your own budget; pass the Reid amendment. It is just that simple, Mr. President.

I do not know how much time I have remaining, but I will reserve it.

The PRESIDING OFFICER. The Senator has 20 seconds.

Mr. FORD. Pardon?

The PRESIDING OFFICER. The Senator has about 20 seconds.

Mr. FORD. I yield back the remainder of my time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah [Mr. HATCH].

Mr. HATCH. I yield 10 minutes to the distinguished Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana [Mr. BURNS] is recognized for 10 minutes.

Mr. BURNS. I thank the Chair. I thank my friend from Utah.

I was not a Member of this body whenever the Gramm-Rudman-Hollings Act was passed, but it was one of those many efforts we have had to control spending in this Government. While well-intentioned, the law did fall short of what it was to do. Mostly, it could be rendered in the neutral position just by waiver vote.

In 1990, I would remind my colleagues, I introduced a little bill called the 4-percent solution. Now, there are a lot of scare tactics going on around here. They are telling a lot of folks that it is going to cost them more money, the benefits are going to be slashed. Let us call them exactly what they are. They are scare tactics.

I come out of county government. The Senator from Kentucky came out of State government. I expect he probably ran his State a lot better than we ran our county. But when I left, we had a lot of money in the bank, we had a reserve. The three county commissioners were budget cutters, they were the budget setters, and they were the appropriators.

It is a little bit different here, so that is where maybe a little bit of our problems start.

The 4-percent solution said this. We could establish a budget based on previous years' expenditures, not this baseline budgeting of add 6 percent and they will say, OK, you are either over the baseline or under the baseline, which nobody knew what it was. We were throwing a lot of chaff out here, and a lot of dust, so nobody really knew how the budgeting process operated.

But what I said is, OK, if inflation grows, or the demand for Government services continues to grow, we can allow Government to grow or finance those programs, each and every program, each and every one of them grow 4 percent a year, based on previous years' expenditures.

That makes a lot of sense to me. If I am making more money this year, I will tell my wife, OK, we can increase our budget that much. But if we are not, then we have to make some very hard choices. And the debate so far on this floor says I was sent here to make those hard choices without any strings attached. And I agree with that. But we have not done it. That is the problem. That is the crux. That is the base to it right now.

We have a lot of folks in town calling on our offices that say in this budget we are going through right now, appropriations, they will say, "Don't cut me, don't cut thee; cut the guy behind the tree." What happens when they are the ones behind the tree?

The American people understand. They are not so naive that they do not understand what we are doing. If you want a new program, they understand it is going to cost more money. Therefore, it is going to cost more in taxes. More is going to come out of your paychecks. But we are almost to that point where we can vote ourselves in the red. Then this society, as a free society, may be in serious jeopardy as we know it.

There is not a person in this country who does not understand that they want the same opportunities for their children and their grandchildren as we had. But with deficit spending, those opportunities melt away. Yet, those very folks are in town saying: We want more of the pie from Uncle Sam.

I said, "Fine. What do you suggest we cut?"

"I do not know."

There has to be some balance here. We have to pay for it in some way or another. We like to balance it, and we need your help. Maybe we have to do more with less. Maybe more is going to be required of you, the responsibility. Everybody talks about rights and entitlements; rights and entitlements. Nobody talks about responsibility. And we have to start doing that.

The 4-percent solution was merely this: Let the budget grow 4 percent based on previous years' expenditures, and nobody takes a cut; everybody increases a little bit every year. In 4 years, we would have balanced the budget, and we could start to work on this terrible debt of over $4 trillion on which our children and our grandchildren will be paying the interest. It will be a long time, the way they are cutting things around here. The biggest line item in the budget will be the interest on national debt.

I agree some of that interest probably goes out to folks that own bonds. That is not all that bad. The investment has been pretty good thus far. As long as we are solvent, that is a pretty good investment. But where are we?

So I realize—and I respect my good friend from West Virginia and all the folks who would say vote for my amendment, and my friend from Nevada. But what does it do? Nothing. That is what it is meant to do—nothing. It was not offered to do something. Go home and feel good? I do not think so.

You go home and talk to people who pay taxes, who walk up to that window and pay taxes. They will say, "Well, there is a lot of cynicism in Government."

I will say, there sure is; because every time you turn around, you are looking at a Government employee or a bureaucrat in some way or another. They are in more people's lives now than they ever have been. The only way we curb that is we have to operate our house a little bit tighter than we are operating it right now.

I heard all the threats. We have all heard them. But I will tell you right now that if it is going to take draconian measures to get our house in order, then let us get our house in order. Let us take that step. Let us all hurt a little. It does not hurt us. Let us all hurt a little with the people of this country, because I think they really want to do that.

I still go back to the old 4 percent. There are people telling Social Security recipients that their benefits are going to be slashed by over $500 a year if this amendment passes; that is wrong. That is as wrong as wrong could be. It is not there.

I noticed my good friend in the chair this morning. We understand the cattle industry. There is an old saying that liars figure, but figures don't lie. This is wrong. You cannot tell people and scare people into accepting something that is unacceptable to 75 percent of the people in this country.

I spoke to a group of people who are involved in rural water systems just last Friday. There was a couple hundred people there who serve my State of Montana. I said, "How many people would like to see a balanced budget amendment?" You do not want to know how many hands went up. Three-fourths of them put their hands up.

So let us not hoodwink the American people and do not believe that they are naive enough that they do not understand and know what is going on when we offer this balanced budget amendment.

I want to congratulate my friend from Illinois. It has taken great sacrifice for him to fight this battle and to come up with a proposal that at least gets us started in the direction of fiscal responsibility in the U.S. Government.

I know he has the support of folks in Illinois, because I know some of his constituents. They are in support of this, 75 percent. Those are big numbers when we start talking about doing the right thing when it comes.

But if this does not happen, then the American people are the big losers. I think we have an opportunity there to really pass this amendment and make it part of the Constitution. If you do not want to do that, I would even entertain the suggestion to let us write it into law. Let us just write it into civil law, right into the codes. If it works, I want to see some people standing on this floor making the argument to repeal it.

If you do not want to put it in the Constitution, let us put it into law where the lawmakers can handle it. It does not have to go in the Constitution so that it binds this body. It is just merely a suggestion. I think maybe we ought to think about that if we do not make it a constitutional amendment.

I thank my friend from Illinois, my friend from Utah, and the Chair.

I yield the floor.

Mr. SIMON. Mr. President, I yield myself 2 minutes.

Just to respond to my friend from Montana, I thank him for standing up. The National Taxpayers Union just released a poll done of 1,000 Americans asking about this constitutional amendment: Favoring it, 67 percent; opposing it, 18 percent. That is almost 4 to 1. That simply underscores it.

Then, in terms of the statutory suggestion the Senator makes in changing the law, the reality is we have a law right now, believe it or not, introduced by Senator Harry Byrd a long time ago, which requires us to have a balanced budget. We just ignore it. That is the problem with the law. We either ignore it or we change the law. That is why we need the constitutional amendment.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time? The Senator from Utah [Mr. HATCH] is recognized.

Mr. HATCH. Mr. President, before I summarize the reasons the Reid amendment is an unacceptable alternative to the Simon-Hatch balanced budget amendment, I would like to reply to some of the points made by the Senator from Nevada and others in response to my statement yesterday.

The Senator from Nevada said that my arguments criticizing his amendment were a lot of "legal mumbo jumbo." It seems odd to me that anyone would object to a discussion of constitutional law and principles in a debate on a constitutional amendment. It seems even odder that a recitation of the significant Supreme Court precedent would be termed "legal mumbo jumbo."

The Senator stated that, as an attorney, he was familiar with the maxim that when the facts are not on your side, argue the law.

Well, as with so many other things in this debate, the Senator from Nevada has it backwards. The traditional maxim is that when the law is not on your side, argue the facts, and when the facts are not on your side, pound the table.

Mr. President, the Senator from Nevada did not respond to my arguments that his amendment flies in the face of constitutional theory and history: That the Reid amendment cedes unprecedented power to suspend the Constitution and to make budget decisions to unelected officials, and violates the basic norms of due process, which we have followed for 200 years in constitutional history.

In fact, he admitted that his amendment would overturn the very important Bowsher decision, which struck down the grant of budget-cutting authority to the Comptroller General of the United States as inconsistent with the constitutional principle of separation of powers.

He once again raised the false specter that the Simon-Hatch amendment could enhance Presidential impoundment. I have responded to this point at length during the past few days of debate. By way of summary, the Simon-Hatch amendment does not grant the President any impoundment authority, because it is intended solely as a limitation on Congress' taxing, borrowing and spending powers. Ironically, he did not fully respond to the suggestion that his amendment created possible impoundment powers in unelected officials in Congress.

Instead, finding the law against him, the Senator from Nevada attempted to argue the facts, but he could find none. Instead, he invoked, just as Clinton administration officials did a week earlier, what seems to be the substitute for the facts in this debate—a litany of dire consequences if our amendment is enacted—all transportation by car, rail, and plane would shut down; people freezing and dying in the streets. Mr. President, that is not constitutional argument; that is not arguing the facts; that is hysteria.

Mr. President, the law supports the Simon-Hatch balanced budget amendment, and the facts do as well, because it is the only amendment that will actually balance the budget. The facts are that we have a $4.5 trillion debt. And without the Simon-Hatch amendment—with no amendment or with the Reid amendment—the debt will be $6.4 trillion in 1999.

Finally, the Senator made the point that hard choices make bad law. On the contrary, Mr. President, hard choices make good government. Invoking hysterically exaggerated dire consequences of prioritizing our spending is not the way to rationally discuss correcting our fiscal mess. Of course, we must make hard choices under our amendment, because under our amendment we must actually balance the whole budget. But under the Reid amendment, we can avoid those hard choices by exempting virtually everything or turning the difficult jobs over to some unelected officials.

Mr. President, the Reid amendment is clearly insufficient. It is not a serious balanced budget amendment.

I will list 10 reasons why the Reid amendment is an unacceptable alternative to the Simon-Hatch balanced budget amendment.

First, the Reid amendment is a political fig leaf.

Mr. President, the Reid amendment is simply a sham, a cover vote to allow Members to say to their constituents—the vast majority of whom want a balanced budget amendment—that they supported something of that name.

Second, the Reid amendment is in fact a killer amendment.

Even if the Reid amendment passed, which it will not, a substantial change of this nature to the balanced budget amendment will kill its chance of passage in the House of Representatives. In 1992, the Gephardt amendment, which had similar exemptions, lost handily. It got only 104 votes, with over 300 votes against it. Make no mistake, the Reid amendment is a killer amendment.

Third, the Reid amendment is a hastily constructed, poorly thought-out attempt at a balanced budget amendment.

It is ironic that Senate Joint Resolution 41, the Simon-Hatch amendment—the product of years of hearings and public and congressional debate—has been criticized as trivializing the Constitution. Talk about trivializing the Constitution. The Senate will, at 3 o'clock today, vote on the Reid amendment, which is called a balanced budget amendment—a proposal unveiled just 5 days ago. Not one day of hearings, and not any public debate, other than what we have had over the last few days. No hearings, 2 days of debate, and here we are voting on an amendment to the U.S. Constitution. This is truly inadequate for the Senate, for the American people, and for the Constitution's framers.

Fourth, the Reid amendment is undemocratic.

It is quite ironic, as well, that Senate Joint Resolution 41 has been criticized as being undemocratic. Talk about undemocratic. This Reid alternative, one, cedes authority to suspend the operation of a constitutional requirement to balance the budget to the Director of the Congressional Budget Office, an unelected official whose appointment is not even subject to congressional confirmation; and, two, says that Congress may delegate the power to order uniform cuts in the budget to some unnamed "officer of Congress."

Mr. FORD. Will the Senator yield for a question?

Mr. HATCH. On your time.

Mr. FORD. Do I have 20 seconds left, Mr. President?

The PRESIDING OFFICER. Yes.

Mr. FORD. Does that not say "may," and when we have the situation on legislation to implement the amendment, do we have to do it?

Mr. HATCH. You do not have to do it.

Mr. FORD. It says "may," and the Senator acts like it is mandating it.

Mr. HATCH. Congress may delegate the power to order uniform cuts in the budget to some unnamed officer of Congress. We have all heard the expression a player to be named later. Well, if this alternative passes, we will have a similar provision in the U.S. Constitution, where the Congress may delegate to an unnamed, unelected official the right to order uniform cuts. That is unprecedented anywhere. The Senator's point does not diminish my point at all.

Fifth, the Reid amendment does not require that the whole budget be balanced, and it contains a number of loopholes through which large deficits could be run.

Mr. President, it is ironic, as well, that opponents of the Simon-Hatch amendment have incorrectly criticized it as a gimmick which could be easily circumvented. It is the Reid alternative, however, that has mammoth loopholes, such as exemptions for everything outside of the undefined operating funds of the United States, including what it refers to as capital investments, a term which is not defined, and its meaning is not agreed upon at the Federal level. Who knows how broadly that might be construed? It could cover everything from education to transportation expenditures. That is a laugh. Would welfare payments be considered investment in human capital under that amendment? Virtually anything could be excluded by this loophole.

Sixth, the Reid amendment has no functional enforcement provision.

The Reid amendment requires that estimates of spending and income be balanced, but it has no backup enforcement provision to ensure a balanced budget if those estimates are wrong. In marked contrast, the Simon-Hatch amendment has a debt ceiling which cannot be circumvented except by a three-fifths rollcall vote of the Congress. Furthermore, the Reid amendment allows enforcement only in accordance with some possible future legislation, ensuring that Congress can control how much or how little enforcement is available. We want a balanced budget amendment so that we can force Congress to do what is right, or at least give every incentive to do what is right, rather than leaving it up to Congress to do business as usual. Consequently, the Reid amendment really is an unenforceable gimmick.

Seventh, the Reid amendment allows deficit spending in so many instances that under it we would never get the debt under control.

The Reid amendment only requires that the undefined operating funds of the Federal budget be balanced. Everything else can be financed by deficits. Even this weak requirement of balancing Federal operating funds, however defined, can be avoided for a full 2 years if there is ever an economic slowdown for two quarters as estimated by none other than the Congressional Budget Office.

Thus, if the economy slows down for two quarters, Congress has free reign to run up the deficit for 2 full years under the Reid amendment. It has been estimated that applying the standards of the Reid amendment could have resulted in a suspension of the balanced budget rule in 22 of the last 45 years.

Where are the teeth in this amendment?

Eighth, the Reid amendment constitutionalizes questionable economic policies.

Section 3 of the Reid amendment allows deficit spending in times of recession or economic slowdown. This is a distorted version of Keynesianism, and it is not clear that it would work to stimulate our current economy. In fact, our recent history seems to refute such an expectation. We had record deficits and zero or low growth for 3 years. This sort of stimulus mechanism is obviously not working. Perhaps more importantly, it is not clear that the definition of recession contained in the Reid amendment is appropriate. With all the questions about the economic assumptions underlying the Reid amendment, it should not be included in the Constitution.

Ninth, the Reid amendment conflicts with the philosophy underlying the Constitution.

The Reid amendment conflicts with constitutional theory and history in two ways. First, it explicitly cedes broad constitutional authority to unelected officials, such as the Director of the Congressional Budget Office and another unnamed "officer of Congress," in a way wholly inconsistent with traditional constitutional law and principles, such as the separation of powers. Second, it denies fundamental norms of due process by denying any and all access to any court to vindicate any private rights unless Congress so allows in future legislation.

Tenth, the Reid amendment encourages continued congressional irresponsibility in the budget process.

Each of the flaws I have discussed opens the Reid amendment to abuse and creates a vent through which the pressure to make the hard choices can escape, along with the possibility of a balanced budget. Mr. President, the Reid amendment is a rule swallowed by exceptions.

It allows numerous avenues for deficit spending through which Congress can continue its current profligacy. It contains numerous abdications of congressional responsibility and accountability for taxing and spending decisions. And finally, it supports continued congressional irresponsibility.

In contrast, the Simon-Hatch amendment, the only one that has a chance of getting through the Congress and I believe has a chance of getting through today in spite of those who have been decrying this amendment, requires Congress to take responsibility for all Federal spending and taxing decisions. It forces Congress to set priorities and make spending decisions within the limits of the available revenues. It requires Congress to spend for the things the American taxpayers are willing to pay for and no more. It stops the further abdication of congressional responsibility encouraged in the Reid amendment, and it requires Congress to once again take its constitutional duties seriously in the way the framers intended.

Mr. President, for all these reasons the Reid amendment, this political fig leaf, this caricature of a constitutional amendment, must be rejected. The American people must not, and will not, be fooled. The only serious balanced budget amendment is the Simon-Hatch amendment. It is the only one that has the possibility of moving this Nation to a balanced budget and the only one that will restore congressional responsibility and accountability in the Federal budget process. The Congress knows it, and the American people deserve it. I do not think they will accept anything less than their Senators' support for the Simon-Hatch balanced budget amendment.

This has been tough talk. I know there is a lot of sincerity in what has been done, but that does not negate these 10 points which I do not think can be refuted.

Mr. President, I am happy to yield 10 minutes, if I have it. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. SIMON. I am happy to yield 6 minutes to the distinguished Senator from Idaho.

Mr. HATCH. I yield 4 additional minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 10 minutes.

Mr. CRAIG. Mr. President, I thank my colleagues for yielding. Let me build upon their comments and testimony this morning as it relates to the Reid amendment. I use the word "testimony" for a very important purpose because the Reid amendment has had no testimony, not 1 minute of committee examination or Member examination beyond its presence here on the floor as it freshly appeared last week.

I appeared on the floor yesterday in debate in opposition to the amendment, and I brought with me a stack of documents that covered this desk and nearly reached the top of this podium, some 3,000 pages of testimony of both positive and negative critique of this amendment, the Simon-Hatch-Craig-Thurmond amendment, which I think, in all fairness, in reality deserves to be called the real amendment versus the Reid amendment.

Yesterday during that give and take between Senator Reid and myself I offered him 34 questions about his amendment that I submitted to the RECORD that clearly deserved to be answered. I hope they can be answered today. I hope they can become part of the RECORD.

Mr. REID. Mr. President, will the Senator respond?

Mr. CRAIG. Quickly.

Mr. REID. I will. There are a lot of questions we have answered. We have answered many of them. Before the debate is ended, we will put them in the RECORD so they will be there for the future.

Mr. CRAIG. I thank the Senator.

It becomes very important that we build this Record on an amendment that in our opinion is serving very poorly as a substitute.

Now, I had just concluded those comments yesterday when the Senator from Alabama came to the floor, Senator HEFLIN, and again began to ask questions about an unknown commodity, the Reid amendment.

I think it is clearly incumbent upon the Senator to respond to those. He has now just said he will attempt to do so, and it becomes very important in the final outcome of this whole debate and more importantly to the understanding the American people will have about what is or is not the proper tool or device to put in the Constitution for the purpose of balancing the budget.

First and foremost, the Reid amendment does not even address what we commonly refer to as a balanced budget. It is his concept of a balanced budget. It is a little off here, and a little off there, and we will balance the rest. It is not a total picture for the American taxpayer to analyze what their Government is doing in any regard.

Between actual outlays and receipts there is a phenomenal disparity. Our amendment, the real balanced budget amendment, allows the use of estimates as a means of achieving what we require, a balance between actual outlays and receipts. His merely says estimates ought to be in balance.

In other words, in our amendment estimates are acknowledged as realistic means to an end. That becomes a very important part in the total understanding of this issue.

Mr. President, I rise in support of Senate Joint Resolution 41, the bipartisan, bicameral, consensus balanced budget amendment to the Constitution, and in opposition to the amendment offered by the Senator from Nevada [Mr. REID].

The Reid proposal, technically, is called an amendment in the nature of a substitute. But let us make no mistake: The Reid amendment is no substitute for the real thing.

I pointed out yesterday on this floor that, over the last 14 years, we have had—and I am estimating conservatively, here—3,000 pages of legislative history behind our consensus balanced budget amendment. That has included hundreds of hours of debate here on the Senate floor and in the House, extensive committee hearings in both bodies, and Judiciary Committee reports in virtually every Congress.

But when we look at the Reid amendment, we have only questions.

Yesterday, I submitted to Senator REID and for the RECORD some 34 questions about his amendment. These were not rhetorical questions—they were, and are, questions about the definitions in and the operation of his amendment. The answers are not obvious from reading the amendment and there is no legislative history, no hearing record, to guide us.

Later yesterday, the senior Senator from Alabama [Mr. HEFLIN] asked a number of additional questions, as did the senior Senator from New Mexico, the former chairman of the Budget Committee [Mr. DOMENICI]. I suspect that, if we had more than a couple of days to look at the Reid amendment, we would see the need to ask more and more questions.

I still look forward to reviewing answers to the questions I submitted to the Senator from Nevada. At this moment, I would like to revisit just a few of the questions—as well as some of the serious problems—that his proposal raises.

First and foremost, the Reid amendment does not even address what we commonly refer to as a balanced budget—a balance between actual outlays and receipts.

Our amendment, the real balanced budget amendment, allows the use of estimates as a means of achieving what we require: A balance between actual outlays and receipts. His merely says that estimates ought to be in balance.

In other words, in our amendment, estimates are acknowledged as realistic means to an end, that end being an actual balanced budget. In the Reid amendment, some statement of balance between some outlays and some receipts is the end itself. No follow-through is required.

Our amendment is basically self-enforcing, because even the most honest failure to comply with it would result in the need to increase the debt limit by a three-fifths vote in both bodies of Congress. Congress and the President would do just about anything to avoid the threat of having to face that hurdle—even balance the budget. If Congress or the President actually violated our amendment in an extreme, blatant way, we provide the backstop of limited but necessary judicial enforcement.

The Reid amendment has absolutely no legislative or judicial enforcement. His amendment allows legislative enforcement, while ours makes it inescapable.

The Reid amendment excludes capital investment from estimated outlays, although—and this is interesting—it does not exclude the receipts of capital investment trust funds from its definition of estimated receipts.

Apparently, Senator REID would have us use highway taxes to pay for the expenses of the operating budget, while highway spending would not have to be paid for at all. This would destroy our current system of dedicated trust funds.

There is no commonly accepted definition in the Federal budget lexicon for capital investments, and the Reid amendment does not define them. I ask unanimous consent to print in the RECORD a table from page 109 of the "Analytical Perspectives" volume of the President's fiscal year 1995 budget.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 8–1.—COMPOSITION OF FEDERAL INVESTMENT OUTLAYS

[In billions of dollars]

	1993 actual	Estimate	
		1994	1995
MAJOR FEDERAL INVESTMENT OUTLAYS			
Major public physical capital investment:			
Direct:			
National defense	76.1	66.5	60.4
Nondefense	19.1	22.5	22.9
Subtotal, direct major public physical capital investment	95.2	89.0	83.3
Grants to State and local governments	31.2	34.2	36.5
Subtotal, major public physical capital investment	126.4	123.3	119.8
Conduct of research and development:			
National defense	40.4	38.9	39.4
Nondefense	28.0	29.2	30.3
Subtotal, conduct of research and development	68.4	68.1	69.7
Conduct of education and training:			
Grants to State and local governments	21.5	24.9	25.6
Direct	20.4	17.4	19.0
Subtotal, conduct of education and training	41.9	42.3	44.6
Major Federal investment outlays	236.7	233.6	234.0
MEMORANDUM			
Major Federal investment outlays:			
National defense	116.6	105.5	99.8
Nondefense	120.1	128.2	134.2
Total, major Federal investment outlays	236.7	233.6	234.0
Miscellaneous physical investment:			
Commodity inventories	−0.2	−0.8	−0.2
Other physical investment (nondefense, direct)	5.6	5.8	5.5
Total, miscellaneous physical investment	5.4	4.9	5.3
Total, Federal investment outlays, including miscellaneous physical investment	242.1	238.6	239.3

Mr. CRAIG. As we see from this table, the President's budget lists the following investment spending: $89 billion for physical capital—the category most analogous to traditional State government practices; $68 billion for research and development; $34 billion for grants for State and local physical capital; and $42 billion for education and training.

Does the Reid alternative contemplate a capital budget of $89, $123, $191, or $234 billion? Well, that would depend on how Congress, implementing the Reid amendment, would define capital.

Many in Congress, the administration, academia, and the private sector believe we should focus on the emerging concept of human capital as an investment priority. If Congress adjusts its definition of capital investments accordingly, then the Reid amendment may be calling for a capital investment budget that would amount to $234 billion this year. And remember all of that amount could be deficit spending under the Reid amendment.

The Reid amendment's exemption of Social Security was dealt with extensively in debate yesterday. I just want to reiterate a couple of points briefly in this regard.

First, a constitutional amendment should enshrine timeless principles, not address temporary situations.

The proponents of the Reid amendment have focused exclusively on the surpluses that the Social Security trust funds are running today.

However, according to the Social Security trustees, by the year 2016, trust fund outlays will begin exceeding trust fund tax receipts. By 2024, those outlays also will exceed interest revenue being earned on Treasury securities. At that point, the trust fund will be operating with annual deficits, as I pointed out yesterday with a graph, here on the floor.

When the trust funds start running deficits, including them under the balanced budget umbrella will result in annual surpluses in non-Social Security spending, guaranteeing that funds will be available to meet Social Security obligations to today's workers.

Today and in the future, the largest threats to Social Security are deficit spending, the growing debt burden, and the interest payments that increasingly crowd out other fiscal priorities. The only sure way to protect Social Security from these economic and fiscal pressures is to stop deficit spending, stop growing the debt, and start lowering interest costs.

Under the Reid amendment, there is no bar to Congress redefining other, non-Social Security programs, so that they could be moved off-budget and paid for by draining Social Security revenues.

Under the Reid amendment, if Congress wanted to stimulate the economy with tax cuts, there would be no balanced budget consequences from slashing the off-budget Social Security taxes, without replacing those revenues from somewhere.

In both cases, the Reid amendment would put the integrity of the Social Security trust funds in great jeopardy.

I ask unanimous consent to print in the RECORD a copy of a Dear Colleague several of us sent out last week that discusses in greater detail how our amendment, the bicameral, bipartisan consensus amendment, actually protects Social Security, along with endorsements from seniors groups.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Congressional Leaders United for a Balanced Budget]

FEBRUARY 23, 1994.

DEAR COLLEAGUE: Some opponents of S.J. Res. 41/H.J. Res. 103, the Balanced Budget Amendment to the Constitution, once again have resorted to scare tactics, claiming that such an amendment would threaten the existence of Social Security. We can assure you that nothing could be further from the truth. In fact, the amendment will protect Social Security from the threat posed to by continued federal deficits.

Analyses of the amendment that project deep cuts in specific programs as a result of across-the-board reductions assume that, within a balanced budget framework, Congress and the President will abdicate our responsibility to make choices and put the budget process on automatic pilot. We believe that members of Congress take their responsibilities seriously. The Balanced Budget Amendment would impose a discipline—now lacking—that would foster crucial priority-setting.

The amendment does not change in any way the existing status of Social Security. Current statutory protections would not be compromised by the amendment and Congress surely would take cognizance of Social Security's history of protections in any implementing legislation. For example, any legislation that would change the actuarial balance of the Social Security trust fund is currently subject to a 60 vote point of order in the Senate.

The greatest threat to the long-term status of the Social Security program is the rapidly increasing federal debt. Interest on the debt is consuming an increasingly larger percentage of the federal budget. Interest payments will continue to crowd out other spending, including eventually Social Security, and will impair the ability of future generations to repay monies borrowed from the Social Security trust fund. By making deficit spending a rare exception instead of the norm, a balanced budget amendment will protect the long-term stability of Social Security and Medicare.

We have attached additional information regarding the effect of our amendment on Social Security. If you have any questions, you can contact any one of us or Damon Tobias (Craig, 4/2752), Sharon Prost (Hatch, 4/7703), Janice Long (DeConcini, 4/8178), Thad Strom (Thurmond, 4/9494), or Ed Lorenzen (Stenholm, 5/6605).

Sincerely,

CHARLES STENHOLM.
DENNIS DECONCINI.
LARRY CRAIG.
ORRIN HATCH.
STROM THURMOND.

THE BALANCED BUDGET AMENDMENT WILL PROTECT SOCIAL SECURITY

The largest threats to Social Security are deficits and debt.

Ballooning interest payments on the national debt already are squeezing out other fiscal priorities. Spending more and more on interest eventually threatens all programs, even Social Security.

The BBA will protect Social Security now and in the long run.

Even the Wharton study commissioned by BBA opponents shows interest rates dropping immediately in anticipation of phasing in a balanced budget. The 30-year government bond rate would drop from 6.6% to 2.5% by the year 2003. Besides all their other benefits, zero deficits, a smaller debt, and lower interest rates would reduce the debt service squeeze on Social Security and other federal programs.

When the trust funds start running deficits in the future, including them under the balanced budget umbrella will result in annual surpluses in non-Social Security spending, guaranteeing that funds will be available to meet Social Security obligations to today's workers.

Exempting Social Security from the balanced budget requirement would threaten the trust funds.

The temptation would be irresistible to redefine other spending items as "Social Security," shift them out of the balanced budget constraint, and pay for them by draining the Social Security trust funds. This obviously would undermine the integrity of the funds and threaten the purposes for which they were established.

Forceful statutory protections can and will continue.

Social Security currently enjoys unique statutory protections in the budget process. None of those would be changed by the BBA. Both political reality and the positive budget and economic effects of the BBA point to maintaining, not eroding, its priority status.

A constitutional amendment is supposed to enshrine timeless principles, not address temporary situations.

Social Security is running large surpluses today. However, the funds' Trustees project that, by the year 2024, the growing retirement needs of baby boomers will cause annual deficits in the trust funds and begin drawing down previously-accumulated surpluses. Unpredictable economic or demographic changes are always possible.

HOW THE BALANCED BUDGET AMENDMENT PROTECTS SOCIAL SECURITY

Put an end to the rapid growth in interest payments that threaten to crowd out Social Security spending.

Interest payments have nearly quadrupled since 1980. Interest payments in 1993 were $200 billion and are expected to exceed $300 billion annually by the end of the decade. Until we balance the budget, spiralling interest payments will continue to crowd out other spending, including Social Security.

Forcing Congress to balance the budget will avert the threat of runaway inflation.

As Senator Simon and others pointed out during recent hearings, no industrialized nation has reached the level of debt we will face next century without monetizing the debt by printing more dollars. Monetizing the debt will lead to explosive inflation. Huge debt burdens contributed to ruinous inflation in Germany in the 1920's and several Third World nations in the 1980's. It would have a particularly severe impact on senior citizens living on a fixed income. It will not do any good to get a $1,000 retirement check if bread costs $100 a loaf.

The amendment will force Congress to deal with the deficit before we are faced with a budget crisis that forces draconian cuts each year just to maintain the status quo.

The General Accounting Office has warned that if the amount of deficit reduction required just to limit the deficit to three percent of GDP will increase exponentially by the year 2005. By the year 2020, Congress would be required to enact a half a trillion dollars of additional deficit reduction each year just to restrain the deficit to three percent of GDP. No program—including Social Security—will be able to escape deep spending cuts under this scenario.

Balancing the budget will promote the economic growth necessary to sustain the Social Security trust fund.

GAO, CBO and most economists warn that continued growth in deficit spending will result in lower productivity and deteriorating living standards. As real wages for taxpaying workers decline, there will be increasing resistance to the taxes necessary to meet the growing commitments of the Social Security program. GAO found that balancing the budget by the year 2001 will lead to the higher productivity and growth in real wages that will be necessary to support our commitments to the growing elderly population.

The amendment will help ensure that Congress takes action before the Social Security trust fund begins running yearly deficits.

Although the Social Security trust fund currently is running a surplus, within a generation, it will face cash shortfalls. A balanced budget amendment will provide Congress and the President with the necessary incentive to take corrective action to deal with this threat and provide for the long-term solvency of the trust fund.

The amendment preserves statutory provisions that protect Social Security.

The current statutory protections for Social Security would not be eliminated by the amendment. For example, under current law, any legislation that would change the actuarial balance of the social security trust fund is subject to a point of order which requires a three-fifths vote to waive in the Senate. Under the 1985 Gramm-Rudman Act and the 1990 Budget Enforcement Act, Social Security was completely protected from all sequesters. Given political realities, Congress almost certainly would set budget priorities in such a way that the protections for Social Security are maintained or even enhanced.

Exempting Social Security would open up a loophole in the amendment and tempt Congress to take irresponsible actions that threaten the trust fund's integrity.

Exempting the Social Security trust fund from the amendment would create an incentive for Congress to use it as an instrument of countercyclical stimulus, social policy or other uses other than as a retirement program, threatening the ability of the trust fund to fulfill its obligations to retirees. For example, Congress might pass legislation to shift spending for Medicare, other retirement programs, or any number of programs to the social security trust fund to avoid a three-fifths vote to unbalance the budget. Thus, the non-Social Security budget could be "balanced" simply changing program definitions and draining the Social Security trust fund.

The Constitution is not the place to set budget priorities.

A constitutional amendment should be timeless and reflect a broad consensus, not make narrow policy decisions. As noted above, the financial status of Social Security will change drastically, and perhaps quite unpredictably, in the next century. We should not place technical language or overly complicated mechanisms in the Constitution and undercut the simplicity and universality of the amendment.

SILVER SPRING, MD,
February 15, 1994.

Hon. PAUL SIMON,
U.S. Senate, Washington, DC.

DEAR SENATOR SIMON: I am pleased to have this opportunity to express my support for the Balanced Budget Amendment.

For 37 years I worked for the Social Security Administration, serving as Chief Actuary in 1947–70, and as Deputy Commissioner in 1981–82. In 1982–83, I served as Executive Director of the National Commission on Social Security Reform. And I continue to do all that I can to assure that Social Security continues to fulfill its promises.

The Social Security trust funds are one of the great social successes of this century. The program is fully self-sustaining, and is currently running significant excesses of income over outgo. The trust funds will continue to help the elderly for generations to come—so long as the rest of the federal government acts with fiscal prudence. Unfortunately, that is a big "if."

In my opinion, the most serious threat to Social Security is the federal government's fiscal irresponsibility. If we continue to run federal deficits year after year, and if interest payments continue to rise at an alarming rate, we will face two dangerous possibilities. Either we will raid the trust funds to pay for our current profligacy, or we will print money, dishonestly inflating our way out of indebtedness. Both cases would devastate the real value of the Social Security trust funds.

Regaining control of our fiscal affairs is the most important step that we can take to protect the soundness of the Social Security trust funds. I urge the Congress to make that goal a reality—and to pass the Balanced Budget Amendment without delay.

Sincerely,

ROBERT J. MYERS.

UNITED SENIORS ASSOCIATION, INC.,
Fairfax, VA, February 16, 1994.

Hon. PAUL SIMON,
Hon. LARRY CRAIG,
U.S. Senate,
Washington, DC.

DEAR SENATORS SIMON AND CRAIG: The United Seniors Association is proud to stand with you in support of the Balanced Budget Amendment to the U.S. Constitution.

The 400,000 members of our organization—and the majority of seniors across the country—know the importance of thrift, of responsibility and of "paying as you go." Seniors know that, like a family or an individual, the federal government cannot borrow more and more money, year after year, without facing disaster.

Seniors are unconvinced by those who try to frighten them about the future of Social Security if a Balanced Budget Amendment were approved. They know that Social Security will not survive if the government is unable to meet its obligations, and the day of insolvency is approaching like a freight train.

Certainly, balancing the budget will require sacrifice on the part of seniors along with most other Americans. But seniors are fed up with politicians who use them as a shield for costly boondoggles. Seniors know that the federal government spends too much money, and they want it to stop.

As one columnist wrote in 1992 in U.S. News & World Report, "we can no longer afford the illusion that we can spend our way to prosperity." We need to "move forward immediately—no more mañanas—to restore our financial solvency. Some 49 of our 50 states have learned to live within laws requiring balanced books; surely Washington can do the same."

That columnist was David Gergen, and he was right.

At the United Seniors Association, we recognize that the amendment is not a cure-all. But if the amendment were approved, political leaders tempted to overspend would find at least one obstacle in their path.

We pledge to you that we will use our organization's resources to spread the word among senior citizens across the country—that a vote for the Balanced Budget Amendment is a vote for the future of this country—for our children, for our grandchildren, and for all of us.

Sincerely,

STEVEN J. ALLEN,
Director of Communications and Public Policy.

[From the Seniors Coalition Issue Paper, October 1993]

THE BALANCED BUDGET AMENDMENT—RESTORING FISCAL INTEGRITY TO AMERICA

(By Daniel J. Mitchell)

It took 167 years for America's national debt to reach $100 billion, another 40 years to $1 trillion, but only nine more years to climb to $3 trillion. The explosion of debt should come as no surprise; the federal budget has not been balanced since 1969. Deficit spending since that time is responsible for about 90 percent of the national debt. Annual interest payments on the national debt now consume nearly $200 billion annually, a $3,300 burden for every family of four in America.

The only solution to America's federal spending crisis is a balanced budget amendment. Members of Congress repeatedly have demonstrated that they are completely incapable of exercising fiscal responsibility. On the rare occasions when Congress approves legislation such as the Gramm-Rudman Deficit Reduction Act, which actually slows the growth of government, they quickly figure out some way to get around the law. In most cases, of course, Congress simply makes a bad situation worse. In 1990, for instance, Congress and the Bush Administration approved a record tax increase. While the politicians claimed the higher taxes were needed to reduce the deficit, then projected to be about $150 billion, the money was actually used to finance an orgy of new spending. As a result, the budget deficit has climbed to nearly $300 billion, an all-time record. This year, unfortunately, the Clinton Administration decided to "solve" the deficit by repeating the mistakes of the 1990 budget deal. As a result, a record tax hike will increase rather than reduce government borrowing.

More than anyone else, it is the politicians who benefit from the current system. They got to spend the money, in effect buying votes from various interest groups. The bill for this spending spree, however, is simply added onto the national debt. In other words, while hurting today's taxpayers, the bulk of the problem is passed on to future taxpayers.

A balanced budget amendment would restore balance to fiscal policy. By requiring politicians to balance the budget every year, legislators finally would be forced to set priorities. Wasteful, duplicative, and unnecessary spending programs would be subject to some long overdue discipline. Bureaucratic red tape and overhead expenses would be put under a microscope. Pork-barrel spending, Congressional junkets, and other unjustifiable expenditures presumably would come to a stop.

SPECIAL INTERESTS OPPOSE FISCAL RESPONSIBILITY

The arguments in favor of a balanced budget amendment are well known. Most citizens recognize that it is immoral to spend today while leaving the bulk of the bill for our children and grandchildren. In addition to the moral argument, economists have explained how deficits also are a burden on today's economy, as government spending crowds out legitimate borrowing in the productive sector of the economy. Every time the government borrows a dollar, it leaves one less dollar available for consumers to finance auto loans, one less dollar a family can use to get a mortgage, and one less dollar businesses can use to finance economic expansion and job creation.

The myriad interest groups feeding at the public trough, however, are not persuaded by arguments on behalf of the public interest. If they were, they would not be riding on the federal gravy train in the first place. Special interest groups instead can be expected to use their well-honed lobbying skills to fight a balanced budget amendment. These groups, which already have demonstrated political clout by pressuring politicians to support various federal programs and pork-barrel spending, will pull out the stops to derail a balanced budget amendment.

Unfortunately, one of the first casualties in this battle will be the truth. Not that this should come as a surprise. Interest groups are not going to persuade Americans to oppose a balanced budget amendment by arguing in favor of subsidies, pork-barrel spending, and government waste. Big city mayors, for instance, are not likely to convince voters by arguing that a balanced budget amendment is bad because it would reduce subsidies to money-losing mass transit boondoggles they have created in their cities. Large farmers will not get much sympathy when they complain that a balanced budget amendment will reduce the amount of taxpayer money they get not to grow crops. Welfare lobbyists will not impress working Americans by protesting that a balanced budget amendment might restrict how much money people are being paid not to work.

Special interest groups cannot reveal their real reasons for opposing a balanced budget amendment. Politicians may be impressed with their arguments (after all, the groups have convinced politicians to create and fund the programs which cause the deficit), but others are not likely to be sympathetic. And make no mistake about it, voter outrage is driving the balanced budget amendment. Were it not for the 80 percent-plus support among the American people for a balanced budget amendment, the politicians would not be considering this long-overdue constitutional reform.

OPPONENTS TRY SCARE TACTICS

In an effort to defeat a balanced budget amendment, opponents are using every weapon in their arsenal. They assert that a balanced budget amendment would harm economic growth by restricting lawmakers' ability to use fiscal policy to stimulate economic growth. This claim, however, is based on now-discredited economic theories which argued that deficit spending is good for the economy. The work of Nobel Prize-winning economists such as Milton Friedman, Friedrich Hayek, and James Buchanan, in addition to many others, conclusively demonstrated the flaws of any theory which assumes that giving politicians and bureaucrats more to spend is good for the economy.

Perhaps more than anything else, however, the events of the last twenty years have proven that deficit spending is an economic burden rather than a blessing. Rising deficits in the late 1970s did not stimulate economic growth; nor have today's record deficits been associated with a booming economy. Instead, the evidence conclusively demonstrates that tax cuts and fiscal responsibility are the keys to economic growth, while higher taxes and deficit spending hinder job creation and economic expansion.

FRIGHTENING THE ELDERLY

Opponents of a balanced budget amendment are targeting various groups and segments of the population. They argue that a balanced budget amendment would wreak havoc, causing massive budget cuts if not outright repeal of the program being discussed. Underlying these arguments is the implication that the entire $300 billion-plus budget deficit would have to be eliminated next year. Not surprisingly, opponents have included Social Security and Medicare in this misleading campaign, implying that ratification of the balanced budget amendment will be a disaster for senior citizens.

These scare tactics are completely wrong. Assume that Congress approves a balanced budget amendment. Most experts believe that it would take at least a couple of years before the amendment is ratified by three-fourths of the states, as required. According to the amendment language, Congress then would have two years before the amendment would take effect. Since the balanced budget amendment is not going to take effect until at least 1999, Congress effectively has five years to bring deficit spending under control.

As the following table makes clear, balancing the budget by 1999 is not difficult. As a matter of fact, the budget can be balanced without cutting spending by one penny. Federal tax revenue is projected to increase from $1,244 billion this year to more than $1.6 trillion in 1999. This $375 billion revenue increase is more than enough to eliminate a $253 billion deficit. Indeed, Congress can balance the budget by 1999 and still be able to increase spending by $120 billion between now and then.

FUTURE BUDGET PROJECTIONS

[In billions of dollars]

	1994	1995	1996	1997	1998
Revenues	1,244	1,332	1,403	1,472	1,547
Spending	1,497				
Deficit	253				

Source: The Economic and Budget Outlook: An Update, Congressional Budget Office, September 24, 1993.

Any budget plan which limits annual spending increases to about $24 billion will be opposed by interest groups. These special interest organizations will charge that too much fiscal discipline will be harmful. The evidence suggests otherwise. As recently as 1965 that government spending actually fell from one year to the next. Nobody argues that 1965 was a disaster. Similarly, even though the federal budget was nearly nine times larger by 1987, federal spending that year grew by “just $13.6 billion. Contrary to what some would predict, the economy proposed and there was no indication that the fiscal discipline actually harmed anyone.

WHAT ABOUT BUILT-IN SOCIAL SECURITY AND MEDICARE SPENDING INCREASES?

Balanced budget critics will be quick to point out that the cost of programs for the elderly are projected to increase by considerably more that $24 billion annually between now and 1999. Social Security recipients receive annual cost of living adjustments, for instance, and both Social Security and Medicare are expected to expand because the elderly population is expected to climb. All this requires more money. Does this not prove, they argue, that a balanced budget amendment is poison to senior citizen programs? Not at all! Consider the following scenarios:

Scenario #1: Full Funding of Social Security and Medicare.

Assume that lawmakers choose to balance the budget by imposing discipline on every program with the exception of Social Security and Medicare. According to Congressional Budget Office projections, these programs, if unchecked, will expand by a total of $195 billion between now and 1999. Recalling from the previous table that tax revenues are also expected to expand considerably, the net effect of fully funding Social Security and Medicare is that all other spending must decline by a grand total of $75 billion. Even in Washington, $75 billion is a lot of money, but all that would be required is for all other programs to shrink by 7.4 percent over five years. Is it really that draconian to put government on a diet where programs have to shrink by less than two percent annually? American families and businesses facing hard times do it all the time.

Consider, however, that the defense budget already is expected to shrink because of the collapse of communism. Defense spending, which is about $275 billion this year, will decline to somewhere around $250 billion according to the Congressional Budget Office. So, of the $75 billion in required budget cuts, at least $25 billion will be achieved through the peace dividend.

What about the remaining $50 billion of budgets cuts that would be required between now and 1999? That number may still sound big, but the Congressional Budget Office projects that declining deposit insurance experiences will make up some of that gap. The federal government will spend $14 billion to bail out the Savings & Loan deposit insurance system this year. After the government takes over all the insolvent S&Ls, however, Uncle Sam actually will begin to make money as the assets of the seized financial assets are auctioned off. Under current projections, the $14 billion cost this year will disappear next year and by 1999 the federal government will actually be collecting $4 billion from asset sales.

The $18 billion shift in deposit insurance spending will measurably ease the alleged burden of complying with a balance budget amendment—even if Social Security and Medicare are fully funded. Indeed, once falling defense and deposit insurance numbers are taken into account, all that will be required between now and 1999 are $32 billion of genuine budget cuts. In other words, the federal government can balance the budget, fully fund Social Security and Medicare, and only have to cut other spending by less than $7 billion annually. Some crisis!

Scenario #2: Limit Medicare Spending Growth to Twice the Rate of Inflation.

Supporters of other government programs will be quick to complain if programs benefiting senior citizens are completely untouched while other programs effectively are precluded from getting budget increases. That position can be defended. After all, the Social Security program is running a cash surplus of $28 billion this year and that surplus is expected to grow to more than $40 billion by 1997. Nor is Social Security spending growing that rapidly, with annual increases between now and 1997 expected to average less than 5.2 percent.

Seniors, though, have never argued that their programs should be completely exempt. Indeed, seniors are very cognizant of the moral arguments against deficit spending, and do not want to leave a deteriorating economy to their children and grandchildren. The concern among the elderly is that they not bear a disproportionate share of the deficit reduction burden. So long as other interest groups are being subjected to fiscal discipline, seniors will contribute their fair share, particularly from the Medicare program.

Medicare is one of the fastest growing of all government programs, with annual spending increases expected to average more than 10.5 percent—over three times the expected rate of inflation. If Medicare spending growth was limited to twice the rate of inflation, something market-based reforms could accomplish without compromising the quality of care, the government would save $49 billion by 1999. Combined with already expected declines in defense and deposit insurance outlays, these modest Medicare savings would still allow Medicare spending to grow twice as fast as inflation, full funding of Social Security, and $17 billion higher spending for other government programs.

CONCLUSION

Government policy makers will have the ultimate responsibility for choosing how to comply with a balanced budget amendment. As with any strategy that relies on politicians, there is some risk. Legislators, for instance, could evade the intent of a balanced budget amendment by raising taxes, causing suffering for all Americans because of a weakened economy. Legislators could choose to attack programs for senior citizens, though few, if any, observers can foresee the circumstances under which legislators would find such an approach popular.

Instead, a balanced budget amendment is likely to lead to an outcome similar to that outlined in Scenario #2. Legislators will take advantage of the projected $373 billion increase in tax revenues to achieve the bulk of deficit reduction. Already scheduled declines in defense and deposit insurance spending will provide $43 billion of additional deficit reduction.

The real question will be how legislators decide to limit the overall growth of remaining government programs. In the final analysis, programs for senior citizens are unlikely to be completely unscathed, but it is realistic to assume that the overall benefits of a balanced budget amendment to senior citizens (and their heirs) will greatly outweigh the minor costs it imposes.

Mr. CRAIG. Mr. President, with all its lack of enforcement, lack of definitions, lack of legislative history, and explicit exemptions, the Reid amendment is more loophole than law.

The National Taxpayers Union rapidly put together an analysis of the Reid amendment showing how much deficit spending it would, on its face, allow.

In the year 2001, the first year in which the real balanced budget amendment would be effective, and the first year in which the Reid amendment would be ineffective, the deficit under our amendment would be zero, while the Reid amendment would allow "off-budget" deficit spending of up to $200 billion.

By the year 2020, the Reid amendment would allow deficits of between about $200 billion and $800 billion. By the year 2050, which year is included in the projections of the Social Security trustees, Reid amendment off-budget deficits would range from about $2.7 trillion to $6.3 trillion.

These estimates count total investment spending as shown in the President's fiscal year 1995 budget and are based on alternatives II and III in the "1993 Annual Report of the Federal Old Age and Survivors Insurance and Disability Insurance Trust Fund."

I want to emphasize: These are the off-budget deficits that the Reid amendment explicitly allows. These projections assume that Congress does not abuse the loopholes that the Reid amendment would give it. This is the best-case scenario under the Reid amendment.

Finally, I want to touch again on inclusion of the Director of the Congressional Budget Office in the Constitution, under the Reid amendment.

Think of this: The most timeless document of governing principles, enshrining fundamental rights and creating a compact between a great people and their Government. It contains the once-novel, now revered, system of checks and balances, in which no one branch of the Government can attain supremacy and thereby threaten the liberties of the people. And it specifies the powers and responsibilities of the executive, the legislative branch, the judiciary—and, in a couple of areas, the Director of the Congressional Budget Office.

The Congressional Budget Office is the figment of the imagination of 50 percent-plus-one of the Members of Congress. It doesn't belong in the Constitution.

The Director of CBO is a political appointee of the congressional leadership. Thankfully, those appointments up until now have been relatively nonpolitical. But once the Director of CBO would have sole power under the Constitution to declare recessions and suspend part of the Constitution, that office either would become the fourth branch of government or be turned into a political football of Super Bowl dimensions.

The Senator from Nevada quoted Justice Marshall, in McCulloch versus Maryland, as warning against overcomplicating the Constitution. Senator REID's amendment contains some thoughtful ideas. Some of them, I would agree with, as part of a statute. But proposed as a part of the Constitution, his is the amendment that departs from Justice Marshall's admonitions.

I know the Senator is in sincere agreement with the contents of his amendment, but they are more appropriate to the debate over technical, implementing legislation, not a constitutional amendment. We should defeat the Reid amendment, and we will.

Once we do, we will have left before us the amendment worked on for years by Senators SIMON, HATCH, THURMOND, DECONCINI, and myself; Members of the other body like Representatives STENHOLM, SMITH, INHOFE, KENNEDY, and SNOWE; other Members of both bodies; outside public interest groups, constitutional scholars, and economists.

That is the bipartisan, bicameral, consensus version. That is the real balanced budget amendment. Despite some of the debate we have heard over the last couple of days, that the only amendment with a chance of passing both bodies. In fact, just last Thursday, that was the amendment discharged in record time and scheduled for floor debate as early as March 14 in the other body.

I urge my colleagues to defeat the Reid amendment and then to support the bicameral, bipartisan consensus amendment.

Because my time is limited and I have had opportunity to talk and there are others who are waiting to talk, let me cover a couple of brief points before I conclude.

There has been a great but frankly very confused debate on Social Security. Anybody observing will hear all kinds of allegations made about what is or is not going to happen to Social Security. The Simon-Hatch-Craig amendment leaves it in the budget. The Reid amendment takes it out of the budget. It is safe. It is secure. The bottom line is Social Security today is very secure and it is secure for the foreseeable future and Congress is handling it in a responsible fashion.

What is at question is the future in the year 2024. That is when the reserves are ultimately used up and the outgo begins to outpace the reserves. If at that time our budgets are not in balance and our debt is $9 trillion or $10 trillion, or more, is the American public going to be able to afford the new revenue necessary to fund this line here or will future citizens simply and clearly say, "We cannot afford it?" And it is at that point that we begin to see dramatic changes in Social Security. If the Reid amendment passes, this line stays intact, this line stays intact, and we mount a huge deficit incapable of responding to the very real human requirement required in this graph and with this statistic.

We can afford Social Security today because we are a rich nation. If we mount a debt of $9 trillion, if we are paying out $800 billion or $900 billion a year in interest we are no longer rich. We are very poor, and as a poor Nation can we, in fact, afford those responsibilities?

I am offering for the RECORD what is known as analytical perspectives. That is a volume of the President's 1995 budget, and the question there is capital investment an issue inside the Reid amendment and wholly undefined as to what it may or may not be, and it becomes increasingly important to understand if we understand the debate.

The President's budget lists the following investment expenditures: $89 billion, physical capital; $68 billion, research and development; $34 billion grants to States for local physical capital; $42 billion for education and training. The Clinton administration says that is an investment. Is that the kind of investment that Senator REID proposes? We do not know. No hearings, no facts, no way for this Congress, this Senate to make a wise judgment on a last-minute effort to create an alternative to a document that has been 10 years in to making, and as I said with over 3,000 pages of testimony pro and con as it relates to the Simon-Hatch-Craig amendment, the basis from which it was established and why we argue the point of view that we argue today.

Mr. President, that is the essence. There is a clear alternative today. If you do not want a balanced budget amendment to pass, if you find that it is not within your philosophy or your desire to see a change in the environment in which we budget and therefore the outcome of the budget process, then I would suggest you vote for the Reid amendment and that the record shows and that the American people know that that is exactly the choice you make, that you are not willing to make the tough calls, you are not willing to address the current deficit debt problem and you are not willing to say to your grandchildren we are now today starting to build an environment in which your future will be strong and your opportunity will be exciting.

There is an alternative, and the alternative is the Simon-Hatch-Craig amendment, an amendment that says all things are on budget, there are clear bounds by which the public can judge as to our performance and our process. It leaves the responsibility of developing the new budgetary mechanisms inside the amendment to the Congress as it should and it says to the court, as it should, judiciary, you, like in all other instances within the Constitution of our country, have a right to determine whether acts of this Congress are or are not constitutional, but you do not have the right to tell them then how to become constitutional.

We have assured that because we do not want the courts raising taxes. We do not want the courts prescribing budgets. But the American people deserve to know that there is an enforcement mechanism within what we are about today. There is not within the Reid amendment. In fact, the only enforcement mechanism that makes realistic sense is that the Reid amendment will create such a jungle of the budget process that ultimately it will collapse and the American people frustrated by it will turn back to Congress to solve the problem.

My last graph. If we take the percentage of the Clinton budget today that is off budget and we extrapolate rates of increase as projected in the Clinton budget, we come up with a phenomenal off-budget debt structure that is proposed within the Reid amendment.

Mr. President, I would not want to tell this Senate, or anyone watching, that this is an accurate chart. It is a projection based on what we believe to be the reality of the Clinton budget—as we can interpret through the Reid amendment—investment off-budget capital expenditure to be.

The reality is debts well beyond——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SIMON. I yield my colleague 2 additional minutes.

Mr. CRAIG. My conclusion is this, and this chart dramatically shows it. If I can accept the concept of capital budgets based on the investment scenario of the Clinton administration, then these kinds of conclusions can be drawn.

All of us know we would not create a whole new debt structure worth trillions upon trillions of dollars knowingly. So what it merely speaks to is the inability of this Congress to understand the Reid amendment or what the Senator from Nevada is trying to say.

There are no questions and there is no doubt within the Simon-Hatch-Craig amendment. All of the scenarios have been played over the last decade. All of the questions have been asked and all of the answers are available.

The judgment you make today on the Reid amendment and the judgment this evening on the Simon-Hatch-Craig amendment can in fact be an informed decision toward a true balanced budget and a new chapter, a new amendment in our Constitution that is clear and profound in its directives to the Congress of the United States.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, the most direct, concise statement made during the last two presentations was the statement made by my friend from Idaho that this was not an accurate depiction of the Reid substitute. And that is true.

What we have been dealing with here, in the last two statements, is make believe. The fact of the matter is that the Reid substitute is of the same vintage as the Simon amendment. The Simon amendment was introduced 5 days ago.

Remember, they keep changing it. Even though they have had 3,000 pages of hearings—it has been around 10 years—they changed it 5 days ago. Why? Because it is a faulty amendment and they tried to correct it to pick up a few extra votes. But it still was not enough. The amendment is a bad amendment.

My friend from Utah, and I guess following the Late Show With David Letterman, put forth his 10 points as to why he did not like my amendment. Recognize that not once was there an insinuation, a suggestion, or a contemplation or a remark about Social Security. Why? Because they know that Social Security would be devastated with the Simon amendment, as indicated by Mr. Ball, who was director of the Social Security Administration during three Presidents, when he said among other things, "I believe it [the Simon amendment] would put at great risk—" everyone listen to this—"would put at great risk the monthly benefits of 42 million people who are currently receiving benefits and the benefits of millions more who are working and building credits for future benefits."

That is why it was not in the Late Show With David Letterman 10 points why he does not like the Reid amendment. Because he could not talk about Social Security. He could not refer to Social Security because the Simon amendment devastates Social Security. The Simon amendment is a new amendment. It is of the same vintage, the same age as the Reid amendment. They were both introduced on the same day, in spite of 10 years and 3,000 pages.

The Senator from Utah still complains, as he did the other day—this time I respectfully request that he listen to what I said. I will say it again. The Senator from Utah complains that my amendment allows Congress to delegate the power to make across-the-board cuts to a congressional officer. The Senator from Utah is correct when he says this is intended to overturn the decision of Bowsher versus Simon. The Reid amendment would allow Congress to provide by law that a neutral third party, the Comptroller General of the United States, could referee across the board. This is the same compromise Congress embraced in the 1985 Gramm-Rudman Act of which the Senator from Utah was one of the major proponents.

Mr. HATCH. Will the Senator yield?

Mr. REID. The Senators from Utah and Arizona complained my amendment delegates powers to an unelected official, the Director of CBO, to make economic determinations.

Mr. HATCH. Will the Senator yield on that point?

Mr. REID. The point of that provision is to provide that a nonpartisan, unelected official could make that decision. That seems totally reasonable. But I find it amazing that the Senator from Utah complained of ceding powers to unelected officials. In testimony before the Budget and Appropriations Committees, respected constitutional scholars testified that the Simon amendment granted the President increased impoundment powers. Section 5 of my amendment ensures this will not happen under my amendment.

You see, Mr. President, my amendment preserves what the framers of the Constitution wanted. They wanted separate but equal branches of government. The Simon amendment makes them unequal and gives all the power to the executive branch.

I yield on Senator SIMON's time since my colleague is out of time.

Mr. SIMON. I will be pleased to yield 3 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is yielded 3 minutes.

Mr. HATCH. I just hasten to point out that when the Gramm-Rudman-Hollings bill came up, I was consulted by both sides, in both the House and the Senate, and they asked us whether we thought that provision would be constitutional. We told them we did not think it was.

Frankly, we advised them not to go that route, but the House insisted on having congressional control over the budget process through the Comptroller General. As we all know, the Bowsher case confirmed what I suggested would happen.

I am saying again today that we will be flying in the face of 200 years of separation of powers doctrine and constitutional law, to go the way that the distinguished Senator from Nevada would have us go. I think it would undermine the separation of powers principle and, I think, cause people all over the country to fight his amendment, even if it had a chance of passing, just because of that one point.

I reserve the remainder of my time.

Mr. REID. Mr. President, I appreciate the statement of my friend from Utah. We have a simple disagreement based on the record before this body and constitutional history of this country. It is a disagreement that I think that those on the other side of the aisle should listen to.

I think it is irresponsible for the Members on the other side of the aisle to say that they are going to vote against my amendment. The only hope we have of having a constitutional amendment is that we have some of our friends on the other side of the aisle join in supporting the Reid amendment. Otherwise, we are going to walk out of here today with no amendment from anyone, and we will be right back where we started, which I think would be a disservice to the American people.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I yield myself 3 minutes, and then I will yield to my colleagues.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, first, two points made by my friend—and he is my friend—from Nevada, Senator REID, on the language of our amendment. We have gone over this carefully in all kinds of hearings. The only language change is the Danforth language on judicial involvement, and that was done very carefully.

Mr. President, some heard Senator DANFORTH speak on the floor saying he checked that language with people as varied as Judge Bork, on the right, and Prof. Laurence Tribe of Harvard. We also checked this out with constitutional authorities. It was very, very carefully done. When we are dealing with a constitutional amendment, we ought to do it carefully. There have been no hearings on the Reid amendment. It is hastily put together. It is obvious from the language it is hastily put together.

On Social Security, it is ironic, Mr. President, because in the Budget Committee, I have been the leader in terms of defending Medicare for Social Security recipients. The chief actuary of the Social Security Administration for 23 years, Robert Myers, has written me a letter saying the most important thing we can do to protect Social Security funds is to pass your amendment. The reality is the great danger is monetizing the debt, printing money if we just keep piling up this debt. If we go that route, Social Security trust funds are going to be devastated. Our amendment protects Social Security, and no other amendment protects Social Security.

Second, in terms of Social Security long-term—and I have indicated to Senator DORGAN, who is very much concerned about this, I am willing to work out a statutory change here long term—this amendment does not deal with the fact, as Senator CRAIG was pointing out, in the year 2024 Social Security starts to go into the red. We have to protect people who are 35 years old today, who will be totally dependent on that; or someone 50 who, in the year 2024 will be 80 years old. That person 50 years old should be concerned. Our amendment protects them.

So in this general area of Social Security, if you are interested in protecting Social Security, vote for the amendment which Senator HATCH and I have proposed.

I would like to yield 10 minutes now to the Senator from Georgia, Senator COVERDELL.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Georgia [Mr. COVERDELL] is recognized for 10 minutes.

Mr. COVERDELL. Mr. President, I thank my colleague from Illinois. I rise in support of his, and others, balanced budget amendment and in opposition to the amendment of the Senator from Nevada [Mr. REID].

I would like to just make several comments with regard to what I view has turned into three spears at the amendment, three arguments that are being consistently made against the balanced budget amendment.

First, we have heard for weeks that the balanced budget amendment, as offered by the Senator from Illinois and others, is a gimmick. Let me just say that I think that argument has been rendered moot by the intensity of the lobbying to defeat the amendment.

Clearly, if all the sectors who have so vigorously opposed this amendment thought it was but a gimmick, we would simply let politics be politics and go home. But, indeed, that has not been the case. Throughout the Nation, we have had such an intense effort to characterize and belittle the amendment, first classifying it as a gimmick.

It is not a gimmick. It is the first serious attempt on the part of this Senate and the people of this country to bring into control runaway debt that will bring this Nation to its knees. We have stood off so many enemies around the world: Hitler, Saddam Hussein, Khrushchev, Stalin—stood them down. But we are in danger of failing by our inability to manage our own affairs at home. This is not a gimmick.

Second, there is a scholarly argument. We have heard repeated references to the fact that it is diminishing the power of the legislative branch and strengthening the power of the executive branch.

The ultimate authority in our democracy rests with the people. The legislative branch is the peoples' branch. The American people have told us in the loudest terms that they expect us to seize control of the financial health of this Nation; 32 States of the Union have already passed resolutions calling for a Constitutional Convention to address the subject of balancing the budget, only 2 States away from the convening of that convention.

The American people, by anyone's poll, three out of four, are in support of the Senator's balanced budget amendment. The American people are where the final power rests in the United States, and they have said loudly that they want a balanced budget to be put in place. They have spoken in every way they know, and they are calling upon this Senate, this Congress, to impose new rules of the road to gain control of the financial health and security of the United States.

The third argument is that we need to be just responsible; that the leadership of the Congress simply needs to do what is right: To seize control of the financial abuses that we have seen over the last 30 years.

Since this amendment was first voted on in 1982, we have responsibly added another trillion dollars in debt. Then 3 years later, we voted on it again and we heard the arguments—"We just need to be responsible"—and we added $2 trillion more in debt. Then on the last vote, we heard that same argument—"We just need to be responsible"—and we added another trillion dollars in debt.

By the President's own budget numbers, before this term has been exhausted he will have added another trillion dollars in debt. The debt right now is nearly $5 trillion, and by 1996 it will be nearly $7 trillion. The Senator from Idaho talked about the debt that may be approaching, after the turn of the century, $9 trillion or $10 trillion. We will have passed that long before we get to the turn of the century at the pace we are going.

The argument that we need just be responsible has been totally rejected and ridiculed by our own behavior, as we have added $1 trillion, then $2 trillion, another trillion dollars and now another trillion dollars in the face of the arguments that we just need to be responsible.

A gimmick? Absolutely not, proven by the intensity of the effort to defeat it. The scholarly argument that it is a divestiture of power in the legislative branch; the power in America rests with the American people and they are asking the legislative branch to impose this restraint. The argument of being responsible leadership has been proven by the behavior of the Congress over the last two decades. We need a balanced budget amendment. We need new rules of the road.

My final comment deals with the executive branch. If this balanced budget amendment fails, and I am fearful that it will, I believe that its failure will rest directly at the feet of the President of the United States and of this administration because even though coming from an election that called for new restraints on the fiscal behavior in Washington, the President has engaged in a wide-open battle to defeat the balanced budget amendment. In this very close vote, that in my judgment will have been the final difference. That will have been the final difference.

Mr. President, the American people have spoken. They want a balanced budget amendment.

Mr. President, I yield my time back to the Senator from Illinois.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield 5 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. DORGAN. Mr. President, I have listened somewhat this morning, as I have been in meetings, and as I had an ear tuned to the television set, it occurred to me we are doing the least productive thing we could possibly be doing here this morning in the Senate, and that is spending a lot of time debating about which constitutional amendment is better than the other.

Both of these constitutional amendments have merit. I intend to vote for the Reid amendment, and if that fails I will likely vote for the Simon amendment. It is not a case where one side walked down from the mountain with tablets of stone and said: This is the only amendment that has merit; this is the only amendment that is worthy; and this is the only amendment that will work. It is just wrong.

That chart—read the fine print—is wrong. It is wrong. That is not the Reid amendment. If the Reid amendment passes, we will be better off than we are today, in my judgment. And I will bet you this. If the Reid amendment were the only constitutional amendment on the floor of the Senate today, it would pass. If the choice was do we support the constitutional amendment offered by Senator REID versus the current situation, I think this body would likely pass it, or at least be very close. We should not be in a situation where more than enough Members of the Senate support a constitutional amendment to pass it, but we end up not passing it because we exercise all of our energy spending time in the Chamber talking about which is worse.

Now, I read a lot of respected writers and thinkers who say we should not do a constitutional amendment to balance the budget.

There was a time in my life when I thought that was the case, but you get to $4.4 trillion in debt, spending $1 billion a day on things you do not need, and at some point you wonder about your children's future and you wonder whether we can continue, under any condition, to believe that spending resources that are not ours will do anything but injure this country's future.

The Senator from Nevada does a service to this body by offering this amendment. It is a good amendment. I will not go into great detail about Social Security, but this amendment has the Social Security amendment which I was proposing to offer to the Simon proposal. That is the right amendment.

Now, if the Reid amendment does not pass—and I am going to support it—is the Simon amendment fatally flawed because it does not have it? No, it is not fatally flawed. We can impose a higher standard later, and we can discuss that this afternoon if the Reid amendment does not pass.

But I think, listening to the discussion in the Chamber, we are in the worst possible position. Those of us who honestly believe we should do something to deal with this crippling deficit and this crippling debt, which so injure this country's future, are reduced to spending our time figuring out how we can divide votes between two proposals in a manner that may allow neither to succeed.

I believe we will be better served today if, at the end of the debate, we have advanced a constitutional proposal to ratchet up the pressure, yes, on Congress, and also the American people, to reconcile among all of us in this country that which we spend with the resources we have to spend, and decide how we are going to balance those in some reasonable fashion.

I have said it before—let me say it because it bears repeating—I would not lose a minute's worth of sleep and I would not care one bit if we spent $500 billion this year that we did not have and added it to the deficit if, with that expenditure, we cured cancer. It would be a bargain.

But that is not what this deficit is about. This deficit is not about some unusual investment that is going to yield enormous potential rewards. This is a structural operating budget deficit that represents a permanent, continual imbalance between what we raise and what we spend, and the Congress and the American people have conspired together in a way in our political system that prevents us from dealing with it. This constitutional amendment, no matter what one thinks of it, will add to the pressure that we reconcile what we spend with what we raise, and that we begin to assure a better economic future with economic growth and hope and opportunity for our children once again. That is what this debate is about.

I just wanted to come over again to say we ought not be spending most of these hours arguing that one is awful and one is better. Either of these will advance the interests of requiring reconciliation in our fiscal policy so that it is a fiscal policy that promotes growth and opportunity, not danger and despair and decline.

Mr. President, let me thank the Senator from Nevada. As I have said, I intend to support him. If that does not prevail, I will be on the floor in a colloquy with my friend from Illinois who, I think, also has served this body's interests and served the country's interests by proposing a constitutional amendment to balance the budget.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I yield 5 minutes to the junior Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. KEMPTHORNE. Mr. President, I thank the Chair. I also want to thank the Senator from Illinois and the Senator from Utah and the Senator from Idaho for their leadership in this effort.

We have heard all these numbers discussed the last 4 days: The fact that the debt is $4.4 trillion, the fact that our Federal budget spends $1.5 trillion each year. All these numbers, how do we boil them down so all Americans can truly understand what is taking place? Many of the speeches this morning were 10 minutes in length. In 10 minutes' time, we will pay $5.5 million in interest payments in this Nation. If we did not have to pay this interest, that would equate to adding 100 police officers to State and local governments. In just 10 minutes' time, that $5.5 million that we are spending in interest would pay to immunize more than 45,000 children. It would provide a year of Head Start for almost 1,500 kids.

In the 4 days that the Senate has debated the balanced budget amendment, we have paid $3.2 billion in interest. That $3.2 billion could have reduced taxes $40, $40 for every taxpaying family, $10 a day. We are talking real money.

George Washington and Thomas Jefferson feared that this day might come. In his Farewell Address to the Nation, President Washington warned Congress to cherish public credit, to use it as sparingly as possible, avoiding occasions of expense. And Thomas Jefferson, one of our Founding Fathers, who believed so strongly in a balanced budget, said that it was so important as to place it among the fundamental principles of Government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

Mr. President, in the roughly 1 year that I have been a Member of this body, I have seen a number of occasions when we have had opportunities before us to cut the size of the Federal Government, when we have had opportunities to reduce taxes, and on virtually all of these occasions, we just miss. We come close. Then we have another opportunity to vote to reduce the size of the Federal Government, and it is a different coalition of Senators that forms, so that in time we establish a record that, yes, we have all been supportive of trying to reduce the Federal Government, trying to reduce taxes. But the net result is, it is not happening; it is not working.

The balanced budget amendment as offered by Senators SIMON, HATCH, and CRAIG is tough medicine; it is not necessarily easy; but the illness of the national debt requires that type of medicine. We need to do it because in all of the other efforts—and we have heard them eloquently discussed—we always come just a little bit short. And so we need to have the balanced budget amendment so that the law of the land is that we do not live beyond our means as a government. Families cannot do that, individuals cannot do that because, if they do, then they find themselves on the brink of bankruptcy.

I would just like to add that as I have listened to the argument and the points raised by the Senator from Nevada, I respect the Senator from Nevada. I respect everyone that is taking part in this debate because at least we are focused on the fact that something has to happen. But please let us reject the status quo. Let us make a difference. Let us not walk away from this opportunity to do what the American people are asking us to do as the representative body, and that is to vote for the balanced budget amendment as offered by the Senators from Illinois, Utah, and Idaho. That is the medicine that is required to cure this national debt.

I yield my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield 15 minutes to the senior Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I thank my friend from Nevada for yielding to me.

Mr. President, I rise today in support of the Reid alternative amendment. I think Senator REID offers a different, a fairer, and a more enforceable balanced budget amendment. The amendment offered by our friend from Nevada excludes the Social Security trust fund from the budget, and, in so doing, he exempts Social Security from any program cuts that might be needed to enforce the balanced budget stricture.

This balanced budget amendment vests in the Congress and the President the exclusive responsibility for implementing legislation that produces the necessary deficit reduction. It removes the ambiguities that might create a court-ordered fiscal policy. I think it would be the height of irresponsibility for this U.S. Senate to hand over to the judicial branch the decisions about how the budget of the United States and the business regarding the budget of the United States are to be conducted.

As a matter of fact, Mr. President, I think that would be a gross violation of the balance of powers in the Constitution. But the Reid amendment mandates that the Federal Government balance its books. It mandates that it do so in the same way that the States do—separating operating budgets and capital budgets.

This process safeguards needed investments that will yield long-term benefits to the Nation. And the Reid amendment provides flexibility to prevent the Government from converting minor economic slumps into recessions, or from converting recessions into major depressions. This protects us from unintended counterproductive fiscal actions that without the Reid amendment I think our economy would be subjected to.

But today I want to focus my remarks almost exclusively on the importance of protecting the Social Security Program under the balanced budget amendment.

As my colleagues know, Social Security was established in 1935 to protect the economic security of working people. And millions of our senior citizens, millions of disabled workers, and their survivors depend on Social Security for a major portion of their income.

Social Security touches the lives of virtually every American of all generations. More than 41.5 million people in this country currently receive Social Security. Twenty-five percent of all of the families in this Nation receive Social Security. And the overwhelming majority of these people are citizens of very modest means indeed.

The Social Security Program, perhaps more than any other program of this Government, represents a solemn trust obligation between American workers and the Government of the United States. Social Security is widely perceived as a successful program and has tremendous popular and political support as well it should.

There are some who, because they mistake Social Security for a so-called "entitlement" program, believe that Social Security ought to be cut; that its benefits ought to be reduced to reduce the Federal budget deficit. I categorically disagree with that characterization, both with the statement that Social Security is a simple Government transfer program, and with the notion that it is part of the deficit problem.

Make no mistake about it. Social Security is not a simple entitlement program. It is part of our fundamental social insurance system. Social Security is an earned benefit. You have to work. You have to pay into the system to earn Social Security. There is no entitlement. You have to work for it, pay for it, and pay into the system.

Social Security is not a welfare program. People who work pay into this system. In return, those workers and their families are guaranteed benefits upon retirement, injury or death. Employee and employer contributions are paid into a special trust fund, and those funds are to be used only—only—to pay Social Security benefits.

Social Security is almost entirely self-financed from these contributions coming in from workers and employers. The program receives virtually no Federal subsidy. The Federal Government only pays into the program the Federal Insurance Contributions Act taxes that are owed for Federal employees, and it repays interest that is owed to the program when the Treasury borrows from the Social Security fund. Even the administrative costs of running the program are paid for from the employee and employer contributions.

Let us be clear about this. Social Security is not contributing to the budget deficit in any way whatsoever. The reverse is true. Social Security is building up reserves. Social Security pays out every year less than it takes in by way of contributions. And this is no accident. Congress intentionally created this surplus in Social Security in response to funding concerns and because we recognize that our population was aging, putting new strains on the Social Security system.

In 1983, Congress and President Reagan appointed a blue ribbon commission, chaired by now Federal Reserve Chairman Alan Greenspan, to review the problem that Social Security was perceived to be developing in the outyears, and to make recommendations. At that time, significant changes were made to the program, and it was restored to financial solvency.

Since that time, in 1983, when we adopted the report of the blue ribbon commission on Social Security, we have been building up surpluses, or reserves, in the Social Security system, to make sure that funds will be available to pay benefits.

The Social Security Board of Trustees projects that these reserves will grow substantially over the next decade, accumulating more than $1 trillion in assets by the year 2003.

These funds are going to be needed to pay retirement benefits for the babyboom generation. The large group of Americans born after World War II will begin to retire in the middle of the next decade and start to draw down the reserves that we are building up now in Social Security.

So the reserves continue to build until the year 2003, and then they will be needed to meet the program's obligation to retirees of the future.

Under current projections, reserves should be able to pay benefits through the year 2036. It is true that spending under Social Security continues to grow for the foreseeable future, but its growth should not be a subject of law, because the growth in Social Security spending is projected to be steady relative to the economy as a whole. Contrast that to health care spending, which is one area of the budget that is predicted to grow faster than the economy as a whole. Over the next few years, in nominal terms, the economy is slated to grow at about 5.5 percent; that is in nominal terms, not real terms corrected for inflation. In nominal terms, health care is subjected to growth by 11 percent. So that is where your problem is—in health care growth. That is what is driving these deficits.

It is also true that the reserves are currently being borrowed to finance other Federal spending. In fact, one major reason to bring the budget into balance is so that we will actually be able to save the Social Security funds in order to meet the obligations to future retirees. That is why I worked very hard to obtain budget agreements in 1990, and again in 1993, to bring about significant deficit reductions, and that is one of the primary reasons I support a balanced budget amendment. But, Mr. President, make no mistake about it, these deficits are coming down. They are going to continue to come down both in nominal dollars and in relation to our debt and in relation to the gross domestic product.

We will reduce the deficit by 40 percent from projections over the next 3 years. And for the first time, we will have a string of deficits coming down for three successive years—the first time since Harry Truman was President. Bear in mind that Harry Truman, as President, was presiding over a nation coming out of World War II, a time in which we ran absolutely unprecedented deficits in proportion to our gross domestic product.

Let me give my colleagues an example of what I am talking about. In 1945, for example, the national debt of this country stood at 110 percent of gross domestic product. We had accumulated that extraordinary debt over a period of 4 or 5 years as we successfully fought to the conclusion of World War II. As I speak to you today, debt stands at about 52 percent of gross domestic product. It has been coming up in recent years after having been going down for a number of years, until we reached the oil shocks of the 1970's, and finally the irresponsible fiscal policy that we engaged in during the 1980's.

But we must not try to deal with the deficit problem by reducing Social Security benefits, by cutting Social Security, or robbing the Social Security trust fund. We have to look at the Social Security Program as a long-term commitment to the working people of this Nation. It is shortsighted to view it only in the context of our current budgetary situation. While the Social Security Program is solvent now, and will be well into the future, we have to make sure that it will be able to pay benefits for the 132 million people who are paying into the system today. We must not do anything to jeopardize the confidence of the American people that the Social Security Program will be there for them when they need it. We want it to continue to be there, because it has worked.

We hear a lot about Government efforts that fail. Nobody talks very much about Government efforts that succeed. I want to recite some positive numbers about the Social Security Program. Over the last 35 years, poverty among the elderly has been reduced from 35 percent at the poverty line or below, to just 13 percent. That is progress. That is a program that works. The actual number of seniors living below the poverty line has declined by nearly 2 million since 1959. That has occurred even though the elderly population has nearly doubled to more than 32 million people. Even Pete Peterson, the Secretary of Commerce in the Nixon administration, and President of the Concord Coalition, and has written extensively on entitlement programs, concedes that entitlement spending prevents some 20 million Americans—half of them elderly—from falling into poverty. The program that protects the majority of the elderly from poverty is Social Security.

In fact, the American Association of Retired Persons estimates that nearly 45 percent of all seniors—nearly 45 percent of the elderly in this country—would live in poverty if there were no Social Security Program. In the past, some people have suggested we could save money by eliminating or cutting back on the cost-of-living adjustments, the so-called COLA's. I have steadfastly resisted those efforts to cut back on the cost-of-living adjustments. These are the payments that make up for the loss of purchasing power that occurs because of inflation and price increases. Eliminating these cost-of-living adjustments would push a half-million of our elderly into poverty and reduce the standard of living for more than 41 million of our fellow citizens.

On the other hand, some have advocated means testing for Social Security; that is, the benefits would only go to those in the low-income bracket. If Social Security is subjected to a balanced budget amendment, I submit that means testing would be a very likely outcome. What would this mean for the future of the program and its ability to reduce poverty among the elderly and disabled and their families? Advocates of means testing argue that because we are running a budget deficit, we can no longer afford to pay benefits from the Social Security fund to middle-income people.

I dispute that argument on four separate points.

First, Social Security is not causing the deficit. It is fully self-financed and is in fact running a very substantial surplus.

Second, The average Social Security benefit is not making people rich. It barely helps most retirees make ends meet.

Mr. REID. Parliamentary inquiry. How much time does the Senator from Illinois and the Senator from Nevada have?

The PRESIDING OFFICER. The Senator from Nevada controls 6 minutes. The Senator from Illinois controls 15½ minutes.

Mr. REID. I yield 5 more minutes to the Senator from Tennessee.

Mr. SASSER. More than 70 percent of all Social Security beneficiaries have annual incomes of $30,000 or less. Asking these people—the retired elderly, 70 percent of whom make $30,000 or less—to give up some of their benefits could create very real hardships. Even middle-income seniors rely heavily on Social Security as their primary source of retirement income. More than half of all the people over age 65 rely on Social Security for at least half of their income, and nearly one-quarter of them rely on Social Security for 90 percent or more of their income. Without that income from Social Security, many would have a very difficult time meeting their expenses indeed.

Third, the reason I would oppose means testing for Social Security is the benefit structure is very strongly progressive so that lower income beneficiaries receive a significantly higher percentage over their earned income back in benefits. The program provides much greater returns to those who are at the lower end of the economic ladder. Also, as of 1984, the benefits to wealthier recipients are subject to a Federal income tax. Just last year the portion of benefits that is taxed increased from 50 percent to 85 percent, and this has had the effect of reducing the benefits for wealthier beneficiaries. One in five beneficiaries currently pays taxes on benefits.

Fourth, the reason I would oppose means testing for Social Security is that if higher income beneficiaries no longer receive any benefits from Social Security, then they may no longer be willing to pay into the system. If these individuals demand to opt out of the system, the program would experience a serious funding shortfall and replacing this revenue would be very difficult, involving either major tax increases or cuts in other programs. Finding an alternative way to support lower income seniors and disabled individuals and their families would be very, very difficult indeed.

I predict, if we moved into a program of means testing Social Security, over the long run that would mean the death of the program. It would mean the death of Social Security. Upper income individuals would say, since we do not pay into it any longer, we do not like the program, we think it ought to be abolished. It would take on the character of a welfare program, and sooner or later Social Security would disappear from the American economic scene.

Then the young people would have the obligation of going back to where we were at the turn of the century—taking care of their elderly parents. I wonder how many young people now have thought about what would happen if Social Security were to disappear overnight and what would happen to their parents and what would happen to their obligation to pick up part of the support of their parents. I think that is something we ought to think about when we talk about means testing Social Security and ultimately, I think, destroying the program.

Finally, I think we must look to the future when we contemplate changes that affect a program with as broad a scope and as long a time horizon as Social Security. Our population is aging as more people are living longer. Americans aged 80 years and older are the fastest growing part of our elderly population. The number of those over age 85 increased by 38 percent, by 38 percent; almost one-third from 1980 to 1990, while the population of under age 65 increased by only 8 percent. This older group tends to need most help with health care as well as economic and other kinds of physical support. The retirement of the baby boom generation will exacerbate this trend.

So let me summarize the following, Mr. President: Social Security is not a welfare program. Social Security is the single most successful example of broad-scale social insurance in this Nation's history.

Its very success explains why it has become a target for ideologues and cynics. We cannot let the deficit problem—which Social Security actually reduces—be used to undermine this fundamental covenant in our social contract.

Congress has long recognized Social Security's unique nature and granted the program differential budgetary treatment as a matter of law. Many of my colleagues on the Budget Committee and others who support a balanced budget amendment to the Constitution, have supported a number of efforts to protect the Social Security program. I think it might be useful at this point to review recent legislative history in this area.

As I discussed earlier, reserves have been accumulating in the Social Security trust funds so that the Federal Government can meet its obligations to current and future retirees. Those reserves, while necessary, create a large and growing budgetary surplus that, when combined with the rest of the Federal budget, has the effect of masking the true size of the deficit in the operating budget.

Minimizing the deficit leads the Nation to run larger operating deficits than it otherwise would. Economists tell us that deficits amount to negative saving. Before the 1990 budget agreement, the deficit calculations included the surpluses in the Social Security trust funds. A number of us in Congress, including my distinguished colleague from South Carolina, Senator HOLLINGS, and my colleague from New York, Senator MOYNIHAN, recognized that this practice detracted from the national saving necessary to finance capital formation and build the Nation's productivity and wealth.

We also understood that making sure that our economy will continue to grow in the future is essential if we are to meet the obligation to future retirees. The Government needs to develop real saving—after taking into account the deficits run by the operating budget—in order for the Nation to have the capacity to support the retirement claims of the baby boom generation without imposing unbearable fiscal burdens on its children and grandchildren.

So, the 1990 Budget Enforcement Act, among other things, restored budget honesty by taking Social Security out of the calculation of the deficit. Accurately displaying the true size of the Nation's deficit problem helps protect the fiscal integrity of Social Security trust funds and provides the Nation with an accurate assessment of the fiscal policies needed to eliminate the deficit.

This was not the first time Congress had debated the budgetary treatment of the Social Security system. Before fiscal year 1969, the Government generally used the administrative budget, which did not include trust funds but focused on the movement of funds into and out of the general fund of the Treasury. In October 1967, the President's Commission on Budget Concepts—the first major review of the budget since the Budget and Accounting Act of 1921—recommended that the Government move to a "unified" budget, showing trust funds together with the rest of Government spending.

The Commission acknowledged that trust funds were a legitimate and complementary budgetary concept and recommended maintaining separate accounting procedures to allow their activities to "be reported on in a way which allows the identity and integrity of trust fund transactions and balances to be preserved."

In the wake of that recommendation, the President's budget submission started including Social Security and other trust funds in the budget beginning with fiscal year 1969. With the adoption of the Congressional Budget and Impoundment Control Act of 1974, Congress adopted the unified budget approach.

In the 1970's and early 1980's, controversy arose over the inclusion of Social Security in the budget. Various deficit reduction proposals included cuts in Social Security benefits. Congress and the President eventually did cut the Social Security minimum benefit, student benefit, and lump-sum death benefit, among others. Defenders of Social Security saw inclusion in the budget as a threat to the program.

On July 29, 1981, as part of the debate on the Economic Recovery Act of 1981, the Senate passed by a 97-to-2 vote an amendment offered by Senator Eagleton—for himself and Senator Stennis—that would have required a special statement on the outlays, revenues, and surpluses of Social Security as part of the President's budget submissions. The conference committee dropped the provision, but Senator Eagleton offered it again on October 14, 1981, as an amendment to the Social Security Amendments of 1981, and the Senate agreed to the amendment by a voice vote. Once again, the conferees dropped the provision, but the issue remained highly visible.

In January 1983, the report of the National Commission on Social Security Reform stated:

> A majority of the members of the National Commission recommends that the operations of the OASI, DI, HI, and SMI trust funds should be removed from the unified budget.

In the legislation that would become the Social Security Amendments of 1983, first the House Ways and Means Committee and then the House responded to the Commission's recommendation with a bill that would display the Social Security trust funds separately but in the budget through fiscal year 1988 and remove them from the budget beginning in fiscal year 1989. The Senate bill had no such provision, and the Senate rejected two floor amendments that would have added similar language. By a vote of 56 to 41, the Senate tabled a motion to waive a point of order raised by Senator DOMENICI under the Congressional Budget Act against an amendment by Senator Heinz that would have displayed the Social Security trust funds separately but in the budget through fiscal year 1988 and removed the Social Security trust funds—but not the Medicare trust funds—from the budget beginning in fiscal year 1989. The Senate then tabled an amendment by Senator RIEGLE that would have kept Social Security on budget but exempted it from reconciliation. The conference committee agreed to a modified version of the House bill, ordering more prominent display of Social Security and Medicare through fiscal year 1992, and then their removal from the budget in fiscal year 1993. The conference committee's recommendation became the Social Security Amendments of 1983.

The 1983 law also included provisions to speed up implementation of increases in the payroll taxes which pay for the Social Security program in order to put the program on a more sound financial footing. The result of this action was to move from the existing "pay-as-you-go" system to one that built up reserves to provide a cushion for annual spending and prepare for the retirement of the baby boom generation. Concerns about protecting these reserves caused the issue of budgetary treatment to remain an issue.

The 1985 Gramm-Rudman-Hollings law amended section 710 of the Social Security Act to take Social Security out of the budgetary totals beginning with fiscal year 1986. Social Security was also exempted from any across-the-board cuts—or sequestration—that might be required under the new law. The conference report explains:

> The Conference Agreement leaves unchanged from the House and Senate amendments the budgetary treatment of the Social Security trust funds. The conferees note that

> Section 201 includes the receipts and disbursements of the trust funds in the Federal budget for Fiscal Year 1986 through 1991 only for the purpose of the deficit estimates required to determine whether the Federal deficit is within the maximum deficit amount targets required in the emergency balanced budget act.

The Gramm-Rudman-Hollings law created another, separate protection for Social Security by amending the Congressional Budget Act to prohibit congressional consideration of language in reconciliation legislation that would change Social Security benefits. That law set up a requirement for the affirmative vote of 60 Senators to waive the point of order for violating that prohibition.

On the other hand, Gramm-Rudman-Hollings amended the definition of the term "deficit" to include Social Security within the calculation of the deficit for purposes of determining whether across-the-board cuts would be required. Once again, the conference report to accompany Gramm-Rudman-Hollings explains:

> The conference agreement leaves unchanged from the House and Senate amendments the treatment of the social security trust funds. This provision allows the yearly income and outgo of the social security trust funds to be included in the Federal budget only for purposes of estimating the total deficit amount which must be addressed through sequester or Congressional action in order to reach the maximum deficit amount target. The scope of this provision is limited to that purpose of comparison with the maximum deficit amounts, and does not otherwise abrogate or contradict the effect of other amendments in this act that remove the operations of the social security trust funds from the unified budget. It is anticipated that the estimating agencies named in other provisions of this Act will in all other tasks related to the budget and legislative process adhere to the requirements of Section 261 of this Act, and remove the trust fund operations from the Federal budget as required.

Now, it is important to recognize that the circumstances of the Social Security trust funds has changed dramatically since all of these actions occurred. For the entire period between the President's Commission on Budget Concepts and Gramm-Rudman-Hollings, during which Social Security was on budget, the surpluses and deficits of the Social Security trust funds that Gramm-Rudman took off budget were relatively modest. In other words, while Social Security was on budget, the actual difference between the unified budget deficit and the operating budget deficit was relatively minor.

For fiscal years 1967 through 1975, the trust funds ran small surpluses of from $0.5 billion to $5.9 billion, averaging just under $3 billion a year. Including them on budget for the years beginning with 1969 decreased the deficits in the operating budget for those years modestly. Indeed, for the first year of inclusion, 1969, a $3.8 billion surplus in funds now off budget transformed a $0.5 billion operating deficit into a $3.2 billion unified surplus, the last surplus recorded by the Government.

For the period from fiscal year 1976 through 1982, the funds ran relatively modest deficits of from $1.1 billion to $7.9 billion, so that inclusion of Social Security in the unified budget actually worsened the deficit during those years by an average of a little less than $4 billion a year.

In the wake of implementation of the recommendations of the National Commission on Social Security Reform, however, the reserves in the Social Security trust funds began to grow, as intended, with fiscal year 1985. The Congressional Budget Office projects that these surpluses will be $62 billion in fiscal year 1994, $70 billion in fiscal year 1995, and will reach $100 billion in fiscal year 1999. Consequently, beginning with fiscal year 1988, increasing surpluses in the Social Security trust funds have fundamentally changed the meaning of the unified budget deficit and its relationship to the deficit in the operating budget.

A number of bills introduced in the Senate in the 100th and 101st Congresses sought to address this change by repealing the provision that included Social Security in the definition of the deficit for purposes of Gramm-Rudman-Hollings.

The Committee on the Budget held a hearing on March 24, 1988, on "Social Security, Deficits, and the Baby Boomers' Retirement." During the debate on the fiscal year 1989 budget resolution shortly thereafter, Senator Chiles offered an amendment that would have stated the sense of the Congress that "the Congress should enact legislation that makes the definition of the deficit exclude the surplus—or deficit—from the Social Security trust fund for all purposes." After substantial debate and amendment of the amendment, the Senate adopted by a voice vote an amendment offered by Senator DOMENICI stating the sense of the Congress that the National Economic Commission should "study the budgetary treatment of Social Security."

The report of the National Economic Commission, issued March 1, 1989, recommended validating the Social Security surplus, that is, "running a unified budget surplus equal to the Social Security surplus," or "balancing the non-Social Security budget."

In October 1989, the Committee on the Budget and the Committee on Governmental Affairs held two joint hearings on the budget process. During the hearing of October 18, 1989, the committees discussed the budgetary treatment of Social Security in the context of the testimony of Senator Heinz on his bill, S. 1752.

During the 101st Congress, a number of Senators engaged in sometimes lengthy discussions on the Senate floor calling for consideration of legislation to remove Social Security from the calculation of the deficit. Indeed, on June 19, 1990, the Senate voted 96 to 2 to adopt an amendment offered by Senator Heinz that would create a point of order against considering a debt limit extension "if Congress has not acted to remove the OASDI revenues and expenditures from the calculation of the deficit."

In 1990, Senator HOLLINGS introduced the Social Security Preservation Act to remove Social Security from the calculation of the deficit. This was important because those calculations trigger sequestration as part of the Budget Enforcement Act of 1990. In August 1990, the Senate Budget Committee, on a motion offered by Senator HOLLINGS, reported the Social Security Preservation Act, after defeating a number of amendments. The final vote in committee was 20 to 1 with Senator GRAMM of Texas the only member of the committee voting in opposition.

Later that year, during debate on the legislation that would become the Budget Enforcement Act on October 18, Senator HOLLINGS offered an amendment to remove the Social Security trust fund from the calculation of the deficit. The Senate adopted the amendment by the overwhelming vote of 98 to 2. Only Senators Armstrong and WALLOP opposed the amendment.

The Budget Enforcement Act, which was adopted in November 1990, following the Senate amendment, included a provision stating that the receipts and disbursements of the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus in the budget submitted by the President, in any budget resolution agreed to by the Congress, or as part of the Gramm-Rudman-Hollings deficit reduction law.

Plainly, nearly every Senator who has served in the Senate for at least 4 years is on the record favoring the separate treatment of Social Security. If we adopt an amendment to the Constitution that once again exposed Social Security to further cutting, we would break faith with that earlier commitment. We were right at that time. We should stick by the pledge we made them to protect this most important trust with the American people.

The PRESIDING OFFICER. The time of the Senator has expired.

Senator REID controls 1 remaining minute; Senator SIMON controls 15½ minutes.

Mr. SIMON. Mr. President, just in response to one item mentioned by my friend from Tennessee. He and I agree on Social Security. We differ on the REID amendment. When he talks about 110 percent of debt versus GDP in 1945 after World War II, what that ignores is there was no corporate debt and no consumer debt, for all practical purposes, then. We now have $4.3 trillion in corporate debt and $3.7 trillion in consumer debt, and we have a very different situation.

I yield 1 minute to the senior Senator from Idaho.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CRAIG. Mr. President, let me ask unanimous consent to print in the RECORD a letter from a former Secretary of Defense, Dick Cheney.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 1, 1994.

Hon. LARRY CRAIG,
U.S. Senate,
Washington, DC.

DEAR LARRY: As you know, I have been a long-time supporter of a balanced budget amendment to the Constitution. I think it offers the best prospect of forcing Congress to carry out its Constitutional responsibilities and bring some discipline to the Federal budgeting process.

I know that a number of individuals are concerned that somehow such an amendment will lead to unwise cuts in defense. Obviously, there is no reason why that has to be the case since Congress will still be free to set priorities. And clearly providing for our national security must continue to be an urgent priority.

I would urge all of my friends in the Senate to support the proposed amendment to the Constitution.

Best regards,

DICK CHENEY.

Mr. CRAIG. Former Secretary of Defense Dick Cheney spoke of his support for a constitutional amendment to balance the budget and says:

> I know that a number of individuals are concerned that somehow such an amendment will lead to unwise cuts in defense. Obviously, there is no reason why that has to be the case since Congress will still be free to set priorities. And clearly providing for our national security will continue must continue to be an urgent priority.

I yield back my time.

Mr. SIMON. Mr. President, I yield 8 minutes to the Senator from Colorado [Senator BROWN].

The PRESIDING OFFICER. the Senator is recognized for 8 minutes.

Mr. BROWN. Thank you, Mr. President. I thank the distinguished Senator from Illinois for not only the time but his distinguished leadership on this, as well as the senior Senator from Idaho, who has spent such a great deal of congressional career battling the waste and fighting for a responsible budget amendment.

Mr. President, this is a moderate proposal. This is not a strong balanced budget amendment. It is one that is designed to make it easy to work with and work through. I want to make a forecast for my friends in the Chamber, and then I am willing to stand behind and perhaps answer for later on.

I believe a balanced budget amendment to the Constitution will pass within the next decade. Mr. President, if it is not the one that is before us, it will be much stronger and much tougher than what the body votes on today. Let me be specific.

The measure that is before the Senate today has a long phase-in period, making it easy for Congress to adjust to it, and in reality does not require Congress to cut spending at all to make the targets. It merely requires Congress to slow down the rate of increase in spending. If we do not adopt this, we will adopt one that is much tougher in that regard.

Second, to waive this requirement to move toward the balanced budget only takes 60 percent of the votes. I can tell my colleagues that a good number of us who are sponsors of this would prefer it would be a much higher percentage. At least two-thirds, or perhaps higher. If this measure does not pass, my guess is eventually we will have one that is much tougher.

Third, this only involves a constitutional majority, a simple majority to raise taxes. A good many of us would strongly prefer a measure that requires two-thirds to increase taxes.

So if this measure does not pass, I believe one will pass. It is likely it will be much tougher and much more strict than this. Some Members have come to the floor and said in so many words, there is not a problem. I invite anyone who feels that to take a simple look at a graph of our deficits and our debt over recent periods. This chart goes since 1950, but I think Senators would see an equally dramatic continual rise in prior years.

Those who believe we have this problem licked and solved with our current actions, let me simply mention that on this chart where we see the red rising, as it goes off, by 1997 the debt will not only have continued to rise but will literally have gone off the top edge of this chart by 1997. What we are into is a curve that is rising at a rate near the vertical. It is a train wreck waiting to happen, and every Member of this body must know it. Some may choose to close their eyes, and I suspect future generations will wonder how in the world their Congress could have done that.

Each Member who votes, I think, and speaks on this floor, perhaps will give them the answer of what their own thoughts were as they move forward. But I, for one, believe this is a major problem that faces our economy and our Government. The simple fact is we cannot continue as we have, and in reality everyone knows it.

I want to deal with some of the things that have been suggested. One is a comment by the Washington Post. Today they urge Members of the Senate to vote against the balanced budget amendment, and they conclude their editorial with this line:

> The Senate should kill the amendment [that is the balanced budget amendment] and get on with the difficult task that the amendment only obscures [i.e., cutting the deficit].

The Washington Post is composed of bright people. For them to advocate getting on with cutting the deficit, to this Member, is a bit of surprise. The Washington Post endorses candidates every election. If Members can come to the floor and tell me when the Washington Post endorsed candidates most likely to control spending, I would be interested in hearing it. At least my perception is that the Washington Post has been a champion of those who want to increase spending, not cut it. For them to suggest that the real answer is simply to control the deficit by getting on with the difficult work of controlling spending, strikes me as a bit unusual. I hope it is a new policy on their part and I hope it is one that translates to whom they endorse, because my own feeling is that until people cast their votes based on a willingness to control spending and confront the issue, real progress is not going to be made.

This morning I heard the President of the United States talk about this problem. He said "we are solving the problem now." I want to express a difference of opinion on that subject.

The PRESIDING OFFICER. The time allocated to the Senator has expired.

The Senator from Illinois has 8 minutes and 30 seconds.

Mr. SIMON. I would like to yield further time but Senator ROBB also wants some time. I will yield 1 additional minute to the Senator from Colorado.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BROWN. Mr. President, the fact is the President's own budget forecasts the biggest deficit in the history of our country. It forecast a deficit that is rising in the outyears, not dropping, and a debt as percent of GDP rises, not falls.

There is only one way to get the deficit down or begin to control it, and that is to control spending and to control our appetite. This is a moderate approach. If we do not adopt this, we will adopt one much stronger and under much more difficult circumstances in the years ahead.

I yield the time.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I yield the remainder of my time to the Senator from Virginia, Senator ROBB.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 8 minutes.

Mr. ROBB. Mr. President, many debates in the Senate are called important. Today's debate lives up to that characterization. The action we take later today, in voting on the Reid and Simon proposals, may not turn out to be important. But this may well be the most important debate we will undertake this year.

I rise as an original cosponsor of the underlying Simon resolution which requires a balanced budget. I oppose the Reid substitute with reluctance, and do so with my eyes wide open, acknowledging the shortcomings of both proposals. Whatever the outcome today, I will continue to support serious responsible proposals to achieve the goal of a balanced budget.

I think it is important that we have been having this debate. If nothing else, this resolution has provided the public focus on the need for long-term fiscal responsibility. I, for one, do not think we have had enough of that.

The Reid substitute amendment, is a noble attempt, but I fear that it sounds more effective, than it would prove to be in practice. It will not instill the same fear of God into policymakers that the Simon resolution will and is, in my view, too easy to circumvent. While the Simon amendment may not be perfect, at least it has enough teeth to scare folks into making more responsible decisions.

I support the tougher Simon amendment not because I believe it is a cure-all for our budget woes, because in and of itself, it is not going to bring our budget into balance, but because this amendment establishes a destination. It is still up to the President and the Congress to plan a detailed route to get there.

In truth, I have supported the balanced budget amendment and a line-item veto for over a decade. That support followed an evolution in thinking which may not be uncommon in this body. When I was chairman of Democratic Governors' Association, Dick Thornburgh, then my Republican counterpart, proposed that the National Governors' Association throw its support behind the balanced budget amendment. I resisted it initially, because, like most Americans, I was, and I remain, reluctant to seek solutions in the Constitution for transient problems. I promised, however, that if the Federal Government did not get serious about fiscal responsibility, I would support the amendment the next year.

Unfortunately, there was talk about a balanced Federal budget, but tax cuts were far more appealing politically, so the problem only got worse. In the absence of a Federal commitment to real fiscal responsibility, I endorsed the balanced budget amendment, and the NGA officially changed its policy and came out in support of the amendment.

I have never claimed that the amendment alone would solve the problem. But it compels a solution, by eliminating the most convenient excuse for avoiding tough choices. It requires a chief executive and a legislative body to establish priorities. And it raises the specter of remedies that are so harsh that it may give the President and the Congress the political cover necessary to make the tough choices required.

I can tell you that a balanced budget will not cause our economy to collapse. The former Governors in this body know this well. As Governors, we were required to submit balanced budgets every year, and we did. That provision in our constitutions was not a hindrance, it was an invaluable help. It lent weight to our efforts to curtail less important spending while preserving funding for essential programs such as education initiatives. And while a State's balanced budget requirement differs from the constitutional amendment we are considering today, a balanced budget amendment still takes away the excuses for irresponsible spending.

Mr. President, I have supported a number of proposals to cut and raise revenues that were not very popular, from entitlement caps to $94 billion of additional specific budget cuts. I am willing to continue to do so in the future.

But the vote on the Kerrey-Brown amendment makes that point very clear. Each of us has very different ideas on how to achieve a balanced budget. Forging a consensus on common action, however, is extremely difficult. We only have to look back to last summer's budget bill debate to see just how intractable cutting Federal spending can become.

Mr. President, I submit that Congress by its nature tends to be shortsighted when dealing with our fiscal problems, and that it always finds plenty of excuses why not to cut today and why tomorrow would be better. We are rewarded for spending. As long as we name courthouses and highways for spending money rather than saving money, spending will continue to dominate. Spending programs have strong constituencies. By contrast, those of us who want to say "no" find that our bleachers are nearly empty.

I personally encouraged the President to embark on meaningful deficit reduction when he took office. I applaud him for what he's accomplished. He deserves real credit for taking tough politically unpopular steps to achieve meaningful deficit reduction.

But we need to do even more, and we certainly can't afford to stop now and rest on our laurels. The lowest interest rates in two decades have lulled us into a sense of complacency. Unfortunately, because of these very low rates, the costs of continued fiscal irresponsibility are lost on many policy makers. The Simon amendment makes those costs very clear and very real.

It seems to me that the arguments against the balanced budget amendment amount to conceding that we can't live within our means. I do not accept that. Those with concerns about the possible negative consequences of the amendment simply have to come to grips with the underlying problem: we are spending more than we are taking in, and we are unwilling to make the choices to correct it.

A commitment to principled choices is the only cure for the long run. My concern is that most feel we have bitten the bullet and everything is getting better. The truth is, even under a much tougher disciplinary framework, we are still going to increase the debt by at least three-quarters of a trillion dollars over this next 5-year period. If interest rates go up significantly, we could be in very serious trouble. So I am going to continue to press for fiscal sanity.

Mr. President, we have come to an unhappy pass. Amending the Constitution is harsh medicine. And if the executive and legislative branches were living up to our full responsibility, we would not need it. But everything else has failed or been thwarted. And this discipline reluctantly is required in order to truly serve the people we represent.

It is a cry for help—to stop us before we spend again. We just cannot keep doing this to future generations.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada has 57 seconds. And the Senator from Illinois has—all time has expired.

Mr. REID. Mr. President, this is a balanced budget amendment that Senators REID, FORD, and FEINSTEIN have offered. It treats the Federal Government like the family is treated in America, like the State governments are treated, where they balance their budgets.

It is also very important because it excludes Social Security. As Mr. Ball said about this amendment, the Simon amendment, "I believe large cuts are the most likely outcome, and I think that would be terrible. After more than 55 years of experience, we have developed an approach to retirement income that is working well."

I think it is wrong that those who support the Simon amendment do not cross over and support the Reid amendment, the only one that has the opportunity to pass.

This is not horseshoes. Coming close is not the answer. We need to do what is right for this country. You cannot leave this Chamber tonight and say, "Well, I voted for a balanced budget amendment; it is somebody else's fault." The only fault lies with those who refuse to support the Reid amendment, the only one that has the opportunity of passing these Chambers.

Mr. HOLLINGS. Mr. President, I could offer my colleagues 3.5 trillion reasons for a balanced budget amendment to the Constitution; that is the number of deficit dollars added to the national debt since 1981. But I will rest my case with one simple reason: It ought to be a minimal moral obligation of our national government to match its income with its expenditures on an annual basis, barring an emergency situation, so that additional debt is not passed on to future generations.

The wisdom and necessity of such a policy has been driven home by the deficit-spending binge of the last decade and a half. I recall the words of James Madison in the Federalist No. 51:

> But what is government itself but the greatest of all reflections on human nature? If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place, oblige it to control itself.

The Federal Government's profligacy, over the last decade was indeed a reflection of the profligacy and speculation rampant in the larger American economy. Today, however, the excesses of the private economy have largely been tamed. The unfinished task is to accomplish Madison's imperative: to oblige government to control itself. This is exactly the purpose of the balanced budget amendment to the Constitution.

The wisdom of a balanced budget requirement has been fully vindicated by State governments across this land. All States but Vermont have a balanced budget requirement. As Governor of South Carolina in the early 1960's, my State's balanced budget requirement obliged me to work with the legislature to balance the books each year. Thanks to those balanced budgets, South Carolina became the first Southern State to win a triple-A credit rating on Wall Street. At the same time, that 4-year record of fiscal discipline laid the foundation for a boom in investment and economic growth that has continued to this day.

Mr. President, let me be clear that I support the balanced budget amendment knowing full well it alone will not balance the budget. I object to the cynical selling of this amendment by politicians who have no intention of following through with the nasty, wrist-slashing work of actually balancing the Federal budget. Absent this followthrough, a balanced budget amendment is the moral equivalent of thigh cream.

Recall that Congress has passed a balanced budget amendment once before. It was called Gramm-Rudman-Hollings. Like today's balanced budget amendment, the 1985 Gramm-Rudman-Hollings amendment boldly promised a balanced budget in 5 years' time. It, too, was embraced by big, bipartisan congressional majorities and enjoyed public support. Gramm-Rudman-Hollings cut the deficit to a low-water mark of $150 billion, but was later gutted and gelded by a succession of budget summits. The deficits exploded once again.

A wise man once observed that history repeats itself, the first time as tragedy and the second time as farce. The balanced budget amendment could prove to be the ultimate farce unless we learn from the mistakes of the past.

Mr. President, the deficit this fiscal year, $223 billion, is nearly the same as when we began the Gramm-Rudman-Hollings exercise in 1985. The difference is that, after 8 years of steady economizing, we have already stripmined the easy budget cuts. What is more, Congress last year took the unprecedented step of imposing a hard freeze on discretionary spending for the next 5 years. A balanced budget amendment on top of this will require cuts of nearly $600 billion between 1995 and 1999.

Using the Congressional Budget Office's most recent projections, to balance the budget by 1999 without new taxes we would have to cut all Federal spending—excepting mandatory spending for judges' pay and interest on the debt—by $26 billion in 1995, $73 billion in 1996, $119 billion in 1997, $162 billion in 1998, and $205 billion in 1999. This includes cutting Social Security by $130 billion by 1999, which could require not only the elimination of COLA's but major benefit cuts as well.

Of course, Congress would not dare cut Social Security by $1, much less $130 billion. So exempt Social Security from cuts: now the required across-the-board cuts rise from 10.7 percent to 14.2 percent in 1999.

Inevitably, other programs—including veterans' benefits, military pay, the Women, Infants and Children nutrition program—would also be sheltered from cuts. As the burden of $600 billion in cuts falls on a smaller and smaller share of the total budget, reductions of 20 percent and up will be required in unprotected areas such as law enforcement, education, and environmental protection.

Are we willing to follow through with cuts of this magnitude? I remind my colleagues that 61 Senators and 271 Representatives hitched a ride on the Gramm-Rudman-Hollings bandwagon in 1985. But later, when those same politicians were asked to cast tough votes to actually cut the deficit, they lit out for the tall grass. For example, in 1990 in the Senate Budget Committee, I proposed a strict spending freeze to meet that year's Gramm-Rudman-Hollings deficit-reduction target; the most zealous supporters of Gramm-Rudman-Hollings joined forces to kill the freeze.

Face it, most Members of Congress view a "yea" on the balanced budget amendment as a free vote. They get to preen their deficit-hawk feathers in an election year, comfortable in the belief that doomsday will not arrive until 1999, if ever.

Indeed, conventional Washington wisdom says that Congress can pass the balanced budget amendment, give itself the good government award, and then count on State legislatures to kill it off—after all, State governments supposedly are addicted to billions in Federal aid. This analysis overlooks the obvious: State politicians will see the same short-term advantage in posturing as antideficit tough guys. Leaders in the South Carolina General Assembly tell me the balanced budget amendment would pass by acclamation in Columbia. I predict a similar reception elsewhere, and easy ratification by the required three-quarters of the States.

We must be beware, too, of the many dodges and subterfuges that can be used to subvert the balanced budget amendment. Bear in mind that the theory of the balanced budget amendment is identical to that of Gramm-Rudman-Hollings: If you put a gun to Congress' head, Congress will get discipline. The reality, however, is that when you put a gun to Congress' head, Congress gets creative.

Bear in mind that both Gramm-Rudman-Hollings and the balanced budget amendment are strictly process-oriented mechanisms. Process can always be defeated by more process. The process of Gramm-Rudman-Hollings was defeated by the counterprocess of the budget summits.

Recall that by 1987, it was clear that huge tax increases and budget cuts would be required to meet the ambitious Gramm-Rudman-Hollings deficit-reduction targets. This was seen in Washington not as a budget problem to be solved, but as a political problem to be finessed. So Democratic and Republican leaders huddled in summits—annual bipartisan love-ins with a single purpose: To yank the skeleton out of Gramm-Rudman-Hollings.

At the summits, Dick Darman and friends cooked up an ingenious jambalaya of gimmicks—excuse me, process reforms. One year the summiteers saved $2.9 billion by moving a Pentagon payday from October 1 back to September 29 of the previous fiscal year. Another year they lopped $36 billion off the deficit simply by penciling in absurdly optimistic economic assumptions. Finally, in 1990, the summiteers killed Gramm-Rudman-Hollings outright, replacing it with a fudgeable framework of floating targets that actually increased the deficit.

History now repeats itself with the balanced budget amendment. Already the cloakroom conspirators are talking about process reforms that will assist in balancing the budget: moving more programs off budget; creating a separate capital budget to finance investments with deficit spending. What is more, the balanced budget amendment expressly allows Social Security trust fund surpluses to be siphoned off to help balance the budget; in 1999 alone, we will be robbing $100 billion from Social Security. Balanced budget, indeed.

So let us debate, pass, and ratify the balanced budget amendment. But let us avoid the gamesmanship and duplicity that betrayed Gramm-Rudman-Hollings. If you are not for massive cuts in Federal spending, or for making up the difference with new taxes, then hold the hypocrisy; vote "no" on this amendment.

CBO Director Robert Reischauer on January 27 told the Senate Budget Committee that it is inconceivable the budget could be balanced without new taxes as a significant component. Warned Reischauer: "If Congress adopts an amendment requiring a balanced budget beginning in 1999, it should not ignore the need to enact a package of tax increases and spending cuts to provide some hope of achieving that goal in an orderly, gradual way." In other words, we should match our process vote with an actual vote on substance. Exactly.

I have long advocated a national value-added tax as the ideal vehicle to simultaneously pay for health care reform and balance the budget. Alternative plans to stick small businesses with the bill for health care reform are grossly unfair. After all, we do not stick small business with the bill for education or national defense or welfare, so why do so for health care reform? As a universal benefit, health care should be financed by a universal VAT on consumption. Most important, a VAT will raise sufficient sums at relatively low rates, while boosting the competitiveness of U.S. producers.

Balancing the Federal budget—while simultaneously paying in full for universal health care—calls out for an American version of shock therapy. So pick your poison: VAT, higher income tax rates, draconian budget cuts, and/or reduced benefits. And spare us the process reforms and pixie dust that suffocated Gramm-Rudman-Hollings.

By writing a balanced budget amendment into the basic law of the land, we will compel Washington to do its job. No more weaseling. No more excuses. Just make the hard choices and balance the budget. And do not be surprised when a balanced U.S. budget turns out to be the best economic growth program this country has ever seen.

Mr. AKAKA. Mr. President, I have listened closely to the balanced budget debate over the past week. I wish to commend the senior Senators from West Virginia [Mr. BYRD], Illinois [Mr. SIMON], Utah [Mr. HATCH], and Nevada [Mr. REID] for their effort to bring this debate to a vote. They have focused the Nation's attention on the critical need to reduce the Federal deficit by an amendment to the U.S. Constitution.

The question is not whether the dire predictions that have been offered by both sides of the debate would come true if this resolution was or was not adopted. The questions are how are we going to keep Federal spending from outpacing receipts, and will Congress accept the responsibility for Federal spending that already is granted by the Constitution?

I have reservations about the need to amend the U.S. Constitution to dictate fiscal policy. I oppose amending the Constitution to deal with our Nation's economic problems.

Last summer, Congress adopted the President's budget proposal by instituting tough deficit control measures. Through the tireless work of President Clinton and Congress, the largest deficit reduction package in the Nation's history was adopted. Partly in response to these events, the economy in 1993 grew at an annual growth rate of 2.8 percent. The Congressional Budget Office projects that the Federal deficit will fall from $223 billion in the current fiscal year to below $170 billion in 1996.

The recent economic data confirm that the difficult choices adopted last year are paying off and lowering the Federal deficit. The proposed fiscal year 1995 budget builds on the work of last summer by maintaining discretionary spending levels, calling for the enactment of the National Performance Review, offering a new rescission package, and proposing to limit the growth of Medicare and Medicaid through comprehensive health care reform.

If the balanced budget amendment offered by the Senator from Illinois [Mr. SIMON] is enacted, CBO Director Reischauer predicts that $204 billion in deficit reduction would be required to balance the budget by 1999, the initial date of this proposed amendments implementation. Although the Senior Senator from Illinois will amend his measure by pushing back the implementation date to 2001, enactment of this amendment will require large tax increases and spending cuts to meet the requirements of the proposed amendment.

Why should Congress amend the Constitution when the ability to meet specified spending levels already exists? We do not have to alter the Constitution to implement fiscal policy. What we need to do is make the tough choices that are before us today, take charge of our responsibility to implement our President's budget proposals, and demonstrate that Congress is able to act in behalf of the Nation's interests.

I believe adoption of Senate Joint Resolution 41 is likely to damage the economy more than strengthen it. There is no guarantee how long the current period of economic growth will continue. We should not forget that when the economy slows, greater deficit spending would be required. Moreover, Congress must have the flexibility to deal with emergencies. We cannot rely on assurances today that there would be the 60 votes required under the Simon proposal to override a balanced budget amendment during a disaster some time in the future.

The Simon amendment also has the potential of limiting public investments that are critical to long-term growth. Senate Joint Resolution 41 makes no distinction between investments, such as education and training and early intervention programs for children, and other types of government spending. These investments are necessary in ensuring that the United States remains competitive with the global community.

I also wish to make a few remarks about the Reid amendment. Although it too would amend the Constitution, I view the Senator from Nevada's proposal to be more reasonable in its approach to mandating fiscal policy. The Reid amendment minimizes the potentially devastating impact of Senate Joint Resolution 41. It is a reasonable alternative to the original amendment because it acknowledges that the Federal Government has capitalized assets and allows for capitalization of annual costs.

Moreover, the amendment preserves Social Security as a separate trust fund and does not jeopardize our senior citizens. This is an important difference, which should not be pushed aside in the rush to balance the budget. The working men and women of America have contributed to their retirement and should not worry that, in the future, the Government of the United States may be forced to balance a budget on their backs.

Although I will not vote in favor of either proposal that would require a constitutional amendment to balance the budget, I am pleased that the Senate is debating the matter in the light of day. A budget is only a plan of spending, the responsibility for which, rests with the Congress and the President. Congress is already addressing the need to balance the budget and reduce the Federal deficit. A balanced budget amendment is not an appropriate precept to include in our Nation's Constitution.

Mr. President, Congress already has the ability to bring down the deficit with the eventual goal of balancing the Federal budget. Congress should not be handcuffed in its ability to respond to the fluctuations of national and global economies. Rather, Congress must continue to rein in unnecessary spending in order to guarantee our children's future prosperity.

Mr. GORTON. Mr. President, I support the Reid balanced budget amendment. I believe that Senator REID's balanced budget amendment, like the Senate Joint Resolution 41 sponsored by Senators SIMON and CRAIG, will put this country on the right budgetary road. I believe that without a balanced budget amendment, Congress will never come to grips with deficit spending. That is why I support both of these efforts to bring Federal spending in line with Federal receipts. At this time, I want to review why I support Senator REID's effort to amend the Constitution.

I support Senator REID's amendment because I know that legislative efforts to balance the budget will never succeed. I have been a part of such efforts. These were honest efforts, by honest men and women. Each time, when the choices got tough, however, the President and most Members of Congress blinked. The budget deficits grew. Our children and grandchildren went deeper and deeper in debt.

I also support Senator REID's amendment because the Clinton administration has no, repeat no, plans ever to bring the budget into balance. Laura Tyson, Chair of the President's Council of Economic Advisers, told me that the administration has done all that it intends to do to bring the budget into balance. Even under the best case scenario, the Clinton administration's budgets for the rest of the decade will bring hundreds of billions of dollars per year in new deficits.

I support Senator REID's amendment because it is better than doing nothing. And I support his amendment because it is clear that the Clinton administration has no plans ever to lead this country toward a balanced budget. I am happy to support Senator REID in his efforts.

Mr. KOHL. Mr. President, this is a red letter day for me and for the Congress. We have two votes on constitutional amendments requiring a balanced budget today. And I will have the honor of voting for both of them.

That this debate is even occurring is progress. When I first came to the Senate, I offered an amendment to recommit the budget resolution because it included numbers that were dishonest and out of balance. I lost. This Congress, we have enacted spending caps to enforce a hard freeze on discretionary spending, we have received from the President a fiscally conservative budget, and we may today pass a balanced budget amendment. That is progress.

But it not enough. It is now time to move beyond talking about balancing the budget, and just start doing it. Currently, our national debt exceeds $4.3 trillion, that is $17,495 for every man, woman, and child in the United States. We ought not to kid ourselves, though, that the burden of the debt will be so evenly distributed. It is the children of this country who will pay for our borrowing now. If Government does not change its fiscal policies, future generations will have to pay 87 percent of their income just to clean up the debts we leave them. In other words, our children will owe 87 percent of their income to the Government to pay for services we received. We generously have left them 13 percent of their own income for Government services from which they might benefit.

The balanced budget amendment represents an idea understood by every family that ever had to balance a checkbook—pay now for what you need now; save for what you need later. Unfortunately, our Government has forgotten this basic maxim—we have spent what we don't have; and we have saved nothing for future generations. It is time to write the basic American values of thrift and fiscal responsibility into this Nation's most basic statement of values—the Constitution.

I support both Senator REID's and Senator SIMON's approach to balancing the budget. Senator REID's amendment recognizes explicitly some principles not explicitly stated in—but certainly not excluded by—Senator SIMON's approach.

First, Senator REID explicitly exempts the Social Security trust fund from the strictures of his amendment. I was an original sponsor of the successful proposal to take Social Security off budget, and I have introduced legislation that segregates the trust funds from other budget accounts. The Reid amendment is in line with what I have always strongly believed: The Social Security trust fund is not Government money—it is working Americans' money held in trust until their retirement. It is a savings plan that is available to all who are willing to work. As long as Social Security remains this sort of contributory savings program, it ought to be treated differently than the other spending and tax programs of our Government.

That said, I believe strongly that the biggest threat to the Social Security system is our mounting Federal debt. As long as Social Security runs a surplus, and as long as that surplus is invested in U.S. Treasury bonds, the retirement savings of our working families will be invested in Government debt. And the way to insure that debt is paid off, paid off in full, and paid off with a decent return, is to make sure that the U.S. economy is strong. That, of course, means that the Government must stop consuming such a large percentage of this country's valuable resources.

Both the Simon and the Reid amendments will protect Social Security by reducing the deficit, eventually balancing the budget, and strengthening the U.S. economy. Senator REID makes that protection more explicit by specifically exempting the Social Security trust fund from the balanced budget amendment.

Another difference cited between Senator REID's amendment and Senator SIMON's amendment is, in my mind, not nearly the issue it has been made on the floor. Senator REID's amendment requires that the operating budget of the Government be balanced, but allows debt-financed capital spending. This is a budgeting approach I have long favored, and it is one that closely parallels the approach taken by many State governments. It is also an approach that is consistent with the Simon amendment.

Those of us who have supported Senator SIMON's balanced budget amendment never thought that balance would be achieved by uniform or across the board spending cuts. There is no mechanism in the amendment that requires or even suggests this sort of draconian and senseless budget cutting. Instead, I have always believed that a constitutional balanced budget amendment would force Congress to make difficult and reasoned choices about spending. Of course, we should continue to invest in the capital improvements that make this Nation strong. Senator SIMON's amendment would allow that. It would encourage it, in fact, by requiring Congress to look more closely at its spending decisions and choosing only those that have a real return for this country.

Mr. President, I hope we finish today's work by passing on to the House a constitutional amendment requiring a balanced budget. Fiscal responsibility is an American value worth enshrining in our basic document of government—and a congressional responsibility worth writing into our highest law.

Mr. MATHEWS. Mr. President, fiscal discipline is without doubt one of the most critical concerns on the Nation's agenda. A balanced budget amendment to the Constitution is the single most serious step—perhaps even a dire step—that Congress can take to achieve that discipline. I believe that step is necessary.

Senator SIMON has done the Nation a service by making us face our failings. I cosponsored the amendment by Senator SIMON, and I salute the courage and wisdom he has shown.

But as the debate has proceeded, another amendment—the Reid amendment—appears to chart a clearer path.

The Reid amendment provides effective fiscal restraint without placing the Nation in a straitjacket.

I have spent 40 years in public service as a State treasurer and as chief executive financial officer. I have operated under a balanced budget provision in the Tennessee constitution. I know what it takes to balance a budget. I know why it works, and I know how it works.

I am convinced that the Reid amendment creates in the Federal budget process the fundamental conditions that make a balanced amendment work for the States.

Matching expenditures with income is the first essential of balancing a budget. The principle of pay as you go has to be inviolate for a balanced budget to work.

Cash on the barrel head is the way to pay as you go with an operating budget. It is not prudent to pay in part or pay later for something that won't be around later. We've gotten ourselves in a great deal of trouble because we've violated that principle.

Like the Simon amendment, the Reid amendment requires the Federal Government to balance operating expenses with current revenues.

But pay as you go doesn't mean the same thing for an operating budget and a capital budget. With a capital budget, pay as you go means matching the duration of expenditures with the duration of assets. You set aside part of today's income to amortize assets over their serviceable life. If you pay for long-term assets today, you totally miss the point of matching expenditures with income.

Congress has a legitimate responsibility to finance expenditures that build the Nation's resources. Capital assets created by those expenditures remain in service beyond a single budget cycle, and they should be paid for over the period that they're in service. A separate capital budget is the appropriate way to finance capital assets, and that's what the Reid amendment gives us.

I have more than a little experience dealing with State and municipal debt—not as much experience, thank heaven, as other State treasurers have had—but I have had the experience of borrowing money.

Mr. President, many times during this debate, I've heard the same question: What right to we have obligating future generations to pay for our spending? My answer is that we have every right, provided that the benefits extend to future generations.

Again, the distinction lies between current operating expenditures and capital investment expenditures. The Reid amendment imposes a three-fifths vote requirement for deficit spending in the operating budget. It would take 60 percent of this Chamber to spend tomorrow's money on today bills.

That is serious and necessary discipline. Some might say it is hamstringing discipline—too tough. I reply that it ought to be tough to do the wrong thing.

But it would not—and rightfully would not—hamstring our ability to raise money for capital assets that span generations. The Reid amendment is the proper framework through which we can separate obligations we incur for ourselves and for future generations. And while doing that, the Reid amendment enforces the required discipline on current operating expenditures

By the same token, the Reid amendment retains the flexibility to use fiscal policy as a tool of countercyclical economic policy. It enables us to react to national emergencies and national threats. These, too, are legitimate duties of Government and legitimate reasons for temporarily setting aside the stern requirements of budgetary restraint.

Many of us in this Chamber and millions of Americans have seen expansionary fiscal policy save us from economic calamity. With our budget the way it is, we virtually have forfeited any chance to recover from recession using fiscal policy.

A balanced budget will restore fiscal policy as an economic tool. But after we've wrung decades of excess from the budget, we must assure we still have the option of expanding spending in an economic emergency. The Reid amendment preserves this option.

War and emergencies are exceptional and uncommon. They touch the lives of all Americans only rarely. The same cannot be said for the programs that operate under Social Security.

Senator REID has already offered us impressive statistics illustrating the importance of Social Security not only to retirees but also to families and children. We need no statistics to tell us something we all know: the American people want our hands off of Social Security. They do not trust Congress to preserve this vital program in ways that serve them. Whatever we reassure them to the contrary, they believe we will gut Social Security to balance the budget if we have to.

And I must say that at some future date—as spending swells—as pressures mount from years of abuse, as the relation between taxes and spending grows ever more strained, their fears could be proved right.

The comingling of Social Security funds and general revenues increases the likelihood of this happening. What's more, the comingling of Social Security funds into the general fund disguises the real size of the problem we're facing. It is time to do what needs doing, make Social Security the separate, secure, and self-sustaining entity it was intended to be.

Social Security is not the reason we're in this budgetary problem, so let's separate it from the budgetary problem by separating it from the budget.

This is a good idea on its own merits irrespective of the balanced budget debate. Pension programs routinely are segregated into separate accounts in State and corporate finance. Many times, it's not accurate to draw that parallel with Federal programs, but in this case the comparison is apt. Social Security is a contributory program that is separate and distinct from general government programs. It should be so on our ledgers as well.

Mr. President, throughout this debate our colleagues have referred repeatedly to the budgetary standards and practices that State governments have adopted. They have called upon the Federal Government to implement similar standards and practices because they see what those methods have achieved. I would say, in all respect to my colleagues, that my four decades of service as a State financial officer have given me extra insights into our debate.

All of my years and all of my experience convince me that Senator REID's amendment creates the kind of discipline that has worked for State governments. It takes the crucial step of dividing operating budgets from capital budgets. It enables us to make the distinction between approval for responsible and irresponsible debt. It allows flexibility to meet fiscal emergencies, and it takes the wise step of safeguarding the Social Security trust fund.

Mr. President, this has been an emotional issue and an issue that invites political posturing.

I believe we should set aside the emotion and take an approach dictated by rationality. And if we do what's rational, I believe we'll not merely support a balanced budget amendment but actually pass one.

On the basis of every principle that's made State constitutional fiscal restraint amendments work, Senator REID's amendment is the one we should pass.

Ms. MOSELEY-BRAUN. Mr. President, the fact that Illinois ranks 48th among the 50 States in the rate of return on the tax dollars Illinoisans send to Washington may, in an ironic way, explain why Senators from the State of Illinois are able to see the forest for the trees, and thus support a balanced budget amendment to our Constitution.

The trees are the horror stories of economic and fiscal catastrophe that opponents so earnestly argue. Social programs, they say, will be cut so dramatically as to cause public suffering and chaos.

Social Security, the most sacred of entitlements, is threatened by the balanced budget amendment, they say. It is, of course, not lost on anyone that the Social Security constituency is the most powerful in the Nation. This list of horribles which is pointed to by opponents then goes on to span the gamut from defense cuts to child welfare programs. By making a lot of good caring people nervous about what can happen to them—to go back to the forest and trees analogy again—the opposition has taken log-rolling to new heights.

On a more scholarly note, opponents also cite the dangers inherent in not being able to deficit spend in times of economic contraction. The Government's ability to pump money it doesn't have to stimulate the economy saves us, they argue, from the severity of economic downturns, and allows fiscal policy to serve when monetary policy can not.

None of this is lost on the proponents and supporters of the balanced budget amendment. The forest, we maintain, is in crisis precisely because of the incapacity of the Congress and successive Presidents to make the choices needed to put our Nation on a sound financial footing. Between 1978 and 1992, the annual deficit grew more than sixfold, from $54 billion to $340 billion. Over the same period, our overall national debt grew nearly as fast, increasing more than fivefold from less than $800 billion to over $4 trillion. And we are today spending well over $230 billion, or over $600 million each day, just to make the interest payments on that growing national debt.

In this same time period, most families had to resort to two, instead of one, worker in the household, largely because the buying power of their earnings declined. And it is worth keeping in mind that, even with two-worker households, many American families did not keep up with inflation; their standard of living declined even as they worked harder.

Persistent Federal deficits, and the infiltration they helped inspire, hit the poorest Americans even harder. Their real income dropped by roughly 40 percent, in spite of the fact that nondefense Federal spending more than tripled over the 1978–1992 era—rising from $354 billion in 1978 to $1.082 trillion in 1992.

This is directly attributable to our fiscal imprudence. Each and every member of each American family now owes over $18,000 to pay for decisions long forgotten.

The real insult of this habitual resort to debt is in what it is doing to our children. We are essentially living off a credit card, with the bills being saved to present to our children and grandchildren. The "Analytical Perspectives" volume of this year's "Budget of the United States Government" makes the point clearly. In a frightening table, it concludes that, even with health care reform, generations of Americans born after 1992 will have to pay an incredible 73.9 percent of their lifetime income in taxes. Is that really the legacy we want to leave our children?

Mr. President, I first ran for public office on a platform of providing more help to Americans that so need Federal help. I want to see us do more in areas like education, housing, health care, and economic development. I want to deal with the root causes of homelessness and the root causes of crime. My entire political career has been about helping people and communities; no one is more concerned about these problems than I am.

I did not run for the Senate because I thought that Federal deficits and the national debt make helping people and communities impossible. And I do not believe that acting on a balanced budget constitutional amendment makes action on a strong social agenda impossible now. Instead, what the deficits and the debt present us with is a challenge—a challenge to rigorously set our budget priorities, a challenge to spend smarter and more efficiently, and a challenge to set our budget priorities, a challenge to spend smarter and more efficiently, and a challenge to concentrate Federal resources where they are really needed. The Government will have to reinvent itself in regards to domestic programs—and that reinvention is critically needed with or without a balanced budget amendment. In fact, any reasonable look at the conditions we currently confront compels the conclusion that we need to revisit our approach to these domestic problems in any event.

The Constitution shouldn't be lightly tinkered with. True. But the requirement of a balanced budget amendment is an item specifically called for by the Framers of the Constitution, including Thomas Jefferson. Indeed, it was advocated by the Father of our Country, George Washington himself. However, to that generation, it was thought to be so basic a tenant of prudent policy that it was unnecessary to make it a part of the Constitution.

Moreover, the balanced budget amendment is not a rigid, mechanical requirement that would preclude Government from acting in the national interest. For example, it has a safety valve, in case of war or a situation that threatens the national security of the country, the Congress would be free to spend and borrow as necessary. In all other cases, however, a three-fifths vote would be required to spend more than we have.

The last time the budget was balanced was in 1969, 25 years ago. We have been through recessions since then, and periods of strong economic growth. Only one thing has been constant—the Federal red ink.

Mr. President, I believe that the Federal Government has a responsibility to help Americans who want to work, but who, because of temporary economic conditions or other reasons, find themselves out of work. But the Federal Government needs to act in a way that doesn't hurt working and poor Americans—and that is where the Federal fiscal policy has failed. It has hurt working Americans; it has hurt poor Americans. Only the wealthiest Americans have been able to benefit from continuous Federal deficits.

Keynesian economics says that Federal deficits can help stimulate the economy in recessions. But Keynesian economics also calls for balancing Federal budgets over the business cycle. The evidence of the last 25 years suggests that the Federal Government is currently unable to balance its budget in either good times or bad. The balanced budget constitutional amendment is designed to change that.

No specific cuts are dictated by the amendment, and it will still be possible to run deficits in a recession if that is what the President and Congress think makes sense. Rather, the most fundamental thing the amendment does is to change the political calculus required in making Federal fiscal policy decisions. It builds in greater political accountability. The President and Congress will have to explain to the American public why a deficit is needed in a particular year. The current situation, where everyone involved, including past Presidents and the Congress, acts as if the Federal budget is uncontrollable and takes no responsibility for deficits, is what will be ended.

Making the President and Congress more accountable for deficits is perhaps the most important reason the balanced budget amendment is needed. To see why, all anyone has to do is look at Government from the viewpoint of ordinary Americans. Congress is held in the lowest public esteem at any time in my lifetime. Federal deficits are headed down, but the public does not even believe the numbers. Past failures and past short-term budget trickery have created a kind of public cynicism that actually undermines the ability of the Government to work—and which actually prevents the Federal Government from helping people.

This cynicism is corrosive. The benefits of ending the corrosion are incalculable. With public support, there is a lot we can do to make the future brighter and to open up opportunities for every American. The cost of not acting, however, is equally incalculable. Continued pervasive cynicism and distrust of Government jeopardizes the ability of Government to act in the public interest, and indeed, undermines the very foundation of our political system.

Mr. President, we must act; we cannot afford not to act. I decided to run for the Senate when my 15-year-old son said: "Mom, your generation has left this world worse off than you found it." I am determined to prove him wrong. Unless we act, ours will be the first generation of Americans to bequeath a lower standard of living to our heirs and successors. Unless we act, our political legacy to the generations that will follow is will be one of distrust and cynicism. They, and we, deserve better.

WHAT A BALANCED BUDGET AMENDMENT WOULD MEAN TO AMERICA'S VETERANS

Mr. ROCKEFELLER. Mr. President, I want to take a few moments to talk about the uniquely negative impact a balanced budget amendment to the Constitution would have upon the brave men and women who have defended this country. Veterans of the U.S. Armed Forces make up a select group within American society, and our Nation could never have enjoyed the strength and security it is blessed with today without the tremendous contributions they have made. As chairman of the Committee on Veterans' Affairs, I cannot ask America's veterans to forsake the benefits and services they earned through military service because of the Federal deficit.

Mr. President, I support the idea that each American must do his or her part to help solve our economic problems. Everyone's belt must be tightened. This year's budget submitted by the President does just that. We have an obligation, however, to ensure that veterans of this country don't bear an undue burden from our effort to get the Government's fiscal house in order. Many of America's veterans depend on VA's programs and services, much like America once depended on them. To reward the loyalty and service veterans have given with a hollow promise is unacceptable.

What would this balanced budget amendment to the Constitution mean for the men and women who have given so much of themselves to their country already? It would mean, Mr. President, that they would be forced to give of themselves again.

It is impossible to predict with complete accuracy how this amendment, if adopted, would impact America's veterans. However, Secretary of Veterans Affairs Jesse Brown has estimated in recent testimony that this amendment would result in an 11.4-percent cut in veterans' services, totaling $4.3 billion—$2.3 billion in entitlements and $2 billion in discretionary programs. These figures assume that Federal revenues would not increase through taxation, and that cuts resulting from this amendment would be spread equally across the board, Governmentwide. While some supporters of the amendment claim that they do not intend to make further cuts in veterans' services, the fact is that there is nothing in the amendment before the Senate that would shield veterans' programs from the indiscriminate budget policy inherent in this amendment. If defense spending or Social Security benefits were exempted, as has been proposed, the impact to veterans would increase substantially above these 11.4-percent figures.

Mr. President, $4.3 billion is a lot of money, and I want to explain, in real terms, how cuts of this magnitude would affect veterans everywhere. The proposed amendment would take effect in fiscal year 1999, but for purposes of illustration, I will use fiscal year 1995 figures since they will undoubtedly be more accurate. There is no way to be sure how much higher these figures would be in fiscal year 1999.

This amendment would cripple the VA health care system, and could result in the closure of approximately 20 VA medical centers. This would lead to denying nearly 325,000 of America's veterans VA health care, and employment at VA medical centers would be reduced by 24,500 full-time employees. Additionally, VA would be forced to eliminate over 3 million outpatient visits and over 142,000 inpatient stays annually. The activation of newly constructed medical facilities would be eliminated or postponed, and VA's ability to compete under health care reform would be close to impossible. And all this at a time when the VA health system is only serving about 10 percent of our veterans.

Mr. President, the average annual compensation paid to the 2.2 million veterans with service-connected disabilities would be reduced by $634, from the current amount of $5,602 to $4,968. In the case of a totally disabled veteran requiring aid and attendance in order to avoid admission to a hospital or nursing home, the veteran's annual compensation would decline by $2,495, from the current amount of $24,444 to $21,949.

Veterans with service-connected disabilities who seek vocational rehabilitation would have to wait 4 to 5 months for an initial interview, and no followup on the veteran's progress would ever ensue; surviving spouses of veterans would be forced to wait 6 months for the proceeds from their spouse's insurance policies—long after funeral homes would begin demanding payment for services; and VA home loan foreclosures would increase substantially due to the forced discontinuance of loan processing within VA.

For the 342,000 veterans receiving educational assistance under the GI bill, the average benefit would be cut by $287, from the current amount of $2,427 to $2,140. These benefits were earned through a combination of dedicated service and a $1,200 payroll deduction from each veteran's pocket. Such a reduction would prove detrimental to many veterans' prospects for a higher education, particularly in an era when tuition costs continue to rise.

Mr. President, it is even more symbolic that the cuts resulting from a balanced budget amendment would deny VA burial to more than 12,000 veterans annually. Cemeteries would have to be closed—35 of VA's 58 cemeteries which still offer full services to first interments would be closed to meet the required reductions in full-time employees. This amendment would also reduce VA's ability to mark the graves of our Nation's veterans by 35,000 headstones.

Mr. President, this amendment would impose cuts upon many more programs and services for veterans than I can mention here today, and I stress to my colleagues that the other cuts would be equally unjust and harmful. It might seem tempting to think that we can control the Federal deficit by using a simple formula written into the Constitution, but we cannot. It requires skilled leadership and the use of tools already available to the Federal Government. With this year's budget legislation, the President and Congress have begun to exercise that leadership. This is no time to pretend there is some easier way.

Mr. President, certain benefits and services were promised to the men and women who helped to defend our country. By passing this amendment, we are not only sending all Americans a message that we are unable to exercise leadership, but also that Government is unwilling to honor its obligations to those individuals who have brought honor to their Nation.

Mr. DOLE. Mr. President, poll after poll has shown that the majority of Americans support a balanced budget amendment to the Constitution. That makes the Senators who want to vote for more spending and against the balanced budget amendment nervous. So instead of resolving to make the tough choices, they have put forward a balanced-budget-lite-amendment to give themselves political cover.

Two weeks ago, one budget expert predicted and I quote—"There are going to be some Members who are going to have to have an alternative proposal that they can vote for in order to give them cover to come out against the Simon proposal." He added, "If you just allow people to say 'are you for or against a balanced budget,' you'll lose it." That's not BOB DOLE talking—That's President Clinton's Budget Director Leon Panetta.

Let's face it, this amendment is political fig leaf, and a pretty skimpy one, at that. Let no one be fooled into believing that this so-called balanced budget amendment will come anywhere close to balancing the budget. For starters, this amendment only requires that the operating budget be balanced. That means all spending for Federal Investments would be outside the reach of this constitutional amendment.

Now what exactly would be counted as an off-budget Federal investment? Scientific research and development? The construction of Government office buildings? The purchase of military hardware? Human capital investments, such as job training and education? Or even social investments in national health care and drug abuse treatment?

If the big spenders have their way, the definition of Federal investment could be as broad enough to include almost everything the Federal Government does. That won't leave much Federal spending subject to the discipline of a balanced budget amendment.

Another big loophole in the Reid alternative is the recession waiver. This provision would suspend the balanced budget requirement if the Director of the Congressional Budget Office declares a recession.

How long do you think it would take for the big spenders in Congress to pressure CBO to predict convenient annual recessions? That is an additional burden the Congressional Budget Office does not need or want. If Congress decides the economic situation warrants deficit spending, then let us come up with 60 votes to waive the amendment. That is what the Simon-Craig amendment requires and I don't think it is unreasonable.

The ultimate failing of the Reid amendment is that it does not require a supermajority vote to raise the debt limit. Senator SIMON included this requirement as a protection against misestimates. With the Reid amendment, there is nothing to keep congressional budget estimators honest. As long as a balanced budget is predicted, no cuts are required, even if we later learn the predictions were nothing but smoke and mirrors.

No doubt about it, the Reid balanced budget amendment substitute has so many loopholes, you could drive a $300 billion deficit through it. So, if you support real budget discipline, as most Americans do, save your "yes" vote for the only real balanced budget amendment to the Constitution—the Simon-Craig amendment.

Mr. COATS. Mr. President, I rise today in opposition to the Reid substitute amendment. The Simon-Hatch-Craig balanced budget amendment is the product of hundreds of hours of debate; thousands of hours of testimony; years of consensus building in Congress and in the States. The Reid constitutional amendment has not had the benefit of any similar careful review.

Over the last several days, Members have come to the floor and expressed their grave concerns about amending the Constitution with the Simon amendment. I admit that amending the Constitution is serious business—the most serious act of which the Congress is capable. But I wonder if any of those Senators who have been reluctant to amend the Constitution will now find it acceptable to vote for the Reid constitutional amendment.

And, let there be no mistake. A vote for Reid is a vote for the status quo or worse. The Reid amendment calls for the balancing of the operating expenses of the Federal Government but exempts so-called capital investments. By keeping capital investments out of the mix, the amendment creates a huge loophole that will likely cause deficits to rise. It would allow the Federal Government to fund programs to its heart's content by classifying them as capital investments and thus moving them off-budget.

Moreover, the Reid substitute does not even define capital investment, and there is no commonly held Federal budget concept of this term. President Clinton's fiscal year 1995 budget, for example, contains five broad categories of spending totaling $234 billion that may or may not be defined as a capital expenditure.

With today's votes, we hold our credibility in our hands. We can prove our commitment to deficit reduction to a nation that doubts it, or we can maintain the status quo and continue to mortgage our Nation's fiscal future.

The Simon amendment is an opportunity—a chance to leave our children a legacy other than monumental debt. It is also a chance to restore some needed trust in this institution. The trust of our citizens, just like their tax dollars, has been spent and wasted as though it would never end. But that supply, too, has run out.

If Congress kept its commitments, no constitutional amendment would be required. Yes, it is a shame that an amendment is necessary. But it is necessary because Congress has lost its shame.

The PRESIDING OFFICER. All time has expired on the amendment.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:30 p.m.

Thereupon, at 1 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. KOHL).

BALANCED BUDGET AMENDMENT

The Senate continued with the consideration of the joint resolution.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield 7½ minutes to myself.

Mr. President, we are in the final throes of this debate.

The PRESIDING OFFICER. The Senator from Illinois controls the time.

Mr. SIMON. Mr. President, I yield 7½ minutes to the Senator from Utah.

Mr. HATCH. Mr. President, we are in the final arguments with regard to an amendment which was just brought forth 5 days ago, with not 1 day of hearings, not one constitutional authority testifying in favor of or against it—I doubt if anyone would testify in favor of it—not one debate in the Judiciary Committee of either House of Congress; just suddenly brought forward, just out of nowhere, and I have to say poorly written at that.

Mr. President, we have a national debt of $4.5 trillion and it is slowly killing our businesses and individuals by soaking up capital that could be used to create jobs and wealth for all Americans.

The debt is over $18,000 for each man, woman, and child in this country, and the problem is getting worse exponentially. In 1975, our per capita debt was $2,500 per person; now it is $18,000 per person. Our debt has increased more than sevenfold in the last 19 years. In fact, it increased $1,300 last year.

I wish an amendment to the Constitution were not necessary, but it is. Statutory measures have been tried ad infinitum, but for one reason or another they have not worked. We simply have not gotten control over our deficit problem under either statutory measures, past or present, or any other form except this one. Even under the rosiest estimates of OMB, under the Clinton deficit reduction plan, the debt will grow from $4.5 trillion to over $6.3 trillion in 1999. OMB, the Office of Management and Budget, estimates that interest on the public debt will grow from $293 billion this year to $373 billion by 1999.

That is a rosy scenario; what if it is worse and what if interest rates go up? And we all know they are headed that way. And CBO estimates that our yearly deficits will rise to $365 billion in 10 years. So much for the "Clinton deficit reduction."

I repeat: We do not have the deficit under control. This uncontrollable debt burden will be the legacy that this generation leaves our children and grandchildren, and Elaine and I have 14 grandchildren and 6 children.

Mr. President, the American people think this is wrong. They want Congress to get its spending addiction under control, and they know that anything short of a constitutional amendment has failed. That is why the American people, practically 70 percent of them, overwhelmingly want a balanced budget constitutional amendment. I might add that only 18 percent in this country do not want that. A poll released yesterday shows that.

The Senate is about to vote on one of two proposed balanced budget amendments: The Reid alternative, a hastily contrived political fig leaf to cover those who want to oppose the real consensus amendment, and the Simon-Hatch amendment.

This morning, I gave 10 reasons why the Reid amendment is an unacceptable alternative to the Simon-Hatch balanced budget amendment. I would like to briefly summarize the five most important reasons why the Reid alternative should be rejected and the Simon-Hatch amendment be accepted.

No. 1, the Reid amendment conflicts with the underlying philosophy of the Constitution, basically, in three ways. First, it cedes broad constitutional authority to unelected officials. Second, it denies fundamental norms of due process by denying any and all access to any court to vindicate any private rights unless Congress so allows in future legislation. Third, it is undemocratic.

No. 2, the Reid amendment does not require that the whole budget be balanced, and it contains a number of loopholes through which large deficits could be run. Battleships or carriers could go through those loopholes. It is the Reid alternative, however, that has mammoth loopholes, with exceptions for everything outside of the undefined "operating budget" of the United States including what it refers to as "capital investments," a term that is not defined by the amendment and its meaning is not agreed upon at the Federal level. Who knows how broadly that could be construed. Loopholes, loopholes, loopholes.

No. 3, the Reid amendment allows deficit spending in so many instances that under it, we would never get the debt under control. As a matter of fact, it has been estimated that if the Reid amendment had been in effect over the last 45 years, the Reid amendment would have resulted in a suspension of the balanced budget amendment for 22 of those 45 years. Just think about it.

No. 4, the Reid amendment has no functional enforcement provision. There is no three-fifths rollcall vote necessary to sustain a debt ceiling.

No. 5, the Reid amendment encourages continued congressional irresponsibility in the budget process. Each of the flaws I have discussed, Mr. President, opens the Reid amendment to abuse and creates a vent through which the pressure to make the hard choices can escape, along with any possibility of a balanced budget.

Mr. President, the Reid amendment is a rule swallowed by exceptions. It allows numerous avenues for deficit spending through which Congress can continue its current profligacy. And, finally, it supports continued congressional irresponsibility.

In contrast, the Hatch-Simon amendment requires Congress to take responsibility for all Federal spending and taxing decisions. It forces Congress to set priorities and make spending decisions within the limits of available revenues. It requires the Congress to spend for the things that the American taxpayers are willing to pay for and no more. It stops the further abdication of congressional responsibility encouraged in the Reid amendment, and requires Congress to once again take the constitutional duties seriously and in the way the framers intended.

Mr. President, I see that my time is about up. Literally, if we want to really do something about the budgetary deficits and do something for the future of our children and grandchildren and the country as a whole, then we have to vote down the Reid amendment and vote up the Simon-Hatch amendment, which is being awaited over in the House. If we pass it here, they cannot wait to get their hands on it and pass it over there. If we are really serious, that is what we have to do.

Mr. President, I yield the remainder of my time to the distinguished Senator from Illinois.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Mr. SIMON. Mr. President, as I have said on the floor before, I have great respect for my colleague from Nevada. I worked with him on some things and traveled with him to a variety of places. But the real bottom line is the Reid amendment is too weak for the kind of problem that we face. If we were just the first 2 years into a deficit, the Reid amendment might make some sense. When we have a deficit the dimensions of which we face right now, we need strong medicine. An aspirin is not going to do the trick.

Let us take a look at it. Our amendment says outlays have to be matched by receipts. His amendment says total estimated outlays have to match total estimated receipts. The estimates have to match.

Now, our amendment provides you can make estimates; you have to do that, but outlays and receipts have to match. That is a huge difference.

Second, he provides for, as Senator HATCH just pointed out, an operating budget and a capital budget. Now, a local school district has to do that. Many States have to do that, though frankly States have abused this. But the Federal Government does not need to do this. What project do we have that requires us to issue bonds? The biggest project in the history of humanity, the Interstate Highway System, we paid for on a pay-as-you-go basis. The biggest single project we have is a nuclear carrier. We pay for it over 6 years, $1 billion at the very most out of a $1.5 trillion budget. We do not need to have a capital budget.

Then the question of enforcement. Some people have been complaining about our amendment because they say it is too tough. As Senator BYRD said in the Chamber, it has no wiggle room. We say to raise the debt, you need a three-fifths vote. In his amendment, there is no enforcement. It says, "Congress may by appropriate legislation delegate to an officer of Congress the power to order uniform cuts." May. That is toothless. We are going to try to gum the deficit down. We have to have teeth in the deficit to do anything.

Then it says, "This article shall be suspended for any fiscal year and the first fiscal year thereafter if the Director of the Congressional Budget Office * * *.

First of all, in language, we put the Director of the Congressional Budget Office into the Constitution. We do not have the Secretary of State nor Secretary of Defense nor any Cabinet Officer in the Constitution of the United States. We put in the Director of the Congressional Budget Office. It is like some of the State constitutions; California and Louisiana do that. We should not do that in a Federal Constitution.

But if the Director of the Congressional Budget Office estimates that real economic growth has been or will be less than 1 percent for two consecutive quarters during the period of those 2 fiscal years. That means, Mr. President, as has been pointed out by Senator HATCH—we went back and looked at it over a 44-year period—from 1950 to 1994, we would, in 22 of those 44 years, have permitted deficits. There are just too many loopholes here. Its intent is all right.

But we face a situation that is serious. Unless we do something, we are going to hand future generations a very, very smaller legacy, much smaller legacy, than we inherited.

The Reid amendment is not an answer to any problems. It is a weak response when we need a strong response.

The amendment should be defeated.

Mr. President, I reserve the remainder of my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I send to the desk and ask unanimous consent to have printed in the RECORD a document entitled "Questions Regarding The Reid Balanced Budget Amendment" given to me by Senator CRAIG.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS REGARDING THE REID BALANCED BUDGET AMENDMENT

Yesterday, the Senator from Idaho, Senator Craig, asked and received unanimous consent to have printed in the Record a long series of questions about my amendment. Here are my responses to his questions:

With regard to section 1 of my amendment, Senator Craig first asked: "Whose estimates would be used for establishing 'estimated receipts'?"

My response is that the estimates used for establishing "estimated receipts" under my amendment would be provided by the same sources that would provide them in furtherance of section 6 of the Simon amendment, which states, and I quote:

"The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts."

As the Senator from Idaho knows, Congress traditionally relies on the nonpartisan Congressional Budget Office to provide estimates of receipts and outlays. Of course under my amendment, just as under the Simon amendment, Congress could designate another office to provide estimates, such as the Office of Management and Budget or the General Accounting Office, as Congress did in the Gramm-Rudman-Hollings law.

Next, the Senator from Idaho asked three questions about the process by which Congress would determine estimates of revenues: "Would Congress have to approve the receipts estimate?" "Does the gentleman believe that his amendment will require an annual concurrent budget resolution? Would this be the mechanism for arriving at the Constitutionally required estimates?" "If the Reid amendment does require that Congress continue to pass annual concurrent budget resolutions, can you explain why you chose to place this relatively new statutory requirement into the Constitution? If not, what alternative mechanism(s) do you envision?"

In response to all of these questions, let me say that the manner in which Congress determines receipts is a matter that the Congress can determine through implementing legislation. A Constitution, as the great Chief Justice John Marshall said, should mark only the "great outlines" of the law; it should not become mired in detail. To quote Chief Justice Marshall, in the landmark case of McCulloch versus Maryland:

"A Constitution, to contain an accurate detail of all the subdivisions of which its great powers will admit, and of all the means by which they may be carried into execution, would partake of the prolicity of a legal code, and could scarcely be embraced by the human mind. It would probably never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of objects themselves. * * * [W]e must never forget that it is a constitution we are expounding."

Thus, whether and in what manner Congress approves estimates of receipts is up to Congress as it implements the amendment. It is not absolutely necessary that Congress annually approve estimates of receipts. For example, Congress might well create points of order, which Congress could waive only by a concurrent resolution adopted by three-fifths votes, that could be raised against any legislation that causes estimated outlays to exceed estimated receipts. This self-enforcing mechanism would require no annual blessing of any particular estimate, and could operate much as points of order under the Congressional Budget Act of 1974, only these points of order would be harder to waive.

Fifth, the Senator from Idaho asked, "Is there anything comparable to the debt limit provision of S.J. Res. 41 that would prevent the use of rosy scenario estimates to comply with the amendment in form only?"

My response is that, yes, the Reid amendment will have all the teeth that the Simon amendment has. Both amendments rely on future Congresses to abide by their oaths to uphold the Constitution.

The Simon amendment relies on future congresses to define the new term "[t]he limit on the debt of the United States held by the public." That term is nowhere defined in law now. The debt limit defined in title 31, section 3101 of the United States Code is an entirely different concept. What would prevent the use of creative accounting to define the new limit? What would prevent the Congress from defining certain types of borrowing out of this new limit?

The answer is that the sworn duty of Senators and Congressmen to uphold the Constitution is what would prevent that. The answer is the same for my amendment.

Sixth, the Senator from Idaho asked, "Would the President have any role in a decision to approve deficit spending? Would this role include approving estimates?"

On this point, let me respond, there is a significant difference between the Simon amendment and my amendment. Under the Simon amendment, in sections 1 and 2, the exception is available only if three-fifths of each House of Congress provides, and I quote, "by law." That means that the President would have a role under the Simon amendment, and could veto the legislation by which Congress sought to provide for an emergency. In that event, where the President disagreed with Congress about whether there was an emergency or not, the Congress would have to vote for the exception by a two-thirds vote of both Houses. In other words, under the Simon amendment, 34 Senators or one-third plus one of the house could prevent emergency legislation. And, if Senators will remember back to the last administration, it has not been that long since we had a President who opposed taking actions to lift the Nation out of an economic emergency.

In contrast, under the Reid amendment, three-fifths means three-fifths. Section 1 of my amendment says that three-fifths of each House of Congress may provide for an exception, and I quote, "by concurrent resolution." That means that if three-fifths of each House does vote to provide for an exception, then an exception exists. The President can not force upon the Congress a requirement for a two-thirds vote to provide for an exception.

Seventh, the Senator from Idaho asked: "Would the estimates be required before the beginning of the fiscal year?"

My response to this question is the same as my response to the second through fourth questions above: The manner in which Congress determines receipts is a matter that the Congress can determine through implementing legislation. A constitution, as the great Chief Justice John Marshall said, should mark only the "great outlines" of the law; it should not become mired in detail. As Chief Justice Marshall said, "[W]e must never forget that it is a constitution we are expounding."

Eighth, the Senator from Idaho asked: "As economic and fiscal circumstances change during a fiscal year, would section 1 require revisions of the estimates? Would Congress be required to pass a new concurrent resolution to revise the estimates?"

My answer is "no." The amendment uses the term "estimated," just as the Simon amendment uses the term "estimates," in recognition of the fact that budgets are formulated in advance of the period for which they budget. Otherwise they would not be budgets, but merely accountings of what has transpired. Consequently, both my amendment and the Simon amendment recognize that Congress must use estimates to formulate its budgets before the actual data on a fiscal year have come in.

To require Congress constantly to revise these estimates would wreak havoc on the budgeting process, particularly as the fiscal year came to a close. For example, if in August, a little over a month before the end of the fiscal year on September 30, actual data indicated that outlays were exceeding revenues, a requirement to use actual data would force the Government to make irrational, short-sighted cuts in those few accounts that had any money left in them to cut. These accounts could well be personnel accounts and monthly transfer payments. Suspending these payments for one month might actually cost the Government money over the period of several months. The cost of defending the Government against lawsuits from aggrieved beneficiaries alone would be significant.

The amendments made by the 1990 Budget Enforcement Act have demonstrated how much more rationally the budget process works when the rules of the game are locked in early and stay the same throughout the year. The Budget Enforcement Act did as much for the sequestration process under Gramm-Rudman-Hollings, the opportunities to play games with the system have been substantially reduced as a consequence.

Ninth, the Senator from Idaho asked, "What would happen if Congress did not establish or did not provide for the establishment of the Constitutionally required estimates?"

My response is that Congress will abide by the Constitution. As the principal Republican sponsor of the amendment, Senator Hatch, said last Thursday:

"I do not think Members of this body would fail to take that amendment, would fail to take that amendment, once it passes the Senate, and once it passes the House, from that minute on, I do not think there is a person in this body who would not be interested in living up to his oath of office, which requires fealty to the Constitution of the United States, who would not take it seriously and who would not realize that the game is up around here, and that we have only 7 years on a glide path to reach a balanced budget.

"I have to tell you, I cannot imagine a Member of this body, if this resolution passes both Houses of Congress, who would not take their responsibilities very, very seriously to start that day and do what is right.

"This is important. We take our oath seriously around here. There is nothing in the Constitution right now that requires a balanced budget.

"* * * [I]f we are obligated to meet the terms of this constitutional amendment, that alone is enforcement, and the ballot box is going to be even more enforcement.

"There will not be any more voice votes around here hiding who is breaking the budget. We are all going to have to face the music. So do not say that we should turn over the enforcement to the courts of this country. It would destroy the judiciary if they had to do that. We, the Congress, have to do what is right.

"There is no question in my mind that the way to enforce this constitutional amendment is by fealty to the Constitution and by having to stand for election and face the voter who might vote against you if you do not live up to your fealty to the Constitution."

With regard to section 2 of my amendment, the Senator from Idaho asked: "Would the amendment provide an incoming President with the option of submitting a budget later than the first Monday in February, as President Clinton did last year?"

In response, let me first quote section 2 of the amendment, which provides:

"Not later than the first Monday in February in each calendar year, the President shall transmit to the Congress a proposed budget for the United States Government * * *."

Congress could set an earlier date in the case of Presidential transition years, so that the outgoing President would bear the burden of producing the budget, which the incoming President could then revise. That has been the practice in all other transition years since World War II. Indeed, a close reading of the legislative history of section 1105 of title 31 of the United States Code would indicate that President Bush should have submitted a budget before he left office in 1993. See page 1171 of House of Representatives Conference Report Number 101-964.

With regard to section 3, the Senator from Idaho's first two questions asked: "Can the gentleman explain why his amendment provides Congress with less discretion in choosing whether or not to relax budget discipline during slow growth than it has under the Budget Enforcement Act? (The [Budget Enforcement Act] provides that Congress may vote to suspend the discipline of the [Budget Enforcement Act] if CBO projects negative growth for two consecutive quarters or if the Commerce Department finds that actual growth was less than 1 percent for two quarters.)" "Why did the gentleman choose a lower threshold in determining a recession in order to waive the amendment (projected growth of less than one percent) than the threshold for a vote on suspending the [Budget Enforcement Act] (projected negative growth)?"

My response is that the information that the Senator provides parenthetically after his first question contradicts the premise of his question. As the Senator correctly implies, my amendment is patterned after the existing test in the Gramm-Rudman-Hollings law. My amendment would provide approximately the same flexibility as now exists under that law. Under both the statue and my amendment, Congress can choose to provide outlays in excess of revenues if past real growth has been estimated to have fallen below one percent.

Third, the Senator from Idaho asked: "Is it the Senator's intent that his amendment will supersede the provisions of the Budget Enforcement Act of 1990 and prohibit a [Budget Enforcement Act] vote of Congress to suspend the budget discipline of the [Budget Enforcement Act] during times of slow growth?"

My answer is no. The provisions of my amendment do not supersede the Budget Enforcement Act in all particulars. Where they are not inconsistent, both the amendment and the statute will remain in force. Congress may, if it so chooses, continue to provide requirements more rigorous than those in the amendment. After ratification of the amendment, Congress may not by statute provide requirements less rigorous than those in the amendment.

Fourth, the Senator from Idaho asked: "Can the Senator explain how the provision for suspending the amendment would operate during periods in which there is no Director of the Congressional Budget Office?"

My response is that, under existing statute, such a time cannot exist for very long. Section 201(a)(1) of the Congressional Budget Act of 1974 provides that the Deputy Director of the Congressional Budget Office "during the absence or incapacity of the Director or during a vacancy in that office, shall act as Director."

Fifth, the Senator from Idaho asked: "Can the Senator explain why the amendment would be waived for two fiscal years after a determination that economic growth has been less than 1 percent, even though the economy might be in an expansionary phase during the second fiscal year after the determination?"

My answer is that my amendment follows and simplifies the procedures in section 258(c)(2) of Gramm-Rudman-Hollings, 2 U.S.C. section 907a(c)(2). Under that section, Gramm-Rudman-Hollings is suspended for up to 2 fiscal years and under no circumstances less than 1 complete fiscal year.

As a practical matter, the facts supposed by the Senator in his question are unlikely to take place. As a practical matter, the Congressional Budget Office rarely projects recession; they simply do not predict turning points in the economy. As a matter of practice, the Congressional Budget Office has reported recessionary periods only after the downturn has begun. Thus, as a practical matter, the Director would in all likelihood make the estimate of less than one percent growth during the first of the 2 years provided in the amendment. The amendment would thus be suspended in practice for only one full fiscal year, most likely a year for which much of the congressional budget process had already taken place.

Sixth, the Senator from Idaho asked: "Can the Senator explain why he granted the Director of CBO, an unelected, minor official, the authority to determine whether or not the provisions of a Constitutional amendment should be waived?"

My answer is that the amendment delegates this authority to the Director of the Congressional Budget Office so that a respected, nonpartisan officer could make this important determination independently.

The Senate Republican Leadership has been quite effusive of late in praising the Director of the Congressional Budget Office for his objectivity and independence. With regard to one recent report, the Republican Leader said:

"I congratulate the CBO Director, Mr. Reischauer, because I think they did put together a very objective and comprehensive analysis under very difficult circumstances."

That same day, February 8th of this year, the Ranking Republican Member of the Senate Budget Committee added his praise:

"I rise today, I say to the Senate and my fellow Senators, to congratulate a very, very, courageous employee of the U.S. Government, the Director of the Congressional Budget Office, Dr. Reischauer. Frankly, he has been under enormous pressure on the issue. * * *"

With regard to section 4, the Senator from Idaho's first two questions asked: "Why did the Senator choose not to define the term 'capital investment' in his amendment? What is the Senator's understanding of what would be considered a 'capital investment' under his amendment? Would it include spending for scientific research and development? The construction of government office buildings? The purchase of military hardware? Would it include spending for grants to state and local governments for capital expenditures? What about grants such as Economic Development Administration grants that may be used for both capital and non-capital items? Does the Senator believe, as the Chairman of the House Government Operations Committee does, that capital expenditures should recognize human capital: such as job training, education and head start?"

My answer is, as I have noted before, a Constitution, as the great Chief Justice John Marshall said, should mark only the "great outlines" of the law; it should not become mired in detail. As Chief Justice Marshall said, in the landmark case of McCulloch versus Maryland:

"A Constitution, to contain an accurate detail of all the subdivisions of which its great powers will admit, and of all the means by which they may be carried into execution, would partake of the prolixity of a legal code, and could scarcely be embraced by the human mind. It would probably never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of objects themselves. * * * [W]e must never forget that it is a constitution we are expounding."

Thus, in what manner Congress defines "capital" is a matter for implementing legislation. I shall not here today attempt to create legislative history that would once and forever lock in a definition of "capital."

I shall note, however, that this is a matter on which there is ample precedent on which to draw. States have had decades of experience defining what is a capital investment and what is an operating expense.

For more than 40 years, the President's budget has presented information on capital investments. This year, that information appears in section 8 of the "Analytical Perspectives" volume of the President's budget.

Furthermore, in November of last year, the General Accounting Office released a study of the issue entitled "Budget Issues: Incorporating an Investment Component in the Federal Budget." Similarly, the Congressional Budget Office has recently issued another study on investments in the Federal budget.

The author of the amendment specifically and purposely (sp) excluded from the substitute, language dealing with human capital.

Third, the Senator from Idaho asked: "Would there be any restraint on the type of items that were included in the capital budget or the magnitude of borrowing to finance capital expenditures comparable to the restraint placed on states through bond ratings?"

My answer is that the Federal Government does labor under a restraint entirely analogous to that placed on states through bond ratings. After all, the consequence of poor bond ratings is that the state government in question must pay higher interest rates for the money it borrows. When that state goes into the market for money, it must pay a higher price for that money in interest costs to compensate lenders, that is, the purchasers of state bond issues, for the higher risk.

Similarly, if the Federal Government tries to borrow too much money, interest rates will go up. In other words, in the marketplace for money—the bond market—the Federal Government would bid up the price of money—interest rates. Consequently, in borrowing money, the Federal Government labors under the same restraint that state governments do—the incentive to reduce interest costs.

Fourth, the Senator from Idaho asked: "What impact would the Section of the Reid amendment have on the treatment of capital expenditures which currently are subject to the discretionary caps in the [Budget Enforcement Act]? Does the amendment implicitly or explicitly exempt programs from the [Budget Enforcement Act] caps? If not, would we have two sets of accounting in which capital investments are off-budget for purpose of the Constitution, but subject to caps and sequesters under statutes?"

My answer is that my amendment would not necessarily have any effect on the caps under the Budget Enforcement Act. In this area as in others, Congress is free by statute to require greater rigor than that required by the Constitution. Congress simply may not by statute lessen the rigor provided by the Constitution. Consequently, I would expect that the rules in the Budget Enforcement Act would continue in force, as they regulate cash accounting, rather than capital accounting.

Whether the Budget Enforcement Act endures over time, of course, is a matter for future Congresses to decide. If Congress came to the conclusion that the Budget Enforcement Act provided unneeded complexity in combination with my amendment, then Congress could amend the law. I would not be at all surprised, for example, to see greater integration of capital budgeting into the Budget Enforcement Act if my amendment is adopted and ratified.

Fifth, the Senator from Idaho asked: "Is there any restriction on what could be defined as 'outlays of the Federal Old Age and Survivors Trust Fund'? Could Congress fund Medicare, veterans benefits, civil service and military retirement or other spending from outlays of the OASDI Trust Fund?"

My response is that the constraint on the Social Security Trust Fund under my amendment is the same as that under current law: The "fire wall" points of order in subtitle C of the Budget Enforcement Act will continue to prohibit actions that worsen the balances of the Social Security Trust Fund. As Senators know, these points of order require 60 votes to waive, and have provided very effective protection of the Social Security Trust Fund.

Sixth, the Senator from Idaho asked: "Does the Senator's amendment make any provision for the years in which the Social Security trust fund will face cash shortfalls?"

My answer is that the best protection for the Social Security Trust Fund in preparation for the next century is to prohibit the use of the Social Security Trust Fund balances to balance the non-Social Security budget, as is allowed in the Simon amendment. In other words, the best way to ensure the solvency of the Social Security system is for the Government to bring the rest of the budget into balance. That is what my amendment requires. That is why 98 of 100 Senators voted in 1990 in favor of the Hollings amendment that took Social Security off budget as a matter of statute. Senators overwhelmingly believed that taking Social Security off budget was the best protection for Social Security. They were right then, and they should do the same today.

Seventh, the Senator from Idaho asked: "Is there anything in the Senator's amendment that would prevent Congress from cutting Social Security benefits?"

My answer is that taking Social Security out of the calculations that must be balanced under the amendment is the best way to reduce the incentives in the system for Congress to cut Social Security benefits. Under the Simon amendment, cutting Social Security benefits will help you get to balance. That is not so under my amendment, and consequently, Congress will be much less likely to cut the benefits that Social Security recipients have worked so hard for so long. That is why major Social Security groups have endorsed my amendment. And that is one of the reasons that every major group representing the interests of Social Security beneficiaries opposes the Simon amendment.

Eighth, the Senator from Idaho asked: "If the definitions of OASDI receipts and outlays would be restricted by the amendment, would Congress be prohibited from establishing new OASDI benefits and/or changing the trust fund's funding mechanisms?"

My answer is that my amendment does not freeze Social Security now and forever in its current condition. Congress will be able to establish new benefits or change the trust fund's funding mechanism so long as it abides by the fire walls in subtitle C of the Budget Enforcement Act. As I have noted before those fire walls erect 60-vote barriers against actions that would worsen the Social Security Trust Fund balances.

With regard to section 5 of the amendment, the Senator from Idaho first asked: "Can the Senator explain why he chose to include in his amendment language overturning the Supreme Court case of Bowsher vs. Synar regarding the fundamental Constitutional doctrine of separation of powers by allowing Congress to vest the executive authority to order uniform cuts in an officer of Congress?"

My answer is that my amendment seeks to overturn Bowsher versus Synar to restore the compromise between the legislative and the executive branches that Congress struck in the original Gramm-Rudman-Hollings legislation in 1985. As the Senator from Idaho will recall, in that law, Congress vested the independent, nonpartisan General Accounting Office with the authority to arbitrate between the Congressional Budget Office and the Office of Management and Budget in the determination of whether the law required across-the-board cuts.

In Bowsher versus Synar, the Supreme Court held the Gramm-Rudman-Hollings law unconstitutional because it delegated this power to the Comptroller General, who heads the General Accounting Office. The Court that decided Bowsher versus Synar concluded that the Comptroller General was a Congressional officer because Congress could remove him, even though the President appoints that officer. The Court then argued that such a congressional officer could not take the executive branch actions of ordering across-the-board cuts.

My amendment merely restores the situation before Bowsher versus Synar, allowing a Congressional officer to order the cuts, so that Congress could once again vest in the Comptroller General the authority that it gave that officer under Gramm-Rudman-Hollings.

Second, the Senator from Idaho asked: "Does the Senator believe that it is appropriate for Congress to overturn a Supreme Court decision through a Constitutional amendment without the benefits of hearings?"

I reject the premise of the Senator's question. Congress has held numerous hearings on the decision in Bowsher versus Synar. For example, in 1986, the Senate Committee on Governmental Affairs held a hearing on possible responses to Bowsher versus Synar. The 295 pages of testimony from that hearing are printed in Senate hearing number 99–1078. Among the witnesses who testified before the Committee were Professor Cass Sunstein of the University of Chicago School of Law and Ernest Gellhorn, the former Dean of Case Western Reserve Law School, as well as Senators Domenici, Gramm, and Hollings.

Third, the Senator from Idaho asked: "Is it the Senator's understanding that this section prohibits absolutely any judicial enforcement of the amendment unless Congress passes legislation explicitly granting a role to the courts?"

My answer is yes. The courts cannot enter this thicket any more than they can intrude into the decision of whether the Senate shall impeach a judge. These decisions are and should be within the sole discretion of Congress.

Fourth, the Senator from Idaho asked: "What is the meaning of the phrase 'appropriate legislation enacted by Congress' If Congress passed no implementing legislation, does the black letter of the amendment preclude any enforcement?"

My first response is to repeat my answer to the Senator's ninth question above: Congress shall abide by the amendment and enact enforcing legislation. As the principal Republican sponsor of the amendment, Senator Hatch, said last Thursday:

"I do not think Members of this body would fail to take that amendment, once it passes the Senate, and once it passes the House, from that minute on, I do not think there is a person in this body who would not be interested in living up to his oath of office, which requires fealty to the Constitution of the United States, who would not take it seriously and would not realize that the game is up around here, and that we have only 7 years on a glide path to reach a balanced budget.

"I have to tell you, I can not imagine a Member of this body, if this resolution passes both Houses of Congress, who would not take their responsibilities very, very seriously to start that day and do what is right.

"* * * [I]f we are obligated to meet the terms of this constitutional amendment, that alone is enforcement, and the ballot box is going to be even more enforcement.

"There is no question in my mind that the way to enforce this constitutional amendment is by fealty to the Constitution and by having to stand for election and face the voter who might vote against you if you do not live up to your fealty to the Constitution."

But even in the absence of Congressionally-enacted implementing legislation, Congress may and shall enforce the Constitution. For example, the Senate enforces without implementing legislation the Constitutional requirement that two-thirds of the Senate vote affirmatively before a resolution of ratification of a treaty is deemed adopted. The Senate simply does not forward such a document to the President unless two-thirds of the Body has not voted. We do not need the threat of court invalidation of treaties to force us to abide by the rule requiring a two-thirds vote. Similarly, here, Congress will abide by the three-fifths rule of my amendment, whether or not there is implementing legislation.

Fifth, the Senator from Idaho asked: "Would the provision allowing Congress to enact 'appropriate legislation' allow Congress to pass legislation denying any judicial standing under the amendment, contrary to the provisions of Article III of the Constitution?"

My response must begin with the observation that it is patently absurd to assert, as the Senator's question does, that the enforcement provisions of a subsequently-adopted amendment to the Constitution could be "contrary to the provisions of Article III of the Constitution." Plainly, the Framers had no conception of my amendment, or any other balanced budget amendment to the Constitution, when they drafted Article III.

Furthermore, Article III judges do no provide enforcement of all provisions of the Constitution. For example, the courts defer to the Senate on impeachment of judges, as section 3 of article I provides, in relevant part, "The Senate shall have the sole Power to try all Impeachments."

Indeed, the Simon amendment, of which the Senator from Idaho is a cosponsor, will provide:

"The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specially authorized in implementing legislation pursuant to this section."

This language writes the article III courts out of the business of ordering any relief under the Simon amendment.

Responding to the question that the Senator apparently intended to ask, my intent in drafting section 5 is to keep the courts and the executive out of enforcing the amendment, simply and completely.

Sixth, the Senator from Idaho asked: "Does the provision granting Congress the ability to 'delegate to an officer of Congress the power to order uniform cuts,' allow Congress to pass legislation requiring across-the-board cuts in Social Security.

My response is that the language, "The Congress may, by appropriate legislation, delegate to an officer of Congress the power to order uniform cuts" must be understood in the context of the sentence that precedes it: "This article may be enforced only in accordance with appropriate legislation enacted by Congress." Both sentences address what Congress may do through appropriate legislation to enforce the amendment. As the amendment does not restrict Social Security, this language should not be read to empower the Congress to delegate to an officer of Congress the power to order across-the-board cuts in Social Security.

Seventh, the Senator from Idaho asked: "Could Congress choose to exempt any programs from the uniform cuts that could be ordered under the amendment, or does the phrase 'uniform cuts' mandate the inclusion of any or all programs?"

My response is that the term "uniform cuts" should be read within the historical context in which it was written. The "uniform cuts" I envision the Congress delegating are cuts similar to those provided for by the Gramm-Rudman-Hollings law. Consequently, I envision that Congress could provide for exceptions to these uniform cuts, as Congress did, for example, in section 255 of Gramm-Rudman-Hollings, 2 U.S.C. section 905, for veterans' programs, low-income programs, and other specified programs.

Eighth, the Senator from Idaho asked: "Would the 'officer of Congress' have any discretion in determining which programs would be subject to uniform cuts?"

My response is that I envision that the Congress could choose, through implementing legislation, what degree of discretion that it wished to delegate to the officer of Congress. I envision that Congress would probably choose to delegate to the Comptroller General only that amount of discretion that it delegated to the Comptroller General in the 1985 Gramm-Rudman-Hollings law.

Ninth, the Senator from Idaho asked: "What examples of an 'officer of Congress' does the Senator contemplate could order uniform cuts? Could the Secretary of the Senate or the Doorkeeper of the House or the Architect of the Capitol order cuts?"

Mr. response is that I envision that Congress would delegate to the Comptroller General the power to order uniform cuts. I also expect that the Congress would delegate to the Director of the Congressional Budget Office a role in the determination of what uniform cuts should be made. Those are the delegations that Congress made in the 1985 Gramm-Rudman-Hollings law.

I no more envision the Congress delegating such powers to the Secretary of the Senate or the Doorkeeper of the House or the Architect of the Capitol under my amendment than the Senator from Idaho envisions Congress delegating such powers to the Postmaster General or the Director of the National Aeronautics and Space Administration or the head of the Competitiveness Council (should it be reconstructed) or any minor executive branch official, as would be allowed by the Constitution as amended by the Simon amendment.

With regard to section 6, the Senator from Idaho asked: "Why did the gentleman choose to make Section 5 (which overturns Supreme Court decisions on separation of powers and allows an officer of Congress to order uniform cuts) and Section 6 of the amendment effective immediately?

My answer is that immediately upon ratification of the amendment, Congress will have to set about enacting implementing legislation to begin the process of reducing the deficit to zero. This implementing legislation, which would take effect before the requirement for balance of section 1 of the amendment, would play a key role in the fiscal policy of our Nation, as it would govern the process by which the Nation rids itself of our current deficits. For this process, Congress should be able to delegate to the Comptroller General and the Director of the Congressional Budget Office the roles that Congress delegated to them under the 1985 Gramm-Rudman-Hollings law. To this end, I have written section 5 to take effect immediately upon ratification of the amendment. For section 6 effectively to provide for section 5 to take effect immediately upon ratification, section 6 also must take effect upon ratification.

Mr. REID. Mr. President, I ask the Chair to advise the Senator from Nevada when he has 3 minutes remaining.

Mr. President, it is interesting. There has been talk from my friends on the other side of this debate that my amendment is a new amendment. My amendment has the same vintage, the same age as the Simon amendment. After 3,000 pages of hearings and 10 years of working on it, they decided to change it, make substantive changes. This amendment is the same age as my amendment.

Mr. President, the Simon amendment is not going to pass. It seems to me, based upon that, if we really want a balanced budget amendment, we should get those individuals on the other side of the aisle to vote for my amendment.

There will be some Democrats voting for my amendment. But as announced by the senior Senator from Idaho, the Republicans are not voting for my amendment. As a result of that, both are going to fail. That is too bad.

The senior Senator from Utah this morning had 10 reasons why my amendment was bad. He has dropped to five now. But he still refuses to comment on Social Security. The glaring error of the Simon-Hatch amendment is that they would raise Social Security funds to balance the budget.

Loopholes? We would not be talking about loopholes had there been a modicum of reasonableness during the Reagan and Bush years. That is where the deficits have come. And now we are trying to bail out Reagan and Bush, who have driven this country to the brink of bankruptcy. All this would be unnecessary had it not been for them.

My friend from Illinois states that he does not understand the estimates. But estimates are in their amendment, also, Mr. President. I question how they are going to match receipts with outlays.

Mr. President, we have listened to this debate. We have seen the textbook evidence of an age-old tactic. Never let the facts get in the way of a good story. We have heard a lot of good stories from the proponents of the Simon-Hatch amendment. Sadly, though, Mr. President, the facts have been lacking.

Let me address, in what I believe are very basic terms, what my substitute amendment will do.

I have set forth, as I did previously, the differences between the Reid and Simon approaches. The Reid amendment will require the Federal Government to balance its budget like the States do. The State of Nevada and other States throughout this country balance their budgets. We should be required to do the same. But the States are allowed to take the capital expenditures off budget, a reasonable requirement. They take their pension liabilities off budget like we want to do with Social Security. We are not asking the Federal Government to do any more than States do. They balance their budgets. We can balance our budgets.

What if we directed every person in the United States to follow the Simon amendment? Only the very wealthy could buy a home or a car.

My amendment will require three-fifths of the Congress to approve deficit spending. It will require the Federal Government to balance its operating expenses with its revenues. It allows flexibility in time of war. It will take effect the same time Senator Simon's amendment does. But contrary to the Simon amendment, here is what it will not do. It will not force recessions to become depressions by preventing the Federal Government from easing economic stress. In the last century there has been depression after depression. We do not need to have them, and that is why we have the Reid amendment crafted the way it is.

It will not create the quagmire of lawsuits like the Simon amendment, despite the changes sought by its authors, will create because of its broad-brush approach. It will not harm senior citizens or the Social Security trust fund.

I ask unanimous consent to have made part of the RECORD a letter from the AARP stating, among other things, their support for the language in my amendment. They are also opposed, Mr. President, to balanced budget amendments, but they certainly indicate their support for what I have done.

Mr. President, I also ask unanimous consent to have made a part of the RECORD a letter from the National Alliance of Senior Citizens where they state their support for my amendment. They say:

> On behalf of the National Alliance of Senior Citizens, this letter is to express our strong support for the REID balanced budget amendment. Your approach to this important issue recognizes the critical distinction of Social Security.

They go on to say other laudatory things. This one is signed by Peter Luciano.

The one from the AARP is signed by Horace Deets.

I have one from the National Committee to Preserve Social Security and Medicare. Next to the AARP, they are the largest senior citizens organization. They say without qualification they support the Reid-Ford-Feinstein amendment. That is what we are talking about, the difference between Simon and Reid. One protects Social Security; the other destroys Social Security.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL ALLIANCE OF SENIOR CITIZENS,
February 28, 1994.

Senator HARRY REID,
U.S. Senate, Washington, DC.

DEAR SENATOR REID: On behalf of the National Alliance of Senior Citizens, this letter is to express our strong support of the Reid Balanced Budget Amendment. Your approach to this important issue recognizes the critical distinction of Social Security, namely that it is a Trust Fund, built from the contributions of working men and women for their retirement. The surplus in this Trust Fund is an investment that working Americans have made for their future, and for this reason, Social Security must not be treated as simply another budget item in the battle for fiscal responsibility.

Senior citizens have as much at stake as other Americans—perhaps more—in seeing the federal government return to a prudent fiscal policy. The National Alliance of Senior Citizens was founded twenty years ago for that very purpose—to ensure a voice for senior Americans who believe national policy on aging must be based on sound fiscal principles. It is well know that rising taxes and inflationary policies, such as huge budget deficits, do particular harm to those on fixed incomes.

But there is an important diference—in anyone's budget, private or public—between Savings Accounts, Investment Accounts, and Current Consumption Accounts. The Reid Balanced Budget Amendment recognizes these key distinctions, and in doing so, helps protect the future of elderly Americans and the contributions of retirement they have already made.

On behalf of the 117,000 members of the National Alliance of Senior Citizens, we are greatly heartened, Senator, by your informed approach to eliminating federal budget deficits.

Sincerely,

PETER J. LUCIANO,
Chief Executive Officer.

NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE,
February 28, 1994.

Hon.
U.S. Senate, Washington, DC.

DEAR SENATOR : The issue in the Senate vote this week on a Balanced Budget Constitutional Amendment is clear-cut: shall the Social Security Fund be raided for purposes of the federal general revenue fund deficit?

The federal deficit is in the general revenue fund because general revenue fund outlays exceed that fund's receipts. The enclosed pie chart graphically portrays that general fund deficit. Social Security is not part of the deficit problem—it enjoys an annual surplus, is a fund separate from the general revenue fund and is financed separately.

Clearly, an intent of S.J. Res. 41 is to pull Social Security into a consolidated federal budget. In Senate floor debate, Chief author Senator Simon stated flatly he would oppose excluding Social Security from the application of his amendment.

S.J. Res. 41 does not require the general revenue fund budget to be balanced. In fact, it puts off balancing the whole federal budget until after 2015 because Social Security receipts will exceed outlays before that time. In the interim, including Social Security in the budget will provide constitutional authority to allow annual federal deficits equal to the annual amount by which Social Security receipts exceed outlays—$60 billion in 1994 alone.

Financing general revenue fund programs with Social Security Payroll tax revenue instead of by the federal income tax unfairly benefits high income earners at the expense of low income earners, especially those low income earners who do not earn enough even to owe federal income taxes. They have to pay the payroll tax off the top, even though they owe no income tax.

For those earning $60,000 or less in 1994, the effective Social Security payroll tax rate is 6.2 percent. For the $100,000 earner, it is only 3.75 percent; for the $125,000 earner, 3.0 percent; $250,000 earner, 1.5 percent—a grossly unfair way to finance general fund deficits.

Using Social Security as the engine for balancing the federal budget is grossly unfair to both seniors and low and middle income workers.

Older Americans will keep close tack of the votes on the balanced budget constitutional amendment issue and will not look favorably on votes in favor of S.J. Res. 41. We respectfully urge you to vote against S.J. Res. 41.

Any constitutional amendment for a balanced federal budget must exclude Social Security from its application.

Sincerely,

MARTHA A. MCSTEEN,
President.

AARP,
February 28, 1994.

Hon. HARRY REID,
U.S. Senate, Washington, DC.

DEAR SENATOR REID: The American Association of Retired Persons (AARP) strongly opposed S.J. Res. 41, sponsored by Senator Simon, which would amend the Constitution by adding language requiring a balanced federal budget. Older Americans agree that the deficit is a major threat to our nation's future and that deficit reduction must be a high priority for Congress and the President. However, a balanced budget amendment, such as S.J. Res. 41, is not the way to achieve responsible deficit reduction.

Over the years, AARP has supported carefully crafted legislation which spread the burden of deficit reduction equitably. Typically, these measures have not been popular, but they have been necessary in order to reduce the structural deficit and put it on a downward glide.

Amending the Constitution is a flawed and potentially dangerous strategy to reduce the deficit. S.J. Res. 41 is particularly risky for the following reasons.

It threatens Social Security and the income security of older Americans. Social Security which is a self-financed program that is building a reserve is currently "off budget." S.J. Res. 41 puts Social Security back in the budget, thus subjecting current and future benefits to significant risk. In addition, the amendment requires a super-majority to extend the debt limit, thus further endangering the ability of the nation to make good on its debts, including Social Security payments.

It threatens our nation's economic well-being. An immediate $200 billion deficit reduction package (which is what the deficit is currently projected to be the year the amendment would take effect)—without regard to the state of the economy—could put the economy in a dangerous, downward spin. In the short fun, the draconian cuts required by a balanced budget constitutional amendment are likely to lead to a rise in unemployment and an overall slowdown in the economy.

It threatens our nation's long-term well-being by unduly restricting government's ability to invest in the economy and the American people. In the long-run, it limits the government's ability to undertake investments (e.g., in education, infrastructure) that will improve our economic competitiveness. It also restricts the government's ability to run a deficit during a recession, a normal and acceptable occurrence in times of economic downturn. The amendment also restricts the government's ability to respond to disasters, such as the California earthquake, the Midwest flooding or Hurricane Andrew.

While the Association continues to believe that a balanced budget amendment is not an effective way to achieve responsible deficit reduction, your alternative amendment addresses a number of significant flaws in the Simon amendment. In particular, your alternative would:

Protect Social Security, by excluding its outlays and receipts from the amendment, and by preserving a majority vote for extending the debt limit;

Protect the economy in times of recession by not unduly restricting counter-cyclical measures; and

Protect the government's ability to invest in the long-term future of the nation by excluding capital investments.

AARP commends your effort to develop an alternative that protects Social Security, protects the economy, and makes other improvements to S.J. Res. 41, which is a fatally flawed attempt to amend the U.S. Constitution. While your alternative avoids some of the very serious shortcomings of the Simon amendment, we believe a Constitutional amendment to require a balanced budget is not the way to tackle the deficit.

AARP continues to believe that tough choices can and should be made without a Constitutional amendment.

Sincerely,

HORACE B. DEETS.

Mr. REID. Mr. President, this amendment can work. It is pragmatic. It is proactive. It is enforceable but not unworkable, and it is responsible without being reckless.

The authors of the competing amendment claim theirs is a real amendment. But what they fail to say is it has been around for not 10 but 14 years and has stood up to 300 pages of hearings. You would think that such an undertaking would yield an amendment to the Constitution whose words would be carved in stone, a message in effect brought down from the mountain. Yet, Mr. President, the minute the Reid-Ford-

Feinstein substitute was introduced, the proponents of the Simon amendment scurried to make 11th-hour changes. In fact, the changes they propose were taken from the very substitute they now criticize.

If they are so quick to now change this proposal that supposedly needed no improvement, what will they do when they have Government hamstrung, as this amendment will do? When we have ensconced a flawed, restrictive, and unworkable proposal to the Constitution, we have done a great disservice to this country and to humanity. This country and its Constitution stand for strength. The Simon amendment as currently drafted will throttle the country, its economy, its representative government, and especially its elderly.

I know some of my colleagues may have made commitments to the Simon amendment. I say to them, vote for this amendment. If it fails, you can support the Simon amendment. What am I up against? The Senator from Idaho has stated the Republicans are going to vote against this amendment. So what I am left with is 46 votes opposed to the amendment right off the bat. And I am going to pick up some Democrats. But everyone should understand that certain people do not want this amendment to pass. They want no balanced budget amendment passed. If they did, they would join me and we would send to the House a balanced budget amendment which they could deal with in whatever way they felt proper and appropriate.

As I said, Mr. President, we have heard some real good stories in the past few days. I would like to reiterate one that I believe puts meaning to what we have heard.

Hans Christian Andersen, which I read when I was a little boy and had my family read to me, were fairy tales. They were make believe. One of Hans Christian Andersen's story tells the tale of an emperor in a far away land who gathered his people together to see his clothes. His clothes were the greatest. The emperor's new clothes were heralded every place he went. Everyone believed the new clothes were the sensation of the day, a brilliant work by a brilliant emperor.

But, Mr. President, as we know, even as the emperor paraded through the streets and the crowd oohed and awed over his clothes, or I should say what his clothes purported to be. But it seemed, Mr. President, that an honest, simple assessment by a little boy revealed the clothes for what they truly were. "He has nothing on," a young observer noted. Mr. President, the proponents of the Simon amendment have made a great ballyhoo about this new suit that they are wearing. To hear them tell it, it is the finest and best ever assembled—the only set of clothes suitable for this Constitution.

But, Mr. President, when the rhetoric is taken away, we see that this amendment truly has nothing on it. It is naked. The author, William Dean Howells, once said, "Today's achievement is only tomorrow's confusion." In the case of the Simon amendment, that is certainly true. Today's achievement is only tomorrow's confusion, because we will have no achievement.

People who are supporting the Simon amendment, generally speaking, do not want achievement. They want to be able to go home and say but for them we would not have a balanced budget amendment. But everyone within the sound of my voice should understand that they can have a balanced budget amendment. All they have to do is vote for Reid-Ford-Feinstein.

The Reid substitute amendment is a workable solution. It provides needed flexibility under a framework that State governments have used for decades.

The proponents of this amendment like to call it a fig leaf, and they do it while supporting something that, like the Emperor's clothes, is naked. We at least have a fig leaf. They are stark naked. It is naked in its workability, in its constitutional effect, and in its harm to the people.

I urge my colleagues to reject the impossible and the unreasonable and posturing in favor of a balanced budget amendment that can truly achieve the desires of the American public: a realistic balanced budget.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I want to make one fast comment, because I want to give the proponents a final word here. I did not touch on the Social Security question. The Chief Actuary for Social Security for 23 years, chief financial officer, has written in support of my amendment.

My amendment does not change the status of Social Security. Senator DORGAN has suggested to Senator REID this amendment. And I agree that Senator DORGAN is pointing out a very real problem in that we are utilizing the surplus of Social Security, and if Social Security always ran a surplus, the Reid amendment would make sense in terms of Social Security. Unfortunately, Social Security, starting in the year 2024, will be going into the red. So it really does not make sense. I do favor a legislative approach, so that we can deal with this problem. But my amendment protects Social Security in the long run more than the Reid amendment does.

I reserve the remainder of my time.

Mr. REID. Mr. President, I yield to the Senator from California 1 minute 45 seconds.

Mrs. FEINSTEIN. Mr. President, I rise once again to support the Reid amendment. I am somewhat surprised to hear that Social Security is protected in the Simon amendment. I am happy to hear that because of the way I feel about it.

However, it seems to me if one is really going to protect it, the first thing you do is remove it. This amendment does that. It removes it. It provides for added action in the case of recession. It is defined with specific language. It also provides, as Senator FORD has said, I think quite eloquently, for a capital budget, the way most jurisdictions do their capital financing, which is not all based on 100 percent cash, but by bonds.

In my opinion, it is an amendment that is extraordinarily good. I am sorry that the proponents of the Simon amendment have chosen to call this a fig leaf. As I have said, if this fails, I will vote for the Simon amendment. But I am not voting for this amendment for any kind of fig leaf. I am voting for it because I think it is a better, more rational way to accomplish the purpose. The reason for the estimate language being as it is, is because when the President gets the opportunity to make a budget, what you base that budget on are, of course, estimates rather than actual outlays, because the outlays have not come in yet at the time you take the action.

So I think it certainly makes very good sense. I rise simply to say that I think calling this a "fig leaf" not only does a disservice but, quite frankly, it is not correct.

I yield the floor.

Mr. REID. Mr. President, the Senator from Illinois has 1 minute 47 seconds.

Mr. SIMON. I am willing to yield back my time.

Mr. REID. I yield 2 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, I thank my colleague. I want to make two quiet points here, if I may. We have seen the Simon amendment with an agreement that would not allow us to vote on this amendment until they were able to change it, to modify it, to copy the Reid amendment. They found that was wrong. Now they are saying they will take care of Social Security under the legislative approach. We have been saying that for some time. You have to have the implementing legislation after this amendment is passed, if it is passed.

They say we do not estimate and our outlays have to equal receipts. You cannot write next year's budget without an estimate. You do not know what the actual receipts or outlays are going to be. You have to estimate the next year's budget. If they say you do not estimate, then they are absolutely wrong.

I think the Senator from Illinois has made our case. He talked about the $6 billion for a nuclear sub. He said we are going to pay for it at a billion dollars a year. That comes out of the operating account, to pay a billion dollars a year over the next 6 years. He makes the point for the capital construction budget, out of the operating budget that must be balanced.

Mr. President, I hope we will get a few votes. I understand all of this theory that this is not a good amendment. We do not think theirs is a good amendment. We could argue forever, but when they argue against ours and substantiate our amendment, something tells me, and ought to tell our colleagues, that we have a pretty good amendment when the leader of the so-called Simon amendment gets up and says our amendment is the best amendment because we do estimate and we do pay for the capital construction each year now. So we can just improve on it. My time is probably up.

I yield the floor.

Mr. REID. I ask unanimous consent for 30 seconds to express my appreciation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. The debate has ended. I say to the proponents of the Simon amendment that they have all acted as gentlemen, and I think that is the way a debate should be conducted. I very much appreciate the courtesies they have extended me during the past 4 or 5 days.

Mr. SIMON. Mr. President, I just want to say that HARRY REID, our colleague from Nevada, handled himself very well during the course of this. It is a pleasure to work with him.

Mr. REID. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON AMENDMENT NO. 1471

The PRESIDING OFFICER. The question is on the Reid amendment No. 1471. A vote of two-thirds of the Senators voting is required under the order of February 24, 1994.

The question is on agreement to the amendment of the Senator from Nevada. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The yeas and nays resulted—yeas 22, nays 78, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—22

Biden
Boxer
Breaux
Bryan
Chafee
Conrad
Daschle
Dorgan
Feingold
Feinstein
Ford
Gorton
Harkin
Jeffords
Kohl
Mathews
Moseley-Braun
Reid
Roth
Sasser
Specter
Wofford

NAYS—78

Akaka
Baucus
Bennett
Bingaman
Bond
Boren
Bradley
Brown
Bumpers
Burns
Byrd
Campbell
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
Danforth
DeConcini
Dodd
Dole
Domenici
Durenberger
Exon
Faircloth
Glenn
Graham
Gramm
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inouye
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Riegle
Robb
Rockefeller
Sarbanes
Shelby
Simon
Simpson
Smith
Stevens
Thurmond
Wallop
Warner
Wellstone

The PRESIDING OFFICER (Mr. LIEBERMAN). On this vote, the yeas are 22, the nays are 78. Pursuant to the order of February 24, 1994, two-thirds of the Senators voting not having voted in the affirmative, the amendment is rejected.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. SIMON].

S.J. RES. 41, AS MODIFIED

Mr. SIMON. Mr. President, in conformity with the unanimous-consent agreement, I send a modification to my balanced budget amendment to the desk.

The PRESIDING OFFICER. The clerk will read the modification.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, my understanding is that the modification has been sent up in the form of a completely new resolution. Since the modifications relate only to two provisions, I will pose an inquiry to the Chair and ask whether or not the modifications are identical to the modifications as included in the unanimous-consent agreement, which I think will save us time. We are not concerned with the reading of the entire resolution, merely those two provisions, and I will suggest the absence of a quorum just to give the Parliamentarian an opportunity to review those two, to make certain that they are in fact consistent.

I now pose a question to the Chair.

Mr. President, are the proposed modifications identical to the modifications included in the unanimous-consent agreement governing disposition of the resolution?

The PRESIDING OFFICER. The Chair advises the Senate majority leader that the modifications conform to the aforementioned unanimous consent agreement.

Mr. MITCHELL. I thank the Chair, and I thank my colleague.

The joint resolution (S.J. Res. 41), with its modifications, is as follows:

S.J. RES. 41

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:

"ARTICLE—

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts. The power of any court to order relief pursuant to any case or controversy arising under this Article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to this section.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 2001 or with the second fiscal year beginning after its ratification, whichever is later.".

The PRESIDING OFFICER. The Chair advises the Senate that the time is controlled at this point. Who yields time?

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah [Mr. HATCH].

Mr. HATCH. Mr. President, I yield 3 minutes to the distinguished Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida [Mr. MACK] has the floor.

Mr. MACK. Mr. President, today the Senate will decide on the fate of the balanced budget amendment to the Constitution. Those of us who support the amendment know its value would be enormous.

Congress' disgraceful inability to keep expenditures in line with revenues is evidence of politics out of control, and of a government responsive only to special interests and not the national interest. The balanced budget amendment would impose constitutional discipline on a process that continually indulges pressures to spend, spend, spend.

The balanced budget amendment is a vital part of the external discipline needed to shape up Congress. Keeping control of spending has never been a priority for Government, despite its critical importance to taxpayers.

But even for supporters of the balanced budget amendment, what comes next? If the vote fails, does hope for a balanced budget fail, too? What is there to turn to that will work?

And what happens if the vote succeeds? How do we accomplish a balanced budget? How do we get there from here?

History has shown Congress cannot cut spending by itself. In just the past few months, Congress has rejected two major efforts to cut $90-$100 billion from Federal spending. The Penny-Kasich amendment failed in the House last November while the Kerry-Brown amendment met the same fate in the Senate several weeks ago.

Let us face it, the system is broken. A balanced budget amendment identifies the goal we must reach, but we cannot reach that goal without a major shakeup in the way Congress makes fiscal decisions.

A new approach needs to be taken. Regardless of the outcome of the balanced budget amendment vote, a Spending Reduction Commission must be created to get the job done.

We need a mechanism to get us to a balanced budget. The Spending Reduction Commission is such a mechanism.

It takes the best element of the Defense Base Closure Commission—the requirement that Congress vote on the recommendations of the Commission—and applies it to governmentwide spending.

The seven-member Commission would compile a list of spending cuts every year. The amount of the cuts would be designed to achieve a balanced budget by the year 2000. The spending reduction process culminates every year when Congress is confronted with this package and forced to accept or reject it without amendment.

By removing the compilation of the spending cut list from the process of trading votes for parochial programs, by requiring Congress to accept or reject the entire package in a single vote, and by focusing the attention of the American public on this single vote, the Spending Reduction Commission holds great promise for permanently cutting spending.

I urge you to support the balanced budget amendment. In addition, I intend to offer the Spending Reduction Commission as an amendment to the budget resolution later this month and I urge you to support it as a mechanism to achieve a balanced budget regardless of the outcome of the vote on the constitutional amendment.

Why am I so convinced that we need a Spending Reduction Commission? Because I know that spending control and budget balance simply won't happen otherwise.

Let us stop denying it—Congress will not get the job done. It will not prioritize the programs it funds to get rid of low-priority ones. It will not eliminate wasteful spending. It will not sunset programs that no longer work—or never did. It simply cannot manage to cut spending.

This is not to say that efforts to eliminate the deficit have not been made. Congress has raised taxes, tinkered with the budget process, held budget summits, tried to muster up sufficient political will, and even considered eliminating a program or two. But none of this has worked.

Congress' first choice to close the deficit is always to raise taxes. But raising taxes never works. Higher taxes lead to bigger budgets, not lower deficits.

The record of the last 43 years shows that the American economy has been willing to give up about 19.5 cents out of every dollar it produces—period. Congress can try to raise revenues by raising taxes, but higher taxes reduce incentives to work, save, and invest. That means economic activity ebbs and jobs are lost. Ultimately, the government still gets about 19.5 cents out of each dollar, but there are fewer and fewer dollars.

In the short term, tax hikes may cause additional dollars to flow into the Treasury. But these dollars have not gone to lower the deficit. The record clearly shows that for every dollar of taxes raised, Congress spends that dollar and more.

Attempts at budget process reform have not been any more successful in reducing the deficit. Twenty years ago, Congress created a new budget process with the passage of the 1974 Budget and Impoundment Control Act. Its promise was to institute a rational budget mechanism that would help ensure that spending would be kept in line with revenues.

What has been the result of Congress' attempt to discipline itself? Over the 10 years prior to that process reform, the deficit averaged less than 1 percent of GDP. But in the subsequent 10 years, the deficit averaged 3.6 percent. And in the last 10 years, it has averaged over 4 percent.

Every year, Congress passes a budget that promises to control spending and put the deficit on a downward path. One year later, the promise is broken and the deficit is no lower and usually higher.

Every few years, frustrations rise to a level at which a budget summit is called. The House, Senate, and the administration all get together in a show of resolve, and vow to take the necessary steps to deal with the deficit.

These summits have been complete failures. Afterwards, spending and the deficit are invariably higher than they were before the summit.

In 1982, a White House-congressional summit produced a 3-year plan to reduce the deficit by raising $3 in taxes for every $1 cut in spending. The next year, the deficit was double the target. And spending increased by $107 billion over the next 3 years.

In 1984, another 3-year plan was enacted. This one called for $2 in spending cuts for every $1 increase in taxes. By the next year, the deficit had climbed to $212 billion by $185 billion the year before, missing the target by some $31 billion.

Congressional leaders and the White House held yet another summit in 1987 and again agreed to cut spending by $2 for every $1 increase in taxes. Again, the result was that spending grew and so did the deficit.

In 1989, another Rose Garden ceremony was held to announce the latest deficit reduction plan. This time, the ratio of tax increases to spending cuts was one-to-one. But the results were the same: One year later, spending soared and the deficit exploded by $50 billion.

Finally, in 1990, the administration and congressional leaders produced a 5-year plan to cut the deficit by $500 billion. The plan included a then-record $164 billion tax hike. The Congressional Budget Office now estimates that the cumulative deficit over the 5-year period of the agreement will be $1.4 trillion; $875 billion over projections.

In 1985, Congress even went so far as to create a Sword of Damocles over its collective head in order to force spending cuts. This was the year of the famed Gramm-Rudman-Hollings legislation that was designed to automatically sequester funds if deficit reduction targets were not met.

GRH had some initial success. By 1987, spending growth slowed dramatically and the deficit responded accordingly. Yet Congress quickly began to defang GRH. During the 1987 budget summit, deficit targets were raised, exceptions were increased, and sequesters were made much more difficult to occur.

The results were predictable. Spending and the deficit began to rise again, and today GRH is virtually toothless.

Despite this sorry record, there are still those who say we should give Congress one more chance. They say that Congress can control spending and the deficit if it asserts its political will. Nonsense.

Congress needs an outside authority to force its hand. It needs an objective body immune from pork-barrel political pressures.

With the Spending Reduction Commission, Congress can eliminate redundant and outdated programs, as well as those whose missions can be effectively accomplished by the private sector.

With the Spending Reduction Commission, those programs with excessive administrative costs can be reduced or consolidated with other programs.

With the Spending Reduction Commission, programs can be eliminated that provide subsidies that benefit narrow special interest groups at the expense of the national interest.

With the Spending Reduction Commission, programs that have low priority in meeting the needs of the national interest can be reduced or eliminated.

But most importantly, with the Spending Reduction Commission, a balanced budget can be achieved.

Mr. President, the debate really that has swirled over the Senate for the last several weeks has been pretty much an economic one. I would make the case that the economic arguments have won the day. We may not win the vote, but certainly the economic arguments have won the day.

But I would make the point that this issue is much greater than just the economic arguments. Frankly, this is an argument about our individual freedoms. I see that if we do not put some outside restraints, some control outside of the hands of the Members of the Congress, the growth of government will continue year after year after year. And, as our government continues to grow, I see a government which will take away more and more of our individual liberties.

So I say that this is a fundamental debate. This vote will probably be the most significant vote that we will cast in this Congress, and I encourage my colleagues to vote for the amendment.

Since I do have limited time, I think it is appropriate to tell one story which summarizes the basis of this debate. It is about my first vote as a Member of the House of Representatives, my first vote in any legislative body. Previously, I had never even been on a school board or county commission.

The vote was, Should we add a new committee to the Congress of the United States? I must tell you that I came here with the conviction that we already had too many committees, that we were spending too much money, that the staffs were out of control, and that we did not need any more committees. But, because it was my first vote, I decided I would go around and ask my colleagues on the floor what they thought. Maybe I had missed something.

As I wandered around the floor of the House asking my colleagues how they were going to vote, their response was, "We don't need another committee; we're spending too much money; and, the staffs are growing day by day." I thought that I was going to cast my first vote in the House of Representatives with the overwhelming majority.

So I went over and cast that vote, and only 34 of us voted against the committee. Almost 400 voted for the committee.

Two other bits of information: The name of the committee was the Select Committee on Families and Children; and, the next bit of advice I got as a new Member was, "CONNIE, you don't vote against something called families and children and go back home and run for re-election."

Again, we can get ourselves involved in a tremendous debate about economics on this issue. And, we can fill this body up with half the group saying it would be a terrible thing for the country if we pass this amendment and the other half saying, "Oh, no, it is the best thing that would ever happen."

My point is, since Members of Congress vote for things based on what they are called as opposed to what they do, there is an absolute requirement we put in place some outside restraint.

The PRESIDING OFFICER. The time allocated to the Senator from Florida has expired.

Mr. MACK. I thank the Chair for indicating that. I just wish I had more time.

The PRESIDING OFFICER. Who yields time? The Senator from Texas. The Senator from Texas controls 25 minutes in his own right under a previous order.

Mr. GRAMM. Mr. President, I appreciate the opportunity to speak on the balanced budget amendment today. I congratulate my colleagues who have conducted this debate. I understand by having listened to the things being said by Members of this body that we are probably, once again, going to fall short on this vote.

But this is a very important issue, and what I want to do today is talk about my individual history and what I have seen in the 15 years that I have worked on this issue and worked to eliminate deficit spending. I also want to talk about a national mood or sentiment that is fundamentally important to the future of America.

First of all, I think it is important to note that the last time we balanced the Federal budget was in 1969—25 years ago. Richard Nixon was President. Neil Armstrong in that year made history and electrified the world by setting foot upon the Moon. Joe Namath and the Jets won the Super Bowl, Super Bowl III. The amazing Mets won the World Series. The University of Texas Longhorns won the NCAA national football championship.

In a fiscal sense and in other ways, as I have noted, 1969 was a good year for America and for Americans. But since 1969, every single year, under Democratic and Republican Presidents, with all the best intentions in the world, often with great promises, often with great hope about achieving a balanced budget, 25 years in a row we have spent more money than we have taken in.

I first started voting on the balanced budget amendment to the Constitution in 1982. In 1982, the total Federal debt was $1,136,798,000,000. If my colleagues will remember, the Senate that year adopted a balanced budget amendment to the Constitution not much different from the one that is before us today.

I was then in the House of Representatives, and we were trying to get an opportunity to vote on the balanced budget amendment, but the Speaker of the House was opposed to it. In order to have an opportunity to vote on it, we had to get 218 Members of the House to go up to the Speaker's desk, and in front of the Speaker's watchful eye, sign their names to a discharge petition. What happened—not surprisingly, since the discharge petition that we were trying to invoke to get a chance to vote on the balanced budget amendment was secret—is every time we got close to the 218th name, the Speaker and the majority leader twisted somebody's arm and they took their name off the petition.

Finally, one day we got 14 Members of the House together and we all marched into the Chamber at the same time, signed the discharge petition, put it over 218, and we got a chance to vote on it.

The night before we voted, the majority leader of the House and the Democratic leadership of the House sat up all night working up a phony balanced budget amendment, a balanced budget amendment that was put together for one purpose, and that purpose was to give political cover. It was an amendment that basically said the Congress would balance the budget when it got ready, in a way it chose. And we defeated that amendment just exactly as we defeated the amendment we voted on just a moment ago.

But what then happened is that Members of the House who voted for the phony amendment turned around and voted against the real amendment, and it put them in a position of being able to go back home and say, well, now, I voted for a balanced budget amendment to the Constitution.

Interestingly, the one I supported in 1982 was written by Nobel prize-winning economists, by constitutional scholars, basically the same intellectual base that wrote the amendment that we are going to be voting on later this evening.

Now, $983,284,000,000 of debt later, in 1986, the Senate voted on the balanced budget amendment again. And the balanced budget amendment to the Constitution was defeated in the Senate even though the Federal debt had grown to $2.12 trillion. We had simply run off 983 billion dollars' worth of debt, indebted our children and our grandchildren, and absorbed over 50 cents out of every dollar saved in America. In those 4 years, we used up the deficit spending and we voted on the balanced budget amendment again, and it failed again.

Then, in 1992, we voted on it again, only now the debt was not $1.1 trillion. It was not $2.1 trillion. It was $4,001,941,000,000. In fact, since I first got a chance in 1982 to vote on the balanced budget amendment to the Constitution, $1.881 trillion of additional debt had been incurred to that point.

Now it is 1994. In 1992, we rejected the amendment in the Senate because we could not get cloture to get a chance to vote on it. The House rejected it by 8 votes when 12 Members of the House who had cosponsored the amendment, who had sent taxpayer mailings all over their districts telling people they were for the balanced budget amendment to the Constitution, when they had an opportunity to actually vote on it, when it counted, they reversed their position and voted no. And again America was denied an opportunity to constrain Congress and the Federal Government.

Now, today, we are voting on it again, and today the debt is $4.676 trillion.

Now, what I have done here in this chart is basically plot out the size of all those deficits for the past 25 years with the relevant question today in one word, and that word is, "When"? We did not do it in 1982. We did not do it in 1986. We did not do it in 1992. It is 1994. Does anybody here believe that if we reject this balanced budget amendment to the Constitution, if we say now is not the time, does anybody here believe that this debt will not continue to climb, that we will not have exactly the same problem a year from now or 2 years from now? I do not believe anybody could believe that.

I read the letter the President sent. President Clinton has sent a letter opposing the balanced budget amendment to the Constitution, saying in essence that the balanced budget amendment to the Constitution is going to hamstring the Government, threaten our recovery, threaten pizza delivery, threaten everything in America that is good. But does anybody believe, if we do not adopt this amendment today, that anything is going to be done about the deficit? I think not.

We now have a President who talks about deficit reduction. And it is true—and I am thankful—that the deficit next year is projected, if everything happens exactly as predicted to dip to $171 billion, principally because the S&L bailout turned out to be cheaper than we had projected and because the economy has gotten better. But if you look at the numbers, if you look at the Congressional Budget Office projections, by the end of the century, if everything happens exactly as CBO predicts, the deficit is back up to $226 billion a year, and 10 years from now it is estimated at $365 billion.

Let me tell you one of the reasons I am concerned. We all read in the paper yesterday that the administration intends to ask for another budget waiver so that it can increase deficit spending this year by $14 billion to fund the revenues lost from signing and ratifying the GATT Agreement. In fact, let me review with my colleagues the waivers of the budget that we have adopted in the short period of 13 months that President Clinton has been President. This is a person who sends us a letter saying we have the deficit under control. But those are words. Let us look at the deeds.

On the economic stimulus package, the President asked us to waive the budget and let the deficit go up by $16.3 billion. I am very proud to say that the Congress said no.

On unemployment compensation, the President asked for a budget waiver of $5.7 billion, and we waived the budget and the deficit went up by $5.7 billion. On Midwest disaster, supplemental disaster relief for the Midwest on flooding, we could have done what every family in America has to do every year.

We could have done what every business in America has to do every year. When we have a disaster, we could pay for it by cutting spending somewhere else. But the President asked us not to do that; he wanted to simply raise the deficit, and the Congress did: $4.4 billion more of deficit spending.

On the California earthquake supplemental, again we could have paid for it. We should have paid for it. The President asked us not to pay for it. We did not pay for it, and the deficit went up by $9.1 billion.

The point is that every day we are taking action to deal with the deficit, and taking action to raise the deficit, and the bottom line is that without a binding constraint to force us to make tough decisions, we are not going to make them.

We had a debate here a couple of days ago about Thomas Jefferson. I say to Senator SIMON that I wish Thomas Jefferson could have been here to speak for himself. He did speak for himself during his lifetime on this very issue, and I want to summarize what he said. Then, with a very brief reference, I want to move on to another point I want to make.

Jefferson was Minister to France when the Constitution was written. He was kept informed about the progress of the Constitution. But when he finally got an opportunity to see the document, Jefferson said, and I quote:

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its Constitution. I mean an additional article taking from the government the power of borrowing.

Mr. President, in the language of Thomas Jefferson, in an era where we had paper currency during the Revolution, in the midst of a revolution in France that was caused by hyperinflation and the collapse of Europe's currency, Thomas Jefferson was talking about a balanced budget amendment to the Constitution.

I know Senator BYRD pointed out that Jefferson during his Presidency negotiated the Louisiana Purchase. We are all grateful for that. He incurred debt to do it. But the point is, we have run up $4.6 trillion of debt, and we have not bought Louisiana. We have not bought Alaska as we later did. The truth is we have bought relatively little except despair in terms of our economy, something I am going to talk about later.

The reason I brought up Jefferson is that I want to talk about a debate between he and Adams that resembles the one in which we are involved here on the floor of the Senate, whether we realize it or not.

After both Jefferson and Adams had been President, and despite the fact that they had been bitter political enemies during their active political careers, in their retirement they struck up a correspondence and a friendship. And they through their letters conducted what we now know as the "Jefferson-Adams debate."

Trying to state their positions as simply as I can, here is what I believe the positions were. Adams, ever the pessimist, said that the American people would discover that they could use Government to redistribute wealth, and that when they discovered that they could do that, that the Government through its spending and its taxes and its debt would end up penalizing productive members of society and rewarding indolent people, and the net result ultimately would be a social, economic, and political collapse.

Jefferson, ever the optimist, said that people would realize, and they would discover in America, that they could use government to redistribute wealth, but in America opportunity would be so broadly based that people would recognize that a Government that could take something away from someone today to give someone else tomorrow could later take away from them and give to yet another; and that Americans would reject the use of Government to redistribute wealth and all the negative impacts that it would have.

Mr. President, I believe today that we are living out the Jefferson-Adams debate. In truth, I think Jefferson is right. The problem is that people do not have perfect information about votes that are occurring. The way we do business in Congress tilts the debate almost totally toward spending money. I want to try to relate several of my experiences today, because I think they are relevant in explaining why we need this amendment, why we are going to have to have it.

When I first got to the House of Representatives, the first issue that I remember a vote on was raising the debt ceiling. I think Senator SIMON was there when I was there. He may not remember the speech, but I remember it vividly. The then majority leader, Jim Wright, got up, and, said that we cannot vote against extending the debt limit because we have already spent the money. And it would be as if someone's wife were to go out and run up a bunch of bills, and then her husband refused to pay the bills. What gentleman, he asked, would refuse to pay his wife's bills? No one would talk that way today. But this was in 1979.

I got up without having given it much thought, and said, well, the difference is that in a real family they would pay the bills, but they would then sit down around the kitchen table. They would get out their credit cards, they would get out the scissors, they would cut up the credit cards, they would write a budget, and they would start over.

We defeated that debt ceiling that day. Jim Jones and TRENT LOTT and I later offered an amendment to try to tie the debt ceiling to a balanced budget. It failed in the House by a couple of votes.

Then that spring, not having a lot to do as a freshman Member of the House, I tried to follow votes, not final passage votes that were almost 400 to 10 on most occasions, but individual votes about amendments that actually spent money. What I discovered in the summer of 1979 was that as best I could determine, the average amendment on which we voted spent about $70 million. The average beneficiary got about $2,000. There were 100 million taxpayers. So they spent about 70 cents apiece. I figured out that you did not need a Ph.D. in economics to understand that a few people will do more to get $2,000 than a lot of people will do to prevent spending 70 cents apiece.

So as a result, I discovered in watching how Congress works that every time we voted on a spending bill, everybody who wanted something from the Government was looking over my left shoulder sending letters back home to my district telling people whether I cared in their view about the old, the poor, the sick, the tired, the bicycle rider, the list went on and on. But almost never was anybody looking over my right shoulder telling people whether I cared about the future of the country, telling people whether I cared about the people who do the work, pay the taxes, and pull the wagon.

As a result, on almost every occasion those who wanted to increase spending, because they were the people who wanted the money—were involved politically; and the people who were paying the bills basically were busy paying the bills and they were not involved in the legislative process.

Mr. President, could you tell me how much time I have left?

The PRESIDING OFFICER. The Senator from Texas has 5 minutes remaining.

Mr. GRAMM. Mr. President, that is our problem.

Our problem is that the people who want something from Government are involved. They are active politically, and the people who are paying the bill are not involved. And since we vote on expenditures over and over which ultimately add up to huge sums of money, there is no accountability in the system.

I believe that the only way we are going to get accountability is through a balanced budget amendment to the Constitution. I know many of my colleagues have said in this debate that we do not need a balanced budget amendment to the Constitution, that what we need is Congress to do its job. I remind my colleagues that when the Founders wrote the Bill of Rights, the first 10 amendments to the Constitution, they wrote "Congress shall make no law respecting the establishment of religion." You could say, well, Congress ought to do its job. Congress should not make laws with regard to the establishment of religion, why did that prohibition have to be in the Constitution? Well, it was written into the Constitution because the Founding Fathers did not trust Congress not to make laws with regard to the establishment of religion. They did not trust Congress not to make laws limiting freedom of speech. And we have amended the Constitution now over and over again to limit the power of Government.

After all of these deficits, after all of this time, after spending and borrowing all of this money, has not the time come to limit the ability of Congress to run deficits?

The Constitution is a contract between the Government and the people. It is a contract that the Congress cannot break. It is that kind of binding constraint that we need.

Mr. President, unless we adopt a balanced budget amendment to the Constitution, I do not believe we are going to do anything about the deficit. I believe the deficit is going to get worse, and it may well be that we do not adopt a balanced budget amendment to the Constitution today. My guess is, listening to my colleagues, that we are not going to get the job done. But this deficit is going to get worse. We are going to have to address it, and I am confident that before this decade is over, we are going to adopt a balanced budget amendment to the Constitution, and then Congress is going to have to live up to it.

I am deeply concerned that now we are beginning to see evidence for the first time that indicate that people do not believe they are better off than their parents; that by a two-to-one margin, Americans today do not believe that their children are going to be better off than they are. I believe that what we are threatening with this spending orgy is the American dream. In the world I grew up in, and that every Member on this floor grew up in, your parents had done better than their parents, and everybody's parents knew that their children were going to do better than they had. But because we continually mortgage the future of this country, because we continue to drive up the Federal debt, because we continue to borrow 50 cents out of every dollar that Americans save, because that money does not go to build new homes, new farms, new factories, or generate new economic growth, we see the American dream beginning to recede.

In 1959, Social Security taxes and income taxes at the Federal level took 12.6 percent of the income of the average family in America. Today, those same taxes take 24.2 percent, almost twice as much. Why? Because we ran deficits, because we borrowed money, and because then Congress came back and raised taxes. If we want to reinvigorate the American dream, we have to stop the growth of Government and put Government on a budget like everybody else. The only way we are going to do that is with a balanced budget amendment to the Constitution. We can do it today, or we can do it 2 years from now when the debt is hundreds of billions higher. I believe that we need to do it today.

I hope my colleagues will vote for it. But if they do not vote for it, we are going to continue to bring this amendment back until it is the law of the land.

I yield the floor.

Mr. BYRD. Mr. President, I yield 10 minutes to the able and distinguished Senator from Connecticut [Mr. DODD], to speak in opposition to the amendment.

Mr. DODD. Mr. President, first of all, let me thank my colleague from West Virginia, the distinguished President pro tempore of the Senate. Let me just make a note regarding his remarks during these past several days of debate and discussion. I strongly recommend them for textbooks on constitutional law. Every law school in this country would be well advised to read his remarks tracing the history of our Constitution and the delicate balance of powers that exists today. It would be a worthwhile exercise for every law student—every student, for that matter—to read his words carefully.

I am pleased and proud to join him in what I consider to be the most important debate we ever engage in as Members of this body. These are the most important discussions we can ever have as Members of the U.S. Senate. I make this claim not because we are debating a balanced budget amendment, as important as a balanced budget is, but because we are debating a change in the U.S. Constitution—the document that gives life to the Government which we serve and which we are honor-bound to preserve and protect.

The people of my State—and the Presiding Officer knows this, as my colleague from Connecticut—know something about the Constitution. My colleague from West Virginia will no doubt take note of this, as I am sure he has already. On January 24, 1639, the Colony of Connecticut adopted the Fundamental Orders, which many renowned historians will tell you was the first written Constitution ever drafted anywhere on the face of this Earth.

Later, Connecticut delegates to the Constitutional Convention hammered out an agreement between large and small States—which the distinguished Senator from West Virginia has talked about at some length—that led to the creation of the very body in which we serve today and the House of Representatives. This agreement was known as the Connecticut Compromise. It was crafted by Roger Sherman. I sit in Roger Sherman's seat as a Member of the U.S. Senate, in a direct line of Senators from those first days.

The Fundamental Orders earned Connecticut its moniker "the Constitution State" of which we are deeply proud.

Mr. President, the early settlers of Connecticut recognized the importance of building a system of government on the foundation of a fundamental document. As U.S. Senators, we recognize this fact as well. We should be guardians of that Constitution. We are all sworn to defend it, bound to honor it, pledged to uphold its letter and its spirit.

In its wisdom, the U.S. Constitution contains instructions for future generations on how it may be altered. The ability to amend makes our Constitution a vibrant document, one that is able to meet the challenges of an evolving Nation. The right to amend the Constitution gave us the freedom of speech. The right to amend the Constitution allowed us to outlaw slavery and guarantee equal rights for members of all races. The right to amend our Constitution allowed women the right to vote. The right to amend is almost as sacred as the Constitution itself. But it is not a right that the Founders meant us to exercise often. They deliberately put intimidating obstacles in the way of constitutional amendments.

Amendments must be approved by two-thirds majorities in both Houses of Congress, and by three quarters of the States. We are not supposed to amend the Constitution lightly, Mr. President, and we have not. Since the adoption of the Constitution, in 1789, 10,726 constitutional amendments have been proposed; 10,726 times Members of Congress have stood on this floor and in the other Chamber and suggested ways of modifying the Constitution. As we all know, only 27 of those 10,726 efforts have ever made it into the document itself. This is as it should be. As the fundamental charter for our Nation, the Constitution should not be changed on a whim. It should not be altered simply to slacken the popular thirst of the day. It should not become a bulletin board for this year's New Year's resolutions. One hundred and forty-four years ago, Henry Clay stood in the old Senate Chamber, only a few feet from where I speak this afternoon, and told his colleagues:

> The Constitution of the United States was made not merely for the generation that then existed, but for posterity—unlimited, undefined, endless, perpetual posterity.

Senator Clay recognized the true genius of the Constitution—its refusal to be all things to all people. The fact is that times change, and a cause or a goal that may seem reasonable at any one point may become irrelevant, laughable, or even dangerous later on.

Let me just share with you a few examples of constitutional amendments that were offered over the 200-plus year history of our country which demonstrates this point.

One of my own predecessors serving in this Chamber, Senator Hillhouse of Connecticut, proposed a constitutional amendment in 1808 that would have limited the President's annual salary to $15,000 a year. Some may have wished actually that was adopted, I suppose, but nonetheless, it would have been ridiculous to include a specific and fixed monetary salary.

In 1838, the Nation was scandalized when one Member of Congress killed one of his colleagues during a duel. This led to the introduction of a constitutional amendment to bar individuals implicated in dueling from ever holding elective office in this country.

In the latter half of the 19th century, a great concern over the abuse of patronage by elected officials led to an amendment mandating the popular election of deputy postmasters in the country. That would have been a wonderful addition to the Constitution.

Early in this century, an amendment was proposed to ban all divorces in the United States.

As I said earlier, the list of some 10,726 proposals goes on and on.

With all due respect to the authors of this amendment, my belief is we are dealing with a temporal problem, one that needs to be addressed, but one that ought not to be etched in the permanent charter of the U.S. Constitution.

I cite these historical examples as cautionary tales. We must subject all proposed constitutional amendments to the highest possible standards of scrutiny, and by these standards I believe the balanced budget amendment fails.

If this amendment is adopted one of two things will happen. It is possible, but improbable, that it will work. If it does it will jeopardize, in my view, our economic recovery and cause huge and arbitrary cuts in vital Federal programs. More likely than not, however, it will fail. In this case, it will increase political gridlock, disrupt the balance of powers, and further undermine public confidence in our political leaders and our Constitution.

This seems like such a simple and straightforward amendment. Here is how the reasoning goes: Balanced budgets are good. We want balanced budgets. We can achieve balanced budgets by mandating balanced budgets.

This sounds reasonable, but let us examine it a little more closely.

First, let us take the premise that balanced budgets are good. In general they are, but they are not always. Clearly, our current deficit has reached dangerous proportions requiring major reductions. But deficit spending is sometimes necessary.

Virtually requiring balanced budgets during any period of time—as this amendment would do—would be harmful. Consider a recession. This amendment would destabilize the economy by forcing the Government to match revenues with reduced spending. We would likely be forced to renege on our promises to provide a critical safety net to our citizens just when it is needed most. We would also find it exceedingly difficult to provide a fiscal stimulus to the economy when it, too, may be needed most.

The most serious fallacy associated with this amendment, however, is the belief that we can achieve balanced budgets simply by mandating balanced budgets. Let us remember that this amendment does not reduce a single penny of Federal spending. It merely assumes that the act of adopting an amendment to our Constitution requiring a balanced budget would provide the political will that is necessary to achieve that goal.

Why not add to the Constitution eradication of ignorance, poverty, disease, and all other desirable goals—all things that everyone of us would like to see achieved.

Merely writing them into the Constitution does not receive the desired results at all. I would suggest that while the intentions are good here we would disrupt our economy and turn the Constitution into, as I said earlier, a bulletin board of New Year's resolutions to satisfy the temporal desires of a particular generation. We would fail Henry Clay's test by neglecting the importance of perpetuity and posterity by failing to go beyond the limitations of our immediate time and to consider the fundamental principles that should guide each and every generation regardless of what particular problem and temporal issue faces it on that day.

As I see it, our responsibility—our job here—is to make progress on the budget and to make the difficult decisions. I think we are on that road. I think our decision last year to approve the historic deficit reduction package was a tough one. But, clearly the indications from responsible neutral parties are that we are achieving significant reduction in the deficit.

A year ago, the deficit for 1995 was projected at $302 billion. Today, the forecast is for $176 billion. Measured as a percentage of gross domestic product, the 1996 deficit will fall to 2.3 percent—the lowest share since 1979.

For the first year in a quarter century, the President's budget proposal reduces total discretionary spending below the previous year's level. The 1995 budget terminates 115 programs and reduces funding for 300 others. That's tough medicine.

The impetus for this action came not from a balanced budget amendment, but from the sustained commitment of a President and a bare majority of this Congress who chose to make tough choices.

Regardless of whether or not this amendment is approved, we will need to make more tough choices.

Others have already explained how the supermajority requirements in this amendment would greatly increase political gridlock by giving a minority of members veto authority over the majority. As such, I don't feel the need to pursue this further, other than to remind my colleagues that we passed last year's historic deficit reduction package by a razor thin majority of one vote in the House and one vote cast by the Vice President in the Senate.

Others have also ably outlined how this amendment would disrupt the balance of powers, politicize the courts, and subject every line of the budget to a morass of potential litigation. While the judiciary will inevitably be drawn into the political thicket, the likelihood of enforcement of the amendment through litigation is, in the words of Robert Bork, "either a vain hope or a dismal prospect."

My greatest concern about this amendment, though, is that its well-meaning intent will be subverted by gimmicky and tricks that will further undermine our people's faith in their Government.

The argument is often used that balanced budget requirements have successfully imposed fiscal discipline on our State governments. But, the evidence on this is unclear. Governor Lowell Weicker testified in 1992 that Connecticut's "1 billion dollar deficit came to pass despite a balance-the-budget law that had been on the books for 53 years."

Many States use creative budget gimmicks to comply with balanced budget requirements. These clever gimmicks include delaying payments to suppliers, accelerating tax collections, reducing contributions to pension funds, and shifting programs off-budget.

There are many other ways to evade the amendment that quickly come to mind. The first is employing rosy economic scenarios. We're all quite familiar with this tactic, although I am pleased that the Clinton administration has not used it.

In his recent testimony, Stanley Collender, Director of Federal Budget Policy for Price Waterhouse illustrated how effective a source of additional revenue this can be. Collender estimated that a 1 percentage point drop in unemployment projections would reduce projected deficits by $37 billion the first year, and $57 billion the next. A few percentage points here or there could fill in lots of holes.

Finally, there is our State and local governments' favorite gimmick—the unfunded mandate. When Congress feels it can no longer afford the costs of Federal programs, it shifts the financing responsibilities to others. The pressure to do this would only increase with the passage of this amendment—and our State and local governments would suffer.

The New York Times hit it right on the head when it referred to this amendment as "fiscal sleight-of-hand at its most devious."

I note my time has expired. I again urge our colleagues to reject this amendment. Despite the temptation, despite the attraction of trying to do something on the deficit issue, this is not the vehicle. This is not the approach we ought to be taking.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I yield 5 minutes to the distinguished Senator from North Carolina.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina has the floor.

Mr. HELMS. Madam President, I thank the distinguished Senator from Utah and I thank the Chair.

Madam President, it was a long time ago when Bud Nance and I were teenagers growing up during the Great Depression in Monroe. There was a popular band leader named Cab Calloway who sent our English teacher, a dear lady named Miss Annie Lee, into orbit whenever she heard Cab Calloway on the radio singing, "It don't mean a thing if you ain't got that swing."

Coming over the 14th street bridge on the way to the Capitol this morning, I thought of Bud and Miss Annie and Cab Calloway—and Cab's musical admonition that "It don't mean a thing. * * *"

But, come to think of it, that is about as good an assessment as can be made of the outburst of rhetoric about a balanced budget during the past few days.

All of sudden a lot of people have gotten religion, old time religion, but it may be that many of the Senators who are casting votes today, ostensibly to assure a balanced Federal budget, will do so knowing that "it don't mean a thing." Some will be Senators who have voted year after year repeatedly in favor of excessive Federal spending ever since they came to the Senate.

Madam President, every day that the Senate has been in session for the past couple of years, I have made a formal report, duly noted in each day's CONGRESSIONAL RECORD, regarding the latest available total of the Federal debt—down to the penny. I shall report later today exactly where the Federal debt stood, down to the penny, as of the close of business yesterday. Today's CONGRESSIONAL RECORD on page S2022 contains my report of yesterday detailing the Federal debt down to the penny as of the close of business this past Friday.

The arithmetic of the Federal debt is so enormous, that it boggles the mind. Listen to these figures: As of the close of business this past Friday, February 25, 1994, the Federal debt stood at $4,543,467,032,059.70. Let me run that by you a bit more slowly, Madam President—four trillion, 543 billion, 467 million, 32 thousand, 59 hundred dollars and 70 cents.

Let us go back 21 years: The day I was first sworn in as a Senator in this Chamber, on January 3, 1973, the Federal debt stood at less than one-tenth of today's total Federal debt. Last night, I selected April 18, 1973, as a date for comparison—the April 15 tax deadline had just passed and the taxpayers' money was flowing into the Internal Revenue Service. On that day, April 18, 1973, the Federal debt stood at $455,570,163,323.85.

I should add that the Federal budget deficit that year was about $15 billion. Oh, that we could have such a day again.

Madam President, one of the first pieces of legislation I offered in early 1973 was a resolution to require the Senate to balance the Federal budget. I did that several times in the weeks and months to follow. I lost every time. Then I offered a resolution stipulating that the salaries of Senators and Congressmen be reduced by the same percentage that Congress failed to balance the budget. As I recall, I got seven votes for that proposition and a lot of angry expressions.

Last night, Madam President, I spent awhile reviewing a rather remarkable document entitled, "Historical Tables of the Fiscal Year 1995 Budget."

Guess what this document revealed about one significant aspect of the Federal debt: It showed that the interest on the money borrowed and spent by the Congress of the United States, over and above income, during the fiscal years 1973 through 1993, cost the American taxpayers $3,006,417,000,000.

Three trillion dollars just to pay the interest on excessive spending authorized and appropriated by the Congress of the United States during a period of a couple of decades. Think about that.

Just suppose Congress had agreed back in 1973 to discipline itself and hold spending to a balanced budget. Would we not be on easy street today.

But, oh, Madam President, it is so easy to spend somebody else's money. As a result of all this deficit Federal spending, the share of every man, woman, and child in America averages out to be $17,400.52. That is the average share. That is the average share of the Federal deficit.

The annual interest on the existing Federal debt averaged out costs every man and woman and child $1,138.76, per year.

Think of what we are doing to our children and grandchildren. Projections estimate that the Federal debt will increase from the present level of more than $4.5 to $6 trillion by the year 2004. And to our children and grandchildren, that does mean something, and it does not speak well for the Congress of the United States. We should be ashamed of ourselves.

It has been forecast that the Clinton administration will succeed in defeating the Simon-Hatch resolution calling for a constitutional amendment requiring a balanced Federal budget. That may be so. We will see along about 8 tonight. And the champagne corks may be popping this evening down on Pennsylvania Avenue. I do not know about that.

But the point is that if Congress had the backbone and the principle to cut out this enormous deficit spending, no constitutional amendment at all would be necessary. It would not have been today or any year previously. All we had to do was to be responsible. If there had been such courage and principle 20 years ago, beginning 20 years ago, America's economy would be forever on easy street today. Think of that. But there has not been such backbone.

I have watched with just fascination at some Senators who talk about fiscal responsibility. They walk right in and they vote for big spending appropriations bills and authorization bills.

There has not been a desire to hold down spending. They express that desire whether they go home. But up here, if the Clinton administration's announcement privately is correct, they are going to beat a balanced budget amendment this evening. We will see.

In any case, as Cab Calloway put it a long time ago, "It don't mean a thing." It don't mean a thing unless this Congress, House and Senate, becomes resolute in this business of cutting Federal spending. Rhetoric does not count. Votes do.

There is not enough will among enough Senators to do what ought to be done, or there has not been in recent times. It is easier to continue to enjoy spending other people's money, the taxpayers' money, borrowed money, money borrowed in the names of the American taxpayers: $4 trillion in the past 20 years in terms of the debt. Think of that.

Madam President, I ask unanimous consent that the full text of a balance-the-budget bill, S. 2215, introduced by the distinguished Senator from Virginia, Mr. Harry F. Byrd, Jr., and me on July 19, 1973, be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. I might add, Madam President, that Senator Harry F. Byrd and I offered, subsequently, this legislation in the form of amendments, several times.

EXHIBIT 1

S. 2215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Anti-Inflation Act of 1973".

FINDINGS AND PURPOSE

SECTION 1. (a) The Congress of the United States hereby determines that—

(1) the Federal Government is now and has been expending funds during the fiscal year for nontrust fund budget items in excess of revenues received from all nontrust sources,

(2) such fiscal policy by the Federal Government has resulted in substantial borrowing from both public and private sources,

(3) the aggregate of such borrowing has resulted in an exorbitant national debt totaling more than $450,000,000,000,

(4) this debt will continue to increase so long as the Federal Government spends more than it receives,

(5) the Federal Government is now paying annual interest on the national debt in excess of $20,000,000,000, and

(6) this interest payment is annually increasing as a fixed expenditure in the Federal budget.

(b) The Congress further determines that—

(1) deficit spending by the Federal Government has resulted in inflation in the Nation's economy and a lessening in the value of the dollar in terms of its ability to purchase goods and services in foreign and domestic markets,

(2) unless this deficit spending on the part of the Federal Government is discontinued a severe economic depression will result.

(c) The purpose of this Act is to require the President to submit to the Congress a budget in which nontrust fund expenditures do not exceed revenues received by the Government from nontrust sources.

SEC. 2. The nontrust fund expenditures of the Government of the United States during each fiscal year shall not exceed its revenues from all nontrust sources for such year.

SEC. 3. (a) The President shall submit a budget pursuant to the Budget and Accounting Act of 1921, as amended, in which nontrust fund expenditures do not exceed nontrust fund revenues for each fiscal year.

(b) The provisions of this section may be adjusted to reflect any additional revenues of the Government received during a fiscal year resulting from tax legislation enacted after the submission of the budget for such fiscal year.

SEC. 4. This Act shall apply only in respect of fiscal years beginning after June 30, 1974.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Madam President, I yield 10 minutes to the distinguished Senator from Minnesota [Mr. WELLSTONE] to speak against the amendment.

Mr. WELLSTONE. Madam President, I thank the Senator from West Virginia.

I speak with a sense of history. I guess all of us have that because we are lucky enough, and honored enough to be serving in the U.S. Senate. And in a way I regret that I feel compelled to rise to speak against the Simon amendment, because there is not anyone in this U.S. Senate that I respect more than Senator PAUL SIMON. Many of us get up on the floor and say that all the time. He knows I really mean it.

And I understand Senator SIMON's sense of foreboding about debt and deficits, and why he is doing what he is doing. The farmers in southeastern Minnesota where I come from say that you plant your seed corn, you do not eat it. It is true that the interest that we pay on the debt robs us of our ability to invest in our country and in ourselves. So I think I understand the framework of the Senator from Illinois.

But, Madam President, I really do believe in my heart of hearts that this amendment, the balanced budget amendment, really is in many ways a gimmick. Not within Senator SIMON's framework, but in the broader and I think more important sense.

We can and should step up to the plate and vote cuts. And we have done so. When I was listening to the Senator from North Carolina I was thinking to myself that actually, I am quite proud of the fact that when it came to reconciliation bills, when it came to the initiative of Senator KERRY from Massachusetts, $40 billion-some cuts—space station, super collider, a lot of military weaponry, and a lot of other wasteful expenditures—I voted for those cuts. I think we have to bring the annual budget deficits down. I think we have to take fiscal responsibility very seriously.

But I actually would take the words of my colleague from North Carolina and put a slightly different interpretation onto them. That is to say I actually think many Senators who say they are for this balanced budget amendment—I assume they do it in good faith

—are also the very Senators who have voted against many of these cuts. If we want to bring the budget deficits down—and we have done so—we can continue on that path without a balanced budget amendment.

I do not know how this works out politically, I really do not. As I listen to colleagues talking with one another—and again this is certainly not directed at Senator SIMON, who is well known for his courage. He votes what he believes and he says what he believes. But I have heard a number of people talk about the politics of this. Madam President, we all have to live with ourselves, but I just do not like the idea of a minority having veto power over Federal budget decisions. I say this to my colleagues: I am very uncomfortable with 40 Senators having so much power over basic economic policy that is so important to the lives of the people in our country.

There have been many pleasant surprises for me since coming to the U.S. Senate; more pleasant surprises than unpleasant. But one of the unpleasant surprises is that I thought as a political science professor and teacher that the filibuster was reserved for the momentous votes of the time. We see it all the time. And we see the minority constantly blocking legislation, constantly blocking policy initiatives of this administration. I believe this amendment would lead to more of that.

After some rigorous economic analysis, I believe that this amendment is a economic straitjacket we do not want to put ourselves in, not when it comes to how we use Keynesian economic policy in a positive way so recessions do not become depressions. If, I would say to my colleague from Illinois because this is such a priority goal for him, the most fundamental goal of domestic policy is to make sure we have an economy that produces the kind of jobs that people can count on, that we move toward a full employment economy—this is what most people desire for themselves and their loved ones—I fear this puts us in a straitjacket where we will never be able to make that a priority policy.

Finally, Madam President, and I say this to you especially. I do not know whether we agree or disagree. We agree a lot, on some issues, and sometimes we disagree. Maybe I am going to be called an old Democrat for saying this. But I think that Senator SIMON believes that with this balanced budget amendment finally the Nation will face up to the fact that we have to reduce low-priority programs, and at the same time raise the revenue for what it is we say it is important to do. But what I worry—and I say this with a sense of deja vu—that if this amendment passes this is going to be 1981 all over again. It amazes me to hear some of my colleagues talking about the balanced budget amendment and fiscal discipline. They were the ones who voted the huge tax cuts of the early eighties that eroded the Federal revenue base so severely. They were here and served while we built up this debt. I did not serve during that period of time.

But I can tell you this. What happened in 1981 and through the early eighties was that when it came to cutting the budget, what we did was we asked the very people to tighten their belts who could least afford to tighten their belts, the poorest of the poor people.

Above and beyond the fact I think it is wrong on constitutional grounds, it would lead to a minority obstructing economic policy, it would cripple antirecessionary economic policy so important to people in this country, I will tell you what is the last consideration, a real important one for me.

I think what this will lead to is cuts in programs important to the concerns and circumstances of the lives of women and children and many people who are struggling economically in this country.

I think that is exactly what is going to happen. I think that is the kind of policy that this amendment is essentially going to generate because what we end up doing, when it comes to how, once we are in this box, we balance the budget, is we make the cuts directed toward the citizens that are the most vulnerable with the least amount of political clout.

I say to my colleague, whom I admire, I have a sense of foreboding that that would be the effect of this amendment being passed, and for all the reasons that I stated on the floor of the Senate today, Madam President, I will vote against this and I urge my colleagues to vote against it.

I yield what remaining time I have back to Senator BYRD.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. SIMON. Madam President, I suggest the absence of a quorum and ask that the time be equally divided between Senator HATCH and myself.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATCH. Madam President, I yield 3 minutes to the distinguished Senator from Kentucky.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized for 3 minutes.

Mr. MCCONNELL. Madam President, I suggest the absence of a quorum for a few moments.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator is recognized for approximately 2 minutes.

Mr. MCCONNELL. Madam President, I have carefully listened to the debate of my colleagues here on the Senate floor. I have heard many Members state that the vote on the balanced budget amendment to the Constitution will be the most important vote in their careers. They are right, but it also should be the easiest. The current deficit situation is so severe that it makes this decision fairly straightforward.

On the one hand, we can oppose this amendment and continue with the status quo charging billions of dollars with the national credit card to be paid by future generations or we can vote to end this fiscal nightmare and force the Government to live within its means. As for me, I shall cast my vote for the balanced budget amendment to the Constitution.

In the last 30 years, the Federal Government has balanced its budget only once. For the last 25 years, Congress has maintained a perfect record of spending more than it raised. The Congressional Budget Office has estimated as far out as the year 2004 when the annual deficit will be $365 billion and interest payments will be $334 billion. The interest on the national debt will increase by nearly $1.7 trillion by the year 2000. This vast sum could finance the entire 1994 budget. In fact, if we could somehow eliminate the interest payments, we could close the budget deficit.

In 1992, we sent nearly $40 billion overseas in interest payments. Compare this to the $38 billion spent annually on all nutrition programs, including food stamps, Women, Infants and Children and school lunch programs.

The Clinton administration is engaged in irresponsible scare tactics to rally opposition. The estimates and the cuts proposed by the administration are sheer hyperbole. The administration imagines that on January 1, 2001, all programs and funds will be slashed to the bone. This is not necessary. Realistic budget prioritization would help to eliminate wasteful spending and redirect valuable budget dollars.

Since this amendment does not take effect until 2001, Congress would have 7 years to prepare for a balanced budget. According to the CBO baseline, Federal spending could continue to increase by 2.8 percent per year, and expenditures would fall into balance with revenue by the year 2001. This is quite a different story than the doomsday scenarios painted by the President and his staff.

So I believe the choice is absolutely clear. Members of this body must ask themselves: Do they want to give their children and grandchildren a lower standard of living than they have enjoyed? Unless we take responsibility for our actions, that is exactly what will happen. The Government Accounting Office reported that the Gross Domestic Product will fall by 7 percent if we continue down this budget-busting path.

Let me address another scare tactic used by the budget-busting caucus. This amendment does not endanger the Social Security program in any way. Already there are safeguards to prevent Congress from tampering with the actuarial balance. However, if Congress fails to pass the balanced budget amendment I cannot be certain that ballooning interest payments will not adversely impact Social Security. By making this decision now, I believe that we can protect the long-term health of the Social Security System.

I hold the Constitution in highest regard and have carefully considered the constitutional significance of the balanced budget amendment. I have concluded that this carefully conceived amendment is no less constitutional than the balanced budget amendments that regulate State governments across America. President Clinton should know that: He was compelled to obey a balanced budget law as Governor of Arkansas.

This amendment will significantly alter the budgeting process that Congress has so sorely abused. By ignoring self-imposed budget rules and targets, Congress can continue to tap the seemingly endless supply of credit—known to working Americans as tax dollars. The balanced budget amendment will put an end to this abusive power.

Most importantly, this amendment will require Congress to spend within its means. It will require 60 votes to increase spending, and will require a constitutional majority of 51 Senators rather, that a simple majority, to raise taxes. This would force each Senator to stand up and be counted on spending and tax increases.

The Simon amendment will help put an end to the tax-and-spend budgets that Congress has churned out year after year. Congress needs to accept the responsibility for its past excesses. The sky will not fall if Congress redirects spending and establishes a plan for meeting a balanced budget. It is important to put the past behind us and cooperate for the security of our future.

I urge my colleagues to support the constitutional amendment to balance the budget.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. HATCH. I yield 3½ minutes to the distinguished Senator from Alaska.

Mr. MURKOWSKI. Madam President, in a few hours, the Senate is going to cast a vote on whether or not we are going to stay the course of deficit, debt, and out-of-control spending or change our Nation's course of fiscal responsibility. I think there is no third alternative. If we stay the course and do nothing, entitlement spending will remain on automatic pilot rising from 52 percent of national Federal spending to nearly 60 percent by the end of the century. Add in mandatory interest payments and automatic spending will exceed 72 percent of Federal spending.

If the balanced budget amendment is not adopted by the year after it is due to be implemented in the year 2002, 75 cents out of every dollar we spend will go to entitlements and interest. If we stay the course, we will pay out more than $1.173 trillion over the next 5 years just in interest to cover the debt. And if interest rates rise by 1 or 2 percent, we will pay out an additional $150 billion to $300 billion in interest.

The current rate of interest on the debt is about 5.8 percent. I am sure we all remember the prime rate in this country in December of 1980 was 20.5 percent. We are very fortunate, but it can go up again. All the money we borrow over the next 8 years, $1.673 trillion—all of it—will be used to pay for interest on the debt. And in barely 10 years, our national debt will double from $4.5 to $9 trillion.

The editorialists in the New York Times and Washington Post who oppose this amendment recognize Federal borrowing must be contained, but they do not propose any solutions on how we are to get control over spending. They just say Congress should cut spending. We have had two Gramm-Rudman laws which held out the promise of zero deficits in 1991 and 1993. We adopted the budget agreement of 1990 which held out a near-zero deficit by 1995. None of these statutes approved by the Congress and the President worked. What happened is our debt doubled and spending jumped 57 percent.

If not now, Madam President, when? The present budget shows a never-ending increase in Federal spending, deficits and debt, and by the end of this decade, we will have run deficits for 29 straight years. The administration and the opponents of this amendment offer no alternative solutions to specifically bring the debt and deficit under control. If we do not adopt this amendment today, what will we tell our children and our grandchildren in the decades to come when the ability of the Federal Government to do anything will be handcuffed by the legacy of debt and deficits that we are leaving them? It is now or never. Let us do it now, Madam President.

I thank the Chair and I yield the floor.

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Senator from Utah.

Mr. HATCH. Madam President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator reserves the remainder of his time.

Who yields time?

Mr. SIMON. Madam President, I question the presence of a quorum and ask that the time be divided equally between Senator HATCH and myself.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Madam President, I yield 7 minutes to the Senator from Nebraska [Mr. KERREY].

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. KERREY. Madam President, I rise today to express my opposition to Senate Joint Resolution 41, the balanced budget amendment. The amendment's sponsors, I understand, believe in it sincerely, and I do genuinely salute their effort. Nevertheless, I have decided, as I have in the past, to continue to oppose this amendment.

I do so, Madam President, because I believe in a balanced budget and I believe this proposal will sully the Constitution without actually achieving one.

I ask also unanimous consent, Madam President, that an editorial from the Omaha World-Herald, which lays out a persuasive case for opposing the amendment be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BALANCED BUDGET SHOULD BE GOAL; AMENDMENT ISN'T BEST MEANS

Balancing the federal budget ought to be a higher priority for Congress and the White House. But we remain skeptical as to whether a constitutional amendment is the best way to go.

Each president in the last 30 years has had the opportunity to propose a budget that required no borrowing. Each Congress over that time has had the opportunity to pass such a budget. But not since the 1960s has the government completed a fiscal year without going deeper into debt.

Government has grown too big. It taxes too much. It spends too heavily. It borrows far more than is reasonable. It entangles itself too deeply in people's lives, stifling initiative and forcing some people into dependence.

Legislators have for too long pandered to almost any "victimized" group, creating entitlements and throwing money at problems, some of them manufactured, not real.

As American society matures, sadly, some Americans become lazy and greedy. They learn to exploit the sympathies of elected officials who want to please everyone. Notch babies, welfare mothers, defense industry workers all say, "Gimme, gimme." All too often, Congress, wanting to be loved, says, "OK."

In addition, there are unquestionably real problems that have developed. They defy solution without huge federal expenditures. Too much violence in the streets, requiring sizable spending for free hospital and emergency room care. Increasing mental illness, caused in part by a growing number of families where traditional breadwinners no longer have marketable skills. Colleges and universities so dominated by the bureaucracies of tenure-protected faculties that their tuition has gone up far faster than inflation rates, effectively cutting off higher education to millions of able but poor people. Crack babies the public must pay to keep alive. And many similar problems that society has not been able to solve without turning increasingly to the federal government.

It's not difficult to understand why some Americans have seized on the idea that the problem could be solved by amending the Constitution to force the president and Congress to balance the budget.

But the amendment now before Congress could cause more trouble. A bipartisan group of constitutional scholars and law professors, including Robert Bork and Archibald Cox, contends that it would deny Congress and the president the flexibility they need to respond to changing economic conditions. Cox told a congressional committee that a balanced-budget amendment would "undermine confidence in the Constitution and feed distrust of government by holding out guarantees that will almost surely prove illusory."

What a sad state of affairs it would be if Congress needed a constitutional amendment to force it to stop spending the government into fiscal disaster.

Two Midlands senators, J. James Exon of Nebraska and Charles Grassley of Iowa, are co-sponsoring the amendment. Bob Kerrey of Nebraska said he will vote against it. Tom Harkin of Iowa said Thursday that he is leaning toward supporting the amendment.

We hope he leans back the other way. The amendment ought to be stopped on Capitol Hill rather than being sent to the states, where legislators sometimes come under pressure from people who hate all elected officials and want the power of the legislative branch to be drastically curbed.

Certainly federal budgets should be balanced as soon as it is possible to do so responsibly. The fact that so many Americans now see a constitutional amendment as the only solution is a stinging indictment of past failures to do so.

Mr. KERREY. Before we talk about what this amendment would do, I should like to talk about what it would not do.

I must say that it is tempting to vote for this amendment. I have been around this body now for 5 years. I have seen opposition to it weakening day by day, and I understand that many people from Nebraska as well as across this Nation support this amendment, and I must say support it for good reasons.

They support it because they are tired of picking up their newspapers or turning on the television news and hearing that in spite of our supposedly heroic efforts to cut the deficit, we will still pile hundreds of billions of dollars annually onto the national debt over the next 4 years.

They are tired of hearing us talk a good game and fail time after time to deliver. They are tired of it, so now we are extending this proposal to appease them.

But I believe we should quit kidding ourselves. Let us tell the American people the truth about what will happen if we pass the balanced budget amendment. Over the next 4 years, we are still going to pile hundreds of billions of dollars a year onto the national debt. We are still going to talk a good game on deficit spending cuts and deficit reduction and fail time after time to deliver. All of that will happen with or without the balanced budget amendment. The only thing that will stop this nightmare of borrowing from our children is courage, and courage cannot be legislated into the Constitution of the United States or anywhere else.

Opponents argue that the amendment will force us to make tough decisions because it requires a supermajority of 60 votes to allow deficit spending. It is a curious proposition, Madam President, because anyone who watches C–SPAN or follows the workings of the Congress knows we already have a supermajority that favors deficit spending reduction. Over the past 15 years, as deficits ballooned and the debt rocketed skyward, this body did not pass deficit-financed appropriations bills by narrow margins that would be crushed under the weight of a 60-vote test.

Madam President, those deficit spending bills swept through by margins far greater than the 60-vote supermajority. Those who say Congress is hamstrung by partisanship and gridlock never saw us get together to spend taxpayer money. Year in and year out, there are far more than 60 votes in favor of deficit spending. So the 60-vote provision will change nothing.

Proponents also argue that the amendment will only allow deficit spending in emergencies, a persuasive argument but for the fact that Washington and Webster define the word "emergency" in very different ways. Year after year, we pass emergency supplemental appropriations packed with tens of billions of dollars in deficit spending, most of it legitimate, but billions more the only emergency for which is political expediency.

So let us be honest, Madam President. The balanced budget amendment, while a noble idea motivated by the best of intentions, is not going to produce a balanced budget. We do not raid our children's fortunes to indulge our excesses today because of a constitutional loophole that this amendment will plug. We borrow hundreds of billions of dollars a year because we do not have the courage to tell the American people the truth about the shared sacrifice it will take to balance the budget.

I must add, Madam President, that this body caught a great deal of flack a few months ago for passing a budget that outlined specific spending cuts but did not require us to vote on them for years. But the balanced budget amendment relies on unspecified cuts that we will not have to vote on for years. We are not being asked to vote on a specific proposal to balance the budget today. It may be, in fact, that the balanced budget amendment would actually delay action to balance the budget.

Earlier this month, we got a sense of how difficult achieving those spending cuts—60-vote majority or not—will be. Several colleagues and I offered an amendment to cut spending by $90 billion over the next 5 years. It failed 65–31, easily surpassing the 60-vote majority required by the balanced budget amendment. And to balance the budget as required by the amendment, we would have to cut more than $600 billion over the same period. Madam President, $600 billion, nearly seven times what this body overwhelmingly opposed less than a month ago.

The bottom line, Madam President, is that the balanced budget amendment is not going to swoop down and balance the budget. The same 535 of us who have refused to do it to date are going to have to vote to balance the budget and if we cannot or will not, this amendment contains an escape clause for us. The balanced budget amendment does not force us to shoot down the enemy plane; it just asks us to, but gives us an eject button in case we do not want to.

What would the balanced budget amendment accomplish, Madam President? Some proponents argue that it would give those who have opposed spending cuts on political grounds the political cover they need to support them and this, Madam President, goes to the heart of my misgivings about the amendment. We are adults, Madam President, yet we are telling the American people that we are so afraid of doing the right thing that we must write dodges and covers into a document as sacred as the Constitution of the United States to force us to do it. When we teach our children not to lie or cheat, it is not because we or the law or the Constitution say not to, but because doing so is wrong. When we tell them to resist peer pressure it is not because the Constitution or the law tells them to but because we want them to have the courage to do what is right. So we must ask what sort of lesson we teach when we say that their parents are unable to do what is right until the heavy hand of the law forces them to.

And if we decline to do the right thing unless the Constitution tells us to, what is next? This body is called upon to show courage every day, Madam President. Will we dodge every tough call, wink at every controversial vote, and amend the Constitution to cover our tracks?

We are adults, Madam President, and all it will take to balance the budget is for us to have the courage to do it. This body is not controlled by forces beyond our control. It is certainly due that many of the legislative procedures we follow are geared toward spending taxpayer money, not saving it, and that they must be reformed if we are to achieve a balanced budget. But that too, Madam President, is in our control.

Let me make perfectly clear that I strongly support a balanced budget and have voted, if unsuccessfully, to achieve one. Deficits ravage the economy by soaking up private savings, driving up interest rates and making borrowing for investments more expensive.

The numbers are harrowing. The General Accounting Office says the share of net national product available for new capital formation declined from about 9 percent in the 1960's to just over 2 percent in 1990. Government borrowing now consumes full three out of every four dollars in savings. Let me repeat that, Madam President. Government borrowing gobbles up three out of every four dollars in national savings, savings that would be used to invest in the economy and create jobs were they not being gobbled up by the Government. So there is no question that restoring fiscal sanity to this Government is mandatory.

In fact, I believe we should go beyond balancing the budget and begin to establish a surplus, which is necessary to begin paying off the $4 trillion in debt we have accumulated. When I served as Governor of Nebraska, we turned a deficit into a surplus and I deeply believe Nebraskans are better off because of it today. We did it by making tough decisions, Madam President. Decisions that hurt. Decisions that asked shared sacrifice of the people of Nebraska. Decisions that paid off in the long run because we put aside the political concerns of the moment and acted on the interests of our children. There is no reason we cannot do in Washington what we did in Lincoln.

The havoc wreaked by deficit spending goes beyond its affect on the economy, Madam President. Our actions by any just measure are not just economically foolish, they are morally wrong. We are spending our children's money here, Madam President.

If we are to achieve the goal of stopping that practice we must also address the growth of mandatory and entitlement spending. This year, interest on the debt will gobble up nearly 14 percent of our total Federal outlays. Let me repeat that one: 14 cents out of every hard-earned dollar that taxpayers send to us in good faith disappears down a sinkhole. It does not pay off debt; it finances interest on debt. It does nothing for the people who send it here.

Entitlements consume another 54 percent of the budget, and by 1998 entitlement spending will surpass the $1 trillion mark and consume nearly 60 percent of all Federal outlays. Discretionary spending—the money that we actually debate every year—makes up a little more than a third of our current budget. And that percentage shrinks every year as a larger and larger share must go to mandatory interest payments and entitlement benefits. Defense spending makes up less than 20 percent of outlays. International spending programs is slightly more than 1 percent and domestic spending is about 17 percent. So if we are to achieve the noble goals embodied in the balanced budget amendment we are going to have to address entitlements. This is a mathematical proposition, Madam President, not a political one, and I look forward to helping to address it through the Kerrey-Danforth Commission on Entitlement and Tax Reform, which I am cochairing with my friend from Missouri.

Fundamentally, I oppose the balanced budget amendment because I do not want to see the Constitution of the United States loaded down with language that accomplishes little but to satisfy the political whims of the day. The bottom line is that the balanced budget amendment is not going to balance the budget. We have to do the job, Madam President, and the most cleverly conceived addition to the Constitution will not do it for us.

So I oppose the measure, Madam President. The American people are on to our rhetorical game about spending cuts, and I do not believe the solution is to walk away from that game just to start a new one. The solution is to do what is right, Madam President, and the power to do so is ours.

Madam President, as I said, I have a great deal of respect for those who have offered this amendment, who have argued day after day that it is necessary. And to those who have argued in this fashion, I say simply this: We have many opportunities to put our courage on the line. I intend to come to this body this year and reoffer amendments, if we fail to get a majority for cutting discretionary domestic spending, because I believe the market will respond positively. That can and will create jobs as a consequence of that action. It is in the economic interest of this country to do so.

Second, Madam President, I intend to come and say it is time for us to face, as we almost did last year, entitlement spending, which everyone who has studied this budget knows has gotten out of control. Last year, again, we failed on a 51-to-47 vote to get a sufficient number of votes to get that attached to the budget resolution.

I believe those who have argued for the balanced budget amendment have provided us with the courage and the impetus necessary to pass that restraint in entitlement spending.

Madam President, if we follow that as well in the health care debate, and say that for health care spending we are going to require balancing our accounts, if we simply say that for that item of our spending that is growing at the fastest rate, we are going to require a dedicated fund, doing those three things, I believe, in this particular year will enable us to in fact accomplish the objective that the authors of this amendment are proposing.

I ask for 1 additional minute, if I may, to close.

The ACTING PRESIDENT pro tempore. Does the Senator from West Virginia yield 1 additional minute?

Mr. BYRD. I yield 1 additional minute to the Senator from Nebraska.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 1 additional minute.

Mr. KERREY. Madam President, again, I believe that a balanced budget is in the economic interest of this country. I am prepared to risk my political career in accomplishing that objective. I believe that our children and our grandchildren will thank us for the effort.

I have heard people come to the floor and say that a balanced budget is not good economic strategy. I believe that it is.

Madam President, I intend to come and participate, hopefully, with Republicans and Democrats who feel likewise, and see if there is not a majority in this year of 1994 who are prepared to put our political reputations where our political mouths are.

I thank the Chair.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. SIMON. Madam President, I yield 10 minutes to the Senator from North Dakota.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized for 10 minutes.

Mr. DORGAN. Madam President, I thank you very much for recognizing me, and I thank the Senator from Illinois.

I have long resisted efforts to change the U.S. Constitution. I have voted against amendments dealing with such subjects as abortion, prayer in schools, and even flag burning.

Some of them were difficult votes. It was obviously difficult to vote against a constitutional amendment that would have prohibited flag burning. Polls at the time showed that most people believed that amendment should have passed. I did not happen to believe in changing the Constitution to do that.

So I have long resisted measures to change the Constitution. But today, I will vote to support a change in the Constitution to require a balanced Federal budget.

I am convinced that it is the right thing to do and the necessary thing to do.

Every day, our annual Federal deficits add to the towering Federal debt. In my judgment this debt threatens this country's future.

We are selfishly spending resources that belong to our children. Unless we change the course, we will leave our children with a crushing debt rather than a foundation for a better economic future.

A constituent called me today and implored me not to vote for the amendment. "We need these Federal spending programs," he said. I told him if we need them, then we should pay for them. If we are unwilling to pay for them, maybe we do not need them.

One way or another, all of us agree we need to change our country's fiscal policy. I will vote to try to force that to happen.

I did not aspire to serve in the Congress to be a trustee in bankruptcy. This country is $4.4 trillion in debt and heading to $8 trillion in debt. I am determined to help force, in whatever way necessary, what all of us know in our hearts we must do: stop spending money we do not have.

So this is a vote that I will cast for my children. As I have said before, the Senator from Illinois and his colleagues serve the country by bringing this to the Senate today.

I would like to ask the Senator a question about the Social Security issue. I added an amendment to Senator REID's alternative that we voted on earlier to exempt Social Security from the balanced budget requirement. I would have liked to have added that amendment to the Simon amendment.

We are now, by design, running surpluses in the Social Security system in order to prepare for the time when we will need them, when the Baby Boomers retire. I do not want to be in a situation where we use those surpluses to balance the Federal budget. That would be dishonest.

If we did that, we would, in effect, steal money from a trust fund. We collect this money from the payroll taxes, out of workers' paychecks and businesses, and we assure them that this money will go into a trust fund. We promise people that it will be used only for trust fund purposes.

If we use that money to offset the operating budgets deficit, we are misusing that money. We cannot allow that to happen.

It is my understanding that there is nothing in Senator SIMON's constitutional amendment that would prevent implementing legislation from raising the budget balancing standard even higher. We could create a higher standard. We could require that the budget be balanced exclusive of the Social Security surplus. If we did that, you would not be able to count Social Security surpluses for the purpose of determining whether you have achieved a balanced budget.

I ask the Senator from Illinois whether he agrees that we could, in the implementing language, without any constitutional difficulty at all, simply raise the bar. Does he agree that we could pass a law saying that we will not count the Social Security surplus, for purposes of counting receipts and disbursements under the constitutional amendment? Could we force ourselves to meet a higher test in this way?

Mr. SIMON. If my colleague will yield——

Mr. DORGAN. I am happy to yield to my colleague.

Mr. SIMON. Madam President, the Senator from North Dakota is absolutely correct. I will add that I agree with him. When I originally drafted my constitutional amendment, it exempted Social Security. There are some problems long term in doing that. But the wisdom of doing what the Senator suggests, and doing it by statute, is a protection for Social Security, and also a protection for the fiscal integrity of the United States of America, because we are not relying on the Social Security funds. We are not dipping into those funds.

Just to make absolutely certain that was the case, my staff contacted the Congressional Research Service, and they sent a memo back. I will just read two sentences of it:

> Would Congress, under such an amendment, have the authority, for example, to pass a law requiring the Government to achieve a surplus each year, say in the amount of the Social Security Trust Fund?
>
> We do not perceive any respect in which the amendment would operate to limit Congress' authority in this way.

Mr. DORGAN. Madam President, may I ask the Senator from Illinois whether he agrees that if we take the Social Security funds out, it simply raises the bar; it requires a greater standard of deficit reduction to reach a balanced budget?

As the Senator has said, he supports that. My personal feeling is, if we ever get to implement this constitutional amendment through legislation, I will be very interested in removing the Social Security surplus and raising the bar.

Would the Senator be supportive of such legislation?

Mr. SIMON. Not only would I be supportive I would be pleased to cosponsor such legislation. I think it moves in precisely the right direction.

Mr. DORGAN. Madam President, the reason I raise this issue is that some of the debate here has been inaccurate. There are those who say if you take Social Security out you are doing sleight of hand. It is inaccurate.

I agree with the Senator from Illinois that after the year 2035 we have to do something else on Social Security, because it is projected to be in deficit then. But the fact is that we must not count the surplus between now and year the 2035. Between now and then we have an enormous bubble of surplus. If you do not count that money, then you have a higher standard to reach in terms of a balanced budget.

If you do not count those annual surpluses, you will reach a balanced budget faster, and you will force the savings that we thought we were going to achieve when we passed the Social Security reform bill in 1983. The reason we increased taxes on payrolls in this country is we decided we must force national savings to meet a need after the turn of the century. To fail to do so is irresponsible.

That is why I say to the Senator from Illinois that—whether it is under the current budget scheme in Congress without respect to this constitutional amendment, or whether it is with respect to a constitutional amendment—we must do the right thing with respect to the Social Security trust funds. The right thing is not to count them in the balanced budget computation.

That is the only way we achieve national forced savings that we promised the workers and businesses in this country we were going to achieve.

Mr. SIMON. If the colleague will yield, he is correct. What it will do in addition to protecting Social Security is it would send interest rates down in the country and lift the economy of our country.

So, on every count, my colleague from North Dakota is absolutely correct, and I am pleased with his comments.

Mr. DORGAN. Madam President, I wonder whether my good friend, the Senator from Illinois, would yield for a question. As he knows, my priority in this debate has been to protect the long-term fiscal health of Social Security. Would he kindly yield for a question on that point?

Mr. SIMON. The topic that the Senator from North Dakota raises is extremely important to me as well. I would be happy to yield to the Senator from North Dakota.

Mr. DORGAN. I thank the Senator.

Last week, when I was sharing my concern for Social Security with my colleagues on the floor, I understood the Senator from Illinois to say that he would be happy to work with me to protect the Social Security trust funds in implementing legislation, should his amendment become part of the Constitution.

While I know that the Senator from Illinois can speak for no one but himself in this matter, could he assure me and our colleagues that he will work to protect the Social Security trust funds when we pass implementing legislation?

Mr. SIMON. Yes. My friend from North Dakota has understood me correctly. Since I began to serve in the Senate in 1985, I have fought to ensure the long-term viability of the Social Security trust funds. If we hope to have money available when the current generation retires, we must stop using the Social Security surplus to reduce the deficit. Indeed, I look forward to working with the Senator from North Dakota and other Senators who may be interested in protecting Social Security, when we implement this amendment through legislation.

Mr. DORGAN. I appreciate the Senator's response. since we agree on this goal, I wanted to ask the Senator from Illinois a specific question about the Social Security trust funds.

It seems to me that Senator SIMON's amendment would not prevent Congress from setting a higher standard for itself than simply balancing the budget. The Constitution would require a balanced budget, but Congress could enact a rule saying that the non-Social Security receipts and outlays of our Government must be in balance even in the years when there is a Social Security surplus. I would as the chairman of the Senate Judiciary Constitution Subcommittee whether I am correct in this belief.

Mr. SIMON. I believe that the Senator from North Dakota is correct.

The balanced budget amendment that I have sponsored would be no different from any other constitutional provision. Congress could still set a higher threshold for itself and run overall surpluses equal to the surpluses in the Social Security system.

Yesterday, the Constitution Subcommittee received a memorandum from Johnny Killian, the well-respected constitutional law expert at the Congressional Research Service. Let me read to my colleagues the relevant portions of his analysis.

> Would Congress under such an amendment have the authority, for example, to pass a law requiring the Government to achieve a surplus each year, say in the amount of the Social Security trust fund?
>
> We do not perceive any respect in which the amendment would operate to limit Congress' authority in this way. The amendment would limit the power of Congress and the President to run a deficit in any year, save in accordance with the amendment's exceptions, and would impose certain requirements on congressional lawmaking, such as a majority vote to raise taxes and a three-fifths vote to increase the limit on the public debt. But, in the absence of a specific bar or a mandatory affirmative action, the amendment would leave congressional power in all other respects untouched.
>
> That is, if Congress could now enact a law requiring the Government to achieve a certain surplus, there is nothing in the amendment that would, after ratification, preclude Congress from so acting. A mandated surplus would be in addition to the amendment's strictures, and there is no way in which it can be discerned that such a mandate would violate the amendment's provisions. Just as Congress now has power to enact statutes, such as Gramm-Rudman-Hollings, it would continue to have the power in a constitutional system that include a balanced budget amendment.

Madam President, I ask unanimous consent that this entire memorandum from Mr. Killian of the Congressional Research Service be placed in the RECORD at the conclusion of my colloquy with the Senator from North Dakota.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered (See exhibit 1.)

Mr. SIMON. Madam President, I would like to thank the Senator from North Dakota for helping to bring this matter to the attention of the Senate. His efforts over the past 2 weeks suggest how strongly he feels that we should ensure the financial future of Social Security, and I salute him for those efforts.

Mr. DORGAN. Madam President, I thank the Senator from Illinois for his courtesy in clarifying this matter with me. I am glad that he shares my view of the importance of protecting the Social Security trust funds, and I appreciate his commitment in this area. I look forward to working with him to protect Social Security, and I look forward to approval of his amendment by the Senate, the House of Representatives, and the States.

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, February 28, 1994.

To: Senate Judiciary Subcommittee on the Constitution. Attention: Aaron Rappaport.

From: American Law Division.

Subject: Interpretation of Balanced Budget Amendment.

Would Congress under such an amendment have the authority, for example, to pass a law requiring the Government to achieve a surplus each year, say in the amount of the Social Security trust fund? We do not perceive any respect in which the amendment would operate to limit Congress' authority in this way.

The amendment would limit the power of Congress and the President to run a deficit in any year, save in accordance with the amendment's exceptions, and would impose certain requirements on congressional lawmaking, such as a majority vote to raise taxes and a three-fifths vote to increase the limit on the public debt. But, in the absence of a specific bar or a mandatory affirmative action, the amendment would leave congressional power in all other respects untouched.

That is, if Congress could now enact a law requiring the Government to achieve a certain surplus, there is nothing in the amendment that would, after ratification, preclude Congress from so acting. A mandated surplus would be in addition to the amendment's strictures, and there is now way in which it can be discerned that such a mandate would violate the amendment's provisions. Just as Congress now has power to enact statutes, such as Gramm-Rudman-Hollings, it would continue to have the power in a constitutional system that included a balanced budget amendment.

JOHNNY H. KILLIAN,
Senior Specialist,
American Constitutional Law.

Mr. DORGAN. Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Utah.

Mr. HATCH. Madam President, I yield 3 minutes to the distinguished Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 3 minutes.

Mr. COATS. Madam President, I spoke on this issue yesterday. I would attempt not to be repetitive in these 3 minutes that I have. I want to make just one point.

It is a high privilege to serve in the U.S. Congress, a high privilege to serve in the U.S. Senate. There are few Americans in history who have had this privilege.

I think all of us want to make a contribution that we will be remembered for. Some obviously will make greater contributions than others. When we look at the time of service in the whole spectrum of time we will be just a moment on that spectrum. But I think we all hope to leave at least some legacy so that future generations, whether it is just our children and grandchildren or whether it is those that we have served, will look back at our time and say they looked out for the best interests of the country and they did not just respond to the immediate. They looked to the future. They looked beyond the political expediency of the moment, and they looked to the legacy of the future.

When we consider that, the numbers are staggering in terms of what has happened to our debt.

When I entered the U.S. Congress the debt was less than $1 trillion. It took more than 200 years for our Nation to reach a debt level of $1 trillion, and in just 13 years that debt has been multiplied by 4½ times where it is now $4½ trillion and growing at a staggering rate.

Future generations will look at this period of time and say: "Why did you saddle us with such a crushing staggering debt that has taken away our ability to grow and to prosper and to be the kind of Nation that we had hoped we would be. Why this staggering level of interest that consumes our ability to accumulate capital, provide for a dynamic economy, and meet the needs that are present in today's society. Why did not you do something?"

And we will say: "Oh, but we did. We tried this and that, and we tried caps, and we tried just about every legislative device known to man."

But they will say: "But it does not matter what you tried. It is the results that matter. And the results are that that debt went from $1 trillion at the time when you first entered Congress and it is $4.4 trillion now and growing at a staggering rate. Why did not you do something that worked?"

I think the only thing before us that we know will work is when we have to place our left hand on the Bible and raise our right hand and swear to uphold the Constitution of the United States, which says we must balance the budget; we must not violate the principle: Do not spend more than you earn.

I urge my colleagues to think about the future and the legacy they leave and not just the political expediency of the moment.

The PRESIDING OFFICER [Mr. WELLSTONE]. The Senator from West Virginia is recognized.

Mr. BYRD. I yield 15 minutes to the able and distinguished Senator from Oregon [Mr. HATFIELD] and then, if I may, following Mr. HATFIELD I would like to yield 10 minutes to the Senator from Massachusetts [Mr. KERRY]. Is that all right?

Mr. HATCH. Sure.

Mr. BYRD. I yield 15 minutes to Mr. HATFIELD and then 10 minutes to Mr. KERRY.

Mr. DOMENICI. Will Senator HATFIELD yield 10 seconds on my time?

Mr. HATFIELD. On his time, I am happy to yield.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Might I ask the managers and Senator BYRD after that 25 minutes, would it be possible to agree now, since I will have 15 minutes, that I could go third since I am here?

Mr. BYRD. That is fine with me.

Mr. SIMON. That is perfectly acceptable, Mr. President.

Mr. DOMENICI. Thank you very much. I thank Senator HATFIELD.

Mr. HATFIELD. I am happy to yield to the Senator from New Mexico any time.

Mr. President, before us this week is an idea that has been debated for many years. I carefully considered the concept of a balanced budget constitutional amendment because, like so many others, I wanted to believe there could be some easy way to bind ourselves to responsible budgeting. Whereas the history of limited effectiveness in past budget procedures has made some people cry out for moving to a constitutional amendment, it has convinced me otherwise. I believe that this idea is fatally flawed because it simply will not work. What do we have to lose if the amendment proves ineffective? We may lose the already eroding confidence of the public in their Government when it finds yet another promise broken.

A balanced budget can come only from compromise. This compromise must come from each of us. But, more importantly, it must come from those we represent—those who do not want their taxes raised any more than we want to raise them—those who do not want their benefits cut any more than we want to cut them. In the end there is no easy answer, and there never will be. Regardless of the procedural restraint in place, where there is political will to create a balanced budget we will create one, where there is will to avoid one, we will avoid it. A vote for this balanced budget constitutional amendment is not a vote for a balanced budget, It is a vote for a fig leaf.

Let there be no mistake about the nature of the debate this week. We are not debating whether or not to reduce the deficit. We are all agreed in that respect.

When I came here in 1967, the deficit was $8.6 billion or about 1.1 percent of the gross domestic product [GDP]. Last year the deficit was $255 billion or about 4 percent of GDP. This should concern us all. We should also be concerned that, while discretionary spending has been frozen under the caps imposed in 1990, mandatory spending—including $213 billion in interest on the debt—will soon consume the whole budget pie. Total mandatory spending has doubled as a percentage of GDP since 1967, and has increased from about one-third of the budget to almost two-thirds today—$47 billion of a $157 billion total budget in 1967 to $976 billion of the $1.5 trillion budget proposed this year.

These numbers are very disturbing, but to dwell on the size of the deficit misses the central point of this debate. We are not talking today about the goal of deficit reduction. I would hope that we all share that goal. We are talking about the method, or in this case, the latest gimmick we propose to meet that goal. There is no method spelled out in this amendment. This proposal puts new Senate and House rules regarding voting procedures into the Constitution. It does not balance the budget and gives no indication of how this might be done. Furthermore, it will not force Congress to budget responsibly.

In fact, there is something that strikes me as very strange and unprecedented about this proposal. If indeed this is an amendment requiring a balanced budget, as the first phrase of the amendment purports, then how can we allow Congress to essentially suspend the Constitution with a three-fifths vote? This is a very dangerous idea. What other constitutional requirements would we like to waive with a three-fifths vote? Free speech? Constitutional freedom of speech was suspended in Germany in 1933. What about freedom of religion or other civil liberties? Many Central and South American countries can suspend these individual freedoms; are they our role model? Perhaps the 22d amendment limiting the term of office for President should be subject to waiver. President Franklin D. Roosevelt would have easily found the three-fifths vote for that purpose if it had been in effect when he was in office. Because it allows us to ignore the requirement for a balanced budget, this idea of Congress suspending a constitutional requirement cuts against the separation of powers principal so crucial to the foundation of the Constitution.

I hope I never live to see the day when a headline in the paper says, "The Senate Today Voted To Suspend the Constitution."

And let us not forget that it is only one provision, but it is a constitutional suspension of authority vested in the Congress. This is not a code. This is not a statute. This is a constitutional amendment.

We would love to be able to promise our constituents that we will balance the budget. We would love to be able to promise them that we can tie our hands with another procedural gimmick.

It does not address the fundamentals of income and outgo. Do you know why? Because we do not want to face up to those mandates and those difficult tasks of addressing Social Security, addressing veterans' benefits, addressing Medicare and all the rest of the entitlements. That is what we are avoiding.

And the supporters of this amendment want it both ways. They call it a constitutional balanced budget amendment, but that is not what it does. Understandably concerned about the possible economic or security-related consequences if it actually works, this amendment contains loopholes written into its language, and will lead to other loopholes as implementing legislation is passed and interpreted by the courts.

Would the U.S. Congress purposely thwart the express intent of the Constitution? Perhaps no more than a State Governor or legislator would thwart the intent of their State Constitution, of which we in Oregon have such requirement. But, things are not always black and white, especially in the realm of budget law and budget gimmickry. States that have similar constitutional amendments use a host of methods to comply with the law while evading its intent. While almost all States have either a constitutional or statutory balanced budget requirement, 42 States have capital budgets which are not required to be balanced. Do they borrow for capital projects? Of course they do. They also tap into pension funds, accelerate revenues and delay expenditures, use sale-lease back schemes by transferring assets to other State agencies, borrow repeatedly against the same asset, and use a host of off-budget accounts, And I speak as a former Governor.

The budget debate over health care reform provides a perfect example of what we might expect in the way of off-budget accounts at the Federal level. The Congressional Budget Office believes that the administration's health proposals should be on-budget and would add $125 billion to the deficit. But, the administration argues that this is not a Federal program at all and would actually decrease the deficit. We do not know how these determinations would be made with a host of issues under a balanced budget amendment. There is no definition in this constitutional amendment for outlays or receipts. As we struggle to make our budget look more balanced, we will look for more ways to avoid the process altogether.

Some of us have already joined in taking Social Security off budget, an so forth.

What of the likelihood that we can achieve neither a three-fifths vote to pass a deficit budget, nor the majority needed to pass a budget without a deficit? Will we then shift the responsibility for meeting the requirements of this constitutional amendment to the executive branch?

We have already seen evidence of a so-called line-item veto—give it to the President to decide these matters.

Increasing Presidential power through impoundment control would be a misguided step that we would regret continually in the future. While we may not always be responsible with the budget, we are at least accountable to those who elect us. As with line-item veto proposals, the executive branch officials who might redefine Government spending priorities under such a scenario are unelected and directly accountable to no one.

Another way to avoid the Federal budget process is to mandate that the States or businesses pick up the costs. We have already practiced that. We have become very good at this in Washington. As it States and small businesses did not have their own budgetary difficulties, we now look at the menu, decide what is best for them to order, and then leave them with the tab. Conservative estimates by the Congressional Budget Office show that the cost to States and localities of Federal mandates rose from $225 million in 1986 to $2.8 billion in 1991. We might expect this meteoric rise to go through the roof if this amendment is enacted.

If I am skeptical about the ability of a gimmick to fix our budget, I am not skeptical about the ability of the people to demand and keep demanding that we respond to the budget challenge with real action.

Bipartisan negotiation, leadership and compromise have been the cornerstones upon which we have built all effective decisions on tough issues since the formation of our Government.

Compromises are difficult to reach with 535 separate entities trying to react to 15-second nightly news sound bites. I might ask my Republican colleagues whether we could have passed the policies of the early Reagan administration with this amendment in place. At least there was a gang of six on this side that said "no" to President Reagan's great escalation of military spending.

Last year's deficit reduction law provides an example of using compromises to start reducing the deficit. Unfortunately, the compromise did not expand into a bipartisan effort, or we may have had a closer look at those entitlement programs which take up a large part of our budget. While each of us may not have been pleased with last year's deficit reduction law, we should ask if a constitutional amendment would have led to a better result. If anything, the arbitrary nature of the amendment would lead to more ill-conceived budget policies. Despite its sometimes painful nature, the basics of the process have worked and will continue to work.

When I talk to people in Oregon about the deficit, I realize that it is very difficult for them to understand how we can go on spending more than we take in every year.

Analogies to private borrowing for houses and cars only go so far because constituents are not sure of the worth of the investments that this government is making with their tax dollars and with borrowed dollars. They are unsure of the value of the defense buildup of the 1980's or of the huge growth in Medicare and Medicaid. How did we get into a situation where we cannot drop the deficit to zero even over a few years because of the possible economic consequences? We got here by thinking that there are no tradeoffs, by reacting to interests of the day instead of making the tough choices. Ironically, the strong support for this amendment may be another example of that same lack of reasoning. The proposed constitutional amendment before us represents not action, but a promise. We do not need to make more promises, we need only to exercise the power we already have.

In the end, without a drastic abdication to the executive or judicial branch of our most basic constitutional duties, the balanced budget amendment will be a weak promise that we will not fulfill. There is no substitute for political will and there never will be.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for up to 10 minutes.

Mr. KERRY. The Senate has spent countless hours debating a balanced budget amendment to the U.S. Constitution. We have held hundreds of hours of hearings. I respectfully suggest, Mr. President, that this has been little more than posturing.

Make no mistake about it. I am for balancing the budget.

But there is nothing in this amendment that changes the method or politics available now for balancing the budget—if that was what we really wanted to do. This merely places a promise in the Constitution that we will behave the way we already should and already can.

I do not think we need words on paper to do what we could do today or tomorrow or could have done during the last week while this amendment was on the floor. We could have voted for a plan to reduce the deficit over the next 5 years instead of coming and voting on an amendment that has no enforcement mechanism and that pushes into the future the day of reckoning. We do not need to play political games.

What we need are not words on a piece of paper. We need guts in our belly. And we need commitment in our hearts to come to the floor and do what we keep pontificating about and campaigning about but ultimately refuse to do in the U.S. Senate.

Proponents of this amendment have argued that we would feel a greater imperative to balance the budget if an amendment requiring it were in the Constitution. When we pledge to defend the Constitution we would be pledging to balance the budget.

What about the oath we have already taken to defend the Constitution? Each Member of this Senate has already raised his or her hand and sworn to defend the Constitution. Defending the Constitution means taking seriously ones responsibilities to the long-term health of the Nation. It means making the kinds of tough choices needed to bring our budget into balance.

It means as well defending the Constitution against frivolous amendments that could eventually undermine it. It means defending the Constitution against attempts to diminish the rights or alter the structures of government that are true to the spirit of the Founding Fathers. In point of fact, if you are upholding your duty to defend the Constitution of the United States, you would vote against this amendment.

The Senator from West Virginia, I know, will describe later in greater detail the violence that this amendment could do to the stature of the Constitution if the amendment fails to have its desired effect; the violence that this amendment does to the division of power between Congress and the courts; the violence it does to what James Madison described in the Federalist Papers as what keeps us free in this country—majority rule. This amendment does violence to the forms and functions of our Government.

Only once in the 200-year history of the Constitution have we seen fit to amend it on a matter of policy. That was to begin prohibition. And it took another amendment to undo that mistake.

Every other amendment to the Constitution of the United States involves a declaration of the rights by which we will live as Americans or the distribution of power between branches of government. Amending the Constitution is not to be done lightly.

In this case, we are contemplating not merely amending the Constitution, but enshrining in it the capacity for gridlock.

There are only seven exceptions to the principles of majority rule in the Constitution. Every single one of them involves that balance of power. The vote on impeachment; the vote on unseating a Member of Congress; the vote on ratification of treaties; the vote on the override of the veto; the vote on the seating of a Vice President replacing a President; and the votes on what happens on the occasion of an electoral college lock. These votes involve the definition of power between branches of government, these votes are part of the checks and balance essential to the structure of the Federal Government.

This amendment is not intended to, nor is it advertised as a change to the balance of power. Like prohibition, it is an amendment designed to address a policy issue. Its unintended consequence would be to enforce minority rule on issues of the budget—issues among the most important faced by this body.

How would it really work? Imagine that we have turned over to the minority the ability to decide whether or not the Nation runs a deficit in any specific year. If there is a recession, the budget may fail to meet the expectation—tax collections are down and payments to the unemployed and needy are up. No one wants to raise revenues. No one wants to cut spending. Not in a recession. But you have more than 41 U.S. Senators who—as a matter of principle or good old fashioned hardball politics—do not want even a small deficit. What happens? A constitutional crisis? Gridlock? Because 41 Senators say we are not going to do this.

This is an institution that is supposed to run based on majority rule, and our Founding Fathers put in a very careful restraint on that, which is the filibuster. As little as, I think it is, about 8 years ago, 9 years ago, we had only three filibusters a year. When I first came to the Senate less than 10 years ago, the filibuster still meant something. You still had the prospect of spending the night on a cot. You still had to come to the floor and speak. And it was used sparingly. Now the filibuster has become the instrument of delay, and it is constantly invoked as a process of preventing the Senate from doing its business.

Here we are being asked to turn over to the minority that is unwilling to let 51 votes today decide whether or not we should have a deficit or raise revenue, to turn over to them, enshrined in the Constitution, the power to forever create gridlock. Mr. President, this amendment is simply unworkable, unenforceable, and unnecessary.

Instead of unbalancing the constitution, let's vote on a plan that will balance the budget. Rather than waiting 4 or 5 years to take action on the budget, let's exert some discipline now.

I came to the floor last month with an amendment to cut the Federal budget by $45 billion. I lost on that vote, just as DALE BUMPERS has lost the many budget cutting amendments he has filed over the years, until he finally terminated the supercollider project last year. I lost in part because, for many Members, it is easier to vote for a balanced budget in the distant future than even small budget cuts today.

They remind me of St. Augustine's prayer, "Give me chastity and continence, oh God, but please do not give them yet."

Mr. President, if the Senate and this town had as much will as rhetoric, we could have focused all this time and energy on developing a real plan to eliminate the deficit. We are undervaluing our abilities, and underestimating the capacities of the American people.

Walter Lippman wrote in 1932 in times far harder than these that,

> Politicians . . . continue to think that the way to please and to reassure the people is to pat them gently and feed them pap. The[y] . . . are wrong. They do not understand the human animal. . . . They have forgotten that in the carnal nature of man there are chords of fortitude and heroism which, when they are struck, vibrate with an unaccountable energy. How else explain the great periods of history that punctuate the drab and flat routine of existence, except by the fact that when they must, men can rise so far above themselves that they hardly know themselves.

If the discipline exists to enforce the amendment, the discipline can exist to have a plan put in place now, providing the minority is willing to live by the votes of 51 U.S. Senators. And the fact is that that is precisely how we began to move the process this year—51 votes. The President of the Senate broke the tie, and we are now on the road to doing the very thing they seek to do.

Mr. President, I hope my colleagues will not seek yet another fig leaf in Washington and they will vote their conscience and they will vote to uphold the Constitution of the United States and defend it as they have already sworn to do.

Mr. HATCH. Mr. President, I yield 5 minutes to the distinguished ranking member of the Senate Budget Committee, and I understand the distinguished Senator from Illinois is willing to yield 10 minutes.

Mr. SIMON. I am willing to yield 10 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I see the distinguished chairman of the Appropriations Committee is on the floor, and I would be remiss if I did not congratulate him on his effort and his concern.

That brings me to the bar graph I have here on the floor that I think makes the case of the chairman of the Appropriations Committee, except I come down that the only way to get the entitlements under control is with this constitutional amendment. But if you will just look at the makeup of this last bar graph that goes out to 2001. The red bar is entitlements and other mandatory spending and amounts to $1.3 trillion. Defense and international is $283 billion. All of the nondefense discretionary spending—education, highways, National Institutes of Health—all those things that we, from time to time, think we ought to pay for as a people because they are in our best interest, is this little green $317 billion.

Frankly, the graph shows that a disproportionate share of the budget is uncontrolled because we will not change entitlement or mandatory programs. This leads me to the conclusion that the distinguished chairman of the Appropriations Committee has made clearly. Reducing this green bar, the domestic appropriations, cannot balance the budget. I say to my friend from Virginia, we are close to the point where you could destroy domestic discretionary appropriations, take it all away, and you would not balance the budget. If you phased it out over time, you would eliminate it and still not balance the budget.

So I think the way to make sense out of a budget is to take the pressure off the discretionary accounts so we can truly debate domestic needs. I think the only way that is going to happen in the next 10 to 20 years is with a constitutional amendment that makes this institution and the one down on Pennsylvania Avenue produce over a period of time a balanced budget or suffer the consequences that are clear in this amendment.

People say, how will it be enforced? Frankly, I asked the same question and we changed this amendment. It is now enforceable in a very unique but realistic way because it says when you reach the point that you are supposed to be in balance, you cannot borrow any more money. That is what it says. It will be illegal.

That is self-enforcing, for those who wonder about it. Self-enforcing, because what is American debt? American debt is Treasury bills. If the law says you cannot issue any more, who is going to buy them? Do you think somebody on Wall Street is going to say to go ahead and issue them even though they are illegal? Do you think someone is going to violate the Constitution in order to finance the deficit, and spend more money? Literally, you will not have any money to spend, because you cannot borrow anymore. When you cannot borrow anymore and you have used all that you have borrowed, where are you going to get the money to pay the bills? So we added this constraint to the amendment that has developed over the past decade.

Let me make a second point, and then I will talk about what has gone on in the last couple of weeks. Here is a simple one.

The red line on this second graph is the budget deficit and the yellow line is the standard employment deficit. What is important is that many are coming to the floor and saying, as Senator SIMON has heard more than I, we are getting the deficit under control.

Let us look clear back here to 1965. Do you see how the red line fluctuates but establishes a clear upward trend? This is not anything new. While the deficit moves up and down, the long-run trend is a steady rise. Our ten year projections assume sustained economic growth as far as the eye can see at 2.7 percent, year after year after year, compounding itself to the year 2004, which would be an extraordinary economic recovery. Economic recoveries last on average 5½ to 6¼ years. We are expecting it to last until the year 2004, and guess what happens? The deficit is back up to $300 billion by the year this amendment says we should be in balance.

How can anyone say we fixed the deficit when we have not? How can anyone say we know how to take care of it; it just requires a little guts and courage? Let me say to my friends in the Senate, I have put so much of my gut in legislation on this floor to get this deficit under control.

In 1985, we got 51 votes for a bold deficit reduction plan. That plan was put forward by Republicans and one Democrat. Remember that one? We hauled in Pete Wilson, who was sick in the hospital. We got 51 votes and voted in a budget. If we had implemented that budget, the deficit would have been brought under control long before this last year's deficit reduction package. But once the 1985 plan passed, the House would not take it; and, yes, my good friend and Republican President Ronald Reagan would not take it.

So it takes guts, but you cannot get 51 people exercising the guts at one time around here because they all think they know better, or they are all pushed by interests that say you cannot do this one, you cannot do that one.

So anybody who thinks that we have not—the Government, this administration, this Congress—we have not surrendered to the deficit just does not know what they are talking about. Why does somebody not draw a 10-year plan? Why does the President not meet with us and draw a 10-year plan and vote on it to get a balanced budget? Is that not what you would like, I say to the Senator from Illinois? Nobody is going to do that because we are going to surrender to the budget deficit.

What have we heard for the last 2 weeks? We heard a tapestry of witnesses, one after another, coming before the Appropriations Committee or Senator SIMON's subcommittee. What were they saying? Let me remind the Senate of all those witnesses who said we cannot do this because we are taking the care out of Medicare, we are taking the aid out of Medicaid. Those witnesses were not talking about the constitutional amendment; they were saying we cannot balance the budget, that is what they were saying. Because to balance the budget, you cannot leave anything off the table. Those witnesses said do not balance the budget by cutting any of our programs.

They frame the debate by saying the constitutional amendment will do that, but the constitutional amendment is only saying get a balanced budget by 2001. That is what it is saying. And if you cannot do any of those things that the Cabinet members said we cannot do, that the ARP said we cannot do, that everybody says we cannot do, that means we have surrendered as a people to the deficit.

We had a hearing on this budget deficit 2 years ago, with one of the very distinguished constitutional experts from Harvard—his name is Laurence Tribe. When we brought to his attention the fact that this amendment had a provision in it that said at a point in time you cannot borrow any more money, he was very interested. He does not support a constitutional amendment. I do not want to put words in his mouth to that effect, but he said, and I quote:

> Given the centrality in our revolutionary origins of the precept that there should be no taxation without representation, it seems especially fitting in principle that we seek somehow to tie our hands so we cannot spend our children's legacy.

That is what the Simon-Craig amendment does. It says we are going to tie our hands so we cannot spend our children's legacy, just as plain and simple as anything you can imagine.

It is amazing that those who oppose it come to the floor and say, "Why, this does not occur until 2001." Is anybody suggesting that we ought to do it sooner? Is anybody suggesting there is a great risk in trying to do it sooner? Is anybody suggesting they have a plan that could receive some kind of majority support in the Nation to do it in 3 years, 4 years?

There are not a lot of options. The American people feel they are taxed up to here. I guess you can put another $500 billion on in taxes. You will get to a point where all the taxes will have an effect on the economy and you cannot sustain 2.7 percent real economic growth. If the economy slows, the deficit will not be $350 billion—it will be even higher.

The point I make today is that this Senator is proud of his work on the budget. Some people wonder why I stay with this, but I think I know as much about this budget and the budget process as anybody in either House of Congress. When they stand up and say there is no definition of outlays, outlays are clearly defined. The term has been used so repetitiously in the budget process of the United States that they are about as entrenched—the word "outlay"—as any fiscal policy word in the lexicon of U.S. Government's budget.

"Receipts," is also used in this amendment. Receipts are not defined? Receipts have been used so repetitiously that they are clearly defined in the budget process.

The Congress of the United States, based on this constitutional amendment, must sit down and draw a set of enabling laws that will tell you exactly how you are going to get there and what processes you are going to use. If Congress does not get it done, the country essentially, essentially goes broke. They do not have any more money to spend. At a point in time, we can only rely on the cash coming in because we have frozen the debt.

Now, frankly, I am not as fearful of that as some because I think we will act prudently.

And then some say, but, look, you are going to suspend the Constitution with 60 votes. There is nothing like this in the Constitution. This is not a right. This is an economic, commonsense part of the National Government. There may be occasions in a deep recession when you want to run a deficit and use the supermajority waiver in this amendment. This is not voting the Constitution out. It is making it work. Is that not right, I say to my friend from Illinois?

Mr. SIMON. Yes.

Mr. DOMENICI. So what I see here is that Senators can come to this floor, people can go to committee hearings, they can all talk about what we cannot do. But if in the same breath they are saying we ought to get a balanced budget, I must say to them I think we have tried everything that the ingenuity of this Congress can try to put together to force this to occur, and it does not occur, and it will not occur. Frankly, until we tie our hands so that we cannot spend our children's legacy, we are just not going to get there.

I believe this is a forcing mechanism. I do not think it is as certain of success as anyone here would like it to be. This Senator knows enough about it that if you said, "Will it work absolutely, Senator DOMENICI?" I do not know. But I tell you, what we are doing now is not working. In fact, it does not have a chance of working.

Frankly, I must say, when you have Cabinet Members parading up last week saying you cannot do this, you cannot do that, you cannot do this, you cannot do that, they ought to be asked, well, let us throw this constitutional amendment away. Can we do something in your program by the year 2001 so that it will contribute something to deficit reduction? If the answer is no, all you can conclude is maybe you just raise taxes, I say to the Senator from Georgia, just keep raising them because you cannot change any programs.

Now, frankly, in my last argument, since I am a strong proponent of defense, I read Mr. Schlesinger's comments in the paper this morning that, if we adopt this constitutional amendment, we are going to put defense in a worse state. Frankly, it cannot get any worse. The pressure is already on. Defense is going to be cut to fund domestic discretionary accounts. The discretionary spending caps hold spending down and we are running around bragging this is the first time there are no increases. It is really a net, a net freeze in total discretionary spending.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. Could I have 1 minute to close?

Mr. SIMON. I yield an additional minute to Senator DOMENICI.

Mr. DOMENICI. So let me just close by saying if you are looking for certitude, if you are looking for absolutes, if you are looking for guarantees, there are none. But I do believe that there is such a big risk to our children and our future of not doing something extraordinary when we know what we have been trying to do has not worked, it just appears to me the time is now. I hope we have a chance to write enabling legislation about this kind of amendment. I think it will be tough, but it will get done, and we will get a balanced budget by the year 2001 if we do that. If not, there is no doubt in my mind that we will not get there.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I had committed to Senator DECONCINI. I know Senator NUNN would like to speak, but I indicated to Senator DECONCINI he could speak next. I yield 5 minutes to him.

Mr. WARNER. Mr. President, could I engage the managers in determining who might follow Senator DECONCINI? I have been waiting for about a half-hour for a period of 3 minutes. The Senator from Utah said that was all he could spare.

What time would that occur?

Mr. HATCH. Mr. President, I have 3 minutes to yield. I would be happy to work this out one way or the other.

Mr. SIMON. After Senator DECONCINI, the Senator can yield 3 minutes to Senator WARNER and then I will yield 7 minutes to Senator NUNN.

Mr. DECONCINI. Mr. President, I thank the Senator from Illinois, and I wish to again compliment the Senator for his leadership, and also the Senator from Utah, Senator HATCH, and, of course, my good friend and——

The PRESIDING OFFICER. If the Senator will yield for a moment, the Chair inquires how much time is being yielded to the Senator from Arizona?

Mr. SIMON. Five minutes.

The PRESIDING OFFICER. Five minutes.

Mr. DECONCINI. I thank the Senator from West Virginia, for whom I have the greatest respect. So often we are on the same side of issues, and I am glad he was on this side of the issue in 1982 when we passed it. I wish he was on this side of the issue this time because it would pass again if he was.

I am very disappointed because I have a bad feeling—that the votes are not here to pass this amendment. I regret that. It is through no fault of the Senator from Illinois, who has worked so hard, and the Senator from Utah and others who have worked so hard on this amendment.

I also want to say a particular thanks to Meg Wuebbels and Janis Long of my staff, who have worked so long, as well as the staff of Senator SIMON, Senator HATCH, and others.

Mr. President, we have heard so much debate here about how we do not need a constitutional amendment, Members saying let us just vote, get 51 votes and pass a balanced budget or reduce and eliminate the deficit in 5 years or 1 year.

But all of us who have served in this body and those who are new know that that just is not going to happen. It has not happened, and it is not going to happen. I wish I felt differently and felt optimistic that by not passing this amendment this body and this administration and the House would come back with a deficit reduction plan, that we were going to truly bring our budget to a zero deficit in 5 years. It is not going to happen, with or without health care reform.

Interest is going to continue to consume more and more of our budget. A slight increase in interest rates—and that is likely to happen—will result in soaring deficits once again. We have been fortunate. The lowest interest rates in 30 years have meant that we have had a lowered payment on the interest on the debt. Consequently, we are patting ourselves on the back today because, guess what, the deficit is only going to be $180 billion.

I stood on this floor, and I ridiculed President Reagan and his administration for offering a budget that had a deficit of $180 billion. And now we are saying is it a victory to have such a small deficit.

Well, at least it is in the right direction; it is down. This is because of a lot of reasons, including President Clinton's leadership and this Congress' willingness to pass a tough deficit reduction package.

This country's net interest will be over $200 billion this year. Interest payments are eight times higher than expenditures on education, 50 times higher than expenditures on job training, 55 times higher than expenditures on Head Start, and 140 times higher than expenditures on child immunizations.

It is time that we stop kidding ourselves that we are going to balance the budget. I have been asked by the press, "Well, why don't you just do the job, Senator, that you are sent to Washington to do?"

Well, I will tell you. We can all take some blame because there is not anybody in this body that has not voted for something that added to the deficit. We can probably all take some credit for voting for something that has cut the deficit. I have offered a number of bills, as have others. But the bottom line is that the deficit keeps growing, and the budget is not being balanced or coming close to being balanced.

So this evening we have an opportunity to vote for a constitutional amendment that will require us to do it. And you can pick the amendment apart, and you can pretend, "Gee, if it just had this in it, I would vote for it," or, "If it had that in it, I would vote for it." The reality is that there are not 67 people in this body who want to stand up and force upon the Congress of the United States and the President of the United States a requirement to balance the budget in the future, for all years after the year 2001. That is the lack of courage that we face today.

I am sorry to see that happen because this is a wonderful institution, and it is not the end of it because we cannot pass this amendment. But it is a very big disappointment to the American public and a disappointment to this Senator and those who have worked so hard for it. And with all the kidding we want to put on, the good face we want to put on here tonight, "Do not worry, we are going to do it," it just is not going to happen.

I thank the Senator from Illinois.

I thank the Senator from Georgia.

Mr. HATCH. I yield 3 minutes to the distinguished Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I ask unanimous consent that I might supplement my remarks given the short time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I thank the managers of this bill. I have listened with great interest to the arguments my colleagues have made, both for and against a balanced budget amendment. And, Mr. President, while I have long been a cosponsor and supporter of this legislation, I must state that I have very serious reservations about the role defense monies will play in meeting the balanced budget targets.

I had earlier spoken on this issue and will include in my remarks today my deep concern about national defense, and the fact that, as drawn, this amendment, in my judgment, leaves out a very important area. The President should have discretion in situations short of the declaration of war or involvement of the Nation in hostilities. I therefore have offered an amendment to protect, in part, national defense requirements, and, while I am aware that I will not be allowed a vote on my amendment, I still feel strongly that the issue must be raised.

I am going to put in a chart showing that really, the last time we declared war was in World War II, yet we have engaged in many national security situations the world over since that time which should be addressed in any future amendment of this type.

Mr. President, in very plain language I am going to explain why this Senator is planning on supporting this amendment, although I am concerned about the national security aspects. I am hopeful that those will be taken care of by this body and the other body should this amendment become law.

There is an old maxim. "If it ain't broke, don't fix it." We have come to the conclusion that this budget process is broke, and it is in desperate need of being fixed. Who is to fix it? In the 15 years I have been privileged to serve here, my record reflects a voting pattern strongly against excessive spending. But the record is we have not fixed it. As a matter of fact, the last time we balanced the budget was 33 years ago, in 1969. So that does not give us any hope that this institution can come to grips with this situation.

I support this amendment because it sends a strong message across America that we want the people of the 50 States, the State legislatures, to address this. Three-fourths are required for ratification. And as that great national debate begins, it might send a message back to this institution and the other body to give us the backbone, on our own initiative, to address this question, so that we may not have to be faced with the eventuality of amending the Constitution of the United States.

That message must come from the 50 States, from the people themselves, their concerns being the voice through their respective State legislatures. If one by one those legislatures in mounting numbers affirm the need to have this amendment put to our Constitution, then the chances are that we will gain the rigidity of backbone to address this issue ourselves.

Mr. President, I ask unanimous consent that a copy of my statement from Friday, February 25, be inserted in the RECORD, as well as an editorial by James Schlesinger, which appeared in today's Washington Post. It is entitled "A Sure Way To Gut Defense" and sets forth more aptly than I can the dangers to the defense budget inherent in passage of this balanced budget amendment.

I thank the Chair.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A SURE WAY TO GUT DEFENSE

(By James Schlesinger)

Once again the balanced budget amendment is on the floor of the Senate. A residue of the budgetary sleight of hand of the '80s, it now appears slowly to be gathering strength—and might actually make it into the Constitution. If it does so, the consequences for America's international position will be predictable and dire. While its proponents may not acknowledge it—or perhaps even recognize it—the balanced budget amendment is an arrow pointed straight at the heart of America's defenses.

One must understand the grand design of the federal budget. Its structure is skewed toward protecting the so-called entitlements programs and against discretionary spending, the largest component of which is defense. Entitlements are enshrined in law, but even more importantly the political power of their beneficiaries makes them highly invulnerable, creating the right to receive income or compensatory payments from the federal government. Along with such obligations of law as interest on the public debt, the entitlements programs now constitute the bulk of federal spending. By contrast, discretionary spending, primarily defense, whose share has steadily shrunk over the decades, depends upon the annual appropriations process. One does not have to be clairvoyant to discern what inevitably would be squeezed in the event of a requirement to balance the budget annually.

Even in the 1980s and in the absence of the balanced budget amendment, as budget deficits rose to a higher level, defense spending became an early casualty. The Reagan administration was unable to achieve its intended defense buildup, projected to go to 9 percent of GNP, not because of a constitutional requirement to balance the budget but because of the pressure to limit the rising deficits. Defense spending reached its peak in real terms in fiscal year 1985. It has been declining ever since.

Without an effective mechanism to deal with the entitlement programs, the balanced budget amendment could only make the problem worse. The resistance to higher taxation or reduction of popular entitlement programs (particularly to compensate for an unanticipated budget shortfall) would still be there. Though the budget cutters would chop away at other discretionary spending, defense spending would unavoidably be the principal sufferer. Indeed, given the existing asymmetrical structure of the federal budget (in which all the pressures go in the same direction), a balanced budget requirement, if taken seriously, would install a veritable machine for the slashing of defense spending year after year. Given the many individuals who support—or profess to support—a strong national defense, I have been astonished that so many appear to be advocates of the balanced budget amendment, considering its dire consequences for our defense posture. Either they do not understand these consequences or, conceivably, they are just posturing.

Would not, as the proponents suggest, a constitutional requirement force us to bring entitlements spending under control? The prospect seems pretty dim—even before the new health care program is added to the entitlement mix. Take Social Security: Few were the elected officials prepared even to contemplate reining in the program. During the Reagan years we surely had ample time to Just Say No to the expansion of Social Security, but it was never proposed by the administration—nor were the other entitlement programs much threatened. There were many speeches, but when it came to action, fear took over.

In the '80s the chimera of the balanced budget amendment provided marvelous cover. Driven by the shrinkage of the tax base, the defense buildup and the surging costs of servicing the public debt, deficits exploded. The national debt quadrupled. That was the reality. But the talk of the balanced budget amendment provided the necessary solace: All ultimately would be cured—in the sweet by and by.

Fully to understand the gravity for defense of the proposed amendment, we must look not only at the future but at the consequences had it been with us in the past. Without deficit spending, the naval construction program of the late 1930s, which produced the carriers that turned the tide in the Pacific would have been impossible. To be sure, the balanced budget amendment does provide an exception for times of war. But war was not declared until Dec. 8, 1941. Virtually all the capital ships used in World War II had been laid down by that date—all the battleships, and all save seven of the Essex class carriers. None would have been available at the right time. Necessary equipment is not instantaneously produced—after the emergency has arrived. At Midway the United States had the Yorktown (commissioned in 1937), the Enterprise (1938) and the Hornet (1941).

Franklin D. Roosevelt could not have continued the strategy of finishing Germany off first. He would have had to turn his attention to the Pacific war. At the close of the war the Soviets would probably have been on the Rhine if not at the Atlantic itself. The whole postwar scene would have been depressingly altered had it not been for the wise and timely military expenditures prior to the war.

Putting aside World War II, the military balance in the postwar period would have been entirely different. The military buildup after the attack on Korea in 1950 might have been permitted. But we could not have maintained the level of military expenditures during much of the Cold War. The Reagan buildup in the 1980s would not have been possible. We could not have performed in the gulf in 1990–91 as we did.

Perhaps this nation will no longer require a Department of Defense beyond the year 2000. It would seem unwise to count on it. Why then imbed in the Constitution a mechanism that relentlessly propels us toward its dismantling? The same question applies elsewhere. Perhaps this nation will not require an intelligence community, the FBI, the Coast Guard, a nuclear weapons program etc. All would be under pressure—and the outcome would be either distressing or dangerous.

What we have here is a formula for unilateral disarmament—designed for ostensibly "conservative" reasons. No true supporter of defense could logically vote for this amendment—in the absence of an ensured mechanism in place to control entitlement benefits. Yet it is indicative of the underlying weakness of the rationale for the amendment that no such mechanism could possibly pass. What we have is simply something based either on cynicism or hope—a shot in the dark that would ultimately turn into a boomerang. Many senators will vote for this amendment understanding the consequences but confident that it will lose. But if it wins, it is the best way to ensure the recessional of American power.

U.S. DECLARATIONS OF WAR

War	President's message	House action	Senate action	Onset of hostilities
War of 1812	June 1, 1812	June 4, 1812 (79–49)	June 17, 1812 (19–13)	United States forces invaded Canada in July 1812.
Mexican War	May 11, 1846	May 11, 1846 (174–14)	May 12, 1846 (40–2)	United States claimed hostilities began in April 1846 on United States territory. Two battles were fought north of Rio Grande on May 8–9, 1846. United States forces crossed Rio Grande into Mexico on May 17, 1846.
Spanish-American War	April 11, 1898	April 13, 1898 (325–19) (Conference report agreed to April 19, 1898).	April 16, 1898 (67–21)	United States Asiatic Squadron had been given orders in advance of the declaration of war to prepare for operations against the Philippines. Battle of Manila Bay was fought on May 1, 1898.
World War I	April 2, 1917	April 6, 1917 (373–50)	April 4, 1917 (82–6)	United States Naval units began convoy duties off Ireland on May 4, 1917. United States army units arrived in France on June 28, 1917 but did not enter the front lines until October 1917.
World War II	Dec. 8, 1941 (Japan)	Dec. 8, 1941 (388–1) Dec. 11, 1941 (388–0; Germany), (399–0; Italy).	Dec. 8, 1941 (82–0) Dec. 11, 1941 (88–0; Germany), (90–0; Italy).	Japan attacked Hawaii and the Philippines December 7, 1941. Naval incidents between United States destroyers and German U-boats had occurred in October 1941. United States forces landed in North Africa in November 1942.
	June 2, 1942 (Bulgaria, Hungary, and Rumania).			H.J. Resolutions (319, 320, and 321) declaring war against Bulgaria, Hungary, and Rumania enacted June 5, 1942.

[From the Congressional Record, Page 3165, Feb. 25, 1994]

The Presiding Officer. The Chair recognizes the Senator from Idaho [Mr. Craig].

Mr. Craig. Mr. President, I yield to the senior Senator from Virginia 10 minutes.

The Presiding Officer. The Senator from Virginia [Mr. Warner], is recognized for up to 10 minutes.

Mr. Warner. Mr. President, I thank the managers of the bill.

Mr. President, I am in somewhat of an awkward position in that I had hoped to submit this amendment yesterday. Unfortunately there was a unanimous-consent request of which I was not aware and I accept the responsibility for not having gotten the amendment in a timely manner. At an appropriate time in the course of this debate, I will try to prevail on the managers and, if necessary, the Senate as a whole to consider the wisdom of this amendment.

Mr. President, the balanced budget amendment, which I support, provides some flexibility with respect to Federal budgeting in time of war.

Section 5 of the proposed constitutional amendment says that: "The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect."

It also says that those provisions: "may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution."

In subsequent debate, I will point out the very few instances in which—certainly in recent history—this country has declared war, despite the numerous military engagements we have been involved in short of such a formal declaration of war. Lives and limbs and the dollars of our Nation can be spent in military engagements, and have been spent in military engagements many times, without the Congress of the United States declaring war.

That is the specific problem that I find with the underlying balanced budget amendment, which hopefully can be addressed with respect to my amendment.

I am concerned that providing budget flexibility only in the situation of war—that is, where actual conflict has already commenced—is too tight a restriction to serve the Nation's security interests. My amendment would provide wartime flexibility also during a national security emergency declared by either the President or the Congress.

Mr. President, there is a whole framework of laws that have grown up in this area describing what constitutes a national security emergency, and in subsequent debate I will specifically bring to my colleagues' attention those laws and what they are. My amendment tries to make this overall budget amendment, the constitutional amendment, comport with this recent body of law that has grown up here in recognition, Mr. President, of the fact that Congress does not declare wars as it did in times past.

If the balanced budget amendment provided budgeting flexibility only when a war had already commenced, as written, it would be just too late, I say most respectfully to the authors. Modern wars are high-tech, fast-moving, come-as-you-are affairs. In other words, we fight such wars, defend freedom and security, with what we have in our arsenals at the time that conflict arises, with the men and now the women that are in uniform and that are trained, and with the Guard and the Reserves, which are a very important adjunct to our overall national defense.

Once a war has begun, it is too late, with today's technology, to start building ships and planes and ordering the equipment that our brave men and women in uniform need.

We need to provide some budgeting flexibility there for period of tension or increased threat that may occur in the period before a war breaks out, which would assure that our Armed Forces could prepare and ready themselves to either fight the war or hopefully deter it.

And may I depart on that point?

Very often, our President recognizes the opportunity to deter war, to stop it before it starts, by declaring a national emergency, by augmenting our overall national security, be it calling up the Guard or Reserve, or ordering the materials beforehand, and letting that send a signal to deter that war before it starts.

I just simply say, in all due respect to the distinguished author and managers of the joint resolution, I think the balanced budget amendment is drawn too tightly, and it takes away from the Commander in Chief of the Armed Forces of the United States the opportunity to deter and take such steps that might avoid war, to give him the flexibility to do what he or she, as the case may be, thinks appropriate to deter, through diplomacy and other means, to protect American interest—again, a way to avoid a war as is written into this amendment.

Accordingly, I propose that the budget flexibility that applies under the balanced budget amendment in wartime also should apply in time of national security emergency. We do not, of course, want to simply delegate broad authority to a President to claim, as a matter of just a passing moment with him, that a situation is a national security emergency and thereby escape the fiscal discipline imposed by the balanced budget amendment.

We do not do that, I say to the distinguished author. My amendment would not do that.

My amendment would provide a mechanism that if the President declared a national security emergency for the purposes of the balanced budget amendment, and Congress were to disagree with that declaration, we could, by joint resolution, override the President's waiver for the balanced budget amendment. Thus my amendment includes a set of checks and balances.

In short, while I would give the President the authority to trigger the balanced budget amendment in the event of a national security emergency, my amendment reserves to the Congress the power to decide whether the balanced budget amendment would continue to apply during such period.

So, Mr. President, at the appropriate time, I will discuss this amendment with the managers and hope that I can have it considered by this body as part of this debate. I regret not having included it yesterday in the unanimous consent agreement.

I yield the floor.

Mr. Simon addressed the Chair.

The Presiding Officer. The Chair recognizes the Senator from Illinois [Mr. Simon].

Mr. Simon. As the Senator knows, we have an agreement and it would take unanimous consent to permit the Warner amendment to be adopted.

I ask a page here if you could take this to Senator Warner.

This is from the GAO report of June 1992. This has obviously changed some, slightly. But if you will look at their projections from 1990 down, take a look at defense spending in 1990, 24 percent, you see the squeeze that takes place in defense down to 8 percent.

You know, when you talk about what is the threat to defense in the future, it is this growing cancer of interest, because we are just not being fiscally responsible.

I join Senator Warner in wanting a strong, adequate, mobile defense. I look forward to working with him. But I just wanted to point that out, because it is one of the realities that we have to face in the future.

Mr. Warner. Mr. President, I thank the distinguished manager.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. I yield 7 minutes to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia [Mr. NUNN] is recognized.

Mr. NUNN. Mr. President, I thank my friend from Illinois.

Mr. President, I rise today to announce my support for the Simon-Hatch-DeConcini-Craig constitutional balanced budget amendment.

I have also sponsored or cosponsored numerous statutory efforts to get our fiscal house in order. Such efforts include: the 1982 Johnston-Nunn-Exon amendment which would have moved the budget close to a balance in 1985 through a combination of budget cuts, revenue increases, and entitlement restraints including limitations on automatic COLA's—vote 21 to 70; the 1983 Johnston-Nunn-Exon-Boren-Proxmire amendment which would move the budget close to balance by 1988 through a combination of reducing the rate of spending in Medicare and other non-means tested entitlement programs, and reductions in COLA's—vote 13 to 83; the 1985 Chiles-Hollings amendment which would have moved the budget close to balance by 1990 primarily through a combination of spending cuts, reductions in tax entitlements, and a COLA delay—vote 35 to 63; various Federal spending freeze amendments, including the 1983 Hollings amendment, the 1984 Tsongas amendment, the 1987 Kassebaum-Boren amendment, the 1989 Hollings amendment, the 1991 Grassley-Helms amendment, and the 1993 Grassley amendment; and the 1992 and 1993 Nunn-Domenici amendment which would have limited the growth in non-Social Security entitlement programs and saved over $700 billion in 10 years—vote 28 to 66 and vote 47 to 51.

Unfortunately, as evidenced by our growing Federal debt, these efforts have been unsuccessful.

I agree with so much of what my friends from New Mexico said, and also identify very closely with the remarks my friend from Virginia just made, that I do not know if my remarks bear repeating because the Senator from New Mexico and I have worked together long and hard to try to come up with a 10-year plan that would indeed get the budget under control. And we have actually proposed that on the floor of the Senate. The first time we got 28 votes. The next time we got 47 votes.

The opposition then said we should not do that kind of thing: "Do not put any kind of lid on entitlement growth because we will not be able to do health care reform without it."

Now we see health care reform. And the question is how much more are we going to spend on health care reform than we are spending now? Not how much we are going to save because we have new entitlement programs coming faster and quicker and certainly more than the savings.

So I feel much like Winston Churchill must have felt when he said, "Democracy is the worst form of government, except for all the others." I think that is where we are today. I think the same thing can be said about this resolution. I believe amending the Constitution of the United States in this fashion is the worst method proposed to eliminate our persistent Federal deficits. But I do not think I can honestly tell the people that I represent that I am confident we can get our fiscal house in order any other way.

I would like to be able to, but I cannot. Given the absence of congressional or executive branch leadership—that is not just this administration, it goes back for years and years in previous administrations—to address the underlying issues which created and perpetuate this problem. And I think this blame lies equally to both political parties. I will vote for this measure because it appears to be the only way to force Congress and the executive branch to face up to the problem.

Will it work? Well, I certainly cannot be sure. I do not know whether anyone can be sure that it is going to work since there have always had to be, and still have to be, exemptions for emergencies. And the creative minds engaged in the legislative process will inevitably develop other loopholes. Conceivably, this body could be irresponsible enough to declare war on some small country and let the war declaration stay for the next 30 years. Then this amendment would not apply at all. I do not think that will happen.

But there are a lot of things that could happen. So I am not sure. But what I can say for sure is that so far nothing else has worked, and nothing else is on the horizon that appears to be able to work or even is seriously proposed.

I want to commend Senators SIMON, CRAIG, HATCH, and DECONCINI, as well as others, who have put forth this amendment. I particularly want to thank Senators DANFORTH, COHEN, and DOMENICI for putting forth the amendment which I believe will be incorporated which makes it absolutely clear that this is not going to turn over the fiscal problems of the Nation or the fiscal decisions of the Nation to the judicial branch.

I thank them for working with us on this matter. I also appreciate the managers' assurance that this amendment does not implicitly give the President a line-item veto or any additional impoundment authority beyond what has currently been provided by statute or which may be provided in the implementing legislation.

Mr. President, I agree with Senator BYRD, and he has made a very persuasive case, as good a case as anybody could make against this amendment. He said that this amendment does not reduce the Federal deficit by one thin dime. I say that the Senator from West Virginia is on the mark when he says that. This amendment is not self-implementing.

Congress currently has all the means at our disposal to enact a plan which would bring the Federal budget in balance. What we lack is the willpower to carry out the painful and necessary steps to make this goal a reality.

The question is not whether we can do it or not. The question is whether we will.

This balanced budget amendment may be the instrument that would finally give us that willpower and also have the American people back those decisions.

In all honesty, I must also say that the public needs to prepare itself, and I do not think the public is prepared at this point, to accept the fact that balancing the budget means cutting benefits and raising revenues, not just cutting wasteful programs, not just raising taxes on high-income Americans. What everyone would like to do is just cut out the waste and raise taxes on wealthy people.

There is not enough money there in either of those categories to even put a dent in the deficit. We have to reduce the growth rate of programs which are popular with the American middle class.

This conclusion is not based on political science. It is based on simple arithmetic. We have to do things to the programs that the middle class really like. We have to cut programs they really like.

That is the reason those programs are there. That is the reason they have so much support.

We can go after fraud, and we should. We can go after waste, and we should, and there is a lot of it there. But there is not going to be an identifiable amount that would even come close to balancing the budget.

Whether we pass this constitutional amendment or not, balancing the budget requires the spending cuts and revenue increases. And I might add at this point, I do not plan to vote for any new significant tax increases in this body as long as I am here until we have done something about the growth of entitlement programs. That was the reason I voted against the President's budget last fall, not because what was in it but what was not in it. What was not in it was any kind of meaningful restraint on the growth of entitlement programs in the future.

Mr. President, when I hear people that I respect, and I do respect many people who oppose this amendment, say that we cannot do it, we cannot pass this because it would wreck the safety net, we cannot do it because it would raise taxes, because it would wreck the economy, because it would cut defense, because it would wreck our national security, what they are really saying is we cannot ever balance the budget because it is too hard.

To me that is giving up. It is giving up not simply on our fiscal matters but giving up on our children's and grandchildren's future in this country.

As to defense cuts, it is certainly true, as my good friend Jim Schlesinger points out in the paper this morning, and I read his testimony before Senator BYRD's committee, and I have immense respect for him. He points out if we pass the balanced budget amendment and if we implement it by repeating our pattern of exempting entitlement programs, which are over 50 percent of the budget, then defense will be badly hurt.

That is true, if you take the assumption as being true. The argument is based on the assumption that we will continue to do business as usual. I will fight against this assumption whether or not this amendment passes. I have a little different line of reasoning. Those of us who believe that defense must remain strong must make this case every year with or without this amendment.

I believe that if we are not prepared to come to grips with the balanced budget over the next 10 years we will shortly but surely bleed the defense and domestic discretionary programs without doing anything significant about our fiscal balance.

I agree with those who say we do not need a constitutional amendment to balance the budget. But all the serious efforts we have enacted to get the deficit under control by statutory means—some of which I have already mentioned—have one thing in common. They never include serious entitlement restraints.

Since the last time this body voted on a balanced budget amendment 8 years ago, the Federal debt has more than doubled, Mr. President. That is after all the Gramm-Rudmans and budget summits. So while it is true that the statutory approach can theoretically deal with the deficit, I think anyone would have to admit that our track record with relying on statutes alone is not all that impressive.

In fact, Mr. President, one symptom of just how out of control the deficit has gotten is that some of my colleagues are now ready to declare victory over the deficit because it is projected to actually fall below the $200 billion a year level for a few years before it heads back up into the stratosphere in the late 1990's.

I would also like to remind my colleagues that even balancing the total budget, as this amendment would require, is really not enough. Even if we bring the total budget into balance, that still includes the massive amounts we will be borrowing from the Social Security trust fund that will have to be paid back. Twenty-one years from now, in 2015 we will owe that trust fund over $4.4 trillion, Mr. President. I ask unanimous consent to print in the RECORD a page from the CSIS Strengthening of America report which highlights this growing problem.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FIGURE 17—SOCIAL SECURITY TRUST FUNDS

[In billions of dollars][1]

Calendar year	Non-interest income[2]	Interest[3]	Total income	Outgo[4]	Surplus/deficit[5]	Accumulated balance[6]
1992	313.4	25.0	338.4	291.4	47.0	327.8
1993	335.3	27.7	363.0	307.2	55.8	383.6
1994	356.5	30.5	387.3	324.4	62.9	446.5
1995	377.6	34.4	412.0	342.5	69.4	515.9
1996	402.1	38.5	440.8	383.0	77.8	593.7
1997	426.8	43.5	470.3	384.4	85.9	679.6
1998	453.6	49.0	502.6	407.1	95.5	778.1
1999	482.2	55.0	537.2	431.4	105.5	880.9
2000	512.5	61.7	574.4	457.3	117.1	995.0
2001	544.8	69.1	614.0	454.9	129.1	1,127.1
2005	689.0	105.1	794.1	610.1	184.0	1,776.4
2010	917.3	172.0	1,089.3	836.1	253.2	2,915.6
2015[7]	1,206.2	254.0	1,460.2	1,194.1	265.1	4,256.1
2020	1,568.0	323.5	1,691.5	1,724.6	167.0	5,341.0
2025	2,027.5	341.6	2,369.1	2,434.4	−65.3	5,534.6
2030	2,622.7	266.3	2,889.0	3,320.4	−431.4	4,156.9
2035	3,401.1	57.4	3,458.5	4,354.8	−926.3	564.9

[1] Projections are from the 1992 Trustees' Report using intermediate (alt. 2) economic and demographic assumptions, including assumed inflation of 4.0%. and real economic growth of between 2 and 3 percent initially and 1.8 percent ultimately.

[2] Non-interest income is primarily payroll taxes and income taxes collected on Social Security benefits.

[3] The trust funds earn interest on the Treasury securities purchased with the accumulated trust fund balances.

[4] Outgo is primarily Social Security benefits and administrative expenses.

[5] Total income minus total outgo in the year.

[6] The trust funds are projected to be depleted in 2036.

[7] After the year 2015, payroll tax revenues of the work force will no longer cover Social Security benefits to eligible retirees.

Source: Senate Budget Committee, Minority Staff.

Mr. NUNN. And when that time comes, Mr. President, there is simply no way that the work force will be able to pay the taxes needed to repay all that debt if we have not set aside surpluses beforehand. Today there are three workers for every retired Social Security beneficiary. But when the $4.4 trillion bill begins to come due, there will only be two workers for each retiree.

So over the long term, Mr. President, a balanced budget makes sense. But in the particular situation we know we are going to face over the next 50 years with the aging of the baby boom generation, it is only the first step. Our goal should be to balance the budget within the next 10 years without using the Social Security surplus.

This amendment is designed to maximize the pressure on Congress to act responsibly and take the first step. What it fails to guarantee is how we will act. All of us in this body realize that there is only one formula to reduce the deficit in a responsible fashion. That combination is: First, to restrain the runaway growth of entitlement programs, which constitute over half of the Federal budget; second, to control spending in discretionary accounts including but not limited to defense, and third, to raise revenues in a fair way and also in a way that rewards savings and investment rather than consumption.

The balanced budget amendment before us does not, and cannot, enact a single piece of this formula. To enshrine one single formula for balancing the budget in the Constitution, so that it would apply in all future situations, would clearly be inappropriate. And it is not possible to vote on a statutory approach to implement this resolution at the same time as part of this legislation, because if ratified this resolution is sent to the States, not to the President for his signature.

If this resolution passes the Congress and is sent to the States, our challenge here in Congress will be proceed to debate and enact the implementing legislation that will set the priorities and spell out the enforcement procedures. I caution my colleagues that if this resolution fails to get the required two-thirds majority, this same responsibility still remains with Congress.

If this resolution fails and we use that as an excuse to ignore the deficit issue, we merely increase the likelihood that this amendment will pass the next time it is considered. The longer we wait, Mr. President, the more difficult it will be to balance the budget. I am hopeful that whatever the outcome of this vote, the Congress, both those who are ardent supporters of the amendment, and those who claim it is not necessary, will finally get down to enacting a plan to balance the budget by putting everything on the table, as I outlined above.

Mr. President, no plan to balance the budget can succeed unless it brings entitlements under control—that is No. 1. I will not support any new significant tax increases unless and until we have actually brung entitlements under control. Until we do, trying to increase revenues will not solve the problem. Pouring more money into the same broken system will not balance the budget, it will only increase the public's disillusionment and make it that much harder to get public support for taking the hard steps required.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator's time has expired.

Mr. NUNN. I appreciate the timely notice and appreciate the Chair letting me finish my statement.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I yield 5 minutes to my distinguished colleague from West Virginia [Mr. ROCKEFELLER].

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, I thank the distinguished senior Senator from West Virginia. He is doing this Nation a great service.

Madam President, the proposed balanced budget amendment to the U.S. Constitution is misnamed because the amendment is neither about budgets nor about balance. It is about politics, posturing, and evasion of responsibility.

You might think that the proposed balanced budget amendment is about reducing deficits, but in fact, it is yet another way to avoid and delay responsibility for making the tough choices that actually reduce deficits and debts.

Once again, I will vote against the proposal before this body based on the view that it is a dangerous, unacceptable, and unworkable approach to reduce the Federal deficit. I will also vote against Senator REID's more reasoned alternative, because it shares many of the same flaws and dangers that argue against the Simon legislation.

It astounds me that so many of my colleagues feel we have to saddle the U.S. Constitution with the job that we—the Congress—were elected to carry out. We have no business ducking that responsibility or trying to pass the buck. We already have the power, the tools, and the knowledge to continue cutting the deficit and getting our fiscal house in order.

Indeed, some of us participated with President Clinton last year in taking historic action to cut the Federal deficit by almost $500 billion over a 5-year period. On August 6, 1993, exactly 50 Senators—half this body—voted for a major legislative package with actual budget cuts and revenues to shrink the deficit. It was not an easy process, nor was it a simple vote to cast. But I voted for that economic and budget package because it steered the country into a future of more fiscal order, shared responsibility, and economic renewal.

And sure enough, we have been dramatic results in the deficit and our economy because of this action.

For starters, the Congressional Budget Office just reported that they have adjusted their forecast of the deficit—saying it will drop by $126 billion in this fiscal year alone because of the budget package some of us actually worked on and voted for. The predicted deficit for 1996 is set to shrink to under $170 billion—significantly less than what it would be if the other 50 of us had dodged our responsibility last year. And President Clinton just submitted a detailed budget plan for fiscal year 1995 to live up to our promise of cuts in wasteful and unnecessary Government spending to meet that deficit-reduction target. Painful, real decisions await us to stay on this course, and I will do everything I can to ensure that we make the right choices for West Virginians and all Americans.

Consider the results of voting for real cuts and budget choices. Over the past year, interest rates dropped to record lows, economic growth increased, jobs expanded, and business investment went up. All of this is clear evidence that making real choices and resetting priorities, using the tools we already have, are the responsible, rational way to lowering the deficit.

Instead, the proponents of a constitutional amendment want to put all of our energy into putting new rules and procedures on the books for enacting budgets—and then tying up the courts in even more knots to force us to do our job. In this amendment, the authors are asking us to strap on an economic straitjacket and to throw away the steering wheel as we hurl toward the finishing line.

In the real world, agreeing to this amendment would mean going on a reckless course of forcing at least $600 billion of more cuts and tax increases in the next 5 or so years. For West Virginians, according to the Treasury Department, that would mean slapping on a tax increase of approximately $412 million per year on the citizens of my State. Or put even more bluntly, each taxpayer in West Virginia could be hit with a tax increase of at least $546 per year. It would mean serious, harmful cuts in Social Security benefits, Medicare health care benefits, Medicaid funds for my State, and would probably lead to massive cuts in programs that are essential to West Virginia's economy and future jobs—ranging from the Appalachian Regional Commission, to highway funds, to support for our schools, to investments in science, research, and technology.

Passing this constitutional amendment would push health care reform right off the road. Again, we were elected to set priorities and respond to the urgent needs of Americans. That is precisely why consensus has formed that it is time to act on the health care crisis. Comprehensive reform that will achieve universal coverage and control costs is fundamental to our future as a society and to our economy. We can't sustain the explosion of health care costs that are saddling the Federal budget, State government budgets, businesses, and America's families and senior citizens.

But if we approve this balanced budget amendment, we would strap ourselves in a collision course ride that would destroy health care reform. Virtually all of the major health care plans before Congress—the President's and alternatives—rely on savings in the Medicare and Medicaid programs to help finance the fundamental goals of reform. In the case of the President's plan, the intent is to translate savings into desperately needed coverage of long-term care services and prescription drugs for senior citizens.

A constitutional balanced budget amendment would force us to abandon this pledge to repair our health care system. Its flight pattern for deficit reduction would crowd out our ability to come through on health care reform. Medicare and Medicaid savings are absolutely essential to a health care reform plan that fulfills the goals of universal coverage, cost containment, and quality for all Americans—if those savings are wiped out by the balanced budget amendment, it would mean abandoning health care reform or coming up with massive new tax increases to make up the difference.

As chairman of the Senate Veterans' Affairs Committee, I have paid particular attention to the consequences of a constitutional balanced budget amendment on our Nation's veterans. We are talking about the brave men and women who endured tremendous sacrifices to keep this country strong. They were promised certain benefits and assistance by their country. This amendment would renege on that promise.

The VA estimates that this amendment would force cuts totaling $4.3 billion a year—$2.3 billion in entitlements such as compensation for disabled veterans and another $2 billion in discretionary programs like job training, some basic health care, and the fight to overcome homelessness among veterans. Again, this is unacceptable. We cannot relinquish our commitment to America's veterans.

I say that this amendment is not about balance because the consequences of the proposed amendment would be ruinous for the balance of our economy, ruinous for the checks and balances in our Constitution, and ruinous for the fair balancing of the burdens and benefits of American life.

First, let's talk about economics. I say that this amendment is not about reducing deficits because the amendment would either be evaded, in which case it is merely more political talk, or it would create economic chaos, in which case balance and reduced deficits would be lost in economic collapse. Business profits, growth, and jobs would be lost.

Mechanically slashing expenditures and raising taxes as the economy slips into a recession would throw the economy into a depression. What needs to be balanced is the overall economy. The Federal budget acts as a balance wheel, a function it could not perform if it were locked in one position.

While budgetary balance over time is desirable, the amendment's requirement of matching receipts and revenues in every year is suicidal and has no support in economic theory.

Of course, the present deficits are too high. They need to be cut. It might seem tempting to think that the cutting could be done according to a simple formula written into the Constitution, but it can't. It requires skilled and tough leadership to avoid deficits to begin with and to get us out from under those that have been created, without wrecking the economy.

We hear repeatedly that because the States have balanced budget constitutional provisions a Federal amendment is justified. That is false. As a former Governor, I have some expertise in this issue. The provisions in State laws and constitutions provide explicitly for exceptions, often for capital spending. The chief amendment before us today—the Simon proposal—would not allow borrowing for capital spending. Yet such borrowing is a matter of everyday experience and sound business practice for industry making new investments or for individuals buying a home or taking out a college loan.

The State constitutional provisions also are often circumvented through accounting gimmicks. Ironically, under the proposed amendment, a likely gimmick is the unloading of Federal financial responsibilities on the already hard-pressed State governments. In plain English, that means passing on other unfunded mandates to the States to pick up the pieces.

In addition to wrecking the balance of our economy, the so-called balanced budget amendment would wreck the checks and balances of our constitutional system. The amendment could tempt the Executive to claim powers of impoundment and line-item veto that would take the power of the purse from the legislative representatives of the people where historically the power of the purse has been lodged. The amendment would draw the courts into political conflict over the economy and would entangle economic policy in a nightmare of litigation.

The disastrous impact of the amendment on Americans from all walks of life can be seen from the fact that it will kill health care reform. Health reform is a major priority of the American people and is necessary for deficit reduction. But it is impossible to have both health reform and the reckless approach to deficit reduction contained in the proposed constitutional amendment. The amendment's approach will prevent health reform by preempting the funding sources needed for reform. The result will be no health reform, and without reform, large cuts in the current Medicare and Medicaid programs would harm beneficiaries.

How can it be that a proposed constitutional amendment so thoroughly flawed could have made it to the floor of the U.S. Senate and is given a chance to be passed and ratified?

It is here because of the powerful engine of political expediency and it is here as a disguise for a hidden agenda.

The political expediency is a result of too many people who created or cooperated with enormous deficits wanting cover. As the Reagan administration was running up phenomenal deficits, they were telling people that deficits didn't matter. Former Congressman Kemp, then leading the charge for tax changes that caused a shift to the wealthy in the 1980's, said, to use his words, that his party no longer worshiped at the altar of a balanced budget.

They sure haven't. They shifted the tax burdens to the middle class and pushed tax cuts for the wealthy that opened huge deficits. On the one hand they said deficits didn't matter. On the other hand, they began very early to support a constitutional amendment in case people thought they should be doing something. As if they had nothing to do with the deficits. As if the deficits were someone else's responsibility.

The search by some for political cover in an unworkable and damaging proposal to deform the Constitution is one reason why we are dealing with this amendment. The other reason is the hidden agenda of many of the amendment's supporters.

For some supporters, the agenda does not even appear to be to reduce deficits. The agenda is to kill programs that the amendment's sponsors don't like. Instead of coming out and saying you are for drastically cutting Medicare, or Social Security, or veterans' benefits, you say you are for balancing the budget. Those programs have public support. Those programs are too popular to attack directly, so you use the balanced budget dodge. Of course, all urgently needed funding is threatened. Those who are not concerned about indiscriminate attacks on retirement or health benefits might consider the threat the amendment poses for national security. Urgent defense spending short of war would be held hostage to minority vetoes.

Whatever the hidden agenda is, it is not an attempt to achieve balance. Last year, when President Clinton and some of us were trying to achieve balance by asking the most wealthy Americans to pay their fair share to redress the unfairness of the last decade, that was not acceptable for the supporters of the hidden agenda. The rhetoric of balance is used to squeeze the middle class, so well off special interests can maintain their advantages.

The squeeze on the middle class in the last decade was part of an indiscriminate attack on Government that led to destruction of necessary functions along with rhetoric about cutting the unnecessary. It was an attack which went far toward crippling the ability of the American people to grapple with great problems of our Nation, from the violence-torn streets of cities like Los Angeles, to the health care crisis destroying family budgets in every city and town in the country, to the need to restore the competitive position of American business in world markets.

Now we must restore Government's ability to address these problems but at the same time restore fiscal discipline and a balanced economy. Those are not things we can get, however, by inserting a rigid formula in the Constitution. What we need is continued leadership such as we had in passing the economic and budget plan last year so we can maintain and strengthen what is good and discard what is wasteful or inessential.

The answer to the deficits is not blind shots at the budget or putting everything on an automatic pilot that is going to crash the plane. We have to make decisions that are right for the programs and people affected. We were elected to make informed decisions, not reckless ones. Each major entitlement program is different, and we should treat them differently. Just like each defense program has a separate mission, history, and set of circumstances. No one suggests cutting 10 percent off the top of each of them, so none of our weapons systems will operate properly. We need to take each program on its own and deal with its unique problems and objectives. That's called governing. That's what we're elected to do.

It is important to see this debate in the perspective of historical experience. During the Constitutional Convention, Southern States pushed for a provision in the Constitution requiring a two-thirds majority of both Houses for enactment of laws regulating and taxing trade. The proponents were States that grew staples for international markets. The proposal was rejected in the Convention. Regional and party attitudes about trade have changed more than once in the two ensuing centuries. Republicans supported high tariffs in the 19th century but have usually advocated free trade in recent decades.

The explicit refusal of the Founders to write free-trade policy into the Constitution was part of the broader refusal to write overall economic policy into the Constitution. Referring to Alexander Hamilton's economic program for the economy during the Washington administration, the historian Forrest McDonald explains this point: "The Constitution was the rule book for government, the Hamiltonian system for the economy." The Founders declined to put the future policy of the Nation in a straitjacket that would prevent the country from dealing with future crises. The vast economic changes that have occurred in the ensuing centuries are proof of the wisdom of the Founders.

In contrast with the wisdom of the Founders that left their posterity the flexibility to deal with future crises, we have today on the floor of the U.S. Senate a very unwise proposal to rigidly bind our posterity for all time because of the confusion created by a dozen years of economic mismanagement. Last year, a distinguished retiring Republican Member of the House with misgivings about the proposed amendment commented that most of his colleagues are "quite enthusiastic, all for political reasons. They just think it's a great political issue." A principal proponent of the amendment in the House said, "I don't quarrel with those who say it's a bad idea because they could be right." Mr. President, we should not tolerate cavalier gambling with constitutional change or radical amendment proposals sought for political gain. The Constitution is a great legacy of freedom handed down across the generations and Members of Congress should lay their hands on the great document only with fear and trembling.

If this amendment passes, I have no doubt that in years not far off, its passage will be condemned. If this amendment fails, I expect that later generations will be puzzled at how it got this far. Either way, I expect the question will be asked as to how sentiment grew so strong in the 103d Congress to trash the work of the Founders.

As I have suggested, the answer has to do with a search for political cover and with relentless pursuit of a political agenda bent on destroying popular government programs, not with reducing the deficit.

This is not really a debate about deficits or balanced budgets but about the direction this country should take. The Government was deadlocked on this debate for a dozen years. Efforts were made over decades to create a better America by working simultaneously for a growing economy and for a secure and just society. The fruits of those efforts included one of the great highway systems of the world, the best scientific research community on earth, a safety net for the elderly, veterans benefits for those who served our Nation in war, nutrition programs and a Head Start for the kids, our lifeline to the future of the American ideal, and much more.

Then there came to Washington some people who said that little of this was needed; it could be dismantled. For a dozen years we had an experiment in dismantling but the experiment failed because the American people would not tolerate it. But the willingness to encourage huge deficits created a sense of crisis.

The crisis can be resolved two ways. It can be resolved by throwing in the towel and saying that the dismantlers can have their way after all and dismantle Social Security, dismantle Medicare, slash veterans benefits and on and on. Or the crisis can be resolved by carefully deciding what the American people want, and what they are willing to pay for, and who should fairly pay for it.

The budget crisis can be resolved by choosing a future for America that discards the Constitution of the Founders and our traditions of opportunity and a fair deal or by choosing a future for America that is in keeping with our traditions. That latter approach is that I am urging and the one I believe the public chose a year ago when it elected this administration.

Here in the Senate, some have tried to argue that the flawed budget policies of the 1980's call for radical surgery on the Constitution. But a dozen—year political episode in the long history of the United States is no justification for this misguided proposed amendment. The amendment would quite simply make things worse. It would unbalance the economy, cost tens of millions of jobs, and strangle health reform in its crib.

Finally, I want to pay tribute to West Virginia's senior Senator, ROBERT C. BYRD, and this body's President pro tempore. Once again, he held up a beacon of truth and wisdom that gradually got through. It shed light on the dangers of succumbing to the notion that we have to resort to the Constitution to fulfill our responsibilities. The people of my State and the country he cherishes owe Senator BYRD an eternal debt of gratitude for his persistence, convictions, and patriotism in working so hard to defeat this legislation.

The proposed amendment should be rejected as a false promise of economic salvation that will produce the opposite of what is promised. With leadership and a public demand for action, the strength of this country can and will be restored. That restoration will not be possible under a Constitution distorted so that its authors would be unable to recognize it, but only under the Constitution as it was written.

I thank my senior colleague and I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, How much time do I have remaining?

The PRESIDING OFFICER. The distinguished Senator from West Virginia has 10 minutes and 10 seconds.

Mr. BYRD. I had been hoping that I could get Senator MOYNIHAN at this point.

I wonder if any one of my colleagues on the other side of the question would speak now so we could give Senator MOYNIHAN a few additional minutes to get here.

Madam President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The distinguished Senator from West Virginia has reserved his time, which is 8 minutes and 47 seconds. The Senator from Illinois controls 9 minutes and 30 seconds and the Senator from Utah controls 10 minutes. If no one seeks time, it will be deducted proportionately.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I yield 5 minutes to the distinguished Senator from Idaho.

The PRESIDING OFFICER. The distinguished Senator from Idaho is recognized.

Mr. CRAIG. Madam President, as we begin to wind down what I believe to have been a very important debate on the floor of the U.S. Senate over the course of the last 4 days, let me thank my colleague from Illinois, Senator SIMON, and my colleague, Senator HATCH from Utah, for their leadership on this issue in working on what is without question a very profound and important approach to resolving the budgetary and fiscal crisis that our Nation is in.

I, for over 8 years in the U.S. House of Representatives, worked on this issue. When I came to the Senate 2½ years ago, I was privileged to join these colleagues in this effort.

Behind me is Senate Joint Resolution 41, a very clear and constitutionally precise document that sets in motion a process that will bring this Congress to the kind of fiscal reality and courage that it has failed to demonstrate for now over 30 years.

There have been a lot of things said, both pro and con, about this amendment and what it will or it will not yield. But there is one thing that is clearly profound about what we debate and what we debate is the tragic and progressive demise of a once wealthy and great Nation. And yet we still have Senators who will stand on this floor tonight and say that we must protect and guard with all our conscience and with all our energies the remnants of a once wealthy and great society—the largess, the profligate nature of a government who could give and give and give in a humanitarian and just way, but in doing so they failed greatly. And the reason they failed is because they failed to pay their bills.

That is the whole text of the debate; that there are a majority of U.S. Senators who recognize that failure and are with every energy they have attempting now to address in a most important and dramatic way.

You have heard the Senators from Georgia and New Mexico tonight say, we do not know if Senate Joint Resolution 41 will work, but we do know that what we are doing is not working. We are going to hear from the majority leader tonight, stand on the floor and say, "We must not. We will destroy."

Madam President, a $200 billion deficit and a $4.5 trillion debt and a $17,000 debt per citizen in this country is the most destructive action that is well underway today, and there is no mechanism in place, none whatsoever, to stop it, to slow it down, to terminate it.

Our President will come to the Hill and, with reasonable pride, suggest that his administration is bringing the deficits down. Now he has hit on some good luck and some good times. He had a Federal Reserve Chairman that brought interest rates to an all-time low within the last two decades. He convinced a Congress to raise the largest amount of taxes in the history of our country in one single vote.

And yet, by his own calculations, his deficit, by 1996, begins to climb to an all-time high and he offers no solution. His own Office of Management and Budget projects that the child born in 1994 will pay 80-plus percent of his or her gross pay in taxes.

And yet, this administration and Senators on this floor will stand tonight and oppose an alternative that has been well over a decade in the making, that has built over 3,000 pages of legislative history and that, without question, is an approach that forces this Congress, for the first time in its constitutional existence, to recognize the responsibility of a pay-as-you-go government.

That is the issue. That is the charge. And that is the question.

I hope tonight that 66 Senators will join with me in sending to the citizens of this country a constitutional amendment to balance the Federal budget.

Madam President, I rise in support of Senate Joint Resolution 41, the bipartisan, bicameral, consensus balanced budget amendment to the Constitution.

I want to begin by commending the leadership on this issue of the chairman of the Judiciary Subcommittee on the Constitution, the senior Senator from Illinois [Mr. SIMON]. He has been determined, hardworking, and thorough. The ranking Republican member of the Judiciary Committee, the Senator from Utah [Mr. HATCH], the former ranking member, the Senator from South Carolina [Mr. THURMOND], and the Senator from Arizona [Mr. DECONCINI] have all been leaders in this movement for many years. They deserve recognition and appreciation.

THIS IS THE VOTE THAT COUNTS; DO WE TRUST THE PEOPLE?

We now have one balanced budget amendment before us. No matter how any of my colleagues may have voted on the Reid amendment earlier, your constituents will understand, and I know you will understand:

Vote no, and you kill the only chance for an amendment, here and now.

Vote yes, and you will begin one of the great debates of our age. This amendment will go the House of Representatives, and from there to every State capital. That's what this vote is really about—engaging the American people in the most sweeping public debate about the appropriate size, scope, and role of the Federal Government since the original Bill of Rights was sent to the States by the first Congress.

The question is clear: do we trust the people with that debate? This Senator does. That's why we have the process of amending the Constitution—because the Constitution is the people's law, not the government's law, and because the people have a right to take part in such a momentous debate.

FUNDAMENTAL RIGHTS, LIMITS ON GOVERNMENT

Before I start responding to points made in debate over the last few days, I want to refocus us on why we are here considering this amendment, in the first place.

A constitution is a document that enumerates and limits the powers of the government to protect the basic rights of the people. Within that framework, it sets forth just enough procedures to safeguard its essential operations. It deals with the most fundamental responsibilities of the government and the broadest principles of governance.

Our balanced budget amendment Senate Joint Resolution 41, fits squarely within that constitutional tradition.

The case for the balanced budget amendment can be summed up as follows:

> The ability of the federal government to borrow money from future generations involves decisions of such magnitude that they should not be left to the judgments of transient majorities.

The right at stake is the right of the people—today and in future generations—to be protected from the burdens and harms created when a profligate government amasses an intolerable debt.

The framers of the Constitution recognized that fundamental right. I return once more to the words of Thomas Jefferson, who explicitly elevated balanced budgets to this level of morality and fundamental rights when he said:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Woodrow Wilson said, "Money being spent without new taxation . . . is as bad as taxation without representation."

Madam President, deficit spending is taxation without representation. Americans are told that deficits are Uncle Sam's way of giving them a free lunch, providing $1.18 worth of government for just $1.00 in taxes. In reality, taking gross interest into account, the government has to spend $1.19 for every $1.00 of benefits, goods, services, and overhead in the budget.

ECONOMIC, INTERGENERATIONAL HARMS OF DEFICITS, DEBT

Deficits are really the cruelest tax of all, since they never stop taking the taxpayers' money. Americans are paying now, with a sluggish economy, for the Government's past addiction to debt. According to the Federal Reserve Bank of New York, the deficits of the 1980's already have depressed our standard of living by 5 percent. Unless things change, the next generation will pay even more dearly.

In 1992, the nonpartisan General Accounting Office issued its report, "Budget Policy: Prompt Action Necessary to Avert Long-Term Damage to the Economy." At that time, GAO projected that failure to take action on the deficit and the growing debt would produce a stagnant—even slightly declining—standard of living for Americans in the year 2020. In contrast, GAO said that simply balancing the Federal budget by 2001, and keeping it balanced, would raise our children's standard of living by 36 percent.

GAO and the Congressional Budget Office now project lower deficits, as a result of their scoring of last year's budget plan. However, the intermediate- and long-term deficit outlook has done no better then decline from cataclysmic to intolerable.

The current CBO baseline looks a great deal like the muddling through scenario in GAO's report, in which the deficit is held to 3 percent of gross domestic product. CBO projects deficits declining some—to $166 billion in fiscal year 1996. Then they shoot back up.

Under this muddling through scenario, our children's standard of living in 2020 would be 7 percent lower and the Federal debt would be 3 times larger than if the budget is balanced by 2001.

Our national economic policy should not be one of muddling through.

Even that scenario is based on somewhat optimistic assumptions.

Interest rates are now at a 30-year low. If they bounce back upward just a little, the cost of interest payments on the debt will explode. Also, CBO does not include any possibility of a recession in its next 10 years of projections.

So, we must keep in mind that small changes for the worse in our economic picture over the next few years will make the deficit picture far worse.

The President's own fiscal year 1995 budget, in its "Analytical Perspectives" volumes, projects that future generations will pay as much as 82 percent of their lifetime incomes in taxes, under the current policies of borrow-and-spend.

Today, Federal budget deficits are the single biggest threat to our economic security. The Federal debt now totals $4.5 trillion, or about $18,000 for every man, woman, and child in America, and is growing.

As deficits grow, as the national debt mounts, so do the interest payments made to service that debt. Besides crowding out other fiscal priorities, these amount to a highly regressive transfer of wealth, At least 17 percent of these payments go overseas.

In fact, interest payments to wealthy foreigners make up the largest foreign aid program in history. According to the President's budget, in 1993, the U.S. Government sent $41 billion overseas in interest payments. That's almost exactly twice as much as all spending on actual international programs, including foreign aid and operating our embassies abroad, which totalled $20.6 billion.

Annual gross interest on the debt now runs about $300 billion, making it now the second largest item of Federal spending, and equal to almost 60 percent of all personal income taxes.

In fact, if no Federal debt ever had been accumulated in the first place, the government would run a $286 billion surplus over the 1995–99 period.

THE FRAMERS' ASSUMPTIONS

The Framers thought that the limited size and enumerated powers of government, the limits on the money supply created by a gold standard, the moral imperative of the "unwritten constitution," and the House's exclusive power to originate bills raising revenue all would protect this right. Jefferson would have preferred to put this protection in the Constitution. But others at the time viewed the idea that a restraint on indebtedness would be needed as being beyond belief.

Times have changed, as have the nature of government, monetary policy, and politics. The original constraints that protected the people from a profligate government, all of which had "constitutional" status, have all but dissolved. It is now about 60 years past time to replace them.

POLITICAL WILL

Critics of the balanced budget amendment argue that all we need is the political will, the leadership to balance the budget. That argument ignores the reality that the way the Federal Government makes its economic and political decisions has changed fundamentally over the last two generations.

The system is broken. The Government has spent more than it has taken in for 55 of the last 63 years. The budget was last balanced in 1969, and in 1960 before that. We are not talking here about some short-term failure of will that was cured with the last election or will be cured with the next one.

The impetus to borrow and spend has become a structural one in our system of government. It is a constitution-class crisis that demands a constitution-class solution.

NOT NARROW POLICY, BUT PERFECTING DEMOCRACY

The balanced budget is not narrow economic or fiscal policy. It is a structural, systemic change that would help perfect representative democracy.

Over the last two generations, the political and budget processes have evolved in such a way that virtually all of the political rewards are for spending more and borrowing more. Narrow, highly organized, interest groups mobilize to reward spending increases for specific constituencies. The more general, public interest in restraining the size and fiscal appetite of Government has been put at a systematic disadvantage.

The only way to put the general public interest back on a level playing field with the special interests is to make it harder to borrow and spend.

That is what our amendment does. For the first time, it creates accountability by requiring that deficits occur only when Members of Congress cast an identifiable vote to run a deficit.

By providing for accountability and by restoring to the general public interest a stronger representative voice, our amendment actually perfects our democratic process.

The essence of this reform is that we finally restore the principle that the Government should grow no larger than the people are willing to pay for and we should pay for all the government we demand.

A new public opinion survey, just taken, is consistent with all past polls. This Penn-Schoen survey found that 67 percent of Americans favor our amendment, while 18 percent oppose. That is almost a 4 to 1 margin.

When asked how likely would you be to support a candidate for Congress who supports a balanced budget amendment, registered voters responded positively by 72 percent to 13 percent—more than a 5 to 1 margin.

It is often said that Congress underestimates the wisdom of the people. Well, the people have spoken once again, and it's time for Senators to realize that, today, as is usually the case, good policy is good politics. The American people understand the balanced budget amendment, they want Congress to pass it, and they are right.

A few days ago, the distinguished majority leader questioned whether putting a fiscal year 2001 effective date in the amendment was designed to put it outside the terms of service of many of the amendment's supporters. On the contrary, Senators who vote yes today are more likely, in this Senator's estimation, to be still serving in the Senate when its time to follow through on the heavy lifting that our amendment would require.

MAJORITY RULE

One of the curious objections raised against the balanced budget amendment is that it would threaten majority rule.

Those that dwell on the difficulty of getting three-fifths majority to unbalance the budget or raise the debt limit are missing the point: They are still thinking, "What do we need to do in order to keep deficit spending?"

That is why we put supermajority in the amendment—not just to make it harder to deficit spend and increase the debt, but to deter Congress from deficit spending in all but legitimate and extraordinary circumstances. Under our amendment, when you balance the budget, you don't have to worry about mustering a supermajority.

Such a requirement is consistent with other provisions in the Constitution. Freedom of speech is protected by a supermajority requirement. So is freedom of religion. So is the right to keep and bear arms and every other right in the Constitution.

Because it takes a supermajority to amend the Constitution, every right protected in the Constitution by limiting the power of government is protected by a supermajority.

In addition, as has been noted by both sides in this debate, specific supermajorities are written into several procedures in the Constitution, including treaty ratification and overriding vetoes.

In our amendment, we create procedural restraints on the Federal Government to protect the right of the people to be free from excessive government debt. We use 60 percent supermajority instead of two-thirds or absolute prohibitions because we foresee that the process will need to be flexible on occasion.

The Framers wanted to protect majority rule for the transaction of most of the Government's business. But sometimes, to protect fundamental rights or the integrity of specific processes, they employed supermajority requirements to protect against, in the words of the Federalist Papers, a "tyranny of the majority."

Let us look at the will of the majority from one more angle.

Two-thirds to three-fourths of the American people want the balanced budget amendment. Clear majorities of Congress want it. If it does not pass today, if it does not go to the American people for a full public debate, it will be because a majority has gridlocked it here.

DISASTER ASSISTANCE

Some are concerned about whether requiring a three-fifths vote to deficit spend would thwart efforts to deal with natural disasters. My staff and Senator DeConcini's staff did some research in this area. From 1978 to 1993, supplemental disaster appropriations topped $7 billion in only one year, 1992. We generally are talking about a very small portion of the Federal budget.

As Senator Simon and others have suggested, creating a small disaster revolving fund, or for that matter, just planning to run small surpluses, would be sufficient to meet such needs.

On the other hand, Congress also has a history of dealing promptly and compassionately in such situations. Only one time over the last 15 years did a disaster bill fail to clear either body with less than a 60-percent majority. That was in 1992, in the House, amid much contention over the Budget Enforcement Act firewalls, the balanced budget amendment and other issues. And that bill fell only one vote short of 60 percent.

Congress is not going to turn its back on natural disaster victims under this amendment. To suggest it will is to ignore reality and history.

SEPARATION OF POWERS

Perhaps the most curious concern I have heard raised about the Simon-Hatch-Craig amendment is that it would transfer powers from the legislative branch to the executive or the courts.

Let us look at the amendment. That does not occur in section 6, which begins with the words, "The Congress shall enforce and implement this article * * *"

This transfer doesn't appear later in section 6, which recognizes the need of Congress to use estimates in implementing legislation, obviously foreclosing some of the more inventive scenarios that might tempt executive or court action.

It certainly does not appear in the clarifying language that the amendment's authors have added to section 6 to make sure that no one thinks the courts can raise taxes or construct equitable remedies.

There is no line-item veto or new impoundment power in here. There is no delegation of Congress' legislative power, implied or explicit, to anyone else.

In the same way that the first amendment begins with the words, "Congress shall make no law * * *" this amendment restricts the power of the entire Government by making it harder to enact something into law.

The balanced budget amendment does not change in any way the balance of power among the branches of Government. It is absolutely consistent with the spirit, the style, and the operations of the rest of the Constitution.

DOOMSDAY SCENARIOS FOR CRITICAL PROGRAMS; DEFENSE

A couple weeks ago, the administration and other groups did a disservice to serious public debate by releasing so-called studies that they tried to make look legitimate by attaching tables of numbers.

In reality, they were scare tactics, using dubious assumptions, and filled with manufactured numbers.

I will ask unanimous consent to insert into the Record a more complete critique of such alarmist attacks that several of us circulated previously among our colleagues. I will address them here only briefly, and focus on one program.

Such studies relied on sometimes questionable, sometimes sound economic assumptions. But in every case, they did not look to the long-range benefits of balanced budgets. And in every case, they assumed a mindless, across-the-board, meat-ax approach to budget changes.

It is not necessary to slash and burn to balance the budget. Right now, CBO projects that spending will grow about 4.5 percent a year between now and 2001. If we just engage in reasonable restraint, holding spending growth to 2.8 percent annually, we can balance the budget by 2001. But it's vital to strike now, while the iron is hot and deficits have gone down a little. Every year that we delay will make the transition more painful.

One of the chief benefits of the balanced budget amendment is that it will make Congress and the President set priorities. You do not have to set priorities when you do not have a credit limit. In an effort to scare as many people as possible, and attract as much attention as possible, these studies, including one issued by the Treasury Department, imply that the President and Congress have no priorities and would not select or change priorities under the amendment.

One of the more disingenuous attacks has been, ostensibly, on behalf of the defense budget. I find it especially curious, coming from an administration and a host of special interest groups that have shown every inclination to dismantle the Defense Department.

To this Senator, what their arguments really say is, these opponents are afraid that the amendment will work and that, when the Government must set priorities, the American people may not agree with their priorities.

I want to note once again a letter I received earlier today from former Secretary of Defense Dick Cheney. He endorses the balanced budget amendment, as he has for many years. He doubts that there would be unwise cuts in defense because, he notes, "Obviously, * * * Congress will still be free to set priorities. And clearly providing for our national security must continue to be an urgent priority."

Suggesting that our national security could be imperilled by the balanced budget amendment suggests two assumptions: First, that defense would be threatened by balanced budgets themselves, not this amendment; and second, that representative democracy doesn't work and that, once the Government is forced to spend within its means, the people are willing to sacrifice their national self-defense in favor of less wise priorities.

I reject both of those assumptions. Balanced budgets will produce a stronger economy, better able to sustain its defense capabilities while meeting its other needs. And I am confident that the people will demand, and I am willing to risk that Congress will deliver, an adequate defense budget.

THOMAS JEFFERSON—REVISITED

I turn one more time to the words and works of Thomas Jefferson.

Jefferson balanced the budget in all 8 of his years in the White House. He reduced the national debt by half during his first term and set policies in motion that resulted in a national debt of a mere $38,000—that's 38 thousand—in 1834 and 1835.

Jefferson's Louisiana Purchase has been tossed about as an example of how going into debt can be beneficial. But let's look as what we can learn from his experience.

I will ask unanimous consent to include in the Record a copy of an economic analysis of the Jefferson administration and the Louisiana Purchase, prepared for me by Dr. William Duncan, Ph.D., of the National Taxpayers Union Foundation. To summarize his findings:

It is true that the Louisiana Purchase was twice the size of the Federal budget in 1803, as noted by the Senator from West Virginia [Mr. Byrd]. But the Federal budget was only 1.63 percent of gross national product at the time.

Relative to the size of the gross domestic product, the Louisiana Purchase would translate into just under $225 billion in today's dollars; $225 billion. If that number sounds familiar, it is probably because the Federal deficit this year is projected to be $223 billion.

Jefferson and his successors sold the land acquired from France and made a profit for the Federal Government.

Every year the Federal Government is borrowing the equivalent of a Louisiana Purchase. And what are we getting for it? Nothing except a higher bill for interest costs and a legacy of crushing debt to leave behind for our children.

OTHER ISSUES, CONCLUSION

There are many other issues relating to this amendment, too numerous to discuss in the time allotted. To address those as a matter of legislative history, I ask unanimous consent to insert various other materials in the RECORD.

As for those additional facets of the debate, I want to note that, with our 3,000-plus pages of legislative history over the last 14 years, every question has been answered, every objection has been dealt with.

This amendment has a history, it has a pedigree. It is the bipartisan, bicameral, consensus that has been looked at by constitutional scholars, economists, public interest groups, and members of both bodies.

This is our one chance to vote, up or down, to send a balanced budget amendment to the House and then to the people.

I will turn one last time to the words of Thomas Jefferson, when he wrote, in a 1798 letter to John Taylor:

> I wish it were possible to obtain a single amendment to our constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its constitution; I mean an additional article, taking from the Federal Government the power of borrowing.

And again, in 1798, he wrote:

> If there is one omission I fear in the document called the Constitution, it is that we did not restrict the power of government to borrow money.

Just 2 years ago, 38 States ratified the 27th amendment, concerning variations in congressional pay, as proposed by James Madison 200 years ago.

It just goes to prove that occasionally it's time to turn to a new idea, and sometimes the answer is to turn to a classic.

Today, Madam President, my colleagues, it is time to add Mr. Jefferson's amendment to the Constitution, right behind that of his friend, Mr. Madison. We could hardly be in better company, we could hardly seek wiser guidance, in contemplating this addition to our Constitution.

I ask unanimous consent that the documents to which I referred, along with other documents related to this subject, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 1, 1994.

Hon. LARRY CRAIG,
U.S. Senate, Washington, DC.

DEAR LARRY: As you know, I have been a long-time supporter of a balanced budget amendment to the Constitution. I think it offers the best prospect of forcing Congress to carry out its Constitutional responsibilities and bring some discipline to the Federal budgeting process.

I know that a number of individuals are concerned that somehow such an amendment will lead to unwise cuts in defense. Obviously, there is no reason why that has to be the case since Congress will still be free to set priorities. And clearly providing for our national security must continue to be an urgent priority.

I would urge all of my friends in the Senate to support the proposed amendment to the Constitution.

Best regards,

DICK CHENEY.

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, February 24, 1994.

DEAR COLLEAGUE: During floor consideration of the Balanced Budget Amendment, Senators Simon and Hatch will modify S.J. Res. 41 to incorporate language clarifying the role of the judiciary in its enforcement. This modification will make absolutely no substantive change in the operation of S.J. Res. 41 but simply will provide an explicit assurance that the role of the courts will go no further than permitted under existing legal precedents.

We disagree with those who argue that passage of S.J. Res. 41 will result in the courts setting budget policy, but we have agreed that it would be beneficial to clarify the issue. The language that we plan to add to the amendment reflects our longstanding understanding of the role of the courts in enforcing the amendment. Courts would be limited to reviewing the actions of Congress and the executive and determining whether the amendment has been violated, leaving the policy decisions regarding what actions should be taken to the political branches.

This language responds to the concern expressed by Senators Danforth, Cohen, Domenici and Nunn that the courts will become too involved in budget policy, as well as the opposite concern that S.J. Res. 41 will be entirely unenforceable.

S.J. Res. 41 preserves the ability of Congress through implementing legislation, to further regulate the role of the courts in enforcing the amendment. Under Article III of the Constitution, Congress possesses authority to establish federal court jurisdiction and remedies. Thus, Congress can confer, deny, or limit court jurisdiction over cases arising under this amendment through statute. Congress can also pass legislation to provide for expedited adjudication.

The text of S.J. Res. 41 is reprinted on the back of this letter. If you have any questions, you may contact any one of us or Aaron Rappaport (Simon 4-5573), Larry Block (Hatch 4-7703), Damon Tobias (Craig 4-2752), Janis Long (DeConcini 4-8178), Thad Strom (Thurmond 4-9494) or Ed Lorenzen (Stenholm 5-6605).

Sincerely,

PAUL SIMON,
DENNIS DECONCINI,
ORRIN HATCH,
CHARLES STENHOLM,
LARRY CRAIG,
STROM THURMOND.

S.J. RES. 41 (AS MODIFIED)

[New language in italic]

"Section 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"Section 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"Section 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"Section 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts. *The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to this section.*

"Section 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"Section 8. This article shall take effect beginning with fiscal year **[1999]** *2001* or with the second fiscal year beginning after its ratification, whichever is later."

[From the Congressional Leaders United for a Balanced Budget]

BALANCED BUDGET AMENDMENT FACT SHEET

ISSUE: HOW WOULD THE BALANCED BUDGET AMENDMENT BE ENFORCED?

The U.S. Constitution establishes fundamental principles which provide a framework to guide the decisions of Congress and the President. It also restrains the government from taking actions that would interfere with fundamental rights of the People. The balanced budget amendment is consistent with both of these general rules by establishing a normative, general rule that the federal government balance its budget, and in so doing protect the right of the People, in both the current and future generations, to be free of the fiscal and economic burdens that imposed upon them by excessive government debt.

The public consistently demonstrates a demand, on a generalized level, that the government not spend beyond its means. In much the same way, Congresses and Presidents generally would prefer to do the right thing and reduce deficits. Instead, a seriously broken system of political accountability provides a perverse set of incentives that pull policymakers virtually irresistibly in the opposite direction.

A balanced budget amendment would eliminate this current bias toward deficit spending. The amendment would require Congress to pass implementing legislation and provides back-up enforcement to ensure that this obligation is fulfilled, while it also properly preserves the flexibility of future Congresses to develop appropriate procedures to implement and monitor compliance with the amendment. Although the amendment anticipates that Congress will pass additional statutory procedures to enforce the amendment, even in the absence of such legislation, the provisions of H.J. Res. 103 will be self-enforcing both in forcing Congress and the President to take the actions necessary to bring the budget into balance and in ensuring continued compliance with the amendment.

H.J. Res. 103 provides a "glide path" before the Amendment will be effective as a part of the Constitution, since its effective date would be several years from now. The anticipation that the Amendment will become effective will prompt Congress and the President to take action to balance the budget during this period. By passing this amendment and sending it to the states for ratification, the Congress will bind itself, in cooperation with the President, to adopt an orderly deficit reduction plan that will bring the budget into compliance with the amendment before it is effective. The risk of a fiscal trainwreck if action is not taken to balance the budget before the amendment becomes effective will provide a powerful incentive to take action and will serve as a counterweight to the political risks that have heretofore caused Congress and the President to avoid taking action sufficient to balance the budget to date.

It is not conceivable that Congress would fail to enact implementing legislation. Without a balanced budget amendment in place, budget process reform is perennially a hot issue. The Budget Act of 1974 has been amended constantly, the last time being in 1993. Any debate over enforcement of the amendment must take cognizance of the fact that, on its face, the amendment reserves to Congress the exclusive power to implement and enforce, through appropriate legislation.

Even without implementing legislation, however, the provisions of H.J. Res. 103 are self-enforcing through the 3/5 majority required in Section 1 to authorize outlays in excess of receipts and the requirement in Section 2 of H.J. Res. 103 for a 3/5 vote to raise the limit on the debt held by the public.

The check on the government's ability to borrow money by creating immediate political consequences for running a deficit, by requiring a specific 3/5 vote to run a deficit, will ensure compliance through accountability. For the first time ever, a deficit would be accompanied by Members of Congress explicitly voting for one.

The debt provision provides timely procedural and political consequences for running deficits, at the end of the process. Attempts to get around the amendment through gimmicks or other political games will be exposed through the public process of raising the debt limit to finance any resulting deficit. Raising the debt limit is always a difficult task for Congress with potentially serious consequences if the debt limit is not increased, including the possibility of a default by the government of the U.S. Section 2 takes the consequences of failing to raise the debt limit and extends those same consequences to a failure to balance the budget. The potentially bitter consequences of having to obtain a politically difficult 3/5 majority to raise the debt limit under full public scrutiny exposing the failure to comply with the balanced budget rule will establish an incentive for truth-in-budgeting more powerful than anything in current law and motivate Congress and the President to enact balanced budgets to avoid this situation. Section 2 provides what the budget process currently lacks—accountability and political consequences for running deficits.

The political and economic threat provided by the debt limit provision, in combination with the requirement included in Section 6 for Congress to "enforce and implement this article by appropriate legislation", will motivate Congress to enact legislation providing the specific procedural details to implement and enforce the amendment. It manifestly would be in Congress's own best interest to enact legislation to facilitate compliance with the amendment.

In order to ensure that the negative consequences of Section 2 are avoided, Congress would need to establish a procedure to provide an "early warning system" to identify any potential deficits before they occur (possibly similar to the monthly reports summarizing government outlays and receipts currently issued by the Treasury Department) and facilitate prompt corrective action by Congress and the President in order to avoid the necessity of raising the debt limit. Congress almost certainly would want to exercise the authority provided in Section 6 allowing Congress to utilize estimates of outlays and receipts in implementing legislation.

Congress will have numerous statutory procedures to choose from in enforcing the amendment. Congress could, for example, choose to implement the amendment through legislation similar to the entitlement review procedure enacted as part of the recent budget reconciliation bill, which requires OMB to monitor entitlement spending and requires action on the part of the President and Congress if OMB projects that entitlement spending will exceed certain levels. The details of implementing language, such as whether or not to use estimates, whose estimates should be used, how often conformance should be measured, and what type of mechanism should be established to provide corrective actions, are appropriately left to future Congress' to work out in statutory language. The key, however, is that the amendment provides an incentive to enact implementing procedures by establishing severe consequences for a failure to comply with the balanced budget rules and sets out a framework to guide the specific decisions of Congress and the President.

The President's obligation to uphold and enforce the Constitution would extend to proposing a balanced budget amendment and to the same type of ministerial bookkeeping and cash-flow functions as exist under current law. Unless Congress enacts implementing legislation which gives the President broader authority, the President's role in enforcing the amendment would be limited to a non-discretionary duty to order that no funds be spent at the point in which outlays would exceed receipts, unless a deficit was specifically authorized by a ⅗ vote of Congress as required in Section 1. This duty is no different than the current duty of the President to prohibit funds from being spent if an appropriations bill has not been enacted in time to keep programs going. The amendment does not broaden the current powers of the President over the purse in any way. The President would not have discretionary authority to halt or reduce funding for certain programs while allowing funding for other programs to continue.

As an absolute last resort, the courts will have a limited role in enforcing this amendment if both Congress and the President abdicate their Constitutional responsibilities under this amendment. Assuming that Congress does not address this issue in implementing legislation, which is unlikely, the courts would be limited to finding individual acts of Congress (such as passing legislation that would result in outlays exceeding receipts without the required ⅗ vote) unconstitutional and to restraining the Executive from some action that would violate the amendment. The courts would probably use current Declaratory Judgement Powers to state whether a budget is in excess and would simply strike down any action unbalancing the budget, leaving the cure of the problem to Congress. The involvement of the courts would be severely limited by legal precedents limiting the ability of parties to bring cases in "political cases" or in cases in which there is only a "generalized grievance."

Members of Congress and the President take their Constitutional responsibilities seriously. Once the fundamental principle that current generations should not be able to burden future generations with excessive debt is enshrined in the Constitution, it will be clear whether or not Congress and the President have met their obligation established by this Amendment. The American people will hold accountable any public official who ignores this Constitutional mandate and abdicate their budgetary responsibilities to the court. This accountability, lacking in the current budget process, will provide the ultimate enforcement of the amendment.

[From the U.S. Chamber of Commerce]

BALANCED BUDGET AMENDMENT: THE ROLE OF THE COURTS

Some lawmakers and commentators have raised questions about the enforcement of a Balanced Budget Amendment to the U.S. Constitution. A primary concern is that Congressional efforts to meet the balanced budget requirement would be challenged in the courts, and the judiciary would be thrust into a non-judicial role of weighing policy demands, slashing programs and increasing taxes.

On the other hand, there is a legitimate and necessary role for the courts in ensuring compliance with the amendment. Congress could potentially circumvent BBA requirements through unrealistic revenue estimates, emergency designations, off-budget accounts, unfunded mandates, and other gimmickry. Certainly, the track record of the institution under the spending targets of Gramm-Rudman-Hollings and other statutory provisions is no cause for optimism.

It is our view that the need to proscribe judicial policymaking can be reconciled with a constructive role for the courts in maintaining the integrity of the balanced budget requirement. Congress is expected to address technical issues such as accounting standards, budget procedures and judicial enforcement in followup implementing legislation. By drawing on the existing legal principles of "mootness," "standing" and "nonjudiciability," implementing legislation can define an appropriate role for the courts in making the amendment work. The net effect can be to prevent judicial assumption of legislative functions such as selecting program cuts, while allowing the courts to police a framework of accounting standards and budget procedures.

TRADITIONAL LIMITS ON JUDICIAL INTERVENTION

In general, the courts have shown an unwillingness to interject themselves into the fray of budgetary politics. The New Jersey Superior Court observed that "it is a rare case * * * in which the judiciary has any proper constitutional role in making budget allocation decisions."[1] The judiciary has re-

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Footnote at end of article.

mained clear of most budget controversies through the principles of "mootness" and "standing," as well as the "political question" doctrine.

A case is considered moot, and can be rejected by the court, if the matter in controversy is no longer current. In *Bishop* v. *Governor*, 281 Md. 521 (1977), taxpayers and Maryland legislators claimed that the governor's proposed budget violated the state's balanced budget law, because $95 million was contingent upon enactment of separate federal and state legislation. The Maryland Court of Appeals, dismissed the case as moot because by that time the separate legislation had been approved, and the relevant fiscal year had elapsed. Mootness will be a factor in many potential challenges to Congressional action under a federal Balanced Budget Amendment, particularly those based on unplanned expenditures or flawed revenue estimates which become apparent near the end of the fiscal year.

The doctrine of standing limits judicial access to parties who can show a direct injury over and above that incurred by the general public. The logic is that the greviances of the public (or substantial segments thereof) are the proper domain of the legislature.[2] The U.S. Supreme Court has generally held that status as a taxpayer does not confer standing to challenge federal actions,[3] and has barred taxpayer challenges of budget and revenue policies in the absence of special injuries to the plaintiffs.[4] A state cannot sue the federal government on behalf of its citizens,[5] and it is doubtful that Members of Congress have standing to challenge federal actions in court.[6]

The political question doctrine is a related principle that the courts should remain out of matters which the Constitution has committed to another branch of government. The U.S. Supreme Court has held that a "political question" exists when a case would require "nonjudicial discretion."[7] This would be the case with many budgetary controversies, such as the choice to cut particular programs, which by their nature require ideological choices and the balancing of competing needs. In theory, at least, Congress brings to this task a "full knowledge of political, social and economic conditions. * * *" as well as the legitimacy of elected representation.[8] The New Jersey Supreme Court recognized this in a case where local governments challenged funding decisions made by the governor and legislature, holding that the allocation of state funds among competing constituent groups was a political question, to be decided by the legislature and not the judiciary.[9] The Michigan Supreme Court has likewise held that program cutting decisions are a non-judicial function.[10]

A ROLE FOR THE COURTS

The courts have asserted jurisdiction over politically tinged controversies where they find "discoverable and manageable standards" for resolving them. In *Baker* v. *Carr*, the U.S. Supreme Court reasoned that objective criteria guide judicial decisionmaking and limit the opportunity for overreaching. In the balanced budget context, the "discoverable and manageable standards" principle and help demarcate lines between impermissible judicial policymaking, and the needed enforcement of accounting rules and budget procedures.

In all likelihood, a strong framework of accounting guidelines will emerge from implementing legislation. The State Judiciary Committee has interpreted Section 6 of the bill to impose "a positive obligation on the part of Congress to enact appropriate legislation" regarding this complex issue.[11] Judiciary Committee staff on both the House and Senate side have indicated their intention that implementing legislation embrace stringent accounting standards that will minimize the potential for litigation. Should legitimate questions arise concerning the methods by which Congress "balances" the budget, these standards will also provide objective criteria which meet constitutional standards for judicial intervention.

The implementing package is also likely to establish guidelines for judicial involvement, defining what issues are judiciable and which parties have standing to challenge Congressional decisions. Where Congress has defined standing within the relevant statute, the courts have generally deferred to this request for judicial input, and entertained suitable cases.[12] This approach has the advantage of defining appropriate controversies and plaintiffs more precisely. In the Balanced Budget context, the right to raise particular arguments could be delegated to specific public officials. State budget officers, for example, could be given standing to contest unfunded federal mandates.

We are satisfied that such enforcement procedures, coupled with budget process and accounting guidelines, will operate against a backdrop of traditional legal principles to rationally limit judicial action. The effect should be to prevent judicial overreaching into legislative functions, while providing a check on Congressional attempts to evade the requirements of the BBA through procedural and numerical gimmickry.

FOOTNOTES

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[1] *Board of Education* v. *Kean*, 457 A.2d 59 (1982).

[2] *Flast* v. *Cohen*, 392 U.S. 83 (Harlan J., dissenting).

[3] *Massachusetts* v. *Mellon*, 262 U.S. 447 (1923). In only one case has the Supreme Court recognized taxpayer standing, and lower courts have viewed the holding as limited to the unique facts of the case. *Valley Forge Christian College* v. *Americans United for Separation of Church and State*, 454 U.S. 464 (1982).

[4] *United States* v. *Richardson*, 418 U.S. 166 (1974) (plaintiffs challenged a statute allowing the CIA to avoid public reporting of its budget); *Simon* v. *Eastern Kentucky Welfare Rights Organization*, 426 U.S. 26 (1976) (plaintiffs challenged a Revenue Ruling granting favorable tax treatment to certain hospitals as inconsistent with the Internal Revenue Code).

[5] *South Carolina* v. *Katzenbach*, 383 U.S. 301 (1966).

[6] *Goldwater* v. *Carter*, 444 U.S. 996 (1979).

[7] *Baker* v. *Carr*, 369 U.S. 186 (1962).

[8] Id.

[9] *Camden* v. *Byrne*, 82 N.J. 133 (1980).

[10] *Michigan Assn. of Counties* v. *Dept. of Management and Budget*, 418 Mich. 667 (1984).

[11] S. Rpt. 103-163, 103rd Congress, 1st Session (1993).

[12] Nowak, John E. et al, Constitutional Law, West Publishing Co. (1983), p. 87. In Lujan v. Defenders of Wildlife, 112 Sup. Ct. 2130 (1992), the Court voided a citizen suit under the Endangered Species Act, holding that Congress' power to define standing by statute is limited by Article III of the Constitution. The decision implied that citizen suit provisions must be carefully articulated and supported by clear legislative goals.

THE ECONOMIC EFFECTS OF THE BALANCED BUDGET AMENDMENT

The U.S. Chamber of Commerce, the nation's largest business federation, has endorsed *S.J. Res. 41*, the Balanced Budget Amendment to the U.S. Constitution. The Chamber believes that this measure, sponsored by Sens. Simon (D–IL), Hatch (R–UT) and Craig (R–ID), will help move the federal government toward fiscal responsibility. This paper discusses the most significant economic questions raised by this landmark legislation, along with some of the conclusions reached by the U.S. Chamber.

Question. Why should we balance the federal budget?

Answer. There are several reasons why the federal budget should be balanced. Most fundamentally, the Balanced Budget Amendment would improve accountability in federal spending decisions. Government officials are generally inclined to increase government spending to improve services to their constituents. This, of course, is countered by their reluctance to raise taxes. But since borrowing can substitute for raising taxes, legislators find they can offer a high level of services without the pain of raising the current level of taxes. Consequently, when it's time to make tough spending decisions, Congress finds it can dodge the question by just borrowing the difference. The proper counterweight to higher government spending—raising taxes—is circumvented by the seemingly painless act of federal borrowing. This leaves us with more government than taxpayers are willing to pay for. Over time, such borrowing leaves us with a bloated government sector and the problem of paying off the debt.

The Balanced Budget Amendment restores the proper balance between spending and taxes, and forces government officials to prioritize difficult spending choices. It improves the process whereby such decisions are made, forcing Congress to use much greater discipline.

Also, no matter whether the government finances its spending through taxes or borrowing, it's still spending and therefore commanding economic resources. To those who believe in limited government and market systems, the level of federal spending is as much of a concern as how that amount is financed. Limiting government borrowing blocks the path of least resistance to government expansion, and so we expect that a Balanced Budget Amendment would act to limit the reach of government into the economy.

Question. Wouldn't Congress just raise taxes to close the deficit?

Answer. In a way, Congress already has. After all, the difference between government borrowing and raising taxes is just a question of taxes today or taxes tomorrow. The important point is that, no matter how it's financed, the government is spending economic resources, and the amount of spending will surely be greater when government is allowed to use deficit spending.

And tax increases to close the deficit gap are being used now anyway—witness the tax increases in 1982, 1983, 1984, 1985, 1988, 1989, 1990 and 1993. In other words, we're already getting the tax increases. By requiring a balanced budget, we expect to place additional pressure on Congress to tackle the spending cuts that should be made.

To answer the question more directly, Congress can't just raise taxes, leave spending intact, and walk away—if it could, it would have done so a decade ago and spared us this long debate on deficit spending. So while it may raise some taxes to close the deficit, Congress will have to confront its voracious spending habit. The end result will be a lower level of government spending, and less government involvement in the economy.

In addition, a couple of provisions in the BBA make it more difficult to raise taxes. Under the amendment, tax increases require both a roll call vote (instead of anonymous voice votes) and a constitutional majority (which means 51 votes would be required in the Senate and 218 voters in the House to raise taxes, instead of a majority of those voting). This may not sound like much of a hurdle, but note that President Clinton's 1993 tax increase would have needed an additional two Senate votes under such a requirement.

Instead, it passed after Vice President Gore's vote broke a 49–49 deadlock.

Finally, of course, congressmen and women would have to face the political consequences of raising taxes at the voting booth. Because a roll call vote would identify those who voted to raise taxes, legislators would be held to a higher level of accountability.

Question. What is the primary economic impact of running government deficits?

Answer. The worst thing about government deficit spending is that it distorts the economy's balance between saving and investment, producing adverse long-term productivity growth. The funds the government is borrowing have to come from somewhere, and generally they come from private saving and private investment. Throughout the 1980's and early 1990's, we've seen the saving rate fall from about 8% to consistently below 4%—too low to fuel the kind of investment we need to keep up our high productivity. Since long-term productivity growth is the key to rising standards of living, it's dangerous to be skimping on investment.

Federal borrowing is not inherently wrong or bad for the economy; it depends on how the funds are used. If the funds were being used exclusively to create stronger schools, better highways, safer bridges, and so forth, we would be increasing the productive capacity of the economy. This means that we would be creating the means by which future generations can create the wealth to pay back the borrowed funds. But if we're using those funds to provide ourselves with consumption-oriented short-term benefits that don't improve our long-term productive capacity, then we're raising our standard of living by lowering that of future generations. To quote NationsBank economist Mickey Levy: "Deficits matter most because they distort the way current national resources are allocated, generally favoring current consumption at the expense of private investment."[1]

Question. Are there other effects of deficit spending that harm the economy?

Answer. In a complex, interlocking, international economy, you can expect sustained deficit spending to cause other distortions as well. First, chronic government borrowing tends to put upward pressure on interest rates. Businesses seeking to raise capital and households applying for mortgages have to compete with the federal government in securing loanable funds. This increase in demand pushes interest rates up. Consequently, fewer loans are made to the private sector, and those that are made carry a higher interest rate. This is known as "crowding out," since government borrowing displaces some private borrowing.

Second, because our economy is increasingly linked to the global market, there are important international impacts related to the budget deficit.[2] Higher interest rates tend to raise the foreign exchange value of the dollar, meaning that our trading partners face price increases on the goods and services they buy from the U.S. This lowers our exports, pushing up our trade deficit. Many contend that one of the major forces behind the huge trade deficits of the 1980's was the federal budget deficit.

Third, the amount we're paying to service our national debt has grown almost fivefold since 1979—from $43 billion to $203 billion in 1994. As a share of total government outlays, interest payments on the debt have about doubled from 7.4% during the 1970's to over 14% currently. That means that for the same amount of revenue, there's less money for other government programs, whether it's for national defense, our court system, Head Start, or environmental clean-up. No matter what the budget priorities are, fewer funds are available.

To sum up, there are serious economic side-effects of deficit spending that Washington tends to ignore. In addition to restoring discipline to the spending decisions of Congress, the Balanced Budget Amendment seeks to remove the economic distortion caused by chronic deficit spending.

Question. Back to that notion of "crowding out" for a moment. If increased government borrowing leads to higher interest rates, as you claim, then why did interest rates fall during the 1980's just as the budget deficit was expanding?

Answer. The key to this apparent paradox is the behavior of inflation during the 1980's. After starting out the decade in the double-digits, the inflation rate fell sharply due to tighter monetary policy and, in mid-decade, the collapse of oil prices. Since expectations of future inflation are embedded in market interest rates, this decline in inflation pushed interest rates down. This more than offset the impact of increasing federal deficits, which were working at the same time to push interest rates up.

So while it's true that market interest rates fell significantly during the 1980's, it's correct to say that they would have fallen even further had the federal budget been brought into balance. In fact, later in this document we'll present results from an econometric study that show significantly lower interest rates as a result of moving to a balanced budget.

Question. Doesn't government spending represent an investment in the economy, with highway and transportation' construction funds going to education, etc?

Answer. Some government spending can be regarded as "investment spending," meaning that funds spent now will generate stronger economic growth later. Spending on infrastructure—highways, bridges, dams, and mass transit, for example—and other programs such as education are often thought of that way, since they provide benefits over a long period of time. But the bulk of government spending goes to projects and programs that don't provide much of a return over time, but instead represent "current spending." Such programs include Social Security, Medicare, federal retirement programs, unemployment insurance, agricultural extensions offices, and so forth. While many of these programs are desirable, we need to recognize that we're borrowing vast sums to pay for benefits that are only short-lived.

Because an extra dollar of private investment is generally more efficient than an extra dollar of government investment, our productive capacity generally grows less when funds are diverted away from the private sector. This means that productivity and wage growth will be held back, lowering our standard of living.

Question. Why a Balanced Budget Amendment now? After all, we've gotten along without it for 200 years.

Answer. Until about 1960 or so, running a balanced budget over time was almost an unwritten Constitutional amendment. The U.S. government ran deficits during the War of 1812, the severe recession of 1837–43, the Civil War, and the Spanish American War, to name a few episodes. But in other periods, the federal government ran surpluses to reduce its outstanding debt. On the whole, only emergencies justified running a deficit.

But since 1960, this informal rule apparently has gone by the wayside. In the past 34 years, the U.S. has avoided a deficit only once, when in 1969 there was a surplus of 43 billion. Given the chronic deficits we've come to expect, it's time to make explicit through a Constitutional amendment the old implicit principle of government living within its means.

Question. Will passing a Balanced Budget Amendment really add discipline to the federal government?

Answer. Lawmakers have tried statutory measures to rein in government deficit spending, but they just haven't worked. For example, in 1985 Congress passed the Gramm-Rudman-Hollings deficit reduction bill, which was supposed to reduce the deficit to zero by fiscal year 1991 from the $293 billion deficit projected at the time for fiscal year 1991.[3] As it turned out, even with passage of GRH, we ended up with a $196 billion deficit in 1991 and a $289 billion deficit in 1992. That's because hard-won budget rules can be waived or modified by a simple majority vote. The Balanced Budget Amendment, on the other hand, requires a three-fifths vote of each house to enact a budget with a deficit (in times of war, only a simple majority is required).

It's clear that these statutory measures haven't worked, and so it's time to turn to the stronger medicine of a balanced budget amendment.

Question. Didn't we move to balancing the budget with the passage in August 1993 of President Clinton's package, the Omnibus Budget Reconciliation Act (OBRA)?

Answer. Washington made some progress in trimming the deficit last summer when it passed OBRA. The nonpartisan Congressional Budget Office estimated in September 1993 that OBRA will cut $433 billion of debt over the next five years from the projected baseline (i.e., pre-OBRA) level of debt. But not only is the post-OBRA deficit still at $200 billion in FY 1998, but it's also on the rise. By 2003, according to CBO, the deficit is projected to hit $359 billion. As a percentage of total output, that means the deficit rises from 2.5% of GDP in FY 1998 to 3.6% in FY 2003.[4]

Like the budget deals in the previous decade before it, OBRA clearly does not solve the deficit problem. That's why it's imperative to turn to a constitutional, rather than a statutory, remedy for our chronic deficit problem.

Question. What's the relationship between the federal deficit and federal debt?

Answer. The federal deficit is the difference between the government's outlays and receipts in any one year, while federal debt is the total amount of government debt outstanding. The debt, in other words, is the total accumulation of deficits over the years. In 1993, the federal deficit was $255 billion, and the total deferral debt was $4.5 trillion.

Question. A federal debt of $4.5 trillion sounds like a lot, but is it historically high?

Answer. In absolute terms, it's the highest it's ever been. But because of inflation and the growth of our economy, it's best to answer this question by measuring the federal debt relative to the size of the economy; that is, to look at the ratio of debt to GDP. Today, the total debt held by the public is 52% of current GDP.[5] While that's less than half of 1946's 114% of GDP, we don't have as much to show for it. The debt then paid for victory in World War II, while the current debt is simply funding higher levels of consumption.

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[1] Footnotes at end of article.

Moreover, this ratio is currently moving in the wrong direction. It's grown from below 30% during the 1970s to just over 40% during the mid-1980s, and now to over 50%. In contrast, the federal debt ratio in the postwar period was pruned from 114% to 68% by 1951, and generally kept falling until the early 1970s.

Question. So the federal debt's higher, and it's been growing for twenty years. But while some continue to feel economic discomfort from structural changes unrelated to the higher federal debt (such as the defense build-down and the commercial real estate overhang), the U.S. seems to be doing fine. What's the crisis?

Answer. The growing federal debt is not a problem that can be characterized as "a wolf at the door," which requires immediate attention. Instead, to use the analogy introduced by President Carter's top economist, Charles Schultze, it's a "colony of termites in the wall."[6] In other words, it's a serious long-term problem that can be ignored in the short-term. The damage—lower investment, lower productivity, slower wage growth, etc.—may be hard to perceive or even hidden by other economic forces, but that doesn't mean it's not occurring. The termites are still chomping away and must still be dealt with, because the destruction can be massive.

Question. Won't the Balanced Budget Amendment hamper government activity in times of a national emergency, such as a war?

Answer. The Amendment will not compromise America's ability to respond to national emergencies. In general, the Amendment can be suspended for a specific fiscal year whenever three-fifths of both Houses of Congress vote to do so. In wartime, this requirement is lowered to a simple majority in both chambers.

Question. Won't balancing the budget cause a serious disruption of economic growth?

Answer. If the deficit were reduced all at once—from FY 1994's projected $250 billion to zero next year, for example—there indeed would be a severe disruption. Because the removal of so much fiscal stimulus in one year is not advisable, the Balanced Budget Amendment calls for the provision to become law in FY 1999 or two years after the ratification by three-quarters of the states, whichever is later. The Amendment does not provide a specific path for deficit reduction in the meantime, but Congress would have five years to implement the needed changes.

While we should expect some disruption—balancing the budget is not, in the short-term, an economic growth policy—we will see several long-term benefits after the budget is balanced. And the short-term distress can be mitigated, according to economic simulations performed in a 1992 study conducted by Laurence H. Meyer & Associates a nonpartisan and highly regarded macroeconomic consulting firm based in St. Louis, Missouri. If we had started in 1993 and balanced the budget by 1998, using Federal Reserve policy to cushion the economy, the LHM&A model shows that total output would be between 1% to 1.6% higher in 2003.[7] Even 1% additional output means an economy that's $80 billion larger (measured in today's dollars.)

Question. Does it make any difference whether Congress balances the budget using tax increases or spending cuts?

Answer. It makes a big difference. In the study cited above, LHM&A found that the highest gains from deficit reduction come from expenditure cuts. That is because increases in taxes create disincentives for labor and investment, mitigating some of the beneficial effects of deficit reduction on interest rates.

In the following table we report the results of two policy simulations conducted by LHM&A in which the budget is balanced, and compare it to the baseline case where policy is left as is.

The first column of results shows where the economy would be if no action were taken on balancing the budget (the "Baseline" scenario).

The second column shows where the economy would be if expenditures were cut by the entire amount necessary to balance the budget ("All Spending").

The final column shows the results of balancing the budget by raising spending and cutting expenditures by exactly the same amount ("Mix").

The two balanced budget scenarios assume that the Federal Reserve eases monetary policy enough to maintain the unemployment rate at the baseline level of 5.2%. The following table compares how the economy would look with and without deficit reduction by showing some of the results for the first five years.

THE ECONOMIC IMPACT OF BALANCING THE BUDGET

[The first 5 years of deficit reduction]

	No deficit reduction	Deficit reduction scenarios	
	Baseline	All spending	Mix
Levels in the fifth year:			
Federal deficit ($ bill)	−251	0	−1
3-month T-bill rate (%)	5.5	4.7	4.6
30-year Government bond yield (%)	6.9	5.7	5.8
AAA corp bond yield (%)	7.1	5.8	5.9
Average annual growth, first five years (%):			
Real GDP	2.6	2.8	2.7
Inflation	3.3	3.5	3.4
Real personal disposable income	2.3	1.7	1.5

Note: U.S. Chamber of Commerce, February 1994.

Notice how interest rates are significantly lower in the scenarios where the deficit has been reduced. This is the fuel for the higher lever of business investment. In fact, the inflation-adjusted value of the nation's plant and equipment (what economists call the real capital stock) is 2 percent higher after the first five years of deficit reduction, and 6 percent higher after ten years, when comparing the result of the "All Spending" scenario to the baseline. While those figures may sound small, they mean $120 billion worth of additional computers and manufacturing plants within five years, and $390 billion more in ten years. And it should be noted that the capital stock is almost 2 percent higher when the budget is balanced entirely through spending cuts rather than an equal mix of spending cuts and tax increases.

While inflation is a bit higher in the deficit-reduction scenarios (due to the Federal Reserve's cushioning), growth in real GDP (inflation-adjusted output) is stronger, on average, in the five-year period, as the deficit is reduced. Real personal disposable income grows at a slower rate (1.7 percent and 1.5 percent versus 2.3 percent) in the cases where the deficit is lowered. But note that it's stronger in the case where all of the deficit reduction comes from reductions in government spending. This shows that moving to a balanced budget will inflict some economic pain. The short-term pain is unavoidable, but it helps set the stage for stronger growth in the years after the deficit has been balanced.

Of course, the active participation of the Federal Reserve is an important component of LHM&A's simulations, and it comes with the price tag of slightly higher inflation. But the important point is that the model suggests a path that the economy can follow to get to a balanced budget without severe economic hardship.

Question. Most of the states have some sort of balanced budget requirement. What has been their experience?

Answer. According to the National Association of State Budget Officers, the application of the state experience to the federal experience is not clear-cut. The state balanced budget requirements are diverse and written so generally that they're subject to varying interpretations. According to their 1992 statement, the tradition of balanced budgets, rather than the enforcement provisions or the threat of lower bond ratings, plays the most important role in developing balanced budget.[8]

FOOTNOTES

[1] Mickey D. Levy, "Deficitphobia: Right for the Wrong Reasons," in Economic and Financial Perspectives, CRT Government Securities Ltd., New York, December 1993, pg. 1.

[2] Benjamin M. Friedman, "U.S. Fiscal Policy in the 1980s: Consequences of Large Budget Deficits at Full Employment," in Debt and the Twin Deficits Debate, James M. Rock, ed., Mayfield Publishing Company, 1991.

[3] Laurence H. Meyer & Associates, "Balancing the Budget by 1991: The Gramm-Rudman-Hollings Proposal," November 1985, pg. 5.

[4] Congressional Budget Office, "The Economic and Budget Outlook: An Update," September 1993, pgs. 26–29.

[5] Congressional Budget Office, "Federal Debt and Interest Costs," May 1993, pg. 92.

[6] Charles L. Schultze, "Of Wolves, Termites and Pussycats," The Brookings Review, Summer 1989, pgs. 26–33.

[7] Laurence H. Meyer & Associates, "Balancing the Budget: An Analysis of the Economic Effects of Deficit Reduction," prepared for the Chase Manhattan Bank, December 1992, pg. 1.

[8] National Association of State Budget Officers, "State Balanced Budget Requirements: Provisions and Practices," June 1992, pg. 3.

CHILD CARE AMERICA,
GOVERNMENT RELATIONS OFFICE,
Falls Church, VA, February 28, 1994.

Senator LARRY CRAIG,
Hart Building,
Washington, DC.

DEAR SENATOR CRAIG: On behalf of Child Care America, which represents the owners and directors of private and religious childcare centers nationwide, please accept our strong endorsement of the Balanced Budget Constitutional Amendment (S.J. Res. 41).

We firmly believe that the time has come for passage of such an amendment mandating a process of fiscal discipline.

Recent and past history has shown that statutory solutions to runaway deficit spending are insufficient and nonbinding. Furthermore, we strongly oppose the alternative measure being promoted by Senator Reid as non-responsive to the fiscal crisis that our nation is confronting.

We commend you for your leadership and note with strong approbation the 15–3 affirmative vote by which the Committee on the Judiciary passed the constitutional amendment.

Cordially,

DR. WILLIAM J. TOBIN,
Director of Government Relations.

[From the Washington Times, Mar. 1, 1994]

BALANCED BUDGETS AND AMENDMENTS

George Mitchell and Robert Byrd are no doubt icing the champagne, anticipating a narrow win on the balanced budget amendment vote that should take place on the Senate floor this afternoon. Mr. Mitchell, as Senate majority leader, has been working all the body's committee chairmen and Mr. Byrd, as chairman of the appropriations committee, has been putting the squeeze on every senator with a taste for pork. The astonishing fact is not that these two power brokers may manage to put off a balanced budget measure once again, but that almost two-thirds of the upper house does support the amendment. The senators know better than anyone, it seems, just how much chance there is for fiscal sobriety as long as their hands are not tied. By the time the votes are counted late today, perhaps the crucial two-thirds of senators will have declared, "Stop me before I spend again!"

Some of those still wavering may be concerned about the constitutional and procedural questions raised by Mr. Byrd, Mr. Mitchell et al. These are serious questions, even though they have been offered as stalking horses for those who want no crimps in the money hose. The two prime worries injected into the debate have been that the federal courts will end up making spending and taxing decisions, and that the minority in Congress will get a new de facto filibuster over all spending questions. Yet neither of these concerns will become a problem if the legislature just does what it should and passes balanced budgets.

If there is a constitutional amendment requiring a balanced budget, fiscal disputes will not end up in the courts unless the budget is out of whack. If Congress chooses to spend no more money than it has coming in, the amendment will not be violated and there will be no successful litigation. Yet the opponents of the amendment argue that budgets will inevitably and indefinitely be sent to court. This is an admission that the anti-amendment lawmakers not only have no intention of ever balancing the budget—amendment or no amendment—but can't even conceive of keeping the nation in the black.

This is also the lesson that comes from the second worry—that the minority will have new powers of obstruction. Under the amendment, deficit spending would only be allowed with a supermajority. Presumably, minority party lawmakers would have to be enlisted in such an effort. By withholding that support, argue Mr. Byrd and Mr. Mitchell, the minority party can hold the entire budget hostage, demanding all sorts of political ransom. But once again, this dire consequence is only possible if the budget being offered is in the red. No supermajority is needed to pass a balanced budget, and so as long as the congressional majority party is willing to be fiscally responsible, it has nothing to fear from the minority.

The doom and gloom being spouted by the old guard is nothing but an admission that they will never be serious about balancing the budget. This is the strongest case that can be made in favor of a balanced budget amendment. A vote against it is a vote against balanced budgets.

[From the Washington Times, Mar. 1, 1994]

A BALANCED BUDGET AMENDMENT AND THE TEMPTATIONS OF DENIAL

(By James Dale Davidson)

In economics, there are always those who say the obvious is untrue and the inevitable will never happen. So it is with the federal deficit. For two decades, advocates of fiscal reform have engaged in a futile argument about the future with those whose thoughts are not with the future, but with the past. At every stage of the debate, the opponents of the Balanced Budget Amendment have underestimated the costs and consequences of runaway deficits and dismissed the one decisive measure that might have brought them under control. As a result, the accumulated federal debt has skyrocketed from $466.3 billion to over $4.4 trillion—almost a ten-fold increase in only 20 years.

As deficits have compounded, real incomes have stagnated, and the benefits of prosperity have eluded an ever-larger percentage of our population, this is not a coincidence. Chronic deficits at ever-higher levels are compelling evidence that the political system is malfunctioning. Too many resources are being allocated to anachronistic programs that can no longer pay their way. The system has managed to avoid collapse only by liquidating much of the accumulated wealth of the Industrial Age. Literally trillions in federal spending were financed by writing down the national balance sheet.

Earlier in this century, when the structure of the economy was different than it is today, temporary deficits may have had stimulative effects. But no longer. There can be little dispute that the ability of the economy to generate an additional dollar of economic activity has plunged as the national debt has risen. This trend has been evident in each successive administration since that of President Kennedy. The increase of the gross debt during the Bush administration almost double the growth of nominal gross domestic product in the period—a far cry from the large multiplier effect claimed for deficit spending.

The Information Age is unfolding all around us as the Industrial Age dies. Physical boundaries are becoming superfluous, and a transaction can just as easily originate from the next continent as next door. Just as the old physical boundaries are fading away, so are the old barriers to upward mobility that previously limited those without capital. In a world where information generates wealth, anyone with the spirit to prepare himself can prosper. Those individuals empowered by information can define their own economic circumstances by using knowledge alone.

But rather than help prepare society to capitalize on the opportunities of this new era, government has responded with the politics of denial. The deficit is literally a dollars-and-cents measure of that denial; it reflects the trillions spent trying to hold onto the past. As the Information Revolution has gathered speed, the costs of this futile policy have multiplied. As William Nicklin has so aptly put it, "Rather than accept the relative advantage gained by the newly empowered, encouraging others to follow their example, and allow society to reconfigure itself to capture the vast new opportunities that could eventually enhance everyone, our government pursues programs that result in nothing more than wringing out what is left in the rag of prosperity."

Federal money is now spent not to facilitate the creation of jobs, but to place safety nets under people who are not equipped to prosper in the new era. The effect of covering people in safety nets is not to help the disadvantaged prepare themselves for a changed world, but to shroud understanding of their realistic choices and keep them tied to the past. The federal budget itself provides compelling evidence this is true. The growth of federal spending is outpacing the growth of the economy because dependency is mushrooming across a wide spectrum. Month after month, more Americans qualify for entitlements. The costs of providing these transfers is not only surging in absolute terms; it is progressively cannibalizing all other functions of government.

The deficit is a reflection of the politics of denial and its counter-productive effects on the economy. If all the money government spends on income redistribution really improved the economy, there would be strong positive feedback effects. Revenues would strengthen without massive tax increases. The deficits would be self-correcting rather than chronic. The fact that they are not shows that the system is not paying its way.

A strong balanced budget amendment is needed now. It is an important remedial step that can prevent the United States from slipping into the kind of constitutional crisis now confronting the three industrial nations that have depended most on deficit finance. Canada, Italy and Belgium all face active secessionist movements threatening to break them apart. Why? Because people do not like to be struck paying the bills of bankrupt governments, especially when much of the money has been spent in ways that produce little return.

During a time of economic transition, it is always easier for politicians to mortgage the future than to prepare for it. A Balanced Budget Amendment would make that harder, and that is precisely why it has engendered so much opposition. It would impose a reality check that can help catalyze the political process to move beyond the politics of denial. If the Congress and the president could not fund counterproductive policies by running down the balance sheet of the country, as they do today, they would have no choice but to revisit policies that cannot pay their way. Now, more than ever, this is necessary to prepare government and American society for the future.

[From Congressional Leaders United for a Balanced Budget, Feb. 4, 1994]

WHY THE BALANCED BUDGET AMENDMENT CONTAINS EFFECTIVE TAX LIMITATION AND SPENDING RESTRAINT

Consensus Language: After years of wrestling with various formulations, in June 1992 the principal sponsors of the leading Senate and House versions came together and arrived at the "Bipartisan, Bicameral Consensus Version" of the BBA embodied in S.J. Res. 41/H.J. Res. 103. This is the strongest version—indeed, the only version—with a realistic possibility of obtaining ⅔ majorities in both bodies.

S.J. Res. 41/H.J. Res. 103 is NOT a "simple" Balanced Budget Amendment; it DOES contain a meaningful tax limitation: If this BBA had been the law of the land in 1993, the Clinton tax increase would not have been. At one point, the reconciliation/tax bill passed the Senate 50–49, falling short of the "majority of the whole number" required in the BBA to raise taxes. In fact, this super-majority requirement has been the threshold for raising taxes included in every leading version of the amendment since 1981.

A balanced budget requirement ITSELF would promote tax limitation. As long as the power to deficit spend remains unrestrained, the deficit will be used as an excuse to raise taxes. A civic-minded public will be at least somewhat susceptible to this appeal for "shared sacrifice," while the higher taxes actually pay for more spending. In contrast, once a balanced budget becomes the norm, the public will see the clear, $1-for-$1 relationship between higher taxes and bigger government and reject those taxes. Therefore, even if it did not contain explicit tax limitation language, the amendment would operate to limit tax increases.

A balanced budget requirement ITSELF would promote spending restraint. Federal spending escalates not just because the special interest political rewards for spending outweigh the generalized public interest in spending restraint. Without a Balanced Budget Amendment, there is no clear procedural OR political barrier to ever-spiralling spending—because it is the unlimited ability to borrow that creates the unlimited ability to spend without immediate consequence. In contrast, the amendment would perfect the democratic process, by visably reconnecting the demand for new spending with its true costs to taxpayers and the economy.

The experience of the States PROVES how requiring a balanced budget ALSO promotes restraint in taxing and spending. In 1992, the CATO Institute noted that 49 state governments have balanced budget requirements and found that: "From 1940 to 1990, state and local spending climbed from 12 to 14 percent of national income [while] federal spending climbed from 13 to 28 percent . . .. It is inconceivable that federal spending would have skyrocketed as it has if Congress had had to raise taxes every year to pay for its spending, as the states do." (National Review, June 8, 1992.)

Passage of the amendment will trigger an historic, nationwide "civics lesson": Congressional passage is only a prelude to the need to ratify the amendment in three-fourths (38) of the state legislatures. This means that we will see, in every state in the union, the most robust public debate about the appropriate size, scope, and functions of the federal government since the ratification of the original Constitution.

The Bipartisan Consensus language offers the best opportunity to effect a CHANGE that is good for the country: The most effective amendment is the one that passes. Votes in 1986, 1990, and 1992 demonstrate that, in both bodies of Congress, support for the BBA in plus-or-minus the necessary ⅔ majority by a hairsbreath. In contrast, in 1992, the Kasten substitute (requiring ⅗ votes to raise taxes) received only 33 votes in the Senate and not one Member of either body who voted against the BBA in 1992 did so because of tax limitation. The growing and increasingly united support for S.J. Res. 41/H.R.Res. 103 underlines the principle that the perfect should not be the enemy of the very good: The U.S. Chamber of Commerce, Citizens Against Government Waste, Citizens for a Sound Economy, and others that opposed or remained neutral on the consensus language in the past, due to tax limitation concerns, now support this version energetically.

[From the Congressional Leaders United for a Balanced Budget, Feb. 18, 1994]

DEAR COLLEAGUE: In the next few weeks, Congress will have the opportunity to take the historic step of passing a balanced budget amendment to the Constitution. As you make your decision on this amendment, we ask you to continue to consider the impact that the debt that we are amassing will have on our children and grandchildren. What kind of future can they expect if we do not bring our spiralling debt under control?

As the attached chart from CBO's January "Economic and Budget Outlook" makes abundantly clear, and to paraphrase Mark Twain, the reports of the demise of our deficit problem have been greatly exaggerated. While the deficit is expected to decline somewhat over the next two years, the tide of red ink will continue to grow dramatically through the end of this century and beyond. We do not believe that we should be satisfied with leaving our children a legacy of deficits in the range of $200–$300 billion and higher into perpetuity.

Continued deficit spending poses a clear threat to the standard of living of the next generation. CBO's budget projections under current policies are quite similar to the scenario described as the "muddling through option" in a report prepared by the non-partisan General Accounting Office. In that report, GAO cautioned that simply holding deficits to 3 percent of GDP "offers no escape either from progressively harder decisions or from an unacceptable economic future. It only postpones the date of a full confrontation with the underlying problem."

Reports using scare tactics, claiming that a balanced budget amendment will have a devastating effect on the economy are based on flawed methodology and ignore the economic benefits of balancing the budget. After analyzing the economic benefits of balancing the budget, GAO concluded that ". . . to build the foundation for a more productive nation in the future, it is essential that the budget process adopt a more future oriented focus. . . ." Now is the time to vote to brighten the future for generations to come by voting to send the balanced budget amendment to the states.

If you have any questions about the balanced budget amendment, you may contact either one of us or Damon Tobias (Craig, 4–2752), or Ed Lorenzen (Stenholm, 5–6605).

Sincerely,

LARRY CRAIG,
CHARLES STENHOLM.

[From Congressional Leaders United for a Balanced Budget]

THE ECONOMIC CONSEQUENCES OF MAINTAINING THE STATUS QUO IN BUDGET POLICY

According to the Congressional Budget Office, under current policies the deficit will bottom out at $166 billion in fy 1995 before increasing again, reaching $229 billion in 2000 and $365 billion in 2004. In 1995, the year in which the deficit is the lowest, the deficit will equal 2.2 percent of Gross Domestic Product. The deficit will rise as a percentage of GDP, reaching 2.5 percent of GDP in 2000 and continuing to increase to 3.3 percent of GDP by 2004. CBO's estimates do not extend beyond 2004. These projections hardly qualify as a success. The CBO estimates make it clear that while the deficit reduction enacted last year has improved the short-term deficit outlook, the deficit will remain at dangerously high levels into the future.

In June of 1992, the General Accounting Office released a study entitled Prompt Action Necessary to Avert Long-Term Damage to the Economy which warned that continued deficits are likely to seriously inhibit the growth of the economy under current and presently foreseeable economic conditions. The GAO stated that a failure to reverse current trends in fiscal policy "will doom future generations to a stagnating standard of living, damage U.S. competitiveness and influence in the world, and hamper our ability to address pressing national needs." The GAO set out several scenarios for budget policy, including one that is remarkably similar to current budget projections—reducing the deficit enough to hold annual deficits to approximately 3 percent of GDP. The GAO found that this scenario, which it called the "muddling through option" would not be sufficient to avoid the severe economic consequences of deficit spending. Among the conclusions that GAO reached:

Simply maintaining a deficit at three percent of GDP "offers no escape either from progressively harder decisions or from an unacceptable economic future. It only postpones the date of a full confrontation with the underlying problem."

If we continue on the current "muddling through" option, by 2005 "the amount of deficit reduction that will be required to limit the deficit to three percent of GDP will increase exponentially. By the year 2020, it will require a half a trillion dollars of additional deficit reduction each year just to maintain a deficit path of three percent of GDP.

"The muddling through path requires one to make harder and harder decisions just to stay in place, partly just to offset the growing interest costs that compound with the deficit * * * To select this path is to fend off the disaster of inaction, but it would lock the nation into many years of unpleasant and relatively unproductive deficit debates rather than debates about what government ought to do and should be done. It is death by a thousand cuts.

"While the implications for the economy of the muddling through approach are less devastating than the no action scenario, they still imply an economy that grows only slowly, with ominous implications for the ability to sustain both the commitments made to the retiring baby boomers and a satisfactory standard of living for the working age population in 2020 and beyond."

THE BUDGET OUTLOOK THROUGH 2004 (By fiscal year)

[In billions of dollars]

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Revenues	1,251	1,338	1,411	1,479	1,556	1,630	1,706	1,783	1,868	1,958	2,054
Outlays: Discretionary	543	541	547	547	547	564	582	600	619	638	658
Mandatory:											
Social Security	318	335	352	370	388	408	429	450	473	497	523
Medicare	160	177	195	215	238	264	290	320	354	392	435
Medicaid	86	96	108	121	135	151	168	186	206	227	250
Civil Service and Military Retirement	62	65	67	70	73	78	81	85	89	92	96
Other	177	171	168	184	191	199	205	211	218	225	232
Subtotal	803	844	890	960	1,026	1,099	1,173	1,253	1,339	1,433	1,536
Deposit insurance	−5	−11	−14	−6	−4	−4	−3	−3	−2	−2	−2

THE BUDGET OUTLOOK THROUGH 2004 (By fiscal year)—Continued

[In billions of dollars]

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Net interest	201	212	228	239	249	261	270	283	298	315	334
Offsetting receipts	−69	−77	−74	−78	−83	−86	−90	−94	−98	−102	−106
Total	1,474	1,509	1,577	1,661	1,736	1,834	1,931	2,039	2,156	2,282	2,419
Deficit	223	171	166	182	180	204	226	256	288	324	365
Deficit Excluding Deposit Insurance	228	182	180	189	184	208	229	258	290	326	367
Debt Held by the Public	3,462	3,642	3,822	4,021	4,218	4,441	4,686	4,961	5,268	5,611	5,995
As a percentage of GDP:											
Revenues	18.8	19.1	19.1	19.0	19.0	19.0	18.9	18.9	18.8	18.8	18.8
Outlays: Discretionary	8.2	7.7	7.4	7.0	6.7	6.6	6.5	6.3	6.2	6.1	6.0
Mandatory:											
Social Security	4.8	4.8	4.8	4.8	4.7	4.7	4.8	4.8	4.8	4.8	4.8
Medicare	2.4	2.5	2.6	2.8	2.9	3.1	3.2	3.4	3.6	3.8	4.0
Medicaid	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
Civil Service and Military Retirement	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Other	2.7	2.4	2.3	2.4	2.3	2.3	2.3	2.2	2.2	2.2	2.1
Subtotal	12.1	12.0	12.1	12.3	12.5	12.8	13.0	13.3	13.5	13.8	14.1
Deposit insurance	−0.1	−0.2	−0.2	−0.1	[1]	[1]	[1]	[1]	[1]	[1]	[1]
Net interest	3.0	3.0	3.1	3.1	3.0	3.0	3.0	3.0	3.0	3.0	3.1
Offsetting receipts	−1.0	−1.1	−1.0	−1.0	−1.0	−1.0	−1.0	−1.0	−1.0	−1.0	−1.0
Total	22.2	21.5	21.3	21.4	21.2	21.3	21.4	21.6	21.7	21.9	22.1
Deficit	3.4	2.4	2.2	2.3	2.2	2.4	2.5	2.7	2.9	3.1	3.3
Deficit Excluding Deposit Insurance	3.4	2.6	2.4	2.4	2.2	2.4	2.5	2.7	2.9	3.1	3.4
Debt Held by the Public	52.2	52.0	51.7	51.7	51.5	51.7	52.0	52.5	53.1	53.9	54.9

SOURCE: Congressional Budget Office.

[1] Less than 0.05 percent of GDP.

[From the Congressional Leaders United for a Balanced Budget, Feb. 18, 1994]

ALARMIST ATTACKS ON THE BALANCED BUDGET AMENDMENT

On February 14, the Treasury Department released a study projecting several "horror story" scenarios of the kinds of policy decisions the Administration foresees might be necessary if S.J. Res. 41/H.J. Res. 103, the Balanced Budget Amendment, is added to the Constitution. On February 17, the American Federation of State, County, and Municipal Employees released an analysis prepared by the Wharton Economics Forecasting Associates purporting to show the economic devastation and job loss that would result from balancing the budget. The "results" of these studies were broken down by state and on a dollars-per-person basis.

These studies actually send four messages: (1) Opponents fear the amendment will work; (2) The case against the amendment is so weak that opponents must resort to scare tactics; (3) The methodology used assumes an arbitrary, across-the-board approaches; and (4) The studies represent a failure to face up to long-term responsibilities and consequences.

(1) Opponents fear the amendment will work: Critics raise the spectre of what budget policy options might be considered to comply with a Balanced Budget Amendment. However, their arguments are directed against any deficit reduction that would be required to balance the budget.

Such arguments also ignore the costs to government services, program beneficiaries, and taxpayers of staying a course on which the federal debt increases by 73% to 90% over the next ten years, and annual spending on interest payments go up by two-thirds. As Senator Paul Simon has pointed out, every dollar spent on interest payments servicing the debt is a dollar that cannot go to valued programs.

Forcing the government to live within its means will require setting priorities and making some difficult decisions. This will not happen without the Amendment and it must happen to safeguard our future economic security.

(2) Scare tactics: As Rep. Olympia Snowe said in a recent Budget Committee hearing, people start pounding the table when they're losing the argument. Arguments like those in the Treasury and Wharton studies rely on alarming individuals and groups about how severely they might be impacted. However, even if federal spending continued to increase 2.8% a year, it would fall into balance with revenues (as projected in CBO's January baseline) by the year 2001. (Currently, spending is projected to grow 2.4% from FY 1994 to 1995 and an average of 4.6% a year through 2001.) In fact, both the Concord Coalition and the Heritage Foundation have reasonable, credible, and quite different plans to balance the budget by 2001.

If we act promptly, reasonable restraint, not massive spending cuts or tax increases, will take us to a balanced budget. However, CBO projects deficits again increasing rapidly after 1996. The longer we wait, the greater the pain of deficit reduction will become.

(3) Arbitrary, unrealistic methodology: Both studies assume that Congress and the President will abdicate their responsibility to set priorities and that deficit reduction would occur in an across-the-board manner. The Wharton study assumes that one-third of the deficit reduction will come from across-the-board tax increases. The Treasury study assumes numerous across-the-board approaches. The approach used in these studies implies that the President and Congress have no priorities and assumes that they would not set priorities within a balanced budget framework. The Treasury study manufactures per-program and per-beneficiary numbers that likely bear no resemblance to the decisions Congress and the President eventually will make.

This very lack of priority-setting is at the root of the $4.3 trillion national debt; today, marginal programs are funded because they never have to compete with essential programs. Under the amendment, Congress and the President would be faced with a fiscal and political imperative to set priorities. Government could promise no more than the people were willing to pay for and we would pay for all the government we demand.

Both studies inaccurately portray FY 2000 as the date by which the budget must be balanced. The Treasury study exaggerates the impact of its "cuts" by assuming virtually no action until 1997. It also portrays FY 2000 changes from the baseline in a way that misleadingly makes them look like a single, massive cut, rather than part of a phased-in package. Even using Treasury's numbers, the annual, incremental deficit reduction would average only $50 BILLION a year for 4 years. Stretching this out over 6 or 7 years would mean annual deficit reduction about equal to that scored for the Administration's 1993 budget reconciliation package. Obviously, once the amendment passes Congress, there would be every incentive to start on a gradual, reasonable "glide path" to a zero deficit.

Treasury acknowledges its "cuts are static in nature as no macroeconomic feed back . . . is assumed." Similarly, the Wharton study does not incorporate any of the positive economic effects of balancing the budget. Thus, the studies avoid discussing the long-term economic security, growth, and higher living standards that will result from balanced budgets and are at the core of the case for the amendment.

(4) Failure to project for, take responsibility for the long term: Even after enactment of last year's deficit reduction package, CBO projects the deficit bottoming out at $166 BILLION in FY 1996 and leaping back upward to $365 BILLION by FY 2004. Around FY 2002–2003, the deficit as a share of gross domestic product (GDP) would pass the 3% mark. The January CBO baseline resembles the "Muddling Through" scenario set out in GAO's 1992 report, Budget Policy: Prompt Action Necessary to Avert Long-Term Damage to the Economy. Under that scenario, by 2020, per capita GDP would be 7% lower and the federal debt three times larger than if the budget were balanced from the year 2001 on. Moreover, the annual deficit reduction required to maintain the deficit at 3% of GDP ("muddling through") would rise to more than $500 BILLION a year by FY 2020.

In contrast, Wharton looks only at the 2000–2003 period. Some economic models predict economic slowdowns during a "budget discipline" phase. But most models project robust intermediate- and long-term economic growth after a balanced budget is reached.

Approaches like those taken by Treasury and Wharton imply that Americans will find each and every federal program so indispensable, so sacred, that protecting every single program, every interest today, outweighs our children's standard of living and the government's ability to continue providing priority services and benefits in the coming years.

AN ECONOMIC ANALYSIS OF THE JEFFERSON ADMINISTRATION AND THE LOUISIANA PURCHASE

(By Dr. William A. Duncan)

SENATOR BYRD'S CHALLENGE

On February 22, 1994, Senator Byrd (D–WV) stated:

"Jefferson had the unique opportunity to add to the territory of this Nation the Louisiana territory, out of which all or part of 15 States of this Nation eventually were formed. . . . And so, there was an agreement that they pay $11¼-million, plus assuming $3¾-million of claims against France, making a total of $15 million. And so the Louisiana territory was purchased for $15 million.

"Did Jefferson pay it cash on the barrel head? No. They went into debt for it. And the Congress authorized the borrowing of that money from English and Dutch banks. So here we are with this President, whom we all honor and would love to emulate, borrowing the money. So he went into debt. So he said one thing and did another.

"Now, how big a debt was that $15 million? Well, in that day and time, the total Federal budget was $7.852 million. That was the total Federal budget, $7.852 million. That was the total Federal budget. But he went into debt $15 million, which was 1.9 times the Federal budget.

"Now, how would that budget and that debt equate as compared with today's budget and today's deficit?

"Well, $7.852 million being the total budgetary expenditures that year as compared with the budget of this year, which is $1.474 trillion. That is the total budget for this year."

ECONOMIC ANALYSIS OF LOUISIANA PURCHASE

This work is in response to the Senator's statements. His basic information is correct but his economic conclusions are grossly flawed. In addition, the kind of "investment" the Louisiana purchase represented is very different from the "investment" debt we are incurring today.

Appendix B contains the financial information available on the Louisiana Purchase. First, please note that the entire Louisiana Purchase, including interest, banker fees and commissions, and payments to U.S. citizens for claims against France comes to $23,527,872.57 in nominal 1804 to 1823 dollars. Most people are unaware that the Federal Government sold land at an average price of $1.59 per acre and by 1823 had received $31,972,691.09, a net profit of $8,444,818.52. These figures are from land sales alone and do not count the tax revenue generated by the addition of 306,573,740 acres to the nation's land area, the resources available for exploitation, the increased trade possible because of secure title to the port of New Orleans, and the future growth it made possible. Calculations show the Louisiana Purchase generated an internal rate of return of 41.27% and, based upon an interest rate assumption of 6%, had a net present value of $28,296,976.49 ($Nominal). Thus, far from being a great expense to the nation, it is one of the best investments that Mr. Jefferson and the U.S. Congress ever made. As Appendix C shows, the Louisiana Purchase was one of the major factors that allowed the Federal Debt to be paid down to $38,000 by 1834. In 1835, it was still $38,000, and has never been that low again.

Senator Byrd also made a common mistake when he compared the Louisiana Purchase price to the percentage of the Federal Budget then and today. When that comparison is used it grossly overestimates the cost of the Louisiana Purchase. That method assumes that outlays of the Federal Government remained constant as a percentage of Gross National Product. In fact, today's federal outlays are about 22.37% of GNP (Appendix C). In 1804, at the time of the Louisiana Purchase, Outlays were only 1.63% of GNP. Thus this methodology grossly overstates the burden of the Louisiana Purchase.

There is a better and more accurate methodology to use. It is described in detail in Appendix D. Gross National Product figures have been estimated for the 1800s back to the founding of our nation. It is much more accurate to look at these expenditures as a percentage of GNP for the time period and to compare these expenditures as a percentage of our GNP and their GNP.

If a ratio of GNP for 1993 and for 1804 is calculated, and this factor is multiplied by the price of the Louisiana Purchase, we actually paid about $224,553,455,066.92 ($1993), sold land worth about $298,691,678,996.01 ($1993) and made a net profit of $74,138,223,929.10 ($1993) within 20 years. We went on to sell an additional $132,190,127,913.30 ($1993) over the next 11 years, and still had 143,767,025.81 acres on the market for sale, and another 108,552,070.44 we hadn't put on the market yet. We'd only sold 35,214,955.40 acres of the states of Ohio, Indiana, Illinois, Missouri, Alabama, Mississippi, Louisiana, Arkansas, and Florida.

ACHIEVEMENTS OF THE JEFFERSON ADMINISTRATION

From the above discussion and the tables that follow, it is clear that Thomas Jefferson's purchase of the Louisiana Territory, with the tremendous internal rate of return and increased revenues that poured into the treasury, made it possible for the revolutionary war debt, and all other debts, to be completely paid off by 1834–1835. Madison and Monroe continued the Jeffersonian fiscal policies, as laid down by Mr. Gallatin, Secretary of the Treasury. A well thought out plan, economic growth spurred by the acquisition of the Louisiana Purchase and increased trade due to wars in Europe allowed the Jefferson administration to run surpluses each year of Mr. Jefferson's presidency. Mr. Jefferson reduced the total debt when he took office from $81,000,000 to $57,000,000 in nominal dollars. (See Appendix C & D). His administration did this at the same time he eliminated internal Federal taxes, rid the Mediterranean of the Barbary pirate threat in a war that lasted most of his presidency, and massively increased the size of our Navy (which allowed us to win the War of 1812).

CONCLUSION

The U.S. Congress would do well to follow Mr. Jefferson's example, balance the budget, and develop a plan to pay off the debt within 30 years. If they can find an investment with returns equal to the Louisiana Purchase, they should certainly spend the $224 billion to acquire it. Isn't that close to what we're paying on interest each year?

APPENDIX A: SENATOR BYRD'S SPEECH

Now, my friend Mr. Simon again refers to Thomas Jefferson. Well, Thomas Jefferson was one of my favorites, also. He was the town fiddler; he played the violin, and he was a great President. By my book, he is one of my favorite Presidents of all time, the sage of Monticello. But the Senator from Illinois continues to talk about Mr. Jefferson. I want to talk a little about Mr. Jefferson, also. Thomas Jefferson wrote a letter to John Taylor, who was a Senator from the State of Virginia. Jefferson wrote a letter to John Taylor on November 26, 1798, in which Jefferson said: "I wish it were possible to obtain a single amendment to our Constitution. I mean an additional article taking from the Federal Government the power of borrowing."

And then in 1789, September, he wrote the celebrated "The Earth Belongs To The Living" letter to James Madison. In that letter, he argued that no generation can contract debts greater than may be paid during the course of its own existence. Jefferson calculated that period of about 19 years.

So Jefferson's quotations have been made the underpinnings, to a very considerable extent, of the arguments that are propounded by my very able and lovable friend, Paul Simon, and others.

Jefferson was not at the convention. He was in Paris during the convention in 1787, and I wish at this point to quote James Madison. Madison is generally recognized to be the "Father of the Constitution." I do not know how many of my friends have read his notes from one end to the other. I have. James Madison, who is the father of the Constitution, believed differently on this subject.

One question that I would ask rhetorically of my friends is: If Jefferson believed that a nation should not incur debt; if he said, as he did say, "I wish it were possible to obtain a single amendment to our Constitution, taking from the Federal Government the power of borrowing," why did he not promote such an amendment to the Constitution? He was President from 1801 to 1809. Why did Jefferson not promote a constitutional amendment to carry out what he said in his letter to Senator John Taylor? Why did he not do it? He was President of the United States. He had the opportunity to press for such an amendment then.

Well, Jefferson had the unique opportunity to add to the territory of this Nation the Louisiana territory, out of which all or part of 15 States of this Nation eventually were formed. He hoped to purchase the Floridas, east and west Florida, and the Port of New Orleans. So he asked his Ambassador, Robert Livingston, to propose the purchase of the Floridas and New Orleans. Jefferson also sent James Monroe as an envoy to Paris to work with Livingston. Talleyrand suddenly, in essence, asked: How would you like to purchase all of the Louisiana territory, all of Louisiana? Well, our two envoys there were not sure that they were constitutionally authorized to do that. But they felt that the Congress and the President would certainly approve it, because this was a magnificent opportunity to add to the length and breadth of the United States.

And so, there was an agreement that they pay $11¼ million, plus assuming $3¾ million of claims against France, making a total of $15 million. And so the Louisiana territory was purchased for $15 million.

Did Jefferson pay it cash on the barrel head? No. They went into debt for it. And the Congress authorized the borrowing of that money from English and Dutch banks. So here we are with this President, whom we all honor and would love to emulate, borrowing the money. So he went into debt. So he said one thing and did another. And I am glad that he did.

Now, how big a debt was that $15 million? Well, in that day and time, the total Federal budget was $7.852 million. That was the total Federal budget, $7.852 million. That was the total Federal budget. But he went into debt $15 million, which was 1.9 times the Federal budget.

Now, how would that budget and that debt equate as compared with today's budget and today's deficit?

Well, $7.852 million being the total budgetary expenditures that year as compared with the budget of this year, which is $1.474 trillion. That is the total budget for this year.

Well, how much would the additional deficit be to add to our mountain of debt if a similar purchase were made today?

The purchase in that instance was 1.9 times the Federal budget. A like purchase today being 1.9 times the Federal budget of $1.474 trillion would amount to $2.815 trillion.

Now how would that be to suddenly add to the debt and to the deficit if this year in one transaction we added $2.815 trillion? That would be a whopper, would it not?

Well, that is what Jefferson took on. He made a purchase. He went into debt for the territory, the purchase amounting to 1.9 times the total Federal budget. Well, that would perhaps lend a little perspective to the view.

Well, let us see what Madison says about this business of going into debt. Madison, as Father of the Constitution, said: "The improvements made by the dead form a charge against the living who take the benefit of them." Meaning the improvements made by the people of today form a charge against the living of the next generation or the next several generations—"form a charge against the living who take the benefit of them." The living, the future generations, take the benefit of the improvements made by the leaders and the people of today.

Madison went on to say: "Debts may be incurred for purposes which interest the unborn"—Jefferson must have though that—interest the unborn as well as the living." "Debt may be incurred for purposes which interest the unborn as well as the living; such are debts for repelling a conquest, the evils of which may descend through many generations."

So we should give greater weight to Madison's view. Why? One, because he is recognized as the Father of the Constitution; and, two, because Jefferson did exactly what he said he did not believe we ought to do. So he said one thing and did another. And I am glad he did. And I am sure that he was glad that he did.

So we should give greater weight to Madison's view that debts will be incurred principally for the principal of posterity. Jefferson's view was an abstract idea that was written in a letter from European shores.

And particularly compelling is Madison's salient observation of the year of 1790 that "the present debt of the United States . . . far exceeds any burden which the present generation could well apprehend for itself."

Now, Jefferson grappled with this contradiction. Elected in later years, he grappled with this contradiction. He referred to the question. He said. "The question was easy of solution in principle but somewhat embarrassing in practice."

So Jefferson was embarrassed when he was confronted with this statement or these statements of his with reference to debt and saying that we should not go into debt beyond our own ability to pay and our own generation and all that. He was confronted with that statement and also in the light of his actions in purchasing the Louisiana territory and going into debt for that territory.

So he suggested that the laws of necessity were sometimes higher than the written laws of Government and concluded that it would be absurd—now this is Jefferson talking—he concluded that it would be absurd to sacrifice the end to the means.

Well, so much for Jefferson on that point.

Appendix B: Table 1 - Analysis of Louisiana Purchase: 1804-1834

Economic Analysis of the Louisiana Purchase

... the Amount of Lands, Sold & Unsold,in the States and Territories, September 30, 1834 , No 1270, 23D Congress, 2D Session, P 529 532

Table 1: **Aggregate** Amounts paid by purchasers of public land from 1822 through 1834 in states of the Louisiana Purchase

	Total Sales 1804 -1834	Sales 1804 - 1822	1822 - 1834
Total $Curr	$55,847,216.29	$29,499,287.00	$26,347,929.29
Acres, Total	306,573,740.00		
Acres, Sold	35,214,955.40	Present Value $Nom@6%	$28,296,976.49
Acres, Unsold on Mkt	143,767,025.81	Internal Rate of Return	41.27%
Acres, Not on Market	108,552,070.44		
Average Price Per Acre	$1.59	$13,827.47	as %$1993

*States include OH, IN, IL, MO, AL, MS, LA, MI, AR, FL

	Income Land Sales $Curr	Outlays $Curr	Interest $Curr	Total Outlays + Interest	$Current Income-Expenses=Profit
1804			$3,235.25	$3,235.25	($3,235.25)
1805	$1,638,849.28	$1,873,634.49	$675,000.00	$2,548,634.49	($909,785.21)
1806	$1,638,849.28	$1,873,634.49	$675,000.00	$2,548,634.49	($909,785.21)
1807	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1808	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1809	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1810	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1811	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1812	$1,638,849.28	$218,200.00	$675,000.00	$893,200.00	$745,649.28
1813	$1,638,849.28	$108,300.00	$675,000.00	$783,300.00	$855,549.28
1814	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1815	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1816	$1,638,849.28		$675,000.00	$675,000.00	$963,849.28
1817	$1,638,849.28	$631,800.00	$427,368.34	$1,059,168.34	$579,680.94
1818	$1,638,849.28	$4,909,575.00		$4,909,575.00	($3,270,725.72)
1819	$1,638,849.28	$1,471,058.72		$1,471,058.72	$167,790.56
1820	$1,638,849.28	$1,771,173.78		$1,771,173.78	($132,324.50)
1821	$1,638,849.28	$2,132,102.50		$2,132,102.50	($493,253.22)
1822	$1,638,849.28	$5,290.00		$5,290.00	$1,633,559.28
1823	$850,136.26	$2,500.00		$2,500.00	$847,636.26
					$953,799.63
Subtotal 1804-1823	$30,349,423.26	$14,997,268.98	$8,530,603.59	$23,527,872.57	$6,821,550.69
			Total Interest Paid	LP Total $Curr	

Note: 1805/1806 Outlays are for Claims payments

Note: 1804 Interest is Commissions

1824	$953,799.63
1825	$1,205,968.37
1826	$1,128,617.27
1827	$1,318,105.36
1828	$1,221,357.99
1829	$1,572,863.54
1830	$2,433,432.94
1831	$3,557,023.76
1832	$3,115,376.09
1833	$1,972,284.84
1834	$2,996,596.01
Total Additional Land Sales after Payoff	$21,475,425.80

Present Value $Nom@6%
$28,296,976.49

	Internal Rate of Return $Nominal
	0.41271112889978
1804	($3,235.25)
1805	($909,785.21)
1806	($909,785.21)
1807	$963,849.28
1808	$963,849.28
1809	$963,849.28
1810	$963,849.28
1811	$963,849.28
1812	$745,649.28
1813	$855,549.28
1814	$963,849.28
1815	$963,849.28
1816	$963,849.28
1817	$579,680.94
1818	($3,270,725.72)
1819	$167,790.56
1820	($132,324.50)
1821	($493,253.22)
1822	$1,633,559.28
1823	$847,636.26
1824	$953,799.63
1825	$1,205,968.37
1826	$1,128,617.27
1827	$1,318,105.36
1828	$1,221,357.99
1829	$1,572,863.54
1830	$2,433,432.94
1831	$3,557,023.76
1832	$3,115,376.09
1833	$1,972,284.84
1834	$2,996,596.01

	Total Outlays + Interest/%$1993GNP	Land Sales/%$1993GNP	Factor/%$1993GNP	
1804	$38,143,536.91	$0.00	11789.98	
1805	$27,104,426,442.34	$17,428,968,286.31	10634.88	8719.03219952
1806	$26,347,816,837.22	$16,942,445,362.06	10338.01	
1807	$7,534,926,861.70	$18,294,236,215.42	11162.85	
1808	$9,218,435,466.38	$22,381,668,601.95	13656.94	
1809	$8,465,535,358.57	$20,553,683,716.13	12541.53	
1810	$7,227,378,826.53	$17,547,532,696.42	10707.23	
1811	$7,327,066,810.34	$17,789,567,630.17	10854.91	
1812	$9,883,046,080.84	$18,133,478,427.94	11064.76	
1813	$7,915,793,426.97	$16,561,716,252.80	10105.70	
1814	$6,062,337,731.81	$14,718,900,464.33	8981.24	
1815	$5,233,619,150.25	$12,706,834,021.55	7753.51	
1816	$4,976,228,044.50	$12,081,907,758.19	7372.19	
1817	$7,872,922,070.12	$12,181,758,235.53	7433.12	
1818	$37,879,837,945.77	$12,644,545,619.48	7715.50	
1819	$12,283,242,761.69	$13,684,282,792.44	8349.93	
1820	$16,998,543,357.95	$15,728,581,136.43	9597.33	
1821	$22,114,328,706.14	$16,998,268,905.27	10372.08	
1822	$47,308,304.69	$14,656,177,877.13	8942.97	
1823	$22,517,346.21	$7,657,124,996.45	9006.94	
Subtotal 1804-1823	$224,553,455,066.92	$298,691,678,996.01		
	Net Profit/%$1993GNP>>>>>>>>	$74,138,223,929.10		
	(See Appendix A for Explanation)			

Total Additional Land Sales after Payoff

1824		$7,995,977,896.85	8383.29
1825		$8,932,465,837.96	7406.88
1826		$8,038,014,750.37	7122.00
1827		$9,560,591,740.50	7253.28
1828		$8,728,134,734.78	7146.25
1829		$10,942,003,224.65	6956.74
1830		$16,420,716,800.96	6747.96
1831		$20,870,911,499.90	5867.52
1832		$16,981,766,715.35	5450.95
1833		$9,566,417,187.92	4850.42
1834		$14,153,127,524.05	4723.07
	Sales Total as %$1993GNP	$132,190,127,913.30	

(Formula for %$1993GNP is 1/$NominalGNP)*(GNP$1993)*$Nominal

Prepared by Dr. William A Duncan (703) 497-0549

APPENDIX C: TABLE 2.—U.S. BUDGET, GNP AND RATIOS: 1789–1835 AND 1990–93

Year	Receipts (Nominal)	Outlays (Nominal)	Deficit (Nominal)	Debt (Nominal)	GNP (Nominal)	Receipts as percent of GNP	Outlays as percent of GNP	Deficit as percent of GNP	Debt as percent of GNP
1789				$73,000,000	$158,000,000	0.00	0.00	0.00	46.20
1790				75,000,000	188,000,000	0.00	0.00	0.00	39.89
1791				77,000,000	199,000,000	0.00	0.00	0.00	38.69
1792	$3,670,000	$5,080,000	($1,410,000)	80,000,000	227,000,000	1.62	2.24	(0.62)	35.24
1793	4,653,000	4,482,000	171,000	78,000,000	239,000,000	1.95	1.88	0.07	32.64
1794	5,432,000	6,991,000	(1,559,000)	81,000,000	291,000,000	1.87	2.40	(0.54)	27.84
1795	6,115,000	7,540,000	(1,425,000)	84,000,000	352,000,000	1.74	2.14	(0.40)	23.86
1796	8,378,000	5,727,000	2,651,000	82,000,000	404,000,000	2.07	1.42	0.66	20.30
1797	8,689,000	6,134,000	2,555,000	79,000,000	397,000,000	2.19	1.55	0.64	19.90
1798	7,900,000	7,677,000	223,000	78,000,000	381,000,000	2.07	2.01	0.06	20.47
1799	7,547,000	9,666,000	(2,119,000)	83,000,000	421,000,000	1.79	2.30	(0.50)	19.71
1800	10.849,000	10.786,000	63,000	81.000,000	459,000,000	2.36	2.35	0.01	17.65
1801	12,935,000	9,395,000	3,540,000	81,000,000	528,000,000	2.45	1.78	0.67	15.34
1802	14,996,000	7,862,000	7,134,000	77,000,000	490,000,000	3.06	1.60	1.46	15.71
1803	11,064,000	7,852,000	3,212,000	80,000,000	488,000,000	2.27	1.61	0.66	16.39
1804	11,826,000	8,719,000	3,107,000	82,000,000	534,000,000	2.21	1.63	0.58	15.36
1805	13,561,000	10.506,000	3,055,000	76,000,000	592,000,000	2.29	1.77	0.52	12.84
1806	15,560,000	9,804,000	5,756,000	69,000,000	609,000,000	2.56	1.61	0.95	11.33
1807	16,398,000	8,354,000	8.044,000	65,000,000	564,000,000	2.91	1.48	1.43	11.52
1808	17,061,000	9,932,000	7,129,000	57,000,000	461,000,000	3.70	2.15	1.55	12.36
1809	7,773,000	10,281,000	(2,508,000)	53,000,000	502,000,000	1.55	2.05	(0.50)	10.56
1810	9,384,000	8,157,000	1,227,000	48,000,000	588,000,000	1.60	1.39	0.21	8.16
1811	14,424,000	8.058,000	6,366,000	45,000,000	580,000,000	1.72	3.56	(1.84)	9.84
1812	9.801,000	20,281,000	(10,480,000)	56,000,000	569,000,000	1.72	3.56	(1.84)	9.84
1813	14,340,000	31,682,000	(17,342,000)	81,000,000	623,000,000	2.30	5.09	(2.78)	13.00
1814	11,182,000	34,721,000	(23,539,000)	100,000,000	701,000,000	1.60	4.95	(3.36)	14.27
1815	15,729,000	32,708,000	(16,979,000)	127,000,000	812,000,000	1.94	4.03	(2.09)	15.64
1816	47,678,000	30,587,000	17,091,000	123,000,000	854,000,000	5,58	3.58	2.00	14.40
1817	33,099,000	21,844,000	11,255,000	103,000,000	847,000,000	3,91	2.58	1.33	12.16
1818	21,585,000	19,825,000	1,760,000	96,000,000	816,000,000	2.65	2.43	0.22	11.76
1819	24,603,000	21,464,000	3,139,000	91,000,000	754,000,000	3.26	2.85	0.42	12.07
1820	17,881,000	18,261,000	(380,000)	90,000,000	656,000,000	2.73	2.78	(0.06)	13.72
1821	14,573,000	15,811,000	(1,238,000)	94,000,000	607,000,000	2.40	2.60	(0.20)	15.49
1822	20.232,000	15,000,000	5,232,000	91,000,000	704,000,000	2.87	2.13	0.74	12.93
1823	20,541,000	14,707,000	5,834,000	90,000,000	699,000,000	2.94	2.10	0.83	12.88
1824	19,381,000	20,327,000	(946,000)	84,000,000	751,000,000	2.58	2.71	(0.13)	11.19
1825	21,841,000	15,857,000	5,984,000	81,000,000	850,000,000	2.86	1.93	0.93	8.37
1826	25,260,000	17,036,000	8,224,000	74,000,000	868,000,000	2.65	1.86	0.79	7.72
1827	22,966,000	16,139,000	6,827,000	67,000,000	868,000,000	2.65	1.86	0.79	7.72
1828	24,764,000	16,395,000	8,369,000	58,000,000	881,000,000	2.81	1.86	0.95	6.58
1829	24,828,000	15,203,000	9,625,000	49,000,000	905,000,000	2.74	1.68	1.06	5.41
1830	24,844,000	15,143,000	9,701,000	39,000,000	933,000,000	2.66	1.62	1.04	4.18
1831	28,527,000	15,248,000	13,279,000	24,000,000	1,073,000,000	2.66	1.42	1.24	2.24
1832	31,866,000	17,289,000	14,577,000	7,000,000	1,155,000,000	2.76	1.50	1.26	0.61
1833	33,948,000	23,018,000	10,930,000	5,000,000	1,298,000,000	2.62	1.77	0.84	0.39
1834	21,792,000	18,628,000	3,164,000	38,000	1,333,000,000	1.63	1.40	0.24	0.00
1835	35,430,000	17,573,000	17,857,000	38,000	1,633,000,000	2.17	1.08	1.09	0.00
1990	1,031,308,000,000	1,252,691,000,000	(221,383,000,000)	3,206,347,000,000	5,567,800,000,000	18.52	22.50	(3.98)	57.59
1991	1,054,264,000,000	1,323,011,000,000	(268,747,000,000)	3,598,993,000,000	5,737,100,000,000	18.38	23.06	(4.68)	62.73
1992	1,090,500,000,000	1,380,900,000,000	(290,000,000,000)	4,002,669,000,000	6,045,800,000,000	18.04	22.84	(4.80)	66.21
1993	1,153,500,000,000	1,408,200,000,000	(255,000,000,000)	4,410,475,000,000	6,295,850,000,000	18.32	22.37	(4.05)	70.05

Appendix D: Explanation and Table 3—U.S. Budget and GNP as %1993GNP 1789–1835 and 1990–1993 As a Ratio of Nominal GNP to 1993 GNP expressed in $1993

When we examine records from the 18th and 19th century, it is difficult for a reader to conceive of the difficulty people had in, as an example, 1804, earning $1. When we examine the Federal Budget of the day, a total debt of 81,000,000 seems like an easy burden, yet they spoke of this debt as a great hardship that needed to be paid to protect future generations. Adjusting these dollars for inflation still does not correctly reflect the burden, because our economy's capacity to produce $1 of output is much greater today than it was then. For example, if we adjust the above debt for inflation using (CPI–U), we get $789,933,333. A total National Debt of $789 million, when our debt in 1993 was $4.41 trillion seems trivial.

There is a way of correcting for this problem, however. It is to take into account the economy's productive capacity, the ability of the economy to produce $1 of output and compare that to our ability to produce $1 of output today. This is determined by the following formula:

%1993GNP Factor=(1 divided by GNP$Nominal Current Year) (GNP for 1993 in $1993)

GNP or GDP can be used almost interchangeably. Early in our Nation's history, the only number that has been calculated is GNP.

This formula provides us with a factor that we can use to multiply against any dollar amount of the time periods for which you have $US and Gross National Product (GNP). It represents the equivalent percentage of GNP between the two time periods expressed in $1993. This factor allows us to get a feel for the equivalent burden the economy faced in producing $1 of output in their time and how many dollars that could feasibly represent today.

It is always important to remember that GNP prior to 1890 is extrapolated from available records of the time and GNP only becomes reasonably precise in the 1929 time frame when the Federal Government began to compile reasonably accurate records. GNP figures prior to 1890 are the best estimates historical economists have been able to determine, based upon available data, records, and social structure.

When these factors are applied to dollars of the time period, and this series is examined over the history of our Nation, they appear to be empirically valid. When they spoke of the great Federal Debt burden in 1804, their trivial $82,000,000 in nominal dollars becomes $966,778,464,419 ($1993). That is a much heavier burden, but still less than our $4,410,475,000,000 today. As Senator Byrd recently stated, they planned to pay any debt they created within 19 years. The Louisiana Purchase, as Appendix B

TABLE 3—U.S. BUDGET AND GNP AS PERCENT 1993 GNP

Year	Receipts percent 1993, GDP	Outlays percent 1993, GNP	Deficit percent 1993, GNP	Debt percent 1993 GNP	GNP dollar nominal
1789				$2,908,842,088,608	$158,000,000
1790				2,511,642,287,234	188,000,000
1791				2,436,082,663,317	199,000,000
1792	101,787,530,837	140,893,911,894	(39,106,381,057)	2,218,801,762,115	227,000,000
1793	122,571,506,485	118,066,944,351	4,504,562,134	2,054,712,552,301	239,000,000
1794	117,522,533,333	151,251,846,564	(33,729,313,230)	1,752,453,092,784	291,000,000
1795	109,372,507,813	134,859,968,750	(25,487,460,938)	1,502,418,750,000	352,000,000
1796	130,560,968,564	89,248,348,886	41,312,619,678	1,277,870,544,554	404,000,000
1797	137,795,064,610	97,276,432,997	40,518,631,612	1,252,826,574,307	397,000,000

TABLE 3—U.S. BUDGET AND GNP AS PERCENT 1993 GNP—Continued

Year	Receipts percent 1993, GDP	Outlays percent 1993, GNP	Deficit percent 1993, GNP	Debt percent 1993 GNP	GNP dollar nominal
1798	130,543,871,391	126,858,898,819	3,684,972,572	1,288,914,173,228	381,000,000
1799	112,861,710,095	144,550,323,278	(31,688,613,183)	1,241,224,584,323	421,000,000
1800	148,809,753,050	147,945,616,776	864,136,275	1,111,032,352,941	459,000,000
1801	154,236,401,042	112,025,588,542	42,210,812,500	965,840,625,000	528,000,000
1802	192,678,707,347	101,016,270,816	91,662,436,531	989,347,857,143	490,000,000
1803	142,740,336,885	101,301,258,607	41,439,078,279	1,032,106,557,377	488,000,000
1804	139,428,318,539	102,796,846,723	36,631,471,816	966,778,464,419	534,000,000
1805	144,219,631,503	111,730,067,736	32,489,563,767	808,251,013,514	592,000,000
1806	160,859,484,401	101,353,880,788	59,505,603,612	713,322,906,404	609,000,000
1807	183,048,489,894	93,254,487,411	89,794,002,482	725,585,549,645	564,000,000
1808	233,001,077,766	135,640,742,299	97,360,335,466	778,445,661,605	461,000,000
1809	97,485,342,729	128,939,509,661	(31,454,166,932)	664,701,294,821	502,000,000
1810	100,476,626,531	87,338,857,908	13,137,768,622	513,946,938,776	588,000,000
1811	156,571,276,552	87,468,895,345	69,102,381,207	488,471,120,690	580,000,000
1812	108,445,739,631	224,404,453,163	(115,958,713,533)	619,626,713,533	569,000,000
1813	144,915,712,681	320,168,731,461	(175,253,018,780)	818,561,556,982	623,000,000
1814	100,428,237,803	311,837,671,683	(211,409,433,880)	898,124,108,417	701,000,000
1815	121,954,956,466	253,601,800,246	(131,646,843,781)	984,695,751,232	812,000,000
1816	351,491,260,304	225,493,166,218	125,998,094,087	906,779,332,553	854,000,000
1817	246,028,735,714	162,369,005,195	83,659,730,519	765,611,038,961	847,000,000
1818	166,539,120,404	152,959,836,091	13,579,284,314	740,688,235,294	816,000,000
1819	205,433,418,501	179,222,976,658	26,210,441,844	759,843,965,517	754,000,000
1820	171,609,899,162	175,256,885,442	(3,646,986,280)	863,759,908,537	656,000,000
1821	151,152,260,379	163,992,890,198	(12,840,629,819)	974,975,123,558	607,000,000
1822	180,934,143,750	134,144,531,250	46,789,612,500	813,810,156,250	704,000,000
1823	185,011,523,391	132,465,044,278	52,546,479,113	810,624,463,519	699,000,000
1824	162,476,523,103	170,407,114,447	(7,930,591,345)	704,196,271,638	751,000,000
1825	161,773,717,471	117,450,933,471	44,322,784,000	599,957,470,588	850,000,000
1826	179,901,777,149	121,330,430,543	58,571,346,606	527,028,167,421	884,000,000
1827	166,578,906,797	117,060,740,956	49,518,165,841	485,969,988,479	868,000,000
1828	176,969,840,409	117,162,838,536	59,807,001,873	414,482,746,879	881,000,000
1829	172,721,948,950	105,763,323,260	66,958,625,691	340,880,276,243	905,000,000
1830	167,646,406,645	102,184,412,165	65,461,994,480	263,170,578,778	933,000,000
1831	168,382,770,690	89,467,959,739	77,914,810,951	140,820,503,262	1,073,000,000
1832	173,700,048,571	94,241,515,714	79,458,532,857	38,156,666,667	1,155,000,000
1833	164,662,184,746	111,647,053,390	53,015,131,356	24,252,118,644	1,298,000,000
1834	102,925,103,676	87,981,315,679	14,943,787,997	179,476,594	1,333,000,000
1835	136,596,427,128	67,750,748,347	68,845,678,781	146,504,776	1,633,000,000
1990	1,185,257,603,000	1,439,687,786,733	(254,430,183,733)	3,684,977,872,379	5,567,800,000,000
1991	1,174,208,659,246	1,473,531,271,558	(299,322,612,312)	4,008,453,997,449	5,737,100,000,000
1992	1,151,088,349,756	1,457,623,018,962	(306,112,445,144)	4,225,057,912,727	6,045,800,000,000
1993	1,139,357,228,585	1,390,934,416,379	(251,873,509,570)	4,356,399,282,829	6,295,850,000,000

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[From Congressional Leaders United for a Balanced Budget]

QUESTIONS AND ANSWERS ABOUT THE BALANCED BUDGET CONSTITUTIONAL AMENDMENT S.J. RES. 41/H.J. RES. 103

Question. Shouldn't economic policy be kept out of the Constitution?

Answer. Economics is politics and vice-versa. Governance inescapably involves addressing questions of economics. Moreover, our Constitution is replete with economic policy. For example, it refers to private property rights; prescribes Congressional (and Executive) roles in federal fiscal activities such as raising revenue, spending, and borrowing; provides for uniform duties, imposts, and excises; discusses the regulation of interstate commerce; discusses the coinage and value of money; and deals with counterfeiting, patents, and other economic issues. The test is not whether or not an amendment is economic policy, but whether it encompasses broad and fundamental principles, its relevance is not transitory, and its importance is far-reaching in scope and over time. The need for a BBA and the proposal of S.J.Res. 41/H.J.Res. 103 in response meet this test.

Question. Of what use is a BBA in today's atmosphere of impending fiscal crisis, if it won't be in force for several years?

Answer. (A) A BBA is a long-term proposition. It should be adopted because it is a valid response to a long-term and structurally inherent problem. (2) It's long-term nature not withstanding, even a BBA that is not in effect for several years will prompt deficit-reduction actions in anticipation of its being in place. Therefore, submission of the amendment to the states would stimulate an immediate response in federal fiscal behavior.

Question. Why do so many economic analyses project devastating results under a BBA?

Answer. Those that do generally assume either (1) that a balanced budget would be imposed quickly or even immediately, with little or no transition, or (2) that the requirement for balance will be adhered to without exception and that Congress (and the President in his or her recommendations) will not exercise it prerogatives under a flexible amendment to enact counter-cyclical measures. This amendment will not go into effect until, at the earliest, two years after ratification. Once passed through both houses, we would hope that Congress would recognize the impending deadline and act to meet that date by which the budget must be balanced. By allowing a multi-year phase in, we believe any such "drastic" economic effects would be diminished, if not erased. This amendment has the flexibility to address economic emergencies through the 3/5 release vote on balancing the budget. This allows Congress and the President to act in response to circumstances such as a rescission or some other emergency, while insuring that such a decision is made in a fiscally responsible manner.

Question. Wouldn't adopting a BBA result in cutbacks in services for the poor and needy, for senior citizens, for health and housing programs, and even possibly for defense programs?

Answer. The BBA itself would do none of these things. It would force the Executive and Legislative Branches to priorities within a balance of receipts and outlays and force into the light of day what actual decisions and trade-offs are necessary. If this does not result in cutbacks of government programs, it will ensure that we pay for all the government we want.

Question. Since "the BBA itself would do none of these things," isn't it just a "political free lunch," raising false hopes while diverting attention from the real and difficult budget decisions that need to be made?

Answer. Far from that, S.J. Res. 41/H.J. Res. 103 would force Congress, the President, and the public to own up to the hard choices that need to be made. It is general because most provisions in the Constitution, encompassing broad principles as they do, should be broadly worded. But its result will be to make unavoidable the asking of those questions some in elective office have avoided: How much government do we want? How willing are we to pay for it? Which programs should be priorities?

Question. Won't a constitutional requirement of a "balanced budget" simply invite moving some items off-budget?

Answer. S.J. Res. 41/H.J. Res. 103 does not require that a single document, a "budget," be written in balance. Instead, it deals with actual spending and taxing bills, and how actual outlays conform to estimated receipts. Taking any item "off-budget" would have absolutely no effect on the operation of S.J. Res. 41/H.J. Res. 103.

Question. Wouldn't the temptation remain great to commit some other evasion, such as manipulating the definitions of terms used in the BBA?

Answer. Terms such as "outlays", "receipts," "debt held by the public", and "raising revenue" either already appear in the Constitution or are commonly understood. In the 99th Congress, Senate Reports 99–162 and 99–163 and Senate floor debate on S.J. Res. 225, and in the 101st Congress, the House floor debate, went to some lengths to establish a legislative history for and preventing misinterpretation of these and other terms as used in a BBA. This year the House Budget Committee complied a formidable amount of testimony on all sides. It also remains the appropriate role of the Members engaged in floor debate this year to build similarly clear definitions.

Question. Won't the BBA be unenforceable in other ways, causing erosion of respect for other Constitutional provisions as well?

Answer. To a certain extent, the provisions of S.J.Res. 41 / H.J.Res. 103 are self-enforcing or interactively enforcing. Effective enforcement and orderly implementation certainly are expected in the form of enabling legislation; Members such as the former Chairman of the Budget Committee have served notice most effectively in that regard. Beyond that, enforcement either is implied by the ramifications of stalemate or inaction or, to a very limited degree, could be obtained in the courts.

The Constitution requires Congress and the President to take the necessary steps to carry out Constitutional mandates. Congress is empowered to make all laws that are "necessary and proper to execute the mandate of the constitution." The President and Members of Congress take only one oath, promising to "preserve, protect and defend the constitution." It is assumed that Congress and the President will monitor each other and to the limits of their authority enforce the provisions of the amendment against the other.

The public will also have a significant role. A breach of the amendments' provisions would be readily apparent, and if a breach occurs a political firestorm very likely would erupt from the public. Public accountability is provided for in the provision that requires any vote to run a deficit to specify which outlays are "excess."

Finally, as a last resort, the judicial branch may act to insure that the Congress and President do not subvert the amendment. A member of Congress or an appropriate Administration official probably would have standing to file suit challenging legislation that subverted the amendment.

Question. Wouldn't S.J.Res. 41 / H.J.Res. 103 dangerously and inappropriately transfer power to the courts in a whole new area by opening up to court challenge on Constitutional grounds virtually every budgetary decision made by Congress (and the President)?

Answer. The courts could make only a limited range of decisions on a limited number of issues. They could invalidate an individual appropriation or tax Act. They could rule as to whether a given Act of Congress or action by the Executive violated the requirements of this amendment. Indeed, a limited role is appropriate: In the words of Marbury v. Madison, the Judiciary has a fundamental obligation to "say what the law is."

But it would be inappropriate for the courts, and it would be inappropriate to call upon the courts, to rewrite budget priorities and fiscal law. Senate Reports 99-162 and 99-163 and the accompanying Senate debate once again provide much guidance, this time as to how the "political question" doctrine of Baker vs. Carr, 369 U.S. 186 (1962), the requirement to a justiciable case or controversy (see e.g., Aetna Life Insurance Co. vs Haworth, 300 U.S. 227 (1937), and questions of standing would prevent the floodgates of litigation from opening upon the process in place under a suitable BBA. For example, Riegle v. Federal Open Market Committee, 656 F.2d 873 (DC Cir. 1981), "counsel[led] the courts to refrain from hearing cases which represent the most obvious intrusion by the judiciary into the legislative arena: challenges concerning congressional action or inaction regarding legislation."

The traditional judicial doctrine of "standing" requires that a plaintiff has a direct and specific, personal stake or injury. A "generalized" or "undifferentiated" public grievance, such as would suggest "taxpayer" standing vis-a-vis macroeconomic policy decisions, is not recognized.

Most questions that will arise as to compliance or enforcement will either be resolved through enabling legislation or will arise during policy-making events that trigger the self-enforcing mechanisms in the BBA (i.e., ⅗ vote to pass an increase the debt that results from a deficit in a given year) or currently in place (i.e., threat of government shutdown if a legislative deadlock persists).

Finally, absolutely no role for the courts is foreseen beyond that of making a determination as to whether an Act of Congress or an Executive action is unconstitutional and a court order not to execute such Act or action. A purely restraining role is anticipated for the courts and could be guaranteed by Congress in appropriate legislation specifying standing, jurisdiction, and remedies.

Question. If the judiciary is involved, couldn't a case drag on for years past the fiscal year in question, making every case moot?

Answer. The courts have shown an ability and willingness to expedite their processes in an emergency. Recent examples are the reapportionment cases involving Massachusetts and Montana that went all the way to the Supreme Court and were resolved in a matter of months. Congress could further ensure expeditious handling, for example, giving the Supreme exclusive and original jurisdiction over cases arising under the BBA.

Question. What if Congress, ignoring the provisions in S. J. Res. 41/H. J. Res. 103, nevertheless passes appropriations in excess of revenues?

Answer. The general charge that actual outlays not exceed receipts creates a general obligation for Congress and the Executive to construct a statutory framework to enforce and implement the BBA, in advance of its effective date. Indeed, such legislation would be essential in managing the budget down its "glide path" to an eventual balance. The ultimate form of such legislation could include a revised Gramm-Rudman-Hollings type sequester, an enhanced Pay-as-you-go mechanism, or some other process reforms.

The language of Section 1 also creates an ongoing obligation to monitor outlays and receipts and make sure that outlays do not breech receipts. This does not envision any sort of discretionary "impoundment" power on the part of the President or courts. However, the Executive branch would be under an obligation to estimate whether outlays will occur faster or at higher levels than expected and to notify Congress promptly. If an offsetting rescission is not enacted or other appropriate legislative action not taken, then the President would be bound, at the point at which the government "runs out of money," to stop issuing checks (unless, of course such exigencies already have been accounted for in enforcement and implementation legislation in advance).

The deterrent of a budgetary "train wreck" always exists to motivate responsible budgeting: either the possibility of a government shutdown or of the need to round up ⅗ of both Houses to pass a debt increase bill without any "blackmail amendments." (For example, Gramm-Rudman-Hollings was a "blackmail amendment" attached to a debt ceiling bill in 1985, when 51 Senators refused to pass a "clean" bill.)

Question. What is to prevent Congress and the President from drastically over-estimating revenues and then declaring, "oops," when outlays and receipts are unbalanced at the end of the fiscal year?

Answer. If such a scenario occurred, Congress would have to pass a debt ceiling increase by a three-fifths vote. The debt provision provides a powerful incentive for truth-in-budgeting. Any such mis-estimates will catch up rapidly with its authors within a year. A transparent mis-estimate would be subject to the very public process of budget-making. Congress and the President would avoid a widely publicized "mistake" because of its political impact.

Question. Why is S. J. Res. 41/H. J. Res. 103 as introduced, different from previous BBA versions, in that it requires a ⅗ vote to raise the limit on federal "debt held by the public", rather than the "public" or "gross" debt?

Answer. When the Social Security and other trust funds run surpluses, those surpluses are invested in U.S. Treasury securities, meaning they are borrowed by the U.S. Treasury and the "public debt" (approximately the same as the "gross federal debt") is increased by that amount. Such borrowing is an intra-governmental transfer between accounts, and does NOT increase the "debt held by the public." Since the intent of the debt limit vote in the BBA is to enforce the amendment and deter deficits, the "debt held by the public" is the closest currently-used and commonly-understood measure of indebtedness that approximates the amount that indebtedness has been increased because of total deficit spending. In other words, H. J. Res. 290 was not meant to "punish" Congress by requiring a difficult ⅗ vote just because trust funds are running a surplus.

Question. What if a law enacted in the good faith belief which is revenue-neutral turns out to increase revenues?

Answer. As with other laws that may be challenged on Constitutional grounds, if it were shown that Congress and the President acted in good faith and had a reasonable basis for projecting revenue-neutrality, the law would not be struck down. What if a bill provides for both increases and decreases in revenues? S.J. Res. 41/H.J. Res. 103 refers to a "bill to raise revenue." The clear intent is to look to the overall revenue effect of a bill.

Question. What effect would S.J. Res. 41/H.J. Res. 103 have if in the process of building a "consensus deficit-reduction bill," revenue increases were combined with spending reductions?

Answer. S.J. Res. 41/H.J. Res. 103 differs from some previous BBAs in that it does not require a "vote directed solely to that subject" in the case of increasing revenues. Certainly, most of the sponsors of S.J. Res. 41/H.J. Res. 103 would not object to such language. However, as currently written, S.J. Res. 41/H.J. Res. 103 simply would require the authors and managers of such a combination bill to make a strategic decision as to whether they preferred to offer separate revenue and spending-cut bills or to subject the spending-cut provisions tied to the revenue-raising provisions in a single bill, with a need to pass by a majority of the whole membership.

Question. Couldn't the various super-majority requirements in S.J. Res. 41/H.J. Res. 103 thwart the wills of majorities in both Houses and the President?

Answer. Yes. Such is also the case with Senate filibusters, Gramms-Rudman-Hollings points of order, and other procedures today. As is the case with all super-majority requirements in the Constitution (or in law), the purpose is to protect the immediate rights of a significant minority, and arguably the long-term rights of the people, against a "tyranny of the majority," a phrase frequently invoked by the nation's Founders. In the case of S.J. Res. 41/H.J. Res. 103, a sufficient structural bias exists for deficit spending and against accountability in tax decisions that compensating super-majority protections are warranted. Moreover, it is noteworthy that the super-majority levels involved are reasonable and modest.

Question. Shouldn't the federal government have the flexibility to enact counter-cyclical economic measures?

Answer. Yes, and this flexibility is preserved in S.J. Res. 41/H.J. Res. 103 by allowing Congress to spend in excess of revenues if three-fifths of the members agree that deficit spending is warranted. What the amendment would do is mitigate against the structural bias to spend and borrow (and raise taxes somewhat in preference to restraining spending) in good times as well as bad. In restoring this level playing field, S.J. Res. 41/H.J. Res. 103 strikes a reasonable balance between requiring fiscal responsibility and allowing flexibility.

Question. Should the Constitution dictate such details as the budgetary period (fiscal year)?

Answer. Some such reasonable parameters are necessary to provide for an enforceable amendment. Again, the authors are receptive to perfecting changes, although it is important that whatever parameter is used is not susceptible to subterfuge (e.g., merely including a term like "fiscal period" to be defined in statute). Senate Reports 99–162 and 99–163 suggested using "fiscal year," but allowed that a reasonable statutory re-definition could include a biennial "year."

Question. Doesn't S.J. Res. 41/H.J. Res. 103 imply that the President would have enhanced powers to block spending based on a pretext of unconstitutionality?

Answer. A frequent criticism of previous BBA proposals has been that the President is not brought into the budget process sufficiently to share the responsibility of governing and the blame of impasse, although the President can criticize the Congress that "holds the purse strings." S.J. Res. 41/H.J. Res. 103 recognizes the accepted role the President has played under statute since the 1920's, by requiring the President to submit a balanced budget. The President must also share fiscal and political responsibility with Congress for S.J. Res. 41/H.J. Res. 103's joint receipts estimate. But beyond the role in that new joint estimate, S.J. Res. 41/H.J. Res. 103 does not broaden in any way the powers of the President. On the other hand, it does make the President more accountable for how the budget process proceeds.

SECTION-BY-SECTION ANALYSIS OF THE BIPARTISAN, BICAMERAL CONSENSUS BALANCED BUDGET AMENDMENT TO THE CONSTITUTION S.J. RES. 41 / H.J. RES. 103

Section 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each house of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

This section sets forth the general rule of this Article, and the central principle to be observed and enforced, that the Government of the United States shall not live beyond the means provided for it by the true sovereign, the people.

Therefore, this section establishes, as a norm of federal fiscal policy and process, that the government's spending should not exceed its income. While popularly—indeed, universally—referred to as requiring a "balanced budget", its mandate is both simpler and more comprehensive, requiring a balance (or surplus) of cash inflows relative to cash outflows.

Any departure from the general rule in this section and its guiding principles should be an extraordinary event, based on a compelling need. As is commonly the case with constitutionally established parameters for the legislative process, no attempt is made to enumerate all the circumstances that might justify deficit spending; if a three-fifths supermajority of each House of Congress believes an emergency, crisis, or urgency exists (and if the President concurs), it does. This formulation makes the option of deficit spending both difficult to exercise yet available when a fairly strong national consensus exists.

DETAILED ANALYSIS

"Total outlays" and "total receipts" are defined below in Section 7.

". . . fiscal year . . ." is intended as a term defined in statute and having no other, specific, constitutional standing. It is a commonly understood term in both private and public usage. While the definition of a fiscal year could be changed from time to time, the concept is sufficiently well understood that a blatant attempt to contravene the intent of the amendment would not be acceptable.

For example, creation of a "transition fiscal year" of 18 months to facilitate reforms in the budget process clearly would be consistent with the amendment. On the other hand, legislation purporting to implement the amendment that promised to balance the budget for the "fiscal year 1998-2008" (and, presumably, with little or nothing in the way of procedural discipline in the early portion of that "year"), clearly would be unconstitutional. Certainly, a simple "rule of reason" would be applied to any statutory definition of a "fiscal year".

". . . shall not . . ." is a term readily obvious in its intent, spirit, and application. It is mandatory language simply meaning you may not. Saying that "Total outlays . . . shall not exceed total receipts" states both the goal to be pursued and the yardstick by which successful compliance with this amendment is measured. It prohibits fiscal behavior intended or reasonably likely to produce a deficit within a fiscal year.

". . . three-fifths of the whole number of each House of Congress . . ." indicates the minimum proportion (60%) of the total membership of each House needed to approve expenditures producing a deficit. Currently, this would mean 60 of the 100 Senators and 261 of the 435 Representatives.

The term ". . . whole number . . ." is derived from, and intended to be consistent with, the use of the phrase in the 12th Amendment of the Constitution, "two-thirds of the whole number of Senators" (which is set as the quorum necessary for the purpose of electing the Vice President in case no candidate receives an Electoral College majority).

". . . shall provide by law . . ." both states a simply consistency with other provisions of the Constitution and clarifies a difference between the deficit spending provided for under this amendment and a deficit planned for in a Congressional Budget Resolution.

Article I, Section 7, Clause 3 of the Constitution states: "Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary (except on a question of Adjournment) shall be presented to the President of the United States" for signature or a veto. Clearly, a vote by both Houses that results in deficit spending would be such a vote.

However, an additional reason for adding this clarifying language is that such a vote might easily be confused with the deficit that may be estimated in a budget resolution, which currently is not presented to the President. While budget resolutions are Concurrent Resolutions generally passed by both Houses, concurrence is not necessary, since budget resolutions actually fall under the "Rules of its Proceedings" that "(e)ach House may determine" under Article I, Section 5, Clause 2. This is because budget resolutions merely set target amounts for subsequent budget decisions made within each House. (The ultimate decisions requiring concurrence, appropriations, other direct spending bills, or revenue bills, are presented to the President.) In fact, the House often has proceeded to act pursuant to a House-passed budget resolution in prior to and in lieu of House-Senate agreement on a single resolution.

Obviously, the ⅗ vote on permitting a deficit under this amendment is not a determination of an internal rule in either House, but has direct and immediate consequences external to the rules of either House. Therefore, the words "by law" state what normally would be obvious, but which might be confusing here, due to current budget resolution procedures.

". . . a specific excess of outlays over receipts . . ." means that the maximum amount of deficit spending to be allowed must be clearly identified. Thus, enforcement of the amendment through the political process will be facilitated by improving elected officials' accountability to the public. The specific excess which is provided for by law would not apply to outlays in more than one fiscal year and may, in fact, apply to an excess that occurs over a shorter period, such as the remainder of a fiscal year when the law is enacted mid-year.

Ensuring such accountability is a cornerstore of the Balanced Budget Amendment, and restores the public's general—and diffuse—interest in fiscal responsibility to an equal competitive footing with the special interests who demand programmatic spending and tax preferences. Today, federal officials can reap the rewards of satisfying the incremental demands of special interests without ever having an individual decision identified as a decision that results in a deficit. This informational imbalance is corrected by the mandate in Section 1 that deficit spending can not occur without a specific identification of the amount.

Section 2. The limit on the debt of the United States held by the public shall not be increased unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

No section of this Article should be read in isolation, especially Section 1. Section 2 provides the essential mechanism which not only enforces an honest budgeting process in pursuit of the general rule and principle stated in Section 1, but also will operate to make the amendment self-enforcing. Section 2 is the backstop to prevent the use of gimmicks or other devices to circumvent the requirements of the amendment.

This Section is inspired by the often-quoted desire expressed by Thomas Jefferson, in his November 26, 1798 letter to John Taylor:

"I wish it were possible to obtain a single amendment to our constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its constitution; I mean an additional article, taking from the government the power of borrowing."

The authors here have drawn from recent experiences of the government and modern economic theory to reach a compromise with then-Vice President and later President Jefferson: Section 2 takes from the government the power of borrowing, unless three-fifths of the total membership of both Houses votes to approve a specific increase in the amount that may be borrowed.

Section 2 provides strong enforcement, indeed, for the provisions of Section 1. When the government runs a deficit, that necessitates additional borrowing to meet its obligations. Failure to authorize that level of borrowing could, in a worst-case scenario, result in a default by the government of the United States. Treasury securities might not be redeemed. Government services could be threatened with a shutdown, subject to the availability of receipts.

Today, such a consequence is occasionally threatened when an impasse within Congress or between Congress and the President jeopardizes passage of essentially ministerial legislation raising the statutory limit on the public debt by a simple majority. Under this amendment, the threat of default would loom when the government runs a deficit, thus providing a powerful incentive for balancing the budget.

The simple threat of default does not fully explain the way Section 2 will operate to enforce the fiscal norm of balancing outlays and receipts. Because a debt-increase bill represents an admission of failure of enormous magnitude, passage is always a difficult matter. Any effort to circumvent the requirement of the amendment will be clearly exposed when the debt limit must be raised to cover any deficit spending.

Under current law, Members of Congress not infrequently have rounded up 50% plus one of the Members of one House to threaten to push the government to the brink of insolvency unless a pet amendment is added to this must-pass legislation, despite consistent efforts by the Administration and the Congressional leadership of both parties in both Houses to pass a "clean" debt bill. This "debt bill blackmail", in fact, was the tactic used to enact the original Gramm-Rudman-Hollings law of 1985.

By lowering the "blackmail threshold" associated with passage of the regular debt limit bill from 50% plus one in either body to 40% plus one, Section 2 increases the motivation of the Administration and the Leadership, including the Chairs of the relevant committees, to do whatever is necessary, legislatively and cooperatively, even to the point of balancing the budget, to avoid facing such a difficult debt vote.

It is in no way the intent of the authors and supporters of this amendment that a default or shutdown should happen. However, the threat of such consequences is analogous to the deterrence effect of fines or legal damages in other situations.

Because borrowing, and increases in any limits on cumulative borrowing, must be enacted in law, Section 2 makes the amendment effectively self-enforcing. Such legislation usually involves large enough numbers of dollars to be borrowed that extensions of authority to borrow generally are used up in a year or so. The current statutory limit on the public debt, enacted as a part of the Budget Enforcement Act late in 1990 and allowing borrowing into 1993, is very much an exception in this regard; this lengthy term of borrowing, not quite three years, was made possible only by the status of the Act as an extraordinary, five-year plan. Virtually no elected official can stand the political heat of supporting a huge, multi-year increase in the government's level of indebtedness. This simple political dynamic will ensure that the self-enforcement provided by Section 2 occurs frequently enough to be effective.

Finally, when three-fifths of both Houses have "gutted up" and, under Section 1, voted explicitly for a specific excess of outlays, there is no intent in this amendment to "punish" them by later forcing a second three-fifths vote on the debt limit. Both decisions can be approved by the same, single, three-fifths vote in the same legislation.

DETAILED ANALYSIS

". . . debt of the United States held by the public" . . . is a widely used and understood measurement tool. The Congressional Budget Office's January 1993 Economic and Budget Outlook: Fiscal Years 1994–1998 book, in its Glossary, defines "Debt held by the public" simply as: "Debt issued by the federal government and held by nonfederal investors (including the Federal Reserve System)." On page 58 of the same volume, CBO further explains, "Debt held by the public which represents the government's demand for credit, is the most useful measure of federal debt." The current, widely used and accepted meaning of "debt held by the public" is intended to be the controlling definition under this Article.

The "debt held by the public" differs from the gross federal debt in that the latter, according to CBO, "includes the securities (about $1 trillion and climbing) issued to government trust funds." The gross debt is the "close cousin" (per CBO) of the "public debt."

The Congressional Research Service's Manual on the Federal Budget Process, December 24, 1991, in its glossary, defines "Public debt" as: "Amounts borrowed by the Treasury Department or the Federal Financing Bank from the public or from another fund or account. The public debt does not include agency debt (amounts borrowed by other agencies of the Federal Government). The total public debt is subject to a statutory limit."

A requirement of a three-fifths vote on the "public debt" has been used in some previous formulations of the Balanced Budget Amendment. The use, here, of "debt held by the public" is a refinement based on a 1990 recommendation by the Administration and subsequent review by the authors of the implications of using the different measures of debt. "Debt held by the public" has been chosen for two reasons:

First, as pointed out by CBO, common sense suggests that the most appropriate benchmark to use is the federal government's borrowing from all non-federal-government sources.

Second, the purpose of this section is to motivate an avoidance of deficits. When the Social Security or other federal trust funds run surpluses, this does not cause total outlays to exceed total receipts and the government does not increase its borrowing from non-government sources. Therefore, Congress and the President should not be forced to surmount the three-fifths vote hurdle on debt bills if they have not run a deficit and increased net federal borrowing. Section 2 matches the benchmark used in the enforcement process to the policy objectives desired.

"The limit on the debt . . . held by the public . . ." obviously assumes the establishment of a new statutory limit on this measure of federal borrowing. This limit may be established in addition to, or as a replacement for, the current statutory limit on the public debt. Article I, Section 8 of the Constitution simply says, "The Congress shall have Power . . . To borrow Money on the Credit of the United States. . . ." The exact process of carrying out this power is left up to the Congress to provide for by law.

When establishing a new statutory limit on the debt held by the public (which will require a three-fifths vote to increase), Congress may or may not wish to continue to set by statute a limit on the public debt. The fact that a simple majority could continue to be required to pass such a public debt limit would not, in any way, create procedural or legal conflicts. At times when a trust fund surplus necessitates an increase in the public debt, such action would become more ministerial and less difficult than currently is the case. Increases in both limits certainly could be contained in the same bill that is passed by a three-fifths vote.

Section 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts.

In Section 3, the amendment extends to the President's annual budget the same norm of fiscal balance expected of the Congress. The current statutory requirement that the President submit a budget is codified in the Constitution to ensure that the President remains engaged with Congress in the budget process. Of course, this requirement of submission of a single document in no way alters the current constitutional balance of powers or separation of responsibilities. It also is perfectly consistent with the current constitutional provisions that the President "shall . . . recommend to [Congress'] Consideration such Measures as he shall judge necessary and expedient" (Article II, Section 3).

DETAILED ANALYSIS

"Prior to each fiscal year . . ." was retained in Section 3 because of the long-understood legislative principle that deadlines certain can be set, and in fact are commonly expected to be set, for specific actions by the Executive. Currently, the deadline for submission of the President's budget is set by statute and occurs well in advance of the fiscal year for which it is written. Such statutory provisions are, and will remain, consistent with Section 3.

". . . a proposed budget . . ." means a document similar, in broad terms, to that which is regularly submitted under current law. The amendment in no way restricts the discretion of Congress to enact changes in what is or is not required in such a budget, as long as the document remains useful for the purposes of planning federal spending activities.

". . . in which total outlays do not exceed total receipts." Per se, a "budget" is a document in which all relevant future numbers are planned, recommended, projected, estimated, or assumed. This is true, as a matter of definition, of all documents called "budgets," public or private. Therefore, no qualifiers are added to this language in Section 3, such as "estimated receipts" or "recommended outlays". To include such terms would be redundant at best, and inadvertently confusing or limiting at worst.

Section 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

The purpose of this section is to increase the accountability of Members of Congress when they consider legislation to increase revenue, in light of the amendment's requirement to balance receipts and outlays. The increased pressure the amendment will create for fiscal discipline may increase temptation to shield a certain amount of legislative decision-making from public view. Tax bills have been known to pass, occasionally, by voice vote.

The enhanced "tax accountability" (or, more precisely, accountability with regard to passage of bills to increase federal revenue) provided by the unvarying requirement for a rollcall vote, is supplemented by the requirement that such bill also shall not become law unless passed by a majority of the whole number of each House.

The rollcall vote and voting requirements will serve to maintain a level playing field between the public's more general and diffuse interest in restraining the government's appetite for revenues and the more focused pressure that special interest groups can apply for individual spending programs.

DETAILED ANALYSIS

"No bill . . . shall become law unless . . ." is drafted in the negative to conform to the style used in Article I of the Constitution, in phrases such as, "No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census . . ." and "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law. . . ."

". . . revenue . . ." has the same meaning here as in Article I, Section 7, which states, "All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills."

". . . bill to increase revenue . . ." means legislation making policy changes in the government's exercise of its sovereign power to tax or otherwise compel payments to the government. "Revenues" and "receipts" are largely synonymous, but not always so, especially when being use prospectively. Both are expressed in terms of quantities of dollars flowing into the Treasury. However, "revenue" is more closely connected to the tax rates, tax base, Customs rates, or other policy criteria formulated to produce inflows of receipts. A "receipt" is a more purely and more comprehensive quantitative concept. For example, a bill to step up Internal Revenue Service enforcement of current tax laws and enhance collection of taxes currently going uncollected definitely would result in increased receipts, but would not be "a bill to increase revenue," and therefore, not subject to the requirement of a majority of the whole House for passage. ("Receipts" are further defined under Section 7.)

". . . majority of the whole number of each House . . ." means, under current law, never less than 218 votes among the 435 Members of the House of Representatives and never less than 51 votes in the Senate, which numbers 100 Members. The "whole number of each House" is defined under Section 1, above.

This language is not intended to preclude the Vice President, in his or her constitutional capacity as President of the Senate, from casting a tie-breaking vote that would produce a 51-50 result. This is consistent with Article I, Section 3, Clause 4, which states: "The Vice President of the United States shall be President of the Senate, but shall have no Vote, unless they be equally divided." Nothing in Section 4 of the substitute takes away the Vice President's right to vote under such circumstances. The language requires (in today's Senate of 100) 51 votes to pass a revenue-increasing bill, not the votes of 51 Senators. Obviously, in a 51-50 vote, 51 still constitutes a majority of the whole number of 100. Also obviously, while the Vice President could turn a 49-49 tie into a 50-49 result, this would not constitute a majority of the whole number.

Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

This section reaffirms the traditional priority presumptively attached to matters of national self-defense. In such cases, especially when the Congress and the President have taken an action as extraordinary as declaring war, financing that effort should proceed unimpeded by any requirement of additional, extraordinary votes.

DETAILED ANALYSIS

The first sentence of Section 5, or a virtually identical counterpart, has been a fixture in almost every major version of the Balanced Budget Amendment over the years. Consistent with Article I, Section 7, Clause 3, such a simple majority vote to waive this Article would have to be presented to the President for his or her approval.

The second sentence recognizes that, for most of the military conflicts in which the United States has engaged, there was not a formal declaration of war. Nevertheless a sufficient self-defense interest is present in such situations that a Section 1 supermajority should not be required to fund such an engagement. Further definition of the criteria set forth for the "majority of the whole number" waiver in Section 5 is not needed, since the Section requires simply that the joint resolution required for the waiver declare such conditions to be present.

Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

This section places a requirement on Congress to adopt legislation necessary, appropriate, and reasonable to enforce and implement the Balanced Budget Amendment. There is no need—and arguably it would be a bad idea—explicitly to foreclose the possibility of judicial interpretation or enforcement. However, this language further tilts presumptions of such responsibilities toward extremely limited court involvement. This language also is intended to prevent the possibility of an interpretation that could shift the current balance of power among the branches in favor of the Executive.

DETAILED ANALYSIS

"The Congress shall enforce and implement . . ." differs from clauses included in several other amendments that state, "The Congress shall have power to enforce. . . ." This latter clause has been employed only where there was concern that the question could arise as to whether Congress had the power to pre-empt state laws or constitutions or was venturing impermissible beyond its constitutionally enumerated powers and into the rights reserved to the states or the people.

Here, no such question of pre-emption is conceivable. Congress clearly has the power to enforce and implement this Article, under the "necessary and proper" clause in Article I, Section 8, which states: "The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

This section creates a positive obligation on the part of Congress to enact appropriate implementation and enforcement legislation. As a practical matter, this language simply requires what is inevitable and predictable. It is a simple statement that, however well-designed, a constitutional amendment dealing with subject matter as complicated as the federal budget process needs to be supplemented with legislation. It is a means of owning up to the truth in the arguments made by many Members of Congress—both supporters and opponents—that Members must expect to do more than cast this one vote to pass this one amendment, to ensure that deficits are brought down and, ultimately, eliminated.

The inclusion of a positive obligation to legislate does not make the Article more difficult to enforce, nor is it without precedence in the Constitution. Article I, Section 2, Clause 3 provides: "Representatives and direct Taxes shall be apportioned among the several States . . according to their respective Numbers, which shall be determined by . . . [an] actual Enumeration . . . made within three Years . . . and within subsequent Term of ten Years, in such Manner as they shall by Law direct. . . . The critic who today asks, "What if Congress just doesn't enact implementing and enforcing legislation?" would be the counterpart of the critic who might have asked in 1787, "What if Congress just doesn't authorize or appropriate for a Census, if, in their own self-interest, they don't want the current apportionment to be changed?" In this case, it manifestly would be in Congress' own best interest to enact legislation ensuring a complete and clearly-defined budget process consistent with the Balanced Budget Amendment.

". . . which may rely on estimates of outlays and receipts." This phrase allows Congress the flexibility in explicit language that it will need in practical effect, to make reasonable decisions and use reasonable estimates, when appropriate, as a means of achieving the normative result required in Section 1. To some extent, this phrase, too, states the obvious, that the process of budgeting and taxing and spending involves relying on estimates. "Estimates" means good faith, responsible, and reasonable estimates made with honest intent to implement Section 1 and not evade it.

The estimates contemplated in Section 6 do not apply in any way to a determination of the amount of debt referenced in Section 2. "Debt" there means actual, not estimated, debt.

Section 1 provides the standard by against which compliance with the amendment is measured. Section 6 clarifies that implementation and enforcement legislation may provide for the use of reasonable and appropriate estimates in the process of complying with Section 1. Section 6 is intended to support, strengthen, and aid the effectiveness of the other provisions of the amendment. This provision also will provide additional insurance against intrusion by the courts into the finer details of questions of compliance with the amendment.

Section 6 must not be interpreted in any way that would weaken or allow evasion of any other provision of this amendment. Over the course of the fiscal year, outlays may not exceed receipts. To the extent that any reasonable and lawful action can be taken to prevent an excess, it must be taken. On the other hand, for example, a brief dip in receipts or jump in outlays need not trigger a sequester, rescission, or other offsetting action if there it is reasonable to assume that such a "glitch" will be offset naturally in the near-term by normal economic or budgetary fluctuations.

In order to allow for an unexpected increase in outlays without triggering a three fifths debt vote under Section 2, it would be necessary that the actual debt held by the public be held below the debt limit, by a sufficient amount to offset the amount by which actual receipts or outlays may differ from estimated receipts or outlays.

It also should be noted that outlays are both more predictable and more controllable than receipts. Therefore, the handling of outlays necessarily must be held to a stricter standard than the treatment of receipts. To be more specific, of course, is difficult until the actual design of implementation and enforcement legislation emerges. In all cases, the standard to be applied to the accuracy and adjustment of estimates is to be a rule of reason.

HISTORY OF THE "ESTIMATES OF OUTLAYS AND RECEIPTS" LANGUAGE IN SECTION 6

Section 1 of H.J. Res. 290, as originally introduced in the 102nd Congress, and as it came to the floor of the House of Representatives in June 1992, read: "Prior to each fiscal year, the Congress and the President shall agree on an estimate of total receipts for that fiscal year by enactment of a law devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such law, unless three-fifths of the whole number of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts."

Secton 1 of S.J. Res. 298, as introduced in the 102nd Congress, was substantively the same, and read: "Prior to each fiscal year, an estimate of total receipts for that fiscal year shall be determined by enactment of a law devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such law, unless three-fifths of the whole number of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts."

Just prior to House consideration in 1992, key House and Senate sponsors of H.J. Res. 290, S.J. Res. 18 (reported by the Committee on the Judiciary), and S.J. Res. 298 negotiated a bicameral, bipartisan, consensus version of the Balanced Budget Amendment. That version was adopted on the House floor as a substitute for H.J. Res. 290, although the measure narrowly fell short of the necessary two-thirds majority on final passage.

S.J. Res. 41/H.J. Res. 103 in the 103rd Congress is virtually identical to the bicameral, bipartisan, consensus version negotiated in the summer of 1992. Section 1 of S.J. Res. 41/H.J. Res. 103 is virtually identical to Section 1 of S.J. Res. 18 as reported in the 102nd Congress. Section 6 was a new section added in the bicameral, bipartisan, consensus version offered as a substitute on the House floor in 1992.

The "estimates" provision was included in Section 6 to allow the use of a single level of total estimated receipts for a fiscal year, enacted into law at the beginning of the budget process, as the fixed target amount which outlays throughout the fiscal year may not exceed. In other words, Section 6 is intended to allow Congress to enact into law the process of measuring actual outlays against a fixed receipts estimate in the same way that was outlined in Section 1 of H.J. Res. 290/S.J. Res. 298 as introduced in the 102nd Congress. Nothing in that version would have prevented Congress from imposing a more stringent process of measuring actual outlays against updated receipts estimates throughout the fiscal year. Section 6 of S.J. Res. 41/H.J. Res. 103 in the 103rd Congress is no more and no less restrictive in this regard.

Section 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

This section makes clear that, for purposes of computing a deficit, balance, or surplus under this amendment there is no such thing as "off-budget" receipts or outlays. By requiring all cash inflows and outflows to be counted, the most commonly anticipated loopholes are prevented from ever being created. Simple refinancing of outstanding debt at the same net cost of borrowing would not be affected in the normal course of business and, of course, borrowing is not considered a receipt, but rather is recognized as only the means of financing deficit spending.

As currently used and reported, both "receipts" and "outlays" are well-understood, inclusive concepts used with consistency in the budgetary process.

DETAILED ANALYSIS

". . . receipts . . ." is to be interpreted consistently with the use of "Receipts" in Article I, Section 9, Clause 7, which provides, in part, that "a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time."

The definition of "budget receipts" in A Glossary of Terms Used in the Budget Process (1981), as quoted in S. Rept. 99–162 and S. Rept. 99–163 (committee reports on S.J. Res. 13 and 225, respectively) still applies: "Collections from the public (based on the Government's exercise of its sovereign powers) and from payments by participants in certain voluntary Federal social insurance programs. These collections, also called governmental receipts, consist primarily of tax receipts but may also come from court fines, certain licenses, and deposits of earnings by the Federal Reserve System. Gifts and contributions (as distinguished from payments for services or cost-sharing deposits by State and local governments) are also counted as budget receipts. Budget receipts are compared with total outlays in calculating the budget surplus or deficit. Excluded from budget receipts are offsetting receipts which are counted as deductions from budget authority and outlays rather than as budget receipts."

". . . outlays . . ." means all disbursements from the U.S. Treasury, directly or indirectly through federal or quasi-federal agencies created by or under the authority of Acts of Congress. The Glossary (as cited above) defines "outlays" as follows: "Obligations are generally liquidated when checks are issued or cash disbursed. Such payments are called outlays. In lieu of issuing checks, obligations may also be liquidated (and outlays occur) by the maturing of interest coupons in the case of some bonds, or by the issuance of bonds or notes (or increases in the redemption value of bonds outstanding). Outlays during a fiscal year may be for payment of obligations incurred in prior years (prior year outlays) or in the same year. Outlays, therefore, flow in part from unexpended balances of prior-year budget authority provided for the year in which the money is spent. Total budget outlays are stated net of offsetting collections, and exclude outlays of off-budget Federal entities. The terms expenditure and net disbursement are frequently used interchangeably with the term outlays."

The glossary defines budget authority as: "Authority provided by law to enter into obligations which will result in immediate or future outlays involving Federal Government funds, except that budget authority does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government. The basic forms of budget authority are appropriations, authority to borrow, and contract authority. The latter two types of authority are also commonly referred to as 'backdoor authority'."

"Expenditures", in fact, also appears in Article I, Section 9, Clause 7, as quoted above, and is used there in symmetry with "Receipts". "Outlays" is used in this Section because of that word's overwhelmingly prevalent use in recent and current budget terminology.

Section 8. This article shall take effect beginning with fiscal year 1999 or with the second fiscal year beginning after its ratification, whichever is later.

By passing this amendment and sending it to the states for ratification, the Congress intends to bind itself, in mutual cooperation with the President, to adopt an orderly deficit reduction plan that will bring the budget into compliance with this amendment no later than fiscal year 1999.

Adopting an effective date of no earlier than 1999 provides time for a reasonable glide path to a balanced budget while setting a deadline imminent enough to stimulate action.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Madam President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Utah has 4½ minutes remaining.

Mr. SIMON. Madam President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Illinois has 9 minutes and 22 seconds.

The Senator from Illinois, the proponent of the amendment.

Mr. SIMON. Madam President, I suggest the absence of a quorum and ask unanimous consent the time of the quorum call not be charged to anyone.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield 4 minutes to the distinguished senior Senator from Rhode Island [Mr. PELL], to speak in opposition to the amendment.

The PRESIDING OFFICER. The distinguished Senator from Rhode Island.

Mr. PELL. Madam President, the intensity of the debate on the balanced budget amendment—and to a degree my own reaction to it—varies in proportion to the magnitude of deficits in the Federal budget over the last 12 years.

In 1982, in the second year of the Reagan era, the Senate reacted with alarm at the prospect of a budget for the next year that would run a deficit of over $207 billion—more than double what it had been the previous year, and by far the largest in the nation's history.

The Senate that year narrowly approved a balanced budget amendment, although some of us, myself included, felt that the problem—while serious—did not warrant a constitutional solution.

Four years later, in 1986, things looked different. We were 2 years into the second Reagan administration and deep into a period of institutional deadlock between an executive branch that would not agree to fund programs and a legislative branch that often was not disposed to cut them. The deficit that year had risen to $221 billion.

The Senate that year narrowly failed to approve a balanced budget amendment, notwithstanding the fact that many of us—myself included again—this time felt that the institutional deadlock was approaching such drastic proportions that a constitutional solution might be the only way out of our dilemma.

By 1991, things looked even worse. In the third year of the Bush administration, we were facing an all-time giant deficit in the next fiscal year of $290 billion. The balanced budget amendment came to a vote in the House but fell nine votes short of passage and the Senate took no action.

Then, in 1992, things began to change for the better. The election of President Clinton that year with a mandate for domestic change was, in my view, a true watershed for fiscal policy. It marked the end of political deadlock between Congress and the executive branch, and it put a new burden on the majority party to perform responsibly. The results are beginning to show.

The administration's $500 billion deficit reduction package of last year instilled confidence in financial markets and promoted economic expansion.

The projected deficit for fiscal year 1995 in $165 billion, the smallest since 1989, and the third consecutive annual decline.

The President's economic plan as approved by Congress calls for spending cuts of approximately $250 billion over 5 years and tax increases of approximately the same amount. It resulted in curtailing 300 programs in the first year, and the budget for next year proposes the elimination of 115 more.

As a percentage of gross domestic product, the fiscal year 1995 deficit is projected at 2.5 percent, down from 3.5 percent for fiscal year 1994. And it is expected to stabilize at 2.3 percent for fiscal year 1996–99. This is a significant figure because it shows that the deficit is very small relative to overall economic activity and the economy thus has substantial capacity to absorb the effects of deficit spending, albeit at levels which for other reasons certainly must be reduced.

Of most significance, as I see it, is the resiliance and magnitude of our national economy in comparison to our total burden of debt. While the total Federal debt is expected to peak at around $4.6 trillion in fiscal year 1995, that portion held by the public, excluding that held by Government trust funds, is expected to stabilize below 52 percent of gross domestic product for the rest of the decade. This is a very favorable ratio, when we consider that most households carry debt loads far in excess of annual income.

In short, circumstances have changed dramatically since the Senate last addressed the issue of a balanced budget amendment. The problem of the deficit is still very much with us, to be sure, but we have now before us incontrovertible evidence that fiscal restraint can occur—and is occurring—in the absence of a constitutional requirement.

Enactment and ratification of the balanced budget amendment as proposed by Senate Joint Resolution 41 would of course accelerate the process already begun by the Clinton program, but it would do so by requiring massive shrinkage of Federal programs or heavy new taxation to fund them in relatively short time.

All sorts of scenarios have been suggested as to possible ways in which this cut and tax mandate might be implemented and I have no doubt that they are intended to cause alarm for various constituencies, and have succeeded in doing so in some cases with justification.

I am concerned that under any scenario Senate Joint Resolution 41 would probably have a contractionary impact on Medicare and Medicaid at the very time we are trying to integrate those programs into a comprehensive health care reform program, with the result that we might have to jettison some essential new elements such as long-term health care, prescription drug coverage, and small business subsidies for health insurance.

These are the main reasons why I am inclined to believe that Senate Joint Resolution 41 is a proposition whose time has come and gone. It could derail the process a new administration has already laboriously set in motion, and which I believe bids fair to succeed.

The substitute offered by Senator REID did indeed attempt to cure some of the shortcomings of Senate Joint Resolution 41 by providing an exemption for contercyclical spending in times of recession, by exempting Social Security and by placing capital expenditures off budget.

But these improvements were marginal at best because we were still left with the basic fact that we would be dictating future fiscal policy decision by constitutional mandate, instead of leaving those decisions to the give and take of a free political process in a free market society. Moreover, we would do so under a new scheme of minority rule in which 40 percent of this body could dictate the basic budgetary policies that effect 100 percent of our people.

Finally, I come back to the matter of political responsibility. If the decision of this body is to reject once again the balanced budget constitutional amendment, there will then be a tremendous burden on this body to prove that we can continue to produce the desired results without resort to the amendment.

And the burden will fall most heavily on the majority party and indeed on the President to continue the process he has begun so admirably. He must show the way toward long-range fiscal restraint and diminished deficit spending not just for this decade but into the 21st century.

I for one am willing to take the chance that he and all of us working together can accomplish that task with out binding the political process forever in constitutional restraints.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Madam President, I suggest the absence of a quorum and ask unanimous consent that the time during the quorum call not be allocated to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Madam President, I am only going to take a minute or two. I have some time left, but we are at the end of this debate. We have all been working very hard. I would like to conclude it so we can all vote and go home.

I am the father of six children. Elaine and I are the parents of six lovely children, and we now have 14 grandchildren, and I do not know whether we may have any others. But their futures are really going fast.

We have had all kinds of statistics showing that based on current levels, babies born today will have to spend up to 82 percent of their income on Government the rest of their lives, that is 82 percent under certain circumstances. And the best we can get under current circumstances is down to 67 percent, which is far too much.

The Senator from Illinois makes the point that if we do not get this spending under control, we are going to monetize the debt. That will inflate our dollars—it will get the debt paid off but everybody is going to go broke.

The fact of the matter is we have to do something about it. We have had 60 years of people standing on this floor saying we have to have the spine and the backbone to do it, but there is never the spine and backbone to do it because there is nothing in the Constitution right now that requires it. That is what we are trying to do.

In 1975, before this recent borrowing spree, the Federal debt amounted to approximately $2,500 per person and the annual interest charges were roughly $250 per taxpayer. We thought that was horrendous in 1975. But today, at present, the Federal debt amounts to over $18,000 per person with annual interest charges exceeding $2,500 per taxpayer. Talk about horrendous, and we keep talking while Rome is burning and not doing anything about it because we do not have the fiscal discipline in the system to force us to do what has to be done.

Mr. President, the choice is now clear. Whether or not Senators voted for the Reid amendment, that version of a balanced budget amendment failed to secure the 67 votes needed for passage.

Thus, there are now two—and only two—options remaining: One is the Simon-Hatch proposal, a serious, reasonable, and necessary amendment to the Constitution to balance the budget. The other: No balanced budget amendment at all and no balanced budget.

THE PROBLEM

Mr. President, our Nation is faced with a worsening problem of rising national debt and deficits and the increased Government use of capital that would otherwise be available to the private sector to create jobs to invest in our future. Increased amounts of capital are being wasted on merely financing the debt through spiraling interest costs. This problem presents risks to our long-term economic growth and endangers the well-being of our elderly, our working people, and especially our children and grandchildren. The debt burden is a mortgage on their future.

Mr. President, the time has come for a solution strong enough that it cannot be evaded for short-term gain. We need a constitutional requirement to balance our budget. Mr. President, Senate Joint Resolution 41, the Simon-Hatch consensus balanced budget amendment is that solution. It is reasonable, enforceable, and necessary to force us to get our fiscal house in order.

During the past three decades, the Federal Government has run deficits in all but a single year.

Even more alarmingly, the magnitude of these deficits has increased enormously. During the 1960's, deficits averaged $6 billion per year. In the 1970's, deficits averaged $36 billion per year. In the 1980's, deficits averaged $156 billion per year. And, in the 1990's so far, deficits have averaged $259 billion per year.

The total national debt now stands at over $4.5 trillion. While it took us over 200 years to acquire our first trillion dollars of debt, we have recently been adding another trillion dollars to our debt about every 5 years and will continue to do so under current projections at a slightly faster rate as we approach the end of the decade.

THE COST OF OUR DEBT: MORTGAGING THE FUTURE

Mr. President, the current fiscal crisis places the economic security of our future generations at risk. Mr. President, during this debate, both sides cited lots of numbers and futures. One such figure is our current $4.5 trillion national debt. But how does one communicate the implications of our staggering debt?

In 1975, before this recent borrowing spree, the Federal debt amounted to approximately $2,500 per person, and the annual interest charges were roughly $250 per taxpayer. At the present, the Federal debt amounts to over $18,000 per person, with annual interest charges exceeding $2,660 per taxpayer. And that's at today's low interest rates.

The Congressional Budget Office predicts that in 1999, total Federal debt will be nearly $6.4 trillion. That means $25,500 per person, with annual interest costs projected to be over $3,470 per taxpayer.

These last figures would mean a tenfold increase in per capita debt, and a nearly fourteenfold increase in annual interest charges per taxpayer, since 1975.

This breakdown may give a better picture of the actual magnitude of the debt. It still does not describe, however, its human implications.

Its human implications are that our children are being shackled with an insurmountable burden as a result of our profligacy. Deficit spending by the Federal Government is not like an individual's pigging out on french fires and ice cream. An individual's weight problem is exclusively his own. But, the national debt passes from generation to generation and gets larger as it goes.

NEED FOR SENATE JOINT RESOLUTION 41

Mr. President, the proposed constitutional amendment will help us end this dangerous deficit habit in a way that past efforts have not. It will do this by correcting a bias in the present political process which favors ever-increasing levels of Federal Government spending.

Whether such spending is financed by higher taxes or new debt, it woeful economic consequences. High interest rates for the long-term, declining investment and productivity, as well as unacceptable levels of unemployment, all follow when the Government uses an excessive share of the Nation's resources, leaving too little for productive use by the private sector.

In short, the American political process is defective insofar as it is skewed toward artificially high levels of spending, that is, levels of spending that do not result from a genuine will and desire on the part of the people. It is skewed in part because the people often do not have complete information about the cost of programs or about the potential for cost growth of many programs. It is skewed in this direction because of the characteristics of the fiscal order that have developed in this country in recent decades. It is a fiscal order in which Members of Congress have every political incentive to spend money and almost no incentive to forego such spending. It is a fiscal order in which spending decisions have become increasingly divorced from the availability of revenues.

The balanced budget amendment seeks to restore Government accountability for spending and taxing decisions by forcing Congress to prioritize spending projects within the available resources and by requiring tax increases to be done on the record. In this way, Congress will be accountable to the people who pay for the programs, and the American people—including the future generations who must pay for our debts—will be represented in a way they are not now. Congress will be forced to justify its spending and taxing decisions as the framers intended, but as Congress no longer does.

Mr. President, it is time for Congress to pass Senate Joint Resolution 41, to permanently restore the linkage between Federal spending and taxing decisions.

The proposed amendment does not propose to read any specific level of spending or taxing forever into the Constitution, and it does not propose to intrude the Constitution into the day-to-day spending and taxing decisions of the representative branch of the Government. It merely proposes to create a fiscal environment in which the competition between the tax spenders and the taxpayers is a mere equal one—one in which spending decisions will once more be constrained by available revenues.

This amendment is not a panacea for the economic problems of the Nation. The amendment is, however, a necessary step toward securing an environment more conducive to honest and accountable fiscal decisionmaking.

Mr. President, the Senate and Congress must approve Senate Joint Resolution 41, the balanced budget amendment. It is the right thing to do for ourselves, our children, and our grandchildren, and it will give us back responsible and accountable constitutional government. The faithful stewardship of public funds that was so prized by our Founding Fathers can be restored for 21st century Americans. The virtues of thrift and accountability can be rekindled by this very 103d Congress. I urge Senators to join me and Senator SIMON in supporting Senate Joint Resolution 41.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Madam President, I yield the remainder of my time in this block to Mr. MOYNIHAN.

The PRESIDING OFFICER. The Senator from New York has 5 minutes.

Mr. MOYNIHAN. Madam President, when this debate began, I came to the floor with information that had just been presented to us by the Director of the Office of Management and Budget, Mr. Panetta, about the course of the deficit in its proportion of gross domestic product and in dollar terms in the outyears as we have seen them.

I began by saying that 10 years ago, I was writing with a measure of alarm and insistence and very little credibility, I have to tell you, to say that we were setting on a path of increasing deficits which would lead us ineluctably to a point somewhere in the late 1990's where the interest payments would begin to grow at a rate larger, higher than GDP, and you would enter a period of instability, and in that period of instability you would be faced with that most awful pressure that comes upon governments. It has done so around the world. You can see the wreckage of once great economies such as Argentina, which paid no attention to the subject and ended up, in the technical term, monetizing the debt, which is to say to produce a rate of inflation which would wipe out the debt but also destroy the credibility of the currency and the era of the dollar as the reserve currency in the world would be gone.

I quoted David Calleo, Johns Hopkins University, on this matter, and as I say I spent much of the first half of the 1980's saying could we not see this was happening.

I came to the floor now, however, to say that we had come to our senses. The 1990 agreement at Andrews Air Force Base, led by the President pro tempore, ROBERT BYRD, put in place the beginnings of those forces which stopped the growth in the deficit. You can see them here, Madam President, as a percentage of GDP, from 3 percent almost rising by a quarter to the next year 1990, then rising by a fifth to the next year 1991, when that agreement took hold, and you leveled off. And then you went down. And then in 1993 we put through at great cost, at great cost to our dispositions and sometimes to our beliefs, because I know there were Senators who did this because they felt they had to do although they very much opposed the specifics, a half-trillion dollar reduction, and down again, down again, down again, down again.

The Director of the Office of Management and Budget said that by 1998 he expected the deficit to be 2.1 percent of GDP—2.1 percent, about where it was in 1979. Not for a political generation will it have been that low.

But I say to you, Madam President, as chairman of the Finance Committee, we can see in outyears events causing us some difficulty again, but we have broken the back of this wild growth in borrowing and the acquisition of debt and the accompanying interest responsibility.

Madam President, I plead with the Senate. We have done our duty. Do not spoil the Constitution because we made mistakes in the 1980's.

I thank the Chair.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. SIMON. Madam President, I yield myself such time as I may consume.

Thomas Jefferson was right when he said we needed an amendment to the Constitution limiting our power to borrow.

I was elected to the House in 1974. That year the deficit was $6 billion. The total debt was $484 billion. That year what we spent in the total Federal budget was less than we spent on interest last year.

Since 1980, we have spent $1.7 trillion on interest and in the next 5 years we will spend $1.7 trillion in interest, and it gets worse, with all due respect to my friend from New York, whose chart stops before it starts getting worse there.

And who pays that $1.7 trillion? People of limited means. Who collects it? Those who are more fortunate economically. We will this year spend eight times as much on interest as on education. We will spend twice as much on interest as all the poverty programs combined. And as that interest grows we squeeze out programs for the poor and education.

The checks and balances have gone awry. Twenty-five years in a row we have had deficits. James Madison warned about majoritarian abuses, and that is why eight different times in the Constitution there are cases where a majority cannot prevail. And that is why we have a Bill of Rights where the majority cannot prevail.

James Madison wrote:

> The legislative branch is the most powerful and most likely to be abused because it is under the least control.

The arguments against this: Recession. Since 1962, we have had 11 stimulus packages that have passed this Senate, all of them by more than 60 votes. That is what we require.

Talking about recessions, that money we spend on interest is not countercyclical, unlike Social Security money. When you give money to people who are wealthy, they save it when things go bad. And a good chunk of it goes beyond our borders. Seventeen percent of that $300 billion goes overseas, 17 percent-plus.

Every argument I have heard in the Chamber during these days we had in 1986. The argument we can balance the budget without a constitutional amendment. Then the deficit was $2 trillion. Now it is $4.5 trillion. We hear the same songs and with the same effect, Madam President.

Two arguments I have not heard from my friends who are in the opposition. One, there has been no reference whatsoever to that 17 percent of our debt which is held by other countries. The reality is, there is going to come a day of reckoning. If Senator MIKULSKI were the president of the First National Bank in Carbondale, IL, and I came to you and I said I would like to spend more money than I take in this year, and you looked at my balance sheet, you might lend it to me 1 year, maybe 2 years, maybe 3 years, but at some point a prudent banker would say, "I'm going to put my money somewhere else."

Prudent international bankers are going to say precisely the same thing. Lester Thurow, the distinguished economist, has told us the question is not if international bankers and people who have money here in our bonds are going to take their money out, the question is when. We ought to stop this before we get to the edge of the cliff.

The second thing that I have not heard referred to by a single member of the opposition—I heard a lot of history from my friend, Senator Robert BYRD. I happen to be a lover of history. And he contributes immensely to this body. I read his 13 or 14 essays about ancient Greece and Rome. What I did not hear from him or anyone else in the opposition is the history of monetizing debt from ancient Florence down through to the current time.

If you believe the figures given us just weeks ago by OMB, under the most optimistic scenario, future generations will spend 66 to 75 percent of their lifetime earnings in taxation. Under the optimistic scenario that they will save every penny that they say they will save in the health care reform—and I am a cosponsor of it—under the most optimistic scenario that we will have 10 solid years of economic progress, 66 to 75 percent of lifetime earnings are going for taxation.

Madam President, it is not going to happen. We will start printing funny money before that happens, as every other nation has done. Those who vote against this amendment are taking the gamble that we can be the first nation in history to pile up that much debt relative to national income and not monetize the debt, not print the funny money.

What good does it do to get $1,000 in Social Security if a loaf of bread costs $100? We have to face this reality, and we are not facing it. Every other generation of Americans took care of themselves and invested in the future. We are the first generation of Americans to partially take care of ourselves, and borrow from the future.

It has to stop, and there is only one way to make it stop; that is, a constitutional amendment.

Senator DANFORTH says this is like taking arsenic because it is a slow, gradual death. That is what it is. Former Senator Paul Tsongas said we have a debt addiction. Like a drug addiction or an alcohol addiction, getting rid of the addiction is painful. When they say on the floor it is going to be painful if we adopt this amendment, I have never suggested anything to the contrary. But it is going to be infinitely more painful if we do not get rid of the debt addiction. We have to face it, and the American people have to face it.

Senator COHEN on this floor this afternoon said what we are doing is fiscal child abuse. That is precisely it. I have one granddaughter, and I am going to become a grandparent twice more this year, if I may brag, Madam President. What we are doing is borrowing money from those children. If I have a choice and if the American people have a choice of a little pain now and not borrowing from those children, I think the American people will want to make the same decision I have made. Let us have a little pain now, and let us do what is right for the future of those children.

We can create a more prosperous country. The Wharton School says if we adopt this, 30-year bonds are going to go from 6.5 percent to 2.5 percent. What would that do to industrial investment, home construction, and everything else? The New York Federal Reserve Board says we lost 3.25 million jobs because of the deficit from 1978 to 1988. How many more millions we are going to lose before we get a hold of this I do not know.

We face a choice finally, Madam President, of agreeing with those who say let us continue to drift or agreeing with Thomas Jefferson that we ought to limit our borrowing, and I want to agree with Thomas Jefferson. I want an amendment to the Constitution.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Madam President, how much time remains?

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia now controls 30 minutes.

Mr. BYRD. The other side controls? The two leaders have 20 minutes each?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I thank the Chair.

Madam President, I yield 3 minutes to my friend from Maryland, Senator SARBANES.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I thank the distinguished chairman of the Appropriations Committee for yielding me time.

Madam President, I have spoken before on this amendment, and I do not intend to recount my prior statement. But I do want to address some points that were made by the Senator from Illinois.

My dear friend from Illinois is fond of quoting Thomas Jefferson. It is true that Jefferson indicated early on that he would have put a provision in the Constitution prohibiting debt. But when he became President, Jefferson never sought a constitutional amendment. In fact, Jefferson borrowed for the Louisiana Purchase, one of the great steps in developing our Nation.

I listened very carefully to the Senator from Illinois. He talked about the provision in his resolution which allows a 60-vote majority to waive its requirements. And he suggested that in a time of pressing necessity the 60 votes could be obtained. But I simply want to make this point to my distinguished colleague. The deficit reduction program that the Congress passed last August, the very tough medicine that we have been talking about taking, the program that had substantial spending cuts, and revenue increases in it, the very program that has brought down the deficit trendline, that program passed the Senate on the basis of a tie-breaking vote by the Vice President presiding in the chair. In other words, you had a 50–50 vote in the Senate, and the Vice President cast the tie-breaking vote. It clearly would not have happened with a 60-vote requirement.

As many have pointed out in commenting about the amendment of the Senator from Illinois, his amendment puts the power of fiscal decisions in the hands of a minority because it in effect says that 40 percent plus 1 in either House can block action.

As to monetizing the debt, we had a larger debt-to-income ratio by far at the end of World War II than we have today, over 127 percent, and today it is at about 52 percent and on the decline. We never monetized that debt. It is simply a scare tactic in order to traumatize people. But it has not happened in our history even when we had levels far higher than the levels that exist today.

Today we are on a discipline to bring the deficit under control. We ought to stay the course and not sully the Constitution by seeking to amend it here tonight.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I thank my friend from Maryland, Mr. SARBANES.

I also congratulate my colleagues on both sides of the aisle, the sponsor and cosponsors of the amendment and in particular I compliment Mr. SIMON.

Madam President, William Gladstone is credited with calling the Constitution "the most wonderful work ever struck off at a given time by the brain and purpose of man." The Framers were familiar with Plato and Aristotle, Cicero and Plutarch, Polybius and Tacitus, Suetonius and Livius and Cato and others.

The Framers were steeped in the classical traditions of Rome. They were well acquainted with the Colonial experience and with the English struggle and with Montesquieu and his political system of separation of powers.

They were learned and sagacious men, practical men, men of common sense and understanding, men who possessed great wisdom and integrity. Almost every member of the Constitutional Convention has served in a Colonial or State legislature, in the Albany Congress, in the First or Second Continental Congress or the Congress of the Confederation. Franklin had helped to write the Declaration of Independence and the Articles of Confederation. They were men of wisdom and experience in government.

Like the Magna Carta, the Constitution did not deal in abstract principles. In the words of John Marshall, the Constitution "was intended to endure for ages to come," and, in the words of James Madison, it proposed "a Constitutional system which should best secure the permanent liberty and happiness" of our country and our people.

It is this product of political genius and experience, this Constitution—which is the oldest and most successful written Constitution in history—that some in this great Chamber are proposing to amend today. They seem to have given little thought and less examination to the consequences of this ill-conceived idea.

I view the amendment as being pockmarked with flaws. To adopt it would be a colossal blunder. Heretofore, I have stated many objections. As the debate draws inexorably toward the end, and in view of the limited time remaining, I shall revisit but a few of the objections which are, in my judgment, fatal to the amendment's adoption.

First, it is confusingly and hopelessly contradictive within itself, in that it unequivocally mandates, in section 1, a balanced budget annually, while, simultaneously in section 6, it proposes to violate that section 1 mandate. In other words, it says, on the one hand, that the budget shall be balanced, and on the other hand, that the budget does not have to be balanced.

The chief proponent of the amendment, Mr. SIMON, is fond of saying that the reason there were so many heroes at the Alamo was because there was no backdoor. Section 6 is the backdoor to this Alamo amendment, through which all of us may escape without becoming heroes.

Second, the Congress shall enforce the amendment in 2001—7 years away. The fact is Congress and the President can balance the budget without a constitutional amendment and are on the road toward doing so, having enacted a 5-year budget reduction package last year.

Third. The amendment undermines a basic principle underlying our representative democracy: the principle of majority rule. For over 200 years, the body of the original Constitution has contained provisions for a super majority vote in only five circumstances, and three of these have been seldom brought into play. In only three amendments to the Constitution—namely, the Twelfth, the Fourteenth, and Twenty-Fifth Amendments—is there required a super majority. Of these, the super majority in the Twelfth Amendment has only to do with a quorum and has not been used in the election of a President by the House of Representatives since 1825—169 years ago. The super majority vote in the Fourteenth Amendment has not been used in 96 years. The super majority vote in the Twenty-Fifth Amendment has never been used.

Now comes the Simon amendment, which would add two more super majorities. The Simon amendment is a prescription for minority rule. For the first time, fiscal and budgetary policy would be written into the Constitution, and the new super majority vote requirements would likely be triggered annually. Thus, a minority in either body, could extract from the majority concessions in exchange for their votes to waive section 1, requiring a balanced budget annually—the three-fifths majority in this amendment thus being a sure prescription for gridlock. Section 2, with regard to raising the debt limit, would present similar prospects for gridlock and blackmail. Senator SIMON has called this section the enforcer in his amendment. Mr. President, section 2 is much more than an enforcer. Section 2 is the Terminator. If we cannot obtain the super majorities required, we terminate the entire Federal Government—just close down, go home. This is brinkmanship at its most irresponsible.

The wisdom of the Framers in their sparing use of super majority requirements, was explained in the Federalist Number 58 by Madison:

> It has been said that more than a majority ought to have been required for a quorum, and in particular cases, if not all, more than a majority of a quorum for a decision.
>
> In all cases where justice or the general good might require new laws to be passed, or active measures to be pursued, the fundamental principle of free government would be reversed.
>
> It would be no longer the majority that would rule; the power would be transferred to the minority. Were the defensive privilege limited to particular cases, an interested minority might take advantage of it to screen themselves from equitable sacrifices to the general weal, or, in particular emergencies, to extort unreasonable indulgences.

That was Madison speaking. Madison was clearly against requiring more than a majority of a quorum for a decision.

Fourth, the Danforth amendment, while seeking to preclude the Judiciary from inheriting powers of taxation under the Simon amendment, only raises new concerns. The Danforth amendment would conflict with the due process clauses in the Fifth and Fourteenth Amendments. Serious implications arise from the Danforth amendment. What are they?

Number 1. A court could decide not to hear a case brought under the balanced budget amendment because it could say that the language of the Danforth amendment—authorizing only a declaratory judgment—is to be construed as allowing only advisory opinions. Such opinions are not authorized for the Federal judiciary under Article III of the Constitution.

However, many state courts are authorized by their state constitutions to issue advisory opinions. Therefore, one could end up with a situation whereby the various state courts were issuing conflicting advisory opinions while the Federal courts remained silent.

Number 2. Normally, a declaratory judgment can be used in subsequent cases as a statement of rights, but because the Danforth amendment prohibits remedies and allows nothing other than a declaratory judgment, a judgment that stands alone, and thus has no effect. Again, a declaratory judgment would, therefore, be seen as a mere advisory opinion.

Number 3. The terminology in the Danforth amendment pertaining to cases "arising under this article" would not preclude cases arising under normal statutes. For example, if the President unilaterally decided to cut Social Security benefits in order to keep the budget in balance, a case could be brought under cover of the Social Security Act of 1935, the legislation that established the entitlement, and not under the balanced budget amendment. What would the courts then do? First, they could agree to hear the case, arguing that the case was not brought under the balanced budget amendment. Should that happen, then we are right back where we started with the courts involved in issues that, as Assistant Attorney General Walter Dellinger stated, ". . . they clearly lack the institutional capacity to resolve in any remotely satisfactory manner." On the other hand, if the courts decided not to hear the case, arguing that the case had, indeed, been brought under the balanced budget amendment, then there would be no way to check the President's impoundment authority—the 1974 Budget Act notwithstanding. At that point, we might as well "close this body down." Members "don't need to come back," because the President will then have the total power—total power—over the purse. Obviously, the President will claim that any case brought against his impoundments was brought under the balanced budget amendment.

Number 4. Should the Congress, as part of its implementing legislation, attempt to restrict Presidential impoundments under the balanced budget mandate, the President could simply veto that implementing legislation. Thus, it could end up that the Congress is unable to pass the necessary legislation that would implement the amendment.

Mr. President, this is the first time in our history that we will have Constitutionally attempted to deny due process to the citizens of this country—due process, with its roots running all the way back to the Magna Carta in 1215. The Danforth amendment can, therefore, best be described as "anti-Constitutional," and in direct opposition to the Fifth Amendment's "due process" clause. Should the Congress fail to pass the implementing legislation, then the Danforth amendment takes away the fundamental right of all citizens of access to the courts as a means of redressing grievances—takes away the fundamental rights of all citizens to have access to the courts as a means of redressing grievances.

Moreover, the Danforth amendment could deny Congress due process rights in any suit brought against the President as a consequence of his impounding of funds.

Now, get that. The Danforth amendment could deny Congress due process rights in any suit brought against the President as a consequence of his impounding of funds.

The President could impound at will, and there could be no check on his exercise of that power. None. The Danforth amendment would eliminate existing Judicial protection of Congress's historic powers of the purse. It would Constitutionalize—not just legislate—line-item veto and impoundment and rescissions powers. This is a Congress-stripping, as well as a court-stripping amendment!

It brings us back to the balanced budget amendment's fundamental flaw; it sets up a seemingly simple, straightforward Constitutional standard and then provides for its violation. And this conflict would be highlighted by the Danforth amendment. It would authorize the courts to declare a governmental act to be in violation of the balanced budget amendment while forbidding the courts to enjoin that unconstitutional act, and denying to any citizen—north, west, south, or east—who is aggrieved by that unconstitutional act the right to sue for damages.

For example, while the amendment clearly bars plaintiffs access to the courts to claim a violation of the amendment, it is not clear whether the proposed language also would bar governmental actors from raising the balanced budget amendment as a defense.

Let us say that the President cuts Social Security. A plaintiff sues not under the balanced budget amendment, but under the statute. The President raises the defense that the balanced budget amendment justifies the action.

How would a court rule? That the case should be dismissed because of the balanced budget amendment? But then, all the President has to do to escape scrutiny is to invoke the amendment.

Or would the court rule that the plaintiff wins because the court has no power to review the defense? If so, then other plaintiffs would bring similar actions, and the budget would be unbalanced.

If the amendment does succeed in stripping jurisdiction from the courts, this could result in a shift to the President of unreviewable power to impound or rescind funds. This despite the framers' view that the power of the purse should be left in the hands of the legislative branch, the closest branch to the people and the closest representatives of the people. If Congress responds to Presidential impoundment by granting the courts the power to review such actions, then the courts would again be embroiled in the budget process.

With the courts having no power to prevent the aggrandizement of power by the Executive Branch, the Executive would become far and away the dominant power, the dominant branch of the government.

Finally, the Simon amendment would be destructive of the Constitutional system of checks and balances and separation of powers. No longer would the people's branch—Congress—have control over the power of the purse. The governmental structure would be changed, and, once the President ever acquires line-item veto power or rescission's power or impoundment power, any law passed by Congress to remove such powers would be vetoed by the President.

Madison stated in Federalist Paper Number 48, that "the Legislative Department alone has access to the pockets of the people." Madison also said in Federalist Paper 58: "This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any Constitution can arm the immediate representatives of the people, for obtaining a redress of every grievance and for carrying into effect every just and salutary measure."

Would Madison vote for the Simon amendment to the Constitution? To ask the question is to answer it.

Mr. President, this proposed Constitutional amendment would, in effect, perform a lobotomy on the Constitution. Madison would not vote for the Simon amendment if he were alive today. Jefferson would not vote for it. George Washington would not vote for it. Hamilton would not vote for it. Benjamin Franklin would not vote for it. It must be rejected by the Senate. Madison instructed us in the Federalist Number 63, that,

> There are particular moments in public affairs when the people, stimulated by some irregular passion, or misled by the artful misrepresentations of interested men, may call for measures which they themselves will afterwards be the most ready to lament and condemn.
>
> In these critical moments, how salutary will be the interference of some temperate and respectable body of citizens in order to suspend the blow meditated by the people against themselves, until reason, justice, and truth can regain their authority over the public mind?
>
> What bitter anguish would not the people of Athens have often escaped if their government had contained so provident a safeguard against the tyranny of their own passions? Popular liberty would then have escaped the indelible reproach of decreeing to the same citizens the hemlock on one day and statues on the next.

Madison was referring to the Senate in the Federalist Number 63. And today, it is the Senate upon which the fate of the Constitution, as we have known it for 200 years, depends.

Our forefathers had studied the causes of the Revolution too well not to know that one-man power would not be tolerated for a moment, except by those who, to use the language of Thomas Jefferson, were born with saddles on their backs and bits in their mouths, that tyrants might ride and spur them.

The men of our early days had a perfect horror against conferring arbitrary power upon a single individual. For them, arbitrary power, whether hiding under the veil of legitimacy, skulking in the disguise of necessity, or wearing the shameless front of usurpation, was the sure object of their detestation and hostility.

Mr. President:

> O, that my tongue were in the thunder's
>   mouth!
> Then with a passion would I shake the world:

The gathered wisdom of a thousand years cries out against this amendment. The history of England for centuries is against this amendment. The declarations of the men who framed our Constitution stand in its way.

Let us resolve that our children will have cause to bless the memory of their fathers, as we have cause to bless the memory of ours.

Let us not have the arrogance to throw away centuries of English history and 200 years of the American experience for political expediency.

This is not just a quick-fix throwaway piece of legislation crafted to take us off the hook. This is an amendment to the Constitution—the Constitution—an amendment to the Constitution of the United States of America—a sacred document. Changes to the Constitution must not be considered if they threaten its delicate balance—a balance based on thousands of years of human experience.

Amending the Constitution must never, never, never become a political solution for someone's reelection difficulties.

We should be willing to pay the price if necessary of reelection. If that is what it costs—if that is what it will cost me, then let it be the price.

This Senator has been around here quite a long time and he has seen many Senators come and go. He has seen venerable Senators pass on to their reward and they were not remembered very long—not very long.

But if we emasculate this Constitution, then that wrong will be visited upon our children and our children's children.

Let us step back from this unwise course here and now. We have all the tools we now need with which to pursue the work of reducing our debt. We must not feed the nation this poison pill in the hopes that it will somehow force us to screw up our courage to act.

Men and women have suffered and died for our freedoms—freedoms won with blood—the blood of our forefathers. Let us not be so callous as to rob generations to come of the basic liberties that are their birthright, because some in this chamber have collectively thrown their hands in the air over the difficulty of reducing the debt. To do so would desecrate the memory of all those who have labored for liberty, fought and died for freedom, and dedicated their lives to passing on the legacy of a Constitution that is a sword against tyrants.

Let us not crucify this Constitution on a cross of political expediency! Lord Nelson's last words when dying were "Thank God! I have done my duty." I say, Senators, may Almighty God give us the courage to do our duty this day.

The PRESIDING OFFICER. The Chair would note the time of the Senator from West Virginia has expired.

Mr. LEVIN. Mr. President, I oppose the Simon amendment mainly because it will not do the job. It does not require a balanced budget as its principal sponsor has candidly acknowledged. If it takes effect, the persons who vote for an unbalanced budget in any particular year, under its terms, would be adhering to their oath to support the Constitution just as much as those who vote for a balanced budget. What it does attempt to do is substitute minority rule for majority rule relative to an unbalanced budget.

Some supporters repeat the fiction that the amendment requires the budget to be balanced. Again, it does not.

And what if there are, say, only 57 votes for an unbalanced budget in a particular year, three short of the 60 required? What then? Would the Simon amendment produce a balanced budget in that circumstance? The answer is again no, since there is no enforcement mechanism in the amendment.

Courts can't enforce it. That is clear with the Danforth language added. And since the 57 Senators voting for an unbalanced budget would be adhering to their oath just as much as persons who voted for a balanced budget, the argument cannot be made that political pressure to adhere to the Constitution would be the enforcement mechanism. Again, those voting for the unbalanced budget would have adhered to their oath of office, even according to the chief sponsor.

The amendment is also full of loopholes and dodges. Section 6 states that estimates can be used by the Congress. It was the use of Rosy Scenario estimates that were a major cause of the huge deficits of the 1980's. If estimates of Government revenues are exaggerated or estimates of outlays are too low, we are assured that there is a mechanism to correct such Rosy Scenarios. That mechanism is said to be section 2 of the Simon amendment which requires 60 votes to increase the debt limit. But that mechanism has always proven useless and would always be useless to deter the Rosy Scenario from again being used because the debt limit will always be raised to pay our debts. Why? Because in the absence of paying our debts, our entire economy would be destroyed. In the words of former Secretary of the Treasury James Baker:

> I cannot overemphasize the damage that would be done to the United States' credit standing in the world if the Government were to default on its obligations, nor the unprecedented and catastrophic repercussions that would ensue. Market chaos, financial institution failures, higher interest rates, flight from the dollar and loss of confidence in the certainty of all United States Government obligations would produce a global economic and financial calamity.

So the threatened use of defaulting on our debts amounts to a threat to use a nuclear weapon against our own economy. It is a hollow threat which cannot be made credibly. The Rosy Scenarios of the 1980's, which typically added $50 to $100 billion to the annual deficits, would find fertile ground again as an evasion mechanism unless Congress and the President have the will to reduce the deficit.

And that is the basic problem with this amendment. It will rely as much on congressional and executive will power, starting in the year 2002, as we rely upon it now. That will power wasn't forthcoming in the 1980's. It was exercised finally last year with positive results for the economy.

The pending amendment holds up an illusion that it can do for us what we cannot do for ourselves. But it cannot, by its own terms. Only we can, and our willingness to do so must not any way be weakened by the illusion that the wishful and non-self-enforcing language of this amendment can do the job for us.

I'm also afraid the passage of this amendment would lead to the weakening of congressional and executive will in the 7 years before it would become effective. That 7 years will more likely be another period of profligacy just as the 1980's were a period of profligacy. We would find ourselves in a deeper hole in 2002 because we would have been lulled into the belief that a deus ex machina will appear to save us in 2002.

This amendment, if it passes, would delay the day of reckoning and make it a much harsher day. The new slogan of the executive branch and Congress would be, "Off the hook until 2002." The double tragedy would be that even if the amendment kicks in 7 years down the road, it would prove to have no kick.

Mr. CHAFEE. Mr. President, I have listened with great interest to the debate occurring over the past few months on the merits and pitfalls of a balanced budget amendment to the Constitution. As you know, the Senate has voted on a specific balanced budget amendment on two previous occasions: approving a constitutional amendment in 1982, and rejecting a similar proposition in 1986. In each instance, I opposed tinkering with the Constitution in this manner. However, this time I feel I must support the amendment, albeit reluctantly.

I am particularly frustrated that we must amend the Constitution solely because Congress and the executive branch have been unable to control the deficit. Certainly, it is not for a lack of trying by many of us. We've tried reconciliation bills, Gramm-Rudman-Hollings sequestration mechanisms, even budget summits. I have voted for all of them—with all of their strengths and weaknesses—but none has done the job.

Certain aspects of these prior efforts have worked well. The discretionary spending firewalls, created as part of the 1990 agreement, were very effective at making sure that savings in one area of the budget were used to reduce the deficit, instead of being spent elsewhere. And the Paygo rules imposed on entitlement programs and taxes have provided a modicum of responsibility at least with respect to new programs. I have voted to continue these restraints—often against politically appealing proposals—because I feel strongly that we owe it to our children to start living within our means.

The firewalls have now come down, and it is very unlikely that any further reductions in these programs will actually result in lower Federal spending.

I remain uncomfortable with amending the Constitution. This amendment is at best an imperfect instrument. It raises questions about how it would be enforced and invites the same budget gimmicks that are present today.

It is not with a great deal of enthusiasm that I throw my support to this amendment, but rather with a sense of chagrin. I deplore the fact that the United States, once the largest creditor nation in the world, is now the largest debtor nation. Mr. President, since 1981 the total debt of this nation has quadrupled. During this period our annual budget deficits have averaged $180 billion. Over the last decade, we have experienced both good and bad economic times, but that has made little difference in our willingness to spend more than we can afford.

Embedding a balanced budget requirement in the Constitution might help us make the difficult choices necessary to reduce the deficit.

Mr. President, I worry about the long-term future of our country. The money to provide our children with quality education, to ensure that they have access to medical care, and to provide them with affordable housing is being transferred to holders of U.S. Treasury securities. The money we pay in interest cannot be used for any of these worthwhile purposes.

Those opposed to this amendment have used scare tactics and hysteria in an effort to derail it. They argue, for example, that it threatens the income security of older Americans by placing Social Security and Medicare in jeopardy. They argue that it removes any ability of the Federal Government to respond to emergencies such as the recent earthquake in California. And finally, they argue that such an effort will put the economy in a tailspin, and they have distributed analyses on the impact such an amendment would have in terms of job loss and reduced personal income for each State.

Of course, nothing in the balanced budget amendment will do any of those things. The balanced budget amendment is not designed to tell us how to balance the budget. Nowhere does the amendment single out Social Security, or Medicare, or any other program for cuts. It leaves that choice up to Congress; but unlike the situation today, it holds our feet to the fire by mandating that we act. Along with the mandate, hopefully, will come the political will to make the tough choices needed.

One thing that opponents of the balanced budget amendment fail to offer is their solution to this problem. If not this; then what?

Mr. President, there is no Senator that cherishes the Constitution more than this Senator. I do not brush off lightly my concerns over amending it in this matter. But the more fundamental question is whether or not we owe it to our children to stop paying for our standard of living by jeopardizing theirs. I cannot ignore the peril that awaits our children if we continue to ignore the damage that we are inflicting on our economy by continuing to run huge deficits.

To me, the legacy is much more ominous than amending the Constitution.

Mr. DURENBERGER. Mr. President, I rise today to strongly support the proposed balanced budget amendment to the Constitution, as modified by Senators SIMON, HATCH, and DANFORTH and to oppose the Reid substitute.

This debate is about the need to change the role of government. It is about fiscal discipline—and how to achieve it.

Mr. President, I was elected in 1978 to change the role of government—to achieve system reform, of the same kind we need to see in health care or welfare policy. I wanted to make the fundamental changes that were necessary to control the need for more and more public money.

Back in the late 1970's, the American people were starting to recognize that government cost too much and produced too little. The Proposition 13 movement in California showed that they were—in the words popularized by the move "Network"—madder than hell, and they weren't going to take it anymore.

It's beginning to look as if we're right back where we started—except that today, it's Rush Limbaugh, Ross Perot, and the Concord Coalition who are giving expression to the widespread public anger. It's the American people who are taking the time to call into media talk shows and to write letters to their Senators.

My mail proves that we need to change the role of government every bit as much today as we did back in 1978. As long ago as 1980, I introduced my first health care reform bill dedicated to provide more health care for less money. In 1994, we are finally fully engaged in that task.

That's the spirit we need to bring to the work of reinventing government.

Several years ago, Senator SIMON and I authored the income dependent education assistance legislation, which is the basis for the compromise language in the 1993 reconciliation bill which reformed the current student loan system. Our successful effort to reform the system—cutting out much of the bureaucracy and facilitating student loans for more Americans—saved taxpayers $4.585 billion.

Many government programs can be reformed—and money can be saved as a result—in the very same manner. Health care and welfare reform are essential areas in which we have to achieve this kind of reform this year—and it is my hope that the BBA will force us to make many other system reforms, which will in turn help us to avoid many of the Draconian cuts opponents are trying to scare us about in the course of this debate.

About the need for fiscal discipline, absolutely no question remains. It is written in 4.7 trillion dollars' worth of red ink. That figure tells me that there is a need to balance the budget. I can say that as one who has repeatedly supported efforts to reduce or balance the budget—and I will discuss some of those efforts shortly.

To take refuge in the fact that we will have a deficit of only $176 billion in fiscal 1995 is, in my opinion, merely a symptom of our fiscal disease. Imagine: We are only adding $176 billion to the $4.7 trillion bill our children are going to be saddled with by our generation. Back in 1943, $176 billion was our total debt.

In this year alone, we are going to pay $294 billion in gross interest payments. That interest is buying us nothing. This year, we are going to spend $244 billion on our domestic discretionary needs. We are paying $50 billion more to clean up the fiscal waste of Congresses past than we are to meet the real national needs of America in the present.

And as for the future? The debt and interest on it continue to climb. Just the new debt we are adding this year cost us $11 billion every year until it is paid off. And we have no plans to pay it off. All the projections show us continuing to add to it every year for the foreseeable future.

Each American family of four is currently saddled with a debt of $74,500 by the past fiscal irresponsibility of the Federal Government. Every time we say our new deficit is only $176 billion, or only $100 billion, or only 10 cents, we are saying that it's OK to add to the already crushing burden of debt on America's families.

The question we must answer is this: Will the balanced budget amendment enable us to balance the budget, and set us on the right path to future fiscal responsibility? I believe that it will.

The Reid substitute is half a loaf. A majority of Senators have come forward in support of a balanced budget amendment that would create the needed discipline to balance the entire budget—not just part of the budget, but all of it. If we exclude debt payments, Social Security and all of the pork we have made a mockery of this effort. I can only conclude that this is a killer amendment and should be opposed.

There's no more room for argument about the need for fiscal discipline. We need it. The American people demand it. And we have to do it.

Opponents of the balanced budget amendment have told us that we do not need this kind of discipline. But where is the evidence that the leaders of Congress have the ability and the political leadership necessary to complete the task?

We need system reform. The BBA will help us get it—and this alone makes the BBA worthy of our support.

DURENBERGER AND THE DEBT

I have also taken a leadership role throughout my career in the Senate in offering and promoting various proposals to achieve lower deficits. In the early 1980's, I was disappointed that various efforts to balance the budget, such as the Durenberger-Gorton bill, were ignored. At the same time, I watched my generation continue to live for today. At that point my own four sons were entering adulthood, and I saw my own children being handed a life that held much less promise than the opportunities I was handed by my parents just 30 years earlier.

As a result, in 1984 I launched a new national organization called Americans for Generational Equity. This organization helped us understand the impact the deficit has on future generations, and attempted to educate Americans about the need to better serve our children by achieving the kind of system reforms I discussed earlier.

Today's efforts by the Concord Coalition to promote a balanced budget are similar, and I pledge to continue my work with that group.

I supported the Gramm-Rudman-Hollings deficit reduction proposal, which squeaked through on a 50 to 49 vote in 1985, the Kassebaum-Grassley-Baucus proposal, the Boschwitz spending freeze, the 1992 entitlement freeze, the 1990 budget summit reforms, the Kerrey-Brown and Dole deficit reduction proposals of 1993–94.

I have opposed the concept of emergency supplemental appropriations, and have offered amendments to offset this off-budget spending. I have introduced and promoted legislation to prohibit the worst off-budget practice—unfunded mandates to the States—which shifts Federal debt burden to the States. I have promoted many other efforts to lower spending—but we have continually faced roadblocks from the Senate leadership as well as powerful stakeholder groups.

It's not fun to be criticized by important interest groups, all of whom are trying to protect their funding levels. But that kind of leadership is precisely what is needed if we're going to reduce the deficit and the debt, and it's not happening today, despite the efforts of so many to provide the necessary leadership.

Mr. President, when it comes to intelligent fiscal policy, Congress has run out of options. I didn't come here in 1978 to quintuple the national debt. Just the opposite, as I have indicated earlier, and I am not alone. But the leadership is just not here to do the job.

We tried all the statutory remedies, and they have all failed miserably. We did this in 1978. We did it in 1979. Again in 1982, 1985, 1987, and 1990. And the national debt continues to get deeper—and deeper—and deeper.

It has proven to be too easy to dodge the Gramm-Rudman discipline and the 1990 budget summit reforms—too easy to declare one emergency after another and to find the loopholes that have only added to the deficit. The leadership is not there to force us to make the necessary politically difficult votes. All we have to do is tout our support of Gramm-Rudman-Hollings, while simultaneously backing all of the back-door attempts to build up the deficit.

I salute the Senators from Illinois, Utah, and Idaho who are convinced that it's a lot less shameful for Congress to admit its fiscal incapacity than for Congress to pretend otherwise and continue America on the road to fiscal ruin.

Senator SIMON points out that the reason there were so many heroes at the Alamo is that the Alamo had no back door. I used to say that every even-numbered year we would march out and tell our constituents that we could do it—if not for Congress.

Congress-bashing for our entrepreneurial advantage must end. Only the constituents can force us to stay in the Alamo—every year, until we've done what the people demand.

What we are trying to accomplish here today is to begin the process of closing the back door of U.S. fiscal policy. And I say begin the process, because—contrary to the scare tactics and excessive rhetoric of so many opponents of this amendment—this vote will be only the first of many steps toward the eventual establishment of a responsible fiscal process in the U.S. Congress.

We begin by passing this amendment in the Senate. Then it goes to the House, then to be ratified by three-quarters of the States. The amendment establishes a 7-year time period for this ratification process to take place. We can start now to prepare for a balanced budget; the cuts do not have to occur overnight. The earliest effective date would be the second fiscal year after ratification. All of the problems you will hear about today regarding enforcement and fiscal hardship can be settled before the ratification occurs.

This constitutional amendment has a lot more to do with the future, with making sure we never again start onto the slippery slope that leads from a deepening deficit to complete fiscal bankruptcy. When Thomas Jefferson indicated his support for this kind of measure, what he was trying to do was prevent the growth of an American attitude which considers it morally permissible to borrow from future generations to finance current consumption.

Today, we as a nation are closer to that disastrous attitude than we have ever been. We are teetering on the edge of moral bankruptcy. A few dedicated individuals, led by Senator SIMON, Senator HATCH, Senator CRAIG, and many others, are leading a valiant rearguard action for generational equity and fundamental fairness.

The purpose of the U.S. Constitution is not merely to set limits for the nuts-and-bolts functioning of U.S. Government, but also to embody the ideals that are intrinsic to the American project. The Constitution says we are a people who believe in individual rights. It says we believe in limited government powers. It says we believe in freedom of expression, and it certainly is not silent on economic matters.

The Constitution does not merely express these ideals in the abstract. It gives a powerful tool to those in our society who are trying to protect these ideals.

I think one of the most fundamental of American ideals is that we build for the future, that we do not borrow from the future. Today, we in the Senate can give this ideal a truly breathtaking endorsement: We can vote to incorporate it in the highest law of the United States. Mr. President, the first attempt to introduce a balanced budget constitutional amendment was made by former Minnesota Congressman Harold Knutson on May 4, 1936, back when the Federal debt was miniscule.

It is my firm belief that if we care about preserving the American Dream for future generations, we have no choice. I urge my colleagues to join me in supporting this truly historic amendment.

Mr. DASCHLE. Mr. President, today the Senate will vote on two proposals of grave importance, both of which seek to promote greater fiscal responsibility by the Federal Government. I wholeheartedly support this goal and would like to commend the chief sponsors of these measures, Senator REID and Senator SIMON, for their contributions to this historic debate.

The Constitution of the United States has limited the powers of the Federal Government and protected the fundamental rights of all Americans for more than 200 years. This document embodies the essential principles upon which our great Nation is based. Like Senators REID and SIMON, I believe the time has come to amend the Constitution so it reflects another important principle—the principle that Government should not spend beyond its means.

The concept of fiscal responsibility is the basis for both balanced budget proposals that we are considering today. It is imperative that this concept be once and for all enshrined in the Constitution.

For too many years, Congresses and Presidents have paid lip service to the need to control Federal spending and then refused to make the tough choices that spending limits would have required. The result of this abdication of responsibility is the growing national debt that will be pawned off on future generations.

The Reid amendment contains two features I find appealing. The first is its prohibition of the use of Social Security trust funds to offset the deficit. As my colleagues are well aware, Social Security is in no way responsible for our current budget deficit. Indeed, the Social Security trust funds are running a healthy surplus, and all precaution should be taken to safeguard that surplus. The Reid amendment would keep Social Security off limits to budget-cutters.

A second feature of the Reid amendment is a division of the budget into capital and operating accounts. This amendment would require that the operating account be in balance, thereby keeping Government spending in line with revenues. At the same time, it would provide Government with the flexibility needed to invest in our Nation's future through its capital account and end the silly fiction that a dollar wisely invested is the same as a dollar foolishly spent.

Many of the States whose constitutions now require a balanced budget, and every family in America, know the difference between spending and investment. They know that dollars spent on a vacation in Las Vegas, or new Government employees, are not the same as dollars being invested in an addition to one's home, or in an industrial park that will bring new jobs and revenue to one's State. That first kind of spending is gone forever. The second is an investment whose lasting value will be proven by the rising value of that home, or the increased income generated by new business.

So I will vote for the Reid proposal because it provides additional protections for our Nation's seniors and shifts the emphasis of the Federal budget from consumption to investment. I want to be perfectly clear, however, that my main interest in this debate is adding a balanced budget requirement to the U.S. Constitution. Thus, if the Reid amendment is defeated, I will vote in favor of the Simon proposal.

Mr. GORTON. Mr. President, on two previous occasions, in 1982 and 1986, I opposed a constitutional amendment to require a balanced budget. But I have now changed my mind. The cause of fiscal responsibility will not be won until it is enshrined in the Constitution.

I opposed the amendment in the 1980's because I believed then, as many opponents of this amendment do today, that Congress should have balanced the budget of the United States without tampering with the Constitution. We and the President should have, but we didn't. The mounting deficits since the late 1970's mark the chasm between what should be and what really is inside the beltway.

The most famous, or maybe infamous, example of statutory attempts to balance the budget is Gramm-Rudman-Hollings. I was an enthusiastic supporter of Gramm-Rudman, the very kind of statutory attempt to bring the budget into balance that caused me to oppose amending the Constitution a decade ago. It is exactly the method by which the opponents of the Simon amendment believe that a budget should be balanced today.

But Gramm-Rudman-Hollings failed. It failed not because it was ineffective, but because it was too effective. And so it was repealed in 1990 when the tough choices needed to be made. It was replaced by the disastrous 1990 budget agreement that raised taxes on a wide range of goods and services. And, of course, the budget cuts that were legislatively promised never materialized. What we ended up with was a rapidly ballooning deficit, not a balanced budget.

The history of the constant failure of legislative attempts to control deficit spending should make people realize that a more effective mechanism is required. If that is not enough, just listen to the admission by Laura Tyson, President Clinton's Chairman of the Council of Economic Advisors. I asked her how and when, given President Clinton's opposition to the balanced budget amendment, we could expect to see alternative proposals from the administration to achieve a balanced budget. She replied, "It is my belief that we should not try to get to a balanced budget by 1999." Nor by 2001; in fact the administration proposes no deficit of less than $150 billion a year as far as the eye can see.

Clearly, this administration is not interested in a constitutional amendment to balance the budget for one reason. It has no plans ever to balance the budget. Period.

Another important reason for passing this amendment is that it will protect Social Security. I am convinced that Social Security will be strengthened by the amendment.

When I ran for the Senate in 1988, I made a solemn vow to the people of Washington State that I would not vote to tax or cut Social Security benefits. I had talked with and listened to seniors all across Washington—from Pasco to Hoquiam to Anacortes—who told me what Social Security means to them. I listened to the people of Washington State and responded. I made a pledge that I have not, and will not break.

Soon after the President took office, I was shocked to hear that the administration was considering drastic cuts in Social Security COLA's as part of its tax bill. I spoke out quickly and vehemently against this proposal on the Senate floor, together with many of my colleagues. And, fortunately, the President abandoned that outrageous policy.

We hardly had time to catch our breath before the administration proposed a 70 percent tax increase on some Social Security benefits. That proposal was—and is, even in its modified form—tremendously unfair to seniors. And to make matters even worse, the money raised by this tax hike was not used further to strengthen the Social Security program. Instead, the money is used to fund other Government programs.

I strongly opposed this unfair tax hike. I voted for an amendment to strip the provision from the budget. And I am also actively working to repeal it. I have cosponsored S. 1408, which will repeal the unfair tax increase on Social Security benefits and roll them back to where they were before President Clinton's budget passed.

I have fought to repeal the earnings limit on Social Security, which says that seniors who earn over a certain income threshold lose $1 in benefits for every $3 earned over that limit. The earnings limit penalizes seniors who wish to contribute to our economy. It needs to be repealed. We made some progress on this front when a repeal passed the Senate, but the House needs to agree to pass it into law.

When a proposal was advanced to allow State and local governments to borrow money from the Social Security trust fund for local projects, I stood firmly opposed. I felt this was a terrible idea that would endanger the solvency of the Social Security trust fund. This bill died in committee.

I recently renewed my pledge to the seniors in Washington State by signing the Seniors Pledge. This pledge simply states that I will never vote to cut or tax Social Security benefits. It is a restatement of the solemn vow I made to my constituents.

All these actions—all these fights I have taken on—stem from my deep and unmovable conviction that Social Security must not be tampered with. I have stood firm against any effort to cut Social Security and have earned a record of which I am extremely proud.

This is another reason I am supporting Senator SIMON and CRAIG's balanced budget amendment. It will force Congress to live within its means and will truly protect the Social Security system. And I will not vote to cut Social Security to meet its requiremetns.

Social Security is not a cash cow to be used to fund wasteful Government spending programs. It is a sacred contract between our Government and its citizens. That contract is unbreakable. America's seniors have spent their working lives paying into this system, with the guarantee that come retirement age, they will receive the benefits that the Government has promised them. It should not be used for anything other than what it was created for—the security of our senior citizens.

Mr. President, this Congress must be responsible. The American people are demanding that we bring the budget into balance. For the reasons I have outlined, I support and will vote for Senator SIMON and CRAIG's balanced budget amendment.

Mr. BAUCUS. Mr. President, as any student of American history knows, President Harry Truman had a sign on his desk. It said "The Buck Stops Here."

With characteristic honesty, President Truman believed it was his job to make tough decisions. He was not much for blue ribbon commissions. He did not delegate decisions simply because they were too controversial or politically unpopular. He simply took the bull by the horns and did what he believed to be in the best interest of this country.

Yet if "Give 'em Hell Harry" were here today, I think he would be disappointed. I think he would say we're talking about passing the buck.

At first blush, the balanced budget amendment might seem to have a lot going for it. We all agree that bringing the Federal budget into balance is a worthy and important goal. But the devil is in the details.

Its passage will not, in and of itself, bring the budget into balance. That will only happen if we have the will to make a series of difficult—and I believe necessary—decisions about taxes and spending cuts. This amendment raises many serious questions. But it provides no answers.

What domestic programs should be cut or eliminated? This requires real, specific choices that, quite frankly, I do not believe many Members of this body have demonstrated a consistent willingness to make.

For instance, back in 1984, I joined with Senators KASSEBAUM, GRASSLEY, and BIDEN—two Republicans and two Democrats—in sponsoring an amendment to freeze all Federal spending across-the-board for 1 year. We got just 33 votes, almost evenly divided between Republicans and Democrats. More recently, I was one of just 31 Senators to vote against killing an amendment offered by Senator BOB KERREY to cut over $94 billion in Federal spending. Rather than the general details to follow statement of the balanced budget amendment, these cuts are the sort of real, specific choices that must be made if we are to ever bring Federal spending under control.

If we must raise additional revenue, who pays the tab?

How will Social Security and Medicare be affected?

What will it do to our economy? Leading economists, like the Congressional Budget Office [CBO], warn that passage of the balanced budget amendment could create "a substantial risk of triggering an economic downturn—which would make it even harder to balance the budget." (CBO testimony before the U.S. Senate Budget Committee, January 27, 1994.)

My disagreement is not with a balanced budget. Rather, it is with enshrining such a requirement into the Constitution without knowing the answers to these important questions.

If any businessperson entered into a major project with as little information on the risks and rewards as there currently is on this amendment, then the board of directors would probably demand his or her head.

Mike Mansfield used to say that when he cast his vote, he owed the people of Montana more than an echo; he owed them his judgment. In my judgment, we need to face the tough choices that lie ahead with honesty and determination. This amendment fails on both counts.

Mr. WALLOP. Mr. President, we have heard a lot of rhetoric from Senators who oppose the balanced budget amendment, blaming one President or the other for the size of the national debt. Some say it's Ronald Reagan's fault. A U.S. Senator should know better than that.

For the last 60 years, we have run annual budget deficits in every one of those years but 6. In fact, if you had taken our national debt of approximately $51 million in 1940 and allowed it to grow simply by the interest compounded on that debt alone, you would see a startling result. Assuming an average interest rate of slightly over 8 percent, that $51 million in 1940 would approximately equal the Federal debt today. Looking at a more recent snapshot of this data, taken from the administration's own budget, the Federal debt of $1 trillion that Ronald Reagan inherited in 1980 would, under the same analysis, be equal to approximately the size of the Federal debt today.

In other words, year in and year out, the average Federal deficit bears an uncanny relation to the amount we have to pay as interest on the debt. Some years it's more; some years it's less. But on the average, we politicians seem to be constitutionally—with a small "c"—incapable of paying for last year's spending. The two so-called $500 billion deficit reduction package that we enacted, one in 1990 and one last year, won't change things over the long term. The interest on the Federal debt is the fastest growing area of Federal spending. Together with health care spending, debt financing will soon dominate all Federal spending. That is a frightening prospect to those of us who truly believe that our duty is to "provide for the common defence, promote the general Welfare". The unbridled growth of the Federal debt will put into question both our national security and common good.

We have had essentially the same problem staring us in the face over the entire 60 years that the Government has been keeping this data. That's well over a quarter of the entire history of this Nation. And that problem is simple. We seem to be constitutionally incapable of paying off the interest, much less reducing the principal, on our national debt. The debt used to be smaller than it is now, but its growth—given our consistent failure to come to terms with it—was as predictable in 1940 as it is today.

If 60 years of past deficit spending is prolog, we are heading to fiscal Armageddon.

This has nothing to do with politics. Both parties are to blame for the debt. What this tells us, however, is that we have a structural problem with the way we operate, and we must fix that. The only structure to our Government, fortunately, is our Constitution, and it needs amendment.

Some will say that the Constitution—the document that should guarantee our freedoms and liberties—is too sacred to spoil with fiscal matters like this. To that, I would respond that there is no greater threat to the freedom of future generations of Americans than the legacy of the past 60 years of fiscal irresponsibility by the Federal Government.

Mr. President, U.S. Senators are merely people representing the other people who pay our salaries. Those poor folks are then left to pick up the pieces when we're done. What kind of legacy are we going to leave them? People are fond of saying that there are two kinds of people—those that make excuses and those that make mistakes. We've made mistakes, and now we have an historic opportunity to put our Government on the right track. Making excuses simply won't do any more. The American public knows it and so should we.

I do not suffer from the illusion that the proposal we are debating today will solve our spending crisis. While the amendment is referred to as the balanced budget amendment, I prefer to view it as the spending restraint amendment. This amendment does not mandate a balanced budget. It simply requires that three-fifths of the Congress must vote in the affirmative on any annual budget that spends an amount greater than the revenue collected. In the Senate, 60 votes would be required to expand the national debt. That is a hurdle, a restraint, but it is not an outright prohibition on deficit spending. Congress will be able to respond to crisis. However, we will stop the annual binge of spending beyond our revenue. It is an imperfect solution, a small step. The challenge will remain for Congress to restrain spending, to halt the growth of centralized Government. Only if this amendment contributes to that effort, does it deserve to be ratified.

Mr. LIEBERMAN. Mr. President, I intend to vote against Senate Joint Resolution 41, the balanced budget amendment. I want to be clear. I support a balanced budget. I have worked hard to move us closer to achieving that laudable goal. But over the past several months, I have weighed the arguments on both sides as to whether a balanced budget amendment to the Constitution is the way to achieve that goal.

In the end, I conclude that this is not the way to balance the books. I am deeply concerned that this genuine effort to do good will have very undesirable, and unfortunate, unintended consequences. And I am equally concerned that even if Congress adopts this amendment, it will serve as an excuse to delay, rather than accelerate the budget cuts we need to make now.

How could passage of a balanced budget amendment actually delay budget cutting? Let us be frank. This amendment will give a lot of people cover to continue free-spending ways. It is the easy way out. The amendment will not take effect for at least 7 years, even if it were ratified immediately following congressional passage. But, in the interim, when challenged about new spending or failure to make real cuts, members can respond, "But I voted for the balanced budget amendment."

If we do not believe Congress can face up to the hard choices necessary to balance the budget now—which is what proponents argue—what makes us more optimistic that Congress could face up to those hard choices in the years between congressional passage and ratification by three-quarters of the States? The balanced budget amendment will not be a certainty during that period, so Members will have an incentive to defer making painful cuts until ratification occurs. Even after the amendment is ratified, why should it be easier for Congress to pass implementing legislation? After all, the amendment can only be enforced by an act of Congress and it cannot be enforced by the courts. If Congress truly lacks the ability to act, real cuts will continue to be deferred and the spendthrift ways will continue regardless of passage of this amendment.

I am also gravely concerned about what would result if this amendment is actually ratified. I am concerned that this amendment will compel higher taxes, which is clearly the hope of at least some of the proponents. Particularly if there are no tax increases—and I believe we have had enough tax increases already—I am concerned that it will cripple our national defense and probably dictate cuts in Social Security. I am concerned about what this might do to the people of Connecticut.

When I was elected to the Senate in 1988, I came here believing that we needed to cut the budget; 5 years later, I do not just believe we need to cut the budget, I know we must cut the budget. And we should be getting our budget in order now, not 7 years from now.

Because of my concern about the deficit, I voted for the 1993 reconciliation bill, which cut $500 billion from the budget over 5 years. But that bill did not go far enough. I said at the time that I wanted to see even more spending cuts. In an attempt to make those cuts happen, I have introduced a package of cuts totaling $160 billion in deficit reduction over 5 years, and have actively worked with Senators KERREY and BROWN to forge a bipartisan budget-cutting effort that would trim $94 billion over 5 years. Two weeks ago, we brought that package to the Senate floor. I regret that our efforts failed in a 31–65 vote.

That lopsided vote gave me some pause about whether or not we would ever find the political will to cut the budget. It also made me take a closer look at the balanced budget amendment as a way to get our budget under control.

In the end, I am convinced that what we need to do is to continue to work to cut the budget in a meaningful, methodical and thoughtful way. We need to "Just Do It!" We must set priorities among the myriad tasks facing the Federal Government, and fund only those we can afford. This means making hard choices to eliminate some programs or to exclude some beneficiaries. But it is a deliberate, informed process.

At a time when Connecticut is struggling to emerge for the longest and deepest recession in recent memory, passage of this amendment would throw us into reverse. A recent study by Wharton Econometrics Forecasting Associates projected that if the balanced budget amendment was passed, by 2003 Connecticut would see: A 12 percent drop in total personal income; a loss of 64,000 nonagricultural jobs; and a increase in the unemployment rate by 3.5 percent.

As a member of the Senate Armed Services Committee, I am also very troubled by what passage of this amendment would do to our national defense. Secretary Bill Perry has told us that the additional cuts that would result from this amendment would devastate our defenses. According to Secretary Perry, the Defense Department will have to: Reduce our active duty forces by almost 500,000 more people, to 1,125,000 instead of 1,600,000; cut 40,000 to 170,000 more reservists than are already planned to be eliminated under current defense downsizing; reduce civilian DOD personnel by 30,000 to 125,000; close 31 more bases and installations around the country; cut or eliminate the F–18E, F–18F, C–17 and F–22 aircraft programs; cancel the Seawolf submarine, and cancel the new attack submarine; cancel all work on the M–1 tank; and cut significantly the Comanche helicopter program. The cold war may be over, but the world is still a dangerous place. This amendment would hobble, rather than strengthen, our ability to deal with security threats in an ever-changing world. It will make our military little more than a hollow shell. And if the military has to make these cuts to survive, we can simply forget about defense conversion assistance.

Finally, we have to be concerned about the unintended consequences that could result from enactment of this amendment. We have never before amended our Constitution on a matter of fiscal policy. The Constitution is not the place to enact fiscal policy. Changing the Constitution is and should be an extremely cumbersome process. If we discover we need to technically fix the fiscal policy we would be placing in the Constitution by this amendment, it could take years.

As a Senator from 1 of the original 13 States, and 1 of the small States among those original 13, I think we must also be wary about how this amendment would alter the balance of power between the States. Our Constitution embodied a grand compromise between large States and small States, with representation based on population in the House of Representatives and equal representation for each State in the Senate. Under the balanced budget amendment, however, 40 percent of either House would gain the unprecedented power to halt the entire budget if there is to be a deficit. This would permit a handful of large States in the House of Representatives to band together to demand changes in, for example, funding formulas as a condition of waiving the balanced budget requirement. Groups of small States would be at an extreme disadvantage. I fear what the results of such a system would be for the people of Connecticut. Like it or not, this amendment would open the door to these types of legislative games.

We have never before subjected the entire budget process to supermajority approval and filibuster. It is hard to believe this will work to our national advantage. Let us take just one example. In the previous administration, we saw a real reluctance to admit that there was a recession. The people of Connecticut who were losing their jobs knew there was a recession, but some politicians here in Washington, DC did not want to say there was a recession. Would 60 percent of each House of Congress have been willing in 1989, 1990, 1991, or 1992 to declare that there was a recession justifying deficit spending? I doubt it. I suspect that the administration would have been able to rally at least 40 percent support in one House to support its view that there was no recession. That would have meant no fiscal stimulus to jump start the economy and create jobs for people.

As Members of Congress, we must make the hard choices necessary to balance the budget. But we have to consider the means by which we get to that end. With or without this amendment, the only way to reach a balanced budget is by stepping forward to put credible and thoughtful budget cuts on the table. The bipartisan Kerrey-Brown group, of which I am a member, is trying to do just that. I encourage my colleagues to join us in our efforts now, rather than putting it off for 7 more years.

Mr. BRADLEY. Mr. President, the balanced budget amendment is either a sham or a monster. In either case, it should be rejected.

The American people, if you take a poll, say they want the balanced budget amendment. I think what they are really saying is they want truth in Washington and they want politicians to step up to the plate and vote for spending cuts or tax increases or both. Sure, they want a balanced budget. But, that same American public, by a 5-to-1 margin, believes that the balanced budget amendment will not produce a balanced budget. The reason is, I believe, that they see it as a sham.

They have watched us over the last decade talk about balance, yet run up a huge debt. They have seen the Gramm-Rudman backers predict by 1990 that there would be a $36 billion deficit. Instead, there was a $200 billion deficit. I think that they are fed up with gimmicks. This is a gimmick, and a dangerous one. The balanced budget amendment is an excuse for congressional inaction, on the one hand, and a monster in which real power is ceded to the courts of this country and to a minority in the Congress.

Mr. President, I would like to make a few points which apply equally to the Simon and Reid proposals. First, the Constitution deserves to be treated with more respect. The Constitution is our most fundamental law. A change in our Constitution affects the whole body of law, our legal tradition, and our national heritage.

Since the adoption of our Constitution in 1789, the amendment process has been used very sparingly. Twelve of the twenty-six amendments protect the most basic rights of individuals, including the Bill of Rights, the prohibition of slavery, and the guarantee of due process and equal protection. Five of the twenty-six amendments extend the right to vote. Seven of the twenty-six amendments deal with how our Government should be structured: judicial power, the electoral college, the income tax, popular election of Senators, et cetera.

Of the 26 amendments enacted, all but 2 have been drafted to correct a flaw in the original structure of the Constitution or to protect the fundamental rights of American citizens. The only two exceptions are the amendments which were passed to establish Prohibition and then to repeal it.

Prohibition—established by the 18th amendment and repealed by the 21st amendment—was a scar on the face of our Constitution. Its proponents screamed, "Keep us from drinking" only to find there was not the will equal to the words.

I find a parallel between the prohibition amendment and the balanced budget amendment. Proponents of this amendment will scream, "Keep us from spending" only to find that there must be the will to equal the words. And, without that will, the amendment will make little difference.

This leads me to a second point: the balanced budget amendments do not balance anything. The Simon amendment, for example guarantees only one thing: that supermajorities—60 votes—will be required to raise the debt limit or approve outlays in excess of total receipts. This amendment does not cut a program or raise a tax. It does not make the books balance. Indeed, it is impossible to say exactly what it does, since the very terms used in the amendment are not legally defined.

I do not believe the public really understands that enabling legislation will have to be passed to explain exactly how this amendment will work. If you read the resolution, the amendment will not go into effect until—at the earliest—the next century, in part to give Congress the chance to work through the details. As with everything, you have to read the fine print. That is what this enabling legislation is: the fine print.

Congress has already demonstrated well how adept it is at managing this budget process through fine print and loopholes. When we passed the Gramm-Rudman-Hollings Act in 1985, the deficit target for 1990 was $36 billion. In 1987, we revised the target to $100 billion. The actual deficit in fiscal year 1990 was $220 million. This is what happens when the process—and the fine print—meet reality. It is obvious that saying there will be a balanced budget does not make it so. As they say, the big print giveth and the fine print taketh away.

If we lack the will and leadership to balance the budget, we will not balance it. Instead, we will: Use timing mechanisms to shift spending and tax collection points between fiscal years to hit short-term targets; make optimistic assumptions about revenue collections, economic growth, and outlays; create off-budget agencies with their own Government-guaranteed borrowing authority—for example, Synfuel Corporation; pass increased spending cuts onto State and local governments through mandates or regulations.

One gimmick will spawn others. That is our own history.

This leads me to my third point: the Balanced Budget Amendment is no substitute for political courage. These amendments sound great. The special interests, crying spend-spend-spend, will not get their way as easily as before. It will take three-fifths of both Houses to further encumber our children with public debt.

What concerns me is actually the converse: that a two-fifths minority of either House can stop the Government in its tracks. For example, every year we have to increase the debt limit—something that is not likely to change soon with or without the Simon amendment. If we do not pass the ceiling, we shut down.

What an enormous opportunity for political games. This amendment's legacy may be more tough votes and more political leverage to a minority of Congress. We saw it with the Clinton budget package, we saw it with NAFTA. Close—and important—votes cost the taxpayer. I want my military base left open, my district's planes to be bought; I do not want this increase in grazing fees or that environmental regulation.

If this constitutional amendment had been in place during the 103d Congress, the Clinton budget package would not have stood a chance. Sixty Senators would never have supported that $500 billion deficit reduction package. The legacy of a BBA in the 103d Congress would not have been a balanced budget. It would not have created action. The effect would be the exact opposite. Higher deficits. Same old gridlock.

But gridlock this time is especially pernicious and leads me to a fourth point: the potential shift of power to the courts is unprecedented and dangerous. Legal scholars from Larry Tribe to Robert Bork oppose this amendment. Their analysis highlights several scenarios where the power to cut spending—and, indeed, raise taxes—will end up in the courts.

Scenario A: Gridlock. The Congress cannot muster to supply the votes to cut programs or increase taxes needed to balance the budget. At the same time, the Congress cannot supply the three-fifths support required to increase the debt ceiling or increase the deficit. The courts are required to uphold the Constitution and the Constitution says that outlays cannot exceed receipts, so the courts—

Scenario B: Wishful Thinking. Faced with difficult decisions, the Congress adopts a budget based on rosy projections of income and low outlays. Someone sues, asserting that Congress cannot balance a budget simply by saying it is so. The courts agree and—

The fact is we do not know what the courts would do. Maybe they would order the Government to stop spending or cut programs across the board. Or, relying on the logic expressed in the case of Missouri versus Jenkins, the courts might decree that receipts—that is taxes—have to increase. In any event, the courts would be moving into our Nation's fiscal policy in a way that is unprecedented, unfortunate, and unwise.

My final point is that, even in the abstract, the balanced budget amendment represents bad economics. The BBA attempts to make a balanced budget the foremost economic goal of the Government. I agree that the deficits we've been running are dangerous, and I admit to being as frustrated as any with the budget process. But not all deficits are bad, while a single-minded and simple-minded approach to fiscal control is.

A longstanding belief behind our economic policies has been the ability of fiscal spending to moderate our cyclical downturn. We have many programs in place that operate as automatic stabilizers. These programs—such as unemployment insurance, food stamps, and AFDC—assist those people who are most directly affected by a sagging economy.

Under the proposed constitutional amendment, unless 60 Senators agreed, these automatic stabilizers would have to be curtailed or other programs sacrificed to keep them going during economic downturns. Forcing discretionary cuts or tax increases in years when recession reduces tax receipts would be ill-advised. Balancing the budget is not unambiguously positive or appropriate.

Hundreds of economists, including Nobel prize winners lined up to oppose this amendment when we considered it in 1992. They were right.

Mr. President, let us reject these gimmicks. Let us reject government by slogan. The public have had enough. Last summer and fall, I repeatedly came to the floor to offer amendments to cut spending. One of my proposals received support by a majority of the Senate. It was not a lot, but it was something.

I encourage all of my colleagues to make these proposals. Let us consider these proposals, vote on them, and—hopefully—adopt them. We have been sent here to make tough choices, not mouth platitudes.

Mr. PRYOR. Mr. President, I come to the Senate today as a Member who has twice cast votes in favor of a constitutional amendment to balance the budget. In 1982 and again in 1986, I voted for such an amendment. I will vote "no" today, and I would like to discuss why.

During my years in the Senate, we have cast a number of other votes that would have gone a long way toward balancing the budget. The outcome of those votes have had a dramatic impact on me as I prepare to vote on the latest incarnation of the balanced budget amendment.

Only 2 years after 69 of us voted for the balanced budget amendment in 1982, we voted on a 1-year, across-the-board spending freeze. I voted for that freeze proposal, but saw it fail after gathering only 33 votes.

And only 1 year after 66 of us voted for a balanced budget amendment in 1986, we again had the opportunity to vote on a 1-year budget freeze. Again, I voted for that plan, and again it failed, mustering only 25 votes.

More recently, I was a member of a House-Senate conference committee that last August put together the deficit-reduction package that will cut the deficit by almost $500 billion over the next 5 years. That is real budget balancing in action, not a promise of it starting in the year 2001. But many Members who are voting for this constitutional amendment today were also supposed to be on that conference committee, making the tough choices they have been talking about for the last week, and they did not even bother to show up for the meetings. And out of the 55 cosponsors of today's balanced budget amendment, 40 voted against last year's deficit-reduction plan.

Just a few weeks ago, I voted for legislation that would save another $43 billion over the next 5 years, and watched as that vote mustered only 20 votes. Undoubtedly, many of the people who voted against the amendment will vote today for the balanced budget amendment.

All of this just goes to show that there is a great difference between the number of Senators who will vote for a balanced budget in principle and those who will make the actual tough choices it takes to balance the Federal budget. Balanced budget rhetoric is cheap, but unfortunately, it is plentiful in politics. As a result, proposals for a balanced budget amendment, as well intentioned as they have been, have served to provide political cover for those who will not make the hard choices.

We can no longer vote to provide such political cover. Members of Congress who are willing to make the tough choices it takes to balance the Federal budget simply cannot afford to hand over a figleaf to those who will run from such decisions. It is time for all of us to start making such choices and to quit telling people to "watch what I say, not what I do."

Mark Twain once said that "for every problem there's a simple solution—and it's wrong." Our experience over the past dozen or so years with the legislation to which I have previously alluded and with others, such as the Gramm-Rudman legislation—which I also voted for—have shown that there are no simple solutions, there are no silver bullets and there is simply no substitute for the hard work we must do and tough decisions we must make to balance this budget.

President Clinton, through last year's deficit-reduction package and through additional budget-cutting efforts this year, has shown a real commitment to doing what it takes to start balancing the budget now—not starting in the year 2001. By working with the President last year, a slim majority of Congress showed it was willing to come to the table and make hard decisions. It is time for the rest of Congress to join at the table and to leave the figleaves behind.

Mr. President, it is time to stop playing politics with this issue, and start making the tough choices we need to balance the budget. Let us not tinker with the Constitution.

Ms. MIKULSKI. Mr. President, I will vote against the balanced budget amendment.

We do need a balanced budget. But we should achieve it by following the steady, responsible course we adopted last summer when we passed the President's deficit-reduction package.

I strongly support cutting the Federal budget deficit—and we are doing that. With the President's deficit-reduction plan now in place, the deficit for 1995 will be $126 billion smaller than it would have been without the plan.

Among the many cuts we have made, we have reduced unnecessary foreign aid programs, eliminated the Federal honey and wool subsidies and limited Federal housing assistance. We also plan to reduce the Federal work force by 252,000 positions. We have made tough decisions and we will continue to make more.

The proposed budget for this coming year will terminate 115 programs. For example, it would end numerous oceanic research programs, kill defense weapons systems, and end oilseed export subsidies that will save $50 million.

We are making the cuts and tightening our belts. This is what the citizens of Maryland sent me here to do.

But a balanced budget amendment would put at risk the recovery we are in. It is a radical approach that could lead to job losses and tax increases.

A balanced budget amendment would put at risk commitments the Federal Government has made through Social Security and veteran's benefits. And, it would endanger our chance of passing health insurance reform, which in time will lead to more deficit reduction.

Finally, even if the balanced budget amendment passed, it would need to be ratified by the States and would take years to implement. We should continue the provable, positive steps we have been taking to reduce the deficit, which have led to our current recovery.

For these reasons I will vote against the balanced budget amendment.

Mr. WOFFORD. Mr. President, in 1991 I said I supported a constitutional amendment to balance the budget. While I have always been ready to consider improvements in the exact form of the amendment, nothing has changed my conviction that a constitutional amendment will help give Washington the discipline it needs to continue the progress we have at last been making in reducing the Federal deficit.

But for the tragic failure to impose self-discipline by the Congress and Presidents Reagan and Bush in the dozen years up to 1992, we would not now be turning to a constitutional amendment. It is hard to believe that a reckless policy of borrow and spend took us so far down the road into quadrupling our national debt from less than $1 trillion to more than $4 trillion.

Last year, we began to change course. We passed the largest deficit-reduction package in history. The deficit next year will be nearly 50 percent lower than first predicted. And we made this progress without damage to our economy. But we must do more.

A balanced budget amendment is not a cure-all. It does not tell us how to balance the budget. But it does tell us that we must balance the budget.

We will have to make difficult choices to achieve that goal. I have been willing to make those choices. That is why I voted for last year's $500 billion deficit-reduction plan. That is why I introduced some $75 billion in even deeper cuts in Federal spending. That is why I voted for more than 90 percent of the cuts in appropriations that were proposed on the Senate floor last year.

I respectfully disagree with my friends and colleagues who believe that the constitutional amendment will prevent the Federal Government from dealing with economic emergencies. It changes the rules—but will not prevent us from taking action.

I also disagree with those who argue that balancing our budget is a threat to critical domestic programs. I would never support a proposal that threatened programs such as Social Security and Medicare which serve so many Americans so well.

And I especially disagree with anyone who argues that passing the balanced budget amendment will prevent enactment of comprehensive health care reform. What is hard for me to understand is how some people support a balanced budget amendment and oppose health care reform, when everyone knows that health care spending is the driving force behind the deficit.

Whatever the final outcome of today's vote, we all must continue our work in cutting the deficit. And the most important order of business to make that happen is to pass health reform legislation that brings down the health care costs that are driving up that deficit.

We owe it to our children and grandchildren to live within our means today, so they are not saddled with debt tomorrow. A balanced budget amendment will help us fulfill that obligation.

Mr. BRYAN. Mr. President, I support a constitutional amendment to balance the Federal budget, and to accomplish that goal, last year, I cosponsored Senate Joint Resolution 41 introduced by Senator PAUL SIMON.

When I took the oath of office in 1983, as Governor of the State of Nevada, our State, like the Nation, was in the grips of deep recession. However, the Nevada State Constitution requires a balanced budget. The necessary, excruciating task of balancing the State budget took strong executive and legislative leadership. Those tough decisions were made and each year the State budget was balanced. Nevada is not alone in requiring a balanced budget. Many States across the Nation require Governors to submit, and legislatures to pass, budgets that reconcile revenue and expenditures.

Our burgeoning Federal deficit is the greatest crisis facing our Nation today. It is gobbling up our savings, robbing our ability to invest in infrastructure, and saddling our children with an enormous bill that will have to be paid. The deficit limits our policy options. Our choices remain small as we pay interest on our $4 trillion debt and future generations who inherit our liability will have even fewer alternatives.

We have heard much concern about the future of the Social Security trust fund during this debate. It is very important that the strength of the Social Security system be maintained. No person eligible for Social Security should ever have to worry whether there will be sufficient money to cover their benefits. There is nothing in the balanced budget amendment that targets or mentions Social Security. In fact, efforts to bring the budget deficit under control should strengthen the future of Social Security as it will allow the Government to meet its obligations to important programs, such as this, rather than spend hundreds of billions of dollars on interest on the debt.

In 1994, it is estimated the Federal deficit will reach $253 billion. Our deficit is growing at a rate of $4.87 billion per week. Imagine, Mr. President, every day the Federal Government spends $700 million dollars more than it takes in. The national debt, the cumulation of these deficits, has grown to over $4 trillion. These are staggering figures.

The last time the budget was balanced was in 1969. Since I was elected to this body in 1989, I have been frustrated by the complete inability of Congress and the President to solve this problem.

At the Federal level, it is clear that legislative solutions have not worked. In 1985, the Gramm-Rudman-Hollings Act was passed and the Federal deficit was $212 billion. In 1990, we passed the Budget Enforcement Act to reduce the deficit by almost $500 billion over 5 years. In 1993, Congress passed another Omnibus Deficit Reduction Act that was supposed to reduce the deficit by almost $500 billion over 5 years.

However, the President's budget, recently submitted to Congress, projects a deficit of $175 billion for next year. The problem is not getting any better. Even the President's budget projects that the longrun outlook is discouraging.

According to the Congressional Budget Office, if current policies stay unchanged, the Federal deficit will climb steadily after the late 1990's. CBO projects that the Federal deficit will climb every year after 1998, topping $360 billion in 2004.

The underlying deficit remains stuck at about 2.3 percent of the gross domestic product. The debt, expressed as a percent of gross domestic product, represents the ability of the economy to carry debt. When the debt-to-gross domestic product is rising, domestic investment is adversely affected. The deficit held by the public relative to gross domestic product has reached over 50 percent.

What kind of prospects are there for reducing a national debt that will have more than tripled in 12 years? Between the end of 1981 and the end of 1993, the national debt increased about three times as much as in the entire previous 194 years of U.S. history.

Mr. President, not only is the Federal deficit itself a problem, interest payments to service the debt are devouring precious Federal dollars. Gross interest paid on the national debt consumes over 14 percent of the budget—$298 billion. This growing portion of our Federal budget threatens to take over any other single item of spending.

As the debt service consumes more and more of the budget, the amount of resources that can be devoted to other needs are restricted. We are a country starving for resources.

Mr. President, a balanced budget amendment to the Constitution will force the President and Congress to approach this matter in a way necessary to evaluate spending and get the deficit under control. There are those who say a constitutional amendment is unwarranted, that the budget can be balanced any time the Congress and the President have the will to make tough decisions. The tough revenue and spending choices that have to be made have become the chief argument against an amendment.

Yet, however painful these choices are, these are not arguments against an amendment, but a complaint against fiscal responsibility. The balanced budget amendment is a means to an end. Demands on the treasury must be reconciled with how ample are the coffers.

Our amendment is straightforward and simple. It would require that total outlays for any fiscal year shall not exceed the total receipts for the fiscal year, unless three-fifths of the whole number of each House of Congress votes for excess outlays. It would require a three-fifths vote to increase the debt limit. It would require the President to submit a balanced budget to Congress. It allows the provisions to be waived in case of war. It would take effect beginning in 2001. And, finally, it requires the Congress to pass legislation implementing the balanced budget amendment.

Mr. President, the American public is crying out for action. We need to heed the advice of one of our Founding Fathers, Thomas Jefferson, who warned:

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its constitution; I mean an additional article, taking from the federal government the power of borrowing. * * * I place economy among the first and most important of republican virtues, and public debt as the greatest of the dangers to be feared.

Let us not wait any longer. Let us remove these shackles of debt and free ourselves from the prison of interest payments and pass a balanced budget amendment now.

Mr. DANFORTH. Mr. President, first, I would like to thank the distinguished Senator from Illinois and the distinguished Senator from Utah for their commitment and dedication to the cause of a balanced budget amendment to the Constitution. There is no question in my mind that these two Senators, along with Senator CRAIG, have been the moving force behind this amendment and that, after decades of debate, the amendment now stands its best chance of passage due to their efforts.

I also want to thank my colleagues for their willingness to give serious consideration to concerns which I have expressed about the enforcement mechanism contemplated by this amendment. The substitute which is being introduced today, incorporates language which I, together with Senators COHEN, NUNN, and DOMENICI, have asked to be inserted. Specifically, the language is as follows:

> The power of any court to order relief pursuant to any case or controversy arising under this article shall not extend to ordering any remedies other than a declaratory judgment or such remedies as are specifically authorized in implementing legislation pursuant to section 6.

This language is intended to ensure that our Constitution's separation of powers is respected in this constitutional amendment. Although not intended by the authors, I have long feared that the courts under the amendment would have the power to order equitable remedies that would forever entangle the judiciary in powers delegated by the Constitution to the legislative branch. My main concern, fueled by a recent decision of the Supreme Court, Missouri versus Jenkins, has been that courts would feel compelled to order increases in taxes if Congress failed to exercise its constitutional responsibility to balance the budget.

Our language would ensure that courts do not exercise extreme equitable powers unless Congress specifically authorized them to do so. Moreover, in the event that, some time in the future, Congress found that some additional remedy was needed, it could grant that power to the court. This would have to be done democratically, through a majority vote by elected representatives of the people and not via the overreaching of an unelected judge. Congress has jealously guarded its own powers in the past and I trust that we will continue to do so in implementing legislation under this amendment.

Mr. COHEN. Mr. President, I want to commend Senator DANFORTH for his diligent efforts to assure that the balanced budget amendment would not lead to judges usurping Congress' power of the purse. I have been pleased to work with him and Senator NUNN and Senator DOMENICI on limiting the authority of the Federal judiciary with respect to budget policy. When the Senate debated the balanced budget amendment in 1982, I supported an amendment by Senators GORTON and RUDMAN to limit the role of courts in enforcing the balanced budget amendment. Unfortunately, the Senate did not accept that amendment. Subsequently, I offered an amendment authorizing courts to order a full range of remedies with respect to the balanced budget amendment. I then motioned to table my own amendment, and this motion passed 96–0. I pursued this strategy to make clear that the rejection of the Gorton-Rudman amendment should not be interpreted as the Senate's intent to have Federal judges making budget decisions. I am pleased today to join Senator DANFORTH in offering language to the balanced budget amendment which makes clear that the Senate strongly opposes the prospect of judges raising taxes or cutting spending in enforcing the amendment.

Mr. NUNN. The Senator from Missouri points out that the modification would prohibit courts from devising their own tax increases under the amendment. But the intent of this modification is also to prevent the courts from substituting their own spending priorities for those of the Congress. This amendment would preclude judges from ordering spending cuts in certain portions of the Federal budget but not in others, or devising court-ordered mixtures of tax increases and spending cuts.

Mr. DANFORTH. The Senator from Georgia is correct. This modification prevents the courts from assuming under this amendment either the taxing or the spending powers that have been granted to the Congress.

Mr. SIMON. Mr. President, I want to commend the Senators on their addition to the amendment. I was wondering if I might pose a few questions to clarify my understanding of its meaning?

Mr. DANFORTH. Certainly.

Mr. SIMON. I appreciate the earnest and careful consideration which my colleagues have given to this issue. I believe the language helps to clarify the role of the courts in enforcing the amendment, and I welcome the Senator from Missouri's support for the amendment as a result of its inclusion. I might add that I believe the balanced budget amendment prior to the addition of this language precluded any interpretation of the amendment that would have resulted in a shift in the balance of powers among the branches of government. That being said, I welcome the language as clarifying the intent of the sponsors all along. My question for the Senator from Missouri is the following: Is it his intention to prohibit Congress from specifically authorizing judicial remedies beyond declaratory judgment in the implementing legislation called for in section 6 of the amendment?

Mr. DANFORTH. That is not my intention. I just want Congress to retain control over what remedies are permitted to the courts and what remedies are not afforded to the courts. In the absence of implementing legislation, however, I want the amendment to be clear that a court is not empowered to order any remedy other than a declaratory judgment. My fear has always been that if we did not specifically limit the remedial powers of the judiciary in the amendment, the courts would assume that they had every remedy available. That would be too great an extension of judicial power, at the expense of the legislative branch. It is my expectation that Congress will act prudently and refuse to expand traditional judicial roles in implementing legislation. Certainly, this legislation does not expand the courts' existing jurisdiction.

Mr. SIMON. I thank the Senator for his explanation. I would like to clearly state my position on this point. In my view section 6 of the amendment—prior to this modification—gave Congress wide flexibility to fashion an appropriate enforcement mechanism. Indeed, under section 6, Congress retained authority to specify in the implementing legislation both the type of litigant who could sue under the amendment and the judicial forum permitted to hear such cases. In my view, the modifying language added by my colleague from Missouri does not alter Congress' flexibility in this regard. Does my colleague agree?

Mr. DANFORTH. Yes, I do. Although the language of section 6 on its face neither limits jurisdiction over suits to any particular court nor restricts standing to a specific group of plaintiffs, it certainly leaves Congress the option of taking either step in its implementing legislation.

Mr. HATCH. Would the Senator yield for a question?

Mr. DANFORTH. I would gladly yield to my friend from Utah.

Mr. HATCH. Is there anything in the amendment as offered, including the Senator from Missouri's language, which is intended to alter or expand in any respect the Supreme Court's decisions interpreting standing, justiciability, the political question doctrine, or any other of its decisions limiting judicial review, Federal court jurisdiction or the ability of the courts to fashion relief?

Mr. DANFORTH. Absolutely not. It is not the intention of the authors of this language to expand the jurisdiction of any court under the amendment. This language is directed at limiting the remedies available to a court, once a party has successfully brought a case of controversy before the court. That is the reason that the terms "case or controversy" were included in the language added to the amendment.

Mr. DOMENICI. Mr. President, I decided to join the senior Senator from Missouri on this issue because I am concerned that this amendment might be interpreted to grant new powers to the judiciary.

Over the history of the Senate's consideration of the balanced budget amendment I have always been troubled that this amendment to the Constitution might disrupt the balance of powers in our Constitution. In the past, I have either offered or insisted on language similar to that which is included in section 6 of the current amendment making it clear that it is Congress' responsibility to enforce and implement this amendment to the Constitution with appropriate legislation. The addition of the language suggested by the Senator from Missouri clearly limits the judiciary's role.

I am still troubled that the proposed amendment to the Constitution might be interpreted to grant new powers to the President to impound funds or raise taxes. I wonder if the managers could respond to whether this amendment provides any impoundment or taxation authority.

Mr. HATCH. I would be glad to respond to the Senator from New Mexico. The short answer to his question is "no." This constitutional amendment provides no new authority to the President beyond what is provided in article II of the Constitution. Moreover the amendment does not erode any of the powers granted to the Congress under article I of the Constitution. The only mention of the President in the amendment is to require the submittal of a proposed budget in which total outlays do not exceed total receipts.

Mr. SIMON. I agree. I would like to emphasize that, whether or not the President currently possesses an authority to impound funds, this amendment does not grant the President any new powers of impoundment. Indeed, the amendment contemplates that the Congress will determine, in its implementing legislation, the President's role in enforcing the amendment. Congress' ability to regulate executive authority under the amendment is underscored by the committee report to Senate Joint Resolution 41, which states that "Congress is to enact legislation that will better enable Congress and the President to comply with the language and intent of the Amendment." Similarly, section 6 of the amendment states that Congress—not the President—shall "enforce and implement" the amendment. I think there can be no question that the President's authority to impound funds under the amendment—to the extent that such authority exists—may be limited by Congress in implementing legislation.

Mr. BIDEN. Mr. President, we have heard much during the debate on this issue about our responsibility to future generations. I believe that this is the appropriate way to frame the choices before us today: how can we best serve the enduring interests of the American people?

No vote we cast today, whether for or against the proposals before us, will cut a dollar from this year's deficit or from the accumulated debt of recent years. No, Mr. President, today we are not voting to cut deficits or to reduce the national debt—we are voting on the means by which we will reform the Federal budget process.

More significantly, today we face decisions on amending our Constitution, decisions intended to have permanent effects on the way we make our budget decisions, and on the fundamental structure of our Government itself.

So let us not mistake any vote today for the tough choices that—whatever we do—will still stand between us and a balanced budget.

Personally, Mr. President, I face a decision to amend our Constitution with caution and a great deal of humility. Certainly, tough decisions will be required to restore balance to Federal finances, but it is by no means clear that by simply invoking the Constitution we will make those decisions any more likely.

Humbled by the knowledge that we will be prescribing budget procedures for future generations, I want to be sure that we do not unintentionally saddle them with unworkable, counterproductive mandates in our most fundamental law. I do not want to undo the carefully constructed checks and balances, or the principle of separation of powers, that make our Constitution a model for popular government around the world.

But I am afraid that is exactly what Senate Joint Resolution 41 will do. Two years ago, and again last year, I voted to send this proposal from the Judiciary Committee to the whole Senate for debate. On both occasions I listed in the committee report a number of concerns that I have raised over the years about the way this proposed amendment to our Constitution would work. Because of those concerns, I have voted against similar proposals the last two times that they came to the floor of the Senate.

Those problems are still in the Simon amendment before us today.

As I stated at the time of those votes, I did not disagree with the proposition that our Federal finances are in a deplorable state. I did, Mr. President, express doubts that the Simon proposal could improve our budget practices, and concerns about potential damage to our Constitution far beyond its intended consequences on budget decisions.

At the top of my list of concerns about the Simon proposal is that it writes into the Constitution the use of Social Security surpluses to cover up the real deficit in our country's annual budgets. Many of my colleagues have registered this same concern, that Senate Joint Resolution 41 would use Social Security trust funds—funds that are needed to meet Social Security's legal and moral obligations in the next century—to hide current operating expenses.

So my colleagues will know what is at stake, let me show what this practice will mean. In the year 2002, 1 year after the Simon proposal would take effect, the surplus in the Social Security trust funds will be—for that 1 year, Mr. President—the surplus will be $110 billion.

That is, Mr. President, under this so-called balanced budget amendment we could run a $110 billion deficit and count the budget as balanced. We need to be honest here. If we are going to spend more money than we have to pay for new missiles, or new highways, or medical research, we should not hide behind funds that legally and morally belong to the Social Security system.

In addition to the comments I added to the last two committee reports on this proposal, I also explained my concern about this provision of the Simon amendment in a statement for the RECORD 2 years ago.

Mr. President, we voted in 1990 to treat those funds honestly, to keep them off budget; I see no reason to put them back on budget now, and certainly not to put such a provision in the Constitution.

Senator REID'S amendment protects Social Security from this budgetary gimmick, which is one of the many reasons why I will vote for it.

Mr. President, I am sure that my colleagues recall the famous compromises between large States and small States that shaped the structure of our Constitution. As a Senator from a small State—and, Mr. President, from the first State to ratify our Constitution—I am particularly sensitive to those features of our Constitution that we intended to protect the interests of small States.

By requiring three-fifths majorities to make key economic decisions, Senate Joint Resolution 41 puts in the hands of minority—40 percent plus one of either House of Congress—the power to dictate terms to the majority.

Mr. President, as the distinguished President pro tempore has conclusively demonstrated, the five most populous States could, through the provisions of Senate Joint Resolution 41, threaten to shut down the Government of the United States—by refusing to pay our legal debts. That threat could be used to extract concessions from all of the other States on virtually any legislation.

Legislation debated here in the Senate has effects on every State in the Union; the laws we pass allocate funds among the States for the many functions of government. As my colleagues from less populous States know well, as we undertake the difficult decisions needed to bring our budgets into balance, the first to feel the pain will be those without the votes to defend themselves.

Large and medium States will, I am afraid, find it very easy to sacrifice the small States to achieve savings in highways funds, educational grants, and other programs.

Let us assume that Congress faces an unexpected $20 billion deficit. Are representatives going to vote to bust the budget when they can make cuts that would not affect their own States? With big States holding the threat to shut the Government down, the temptation would be enormous to go after the little guy. Large and medium States would find it too easy to grab the minimum funding that small States are promised, for example, under the crime bill. Smaller States would be cut out of the pie.

This is just the sort of problem that our current bicameral legislature was designed to avoid, representing States as equals in the Senate, representing citizens by numbers in the House.

Additionally, Mr. President, Senator SIMON'S proposal would lead Presidents to impound funds, authorized by Congress, that may exceed revenues in a given year. I am afraid that the largest States—with the most electoral votes—would be much more important than small States to any President confronted with such choices.

So Senate Joint Resolution 41 would upset the carefully crafted balance of powers in our Constitution, and would do so in ways that are particularly harmful to the interests of small States. The Reid substitute however, does no such damage to the Constitution or to small States.

Mr. President, the Reid amendment avoids other problems raised by the Simon amendment.

We have often heard from proponents of Senate Joint Resolution 41 that the Federal Government must balance its budgets, just as the States, businesses, and private individuals must do. I agree. But the Simon amendment would not do that. It would prohibit the Federal Government from making investments now that will pay off in the future, investments that are part of the budgets of every State, business, and family.

The Simon amendment would outlaw such investments. Two years ago, I put into the RECORD a statement on State budget practices, and showing that balanced budget requirements in the States do not apply to the State's investment budgets.

Senator REID's amendment prudently permits the Federal Government to make needed investments, to do exactly what the States do with their budgets, under balanced budget requirements very different from the one proposed by Senator SIMON.

States sell bonds to fund public projects, businesses borrow to invest in new buildings and equipment, and families borrow for a home or a college education. The Federal Government should not be prohibited—and certainly not in the Constitution—from making capital investments.

Senator SIMON's amendment ignores the important role investments play in the finances of every institution in our society, and imposes a rule on our Federal Government that virtually no other government in the industrial world must follow.

Mr. President, it is difficult to predict what effect our laws will have. An important lesson we should all have learned from our experience as legislators is that often our attempts to fix one problem only end up causing another. The threat of such unintended consequences is particularly serious when we undertake to amend our Constitution.

But we are not without guidance on the issue before us today. I ask my colleagues to remember two experiments from our country's past that give us some evidence of the potential effects of Senator SIMON's amendment. The first was an attempt to write another moral prohibition into the Constitution, the second was a fiscal policy that put a balanced budget ahead of every other goal of Government.

The lesson from our attempt to prohibit the manufacture and sale of alcohol is clear: that moral mandate written into constitutional law, however strong the public support was at the outset, demeaned our basic charter. We found after a decade of disrespect for the law how far from the hopes of its sponsors the actual effect of an amendment to the Constitution can be.

And, Mr. President, let us not forget that we have tried earlier in our country's history to make a balanced Federal budget the primary goal of economic policy. The last President to put this approach to the test was Herbert Hoover. Senator SIMON's amendment assures that except for extraordinary circumstances—by my count, two separate votes by two-thirds of the whole of both Houses—we will make Herbert Hoover's economic policy a constitutional mandate.

To be honest, Mr. President, the Reid proposal I support here today—the one that I hope will prevail—would also add new, as yet untested provisions to our Constitution. I cannot be sure what the consequences of those changes will be. But I am convinced that we must do something, and do something now, to compel the tough decisions needed to restore balance to our Federal finances.

And I believe that the Reid amendment promises greater discipline in our budget process without attacking the fundamental principles of our representative government.

I will vote today for Senator REID's amendment because it addresses each of the concerns that I have expressed—over many years now—about the approach chosen by Senator SIMON.

The proposal I support requires the President to submit a balanced operating budget to Congress every year, and requires that the budget that Congress passes, with due allowance for investments, be in balance every year. It makes a balanced annual budget the constitutional norm, but does not attempt to repeat failed experiments from our country's past.

I believe it is the best choice to meet our responsibilities today, and to fulfill our obligation to our country's future.

The PRESIDING OFFICER. Under the previous order the next 20 minutes are allocated to the Republican leader.

Mr. DOLE. Mr. President, I yield 4 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, I, too, am a student of history. And I, too, have studied this amendment and the various times it has been before this body.

While doing so, I happened to have come across one of the most impressive statements that has been uttered on this subject that I know of, dated August 4, 1982. Those are the words of the distinguished chairman of the Appropriations Committee. Those words were so impressive that they bear repeating before this body today. I will not say them in whole, but I will repeat the most impressive and compelling parts:

> Nonetheless, I have decided to cast my vote in favor of the amendment.
>
> There are two main reasons for my decisions.
>
> First, we must all agree that excessive Federal deficits are a matter of genuine concern. Somehow, we must break our old habits and move back toward more prudent, more responsible fiscal policy. This amendment, even if imperfect, can be an instrument to help us in that difficult task.

The distinguished then minority leader went on to say:

> We have never had deficits in this country like we have today. We face an extraordinary situation, and perhaps the extraordinary step of a constitutional amendment is what we need to start on the road back to economic responsibility.
>
> Second, Mr. President, we must recall that the vote today is not the end of the process, but only the beginning. If the Senate approves this amendment, and if the House of Representatives approves a similar measure, in all likelihood a conference will be necessary to develop a new version to be considered by both Houses. It is my hope that many of my concerns and those of my colleagues will be alleviated by the work of that conference. If a conference version is approved by both Houses, three-quarters of the State legislatures must then ratify it in order for it to become law. A great national debate will take place. I believe that debate will be healthy. I believe it will force citizens and elected officials to focus on the urgent questions of public spending and national priorities.
>
> Under our Democratic system, to put a question of this magnitude directly to the people is a wise and proper action.
>
> Therefore, I will vote for the amendment, and thus vote to put this question directly to the American people. I cannot doubt that their ultimate decision will be the right one.

Mr. President, I congratulate the distinguished chairman of the Appropriations Committee on those words.

Mr. President, since those words were uttered, I do not believe that the history of Greece has changed. I do not believe that the history of Rome has changed. I do not believe that the history of England has changed. And I do not believe that the history of the United States has changed. I will tell you what has changed since 1982: Ronald Reagan is no longer President of the United States, and the distinguished Senator from West Virginia is now chairman of the Appropriations Committee.

The fact is, Mr. President, the American people demand we pass a balanced budget, they deserve it, and they will get it sooner or later. There will be a balanced budget amendment because by a 4-to-1 margin, the American people support and want this amendment and they will get it because the will of the people will be done.

I yield the remainder of my time back to the distinguished Republican leader.

Mr. BYRD. Will the distinguished Republican leader yield me 1 minute?

Mr. DOLE. Yes.

Mr. BYRD. Mr. President, the distinguished Senator from Arizona mentioned my name and he made reference to my vote in 1982, and he is perfectly right. He did not, however, point out that I had changed my mind by 1986 and voted against a constitutional amendment. James Russell Lowell said that only the foolish and the dead will never change their opinion. Well, I was not foolish and I am not yet dead, thank the Lord, and I changed my mind. I changed my mind in 1986. I made the right decision then, and I stand by that decision today and that is the decision I am taking in this instance.

I thank the distinguished Republican leader for his courtesy.

Mr. DOLE. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Republican leader has 15 minutes 47 seconds remaining.

Mr. DOLE. Mr. President, there has been a great deal of debate on this amendment, and I want to congratulate the parties on both sides for the debate. I know they are committed. But I really believe, as the Senator from Arizona just pointed out, the American people are not going to let us off the hook so easily.

I assume we do not have the 67 votes needed, and I am not certain what will happen in the House. But if the House should pass the amendment, I hope we would have a chance to maybe revisit this next year in the U.S. Senate.

I think we can say we have tried a lot of bipartisan, partisan, nonpartisan—whatever—ways to deal with the deficit. My colleague, Senator KASSEBAUM, had a good piece today in the Washington Post in which she argued against amending the Constitution. She said we ought to amend our ways and we ought to make the tough choices and we ought to make the tough votes. If everybody believed that as strongly as my colleague, I would say that is what we ought to do.

It seems to me if other people do not balance their budget, they are out of business or they are in bankruptcy or they are in deep trouble or they are running to the bank, but that is not the case when we do not balance the budget.

When the budget was released earlier this year, President Clinton all but declared victory against the Federal deficit. Anyone who took a careful look at the numbers quickly realized any improvements in the deficit picture are temporary at best. The Congressional Budget Office forecasts the deficit will soar to $365 billion by the year 2004 and interest payments—that is right, just interest payments—will be $334 billion per year. That is more than this country will spend on all domestic discretionary programs in 1994, including programs for education, childhood immunization, and AIDS research, just to name a few.

By the year 2004, the debt held by the public will be $6 trillion, that is $6 trillion with a "T." For that much money we can buy an in-ground concrete swimming pool for every homeowner in the country, pay a 40-hour-a-week minimum wage paycheck for every person in the world, pay a year's tuition to Harvard University for every person under 18 in the United States, and send every person over the age of 18 in the United States on a 2-week Club Med vacation. We can do all those things and still have $5 trillion left.

Deficit spending, I think, everybody agrees is a drag on our economy. Former Senator Paul Tsongas explained at last week's hearings:

> A nation spending $212 billion a year this year on interest on the debt will be less competitive than if it had invested the same $212 billion on our industrial base. Translated, this means that all across America jobs that could have been are not, and as a direct real-life consequence thousands of American families woke up this morning pained by a joblessness that was caused not by their inadequacy but by the fiscal irresponsibility of their leaders.

The penalty for future generations is even higher. According to the President's own fiscal year 1995 budget report, average net taxes for future generations will be a walloping 82 percent of their income—an 82-percent average tax rate. That compares to a net tax rate of just 23 percent for people born in 1900. No doubt about it, simple fairness to future generations is the most compelling reason to support a balanced budget amendment.

We have made statements on the floor: "You can bill me later; when does the credit card come due?"—all these things. The bottom line is somebody is going to have to pay sooner or later. Somebody is going to call in the credit card and we are going to be out of luck.

I think there are some who would say, "Well, we support this balanced budget amendment," then they go ahead and vote like they always did. In fact, I got a little shaken up when we had the vote on trying to pay for the earthquake. We got 43 votes. We were not trying to withhold aid, we were trying to pay for it—"pay as you go"—and we could not get 51 votes. That has shaken me up on a balanced budget amendment.

I do not know if we can make the tough votes. We do not like to pay for things. We say it is an "emergency." It is an "emergency," but somebody has to pay for it. So billions and billions of dollars are charged up to the future generations.

First, I want to commend, as I did, the Senator from Illinois [Mr. SIMON], the Senator from Utah, [Mr. HATCH], the Senator from Idaho, [Mr. CRAIG], and the Senator from South Carolina, [Mr. THURMOND], and others who have taken the lead. This is not an easy thing to do.

I also want to remind my colleagues of the 1985 budget debate when we pushed through a budget by a vote of 50 to 49 at 2 o'clock in the morning—50 to 49—we had to bring Governor Wilson, then Senator Wilson, in from the hospital. Vice President Bush flew in from Arizona to break the tie. One Democrat voted with us. It was a tough vote. We froze COLA's. We made all these tough choices. We made the tough votes. So I know how tough it is to make tough votes.

Many Republicans have also supported a cap on entitlement spending and fought to pay for emergency spending with cuts in other spending programs. If we had a balanced budget amendment, maybe we would have the discipline to make those tough choices.

Oh, there may be a few who just say, well, this is an easy way out; even if I vote for everything else, and I can always talk about my vote on the balanced budget amendment. But that is going to be the exception. Balancing the budget will not be easy, but we were elected to make tough calls, not see who can make the biggest excuses.

So to my colleagues on this side of the aisle—and I think we are going to have nearly every one of our colleagues support this amendment, all but three—I commend them for their support.

We have supported measures in the past and we will support them again, when the balanced budget amendment forces Congress and the President to face the music and to make tough choices.

Two weeks ago, all of our offices received copies of the administration's nightmare scenarios of what would happen if the balanced budget amendment passed. The New Republic wrote that the Treasury's examples "are not an argument against a balanced budget amendment. They are an argument against a balanced budget itself."

If that is what we want to do, that is what we can do. The bottom line is this administration is looking for every excuse in the book to spend more money than Americans are willing to pay for in tax dollars.

In reality, the burden to balance the budget will be difficult but not as difficult as the administration would like us to believe.

We came very close before. It is going to happen, as the Senator from Arizona said, if not this year, next year or the next year.

We are not going to mechanically cut spending across the board. Congress and the President will, as they have in the past, set priorities and reduce spending in marginal programs.

The Treasury study exaggerates the depth of the cuts by assuming no action is taken until 1997. The cuts are much more likely to be stretched over 6 or 7 years, resulting in a reasonable glide path to a zero deficit.

Another red herring being promoted by opponents is the Social Security issue. The biggest threat to Social Security is not the balanced budget but the Federal Government's fiscal irresponsibility. As our interest payments mount, Congress will be increasingly tempted to raise the trust funds to make our balance sheets look better. Putting our house in order now will ensure Social Security remains sound for this and future generations.

Many of us were here in 1983, and we are very proud of the role we played in putting Social Security back together again. It was in deep, deep difficulty. In a bipartisan agreement that passed the Senate by an overwhelming vote, passed the House by an overwhelming vote, and was signed by President Reagan. The Social Security system is now sound.

The argument that a balanced budget amendment will force us to balance the budget in periods of recession also holds no water because you can waive that, if necessary, with a three-fifths vote in each House. This is a necessary safeguard for an administration that likes to bypass spending ceilings by calling 4-year-old highway repair projects emergencies. That was an issue we raised in an earlier debate where something that had happened 4 years ago in 1989, suddenly was called an emergency in 1994.

I would conclude by saying this amendment is not perfect. If I could do one thing to improve this constitutional amendment, it would be to add a tax limitation provision, which would require a three-fifths vote for tax increases above the rate of economic growth.

I have been a cosponsor of this provision in the past and would support it again if it had been offered during this debate. The consensus among the supporters was that House Joint Resolution 41 would have the best chance of passing if no additional changes were made, and certainly I yield to the wisdom of those who have been on this day and night in the past several years. So, we agreed not to offer a tax limitation amendment.

Another concern, put forward most notably by Judge Bork, is that Congress may be tempted to balance the budget by mandating increases in State and local spending or by regulating private industry into doing what the Federal Government cannot. For example, requiring businesses to pick up the tab for health care spending may not cost the Federal Government a dime, but it will bankrupt companies around the country and cost many Americans their jobs.

This is a real danger and one that Congress must guard against. But in my view the dangers of an unbalanced budget greatly outweigh the risks of Congress passing the buck to local governments. I do not think we could get away with that very long.

So I say again I wish to express my appreciation to Senators SIMON, CRAIG, HATCH, THURMOND, and many others who have done everything possible to keep a constitutional amendment to balance the budget on the front burner in spite of fierce opposition, opposition from my friends in the Democratic leadership and President Clinton.

Two years ago the amendment was defeated by 9 votes in the House. I say again, if we could pass this amendment, if people really take a look at it—there are still a few minutes here—then I think we could pass the 28th amendment to the Constitution.

Mr. President, I think this vote is going to separate a lot of people. The American people understand this vote. Maybe there is some way you can explain it away, maybe if you live in a safe enough State where a 3 to 1 registration does not make any difference. But if you really are as concerned as the American people are concerned about the future, forget talking about the fourth quarter of last year, and all these things that are temporary. We are looking at the next 10, 15, 20, 30, 40 years under Democrat and Republican administrations, Democrat and Republican Senates, House. If we do not want to make that choice, then I am certain the American people will take notes.

I am not suggesting this is a perfect amendment, as I said. I know there are things that others would like to have done. I can tell from the vote earlier today when you put up a fig leaf, the American people are not going to buy a fig leaf. The Senate did not buy a fig leaf. The fig leaf was defeated by a vote of 78 to 22—78 to 22—which means this amendment ought to pass by a vote of 78 to 22, unless I have missed something.

So this is the amendment in my view that deserves the support of our colleagues across the aisle, both sides, nonpartisan, bipartisan, call it what you will. If you vote yes, you will be casting your vote for the next generation of Americans and someday they will appreciate it.

Mr. President, I have how much time remaining?

The PRESIDING OFFICER. Three minutes remaining.

Mr. DOLE. Then I have leader's time?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. I would like to yield 5 minutes to Senator HATCH and 5 minutes to Senator SIMON.

The PRESIDING OFFICER. The Senator has that right.

Mr. DOLE. And then I yield back the remainder of my time.

Mr. HATCH. Mr. President, I thank the minority leader. I thank him for his remarkable statement here this evening. This is a very important vote. Right now it does look as though we are not going to make it unless some people who really understand how important this vote is change their minds.

Mr. President, this battle has to be waged, and it will be waged year after year after year until we finally pass this balanced budget amendment. For almost 60 years, we have spent this country right into bankruptcy. I have mentioned how the increases in the national debt have increased our annual interest payment that we are just throwing down the drain. That debt is now involving $18,000 per individual man, woman, and child and almost $3,000 in interest payments every year per individual taxpayer in this country. And yet we have people on this floor saying: Look, we only have to have backbone and we have to stand up and have the guts and the right to do this ourselves. But for 60 years, we have not done it.

Mr. President, we can go on and on doing what we are doing, with no real fiscal discipline, because there is no real obligation to do it, just funding everything as though the moneys are there, and gradually reach a point where we have to monetize the debt and our dollars are not worth very much. If we keep doing that, we will have truly abdicated our responsibilities and we will send this country right down the drain.

What really bothers me is not so much that we are making these mistakes that might hurt us in this day and age. We are making them for generations to come—for our children, our grandchildren, our great grandchildren. Ultimately, if we keep going this way, there will not be any real defense funds in this country. There are not going to be the solid valuable Social Security funds for payments that will need to be made. Those who need these funds will be the first people to get hurt.

If we continue on the way we are, we are going to have a devaluation of the dollar; we are going to have more inflation; we are going to have more difficulties along those lines. In the end, what is going to happen is we are going to have everybody hurt who is on a fixed income, who has nowhere to look but to the Government, and the Government will not be there as it should because we have run it into bankruptcy.

Mr. President, this amendment just does some very simple things. It says that if you want to spend, you can, but you have to have a three-fifths vote to do it if you want to go beyond a balanced budget. If you want to increase taxes to help a balanced budget or otherwise, you can, but you have to have a constitutional majority of at least 51 Senators in the Senate to vote for it.

It provides in article VI that Congress can set up a system of reaching that balanced budget on a glidepath to 2001. If we do these types of things, we will then set in place the fiscal discipline so that Members of Congress will have to make priority choices among competing programs, and that will be very beneficial to the country.

I despair for my grandchildren. Elaine and I have 14 grandchildren. I do not see a great future for them, if we do not start doing what is right in the Congress. Just saying we are going to do it does not cut the mustard. There are too many conflicts. As much as people decry Gramm-Rudman-Hollings, it did work to a degree, and did have our deficits path going downward, but we could not live up to it because it was a mere statute. It was not in our basic document. Faithfulness to it was not imposed by an oath of office upon all of us. If it had been a constitutional amendment certainly we should have taken it seriously. But it was not, and we did not, and it did not work.

I remember back in 1979 when Harry Byrd came on the floor, and he passed a bill that required us to balance the budget by a certain few years hence. It required an overwhelming vote to do otherwise, and it was ignored the day afterward by any subsequent spending proposal that passed by a majority vote.

That is what has been going on for 60 years. That certainly has been going on for 33 of the last 34 years during which time we have never balanced the budget, and we are incurring more and more increasing deficits. True there will be a little dip because of the tax program of the President passed this last year. We will have the budget deficit go down just a little bit, up through 1996, and all of a sudden it shoots straight up in the air again. What are we going to do—tax the American people more, spend more? Nobody seems to want to do what it takes to really get this budget or this economy under control.

Mr. President, we could do something about it here this evening. We could vote for this balanced budget. It takes 67 votes on the floor this evening. If we vote for it, we will be on our way to fiscal sanity, on our way to solving these problems, or we can ignore it and we can continue just the way we are with the promises that we are going to get things under control because we should have the fiscal discipline to do it.

I thank the Chair.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, first I want to thank Senator DOLE for yielding the time.

We heard my friend, Senator ROBERT BYRD, say we are injecting fiscal policy into the Constitution. Fiscal policy is in the Constitution a great many times already. We are adding a protection. That is what the Constitution is. It is a protection for the people against governmental abuse. And anyone who has looked over the last 25 years who does not believe there is governmental abuse, you are living in a dream world.

Listen to Prof. Larry Tribe. He is opposed to the amendment. I do not want to mislead anyone. He was the lead witness against the balanced budget amendment 2 years ago. Listen to what he said in his testimony before the Senate committee:

> Despite the misgivings I expressed on this score a decade ago, I no longer think that a balanced budget amendment is at a conceptual level an ill-suited kind of provision to include in the Constitution. The Jeffersonian notion that today's populace should not be able by proliferate borrowing to burden future generations with excessive debt does seem to be the kind of fundamental value that is worthy of enshrinement in the Constitution. In a sense, it represents a structural protection for the rights of our children and our grandchildren.

Second, the Senator from Maryland said we really do not have that much debt. There is no problem on monetizing the debt. The reality is when he quotes the statistics he ignores something very fundamental. The gross debt in 1945 was about 130 percent relative to GDP. But there was virtually no corporate and consumer debt. When you add consumer debt and corporate debt to Government debt today, we have roughly 200 percent. Just take the OMB figures. We are headed toward a policy and a situation where every other nation in history has monetized the debt.

We heard a great deal of history from our colleague, Senator BYRD. We did not hear one bit of history, and that is every other nation that has gone down this road has started printing money, has had hyperinflation, and has monetized the debt.

Then finally, Senator BYRD indicated that Thomas Jefferson, George Washington, and James Madison would be voting against this amendment.

I cannot speak for them real candidly. But when I read what Thomas Jefferson had to say about debt, I have a pretty clear idea. When I look at Washington's Farewell Address, he spends a good portion of his farewell address telling the Nation to avoid the accumulation of debt. I think it is very clear what our Founding Fathers wanted.

Again, every generation of Americans has taken care of themselves and invested in the future up until this generation. We are partially taking care of ourselves and borrowing from the future.

That has to change, Mr. President. We have the opportunity tonight to change it, and I hope we do the right thing for our country and for the future.

The PRESIDING OFFICER. Under the previous order the next 20 minutes are allocated to the majority leader.

Mr. MITCHELL. Mr. President, I yield 2 minutes to the Senator from Maryland from my leader time.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I want to make two points. First, I want to underscore the fact that Laurence Tribe was against the balanced budget amendment. The Senator from Illinois stated this at the outset, but he then partially quoted Larry Tribe. The fact is that in the course of the full passage, Tribe was against the balanced budget amendment.

Mr. SIMON. I said that.

Mr. SARBANES. Second, with respect to Jefferson, when Jefferson made his address to Congress regarding the Louisiana Purchase, this is what Jefferson said:

> Should the acquisition of Louisiana be constitutionally confirmed and carried into effect, a sum of nearly $13 million will then be added to our public debt.

The Senator has cited Jefferson time and time and time again. The fact of the matter is when Jefferson had the opportunity to make the Louisiana Purchase, which was an enormous step for our Nation, Jefferson was prepared to incur public debt as this quote which I have just read from Jefferson's message to the Congress clearly states.

I thank the majority leader.

Mr. MITCHELL. Mr. President, for many years and with greater urgency since 1982, when the Federal deficit first exceeded $200 billion, all Americans have known that we must act to bring the deficit down.

Consistently large budget deficits damage our economy. They zap economic growth by diverting resources from productive investments. They add to the debt, and to the interest we must pay on the debt each year.

That diverts resources from longer range investment in infrastructure and education, two crucial investments in economic growth where Government plays a leading role.

Yet, while virtually all agree on the diagnosis, reaching agreement on a cure has not been easy. Every Senator knows what has to be done to reduce the deficit. There is no mystery about it. We must control the cost of health care. We have to slow down the rate of increase in the fastest growing Federal programs, Medicare, and Medicaid.

Left unchecked at today's rate of growth, by the turn of the century these two programs alone will cost almost as much as everything else in the budget except Social Security. Medicare and Medicaid would almost equal the costs of every other program, from national defense to national parks.

But the Senators most anxious to announce their devotion to balancing the budget are not embracing health care cost reform—the single most effective step to reaching their goal. Instead, they are embracing a political gimmick and hoping no one will notice that they are not willing to take the real medicine.

Last year Congress enacted a program to cut the deficit by $500 billion over the next 5 years, a fiscally responsible budget plan which is already producing tangible results.

For the first time in a half century, there have been 3 consecutive years of deficit reduction. Interest rates have remained low, channeling billions of additional dollars into the pockets of consumers for housing and other long-term purchases. Job creation is up, and economic growth in the last quarter was encouraging.

But the deficit reduction plan we approved last year—the plan financial analysts agree has helped produce an economic rebound—passed by the margin of a single vote in the Senate. Most of the Senators who favor the balanced budget amendment voted against actually reducing the deficit.

That vote on the budget was a time for action, not just words.

This vote on the balanced budget amendment is a time just for words, not action. By comparing the two votes, Americans can identify those Senators who are willing to do something about the deficit, and those who will not do anything but talk about the deficit.

Political posturing has been overtaking the economic well-being of working Americans. The balanced budget amendment now before us is a bold example of political posturing.

The appeal of a balanced budget amendment is obvious. Everyone wants to see the budget in balance. Amending the Constitution to proclaim that result is a simple and dramatic step. That is the appeal.

But many proposals which are appealing in their simplicity are bad in practice. This is one of them.

This amendment, like its predecessors in 1982 and 1986, is wrong. Judge Bork testified that it would be "either a vain hope or a dismal prospect." He described it well.

This amendment will not succeed in balancing the budget. It does not mandate a balanced budget, nor will it produce one.

By its own terms, it requires three-fifths of each House of Congress to vote for an unbalanced budget.

But by enshrining in the Constitution, the fundamental law of our Nation, the principle that a minority of elected representatives can prevent action favored by a majority, this amendment could have a far-reaching and incalculable effect on the way this Nation is governed. It tramples the fundamental idea of majority rule.

It would extend the principle of the Senate filibuster rule to the entire Government by placing that principle in the Constitution.

I ask every one of my colleagues to consider whether you think the filibuster rules in the Senate are so good for the country that we ought to put them in the Constitution?

I ask every one of my colleagues if the American people, who are fed up with Government gridlock, are asking us to expand gridlock to all of Government by putting it into the Constitution?

That is exactly what this amendment would do.

It would force the Federal Government to adhere to rules that no other institution in this country, no democratic government in the world, must adhere to. Democracy means majority rule, not minority gridlock.

For more than 200 years in this country we have had three separate, coequal branches of government, the executive, the legislative, and the judicial. The elected branches are the ones accountable to the people. The unelected branch, the judiciary, is accountable only to the law.

The most fundamental law in our system is the Constitution, the basic governing document of America, which some Senators are now proposing to amend.

It is through the courts that the rights guaranteed and the duties imposed under the Constitution are enforced. The Constitution is not only about rights. It is also about obligations. It requires the President to do certain things. It prohibits the States from doing other things. It compels the Congress to do many things. The President is required to see that the laws are faithfully executed. He does not have a choice. The States cannot infringe the rights of due process or equal treatment. They don't have a choice. The Congress shall assemble at least once in every year. We don't have a choice.

But rights or obligations that cannot be enforced by the courts are merely words on paper—like the Constitution they used to have in the former Soviet Union. On paper it said the government had to provide people with housing. But no one could get a court to make the government provide housing. That was an empty right because there was no obligation.

Supporters of this amendment have said, over and over again, that it is more than political window-dressing; that it will have a real effect, that it will force us to adopt a balanced budget. That is the rhetoric of the supporters of this amendment.

The amendment as it originally was presented to the Senate tried to do that. The original Simon amendment would have directly involved Federal judges on a daily basis in making decisions about spending and taxes—all the national priorities reflected in a national budget—to enforce a balanced budget.

But the supporters of this amendment really do not want to see it actually enforced.

The sponsors of this amendment have insisted, as a condition of allowing the Senate to vote on their proposal, that they be allowed to change it so as to prevent the courts from enforcing it.

Let me repeat that. I proposed to the sponsors a vote on their amendment up or down, and they said, oh no, we do not want a vote on our amendment and we will not permit a vote on our amendment unless you enable us to change it to prevent the courts from enforcing it.

Although this change is being described as something that will prevent unelected Federal judges from raising taxes, that is not what it says. What it says is that no court shall have the right to order any remedies to balance the budget, except remedies that Congress writes.

This argument is made by the same people who say you cannot rely on Congress to enforce budget discipline so we need to amend the Constitution. But in their amendment to the Constitution, they insist that the courts be prevented from enforcing budget discipline. That is to be left exclusively to the Congress.

This is such ridiculous, circular reasoning that it must be repeated. The sponsors of this amendment say that Congress cannot be trusted to balance the budget so we have to put the requirement into the Constitution by amendment. But then they insist that the courts be prohibited from enforcing the amendment and that enforcement be left entirely to the Congress, whose lack of discipline, of course, is what they say motivated them in the first place.

This amendment, as it states in section one, would not require a balanced budget. It would require three-fifths of the whole membership of each House of the Congress to vote to approve an out-of-balance budget.

So this amendment would give to the minority in each House a power that would shock and offend the men who wrote the Constitution.

Every one of my colleagues has been in the Senate long enough to know what the Senate's filibuster rules mean.

Everybody understands the tremendous leverage and power the Senate rules give a minority in the Senate.

Why any Senator of either party, who has been through the frustration of the filibuster process, would want to enshrine that in the Constitution and give such a power to a minority in perpetuity is beyond my understanding.

Why any Senator who represents a small State would vote to impose this requirement on the House of Representatives is even more incomprehensible.

Each State, regardless of size or population, has two Senators. But House Members represent districts which reflect population. Maine and California each have two Senators. But Maine has two House Members and California has fifty-four.

But in the House, where membership reflects population, under this amendment, Representatives from as few as six large States could dictate to the entire country.

For anyone representing a small State to vote to hand that power over to such a small minority of the States runs directly counter to the interests of the people they represent.

This supermajority provision upsets the carefully crafted and ingenious balance by which the Founders successfully balanced the rights of smaller States and those of the bigger States.

It is a balance that has served the people of our States well. It helped preserve diversity without divisiveness. It is incredible that anyone representing a small State would vote to so dilute his or her State's power in the Congress. But that's what a vote for the Simon amendment would do.

Supporters of this amendment argue that a three-fifths supermajority is necessary to protect our children and grandchildren. For the record, I want to make it clear that there are people with grandchildren in this Senate who strongly oppose this amendment.

It is ironic that the supporters will not leave the protection of our grandchildren to the Federal courts, but instead insist that it be left to the Congress, which they say is the cause of the problem in the first place.

Their argument is hollow. We didn't need a three-fifths majority to develop a nuclear arsenal, one of the most far-reaching and significant decisions any Nation has ever made in history.

We didn't need a three-fifths majority to entitle the elderly to health care, to create Social Security, to establish the National Institutes of Health, to do a whole host of things that have had far-reaching consequences for generations of Americans.

To enshrine this requirements in the Constitution for the annual budget makes no sense.

The argument that the Senate functions with a filibuster rule—the identical absolute three-fifths majority requirement—is a stronger argument against this amendment than for it.

Even the Senate, with its veneration for the filibuster rule, sets aside the filibuster rule for certain important legislation, including the budget itself. This amendment, by contrast, writes it into the Constitution, thus making it absolutely impossible to suspend it for even the most important legislation.

The Senate has exempted from the filibuster rule the same tough budget decisions which, it is claimed, we cannot make—the budget reconciliation process.

Everyone here knows that budget reconciliation is the real work of cutting spending. It is where the rhetorical budget-cutters are separated from the Senators willing to make real-world and often difficult decisions.

Yet the Senate has specifically protected the reconciliation process against obstruction by a miniority. You can not filibuster a reconciliation bill.

That is so because no one, Republican or Democrat, wants to give a minority effective control of the Government.

This amendment turns that on its head. By giving a minority absolute power over the majority, it overrides democracy and lets a minority, in effect, control the Government.

It gives absent members—Senators who do not even show up to vote—the same power as if they were present to cast a "no" vote. Except in the case of a filibuster, no other vote taken in the Senate can so easily have its outcome affected by adsentees.

When we seek to override a veto or ratify a treaty, two-thirds of those present and voting decide the issue.

If 10 Senators are absent, a veto can be overridden by 60 votes instead of the 67 needed when there is full attendance. If 15 Senators are absent, we can ratify a treaty with 57 votes.

But when an absolute number of 60 yes votes is needed, no matter how many Senators are absent, one absent Senator can as decisively affect the outcome as another Senator who is present.

To enshrine the filibuster rule in the Constitution would be the antithesis of democracy, the very opposite of what the Founders intended.

Perhaps the most misleading argument made for this proposal is the one most commonly used: The Federal Government should have to do what my business does, or what our State does, or what average families do, which is to balance their budget.

But this amendment goes far beyond what any business, any state or any family does to balance its budget. It would require the Federal Government to adhere to a standard that no business, no State, and no family has to meet.

Every State, as every Senator knows, has an operating and a capital budget. That is how States balance their books. They do not balance their budgets. They balance their books. They do not balance the total receipts and total spending each year, which is what this amendment says the Federal Government would have to do.

And that is what States do: They balance their books. They do not balance their total receipts and total spending each year—which is what the amendment says the Federal Government must do.

State debt nationwide grew by $26 billion from 1991 to 1992—an 8 percent rate of increase in the States' budget deficits.

State debt is going up because States are not balancing their total budgets. They are balancing their operating budgets, and every Senator, including those who wrote this amendment, knows that very well.

If we required the States to adhere to the accounting that is incorporated in this amendment, most States would not be able to balance their budgets. No family's budget would be balanced. No business could operate. We do not use accounting rules that force businesses to pay cash up front for major equipment purchases or for expansion. We do not demand that an American family buy its home with a single cash payment.

How many American families who are not Members of the Senate could afford to do that?

What would happen to the American economy if we put into the Constitution a requirement that a family could not get a mortgage loan on a house, that you had to make the purchase up front in cash? Would that make sense for American families? Would that make sense for our economy?

That is exactly what this will do with respect to the Federal Government. If we force this standard on the States, they would not be able to borrow to build schools or roads or anything else.

Judge Bork said that this amendment is either a "vain hope or a dismal prospect."

I believe it is a vain hope, but consider for a minute the dismal prospect. If this proposal were to actually work as its supporters say, it would transform economic recessions into depressions on a regular basis.

From the time this country was founded until the 1930's, we had regular depressions of increasing severity. The economic downturns of the 19th century were commonplace and as the Nation industrialized they increased in severity, length, and effect in 1873, 1893, and then 1933.

The 1933 depression had such an effect that it shook the democratic foundations of this country. Americans themselves questioned free markets when free markets could reduce a quarter of the Nation's people to abject poverty.

Only when we faced the profound social and political instability of the Great Depression did we begin to adopt the economic policies that had begun to be tried in Britain during the decade of the 1920's, in which governments took an active role in moderating the effects of the inevitable economic cycle of recession and recovery.

I ask everyone here to look back over the history of this country for the past six decades and compare it with the previous six decades and tell me which period has been best for the future of this country, for its people, for the preservation of its liberties.

Since we adopted policies that permitted Government to moderate the effects of recessions, there has not been a single great depression in this country. By contrast, the increases in worker productivity, the increased output, the rise in the standard of living in the past 60 years, when adjusted for comparable periods of time, have been the greatest in human history.

This amendment, by contrast, ignores the entire post-depression economic history of the country, ignores the hard-won lessons of deepening recessions, and instead would return us to the economic policies of the 19th century, when deep recessions occurred on a regular basis.

Mr. President, in a written report on this amendment, written by the sponsors of this amendment, the majority which voted to report it to the Senate floor made the following statement.

> * * * Congress does not need a constitutional amendment to balance the budget; Congress can achieve that goal, statutorily, right now, without waiting to ratify a constitutional amendment. Technically, these arguments are, of course, correct.

That is the sponsors of the amendment, first citing critics and then agreeing that the critics are correct.

That is a direct quotation, written by the sponsors of the amendment, found in the second paragraph of page 5 of their report.

It says in writing that Congress can achieve a balanced budget right now without waiting to ratify a constitutional amendment.

And yet, what are the supporters of this amendment doing? Are they proposing to balance the budget right now? Are they asking that we do what they say we can do right now? No, they are not.

Instead, they are proposing that some other Senators, in some future year—in fact, in the next century—do what they could do this very day if they were so inclined.

Indeed, the number of these born-again budget balancers means they need not even fear a filibuster, because they could get more than three-fifths to support an actual balanced budget.

The Senators who are going to vote for this amendment to balance the budget in the next century could vote in this century, could vote right now, tonight, for the tax increases and spending cuts needed to balance the budget.

But, of course, they will not do that because that would be difficult and unpopular. To balance the budget now would require deep cuts in Social Security. That would be difficult and unpopular. The sponsors of this amendment will not vote for that.

To balance the budget now would require deep cuts in Medicare. That would be difficult and unpopular. The sponsors of the amendment will not vote for that.

To balance the budget now would require deep cuts in defense. That would be difficult and unpopular. So the sponsors of this amendment will not vote for that.

And if they will not cut Social Security, if they will not cut Medicare, if they will not cut defense, then to balance the budget now would require huge tax increases. Well, we know that the sponsors of the amendment will not vote for that.

The Congressional Budget Office says to balance the budget in 5 years—by 1999—would take $600 billion. We barely got half the Senate to vote for deficit reduction of $500 billion last year. In fact, what is surely one of the most telling realities of this debate is that of the 55 Senators who are sponsors of this amendment, 40 of them voted against the deficit reduction bill last year—40 out of 55.

Let me repeat that. Last summer, we voted on the largest, most meaningful deficit reduction package in this Nation's history. That was a time for action, not words; 40 of the 55 Senators who are now sponsors of this amendment, who are now saying that the deficit is a problem so big that we must amend the Constitution to deal with it, they voted against reducing the deficit last year. That is the difference between words and deeds.

Having voted against one round of real budget cuts last year, you can be sure they are not going to vote for a second round of budget cuts. That would not be easy and it would not be popular.

What the sponsors of this amendment are looking for is something that is easy and something that is popular.

Not one of them, not one single Senator who will vote for this amendment, has publicly specified what he or she would do to balance the budget—not one. That would be the honest thing to do.

But it would also be very difficult and very unpopular. And this amendment is intended to avoid difficulty and unpopularity. This amendment is intended to create the illusion of concern about the deficit, while avoiding any meaningful action on the deficit.

It is a further irony that the authors of this amendment, which originally required a balanced budget in 1999, insisted on changing that date. They would not let us vote on their proposal unless they are permitted to change the date.

But they didn't alter the date to bring it closer to the present. Instead, they moved the date of a balanced budget further into the future, into the next century, to the year 2001.

The reason for further delaying a result they say is so important that the Constitution must be amended to achieve it lies in another technicality.

That is the technicality of Senate terms. Senators serve for 6 years. This is an election year. Senators successful in winning election this year will serve until the year 2000.

If they required a balanced budget to be produced in 1999, every Senator supporting this amendment and running for reelection this year would have to face the prospect of actually voting for a balanced budget.

And that is the one thing the supporters of this amendment won't do: vote for an actual balanced budget.

They will talk about it, they will complain about it, they will protest over it, they will propose amendments to the Constitution about it, they will do almost anything about it except the one thing that is necessary—vote for the things that are needed to actually balance the budget.

That is what this amendment is all about: Creating the illusion of action about the deficit to conceal the unwillingness of its sponsors to actually do anything about the deficit. It is no coincidence that the big talkers about the deficit are also the big spenders, the ones who will rarely if ever vote to cut spending. This amendment is their cover.

They vote for more and more spending. They rarely if ever vote to cut spending. And when they're asked about that, they say: But I am for the balanced budget amendment. It is not an answer; it is political cover.

Again, I turn to the report and I find—on page 6, first paragraph—"Flagrant disregard of the proposed amendment's clear and simple provisions would constitute nothing less than a betrayal of the public trust."

Like all the get-tough speeches about budget cutting, these are strong words.

Many of the speeches in this debate have used strong words like these. But words must be judged against actions, no matter how strong the words. And the actions have been clear.

Instead of running the risk that a balanced budget constitutional requirement could actually take effect within their own term of office, supporters of this proposal conveniently decided that a 7-year delay rather than a 5-year delay would be a good idea.

Everyone should be quite clear on this. Supporters of the amendment would not permit a vote to be held on their own amendment unless they could change it—an allegedly carefully reviewed, thoroughly examined, economically sound and fiscally unassailable amendment.

Supporters refused to permit it to come to a vote with that very dangerous 5-year deadline in it.

This more clearly telegraphs the political realities driving this proposal than anything else.

We all understand the politics of this. There is the spectacular irony that many of the proponents of this amendment are the very ones who will not vote to cut spending.

Go take a look at the appropriations bills this past year. That is the year just past, not the year 2001. Those are the real dollars and cents that American taxpayers care about.

That is when we actually vote on money here, on the appropriations bills.

There were 24 votes to cut appropriations spending last year. You look at who voted to cut spending and it will not surprise you that the principal proponents of this amendment are the ones who voted the least often to cut spending. and, of course, they often favor big spending programs as well.

We know how it works: You favor increasing this program by $5 billion, and that one by $10 million, and you vote against cutting $12 million here or $20 million there. But you are for the balanced budget amendment.

That is supposed to fix everything. No matter if the numbers don't add up. The voters want you to balance the budget so you'll be for an amendment to the Constitution that requires a balanced budget; maybe, you hope, the voters won't notice what is actually in this amendment or how you voted on actual spending cuts. Nothing could be easier. Or more misleading.

Mr. President, and Members of the Senate, when it comes to changing the fundamental document of our Nation—the document on which our democratic system of Government rests, the document that preserves the liberties of Americans by guaranteeing to each citizen equality of justice before law—this amendment takes political cynicism just too far.

Amending the Constitution ought to be a very serious matter. It should not be used for political cover. It should not be business as usual. This is not just another bill. This is the Constitution we are talking about.

When we take our oath of office—and every Member of the Senate has walked up there onto that dais and raised his or her hand to swear the oath of office. And when we did, we did not swear to uphold a particular bill or a particular budget or a particular economic policy; we swore an oath to uphold the American Constitution.

Mr. President, I understand the need some feel for political cover. I understand the fear some have of taking an action contrary to the prevailing public opinion.

But, Members of the Senate, we were elected to exercise our best judgment and to act in accordance with our conscience and we swore to uphold the Constitution.

The Constitution is more important than any one of us. Indeed, the Constitution is more important than all of us put together.

I hope very much that my colleagues will not succumb to the powerful temptation to take the easy, popular way out.

I know it is a powerful temptation. I believe that public support is based on misunderstanding, but I know it is there.

It would be an abdication of our responsibility to succumb to that temptation to cast the easy vote for this proposal.

It is not a serious proposal. It is a gimmick. It is a transparent gimmick. I urge my colleagues to reject it.

The PRESIDING OFFICER (Mr. WOFFORD). Time for debate has expired.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is on the passage of the joint resolution.

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 63, nays 37, as follows:

[Rollcall Vote No. 48 Leg.]

YEAS—63

Bennett
Bingaman
Bond
Boren
Breaux
Brown
Bryan
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
Danforth
Daschle
DeConcini
Dole
Domenici
Dorgan
Durenberger
Exon
Faircloth
Feinstein
Ford
Gorton
Graham
Gramm
Grassley
Gregg
Hatch
Heflin
Helms
Hollings
Hutchison
Jeffords
Kempthorne
Kohl
Lott
Lugar
Mack
McCain
McConnell
Moseley-Braun
Murkowski
Nickles
Nunn
Packwood
Pressler
Robb
Roth
Sasser
Shelby
Simon
Simpson
Smith
Specter
Thurmond
Wallop
Warner
Wofford

NAYS—37

Akaka
Baucus
Biden
Boxer
Bradley
Bumpers
Byrd
Conrad
Dodd
Feingold
Glenn
Harkin
Hatfield
Inouye
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Mathews
Metzenbaum
Mikulski
Mitchell
Moynihan
Murray
Pell
Pryor
Reid
Riegle
Rockefeller
Sarbanes
Stevens
Wellstone

The PRESIDING OFFICER. On this vote, the yeas are 63, the nays are 37. Two-thirds of the Senators voting, not having voted in the affirmative, the joint resolution is rejected.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the joint resolution was rejected.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I would simply like to thank my colleagues, my cosponsors—all of them—but particularly Senator HATCH, Senator CRAIG, Senator DECONCINI, Senator THURMOND, and Senator BRYAN. I also would like to thank the organizations that put in a tremendous effort here and also the staff members.

On my own staff, Aaron Rappaport was just superb; Jeremy Karpatkin; Susan Kaplan; David Carle; Brad Douglas; Peter Hadinger; Syrena Case; Bob Dove from Senator DOLE's staff; Damon Tobias from Senator CRAIG's staff; Thad Strom from Senator THURMOND's staff; Janis Long from Senator DECONCINI's staff; Sharon Prost, Mark Disler, Shawn Bentley and Larry Block from Senator HATCH's staff. People have been terrific.

Let me also pay my respects to Senator BYRD and Senator MITCHELL for fighting strenuously, to Senator HARRY REID also for the battle that he put up. It has been a fight well worth doing, and I have no regrets.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I also want to pay tribute to those who fought so hard for this amendment and those who fought so hard against it. It was a classic constitutional battle fought hard on both sides with, I think, good arguments made on both sides and an awful lot of intensity on both sides.

I particularly want to thank my colleague, Senator SIMON, for his leadership on this matter. Of course, right down the line, you certainly want to make special mention of Senator SIMON, Senator THURMOND, Senator DECONCINI, Senator CRAIG, Senator HEFLIN, and others who have spent so much time on this floor trying to do everything they could.

I particularly want to thank my colleague from Idaho for the many, many efforts that he has made, sincere efforts, to try and bring about this balanced budget amendment.

This is an important day. We lost, but it is just one loss in a long series of battles toward getting a balanced budget amendment that will work for this country because we are convinced that nothing short of that is going to get us the fiscal discipline we have to have.

But, in any event, I want to compliment those who have won here tonight. They fought a very strong and good battle, with very formidable forces. We were almost doomed from the beginning because of the tremendous power and capacities that they have.

I certainly want to express the highest accolades for my dear friend and colleague from Illinois. I know this is a disappointment to him. On the other hand, he has fought a great fight. He has done the best he could. He has rallied forces all over the country, and we all have respect for him on this particular issue, whether we are on one side or the other. Again, my colleague from Idaho as well.

Mr. President, I want to thank the various major staff members who have helped the proponents of this amendment for their efforts:

From Senator SIMON's staff: Susan Kaplan, Aaron Rappaport, Brad Douglas, Peter Hadinger, Syrena Case, Amy Isbell, and David Carle.

From Senator CRAIG's staff: Damon Tobias.

From Senator DECONCINI's staff: Janice Long and Meg Wuebbels.

From Senator THURMOND's staff: Thad Strom.

From my own staff: Shawn Bentley, Larry Block, Sharon Prost, Michael Kennedy, and David Jones.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank the Senator from Utah for yielding.

Let me thank Senator HATCH, the ranking Republican on the Judiciary Committee, for a long fight he has waged.

And Senator STROM THURMOND, to my immediate left, who started this battle some 30 years ago in the United States Senate with a very futuristic look toward where we must go. It is interesting that this is another one of those votes and, yet, he remains as firmly committed to this issue as he always has been.

Of course, Senator PAUL SIMON who bore a great deal of the leadership here and moved this issue forward. I concur with Senator HATCH, this is but a skirmish in a very important battle. This issue will be back, we will bring it back to the floor. It will be voted on in the other body within a few weeks. It is something that will not go away unless the Congress of the United States deals with it in a responsible fashion.

Mr. Thurmond addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, first, I want to commend the chief author of this legislation, Senator SIMON, of Illinois. He worked hard. He did a fine job. He did it as well as anyone could under the circumstances.

I want to congratulate the distinguished Senator from Utah [Mr. HATCH]. He worked hard and did a fine job and did as well as anyone could have done under the circumstances.

Along with him is Senator CRAIG, of Idaho, who worked as hard as any man in this Senate. He worked with the House on this matter.

We fought the best we could. I first started working on this question with Senator Harry Byrd, Sr. and Senator Carl Mundt of South Dakota about 35 years ago. We passed it through this body in 1982 and sent it to the House. The leaders got up and moved to kill it. We just missed by one vote in 1986. But we are not through. We are going to continue. We are going to continue until we get it passed.

Why do I say that? Simply because there is no other way. We are running over $200 billion a year deficit. What can you do? What can you do except pass a constitutional amendment? You have to mandate this Congress to stop spending over what we take in. You have to require this Congress to stop spending more than we take in. You have to stop this Congress from spending more than we take in. The only way you can do it is to pass a constitutional amendment. So we have a day ahead yet to fight, and we will do it.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

MORNING BUSINESS

Mr. FORD. Mr. President, will the distinguished Senator from Iowa yield to me for a unanimous consent agreement?

Mr. HARKIN. Without losing my right to the floor.

Mr. FORD. Without him losing his right to the floor.

Mr. President, I ask unanimous consent now that the Senate proceed as if in morning business with Senators allowed to speak therein for up to 5 minutes each.

Mr. HARKIN. Mr. President, reserving the right to object, I have at least 10 minutes in which I wish to speak.

Mr. FORD. That the Senator from Iowa be allowed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET AMENDMENT

Mr. HARKIN. Mr. President, I voted against the Simon amendment, and I feel that I must at this time explain my vote and say why I voted the way I did.

I listened with bemusement to the statement made by the Senator from South Carolina when he said the only way we are going to do this is to mandate the Congress with a constitutional amendment. But just as the majority leader pointed out, they added a clause which took the Supreme Court out and said the Supreme Court could not review it, so who is going to mandate it? The whole thing I think evolved into almost ridiculousness toward the end.

I must at the outset, Mr. President, say that I do philosophically support a constitutional amendment to balance the budget. I support such a change first because of my own personal belief in frugality. That is the way I was raised. Except for two houses that my wife and I have purchased and a car I bought once when I was a younger man, I have never gone into debt because I do not believe in it. My wife and I have always saved and then bought things or invested. I think that is probably due to the influence of my father. My father worked in the coal mines most of his life. When he saved up enough money, he bought a small farm. His timing was bad. It was about 1928. The Depression came, and he lost it. He impressed upon me during my early years a great fear of debt and what debt meant to him, how it destroyed his dreams.

In 1981, after the Reagan tax cut was passed—I voted against it—Speaker O'Neill asked me to appear on a television program, I believe it was the MacNeil/Lehrer program, to talk about it. I remember at that time I held up my credit card on the show and I said President Reagan and the Congress in passing this just put the country on your credit card. And it is going to feel mighty good when you are out there spending money and borrowing it. But sometime the bill is going to come due. And what I am afraid is that when that bill comes due, the people who are going to have to pay it will be the working people of this country. They are the ones who will have to pay it.

Well, by 1986, after phony Gramm-Rudman I and phony Gramm-Rudman II, we kept getting deeper into debt. I did not see any way out, and so in 1986 I supported the amendment to balance the budget. That was then called the Hatch-Simon amendment.

I was pulled in the direction of supporting that because of my upbringing, because of my background, and because what I had seen President Reagan do to this country, pushing us deeper into debt and putting us on a credit card.

But I must also say the issue of constitutional integrity also concerns me. Our distinguished President pro tempore has spoken on that very eloquently, and I have listened as often as I could and I have read just about all that he has spoken on this issue.

Thomas Jefferson has often been quoted in this debate. I will proffer another quote from Thomas Jefferson when he said:

> A permanent Constitution must be the work of quiet leisure, much inquiry and great deliberation.

And further Thomas Jefferson defined the Constitution as "an act above the powers of ordinary legislation."

So we must, Mr. President, justify clearly and beyond doubt why it is necessary to act above the powers of ordinary legislation.

The deficit, our inability to come to grips with it and to make the hard choices, what it will mean in cost to future generations, the specter of monetizing the debt in the future, I believe, gives us some justification to act above the powers of ordinary legislation.

The question then becomes what type of an amendment? How is it worded? What is in? What is out? Well, today we had two before us. Neither was perfect. I believe the Reid amendment was better, and that is why I supported it. There were three reasons why I did.

I believe the Reid amendment was superior to the Simon amendment, first, because it exempted Social Security. The Simon amendment did not. I would quote Robert Ball, a renowned expert on Social Security issues, in the February 22 CONGRESSIONAL RECORD, when he said that "the Social Security system is self-financed and responsibly financed."

Social Security has always paid its own way. From 1937 to 1992, Social Security collected $3.900.7 trillion. It paid out $3.569.2 trillion, leaving $331.5 billion in assets. Social Security has always paid its own way.

But no matter. The Concord Coalition and others want to destroy this. They want to turn Social Security into a welfare program and impose a means test. That is unfair and unacceptable.

I believe the prediction I made in 1981 when I said the country was going on a credit card and when the bill came due it would be put on the backs of workers would come true if we passed the Simon amendment, because in 2001, when the budget would have to balanced where is all the money going to be? It is going to be in the Social Security trust fund, and that is what we will be going after. Congress will go after the payments that workers put into the Social Security trust fund and will go after the benefits that retirees receive to balance the budget.

I do not think that is fair, and I do not think that is right. That is why I voted against the Simon amendment, because the Simon amendment would have required our workers and the elderly to pay for the profligate spending of the 1980's.

Now, again, according to Robert Ball in a February 5 Washington Post op-ed, he said Social Security revenues will exceed outlays for the next 30 years. Even Mr. SIMON agreed with that. But then he said it starts to go down.

But that is 30 years from now. Who can say what our situation will be like. By then we might find a cure for cancer. I hope we do. We might find a cure for Alzheimer's disease. We will have health care reform, I hope, and all of these could save us untold billions of dollars which would help our economic situation.

But if the Simon amendment were to pass, by 2001 the Social Security trust fund would start to be raided; you can count on it.

The second reason I thought the Reid amendment was better than the Simon amendment was because it provided for separate capital and operating budgets. Most States have these. I think we need to delineate what is capital and what is operating. It would be subject to debate. I happen to believe very strongly that education is one of the most fundamental capital investments that we can make, not an operating but a capital investment.

The third reason that I believe the Reid amendment was better than the Simon amendment was because of its recession provision. We are a diverse Nation, Mr. President. Recession may hit one area but not another. In the 1980's we had a big depression in the Midwest. But the coasts were booming. We enacted legislation to help our people, help our farmers who were in crisis. We passed it. But I am not so certain we could do that with a three-fifths majority in the Senate sometime in the future. Senator SIMON says if there is a recession you will get over 60 votes. I am not so certain, taking a look at the past, looking at what happened to the reconciliation bill last year. I do think that the Reid amendment should have been improved to say that deficit spending during a recession must be paid back within a set period after the recession ends.

But again, Senator SIMON in his closing remarks—he is not here, and I should not refer to him too often since he is not here—you can check the RECORD. In his closing remarks he said that every generation has paid its own way. I beg to differ. In the Great Depression from 1934 to 1939, under the Roosevelt administration, under the direction of Harry Hopkins, we spent over $9 billion on relief in this country. Did it stop the depression? Not really. It never really got us out of the depression. But it saved a lot of lives. It kept people from starving to death. It kept people from freezing in the wintertime, and I ought to know. When my father lost that farm in 1929 and could not find work, he had to go on WPA later on in the 1930's. Had it not been for WPA, I do not know what would have happened to my family.

That generation did not pay its way. But thank God we had a Government that cared. We had a Government that knew that by investing in people during that period of time we would go to a stronger country and future generations would be secure.

So I beg to differ. Each generation has not paid its own way. And sometimes when we have a recession, we are going to have to make sure that this country responds by taking care that people do not fall through the bottom, that they do not starve, and that they do not freeze to death.

So that is not taken care of in the Simon amendment. Again, you have to have supermajority support to pass that. I am not certain that that would be there.

So in essence, I believe the Simon amendment was seriously flawed. Again, my vote should not in any way be interpreted that I will not vote in the future for a balanced budget amendment. In the past, I have supported some and I have opposed some. I would point out that Mr. SIMON changed his amendment at least twice since 1986. So it is not written in stone.

Others say this issue will come back. Well, perhaps it will. I will look again at how it is written. But it must provide, I think, No. 1, to keep Social Security out; No. 2, it must provide for a majority vote, not just supermajority, but a majority vote to take care in times of recession when we might need to spend money in order to keep people alive.

I will close on that note. I believe quite frankly after reading the Constitution and looking at the rules of the Senate—I see the distinguished President pro tempore here. He knows it much better than I do. I really believe that the filibuster rules are unconstitutional. I believe the Constitution sets out five times when you need majority or supermajority votes in the Senate for treaties, impeachment. We all know the five. I believe by having a filibuster rule that provides for a minority to determine the course and the outcome of legislation and to decide whether something is enacted into law or not. I do not know. It has never been tested in the courts.

But I hope that when the new Congress reconvenes next January we will take a look at changing the rules on the filibuster so that the majority can indeed rule here as was envisioned by our Founding Fathers.

So for all these issues, I believe that the Simon amendment was seriously flawed and I could not in good conscience support it. That is not to say as I said that sometime in the future I might not support some amendment that might be crafted differently, that might provide for the things that I spoke about. But if it is another Simon amendment, I could not do it.

There are those who will say that I voted for the Simon amendment in 1986 and I changed my vote. I have changed my views. It was Robert Lowell who once said that, "Only the foolish and the dead never change their views."

I like to think that I at least have enough intelligence and I am alive enough that as times and conditions change I can look more accurately and closely at legislation and determine how it is going to affect our country.

So in those intervening years between 1986 and 1994 I saw the problems in the Simon amendment and what it would mean to Social Security, and what it would mean to our country if we indeed found ourselves in a recession.

Again, for those reasons, my conscience compelled me to vote against it.

Thank you, Mr. President.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The President pro tempore.

Mr. BYRD. Mr. President, the Scriptures instructed that, "A word fitly spoken is like apples of gold in pictures of silver."

I trust that it would be fitting for me to speak just a very few words to congratulate those Senators who voted against the amendment today. It took courage.

Before the Senator from Iowa leaves the floor, I express my commendation as well as my thanks to him for the vote that he cast; my thanks because he voted to save the Constitution; my commendations because it was an extremely difficult matter for him. I know he wrestled with it up until the time of the vote.

So I commend him. I have no doubt that he can sleep well tonight. His conscience is clear. He can look at his children, if he has grandchildren, and say, "I did my duty as I saw it."

I also, Mr. President, express my appreciation to those who supported the Simon amendment. I found in this debate Mr. SIMON, as we have always known him to be, to be courteous, tenacious, and he worked hard. He went from office to office and from Senator to Senator. He worked very hard; Senator CRAIG, and Senator HATCH, as well.

I thank my colleague on the other side of the aisle, the Senator from Oregon, Mr. HATFIELD. And I thank my colleague, Senator STEVENS, and my colleague, Senator KASSEBAUM. It was extremely difficult for them to take the stand that they took. But we are not to be concerned so much about difficulties in taking difficult stands. That is what we expect to do. And we take the oath to support and defend the Constitution. We expect to have to take difficult stands. I thank them.

I also thank Senator REID and those Senators who supported him in the amendment that he had so carefully drafted. It was an exquisite piece of genius on his part, I think, to craft that amendment, and it would obviously have made some improvement. As I said earlier, I could not support any amendment to amend the Constitution that would be destructive of the separation of powers, checks and balances, and would result in a shifting of the power of the purse away from the legislative branch.

Lastly, I commend and salute the distinguished majority leader. Without his support, his hard work, his consistently and constant hard work, the amendment, in all likelihood, would have carried. It was a difficult choice for him. But leadership is expected to be difficult, and Senator MITCHELL has done the Senate and the Nation a good deed in helping to defeat the amendment.

Finally, let me say that once again the Senate has justified my faith in the institution, and the Constitution still lives.

The PRESIDING OFFICER. The Senator from Kentucky.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 710. Ginger Ehn Lew, to be general counsel of the Department of Commerce.

Calendar 711. Greg Farmer, to be Under Secretary of Commerce for Travel and Tourism.

Calendar 712. Graham R. Mitchell, to be Assistant Secretary of Commerce for Technology Policy.

Calendar 713. Thomas R. Bloom, to be an Assistant Secretary of Commerce.

Calendar 714. Thomas R. Bloom, to be chief financial officer, Department of Commerce.

Calendar 718. Rear Adm. Robert E. Kramek, to be Chief of Staff, U.S. Coast Guard.

Calendar 719. Stephen M. Midas, to be a permanent commissioned officer in the grade of lieutenant (junior grade).

All nominations placed on the Secretary's desk in the Coast Guard.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that upon confirmation, the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF COMMERCE

Ginger Ehn Lew, of California, to be General Counsel of the Department of Commerce;

Greg Farmer, of Florida, to be Under Secretary of Commerce for Travel and Tourism;

Graham R. Mitchell, of Massachusetts, to be Assistant Secretary of Commerce for Technology Policy;

Thomas R. Bloom, of Michigan, to be an Assistant Secretary of Commerce; and

Thomas R. Bloom, of Michigan, to be Chief Financial Officer, Department of Commerce.

COAST GUARD

Rear Adm. Robert E. Kramek, U.S. Coast Guard, to be Chief of Staff, U.S. Coast Guard, with the grade of vice admiral while so serving.

The following officer of the U.S. Coast Guard to be a permanent commissioned officer in the grade of lieutenant (junior grade) in the Regular Coast Guard: Stephen M. Midas.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

Coast Guard nominations beginning Sharif A. Abdrabbo, and ending Kathleen A. Zygmunt, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 3, 1994.

Coast Guard nominations beginning Marshall S. Reichenbaugh, and ending Jack H. Scheyer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 4, 1994.

NOMINATION OF GINGER EHN LEW TO BE GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE

Mr. HOLLINGS. Mr. President, I am pleased that the Senate is considering the nomination of Ginger Ehn Lew for the position of general counsel of the Department of Commerce. [DOC]. The Committee on Commerce, Science, and Transportation held Ms. Lew's confirmation hearing on February 10, 1994, and reported her nomination.

As general counsel, Ms. Lew will serve as the Department's chief legal officer. The Office of General Counsel represents DOC in proceedings before regulatory agencies, supervises legal aspects of DOC's legislative program, and coordinates and drafts regulations, among other things. DOC operations cover a wide range of complex activities, from the development of trade, technology, and telecommunications policy to oceans and atmospheric issues. While the responsibilities of DOC's general counsel have always been challenging, the diverse programs that DOC oversees are particularly important today as the world focuses more closely on economic competition and new international alliances and, thus, Ms. Lew's challenges are that much greater.

Ms. Lew will bring considerable legal experience to this position. Prior to her nomination, Ms. Lew served as vice president and general counsel at Energeo, an energy research and development firm in San Francisco. From 1986 to 1991, she was counsel on international trade matters for Arthur Young & Co. Besides working as an attorney for two Washington law firms, Ms. Lew's previous experience also includes Federal service at the Department of Housing and Urban Development, the State Department, and the Department of Energy. Ms. Lew began her legal career in the Los Angeles city attorney's office in 1974. She is a native of California and received her B.A. from UCLA in 1970 and a J.D. from Boalt Hall School of Law in 1974.

Ms. Lew's expertise will be an asset to DOC and to the administration. Therefore, I urge my colleagues to support her nomination.

NOMINATION OF C. GREGORY FARMER AS UNDER SECRETARY OF COMMERCE FOR TRAVEL AND TOURISM

Mr. KERRY. Mr. President, I rise today in support of the nomination of C. Gregory Farmer of Florida as Under Secretary of Commerce. If confirmed, Mr. Farmer will lead the U.S. Travel and Tourism Administration [USTTA] within the Department of Commerce and will be charged with the responsibility of promoting the United States as an international travel destination.

When speaking to tourism groups, Greg likes to tell of the time he embarked on an ambitious vacation of bicycling in—of all places—the Grand Canyon. In all seriousness, his job at USTTA may be a similar experience. Last year, the House voted to eliminate funding for USTTA, and the agency undoubtedly will face another round of skepticism this year.

Simply put, USTTA must do a better job of showing that its expenditures generate sales for the U.S. tourism industry. Furthermore, it must be a strong voice of policy for this diverse industry, whose success is sensitive to even a tinkering in a number of government activities, from airline regulation to immigration procedures. The United States now boasts a healthy $20 billion trade surplus in tourism, and with worldwide travel expected to double by 2005, we must have a strategy for maintaining our market share.

Although our House colleagues have questioned a number of USTTA's activities, there should be no doubts about the importance of tourism to the U.S. economy. In the Commonwealth of Massachusetts alone, visitors spend $7.5 billion on travel related activities each year, and 1.6 million international tourists visit our State. Our international numbers will increase even further as Boston hosts a round of World Cup soccer this year.

Mr. Farmer arrives at USTTA with an excellent managerial background. For the past 3 years he has served as secretary of commerce for the State of Florida, heading an agency of 280-plus employees with 9 international trade and tourism offices. In addition, he served for 5 years as administrative assistant to former Congressman Buddy MacKay and for 2 years as director of government relations for Northern Telecom, Inc., here in Washington, DC.

It's an understatement to say that tourism is a mainstay of the economy of Florida, where tourism generates an estimated $31 billion in sales each year. Mr. Farmer has been extremely diligent in promoting Florida as a destination in emerging markets such as Latin America and Asia, and in this respect his tenure within Governor Chiles' administration has been very successful, with the number of international visitors to Florida increasing by about 11 percent.

Mr. Farmer has also guided the Florida tourism industry through some extraordinarily rough times in recent years. The recovery of the tourism industry following the destruction of Hurricane Andrew was a key to getting the State back in order, both economically and symbolically.

Unfortunately, Mr. Farmer also had the unpleasant task of responding to the sad string of violent attacks on tourists in the State of Florida. As secretary of commerce, he reacted quickly, working with the Governor on a two-pronged approach of increased law enforcement and expanded consumer education. In a short time, the State increased funds for law enforcement, created a violent street crimes force in Miami, and instituted 24-hour security at rest areas along the highways.

In addition, he led the State's division of tourism in a crime-prevention campaign through which the State has removed lease designations on rental cars, published travel safety brochures in several languages, introduced a worldwide consumer hotline, and made sure that local businesses are prepared to give directions to travelers.

I might also add that the tourism industry is extremely dependent on the overall health of our domestic economy. In this respect, Mr. Farmer will be a valuable resource for the Department of Commerce and the administration. As secretary of commerce of Florida, he has been at the forefront of efforts to improve job training, increase access to capital for businesses, and introduce Florida companies to overseas opportunities. I am proud to add that in the area of technology transfer, he looked to Massachusetts as a model for transferring, commercializing, and capitalizing on research and development coming out of local universities.

In this age of budget restraints, Mr. Farmer has become well adept at stretching scarce government funds and leveraging support from the private sector for important initiatives. I welcome this attitude at the USTTA, and I look forward to working with Mr. Farmer in his capacity as Assistant Secretary of Commerce.

NOMINATION OF C. GREGORY FARMER AS UNDER SECRETARY OF COMMERCE FOR TRAVEL AND TOURISM

Mr. HOLLINGS. Mr. President, I rise today in support of the nomination of Greg Farmer to serve as Under Secretary of Commerce for Travel and Tourism. When I look over his resume, I see the record of a young man who has tackled a host of issues very familiar to this Senator. From coastal zone management to technical training, from technology transfer to regulatory streamlining, Mr. Farmer's public service has been founded on the notion that Government must be a partner, not an antagonist, of the private sector.

As Secretary of Commerce for the State of Florida, Mr. Farmer has overseen an agency of over 280 employees with 9 foreign trade and tourism offices. For becoming an expert on tourism, Florida is almost as good a training ground as South Carolina. With the Sunshine State hosting over 1.3 million visitors on the average day, Mr. Farmer will understands the role of tourism as a tool of economic development. He also understands that tourism is an avenue for establishing goodwill among countries and furthering trade relations. Every time foreign visitors come to our country, they gain exposure to U.S. products and help promote the United States as a travel destination to their friends back home.

We must not fall into the trap of thinking that tourism means only bermuda shorts and instant cameras. Tourism is one of our largest industries, ranking as the No. 1 employer in 13 States, including my own, and last year domestic and foreign travelers spent $380 billion on tourism activities in the United States. It is a clean industry creating good jobs.

At this moment, tourism is a major export success story for the U.S. economy. Last year, international visitors to the United States spent a total of $74 billion, and foreigners spent $20 billion more here than Americans spent traveling abroad. As the market for world tourism grows by leaps and bounds, it is imperative that the United States have a comprehensive strategy for maintaining our favorable balance of trade in this industry. The United States still enjoys the largest share of the world tourism market at 19.3 percent, and any decline in that share represents million of dollars lost to U.S. hotels, motels, theme parks, camps, attractions, restaurants, and retailers.

Tourism is the bread and butter industry that can bring a State through the toughest of times. In the aftermath of Hurricane Hugo in 1989, the State of South Carolina looked to the tourism industry to let the world know that we were back on our feet and open for business. As the Government official who led Florida's tourism industry through Hurricane Andrew, Greg Farmer well knows this story.

Mr. Farmer has helped the Florida tourism industry persevere through the negative impacts of mosquito outbreaks, hurricanes, and violent attacks on tourists. Now he must help the U.S. tourism industry fight against a tidal wave of indifference from a Congress that fails to understand the importance of this industry.

The budget of U.S. Travel and Tourism Administration [USTTA] for fiscal year 1994 is $17.1 million. I am sure that, when Mr. Farmer compares this amount to the $173 million spent by Greece, the $84 million spent by France, or the $90 million spent by South Korea on promotion, he knows he has a great challenge in front of him. The United States ranks 23d among nations in spending on tourism promotion; even the much smaller country of Cyprus outspends us. While the budget situation will continue to be difficult, Mr. Farmer, who was administrative assistant to our former colleague Congressman Buddy MacKay, will be well prepared to work with the Congress.

I have joined forces with the U.S. Department of Commerce to promote tourism since 1961, when President Kennedy established a tourism office under Secretary Luther Hodges. I look forward to working with Mr. Farmer as he brings to USTTA his expertise from both national and State government service.

I urge my colleagues to join with me in approving his nomination.

NOMINATION OF GRAHAM MITCHELL TO BE ASSISTANT SECRETARY OF COMMERCE FOR TECHNOLOGY POLICY

Mr. HOLLINGS. Mr. President, I am pleased that the full Senate is now considering the nomination of Dr. Graham R. Mitchell to be Assistant Secretary of Commerce for Technology Policy.

Dr. Mitchell is eminently qualified for this post. An electrical engineer by training, he has worked extensively in industry. At General Electric in the 1970's, he developed and sold new electrical equipment. At GTE from 1980 until accepting this offer of Government service, he headed the planning department of GTE Laboratories and later became director of planning and forecasting at those laboratories. He has solid experience not only with technology itself but also with the process by which companies turn new technology into successful products. Equally important, he is the choice of both Commerce Secretary Ron Brown and Under Secretary for Technology Mary Good. They think highly of him, and his testimony during his February 10 confirmation hearing was impressive.

Dr. Mitchell comes to his post at a critical time in American technology policy. With recent congressional initiatives and the election of a new President, the U.S. Government is finally moving at least part of its $70 billion annual research and development [R&D] budget away from old cold war priorities toward the economic needs of the Nation. Historically, the Government has invested heavily to help a few key sectors such as agriculture, aerospace, medicine, energy, and defense. But almost nothing has been invested to help general civilian industry and manufacturing to stay at the cutting edge of world technology. As our companies and workers face unprecedented foreign competition, it is vital to make our Federal research investment more useful to our companies. It is equally vital to understand what other policies can help to boost American competitiveness and jobs. Reporting to Dr. Good, Dr. Mitchell will be in charge of the Commerce Department's Office of Technology Policy, the Government's think tank on civilian technology issues. It is a vital post in this new era, and we need an expert with Dr. Mitchell's understanding of industry and breadth of experience.

Mr. President, I am pleased with the President's nomination for this important post, and I urge our colleagues to confirm Dr. Mitchell.

NOMINATION OF THOMAS R. BLOOM TO BE ASSISTANT SECRETARY OF ADMINISTRATION AND CHIEF FINANCIAL OFFICER OF THE DEPARTMENT OF COMMERCE

Mr. HOLLINGS. Mr. President, I rise today to support the nomination of Thomas R. Bloom to be Assistant Secretary for Administration and Chief Financial Officer of the Department of Commerce [DOC]. The Committee on Commerce, Science, and Transportation held Mr. Bloom's confirmation hearing on February 10, 1994, and reported his nomination.

The position of Chief Financial Officer is relatively new, having been created by the Chief Financial Officers Act of 1990. The Chief Financial Officer is responsible for reporting to the Secretary of Commerce regarding financial management matters; overseeing financial management activities; developing and maintaining an integrated agency accounting and financial management system; providing policy guidance and oversight of agency financial management personnel; and preparing a breakdown of the Department's budget for transmittal to the Director of the Office of Management and Budget.

Mr. Bloom is well qualified to assume this important position. Prior to his nomination, Mr. Bloom served as audit partner for Kenneth Leventhal & Co., an accounting firm, from 1988 to 1993. From 1985 to 1988, he was chief accountant and accounting fellow at the Federal Home Loan Bank Board. He has over 18 years of experience in the fields of financial management and general management, having served as auditor, management consultant, comptroller, and accounting regulator. Mr. Bloom is a native of Detroit and received his undergraduate degree from the University of Michigan in 1975.

The financial management and administration of such a large and diversified department is quite a responsibility. I know Mr. Bloom is up to the challenge and I urge my colleagues to support this nomination.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to the consideration of legislative business.

DEATH OF GEORGE TAMES

Mr. MOYNIHAN. Mr. President, I rise today to recognize the passing of a most gifted and decent friend. George Tames, for many decades the New York Times' uniquely talented photographer, died this past Thursday.

George Tames' work spanned 10 administrations, and he possessed the unique ability to capture life's most telling moments, forever.

My thoughts and prayers are with Mr. Tames' family and friends.

The February 24, 1994, edition of the New York Times printed a kind memorial to this uncommon artist. Mr. President, at this time I ask that my statement and the following obituary be included in the RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 24, 1994]

GEORGE TAMES, PHOTOGRAPHER, DIES AT 75

(By David Binder)

WASHINGTON, February 23.—George Tames, a news photographer for more than half a century whose work changed the way Americans looked at Presidents and political power, died here today while undergoing heart surgery. He was 75.

His photographs chronicled 10 Presidents from Franklin D. Roosevelt to George Bush, countless members of Congress and visiting statesmen from Churchill to Khrushchev. President Eisenhower chose two Tames photographs for official portraits, and a third became a 6-cent Eisenhower stamp.

The photo for the stamp was a characteristic Tames shot, taken of Eisenhower in 1953 in an unguarded moment as the President was delivering a radio-television address announcing that a truce had been agreed to ending the Korean War.

Over the years Mr. Tames also won awards and citations for dramatic action shots of a farmers' protest, a civil rights march and a still life of the Lincoln Memorial. The bulk of his work was for The New York Times, which he joined in 1945, after six years with Time magazine. That was the era of the large Speed Graphic camera, which shot only one frame at a time. He retired from The Times 40 years later in the era of the .35 millimeter camera with high-speed shutters and large, fast lenses.

KENNEDY AT HIS DESK

Mr. Tames was a keen student of Washington's changing political culture, early on, he developed an instinct for capturing dramatic moments on film.

One of his most widely known photographs showed a silhouette of President Kennedy from the back, leaning on his desk in the Oval Office and visibly burdened by the weight of his job. It was the kind of picture that Mr. Tames could find and shoot because of his ability to develop easy and informal access to the powerful.

"Mine was an unofficial role in his political kingdom," Mr. Tames recalled in his memoir, "Eye on Washington," published in 1990, "that of jokester and bringer of news, rumors and spicy Capitol Hill gossip."

Knowing that Kennedy often worked standing up because of an injured back and that his door was often open, Mr. Tames saw the President bent over, reading something in a newspaper. "I deliberately underexposed," he said later. "I wanted the blackness, the mood that I saw with my eye."

'POSTERITY'S SPY'

In a tribute two years ago on the occasion of the National Press Club's Fourth Estate award to the photographer, Ken Burns, the documentary film maker, spoke of Mr. Tames's work as "pictures that last, that speak eloquently, that have and will endure, that clearly are the DNA of our political story in the last 50 years."

Mr. Burns said Mr. Tames was "posterity's spy—a mole—penetrating farther and much deeper into our political landscape and psyche than any reporter who hangs on words has."

George Tames was born on Jan. 21, 1919, a few blocks from the Capitol. He was the son of Greek-Albanian immigrants; his father was a pushcart peddler. In the Depression, when the large Tames family depended heavily on relief, President Roosevelt was venerated in their back-alley home, his photograph placed alongside those of St. George and the Virgin Mother next to candles on an icon stand.

George was introduced to the Capitol early in his life. He had to work after completing the 10th grade and he began as an office courier for Time-Life, which took him back to Capitol Hill.

The work of news photographers attracted him, although at the time cameramen were not allowed to roam the Congressional corridors. But he was soon permitted to make photographs of individual members of Congress, and by the end of World War II he was among a small number of photographers permitted to take pictures of Roosevelt.

Although Mr. Tames had a deep affection for President Kennedy, President Truman was undoubtedly his favorite, not the least because he was the first to treat photographers with respect.

Mr. Tames relished the recollection of the day Truman "made White House photographers first-class citizens" by freeing them from the confines of a tiny West Wing chamber they called the Doghouse, and giving them entree to the press room.

Mr. Tames recalled Truman telling a foreign dignitary: "I am President of the most powerful nation in the world. I take orders from nobody, except photographers."

Mr. Tames had a wiry build and always seeming to be on the move around a city he loved. He was a tireless raconteur, telling anecdotes he had shared with the high and mighty, capped with a raucous laugh. This was a part of the persona he cultivated that made him popular not only with the politicians he covered, but also with his colleagues.

They celebrated him at 14 retirement parties, starting in 1986, after which everyone lost count. But Mr. Tames did not really retire. He went on shooting pictures as a freelance, mainly for The Times, and when a colleague or a colleague's child got married, he happily volunteered to make the wedding pictures, asking only for the cost of the film and permission to dance with the bride.

He was usually the life of any party he attended, "He's the champion," Cornell Capa, a former Life photographer, said a decade ago, "He beats everybody."

In a tribute to Mr. Tames, Wally Bennett, a longtime Washington photographer for Time, said today: "He knew all the players in the political game. He did his background work. He had a marvelous eye. He used his knowledge to make marvelous photographs that will be in the history books."

Mr. Tames is survived by his wife, the former Frances Faye Owens; two sons, Chris, of Nags Head, N.C., and Michael G., of Manteo, N.C.; three daughters, Pamale Tames Goodman of Wilson, N.C., Kathryn Tames Walton of Springfield, Va., and Stephanie Tames Nelson of Statesboro, Ga.

TRIBUTE TO MS. GLADYS KAMAKAKUOKALANI AINOA BRANDT

Mr. INOUYE. Mr. President, I would like to take this opportunity to recognize Ms. Gladys Kamakakuokalani Ainao Brandt. I commend and pay tribute to Ms. Brandt's lifelong commitment to education and to improving the quality of life of native Hawaiians.

From 1983 until 1989, Ms. Brandt dedicated her time and energy as a member of the board of regents for the University of Hawaii. On May 16, 1993 Ms. Brandt addressed the graduates of the University of Hawaii with an eloquent speech entitled "Some Reflections of the Thoughts and Words of Queen Lili'uokalani." I ask unanimous consent that her statement be made part of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY GLADYS K.A. BRANDT

Candidates for graduate degrees, members of the Board of Regents, President Mortimer, faculty, family members, distinguished guests and friends:

I am honored to be with you on this occasion that celebrates the distinguished academic achievements and talents of our graduate degree candidates. This annual ritual honors the eternal search for truth and meaning.

When President Mortimer first asked me to deliver today's graduation address, I declined. I did so because I am 86 years old, and I no longer have the energy that was characteristic of my past years. However, President Mortimer asked me to take a few days to reconsider my decision.

After several days of reflection, I agreed to speak on two conditions to which the President assented. First, that my remarks would be, of necessity, brief and simple. Second, that he would never ask me again.

But truly, I agreed to speak with you mainly because I felt it was my responsibility to do so. It seems to me that someone who has had the good fortune to live a life as long and as fulfilling as mine, has an obligation to find some words to offer new graduates as they face the challenging and demanding worlds of service, research, and commerce.

But the task of preparing remarks that would have inspirational value and interest for you proved far more difficult than I had anticipated.

I thought to myself that by this point in your educational careers, it is likely that most of you may have participated in a half-dozen graduation ceremonies, each filled with the usual commencement rhetoric that is forgotten in hours, perhaps even in minutes after the speaker leaves the podium, or maybe never heard at all.

My message finally started to take shape as I reflected upon the theme which was selected for this commencement: E Ho'opili Mai, come together.

This theme is a timely reference to Hawaii's observance of the centennial anniversary, of the overthrow of the Hawaiian Monarchy. One hundred years ago, Queen Lilli'uokalani, the last member of Hawaiian Royalty to preside over a sovereign Hawaiian nation, agreed to relinquish her crown to preserve the lives of her people and to put their fate in the hands of a nation she felt was committed to justice.

Her action, tragic and humiliating though it was for her and her loyal followers, was a major turning point in the evolution of today's Hawaii.

The decision to relinquish control and rule was not an easy one for this strong and courageous woman. But she was wise enough to see that an armed struggle with the militia and the U.S. Navy would be for naught, and that lives lost to preserve a throne would serve no cause, no honor, and no reasonable destiny.

In the days that followed her concession, she wrestled with her choice and its consequences for the Hawaiian people, hoping to find some large meaning in her act that would justify the course she was forced to follow. Was her act to be the death knell for her people and for a way of life that had existed for over a thousand years?

Surely, no one could have called for resistance more deservedly than she, for she was betrayed by people to whom she had offered friendship and trust. Surely, no one could have called for war more justifiably, for she was wronged by a nation whose principles she had openly admired and embraced.

It was during this time of trial and sorrow, that the Queen, who was a gifted and prolific musical composer, wrote "The Queen's Prayer," a song, whose words have become a legacy not only for her people and her land, but for people everywhere who seek peace. It is the timeless message of the Queen's words during the days that she was imprisoned in a single room in Iolani Palace that I offer you today, on this special occasion.

Mai nana i no 'ino
Na hewa o kanaka
Aka e huikala
A ma 'ema'e no

Oh, look not on our failings,
Nor on the sins of men.
Forgive with loving kindness
That we might be cleansed.

In the words of the "The Queen's Prayer" were captured a wisdom and beauty that transcend time and place, words that are as meaningful for the turbulence and chaos of our time and age, as they were for her and her people in the waning years of the nineteenth century.

Imagine! At a time when anger would have been understandable, when hatred would have been warranted, when violence would have been justifiable, this gallant woman, symbol of her people and her culture, wrote of forgiveness and aloha; of those forces that bring people together; of E Ho'opili Mai. This is the stuff of true heroes and heroines. This is the stuff of dignity and nobility.

What uncommon character! The day may have belonged to the rebels, but the future would belong to her. For in choosing peace, she preserved the opportunity for her people to once again be proud of their Hawaiian identity, and for citizens from around the world to learn and experience the feeling and value of aloha.

I share all of this with you because graduation will launch many of you into positions of responsibility and decision-making. Although the choices you may be asked or even forced to make may not have consequences for a nation of people, as did those of Queen Lili'uokalani, your choices will nevertheless be important. You, too, will be faced with conflict. You will be asked to make decisions of conscience. You will be asked to speak against oppression, and to choose between impulse and restraint, and between aggression and peace. And at that point in time, when your conscience is torn and your values are in turmoil, turn then to the example of that noble woman who once led a small Polynesian nation.

Onipa'a, be steadfast in your beliefs. Imua, go forward. And be a force for harmony. Stand against those who preach hate and destruction; against those who speak of division and separation; against those who seek power to impose their will upon others.

Remember the words of this Queen of Hawai'i, whose vision was greater, more enduring, more humane, and ultimately more powerful than the weapons of her antagonists. She understood that the concept of aloha was so broad that it could encompass and balance both the courage of conviction and the graciousness of forgiveness.

Just months before her passing, she offered the following words:

". . . You must remember, never cease to act because you fear you may fail. The way to lose any earthly kingdom is to be inflexible, intolerant and prejudicial. Another way is to be too flexible, tolerant of too many wrongs and without judgement at all. It is a razor's edge. It is the width of a blade of pili grass. . . It is to hear what is not said, to see what cannot be seen, and to know the unknowable, that is aloha."

And so I urge you on this special day, to draw inspiration from the spirit of Queen Lili'uokalani and the theme selected for today's ceremony. . . E Ho'opili Mai! Let us come together, so that we may better know, even as chaos and confusion abound, that in words and deeds inspired by aloha, resides the beacon of hope. Aloha.

SALUTE TO DAN JANSEN

Mr. KOHL. Mr. President, I rise to honor 1994 American Olympic Gold Medalist Dan Jansen. Dan Jansen, of Greenfield, WI, set a world record in the 1000-meter speedskating event on February 18, 1994, but not before overcoming recent years of personal tragedy and disappointment that eventually led to his most fulfilling Olympic accomplishment.

Jansen's dominance over the world of speedskating was proven in the past as he skated to numerous world championships over the last 10 years. The Lillehammer Olympics are the crowning achievement of his career after tragedy and hardship stood in his way in past Olympic competitions. With the eyes of the world upon him, Jansen came through with a gold medal performance that sent shivers up the spines of those who witnessed the world record event.

Dan Jansen personifies the dedication and perseverance of an Olympic champion. When up against hard times or faced with adversity, Jansen never lost hope; he just dug a little deeper and kept coming back. Dan Jansen is a true champion embodying the Olympic spirit. On behalf of all Wisconsinites, as well as the entire Nation, we congratulate you, Dan Jansen, our Olympic champion.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending. Congress has failed miserably in that task for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,559,540,702,805.73 as of the close of business yesterday, Monday, February 28. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $17,488.87.

MANDATORY MINIMUM SENTENCES

Mr. DOLE. Mr. President, anyone interested in learning about the effectiveness of mandatory minimum sentences should read an article appearing in last Sunday's edition of the Washington Post. The article, entitled "What prosecutors Know: Mandatory Minimums Work," was written by Jay Apperson, A Federal prosecutor in the Eastern District of Virginia.

As Mr. Apperson explains: "* * * most front-line Federal prosecutors, including those who deal with narcotics and organized crime cases, strongly support tough mandatory minimum sentences for drug trafficking. * * * Mandatory minimum sentences are perhaps the single most important law enforcement tool available to prosecutors in targeting and successfully convicting high-level drug dealers. Moreover, the minimums are not absolute: low-level defendants can avoid them by cooperating with prosecutors."

Mr. Apperson goes on to point out that mandatory minimums are often used successfully by prosecutors as leverage to encourage low-level drug dealers to identify, and help convict, the violent suppliers and big-time drug traffickers. In fact, mandatory minimums were designed to give low-level drug dealers an out: You can escape the heavy penalties, if you help finger those higher up in the drug-dealing chain of command.

Mr. President, I know it's fashionable in some elite circles to knock mandatory minimum sentences for imposing long prison terms on young people, whose immaturity and lack of opportunity may have led them down the path of lawlessness. But, as Mr. Apperson's article points out, the real threat to our young people is not the mandatory minimum, but the vicious drug dealer whose business is to ruin lives and destroy communities.

Mr. President, I ask unanimous consent that Mr. Apperson's commentary be reprinted in the RECORD immediately after my remarks.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 27, 1994]

WHAT PROSECUTORS KNOW: MANDATORY MINIMUMS WORK

(By Jay Apperson)

Former Deputy Attorney General Philip Heymann has drawn favorable editorial comment in recent weeks for his criticism of mandatory minimum sentences for drug-related and other serious federal crimes. Yet most front-line federal prosecutors including those who deal with narcotics and organized crime cases strongly support tough mandatory minimum sentences for drug trafficking. Had Heymann asked us, we would have told him why: Minimum sentences are perhaps the single most important law enforcement tool available to prosecutors in targeting and successfully convicting high-level drug dealers. Moreover, the minimums are not absolute: Low-level defendants can avoid them by cooperating with prosecutors.

Real cases, tried by real prosecutors with real results, provide the best evidence. Let me tell you about one of them, a case I tried in the Eastern District of Virginia in 1988, United States v. Angela Lewis & "Sincere" Ernest.

When I first saw Angela Lewis, she was standing before a federal magistrate, charged with drug trafficking. She was petrified by the experience, terrified about what she was going to tell her family. She was 19 and a successful student with a future. She had never been in trouble with the law. She did not use drugs. She was a perfect example of the people that critics say are punished unfairly by mandatory minimums. And she was also a perfect example of the people the mandatory minimum sentencing scheme is designed to help.

Charged with Angela Lewis was one "Sincere" Ernest, sometime rap singer, part-time boyfriend, full-time crack dealer. He didn't use drugs. He used people. Lewis later testified that Ernest bragged to her about his thriving business and told her that he had a lot of people selling drugs for him in Washington, because the people there were "so stupid" that they'd waste their money on dope.

Ernest and Angela flew to New York together before Memorial Day 1988. On the way back, he stuffed a paper bag in her jacket and told her to wear it on the plane to Washington, making her his "mule." According to Angela, she told him, "If that's drugs, I don't want to carry them." Ernest told her that if she didn't wear the jacket, she wouldn't get back to Washington. He sat apart from her on the plane, and waited for her to catch up with him at National Airport. They were both arrested at the terminal. But it was Angela who was carrying the drugs.

On the way to jail, Angela later said, Ernest asked her to "take the rap" for him, and since she had no criminal record, she'd only do "short time"—call it, Drug Sentence Lite.

We tried to get her to cooperate, and turn evidence on Ernest. But she wouldn't. Without her help, we had to drop the charges against him. But with so much evidence against her, we easily convicted Angela. Mandatory minimums required that she get at least 10 years (the 300 grams of crack she was carrying was six times the 50-gram amount that triggers the mandatory minimum). The sentencing judge disregarded the statute and sentenced Lewis to six months. He express the sympathetic view motivating many current critics: "[She's] 19 years old, a good student and has no record of crime or drug involvement."

I successfully appealed the judge's sentence, and after almost two years of briefs and arguments to the appellate court, the judge was ordered to resentence Lewis to 10 years. Guess what? Within 24 hours of that sentence, I heard from Lewis and her attorney. Lewis, it seems, wasn't ready to do 10 years for Ernest. She was ready to cooperate. With her help, we arrested Ernest, who was convicted and is serving 21 years in federal prison.

The tragedy is that during the almost two years it took to reverse the sentence, Ernest had been running a crack house in the Tidewater area and laundering drug profits into rap music albums starring—yep—"Sincere" Ernest. During that time I have no doubt that other Angela Lewises were recruited, used and discarded by Ernest, other victims preyed upon and more poison distributed. This would not have happened if the system had been allowed to work as intended.

Opponents of mandatory minimums paint a picture of federal prosecutors rounding up unfortunate drug addicts and low-level mules, tossing them into jail for 10 years and moving on to the next case. The reality is quite different. Unlike state drug cases, federal prosecutions attempt to focus on long-term conspiracies involving increasingly sophisticated and violent international operations. Our experience is that without tough mandatory minimum sentences, defendants facing a few years time are generally willing to serve it, rather than finger violent suppliers and big-time traffickers. Mandatory minimums are part of a comprehensive scheme that includes the government's ability to reduce a defendant's sentence below the mandatory when the defendant provides "substantial assistance" in the prosecution of others. Assistant U.S. attorneys have, by and large, insisted that substantial assistance means moving "up the ladder" to convict higher-up suppliers—those who run the operations. These thugs deliberately insulate themselves from directly dealing drugs. They use little people like Angela Lewis to do the dirty work and take the rap.

Before mandatory minimums, the underlings (couriers and mules) served little jail time for the scutwork. They were often paid for their prison time by their bosses; their short sentences were simply the cost of doing business. Needless to say, they didn't turn in those bosses.

However, faced with the certainty of a 10-year mandatory with no parole, it's amazing how a defendant's fear or "loyalty" is suddenly put into perspective. They suddenly realize they will be giving up a huge chunk of their lives for someone else, who walks away scot free.

Those arrested in federal drug cases are told immediately that they face tough mandatory minimums and that their only way out is to cooperate with the government, identify their sources, work in conjunction with undercover agents and testify in court.

One person given that chance was Derrick Curry, a young man who was the subject of a feature piece in The Washington Post on Feb. 20. The writer lamented Curry's "incomprehensibly severe" 20-year sentence for this "small time dealer." The article didn't report the full-range of Curry's known drug dealings as revealed by FBI incident reports, surveillance logs and supporting affidavits and testimony at Curry's trial: Curry had, for example, distributed crack to the undercover agent two previous times; the half kilo of crack recovered from his station wagon was in addition to another full kilo he had just delivered to a co-conspirator; a 12-gauge shotgun was found in his apartment when he was arrested with his co-conspirator.

Curry, the article did note, steadfastly refused to cooperate by "ratting on his friends." Friends? Are these the same kind of "friends" who gave Len Bias the coke that killed him? The same "friends" who supply poison to kids in our neighborhoods? It is not the mandatory minimums that are ruining "an entire generation of young black men," as the article suggested, it is drug dealers like Curry and their higher-up suppliers. Curry may be content that his suppliers are continuing to work while he protects them and serves their time for them. But I'm not. And neither are most Americans.

Here's what is missing from the public debate: Mandatory minimum mechanisms were designed to help people exactly like Derrick Curry and Angela Lewis dig themselves out of the holes they had crawled into. They were designed to help Curry and to hurt his suppliers and bosses, who use people like Kleenex and throw them away when they're done. If Curry wants to help these ringleaders stay out of jail, he can stay in jail. He could have chosen to work with the system. He chose not to. Fortunately, most defendants, like Lewis, make a different choice. These result in convictions in case after case of higher-level traffickers who would otherwise escape prosecution.

There is, to be sure, a small fraction of defendants who are unable to provide the assistance that would reduce their sentences. In my experience, this number is minuscule. But beyond that, Attorney General Janet Reno has recently provided line prosecutors with additional flexibility in charging decisions to prevent an injustice in those cases where a defendant truly cannot provide information. Her action provides for flexibility without gutting the effectiveness of the mandatory minimums. Congress and the administration should resist current efforts to undercut mandatory minimums legislatively. At the very least, the public needs to know that mandatory minimums work.

By the way, I moved to have Angela Lewis's sentence reduced because of her "substantial assistance" to the United States. Far from languishing in prison, she was free after only 18 months. She now lives with her daughter and is enrolled in a community college. She is staying away from drugs, and those who run them.

RETIREMENT OF ADM. DAVID E. JEREMIAH, USN

Mr. NUNN. Mr. President, today March 1, 1994, Adm. David E. Jeremiah, the Vice Chairman of the Joint Chiefs of Staff retired from active duty in the U.S. Navy. Today, I want to briefly review the career of Adm. Dave Jeremiah and pay tribute to his distinguished service to his country.

Admiral Jeremiah was born on February 25, 1934, and is a native of Portland, OR. He graduated from the University of Oregon in 1955 and received his commission through the Navy's Officer Candidate Program in 1956. He also received a Master of Science Degree in Financial Management from George Washington University in 1968 and graduated from the Armed Forces Staff College in 1971.

Admiral Jeremiah had extensive sea duty, including service on seven Pacific Fleet destroyers. While serving as commander, Cruiser-Destroyer Group Eight, from August 1984 until April 1986, Admiral Jeremiah directed the location and forced landing of the Egyptian airliner carrying the hijackers from the *Achille Lauro*. He was the battle force commander during freedom of navigation operations in the Gulf of Sidra and directed actions resulting in the sinking of two Libyan warships and the destruction of an anti-air missile site.

Admiral Jeremiah's other assignments include duty as a systems analyst in the Office of Program Analysis and Evaluation, in the Office of the Secretary of Defense; head of the Programs, Plans, and Development branch of the Office of the Chief of Naval Operations; Executive Assistant to the Chief of Naval Operations; Director, Navy Program Planning, of the Office of the Chief of Naval Operations; and Commander in Chief, U.S. Pacific Fleet.

For the last 4 years, Admiral Jeremiah has been serving as the Vice Chairman of the Joint Chiefs of Staff, the second highest ranking position in the U.S. military. In that position, Admiral Jeremiah has served as Chairman of the Joint Requirements Oversight Council; as the vice Chairman of the Defense Acquisition Board; and as a member of the National Security Council's Deputies Committee. He was awarded the Presidential Citizens Medal in July 1991 for significant contributions during the Persian Gulf crisis and the successful liberation of Kuwait.

Admiral Jeremiah is the second officer to serve as the Vice Chairman of the Joint Chiefs of Staff and the first officer to serve in that position as a full member of the Joint Chiefs. During his confirmation hearing in February 1990, Admiral Jeremiah committed to conducting a top-to-bottom examination of all existing requirements documents for new weapons systems to determine if the passage of time, changes in technology, and changes in the threat should lead to a change or cancellation of the requirement. That examination lead to increased emphasis in some weapons programs, decreased emphasis in others, and termination of still others.

Admiral Jeremiah's tenure as the Vice Chairman has witnessed dramatic changes in the global security environment and the resulting change in our national military strategy to a regional focus. He has also played a significant role in the Defense Department's major analytical efforts relating to the Base Force, the assignment of Roles and Missions, and the Bottom Up Review.

Mr. President, I want to extend our gratitude and our admiration to Admiral Dave Jeremiah for his service to our Nation during his 38 years of commissioned service and for his outstanding performance as the Vice Chairman over the last 4 years. I know my colleagues join me in extending best wishes to Admiral Jeremiah for continued success in the future.

BUDGET SCOREKEEPING REPORT

Mr. SASSER. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through February 25, 1994. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget House Concurrent Resolution 287, show that current level spending is below the budget resolution by $4.4 billion in budget authority and $0.7 billion in outlays. Current level is $0.1 billion above the revenue floor in 1994 and below by $30.3 billion over the 5 years, 1994–98. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $312.1 billion, $0.7 billion below the maximum deficit amount for 1994 of $312.8 billion.

There has been no action that affects the current level of budget authority, outlays, or revenues since the last report, dated February 23, 1994.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 28, 1994.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the 1994 budget and is current through February 25, 1994. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 64). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated February 22, 1994, there has been no action that affects the current level of budget authority, outlays, or revenues.

Sincerely,

JAMES T. BLUM
(For Robert D. Reischauer).

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE FISCAL YEAR 1994, 103D CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS FEBRUARY 25, 1994

[In billions of dollars]

	Budget resolution (H. Con. Res. 64) [1]	Current level [2]	Current level over/under resolution
ON-BUDGET			
Budget authority	1,223.2	1,218.9	−4.4
Outlays	1,218.1	1,217.5	−0.7
Revenues:			
1994	905.3	905.4	0.1
1994–98	5,153.1	5,122.8	−30.3
Maximum deficit amount	312.8	312.1	−0.7
Debt subject to limit	4,731.9	4,451.3	−280.6
OFF-BUDGET			
Social Security outlays:			
1994	274.8	274.8	
1994–98	1,486.5	1,486.5	
Social Security revenues:			
1994	336.3	335.2	−1.1
1994–98	1,872.0	1,871.4	−0.6

[1] Reflects revised allocation under section 9(g) of H.Con. Res. 64 for the Deficit—Neutral reserve fund.

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

Note.—Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1994 AS OF CLOSE OF BUSINESS FEBRUARY 25, 1994

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			905,429
Permanents and other spending legislation [1]	721,182	694,713	
Appropriation legislation	742,749	758,885	
Offsetting receipts	(237,226)	(237,226)	
Total previously enacted	1,226,705	1,216,372	905,429
ENACTED THIS SESSION			
Emergency supplemental appropriations, fiscal year 1994 (Public Law 103–211)	(2,286)	(248)	
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted [2]	(5,562)	1,326	
Total current level [3,4]	1,218,857	1,217,451	905,429
Total budget resolution	1,223,249	1,218,149	905,349
Amount remaining:			
Under budget resolution	4,392	698	
Over budget resolution			80

[1] Includes budget committee estimate of $2.4 billion in outlay savings for FCC spectrum license fees.

[2] Includes changes to baseline estimates of appropriated mandatories due to enactment of P.L. 103–66.

[3] In accordance with the Budget Enforcement Act, the total does not include $13,608 million in budget authority and $8,896 million in outlays in emergency funding.

[4] At the request of Committee staff, current level does not include scoring of section 601 of P.L. 102–391.

Notes.—Numbers in parentheses are negative. Detail may not add due to rounding.

WE WILL MISS GEORGE TAMES

Mr. PELL. Mr. President, as many of my colleagues know, George Tames died last week after a lifetime of recording Washington's political events and personalities with his camera. He will be sorely missed.

I rise to share with my colleagues an excellent appreciation of George Tames, written by Howell Raines, that ran in last Sunday's New York Times, February 27, 1994. I know that I personally will miss him.

Accompanying that article was one of his celebrated pictures of Lyndon Johnson lecturing my predecessor, Theodore Francis Green.

George, who photographed 11 Presidents during nearly a half-century as a Washington-based photographer for the New York Times, was both an exceptionally talented photographer and a delightful person.

He was justifiably known as a consumate storyteller and that skill was captured and remains available to us in his book, "Eye on Washington: Presidents Who Have Known Me."

It will be difficult for us to look around and not see him recording events at the next meeting of the men and women who shape our Nation's policy. We will miss both him and his exceptional work.

I ask unanimous consent that the following article from the Sunday New York Times be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Sunday New York Times, Feb. 27, 1994]

THE ARTISTRY OF GEORGE TAMES

(By Howell Raines)

Newspaper journalism takes place within rigid stylistic guidelines. Even so, there are a handful of writers and photographers who manage, within those strict limits, to create work that rises to the level of art. George Tames, the Times photographer who died on Wednesday at the age of 75, was such a person.

Even into his 70's, George could run and gun with the best young shooters. But every now and then his Nikon—or, in the old days, his Speed Graphic— would spit out an image that you knew would outlast the issue of the paper in which it appeared.

George was an interesting man to look at and to listen to. You had to like to listen because he could talk the horns off a billy goat. He had an artist's ego and the artist's eye to back it up. In the 55 years of photographing Washington, George earned the right to strut. When George told me he was writing his autobiography, I suggested that he call it "Presidents Who Have Known Me." I meant it as a joke. George made that the subtitle.

He was not an orderly man about preserving his work. Some of his best images were rescued from obscurity because Susan Woodley Raines, my former wife, took the trouble to catalogue a pile of prints and negatives in George and Fran Tames's basement. One of those photographs, a picture of Lyndon Johnson browbeating Senator Theodore Francis Green, hangs in my office. I was sitting in front of it on the sad day when two of George's favorite people on The Times, Carolyn Lee and Jose Lopez, came with news that he had died during heart surgery.

In that moment, I was thinking less of George's photographs than of Tames Rock in the Potomac. That was what we called a jagged gray boulder upstream from Fletcher's Boat House. George had stood on that rock and fished for herring, shad and striped bass every spring of his life from the time he was a small boy. He took me there one spring morning two years ago and let me cast from his rock. Just after daylight I hooked a big fish that got away.

For the first spring in over 60 years, George will not stand on Tames Rock. He was a good fisherman, but he was a better photographer. When he pointed his camera, the big ones did not get away. You can call that art and no one who knows this business will argue.

NATIONAL SPORTSMANSHIP DAY

Mr. PELL. Mr. President, today marks the fourth annual National Sportsmanship Day which is being celebrated by 4,000 schools in the United States and some 55 international schools in 35 countries.

National Sportsmanship Day was conceived by the Institute for International Sport, which is located at the University of Rhode Island, to create an awareness of the issues of ethics, fair play, and sportsmanship within athletics and society. Since its inception in 1991, over 6,000 schools in all 50 States have benefited from the program.

An integral component of each National Sportsmanship Day has been the Student-Athlete Outreach Program in which college student-athletes visit local high schools and elementary schools to discuss the importance of good sportsmanship and serve as good role models. In conjunction with the activities of this program, the Institute for International Sport selects sports ethics fellows from diverse fields in athletics and education to explore the contemporary and still evolving issues of ethics and sportsmanship.

It is worth noting, Mr. President, that the Institute for International Sport successfully completed the inaugural World Scholar-Athlete Games in June 1993. This international celebration of sport, culture, and education—which was held in Newport, RI—brought together over 1,600 participants from every one of the 50 States as well as 108 countries to promote international understanding and cross-cultural communication.

I commend the Institute for International Sport for all its efforts on behalf of education, athletics, and cultural understanding.

Mr. President, I ask unanimous consent that a letter from the President's Council on Physical Fitness and Sports recognizing this day be included in the RECORD following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS,
Washington, DC, January 31, 1994.

DANIEL E. DOYLE, Jr.,
Executive Director, Institute for International Sport, Kingston, RI.

DEAR MR. DOYLE: The President's Council on Physical Fitness and Sports recognizes March 1, 1994, as National Sportsmanship Day. It is an important moment for all of us, not just youth, to reflect on the role sports play in our lives and the lessons such participation teaches us.

Observance of National Sportsmanship Day is an opportunity to recognize contributions that sports make to all aspects of our lives. Sports should teach us honesty, integrity and humility as well as develop a sense of fair play and excellence.

The Institute for International Sports is to be congratulated for its outstanding leadership in organizing this day. We are delighted and honored to be a part of this day. We are delighted and honored to be a part of this observance and look forward to seeing more schools involved.

Sincerely,

FLORENCE GRIFFITH JOYNER,
Co-Chair.
TOM MCMILLEN,
Co-Chair.

REPORT OF THE ENVIRONMENTAL IMPACT REVIEW OF THE CHEMICAL WEAPONS CONVENTION—MESSAGE FROM THE PRESIDENT—PM 90

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works.

To the Senate of the United States:

On November 23, 1993, I transmitted the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (the "Chemical Weapons Convention" or CWC) to the Senate for its advice and consent to ratification. As stated in the transmittal message, I now submit herewith an Environmental Impact Review (EIR) of the Chemical Weapons Convention for the information of the Senate. This EIR summarizes the documented environmental effects that could result from the entry into force of the CWC for the United States. Considerable study has already been devoted under related Federal programs to examining and describing the environmental impacts of activities that are similar or identical to what the CWC will entail when it enters into force. This EIR is a review of published information and, as such, should not be considered an analysis of data or a verification of published conclusions.

United States ratification of the CWC will result in a national commitment to the CWC requirements that will modify the existing chemical weapons stockpile demilitarization and non-stockpile programs, as well as create additional declaration, destruction, and verification requirements. The CWC ratification and entry into force will have both environmental and health benefits and adverse effects for the United States because of the actions the United States and other parties will need to take to meet the Convention's requirements.

The report consists of six sections. Section 1 is the introduction. Section 2 provides an overview of the current U.S. chemical weapons destruction program, which can be thought of as the environmental baseline against which the potential environmental consequences of the CWC must be measured. It includes discussions of the Chemical Stockpile Disposal Program (CSDP), the Non-Stockpile Chemical Materiel Program (NSCMP), the environmental consequences of these programs, and the environmental monitoring program currently in place. Section 3 contains documentation on the possible environmental consequences of each component of the existing chemical weapons program—all of which would occur regardless of whether the United States ratifies the CWC. Section 4 is a discussion of environmental consequences that could result from U.S. ratification of the CWC, including both the benefits and potential adverse consequences for the physical and human environment. Section 5 contains a discussion of three options that could be selected by the United States instead of prompt ratification of the CWC and a discussion of the possible environmental consequences of each option. Finally, Section 6 contains the endnotes.

I believe that the Chemical Weapons Convention is in the best interests of the United States. Its provisions will significantly strengthen U.S., allied and international security, environmental security, and enhance global and regional stability. I continue to urge the Senate to give early and favorable consideration to the Chemical Weapons Convention and to give advice and consent to its ratification as soon as possible in 1994.

WILLIAM J. CLINTON.
THE WHITE HOUSE, *March 1, 1994.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2235. A communication from the Secretary of Labor, transmitting, pursuant to law, the report on the Transition Assistance Program; to the Committee on Armed Services.

EC–2236. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, the report evaluating the cost of expanding military health care benefits; to the Committee on Armed Services.

EC–2237. A communication from the Secretary of Defense, transmitting, pursuant to law, the report on the structure, roles, and missions of the armed forces; to the Committee on Armed Services.

EC–2238. A communication from the Acting Director of the Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, notice of the compensation plan for 1994; to the Committee on Banking, Housing and Urban Affairs.

EC–2239. A communication from the Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of the Aviation Capital Investment Plan; to the Committee on Commerce, Science, and Transportation.

EC-2240. A communication from the Secretary of Energy, transmitting, pursuant to law, the report of the Comprehensive Program Management Plan; to the Committee on Energy and Natural Resources.

EC-2241. A communication from the Deputy Associate Director for Compliance of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2242. A communication from the Secretary of Energy, transmitting, pursuant to law, the report on enforcement actions and comprehensive status of Exxon and stripper well oil overcharge funds; to the Committee on Energy and Natural Resources.

EC-2243. A communication from the President of the United States, received on March 1, 1994, transmitting, consistent with the War Powers Act, a report relative to Bosnia-Herzegovina; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN:

S. 1880. A bill to provide that the National Education Commission on Time and Learning shall terminate on September 30, 1994; to the Committee on Labor and Human Resources.

By Mr. ROCKEFELLER (for himself and Mr. BURNS):

S. 1881. A bill to establish and implement a technology investment policy for aeronautical and space activities of the National Aeronautics and Space Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. BRADLEY, Mr. LAUTENBERG, Mrs. BOXER, Mr. PELL, and Mr. CHAFEE):

S. 1882. A bill to amend title 18, United States Code, to promote the safe use of guns and to reduce gun violence; to the Committee on the Judiciary.

By Mr. INOUYE (for himself, Mr. STEVENS, Mr. HOLLINGS, and Mr. DANFORTH):

S. 1883. A bill to authorize appropriations for the promotion and development of the United States national telecommunications and information infrastructure, and the construction and planning of public broadcasting facilities, and for other purposes; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN:

S. 1880. A bill to provide that the National Education Commission on Time and Learning shall terminate on September 30, 1994; to the Committee on Labor and Human Resources.

TIME AND LEARNING COMMISSION EXTENSION OF TERMINATION DATE

• Mr. BINGAMAN. Mr. President, I am introducing today a bill which will extend the termination date of the National Commission on Time and Learning to September 30, 1994. Under the current law the Commission is required to terminate no later then 90 days following the submission of its report to the Congress. That report is expected to be submitted no later than April 1, 1994. Accordingly, under current law the Commission would go out of existence on June 30, 1994. This bill would extend its life for an additional 3 months.

The National Commission on Time and Learning was created in 1991 as a result of legislation which I sponsored. I have for a long time been very concerned about the fact that American students are not performing to the level of their counterparts in many other parts of the world. In that connection, I have particularly noted that students in other countries spend considerably more time in school. European students spend up to 230 days a year in class; in Japan the school year is 243 days; in South Korea it is 220 days. American schools, in contrast, generally have only a 180-day school year.

The Commission of Time and Learning was established to study the issues raised by the higher achievement of students who spend greater time in school. In particular, the Commission was directed to examine the quality and adequacy of the study and learning time of elementary and secondary students in the United States, including issues regarding the length of the school day and year, the extent and role of homework, how time is being used for academic subjects, year-round professional opportunities for teachers, and the use of school facilities for extended learning programs.

The Commission is composed of distinguished educators and education professionals. Its members are John Hodge Jones, superintendent of schools in Murfreesboro, TN, chair; Carol Schwartz, former member of the District of Columbia Board of Education and City Council and special education teacher, vice chair; Michael J. Barrett, State senator from Cambridge, MA; B. Marie Byers, president of the Washington County School Board, Hagerstown, MD; Christopher T. Cross, executive director of the education initiative of the business roundtable and former Assistant Secretary for Educational Research and Improvement in the U.S. Department of Education; Denis P. Doyle, senior fellow at the Hudson Institute and formerly with the American Enterprise Institute; Norman E. Higgings, principal of Piscataquis Community High School in Dover-Foxcroft, ME; William E. Shelton, president of Eastern Michigan University; and Glenn R. Walker, principal of Clifton-Clyde High School in Clyde, KS.

The Executive Director of the Commission is Dr. Milton Goldberg. Dr. Goldberg served as the Executive Director of the National Commission on Excellence in Education, which produced the landmark report "A Nation At Risk."

Since the Commission commenced its work in 1992, it has held eight hearings at locations across the country and has commissioned the preparation of several reports on aspects of its study. The Commission has worked very hard and I have every expectation that its report, which will be submitted very shortly, will make a very significant contribution to the debate on education reform.

The Commission has indicated to me that its report will be of great interest and significance to the education community and to policymakers, especially now that national attention is focused on education reform as it has never been before. Because of the significance and importance of the report for current reform efforts, the Commission would like to be able to continue in existence after the submission of the report for a period of time beyond the 90 days permitted by the law. The Commission seeks the additional time in order to be able to disseminate the report widely, to provide further information to interested parties concerning the hearings, studies, and other matters relied upon or consulted by the Commission in the course of its duties, and to wind down its activities in an orderly manner.

There has been appropriated $900,000 for the operation of the Commission; that appropriation continues to the end of fiscal year 1994 and sufficient moneys remain to fund operation until that time. Accordingly, no additional appropriation will be required in order to extend the life this Commission for an additional 90 days.

This Commission has undertaken a critical first step in a direction I believe education reform must take if we as a nation are going to be able to educate our young people to high, world class standards. That step is the study of the implications of time for learning. To realize the full benefit of that study, and of the investment which we have made in that study, I urge my colleagues to extend the life of the Commission for a brief additional time to September 30, 1994.•

By Mr. ROCKEFELLER (for himself and Mr. BURNS):

S. 1881. A bill to establish and implement a technology investment policy for aeronautical and space activities of the National Aeronautics and Space Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION TECHNOLOGY INVESTMENT ACT 1994

• Mr. ROCKEFELLER. Mr. President, as chairman of the Subcommittee on Science, Technology, and Space, I am proud to introduce the National Aeronautics and Space Administration Technology Investment Act of 1994. I am joined by the subcommittee's ranking member, Senator CONRAD BURNS.

This bill establishes a framework for technology investment in the National Aeronautics and Space Administration [NASA] which will strengthen the link between NASA programs and economic growth and jobs for Americans. It is the result of efforts that Senator BURNS and I have made over the last year to review NASA's mission, and very specifically, its relevance to the U.S. economy. We have drawn on NASA's leadership, outside experts, and parallels in other parts of Government where partnerships with the private sector are ensuring that taxpayers' hard-earned dollars are reaping maximum benefits. And this bill reflects my continued commitment to our space agency, but a belief that its future rests on a more concerted effort to make tangible contributions to growth and jobs for Americans.

As part of our Nation's effort to win the cold war, NASA was created in 1958 to ensure U.S. preeminence in aeronautics and space. NASA was able to pursue technology development of highly specialized hardware solely to fulfill unique mission requirements which were driven in large part by foreign policy and an elite research community. However, over 35 years later, ongoing Federal budget constraints affect our ability to fund important research and development objectives and pursue changing national priorities.

Since 1962, NASA has been mandated to "provide for the widest practicable and appropriate dissemination of information concerning its activities and the results thereof." This congressional mandate has been the foundation for the utilization and transfer of technology from NASA to the private sector in the form of spinoffs or the secondary application of NASA-developed technologies. In 1984, NASA also was mandated to "seek and encourage, to the maximum extent possible, the fullest commercial use of space." In fulfilling this requirement, NASA has fostered collaborations with industries and universities to develop commercial uses of space.

While both of these congressional mandates have resulted in new products and unique uses of NASA research and technology, spinoff successes have been attributed largely to serendipitous events rather than focused NASA technology transfer and utilization efforts. With the continuing budget constraints, NASA must look beyond the technology transfers approach of the past three decades, and focus its aeronautical and space activities to contribute more effectively to our Nation's economic priorities.

Some contend that NASA's pursuit of aeronautics and space missions is incompatible with the goals of economic growth and jobs, outside of the traditional aerospace industry. Both supporters and critics of the space program have also questioned the value of funding NASA missions when large, drawn-out project routinely overrun cost estimates and are subsequently redesigned to eliminate new technologies to meet budget realities. In preparing this bill, however, the overriding debate was not on whether NASA should be pursuing technology development and commercialization goals in its aeronautics and space missions. Rather, the debate has centered on whether NASA is capable of carrying out this new mandate successfully.

While others may doubt NASA's ability to change its way of doing business, I am confident that NASA has the potential to contribute meaningfully to the U.S. economy and enhance international economic competitiveness. On October 28, 1993, my subcommittee held a hearing on NASA's relevance to the U.S. economy. Testimony received at this hearing revealed that NASA is striving to change its customary approaches to project planning and management in recognition of the changing times and priorities. An excellent example of NASA's effort to change is in the area of aeronautics technology. Advanced subsonics and high speed research are undertaken in concert with U.S. industry consortia. In these programs, NASA and industry work together to identify technologies which will result in advances for airframe and engine manufacturers. Direct collaboration with industry in these technology development programs has the potential to increase the productivity of existing and yet-to-be-seen aircraft.

The NASA Technology Investment Act of 1994 provides the framework for NASA to change its way of doing business to the rest of the agency. The bill is divided into two titles: Title I provides direction for NASA's role in technology investment. Title II requires the United States to prepare a strategy for developing world class aeronautics testing facilities.

A key provision in this bill amends the National Aeronautics and Space Act of 1958 to provide the agency with direction to conduct aeronautical and space activities so as to contribute materially to the economic growth, competitiveness, and productivity of the Nation.

Certainly not every activity that NASA undertakes has the potential to result in new technology and commercial success. However, to increase the likelihood of reaching these goals, the agency must begin searching aggressively for opportunities within its current and planned research and technology programs. Another key provisions in the bill establishes technology development and commercialization goals that include requirements to measure and evaluate the results of NASA's efforts.

For fiscal year 1994, NASA was appropriated $20 million to fund a new industry technology program. In NASA's fiscal year 1995 budget, another $18.9 million is requested. The bill specifically addresses this appropriation and budget request and requires NASA to establish a competitive, cost-sharing technology program for eligible firms. Consistent with existing Federal investment policy, this technology program is intended to encourage industry-led consortia to develop genetic and precompetitive technologies in short-term projects. Under this provision, NASA provides no more than half of the project's funding. As we have learned from past experience, cost-sharing with industry better ensures the success of Federal investment in these technology projects.

Aerospace exports each year have contributed significantly to the U.S. trade position, offsetting deficits in other areas. Civil aircraft continues to account for almost all of the aerospace export volume. However, the dominance of U.S. aircraft in global markets is threatened by the aggressive investment of foreign countries in their aircraft industry. With so much of our trade balance riding on the U.S. aircraft industry, focused Federal investment in aeronautics research and facilities is essential.

Our aircraft manufacturers today, however, are forced in the untenable position of testing new concepts and designs in foreign wind tunnel testing facilities because the United States has not provided comparable facilities. The fact that our companies test in these foreign wind tunnels may very well result in improvements to foreign aircraft competing directly with U.S. commercial aircraft. Therefore title II of the bill establishes the policy for Federal investment in aeronautics research and facilities and requires a strategy for developing world class aeronautics testing facilities.

In fiscal year 1994, NASA was appropriated $14.5 billion. The President's request for NASA's budget in fiscal year 1995 is $14.3 billion. The Subcommittee on Science, Technology, and Space will hold a hearing tomorrow to examine the NASA budget for fiscal year 1995 and try to understand how reductions in funding will impact ongoing and future aeronautics and space projects. NASA will contend that all the fat has been trimmed and that reducing the budget further will cut into muscle. However, Congress must determine whether the Federal investment of $14.3 billion in NASA will result in commensurate advances of our Nation's priorities.

The NASA Technology Investment Act of 1994 provides direction for NASA to become more relevant to U.S. economy. In doing so, it also requires NASA to implement its aeronautical and space missions more effectively. This bill supports NASA's efforts to change. I encourage my colleagues in the Senate to join me and pass this bill in the coming months.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Aeronautics and Space Administration Technology Investment Act of 1994".

SEC. 2. FINDINGS.

The Congress finds and declares the following:

(1) Federal investment in research and technology development can enhance the competitiveness of United States industry in global markets.

(2) Industry and government partnerships in the development of technologies increase the effectiveness of Federal investment in the United States economy.

(3) Ongoing defense reductions impact the aerospace industrial base and require greater effort by the National Aeronautics and Space Administration to ensure technological advancements in support of its missions as well as in support of competitiveness.

(4) Increased contribution to the health of the United States economy by the National Aeronautics and Space Administration is important to the long-term support of civilian aeronautics and space activities.

(5) Investments in research and development at the National Aeronautics and Space Administration can be made to enhance the competitiveness of United States industry, as well as to promote development of technologies for government and commercial aeronautics and space missions.

(6) The National Aeronautics and Space Administration directs a large portion of its budget toward the procurement of goods and services for its aeronautical and space missions and can use such procurement to advance technology development in industry and academia.

SEC. 3. TECHNOLOGY INVESTMENT POLICY.

It is the policy of the United States that—

(1) improving the competitive capabilities of United States industry in conjunction with implementing aeronautics and space missions shall be a fundamental goal of the National Aeronautics and Space Administration;

(2) the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator"), in planning for and implementing national programs in aeronautics and space, shall advocate technology development designed to foster competitiveness of United States industry in global markets;

(3) the investment in technology by the National Aeronautics and Space Administration shall be coordinated closely with investment of other Federal agencies, the States, and local governments;

(4) technology investments shall be identified in concert with United States industry; and

(5) the establishment of industry-led consortia shall be encouraged to enhance opportunities for United States industry to develop and advance technologies.

TITLE I—ROLE OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION IN TECHNOLOGY INVESTMENT

SEC. 101. AMENDMENTS TO NATIONAL AERONAUTICS AND SPACE ACT OF 1958.

Section 102 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451) is amended—

(1) by striking subsection (e) and inserting in lieu thereof the following:

"(e) The aeronautical and space activities of the United States shall be conducted so as to contribute materially to the economic growth, competitiveness, and productivity of the Nation.";

(2) by striking subsection (f) and by redesignating subsection (g) and (h) as subsections (f) and (g), respectively; and

(3) in subsection (g), as to redesignated, by striking "(f), and (g)" and inserting in lieu thereof "and (f)".

SEC. 102. TECHNOLOGY DEVELOPMENT AND COMMERCIALIZATION GOALS.

The Administrator shall ensure that, to the maximum extent practicable, funded and planned aeronautical and space projects of the National Aeronautics and Space Administration—

(1) incorporate a technology plan that fosters technological advances of value to both the mission and the economy and reduces the life cycle costs of such projects;

(2) promote commercial technology applications; and

(3) measure and evaluate technology development and the potential for commercialization.

SEC. 103. TECHNOLOGY INVESTMENT PROGRAM WITH INDUSTRY.

(a) COMPETITION; ELIGIBILITY.—The Administrator shall establish a competitive program under which the Administrator invests in any project proposed by an eligible firm where the Administrator determines that—

(1) the project will—

(A) advance the competitiveness of the United States industry;

(B) advance the technologies required for aeronautical and space missions; and

(C) encourage industry-led consortia to develop those of the technologies described in subparagraph (B) that have been identified as a priority by industry in concert with the Administrator; and

(2) the participation by the eligible firm would be in the economic interest of the United States as evidenced by the conduct of a significant level of its research, development, engineering, or manufacturing activities in the United States.

(b) CRITERIA.—In selecting projects for Federal investment under this section, the Administrator shall weigh and consider—

(1) the extent of funding provided by industry for such project;

(2) each project's potential to advance technologies that enhance the competitiveness of United States industry in global markets;

(3) such project's scientific and technical merit;

(4) the potential of the project to advance mission needs of the National Aeronautics and Space Administration; and

(5) such other criteria as the Administrator considers appropriate to carry out the purposes of this section.

(c) COST-SHARING.—The Administrator shall ensure that the amount of the funds provided by the Federal Government under this section for a project does not exceed the total amount provided by non-Federal participants for that project. Of the amount provided by non-Federal participants, the Administrator shall ensure that not less than 25 percent of total funding for any project for which Federal investment is made available under this section is provided by industry.

(d) FINANCING MECHANISMS.—In funding the projects selected under this section, the Administrator is encouraged to—

(1) use the authority of the National Aeronautics and Space Administration under section 203(c)(5) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(5)), especially when applied to non-aerospace firms; and

(2) enter into innovative procurement, financing, and management arrangements, consistent with existing statutes.

(e) REGULATIONS.—The Administrator shall issue regulations to implement the technology investment program established under this section. The regulations shall include—

(1) procedures for making application to the Administrator for investment under this section;

(2) guidelines for cost-sharing pursuant to subsection (c); and

(3) procedures to be followed by the Administrator in selecting projects for investment under this section.

(f) COORDINATION WITH FEDERAL AGENCIES.—In carrying out this section, the Administrator shall consult with the Secretaries of Commerce, Defense, Energy, and Transportation and with such other Federal agency heads as the Administrator considers appropriate.

(g) AUTHORIZATION.—There is authorized to be appropriated to the Administrator $20,000,000 for each of the fiscal years 1994 and 1995, for the purpose of carrying out the program established under this section. Sums appropriated under this section shall remain available until expended.

SEC. 104. ROLE OF PROCUREMENT IN TECHNOLOGY INVESTMENT.

The Administrator, in meeting aeronautical and space mission needs, shall coordinate and direct resources of the National Aeronautics and Space Administration in the area of procurement to—

(1) advance state-of-the-art technologies;

(2) assess and procure, where appropriate, commercially available technologies from the marketplace;

(3) use performance specifications; and

(4) reduce the paperwork requirements associated with procurement.

SEC. 105. COORDINATION WITH OTHER FEDERAL PROGRAMS.

(a) TECHNOLOGY PROGRAMS AND TECHNOLOGY TRANSFER PROGRAMS.—To ensure a consistent Federal investment policy and to preclude multiple awards for a single proposal, the Administrator shall ensure that the technology investment activities established under this title are coordinated closely with existing and future—

(1) Federal technology programs such as the Technology Reinvestment Program of the Advanced Research Projects Agency and the Advanced Technology Program of the National Institute of Standards and Technology; and

(2) Federal technology transfer programs and activities established to promote and advocate the use of technologies developed in the Federal laboratories.

(b) IDENTIFICATION OF FUNDING RECEIVED FROM OTHER AGENCIES.—The Administrator shall identify, as part of the annual budget submission to Congress, all funding received by the National Aeronautics and Space Administration from other Federal agencies to manage and carry out technical investment and development.

SEC. 106. INTERAGENCY TECHNOLOGY INITIATIVES.

As part of the National Aeronautics and Space Administration's annual budget submission to Congress, the Administrator shall identify funding requirements, project milestones, and 5-year budget projections, for the portion undertaken by the National Aeronautics and Space Administration of each interagency technology project.

SEC. 107. COORDINATION WITH OTHER NASA PROGRAMS.

(a) SMALL BUSINESS INNOVATIONS RESEARCH.—The Administrator shall coordinate the technology investment activities under this title with the Small Business Innovation Research activities of the National Aeronautics and Space Administration to increase the effectiveness of funding to small businesses, to the maximum extent permitted by law.

(b) INDEPENDENT RESEARCH AND DEVELOPMENT FUNDS.—The Administrator shall identify all funds reimbursed to contractors of the National Aeronautics and Space Administration for activities commonly referred to as "Independent Research and Development" and coordinate such funds with the technology investment activities under this title.

(c) TECHNOLOGY TRANSFER AND COMMERCIAL PROGRAMS.—The Administrator shall coordinate the activities of ongoing and future technology transfer, innovation, and commercial programs of the National Aeronautics and Space Administration with the technology investment activities under this title.

SEC. 108. PERSONNEL INCENTIVES.

To encourage the personnel of the National Aeronautics and Space Administration to pursue technology innovation and development, the Administrator shall provide personnel incentives, including—

(1) promotions and within-grade increases;

(2) bonuses and cash awards under the inventions and contributions system and senior executive service; and

(3) paid leave, sabbaticals, or intergovernmental personnel transfers to other Federal agencies or the private sector to pursue technology innovation and development, as the Administrator deems appropriate.

SEC. 109. ANNUAL REPORT TO CONGRESS.

The Administrator shall assess the technology investment activities established under this title and shall submit a report to Congress on the results of such assessment of activities. The report shall accompany the annual budget submission to Congress.

SEC. 110. APPLICATION OF ANTITRUST LAWS.

Nothing in this title shall be construed to create an immunity from any civil or criminal action under any Federal or State antitrust law, or to alter or restrict in any manner the applicability of any Federal or State antitrust law.

SEC. 111. DEFINITIONS.

For the purposes of this title, the term—

(1) "eligible firm" means a business entity that is either—

(A) a company that has majority ownership or control by individuals who are citizens of the United States; or

(B) a company that is incorporated in the United States and has a parent company which is incorporated in a country whose government—

(i) permits companies described under subparagraph (A) to participate in research and development consortia to which such government provides funding directly, or indirectly through one or more international organizations; and

(ii) affords adequate and effective protection for the intellectual property rights of companies described under subparagraph (A).

(2) "Federal laboratory" has the meaning given such term in section 4(6) or the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703(6)).

(3) "United States" means the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other territory or possession of the United States.

TITLE II—NATIONAL AERONAUTICS FACILITIES

SEC. 201. FINDINGS.

The Congress finds and declares the following:

(1) aerospace technologies contribute substantially to the balance of trade and the competitiveness of United States industry;

(2) the international market share of the United States aerospace industry has eroded steadily due to competition from foreign consortia that receive substantial direct subsidies from their governments;

(3) the United States aerospace industry continues to be impacted negatively by the reduced investment in national defense;

(4) the national civil and military aeronautics facilities of the United States are aging and, with few exceptions, cannot be modified to test new technologies in aircraft and engine design; and

(5) inadequate domestic facilities force the United States aerospace industry to use the aeronautics facilities of foreign countries, increasing the likelihood that technologies will be transferred to competing foreign industries.

SEC. 202. POLICY.

It is the policy of the United States that—

(1) Federal investment in domestic aerospace technologies shall be a priority of the United States to safeguard the international market share of the United States aerospace industry;

(2) maintaining world class aeronautics facilities in the United States shall be a major element of Federal investment in aeronautics research and development;

(3) the National Aeronautics and Space Administration shall work closely with industry to identify and address aeronautics technology and facility issues; and

(4) industry and government cost-sharing for facilities construction and use shall be investigated to achieve aeronautics research and technology goals within a constrained Federal budget.

SEC. 203. WORLDWIDE FACILITIES ASSESSMENT.

The President shall conduct an assessment of all aeronautics facilities in the United States and in other countries and report to Congress the results of this assessment not later than January 1, 1995. The assessment shall include—

(1) identification of all existing and planned aeronautics research and development facilities in the United States and in other countries;

(2) analysis of the strengths and weaknesses of each aeronautics facility that impact aeronautical research and technology objectives of the United States Government and domestic industries;

(3) determination of the cost-savings achievable by closing non-essential aeronautics facilities of the National Aeronautics and Space Administration and other Federal agencies; and

(4) determination of the current use and plans for use of foreign aeronautics facilities for research and technology activities of the United States Government and domestic industries.

SEC. 204. AERONAUTICS FACILITIES STRATEGY.

(a) STRATEGY.—The President shall work closely with domestic industries to coordinate, develop, and implement a strategy for Federal investment in aeronautics research and technology and aeronautics facilities. This strategy shall establish—

(1) priorities for Federal investment in aeronautics facilities;

(2) a facilities implementation schedule to meet research and technology project milestones and aerospace industry market requirements;

(3) the projected cost of constructing and operating new facilities; and

(4) options and recommendations to provide funding (including cost-sharing and risk-sharing with industries and among Federal agencies and innovative procurement, financing, or management arrangements) for the construction of new aeronautics facilities and for the operation of new aeronautics facilities.

(b) DEADLINE.—The strategy required by subsection (a), and budget requirements associated with implementing such strategy, shall be submitted to Congress not later than January 1, 1995.

NASA TECHNOLOGY INVESTMENT ACT OF 1994

FACT SHEET

PURPOSE OF THE BILL

The purpose of this bill is to strengthen the link between NASA's aeronautical and space programs and economic growth and jobs for Americans. The bill requires NASA to change the way it does business by establishing dual-use goals of improving the competitive capabilities of U.S. industry in conjunction with implementing its aeronautics and space missions.

NEED FOR THE BILL

At the onset of the cold war, NASA was created to ensure preeminence in aeronautics and space. Today, continued Federal investment in NASA's aeronautical and space programs requires greater focus on national economic priorities. This bill establishes a fundamental goal for NASA to become more relevant to the U.S. economy.

NO ADDITIONAL FUNDING REQUIRED

The bill requires NASA to pursue its funded programs more closely with U.S. industry, thereby developing technologies of greater utility to industry. No additional funding is required beyond the fiscal year 1994 appropriation or fiscal year 1995 budget request for the establishment of the industry-led technology program in section 103 (see below).

KEY PROVISIONS

The bill is divided into two titles: Title I provides direction for NASA's role in technology investment. Title II requires the United States to prepare a strategy for developing world class aeronautics testing.•

• Mr. BURNS. Mr. President, I rise today to join the chairman of the Subcommittee on Science, Technology, and Space, my good friend from West Virginia, to introduce the National Aeronautics and Space Administration

Technology Investment Act of 1994. As Senator ROCKEFELLER explained, this bill is designed to encourage the National Aeronautics and Space Administration [NASA] to strengthen the link between their programs and economic growth and jobs for Americans, and in my case, Montanans.

This bill provides a framework for NASA to move in the direction of a more businesslike approach with the aerospace space industry. The bill does two basic things: Gives NASA a direction for its role in technology investment and requires the United States to prepare a strategy for developing world class aeronautics testing facilities.

It is important to support our aerospace industry because of its key role in offsetting deficits in U.S. trade with other countries. One of the areas the industry lacks is adequate facilities to test new concepts.

My work with a company in Butte, MT, revealed to me that the United States does not have adequate wind tunnels and must rely on foreign wind tunnels for our Nation's future high-speed civil transport testing. Our aerospace companies' reliance on these foreign wind tunnels could result in advances to other countries' aircraft competing directly with United States commercial aircraft.

This bill specifically addresses appropriations for fiscal year 1994 and 1995 to establish a competitive, cost-sharing technology program for eligible companies. It is designed to work with existing Federal policy to encourage industry—led groups to develop new technologies on a more efficient basis.

I commend Senator ROCKEFELLER for his work on this legislation. I look forward to working with him on this legislation and as we hold a hearing tomorrow on the NASA reauthorization bill.•

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. BRADLEY, Mr. LAUTENBERG, Mrs. BOXER, Mr. PELL, and Mr. CHAFEE):

S. 1882. A bill to amend title 18, United States Code, to promote the safe use of guns and to reduce gun violence; to the Committee on the Judiciary.

GUN VIOLENCE PREVENTION ACT OF 1994

Mr. METZENBAUM. Mr. President, on behalf of myself and Senators KENNEDY, BRADLEY, LAUTENBERG, BOXER, PELL, and CHAFEE, I would like to introduce the Gun Violence Prevention Act of 1994.

I am proud to do so at this very historic time that the Brady bill becomes the law of the land. It is the cornerstone of effective firearm regulation and will prevent many felons from getting guns from dealers. It will save many lives. We can thank Sarah and Jim Brady for that.

The Brady Act is a great start but it is obvious that we need to do more in order to attack the appalling epidemic of gun violence in this country.

Let's face the fact—there is a gun crisis in this country. There are over 200 million guns in America. An American is killed by a gun every 14 minutes. Every 50 seconds, someone is raped, robbed, or assaulted with a handgun.

And we are all paying the price. Our children are paying the price. Foreign tourists are paying the price. Shopkeepers are paying the price. Innocent bystanders are paying the price. We are all victims.

Since 1968, more than 300,000 Americans have been murdered by guns. In 1992, more than 35,000 people were killed by gunfire. Today, only cars cause more fatal injuries than guns, and guns are expected to take the lead very soon. And we cannot even begin to count the number of nonfatal injuries from guns.

From 1987 to 1992, the rate of murders committed with handguns increased 52 percent, while the murder rate committed with all weapons other than handguns has actually declined. In 1990, 10 people were killed in Australia by handguns, 22 in Great Britain, and 68 in Canada. In the United States, that figure was 10,567. Handgun homicides have now reached 13,000 a year.

Homicide has replaced aids as the 10th leading cause of death in America, and its the 2d leading killer of those between the ages of 15 and 24.

Aside from the toll on human lives, the economic costs from gun violence are staggering. A 1989 study by the Centers for Disease Control and Prevention estimated the lifetime economic cost of gun violence in 1985 at $14.4 billion. And that was 1985.

And what kind of country are we creating for our children? What can we say when our children are afraid to go to school. When we are afraid to let them go outside to play.

Gun violence takes the life of a child every 2 hours—that's a classroom-full every 2 days. Murder is now the 3d leading cause of death for elementary and middle school children—ages 5 to 14. Between 1979 and 1991, nearly 50,000 children were killed by guns—that's the same number of American battle casualties in the Vietnam war. The number of 10- to 17-year-olds who used guns to commit murder skyrocketed 79 percent during the 1980's. Given current trends, more than half the persons arrested for homicide will soon be under the age of 21. This is supposed to be the land of the free, not a combat zone. This is madness! Enough!

We cannot allow our neighborhoods to be turned into battlefields and our schools be turned into prisons. It's time we fought back. We started that fight with the Brady Act. Now it's time to continue that fight.

Today, I am introducing legislation to begin the debate on the next generation of protections against gun violence. I am happy to have with me as original cosponsors of the Gun Violence Prevention Act of 1994 Senators KENNEDY, BRADLEY, LAUTENBERG, BOXER, PELL, and CHAFEE.

This bill is designed to build upon the foundations of the Brady Act that takes effect today. It is a comprehensive approach giving law enforcement more tools to keep guns out of the hands of criminals. We are not trying to take any gun away from anyone. This is a set of prospective requirements only—the next generation of progress toward curbing gun violence.

This legislation will make the Brady Act more effective. For example, a primary feature of the new bill is the licensing and registration of handgun transfers. In order to get a handgun, an individual would have to have a valid State handgun license. To sell a handgun, the seller would have to register the transfer with the State police. This is an idea that Senator KENNEDY has had since 1971 when he introduced a bill calling for licensing and registration. President Clinton has asked Attorney General Reno to look into this idea.

Licensing is a barrier to gun crime. It involves a thorough background check, including fingerprint I.D. and residency verification. These are necessary in order to stop felons from acquiring guns through the use of false identification and to stop gunrunners from going interstate to take advantage of weaker gun laws in other States.

Licensing also allows States to design a handgun safety training course for all handgun purchasers. Finally, licensing makes it possible to regulate secondary transfers of guns.

In this country, we require a license and registration in order to operate a car. We should require at least as much to own a handgun as to drive a car.

The handgun license would be similar to a driver's license. It would be issued by the State and consist of an identification card with a photograph. Licensing would apply only to the Purchase of a new gun. Anyone who already owns a handgun would not have to do anything, unless they want to transfer it. The transfer of a gun would have to be registered.

Registration allows for speedier and more reliable tracing of guns used in crime. Without registration of secondary transfers, the investigative trail often leads to a dead end after the primary sale by a dealer.

In addition to handgun licensing and registration, this bill would:

Restrict firearm possession by persons convicted of violent crimes. People prone to violence should not have guns.

Restrict firearm possession by juveniles.

Require the proper storage of guns away from Juveniles.

Require licensing of private firearm arsenals—20 guns, 1,000 rounds. This is necessary to prevent people like David Koresh from acquiring large arsenals without the knowledge of law enforcement.

Limit handgun purchases to one per month. Who needs 10, 20, or 50 guns beside gunrunners?

Tighten the regulation and screening of gun dealers, including raising the license fee. This is necessary to weed out illegitimate dealers.

Compensate the victims of gun violence by making people pay for the injuries they cause by violating the firearm laws.

Prohibit certain weapons that pose a special danger to society, such as semiautomatic assault weapons, Saturday night specials, explosive ammunition, and large-capacity magazines.

Require manufacturers to add safety devices to guns. This would cut down on accidental shootings, especially by young children.

While the Brady Act will save lives, this comprehensive legislation is necessary to offer a solution to America's epidemic of gun violence. I urge my colleagues to join me and the other original cosponsors in supporting this measure.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gun Violence Prevention Act of 1994".

SEC. 2. FINDINGS AND DECLARATIONS.

The Congress finds and declares that—

(1) crime, particularly crime involving guns, is a pervasive, nationwide problem;

(2) crimes committed with guns threaten the peace and domestic tranquility of the citizens of the United States and threaten the security and general welfare of the Nation and its people;

(3) crimes committed with guns, and especially handguns, have created a substantial burden on interstate commerce;

(4) crime at the local level is exacerbated by the interstate movement of guns;

(5) guns and ammunition are easily concealed and transported across State lines in interstate commerce, and as a result, individual State action to regulate them is made less than effective by lax regulation in other States;

(6) in fact, even before the sale of a firearm, the gun, its component parts, ammunition, and the raw materials from which they are made have moved considerably in interstate commerce;

(7) while criminals move freely from State to State, ordinary citizens and foreign visitors may fear to travel to or through certain parts of the country due to concern about violent crime and gun violence, and parents may decline to send their children to school for the same reason;

(8) the occurrence of gun violence in schools has resulted in a decline in the quality of education in our country and this, in turn, has an adverse impact on interstate commerce and the foreign commerce of the United States;

(9) States and localities are finding innovative methods, such as gun exchange programs, of reducing the number of guns in their communities, but need additional Federal Government support;

(10) States and localities find it almost impossible to handle gun-related crime by themselves due in part to the failure or inability of other States or localities to take strong measures; and

(11) accordingly, it is necessary to establish national standards to promote the safe use of firearms and to reduce gun violence, including handgun licensing and registration, expanded prohibitions against firearm transfers to, or possession by, children and persons likely to misuse or commit crimes with firearms, requirements for gun safety and safe storage, strengthened regulation of licensed manufacturers, importers, and dealers, and prohibitions on the sale of semiautomatic assault weapons and other dangerous weapons.

TITLE I—HANDGUN LICENSING AND REGISTRATION

SEC. 101. STATE LICENSE REQUIRED TO RECEIVE TRANSFER OF A HANDGUN.

(a) IN GENERAL.—Section 922 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(u)(1) It shall be unlawful for any person to sell, deliver, or otherwise transfer a handgun to an individual (including an individual taking possession of a handgun as employee or agent of another person) who is not licensed under section 923 unless—

"(A) the transferor (or a licensed dealer, if State law so directs or allows) has verified that the transferee possesses a valid State handgun license by—

"(i) examining the State handgun license;

"(ii) examining, in addition to the State handgun license, a valid identification document (as defined in section 1028) containing a photograph of the transferee; and

"(iii) contacting the chief law enforcement officer of the State that issued the State handgun license to confirm that the State handgun license has not been revoked;

"(B) the transferor (or licensed dealer) has provided to the chief law enforcement officer of the State in which the transfer is to take place a State handgun registration form for the handgun to be transferred; and

"(C)(i) not less than 7 days have elapsed from the date on which the transferor (or licensed dealer) contacted the chief law enforcement officer of the State pursuant to subparagraph (A)(iii); or

"(ii) the transferee has presented to the transferor (or licensed dealer) a written statement, issued by the chief law enforcement officer of the State in which the transferee resides within the previous 10 days, stating that the transferee requires access to a handgun because of a threat to the life of the transferee or any member of the household of the transferee.

"(2) It shall be unlawful for any person to sell, deliver, or otherwise transfer handgun ammunition to an individual (including an individual taking possession of handgun ammunition as employee or agent of another person) who is not licensed under section 923 unless the transferor (or licensed dealer) has verified that the transferee possesses a valid State handgun license by—

"(A) examining the State handgun license; and

"(B) examining, in addition to the State handgun license, a valid identification document (as defined in section 1028) containing a photograph of the transferee.

"(3) It shall be unlawful for any individual (including an individual acting as employee or agent of another person) who is not licensed under section 923 to receive transfer of a handgun or handgun ammunition unless the individual possesses a valid State handgun license.

"(4)(A) As used in this subsection, the term 'State handgun license' means a license issued under a State law that provides for the issuance and revocation of licenses and the reporting of losses and thefts of handguns and handgun ammunition consistent with this paragraph.

"(B) A State handgun license shall—

"(i) be issued by the chief law enforcement officer of the State in which the licensee resides;

"(ii) contain, at a minimum, the licensee's name, address, date of birth, physical description, a unique license number and a photograph of the licensee; and

"(iii) remain valid for a period of not more than 2 years, unless revoked.

"(C) A State handgun license shall not be issued unless the chief law enforcement officer of the State determines that the applicant—

"(i) is at least 21 years of age;

"(ii) is a resident of the State, by examining, at a minimum, documentation in addition to a valid identification document (as defined in section 1028), such as a utility bill or lease agreement;

"(iii) is not prohibited from possessing or receiving a handgun under Federal, State, or local law, based upon name- and fingerprint-based research in all available Federal, State, and local recordkeeping systems, including the national system designated by the Attorney General pursuant to the Brady Handgun Violence Prevention Act; and

"(iv) has been issued a State handgun safety certificate.

"(D) The chief law enforcement officer of the State may be authorized to charge a fee for issuance of a State handgun license.

"(E) If a chief law enforcement officer of the State determines that an individual is ineligible to receive a State handgun license and the individual in writing requests the officer to provide the reasons for that determination, the officer shall provide the reasons to the individual in writing within 20 business days after receipt of the request.

"(F)(i) A State handgun license shall be revoked if the chief law enforcement officer of the State that issued the license determines that the applicant no longer satisfies 1 of the qualifications described in subparagraph (C).

"(ii) A person possessing a State handgun license that is revoked shall return the license to the chief law enforcement officer of the State in which the licensee resides within 10 days after receipt of notice of the revocation.

"(G) The applicant shall be required under State law to report the theft or loss of a firearm within 24 hours after the theft or loss is discovered, to—

"(i) the Secretary;

"(ii) the chief law enforcement officer of the State; and

"(iii) appropriate local authorities,

failure to report to be punishable by a civil penalty of $1,000 or such greater amount as State law may provide.

"(5)(A) As used in this subsection, the term 'State handgun registration form' means a form prescribed under State law consistent with this paragraph.

"(B) A State handgun registration form shall contain, at a minimum—

"(i) information identifying the transferee, including name, address, date of birth, and State handgun license number; and

"(ii) information identifying the handgun, including make, model, caliber, and serial number.

"(C) The chief law enforcement officer of the State shall furnish information from handgun registration forms to Federal, State, and local law enforcement authorities upon request.

"(D) The chief law enforcement officer of the State may be authorized to charge a fee for registering a handgun.

"(6)(A) As used in this subsection, the term 'State handgun safety certificate' means a certificate under a State law that provides for the issuance of certificates in accordance with this paragraph.

"(B) A State handgun safety certificate shall be issued by the chief law enforcement officer of the State in which the applicant resides.

"(C) A State handgun safety certificate shall not be issued unless the chief law enforcement officer of the State determines that the applicant—

"(i) has completed a course, taught by law enforcement officers and designed by the chief law enforcement officer of the State, of not less than 2 hours of instruction in handgun safety; and

"(ii) has passed an examination, designed by the chief law enforcement officer of the State, testing the applicant's knowledge of handgun safety.

"(D) The chief law enforcement officer of the State may be authorized to charge a fee for the handgun safety course and examination described in subparagraph (C).

"(7) As used in this subsection, the term 'chief law enforcement officer of the State' means the chief, or equivalent officer, of the State police force, or the designee of that officer.".

(b) DEFINITION OF HANDGUN AMMUNITION.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(30) The term 'handgun ammunition' means—

"(A) a centerfire cartridge or cartridge case less than 1.3 inches in length; or

"(B) a primer, bullet, or propellent powder designed specifically for use in a handgun.".

(c) PENALTY.—Section 924(a)(1)(B) of title 18, United States Code, is amended by striking "or (q)" and inserting "(q), or (u)".

(d) EFFECTIVE DATE.—The amendments made by this title shall become effective on the date that is 180 days after the date of enactment of this Act.

(e) AMENDMENT OF BRADY ACT.—

(1) INTERIM PROVISION.—Section 922(s)(1) of title 18, United States Code, is amended by adding "or on the effective date of subsection (u), whichever occurs earlier," after "60 months after such date of enactment,".

(2) PERMANENT PROVISION.—Section 922(t) of title 18, United States Code, is amended by striking "firearm" each place it appears and inserting "firearm other than a handgun or ammunition other than handgun ammunition".

(3) TECHNICAL CORRECTION.—Section 922(t)(1)(B)(ii) of title 18, United States Code, is amended by inserting "or State law" after "section".

(f) FUNDING.—

(1) GRANTS FOR ESTABLISHING SYSTEMS OF LICENSING AND REGISTRATION.—The Attorney General shall, subject to the availability of appropriations, make a grant to each State (as defined in section 921(a)(2) of title 18, United States Code) to be used for the initial startup costs associated with establishing a system of licensing and registration consistent with the requirements of section 922(u) of title 18, United States Code.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for grants under paragraph (1) a total of $200,000,000 for fiscal year 1995 and all fiscal years thereafter.

TITLE II—RESTRICTIONS ON FIREARM POSSESSION

SEC. 201. PROHIBITION OF TRANSFER OF A FIREARM TO, OR POSSESSION OF A FIREARM BY, A PERSON CONVICTED OF A VIOLENT CRIME OR SUBJECT TO A PROTECTION ORDER.

(a) PROHIBITION OF TRANSFER.—Section 922(d) of title 18, United States Code, is amended—

(1) by striking "or" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and by inserting "; or"; and

(3) by inserting after paragraph (7) the following new paragraph:

"(8)(A) is under indictment for, or has been convicted in any court of, an offense that—

"(i) involves the use, attempted use, or threatened use of physical force against another person; or

"(ii) by its nature involves a substantial risk that physical force against another person may be used in the course of committing the offense; or

"(B) is required, pursuant to an order issued by a court in a case involving the use, attempted use, or threatened use of physical force against another person, to refrain from contact with or maintain a minimum distance from that person.".

(b) PROHIBITION OF POSSESSION.—Section 922(g) of title 18, United States Code, is amended—

(1) by striking "or" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and by inserting "; or"; and

(3) by inserting after paragraph (7) the following new paragraph:

"(8)(A) has been convicted in any court of an offense that—

"(i) involves the use, attempted use, or threatened use of physical force against another person; or

"(ii) by its nature involves a substantial risk that physical force against another person may be used in the course of committing the offense; or

"(B) is required, pursuant to an order issued by a court in a case involving the use, attempted use, or threatened use of physical force against another person, to refrain from contact with or maintain a minimum distance from that person.".

SEC. 202. PROHIBITION OF TRANSFER OF A FIREARM OR AMMUNITION TO, OR POSSESSION OF A FIREARM OR AMMUNITION BY, A JUVENILE.

(a) OFFENSE.—Section 922 of title 18, United States Code, as amended by section 101(a), is amended by adding at the end the following new subsection:

"(v)(1) It shall be unlawful for a person to sell, deliver, or otherwise transfer—

"(A) a handgun or handgun ammunition to any individual who the person knows or reasonably should know is less than 21 years of age; or

"(B) a firearm other than a handgun, or ammunition other than handgun ammunition, to any individual who the person knows or reasonably should know is less than 16 years of age.

"(2) It shall be unlawful for any person to knowingly possess and intentionally control—

"(A) a handgun or handgun ammunition if the person is less than 21 years of age; or

"(B) a firearm other than a handgun, or ammunition other than handgun ammunition, if the person is less than 16 years of age.

"(3) This subsection does not apply to—

"(A) a temporary transfer or temporary possession of a firearm or ammunition if the firearm or ammunition is possessed and used by the person who is underage—

"(i) with the personal supervision and consent of a person who is at least 21 years of age who is not prohibited by Federal, State, or local law from possessing a firearm;

"(ii) with the consent of the underage person's parent or legal guardian; and

"(iii) in accordance with State and local law;

"(B) an underage person who is a member of the Armed Forces of the United States or the National Guard who possesses or is armed with a firearm or ammunition in the line of duty;

"(C) a transfer by inheritance of title of a firearm or ammunition to an underage person, except that subsection (v)(2) shall apply to the possession by an underage person as a result of such a transfer; or

"(D) the transfer to, or possession by, an underage person of a firearm or ammunition while defending himself or herself or other persons against an intruder into the residence of the underage person or a residence in which the underage person is an invited guest.".

(b) PENALTIES.—Section 924(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(6) A person who violates section 922(v) shall be fined not more than $1,000, imprisoned not more than 1 year, or both, except that a person under the age of 18 who violates section 922(v)(2) for the first time shall be sentenced to probation on appropriate conditions and shall not be incarcerated unless the person fails to comply with a condition of probation.".

SEC. 203. STORAGE OF FIREARMS AWAY FROM JUVENILES.

(a) OFFENSE.—Section 922 of title 18, United States Code, as amended by section 202(a), is amended by adding at the end the following new subsection:

"(w)(1) Except as provided in paragraph (2), it shall be unlawful for any person to store or leave a loaded firearm, or an unloaded firearm and ammunition that can be fired by that firearm, at any place to which the person knows, or reasonably should know, a juvenile is likely to gain access at a time when the juvenile is not under the personal supervision of an adult who is not prohibited by Federal, State, or local law from possessing the firearm.

"(2) As used in this subsection—

"(A) the term 'juvenile' means a person who has not attained 16 years of age; and

"(B) the term 'adult' means a person who has attained 21 years of age.".

(b) NOTICE.—Section 923 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(l) Each licensed dealer shall post conspicuously at each of the dealer's places of business the following warning in block letters that are not less than 1 inch in height:

"IT IS A FEDERAL CRIME TO STORE OR LEAVE A LOADED FIREARM, OR AN UNLOADED FIREARM AND ITS AMMUNITION, WHERE AN UNSUPERVISED JUVENILE CAN GAIN ACCESS.".

(c) PENALTY.—Section 924(a)(5) of title 18, United States Code, is amended by striking "or (t)" and inserting "(t), or (w)".

SEC. 204. FEDERAL ARSENAL LICENSE.

(a) OFFENSE.—Section 922 of title 18, United States Code, as amended by section 203(a), is amended by adding at the end the following new subsection:

"(x) It shall be unlawful for a person to possess more than 20 firearms or more than 1,000 rounds of ammunition unless the person—

"(1) is a licensed importer, licensed manufacturer, or licensed dealer; or

"(2) has been issued an arsenal license pursuant to section 923(m).".

(b) ARSENAL LICENSE.—Section 923 of title 18, United States Code, as amended by section 203(b), is amended by adding at the end the following new subsection:

"(m)(1) The Secretary shall issue an arsenal license if—

"(A) the applicant has—

"(i) filed a sworn application with the Secretary, stating—

"(I) the applicant's name, address, and date of birth;

"(II) that the applicant is at least 21 years of age; and

"(III) that the applicant is not prohibited from possessing or receiving a firearm under Federal, State, or local law;

"(ii) filed with the Secretary a certificate, dated within the previous 60 days, from the chief law enforcement officer of the applicant's State of residence, stating that the applicant has not exhibited such a propensity for violence, instability, or disregard of the law as may render the applicant's possession of an arsenal a danger to the community; and

"(iii) paid an arsenal license fee of $300 for a 3-year license period; and

"(B) the Secretary has determined that the information in the application is accurate, based in part upon name- and fingerprint-based research in all available Federal, State, and local recordkeeping systems.

"(2) The holder of an arsenal license shall be subject to all obligations and requirements pertaining to licensed dealers under this chapter.".

(c) PENALTY.—Section 924(a)(5) of title 18, United States Code, as amended by section 203(c), is amended by striking "or (w)" and inserting "(w), or (x)".

(d) EFFECTIVE DATE.—The amendments made by section shall become effective on the date that is 180 days after the date of enactment of this Act.

SEC. 205. RESTORATION OF FIREARM PRIVILEGES.

(a) RESTORATION BY SECRETARY.—

(1) REPEAL OF AUTHORITY.—Section 925 of title 18, United States Code, is amended—

(A) by striking subsection (c); and

(B) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(2) TECHNICAL AMENDMENTS.—(A) Section 922(d) of title 18, United States Code, is amended in the matter following paragraph (7) by striking ", or to a person who has been granted relief from disabilities pursuant to subsection (c) of section 925 of this chapter".

(B) Section 38(b)(1)(B)(i) of the Arms Export Control Act (22 U.S.C. 2778(b)(1)(B)(i)) is amended by striking "925(e)" and inserting "925(d)".

(b) RESTORATION BY A STATE OR THE PRESIDENT.—Section 921(a)(20) of title 18, United States Code, is amended—

(1) in the first sentence—

(A) by inserting "(A)" after "(20)"; and

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) in the second sentence by striking "What" and inserting the following:

"(B) What"; and

(3) by striking the third sentence and inserting the following new subparagraph:

"(C)(i) A conviction that has been expunged or set aside, or for which a person has been pardoned or has had civil rights restored, shall not be considered to be a conviction for purposes of this chapter if—

"(I) the expungement, setting aside, pardon, or restoration of civil rights applies to a named person; and

"(II) the authority that grants the expungement, setting aside, pardon, or restoration of civil rights expressly authorizes the person to ship, transport, receive, and possess firearms and expressly determines that the circumstances regarding the conviction and the person's record and reputation are such that the person is not likely to act in a manner that is dangerous to public safety and the granting of the relief is not contrary to the public interest.

"(ii) Clause (i) shall not apply to a conviction of a serious drug offense (as defined in section 924(e)(2)(A)) or violent felony (as defined in section 924(e)(2)(B)).".

TITLE III—RESTRICTIONS ON GUN SELLERS

SEC. 301. PROHIBITION ON MULTIPLE HANDGUN TRANSFERS.

(a) IN GENERAL.—Section 922 of title 18, United States Code, as amended by section 204(a), is amended by adding at the end the following new subsection:

"(y)(1) Except as provided in paragraph (2), it shall be unlawful for any person to—

"(A) receive transfer of more than 1 handgun during any 30-day period;

"(B) transfer to another person more than 1 handgun during any 30-day period; or

"(C) transfer a handgun to another person if the transferor knows or reasonably should know that such person has received transfer of another handgun during the previous 30-day period.

"(2) Paragraph (1) shall not apply to—

"(A) a transfer of a handgun to a person who is licensed under section 923;

"(B) a transfer of a handgun by inheritance;

"(C) a transfer of a handgun if another handgun is given by the transferee to the transferor in exchange; or

"(D) a transfer of a handgun that has been approved by the chief law enforcement officer of the State of residence of the transferee in accordance with regulations issued by the Secretary under subsection (b).

"(3) As used in this subsection, the term 'chief law enforcement officer of the State' has the meaning stated in section 922(u)(7) of title 18, United States Code.".

(b) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe regulations that—

(1) provide procedures for a chief law enforcement officer to approve the transfer of more than 1 handgun during a 30-day period if—

(A) the transferee is a private security company licensed to do business in the State where the transfer takes place; or

(B) the transferee is replacing a handgun that had been received and then stolen within the 30-day period; and

(2) require a person who is licensed under section 923, before transferring a handgun, to receive a sworn statement from the transferee that the transferee has not received transfer of another handgun during the prior 30-day period.

(c) MAINTENANCE OF RECORDS.—Section 923(g)(3)(B) of title 18, United States Code, is amended by striking all of the paragraph after "entity" and by inserting "other than Federal, State, or local law enforcement authorities.".

(d) PENALTY.—Section 924(a)(1)(B) of title 18, United States Code, as amended by section 101(c), is amended by striking "or (u)" and inserting "(u), or (y)".

(e) EFFECTIVE DATE.—Subsections (a) and (d) shall become effective on the date that is 30 days after the effective date of the regulations prescribed under subsection (b).

SEC. 302. COMPLIANCE WITH STATE AND LOCAL LAW AS CONDITION TO LICENSE.

Section 923(d)(1) of title 18, United States Code, is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(F)(i) the business to be conducted under the license is not prohibited by State or local law in the place where the business premise is located; and

"(ii) the applicant certifies that—

"(I) the business to be conducted under the license complies with the requirements of State and local law applicable to the conduct of the business; and

"(II) the applicant has notified local authorities, in a manner determined by the Secretary, of the filing of the application.".

SEC. 303. LICENSE APPLICATION FEES.

Section 923(a) of title 18, United States Code, is amended—

(1) in paragraph (1)(A) by striking "$1,000" and inserting "$10,000";

(2) in paragraph (1)(B) by striking "$50" and inserting "$1,000";

(3) in paragraph (1)(C) by striking "$10" and inserting "$1,000";

(4) in paragraph (2)(A) by striking "$1,000" and inserting "$10,000";

(5) in paragraph (2)(B) by striking "$50" and inserting "$1,000";

(6) in paragraph (3)(A) by striking "$1,000" and inserting "$10,000"; and

(7) in paragraph (3)(B) by striking "$200 for 3 years, except that the fee for renewal of a valid license shall be $90 for 3 years" and inserting "$1,000 per year".

SEC. 304. ACTION ON FIREARMS LICENSE APPLICATION.

Section 923(d)(2) of title 18, United States Code, is amended by striking "forty-five-day" and inserting "180-day".

SEC. 305. INSPECTION OF FIREARMS LICENSEES' INVENTORY AND RECORDS.

Section 923(g)(1)(B)(ii) of title 18, United States Code, is amended by striking "once during any twelve-month period" and inserting "3 times during any 12-month period, or at any time with respect to records relating to a firearm involved in a criminal investigation".

SEC. 306. REQUIREMENT OF BUSINESS LIABILITY INSURANCE.

Section 923(d)(1) of title 18, United States Code, as amended by section 302, is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(G) the applicant certifies that the business is covered by an insurance policy providing personal injury protection to any person injured, while engaged in lawful activity, by a handgun obtained through the negligence of the applicant, to a limit of $100,000 for loss sustained by any such person as a result of bodily injury or death.".

SEC. 307. LICENSE FOR AMMUNITION DEALERS.

Chapter 44 of title 18, United States Code, is amended—

(1) in section 922(a)(1)(B)—

(A) by striking "or licensed manufacturer" and inserting ", licensed manufacturer, or licensed dealer"; and

(B) by striking "or manufacturing" and inserting ", manufacturing, or dealing";

(2) in section 922(a)(2) by inserting "or ammunition" after "any firearm";

(3) in section 922(a)(3) by inserting "or ammunition" after "firearm" each place it appears;

(4) in section 922(a)(5) by inserting "or ammunition" after "firearm" each place it appears;

(5) in section 922(b)(2) by inserting "or ammunition" after "firearm" each place it appears;

(6) in section 922(b)(3) by inserting "or ammunition" after "firearm" each place it appears;

(7) in section 922(b)(5) by striking "armor-piercing";

(8) in section 923(a) by striking ", or importing or manufacturing" and inserting "or";

(9) in section 923(g)(1)(A)—

(A) by inserting "or ammunition" after "firearms" the first place it appears;

(B) by striking "firearms" the second place it appears; and

(C) by striking "licensed collector, or any licensed importer or manufacturer of ammunition" and inserting "or licensed collector"; and

(10) in section 923(g)(2)—

(A) by inserting "or ammunition" after "firearms"; and

(B) by inserting "or ammunition" after "firearm".

SEC. 308. CHECK OF FIREARM STORE EMPLOYEES.

(a) PROHIBITION.—Section 923 of title 18, United States Code, as amended by section 204(b), is amended by adding at the end the following new subsection:

"(n) A licensed importer, licensed manufacturer, or licensed dealer shall not employ any person in a position in which the person would have unsupervised access to firearms or ammunition unless—

"(1) in the case of access to handguns or handgun ammunition, the person has a valid State handgun license; and

"(2) in the case of access to firearms other than handguns or ammunition other than handgun ammunition—

"(A) the person is at least 18 years of age;

"(B) the licensee has contacted the national system designated by the Attorney General pursuant to the Brady Handgun Violence Prevention Act and the system has notified the licensee that the possession of a firearm by the person would not violate Federal, State, or local law; and

"(C) the licensee has verified the identity of the person by examining a valid identification document (as defined in section 1028) of the person containing a photograph of the person.".

(b) PENALTY.—Section 924(a)(1)(B) of title 18, United States Code, as amended by section 301(d), is amended by striking "or (y) of section 922" and inserting "or (y) of section 922, or section 923".

SEC. 309. PROHIBITION OF SALES BY LICENSEES OTHER THAN ON LICENSED PREMISES.

Section 923(j) of title 18, United States Code, is amended to read as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer shall not sell, deliver, or otherwise transfer a firearm from any motorized or towed vehicle or at a location other than the location specified on the license.".

SEC. 310. RESPONSES TO REQUESTS FOR INFORMATION.

Section 923(g) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(6) Each licensee shall respond immediately to a request by the Secretary for information contained in the records required to be kept by this chapter as may be required in the conduct of a criminal investigation. The requested information shall be provided orally or in writing, as the Secretary may require.".

SEC. 311. REPORTS OF THEFT OR LOSS OF FIREARMS.

Section 923(g) of title 18, United States Code, as amended by section 310, is amended by adding at the end the following new paragraph:

"(7) Each licensee shall report the theft or loss of a firearm from the licensee's inventory or collection, within 24 hours after the theft or loss is discovered, to the Secretary, the chief law enforcement officer of the State (as defined in section 922(u)(7)), and appropriate local authorities.".

SEC. 312. DEFINITION OF FIREARM EXPANDED TO INCLUDE COMPONENT PARTS.

Section 921(a)(3)(B) of title 18, United States Code, is amended by striking "or receiver" and inserting ", receiver, barrel, stock, ammunition magazine, or any part of the action".

SEC. 313. COMMON CARRIER DELIVERY TO LICENSEES.

Section 922(f)(2) of title 18, United States Code, is amended to read as follows:

"(2) It shall be unlawful for any common or contract carrier to deliver in interstate or foreign commerce any firearm or ammunition without—

"(A) examining the Federal firearms or ammunition license of the recipient; and

"(B) obtaining written acknowledgement of receipt from the recipient of the package or other container in which there is a firearm or ammunition.".

SEC. 314. CIVIL LIABILITY FOR VIOLATION OF FIREARM LAW.

Section 924 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) Any person who sells, delivers, or otherwise transfers any firearm or ammunition in violation of Federal law shall be liable for all damages proximately caused by such sale, delivery, or other transfer.

"(2) An action to recover damages under paragraph (1) may be brought in a United States district court by, or on behalf of, any person, or the estate of any person, who suffers bodily injury or death as a result of the discharge of a firearm or ammunition sold, delivered, or transferred in violation of Federal law. Prevailing plaintiffs in such actions shall be awarded costs and reasonable attorneys' fees. Punitive damages shall be recoverable by the plaintiff if the defendant is found to have intentionally or recklessly violated the law.

"(3) No action under paragraph (2) may be brought by or on behalf of a person who was engaged in a criminal act against the person or property of another person at the time of the injury.

"(4) Nothing in this section shall be construed to preempt or otherwise limit any other cause of action available to any person.".

TITLE IV—PROHIBITED WEAPONS

SEC. 401. PROHIBITED WEAPONS.

(a) PROHIBITION.—Section 922 of title 18, United States Code, as amended by section 301(a), is amended by adding at the end the following new subsection:

"(z)(1) Except as provided in paragraph (2), it shall be unlawful for any person to manufacture, transfer, or possess a prohibited weapon.

"(2) Paragraph (1) does not apply with respect to—

"(A) the manufacture by or for, transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof;

"(B) any lawful transfer or lawful possession of a prohibited weapon that was lawfully possessed before the date this subsection takes effect; or

"(C) the manufacture, transfer, or possession of any prohibited weapon by a licensed manufacturer or licensed importer for the purposes of testing or experimentation authorized by the Secretary.".

(b) DEFINITIONS.—Section 921 of title 18, United States Code, as amended by section 101(b), is amended—

(1) in subsection (a)—

(A) in paragraph (28) by striking "'semiautomatic rifle' means any repeating rifle" and inserting "'semiautomatic firearm' means any repeating firearm"; and

(B) by adding at the end the following new paragraphs:

"(31) The term 'prohibited weapon' means—

"(A) a firearm muffler or firearm silencer;

"(B) a short-barreled shotgun;

"(C) a short-barreled rifle;

"(D) a destructive device;

"(E) a semiautomatic assault weapon;

"(F) a Saturday-night-special handgun;

"(G) a nonsporting ammunition; and

"(H) a large-capacity ammunition feeding device.

"(32)(A) The term 'semiautomatic assault weapon' means—

"(i) any of the firearms, or types, replicas, or duplicates in any caliber of the firearms known as—

"(I) Norinco, Mitchell, and Poly Technologies Avtomat Kalashnikovs (all models);

"(II) Israeli Military Industries Uzi and Galil;

"(III) Beretta AR–70;

"(IV) Colt AR–15 and Sporter;

"(V) Fabrique Nationale FN/FAL, FN/LAR, and FNC;

"(VI) SWD M–10, M–11, M–11/9, and M–12;

"(VII) Steyr AUG;

"(VIII) Intratec TEC–9, TEC–DC9 and TEC–22; and

"(IX) revolving cylinder shotguns, such as (but not limited to) the Street Sweeper and Striker 12;

"(ii) a semiautomatic rifle that has an ability to accept a detachable magazine and has at least 2 of the following:

"(I) a folding or telescoping stock;

"(II) a pistol grip that protrudes conspicuously beneath the action of the weapon;

"(III) a bayonet mount;

“(IV) a flash suppressor or barrel having a threaded muzzle; and

“(V) a grenade launcher;

“(iii) a semiautomatic pistol that has an ability to accept a detachable magazine and has at least 2 of the following:

“(I) an ammunition magazine that attaches to the pistol outside of the pistol grip;

“(II) a barrel having a threaded muzzle;

“(III) a shroud that is attached to or partially or completely encircles the barrel and that permits the shooter to hold the firearm with the nontrigger hand without being burned;

“(IV) a manufactured weight of 50 ounces or more when the pistol is unloaded; and

“(V) a semiautomatic version of an automatic firearm; and

“(iv) a semiautomatic shotgun that has at least 2 of the following:

“(I) a folding or telescoping stock;

“(II) a pistol grip that protrudes conspicuously beneath the action of the weapon;

“(III) a fixed magazine capacity in excess of 5 rounds; and

“(IV) an ability to accept a detachable magazine.

“(B) The term ‘semiautomatic assault weapon’ shall not apply to—

“(i) any of the firearms specified in Appendix A to this section as such firearms were manufactured on or prior to January 1, 1994; and

“(ii) any firearm that—

“(I) is manually operated by bolt, pump, lever, or slide action;

“(II) has been rendered permanently inoperable; or

“(III) is an antique firearm.

“(33) The term ‘Saturday-night-special handgun’ means—

“(A) any handgun that has a barrel, slide, frame or receiver which is a die casting of zinc alloy or any other nonhomogeneous metal which will melt or deform at a temperature of less than 800 degrees Fahrenheit;

“(B) any pistol which does not have a positive manually operated safety device, a double action revolver which does not have a safety feature which automatically causes the hammer to retract to a point where the firing pin does not rest upon the primer of the cartridge, or any single action revolver which does not have a safety feature which by manual operation causes the hammer to retract to a point where the firing pin does not rest upon the primer of the cartridge;

“(C) any revolver with a safety device which cannot withstand the impact of a weight equal to the weight of the revolver dropping from a distance of 36 inches in a line parallel to the barrel upon the rear of the hammer spur, a total of 5 times;

“(D) any pistol that has a combined length and height less than 10 inches with the height (right angle measurement to barrel without magazine or extension) being at least 4 inches and the length being at least 6 inches, or any revolver that has a barrel length of less than 3 inches or has an overall frame (with conventional grips) length (not diagonal) of less than 4½ inches; or

“(E) any handgun that—

“(i) uses ammunition of the following calibers—

“(I) .22 short;

“(II) .25;

“(III) .32; and

“(ii) has an overall weight, while unloaded, of less than 18 ounces.

“(34) The term ‘nonsporting ammunition’ means—

“(A) any of the ammunition, or types, replicas, or duplicates of the ammunition known as—

“(i) Dragon’s Breath; or

“(ii) .50 caliber BMG;

“(B) any ammunition that contains an incendiary or explosive charge;

“(C) any handgun ammunition measuring more than .45 inches in diameter; or

“(D) any handgun ammunition that produces a force at the muzzle in excess of 1,200 foot pounds.

“(35) The term ‘large-capacity ammunition feeding device’—

“(A) means a magazine, belt, drum, feed strip, or similar device which has a capacity of, or which can be readily restored or converted to accept, more than 6 rounds of ammunition, or any combination of parts from which such device can be assembled; but

“(B) does not include an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition.”; and

(2) by adding at the end the following appendix:

“APPENDIX A

Centerfire Rifles—Autoloaders

Browning BAR Mark II Safari Semi-Auto Rifle
Browning BAR Mark II Safari Magnum Rifle
Browning High-Power Rifle
Heckler & Koch Model 300 Rifle
Iver Johnson M–1 Carbine
Iver Johnson 50th Anniversary M–1 Carbine
Marlin Model 9 Camp Carbine
Marlin Model 45 Carbine
Remington Nylon 66 Auto-Loading Rifle
Remington Model 7400 Auto Rifle
Remington Model 7400 Rifle
Remington Model 7400 Special Purpose Auto Rifle
Ruger Mini-14 Autoloading Rifle (w/o folding stock)
Ruger Mini Thirty Rifle

Centerfire Rifles—Lever & Slide

Browning Model 81 BLR Lever-Action Rifle
Browning Model 81 Long Action BLR
Browning Model 1886 Lever-Action Carbine
Browning Model 1886 High Grade Carbine
Cimarron 1860 Henry Replica
Cimarron 1866 Winchester Replicas
Cimarron 1873 Short Rifle
Cimarron 1873 Sporting Rifle
Cimarron 1873 30″ Express Rifle
Dixie Engraved 1873 Rifle
E.M.F. 1866 Yellowboy Lever Actions
E.M.F. 1860 Henry Rifle
E.M.F. Model 73 Lever-Action Rifle
Marlin Model 336CS Lever-Action Carbine
Marlin Model 30AS Lever-Action Carbine
Marlin Model 444SS Lever-Action Sporter
Marlin Model 1894S Lever-Action Carbine
Marlin Model 1894CS Carbine
Marlin Model 1894CL Classic
Marlin Model 1895SS Lever-Action Rifle
Mitchell 1858 Henry Replica
Mitchell 1866 Winchester Replica
Mitchell 1873 Winchester Replica
Navy Arms Military Henry Rifle
Navy Arms Henry Trapper
Navy Arms Iron Frame Henry
Navy Arms Henry Carbine
Navy Arms 1866 Yellowboy Rifle
Navy Arms 1873 Winchester-Style Rifle
Navy Arms 1873 Sporting Rifle
Remington 7600 Slide Action
Remington Model 7600 Special Purpose Slide Action
Rossi M92 SRC Saddle-Ring Carbine
Rossi M92 SRS Short Carbine
Savage 99C Lever-Action Rifle
Uberti Henry Rifle
Uberti 1866 Sporting Rilfe
Uberti 1873 Sporting Rifle
Winchester Model 94 Side Eject Lever-Action Rifle
Winchester Model 94 Trapper Side Eject
Winchester Model 94 Big Bore Side Eject
Winchester Model 94 Ranger Side Eject Lever-Action Rifle
Winchester Model 94 Wrangler Side Eject

Centerfire Rifles—Bolt Action

Alpine Bolt-Action Rifle
A-Square Caesar Bolt-Action Rifle
A-Square Hannibal Bolt-Action Rifle
Anschutz 1700D Classic Rifles
Anschutz 1700D Custom Rifles
Anschutz 1700D Bavarian Bolt-Action Rifle
Anschutz 1733D Mannlicher Rifle
Barret Model 90 Bolt-Action Rifle
Beeman/HW 60J Bolt-Action Rifle
Blaser R84 Bolt-Action Rifle
BRNO 537 Sporter Bolt-Action Rifle
BRNO ZKB 527 Fox Bolt-Action Rifle
BRNO ZKK 600, 601, 602 Bolt-Action Rifles
Browning A-Bolt Rifle
Browning A-Bolt Stainless Stalker
Browning A-Bolt Left Hand
Browning A-Bolt Short Action
Browning Euro-Bolt Rifle
Browning A-Bolt Gold Medallion
Browning A-Bolt Micro Medallion
Century Centurion 14 Sporter
Century Enfield Sporter #4
Century Swedish Sporter #38
Century Mauser 98 Sporter
Cooper Model 38 Centerfire Sporter
Dakota 22 Sporter Bolt-Action Rifle
Dakota 76 Classic Bolt-Action Rifle
Dakota 76 Short Action Rifles
Dakota 76 Safari Bolt-Action Rifle
Dakota 416 Rigby African
E.A.A./Sabatti Rover 870 Bolt-Action Rifle
Auguste Francotte Bolt-Action Rifles
Carl Gustaf 2000 Bolt-Action Rifle
Heym Magnum Express Series Rifle
Howa Lightning Bolt-Action Rifle
Howa Realtree Camo Rifle
Interarms Mark X Viscount Bolt-Action Rifle
Interarms Mini-Mark X Rifle
Interarms Mark X Whitworth Bolt-Action Rifle
Interarms Whitworth Express Rifle
Iver Johnson Model 5100A1 Long-Range Rifle
KDF K15 American Bolt-Action Rifle
Krico Model 600 Bolt-Action Rifle
Krico Model 700 Bolt-Action Rifles
Mauser Model 66 Bolt-Action Rifle
Mauser Model 99 Bolt-Action Rifle
McMillan Signature Classic Sporter
McMillan Signature Super Varminter
McMillan Signature Alaskan
McMillan Signature Titanium Mountain Rifle
McMillan Classic Stainless Sporter
McMillan Talon Safari Rifle
McMillan Talon Sporter Rifle
Midland 1500S Survivor Rifle
Navy Arms TU–33/40 Carbine
Parker-Hale Model 81 Classic Rifle

Parker-Hale Model 81 Classic African Rifle
Parker-Hale Model 1000 Rifle
Parker-Hale Model 1100M African Magnum
Parker-Hale Model 1100 Lightweight Rifle
Parker-Hale Model 1200 Super Rifle
Parker-Hale Model 1200 Super Clip Rifle
Parker-Hale Model 1300C Scout Rifle
Parker-Hale Model 2100 Midland Rifle
Parker-Hale Model 2700 Lightweight Rifle
Parker-Hale Model 2800 Midland Rifle
Remington Model Seven Bolt-Action Rifle
Remington Model Seven Youth Rifle
Remington Model Seven Custom KS
Remington Model Seven Custom MS Rifle
Remington 700 ADL Bolt-Action Rifle
Remington 700 BDL Bolt-Action Rifle
Remington 700 BDL Varmint Special
Remington 700 BDL European Bolt-Action Rifle
Remington 700 Varmint Synthetic Rifle
Remington 700 BDL SS Rifle
Remington 700 Stainless Synthetic Rifle
Remington 700 MTRSS Rifle
Remington 700 BDL Left Hand
Remington 700 Camo Synthetic Rifle
Remington 700 Safari
Remington 700 Mountain Rifle
Remington 700 Custom KS Mountain Rifle
Remington 700 Classic Rifle
Ruger M77 Mark II Rifle
Ruger M77 Mark II Magnum Rifle
Ruger M77RL Ultra Light
Ruger M77 Mark II All-Weather Stainless Rifle
Ruger M77 RSI International Carbine
Ruger M77 Mark II Express Rifle
Ruger M77 VT Target Rifle
Sako Hunter Rifle
Sako Fiberclass Sporter
Sako Safari Grade Bolt Action
Sako Hunter Left-Hand Rifle
Sako Classic Bolt Action
Sake Hunter LS Rifle
Sako Deluxe Lightweight
Sako Super Deluxe Sporter
Sako Mannlicher-Style Carbine
Sako Varmint Heavy Barrel
Sako TRG–S Bolt-Action Rifle
Sauer 90 Bolt-Action Rifle
Savage 110G Bolt-Action Rifle
Savage 110CY Youth/Ladies Rifle
Savage 110WLE One of One Thousand Limited Edition Rifle
Savage 110GXP3 Bolt-Action Rifle
Savage 110F Bolt-Action Rifle
Savage 110FXP3 Bolt-Action Rifle
Savage 110GV Varmint Rifle
Savage 112FV Varmint Rifle
Savage Model 112FVS Varmint Rifle
Savage Model 112BV Heavy Barrel Varmint Rifle
Savage 116FSS Bolt-Action Rifle
Savage Model 116FSK Kodiak Rifle
Savage 110FP Police Rifle
Steyr-Mannlicher Sporter Models SL, L, M, S, S/T
Steyr-Mannlicher Luxus Model L, M, S
Steyr-Mannlicher Model M Professional Rifle
Tikka Bolt-Action Rifle
Tikka Premium Grade Rifles
Tikka Varmint/Continental Rifle
Tikka Whitetail/Battue Rifle
Ultra Light Arms Model 20 Rifle
Ultra Light Arms Model 28, Model 40 Rifles
Voere VEC 91 Lightning Bolt-Action Rifle
Voere Model 2165 Bolt-Action Rifle
Voere Model 2155, 2150 Bolt-Action Rifles
Weatherby Mark V Deluxe Bolt-Action Rifle
Weatherby Lasermark V Rifle
Weatherby Mark V Crown Custom Rifles
Weatherby Mark V Sporter Rifle
Weatherby Mark V Safari Grade Custom Rifles
Weatherby Weathermark Rifle
Weatherby Weathermark Alaskan Rifle
Weatherby Classicmark No. 1 Rifle
Weatherby Weatherguard Alaskan Rifle
Weatherby Vanguard VGX Deluxe Rifle
Weatherby Vanguard Classic Rifle
Weatherby Vanguard Classic No. 1 Rifle
Weatherby Vanguard Weatherguard Rifle
Wichita Classic Rifle
Wichita Varmint Rifle
Winchester Model 70 Sporter
Winchester Model 70 Sporter WinTuff
Winchester Model 70 SM Sporter
Winchester Model 70 Stainless Rifle
Winchester Model 70 Varmint
Winchester Model 70 Synthetic Heavy Varmint Rifle
Winchester Model 70 DBM Rifle
Winchester Model 70 DBM–S Rifle
Winchester Model 70 Featherweight
Winchester Model 70 Featherweight WinTuff
Winchester Model 70 Featherweight Classic
Winchester Model 70 Lightweight Rifle
Winchester Ranger Rifle
Winchester Model 70 Super Express Magnum
Winchester Model 70 Super Grade
Winchester Model 70 Custom Sharpshooter
Winchester Model 70 Custom Sporting Sharpshooter Rifle

Centerfire Rifles—Single Shot

Armsport 1866 Sharps Rifle, Carbine
Brown Model One Single Shot Rifle
Browning Model 1885 Single Shot Rifle
Dakota Single Shot Rifle
Desert Industries G–90 Single Shot Rifle
Harrington & Richardson Ultra Varmint Rifle
Model 1885 High Wall Rifle
Navy Arms Rolling Block Buffalo Rifle
Navy Arms #2 Creedmoor Rifle
Navy Arms Sharps Cavalry Carbine
Navy Arms Sharps Plains Rifle
New England Firearms Handi-Rifle
Red Willow Armory Ballard No. 5 Pacific
Red Willow Armory Ballard No. 1.5 Hunting Rifle
Red Willow Armory Ballard No. 8 Union Hill Rifle
Red Willow Armory Ballard No. 4.5 Target Rifle
Remington-Style Rolling Block Carbine
Ruger No. 1B Single Shot
Ruger No. 1A Light Sporter
Ruger No. 1H Tropical Rifle
Ruger No. 1S Medium Sporter
Ruger No. 1 RSI International
Ruger No. 1V Special Varminter
C. Sharps Arms New Model 1874 Old Reliable
C. Sharps Arms New Model 1875 Rifle
C. Sharps Arms 1875 Classic Sharps
C. Sharps Arms New Model 1875 Target & Long Range
Shiloh Sharps 1874 Long Range Express
Shiloh Sharps 1874 Montana Roughrider
Shiloh Sharps 1874 Military Carbine
Shiloh Sharps 1874 Business Rifle
Shiloh Sharps 1874 Military Rifle
Sharps 1874 Old Reliable
Thompson/Center Contender Carbine
Thompson/Center Stainless Contender Carbine
Thompson/Center Contender Carbine Survival System
Thompson/Center Contender Carbine Youth Model
Thompson/Center TCR '87 Single Shot Rifle
Uberti Rolling Block Baby Carbine

Drillings, Combination Guns, Double Rifles

Baretta Express SSO O/U Double Rifles
Baretta Model 455 SxS Express Rifle
Chapuis RGExpress Double Rifle
Auguste Francotte Sidelock Double Rifles
Auguste Francotte Boxlock Double Rifle
Heym Model 55B O/U Double Rifle
Heym Model 55FW O/U Combo Gun
Heym Model 88b Side-by-Side Double Rifle
Kodiak Mk. IV Double Rifle
Kreighoff Teck O/U Combination Gun
Kreighoff Trumpf Drilling
Merkel Over/Under Combination Guns
Merkel Drillings
Merkel Model 160 Side-by-Side Double Rifles
Merkel Over/Under Double Rifles
Savage 24F O/U Combination Gun
Savage 24F–12T Turkey Gun
Springfield Inc. M6 Scout Rifle/Shotgun
Tikka Model 412s Combination Gun
Tikka Model 412S Double Fire
A. Zoli Rifle-Shotgun O/U Combo

Rimfire Rifles—Autoloaders

AMT Lightning 25/22 Rifle
AMT Lightning Small-Game Hunting Rifle II
AMT Magnum Hunter Auto Rifle
Anschutz 525 Deluxe Auto
Armscor Model 20P Auto Rifle
Browning Auto-22 Rifle
Browning Auto-22 Grade VI
Krico Model 260 Auto Rifle
Lakefield Arms Model 64B Auto Rifle
Marlin Model 60 Self-Loading Rifle
Marlin Model 60ss Self-Loading Rifle
Marlin Model 70 HC Auto
Marlin Model 9901 Self-Loading Rifle
Marlin Model 70P Papoose
Marlin Model 922 Magnum Self-Loading Rifle
Marlin Model 995 Self-Loading Rifle
Norinco Model 22 ATD Rifle
Remington Model 522 Viper Autoloading Rifle
Remington 552BDL Speedmaster Rifle
Ruger 10/22 Autoloading Carbine (w/o folding stock)

Survival Arms AR–7 Explorer Rifle
Texas Remington Revolving Carbine
Voere Model 2115 Auto Rifle

Rimfire Rifles—Lever & Slide Action

Browning BL–22 Lever-Action Rifle
Marlin 39TDS Carbine
Marlin Model 39AS Golden Lever-Action Rifle
Remington 572BDL Fieldmaster Pump Rifle
Norinco EM–321 Pump Rifle
Rossi Model 62 SA Pump Rifle
Rossi Model 62 SAC Carbine
Winchester Model 9422 Lever-Action Rifle
Winchester Model 9422 Magnum Lever-Action Rifle

Rimfire Rifles—Bolt Actions & Single Shots

Anschutz Achiever Bolt-Action Rifle
Anschutz 1416D/1516D Classic Rifles
Anschutz 1418D/1518D Mannlicher rifles
Anschutz 1700D Classic Rifles
Anschutz 1700D Custom Rifles
Anschutz 1700 FWT Bolt-Action Rifle
Anschutz 1700D Graphite Custom Rifle
Anschutz 1700D Bavarian Bolt-Action Rifle
Armscor Model 14P Bolt-Action Rifle
Armscor Model 1500 Rifle
BRNO ZKM–452 Deluxe Bolt-Action Rifle
BRNO ZKM 452 Deluxe
Beeman/HW 60–J–ST Bolt-Action Rifle
Browning A-Bolt 22 Bolt-Action Rifle
Browning A-Bolt Gold Medallion
Cabanas Phaser Rifle
Cabanas Master Bolt-Action Rifle
Cabanas Espronceda IV Bolt-Action Rifle
Cabanas Leyre Bolt-Action Rifle
Chipmunk Single Shot Rifle
Cooper Arms Model 36S Sporter Rifle
Dakota 22 Sporter Bolt-Action Rifle
Krico Model 300 Bolt-Action Rifles
Lakefield Arms Mark II Bolt-Action Rifle
Lakefield Arms Mark I Bolt-Action Rifle
Magtech Model MT–22C Bolt-Action Rifle
Marlin Model 880 Bolt-Action Rifle
Marlin Model 881 Bolt-Action Rifle
Marlin Model 882 Bolt-Action Rifle
Marlin Model 883 Bolt-Action Rifle
Marlin Model 883SS Bolt-Action Rifle
Marlin Model 25MN Bolt-Action Rifle
Marlin Model 25N Bolt-Action Repeater
Marlin Model 15YN "Little Buckaroo"
Mauser Model 107 Bolt-Action Rifle
Mauser Model 201 Bolt-Action Rifle
Navy Arms TU–KKW Training Rifle
Navy Arms TU–33/40 Carbine
Navy Arms TU–KKW Sniper Trainer
Norinco JW–27 Bolt-Action Rifle
Norinco JW–15 Bolt-Action Rifle
Remington 541–T
Remington 40–XR Rimfire Custom sporter
Remington 541–T HB Bolt-Action Rifle
Remington 581–S Sportsman Rifle
Ruger 77/22 Rimfire Bolt-Action Rifle
Ruger K77/22 Varmint Rifle
Ultra Light arms Model 20 RF Bolt-Action Rifle
Winchester Model 52B Sporting Rifle

Competition Rifles—Centerfire & Rimfire

Anschutz 64–MS Left Silhouette
Anschutz 1808D RT Super Match 54 Target
Anschutz 1827B Biathlon Rifle
Anschutz 1903D Match Rifle
Anschutz 1803D Itermediate Match
Anschutz 1911 Match Rifle
Anschutz 54.18MS REP Deluxe Silhouette Rifle
Anschutz 1913 Super Match Rifle
Anschutz 1907 Match Rifle
Anschutz 1910 Super Match II
Anschutz 54.18MS Silhouette Rifle
Anschutz Super Match 54 Target Model 2013
Anschutz Super Match 54 Target Model 2007
Beeman/Feinwerkbau 2600 Target Rifle
Cooper Arms Model TRP–1 ISU Standard Rifle
E.A.A./Weihrauch HW 60 Target Rifle
E.A.A./HW 660 Match Rifle
Finnish Lion Standard Target Rifle
Krico Model 360 S2 Biathlon Rifle
Krico Model 400 Match Rifle
Krico Model 360S Biathlon Rifle
Krico Model 500 Kricotronic Match Rifle
Krico Model 600 Sniper Rifle
Krico Model 600 Match Rifle
Lakefield Arms Model 90B Target Rifle
Lakefield Arms Model 91T Target Rifle
Lakefield Arms Model 92S Silhouette Rifle
Marlin Model 2000 Target Rifle
Mauser Model 86–SR Specialty Rifle
McMillan M–86 Sniper Rifle
McMillan Combo M–87/M–88 50-Caliber Rifle
McMillan 300 Phoenix Long Range Rifle
McMillan M–89 Sniper Rifle
McMillan National Match Rifle
McMillan Long Range Rifle
Parker-Hale M–87 Target Rifle
Parker-Hale M–85 Sniper Rifle
Remington 40–XB Rangemaster Target Centerfire
Remington 40–XR KS Rimfire Position Rifle
Remington 40–XBBR KS
Remington 40–XC KS National Match Course Rifle
Sako TRG–21 Bolt-Action Rifle
Steyr-Mannlicher Match SPG–UIT Rifle
Steyr-Mannlicher SSG P–I Rifle
Steyr-Mannlicher SSG P–III Rifle
Steyr-Mannlicher SSG P–IV Rifle
Tanner Standard UIT Rifle
Tanner 50 Meter Free Rifle
Tanner 300 Meter Free Rifle
Wichita Silhouette Rifle

Shotguns—Autoloaders

American Arms/Franchi Black Magic 48/AL
Benelli Super Black Eagle Shotgun
Benelli Super Black Eagle Slug Gun
Benelli M1 Super 90 Field Auto Shotgun
Benelli Montefeltro Super 90 20-Gauge Shotgun
Benelli Montefeltro Super 90 Shotgun
Benelli M1 Sporting Special Auto Shotgun
Benelli Black Eagle Competition Auto Shotgun
Beretta A–303 Auto Shotgun
Beretta 390 Field Auto Shotgun
Beretta 390 Super Trap, Super Skeet Shotguns
Beretta Vittoria Auto Shotgun
Beretta Model 1201F Auto Shotgun
Browning BSA 10 Auto Shotgun
Browning Bsa 10 Stalker Auto Shotgun
Browning A–500R Auto Shotgun
Browning A–500G Auto Shotgun
Browning A–500G Sporting Clays
Browning Auto-5 Light 12 and 20
Browning Auto-5 Stalker
Browning Auto-5 Magnum 20
Browning Auto-5 Magnum 12
Churchill Turkey Automatic Shotgun
Cosmi Automatic Shotgun
Maverick Model 60 Auto Shotgun
Mossberg Model 5500 Shotgun
Mossberg Model 9200 Regal Semi-Auto Shotgun
Mossberg Model 9200 USST Auto Shotgun
Mossberg Model 9200 Camo Shotgun
Mossberg Model 6000 Auto Shotgun
Remington Model 1100 Shotgun
Remington 11–87 Premier shotgun
Remington 11–87 Sporting Clays
Remington 11–87 Premier Skeet
Remington 11–87 Premier Trap
Remington 11–87 Special Purpose Magnum
Remington 11–87 SPS–T Camo Auto Shotgun
Remington 11–87 Special Purpose Deer Gun
Remington 11–87 SPS–BG-Camo Deer/Turkey Shotgun
Remington 11–87 SPS-Deer Shotgun
Remington 11–87 Special Purpose Synthetic Camo
Remington SP–10 Magnum-Camo Auto Shotgun
Remington SP–10 Magnum Auto Shotgun
Remington SP–10 Magnum Turkey Combo
Remington 1100 LT–20 Auto
Remington 1100 Special Field
Remington 1100 20-Gauge Deer Gun
Remington 1100 LT–20 Tournament Skeet
Winchester Model 1400 Semi-Auto Shotgun

Shotguns—Slide Actions

Browning Model 42 Pump Shotgun
Browning BPS Pump Shotgun
Browning BPS Stalker Pump Shotgun
Browning BPS Pigeon Grade Pump Shotgun
Browning BPS pump Shotgun (Ladies and Youth Model)
Browning BPS Game Gun Turkey Special
Browning BPS Game Gun Deer Special
Ithaca Model 87 Supreme Pump Shotgun
Ithaca Model 87 Deerslayer Shotgun
Ithaca Deerslayer II Rifled Shotgun
Ithaca Model 87 Turkey Gun
Ithaca Model 87 Deluxe Pump Shotgun
Magtech Model 586–VR Pump Shotgun
Maverick Models 88, 91 Pump Shotguns
Mossberg Model 500 Sporting Pump
Mossberg Model 500 Camo Pump
Mossberg Model 500 Muzzleloader Combo
Mossberg Model 500 Trophy Slugster
Mossberg Turkey Model 500 Pump
Mossberg Model 500 Bantam Pump
Mossberg Field Grade Model 835 Pump Shotgun

Mossberg Model 835 Regal Ulti-Mag Pump
Remington 870 Wingmaster
Remington 870 Special Purpose Deer Gun
Remington 870 SPS–BG-Camo Deer/Turkey Shotgun
Remington 870 SPS-Deer Shotgun
Remington 870 Marine Magnum
Remington 870 TC Trap
Remington 870 Special Purpose Synthetic Camo
Remington 870 Wingmaster Small Gauges
Remington 870 Express Rifle Sighted Deer Gun
Remington 879 SPS Special Purpose Magnum
Remington 870 SPS–T Camo Pump Shotgun
Remington 870 Special Field
Remington 870 Express Turkey
Remington 870 High Grades
Remington 870 Express
Remington Model 870 Express Youth Gun
Winchester Model 12 Pump Shotgun
Winchester Model 42 High Grade Shotgun
Winchester Model 1300 Walnut Pump
Winchester Model 1300 Slug Hunter Deer Gun
Winchester Model 1300 Ranger Pump Gun Combo & Deer Gun
Winchester Model 1300 Turkey Gun
Winchester Model 1300 Ranger Pump Gun

Shotguns—Over/Unders

American Arms/Franchi Falconet 2000 O/U
American Arms Silver I O/U
American Arms Silver II Shotgun
American Arms Silver Skeet O/U
American Arms/Franchi Sporting 2000 O/U
American Arms Silver Sporting O/U
American Arms Silver Trap O/U
American Arms WS/OU 12, TS/OU 12 Shotguns
American Arms WT/OU 10 Shotgun
Armsport 2700 O/U Goose Gun
Armsport 2700 Series O/U
Armsport 2900 Tri-Barrel Shotgun
Baby Bretton Over/Under Shotgun
Beretta Model 686 Ultralight O/U
Beretta ASE 90 Competition O/U Shotgun
Beretta Over/Under Field Shotguns
Beretta Onyx Hunter Sport O/U Shotgun
Beretta Model SO5, SO6, SO9 Shotguns
Beretta Sporting Clay Shotguns
Beretta 687EL Sporting O/U
Beretta 682 Super Sporting O/U
Beretta Series 682 Competition Over/Unders
Browning Citori O/U Shotgun
Browning Superlight Citori Over/Under
Browning Lightning Sporting Clays
Browning Micro Citori Lightning
Browning Citori Plus Trap Combo
Browning Citori Plus Trap Gun
Browning Citori O/U Skeet Models
Browning Citori O/U Trap Models
Browning Special Sporting Clays
Browning Citori GTI Sporting Clays
Browning 325 Sporting Clays
Centurion Over/Under Shotgun
Chapuis Over/Under Shotgun
Connecticut Valley Classics Classic Sporter O/U
Connecticut Valley Classics Classic Field Waterfowler
Charles Daly Field Grade O/U
Charles Daly Lux Over/Under
E.A.A./Sabatti Sporting Clays Pro-Gold O/U
E.A.A/Sabatti Falcon-Mon Over/Under
Kassnar Grade I O/U Shotgun
Krieghoff K–80 Sporting Clays O/U
Krieghoff K–80 Skeet Shotgun
Krieghoff K–80 International Skeet
Krieghoff K–80 Four-Barrel Skeet Set
Krieghoff K–80/RT Shotguns
Krieghoff K–80 O/U Trap Shotgun
Laurona Silhouette 300 Sporting Clays
Laurona Silhouette 300 Trap
Laurona Super Model Over/Unders
Ljutic LM–6 Deluxe O/U Shotgun
Marocchi Conquista Over/Under Shotgun
Marocchi Avanza O/U Shotgun
Merkel Model 200E O/U Shotgun
Merkel Model 200E Skeet, Trap Over/Unders
Merkel Model 203E, 303E Over/Under Shotguns
Perazzi Mirage Special Sporting O/U
Perazzi Mirage Special Four-Gauge Skeet
Perazzi Sporting Classic O/U
Perazzi MX7 Over/Under Shotguns
Perazzi Mirage Special Skeet Over/Under
Perazzi MX8/MX8 Special Trap, Skeet
Perazzi MX8/20 Over/Under Shotgun
Perazzi MX9 Single Over/Under Shotguns
Perazzi MX12 Hunting Over/Under
Perazzi MX28, MX410 Game O/U Shotguns
Perazzi MX20 Hunting Over/Under
Piotti Boss Over/Under Shotgun
Remington Peerless Over/Under Shotgun
Ruger Red Label O/U Shotgun
Ruger Sporting Clays O/U Shotgun
San Marco 12-Ga. Wildflower Shotgun
San Marco Field Special O/U Shotgun
San Marco 10-Ga. O/U Shotgun
SKB Model 505 Deluxe Over/Under Shotgun
SKB Model 685 Over/Under Shotgun
SKB Model 885 Over/Under Trap, Skeet, Sporting Clays
Stoeger/IGA Condor I O/U Shotgun
Stoeger/IGA ERA 2000 Over/Under Shotgun
Techni-Mec Model 610 Over/Under
Tikka Model 412S Field Grade Over/Under
Weatherby Athena Grade IV O/U Shotguns
Weatherby Athena Grade V Classic Field O/U
Weatherby Orion O/U Shotguns
Weatherby II, III Classic Field O/Us
Weatherby Orion II Classic Sporting Clays O/U
Weatherby Orion II Sporting Clays O/U
Winchester Model 1001 O/U Shotgun
Winchester Model 1001 Sporting Clays O/U
Pietro Zanoletti Model 2000 Field O/U

Shotguns—Side by Sides

American Arms Brittany Shotgun
American Arms Gentry Double Shotgun
American Arms Derby Side-by-Side
American Arms Grulla #2 Double Shotgun
American Arms WS/SS 10
American Arms TS/SS 10 Double Shotgun
American Arms TS/SS 12 Side-by-Side
Arrieta Sidelock Double Shotguns
Armsport 1050 Series Double Shotguns
Arizaga Model 31 Double Shotgun
AYA Boxlock Shotguns
AYA Sidelock Double Shotguns
Beretta Model 452 Sidelock Shotgun
Beretta Side-by-Side Field Shotguns
Crucelegui Hermanos Model 150 Double
Chapuis Side-by-Side Shotgun
E.A.A./Sabatti Saba-Mon Double Shotgun
Charles Daly Model Dss Double
Ferlib Model F VII Double Shotgun
Auguste Francotte Boxlock Shotgun
Auguste Francotte Sidelock Shotgun
Garbi Model 100 Double
Garbi Model 101 Side-by-Side
Garbi Model 103A, B Side-by-Side
Garbi Model 200 Side-by-Side
Bill Hanus Birdgun Doubles
Hatfield Uplander Shotgun
Merkell Model 8, 47E Side-by-Side Shotguns
Merkel Model 47LSC Sporting Clays Double
Merkel Model 47S, 147S Side-by-Sides
Parker Reproductions Side-by-Side
Piotti King No. 1 Side-by-Side
Piotti Lunik Side-by-Side
Piotti King Extra Side-by-Side
Piotti Piuma Side-by-Side
Precision Sports Model 600 Series Doubles
Rizzini Boxlock Side-by-Side
Rizzini Sidelock Side-by-Side
Stoeger/IGA Uplander Side-by-Side Shotgun
Ugartechea 10-Ga. Magnum Shotgun

Shotguns—Bolt Actions & Single Shots

Armsport Single Barrel Shotgun
Browning BT–99 Competition Trap Special
Browning BT–99 Plus Trap Gun
Browning BT–99 Plus Micro
Browning Recoilless Trap Shotgun
Browning Micro Recoilless Trap Shotgun
Desert Industries Big Twenty Shotgun
Harrington & Richardson Topper Model 098
Harrington & Richardson Topper Classic Youth Shotgun
Harrington & Richardson N.W.T.F. Turkey Mag
Harrington & Richardson Topper Deluxe Model 098
Krieghoff KS–5 Trap Gun
Krieghoff KS–5 Special
Krieghoff K–80 Single Barrel Trap Gun
Ljutic Mono Gun Single Barrel
Ljutic LTX Super Deluxe Mono Gun
Ljutic Recoilless Space Gun Shotgun
Marlin Model 55 Goose Gun Bolt Action
New England Firearms Turkey and Goose Gun
New England Firearms N.W.T.F. Shotgun
New England Firearms Tracker Slug Gun
New England Firearms Standard Pardner
New England Firearms Survival Gun
Perazzi TM1 Special Single Trap
Remington 90–T Super Single Shotgun
Snake Charmer II Shotgun
Stoeger/IGA Reuna Single Barrel Shotgun

Thompson/Center TCR '87 Hunter Shotgun.".

(c) REGISTRATION OF FUTURE TRANSFERS OF PROHIBITED WEAPONS.—Section 5845(a) of the Internal Revenue Code of 1986 is amended in the first sentence—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting "; and (9) a prohibited weapon (as defined in section 921 of title 18, United States Code).".

(d) IDENTIFICATION MARKING.—Section 923(i) of title 18, United States Code, is amended by adding at the end the following new sentence: "The serial number of any prohibited weapon manufactured after the date of enactment of this section shall clearly show the date on which the weapon was manufactured.".

(e) PENALTY.—

(1) VIOLATION OF SECTION 922(2).—Section 924(a)(1)(B) of title 18, United States Code, as amended by section 308(b), is amended by striking "or (y)" and inserting "(y), or (z)".

(2) USE OR POSSESSION DURING CRIME OF VIOLENCE OR DRUG TRAFFICKING CRIME.—Section 924(c)(1) of title 18, United States Code, is amended in the first sentence by inserting ", or semiautomatic assault weapon" after "short-barreled shotgun,".

SEC. 402. FIREARMS AND CHILD SAFETY.

(a) UNLAWFUL ACT.—Section 922 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(aa)(1) It shall be unlawful for a person to manufacture or import a firearm that does not have as an integral part a device or devices that—

"(A) prevent a child of less than 7 years of age from discharging the firearm by reason of the amount of strength, dexterity, cognitive skill, or other ability required to cause a discharge;

"(B) prevent a firearm that has a removable magazine from discharging when the magazine has been removed; and

"(C) in the case of a handgun other than a revolver, clearly indicate whether the magazine or chamber contains a round of ammunition.

"(2) Paragraph (1) does not apply with respect to the manufacture or importation by or for the United States or a department or agency thereof or a State or a department, agency, or political subdivision thereof.".

(b) PENALTY.—Section 924(a)(5) of title 18, United States Code, as amended by section 204(c), is amended by striking "or (x)" and inserting "(x), or (aa)".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on the date that is 1 year after the date of enactment of this Act.

STATEMENT OF SARAH BRADY, CHAIR, HANDGUN CONTROL, INC., FEBRUARY 28, 1994

Today we mark the first day under the Brady Law. It's been a long struggle, and we've heard a lot in recent days about whether the Brady bill will reduce gun-related violence in our society. The answer is, absolutely. Today, for the first time, America's law enforcement officials will be able to enforce a 25-year-old law on a national level. The 1968 Gun Control Act prohibits convicted felons and others from purchasing guns, but it failed to include a federal enforcement mechanism. While half of the states in this country enacted waiting periods and background checks to screen out illegal purchasers, the other half did not. Today, law enforcement in every state will finally have the means to keep handguns out of the hands of criminals.

We've also heard a lot in recent days about the confusion surrounding implementation of the Brady Law. Remember, this is the first significant change in 25 years—some confusion is to be expected. But nearly half the states currently conduct background checks, and have successfully stopped thousands upon thousands of prohibited persons from purchasing handguns over the years. Cops have been the biggest supporters of the Brady Bill because police know what will work—and they have said over and over that they would rather spend the time and resources preventing crimes than mopping up after a crime has been committed.

In addition, the Brady law closes the loophole that currently enables criminals to travel from states with tough gun laws into states with weak or no gun laws to buy the weapons that fuel the illegal market. More than 90% of Americans wanted the Brady Law; 87% of gun owners supported the legislation. The Brady Law will work. It must be given time to do what it is intended to do. The Brady Law will make a difference.

But for all that the Brady Law will do, we know that we need to do more. In December, Handgun Control unveiled a comprehensive package of initiatives designed to end America's epidemic of gun violence. Today, that plan is being introduced as legislation in the 103rd Session of Congress by my two good friends, Senator Howard Metzenbaum and Congressman Charles Schumer. Senators Pell, Bradley, Lautenberg, Boxer, Chafee and Kennedy are original co-sponsors. The Handgun Violence Prevention Act of 1994 includes measures that Handgun Control has long espoused—such as licensing of handgun owners, registration of handgun purchases, and limits of those purchases to one per month. It is especially meaningful to Jim and I that Senator Kennedy will be with us as a leader in this campaign, for it was his legislation calling for licensing and registration—more than twenty years ago—that helped move this country in the direction of saner gun laws.

The National Center for Health Statistics estimates that by the year 2003, death from gunshot wounds will exceed automobile fatalities. We must begin our efforts to turn that terrible trend around. We must begin with a strong comprehensive plan of action, and we must begin now.

STATEMENT OF JAMES BRADY, FEBRUARY 28, 1994

Last night, Sarah and I hosted an "end of the wild west" party to celebrate the implementation of the Brady Law. For that is what today marks—the end of unchecked access to guns by criminals, the deranged, and children. And while there is clearly reason to celebrate, we know that there is much more to do.

Almost daily, we pick up our morning newspapers and we read of gun-related tragedies. Too often, these tragedies involve innocent children. So while the gun lobby continues to argue that gun control legislation will not reduce gun crime, I will continue to ask, what crimes have our children committed that they deserve to live in fear of being mowed down as they walk to school? Of what are they guilty that they should be planning their own funerals instead of planning for their proms or graduations?

I believe that it is we who are guilty—for allowing the special interest gun lobby to run rough shod over public opinion for too long. But no longer. Today, the Brady Bill is the law of the land. And today, I begin the campaign for "Brady II," a comprehensive legislative plan to end America's epidemic of gun violence. Sarah and I are in this for the long haul. For as long as it takes until we can proudly say that the United States has a sensible national gun control policy.

Mr. BRADLEY. Mr. President, I rise as an original cosponsor to speak in support of the Gun Violence Prevention Act. I want to congratulate the Senator from Ohio [Mr. METZENBAUM] for his work on this bill. In addition, on the day after the historic Brady bill went into effect, I want to thank Jim and Sarah Brady for working so diligently to highlight the need for comprehensive handgun legislation. The Brady bill was a good first step, and this legislation is an important second step in the process of curbing irresponsible handgun use in this country.

Every year, more than 24,000 Americans—65 a day—are killed with handguns, in homicides, by committing suicide, and by unintentional injuries. Handguns account for only one-third of all firearms, but are responsible for two-thirds of all firearm-related deaths. Handguns are used in about 80 percent of all firearm murders. Ninety-five percent of the people injured by a handgun each year require emergency care or hospitalization. Of these, 68 percent require overnight care and 32 percent require a hospital stay of 8 days or more. In 1991, the United States led the developed world with 14,373 gun murders, as compared to 186 gun murders in Canada, 76 in Australia, 60 in England, and 74 in Japan. One difference between the United States and the other countries cited is that the other countries all have much stricter gun control laws.

A new handgun is produced every 20 seconds in America. For at least a decade now, almost half of America's households have contained at least one gun and at least 25 percent have owned a handgun. According to one commentator, "Gun ownership has become so pervasive that the mere fact of possession has become a problem in and of itself. The presence of guns, especially handguns in homes, has begun to be recognized as a danger to the families who lives in those homes."

Some will argue that these grim statistics are the result of weak law enforcement, light sentencing, legitimate fear, and the waning of family values. Others will argue that they are the result of joblessness, poverty, and long-term neglect of our most violent neighborhoods. I have no doubt that the growing rate of violent activity has been aggravated in part by all these factors. But accepting many of these causes of handgun violence does not erase the reality that crime and deviant behavior have become much more of a burden on our society because of the explosive growth in handguns. Disputes that were settled with fists and knives 10 years ago are now being settled with guns. The number, availability, and destructive ability of handguns has contributed significantly to this tragedy.

The purpose of this bill is to make it at least as difficult to use a handgun as it is to drive a car. When the evidence on the danger of handguns is made clear to us on a daily basis, it is irresponsible to allow an instrument which can cause so much physical and psychological damage to be made available to people on such a liberal basis.

This bill makes it illegal to purchase a handgun without a valid, State-issued handgun license. The license would be similar to a driver's license and consist of an identification card with a photograph. In order to acquire the license, a person would have to undergo a background check, present proof of residency in the State of purchase, get fingerprinted, and pass a handgun safety course offered by a local law enforcement officer. Only new purchases of handguns would require a license. Those who currently possess handguns would not have to acquire a license unless they wanted to purchase more handguns.

To stop the transfer of handguns from strawman purchasers to criminals and others intending to commit crimes, this legislation requires that all handgun transfers be registered with local officials. If the person transferring the weapon does not register the transfer, he or she will be in violation of Federal law.

To curb interstate gun running, this bill limits the purchase of a handgun by any one person to one gun a month. When this provision goes into effect, maybe Interstate 95 will lose its nickname, the "Iron Road," as it becomes less easy to run guns from States with little gun control to States, like New Jersey, that already enjoy some of the protections in this bill.

I am particularly pleased, Mr. President, that this bill incorporates my legislation, S. 1798, which increases the licensing fees for federally licensed firearm dealers. In addition to existing requirements, federally licensed firearm dealers would have to prove that they are in compliance with State and local laws, pass background checks, and pay $3,000 for a 3-year license. Today, there are more gun dealers than gas stations and grocery stores. This is outrageous, and I hope these provisions will change that situation.

Mr. President, this bill does prohibit the manufacture of semiautomatic assault weapons and Saturday night specials and ammunition which has no purpose other than to inflict as much damage on the human body as possible. But this bill does not restrict the purchase of any legitimate sporting weapons. Rifle and shotgun purchases are not affected. The bill is narrowly drafted to affect only those instruments and practices that are causing a disproportionate amount of the carnage.

In closing, Mr. President, we must continue our fight to end the death and destruction of our children and our families, which is too easily becoming a fact of life in our cities and towns. I urge support for this responsible handgun licensing and registration legislation.

By Mr. INOUYE (for himself, Mr. STEVENS, Mr. HOLLINGS, and Mr. DANFORTH):

S. 1883. A bill to authorize appropriations for the promotion and development of the U.S. national telecommunications and information infrastructure, and the construction and planning of public broadcasting facilities, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION AUTHORIZATION ACT

• Mr. INOUYE. Mr. President, I insert into the RECORD legislation to reauthorize the National Telecommunications and Information Administration [NTIA] of the Department of Commerce. The bill reauthorizes funding for NTIA, the Public Telecommunications Facilities Program [PTFP], Peacesat and the Children's Endowment Fund.

In addition, the bill includes authorizing language for the administration's Telecommunications and Information Infrastructure Program [TIIP]. The TIIP is one component of Vice President GORE's National Information Infrastructure [NII] initiative! I applaud the administration for suggesting this initiative and I am looking forward to working with the administration to ensure that this program is funded.

NTIA serves as the principal adviser to the President for communications policy. NTIA's role has become more prominent in recent years as the development of the telecommunications industry has become more integral to our country's economic growth. Consequently, NTIA plays a larger role within the administration's plans in the formulation of policy and the growth of our economy than at any other time in its brief history.

Currently, the Commerce Committee is considering legislation to update the 1934 Communications Act with the goal of preserving universal service in a competitive marketplace. NTIA has recently completed two hearings on universal service in New Mexico and Los Angeles. I think NTIA is serving the administration well in reaching out to identify the problems of universal service in rural and inner city America. I encourage NTIA to continue those efforts.

NTIA also administers the Federal Government's allocation of spectrum. Last year the Congress passed legislation requiring NTIA to reassess the Federal Government's spectrum needs and identify 200 megahertz for reassignment to the private sector. The first stage of that process is complete and has been successful. The transfer of that spectrum to the private sector is needed to allow the U.S. to develop more advanced wireless technologies. The bill authorizes funding for NTIA for fiscal years 1994 and 1995 at the levels requested by the administration. For fiscal year 1994, the bill authorizes $21,927,000 and for fiscal year 1995 the bill authorizes an increase in funding to $22,203,000.

The bill also authorizes two assistance programs. Traditionally, Congress has authorized PTFP as part of the authorization for the Corporation for Public Broadcasting, but it is being authorized with NTIA this year because of the changes being made to the PTFP in conjunction with the TIIP grant program.

The bill renames the PTFP as the Public Broadcasting Facilities Program [PBFP]. It is my understanding that PBFP's objectives will continue to fund new as well as replacement equipment, strengthen and extend the delivery of public broadcasting services and increase public broadcasting services and facilities to unserved areas as well as underserved segments of the population.

I have been a long-time supporter of public broadcasting. The PBFP is critical to the future of public broadcasting. I think it is important that we ensure the continued viability of the Public Broadcasting System. Therefore, the bill authorizes the PBFP at $42 million for fiscal year 1995 and 1996—the same levels authorized for the PTFP in fiscal year 1992, 1993, and 1994.

The bill also includes authorization for the administration's TIIP proposal. The TIIP grants fund development projects to facilitate access by schools and hospitals to advanced telecommunications technologies. The funds will permit the use of interactive data, voice, and video telecommunications capabilities by schools, libraries, health care facilities, museums, public safety and other social and community service entities.

The bill authorizes NTIA to award TIIP grants for up to 50 percent of the total project cost for the proposed demonstrations. Projects will be evaluated based on criteria that are designed to achieve the expansion of telecommunications and information infrastructure. The bill includes the authorization levels requested by the administration of $51 million for fiscal year 1994, $100 million for fiscal year 1995, and $150 million for fiscal year 1996.

The bill also reauthorizes funding for the Pan-Pacific Educational and Cultural Experiments by Satellite [PEACESAT]. Through NTIA's efforts, the PEACESAT Program has been a tremendous success. NTIA is continuing its effort to find the lowest-cost alternative to the G.O.E.S. Satellite that

PEACESAT will use through the end of 1994. The bill authorizes $1.5 million in funding to ensure that NTIA can secure a replacement satellite for 1995.

Finally, the bill reauthorizes the National Endowment for Children's Educational Television [NECET] for $5 million in fiscal year 1995 and fiscal year 1996. NTIA conducted its first grant round last year and issued grants to 12 organizations in 8 States. The matching grants totalling $2.4 million in funds will support projects that enhance the children's education. I urge my colleagues to support this measure.●

ADDITIONAL COSPONSORS

S. 540

At the request of Mr. HEFLIN, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 540, a bill to improve the administration of the bankruptcy system, address certain commercial issues and consumer issues in bankruptcy, and establish a commission to study and make recommendations on problems with the bankruptcy system, and for other purposes.

S. 1345

At the request of Mr. BINGAMAN, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1345, a bill to provide land-grant status for tribally controlled community colleges, tribally controlled postsecondary vocational institutions, the Institute of American Indian and Alaska Native Culture and Arts Development, Southwest Indian Polytechnic Institute, and Haskell Indian Junior College, and for other purposes.

S. 1478

At the request of Mr. PRYOR, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 1478, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to ensure that pesticide tolerances adequately safeguard the health of infants and children, and for other purposes.

S. 1669

At the request of Mrs. HUTCHISON, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1669, a bill to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction.

S. 1715

At the request of Mrs. HUTCHISON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1715, a bill to provide for the equitable disposition of distributions that are held by a bank or other intermediary as to which the beneficial owners are unknown or whose addresses are unknown, and for other purposes.

S. 1727

At the request of Mr. COHEN, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 1727, a bill to establish a National Maritime Heritage Program to make grants available for educational programs and the restoration of America's cultural resources for the purpose of preserving America's endangered maritime heritage.

S. 1791

At the request of Mr. KEMPTHORNE, the names of the Senator from Alaska [Mr. STEVENS], the Senator from North Dakota [Mr. CONRAD], and the Senator from Florida [Mr. MACK] were added as cosponsors of S. 1791, a bill to provide for mandatory life imprisonment of a person convicted of a second offense of kidnaping a minor.

S. 1812

At the request of Mr. KEMPTHORNE, the names of the Senator from Georgia [Mr. COVERDELL] and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1812, a bill to amend the Supplemental Appropriations Act, to permit a Senator to direct that excess funds allocated to the Senator's personal office for a fiscal year be returned to the U.S. Treasury to reduce the public debt.

S. 1849

At the request of Mr. GRAHAM, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 1849, a bill to require the Federal Government to incarcerate or to reimburse State and local governments for the cost of incarcerating criminal aliens.

S. 1877

At the request of Mr. PRYOR, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1877, a bill to amend the Internal Revenue Code of 1986 to clarify the deductibility of interest and similar amounts attributable to deferred compensation.

SENATE JOINT RESOLUTION 150

At the request of Mr. SARBANES, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Idaho [Mr. KEMPTHORNE] were added as cosponsors of Senate Joint Resolution 150, a joint resolution to designate the week of May 2 through May 8, 1994, as "Public Service Recognition Week."

SENATE CONCURRENT RESOLUTION 55

At the request of Mr. LIEBERMAN, the names of the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Concurrent Resolution 55, a concurrent resolution expressing the sense of the Congress with respect to Taiwan's membership in the United Nations and other international organizations.

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. WOFFORD, the names of the Senator from North Dakota [Mr. DORGAN], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress in support of the President's actions to reduce the trade imbalance with Japan.

SENATE RESOLUTION 182

At the request of Mr. D'AMATO, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Resolution 182, a resolution entitled "A Call for Humanitarian Assistance to the Pontian Greeks."

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Tuesday, March 1, 1994 at 9:30 a.m., in SH–216, on S. 1614, "Better Nutrition and Health for Children."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, March 1, beginning at 10 a.m., to conduct a hearing on regulatory consolidation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on the nomination of Peter S. Knight to be a member of the board of directors of the Communications Satellite Corp. [COMSAT] on Tuesday, March 1, 1994, beginning at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on National Telecommunications and Information Administration [NTIA] authorization immediately following the 10 a.m. hearing on the nomination of Peter S. Knight to be a member of the board of directors of the Communications Satellite Corp. [COMSAT] on Tuesday, March 1, 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on

Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., March 1, 1994, to receive testimony on the fiscal year 1995 budget request for the Office of Civilian Radioactive Waste Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10 a.m. to hear testimony on the subject of health care delivery systems.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. FORD. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs to receive legislative presentations from the Veterans of Foreign Wars. The hearing will be held on March 1, 1994, at 9:30 a.m. in room 345 of the Cannon House Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, March 1, 1994, at 2:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HOMICIDES BY GUNSHOT IN NEW YORK CITY

• Mr. MOYNIHAN. Mr. President, I rise today, as has been my practice each week this year, to announce to the Senate that during the past 7 days, 21 people were killed in New York City by gunshot. We must enact legislation to address this public health crisis.

Yesterday, the Brady Act finally took effect. Brady will not solve our Nation's crime epidemic. The bill's proponents have not suggested this. It will prevent the sales of guns to those who must never own a gun. And will thus save lives.

Let us resolve to pass legislation that will help prevent bullet-related injuries and deaths. We need to ban certain calibers of handgun ammunition and tax heavily other rounds.

In the name of the 174 people who have been killed by gunshot this year in New York City, let us have a meaningful debate on guns and ammunition control. And let us take action to stop the terrible loss of life in our Nation.•

MINNESOTA RURAL FUTURES AWARDS

• Mr. DURENBERGER. Mr. President, I rise today to pay tribute to six people who tonight will be honored with awards from Minnesota Rural Futures.

LaVonne Nicolai, director of the Rural Finance Agency in the Minnesota Department of Agriculture, broke ground for women in several arenas without realizing she was on the cutting edge. LaVonne was the first woman to serve on a soil and water board in the Nation, and the first woman to serve on the Agriculture Committee of the Independent Bankers. She has an abiding faith in Minnesota farmers and through her eloquence has become an important spokesperson for the agriculture industry. Through her commitment to Minnesota agriculture, she has influenced laws and changed the way the system works.

Soneva Goering, a Jackson pork producer, has waged a 3-year campaign to merge the Pork Council Women and the Pork Producers into one organization, first in Minnesota and then nationally. The result is an all-around better opportunity to promote the pork industry. Soneva believes in the future of agriculture, but acknowledges that it is a changing future. She envisions more networking and sharing among rural people, creating a different type of farming. Soneva recently stated, "Sometimes it's tough going and it does take its toll, but there is a future out here."

Carrol Peterson is a farmer and owns and operates a store in Eagle Bend. Among her many accomplishments, including that of 4-H advisor, Todd County Cancer Society volunteer, and her church and choir, is the library and museum she helped build in her community of 600 residents. Carrol is a member of the board of the Central Minnesota Initiative Fund, a foundation that provides grants and loans to businesses in rural Minnesota.

Barb Overlie, through her work as a volunteer spokesperson [VSP] with the Minnesota Soybean Growers Association, makes presentations about agriculture to inner-city classrooms. It is imperative, she believes, to instill the link between rural and city life, telling students that they need farmers to provide food, and farmers need city people to create markets for their products. As a member of the board of the Madelia Hospital, Barb works on the line to keep hospitals and health care accessible for people in rural Minnesota.

Mary Jo Forbord works with farmers and others in rural Minnesota to find a common voice to discuss how farming practices relate directly to the food we all put in our mouths. As a partner in a dairy farm in Benson she also works through organizations to validate the experience of rural women. Included in her work is a project entitled "In Her Own Image—A Portrait of Rural Women." The project will use the visual arts to describe how the lives of rural women differ from, and are the same as, the lives of other women.

Linda Thrane, public affairs troubleshooter for Cargill, is able to help "shape policy, win battles, and create opportunities" in farming. She describes agriculture as the engine that keeps local communities and even the Nation moving forward. "Agriculture is not an industry of the American past, but is the growth industry of the future," she says. Linda is the first woman to serve on the Minnesota Agri-Growth Council.

Mr. President, each of these people has contributed greatly to the strength of rural Minnesota. I thank you for allowing me the opportunity to pay special recognition to their accomplishments in behalf of all Minnesotans.•

NATIONAL SPORTSMANSHIP DAY

• Mr. CHAFEE. Mr. President, today is National Sportsmanship Day. Thousands of students, teachers, and athletes from around the world will participate in this exciting day of activities to recognize the importance of good sportsmanship—both on the athletic field and in the classroom.

The Institute for International Sport, located at the University of Rhode Island, created National Sportsmanship Day 3 years ago to foster a greater public awareness of ethics and fair play in both athletics and in our society at large. Since 1991, more than 7,000 schools from across the country have participated in, and benefited from, National Sportsmanship Day. The institute is expecting participation from over 4,000 public and private schools in all 50 States. In addition, the institute also welcomes 55 international schools from 35 different nations—National Sportsmanship Day is now truly a worldwide event.

The Student-Athlete Outreach Program is an especially appealing component of National Sportsmanship Day. Through this program high schools and colleges send talented student-athletes to local elementary schools to promote good sportsmanship and serve as role models. These students help young people build self-esteem, respect for good health, and the value of teamwork.

Another part of National Sportsmanship Day is the selection, by the Institute for International Sport, of a diverse group of 16 individuals to serve as sports ethics fellows. This year's fellows include two prominent Rhode Islanders: Linda Hackett, the athletic director at Bryant College in Smithfield, RI; and Robert Weygand, the Lieutenant Governor of Rhode Island. Both have demonstrated good sportsmanship throughout their lives.

The Institute for International Sport earned its reputation for excellence in 1993 when it sponsored the first annual World Scholar Athlete Games, in Newport, RI. This international celebration of sport, culture, and education brought more than 1,600 participants from 108 countries together to promote international understanding and cross cultural exchange.

Mr. President, let me close by congratulating all the participants in National Sportsmanship Day, from the youngest students to those involved in the outreach program, the fellows, and the dedicated staff at the Institute for International Sport. All of us in Rhode Island are proud that National Sportsmanship Day is such a grand success.

I thank the Chair, and ask that a letter from the President's Council on Physical Fitness and Sport endorsing National Sportsmanship Day be made part of the RECORD.

The letter follows:

THE PRESIDENT'S COUNCIL ON
PHYSICAL FITNESS AND SPORTS,
Washington DC, January 31, 1994.

DANIEL E. DOYLE, JR.,
Executive Director, Institute for International Sport, The University of Rhode Island, Kingston, RI.

DEAR MR. DOYLE: The President's Council on Physical Fitness and Sports recognizes March 1, 1994, as National Sportsmanship Day. It is an important moment for all of us, not just youth, to reflect on the role sports play in our lives and the lessons such participation teaches us.

Observance of National Sportsmanship Day is an opportunity to recognize contributions that sports make to all aspects of our lives. Sports should teach us honesty, integrity and humility as well as develop a sense of fair play and excellence.

The Institute for International Sports is to be congratulated for its outstanding leadership in organizing this day. We are delighted and honored to be a part of this observance and look forward to seeing more schools involved.

Sincerely,

FLORENCE GRIFFITH JOYNER,
Co-Chair.
TOM MCMILLEN,
Co-Chair.•

CANADIAN REJECTION OF UNITED STATES CHARGES OF CONFLICT OF INTEREST ON DISPUTE RESOLUTION PANEL

• Mr. COHEN. Mr. President, I am outraged by the announcement last week from the Canadian Government that it will not dismiss two members of a dispute resolution panel and rehear a case concerning Canadian lumber subsidies. It was recently discovered that two Canadians on the panel failed to properly disclose their apparent conflicts of interest and, therefore, their unsuitability to serve on the panel.

During the consideration of the lumber case, one of the panelists joined a law firm that often represents the Canadian Government. The second panelist failed to disclose that he had worked for a law firm that represented Canadian lumber interests. These are serious conflicts of interest that should have prevented the Canadians from sitting on the panel.

The decision of the Canadian Government to simply reject these very serious allegations is disturbing for many reasons. Not only does this undisclosed conflict of interest put the lumber case in question, but also raises serious doubts about the entire dispute resolution process, a process vital to the integrity of our free-trade agreement with Canada.

Under a 1986 agreement between Canada and the United States, the Canadian Government agreed to assess a 15-percent tax on its exports of finished lumber product in exchange for the United States decision to drop an unfair trade case against Canada. This tax was designed to offset proven subsidies the Canadian Government continued to provide its lumber industry. In the fall of 1991, Canada unilaterally withdrew from this agreement and stopped imposing the 15-percent tax, claiming that subsidies no longer existed for Canadian producers. At the request of the United States forest products industry, the Department of Commerce initiated an unfair trade case against Canadian lumber exports.

In 1992, a Department of Commerce investigation concluded that these subsidies continued to effectively lower the price of exported Canadian lumber. Consequently, the Department ordered a 6.51-percent penalty duty be imposed on Canadian lumber imports in an effort to level the playing field for United States producers.

The Canadian Government objected to this duty, and requested a dispute resolution panel. Last year a five-member dispute panel overturned the 6.51-percent duty. Unfortunately, it was later discovered that two of the Canadian panelists had not disclosed potential conflicts of interest. Such conflicts raise serious doubts about the impartiality of this panel.

I am deeply disappointed by the Canadian Government's decision to ignore these conflicts of interest. This decision raises serious questions about the commitment of the Canadian Government to free trade and its responsibilities under the free-trade agreement.

I am pleased that the Clinton administration has decided to vigorously pursue this matter by filing an extraordinary challenge to the panel's original decision. This is the only way to effectively address the conflicts of interest that Canada unfortunately fails to recognize.•

FEDERAL COMMUNICATIONS COMMISSION DECISION ON CABLE RATE ROLLBACK

• Mr. INOUYE. Mr. President, last week, the Federal Communications Commission [FCC], under its new Chairman, Reed Hundt, took several additional steps to enforce the 1992 Cable Act. While the final orders on these issues have not yet been released, I want to commend the FCC for its most recent decisions. The Commission, by a vote of 3 to 0, adopted several revisions to its rate regulation rules that will result in an additional reduction of many cable rates by an average of 7 percent. I believe this action is essential to restore the consumers' faith in the Congress and the Federal Government. The Commission's unanimous decision is a proper and necessary response to the complaints of consumers who saw their rates increase as a result of the first set of rules.

In particular, I would like to recognize the cooperative spirit shown by Chairman Hundt's colleagues on the FCC, Commissioner James Quello and Commissioner Andrew Barrett. Their willingness to consider new rate rules in the wake of additional evidence is a testament to their objectivity and devotion to the public interest. I believe that the FCC's action last week was a fair and balanced decision that is precisely the kind of action that the authors of the Cable Act had in mind when we passed the legislation.•

ON THE PASSING OF JOHN HAL "RED" DOVE

• Mr. SHELBY. Mr. President, on February 7 of this year, John Hal Dove of Dothan, AL, passed away. Better known to his many friends and fellow Alabamians as "Red," he truly exemplified the American spirit of commerce, thrift, and hard work. Red Dove started his first trucking business, Dove Truck Line, in 1935. His second company grew to serve much of south Alabama and the city of Atlanta. Red sold this business in 1950 and purchased what would later become under his stewardship AAA Cooper Transportation, a truly national operation. Red Dove's business acumen, ingenuity, and hard work was reflected in the phenomenal growth and success of his trucking companies. Red Dove founded and built a business that has served southeast Alabama and the Nation for over half of century.

Mr. President, Red Dove was not content to simply provide jobs for the residents of southeast Alabama. Rather, he contributed greatly to both his professional organization and numerous civic groups. Red Dove served as both president and chairman of the board of the Alabama Trucking Association. In addition, he was very active in the Chamber of Commerce and was on the Salvation Army's board of directors.

Red Dove is survived by his wife of over 60 years, Sybil Bentley Dove and three children: Mack, Earl, and Faye. I was deeply saddened to learn of his death and my condolences and best wishes are with his family. Red Dove set an almost impossible standard for the rest of us to meet. He was a man of faith and family who exemplified the best of the American character in both enterprise and community service. We will all miss him and will be a little less complete in not having him with us on this Earth.●

UKRAINIAN NATIONAL ASSOCIATIONS

● Mr. BROWN. Mr. President, recently, the Ukrainian National Association [UNA], the Nation's oldest and largest Ukrainian-American organization, celebrated its 100th anniversary. Established in 1894 in Shamokin, PA, the UNA has been working to foster Ukrainian identity both in America and the world. By establishing a financial organization to meet the needs of a growing Ukrainian immigrant population, the UNA became the cornerstone of the Ukrainian-American community. Throughout its 100-year history, the UNA's 370 branches have provided for the life insurance needs of much of the Ukrainian-American community as well as offering a wide variety of cultural, charitable, and social opportunities. In addition, the UNA offers over $120,000 annually in educational scholarships to its members.

Although the UNA was established to serve Ukrainians living in the United States and Canada, it has never abandoned the ideal of a free Ukraine and never lost sight of the needs of Ukrainians in Ukraine. By working closely with the United States Government, the UNA is promoting the establishment of democratic and free market institutions in Ukraine. The UNA has also established a fund to directly help with humanitarian, technical, and educational assistance to Ukraine.

The United States must take a clear and unequivocal stand for freedom and democracy in Ukraine. Promoting economic, social, and political reform throughout that region will not only benefit Ukraine, but will result in economic and trade opportunities for our Nation and will benefit American workers and our economy. The UNA has been a long-time advocate of a free Ukraine and has been a vital force in establishing a Ukrainian-American identity. I congratulate the Ukrainian National Association on its anniversary and wish it another 100 years of prosperity and service to our Nation.●

A RURAL HOSPITAL READY TO HANDLE A TRAGEDY

● Mr. DURENBERGER. I rise to commend a Minnesota hospital located in rural Minnesota: the Douglas County Hospital of Alexandria, MN.

Several weeks ago, the Nation heard about the tragic multiple vehicle accident that occurred on a snow-shrouded exit ramp of Interstate 94. The accident occurred 10 miles east of Alexandria, MN, or approximately 135 miles west of Minneapolis-St. Paul. The accident involved a tour bus carrying mostly elderly couples, a van full of young women from Fargo, and a highway snow plow. A total of 61 people were injured in the accident in one of Minnesota's worst multiple vehicular accidents.

Of the 61 accident victims, 53 were taken to the local hospital, Douglas County Hospital, with injuries ranging from minor lacerations to multiple traumatic injuries involving the head, spine fractures, and serious abdominal injuries. Unfortunately, six of the young women riding in the van received fatal injuries as a result of this accident.

While I hope my words and prayers will comfort those who were injured and their families, especially for those who passed away, the real reason I bring this tragedy to the Senate's attention is to let the Senate and the Nation know how proud we are of the way the Douglas County Hospital and the community of Alexandria responded to this disastrous event.

The Douglas County Hospital is a relatively small hospital, having only 127 beds and 41 active staff physicians. It serves a predominantly rural area and is the only hospital in the county.

Within 30 minutes of the accident, patients began arriving at the hospital and all 53 were transported to the hospital in less than 2 hours. Although responding facilities can be overwhelmed by both the suddenness and size of a catastrophe like this, the Douglas County Hospital was not overwhelmed. The hospital immediately implemented its disaster plan and began expanding its treatment areas and calling essential staff to care for the large number of critically injured patients. In total, the hospital called in over 100 additional hospital staff which included over 20 local physicians to handle this disaster.

Of the 53 patients brought to Douglas County Hospital, there were 6 fatalities, 4 transfers to major medical facilities by ground ambulance and helicopter, 7 patients admitted to Douglas County Hospital, and 36 patients were treated and released that same day.

Mr. President, because of my roots in rural Minnesota, I have been a longtime champion of rural health care. This incident highlights the fact that rural medicine is effective and responsive. In addition, as we debate national health care reform, we should take note of the hidden lessons from how Douglas County Hospital reacted to and handled this tragedy: all components of a communitywide rural health care system including hospital, physicians, nurses, law enforcement, ambulance, rescue, and fire can effectively handle a disaster situation such as this with proper planning, dedication, and coordination, thus debunking the idea that all sophisticated health care can be provided only in large metropolitan health centers.

When the tragedy occurred only one hospital and only one community were nearby to help, and they did that job very well. Their preparedness and expertise provided comfort and gave hope to the victims they treated on that cold, snowy morning. The Douglas County Hospital and the town of Alexandria deserve the Nation's recognition not only for their good work that day, but also for reminding us of how important high-quality health care providers and facilities are in this Nation's less populated areas.

Accordingly, Mr. President, I rise to not only send my prayers to those who were killed and injured in that terrible accident, but to recognize the good work performed by the Douglas County Hospital. Toward that end, I ask that this newspaper article accompany this statement in the RECORD.

The article follows:

[From the Fargo (MN) Forum, Feb. 9, 1994]

ALEXANDRIA HOSPITAL STAFF WAS READY

(By DeAnne Hilgers)

ALEXANDRIA, MN.—Douglas County Hospital had been preparing itself for a disaster and Tuesday morning it struck.

Six people died and 50 were injured in a pileup involving a snowplow, van and tour bus on Interstate 94, 10 miles east of Alexandria.

All the fatalities and nine of the injured were with Josef's School of Hair Design in Fargo. They were in the van, on their way to the Twin Cities.

The nine van survivors were all in serious or critical condition, hospital administrator William Flaig said.

The tour bus was on its way to casinos in Wisconsin and Minnesota.

Ambulances and a school bus arrived at the hospital's door, bringing in victim after victim, 53 in all.

Hospital staff were ready.

It took only moments to put their emergency plan into action and call in all the extra help they needed.

"I'm really pleased we were able to handle it," Flaig said. "That was our biggest concern. As caregivers, that's our first priority but sometimes it's hard to keep emotion out of it."

The plan involved every department, from administration to nursing to dietary.

Each department has a representative who meets with Flaig while other staff attend to details in their department.

"The main thing we want to do in a disaster situation is to have the right people doing the right things," Flaig says.

As the plan unfolds, some staff bring extra supplies to the emergency room and others start a pyramid system to call extra help.

On Tuesday, the ambulatory surgical unit and rehabilitation center were turned into additional emergency rooms and a triage site, where victims would be separated and attended to according to the severity of their injuries.

About 100 extra staff were called in to the hospital Tuesday, which employs 500 people.

Among them were 21 extra general surgeons, internal medicine specialists and family practitioners. One or two physicians typically attend the 24-hour emergency room.

Grief counselors such as social workers and clergy also received the call.

The accident happened at a good time for notifying staff, Flaig said. Several doctors were making rounds at the hospital while others were just getting ready for the day.

Among the 50 injured crash victims, according to the State Patrol, eight went to Sauk Center, with the majority going to Douglas County Hospital.

More than 30 people were released from Douglas County Hospital Tuesday afternoon.

Two tour bus passengers were transported to St. Cloud. Douglas County Hospital typically doesn't handle the injuries they suffered, a cervical spine injury and facial injuries, Flaig said.

Two of the van's passengers was taken to Hennepin County Medical Center in Minneapolis with multiple trauma injuries, he said.

All of them were transported by ground ambulance. Bad weather grounded the hospital's helicopter ambulance.

The hospital was able to handle those who died in the morgue it has but "we couldn't have handled any more than we have at this point," Flaig said Tuesday afternoon.

This is not the first time the hospital has handled tragedy. In November 1990, hospital staff tended victims from a school bus-train accident that killed two and injured 21 in Miltona, Minn.

Two years earlier, the hospital handled an accident that killed four and injured 11 when a van carrying 12 youths from a juvenile correctional facility to a movie collided with a semi on I-94 one mile east of Alexandria.

By law, the hospital must have a disaster plan in place. They practice mock disasters twice a year, Flaig said.•

MEASURE SEQUENTIALLY REFERRED

Mr. FORD. Mr. President, I ask unanimous consent that Calendar No. 330, S. 687, the Product Liability Fairness Act be sequentially referred to the Committee on the Judiciary for a period not to extend beyond April 11, 1994, that if the Committee on the Judiciary has not reported the measure within that time, then the bill be automatically discharged and returned to the Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Wednesday, March 2, that following the prayer, the Journal of proceedings be deemed approved to date and the time for the 2 leaders reserved for their use later in the day, that there then be a period for morning business, not to extend beyond 11 a.m., with Senators permitted to speak therein for up to 5 minutes each; with the first 30 minutes of morning business under the control of Senators SIMPSON; with Senator HUTCHISON recognized for up to 5 minutes; that at 11 a.m., the Senate proceed to the consideration of Calendar No. 317, S. 1560, a bill to establish the Social Security Administration as an independent agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. FORD. Mr. President, if there is no further business to come before the Senate today—I see no Senator seeking recognition—I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate at 9:05 p.m., recessed until Wednesday, March 2, 1994, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate, March 1, 1994:

DEPARTMENT OF COMMERCE

GINGER EHN LEW, OF CALIFORNIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE.

GREG FARMER, OF FLORIDA, TO BE UNDER SECRETARY OF COMMERCE FOR TRAVEL AND TOURISM.

GRAHAM R. MITCHELL, OF MASSACHUSETTS, TO BE ASSISTANT SECRETARY OF COMMERCE FOR TECHNOLOGY POLICY.

THOMAS R. BLOOM, OF MICHIGAN, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

THOMAS R. BLOOM, OF MICHIGAN, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF COMMERCE.

IN THE COAST GUARD

REAR ADM. ROBERT E. KRAMEK, U.S. COAST GUARD, TO BE CHIEF OF STAFF, U.S. COAST GUARD, WITH THE GRADE OF VICE ADMIRAL WHILE SO SERVING.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE FOLLOWING OFFICER OF THE U.S. COAST GUARD TO BE A PERMANENT COMMISSIONED OFFICER IN THE GRADE OF LIEUTENANT (JUNIOR GRADE) IN THE REGULAR COAST GUARD:

STEPHEN M. MIDAS

COAST GUARD NOMINATIONS BEGINNING SHARIF A. ABDRABBO, AND ENDING KATHLEEN A. ZYGMUNT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 3, 1994.

COAST GUARD NOMINATIONS BEGINNING MARSHALL S. REICHENBAUGH, AND ENDING JACK H. SCHEYER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 4, 1994.

EXTENSIONS OF REMARKS

TRIBUTE TO IMMACOLATA (MAGGIE) LIGOURI

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. REED. Mr. Speaker, I rise today to pay tribute to an outstanding Rhode Islander who is celebrating a special milestone in her life—her centennial birthday.

Immacolata "Maggie" Ligouri was born in Acri, Italy, on February 14, 1894, and immigrated to this country at the age of 17 in the year 1911 and made her home in Rhode Island.

She was married to the late Giuseppe Ligouri and they were blessed with four children, Joseph Ligouri, Edward Ligouri, Frances Roebuck, and Minnie Ravenelle. She has a wonderful extended family of 11 grandchildren and 12 great grandchildren.

During her long and distinguished life, she has enriched the lives of many and made a lasting contribution to her community. Her family and many friends have gathered to honor this distinguished woman as she celebrates her 100th birthday.

Mr. Speaker, there are few Americans who achieve this distinction, and I urge my fellow colleagues to join me in celebrating the life of a special individual from a wonderful Rhode Island family.

MTSU INSTITUTION TACKLES THE LEADERSHIP CHALLENGE

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. GORDON. Mr. Speaker, in 1960, the late President John F. Kennedy inspired a Nation when he said, "It is time for a new generation of leadership, to cope with new problems and new opportunities. For there is a new world to be won."

Today, those words still ring true as a new generation looks to the 21st century; leadership in every aspect of our society is needed if we are to transform today's challenges into the many opportunities that are our Nation's bright future.

Nowhere is that more important than in higher education, which itself must have strong leaders if it is to train others to lead. With its leadership institute, my alma mater, Middle Tennessee State University in Murfreesboro, TN, is doing this part to insure that the field of education has leaders ready to take the helm.

The institute, which next month will bring together 40 participants from universities, community colleges, and technical schools to study the art of leadership, recognizes that people are the most important resource in higher education or any other field.

By bringing together experts from both the public and private sector, including Saturn Corp., the Center for Creative Leadership, the University of Tennessee and Vanderbilt University among others, MTSU is giving individuals the tools they need to become catalysts of change for Tennessee and national higher education.

Please join me in saluting the MTSU Leadership Institute and its participants for accepting the challenge of a new generation.

TRIBUTE TO EAGLE SCOUT JASON L. NASIMO

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise on this occasion to recognize Boy Scout Troop 128 of Chester, PA, and to salute Jason L. Nasimo who, on February 13, 1994, received his Eagle Award from the Valley Forge Council of the Boy Scouts of America.

It is not every young American who joins the Boy Scouts that earns the Eagle Award. To earn this honor, a Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, and citizenship in the world, as well as safety, environmental science, and first aid. As a Scout progresses through the ranks, he must demonstrate increasingly greater responsibility in his service projects while also demonstrating leadership skills by taking on one or more leadership positions in his patrol or troop.

Jason has distinguished himself by his service to those around him. Through his practice of leadership, self discipline, honor, and loyalty to community and country, he has earned his way to the top 2.5 percent of all Boy Scouts—those who earn the Eagle Scout Award.

Troop 128 is a morally courageous group of young men, who represent the city of Chester in the selfless manner expected of the Boy Scouts of America. Now, more than ever, the young people who participate in such a worthwhile activity should be commended. I join with the community of Chester in recognizing the fine work completed by Troop 128 and in congratulating Jason on his great achievement.

POST-STAR EDITORIAL HITS MARK IN EDITORIAL ON EPA VOTE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. SOLOMON. Mr. Speaker, I'd like to read for you the key sentence of an excellent editorial from my hometown newspaper, the Post-Star of Glens Falls, NY. The subject was the recent House vote on Cabinet status for the U.S. Environmental Protection Agency:

> Thus lawmakers appear to be discovering what ordinary Americans long have known—the Nation can no longer afford the unchecked expansion of environmental regulation.

The editorial writers rightly pointed out that without insisting on cost-benefit analyses as the basis for EPA decisions, elevation of the Agency would have been unwise.

But I'll let the editorial speak for itself. I proudly place the editorial in today's RECORD, and urge all Members to read it.

[From the Post-Star, Feb. 22, 1994]

REASON HITS THE HOUSE

Rebellious members of the U.S. House of Representatives rattled the green lobby recently by refusing to consider Cabinet status for the Environmental Protection Agency.

They are insisting that cost-benefits analysis be considered as a basis for EPA rulemaking, something that is very unpopular among environmental extremists.

We hope this sudden attack of reason isn't a fluke.

The EPA Cabinet bill passed the Senate last year with overwhelming support for an amendment requiring that new regulations must be shown to be cost-effective.

Opponents of cost-benefit analysis in the House, unable to muster a coherent case, could only prevail by preventing a vote.

The Rule Committee obliged, disallowing the amendment as "not germane." But 227 House members representing both parties wisely disagreed, refusing to act on the bill.

Thus lawmakers appear to be discovering what ordinary Americans long have known—the nation can no longer afford the unchecked expansion of environmental regulation.

Unfunded mandates are crushing states and local governments. And huge infusions of cash simply cannot be used to support unproven or non-working policies. Congress can, and should, quit funding them unless or until their work is proven.

Most Americans are willing to contribute their fair share of environmental protection. By opposing a cost-benefit approach, the Clinton administration and the Democratic leadership prey like professional con artists on that generous spirit.

Along with action on the budget, Congress is scheduled this session to reauthorize the Endangered Species Act, Superfund and the Clean Water Act.

And month by month, new bills are being introduced to stem unfunded mandates and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

force EPA and other agencies to justify regulatory costs.

Lawmakers now have lots of opportunity to prove that they are capable of more than one sensible action.

TRIBUTE TO STEFFANY BAPTISTE

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay special tribute to Steffany Baptiste, a student from Paterson, NJ. I am very proud to join her grandmother, Katherine Sargent, Mayor Bill Pascrell, Principal Jan Lucas, James Henderson, the owner of Paterson McDonald's, in honoring her.

Ms. Baptiste, a junior at Eastern Christian High school, was recently named a national winner of McDonald's Black History Makers of Tomorrow. She is one of ten national finalists selected from throughout the United States. She was selected by demonstrating exceptional leadership, character, scholarship, and community service. The essay she wrote for the contest was called "Impact on Black History", and in it she discussed a recreational and runaway center she would like to establish in Paterson.

Ms. Baptiste is being honored for her other accomplishments. She is the president of the student council at Eastern Christian High School. Other achievements include freshman counseling, involvement in the YMCA afterschool tutoring program. In addition to also studying the clarinet and violin, she has maintained a 3.7 grade point average. She is also active at Rev. Charles McCoombs' Christ Church United Methodist.

Ms. Baptiste would like to work at UNICEF when she is older. I am very proud to extend my congratulations to her as she is recognized as one of the top ten most promising young black leaders in the United States.

CITY OF ANCONA

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. KIM. Mr. Speaker, it gives me great pleasure to take this opportunity to recognize three outstanding young men and budding engineers who I have the honor to represent: Jeff Carroll, Cory Jobst, and Jacob Smith. Last Wednesday, February 23, 1994, these three eighth-grade students from Bernardo Yorba Junior High School of Yorba Linda, CA, won the National Engineers Week Future City Contest by designing and building a futuristic model city.

The contest required students to create a low-stress, energy-efficient, and people-friendly city environment. Each team developed a design, built a model, and wrote an essay. Competing against other fine regional teams from Atlanta, Chicago, Dallas, Detroit, Milwaukee, and Washington, Jeff, Cory, and Jacob created the City of Ancona, a design that minimized pollution, emphasized public transportation, streamlined emergency services, and raised revenue by selling electricity from city-owned fusion-energy plants.

As an engineer myself, I am especially proud of Jeff, Cory, and Jacob. I sincerely hope that these fine young men will build on their accomplishment and someday help make their fictional city a reality.

JIM BRADFORD RECEIVES 1993 GEICO PUBLIC SERVICE AWARD

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. ROHRABACHER. Mr. Speaker, it is with much admiration and a deep sense of pride that I bring to your attention Mr. Jim Bradford. Mr. Bradford is a 1993 GEICO Public Service Award recipient for his outstanding work as a vocational rehabilitation therapist at the VA Medical Center in Long Beach, CA.

Mr. Bradford, a resident of Costa Mesa, brings his years of therapy experience, vast background in horticulture and compassion for disabled veterans to create a beautiful garden—dedicated to the rehabilitation of disabled patients—on the medical center grounds.

He creatively designed the garden with wide concrete walkways and mouthstick-operated devices to give patients unable to use their arms or legs the ability to plant, water, and harvest their crops from specially raised planting beds.

Mr. Bradford's keen business sense came into play when he developed the Compensated Work Therapy Program. This program takes the produce and flowers grown in the garden and sells it to the medical center staff and local restaurants with the proceeds used to pay the patients and restock the plant supply.

Jim Bradford is an extraordinary man with love in his heart. His commitment to a horticulture therapy for disabled veterans is to be admired. Let me tip my hat to Mr. Bradford's generous contributions to the men and women who gave their lives for us—for Mr. Bradford now gives his time and tireless efforts to them. Thank you and keep up the wonderful work.

TRIBUTE TO BALBINA A. YOUNG

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. REED. Mr. Speaker, I rise today to salute a distinguished individual from Rhode Island who has through her dedication, hard work, and professionalism served the people of Rhode Island proudly.

Balbina A. Young was elected councilwoman of the 11th ward of Providence in November 1988. She is the first African-American woman to serve on the Providence City Council and is also the first to serve on any town or city council in the State of Rhode Island. Balbina serves on the urban redevelopment renewal and planning committee, the housing authority board of commissioners, as well as numerous other committees.

Legislative priorities for Balbina have been the fairness in purchasing ordinance along with the creation of home ownership opportunities for lower income families in south Providence.

Born and raised in the city of Providence along with her eight sisters and four brothers, Balbina has always shown a strong interest in her community. After graduating from Community College of Rhode Island in 1978, Balbina worked at the Urban League of Rhode Island as a coordinator for Teenage Pregnancy Prevention Program, and as the supervisor of case management services. She also is involved with the Dexter Donation Commission, Wiggins Village, the International Institute of Rhode Island, Roger Williams Day Care Facility and the Governor's committee on the Greater Providence career and technical high school.

Mr. Speaker, the lives of many people in the city of Providence and the State of Rhode Island have been greatly enhanced by Balbina's efforts in her community, and I would urge my colleagues to join me in saluting this outstanding public servant.

TRIBUTE TO TONI MORRISON

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Ms. WATERS. Mr. Speaker, I want today to pay tribute to a richly talented African-American writer, the first black woman to receive the Nobel Prize for literature.

I am speaking, of course, of Toni Morrison. This daughter of Alabama sharecroppers and granddaughter of a slave has tapped the complex vein of the black experience in six novels, beginning with "The Bluest Eye" of 1970 and running through her most recent work of the last year, "Jazz." She has, in the words of one critic, welded the scholarship of the academy with the craftsmanship of the publishing house and the rage of the outsider.

A graduate of Howard University, Toni Morrison is the finest black novelist since Ralph Ellison and James Baldwin. She is the first American-born winner since John Steinbeck in 1962.

More than anything else, Toni Morrison has opened a window onto the world of the African-American woman, much talked about in literature, often talked to but only rarely allowed to speak in her own voice. Toni Morrison said it well when she said she was inspired—and I quote—"by the huge silences in literature, things that had never been articulated, printed, or imagined and they were the silences about black girls, black women."

Mr. Speaker, I offer my hearty congratulations to Toni Morrison, Nobel Laureate in Literature for 1993. She has given generously of herself to all of us through her works. She richly deserves this highest of literary honors.

REV. RICHARD GORDON: A RIPPLE OF HOPE

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. GORDON. Mr. Speaker, the late Robert Kennedy once said, "Each time men and women stand up for an ideal, or act to improve the lot of others, or strike out against injustice, they send forth a tiny ripple of hope."

For almost 40 years, the Reverend Richard Willis Gordon, pastor of the First Baptist Church in my hometown of Murfreesboro, TN, has been a living example of Robert Kennedy's words.

His guidance and leadership have been a beacon of spiritual strength, first at the Bethlehem Baptist Church in Utica, KY, in 1956, then at the First Baptist Church in Scottsville, KY, and now at First Baptist Church of Murfreesboro, where he's been since 1962.

I recently had the privilege of taking part in a pastor's appreciation service honoring Reverend Gordon's 32 years at First Baptist. His impact on his church, his community, and all of middle Tennessee could be seen in the number of current and former residents, guests from other churches, and visitors from other middle Tennessee communities who attended.

But an even deeper tribute to his work could be felt in the warmth of his congregation, the bright-eyed youngsters who looked to him with respect, and the heartfelt words of those who look to him almost daily for advice and comfort.

Beyond the tireless work for his congregation, Reverend Gordon has also dedicated his time, energy, and wisdom to improving his community through active involvement in a variety of groups, including the Murfreesboro Ministerial Association, the United Ministerial Alliance, the Murfreesboro chapter of the NAACP, the Rutherford County Guidance Center, the Rutherford County Heart Unit, and the Murfreesboro Affordable Housing Advisory Board.

Most of us, in our own way, aspire to make a difference in our communities. Reverend Gordon has, sending forth a ripple of hope for current and future generations.

A SALUTE TO THE PENNSYLVANIA COLLEGE OF OPTOMETRY'S SAVE YOUR VISION MONTH

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise on this occasion to salute the Pennsylvania College of Optometry as it celebrates Save Your Vision Month, March 1994.

To stress the importance of preventive vision care for senior citizens and young children, the Pennsylvania College of Optometry has entitled the theme of Save Your Vision Month 1994, "Being Together—Seeing Together." The theme focuses on the relationship between grandparents and grandchildren and to encourage grandparents to bring their grandchildren to free visions screenings offered throughout the city. Services will be conducted by the college's community eye care service teams. The kickoff program will be held at the South Philadelphia Community Center.

Save Your Vision Month 1994 is another of the many occasions on which the Pennsylvania College of Optometry has admirably demonstrated their dedication and attentiveness to their belief in proper vision care for all. I salute the people of this fine institution for their distinguished service to the community.

THE WEST ORANGE FIRE DEPARTMENT

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay special tribute to the West Orange Fire Department as the township celebrates its 100 years of commitment to the community. I am very proud to extend my congratulations to all the past and present members of the department for all their accomplishments.

The West Orange Fire Department was founded on March 6, 1894, after an 1893 fire burned down many buildings known as Hedges Block. James "Give Me That Axe" Sheehan served for over 30 years as the fire department's first fire chief. He earned his nickname by regularly being the first man through the door of a burning building.

The first West Orange Fire Department headquarters was located on land donated by a local politician, Simeon H. Rollinson. This modest one-room building still stands today.

Mr. Rollinson also donated the fire department's first horse team, two horses named Major and Mike. They pulled the fire wagon which was a wooden cart with 1,600 feet of hose.

The township of West Orange will be celebrating this anniversary with a series of events in 1994. The community has benefited from the firefighters dedication, and it is with great pleasure that I ask my colleagues to join me in honoring the West Orange Fire Department.

NASSAU, VILLAGE WITH SMALL TOWN FEEL, MARKS 175 YEARS AS VILLAGE IN NEW YORK

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. SOLOMON. Mr. Speaker, Saturday, March 12, will mark the 175th anniversary of the incorporation of the village of Nassau, Rensselaer County, NY.

Since I was elected to Congress in 1978, and even before that, since my election to the New York State Assembly in 1972, I have had the privilege of visiting the village of Nassau and its hard-working, down-to-earth people many times. Both the village and its residents are reminders of those small-town virtues that have made America great.

Originally inhabited by Algonquin Indians, the present-day village of Nassau lies along an Indian trail linking Kinderhook Creek with the lakes of Averill Park and Burden Lake. The Dutch used those same trails to explore the region in the first years of the 18th century.

English, Dutch, and New England settlers first erected crude wood huts and then more permanent buildings at the crossroads of the Albany-Pittsfield trail and the highway south to Columbia County. By the end of the 18th century, large tracts of land were leased around Nassau for farming, mills, and manufacturing.

Called Union Village around the time of the Revolutionary War, the town of Nassau was established in 1808. Eleven years later, enough development led to incorporation as a village.

Since then, the village has grown from an agricultural center to one of manufacturing, transportation, and industrialization. Nassau became the home to many foundries, bottle and shirt factories, and a piano factory, among other industries. Nevertheless, Nassau continued to be known for its fine homes and tree-lined streets. It was also the site of the Rensselaer County Fair.

Part of the small town feel of Nassau is its fine architecture, with over 50 structures listed on the National Register of Historic Places. Outstanding examples of Federal, Greek Revival, Victorian, and Queen Anne styles can still be found.

It's that small town character that makes the village of Nassau so special to me, Mr. Speaker, and one of the reasons I prefer to go home every weekend.

Mr. Speaker, I ask you and all Members to join me in wish a happy 175th birthday to the village of Nassau, which has ever been true to its motto, "A Progressive Village with Traditional Values."

TRIBUTE TO CHARLES KELLER

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. OLVER. Mr. Speaker, I rise today to pay tribute to Mr. Charles Keller, a man who is retiring as a reporter for the Recorder after 26 years of serving his hometown of Greenfield, MA, and the surrounding communities of Franklin County. It is my pleasure to join the city of Greenfield in honoring a man who has remained firmly committed to his profession and to serving his community.

Mr. Keller was graduated from Greenfield High School. Before becoming a reporter, Mr. Keller worked as a nurse's aid at the Department of Veterans Affairs Medical Center in Leeds, MA. While working at the Recorder, he covered the police, fire, and court beats.

Greenfield has benefited greatly from the contributions of Mr. Keller. Not only did he serve as a reporter for over two decades, but he has also contributed much of his time toward enhancing the lives of others. He has been an extremely active member of the Franklin County Association for Retarded Citizens; having served as past president, past secretary, and currently as treasurer.

In addition, Mr. Keller earned the distinguished recognition of being named a certified life master of the American Contract Bridge League, and is a certified bridge director.

Mr. Keller is married to the former Vesta Chickering. They have four children: Mary Lou Stone, Debra McCarthy, and Paul Keller, and Charles Keller, Jr., five grandchildren, and 2 great-grandchildren.

Although Mr. Keller will be missed in his role as reporter, the city of Greenfield is fortunate to have such an exemplary citizen. In honor of his contributions, I ask my colleagues to join me in wishing Mr. Keller continued success in the years to come.

INSURANCE FRAUD

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. POMEROY. Mr. Speaker, I would like to bring to your attention accomplishments in the fight against insurance fraud and work that remains to be done. The Coalition Against Insurance Fraud is a group of consumers, Government agencies, and insurers dedicated to combating all forms of insurance fraud through public information and advocacy. I commend the coalition for its hard work against insurance fraud. The list of the top 10 fraud cases for 1993 has been unveiled and I would like to submit their press release for the RECORD.

TOP 10 INSURANCE FRAUD CASES UNVEILED BY COALITION OF CONSUMERS, GOVERNMENT, INSURANCE ORGANIZATIONS

Group Calls for Federal, State Initiatives

Washington, DC.—Citing 10 of the most damaging insurance fraud cases, a coalition of consumer groups, government organizations and insurance companies called for federal and state legislative initiatives to fight the costly and growing national problem.

The Coalition Against Insurance Fraud unveiled its annual list of the top 10 fraud cases for 1993, ranging from mundane, small scams to sophisticated operations involving billion-dollar fraud rings. Some of the culprits come from within the insurance industry; others are medical providers, attorneys or professional con artists.

"These cases reflect the seriousness and diversity of insurance fraud," said Dennis Jay, executive director of the Coalition Against Insurance Fraud. "There's an amazing array of scams and rip-offs that continues to rob consumers of tens of billions of dollars each year, and threaten the financial integrity of the insurance system."

The coalition today called on state and federal lawmakers to adopt a set of aggressive initiatives.

Stephen Brobeck, executive director of the Consumer Federation of America and a coalition co-chair, said the federal government must address insurance fraud that leaves insurers insolvent and consumers with unpaid claims. "Congress should approve legislation to criminalize the looting and plundering of an insurance company from within," he said. "Additionally, federal statutes should deal swiftly with those who escape detection by providing false financial information to insurance regulators."

Adrian Tocklin, executive vice president of the Continental Corporation and also a coalition co-chair, urged returning state legislatures to consider a variety of measures to combat fraud "to put real teeth into their laws and send a strong message that they, too, are fed up with this massive rip-off," Tocklin said.

Among the proposed measures to reduce fraud, Tocklin cited a need for states to beef up their fraud fighting capabilities and called for laws to automatically suspend the licenses of doctors, lawyers and other convicted of insurance fraud. Additionally, she said insurers should be required to incorporate anti-fraud practices in their business operations.

The coalition's "Top 10 Insurance Fraud Cases of 1993" are:

(1) Alan Teale, who used a variety of insurance and reinsurance operations to take in $72 million in premiums for health, disability and business insurance from 5,500 policyholders, then refused to pay our claims. Teale, a British citizen was based in Atlanta;

(2) Norman Bramson, of Columbia, MD, built a complex web of nearly 50 insurance companies and sold bogus medical malpractice insurance to hundreds of physicians;

(3) Michael and David Smushkevich, two brothers who operated hundreds of medical clinics and mobile labs in Southern California that offered free physicals to lure patients, and then billed insurers thousands of dollars per patient for serious medical problems. Their scams may have bilked up to $1 billion from the insurance system;

(4) National Medical Enterprises, based in Santa Monica, CA, one of the nation's largest hospital chains, has been charged with admitting thousands of patients to its psychiatric hospitals who did not need hospitalization, then treating them at inflated prices;

(5) A network of 100 people in the New York City area led by free-lance insurance adjusters, which conspired to bilk insurance companies out of hundreds of millions of dollars through inflated claims and staged accidents involving commercial insurance;

(6) The Kallao family, a roving band of criminals from Las Vegas that staged a variety of "slip and fall" and auto accidents in Illinois, Wisconsin and Ohio. Eight members of the family have admitted to collecting $1 million in bogus claims;

(7) New Jersey "ghostriders," involving 107 defendants—including alleged bus passengers, medical providers and attorneys who got caught in a three-year sting by fraud investigators who staged bus accidents and watched people hop on and claim injuries;

(8) First Assurance & Casualty Co., Ltd., an unlicensed insurance company that sold insurance to small businesses in inner-city Los Angeles, but failed to pay following the L.A. riots;

(9) Rubell Helm Insurance Services Inc., a California firm that collected millions of dollars from small businesses to set up "self-funded" health insurance programs, but siphoned the money off into personal accounts, leaving $10 million in unpaid claims;

(10) Gaven M. Cooke, using more than 24 aliases, claimed he staged more than 200 fake accidents throughout the country during his 20-year insurance fraud career. He boasted of his exploits on national television talk show programs, and was arrested in Colorado.

The Coalition Against Insurance Fraud, which was launched in July 1993 and is composed of 20 national organizations, combats all forms of insurance fraud through public advocacy and consumer education.

CARING FOR WOUNDED VETERANS OF THE PERSIAN GULF WAR

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. CRANE. Mr. Speaker, as one who believes in strict federalism and the importance of states rights, I often argue against the creation of new Federal programs and the expenditure of Federal dollars. However, I feel just as strongly that when the Federal Government takes an action, it must accept responsibility for the direct and indirect consequences of that action. Government cannot run from its mistakes. Government cannot hide from its failures.

Today, I believe the U.S. Government is shirking its responsibility to veterans of the gulf war who have clearly been exposed to chemical or biological weapons and who now are being denied the medical care that they and even their families so desperately need. But the fact of the matter is that the United States liability is due not only to an official U.S. policy which exposed American men and women to danger and to these weapons, but in fact that American companies may have produced and sold to Iraq the very chemical and biological weapons which were later used against American soldiers. A sale approved by our Government.

On Wednesday, February 9, the senior Senator from Michigan, Senator RIEGLE, spoke on the floor of the Senate about his office's findings on this issue. I strongly recommend his statement to any Member of this Congress who doubts the reports of veterans afflicted by the gulf war syndrome. Senator RIEGLE presents a detailed and exacting examination of the evidence, and I hope to add the weight of my personal conviction and experience to his powerful argument.

My most direct exposure to the tragedies caused by the gulf war syndrome come from Troy Albuck, a constituent of mine from Barrington, IL. Enlisting in the Army at the age of 17, within 2 years Troy had risen to the rank of lieutenant. As an airborne Ranger infantry officer, he served in Panama and later in Iraq. He and his wife, Kelli, already had one child of good health when he returned from the gulf and began to experience a series of health problems, problems which soon afflicted Kelli as well. After two miscarriages, the Albucks were blessed with a second child, a son they named Alex. When Alex was born nearly 2 months premature, they were told he might live only a few days or even hours. On more than one occasion in the months following, doctors called the Albucks to the hospital, believing Alex had only a few hours to live. Miraculously, despite respiratory problems, vision and hearing impairments, and a host of other ailments, Alex recently celebrated his first birthday. The health problems faced by Troy, then Kelli, and finally Alex, are remarkably similar to those outlined by Senator RIEGLE.

For example, one of the biological agents which was sold to Iraq in 1985 is histoplasma capsulatum. It causes inflammation of the skin, usually in the form of red nodules on shins. In Troy's case, the unusual red bumps started on his shins, but soon covered most of his body. These marks were so pronounced that he could no longer function in the sales position he held after leaving the Army. This particular agent also causes reactivated infections, meaning the symptoms come and go. Some of these secondary symptoms include infection of the spinal membranes and lungs. The misdevelopment of Alex Albuck's lungs is so acute that this infant is often unable to breathe on his own, and must use an oxygen tank and mask. In Troy's words, the list of symptoms from Senator RIEGLE's statement "read right out of our medical records."

Many of my colleagues here may have their doubts about this issue. There are still many questions which need to be answered, and I have nurtured those doubts myself. But despite my initial skepticism, I am now a true believer. The need for action is clear. Too many lives have already been lost or ruined by this mysterious disease. I refuse to believe that the Members of this body will simply stand by and watch as thousands, perhaps even hundreds of thousands of gulf war veterans and their families are condemned to a slow death by the inaction of the U.S. Government and the U.S. Congress. I ask that my colleagues not take my word for it, that they not blindly accept Senator RIEGLE's analysis, but that they simply and fully investigate the matter. I have no doubt that they will draw the same conclusion I have.

On its own, the Albucks' story is a compelling call for action, but when Troy's personal experiences are compared with Senator RIEGLE's clincial examination, there is only one conclusion to be drawn. The United States must accept the possibility that the brave men and women who volunteered to serve their country received an invisible wound during that service, and unlike conventional contusions or abrasions, this wound is at least somewhat contagious—it can harm not only the individual, but a family as well.

Troy is fond of pointing out that he volunteered for service, knowing and accepting the risks associated with a career in the military, but that neither his wife nor his son had the opportunity to choose. Despite their noninvolvement in the conflict, they have nonetheless becomes victims of the battle. Because they are bystanders, Kelli and Alex deserve medical treatment and the support of the U.S. Government. Troy and every other veteran deserve that same treatment and support because they did not stand idly by. If the administration will not accept responsibility for that treatment, then Congress must step up and resolve this blight. We must address this issue head-on. We must treat our wounded veterans.

TRIBUTE TO THE UKRAINIAN NATIONAL ASSOCIATION ON THEIR 100TH ANNIVERSARY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. LIPINSKI. Mr. Speaker, I rise today to recognize the oldest and largest Ukrainian-American organization in the United States, the Ukrainian National Association [UNA], on their 100th anniversary. It is an honor to participate in the centennial celebration of this esteemed organization, one that has contributed so much to my community and the Nation.

The creation of the Ukrainian-American fraternal insurance organization in February 1894, was the brainchild of the Rev. Gregory Hrushka, founder of Svoboda, the first Ukrainian newspaper printed in the United States. Reverend Hrushka recognized the need of the rapidly growing Ukrainian immigrant community to financially organize themselves. From its humble beginnings in 1894 with 13 branches, the UNA now has over 66,000 members and 370 branches throughout the United States and Canada.

In addition to providing for the life insurance needs of the Ukrainian-American community by offering low-cost life insurance protection, the UNA provides its members with a wide range of educational, cultural, social, and charitable benefits. The UNA provides over $120,000 annually in educational scholarships, operates a retirement home for senior citizens and is an important patron of the Ukrainian community's cultural and religious activities. The UNA has helped preserve the national traditions of Ukrainians through the diverse programs it sponsors, thereby contributing to the richness of American culture.

The UNA also owns and operates Soyuzivka, a year-round, full-service resort in the Catskill Mountains of New York State. In addition to providing social and cultural activities for its members, the UNA operates children's camps, cultural courses, and sports camps at this resort.

Another part of its fraternal benefit works are the low-interest mortgage loans the UNA provides for the construction of many Ukrainian churches and community centers. By reducing the financial burden for these worthy institutions, the UNA helps to strengthen the religious and cultural bonds of the community.

Mr. Speaker, I am proud to recognize the UNA during the month it celebrates its 100th anniversary. Its service and dedication, as well as its contributions to the community at-large, are deserving of recognition. I urge my colleagues to participate in this worthy celebration.

NATIONAL SPORTSMANSHIP DAY

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. REED. Mr. Speaker, I rise in honor of National Sportsmanship Day, which is being observed today in America and throughout the world. The goal of this day is to stress the importance of ethics and fair play, both on the playing fields and in the classroom.

National Sportsmanship Day was conceived by the Institute for International Sport, which is located in my district at the University of Rhode Island, to create an awareness of the issues of ethics, fair play, and sportsmanship within athletics and society. Since its inception in 1991, over 6,000 schools in all 50 States, have benefited from the program. This year, for the first time, 55 international schools in 35 countries will observe National Sportsmanship Day.

The goal of good sportsmanship is an important one. It is worthwhile for us to show our children the good values and ethics learned through sports. These lessons will also help them in all aspects of their everyday life. During the Winter Olympics we saw the best display of sportsmanship by athletes throughout the world. Although the athletes wanted to win the gold, it was the thrill of competition and sportsmanship that was prevalent. It is important to tell our young athletes that although winning is worth working for, it is honesty, integrity, and hard work that is most important.

Mr. Speaker, I ask my colleagues to join the President's Council on Physical Fitness and the Rhode Island congressional delegation in recognizing this day.

TRIBUTE TO THOMAS J. CUSICK

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay special tribute to Mr. Thomas J. Cusick who was named the "Grand Marshall" for the 1994 St. Patrick's Day Parade in Nutley, NJ, on March 12. I am very proud to join the Nutley Irish-American Association and president, Patricia Flaherty, in honoring Mr. Cusick for his accomplishments.

Mr. Cusick has devoted a great deal of time and energy to the Nutley Irish-American Association. Not only is he a founding member, but he has served as the director of the Five Mile Classic, and also chaired the Grand Marshall Dinner. In fact, in 1987 he was honored as Member of the Year. He is currently a member of the board of directors of the association.

Mr. Cusick has contributed to Nutley in other ways. He has taught special education at Nutley High School for the past 16 years. In addition, he is actively involved in the Education Association of Nutley, the Essex County Education Association, and the New Jersey Education Association.

Mr. Cusick is a member of the American Legion Post 70 and the John V. Kelly Civic Association. He has served as Grand Knight of Belleville Council No. 835, Knights of Columbus, president of the Essex County Federation of Councils, and also as former district deputy of the New Jersey State Council of the Knights of Columbus.

On the day of the parade, Mr. Cusick will be serving as the chairman for the mass and investiture.

I know that Mr. Cusick is proud to be named Grand Marshall, and I am sure the Nutley Irish-American Association is even prouder. The association and the township of Nutley have benefited from his dedication, and it is with great pleasure that I ask my colleagues to join me in wishing him a wonderful day.

HOLY COW, PHIL RIZZUTO IS GOING TO THE HALL OF FAME

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. KING. Mr. Speaker, I rise today to salute one of New York's great sports heroes on his being selected for induction into the Baseball Hall of Fame—Phil "Scooter" Rizzuto. This ultimate baseball honor is long overdue for one of the game's all-time great defensive standouts.

During his distinguished career, Rizzuto anchored the Yankee infield, playing shortstop for 10 American League Pennant winners and 8 World Series championship teams. During 13 years as a Yankee, from 1941–42 and 1946–56, Rizzuto batted .273 with 38 home runs, and 562 RBI. He was a five-time AL All-Star, MVP of the 1951 World Series, and in 1950, his best year, he amassed 200 base hits for a .324 average, and was named the American League's Most Valuable Player.

The "Scooter's" numbers at the plate may not have been record-breaking—although there was never anyone better at laying down a bunt—but his glove earned him his rightful place in Cooperstown. Of Rizzuto's defensive skills, manager Casey Stengel once said, "If I were a retired gentleman I would follow Mr. Rizzuto around every day to watch him work his miracles." Together with his counterpart on the rival Brooklyn Dodgers, Pee Wee Reese, Rizzuto was one of the two greatest shortstops of his era.

To millions of Yankee fans, the "Scooter" is well-known as the broadcast voice of the Bronx Bombers—a role he has filled for the past 37 years. As a broadcast announcer, Phil Rizzuto brings an entirely unique style to the airwaves, reflecting both his love of the game and his love of life. On the air, he has impressed upon new generations of fans the importance of the fundamentals of the game, particularly the nearly lost art of bunting, a subject on which he is always more than willing to offer his expert advice to today's Yankees. It is my hope that we all get to see Phil come back for another season with the Yankees on New York's WPIX television this year.

My congratulations and those of the residents of New York's Third Congressional District go out to Phil Rizzuto. Holy Cow, Scooter, you're going to Cooperstown.

NATURAL DISASTER LEGISLATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. CLINGER. Mr. Speaker, yesterday I introduced a resolution to express the sense of the Congress that information on how to prepare for and react to a natural disaster should be made more readily available to people living in the Central and Eastern States, namely through guides placed in telephone books and through informational booklets prepared and distributed by the Federal Government.

I first introduced this resolution in the months following the Loma Prieta earthquake, in the 101st Congress. At that time I had been surprised to learn that there is a high probability an earthquake of at least the same magnitude as the Loma Prieta earthquake will strike the Eastern United States in the next few decades.

Perhaps the most devastating earthquake in recorded history occurred not in California, but in eastern Missouri. The New Madrid earthquake of 1811, and each of the two biggest aftershocks of 1812, have been estimated at over 8.0 on the Richter scale. That means the initial earthquake and the two aftershocks each carried 30 times the destructive force of the Loma Prieta quake, which registered 7.1 on the Richter scale.

Not only can big earthquakes occur east of the Rockies, but the geographic area impacted would be much wider than that of the Pacific coast earthquake. This is so because the solid bedrock underlying the Central and Eastern States would actually transmit the shock wave, rather than absorb it. The New Madrid earthquake, for example, cracked sidewalks in Washington, DC.

Finally, the older buildings in the country are concentrated in the East. Made of unreinforced brick or stone, these buildings would not withstand the stress of an earthquake. California's building codes have reflected the dangers of earthquakes since the 1930's. Massachusetts adopted seismic building codes in the 1970's and a few Central and Eastern States have followed suit, but the region remains underprepared.

The perception that an earthquake or some other type of natural disaster won't occur is a major obstacle to achieving even a minimal level of preparedness, even in California. The head of San Diego's Office of Emergency Management was recently quoted in a Reuters news story as saying, "Our No. 1 problem is public apathy."

Mr. Speaker, I urge my colleagues to view natural disasters as not simply an event to which we react, but as an event for which we must prepare. The resolution, which I have introduced, calls upon the private sector and the Federal Government to place information in the hands of people which they can use to help themselves, and I ask for the support of my colleagues.

TELECOMMUTING TAX CREDIT ACT

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. BAKER. Mr. Speaker, today I am introducing the Telecommuting Tax Credit Act, legislation to provide tax credits to businesses which permit their employees to telecommute.

Telecommuting means reducing or eliminating the daily commute to work by using information technology to work from home or a telecommuting center. Given the tremendous strides in telecommunications technology and the increasing congestion tying up commuters in traffic, telecommuting is the wave of the future.

The Telecommuting Tax Credit Act would provide up to a $500 tax credit to businesses for each employee who telecommutes full-time from home. A $250 tax credit would be available if the employee works from a telecommuting center. The tax credits would be prorated according to the percentage of time each employee spends in telecommuting employment.

Telecommuting is profamily by creating options for families. As parents are torn between the demands of career and family, telecommuting provides a way to creatively bridge the chasm. Furthermore, tax credits provide incentives to experiment with telecommuting without burdening business with another costly unfunded mandate which destroys jobs and depresses wages.

Telecommuting is protransportation. It reduces traffic congestion, eliminates wasted time and lost wages, reduces fuel consumption, and saves money on highway construction. During the 1984 Olympics in Los Angeles, just 7 percent reduction in traffic produced a 60-percent reduction in congestion.

Telecommuting is proenvironment. Annually, each California telecommuter reduces the amount of carbon monoxide produced by about 250 pounds per car, and saves about 4,500 kilowatt-hours—enough energy to run the average American household for at least 2 months.

My bill will do the following: It provides employers with a $500 tax credit for each employee who telecommutes 40 hours per week from home. The credit is prorated according to the percentage of time spent telecommuting, for example, 20 hours per week of telecommuting qualifies an employer for a $250 annual tax credit.

It provides employers with a $250 tax credit for each employee who telecommutes 40 hours per week at a telecommuting center.—The same prorating applies. The bill defines "telecommuting center" as: First, being closer to the employee's residence than the central worksite of the employer; second, a facility where employees of two or more employers or separate business units of the same employer perform services; and, third separate from the central workers of the respective employers. Furthermore, the bill caps the tax credits any one employer may receive to no more than 50 percent of normal tax liability.

Mr. Speaker, I look forward to advancing the concept of telecommuting as this Congress proceeds.

IN RECOGNITION OF THE HUMANITARIAN EFFORTS OF DR. ZACHARIAH P. ZACHARIAH

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. BILIRAKIS. Mr. Speaker, I am pleased to take this opportunity to recognize and applaud the humanitarian efforts of Dr. Zachariah P. Zachariah, director of Cardiovascular Laboratories at Holy Cross Hospital, a not-for-profit community hospital in Fort Lauderdale, FL.

Dr. Zachariah has been in private practice since 1976 and is widely known for his professional accomplishments. A noted cardiologist, he has completed more than 10,000 cardiac catheterizations and over 2,500 PTCA procedures. In addition, he has authored a number of scientific articles in reputable journals in the United States and abroad.

Dr. Zachariah has led a distinguished medical career, but he is not recognized solely for his professional achievements. Rather, since the beginning of his career, he has focused his time and attention on improving the lives of his fellow human beings.

Dr. Zachariah has dedicated numerous years and much effort on behalf of the American Heart Association, but is equally involved in other civic projects to assist his community. Dr. Zachariah is also known as a generous contributor to a broad range of charitable causes. For example, Dr. Zachariah recently made a sizable contribution to the American Heart Association to fund heart education programs for the youth of Broward County.

In recognition of his work, on November 12, 1993, Dr. Zachariah was presented with the Spirit of Life Humanitarian Award by the members of the Kings Point Chapter of the City of Hope. The City of Hope provides consultation services to physicians throughout the world, extending the facilities, expertise, and knowledge of the medical center staff to patients being treated elsewhere. I share their enthusiasm in honoring Dr. Zachariah for his humanitarian efforts.

In connection with this honor, Florida Governor, Lawton Chiles, approved a resolution designating November 12, 1993, as "Dr. Zachariah P. Zachariah Day." I can think of no more fitting tribute to a man who has given so much to others, and I am pleased to honor Dr. Zachariah by reprinting the text of the resolution below.

RESOLUTION

Whereas, Dr. Zachariah P. Zachariah has been a dedicated volunteer, philanthropist and leader in his community through his generosity and support of numerous charities, organizations and civic endeavors; and

Whereas, Dr. Zachariah has been a strong supporter of the Museum of Science and Discovery, Friends of Jack and Jill Nursery, Holy Cross Hospital, Nova University and Pine Crest Preparatory School; and

Whereas, Dr. Zachariah has contributed over 16 years of service to a variety of American Heart Association activities, including fundraising, programs, professional education and research, and is dedicated to the heart cause by providing heart education in the young in an effort to raise a new, heart-healthy generation; and

Whereas, Dr. Zachariah has organized support throughout the state, nation and world to help build institutions and organizations that have benefitted thousands of people; and

Whereas, Dr. Zachariah's drive, energy, enthusiasm and persuasiveness have sparked remarkable initiatives in his friends, associates and members of the community . . . enabling them to accomplish goals and challenges they may have never attempted; and

Whereas, Dr. Zachariah has given of himself and his time to enhance and improve the quality of life for mankind through his untiring efforts on behalf of medicine, health, government and education: Now, therefore, be it

Resolved, That the Governor and Cabinet of the State of Florida, as a special tribute to Dr. Zachariah P. Zachariah, do hereby designate November 12, 1993 as Dr. Zachariah P. Zachariah Day in Florida.

In testimony whereof, the Governor and Cabinet of the State of Florida have hereunto subscribed their names and have caused the Official Seal of the State of Florida to be hereunto affixed in the City of Tallahassee on this 12th day of November, 1993.

UKRAINIAN NATIONAL ASSOCIATION'S 100TH YEAR

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. MICHEL. Mr. Speaker, the Ukrainian National Association [UNA], the oldest and largest Ukrainian-American organization in the United States, celebrated its 100th birthday on February 22, 1994. I would like to convey my belated but heartfelt congratulations and best wishes to UNA on this proud achievement. Immigrants from Ukraine came here to work and to provide for their families, but, most of all, for freedom. UNA has helped many of them to make the difficult transition and to provide needed services for them as citizens of the United States.

As we witness the twists and turns of political and economic events in the former Soviet Union, we often turn our attention to Russia, the single largest national State to emerge from the rubble of the Communist empire. But Ukraine deserves our attention as well. It is a nation as large as France and its people suffered terribly at the hands of communism. Now, in the aftermath of the fall of Soviet communism and its empire, the nation of Ukraine is undergoing many difficulties as it attempts to find its way in the post-cold-war world. Members of UNA have never forgotten the people of Ukraine and have always supported a free Ukraine, even in those dark moments of history when such an event seemed like an impossible dream.

From providing life insurance to the promotion of social and cultural activities, from the creation of the monument in Washington, DC, honoring the great Ukrainian poet Taras Shevchenko, to the publication of Svoboda, the first Ukrainian newspaper printed in the United States, UNA provides services for its members in a variety of ways. Equally important, UNA has long supported the idea of free and independent Ukraine. Last year I had the honor of visiting that nation. It is undergoing a difficult time, but I believe it is in the interest of our own Nation and of the world that a free, independent, democratic, prosperous Ukraine emerges from the shadows of the past. Our congratulations go to UNA for its role in reminding us of the contribution of Ukrainian-Americans to our country, and of the need for a strong and free nation of Ukraine.

IN RECOGNITION OF UPWARD BOUND/NATIONAL TRIO DAY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Ms. KAPTUR. Mr. Speaker. On February 28, the students, faculty and staff at the University of Toledo celebrated Upward Bound/National TRIO Day. This all-day event recognized the past successes of the University's Upward Bound Programs and built support for the future.

In our community the TRIO program has made a tremendous difference in the lives of so many of our young people. We often talk about the financial barriers to a college education; but we ignore the fact that there are social barriers as well. The TRIO program breaks down these barriers and gives students the knowledge and self-confidence they need to both afford college and succeed once they arrive.

The Upward Bound Program at the University of Toledo is the vehicle which gives students the hope and skills they need to succeed in college. By providing information and counseling, academic instruction, tutoring, assistance in applying for financial aid, encouragement and support, the Upward Bound Program helps students help themselves.

Congratulations to all those involved in the University of Toledo's Upward Bound Program for all their excellent accomplishments.

TO PAY TRIBUTE TO FLORENCE KLEIN, FOUNDER AND DIRECTOR OF THE HELPING HAND THRIFT SHOP

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. FORD of Michigan. Mr. Speaker, I rise today to pay tribute to Florence Klein, the founder and director of the Helping Hand Thrift Shop in Romulus, MI. She has dedicated her life to serving those who are struggling to meet their basic needs.

For 30 years Ms. Klein has worked tirelessly to provide needy families and individuals with free food and clothing. The Helping Hand Thrift Shop, that she founded, was born out of the tragic car accident of her younger brother. After learning that the other accident victims were in need of financial help, Ms. Klein held a rummage sale to raise money for them. The money she sent was returned with a note indicating that it was not needed, so Ms. Klein donated the money to the St. Vincent DePaul Society. Due to the success of her first sale, the St. Vincent DePaul Society requested that she hold another one. The second sale was held at St. Mary's Church in Wayne. After seeing so many people in need of an inexpensive place to find clothing, Ms. Klein decided to open the Helping Hand Thrift Shop in Romulus which is located at 67915 Huron River Road.

Florence Klein understands first hand the types of services needed by the poor in her community. Her mother passed away when she was 16, leaving her father to raise nine children on his own. This experience has given her unique insight into the concerns of those she serves. She understands that the people who come to her are often in need of social services beyond that which the Helping Hand Thrift Shop provides. Through Ms. Klein's efforts, people are referred to appropriate agencies for the additional services they need. She works with a variety of people in her community including ministers, teachers, and social workers to make sure people's needs are being met.

Beyond her full-time volunteer commitment at the Helping Hand Thrift Shop, Florence Klein has given her time to the Michigan Cancer Foundation and the Red Cross. She also volunteered with Operation Summer Time which provided teens with summer jobs in which they worked to renovate Hill Creek School and clean up the Elmer Johnson and Cordell Parks.

Recently, Ms. Klein was chosen by the Greater Romulus Chamber of Commerce as the 14th Annual Romulus Person of the Year. Too often, those who quietly give their time to others are overlooked or even taken for granted. Certainly, those who volunteer never expect to be singled out for recognition, yet, their efforts undoubtedly benefit the individuals they serve as well as their communities as a whole. Ms. Klein has truly earned the distinction that Romulus has granted her.

INTRODUCTION OF THE FEDERAL NUCLEAR FACILITIES LICENSING AND REGULATION ACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. MILLER of California. Mr. Speaker, 20 years ago, Congress brought to an end the bizarre situation that had one agency—the Atomic Energy Commission—both promoting nuclear energy and building nuclear weapons, and also regulating the commercial nuclear industry. The Energy Reorganization Act of 1974 disbanded the AEC, created the Nuclear Regulatory Commission to take over the regulatory functions, and created what is now the Department of Energy to take over the nuclear weapons production activities and energy policy issues, including nuclear energy research and development.

Unfortunately, Congress did not do the whole job in 1974. It remedied the distortions that resulted from having a single agency both promoting and regulating the nuclear industry. It did not remedy the fact that the DOE would continue to be self-regulating with respect to its nuclear weapons production and nuclear energy R&D activities.

In part as a legacy of the fact that DOE has had nobody else to answer to for its nuclear safety practices, the diverse DOE nuclear complex today is almost universally regarded as the biggest collection of serious environmental messes in the country. The Hanford site in Washington State is widely believed to be one of the most polluted places in the world. Rocky Flats in Colorado, Savannah River Plant in South Carolina, Oak Ridge in Tennessee, and Fernald in Ohio are close behind. Soils and ground and surface waters have been seriously contaminated with radioactivity.

Estimates of the ultimate cost to clean up the DOE nuclear complex have ranged up to $500 billion.

In recent years, DOE's activities have increasingly become subject to outside regulation. Radionuclides have long been regulated as hazardous air pollutants under the Clean Air Act. The Federal Facilities Compliance Act made DOE facilities subject to regulation by the EPA and the States under the Resource Conservation and Recovery Act. At the beginning of the Clinton administration, Energy Secretary O'Leary announced that the Department would voluntarily submit to outside regulation by the Occupational Safety and Health Administration. The WIPP Land Withdrawal Act that was passed by the 102d Congress made the WIPP facility for disposal of defense transuranic wastes in New Mexico subject to regulation by the EPA. And the Energy Policy Act of 1992 made the uranium enrichment plants now run by the new U.S. Enrichment Corporation subject to regulation by the NRC.

The Superfund law currently governs the cleanup of closed Federal nuclear facilities, but it does not cover facilities that are still in operation, and it does not provide clear standards and procedures to govern cleanups. Those cleanups are now being governed by a series of disjointed agreements among DOE, States, and EPA. Cleanup priorities are being determined largely by Federal judges based on the relative aggressiveness in litigation of various States and other participants, rather than on the basis of any rational prioritization of risks. There is, as yet, no established standard for how clean is clean enough.

With the few exceptions just noted, nuclear safety issues under the Atomic Energy Act are the only major area in which DOE continues to be answerable only to itself. We do not need to decide whether this self-regulation was ever a good idea. But we should decide—soon—that it is not a good idea today and in the future. If the cold war justified what was done in the past, it cannot justify what we do any more. The production of plutonium for nuclear weapons has been completely discontinued in this country, and we hope it will never have to be restarted. These facilities that just a few years ago were engaged in a massive buildup of nuclear weapons, today are engaged primarily in cleaning up.

Under the circumstances, it is difficult to sustain the argument that American citizens should continue to be subjected to much greater risks from Federal nuclear activities than they face from the commercial nuclear power industry. Yet that is precisely what they face today.

Today, RICK LEHMAN, PHIL SHARP, PETER DEFAZIO, and I are introducing a bill to begin to bring to an end DOE's self-regulation under the Atomic Energy Act. We have circulated a draft bill for comment for several months, and received virtually universal support for the major premise that DOE self-regulation should not continue. While there is certainly a wide range of views about how best to bring about independent regulation, we have heard nobody argue that the status quo should continue into the future.

The Federal Nuclear Facilities Licensing and Regulation Act would address this issue in two phases. For any new Federal nuclear facilities that might be built, the bill would require that they be licensed and regulated by the Nuclear Regulatory Commission in much the same manner as commercial nuclear facilities have been for 40 years. This approach makes sense because the NRC already has 20 years of experience as a regulator under the Atomic Energy Act. They already possess extensive regulatory, licensing, and enforcement infrastructure, as well as knowledge about the management of radiological risks.

As the committee with primary jurisdiction over the NRC, we have had our share of differences with the Commission over the years. Nonetheless, it is beyond question that the commercial nuclear industry that has been the Commission's charge has been managed with far less threat to public health and safety and the environment than has the Federal nuclear complex.

Many of the facilities that would be affected by this change in the law are part of our national defense information. We cannot guarantee in this very uncertain world that there will never be a necessity to produce additional nuclear weapons materials in the future on an emergency basis. Therefore, the bill includes a provision for a Presidential waiver of any of its requirements if the President deems it necessary for reasons of national security.

For the more difficult question of how to impose outside regulation on existing facilities—none of which have been licensed—we have concluded that we do not yet have all the answers. There are several major options. One is to make NRC the regulator under the Atomic Energy Act, as Congress did for the uranium enrichment facilities in 1992. Another is to have a single-purpose regulator, such as a strengthened Defense Nuclear Facilities Safety Board. A third is to make EPA the regulator under the Atomic Energy Act, as was done for the WIPP facility.

There are advantages and disadvantages to all of these options, to combinations of them, and no doubt to other options. Because it became clear in our discussions with others that there was no consensus on the best course to take, we have decided to approach the question of the existing facilities more cautiously.

Accordingly, the bill we are introducing today creates a Presidential blue ribbon commission to study these issues and come back to the Congress with recommendations on the best approach to regulating existing Federal nuclear facilities after 18 months. The 13-member review commission would include representatives of five relevant Federal agencies, plus the other major stakeholders in this issue, including States, Indian tribes, DOE contractors, and environmental groups.

As the committee with primary jurisdiction over the NRC, we recognize that the new responsibilities we would give that Agency in title I of this bill must be accomplished without diluting NRC's attention to its existing responsibilities for the safety of commercial nuclear facilities. Accordingly, we are committed to ensuring that these new responsibilities are accompanied by corresponding new resources.

This is a big project. It will involve several committees on both sides of the Congress. Regulation in itself is no panacea, be we are convinced that in this context it will contribute important advantages to the management and cleanup of our Federal nuclear facilities. It will establish clear health and safety standards to be met, and a clear decisionmaking process for meeting operation and cleanup objectives. It will be clear for the first time who has the right to approve or reject nuclear safety proposals. It must be implemented in a manner that improves public participation in those activities. It will also help the Department to get the upper hand with respect to its contractors if the latter know that they will be answerable to an independent regulator.

Most importantly, outside regulation of these Federal nuclear facilities will help make it possible to improve the public's acceptance of the way these facilities are being run. Secretary Hazel O'Leary deserves enormous credit for her efforts to open up the Department of Energy from its decades of excessive secrecy and come clean about its past mistakes. In the short term, the often disturbing revelations she is facilitating will probably not help the Department's standing in public opinion. But if the openness she has fostered is sustained over time, I believe that public trust and confidence in the activities of the Department can only be improved. Continued self-regulation of these facilities under the Atomic Energy Act would be a serious hindrance to that improvement in DOE's public standing. If the public knows that some entity other than the Agency responsible for operating these facilities is solely responsible for their safety, it will help reduce the public's anxiety about them.

We ask our colleagues to join us in this historic effort to modernize the Atomic Energy Act. It is time for self-regulation of Federal nuclear facilities to end.

THE ROLE OF AGRICULTURE RESEARCH IN MEETING THE CHALLENGE OF WORLD HUNGER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. GILMAN. Mr. Speaker, I wanted to call my colleagues' attention to an article that appeared in the February 28 edition of the Washington Post. The article talks about how world famine has been averted through the advances made in agriculture research during the past 25 years. In particular, it points out the success of our foreign aid investment in the international agricultural research centers around the world.

It is somewhat ironic that the Agency for International Development has chosen to reduce its efforts in agriculture research and shift its focus almost exclusively to rapid population growth, environmental degradation, and building democracy. I do not mean to minimize any of those areas. However, if AID is to justify its new focus on initiatives that are cost effective and where a comparative advantage can be shown, no better candidate exists than agricultural research.

Mr. Speaker, to encourage my colleagues to give this issue thoughtful consideration as we work on the fiscal year 1995 foreign assistance budget and the new Foreign Assistance Act, I submit for the RECORD the article entitled "Despite Horn of Plenty, Some Feasts of Famine Abound Across World" that appeared in yesterday morning's Washington Post.

The article follows:

[From the Washington Post, Feb. 28, 1994]

DESPITE HORN OF PLENTY, SOME FEASTS OF FAMINE ABOUND ACROSS WORLD

(By Boyce Rensberger)

Thanks to "the greatest agricultural revolution in history," the world's food supply over recent decades has grown faster than its population and probably will continue to do so for at least two or three decades to come, a group of agricultural scientists and economists has concluded.

But because at least 800 million people remain in deep poverty, most of them in southern Asia and sub-Saharan Africa, they are unable to purchase enough of the abundance to lift them out of chronic malnutrition—even with world food prices lower than at any time since 1980.

Despite reminders of these serious and persistent inequities, two dozen experts who met for three days earlier this month at the International Food Policy Research Institute here were generally optimistic that massive famine can be avoided so long as research programs continue to develop improved crop varieties and smarter farming methods. Among the hopeful signs that emerged at the meeting were these:

Despite declines in the land area being farmed, figures from the U.S. Department of Agriculture show the amount of grain being harvested from each acre worldwide is growing fast enough to keep production rising at least as fast as the population grows for the foreseeable future.

The coming of free markets to formerly communist countries, which once imported 22 percent of the world's traded grain, is projected to turn them into grain exporters by 2010, according to a World Bank estimate.

Early in this decade, developing countries as a whole surpassed developed countries in total grain production, according to figures from the United Nations Food and Agriculture Organization.

Some of the fastest growth in crop yields is happening in the Third World. West Africa's Cameroon, for example, is the world leader in boosting rice harvest per acre and now gets higher yields than many Asian countries. Chinese farmers now grow more wheat per acre than do U.S. farmers.

"Meeting that world's food requirements during the 21st century should be increasingly easy if past trends in production and consumption continue," Donald O. Mitchell, a World Bank economist, told the meeting. "World food production has more than kept pace with population growth and rates of growth of food production show few signs of slowing."

AGRICULTURAL REVOLUTION

Donald O. Plucknett, who recently retired as scientific adviser to a global network of agricultural research centers in Third World countries, was also optimistic: "We've been living through the greatest agricultural revolution in history and most people probably aren't aware of it."

Over the past 25 years the network of 18 international research centers has led the conversion of Third World agriculture, Plucknett said, from a tradition-bound enterprise to a science-based industry. Researchers at the centers use the latest scientific methods to develop new crop varieties and farming techniques suited to local conditions. Plucknett called it the world's largest research enterprise.

The centers, each of which has research and training programs in several countries, are coordinated by the Consultative Group on International Agricultural Research (CGIAR).

The current prospects contrast sharply with pronouncements in the 1970s that the world was on the brink of massive famine. In 1971, for example, population biologist Paul Ehrlich said, "In the 1970s and 1980s hundreds of millions of people will starve to death in spite of any crash programs embarked upon now." Such forecasts were based largely on the Malthusian assumption that the world would reach the maximum possible agricultural productivity before population stopped growing.

MAN-MADE FAMINES

While there were famines in Africa and Asia, they were brief and resulted mainly from political and military causes. And, for all the human suffering, the famines did not reach the predicted scale. Since then some of the most famine-prone countries, including India and China, have become self-sufficient in food, thanks largely to the adoption of high-yielding crop varieties, more fertilizer and more advanced farming methods developed by the CGIAR system of research centers.

Although the picture looks promising for the world as a whole and for most people in developing countries, the experts said serious deficiencies persist in sub-Saharan Africa and in parts of other regions. Africa has been unable to adopt many of the advances developed by the international research centers because it lacks needed infrastructure such as good farm-to-market roads and banks that will lend to small farmers. Without the leg-up that these things can provide, the majority of Africans struggle as subsistence farmers, growing just enough to survive but not to thrive. Food production in Africa is growing but not as fast as the population.

The chief cause of the hunger that persists in the world, Plucknett said, is not an inadequate food supply but a lack of money to buy food. "There's plenty of food on the world market but some people don't have the wherewithal to enter the market," Plucknett said.

"I do believe that we can continue to raise world food yields if we do the right things," Plucknett said. One reason is that there is still a large gap between what farmers routinely produce and the record yields that are attained here and there when all the conditions are just right.

The fact that crops occasionally reach those records means they have the potential to do so every time with optimal management of factors including soil fertility, irrigation, fertilizer and pest control. Researchers at the centers have long known that subtle shifts in the timing and amounts of fertilizer, water and pest control methods can make big differences in yield.

TRYING TO INCREASE YIELD

Because the amount of land under cultivation is not likely to grow, most experts at the meeting said agriculture had no choice but to become even more intensive—growing tow or three crops a year on the same land and breeding new varieties that yield more food per plant.

Experts at the meeting said genetic engineering methods could someday enhance crops still further but that the benefits are not likely to be felt for several decades. Until then conventional methods of plant breeding are likely to continue to produce better crop varieties.

"We're not running out of resources," said Per Pinstrup-Anderson, head of the policy research institute that hosted the meeting. "That gives us hope."

One dwindling resource, however, is financial support for the CGIAR's research centers. Over the system's history some 30 countries, six foundations and 10 international finance institutions have contributed funding. Together, they boosted the budget to $247 million in 1992. Last year, however, 12 countries cut their support—the United States by the largest amount, dropping $6.5 million to $41.6 million. Overall, CGIAR funding for 1993 dropped more than 7 percent. Officials say the promise of further cuts this year could force them to close some research centers.

Whether food production continues to grow, Pinstrup-Anderson said, may depend on the willingness of donor countries to maintain their support. "It's really up to us," he said, "whether we want to have a happy future or an unhappy future."

INTRODUCTION OF LEGISLATION TO POSTHUMOUSLY AWARD TO JOHNSON CHESNUT WHITTAKER A COMMISSION AS AN OFFICER IN THE U.S. ARMY

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. CLYBURN. Mr. Speaker, today I am introducing legislation to honor an unsung patriot whose time has come to take his rightful place in American history. This bill would posthumously commission Johnson Chesnut Whittaker as an officer in the U.S. Army.

Born a slave in 1858 in Camden, SC, Whittaker was appointed to West Point in 1876 by Representative S.L. Hodge of South Carolina. Whittaker was among the first African-Americans to enter the Academy. As the only African-American cadet, he was ostracized by his peers and later flogged by them.

In April 1880, Cadet Whittaker failed to show up for reveille and was later found in his room on the floor, bloodied and bruised, with his feet tied to his bed. The incident was looked upon as a ruse by West Point authorities who claimed that Whittaker had inflicted himself with the bruises, and therefore should be dismissed from the Academy. Whittaker requested a court martial, was convicted and forced out of the corps. However, the judgement was overruled by President Chester Arthur. But, the Army authorities would have the final say. They ruled that since Whittaker had not attended classes and was behind in his academics, he should be drummed out of the Corps of Cadets just short of graduation.

During his ordeal at West Point, Whittaker was defended by two South Carolina attorneys: Daniel Chamberlain, a former Governor of South Carolina, and Richard Greener, the first black graduate of Harvard Law School.

After his discharge from the Academy, Mr. Whittaker returned to his native State of South Carolina. He practiced law in my hometown of Sumter, and subsequently taught at the Colored Normal, Industrial, Agricultural and Mechanical College, now South Carolina State University, my alma mater, in Orangeburg. His son Miller, who was South Carolina's first black architect, became president of the college in 1932.

Prior to going to West Point, Mr. Whittaker attended the University of South Carolina, where he counted among his friends George Washington Murray, who, it is reported, was also his college roommate. I am proud to state that Mr. Murray was one of my ancestors, and was the last African-American to serve in the U.S. House of Representatives from South Carolina, prior to my election in 1992.

After an illustrious career as a teacher, principal, and attorney, Mr. Whittaker died in Orangeburg in 1931. Among the college presidents, community leaders, and professors laid to rest in Orangeburg Cemetery, Johnson Chesnut Whittaker is perhaps the most well known. And, it is time for his trailblazing spirit and uncelebrated valor to reach the annals of history, where his courage, and intellect can be recounted for future generations.

Mr. Speaker, I invite my colleagues to join me in cosponsoring this historic legislation.

CONGRESSMAN HORN HONORS CALIFORNIA STATE UNIVERSITY, LONG BEACH WOMEN'S VOLLEYBALL TEAM

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. HORN. Mr. Speaker, I rise today to congratulate the 1993 NCAA Women's Volleyball Champions—the California State University, Long Beach 49ers. The 49er women wowed not only the 11,114 people in attendance at the University of Wisconsin Fieldhouse, but the thousands of friends, family, and fans watching at home in Long Beach.

This group of outstanding young women fought long and hard on December 18 to defeat a very skilled and determined Penn State team. The record-breaking crowd watched the 49er women overcome their opposition 15–13, 12–15, 15–11, 16–14. This well-fought victory over the Nittany Lions was the university's third national title and second in a 4-year span under Coach Brian Gimmillaro.

"It was a war," coach Gimmillaro was quoted as saying about the 1993 championship. "I am so proud of how they played. Not only were we up against a very good team, we were up against 10,000 fans. But it was great. It was a great comeback for us [in game four] and our players displayed great character."

Coach Gimmillaro led his team to a 32–2 season. Joining him in taking the lead was All-American Danielle Scott who finished the season with not just a national title, but with the National Player of the Year Award. But much of the credit for the team's victorious season finale was given to junior and two-time All-American, Nichelle Burton.

Pamela Lewis in her December 19, 1993, Long Beach Press-Telegram column said:

> * * * it was the superb performance by Burton that kept Long Beach from a decisive 5th game. With her team trailing 14-11, she prevented a fifth, rally-scoring game by putting away 5 of her match-high 28 kills. With her kills, she scored the 12th and 14th points to tie the score, and got three sideouts, one of which led to the 13th point.

However, it takes the efforts of an entire team to win such a close tournament championship and to have such a victorious season. Setter Joy McKienzie was selected to be second-team All-American, helping the team win more All-American recognition than any other Division 1 program. Together, they recorded 28 sweeps—that is, 28 match wins of 3 games to 0—defeated 13 nationally ranked teams, and won a third consecutive Big West Conference title.

Today, I would like to join with the family, friends, and fans of Nichelle Burton, Allyson Carpenter, Traci Dahl, Shawnee Hayes, Heather Hofmans, Michelle Jones, Joy McKienzie, Prentice Perkins, Brita Schwerm, Danielle Scott, Krissee Sether, Stephanie Streeks, and Sarah White, in commending and congratulating them for their hard work and tireless efforts in ensuring this outstanding season and triumphant national championship.

THE CAMPAIGN AGAINST ENGLISH

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. ROTH. Mr. Speaker, we Americans represent every language, every culture, every heritage on Earth. Yet we are one people, one Nation. Why? Because we share a common bond, the English language.

Now, unfortunately, we are losing this cohesion, this unique American blessing. In the last election in Los Angeles, ballots were printed in six different languages. In many places in America, English is no longer the first language in school. The National Clearinghouse for Bilingual Education estimates that 40 million Americans will be non-English-language proficient in just 8 years.

America is fast becoming a multilingual society, and with it we will inherit all the problems that stem from this development—ethnic strife, more discrimination and entrenched poverty—the creation of an entire subculture that is unprepared to compete in mainstream America.

The solution is to return to our tradition of assimilating, through English, new immigrants into American society. In the past our new citizens were integrated without sacrificing their ethnic heritage. As Linda Chavez, former Director of the U.S. Commission on Civil rights, points out; "For the overwhelming majority of immigrant children, learning English was the first and most crucial step on the road to becoming 'American.'"

How are we currently helping these children take hold of the American dream? Instead of a first-rate education in English, we provide these unfortunate students failed bilingual education programs—at a cost of some billion dollars annually to you, the American taxpayer.

These misguided policies condemn immigrants to second-class status. This reality was made clear by Ernesto Ortiz, a Texas ranch foreman who said: "My children learn Spanish in school so they can grow up to be busboys and waiters. I teach them English at home so they can grow up to be doctors and lawyers."

Ernesto Ortiz realizes that English is essential for success in America. Similarly, in a recent San Francisco Chronicle poll, the vast majority of Filipino, Chinese, and Hispanic immigrants in California supported declaring English as our official language. We must all embrace this cause.

Linguistic differences often foreshadow more dangerous divisions. Arthur M. Schlesinger, Jr., has noted: "What happens when people of different ethnic origins, speaking different languages * * * settle in the same [area] and live under the same political sovereignty? Unless a common purpose binds them together, tribal hostilities will drive them apart." The strife in the Balkans has demonstrated the danger. Is America following Yugoslavia's path? Dare we take the chance?

Only by preserving our commonality—English—can we ensure that we will continue to live and work together as one Nation, one people.

Americans are united on this question. A recent phone-in survey conducted by USA Today Weekend Magazine showed that 97 percent of the respondents wanted Congress to make English our official language. After I appeared on the Bob Grant call-in show in New York to promote English as America's official language, my office was deluged with hundreds of calls from all over the Nation, overwhelmingly in favor of this cause.

In Wisconsin, a recent telephone poll on WAOW TV-9 in Wausau showed that 87 percent of respondents endorsed English as our official language. I'm proud to take up their fight by introducing the Declaration of Official Language Act. It's time Congress showed as much common sense as the American people.

This month's edition of the American Legion magazine contains an article that I commend to the attention of my colleagues. It summarizes the current threat our common language faces. I urge my colleagues to read this article, and I ask that it be printed in full at this point in the RECORD.

[From the American Legion Magazine, February 1994]

THE CAMPAIGN AGAINST ENGLISH

(By Gary Turbank)

On July 2 last year, 76 Hispanic immigrants gathered in the Tucson, Ariz., city council chambers to become naturalized Americans. Although the brief citizenship oaths and naturalization documents were in English, most of the ceremony took place in Spanish—including the pledge of allegiance, a message from U.S. District Judge Alfredo Marquez and a welcome from the Daughters of the American Revolution.

In essence, these immigrants received their U.S. citizenship in Spanish, the first ever to do so.

"This is multiculturalism run amok," says George Tryfiates, executive director of the English First advocacy group, and the son of Greek immigrants. "Will the Immigration and Naturalization Service now conduct ceremonies in Farsi, Serbo-Croatian and Laotian, too?

The Tucson incident is but one shot in an ongoing fight over the primacy of English in this country. In schools, government offices, voting booths and scores of other places, English in America is rapidly giving ground to other tongues. Inexorably, foreign languages find new ways to replace the mother tongue that gave us the Constitution, Declaration of Independence and Gettysburg Address.

English has long been the glue holding multicultural America together, but now that unity is threatened. Daily, the battle to keep English as America's language becomes more heated.

"America is fast becoming a society divided by language," says Rep. Toby Roth of Wisconsin, chief sponsor of a bill to make English the official language of the United States. Although 14 other nations—from India to Uganda to Vanuatu—have declared English their official language, the United States has never done so.

Naturally, some Americans who speak other languages see things differently. They believe the American government should speak in a multitude of tongues. To their ears, the mingling of languages creates a symphony, not a cacophony. America, they say, is not a homogeneous melting pot, but rather a salad bowl, where each ingredient should retain its distinctive qualities.

"Ethnic communities and their languages and cultures add something unique and very positive to the flavor of the United States," says Steven Carbo, spokesman for the Mexican American Legal Defense and Educational Fund. "We should promote multilingual policies, not English-only policies."

The United States has always been a land of immigrants. Most learned English in a "sink or swim" acceptance of their new home's mother tongue. That attitude still prevails, but many modern newcomers—or at least some of their vocal leaders—believe America should adapt to them instead of the other way around.

This may explain why there are growing numbers of foreign-speaking families in the United States. According to the 1990 census, the number of people living in America who speak a language other than English in their homes jumped more than a third during the 1980s—to nearly 32 million, or one out of eight U.S. residents. America is home to at least 150 different tongues.

The erosion of English is most apparent in America's public schools since the 1960s, when the federal Bilingual Education Act directed millions of children to be taught in other languages—mostly Spanish.

Theoretically, children with limited English proficiency (LEP) will be better students if they study science, math and other subjects in their native languages while learning English on the side. After a year or two, they are supposed to switch to an all-English curriculum.

The only problem with bilingual education is that it is generally considered a failure. The program "is a flop at what we have asked it to do—teach students English," says Congressman Roth.

LEP students often remain in native language classes for several years, and some never do learn English. According to the English First organization, it's possible for a teenager to graduate from a public school in New York City without ever gaining English fluency.

Before the bilingual program started, half of all Hispanic students dropped out of high school. Today, after 25 years of bilingual education, a report by the American Council on Education says the Hispanic dropout rate is still 50 percent—a rate much higher than for either whites or blacks. Recently, The Boston Globe reported that the Hispanic dropout rate in that city is actually higher for students in the bilingual program than for those who don't participate in it.

In California, a 1993 report by the Little Hoover Commission called bilingual education "divisive, wasteful, and unproductive." The commission said the number of non-English speaking students in the state today has doubled to more than a million since 1987. However, the commission said the bilingual program annually turns out the same number of fluent English speakers—60,000—as it did a decade ago.

Christine Rossell, professor of political science at Boston University, has evaluated 79 different studies of bilingual education's effectiveness. None of these, she says, found bilingual education to be any better than the sink-or-swim method of immersing children in English.

According to the LEAD (Learning English Advocates Drive) organization, some schools even put children into bilingual classrooms solely on the basis of their Hispanic- or Asian-sounding last names—regardless of the youngsters' English skills. One Hispanic mother in Glenwood, Calif., made five trips to her school before she got her English-speaking daughter out of a class taught in Spanish.

The program even angers parents it is supposed to please. In the book, "Straight Shooting," by Boston University President John Silber, Texas ranch foreman Ernesto Ortiz expresses his dismay: "My children learn Spanish in school so they can grow up to be busboys and waiters," he says. "I teach them English at home so they can grow up to be doctors and lawyers."

In one Florida poll, 98 percent of Hispanic parents thought it was important for their children to read and write English "perfectly." In another, Hispanic parents rated 70 items of importance to their children's education. Teaching them English ranked third, and teaching Spanish ranked 67th.

Critics say bilingual education continues only because it enjoys an entrenched constituency of bureaucrats, administrators, teachers, ethnic activists and other adults who benefit from it. The program provides jobs for bilingual teachers, and each enrolled child nets the school about $400 in federal funds. Nationally, bilingual education cost taxpayers an estimated $1.5 billion annually.

"I call it bilingualgate," says Sally Peterson, a long-time California teacher who is the president of LEAD.

English is in retreat on other fronts, too. A federal law requires election ballots and other voter information to be printed in languages spoken either by 10,000 people or by 5 percent of the population in a voting jurisdiction.

Currently, 375 jurisdictions in 21 states run elections in English and at least one other language. Voting materials in San Francisco are available in seven languages. In Los Angeles, the $6 million cost of the 1993 city election included $900,000—15 percent of the total—for printing multilingual materials. When Long Beach, Calif., spent $6,200 preparing bilingual voting materials for four ballot measures, officials received only 22 requests for the publications—a cost of $281 per non-English voter.

Federal statutes also require government-funded document translations and courtroom interpreters for non-English-speaking defendants in criminal trials. Some jurisdictions extend this service to civil cases.

Hawaii and New Mexico have even granted official status to Hawaiian and Spanish. Although unenforced, New Mexico has a constitutional requirement that all the state's teachers be fluent in Spanish and English.

Nearly 40 states give written and sometimes behind-the-wheel driver's license exams in languages other than English. Michigan offers its written test in 20 tongues, including Arabic, Finnish and Portuguese and, if necessary, will provide an interpreter for the actual driving exam. Its road signs, of course, are not written in 20 different languages.

Nationally, the GED high school equivalency test is available in English, Spanish and French, and plans are underway to add more languages. Some American colleges also conduct classes for non-English speakers.

California state agencies must accommodate speakers of other languages—even by hiring bilingual employees, if necessary. Depending on the linguistic preferences of local populations, printed information about food stamps, workers' compensation, taxes and other subject in California must be available in English, Spanish, Vietnamese and other tongues.

In 1988, Democratic presidential nominee Michael Dukakis even delivered part of his acceptance speech in Spanish.

Although most Americans probably don't care what language people speak in their homes and other private places, it is difficult not to notice the changing tenor of the marketplace. Everything from Burger King menus to the phone book Yellow Pages have been printed in languages other than English, and many retailers advertise in their primary tongue.

In Arizona, Connecticut, Illinois, Colorado, California and several other states, radio and television stations broadcast primarily or exclusively in Polish, Greek, German, American Indian, Portuguese and other languages. There are nearly 350 Spanish radio stations in this country. The Los Angeles Dodgers broadcast their games in Spanish, Korean, Chinese and—yes—English.

In the workplace, more and more employees are demanding the right to speak—and be spoken to—in their native tongues. Last year, the Nebraska legislature considered a bill to require every employer with four or more non-English-speaking workers to provide a translator. The bill was tabled.

Jose Fabila, the son of Mexican immigrants, disagrees with this approach. His California food company employs 103 people. "You don't have to speak English to work for me," he says. "But if you want to be a salesman, front office worker, route supervisor or a driver on our best routes, you have to know English. If I did not speak English, my business would not be as prosperous as it is."

If there is an epicenter to the language earthquake, it is Miami and Dade County, Fla., where more than half the people consider Spanish their first language.

In 1973, the area's governing body—the Metro Commission—ruled that Dade County would henceforth be bilingual and bicultural. Translators annually turned thousands of pages of English public documents into Spanish, and vice versa. Interpreters' voices echoed at meetings and conferences. Radio stations even aired Spanish public service announcements—prepared at taxpayer expense—encouraging better use of Spanish by Miamians

In 1980, Emmy Shafer, an immigrant and survivor of a Nazi concentration camp, because upset with Miami's extensive use of Spanish. She organized a drive to reinstate English as the only official language, and Dade County voters approved the measure with a 59 percent majority.

But that's not the end of the story. In May 1993, a Hispanic-dominated Metro Commission threw out the 1980 English-only ordinance, returning Dade county to bilingualism. One commissioner has even proposed that many government services be provided in up to six additional languages.

The increasing use of other tongues has triggered a substantial backlash among Americans who think English should be the language of the United States, Various polls indicate that more than three-fourths of all Americans believe English should be the official language of government and anyone who wants to live in this country should learn English. Eighteen states have made English their official language, and 20 others have considered similar measures. In 1987, Arkansas Gov. Bill Clinton signed into law a statute making English the state's official language. In most cases, however, these designations are largely ceremonial, since official English laws often lack enforcement teeth, and bureaucrats seem universally reluctant to implement English-only policies.

H.R. 739, a bill currently under consideration in Congress, would make English the nation's official language. In addition to requiring that all business of the federal government be conducted in English, the measure would repeal statutes that mandate bilingual education and multilingual ballots. A House-Senate proposal, H.J. Res. 171, would amend the Constitution to make English America's official language.

English proponents hope that Congress will at long last heed the advice of President Theodore Roosevelt when he wrote in 1917, "We have but one flag. We must also have but one language, and that language is English."

THE LEGION'S POSITION

Delegates to the 1992 American Legion National Convention in Chicago unanimously passed Res. 543, which urges Congress to establish English as the official language of the U.S. government. Last year at the 75th National Convention in Pittsburgh, delegates reaffirmed that position by passing Res. 254, which urges Congress, the U.S. Justice Department and the U.S. Immigration and Nationalization Service to require that all citizenship naturalization ceremonies be conducted in English.

REINVENTING ROADS

HON. SAM COPPERSMITH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. COPPERSMITH. Mr. Speaker, I rise today to inform my colleagues of an important event that occurred last week.

A coalition of over 100 environmental, industrial, health, and municipal organizations joined together to promote an extremely important provision of the Intermodal Surface Transportation Efficiency Act of 1991 [ISTEA]. Section 1038 of ISTEA requires State departments of transportation to use a minimum amount of recycled rubber from tires in their road construction projects in 1994, with increasing amounts of crumb rubber to be used in later years.

This simple provision is important because it offers municipalities relief from the 250 million used tires that are discarded annually in America. Currently, these tires are stored in immense stockpiles, which present a terrible environmental risk as sources of disease and nonpoint source groundwater pollution. I also am sure many of you are seen footage of massive tire fires spewing toxins into the air. Section 1038 offers some relief from this very real problem.

In addition to helping decrease the environmental and safety risks posed by discarded tires, use of recycled rubber makes good economic sense. The State departments of transportation in Arizona, California, and Florida have found that mixing recycled rubber into asphalt produces longer lasting roads that are better able to handle the stresses of weather and heavy use. Many of you may not be aware that Arizona's climate encompasses both the extreme heat of the desert and the bitter cold of the high mountains; rubber asphalt has proven its worth, and its effectiveness, in all climatic conditions throughout the State.

Those who resist introduction of a new technology which will reduce the need for frequent road repairs used the 1994 transportation appropriations bill to weaken section 1038 by preventing the Federal Highway Administration from enforcing the provision's mandate. Yesterday's press conference was designed to forestall further weakening of section 1038 by demonstrating the support for recycling tires into rubber pavement.

Government must take advantage of new technologies like crumb rubber to make our tax dollars stretch further, to help solve environmental problems, and to make better roads. I look forward to working with interested Members to amend the legislation authorizing the National Highway System to include incentives for State departments of transportation to use recycled rubber in all their road projects.

Mr. Speaker, I include a statement by the coalition in support of section 1038 for the RECORD.

STATEMENT OF SUPPORT FOR SECTION 1038, USE OF RECYCLED PAVING MATERIALS (RUBBERIZED ASPHALT) INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1991 [ISTEA]

The undersigned organizations support full implementation of Section 1038, Use of Recycled Paving Materials, of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). We understand that some Members of Congress, with the help of some special interest groups, may attempt to modify Section 1038 during consideration of the National Highway System early this year.

Section 1038 of ISTEA is a win-win situation for state and local governments because it improves roads and recycles used tires. It requires that all states meet a minimum utilization requirement for recycled rubber (termed Crumb Rubber Modifiers—CRM—by the Federal Highway Administration) in asphalt pavements. Under the statute, five percent of each state's federally funded asphalt pavement projects must use crumb rubber derived from scrap tires beginning in January 1994. This requirement increases by five percent each year until fully implemented in 1997, reaching a 20 percent minimum requirement.

Section 1038 is a landmark law. It is the first minimum recycled content requirement passed by Congress and is one of the most significant federal recycling provisions on the books today. The U.S. Environmental Protection Agency [EPA] estimates that 250 million used tires are generated each year. Two to three billion tires already litter the nation, causing costly solid waste problems for many state and local governments. Section 1038 directly addresses these problems.

Scrap tire stockpiles provide breeding grounds for disease-carrying mosquitoes and rodents. Frequent fires in scrap tire piles release harmful pollutants that pose threats to air quality. The run-off from tire pile fires can also pollute surrounding water sources and contribute to soil contamination. Full implementation of Section 1038 will result in the high-value recycling of approximately 100 million used tires each year.

Not only will Section 1038 help alleviate the massive used tire problem, but it also can significantly improve the quality and durability of our nation's roads. Proper utilization of crumb rubber asphalt decreases road maintenance by increasing resistance to pavement cracking and stress from heavy loads.

The economic development impact of Section 1038 is significant. Full implementation of 1038 will require the construction of 300 new shredding and crumbing facilities to meet the demand for crumb rubber, creating 3,000 to 5,000 new jobs in and around these operations. Also, the crumbing facilities alone will generate an estimated $200 million in annual revenue to add to local tax bases.

Section 1038 addresses multiple national problems by requiring states to use crumb rubber from scrap tires to improve asphalt pavement performance and durability. It offers a sound solution to the massive tire disposal problem while creating thousands of new jobs.

We urge the Congress to stand firm against well-financed special interest groups seeking to overturn this statute. We further urge Congress to maintain and fully implement Section 1038 of ISTEA.

Citizens for Alternatives to Chemical Contamination, Michigan, Ann Hunt,
Citizens for Appropriate Rural Roads, Sandra Tokarski,
Citizens for a Better Environment, Wisconsin, Susan Mudd,
Clean Water Action, Michigan, Dave Dempsey,
College of Wooster, Bill Gornall,
Connecticut Recyclers Coalition, Winston Averill,
Conservation Council of North Carolina, Bill Holman,
Defenders of Wildlife, Randy Sargent,
Delaware Valley Clean Air Council, Joseph Minott,
East Brookfield Recycling Committee, Mark Carpentier,
East Michigan Environmental Action Council, Elizabeth Harris,
Ecology Action of Santa Cruz, Bonnie Wilson,
Ecology Center of Ann Arbor, Mike Garfield,
Environmental Action Foundation, Elizabeth Collaton,
Environmental Defense Fund, Mike Replogle,
Environmental and Energy Study Institute, Ken Murphy,
Environmental Health Watch, Ohio, Stu Greenberg,
Environmental Law and Policy Center of Midwest, Rob Michaels,
Florida Tire Dealers and Retreaders Association, Henry Stansell,
Friends of the Earth, Gawain Kripke,
Garbage Reincarnation, Inc., Linda Christopher,
Genesee County Area Recycling Coalition, Sue English,
Georgia Tire Dealers and Retreaders Association, Lindy Bryant,
Gulf Coast Recycling, Penny Penrose,
Hudson River Sloop Clearwater, John Mylod,
National Wildlife Federation, Sharon Newsome,
Nebraska State Recycling Association, Kay Stevens,
Neighborhood Capital Budget Group, Illinois, Jackie Leavy,
New England Association of Independent Tire Dealers, William Boutwell,
New York State Association for Reduction, Reuse, and Recycling, Edwin Marr,
New York Environmental Planning Lobby, Loretta Simon,
New York Public Interest Research Group, Judith Enck,
North Brookfield Recycling Committee, John Alphin,
North Carolina Recycling Association, Bobbi Tousey,
North Carolina Tire Dealers and Retreaders Association, Bob Smith,
Northern California Recycling, Julie Fisher,
Ohio Citizen Action, Sandy Buchanen,
Oregon State Public Interest Research Group, Lauri Aunan,
Ohio Tire Dealers and Retreaders Association, Bill Floyd,
Public Citizen's Critical Mass Energy Project, Bill Magavern,
Rails-To-Trails Conservancy, Hal Hiemstra,
Recycling Advocates, Oregon, Jeanne Roy,
Recycle Ann Arbor, Tim Brownell,
Rubber Pavements Association, Gordon MacDougall,
Scenic America, Sally Oldham,
Sierra Club, Debbie Sease,
Solana Recyclers, Brooke Nash,
South Carolina Recycling Market Development Advisory Council, Ted Campbell.

SOJOURNER TRUTH: A LIFELONG COMMITMENT TO THE EMPOWERMENT OF WOMEN

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mr. OBERSTAR. Mr. Speaker, I join in congratulating the gentleman from Ohio [Mr. STOKES] for summoning us in the Congress and our fellow Americans nationwide to reflect, once again, on the accomplishments of African-Americans through this special order he has reserved to pay tribute to Black History Month.

Many eloquent and deeply moving tributes have been offered in the course of this special order, reminding us of an extraordinary range of exceptional contributions by African-Americans to the culture, technology, industry, agriculture, the arts, and the sciences in this great Nation of ours. I would like to offer another dimension—not a work of mine, but that of my daughter, Anne-Therese Oberstar, now a junior at the University of St. Thomas in St. Paul, MN, where she is majoring in justice and peace studies and in Spanish. Her paper, entitled "Ain't I a Woman? Sojourner Truth—A Leader for Women and African-Americans" was a semester-long project to which she most earnestly and enthusiastically devoted herself as part of a course on African-American history.

The inspiring life story of Sojourner Truth, a 19th-century slave who fought for an end to slavery and freedom for all women, is one of the most moving and powerfully evocative stories of its kind that I have read, and most certainly an inspiration for all of us in this great Nation of ours who have benefited from her lifelong dedication to emancipation of both blacks and women by changing the hearts of all people.

I commend to my colleagues and to all who will read these Black History Month special orders this inspirational account of Sojourner Truth.

AIN'T I A WOMAN? SOJOURNER TRUTH—A LEADER FOR WOMEN AND AFRICAN-AMERICANS

(By Anne-Therese Oberstar)

AIN'T I A WOMAN?

'Well chilern, whar dar is so much racket dar must be something out o' kilter. I tink dat 'twixt de niggers of de Souf and de women at de Norf all a talkin' 'bout rights, de white men will be a fix pretty soon. But what's all dis here talkin' 'bout? Dat man ober dar say dat women needs to be helped into carriages, and lifted ober ditches, and to have de best place every whar. Nobody eber help me into carriages, or ober mud puddles, or gives me any best place, and ain't I a woman? Look at me! Look at my arm! (And she bared her right arm to the shoulder, showing her tremendous muscular power) I have plowed, and planted, and gathered into barns, and no man could head me—and ain't I a woman? I could work as much and eat as much as a man (when I could get it), and bear the lash as well—and ain't I a woman? I have borne thirteen chilern and seen 'em mos' all sold off into slavery, and when I cried out with a mother's grief, none but Jesus heard—and ain't I a woman? * * * Den dat little man in black dar, he say women can't have as much rights as man, cause Christ warn't a woman. Whar did your Christ come from? From God and a woman. Man had nothing to do with him * * * if de furst woman God eber made was strong enough to turn the world upside down, all 'lone, dese togedder, ought to be able to turn it back and get it right side up agin, and now dey is asking to do it, de men better let 'em' (p 133-5, Truth)

This was the speech of Sojourner Truth, the fiery women's rights advocate—an early suffragist and equal opportunity activist for both women and African Americans. Sojourner Truth's famous words of 1851, given at a women's rights conference in Akron, Ohio, have remained an inspiration to women's movements everywhere, defying all different periods of time.

Admired by many and looked to as one of the "gurus" of the women's rights movement, Sojourner Truth started her path in life as a slave, "humble beginnings" as she called them in her own narrative called "Narrative of Sojourner Truth." Born to James and Elizabeth Bomefree in about 1797 in Hurley, Ulster County, New York, Truth was given the name Isabella Bomefree. She was one of the slaves of Colonel Ardinburgh, who died while she was an infant. Eventually, in 1810, she was sold to John Dumont of New Paltz, who remained her longtime master. On this plantation she was married to an older slave named Thomas, who also belonged to Dumont, with whom she had five children. Although her children had been sold away in slavery, including one illegally after their freedom had been declared, none of them were sold permanently and she was eventually reunited with all of them. In her speech, when she describes having thirteen of her own children sold off to slavery, she is actually referring to her mother, Mau-Mau Bett's, experience, who had lost around ten or twelve children to slavery.

Truth had three pivotal, life-changing experiences during the year 1826-27, the year before she became free legally by New York State law. The first of those events began in 1826, when she boldly walked off the Dumont plantation, procuring her own freedom, and found employment with Maria and Isaac Van Wagenen, with whom she worked for the remainder of the year. She left her children in the care of their father on the plantation until she could secure a place for them to live and money to clothe and feed them. Dumont had previously boasted to other plantation owners how Isabella was better than a male slave—"she would work all day in the fields and then stay up all night doing the laundry and cleaning" (Gilbert, xxxvii). However, he discovered a very different Isabella when, in 1826, "after promising to release her from bondage following a year of particularly hard labor, he reneged on his pledge and one day arose to find her gone" (Gilbert, xxxvii). She had finally discovered that after years of trusting her owner, she could no longer continue to believe in his promises. She had gained monumental insight into the facade which slavery had built.

After leaving the Dumont plantation, she discovered that her youngest child, Peter, was illegally sold and transported by Dumont into perpetual slavery in Alabama. Desperate to find her son before he was lost to her eternally, Truth poured her story out to Ulster County Quakers, whom she convinced to help her fight in court for her son's return. Rare as it was for a former slave to sue a former owner, it was rarer still for a former slave to win. Truth undauntedly challenged her former master saying, "I'll have my child again" (Gilbert, 45). It was through this heartwrenching struggle that Truth determined she could fight against slavery and win. When she was asked what she felt inside after this victory, she said, "Why, I felt so tall within—I felt as if the power of a nation was with me" (Gilbert, 45). She found the strength, courage and power to make a difference and not be "one of slavery's passive victims. She was willing to take the initiative and go to extraordinary lengths to secure her rights, no matter how circumscribed" (Carney, 1148). Truth found that she had something to fight for and nothing was going to get in her way; her second pivotal experience-realization of the passion inside for creating the opportunity to have equality.

Truth's spirituality had always been a strong influence in her life, she had learned of God through her mother's teachings. She had depended on God throughout all of the trials which she encountered. During this turbulent year, Truth underwent a "conversion experience, in which she recognized Jesus as her 'intercessor' to the more remote figure of God" (Carney, 1148), which she had learned from her mother. This conversion was the most significant change in her life; she came to understand the power and compassion of God which was unknown to her before.

Truth had previously held the belief that God was a great man, superior to other men and lived in the sky. She believed that he saw and took note of all her actions, similar to her own master's record. She did not realize that God knew her thoughts before she spoke them aloud. After living quite contentedly with the Van Wagenens, she had forgotten about. God, for she no longer needed him. However, Truth discovered God's true greatness when she says that God granted her a vision, revealing himself to her "with all the suddenness of a flash of lightning, showing her, 'in the twinkling of an eye, that he was all over'—'that he pervaded the universe'—'and there was no place where God was not'" (Gilbert, 65). She was instantly aware of her great sin in forgetting the "Almighty" and waited in fear, believing that she would be annihilated by him. A short time later, Sojourner had another vision in which she found Jesus, from whom "love flowed as from a fountain" (Gilbert, 69), and discovered that his transcendent power was as familiar as a friend, her fear and terror of God melted into awe and joy. This third and most important event led her to preaching.

While living in New York, Truth joined the predominantly white John Street Methodist Church and the black African Methodist Episcopal Zion Church. Her religious faith and the belief that she was part of a larger struggle of a "nation" of black people empowered her preaching. Her reputation grew as an inspired, gifted preacher and visionary during the Second Great Awakening. During this time, Sojourner made a living by taking in washing and doing housework. In 1843, she began to feel tired of city life and the never ending drive to earn and unsuccessfully save money. She began to grow increasingly depressed and "apalled by her own lack of charity to the poor" (Carney, 1148).

About this time, she heard God call her Sojourner Truth and command her to take to the streets to preach the "Good News". She left New York, setting out towards the East, speaking at religious "camp meetings" and ended up in Connecticut. She took her new name and preaching on the road at a time when hundreds of Northerners "heard God command them to go out and preach their message" (Carney, 1149), this was the Second Great Awakening. It was also at a time when large numbers of people throughout the North East were particularly receptive to "wandering, unlettered, itinerant preachers of many sorts and both sexes" (Carey, 1149). Sojourner fit this description perfectly in that Sojourner literally means "itinerant preacher" or temporary visitor and telling the truth was her God given mission.

Truth eventually made her way to the Utopian Northampton Association, a group who desired the regeneration of the world through reform of the political economy. Although she took no interest in political and economic reform, it was there that Sojourner truly and completely embraced abolitionism and equality for women. She was fortunate to meet and become greatly influenced by William Lloyd Garrison and Frederick Douglass. When she left the commune in the late 1840's, she joined the antislavery lecture circuit, becoming one of the most renowned preachers of her time.

Connecting emotion and self-empowerment to the strength of a nation struggling for freedom and equality, Truth was able to sway people to her side by force of peaceful action and words, instead of anger, hatred and violence. She fought hard for the equality of both women and blacks without relinquishing one issue for improvement on the other. Many abolitionists put aside the issues pertaining to the rights of women so they could gain ground for the rights of blacks, Sojourner never turned her back on the women's suffragist movement. She forced people to ask of themselves why give rights to only a few people, is this not what slavery has done? Freedom for a select few? She asserted that if women were not given the same rights as men, there would still only be freedom for a select few. Truth believed that women of all races and economic backgrounds were slaves, and demanded that the category of "woman" be extended to "include not only those who were treated as ladies but those who, enslaved, could not protect their children" (Carney, 1150).

Frederick Douglass, a prominent black abolitionist, believed that Reconstruction was the "Negro's hour", as he called it, and that women should not "imperil black suffrage by insisting on women's suffrage immediately" (Douglass, 67). Most male and black abolitionists agreed with him. Sojourner sided with her white sisters in the quest for the deletion of the word "male" from the Fourteenth Amendment. At an equal rights convention in 1867, Truth noted that in all of the debates concerning enfranchising black men, no one had considered black women. Truth debated that if only black men were enfranchised and not women, "colored men will be as masters over the women, and it will be just as bad as it was before" (Stanton, Vol. 2, 193). Sojourner believed that equality of all people could be achieved solely through inclusion.

It was in 1851 that Sojourner Truth gave her famous "Ain't I A Woman" speech and defending all women, silencing, with piercing words, the men who previously had been trouncing women, disregarding them as simple-minded dependents who needed men to take care of them. Sojourner, the only black woman at the meeting, was enraged that these pompous ministers had the audacity to call women unintelligent; weak and frail; temptresses, as Eve had "tempted" Adam into original sin; and, finally, claiming that women can't have as many rights as a man because Jesus was a man, not a woman (what does this have to do with women's ability to vote or not?). Truth boldly (for she was not an invited speaker) answered their absurd claims, while the white women, too timid and shy to enter into a debate, sat back and let her fight for them. "I could work as much as a man and bear the lash as well and ain't I a woman?", she asserted, defeating their claims that women are frail. To their absurd attack that women are not rightfully equal because Jesus was a man, Sojourner said, "Whar did your Christ come from? From God and a woman—man had nothing to do with him". In response to the judgement of women by Eve, Sojourner bellowed "If de furst woman God eber made was strong enough to turn the world upside down, all 'lone * * * women ought to be able to turn it back and get it right side up again". Identifying with women of all classes and colors, Sojourner forced her opposition to accept the humanity and equality of all women, and all people—not just one specific sect.

In 1858, speaking before an audience in Silver Lake, Indiana, Truth was forced to prove her sexual identity by baring her breasts after some of the men present claimed that she was a man, betting money on it. When the doctor insulted her friends by asking them to examine her breast, Sojourner quietly asked why they didn't believe she was a woman. The doctor said it was because her voice was the voice of a man, not a woman (wonderful logic—of course, she's not a woman because she has a deep voice—how could anyone think differently?). In response, Sojourner told them that:

"her breasts had suckled many a white babe, to the exclusion of her own offspring; that some of those white babies had grown to man's estate; that although they had suckled her colored breasts, they were, in her estimation, far more manly than they (her persecutors) appeared to be; and she quietly asked them, as she disrobed her breasts, if they too wished to suck! In vindication of her truthfulness, she told them that she would show her breasts to the whole congregation; that it was not to her shame that she uncovered her breasts, but to their shame" (Gilbert, 139).

Truth was expressing her desire to tell the world that she was a woman; that woman can mean power and strength, not just beauty and frailty. Sojourner saw that women can be ugly and beautiful, hateful and loving, dirty and pure, wild and tame. Women, she asserted, should not be ashamed of anything, least of all being a woman. She fought for their freedom to express the raging emotions entrapped within their "china doll" bodies. Women are more than pretty things to look at, more than a night's enjoyment to be thrown away when man has had his fill. Sojourner wanted to empower women. She wanted people to see that women have the ability to change the world and deserve the chance to influence the course of history, beyond giving birth to its "leaders" (which women do not always even get the oh-so-desireable acknowledgement!).

Sojourner Truth found that the most effective means of creating peace in the world was through action. Her focal point became the women's movement, entrenched in black issues. She embraced a life-philosophy similar to Ghandi's satyagraha—power of the heart and soul to change others hearts. She deeply desired the abolition of slavery and the enforcement of equality for women, however, she strongly "voiced her opposition to the use of force to effect emancipation (for both blacks and women) and she insisted that only a change of heart on the part of the whites and men (of all colors) would ensure liberty" (Cooney, p. 30) in the future and an end to prejudice for blacks and women. She lived her life believing in the power of God and the power of a pure heart fighting for a pure cause, never changing her philosophy in light of the ever-evolving kaleidoscopoe, called society.

Her memory and achievements remain an inspiration to many. Her simple question, "Ain't I A Woman?" echos many others; is there still violence towards women?; are women still oppressed—sexually, physically, emotionally, mentally?; in essence, has equality for women been at all advanced? These questions still need to be answered. Sojourner Truth helped move a seemingly immovable force, made a difference and showed others along the way that their voice counts too. There is still hope for the future. We, women of the twentieth century, answer her haunting question. Yes!, Sojourner you are woman!!!

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TRIBUTE TO SIG GAST

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1994

Mrs. BENTLEY. Mr. Speaker, yesterday, Mr. Sigmund "Sig" Gast retired as defense accounting officer for Aberdeen Proving Ground [APG], Maryland, after 36 years 8 months of dedicated service to the U.S. Government. He is the recipient of 27 annual performance awards, a 3,000-hour sick leave accumulation award and other special recognition, identified herein. He is also a charter member (1958) and past president of the Chesapeake chapter, American Society of Military Comptrollers.

Mr. Gast began his Federal career in July 1957, at APG as a GS–5 accountant. Through the early years, his outstanding professional and supervisory abilities led to many promotions until he reached his present position of accounting officer in April 1976. Since then his superior leadership and exemplary performance have made the Aberdeen Proving Ground Finance and Accounting Office one of the outstanding organizations of its type within Department of the Defense. Functions of the office include: cost accounting, appropriation and fund accounting, inventory accounting, systems accounting and quality control, civilian pay, military pay, travel pay, commercial accounts, and banking operations.

Mr. Gast is a unique individual capable of assuming any and all responsibilities without question. With a keen analytical mind, he has continually, throughout his Government career provided innovative, technical, and systematic procedural ideas and concepts to resolve complex problems, enhance productivity, and reduce costs. To illustrate: During the 1970's, Mr. Gast was instrumental in getting optical character recognition [OCR], computer output microfilm [COM] and high-speed printers for the APG Central Computer Center. If there was a more cost-effective way, or a more time-saving way of doing a job Mr. Gast would think of it. Other innovations include introducing automatic teller machines at APG, sophisticated supply/accounting interfaces, concepts for electronic timekeeping and use of the VISA program and EFT for vendor payments. Today the VISA credit card payment program for vendors at APG is among the largest in Department of the Defense.

Early in his career (1971), Mr. Gast was nominated by the U.S. Army Materiel Command for the William A. Jump outstanding young executive award. In part, he was recognized for his designing, documenting, and effectively implementing a highly sophisticated prototype cost accounting system within the U.S. Army Test and Evaluation Command [TECOM]. This cost system, TEAMUP, test evaluation analysis and management uniformity plan, is the hub of the entire accounting application and includes complex interfaces with other standard accounting procedures, supply and contract operations, program and budget, engineer and transportation systems, and the civilian pay application.

Mr. Gast, again utilizing keen perceptive ability, ingenuity, total resourcefulness, and his vast and detailed knowledge of accounting applications has fine-tuned TEAM–UP throughout the years where it is now recognized as a leading Government system for sophisticated managerial cost analysis.

As a teacher, Mr. Gast has channeled his energies toward the development of his employees. During the 1970's he initiated a comprehensive career training program within the finance and accounting division of the Aberdeen Proving Ground Comptroller Office. The program placed special emphasis on types of training which would enhance employee opportunities to advance in the finance and accounting career field. He personally presented numerous comptroller symposia to supervisory and senior nonsupervisory personnel on topics including time management, transactional analysis, effective listening, situational ethics, and other topics of managerial and employee interest.

An award-winning accountant intern program provided special academic and on-the-job training for numerous accountants assigned to APG for initial technical development. Further, an intraorganization cross training development program focused on diversified on-the-job training for employees to become knowledgeable in several areas. For example, cross training in travel and commercial accounts helped employees become versed in all areas of voucher examination duties. Mr. Gast encouraged his personnel to supplement their on-the-job training with academic programs in accounting and data processing long before it became fashionable. Because of his emphasis on professional and technical development, many of his employees have risen through the ranks and gone to other organizations where they now occupy senior positions of responsibility and leadership.

Throughout his years of Government service Mr. Gast has progressively taken on more difficult assignments. His dedication and competence were recognized at a special ceremony in Gettysburg, PA (April 1986). Mr. Gast received the Tom Gerety Award for the Most Outstanding Accountant for 1985 from the U.S. Army Materiel Command, the largest employer of accountants in the Army. Mr. Gast was commended for his many years of exceptional performance and outstanding accomplishments, including his work as an educator, systems designer, innovator, and his dynamic leadership abilities.

In May 1986, Mr. Gast received an outstanding supervisor award, senior professional level, from the Baltimore Federal Executive Board, career service awards competition, for his significant accomplishments in the field of education and personnel/technical management.

As evidenced from the above, education is important to Mr. Gast. He received his associates degree from Valley Forge Military Academy and College and bachelors degree from Lehigh University, both with high honors and both in business administration. He is a member of Phi Beta Kappa, Beta Gamma Sigma, and Phi Theta Kappa. His masters degree from George Washington University is in information management. He is also a distinguished graduate from the Professional Military Comptroller School, Maxwell Air Force Base, AL.

From September 1978 to December 1988, Mr. Gast was an assistant professor at the Florida Institute of Technology [FIT]. He taught financial management, financial accounting, managerial accounting, behavioral science and management, information management and management analysis. While affiliated with FIT he received the Distinguished Instructor Award. He also taught at the University of Maryland, and since 1987, Mr. Gast has been a lecturer at the Harford Community College.

In June 1993, Mr. Gast received the Department of the Army Decoration For Meritorious Civilian Service. Quoting from the citation: "Mr. Gast exhibits an uncompromising commitment to excellence. His conscientious efforts, sound leadership and indepth knowledge of the Army accounting system allowed him to instill a strong work ethic in the members of his organization and to implement numerous innovative procedures that allowed the successful execution of the mission despite declining resources. Under his stewardship, the APG finance and accounting division has gained worldwide recognition for its outstanding mission, performance, and service."

Mr. Gast's knowledge, managerial abilities, and sensitivity to people are evident in his support of quality circles and participation in the total army quality program. In December 1993, he received a plaque for outstanding support of total army quality at APG.

Quality of life is also important for Mr. Gast. Early in his career he founded the APG winter sports program, still in effect today. Tournaments in handball, squash, and racquetball are held annually. During the same period he was instrumental in upgrading APG food service. As chairman of the Post Restaurant Council he brought in Slater Food Service—ARA caterers—and introduced elegant dining to the main cafeteria, and an upgrade to the Marylander Club and other locations.

On December 8, 1993, in a special Washington, DC ceremony, Mr. Gast, on behalf of the APG Finance and Accounting Office, was presented with the Department of the Treasury Vanguard Award for 1993 for demonstrated superior leadership in innovative financial management programs. This singular accomplishment reflects the high quality of Mr. Gast's organization and its enthusiasm for excellence and improved productivity, especially in the area of dynamic cash management.

Mr. Gast is not all work and no play. He has a spontaneous, dry sense of humor and is in demand as a speaker or master of ceremony at retirement luncheons. Outside of Government life he is very active in his community. He is a music enthusiast. As a young man he was a principal clarinetist in high school, throughout his college years and in various concert bands and State festivals. Since 1988, he is a member of the Bel Air community band and was a soloist in the December 1990 concert. His musical talents extend to his religious life as well. A longtime member of the Harford Jewish Center, he has been the cantor and reader of the Scroll for 25 years. He was a local president of the international humanitarian fraternity, B'nai B'rith. During his leadership he and the organization received many awards, including one for Mr. Gast being instrumental in introducing Holocaust studies into the Harford County public school system. He was also a recipient in May 1986 of the Adolf Nord Award from the Harford Jewish Center for his exemplary service to the Jewish community, and in March 1991 was recipient of a special award from the State of Israel.

Mr. Gast's family life has been exciting and the source of much humorous material. Mr. Gast and his wife, Carol have been married for more than 30 years. They have three children—Brian, Kevin, and Tami, and two wonderful grandchildren—Brandon Nathaniel, and Katherine Victoria.

He will be missed!

SENATE—*Wednesday, March 2, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

* * * *ye shall hear of wars and rumours of wars: see that ye be not troubled: for all these things must come to pass, but the end is not yet. For nation shall rise against nation, and kingdom against kingdom: and there shall be famines, and pestilences, and earthquakes, in divers places.*—Matthew 24:6, 7.

Eternal God, sovereign Lord of history, at this critical time in our Nation and the world, help us to hear these somber words of Jesus. He is not threatening; He is simply stating reality. To the religious leaders of His day He challenged, "* * * O ye hypocrites, ye can discern the face of the sky; but can ye not discern the signs of the times?"—Matthew 16:3.

Patient God, we take seriously the daily weather reports, but we ignore the "signs of the times." We anticipate tomorrow's weather, but we seem indifferent to the giant digression and discontinuity of moral and spiritual decay. We know that liberty without law is a myth, but we also know that law has its limitations when it comes to the fragmentation of society by alienation. Help us realize that self-alienation from God is the root of all alienation—family, society, nations.

Mighty God, restore to us the faith of our fathers which brought this great Nation into existence.

We pray in the name of Him who is Light and Love incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 2, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the majority leader.

SCHEDULE

Mr. MITCHELL. Mr. President, and Members of the Senate, there will be a period for morning business until 11 o'clock this morning, at which time the Senate will begin consideration of S. 1560, a bill to establish the Social Security Administration as an independent agency. Senator MOYNIHAN, the chairman of the Finance Committee, will manage the legislation.

It is my hope that we can complete action on this bill as soon as possible and in any event prior to concluding business for the week. In addition, it is my hope that we can complete action on certain pending nominations prior to the time when we complete action for the week.

I will discuss the schedule with the distinguished Republican leader, as is my practice, before making any further decision with respect to the schedule and I will, of course, also as is my practice, announce those decisions as soon as made.

Mr. President, I understand that the first portion of morning business is under the control of the distinguished Senator from Wyoming. I see him present on the floor and I, therefore, yield the floor.

The ACTING PRESIDENT pro tempore. The first 30 minutes shall be under the control of the Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. I thank the majority leader and I thank you, Mr. President.

The majority leader, as he indicates does his business with careful coordination with our leader, Senator DOLE. We appreciate that very much. It works very well. It is an element of trust there that is the essence of how one does legislative work. We do not have to agree and we can be as partisan as we want, but we have to have that element of trust and respect. And we are fortunate that Senator MITCHELL and Senator DOLE do, indeed, practice their craft in that way.

(The remarks of Mr. SIMPSON and Mr. DOLE pertaining to the introduction of S. 1884 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

HEALTH CARE

Mr. DOLE. Mr. President, tomorrow afternoon, about 33 out of 44 Republicans will go to Annapolis, MD, where we will discuss health care from tomorrow afternoon through tomorrow evening at around 10 o'clock, and then early Friday morning, from about 7 o'clock until 2 o'clock.

The purpose of the conference—it will be the third conference we have had on health care—is to determine how many areas we can agree on in health care, how many areas Republicans can agree on in the health care area and, if we can, explore our disagreements and find out if there is any way to resolve those disagreements. We are not going there to put together a plan. We are going there to see where we are in the process.

There is no question about it; no single plan has the votes here to pass. We would hope in the final analysis there would be some bipartisan consensus reached that would attract a great many, a majority of Members on each side of the aisle.

In my view, health care is not an issue where you want to win by one vote or two votes or three votes. It ought to be an issue that has overwhelming support.

So that will be the purpose of our conference this next day and a half. We do not expect to come out with total unanimity. This is a very difficult issue. We do expect to have some good discussions, Member-to-Member discussions without staff, without anybody else, to see precisely where we are in the process and where we think we need to be going.

Now, having said that, I think there is no question about it; if you pick up the morning papers the President's plan is in deep trouble. It says, "Health Care Reform Proves To Be Tough Sell." That is in USA Today. Then, in the Washington Post, "President's Health Plan Falters in Poll; 80 Percent Say They Fear Decline in Care Under the President's Plan."

The President's plan is too complicated. We held up a chart in response to the President's State of the Union Message with 207 boxes—a chart prepared by a member of Senator SPECTER's staff—just to indicate that these were new, either new or expanded bureaucracies that are going to be created by the President's health care plan. And we did not list them all.

Even people who may benefit from the President's health care plan are skeptical of the big, big Government

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

turning one-seventh of the total economy over to the Federal Government, $900-some billion in the first year.

Yesterday, we debated and, unfortunately, lost the vote on the balanced budget amendment by four votes.

The President's plan creates three new entitlement programs—they sound great: Long-term care, prescription drugs, and taking care of early retirees for big companies who have made sweetheart deals with labor unions and now they want the Government to bail them out. The total cost of all these programs would be $200 or $300 billion. Nobody knows for certain.

Again, how do we pay for it? Well, we pay for it some by cutting Medicare and Medicaid and taxing cigarettes. Some would say, particularly seniors, that you cannot touch Medicare, you cannot get that much out of Medicare. Others, low-income Americans who rely on Medicaid support, say you cannot take away Medicaid; you ought to be expanding Medicaid.

I guess the point is that the President's program is losing support and will continue to lose support because the American people cannot recall the last thing the Government operated that they thought was satisfactory or that they wanted more of. And this is a big, big program. This is the biggest program we have had around here for 25, 30 years, maybe as big as since we started Social Security.

Many of these programs have been different, though. Social Security, we talked about it for years before it happened. Medicare, we talked about a program. Some called it elder care, some called it Medicare. That went through the mill for several years before it passed.

My view is that Members of Congress in both parties understand there are very serious problems in our health care delivery system. We want to address those problems. But we are a little skeptical about it when everybody is going to get more out of this program but nobody is going to pay more. We are going to save money by giving people more. That is a hard sell.

So the President's support has dwindled and dwindled and dwindled. It is down from 59 to 46 percent in one poll in just the last couple of months, and in the other poll it is down to about the same; 48 percent disapprove, 44 percent approve—and that has been a big drop—8 percent have no opinion.

But it seems to me that they are concerned about big Government, the American people are concerned about rationing. If you have global budgets, if you only spend so much money on health care and you run out of money, you either have to ration, or raise taxes, or find some way to find more money.

I must say, I am a member of the Senate Finance Committee. I have attended every Finance Committee hearing. We are having outstanding witnesses. I do not know their political affiliation. They are not there because they are Democrats, Republicans, or independents. They are there because they are experts in health care.

I think I could say safely that many who supported health care, maybe even the President's plan, are now backing away from it. They are backing away from it because they are beginning to study it more carefully. They are reading these 1,432 pages in the President's plan and they are seeing things that they did not fully understand or they did not fully recognize at the time. And now I think we are finding a number of people who are very skeptical who have gone from a favorable position to a neutral position or a negative position.

Now, the President's plan is dead. I said yesterday it is probably dead. Dead in its present form. I do not think anybody in the House or the Senate who can count would say that we are going to have these new, big bureaucracies in Wisconsin or Kansas or California and you are going to have to buy all your insurance through this big bureaucracy called a health alliance.

It is not going to happen. Mandatory health alliances, like mandates or anything else mandatory, scare a lot of people, and a lot of people in the health care business plus a lot of consumers are going to have employer mandates? I do not think so. I do not think so.

In the State of Kansas, for example, about 90 percent of our employers have 10 or fewer employees. We are a small business State, and many States have about the same percent. We do not have many big employers in our State. We are proud of everybody we have, and we do a good job. But we do not have the big, big business that some industrial States have.

Again, it is not that the small business man or woman does not want to provide health care for everybody, nor that everybody who works for them does not want it. Sometimes they cannot do as much as they might be required to do under the Clinton plan, or any other plan, for that matter. So I do not believe employer mandates will be around when we consider this bill, either.

Price controls: Republicans are experts on price controls because they were last imposed when President Nixon was in the White House. I happened to have been chairman of the Republican Party at the time. I remember that I was in San Diego. I received a call from the White House saying: "We are going to put price controls on." It sounded like a great idea: Put on price controls; nobody pay any more. Then we started making exemptions, exceptions. They took the price controls off and the prices went through the roof. Plus, it discouraged competition. It was bad policy.

So we have learned the hard way that price controls are not really the way to try to regulate anything, whether it is on insurance, whether it is on drugs, whether it is on doctors, or whether it is on hospitals. It does not work. The marketplace will work, and the marketplace is working. In fact, many people are telling us that if Congress does not hurry and get to this health care problem, it is going to solve itself and we will not be able to bring it up because there are changes being made. Insurance companies are making changes, pharmaceutical companies are making changes; doctors, hospitals, providers up and down the line are making changes.

So it seems to me that the President—they have had a whole year to sell this plan to the American people. I heard prominent Democrats say this morning on the radio that we need more time to sell the program. My view is the more time this program is around, the lower it is going to sink in the polls.

This program is not going to pass. It is not going to pass with big Government price controls and mandates. Mandates are taxes. If I mandate anybody in this room that they have to pay *x* dollars, that is a tax. And small businessmen and small businesswomen understand it is a tax. We pass mandates back to the States. We tell the State they have to do *x*. That is a tax on the people in those States, because the States have to go out and raise money because we passed a law and we did not send the money.

So for all the reasons I can think of—and I just suggest that the administration spent a great deal of time arguing whether or not we had a crisis or a serious problem. If that is not an utter waste of time. The Democratic National Committee even ran ads saying the Republicans do not think this is a crisis, that we only have a serious problem. If you want to dissipate your energy and get nothing for it, you can engage in those little games. This is a big problem; it ought to be addressed. We ought to stop the theatrics, the politics, and the semantics. "Crisis," "serious problem," look it up in Webster's. I do not know what the difference is. It is not very much.

I am not prepared to say our system is ready to collapse. We have the best health care delivery system in America today. People come here from all over the world to study, for research, for treatment. I do not know how many Americans go to Germany or some other country; maybe a lot. I do not get many requests for information on that. But I know a lot of people come to America. I know that a lot of people in the Midwest go to the Mayo Clinic because they believe it is a good place, and it is a good place. They go to the Kansas University Medical Center. They go to other places because we have a good health care delivery system.

Some people in America have fallen through the cracks. Some people in America are not covered. Everybody in America can receive treatment. But some people do not have coverage. So we ought to make certain they have coverage. We ought to make certain that through vouchers or tax credits, that low-income Americans have a good benefit package for themselves and their families. And we ought to do what we can to make certain that these—I do not know how many millions; I do not believe it is 37 million. That is the figure used. It is probably closer to maybe 12 million. There are children and there are elderly people. We ought to reach out and determine how to do that.

I would just say, finally, when I go to meetings in my State and in other States, people say, "BOB, why are we changing 100 percent of this system when only 15 percent of it is broken?" It is a good question. I asked the President that question in a dinner meeting that he was generous enough to invite us to last week to talk about health care reform. I said, "Mr. President, I get this question when I go out: Why are we trying to change everything when only 15 percent or 20 percent, whatever it is, needs fixing?"

So there has to be a better way; there has to be a better way. Maybe it is a bit too early. I told my colleagues it is too early to try to put together this package. We are still in the hearing process. The Finance Committee, the Labor Committee, and the House committees are going through the hearing process. Let the hearing process run its course. But sooner or later, it is going to be up to us, Members of Congress, Democrats and Republicans, to see if we cannot come together. If not, we will come out here and we will have a big debate. Something will pass, and we will keep our fingers crossed and hope it is not to the detriment of the American people, the people who need health care.

Let me just say one other thing because for months and months, Republicans have been ridiculed, saying that, "Well, the polls show—" In fact, in December, this is what the polls showed: 64 percent of the people thought the Democrats could do a better job on health care; 21 percent thought the Republicans could do a better job. At the end of February, just 3 short months, that number is now that 45 percent think the Democrats could do a better job and 40 percent think Republicans could do a better job.

My point is this: We have not changed our position. We have said from the start that mandatory alliances, employer mandates, and price controls are not going to happen. Not many people agreed with us at the time. But then we had a lot of small business people, farmers, and others all across America—providers, nurses, doctors, whatever—and a lot of consumers who are concerned about maybe losing some of the benefits they have now, start listening to Republicans. And I think the poll demonstrates—I am not a great believer in polls; they can change quickly, too—that as of now, the parties are about even on who can best provide health care.

What does that mean to me? It means we ought to try to get together. It means there ought to be some bipartisanship, Republicans and Democrats. And, if not, the Democrats will have a bill and we will have a bill; we will vote; and the majority party will win. So it seems to me that we have a long way to go.

Mr. President, I ask that the poll numbers in the USA Today article entitled "Health Plan Support Falls" and also the numbers in the Washington Post be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From USA Today, Mar. 2, 1944]

HEALTH PLAN SUPPORT FALLS

The past month, President Clinton has lost support for his health-care plan among baby boomers (ages 30–49) and even among the youngest voters, his strongest backers:

[In percent]

	Jan. 30, 1994	Feb. 28, 1994
Age:		
18 to 29	64	56
30 to 49	56	40
50 to 64	56	46
65 plus	53	47
Liberals stand by Clinton:		
Conservatives	42	29
Moderates	64	51
Liberals	74	72
Parties MOVE Closer		
How Congress should deal with Clinton plan:		
Pass as is	24	20
Pass with changes	55	47
Reject	16	28
Majority still sees health care as a crisis:		
Crisis	57	53
Problem	42	
Not a crisis		46

Men, elderly doubt crisis:	
Men	44
Women	60
Ages:	
18 to 29	54
30 to 49	54
50 to 64	59
65 plus	41

Percentage that say a specific political party can best deal with health-care policy:

[In percent]

	Dec. 6, 1993	Feb. 28, 1994
Democrats	64	45
Republicans	21	40

Percent saying "big concern":

	Oct. 10, 1993	Feb. 27, 1994
The quality of your medical care will decline	64	80
You might not have good choices of doctors or hospitals	72	75
The cost of your medical care will increase	70	74
People who need it most won't get adequate medical care	56	72
Some kinds of expensive medical services will not be available to all who need them	69	70
There will be a lot of fraud and abuse under the plan	67	70
Employers would eliminate existing jobs	64	69
The plan will cost too much	66	68
Taxes will have to be increased to pay for the plan	68	62
The plan would create another large and inefficient government bureaucracy	59	62
The plan will pay for legal abortions	43	47

NOTE: The most recent figures are from a Washington Post/ABC News national telephone poll of 1,531 adults conducted Feb. 24–27. Other data are from Washington Post-ABC News polls of approximately the same sample size. Margin of sampling error for all polls is plus or minus 3 percentage points overall. Sampling error is, however, only one of many potential sources of error in these or any public opinion polls. Interviewing was conducted by Chilton Research services of Radnor, Pa.

Mr. DOLE. Mr. President, the final point I make is that the more the American people learn about the Clinton plan, the less they like it.

So those who say we need more time to explain it, I think that is a loser, because every poll demonstrates that the more people find out about it—how big the Government is, how big the mandates are, and about the penalties. For example, you might go to jail if you ask the doctor to perform the operation early. Say you are scheduled for June and the operation is in May; you pay the doctor a little extra, and you can end up in jail, it says. Not so bad, if you go with your doctor. It is a penalty. There are a lot of penalties in this bill.

We have a lot of work to do. I just say to the President and Mrs. Clinton, I will give you credit for getting health care on the agenda. I do not give you credit for the plan you put on the agenda because I think it is a bad plan for America.

But we will have our retreat this next day and a half. We will not come out with a plan. But we will come out, I hope, closer together than we are now. We have a lot of good ideas on our side. We have at least three or four plans on the Republican side. We need to try to come together. Democrats have as many plans. They need to try to come together.

So in the final analysis, the President's plan is slipping away, and it is time for leadership in both parties to see if we cannot deal with this issue this year. If not, we may be doing what we had to do in 1983: We may have to appoint a commission, a commission composed of bipartisan experts to take a look at health care and to give Congress some guidance if we cannot resolve it ourselves.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE DISADVANTAGED MINORITY HEALTH IMPROVEMENT ACT OF 1993

Mrs. HUTCHISON. Mr. President, I rise today in support of a provision of a bill that we are going to pass in the Senate by unanimous consent in the next couple of days. I thank Senators KENNEDY, HATCH, and KASSEBAUM for working with me on a very important amendment for my State.

The bill is the Disadvantaged Minority Health Improvement Act of 1993, S. 1569.

The amendment that I rise to support will grant the establishment and operation of border State health and environmental labs along the United States-Mexico border. This provision supports and leverages the important laboratory work our border States are already providing. I commend and thank the managers of the bill for incorporating the provision which is so important to all of the border States.

Currently, all of the border States suffer from a critical shortage of environmental and occupational health monitoring and surveillance and efficient analytical laboratory services to support local and State health and environmental agencies. As population and commerce increases along the border as a result of our commitment to hemispheric free trade, the need for state-of-the-art laboratory capacity will only increase.

I am sure that my colleagues have seen the television reports from San Diego/Tijuana, Brownsville/Matamoros, or El Paso/Juarez spotlighting the deplorable environmental conditions that have developed there. Beyond those television reports are millions of border residence, primarily minority, who are subject to the health risks incumbent to these conditions.

We are already aware of some of these risks, but there are others we may not be aware of simply because there are not enough facilities to analyze them.

Let me give you an example of this problem from my home State of Texas. Recently, as part of a small research project in the Lower Rio Grande Valley of Texas, an EPA staff member obtained samples of fish from nearby waterways, a regular staple of many local diets, and it was determined that the edible tissue of the fish contained an unacceptable amount of the highly toxic chemical PCB. After further analysis, the Texas Department of Health promptly issued an advisory strongly recommending that fish taken from the waterways and reservoirs in the area not be eaten.

Of course, the Texas Department of Health gave these analyses priority status. However, in doing so, it had to set aside other important and urgent work. There simply is more work of that nature in the United States-Mexico border area than there are facilities to do it. There is an intolerable potential cost—the health of the citizens in the border area. So Federal support will mean badly needed improvement in the border States' abilities to respond to the health and environmental risks facing their citizens.

I really appreciate the authors of this bill. I received a call from the Governor of California just this week talking about the terrible burden that his State faces in dealing with illegal immigration. Really, it is a Federal problem, but California and Texas and many of the other border States, as well as northern States like New York and New Jersey and Florida, are dealing with a problem that really is a Federal problem. But they are having to pay for it out of State funds, and it is becoming an onerous burden and is causing taxes to increase in our State at a level that is really not fair.

So I am pleased that this one small step for the health of our border States is being taken by Senators KENNEDY, HATCH, and KASSEBAUM. I think it will go a long way toward improving the health along our border.

I thank you.

TEXAS INDEPENDENCE DAY

Mrs. HUTCHISON. Mr. President, I want to mention that today, March 2, is Texas Independence Day. I want to prolong a tradition that was started by my good friend and colleague, the late Senator John Tower, by reading the letter that Col. William Barret Travis sent from the Alamo during the time that he was holding that fort. Yesterday, when I was debating with Senator SIMON on his side for the balanced budget amendment, Senator SIMON had said that one of the reasons there were so many heroes at the Alamo is because there was no back door. I wanted to set the record straight and say there really was a back door at the Alamo, and it was a voluntary line drawn in the sand by Colonel Travis.

Colonel Travis said to the men at the Alamo that if they wanted to cross the line and fight for the independence of Texas, they could do it. If they did not, they could leave. One hundred eighty-four men walked across the line, or were carried on their stretchers, which was every man in the Alamo at the time. Those brave 184 men held the Alamo for 13 days. They allowed Sam Houston, the general who was assembling forces at the San Jacinto River, to have the time that he needed to do that in order to win the battle of San Jacinto and thereby win independence for Texas.

So I want to read, in memory of today, March 2, Texas Independence Day, this letter written by Colonel Travis, who was the commandant of the Alamo.

> To the people of Texas and all Americans in the world—Fellow citizens and Compatriots—I am besieged by a thousand or more of the Mexicans under Santa Anna. I have sustained a continual Bombardment and cannonade for 24 hours and have not lost a man. The enemy has demanded a surrender at discretion, otherwise, the garrison are to be put to the sword, if the fort is taken. I have answered the demand with a cannon shot, and our flag still waves proudly from the walls. I shall never surrender or retreat. Then, I call on you in the name of Liberty, of patriotism and everything dear to the American character to come to our aid with all dispatch. The enemy is receiving reinforcements daily and will no doubt increase to three or four thousand in four or five days. If this call is neglected, I am determined to sustain myself as long as possible and die like a soldier who never forgets what is due his own honor and that of his country. VICTORY or DEATH.
>
> P.S. The Lord is on our side. When the enemy appeared in sight we had not three bushels of corn. We have since found in deserted houses 80 to 90 bushels and got into the walls 20 or 30 head of Beeves.
>
> WILLIAM B. TRAVIS.
>
> The Alamo,
> 2/24/1836.

It was because of those brave 184 men defending the Alamo for 13 days against 6,000 troops that we were able to win the battle of San Jacinto and have the Texas independence that we all cherish, and Sam Houston became the first President of the Republic of Texas.

Thank you, Mr. President.

Mr. MURKOWSKI addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Alaska is recognized.

EXTENSION OF MORNING BUSINESS

Mr. MURKOWSKI. I understand that morning business will end at 11 a.m. I ask unanimous consent that morning business be extended to allow me to make a statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

IMMIGRATION HORROR STORIES

Mr. MURKOWSKI. Mr. President, the Senator from Wyoming [Mr. SIMPSON] introduced the Comprehensive Immigration and Asylum Reform Act of 1994 this morning, and made a lengthy statement with regard to the appropriateness and timeliness of that legislation which would address fraud and other inconsistencies in our immigration laws.

I am very pleased to see that the Senator who has worked so hard in this area and who is so knowledgeable on this subject has seen fit to lay his legislation down.

My statement this morning concerns the horror stories associated with some of the policies covering immigration. I think it is fair to say that a majority of my colleagues would agree that the legislative intent clearly is not being carried out with regard to the enforcement of regulatory mandates.

Let me share with you this morning, Mr. President, the story of a constituent of mine who was fined $15,000 last Tuesday for violating the immigration laws by routinely asking new employees for identification to prove that they were authorized to work in the United States. We are all aware of the concerns associated with illegal immigrants coming into this country to work. By law, the burden is on the employer to address this concern by requiring employees to provide identification.

This company agreed to pay a civil penalty and change its practices in response to a lawsuit that was filed by the Justice Department's Office of Special Counsel for Immigration Related Unfair Employment Practices.

The suit accused the company in my State of asking new employees for a picture identification card and Social Security card to prove that they were authorized to work in this country.

I am sure the President would agree this morning that those two documents would be what a reasonable businessman would consider adequate identification to verify employment eligibility. But the Immigration Reform and Control Act of 1986 says that while employers must examine documents presented by new employees to verify eligibility for employment the employers cannot specify which of the various legally acceptable documents an employee must present.

Now, Justice Department Special Counsel, Mr. William Ho-Gonzalez, is quoted as saying that, "This case points out how even well-intentioned employers may run afoul of the law if they do not pay sufficient attention to the requirements of the employment authorization verification program." Furthermore, the spokesperson for the Justice Department said, "Taking short cuts in this area will invariably lead to trouble."

Mind you, the law requires employers to verify the identity and employment eligibility of anyone they hire, and the documents that this company requested would allow them to make this verification. But the Justice Department took the position that the law was technically violated because the company specifically asked for these documents.

Ironically, even though the Internal Revenue Service requires employees to have a Social Security number to be paid, the Justice Department took the position that a job application that requests an employee to show a Social Security card violated the immigration laws.

Mr. President, this particular employer is seasonal, employs many immigrant workers, and obviously is very conscious of the law against hiring illegal aliens.

I am told that the reason the Government was able to extract this $15,000 payment was that the law under which they would prosecute mandates a fine. Mandates a fine, Mr. President, for each employment application, each one. It does not matter whether the violation was intentional or unintentional, nor does it matter to the Justice Department whether harm was done. Thus, the Government is given an inordinate amount of leverage and employers are placed at an extreme economic disadvantage.

Mr. President, let me share a few more horrible details of this story. The Justice Department admitted that there was no evidence of discrimination or of anyone who was denied employment in violation of the law. So, no one was hurt. Furthermore, the INS reviewed the company employee files and documents on at least three occasions during the past 3 years, and during that time they did not object to the company's job application.

The company voluntarily and immediately changed its application once the Justice Department's interpretation was known, but the Justice Department went ahead and filed a lawsuit anyway—despite the fact that it could not identify a single victim of the process or the practice.

The Justice Department's position in the litigation was that each application the company handed out constituted a separate violation for which it could be fined from $100 to $1,000. The Justice Department told the company that their exposure was at least $350,000. The company settled because the Justice Department refused to dismiss the lawsuit unless the company paid a $15,000 civil fine.

The company paid the amount simply to avoid the expense of further litigation which would have amounted to a lawyer's full employment act. Again, there was no ruling that the company violated any discrimination law. There were no individuals harmed by the company's job application form. The fact that Mr. Ho-Gonzalez chose to publicize this settlement proves the entire exercise was undertaken for just one purpose—to send a message to all those employers out there, and I hope they are listening and watching, that the Justice Department is indeed focusing its resources on unwary employers.

So, Mr. President, I would encourage my colleagues, as we look at immigration reforms such as Senator SIMPSON's bill, to recognize the absurd effect of some of the laws that are passed here, and the inconsistent manner in which the laws are enforced. I think the story that I have related today is a classic case of where the legislative intent, which was to say that we wanted to make sure that illegal aliens are not being hired, was twisted to the point that the Justice Department has taken the unintended step of suggesting that an employer that asks for reasonable identification to satisfy himself that he is not dealing with an illegal alien will be prosecuted.

I find this an extraordinary extension of logic, but that is not unusual around here.

I thank the Chair. I wish the President a good day, and I yield the floor.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from New York [Mr. MOYNIHAN], is recognized.

Mr. MOYNIHAN. Mr. President, before the distinguished Senator from Alaska leaves the floor, may I say I listened with attention to his remarks and they are very convincing.

There ought to be a rule. There are rules but they ought to be followed for purposes of enforcement of the law and not harassment of individual employers.

Mr. MURKOWSKI. I thank my friend from New York for his comments and observation. I totally agree.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having passed, morning business is now closed.

SOCIAL SECURITY ADMINISTRATION INDEPENDENT AGENCY ACT

The PRESIDING OFFICER. The Senate will now proceed to the consideration of S. 1560, which the clerk will report.

The bill clerk read as follows:

> A bill (S. 1560) to establish the Social Security Administration as an independent agency, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, my distinguished friend and colleague, the former chairman of the Committee on Finance, and I have the honor to bring to the Senate floor for the first time a bill which has on three occasions been reported from the Committee on Finance, I believe on one occasion when Senator PACKWOOD was chairman, and once again today. This bill was reported on a voice vote with one Senator declaring his opposition but otherwise is effectively a unanimous measure.

It has three times passed the U.S. House of Representatives by what you might legitimately call overwhelming majorities as, for example, in 1986 when the vote was 401 to 0.

The bill is very much in the manner of the moment, called reinventing Government, that our good friend and former colleague, now Vice President GORE, has been involved with. That notion of reinventing suggests going back to earlier good arrangements and that is what we propose here.

The Social Security Administration began as an independent agency in the executive branch. The 1935 legislation created it as such. It had three Commissioners, one a managing Commissioner. It got off to a very good start, almost too good.

This is perhaps a more complicated idea than I am able to handle, but I sometimes think it got off to too good a start. It became the model agency. The great civil servants of the New Deal era came to work in Social Security and they stayed forever, and they are still here. They are here to this day, some of them. I think of the two Bobs as they are called, Bob Ball, who early on became an employee of the Social Security agency, and who rose to be the Administrator under President Kennedy, President Johnson, and President Nixon and is still very active in the councils that deliberate issues like this.

And Robert J. Myers, who, as a young graduate student from the University of Wisconsin, came to Washington to work on the Committee on Economic Security Staff. That committee was headed by Francis Perkins. The head of the professional staff was Edwin J. Witte, a great professor of economics in the Wisconsin tradition. Bob Myers went on to be chief actuary.

When we found that the trust funds were in at least temporary difficulty in the early 1980's, President Reagan established a National Commission on Social Security Reform. The executive director of that Commission was none other than Robert J. Myers. Alan Greenspan, the now distinguished Chairman of the Federal Reserve Board, was chairman. I was a member. I was one of the Senators appointed, along with Bill Armstrong, our revered late friend John Heinz, Lane Kirkland, and BOB DOLE, the Republican leader.

Not incidentally, I make the point that the report of that Commission, whose recommendations Senator DOLE and I brought to the floor here in the Senate in 1983, and which passed overwhelmingly, that report called for an independent agency.

Now, why are we doing this? Two reasons. One is that the agency began to lose some of its distinctive energy and style in administration when it fell into a sequence of other agencies and departments, eventually Cabinet Departments, that had other missions. And it began to get further and further out of focus.

It was not something the Secretary of Health, Education, and Welfare came to work in the morning thinking about. It is not something the Secretary of the Health and Human Services comes to work in the morning thinking about. At least in the Department of Health, Education, and Welfare, created under President Eisenhower, the word "welfare" was there; the idea of social welfare. That was removed in a change where education became a separate department under President Carter.

The Department of Health and Human Services basically has become a department of health. Typically doctors, medical doctors, have been the Cabinet officers, and a fine thing, too. A Department of Health is very much in order. But in the process, the largest component of the Department has gotten lost.

If you get the Congressional Directory for 1993—and I will point this out to my friend, Senator PACKWOOD—where we get to the Secretary of Health and Human Services, on page 803, it says: Office of the Secretary, Secretary of Health and Human Services, Donna E. Shalala. Then, 278 names later, you get to the Social Security Administration—"Administrator—vacant"—278 names between the Secretary, who is an incumbent, and Social Security Administrator—vacant. The job went more than a year vacant.

In my now more than 18 years in the Senate, there have been 12 administrators. From a period when you had long, stable administration and people who knew their work and understood their assignment, knew how they had begun, you have come to a time when you get one administrator, another administrator, another administrator, no administrator, no administrator, another administrator. Nobody is minding the store.

After the 1983 report, in 1984, Congress commissioned a study of the best form of governance for the Social Security Administration. Elmer Staats, the former Comptroller General, headed the study. He made a powerful case, a superb report, with respect to an independent agency.

The Social Security Administration has independent functions, Mr. President. It is the trustee of the Social Security trust funds. It is responsible for the integrity of the system. The head of that agency has to be able to look the President in the eye and say, "Mr. President, no, I will not do that. If you wish, sir, I will resign, if you wish, ma'am, I will resign, but I will not do that. And when I resign it will be noticed."

Mr. President, I might ask my friend, the former chairman of the committee, if the incumbent administrator of the Social Security Administration resigns, who would know it?

Mr. PACKWOOD. You and I.

Mr. MOYNIHAN. We might get a notice somewhere in the mail.

Mr. PACKWOOD. We would see it in the Federal Register somewhere.

Mr. MOYNIHAN. Would the Senator care to estimate the last time an administrator of the Social Security Administration had a meeting with the President in the Oval Office on the business of the Social Security Administration? Twenty years?

Mr. PACKWOOD. 1939?

Mr. MOYNIHAN. 1939.

Excepting that Lyndon Johnson would have known who Bob Ball was because Wilbur Cohen would have brought him.

But a long time ago, too long.

One of the results is that a majority of nonretired adults in the United States today do not believe they will get their Social Security. Nothing tells them that.

But we still use that little pasteboard card that we began in the 1930's. I joined the Social Security system 51 years ago and I got that little card. We have enacted a statute saying, turn it into a good card, a card with a hologram, a piece of plastic. The statute specified a tamperproof card. But the agency gave us back the same little piece of cardboard as before, only with invisible hairs in the cardboard itself so that it is instantly detectable in an FBI lab.

There is the card, the same 1935 card.

Where is our health card? I have a health card right here.

When President Clinton came to the House to deliver his joint message to Congress, his State of the Union, he held up a health card. And it is a dandy.

My golly, it has your name in gold plate, it is plastic, there is a ZIP Code, they can put it through and know exactly who you are.

It is very important, incidentally, to American citizens of, say, Mexican descent, to have in their hand a piece of plastic which an employer can readily use: Good morning, Mr. Lopez—there is Mr. Lopez right there—here is your card. We know who you are. And they know who you are in Washington. Not this pathetic thing.

Fifty—fifty-one years now—never a day late or a dollar short; yet the majority of the American people—nonretired adults—do not think they are going to get their benefits.

I will grant, it does not really make that much difference what 20-year-olds think in these matters. And 30-year-olds—well, it is a transition. But when 40-year-old Americans with families and college coming up think, I am never going to get Social Security, we have failed to persuade them of something very important to them.

We could give them an annual report. I have been 51 years in the system, save for my present work. I would never have any evidence that the Social Security Administration ever got my name right, spelled it right, recorded my address—entered any contributions I made—never.

It is not hard to do. The stamp is the largest single cost. They can send out, once a year, a report. This is mine. It goes back to 1937. In the period 1937 to 1950, my taxable earnings were $1,615, and I paid $16 in tax. But the tax rate was very, very small then.

They do not, as a matter of fact, have me credited with 3 years of Navy time. I could ask them to fix it up. They would be happy to learn about it.

This report tells you what you will get at retirement age, in round terms. It tells you exactly what your survivor's benefit would be, what your child would receive if you died, what your spouse would receive if you died.

These are the papers that, as I say, you throw away in your twenty's and lose in your thirty's. In your forty's you find a desk drawer to put them in, and you would take them out once in awhile and look at them. I find, for example, if I wait until 70 to receive benefits, my monthly benefit will be $1,470—not bad.

Important to note: One of the reasons we want to have this information out is that rather suddenly we have reached a point where the Social Security retirement benefits just about give you back what you put in. It is a form of Federal savings. It is not the bonanza it was for that wonderful lady in Vermont—Ida May Fuller—who contributed about $27 and retired in 1940. I can remember from my youth, the annual photograph of the gentleman from the Social Security Administration presenting Ida May with her first check of the year. She did very well off her $27. Most of us will get back what we put in, and it is a good form of saving.

People need to know that. It is their money being held in trust. It is not general revenue. We have a surplus in place. We put it in place in the 1977 Social Security amendments, as Senator PACKWOOD will recall. The surplus accumulated from the year 1977 to the year 2015 would buy the stock exchange. But not a penny has been put aside. And the only way it can be put aside is to have a balanced budget and reduce the privately held public debt, thereby increasing private savings. We have not done that.

There are going to be a lot of people around here asking, "Why have you not done it," with greater vehemence. One of the ways in which we could restore a sense of confidence, imbue a sense of confidence—would be to send this earnings statement out to everybody. I authored a statute that will require the Social Security Administration to start doing it in 1995. But it had to be put in statute, and it applies only to people over 60. They are good people up in Baltimore, but with no direction.

I will give an example and then I will yield, with the patience of my friend from Oregon, if he can just give me another 5 minutes.

One of the things we learned when the new administration began—is something which we should have known. I have been the chairman of the Subcommittee on Social Security. I should have known it and I did not. But the Social Security Administration should have known it with a great deal more sense of urgency than I: The system for payment of Social Security taxes, Federal Insurance Contribution Act, FICA, for domestic servants, was not working. We had set an amount of $50 a quarter back in the 1950's and never increased it for inflation, with the result that Social Security taxes were owed on the babysitter. That is something you do not want to do.

Babysitting is sort of a right of passage for young women in our society. It is a good one. The first time you are asked next door to look after the two kids while the parents go off for a movie: Put her to bed at 10 o'clock; here is where we are if you need us. It is a nice, trusting relationship. You learn responsibility. You get a little money. That is fine.

But there is another category of adult worker, cleaning women. Women, sir—I do not wish to give any offense—women who clean other people's toilets and are day laborers. We looked up and we found that, because of the very complex quarterly returns that had to be filled out, as if you were running a machine tool plant and had an accountant—and I know there are many professional couples who just hire an accountant to do it for them now—only a quarter of these women—they are not all women—but only a quarter of these persons were getting the Social Security contributions made on their behalf that were due them under the law.

Did anybody in the Social Security Administration ever come to us and say this is a problem, we have to solve this? We have a good solution in the Committee on Finance. I think my colleague agrees on that. Senator PACKWOOD and I have agreed on it, I think. We have worked it out. But we never heard from them.

Then, without any sense of recrimination, our administration came to office, the present one, and very early on in the nomination of an Attorney General, this issue arose. The Attorney General had to withdraw at the beginning of 1993. At the end of 1993, Admiral Inman, expected to be nominated as Secretary of Defense, had this problem. In an announcement explaining why he was leaving, he spoke at some length about it, and said he was going to be in touch with us. He had been speaking with the head of the National Organization of Women about it.

The whole year went by and we never got a note from the administration about what they wanted to do about this problem. Frances Perkins would have been in to see the President to say: "These are day laborers. They are women. What they need is 40 quarters of coverage."

Anyone who is paid $620 a year would have taxes owed on their behalf and we would have them paid on the 1040. Easily done. We have never heard a word.

Now, Mr. President, why have we not heard from them? For one thing, the job of the Administrator was vacant until November. Somebody might have thought this is kind of a serious thing; we better get that job filled. But it was not.

And so we are here. An independent agency will address these issues and address the issue of confidence. If the majority of nonretired American adults do not think they will get Social Security, why, Mr. President, do we think they will believe this health care will always be there? What are they saying to us? I think they are saying something we ought to pay attention to and address.

I can say, in closing, what Senator PACKWOOD will, I am sure, say as well; that there is no significant organization that we are aware of concerned with these matters in the Nation that does not support this measure: The American Association of Retired Persons, the largest membership organization in America, at least 35 million members, including my wife; the AFL–CIO; the National Council of Senior Citizens all have supported this. The House has repeatedly passed the measure, and we hope to do so today.

Mr. President, my good friend has been patient with me, and I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon [Mr. PACKWOOD] is recognized.

Mr. PACKWOOD. Mr. President, I am delighted to join my good friend, the chairman of the Finance Committee, in supporting all of the measures for all of the reasons he said, but I will touch just a moment on why the public has a sense of uneasiness about Social Security, and perhaps the creation of an independent Social Security agency can alleviate that sense of fear a bit.

The chairman of the committee indicated that, at the moment, we are collecting more in taxes than we pay out. That was a deliberate choice, because the Chair will recall that around 1979, 1980, and 1981, we had high rates of inflation. The Social Security benefits were tied to the cost of living, and they were going up with that high rate of inflation—10, 12, 13, 14 percent.

But the tax base, the revenues to produce the money to pay the Social Security benefits, was not indexed to any kind of cost of living. So we finally got to the place, in the early 1980's, where we had a surplus of barely, as I recall, 2 to 3 months. If the revenue ceased to come in, we could pay benefits for 2 or 3 months, and that is it—gone. In fact, even with a bad recession and the revenues falling, we were very near to a touch-and-go situation.

So we changed the system to make it more like a private insurance actuarial system in which we said we will collect more money now and set it aside so that we will have the money to pay off the baby boom when it starts to retire. You have this immense population group moving through the 30 to 40 to 50 age group, and they were the ones born from 1945 to 1965. Let us assume they retire at 65. They will start to retire in about the year 2010. The first of them will be 65 then.

Over the next 20 years, from 2010 to 2030, you have an immense group of retirees, and the extra money we are collecting now is designed to be held to pay them off when they retire. A prudent insurance company does the same thing. You buy an insurance policy from Metropolitan Life, Prudential, or any other insurance company, and they take a look at the demographics of all the policyholders they have. They figure how many are age 20, 30, or 40; how much they are going to need in the year 2010, 2020, 2030 to pay off their beneficiaries. We decided to do the same thing they did.

It is important to understand, however, that there is not a separate pot of money for each Social Security recipient. All of the money comes in and it goes, in essence, to the U.S. Treasury. As I recall, the Social Security actuaries once estimated that it is about $70 billion more we collect than we pay out. In comes $70 billion more from my wages, your wages, everybody's wages—your employer pays half, you pay half, we collect it and we pay out the benefits, and we have $70 billion left over. We take that $70 billion—the Social Security Administration is entitled to it—in essence, Treasury takes it and it gives to the Social Security Administration a bond, an IOU: The U.S. Government owes you, the Social Security Administration, $70 billion.

This process continues for about the next 15 to 20 years—more money coming in than going out. Then, depending upon the estimates, what we call optimistic or intermediate or pessimistic estimates, more money starts to flow out of the fund than comes into it. Let us just pick a year. Let us pick about 2012 or 2013. We start to pay out more benefits than we take in.

At that stage, the Social Security Administration, depending upon the assumptions—I hate to be cavalier in talking in terms of trillions—but the Social Security Administration will hold anywhere from $3 trillion to $6 trillion or $7 trillion in bonds of the U.S. Government—IOU's.

I want to emphasize, this is no different than what an insurance company does. Insurance companies invest heavily.

Mr. MOYNIHAN. It is $4.5 trillion.

Mr. PACKWOOD. The chairman says it is $4.5 trillion; $4.5 trillion in IOU's. Insurance companies do the same thing except they do not invest solely in Government bonds. They have a lot of Government bonds, and they may invest in some real estate. They try to spread their portfolio in such a way that they cannot get hurt too much because they know they have benefits to pay out, whereas we prohibit the Social Security Administration from investing in anything but Government bonds.

On occasion, the suggestion has been raised that we should let Social Security cut loose and invest in things other than Government bonds where they might get a better return, because Government bonds are a very secure investment and, therefore, the percentage of return on them is lower than a riskier investment.

I hate to think, however, what the situation would have been in about 1977 or 1978 had we said to the Social Security Administration, "Go ahead and invest in what you want," and they had invested in Texas real estate. We would have been bailing out Social Security from about 1981 on perpetually, and there would have been a tendency to say, "Why, if we can get a 10- or 12-percent return instead of the Government bond 8 percent return, let us invest in real estate."

So we prohibit them from investing in anything but Government bonds. When we take in this extra $70 billion, we give the Social Security Administration a bond, an IOU. We take the $70 billion and we spend it. We spend it on education; we spend it on welfare; we spend it on defense. We spend it on all the things Government spends money on.

The fear I think the people have is that when, 20 years hence, the Social Security Administrator takes his or her IOU to the Treasury and says, "Madam Treasurer, will you please give me some money so I can pay the benefits?" The Treasurer will say, "Give you money? We spent that money 20 years ago. We don't have any money."

That scenario is only true if the U.S. Government reneges on its promise to redeem the bonds. We have never failed to redeem bonds in the 200-plus-year history of this country. And if we were to fail to redeem the Social Security bonds, it is not just Social Security; it is the bonds that Metropolitan Life has, Prudential has, General Motors holds. It means the country has gone bankrupt if we fail to redeem the bonds.

But I think that is the fear of Social Security recipients. They think their money is being spent now and they have nothing in exchange for security. Indeed, what they do have is still what the world regards as the single best security in the world—U.S. Government bonds. They sell at a better premium than any other Government bonds and are regarded as more secure, practically, than gold or anything else.

If the creation of this administration as an independent administration—and I think it should be—will help make the public aware that, indeed, the Social Security Administration is not holding IOU's you cannot fine and levy on, but is, indeed, holding a Government bond, they will feel a bit more secure.

I am frank to say, when the year 2015 or 2012 comes, if we are still running a $200 billion deficit, we are going to be running bigger deficits because we will have to pay off the Social Security bonds. I understand that.

But all I can say is this country has never reneged on redeeming a bond in its 200 years.

Mr. MOYNIHAN. Will my friend yield——

Mr. PACKWOOD. Yes.

Mr. MOYNIHAN. Just for a question to which I know he knows the answer but just to put it in the RECORD at this point. As my friend knows, the bonds that Treasury issues to the Social Security Administration have a special provision; they can never sell below par, as the Senator well knows.

Mr. PACKWOOD. That is correct. They cannot sell below par. They cannot be sold below what they were sold for. That is a good protection because there are bonds, a fair number of bonds, in the market that go up and down. You sometimes have to sell your bond at less than what we call par value, but that is the marketplace. You have a $1,000 bond. You want to sell it. You can only get $900 for it. That is not true of Social Security bonds. So the Government has promised to redeem them at least at what they call par value.

So I support this, Mr. President. I think it is a good provision. I think it will heighten the awareness of the Social Security Administration and let people know that even though the money they are now paying in is spent for things they probably like—education, environment, Forest Service, Coast Guard—indeed, their money is safe so long as the Government is safe. And if the Government is not safe, it is not just Social Security that is in trouble; it is everybody that has any investment in any State in this country.

I thank the Chair and I hope we will pass the bill.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, Washington is a place that pays a lot of attention to polls. And not every poll is of great interest. But I might say that as I was speaking earlier, and as

Senator PACKWOOD was speaking, I noted that the very able young professional persons who are here in the Senate as Senate staff employees were listening in a manner that they do not always listen. Maybe because the hour is early enough for them to be attentive, but I think the subject is of interest.

So I just took an unscientific, informal poll of five persons, each of whom has graduated from college, I do not doubt; most of whom have law degrees; they are parliamentarians; they are people we depend absolutely on for the working of this institution. If they did not get things right, we would not have any record about what we had done.

I can report the results of my survey. Of the five samples, I asked, "Do you think you will get your Social Security? Two said no; two said not all of it; and one trusting young citizen said yes. But that is not reassuring.

Mr. PACKWOOD. Can we have name, rank, and Social Security number of those four who are not trusting?

Mr. MOYNIHAN. If they will give it to me, I will get them a copy of their chart. So you will know at least that you will continue to get your retirement; you will know that you are covered for disability benefits. Not everyone knows that. You do know that, those of you who are married, it is altogether likely that in the event you should die your spouse will receive benefits; your children will receive benefits.

Still you do not trust us. After 18 years in which I have been on this floor asking you to trust the Social Security Administration, it has not sunk it; not you. As a matter of fact, the two senior most Members are the ones that absolutely believe they will not receive their Social Security.

I simply make the point that they are attentive. I think they respect the public confidence. And we ought to be attentive.

With that, Mr. President, I see the Senator from Maine has risen, if he wishes to proceed, to offer an amendment.

Mr. COHEN. I thank my friend for yielding.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. Mr. President, I might inform my friends that I have a technical bill on the way over to the floor. I would like to begin speaking about the measure that I intend to offer, and perhaps that will save some time rather than going into an extended quorum call.

Mr. President, we have a program that is designed to deal with a serious problem in this country; namely, that of drug and alcohol addiction.

There are two programs under the Social Security Administration's jurisdiction. One is the Supplemental Security Income Program, which is designed to assist the very poorest poor that we have in this country, and the second is the Social Security Disability Insurance Program. Under these programs, those individuals who are in fact disabled by virtue of an addiction to either drugs or alcohol are required to do two things. They are required to seek treatment. That is one of the conditions that we impose in order to assure the taxpayers that the money is going for the purpose of which it was intended. Second, in order to ensure the safeguarding of taxpayer dollars, the SSI Program requires that the benefits are paid to a responsible third party. Obviously, the person who is addicted is not a responsible individual, and we require payments to go to a representative payee.

A recent investigation conducted by my minority staff on the Senate Special Committee on Aging and the GAO found that the SSI and SSDI programs are out of control and are, in effect, subsidizing drug and alcohol abuse, with little enforcement of treatment requirements. Out of the estimated 250,000 addicts on the rolls through either heroin, alcohol, or other drugs, however, only 78,000 are required to seek treatment. Of that 78,000, only approximately 9 percent seek treatment. So the calculations are that out of the total of 250,000 that we know are addicted, only about 3 percent get any kind of treatment at all. Similarly, only a portion of the estimated 250,000 drug addicts and alcoholics now on the disability rolls have their checks go to a representative payee.

So we have a situation in which money is going directly to individuals who are addicted. They are, in fact, using the money to further their addiction. They are going out and buying drugs with the money supplied by the taxpayers. They are buying alcohol to achieve the same end. And the taxpayer throws his or her hands up in despair.

Mr. President, $1.1 billion basically is going directly to fuel addiction. What this amounts to is revenue sharing for addicts. The public, I think, is justifiably concerned. When they find, for example, that these third-party payees who are getting the money from the individuals can even be tavern owners, the public is outraged. For example, we know of a case in Denver where a liquor store owner is getting $160,000 a year to, in effect, run a tab for the recipients, the beneficiaries, who end up spending their benefits on booze and drinking away taxpayers' money.

The amendment that I am proposing, cosponsored by Senators DOLE and KASSEBAUM, and others, would go far in correcting this problem. This amendment would insist that whether one is receiving payments through the SSI Program or the Disability Insurance Program, if they are impaired as a result of drug or alcohol addiction, that they must seek treatment as a condition of receiving, and continuing to receive, those benefits.

This amendment also prohibits retroactive lump sum payments from being paid directly to an individual who receives benefits in whole or in part due to substance abuse. Today we have retroactive payments being given to people who are addicted to drugs or alcohol in amounts as high as $15,000 to $20,000. That $15,000 and $20,000 payment then is made directly to that individual or a third party, who in turn gives the money over to the addict. They go out and either buy more drugs—and we have had cases of people who bought large amounts of drugs with their lump sum benefits and died from overdoses. One individual took his lump sum and bought a van and two cars, each of which he demolished, and then ended up in a hospital addicted again.

Mr. President, the nature of the problem is escalating. We have seen, for example, a 150-percent increase in those going onto the disability rolls on the basis of drug addiction and alcoholism from 1989–1992. We added 22,634 to the rolls in 1989; we added another roughly 29,000 in 1990; an additional 38,000 in 1991; then 58,000 in 1992. It is going up exponentially.

There is a reason I assume. Some of that may be because more and more people are becoming addicted but also more and more people are becoming aware of the program. For example, the word on the street among addicts and alcoholics is that the SSI and SSDI programs are easy sources of cash. In a recent example, one person called my office and said her brother was getting out of prison. He found out about the SSI program, and he is going immediately to apply on the basis of drug addiction. Coming out of prison he was addicted and he was "thrilled to learn" that SSI would pay him for his addiction, and he had no intention of going to treatment.

We have more people becoming aware of this. The word is out that this is an easy way to get some sort of sustenance during the course of a month. So more and more people are applying for it.

The purpose of this amendment is not to see treatment stopped. We want to see treatment really enhanced, increased, and force those individuals who have a problem to get the kind of treatment that they need.

But right now, as I pointed out, they are getting the money without the treatment. They are getting it in lump-sum payments, and I think the program's objectives are being completely ignored.

The situation gets even worse. I recently offered an amendment which was accepted unanimously when the emergency supplemental appropriations bill came to the floor. That had to do with a situation that came down as a result of a Ninth Circuit Court of Appeals' opinion. We had an individual who was on disability. He is an addict, addicted to heroin. He would, in the course of a day, help three other addicts acquire significant amounts of heroin. He, of course, would be compensated by getting several grams of heroin for himself, or about $150 a day. So while he is receiving disability payments, he is also engaged in a little bit of dealing to further his own habit of $150 a day. It went to court. The ninth circuit ruled that that individual was not engaged in substantial gainful activity; that he was not engaged in substantial gainful activity because his work really only took about 20 to 30 minutes a day. "No heavy lifting involved" is essentially what they are saying. He was not initiating the telephone calls. The individuals were calling him saying, "Can you help us out by buying heroin for us, and we will give you a little piece of the action," so to speak. In this case, the court essentially ruled that SSA would continue his disability payments, while he nurtured his habit through this illegal activity.

The amendment we passed, which was dropped in conference, and which is also part of the amendment I am offering here today, specifies that any proceeds derived from criminal activity to support substance abuse will constitute substantial gainful activity. The amendment we are offering today also requires everyone who receives SSI or disability insurance payments based on substance abuse must, as a condition of receiving those payments, seek treatment. The Social Security Administration must establish agencies for each State to refer and monitor the treatment of substance abusers receiving SSI or SSDI benefits. As of the beginning of this year, only 18 States had this sort of monitoring agency within their State. We have almost half of our States without any sort of authorized monitoring center. So we do not know how the money is being spent or whether there is treatment being given.

So we would require the Social Security Administration to in fact do what we all want; namely, provide for the monitoring of the treatment of these individuals receiving the money. In addition, the amendment prohibits benefits and retroactive payments to be paid directly to those who are addicted. They must be paid to the representative payee, who under our amendment would be required to be an institution, agency, or treatment center.

In addition, our amendment provides a cutoff period of 3 years of benefits for individuals receiving SSI or SSDI on the basis of substance abuse. Senator KASSEBAUM and her staff determined that most professionals believe a substance abuser will be treated within that 3-year period. Those who are not should not be able to receive a lifetime of benefits from SSI or SSDI, unless there is another qualifying basis for disability.

I have one other chart to illustrate the negative effects of paying cash benefits directly to addicts. It shows the correlation between attending treatment and getting lump sum cash benefits. A study of those receiving methadone as a substitute for their heroin addiction showed that before they receive their disability check, the average time someone would miss their treatment would be roughly five times before they got their disability checks. As soon as they received their checks, absenteeism went up to 18 days. Obviously, they were taking the check and going out and buying heroin, since individuals who are receiving methadone treatment become violently ill if they miss their treatment. When the money runs out, they go back into methadone treatment. So there is a direct connection between our system of paying out money and not insisting upon the treatment itself.

So these are the issues we are trying to address, and I want to make sure everybody understands we are not trying to discourage treatment or take away money from those who need treatment. We want to make sure the money is not going into a needle or into a bottle and that the people who need the treatment get it and that the taxpayer feels satisfied that this program is being monitored, and operates efficiently and responsibly. That is not the case today.

So I offer this amendment.

AMENDMENT NO. 1474

Mr. COHEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. COHEN], for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. THURMOND, Mr. GRASSLEY, Mr. NICKLES, Mr. LIEBERMAN, Mr. DANFORTH, Mr. LUGAR, Mr. KOHL, Mr. WARNER, Mr. CHAFEE, Mr. BENNETT, Mr. STEVENS, Mr. MATHEWS, Mr. HOLLINGS, Mr. COCHRAN, and Mrs. FEINSTEIN, proposes an amendment numbered 1474.

Mr. COHEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Disability and Rehabilitation Act of 1994".

SEC. 2. REFORM OF MONTHLY INSURANCE BENEFITS BASED ON DISABILITY INVOLVING SUBSTANCE ABUSE.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—

(1) IN GENERAL.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended by adding at the end the following new subsection:

"Limitation on Payment of Benefits by Reason of Substance Abuse

"(j)(1)(A) Notwithstanding any other provision of this title, no individual whose disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic shall be entitled to benefits under this title based on such disability with respect to any month, unless such individual—

"(i) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(ii) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under subparagraph (B).

"(B) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in subparagraph (A), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this paragraph.

"(C) The representative payee and the referral and monitoring agency for any individual described in subparagraph (A) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in subparagraph (A) and with the requirements imposed by the Secretary under subparagraph (B).

"(D)(i) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in subparagraph (A), or with the requirements imposed by the Secretary under subparagraph (B), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(ii) Any period of suspension under clause (i) shall be taken into account in determining any 24-month period described in subparagraph (E) and shall not be taken into account in determining the 36-month period described in such subparagraph.

"(E)(i) Except as provided in clause (ii), no individual described in subparagraph (A) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such subparagraph.

"(ii) If at the end of the 24-month period described in clause (i), the individual furnishes evidence in accordance with subsection (d)(5) that the individual continues to be under a disability based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, such individual shall continue to be entitled to benefits under this title based on such disability.

"(iii) Subject to clause (iv), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under clause (ii), clauses (i) and (ii) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(iv) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with subsection (d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(2)(A) Any benefits under this title payable to any individual referred to in paragraph (1), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 205(j).

"(B) For purposes of subparagraph (A) and section 205(j)(4), the term 'qualified organization'—

"(i) shall have the meaning given such term by section 205(j)(4)(B), and

"(ii) shall mean an agency or instrumentality of a State or a political subdivision of a State.

"(3) Monthly insurance benefits under this title which would be payable to any individual (other than the disabled individual to whom benefits are not payable by reason of this subsection) on the basis of the wages and self-employment income of such a disabled individual but for the provisions of paragraph (1), shall be payable as though such disabled individual were receiving such benefits which are not payable under this subsection."

(2) CONFORMING AMENDMENTS.—

(A) Section 205(j)(1) of such Act (42 U.S.C. 405(j)(1)) is amended by inserting ", or in the case of any individual referred to in section 223(j)(1)(A)" after "thereby".

(B) Section 205(j)(2)(D)(ii)(II) of such Act (42 U.S.C. 405(j)(2)(D)(ii)(II)) is amended by striking "legally incompetent or under the age of 15" and inserting "legally incompetent, under the age of 15, or a drug addict or alcoholic referred to in section 223(j)(1)(A)".

(b) SUPPLEMENTAL SECURITY INCOME.—Paragraph (3) of section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended to read as follows:

"(3)(A)(i) No person who is an aged, blind, or disabled individual solely by reason of disability (as determined under section 1614(a)(3)) shall be an eligible individual or eligible spouse for purposes of this title with respect to any month if such individual's disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, unless such individual—

"(I) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(II) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under clause (ii).

"(ii) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in clause (i), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this subparagraph.

"(iii) The representative payee and the referral and monitoring agency for any individual described in clause (i) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in clause (i) and with the requirements imposed by the Secretary under clause (ii).

"(iv)(I) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in clause (i), or with the requirements imposed by the Secretary under clause (ii), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(II) Any period of suspension under subclause (I) shall be taken into account in determining any 24-month period described in clause (v) and shall not be taken into account in determining the 36-month period described in such clause.

"(v)(I) Except as provided in subclause (II), no individual described in clause (i) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such clause.

"(II) If at the end of the 24-month period described in subclause (I), the individual furnishes evidence in accordance with section 223(d)(5) that the individual continues to be under a disability based in whole on a medical determination that the individual is a drug addict or alcoholic, such individual shall be entitled to benefits under this title based on such disability for no more than an additional 36 months.

"(III) Subject to subclause (IV), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under subclause (II), subclauses (I) and (II) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(IV) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with section 223(d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(B)(i) Any benefits under this title payable to any individual referred to in subparagraph (A), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 1631(a)(2)(A)(ii).

"(ii) For purposes of clause (i) and section 1631(a)(2)(D), the term 'qualified organization'—

"(I) shall have the meaning given such term by section 1631(a)(2)(D)(ii), and

"(II) shall mean an agency or instrumentality of a State or a political subdivision of a State."

(c) EFFECTIVE DATES; AUTHORIZATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to benefits payable for determinations of disability made 90 or more days after the date of the enactment of this Act.

(2) CURRENT DETERMINATIONS.—

(A) IN GENERAL.—With respect to any individual described in subparagraph (B), the Secretary of Health and Human Services shall provide during the 3-year period beginning after the date of the enactment of this Act for the application of the amendments made by this section to such individual with the time periods described in such amendments to begin upon such application.

(B) INDIVIDUAL DESCRIBED.—An individual is described in this subparagraph if such individual is entitled to benefits under title II or XVI of the Social Security Act based on a disability determined before the date described in paragraph (1) to be based in whole or in part on a medical determination that the individual is a drug addict or alcoholic.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of the provisions of, and the amendments made by, this section.

SEC. 3. PRIORITY OF TREATMENT.

The Secretary of Health and Human Services, through the Administrator of the Substance Abuse and Mental Health Services Administration, shall assure that every individual receiving disability benefits under title II or XVI of the Social Security Act based in whole or in part on a medical determination that the individual is a drug addict or alcoholic be given high priority for treatment through entities supported by the various States through any substance abuse block grant authorized under law.

SEC. 4. ESTABLISHMENT OF REFERRAL MONITORING AGENCIES REQUIRED IN ALL STATES.

The Secretary of Health and Human Services shall, within 1 year of the date of the enactment of this Act, provide for the establishment of referral and monitoring agencies for each State for the purpose of carrying out the treatment requirements under sections 223(j)(1) and 1611(e)(3)(A) of the Social Security Act (42 U.S.C. 423(j)(1) and 1382(e)(3)(A)).

SEC. 5. PROCEEDS FROM CERTAIN CRIMINAL ACTIVITIES CONSTITUTE SUBSTANTIAL GAINFUL EMPLOYMENT.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—Section 223(d)(4) of the Social Security Act (42 U.S.C. 423(d)(4)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(b) SUPPLEMENTAL SECURITY INCOME.—Section 1614(a)(3)(D) of the Social Security Act

(42 U.S.C. 1382(a)(3)(D)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(c) Effective Date.—The amendments made by this section shall apply to disability determinations conducted on or after the date of the enactment of this Act.

SEC. 6. CONSISTENT PENALTY PROVISIONS FOR SSDI AND SSI PROGRAMS.

(a) Felony Penalties for Fraud.—

(1) In general.—Subsection (a) of section 1631 of the Social Security Act (42 U.S.C. 1383a) is amended by striking "shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both" and inserting "shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both".

(2) Representative payees.—

(A) Ssdi.—Subsections (b) and (c) of section 208 of such Act (42 U.S.C. 408) are amended to read as follows:

"(b)(1) Any person or other entity who is convicted of a violation of any of the provisions of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 205(j) on behalf of another individual (other than such person's spouse or an entity described in section 223(j)(2)(B)(ii)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

"(2) In any case in which the court determines that a violation described in paragraph (1) includes a willful misuse of funds by such person or entity, the court may also require that full or partial restitution of such funds be made to the individual for whom such person or entity was the certified payee.

"(3) Any person or entity convicted of a felony under this section or under section 1632(b) may not be certified as a payee under section 205(j).

"(c) For the purpose of subsection (a)(7), the terms 'social security number' and 'social security account number' mean such numbers as are assigned by the Secretary under section 205(c)(2) whether or not, in actual use, such numbers are called social security numbers."

(B) Ssi.—Subsection (b)(1) of section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "(other than such person's spouse)" and all that follows through the period and inserting "(other than such person's spouse or an entity described in section 1611(e)(3)(B)(ii)(II)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both."

(b) Civil Administrative Penalties.—

(1) Ssdi.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended by adding at the end the following new subsections:

"(e) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(f) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles V, XVI, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(2) Ssi.—

(A) In general.—Section 1632 of such Act (42 U.S.C. 1383a) is amended by adding at the end the following new subsections:

"(c) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(d) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles II, V, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(B) Conforming amendment.—The heading for section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "FOR FRAUD".

(c) Effective Date.—The amendments made by this section shall be effective on or after the date of the enactment of this Act.

Mr. MOYNIHAN. Mr. President, I rise to say that on this side of the aisle and on that side of the aisle we are happy to accept this amendment. But if I could be indulged just a moment to ask the Senator from Maine a question. Sir, you had to get the General Accounting Office to tell you about this, did you not?

Mr. COHEN. Yes, but not only the GAO. As a result of the minority staff investigation on the Senate Aging Committee, we conducted a year-long investigation, and we asked for the assistance of the GAO as well.

Mr. MOYNIHAN. May I ask you this. I am not a lawyer, but I do know you are not supposed to ask a question to which you do not know the answer. Did the Social Security Administration come to you with this question?

Mr. COHEN. The Administration did not directly, no.

Mr. MOYNIHAN. Did not. This is a problem. Hamilton said, "energy in the executive." They have had trouble with the disability program since the fifties, during Eisenhower. Martha Derthick, from the University of Virginia, has written about this very carefully. It is not that they do not cope with their problems; it is that they do not share them. It would be all right to come here and say, "We have a problem and we need to know what to do about it."

Mr. COHEN. The people responsible for bringing it to our attention initially were the administrative law judges, the ones hearing the cases, who were saying, "You should know we have people coming in who are addicted, who are continuing their addiction by engaging in illegal activity."

Mr. MOYNIHAN. I am not surprised. The administrative law judges have been appalled by the long waits for disability, and then a $20,000 check finally comes out. In the southern district of New York, at one point, I tell my friend Senator PACKWOOD, who is a proud graduate of New York University, when Rudolph Guiliani was the U.S. attorney for the southern district of New York, he ceased to defend the U.S. Government in disability payments. He would not do it. He thought it was indefensible. When a U.S. attorney says, "I will not defend the Government in court," that indicates something. Well, there is a problem of executive energy, autonomy, and a sense that this is our problem; we have to do it.

I think the Senator from Maine has done a service to us. I have to say to him, in the candor that we share on the floor, that the House will have a view on this, and I hope it is a positive one. They have a structure which is more complicated than ours. But for my part, I am happy to accept it.

Mr. COHEN. I might say to the Senator that as a result of raising this issue to this level of notice and notoriety that I have received a call from the Commissioner of the Social Security Administration, who is coming in to see me at 3 o'clock this afternoon to discuss what the Social Security Administration is doing, or proposes to do, and the nature of the problems confronting the administration itself.

Mr. MOYNIHAN. Good.

Mr. PACKWOOD. Mr. President, let me congratulate the alacrity of the Senator from Maine. This is the type of thing he does consistently. He pinpoints a problem and brings it to us, and it is identified. I am delighted to accept the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. McCAIN. Mr. President, I express my appreciation to the Senator from Maine for bringing this information to light. The Senator from Maine did a lot of work on this issue of which most Americans were not aware of this situation. Due to his efforts, many Americans are now, and they are appalled and outraged that moneys should be going to liquor stores to pay for the habits of alcoholics. That is not the intent of the law nor the intent of the American people.

The Senator from Maine has, I think, brought to this legislation an amendment that is much needed. I have no doubt that the other body will approve of this, and I think we will not only save the taxpayers dollars but perhaps, in the long run, we will help some of these very unfortunate people.

So I express my strong support for the amendment of the Senator from Maine. I think it is typical of his concern for many of our citizens who are less well off than we are. I think this is a much-needed remedy that will be welcomed even by the recipients, who may be deprived of it in some way. Perhaps we can spend these dollars in the much-needed treatment area that these very unfortunate people need so badly.

I yield the floor.

Mr. COHEN. I thank my friend for his kind comments. I point out also that there has been historically—and I know the Senator from New York is aware of this—a distinction between the SSI program and the disability insurance program. The reasoning or rationale behind it, as I understand it, is that those who are on SSI may not have contributed enough into the Social Security trust fund as such, or at all.

Mr. MOYNIHAN. Or at all.

Mr. COHEN. Yet they are entitled to receive these payments because they are very poor and cannot work.

So the law was set up to say that those individuals who have not contributed enough into the system are the ones who must get treatment for their addictions. The others do not have to get treatment because the theory was, "Well, they are paying into Social Security and it is their money coming out."

Mr. MOYNIHAN. Or disabled.

Mr. COHEN. Exactly.

As both the Senator from New York and the Senator from Oregon pointed out, you get much more out of the Social Security trust fund than you put in over the years, assuming you live long enough. During that period of time you generally do very well in terms of the amount of contribution versus the amount of receipt.

That is no longer the case, however, in the disability insurance fund. My understanding is that by next year that fund will be depleted and that it will require an infusion from the Social Security trust fund.

So now we no longer have the argument saying, "Well, I have contributed to it and there is no reason that the Government should insist I receive treatment for my addiction."

What I seek to do in this amendment is to make sure that anyone who receives disability payments or payments because of a disability for drugs or alcohol has to receive treatment as the condition of receiving SSI or SSDI benefits.

Mr. MOYNIHAN. Mr. President, could I confirm precisely what the Senator from Maine has said.

The disability benefit program was put in place under President Eisenhower with a payroll contribution and a trust fund. That trust fund will be exhausted next year, and we will have to move some of the surplus from the old age and survivors insurance over. These are decimal points we move back and forth from time to time.

There is no problem of the trust funds as a whole. They are in good shape. The disability payments grew at a fast rate in the sixties when it became known about, and obviously there has been another spurt.

I can say the methadone example is a perfectly good one. Methadone is a treatment developed by Vincent Dole and Marie Nyswander at Rockefeller University. It uses a pain killer developed in Germany in World War II when opiants were not available. While it ends a craving for opium, there is no pleasure in it, you might say.

Obviously, when you have money, you slip off, and such like.

The SSI, supplemental security income, was the one in 1970. In 1969 President Nixon proposed the family assistance plan that would take all of those aspects of Social Security which were not covered by the trust fund, aid to families with dependent children, aid to permanently and totally disabled, aid to the blind, and old age assistance—these are meant to be transitional programs until Social Security covered everybody—it took them and covered them. We included everything but the children.

That is the American pattern we have to watch. You surely have to watch that.

But those moneys come from general revenue. There is no trust fund.

Again, this is an administrative issue, a health issue, and a fiscal issue that needs to be addressed.

I congratulate the Senator from Maine for his doing so and, as we have said, Senator PACKWOOD and I are happy to accept the measure.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maine.

Mr. COHEN. Mr. President, I would like very much to claim the entire credit for this particular legislation. It is not mine to claim, however.

I want to publicly acknowledge the enormous amount of work that Mary Gerwin, minority staff director of the Senate Special Committee on Aging, Stacey Hughes conducted, because these two members of my staff are the ones who really conducted the investigation for a period of a year and brought it to my attention. I am just up here articulating the basic work they have done. I would also like to thank Priscilla Hanley and my entire Aging Committee staff, as well as Marty Sieg-Ross and Sally Satel of Senator KASSEBAUM's staff, for their contributions to the investigation and this legislation.

Mr. MOYNIHAN. And the Senator got the charts on time.

Mr. COHEN. They got me the charts on time. I ask unanimous consent that a summary of my amendment be placed in the RECORD at this time.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

AMENDMENT

Discontinues cash disability and SSI benefits to substance abusers, and provides the benefits to institutions, agencies or other payees to manage the money for the addict/alcoholic.

Prohibits cash lump sum payments to substance abusers. These amounts would be paid to a representative payee (government agency, etc.)

Extends to the SSDI program the statutory requirements for SSI recipients that addicts and alcoholics have a representative payee and receive treatment as conditions for receiving benefits.

Requires a good faith compliance with treatment requirements. If non-compliance, there would be tough enforcement of termination of benefits.

Prohibits SSI and SSDI benefits to persons who use proceeds from criminal activity—such as drug dealing—to support their addictions.

Requires SSA to approve agencies in every state to refer and monitor addicts in treatment and requires better standards for monitoring treatment.

Reforms the SSI review process for drug addicts and alcoholics to stress rehabilitation:

Mandatory review for compliance with treatment at the end of the first year—suspension of benefits for non-compliance;

Mandatory resubmission of evidence by individual to prove continuing disability as a drug addict and alcoholic upon completion of 2 years in program; Individuals who are considered to still be disabled will be eligible for 1 more year of treatment;

Maximum of 3 years (cumulative) of eligibility for SSI and SSDI benefits for drug addicts and alcoholics unless there is another qualifying basis for disability.

Gives priority to SSI and SSDI disability drug addicts and alcoholics in federally funded treatment programs.

Toughens penalties for fraud against the SSI and SSDI programs by making willful false statements made to fraudulently receive benefits a felony; provides civil fines for lesser offenses and gives authority to the Secretary of HHS to exclude repeat offenders (both recipients and those who help them get benefits fraudulently) from disability and Medicaid/Medicare.

The PRESIDING OFFICER. Is there any further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1474) was agreed to.

Mr. COHEN. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona [Mr. MCCAIN].

AMENDMENT NO. 1475

(Purpose: To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age)

Mr. MCCAIN. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 1475.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

TITLE —SOCIAL SECURITY EARNINGS TEST

SECTION . SHORT TITLE.

This title may be cited as the "Older Americans' Freedom to Work Act of 1994."

SEC. . ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

Section 203 of the Social Security Act is amended—

(1) in paragraph (1) of subsection (c) and paragraphs (1)(A) and (2) of subsection (d), by striking "the age of seventy" and inserting "retirement age (as defined in section 216(l))";

(2) in subsection (f)(1)(B), by striking "was age seventy or over" and inserting "retirement age (as defined in section 216(l))";

(3) in subsection (f)(3), by striking "33⅓ percent" and inserting "50 percent of such individual's earnings for such year in excess of the product of the exempt amount as determined under paragraph (8)," and by striking "age 70" and inserting "retirement age (as defined in section 216(l))";

(4) in subsection (h)(1)(A), by striking "age 70" each place it appears and inserting "retirement age (as defined in section 216(l))"; and

(5) in subsection (j), by striking "Age Seventy" in the heading and inserting "Retirement Age", and by striking "seventy years of age" and inserting "having attained retirement age (as defined in section 216(l))";

SEC. . CONFORMING AMENDMENTS ELIMINATING THE SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

"(a) UNIFORM EXEMPT AMOUNT.—Section 203(f)(8)(A) of the Social Security Act is amended by striking "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting "a new exempt amount which shall be applicable".

(b) CONFORMING AMENDMENTS.—Section 203(f)(8)(B) of such Act is amended—

(1) in the matter preceding clause (i), by striking "Except" and all that follows through "whichever" and inserting "The exempt amount which is applicable for each month of a particular taxable year shall be whichever";

(2) in clause (i), by striking "corresponding"; and

(3) in the last sentence, by striking "an exempt amount" and inserting "exempt amount".

(c) REPEAL OF BASIS FOR COMPUTATION OF SPECIAL EXEMPT AMOUNT.—Section 203(f)(8)(D) of such Act is repealed.

SEC. . ADDITIONAL CONFORMING AMENDMENTS.

(a) ELIMINATION OF REDUNDANT REFERENCES TO RETIREMENT AGE.—Section 203 of the Social Security Act is amended—

(1) in the last sentence of subsection (c), by striking "nor shall any deduction" and all that follows and inserting "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60."; and

(2) in subsection (f)(1), by striking clause (D) and inserting the following: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60, or".

(b) CONFORMING AMENDMENT TO PROVISIONS FOR DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF DELAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of such Act is amended—

(1) by striking "either"; and

(2) by striking "or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit".

(c) CONTINUED APPLICATION OF RULE GOVERNING ENTITLEMENT OF BLIND BENEFICIARIES.—The second sentence of section 223(d)(4) of such Act is amended by inserting after "subparagraph (D) thereof" where it first appears the following: "(or would be applicable to such individuals but for the amendments made by the Older Americans' Freedom to Work Act of 1994)".

SEC. . EFFECTIVE DATE.

The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1994.

Mr. MCCAIN. Mr. President, before I go into my description of the amendment, perhaps I could engage in a discussion with the distinguished managers of the bill to let them know that I would be glad to have a time agreement on this amendment.

If this amendment fails, which I have reason to believe that it will, then I would have another amendment on which I would also have a time agreement. And I have a third amendment that I believe is going to be worked out.

So I would say to my friends, the distinguished managers of the bill, I would be glad to agree to any time agreement that they would so choose. In the meantime, I will begin my remarks to save time.

Mr. President, I offer an amendment, which I have offered before, and I will bring again before this body until this terrible social injustice is rectified.

There is a social injustice in this country today. It directly penalizes senior citizens who want to work. It is unfair. It is nearly criminal, because what it does is deprive senior citizens who are forced to go back into the workforce in their retirement years, of needed money they have worked for. They are penalized in the most heavy, onerous, and unfair fashion, to the tune for every $3 earned by a retiree over an approximately $11,000 limit they lose $1 in Social Security benefits. Mr. President, that puts them in the highest tax bracket in America.

The interesting thing about this situation which needs to be rectified is, if an individual happens to be wealthy, has investments, has a trust fund, has stocks, whatever kind of liquid assets, and is not out there in the labor force, they are not subject to this onerous Social Security earnings test.

Mr. PACKWOOD. Mr. President, could I interrupt my friend a moment to see if we can get a time agreement that he is agreeable to. Is 30 minutes on a side agreeable?

Mr. MCCAIN. It certainly is.

Mr. President, I ask unanimous consent that there be 30 minutes on each side of this amendment followed by——

Mr. MOYNIHAN. The same arrangement on the next?

Mr. MCCAIN. On the two amendments. I take it that my friends are considering my third amendment. Would that be agreeable concerning the notification on Social Security?

Mr. PACKWOOD. I think so. I have not seen that amendment.

Mr. MCCAIN. The Senator's staff has.

Mr. MOYNIHAN. We will get to that in time.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. PACKWOOD. This was the first two amendments; right?

The PRESIDING OFFICER. That is correct.

Mr. MOYNIHAN. This would preclude second-degree amendments and only vote on the Senator's amendment?

The PRESIDING OFFICER. The Senator from Arizona made that part of his request, to preclude second-degree amendment?

Mr. MCCAIN. I do.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. MCCAIN. For the purpose of the RECORD, I would ask the President to repeat the unanimous consent.

The PRESIDING OFFICER. The Senator from Arizona has proposed 1 hour equally divided on both amendments, and no second-degree amendment.

Mr. MOYNIHAN. No. The Senator from Arizona is to have 30 minutes. The time is equally divided.

Mr. PACKWOOD. Each side.

Mr. MCCAIN. I say to my friends it is not real important, but 30 minutes to each side on the first one. I think 15 minutes on each side is certainly agreeable to the second, because it will be a matter of little debate.

Mr. President, I ask unanimous consent to amend the unanimous-consent request that the second amendment be 15 minutes on each side.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. Just a moment.

Mr. MOYNIHAN. Just a second. We need to know the subject of the second amendment.

Mr. MCCAIN. The second amendment, I say to my colleagues, would be that the U.S. Congress would then be placed—if my first amendment goes down—the U.S. Congress would be placed under the exact same rules concerning the earnings test.

Mr. MOYNIHAN. We will have to see that amendment. We will not have a time agreement on that amendment now.

Mr. MCCAIN. That is fine with me.

The PRESIDING OFFICER. The Chair understands the unanimous-consent request pending for the first amendment, a 1-hour time agreement, equally divided, 30 minutes for each side, and the amendment will not be subject to a second-degree amendment.

Is there objection?

Without objection, it is so ordered.

Mr. McCAIN. Thank you, Mr. President.

In regard to the second amendment, I say to my friend, I will be glad to argue all day and all night that the Congress of the United States should be placed under the same laws concerning their retirement as American citizens are. If anyone disagrees with that, I would be more than happy to spend considerable amounts of time explaining why there is such discontent and anger on the part of the American people with Congress because we seem to pass laws that apply to them and not to us. That is also the case of the Social Security earnings test.

If a Member of Congress is retired at age 65 and receives a Government-operated congressional pension, there is no earnings test placed on any outside limit of his or her income, but there is one for Social Security recipients. And, of course, that is patently unfair. I may be introducing this amendment as a bill soon.

But back to the first amendment, Mr. President. This amendment repeals the Social Security earnings test. As I said, it is unfair to penalize American citizens who, in their retirement years, are either forced or choose to return to the work force. They are then placed in one of the highest tax brackets there is. These people are knowledgeable. They are talented. They are people who can contribute enormous amount to American society and our productivity.

The U.S. Labor Department has warned of shortages in the labor market. Employers are having difficulty in hiring experienced, dependable workers. By the end of the decade, 1.5 million fewer workers between the ages of 16 and 24 will have entered the work force. At the same time, 5 million older Americans will be retiring.

Mr. President, we all know that this earnings limit was created during the Depression in order to force older workers out of the labor force and create job opportunities for younger workers. Obviously, this situation no longer exists and it is time to sunset this Depression-era policy.

I would also like to say to the Senator from New York, who is the chairman of the committee that would oversee this issue, that he said the last time I brought this up that he would have hearings. I hope he will do so. I have not seen any schedule for such a hearing in the Finance Committee.

I hope the Senator also understands that I am willing to compromise and phase out this earnings test, if necessary, if that would be somehow beneficial. But the fact is, it is wrong. The distinguished chairman knows it is wrong. Every American knows it is wrong, and it has to be fixed.

Mr. President, I also comment that it is not just my idea that this is wrong. I would like to just give some very brief quotes from various leading newspapers around this country, all of which agree with my position.

The Chicago Tribune said:

> The skill and expertise of the elderly could be used to train future workers, while bringing in more tax dollars and helping America stay competitive in the 21st century.

The Los Angeles Times says:

> As the senior population expands and the younger population shrinks in the decades ahead, there will be an increasing need to encourage older workers to stay on the job to maintain the Nation's productivity.

The Baltimore Sun says:

> The Social Security landscape is littered with a great irony: While the program was built on the strength of the work ethic, its earnings test actually provides a disincentive to work. * * * One consequence of this skewed policy is the emergence of a gray, underground economy—a cadre of senior citizens forced to work for extremely low wages or with no benefits in exchange for being paid under the table.

The Dallas Morning News says:

> Both individual citizens and society as a whole would benefit from a repeal of the law that limits what Social Security recipients may earn before their benefits are reduced.

The San Diego Tribune says:

> The benefit-reaction law made some economic sense when Social Security was established in the 1930's and the Government wanted to encourage the elderly to leave the labor force and open up jobs for younger workers. But with declining birth rates and the Nation's need for more, not fewer, experienced workers, the measure is bad for the Nation as well as its older workers.

The Wall Street Journal said:

> The punitive taxation of the earnings limit sends the message to seniors that their country doesn't want them to work, or that they are fools if they do.

The New York Times says:

> It is not wrong to encourage willing older adults to remain in the work force.

The Orange County Register says:

> Indeed, repealing the tax might actually increase revenues. More people would be working, paying more taxes of all kinds, including the Social Security tax. If our Government bureaucrats want us to keep paying their salaries, the least they can do is to make it possible to work in the first place.

The Houston Post says:

> Equity and common sense demand that this disincentive to work be scrapped.

The Cincinnati Enquirer says:

> No American should be discouraged from working, as long as he wants to and is physically able to do so.

The Indianapolis Star:

> On the face of it, the game appears rigged in favor of those who stop working at 65 and against those who keep working, in favor of well-to-do retirees against middle- and low-income retirees who need a part time job to help with expenses.

From Forbes:

> Moreover, people are living longer; the economy is hurt when artificial barriers block the full use of our most productive asset, people.

The Detroit News says:

> Work is important to many of the elderly, who are living together. They shouldn't be faced with a confiscatory tax for remaining productive.

And it goes on and on and on.

Mr. President, I remember a few years ago when this body decided that we would be able to squeeze additional revenues by passing a tax on luxury boats. The same people who will tell this body that repeal of the earnings test means a decrease in revenues are the same people who told the Congress and the Finance Committee that if we passed a tax on luxury boats, we would see an increase in revenues.

Mr. President, we all know what happened. What happened was we forgot to pass a law that said that rich people had to buy boats, and so rich people did not buy boats. In fact, they went overseas if they wanted to buy a boat, and the boat industry collapsed, and 19,000 Americans lost their jobs. There was a dramatic decrease in revenues and taxes to the coffers of the United States due to this unwise tax, despite the prediction by the same people who will tell you that repeal of the earnings tax will cause a decrease in revenues to the Federal coffers.

So after we saw what happened in the collapse of the boat industry in America, we repealed that tax. And I applaud my colleagues for doing so.

The same flawed logic that drove us to raise the luxury boat tax will be the same flawed logic that will be used today in an argument against repeal of the earnings test. It will be that we will see a decrease in revenue, totally discounting the fact that there are tens of thousands, hundreds of thousands of seniors out there today who want to work. But they do not want to work when the fruits of their labors will be confiscated by the Government.

How in the world can anybody believe that this amendment will result in a decrease of Federal revenues, when all they have to do is go out into any senior's community in America today and discover that many seniors want to work.

Again, I want to point out, this earnings test does not affect rich retirees. This does not affect people who have huge portfolios of stocks and bonds and other means that provide them with a continuous stream of finances. This affects the poor and the middle-income retirees.

And I would suggest, along with my second amendment that I would apply the test to Congress, that at least maybe we ought to include the very wealthy, as well as those middle- and low-income people who are suffering under this incredible burden.

The Department of Health and Human Services has stated that beyond the year 2000, the estimated annual net cost of the proposal continues to decline, reaching zero around the year 2021. Thereafter, the annual full financial effect of the proposal is estimated to be a net savings to the program. Even using their flawed logic, by somewhere around the year 2021, we will stop seeing declines.

The important fact is that we do not take into consideration, one, the social inequities of this law; but, second of all, the fact that when people work, they pay taxes. People pay taxes, including Social Security taxes.

So I urge my colleagues to consult with their constituents who are senior citizens, whose representation organizations overwhelmingly have supported the repeal of this tax. They do so on the basis of fairness, but they also do so with a certain knowledge that there will be incentives for people to enter the work force.

We all know the demographic changes that are taking place in America. There is an aging population. The baby boomers are getting older.

They will be leaving the work force. How we can possibly, in good conscience, lose that kind of talent and that kind of ability?

I remember a meeting I had with the president of Disney. The president of Disney, at the conclusion of our meeting on another matter, came up and said, "Senator, I want to tell you I support strongly the repeal of the earnings tax."

I said, "Why? Every time I go to Disney World, I see young people dressed up like Cinderella and Goofy, but I do not see senior citizens."

He said, "The reason why you do not see senior citizens is because they have no incentive to work at Disney World or Disneyland. But we have found that those who will work are our best workers, our best workers that relate to the young people who come to Disney World."

I have had several experiences like that with major employers in America who say let these people work. Let them work. We need them. We have not enough trained and talented and knowledgeable labor in our country. We have not a large enough pool to draw from. We want to draw from these people. They can do the job, they want to do the job, and they contribute an enormous amount to the advancement of our businesses and our profitability.

The American Farm Bureau, the American Federation of Small Business, the American Health Care Association, Citizens for a Sound Economy, Days Inn of America, National Association of Temporary Services, National Council of Chain Restaurants, National Restaurant Association, National Small Business United, National Society of Public Accountants—by the way the National Society of Public Accountants strongly disputes the premise that there will be a reduction in revenues into the Federal coffers. In fact, the National Society of Public Accountants feel exactly the opposite.

The National Tax Limitation Foundation, National Technical Services Association, Retired Police Association, Sears Roebuck, Walgreens, and the U.S. Chamber of Commerce all support the repeal of this unfair tax.

The National Association of Retired Federal Employees, National Committee to Preserve Social Security and Medicare which, by the way, both of those organizations have been enormously helpful to me, as well as the Seniors Coalition, Seniors Cooperative Work Network, United Seniors of Washington, Air Force Association, Association of Military Surgeons, Association of the Army, Enlisted Association of the National Guard, Fleet Reserve, Jewish War Veterans, Marine Corps League, Retired Enlisted Association—on and on goes the list and they all believe the earnings test is wrong.

Every organization that is composed—with the exception, I must say, Mr. President, of the American Association of Retired Persons who has refused to take a stand on this issue, as they did on the catastrophic health insurance issue—literally every major seniors association strongly supports this legislation.

It is time. I have been fighting this tax for years now. I would be more than ready to accept some kind of compromise. I would be more than happy to accept commitments.

The fact is, nothing has been done by this Congress about a terrible social injustice. I intend to bring this issue up before the Senate of the United States until something is done about it because it is against my duties, it is against my oath to not try to correct an injustice when I see it.

If you do not believe it is an injustice, visit with some of those people, visit with the couple I did in Sun City who has experienced severe medical bills and must now go out and work; individuals who had been retired for 10 years.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition? The Chair recognizes the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I feel some ambivalence toward my friend from Arizona. As he knows, I have cosponsored this before. Logic is totally on his side. Money is not. I know there is a disagreement in estimates. There is no question the bill has to lose some money. Whether it loses $26.4 billion over 5 years as is estimated, or whether there will be a sufficient change of behavior so it loses less than that because people go to work and they pay taxes—I do not know. There is no question it loses some money.

But logic and fairness is on the side of the Senator from Arizona. We do not say to somebody who has a private pension from an insurance company "You have worked all your life. You retire when you are 65." The insurance company says "We will pay you $1,000 a month. And, by the way, if you go to work after you have retired at Disney or McDonald's, we are going to reduce your insurance company pension a bit." We do not do that. And there is no reason why we should do it with Social Security.

So, as I say, I come with some ambivalence. I know there is a loss of money and we will have to make up the money. But equity is on the side of the Senator from Arizona.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, not for the first time do I rise on the Senate floor to agree with the distinguished Senator from Arizona on this matter. In October 1993, we had the same issue before us. He is right. The earnings test for a person 65 to 69 is an obsolete arrangement that we associate with the Depression. It has never changed.

It, in fact, does no disservice, in actuarial terms, to the persons who are affected because at age 70, or whatever, if you retire, having had benefits reduced because of earnings, you get a higher retirement benefit. From the actuary's point of view, it is all a wash after a while.

As I say, I have here my benefits statement. If I were to retire, or more specifically, if the people of New York were to retire me in January 1994, at age 66 and 10 months, I would receive $1,259. I now get no benefits because I have a salary that uses them all up. At age 70, my retirement benefit would be $1,470 per month and no reduction whatever for whatever earnings there might be. Even so, the earnings test is not understood and it does not seem right.

When there is something about the social insurance system that is not understood and does not seem right, we ought to change it. We can change it at no cost to the system over time. You have to make changes slowly in a system of this kind.

The National Commission on Social Security reform made a report in January 1983. We proposed that the retirement age be increased to 66 and then to 67 years. But we go to 66 in the year 2005, and 67 around the year 2015. So everybody is on notice; no surprise.

I do also want to report, and this is something that takes more attention, a majority of persons in the Social Security system retire at age 62, and by age 65, two-thirds have, in fact, retired. But that leaves one-third still working, of which some part is affected by this and it makes no sense to them.

Here on the floor of the Senate, in 1993, October 27, I said to my friend from Arizona I would be happy to have hearings on this, and we will. At that time we were just about finishing up the first session, and recently we have been holding a series of hearings on health care.

But by May of this year, I want to say to the Senator from Arizona, there will be a full hearing on this as long as he wants, within endurance, because the number of people who would want to come and say they agree with him is a very long list, and it would include the Senator from New York, and I think it would include my colleague, the former chairman, the Senator from Oregon.

I say also, which is to the point of the bill we are working on today, I would hope that we would see a revised Social Security Administration that would take on these subjects and give us views of its own. For instance, have a survey of 100,000 persons, the kind of thing the Bureau of Labor Statistics does well; find out who is over 65, working, and is really feeling the effects of that retirement test. The lawyer does not feel it, the doctor does not feel it, a university professor does not feel it. Someone who is working at Disneyland might feel it very well or might be working if it were not for it.

What about some numbers? I said of the Social Security Administration, "We get no thoughts. The agency has been brain dead, in a policy sense, for 15 years. In 17 years, we have had 12 Commissioners or acting Commissioners. The job has just been empty for 1 year."

The questions the Senator asks, Mr. President, deserve an answer and they deserve a Social Security Administration that will answer them.

Are there people out there who think this arrangement is unjust? Well, good, let us find out and see if we cannot fix it. We have not heard a word from the Social Security Administration. Not a word. But it is an issue of public policy: How do you make people who want to work feel the system is fair?

With respect to another problem, I can report with some pleasure. The notch is an issue which causes a lot of people trouble. We established in 1992, by statute, a commission to look into it in the usual manner—appointments from the House side, Senate side and Presidential side. I have spent 1 year asking the administration, please appoint members so we can get on with this subject. There are 7 million people out there who think the Social Security Administration is cheating them. Well, they need an answer. We think not, but let an independent commission give a hearing on it.

By the most wonderful of happenstance, Mr. President, I have just received a message that the administration will make its appointments this very day. I cannot tell you what wonders coincidence will do, and very good appointments, too: Alan Campbell will be the Chair. He is professor of public policy at Wharton. He has been dean of the Maxwell School. Scottie Campbell is a fine student of public administration; an old friend; Lindy Boggs, the incomparable Lindy Boggs who the Chair knows very well and we all love and admire; Gwendolyn King, who was a good commissioner while she was in that job; and Robert Froehlke, who is president and CEO of IDS Mutual Funds, a very commendable financial firm in Minneapolis. Good. It took a year and this bill coming to the floor.

I want to say that I am obliged, when the time comes, to raise a point of order that is simply a budgetary point of order.

Mr. McCAIN. Will the Senator yield to me for comment?

Mr. MOYNIHAN. Yes, of course. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. McCAIN. Mr. President, I say to the Senator from New York, with his very generous commitment on the part of him and Senator PACKWOOD that a hearing will be held on this issue, with their expressed belief that this is an unfair situation and their willingness to attempt to work this out, I do not believe that a recorded vote will be necessary at this time.

I believe that I can withdraw the amendment, of course seeking unanimous consent to do so, and then look forward to a hearing on this issue, S. 28, in the month of May. I appreciate the generosity of both Senator PACKWOOD and Senator MOYNIHAN because I know how very busy their committee is.

Also, Mr. President, a slight caveat. Obviously, as I mentioned many times, I will not give up on the issue, but I do have some optimism that we can work this out. I think that the comment of the Senator from New York that there may have to be some gradualization to this, I certainly agree with. I look forward to trying to shape some kind of compromise that can give not only the present generation of retired seniors some hope, but future people who will face this same dilemma and challenge.

Mr. President, if it is agreeable to the Senator from New York and the Senator from Oregon, I will ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The amendment is withdrawn.

The amendment (No. 1475) was withdrawn.

Mr. PACKWOOD. Mr. President, is the Senator going to withdraw the second amendment, also?

Mr. McCAIN. Yes. I have not yet sent the second amendment to the desk.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. May I just thank the Senator, because we can solve this, and if he keeps at it we will. I just hope that when May comes we have the head of an independent Social Security Administration saying we are going to take this on, do it. We want people to feel good about this system. It is one of our real achievements, and we do not want people going around: "Why are they doing this? Why aren't they paying me?" No, sir. The Senator shall have this hearing, and we will get this thing done. I thank the Senator very much for bringing it up.

Mr. McCAIN. I thank the Senator from New York deeply for his concern and effort on this matter.

I thank the Chair. I thank the Senator.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I would like to engage in a brief colloquy with the Senator from Oregon on the issue of the notification of all Americans who contribute to the Social Security trust fund and are eligible for Social Security upon retirement.

My concern was the cynicism of many Americans concerning the financial sanity of the Social Security trust fund and their ability to receive those benefits at retirement time, plus a great deal of confusion as to how much money they have contributed, how much they can expect to get back, et cetera, et cetera.

The thrust of the amendment I was going to propose basically required the Social Security Administration to provide that information. The Senator from Oregon has illuminated me on that issue, and I think that what is planned may be satisfactory—and, in fact, may prove to be very helpful—to all members of the work force.

I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. I might just read into the RECORD—it is right on point with what the Senator from Arizona is suggesting—what is about to be started.

The Social Security Administration is going to send out an individual's work life—and I will explain that in a minute—in three stages. The trial stage starts next month, April of 1994, and in the trial stage, they will send out a work history statement to 600,000 randomly selected individuals aged 25 or older, and they are using the 600,000 mailing to gauge how many questions and responses they get, problems that may come up when they implement this process fully.

Based upon that, by October 1994, they will be able to compile a report with their findings to be used when they begin the implementing stage, and that starts very soon. The implementing stage will start next February.

During what we call the implementing stage, a one-time work history statement will be sent out to everybody who is 60 years or older, whether or not they have started Social Security or not. Everybody who is age 60 or over will get a statement, very similar to what the chairman read earlier today, about how long have you worked; how much did you pay in; when you paid it in.

Then, starting in the year 2000, they will send out an annual work history to everyone age 25 or older. So I think we are going to accomplish what the Senator from Arizona wants, and they are on the verge of starting it now.

Mr. MCCAIN. Mr. President, I thank my friend from Oregon. I think that is entirely satisfactory, and I certainly hope that the Social Security Administration is able to fulfill that commitment.

I will just make one additional comment. The Senator from New York mentioned that finally members of the notch commission have been appointed. I think that is a very important step. I am sorry it took so long. But there still is an enormous amount of misinformation, dissatisfaction, and anger on the part of the so-called notch baby population, and I believe that the old adage about a little sunlight being a good disinfectant is certainly operative here. We need to have people understand exactly what the notch situation is all about, how it came into being, and what remedies there are for it, if any. There are millions of senior citizens out there today who are convinced that they have been deprived of their benefits.

Now, I am not saying they are right; I am not saying they are wrong; but there is a huge number. The Presiding Officer knows, from his constituency who visit my State quite often especially at this time of year, there is great discontent and dissatisfaction about the notch. And I believe this notch commission, particularly with the quality of individuals who have been appointed, will perform a valuable service. I am hopeful their conclusions and recommendations will have great validity and will help us wind our way through an incredibly difficult issue which has plagued this body for many years now, and will for many more years unless it is resolved.

I am not often a believer in commissions, but on this particular issue I think we needed a commission of qualified experts who will provide us with the information and guidance that we need.

Mr. President, I thank my friend from Oregon again and I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. I am doing this from memory, so if I state it wrong in the RECORD, do not hold me to it, but this is the best I recall about the notch. I understand the problem, and we all get it when we go home.

In 1972, we changed Social Security and went to a readjustment basis. As a matter of fact, very few people know this.

When we went to the cost-of-living adjustment, we did it in the hopes of holding Social Security costs down because we were getting amendments in the Chamber to increase Social Security above the cost of living, and we thought this would be a restraint on the growth. And it became a one-upmanship: "I offer an amendment to increase it 5 percent." "I move to amend that and increase it to 10 percent." So we went to the cost-of-living adjustment as a restraint on Social Security.

But in 1972, we made a mistake in the adjustment, and we actually overcompensated, so that people who retired got more than the cost-of-living adjustment.

We realized that mistake in 1977, and those are the 5 notch years, and they basically apply to people who were born between 1917 and 1922. And, of course, the Government hates to take away from anybody anything we have given them. So when we passed a law in 1977 correcting the mistake we made in 1972, we did not attempt to undo the mistake for that 5-year period. So, if you were born prior to 1917, you got this overcompensated amount. It was a mistake. But we did not take it away.

Then we said, for those born 1917 to 1922, we would have a transition, and they actually get less than people who were born prior to 1917. But then after that 5-year period, the people that come after the notch years actually get less than the people in the notch years. So you have three categories.

Let us use an example. Before 1916, you get $500 a month. If you are born in 1917 to 1922, you get $450 a month. If you are born after 1922, you get $400 a month. Well, the people in the 5 years during the notch compare themselves to the people born prior to them who get $500, not to the people who were born after them who get $400.

But that is the mistake we made, and if we were to correct it, if we were to give everybody a correction for the mistake and say, we made a mistake; now, instead of correcting it, we are going to apply the mistake to everybody, it is very, very expensive, and, indeed, it is—you hate to use the word "unfair," but it would compensate everybody for increases greater than the cost-of-living adjustment.

So I understand why the people in the notch think they are being treated unfairly. They are being treated differently. But they are being treated better than the people that come behind them.

I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, we have had a good debate, the first of its kind on the Senate floor concerning an independent agency for the Social Security Administration. We have had not a word of opposition heard, just as in our Finance Committee, as my friend Senator PACKWOOD will agree, the vote was essentially unanimous with one Senator wishing to be recorded in opposition.

The Senator from Arizona came to the floor with some amendments, very germane amendments in the field of Social Security on a matter about which he feels very strongly, about which I feel and Senator PACKWOOD feels should be looked into, but that should not really be carried by this particular bill to establish an independent Social Security Administration.

We have reached a very amicable agreement. He withdrew his amendments and we are going to follow up with him in a new independent agency, which we will want to do. And part of the debate that created that independent agency is the debate that said we are going to deal with this question of earnings limitations.

But now, I feel that we have about concluded. No one is on the floor. I am going to propose, if it is agreeable to my colleague and friend, that there be no more amendments. But we are not binding anybody.

It would be my view that we should have no more amendments and should proceed to third reading very shortly.

Is that the view of the Senator from Oregon?

Mr. PACKWOOD. Are you asking unanimous consent for that?

Mr. MOYNIHAN. I understand there is a Senator coming, but I would like it to be on record.

Mr. PACKWOOD. I agree.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislation clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I rise today to once again offer my support for this legislation to make the Social Security Administration an independent agency.

The Social Security Program has the confidence and support of the American public. In a period of increasing doubts and cynicism about government it is absolutely paramount that those of us here in Washington do everything we can to maintain the credibility of this vital program.

A brief look at the work of the Social Security Administration points out how important this bill is. The Social Security Administration includes over half the staff and 60 percent of the expenditures of the Department of Health and Human Services. This program serves over 42 million people. When this administration is not unfairly targeted in budget cuts it does its job well under ever increasing work loads.

I support this bill because over the next several years Social Security could become an all to convenient target for those who want to balance the budget on the backs of senior citizens and disabled Americans. If anyone questions the chance of that happening, I would only have to point to the budget actions of the early 1980's. Despite an ever increasing number of retirees, increasing numbers of people on SSI, and increasing numbers of disabled children, the programs under the Social Security Administration experienced a reduction of staffing from approximately 80,000 to 63,000 people. As a result we see problems in some areas such as disability reviews, the treatment of those individuals with an addiction and last, but certainly not least, for our elderly in need of basic information.

This legislation will place the Social Security Administration above politics and above interference. Under the bill, a system is set up that allows bipartisan leadership. In turn, that leadership can run the program in the most efficient and effective way possible. Recommendations will be made that will keep staffing at the necessary levels. We will not have to worry whether or not the telephones are getting answered. And perhaps most important—the citizens of this country will know that the program that was established under Franklin Roosevelt nearly 60 years ago will continue to serve them in good faith.

I want to thank the senior Senator from New York for his sponsorship of this legislation and for guiding it out of the Finance Committee and onto the floor. I am pleased to be a cosponsor and pleased that we can reassure the senior citizens of this country that Social Security is a trust established many decades ago and that we are serious about honoring that trust and commitment.

Ms. MIKULSKI. Mr. President, I rise today to give my enthusiastic support to this legislation which will establish the Social Security Administration as an independent agency. I have long been a supporter of this effort. And I am glad to see its time has finally come.

As an independent agency, the Social Security Administration would have three advantages over the current structure: greater stature within the executive branch; greater control over procurement and personnel practices; and as an independent agency, a stronger voice in its policy decisions.

An independent agency would also allow the agency head a more direct link to the President. He or she would be better able to present its needs during policy deliberations within the administration.

Since 1935, the Social Security Administration has grown to be the largest domestic program of the Federal Government. It represents over 20 percent of Federal spending. And it is the ninth largest agency in the Federal Government with an annual budget of over $300 billion.

I take a very special interest in SSA.

The Social Security Administration's employees make up more than 50 percent of the Department of Health and Human Services. It employs 64,000 people—13,400 are at the headquarters in Maryland alone. This means that one out of every five Social Security employees works in Maryland.

SSA has a special mission of caring for and helping people. It is the jewel in the crown of our domestic programs. Americans who have worked hard and played by the rules, look to the Social Security Administration as the agency which will reward their years of productivity.

As the Senator from Maryland and the chair of the Aging Subcommittee of the Labor Committee, I have many reasons to support this bill.

The agency is paying benefits to 42 million recipients and maintains earning records for 132 million workers, 73.4 percent of these are elderly. One out of every four households receives a check from Social Security each month.

American workers and retirees have a compact with the Social Security Administration. When I speak to employed people, both young and old, they are concerned about the long-run security of their retirement benefits. They want to know that the system is sound and the benefits they earned will be available. They would have more confidence in a program which could separate the Social Security policymaking from the economic and budgetary decisions affecting the rest of Government.

As we move toward reinventing government, it is important that we streamline our organizations and remove unnecessary levels of additional administration between SSA and the President.

It is important to note that my support for an independent Social Security Administration is in no way a reflection on the current Secretary. I am a great admirer of hers.

But I supported Senator MOYNIHAN'S effort prior to her appointment and I support it now. We need a separate agency to meet the needs of our aging and disabled population in the 21st century.

A strong independent agency, autonomous agency, is the only way this can be done.

Mrs. FEINSTEIN. Mr. President, I rise today in support of S. 1560, the Social Security Administration Independence Act. In so doing, I would first like to acknowledge the efforts of the distinguished Senator from New York, and chairman of the Senate Finance Committee. Senator MOYNIHAN has been the patient sponsor of this legislation which has been approved, three times now, by the Finance Committee. His stewardship has brought this legislation to us today, and I am pleased to be able to provide my support.

In 1980, the National Commission on Social Security recommended that the Social Security Administration should be restored to its original status as an independent agency. And in 1983, the National Commission on Social Security Reform made the same recommendation. In 1984, the Congressional Panel on Social Security Organization made recommendations for establishing an independent agency.

Now, 10 years later, thanks in no small part to the dogged determination of the Senator from New York, those recommendations have reached fruition in the form of this legislation.

The Social Security Administration has the second largest budget in the Federal Government. It keeps records on the earnings of 120 million American workers, and provides benefits to 42 million beneficiaries.

I believe the time has come to elevate this agency, to a position which is comparable to other Cabinet-level Federal agencies, by restoring it to its original status as an independent agency accountable directly to the President of the United States.

There was a time the Social Security Administration, which was created in the 1930's as part of the New Deal initiated by President Franklin Delano Roosevelt, was considered the model Federal agency.

It was a time when the American spirit had been challenged, first by a great war on distant continents, and then by the Great Depression. It was a time when the triumphs of the 20th century were dampened by the despair of dust-bowls and depression. And it was a time when the cities of our Nation saw breadlines and soup kitchens.

With the New Deal, a pledge was made by a government to its people. And the creation of the Social Security Administration represented the foundation of that pledge. That pledge was, if you work hard all of your life, and if you pay your taxes, when the time comes for you to retire, this Government will see to it that you will be guaranteed a modicum of security in your golden years—even if times are hard.

Well—times are hard now. They're certainly hard in my State, and they're hard for our Nation. In California, the times are the worst since the Great Depression. Once again we see people, on our Nation's streets, who have no home.

As a society, we have become accustomed to observing, on a daily basis, human suffering of once unthinkable proportions. In our cities, we step around people lying in urine-soaked doorways. At night, we see people huddled in loading docks, over subway grates, or under freeway overpasses. For them, hope has all but diminished.

Their daily lives consist of finding their next meal and locating shelter for the night, all the while guarding their sole remaining possessions which are stuffed into plastic bags carefully hung around the sides of the shopping carts which are their homes. Many of those people are our Nation's senior citizens, or veterans who are heroes of foreign wars.

These people have lost their spirit. They have lost confidence that the Government, of the greatest nation in the world, can fix the problem or provide them with the so-called safety net. Many people are fearful that they too could become homeless, and that the Social Security check which provides them with the bare essentials of life is somehow in jeopardy.

And the people who sometimes fear the most, are the very people from the generation with whom that pact was made back in the 1930's—our Nation's senior citizens. They did work hard. They did pay their taxes. They did live and serve through foreign wars. They saved their money, and now they fear that the promise made to them may not be kept.

That is why this bill is important. This Nation does keep its promises. It can and will meet its obligations. And our senior citizens can go to sleep at night knowing that the Government, they have supported all of their working lives, will not turn its back on them.

Clearly, the Social Security trust fund is solid, and that is the case for the next three decades. Restoration of the Social Security Administration to its original status as an independent agency, I believe, will ensure that it remains solid. I also believe this act will help in the restoration of the confidence of our Nation's senior citizens.

Mr. SASSER. Mr. President, I rise today in support of S. 1560, which would make the Social Security Administration an independent agency. I believe this legislation elevates this important Federal agency to its proper status and acknowledges the importance of the Social Security Program to the working people of this country.

Social Security is one of the most successful Federal programs ever enacted. It touches the lives of virtually every American. As many as 42 million people currently receive benefits, and millions more are paying into the system so that they will receive benefits when they retire or if they become disabled. Social Security has helped to significantly enhance the financial status of people in their retirement years or when they can no longer work. For these reasons, the program enjoys tremendous public support.

But there is also concern about the future of the program. Changing demographic conditions, including the impending retirement of the huge baby boom generation starting in the next decade, threatens to put strains on the system. In 1983, we took important steps to make sure that Social Security will be on a strong financial footing well into the next century. We have an obligation to the millions of people who rely on this program to make sure this system is administered as effectively as possible in order to strengthen public confidence.

I am also concerned about the quality of service provided by the Social Security Administration, particularly the growing backlogs in disability determinations and reviews, and long processing times. The President has acknowledged this problem in his budget and has included an increase of $327 million over 1994 levels to improve customer service and continue to upgrade automation at the Social Security Administration. Despite this effort, however, backlogs and processing times are projected to continue to increase. I believe more needs to be done in this area.

Making the Social Security Administration an independent agency, as recommended in the 1983 Report of the National Commission on Social Security, sends a strong message to the retirees, disabled people, and workers who have contributed to the system that we are committed to improving services to beneficiaries and that we intend to make sure that Social Security is sound and strong well into the future. I look forward to working with the Clinton administration to bring about these goals.

Mr. BRYAN. Mr. President, every time I go home to Nevada and talk with seniors, the same old fear is poignantly voiced. Whether it is the elderly widow, the person just facing retirement, or the baby-boomer planning for retirement, the fear-filled question is the same—"Can I really depend on my Social Security benefits to be there?"

Each of us here answers that question with a "yes," but polls indicate people continue to believe their Social Security benefits are at risk. Our one-on-one meetings with people prove the polls right—their fear is real.

The elderly widow whose only income is her Social Security benefit faces a daily trial of making ends meet with limited means. She should not also face daily worry about whether those benefits will continue to be there for her for the rest of her life.

People still working and planning for their retirement believe they cannot depend on Social Security. They see the Social Security deduction taken out of their pay checks, and yet they too worry. When their retirement date comes, they believe Social Security benefits are not going to be there for them.

As a cosponsor of the Social Security Administration Independence Act, I wanted to allay these fears, and hopefully put them to rest.

This legislation acknowledges first and foremost the importance of the Social Security system. This is the system that has grown from its initial payment of benefits in 1940 to a program today providing social insurance for over 41 million Americans when they retire, become disabled, or die.

Under this bill, Social Security is pulled out of the Department of Health and Human Services, and made an independent agency.

Creation of an independent Social Security agency will protect the integrity of the Social Security trust funds. It will improve the delivery of Social Security services. It will restore the public's confidence in the Social Security System. It will once again show that our Government can serve its citizens. It will mean seniors can rest assured that Social Security will really always be there for them.

This independent Social Security agency will be headed by the Commissioner appointed by the President and confirmed by the Senate. The Commissioner will be assisted by the five-member Board of Trustees of the Old Age, Survivors and Disability Insurance Trust Funds.

A part-time, seven-member bipartisan Social Security advisory board, serving staggered terms, will advise the Commissioner and evaluate policy options the independent agency seeks to implement. It will recommend how the Agency can best ensure the solvency of the Social Security system, and economic security for those dependent upon the system.

As an independent agency with an appointed Commissioner, the commitment to accurate, prompt, and courteous service to the public that used to characterize the Social Security System will be renewed. This independence should help assure strong and effective leadership for a system millions literally depend upon.

Is the Social Security System really safe? Passage of this important legislation will help ensure the answer continues to be an unequivocal "yes."

Mr. HATFIELD. Mr. President, the idea of making the Social Security Administration an independent agency dates back to the early 1970's when Social Security's impact on fiscal policy was made more visible through the inclusion of the program in the Federal budget. In the early 1980's, when the Social Security Administration was brought up in congressional budget discussions, the call for independence became more pronounced. Those calling for independence said that because of the self-financing nature of the program and the compact it has with the Nation's workers to pay earned benefits, independence would insulate Social Security from everyday fiscal policy decisions.

Currently, the Social Security Administration is responsible for paying benefits to over 42 million recipients and maintaining earnings records for 132 million workers. With approximately 64,000 hard working and dedicated employees, a network of 1,300 field offices, and an annual budget of over $300 billion, the Social Security Administration is the largest agency within the Department of Health and Human Services and the ninth largest within the entire Federal Government. The sheer magnitude as well as the promise this agency must fulfill to our Nation's seniors compels us to give it the stature it has deserved for far too long.

Mr. President, I firmly believe that we, as Members of Congress, have no greater duty to American seniors and our working men and women that to protect and strengthen the Social Security system. And let me say this: In the past, we have witnessed attempts to administer the SSA in a manner that raises questions as to whether some officials in our Government have forgotten this responsibility.

For example, in recent years, funding requests for administrative purposes to process disability applications at SSA were woefully inadequate. As the ranking member on the Appropriations Committee, I sought to increase funds for disability claims processing to alleviate the backlog of disability claims and decrease the waiting time for individuals applying for benefits. I did this because the administrations' requests were inadequate to allow efficient processing of first time claims in and timely review of backlog cases. Although SSA had been and still is somewhat overwhelmed by the number of disability applications, my committee has provided funding to reduce the backlog.

Being independent will not only improve the actual administration of the program and increase public confidence in the system itself, but also help assure strong and effective leadership for the program and agency. Furthermore, the bill will create a bipartisan, seven-member advisory board which will analyze the Nation's retirement and disability systems and make recommendations with respect to how the programs under SSA can most effectively assure economic security for all Americans. Its creation will assist the Administration in avoiding policy errors and, I believe, enable an independent SSA to be guided by its traditional objective of providing the highest quality service to the public.

The creation of an independent agency will not only increase its statute among other agencies and lead to more coherence among top management, it will also lead to a better run organization. Independence will increase the ability of the SSA to obtain and retain the most experienced and capable leadership for the agency, and more importantly, allow the administrator to seek the President's ear directly. In my mind 42 million people deserve nothing less than the President's ear.

Mr. President, over the years I have been a proud cosponsor of this important legislation and would like to congratulate and thank Senator MOYNIHAN for moving this bill through the Senate.

Mr. GORTON. Mr. President, I am pleased to support S. 1560, the Social Security Administration Independence Act.

Very briefly, this bill will remove the Social Security Administration from under the Department of Health and Human Services and make it an independent agency. The new, independent Social Security Administration will continue to administer the OASDI and SSI Programs, and will be run by a Commissioner, who is appointed by the President and confirmed by the Senate. In addition, S. 1560 creates a Social Security advisory board, made up of seven members, to evaluate policy alternatives, conduct research on issues and advise the Commissioner.

This effort is not a new one. Similar bills have been before Congress in the past. But the most recent legislative proposal, considered during the 102d session, was not brought to the Senate floor after it was passed by the House due to time constraints. I am pleased that now the Senate has taken up this matter.

Independence for the Social Security Administration is a productive move and gives the system the stature it deserves. It sends a positive message that its functions are considered extremely important and will increase public confidence in the Social Security system. Independence will help clear up some of the administrative and service quality problems that have plagued the Administration by creating strong and consistent leadership. It will also mean that Social Security will not have to compete with the rest of the Department of Health and Human Services for valuable, but rare, Federal resources.

And, most important to this Senator, independence highlights the separate, unique nature of Social Security and the sacred contract between the Government and the people that it represents. Former Social Security Commissioner Robert Ball states it best when he said, in testimony before the House Ways and Means Committee, that independence "would give emphasis to the fact that in this program the Government is acting as a trustee for those who have built up rights under the system."

Mr. President, I have been listening to the seniors in my home State of Washington on this issue. As I travel around the State listening to the local concerns and the views of the citizens, people tell me that the Social Security Administration needs to become an independent agency. They talk about how important the services are that the Social Security Agency provides. They say that independence for the Administration will increase the confidence of retirees and today's workers in the system and ensure quality services for benefit recipients.

I listened to the seniors in my State and agree. They have presented well reasoned and rational arguments why this is a good idea. I am happy to support it.

Mr. GRAHAM. Mr. President, far too many individuals do not contemplate the financial, health, and social implications and consequences of their retirement years. The majority of Americans do not plan comprehensively for their retirement; they do not consider the potential outcomes of typical decisions made at or before retirement, such as: relocating, utilizing Medicare and supplemental insurance, living solely on Social Security and/or a pension, and experiencing extended periods of leisure time.

Research shows that Americans only become aware of these issues as a reaction to their changed circumstances, when it is too late to alter major lifestyle decisions. Many people spend more time and effort planning a 2-week vacation than planning the 20-plus years they could spend in retirement.

As the U.S. population ages, persons will live an increasingly greater percentage of their lives as retirees. According to the National Center for Health Statistics, the average life expectancy for a 65-year-old in 1950 was 13.9 additional years, while, in 1990, the average 65-year-old could expect to live 17 more years. In this 40-year period, the life expectancy has increased 3.1 years.

As most retirees rely on Federal programs, such as Medicare and Social Security for health insurance and retirement income, lack of health and retirement planning has substantial long-term costs for the Federal Government. Furthermore, the lack of retirement planning can impact the quality of life. Persons who anticipate retirement-related changes can plan socially and financially, and avoid relocating without access to social, community and health services.

Retirees who do not evaluate retirement-related decisions could experience social dislocation and unanticipated financial and health needs, causing despair and dependence on Government health and social services' programs. It is a sad commentary that one of the highest incidents of suicide in our country is among people who have recently retired—those who are unable to deal with the new life into which retirement has ushered them. Economic issues, health issues, and the issue of relocation could be dealt with more effectively if retirement planning was more accessible. Organizations such as the American Association of Retired Persons [AARP] already conduct retirement seminars. Many employers, including the Federal Government, provide some retirement services.

The Social Security Administration is in the midst of fulfilling a congressional mandate to distribute annually, a personal earnings and benefits estimate statement, which includes estimated benefits should the individual retire at 62, 65, or 70 years of age. The agency begins its pilot program in April 1994, and will continue to phase-in the program so that, by the year 2000, all working Americans will receive an estimate statement. I believe it would be appropriate for the Social Security Administration to expand this project to inform future beneficiaries that retirement planning assistance is often provided through local area agencies on aging, other non-government entities, or through the workplace.

In addition, the Social Security Administration is clearly in a good position to evaluate existing retirement planning services, to observe any gaps, and to determine how the Federal Government can best help to facilitate this planning. Certainly no other agency should have a greater interest in encouraging Americans to engage in retirement planning.

Retirement can mean embarking on an exciting and vital phase of life—to those who are prepared. A successful retirement is largely dependent on a process of identifying future needs, developing a plan for meeting them, and acting on these plans. In summary, through public education efforts, outreach, and direct counseling, Americans can prepare for fulfilling and active retirement years. We should encourage the Social Security Administration to pursue the issue of improving retirement planning for all Americans.

Mr. President, beginning in April this year, the Social Security Administration will begin its pilot program to distribute personal earnings and benefits estimate statements to 600,000 workers. Under law, all workers must receive a statement by the year 2000. The Social Security Administration is preparing to implement this program to meet this schedule. In developing and implementing this program, the Social Security Administration has a unique opportunity to further investigate the Federal Government's role in assisting Americans to better prepare for their retirement years. Knowing the Senator from New York has a shared interest in promoting retirement security, would he agree that the Social Security Administration should review and report to Congress on existing and available retirement planning services?

Mr. MOYNIHAN. Yes, I would agree with the Senator from Florida. The Social Security Administration is in a unique position to undertake such a study of retirement planning services. This study would certainly be consistent with the mission of the Social Security Program.

Mr. GRAHAM. In addition, the SSA personal earnings and benefits estimate statement should be expanded to include recommendations that workers adequately consider their retirement needs and to provide future retirees with the information to facilitate more comprehensive retirement planning.

Mr. MOYNIHAN. Certainly. The Senator from Florida has made a valuable suggestion.

Mr. McCAIN. Mr. President, I strongly support S. 1560 and feel it is an important measure that will help protect the Social Security Administration's fiscal integrity and program effectiveness. I would like to offer a few brief comments regarding what I hope will not be a result of this legislation to make the Social Security Administration an independent government agency. I am concerned that the newly independent agency may lead to a request for massive new construction or leasing projects for the Social Security Administration.

As many Members of this body are well aware, the creation of a new government agency or elevation of an existing one can lead to requests for new headquarters or expanded agency offices. Already over-burdened taxpayers are then further saddled with the cost of paying for tens of millions of dollars' worth of bricks, mortar, equipment, and furnishings to satisfy the newly empowered agency's desire for more and more new office space.

Let me clearly state that Federal agencies are often not to blame for such spending—its the Congress' fault. Year in and year out, many Members of the Senate and the House of Representatives make a profession out of directing the Federal Government to build new buildings that aren't really necessary, or require agencies to change locations for the sheer sake of bringing home some more pork for their State or congressional district.

This dubious practice is often obscured with stentorian speeches about the need to endlessly accelerate public investment in our economy, and the purported merits of a new home-state project. What it really is is an inexcusable, multibillion-dollar waste of taxpayer dollars. I have introduced numerous bills, amendments, and come to the floor of the Senate literally dozens of times in an effort to defeat wasteful and unnecessary construction projects, as well as their closely related cousins—unauthorized, unrequested, but much-beloved demonstration projects.

In his highly touted and comprehensive National Performance Review of the operation of the Federal Government, Vice President GORE criticized these practices and recommended a moratorium on Federal funding for new building construction. The Vice President also noted that 1993 was a record year for line-item requests in congressional appropriation bills, a distinction that I'm sorry to say probably won't last very long. I strongly support this recommendation and have cosponsored legislation in the Senate to do just that. It is estimated that temporarily halting new Federal construction programs could save taxpayers in excess of $1 billion this year, without causing difficulties to vital programs of the Federal Government. With many large and medium-sized cities across the country experiencing commercial office space vacancy rates of over 25 percent, using scarce taxpayer dollars for low-priority Federal construction projects is an especially unjustifiable abuse.

I have strenuously worked to stem the seemingly inexhaustible appetite of the Congress to misuse taxpayer dollars in this manner, and this includes unnecessary or excessively costly projects that directly affect my State of Arizona. An overwhelming majority of the American people support an end to the egregious practice of pork barrel spending, and I will continue to fight this good fight whenever such projects are brought into the light of open congressional consideration.

Mr. President, as the ranking minority member on the Senate's subcommittee that has oversight responsibilities for the General Services Administration [GSA], I am dedicated to ensuring that the GSA is extremely cost-conscious when it comes to evaluating agency requests for new construction or leases. To responsibly provide the resources that are needed by Federal agencies to serve the public, and to protect taxpayer dollars from being misused, it is vital for the Congress and the administration to abide by the established process that the GSA follows to evaluate requests for new office space. This procedure is thorough if it is followed and respected by the relevant authorizing and appropriating committees in the Congress. The problem is that this process is too often ignored by Members in their zeal to secure line-item appropriations for undeserving constituencies that may bring pressure to bear on them.

The GSA is required to conduct an economic analysis of all agency requests for new office space, and then submit their findings to the Office of Management and Budget. The recommendations of GSA and OMB are presented to the authorizing committees in each body for their approval. The determination of the authorizing committees is then given final consideration by the Appropriations Committees.

I call on my colleagues to abide by this process as a means of cutting down on wasteful Federal spending, and to guarantee that any major new construction projects or leases that are ultimately funded by the taxpayers are forced to survive a rigorous evaluation process. Our obligation to taxpayers in times of a $4 trillion debt demands nothing less.

I hope my concerns regarding the passage of this legislation pertaining to future requests of the Social Security Administration are unfounded. The Social Security Administration has benefited from expanded building space acquisition in the recent past, and I hope that the eventual enactment of this legislation does not serve as an impetus for the Social Security Administration or Members of Congress to seek funding for unnecessary building space that results in added costs to the taxpayer.

Mr. MOYNIHAN. Mr. President, I ask for a third reading of the bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1560), as amended, was passed, as follows:

S. 1560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF SOCIAL SECURITY ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Social Security Administration Independence Act of 1994".

(b) AMENDMENT OF SOCIAL SECURITY ACT.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; amendment of Social Security Act; table of contents.

TITLE I—ESTABLISHMENT OF NEW INDEPENDENT AGENCY

Sec. 101. Establishment of Social Security Administration as a separate, independent agency.
Sec. 102. Commissioner and Deputy Commissioner of Social Security.
Sec. 103. Social Security Advisory Board.
Sec. 104. Personnel; budgetary matters; seal of office.
Sec. 105. Transfers to the new Social Security Administration.
Sec. 106. Transitional rules.
Sec. 107. Effective dates.

TITLE II—CONFORMING AMENDMENTS

Sec. 201. Amendments to titles II and XVI of the Social Security Act.
Sec. 202. Other amendments.
Sec. 203. Rules of construction.
Sec. 204. Effective dates.

TITLE III—SOCIAL SECURITY DISABILITY AND REHABILITATION

Sec. 301. Short title.
Sec. 302. Reform of monthly insurance benefits based on disability involving substance abuse.
Sec. 303. Priority of treatment.
Sec. 304. Establishment of referral monitoring agencies required in all States.
Sec. 305. Proceeds from certain criminal activities constitute substantial gainful employment.
Sec. 306. Consistent penalty provisions for SSDI and SSI programs.

TITLE I—ESTABLISHMENT OF NEW INDEPENDENT AGENCY

SEC. 101. ESTABLISHMENT OF SOCIAL SECURITY ADMINISTRATION AS A SEPARATE, INDEPENDENT AGENCY.

Section 701 (42 U.S.C. 901) is amended to read as follows:

"SOCIAL SECURITY ADMINISTRATION

"SEC. 701. There is hereby established, as an independent agency in the executive branch of the Government, a Social Security Administration (hereafter in this title referred to as the 'Administration'). It shall be the duty of the Administration to administer the old-age, survivors, and disability insurance program under title II and the supplemental security income program under title XVI.".

SEC. 102. COMMISSIONER AND DEPUTY COMMISSIONER OF SOCIAL SECURITY.

Section 702 (42 U.S.C. 902) is amended to read as follows:

"COMMISSIONER AND DEPUTY COMMISSIONER

"Commissioner of Social Security

"SEC. 702. (a)(1) There shall be in the Administration a Commissioner of Social Security (hereafter in this title referred to as the 'Commissioner') who shall be appointed by the President, with the advice and consent of the Senate.

"(2) The Commissioner shall be compensated at the rate provided for level I of the Executive Schedule.

"(3) The Commissioner shall be appointed for a term of 4 years coincident with the term of the President, or until the appointment of a qualified successor.

"(4) The Commissioner shall be responsible for the exercise of all powers and the discharge of all duties of the Administration, and shall have authority and control over all personnel and activities thereof.

"(5) The Commissioner may prescribe such rules and regulations as the Commissioner determines necessary or appropriate to carry out the functions of the Administration. The regulations prescribed by the Commissioner shall be subject to the rulemaking procedures established under section 553 of title 5, United States Code.

"(6) The Commissioner may establish, alter, consolidate, or discontinue such organizational units or components within the Administration as the Commissioner considers necessary or appropriate, except that this paragraph shall not apply with respect to any unit, component, or provision provided for by this Act.

"(7) The Commissioner may assign duties, and delegate, or authorize successive redelegations of, authority to act and to render decisions, to such officers and employees of the Administration as the Commissioner may find necessary. Within the limitations of such delegations, redelegations, or assignments, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Commissioner.

"(8) The Commissioner and the Secretary of Health and Human Services (hereafter in this title referred to as the 'Secretary') shall consult, on an ongoing basis, to ensure—

"(A) the coordination of the programs administered by the Commissioner, as described in section 701, with the programs administered by the Secretary under titles XVIII and XIX of this Act; and

"(B) that adequate information concerning benefits under such titles XVIII and XIX shall be available to the public.

"Deputy Commissioner of Social Security

"(b)(1) There shall be in the Administration a Deputy Commissioner of Social Security (hereafter in this title referred to as the 'Deputy Commissioner') who shall be appointed by the President, with the advice and consent of the Senate.

"(2) The Deputy Commissioner shall be appointed for a term of 4 years coincident with the term of the Commissioner, or until the appointment of a qualified successor.

"(3) The Deputy Commissioner shall be compensated at the rate provided for level II of the Executive Schedule.

"(4) The Deputy Commissioner shall perform such duties and exercise such powers as the Commissioner shall from time to time assign or delegate. The Deputy Commissioner shall be Acting Commissioner of the Administration during the absence or disability of the Commissioner and, unless the President designates another officer of the Government as Acting Commissioner, in the event of a vacancy in the office of the Commissioner.".

SEC. 103. SOCIAL SECURITY ADVISORY BOARD.

Section 703 (42 U.S.C. 903) is amended to read as follows:

"SOCIAL SECURITY ADVISORY BOARD

"Establishment of Board

"SEC. 703. (a) There shall be established a Social Security Advisory Board (hereinafter referred to as the 'Board').

"Functions of the Board

"(b) The Board shall advise the Commissioner on policies related to the old-age, survivors, and disability insurance program under title II and the supplemental security income program under title XVI. Specific functions of the Board shall include—

"(1) analyzing the Nation's retirement and disability systems and making recommendations with respect to how the old-age, survivors, and disability insurance program and the supplemental security income program, supported by other public and private systems, can most effectively assure economic security;

"(2) studying and making recommendations relating to the coordination of programs that provide health security with programs described in paragraph (1);

"(3) making recommendations to the President and to the Congress with respect to policies that will ensure the solvency of the old-age, survivors, and disability insurance program, both in the short-term and the long-term;

"(4) making recommendations to the President of candidates to consider in selecting nominees for the position of Commissioner and Deputy Commissioner;

"(5) reviewing and assessing the quality of service that the Administration provides to the public;

"(6) reviewing and making recommendations with respect to policies and regulations regarding the old-age, survivors, and disability insurance program and the supplemental security income program;

"(7) increasing public understanding of the social security system;

"(8) in consultation with the Commissioner, reviewing the development and implementation of a long-range research and program evaluation plan for the Administration;

"(9) reviewing and assessing any major studies of social security as may come to the attention of the Board; and

"(10) conducting such other reviews and assessments that the Board determines to be appropriate.

"Structure and Membership of the Board

"(c) The Board shall be composed of 7 members who shall be appointed as follows:

"(1) 3 members shall be appointed by the President, with the advice and consent of the Senate. Not more than 2 of such members shall be from the same political party.

"(2) 2 members (each member from a different political party) shall be appointed by the President pro tempore of the Senate with the advice of the Chairman and the Ranking Minority Member of the Senate Committee on Finance.

"(3) 2 members (each member from a different political party) shall be appointed by the Speaker of the House of Representatives, with the advice of the Chairman and the Ranking Minority Member of the House Committee on Ways and Means.

"Terms of Appointment

"(d) Each member of the Board shall serve for a term of 6 years, except that—

"(1) a member appointed to fill a vacancy occurring prior to the expiration of the term for which a predecessor was appointed, shall be appointed for the remainder of such term; and

"(2) the terms of service of the members initially appointed under this section shall expire as follows:

"(A) The terms of service of the members initially appointed by the President shall expire as designated by the President at the time of nomination, 1 each at the end of—

"(i) 2 years;

"(ii) 4 years; and

"(iii) 6 years.

"(B) The terms of service of members initially appointed by the President pro tempore of the Senate shall expire as designated by the President pro tempore of the Senate at the time of nomination, 1 each at the end of—

"(i) 4 years; and

"(ii) 6 years.

"(C) The terms of service of members initially appointed by the Speaker of the House of Representatives shall expire as designated by the Speaker of the House of Representatives at the time of nomination, 1 each at the end of—

"(i) 3 years; and

"(ii) 5 years.

"Chairman

"(e) A member of the Board shall be designated by the President to serve as Chairman for a term of 4 years, coincident with the term of the President, or until the designation of a successor.

"Compensation

"(f) Members of the Board shall be compensated as follows:

"(1) Members shall be paid at a rate equal to 25 percent of the rate for level III of the Executive Schedule.

"(2) For days when the Board or any authorized subcommittee of the Board meets, members who attend meetings on such days (including travel time) shall receive additional compensation in an amount equal to the daily equivalent of the rate for level III of the Executive Schedule.

"(3) While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(4) Service on the Board shall not be treated as Federal service or employment for purposes of receiving any benefits under chapters 83, 84, and 87 of title 5, United States Code.

"(5) A member of the Board may elect coverage of a health benefits plan under chapter 89 of title 5, United States Code. Such a member electing coverage shall have the applicable employee contributions under section 8906 of such title withheld from pay for service as a member of the Board. The Administration shall pay the applicable Government contributions under such section 8906 for such member. The Office of Personnel Management shall promulgate regulations to apply the provisions of chapter 89 of such title to Board members electing coverage as provided under this paragraph.

"Meetings

"(g) The Board shall meet not less than 6 times each year to consider a specific agenda of issues, as determined by the Chairman in consultation with the other members of the Board.

"Federal Advisory Committee Act

"(h) The Board shall be exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

"Personnel

"(i)(1) The Board shall, without regard to title 5, United States Code, appoint a Staff Director who shall be paid at a rate equivalent to a rate for the Senior Executive Service.

"(2) The Board is authorized, without regard to title 5, United States Code, to appoint and fix the compensation of such additional personnel as the Board determines to be necessary to carry out the functions of the Board.

"(3) In fixing the compensation of additional personnel under paragraph (2), the Board shall not authorize that any individual appointed under such paragraph be compensated at a rate that is greater than the rate of compensation of the Staff Director described in paragraph (1).

"Authorization of Appropriation

"(j) There are authorized to be made available for expenditure, out of the Federal Disability Insurance Trust Fund, the Federal Old Age and Survivors Insurance Trust Fund, and the general fund in the Treasury, such sums as the Congress may deem appropriate to carry out the purposes of this section.".

SEC. 104. PERSONNEL; BUDGETARY MATTERS; SEAL OF OFFICE.

Section 704 is amended to read as follows:

"ADMINISTRATIVE DUTIES OF THE COMMISSIONER

"Personnel

"SEC. 704. (a)(1) The Commissioner shall appoint such additional officers and employees as the Commissioner considers necessary to carry out the functions of the Administration under this Act. Except as otherwise provided in any other provision of law, such officers and employees shall be appointed, and their compensation shall be fixed, in accordance with title 5, United States Code.

"(2) The Commissioner may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"(3) Notwithstanding any requirements of section 3133 of title 5, United States Code, the Director of the Office of Personnel Management shall authorize for the Administration a total number of Senior Executive Service positions which is substantially greater than the number of such positions authorized in the Social Security Administration in the Department of Health and Human Services as of immediately before the date of the enactment of the Social Security Administration Independence Act of 1994 to the extent that the greater number of such authorized positions is specified in the comprehensive work force plan as established and revised by the Commissioner under subsection (b)(1). The total number of such positions authorized for the Administration shall not at any time be less than the number of such authorized positions as of immediately before such date.

"Budgetary Matters

"(b)(1) Appropriations requests for staffing and personnel of the Administration shall be based upon a comprehensive work force plan, which shall be established and revised from time to time by the Commissioner.

"(2) Appropriations for administrative expenses of the Administration are authorized to be provided on a biennial basis.

"(3) Funds appropriated for the Administration to be available on a contingency basis shall be apportioned upon the occurrence of the stipulated contingency, as determined by the Commissioner and reported to the Congress.

"Employment Restriction

"(c) The number of positions in the Administration which may be excepted from the competitive service, on a temporary or permanent basis, because of the confidential or policy-determining character of such positions, may not exceed at any time the equivalent of 10 full-time positions.

"Seal of Office

"(d) The Commissioner shall cause a seal of office to be made for the Administration of such design as the Commissioner shall approve. Judicial notice shall be taken of such seal.".

SEC. 105. TRANSFERS TO THE NEW SOCIAL SECURITY ADMINISTRATION.

(a) FUNCTIONS.—There are transferred to the Social Security Administration all functions carried out by the Secretary of Health and Human Services with respect to the programs and activities the administration of which is vested in the Social Security Administration by reason of this title and the amendments made thereby. The Commissioner of Social Security shall allocate such functions in accordance with sections 701, 702, 703, and 704 of the Social Security Act (as amended by this title).

(b) PERSONNEL, ASSETS, ETC.—(1) There are transferred from the Department of Health and Human Services to the Social Security Administration, for appropriate allocation by the Commissioner of Social Security in the Social Security Administration—

(A) the personnel employed in connection with the functions transferred by this title and the amendments made thereby; and

(B) the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, or used in connection with such functions, arising from such functions, or available, or to be made available, in connection with such functions.

(2) Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(3) Any individual who is an employee of the Department and who was not employed on the date of the enactment of this title, in connection with functions transferred by this title to the Administration, but who was so employed on the day before the date established pursuant to section 107(a), may be transferred from the Department of Health and Human Services to the Social Security Administration by the Commissioner under subparagraph (A) of paragraph (1), after consultation with the Secretary of Health and Human Services, if the Commissioner determines such transfer to be appropriate.

(4) Any individual who is an employee of the Department and who was employed on the date of the enactment of this title, solely in connection with functions transferred by this title to the Administration, and who was so employed on the day before the date established pursuant to section 107(a), shall be transferred from the Department of Health and Human Services to the Social Security Administration.

(c) ABOLISHMENT OF OFFICE OF COMMISSIONER IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Effective upon the appointment of a Commissioner of Social Security pursuant to section 702 of the Social Security Act (as amended by this title)—

(1) the position of Commissioner of Social Security in the Department of Health and Human Services is abolished; and

(2) section 5315 of title 5, United States Code, is amended by striking the following:

"Commissioner of Social Security, Department of Health and Human Services.".

SEC. 106. TRANSITIONAL RULES.

(a) TRANSITION DIRECTOR.—(1) Within 30 days after the date of the enactment of this Act, a transition director shall be appointed by the President, who shall be selected on the basis of experience and knowledge of the operation of the Government.

(2) The transition director shall conduct activities necessary to ensure the transition of the Social Security Administration to the status of an independent agency in the executive branch of the Government. In conducting such activities before the appointment of the Commissioner of Social Security, the transition director shall consult regularly with the Director of the Office of Management and Budget. Upon such appointment, the transition director shall conduct such activities at the direction of the Commissioner of Social Security.

(3) The transition director shall be compensated at the rate provided for level IV of the Executive Schedule.

(4) Expenditures to carry out the purposes of this subsection shall be made out of the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(b) INTERIM AUTHORITY FOR APPOINTMENT AND COMPENSATION.—

(1) APPOINTMENT OF COMMISSIONER.—Within 60 days of the date of the enactment of this title, the Commissioner of Social Security shall be appointed by the President pursuant to section 702 of the Social Security Act (as amended by this title). If the appointment is made pursuant to such section before the date established pursuant to section 107(a), the Commissioner of Social Security shall also perform the duties assigned to the Commissioner of Social Security in the Department of Health and Human Services.

(2) OTHER APPOINTMENTS.—At any time on or after the date of the enactment of this title any of the other officers provided for in sections 702 and 703 of the Social Security Act (as amended by this title) may be nominated and appointed, as provided in such sections.

(3) COMPENSATION.—Funds available to any official or component of the Department of Health and Human Services, functions of which are transferred to the Commissioner of Social Security or the Social Security Administration by this title, may with the approval of the Director of the Office of Management and Budget, be used to pay the compensation and expenses of any officer appointed pursuant to this subsection until such time as funds for that purpose are otherwise available.

(c) CONTINUATION OF ORDERS, DETERMINATIONS, RULES, REGULATIONS, ETC.—All orders, determinations, rules, regulations, permits, contracts, collective bargaining agreements (and ongoing negotiations relating to such collective bargaining agreements), recognitions of labor organizations, certificates, licenses, and privileges—

(1) which have been issued, made, promulgated, granted, or allowed to become effective, in the exercise of functions (A) which were exercised by the Secretary of Health and Human Services (or the Secretary's delegate), and (B) which relate to functions which, by reason of this title, the amendments made thereby, and regulations prescribed thereunder, are vested in the Commissioner of Social Security; and

(2) which are in effect immediately before the date established pursuant to section 107(a),

shall (to the extent that they relate to functions described in paragraph (1)(B)) continue in effect according to their terms until modified, terminated, suspended, set aside, or repealed by such Commissioner, except that any collective bargaining agreement shall remain in effect until the date of termination specified in such agreement.

(d) CONTINUATION OF PROCEEDINGS.—The provisions of this title (including the amendments made thereby) shall not affect any proceeding pending before the Secretary of Health and Human Services immediately before the date established pursuant to section 107(a), with respect to functions vested (by reason of this title, the amendments made thereby, and regulations prescribed thereunder) in the Commissioner of Social Security, except that such proceedings, to the extent that such proceedings relate to such functions, shall continue before such Commissioner. Orders shall be issued under any such proceeding, appeals taken therefrom, and payments shall be made pursuant to such orders, in like manner as if this title had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or repealed by such Commissioner, by a court of competent jurisdiction, or by operation of law.

(e) CONTINUATION OF SUITS.—Except as provided in this subsection—

(1) the provisions of this title shall not affect suits commenced before the date established pursuant to section 107(a); and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this title had not been enacted.

No cause of action, and no suit, action, or other proceeding commenced by or against any officer in such officer's official capacity as an officer of the Department of Health and Human Services, shall abate by reason of the enactment of this title. Causes of action, suits, actions, or other proceedings may be asserted by or against the United States and the Social Security Administration, or such official of such Administration as may be appropriate, and, in any litigation pending immediately before the date established pursuant to section 107(a), the court may at any time, on the court's own motion or that of a party, enter an order which will give effect to the provisions of this subsection (including, where appropriate, an order for substitution of parties).

(f) CONTINUATION OF PENALTIES.—This title shall not have the effect of releasing or extinguishing any criminal prosecution, penalty, forfeiture, or liability incurred as a result of any function which (by reason of this title, the amendments made thereby, and regulations prescribed thereunder) is vested in the Commissioner of Social Security.

(g) JUDICIAL REVIEW.—Orders and actions of the Commissioner of Social Security in the exercise of functions vested in such Commissioner under this title (and the amendments made thereby) shall be subject to judicial review to the same extent and in the same manner as if such orders had been made and such actions had been taken by the Secretary of Health and Human Services in the exercise of such functions immediately before the date established pursuant to section 107(a). Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function so vested in such Commissioner shall continue to apply to the exercise of such function by such Commissioner.

(h) EXERCISE OF FUNCTIONS.—In the exercise of the functions vested in the Commissioner of Social Security under this title, the amendments made thereby, and regulations prescribed thereunder, such Commissioner shall have the same authority as that vested in the Secretary of Health and Human Services with respect to the exercise of such functions immediately preceding the vesting of such functions in such Commissioner, and actions of such Commissioner shall have the same force and effect as when exercised by such Secretary.

(i) REPORT.—Within 120 days of the date of the enactment of this title, the transition director and the Commissioner of Social Security shall report to the Congress on the status of the transition to an independent Social Security Administration, and on any significant internal restructuring or management improvements that are proposed to be undertaken.

SEC. 107. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this title, and the amendments made by such title shall take effect on the earlier of—

(1) the date which is 180 days after the date of the enactment of this Act, or

(2) a date designated by the President.

(b) TRANSITIONAL RULES.—Section 106 shall take effect on the date of the enactment of this title.

TITLE II—CONFORMING AMENDMENTS

SEC. 201. AMENDMENTS TO TITLES II AND XVI OF THE SOCIAL SECURITY ACT.

(a) IN GENERAL.—Title II (42 U.S.C. 401 et seq.) (other than section 201, section 218(d), section 231(c), section 226, and section 226A) and title XVI (42 U.S.C. 1382 et seq.) (other than sections 1614(f)(2)(B) and 1616(e)(3)) are each amended—

(1) by striking, wherever it appears therein, "Secretary of Health and Human Services" and inserting "Commissioner of Social Security";

(2) by striking, wherever it appears therein, "Department of Health and Human Services" and inserting "Social Security Administration";

(3) by striking, wherever it appears therein, "Department" (but only if it is not immediately succeeded by the words "of Health and Human Services", and only if it is used in reference to the Department of Health and Human Services) and inserting "Administration";

(4) by striking, wherever it appears therein, each of the following words (but, in the case of any such word only if such word refers to the Secretary of Health and Human Services): "Secretary", "Secretary's", "his", "him", "he", "her", and "she", and inserting (in the case of the word "Secretary") "Commissioner of Social Security", (in the case of the word "Secretary's") "Commissioner's", (in the case of the word "his") "the Commissioner's", (in the case of the word "him") "the Commissioner", (in the case of the word "her") "the Commissioner" or "the Commissioner's", as may be appropriate, and (in the case of the words "she" or "he") "the Commissioner"; and

(5) by striking, wherever it appears therein, "Internal Revenue Code of 1954" and inserting "Internal Revenue Code of 1986".

(b) AMENDMENTS TO SECTION 201.—(1)(A) Sections 201(a)(3), 201(a)(4), 201(b)(1), and 201(b)(2) (42 U.S.C. 401(a)(3), 401(a)(4), 401(b)(1), and 401(b)(2), respectively) are each amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security"; and

(B) Sections 201(a)(3) and 201(b)(1) (42 U.S.C. 401(a)(3) and 401(b)(1), respectively) are each amended by striking "such Secretary" and inserting "such Commissioner".

(2) Section 201(c) (42 U.S.C. 401(c)) is amended—

(A) in the first sentence, by striking "shall be composed of" and all that follows down through "ex officio" and inserting the following: "shall be composed of the Commissioner of Social Security, the Secretary of the Treasury, and the Secretary of Health and Human Services, all ex officio"; and

(B) in the fifth sentence, by striking "The Commissioner of Social Security" and inserting "The Deputy Commissioner of Social Security".

(3) Section 201(g)(1)(A) (42 U.S.C. 401(g)(1)(A)) is amended—

(A) in clause (i), by striking "by him and the Secretary of Health and Human Services" and inserting "by him, the Commissioner of Social Security, and the Secretary of Health and Human Services", and by striking "by the Department of Health and Human Services and the Treasury Department" and inserting "by the Social Security Administration, the Department of Health and Human Services, and the Department of the Treasury";

(B) in clause (ii), by striking "method prescribed by the Board of Trustees under paragraph (4)" and inserting "applicable method prescribed under paragraph (4)", by striking "the Secretary of Health and Human Services" and inserting "the Commissioner of Social Security and the Secretary of Health and Human Services", and by striking "the Department of Health and Human Services" and inserting "the Social Security Administration and the Department of Health and Human Services"; and

(C) by striking the last sentence and inserting the following: "There are hereby authorized to be made available for expenditure, out of any or all of the Trust Funds, such amounts as the Congress may deem appropriate to pay the costs of the part of the administration of this title and title XVI for which the Commissioner of Social Security is responsible, the costs of title XVIII for which the Secretary of Health and Human Services is responsible, and the costs of carrying out the functions of the Social Security Administration, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1986 other than those referred to in clause (i) of the first sentence of this subparagraph.".

(4) Section 201(g)(1) (42 U.S.C. 401(g)(1)) is further amended by striking subparagraph (B) and inserting the following new subparagraphs:

"(B) After the close of each fiscal year—

"(i) the Commissioner of Social Security shall determine (I) the portion of the costs, incurred during such fiscal year, of administration of this title and title XVI and of carrying out the functions of the Social Security Administration, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of subparagraph (A)), which should have been borne by the general fund in the Treasury, (II) the portion of such costs which should have been borne by the Federal Old-Age and Survivors Insurance Trust Fund, and (III) the portion of such costs which should have been borne by the Federal Disability Insurance Trust Fund, and

"(ii) the Secretary of Health and Human Services shall determine (I) the portion of the costs, incurred during such fiscal year, of administration of title XVIII which should have been borne by the general fund in the Treasury, (II) the portion of such costs which should have been borne by the Federal Hospital Insurance Trust Fund, and (III) the portion of such costs which should have been borne by the Federal Supplementary Medical Insurance Trust Fund,

except that the determination of the amounts to be borne by the general fund in the Treasury with respect to expenditures incurred in carrying out such functions specified in section 232 shall be made pursuant to the applicable method prescribed under paragraph (4) of this subsection.

"(C) After the determinations under subparagraph (B) have been made for any fiscal year, the Commissioner of Social Security and the Secretary of Health and Human Services shall jointly certify to the Managing Trustee the amounts, if any, which should be transferred from one to any of the other of such Trust Funds and the amounts, if any, which should be transferred between the Trust Funds (or one of the Trust Funds) and the general fund in the Treasury, in order to ensure that each of the Trust Funds and the general fund in the Treasury have borne their proper share of the costs, incurred during such fiscal year, for (i) the part of the administration of this title and title XVI for which the Commissioner of Social Security is responsible, (ii) the part of the administration of this title and title XVIII for which the Secretary of Health and Human Services is responsible, and (iii) carrying out the functions of the Social Security Administration, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of subparagraph (A)). The Managing Trustee shall transfer any such amounts in accordance with any certification so made.".

(5) Section 201(g)(2) (42 U.S.C. 401(g)(2)) is amended, in the second sentence, by striking "established and maintained by the Secretary of Health and Human Services" and inserting "maintained by the Commissioner of Social Security", and by striking "Secretary shall furnish" and inserting "Commissioner of Social Security shall furnish".

(6) Section 201(g)(4) (42 U.S.C. 401(g)(4)) is amended to read as follows:

"(4) The Commissioner of Social Security shall utilize the method prescribed pursuant to this paragraph, as in effect immediately before the date of the enactment of the Social Security Administration Independence Act of 1994 for determining the costs which should be borne by the general fund in the Treasury of carrying out the functions of the Social Security Administration, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of paragraph (1)(A)). If at any time or times thereafter the Boards of Trustees of such Trust Funds consider such action advisable, such Boards may modify the method of determining such costs.".

(7) Section 201(i)(1) (42 U.S.C. 401(i)(1)) is amended to read as follows:

"(i)(1) The Managing Trustee may accept on behalf of the United States money gifts and bequests made unconditionally to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplementary Medical Insurance Trust Fund or to the Social Security Administration, the Department of Health and Human Services, or any part or officer thereof, for the benefit of any of such Funds or any activity financed through such Funds.".

(8) Subsections (j) and (k) of section 201 (42 U.S.C. 401) are each amended by striking "Secretary" each place it appears and inserting "Commissioner of Social Security".

(9) Section 201(l)(3)(B)(iii)(II) (42 U.S.C. 401(l)(3)(B)(iii)(II)) is amended by striking "Secretary" and inserting "Commissioner of Social Security".

(10) Section 201(m)(3) (42 U.S.C. 401(m)(3)) is amended by striking "Secretary of Health and Human Services" and inserting "Commissioner of Social Security".

(11) Section 201 (42 U.S.C. 401) is amended by striking "Internal Revenue Code of 1954" each place it appears and inserting "Internal Revenue Code of 1986".

(c) AMENDMENTS TO SECTION 218.—Section 218(d) (42 U.S.C. 418(d)) is amended by striking "Secretary" each place it appears in paragraphs (3) and (7) and inserting "Commissioner of Social Security".

(d) AMENDMENT TO SECTION 231.—Section 231(c) (42 U.S.C. 431(c)) is amended by striking "Secretary determines" and inserting "Commissioner of Social Security and the Secretary jointly determine".

SEC. 202. OTHER AMENDMENTS.

(a) AMENDMENTS TO TITLE VII.—(1) Title VII (42 U.S.C. 901 et seq.) is amended by adding at the end the following new section:

"DUTIES AND AUTHORITY OF SECRETARY

"SEC. 712. The Secretary shall perform the duties imposed upon the Secretary by this Act. The Secretary is authorized to appoint and fix the compensation of such officers and employees, and to make such expenditures as may be necessary for carrying out the functions of the Secretary under this Act.".

(2) Section 706 (42 U.S.C. 907) is amended—

(A) in subsection (a), by striking "Advisory Council on Social Security" and all that follows through "disability insurance program and" and inserting "Advisory Council on Hospital and Supplementary Medical Insurance for the purpose of reviewing the status of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in relation to the long-term commitments of";

(B) in subsection (d), by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively, and

(C) by striking the section heading and inserting the following:

"ADVISORY COUNCIL ON HOSPITAL AND SUPPLEMENTARY MEDICAL INSURANCE".

(3) Paragraph (2) of section 709(b) (42 U.S.C. 910(b)) is amended by striking "(as estimated by the Secretary)" and inserting "(for amounts which will be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as estimated by the Commissioner, and for amounts which will be paid from the Federal Hospital Insurance Trust and the Federal Supplementary Medical Insurance Trust Fund, as estimated by the Secretary)".

(4) Sections 709 and 710 (42 U.S.C. 910 and 911) are amended by striking "Internal Revenue Code of 1954" each place it appears and inserting "Internal Revenue Code of 1986".

(b) AMENDMENTS TO TITLE XI.—(1) Section 1101(a) (42 U.S.C. 1301(a)) is amended by adding at the end the following new paragraph:

"(10) The term 'Administration' means the Social Security Administration, except where the context requires otherwise.".

(2) Section 1106(a) (42 U.S.C. 1306(a)) is amended—

(A) by inserting "(1)" after "(a)";

(B) by striking "Department of Health and Human Services" each place it appears and inserting "applicable agency";

(C) by striking "Secretary" each place it appears and inserting "head of the applicable agency"; and

(D) by adding at the end the following new paragraph:

"(2) For purposes of this subsection and subsection (b), the term 'applicable agency' means—

"(A) the Social Security Administration, with respect to matter transmitted to or obtained by such Administration or matter disclosed by such Administration, or

"(B) the Department of Health and Human Services, with respect to matter transmitted to or obtained by such Department or matter disclosed by such Department.".

(3) Section 1106(b) (42 U.S.C. 1306(b)) is amended—

(A) by striking "Secretary" each place it appears and inserting "head of the applicable agency"; and

(B) by striking "Department of Health and Human Services" and inserting "applicable agency".

(4) Section 1106(c) (42 U.S.C. 1306(c)) is amended—

(A) by striking "the Secretary" the first place it appears and inserting "the Commissioner of Social Security or the Secretary"; and

(B) by striking "the Secretary" each subsequent place it appears and inserting "such Commissioner or Secretary".

(5) Section 1107(b) (42 U.S.C. 1307(b)) is amended by striking "the Secretary of Health and Human Services" and inserting "the Commissioner of Social Security or the Secretary".

(6) Section 1110 (42 U.S.C. 1310) is amended—

(A) in subsection (a)(2), by inserting "(or the Commissioner, with respect to any jointly financed cooperative agreement or grant concerning titles II or XVI)" after "Secretary";

(B) in subsection (b)—

(i) by striking "Secretary" each place it appears and inserting "Commissioner", and

(ii) by striking "the Secretary's" each place it appears and inserting "the Commissioner's"; and

(C) by striking "he", "his", "him", and "himself" each place they appear (except in subsection (b)(2)(A)) and inserting "the Commissioner", "the Commissioner's", "the Commissioner", and "himself or herself", respectively.

(7) Subsections (b) and (c) of section 1127 (42 U.S.C. 1320a–6) are each amended by striking "Secretary" and inserting "Commissioner of Social Security".

(8) Section 1128(f) (42 U.S.C. 1320a–7(f)) is amended by inserting after "section 205(g)" the following: ", except that, in so applying such sections and section 205(l), any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively".

(9) Section 1131 (42 U.S.C. 1320b–1) is amended—

(A) by striking "Secretary" each place it appears and inserting "Commissioner of Social Security";

(B) in subsection (a)(1)(A), by adding "or" at the end;

(C) in subsection (a)(1)(B), by striking "or" at the end;

(D) by striking subsection (a)(1)(C);

(E) by redesignating subsection (a)(2) as subsection (a)(3);

(F) by inserting after subsection (a)(1) the following new paragraph:

"(2) the Secretary makes a finding of fact and a decision as to the entitlement under section 226 of any individual to hospital insurance benefits under part A of title XVIII, or"; and

(G) by striking "he" in the matter in subsection (a) following paragraph (3) (as so redesignated) and inserting "the Commissioner of Social Security".

(10) Section 1155 (42 U.S.C. 1320c–4) is amended by striking "(to the same extent as is provided in section 205(b))" and all that follows and inserting "(to the same extent as beneficiaries under title II are entitled to a hearing by the Commissioner of Social Security under section 205(b)). For purposes of the preceding sentence, subsection (l) of section 205 shall apply, except that any reference in such subsection to the Commissioner of Social Security or the Social Security Administration shall be deemed a reference to the Secretary or the Department of Health and Human Services, respectively. Where the amount in controversy is $2,000 or more, such beneficiary shall be entitled to judicial review of any final decision relating to a reconsideration described in this subsection.".

(11) Sections 1101, 1106, 1107, and 1137 (42 U.S.C. 1301, 1306, 1307, and 1320b–7, respectively) are amended by striking "Internal Revenue Code of 1954" each place it appears and inserting "Internal Revenue Code of 1986".

(c) AMENDMENTS TO TITLE XVIII.—(1) Subsections (a) and (f) of section 1817 (42 U.S.C. 1395i) are amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(2) Section 1840(a) (42 U.S.C. 1395s(a)) is amended—

(A) in paragraph (1), by striking "Secretary" and inserting "Commissioner of Social Security", and by adding at the end the following new sentence: "Such regulations shall be prescribed after consultation with the Secretary."; and

(B) in paragraph (2), by striking "Secretary of Health and Human Services" and inserting "Commissioner of Social Security".

(3) Section 1872 (42 U.S.C. 1395ii) is amended by inserting after "title II" the following: ", except that, in applying such provisions with respect to this title, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively".

(4) Section 1869(b)(1) (42 U.S.C. 1395ff(b)(1)) and the last sentence of section 1876(c)(5)(B) (42 U.S.C. 1395mm(c)(5)(B)) are amended by inserting after "section 205(g)" the following: ", except that, in so applying such sections and section 205(l), any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively".

(5) Sections 1817, 1862, and 1886 (42 U.S.C. 1395i, 1395y, and 1395ww, respectively) are amended by striking "Internal Revenue Code of 1954" each place it appears and inserting "Internal Revenue Code of 1986".

(d) AMENDMENTS TO TITLE XIX.—(1) Section 1905(q)(2) (42 U.S.C. 1396d(q)(2)) is amended by striking "Secretary" and inserting "Commissioner of Social Security".

(2) Section 1910(b)(2) (42 U.S.C. 1396i(b)(2)) is amended, in the first sentence, by inserting after "section 205(g)" the following: ",

except that, in so applying such sections and section 205(l), any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively".

(e) AMENDMENT TO TITLE XX.—Section 2002(a)(2)(B) (42 U.S.C. 1397a(a)(2)(B)) is amended by striking "Internal Revenue Code of 1954" and inserting "Internal Revenue Code of 1986".

(f) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended—

(1) by adding at the end of section 5311 the following new item:

"Commissioner, Social Security Administration.";

(2) by adding at the end of section 5313 the following new item:

"Deputy Commissioner, Social Security Administration."; and

(3) by striking "Secretary of Health Education, and Welfare" each place it appears in section 8141 and inserting "Commissioner of Social Security".

(g) AMENDMENTS TO FOOD STAMP ACT OF 1977.—(1) Sections 6(c)(3) and 8(e)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)(3) and 2017(e)(6)) are each amended by inserting "the Commissioner of Social Security and" before "the Secretary of Health and Human Services".

(2) Sections 6(g), 11(j), and 16(e) of such Act (7 U.S.C. 2015(g), 2020(j), and 2025(e)) are each amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(3) Section 11(i) of such Act (7 U.S.C. 2020(i)) is amended by adding ", the Commissioner of Social Security" after "the Secretary".

(h) AMENDMENT TO TITLE 14, UNITED STATES CODE.—Section 707(e)(3) of title 14, United States Code, is amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(i) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—(1) Subsections (c)(1), (c)(2)(E), (g)(1), (g)(2)(A), and (g)(2)(B) of section 1402 of the Internal Revenue Code of 1986 (26 U.S.C. 1402) are amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(2) Section 3121(b)(10)(B) of such Code (26 U.S.C. 3121(b)(10)(B)) is amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(3) Section 3127 of such Code (26 U.S.C. 3127) is amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(4) Section 6050F(c)(1)(A) of such Code (26 U.S.C. 6050F(c)(1)(A)) is amended by striking "Secretary of Health and Human Services" and inserting "Commissioner of Social Security".

(5) Subsections (d) and (f) of section 6057 of such Code (26 U.S.C. 6057) are amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(6) Section 6103(l)(5) of such Code (26 U.S.C. 6103(l)(5)) is amended—

(A) by striking "Department of Health and Human Services" and inserting "Social Security Administration"; and

(B) by striking "Secretary of Health and Human Services" and inserting "Commissioner of Social Security".

(7) Subsections (d)(3)(C) and (e) of section 6402 of such Code (26 U.S.C. 6402) are amended by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security".

(8) Section 6511(d)(5) of such Code (26 U.S.C. 6511(d)(5)) is amended by striking "Secretary of Health and Human Services" and inserting "Commissioner of Social Security".

(j) AMENDMENTS TO TITLE 31, UNITED STATES CODE.—Section 3720A(f) of title 31, United States Code, is amended by striking "Secretary of Health and Human Services" each place it appears in and inserting "Commissioner of Social Security".

(k) AMENDMENTS TO TITLE 38, UNITED STATES CODE.—Section 5105 of title 38, United States Code, is amended—

(1) by striking "Secretary of Health and Human Services" each place it appears and inserting "Commissioner of Social Security"; and

(2) by striking the second sentence of subsection (b) and inserting the following new sentence: "A copy of each such application filed with either the Secretary or the Commissioner, together with any additional information and supporting documents (or certifications thereof) which may have been received by the Secretary or the Commissioner with such application, and which may be needed by the other official in connection therewith, shall be transmitted by the Secretary or the Commissioner receiving the application to the other official.".

(l) AMENDMENTS TO INSPECTOR GENERAL ACT OF 1978.—The Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 9(a)(1), by striking "and" at the end of subparagraph (U), and by adding at the end the following new subparagraph:

"(V) of the Social Security Administration, the functions of the Inspector General of the Department of Health and Human Services relating to the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act and of the supplemental security income program under title XVI of such Act; and";

(2) in section 11(1), by striking "or" after "Commission" and inserting a semicolon, and by inserting after "Board;" the following: "or the Commissioner of Social Security;"; and

(3) in section 11(2), by striking "or" after "Information Agency,", and by inserting after "Veterans' Administration" the following: ", or the Social Security Administration;".

SEC. 203. RULES OF CONSTRUCTION.

(a) REFERENCES TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to the Department of Health and Human Services with respect to such Department's functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act or the supplemental security income program under title XVI of such Act, such reference shall be considered a reference to the Social Security Administration.

(b) REFERENCES TO THE SECRETARY OF HEALTH AND HUMAN SERVICES.—Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to the Secretary of Health and Human Services with respect to such Secretary's functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act or the supplemental security income program under title XVI of such Act, such reference shall be considered a reference to the Commissioner of Social Security.

(c) REFERENCES TO OTHER OFFICERS AND EMPLOYEES.—Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to any other officer or employee of the Department of Health and Human Services with respect to such officer or employee's functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act or the supplemental security income program under title XVI of such Act, such reference shall be considered a reference to the appropriate officer or employee of the Social Security Administration.

SEC. 204. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this title shall take effect on the date established pursuant to section 107(a).

(b) EXCEPTIONS.—Subsections (f)(1), (f)(2), and (l) of section 202 shall take effect on the date of the enactment of this title.

TITLE III—SOCIAL SECURITY DISABILITY AND REHABILITATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Social Security Disability and Rehabilitation Act of 1994".

SEC. 302. REFORM OF MONTHLY INSURANCE BENEFITS BASED ON DISABILITY INVOLVING SUBSTANCE ABUSE.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—

(1) IN GENERAL.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended by adding at the end the following new subsection:

"Limitation on Payment of Benefits by Reason of Substance Abuse

"(j)(1)(A) Notwithstanding any other provision of this title, no individual whose disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic shall be entitled to benefits under this title based on such disability with respect to any month, unless such individual—

"(i) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(ii) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under subparagraph (B).

"(B) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in subparagraph (A), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this paragraph.

"(C) The representative payee and the referral and monitoring agency for any individual described in subparagraph (A) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in subparagraph (A) and with the requirements imposed by the Secretary under subparagraph (B).

"(D)(i) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in subparagraph (A), or with the requirements imposed by the Secretary under subparagraph (B), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(ii) Any period of suspension under clause (i) shall be taken into account in determining any 24-month period described in subparagraph (E) and shall not be taken into account in determining the 36-month period described in such subparagraph.

"(E)(i) Except as provided in clause (ii), no individual described in subparagraph (A) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such subparagraph.

"(ii) If at the end of the 24-month period described in clause (i), the individual furnishes evidence in accordance with subsection (d)(5) that the individual continues to be under a disability based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, such individual shall continue to be entitled to benefits under this title based on such disability.

"(iii) Subject to clause (iv), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under clause (ii), clauses (i) and (ii) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(iv) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with subsection (d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(2)(A) Any benefits under this title payable to any individual referred to in paragraph (1), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 205(j).

"(B) For purposes of subparagraph (A) and section 205(j)(4), the term 'qualified organization'—

"(i) shall have the meaning given such term by section 205(j)(4)(B), and

"(ii) shall mean an agency or instrumentality of a State or a political subdivision of a State.

"(3) Monthly insurance benefits under this title which would be payable to any individual (other than the disabled individual to whom benefits are not payable by reason of this subsection) on the basis of the wages and self-employment income of such a disabled individual but for the provisions of paragraph (1), shall be payable as though such disabled individual were receiving such benefits which are not payable under this subsection."

(2) Conforming amendments.—

(A) Section 205(j)(1) of such Act (42 U.S.C. 405(j)(1)) is amended by inserting ", or in the case of any individual referred to in section 223(j)(1)(A)" after "thereby".

(B) Section 205(j)(2)(D)(ii)(II) of such Act (42 U.S.C. 405(j)(2)(D)(ii)(II)) is amended by striking "legally incompetent or under the age of 15" and inserting "legally incompetent, under the age of 15, or a drug addict or alcoholic referred to in section 223(j)(1)(A)".

(b) Supplemental Security Income.—Paragraph (3) of section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended to read as follows:

"(3)(A)(i) No person who is an aged, blind, or disabled individual solely by reason of disability (as determined under section 1614(a)(3)) shall be an eligible individual or eligible spouse for purposes of this title with respect to any month if such individual's disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, unless such individual—

"(I) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(II) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under clause (ii).

"(ii) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in clause (i), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this subparagraph.

"(iii) The representative payee and the referral and monitoring agency for any individual described in clause (i) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in clause (i) and with the requirements imposed by the Secretary under clause (ii).

"(iv)(I) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in clause (i), or with the requirements imposed by the Secretary under clause (ii), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(II) Any period of suspension under subclause (I) shall be taken into account in determining any 24-month period described in clause (v) and shall not be taken into account in determining the 36-month period described in such clause.

"(v)(I) Except as provided in subclause (II), no individual described in clause (i) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such clause.

"(II) If at the end of the 24-month period described in subclause (I), the individual furnishes evidence in accordance with section 223(d)(5) that the individual continues to be under a disability based in whole on a medical determination that the individual is a drug addict or alcoholic, such individual shall be entitled to benefits under this title based on such disability for no more than an additional 36 months.

"(III) Subject to subclause (IV), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under subclause (II), subclauses (I) and (II) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(IV) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with section 223(d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(B)(i) Any benefits under this title payable to any individual referred to in subparagraph (A), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 1631(a)(2)(A)(ii).

"(ii) For purposes of clause (i) and section 1631(a)(2)(D), the term 'qualified organization'—

"(I) shall have the meaning given such term by section 1631(a)(2)(D)(ii), and

"(II) shall mean an agency or instrumentality of a State or a political subdivision of a State."

(c) Effective Dates; Authorizations.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to benefits payable for determinations of disability made 90 or more days after the date of the enactment of this Act.

(2) Current determinations.—

(A) In general.—With respect to any individual described in subparagraph (B), the Secretary of Health and Human Services shall provide during the 3-year period beginning after the date of the enactment of this Act for the application of the amendments made by this section to such individual with the time periods described in such amendments to begin upon such application.

(B) Individual described.—An individual is described in this subparagraph if such individual is entitled to benefits under title II or XVI of the Social Security Act based on a disability determined before the date described in paragraph (1) to be based in whole or in part on a medical determination that the individual is a drug addict or alcoholic.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of the provisions of, and the amendments made by, this section.

SEC. 303. PRIORITY OF TREATMENT.

The Secretary of Health and Human Services, through the Administrator of the Substance Abuse and Mental Health Services Administration, shall assure that every individual receiving disability benefits under title II or XVI of the Social Security Act based in whole or in part on a medical determination that the individual is a drug addict or alcoholic be given high priority for treatment through entities supported by the various States through any substance abuse block grant authorized under law.

SEC. 304. ESTABLISHMENT OF REFERRAL MONITORING AGENCIES REQUIRED IN ALL STATES.

The Secretary of Health and Human Services shall, within 1 year of the date of the enactment of this Act, provide for the establishment of referral and monitoring agencies for each State for the purpose of carrying out the treatment requirements under sections 223(j)(1) and 1611(e)(3)(A) of the Social Security Act (42 U.S.C. 423(j)(1) and 1382(e)(3)(A)).

SEC. 305. PROCEEDS FROM CERTAIN CRIMINAL ACTIVITIES CONSTITUTE SUBSTANTIAL GAINFUL EMPLOYMENT.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—Section 223(d)(4) of the Social Security Act (42 U.S.C. 423(d)(4)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(b) SUPPLEMENTAL SECURITY INCOME.—Section 1614(a)(3)(D) of the Social Security Act (42 U.S.C. 1382(a)(3)(D)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disability determinations conducted on or after the date of the enactment of this Act.

SEC. 306. CONSISTENT PENALTY PROVISIONS FOR SSDI AND SSI PROGRAMS.

(a) FELONY PENALTIES FOR FRAUD.—

(1) IN GENERAL.—Subsection (a) of section 1631 of the Social Security Act (42 U.S.C. 1383a) is amended by striking "shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both" and inserting "shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both".

(2) REPRESENTATIVE PAYEES.—

(A) SSDI.—Subsections (b) and (c) of section 208 of such Act (42 U.S.C. 408) are amended to read as follows:

"(b)(1) Any person or other entity who is convicted of a violation of any of the provisions of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 205(j) on behalf of another individual (other than such person's spouse or an entity described in section 223(j)(2)(B)(ii)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

"(2) In any case in which the court determines that a violation described in paragraph (1) includes a willful misuse of funds by such person or entity, the court may also require that full or partial restitution of such funds be made to the individual for whom such person or entity was the certified payee.

"(3) Any person or entity convicted of a felony under this section or under section 1632(b) may not be certified as a payee under section 205(j).

"(c) For the purpose of subsection (a)(7), the terms 'social security number' and 'social security account number' mean such numbers as are assigned by the Secretary under section 205(c)(2) whether or not, in actual use, such numbers are called social security numbers."

(B) SSI.—Subsection (b)(1) of section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "(other than such person's spouse)" and all that follows through the period and inserting "(other than such person's spouse or an entity described in section 1611(e)(3)(B)(ii)(II)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both."

(b) CIVIL ADMINISTRATIVE PENALTIES.—

(1) SSDI.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended by adding at the end the following new subsections:

"(e) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(f) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles V, XVI, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(2) SSI.—

(A) IN GENERAL.—Section 1632 of such Act (42 U.S.C. 1383a) is amended by adding at the end the following new subsections:

"(c) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(d) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles II, V, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(B) CONFORMING AMENDMENT.—The heading for section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "FOR FRAUD".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective on or after the date of the enactment of this Act.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, we thank all concerned. I know on my side, Ed Lopez and Margaret Malone were hugely helpful on this measure that is 15 years past due. Its time has finally come.

Mr. PACKWOOD. Mr. President, on my side, Kathy Tobin who has worked long and hard on this, and Lindy Paull.

Mr. MOYNIHAN. Mr. President, this is a momentous act. We will now go to conference with the House which has on one occasion passed this measure unanimously, as we have just done, and we hope to see a new era in Social Security in consequence. We thank the cooperation of everybody.

MORNING BUSINESS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Senate enter a period for morning business, in which Senators be allowed to speak for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I respectfully suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Parliamentary inquiry, are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business. Each Senator is permitted to speak for up to 10 minutes.

AMERICAN JUDICIAL SYSTEM

Mr. SPECTER. Mr. President, I will speak for a few moments this afternoon about the American judicial system, and I speak not really as a lawyer or as a Senator but as an American who has just had an opportunity to observe the Supreme Court of the United States in action. I did so this morning as a lawyer representing plaintiffs in a case involving the Philadelphia Navy Yard.

I do not at this moment speak about the merits of the case, which I had an opportunity to do this morning before the Court, and have had an opportunity to do on this floor on prior occasions, but about our system of justice, about our Constitution and about our Federal courts.

It is an inspirational experience to come into the Supreme Court building and to see the inscriptions about major court decisions, starting with Marbury versus Madison, a case decided in 1803 which upheld the principle of Supreme Court review on constitutional issues, and the declaration by Chief Justice Marshall that it is emphatically the province of the Federal courts to decide the law.

The Constitution of the United States has been widely cited as the greatest document ever written, and it has provided the basis for the evolution of the greatest country in the history of the world—the United States of America—as it has defined a tripartite system of Congress: The Congress under article I; the executive under article II and the judiciary under article III.

Taking the opportunity to argue a case before the Supreme Court and to revisit constitutional cases has been a new, growing, and learning experience for me and gives me new insights into the workings of our Government as a whole and especially our workings here in the Senate, and a new appreciation of our role in making the law and establishing appropriate standards whenever the Congress delegates authority to carry out important public policy functions.

The Constitution needs to be reread from time to time to see the precise sphere of activity. While the President, as Chief Executive Officer, has substantial constitutional authority—illustratively, as Commander in Chief of the military—it is the Congress which has the sole authority to make the laws.

That is an awesome responsibility. Revisiting constitutional cases starting with Marbury versus Madison, our written Constitution and our tradition of judicial review, under which the Federal courts, and especially the Supreme Court, interpret the law and make sure that individual rights are protected and that there is no infringement on the constitutional process, distinguish the United States, I think, from every other country in the world.

I reread the decision of Little versus Barreme from 1804, 1 year after Marbury versus Madison, in which Chief Justice Marshall wrote an opinion limiting Executive power because the authority to make laws resides solely with the Congress. In that case, the Congress had authorized the seizure on the high seas of any vessel sailing from a French port. The President authorized the seizure of vessels sailing to or from a French port. The Supreme Court of the United States said that the President's authority does not go beyond the congressional authorization.

When the President authorized the seizure of any vessel sailing from a French port, it was declared illegal; even in the time of a military situation when the President's authority might arguably be construed to be broader, that authority was limited by the Supreme Court to the seizure of vessels going to a French port, and was held not to encompass a seizure of a vessel coming from the port.

These decisions supporting the concept of limited government range to landmark cases like the review of the seizure of the steel mills by President Truman, which was declared unconstitutional as being in excess of Presidential authority. In that case, Justice Jackson wrote a learned concurring opinion, saying that in a parliamentary government, which the United States has, the legislative power resides in the Congress, and authority in case of public necessity to seize the steel mills could come only from the Congress. There is no broader power in the President. Notwithstanding the generalized constitutional Executive powers, they were not broad enough to comprehend the seizure of the steel mills in the absence of congressional authorization.

In the landmark decision of Panama Refining versus Ryan, on an issue which was before the Supreme Court this morning, the Supreme Court of the United States ruled that the President could not carry out legislative functions even when the Congress had delegated those functions to the President because only the Congress has the authority to make law, and that there cannot be a pact between the President and the Congress which violates the Constitution. An attempt by the Congress to grant broad powers to the President which infringe upon the congressional authority to make laws violates the Constitution and the principle of separation of power.

The Congress has responded to the proliferation of administrative agencies by expanding judicial review, and that expansion of judicial review was encompassed in the Administrative Procedure Act. That statutory authority for judicial review stands in addition to the case law or common law which has given the judiciary broad authority to review Executive decisions and to be sure that when the Executive acts, it acts within the confines of the congressional delegation and in conformity with the standards that Congress has authorized.

That is a critical part of the Navy Yard case, where the Congress established an elaborate procedure in order to resolve the issue of base closures, which had been a political hot potato. The Congress felt unable to select military bases for closure, and the Congress felt it inappropriate for the President to select bases for closure because of favoritism or politics. To solve this problem, the Congress established an elaborate process which required standards for closure—a strategic plan, criteria, hearings, full disclosure to the Comptroller General, the General Accounting Office, the investigative arm of the Congress.

The essential issue in the Philadelphia Navy Yard case is whether those statutory standards were followed, and whether, in not following those standards, the Executive exceeded its authority and violated the constitutional doctrine of separation of powers.

As a totally independent basis, there is also statutory authority for judicial review, and when we legislate in the Congress, most frequently the Congress does not expressly state whether the action of the administrative agency is or is not subject to judicial review.

From a reexamination of these cases, Mr. President, I see that we might be wiser in our legislative capacities to look at that issue and to provide some judicial guidance. But the Supreme Court has broadly interpreted the courts' authority to undertake judicial review, saying that the Congress is not drawing blank checks to the administrative agencies, that there is a presumption in favor of judicial review of agency action, and that it is really up to the courts to say what the law means.

But just as more care might be given by the Congress, the Senate and House, to establish standards, more care should be given to congressional intent on the issue of judicial review.

(Mrs. BOXER assumed the chair.)

Mr. SPECTER. Today's argument considered at some length a case handed down by the Supreme Court involving reapportionment. Secretary of Commerce Barbara Franklin submitted the census report to the President, who certified the numbers. The Supreme Court ultimately said there was no judicial review because of the absence of finality of agency action, where the President was able to change, alter, modify, or supervise what the President's Cabinet official had done.

A central point in today's argument was the basic distinction between what the President could do on the census data reported by the Secretary of Commerce contrasted with what he could do with the Base Closure Commission, where the President had to take it all or leave it all. The President could send it back once, but on the second round the President had to take it all or leave it all.

Now, then, the Congress provided in the base closure process for a resolution of disapproval—again, all or nothing. There is a fundamental difference in that kind of procedure from the situation where the President is the supervising Executive over the Secretary of Commerce and revisions could be made, so that there was final agency action, at least arguably, and I think realistically, by the Base Closure Commission.

The opportunity to be a U.S. Senator, Madam President—and I am sure you will agree with me—is a privilege, and it is a rare privilege for Senator BOXER to serve the State of California or for ARLEN SPECTER to serve the State of Pennsylvania. It is a rare privilege. We have heavy responsibilities that affect 260 million people whenever we act. On some occasions, we affect 6 billion people around the world because of the superpower stature of the United States.

An opportunity to reexamine the delicate constitutional balance gives me a new appreciation of the separation of powers and our responsibilities in establishing standards in legislation dealing with issues of judicial review. To have had an opportunity to appear before the Supreme Court is really inspirational. Actually, it is inspirational to appear on the floor of the U.S. Senate even when the Chamber is largely empty. It is inspirational for a person such as me every time I leave Union Station and see the Capitol dome and reflect on the kind of country we have and the kind of Government we have.

So I just wanted to make those few comments, Madam President, within a few hours of leaving the Supreme Court Chamber, to articulate my view on what a great country we have, a great Constitution we have, and to pay tribute to the Federal judicial system as the final arbiter of the greatest document in the history of the world which has led to the development of the greatest country in the history of the world.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

THE EXECUTIVE CALENDAR

Mr. MITCHELL. Madam President, as if in executive session, I ask unanimous consent that the Senate proceed to executive session at 3 p.m. today to consider the nomination of William B. Gould IV to be a member of the National Labor Relations Board; that is Executive Calendar No. 476; that there be 2 hours of debate equally divided between the chairman and ranking member of the Committee on Labor and Human Resources or their designees; that when time is used or yielded back, the Senate, without intervening action, vote on the nomination; and that, if confirmed, the motion to reconsider be tabled; and, that the President be immediately notified of the Senate's action.

I further ask unanimous consent that if William B. Gould IV is confirmed with respect to Executive Calendar No. 476, the Senate proceed to the consideration of the following nominations:

Margaret A. Browning to be a member of the National Labor Relations Board (Ex. Cal. 706);

Frederick L. Feinstein to be general counsel of the National Labor Relations Board (Ex. Cal. 707);

Charles I. Cohen to be a member of the National Labor Relations Board (Ex. Cal. 708); and

William B. Gould IV to be a member of the National Labor Relations Board (Ex. Cal. 475).

I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; that, upon confirmation, the motions to reconsider be laid upon the table en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

Madam President, I am authorized to state on behalf of the minority that this has been cleared by the minority leader and his staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Madam President, I now ask unanimous consent that there be a period for morning business between now and the hour of 3 p.m., with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Madam President, pursuant to this agreement, the Senate will take up nominations to the National Labor Relations Board beginning at 3 p.m. There is a maximum possible of 2 hours of debate, meaning that a vote will occur on the nomination of William B. Gould IV to be a member of the National Labor Relations Board no later than 5 p.m.

I am advised by staff of the managers that it is likely that not all of the time for debate will be used. And, therefore, Senators should be aware that a vote may occur at some time, which is not now possible to state with certainty, between 3 p.m. and 5 p.m.

Senators should be aware of that and be prepared to be on the floor within 20 minutes.

I thank my colleagues for their cooperation.

Madam President, I now yield the floor.

Madam President, seeing no other Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF THE VISIT OF SENATORS COCHRAN, PRESSLER, AND BROWN TO KOREA, BURMA, INDIA, PAKISTAN, KUWAIT, AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

Mr. COCHRAN. Mr. President, I am pleased to submit a report to the Senate of my visit with Senators PRESSLER and BROWN to Korea, Burma, India, Pakistan, Kuwait, and the International Atomic Energy Agency in Vienna from December 5 through December 19, 1993.

I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 2, 1994.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: I am pleased to submit this report on my trip with Senators Pressler and Brown to Korea, Burma, India, Pakistan, Kuwait, and the International Atomic Energy Agency in Vienna from December 5 through December 19, 1993.

We undertook this mission to engage senior officials in discussions of political and economic changes in the countries visited; the danger of proliferation of weapons of mass destruction; and the likely impact of U.S. policy on these issues.

In South Korea, we met with Minister of Foreign Affairs Han Sun-joo and Lieutenant General William W. Crouch, Chief of Staff, U.N. Command/Combined Forces Command/U.S. Forces Korea/Deputy Commanding General, Eighth U.S. Army.

In Burma, we met with Minister of Foreign Affairs U Ohn Gyaw; Lieutenant General Khin Nyunt of the State Law and Order Restoration Council; and Brigadier General David Oliver Abel, Minister of National Planning and Economic Development.

In India, we had discussions with business leaders in the Indo-American Chamber of Commerce and at the Bombay Stock Exchange; Maharashtra Chief Minister Sharad Pawar, former Minister of Defense; Minister of State for External Affairs Salman Khurshid; Minister of Finance Manmohan Singh; representatives of the All Parties Freedom Conference of Kashmir; Prime Minister P.V. Narasimha Rao; Member of Parliament Murli Deora, Bombay chief of the Congress(I) Party; Minister for Home Affairs S. B. Chavan; Vice President K. R. Narayanan; and Minister of External Affairs Dinesh Singh.

In Pakistan, we met with Senate Chairman Wasim Sajjad; Minister of Defense Aftab Shaban Mirani; Foreign Secretary Shaharyar Khan; Minister of Foreign Affairs Sardar Assef Ali; President Farooq Leghari; Prime Minister Benazir Bhutto; and members of the American Business Council of Pakistan.

In Kuwait, we had discussions with the Prime Minister, Crown Prince Shaikh Saad Abdallah Al-Sabah, and Minister of Information Shaikh Saud Nasir Al-Sabah, former ambassador to the United States.

At the International Atomic Energy Agency in Vienna we had discussions with Director General Hans Blix; Deputy Director for Safeguards Bruno Pellaud; Deputy Director for Administration David Waller; and Jan Priest, Head of the Safeguards and Non-Proliferation Policy Section of the Division of External Relations.

We gained valuable insights regarding U.S. nonproliferation policy and issues confronting the countries visited. I believe the trip will enhance U.S. bilateral and multilateral relations.

I am very grateful to you, as well as Deputy Chief of Mission Charles Kartman and the embassy staff in Seoul; Charge d'Affaires

Franklin P. Huddle, Jr., and the embassy staff in Rangoon; Charge d'Affaires Kenneth C. Brill and the embassy staff in New Delhi and Consul General Charles A. Mast and the consular staff in Bombay; Ambassador John C. Monjo and the embassy staff in Islamabad and Consul General Richard C. Faulk and the consular staff in Karachi; Deputy Chief of Mission Georgia Debell and the embassy staff in Kuwait; and Ambassador Swanee G. Hunt and the staffs at the embassy and the U.S. Mission to International Organizations in Vienna, for valuable assistance in making our trip successful. In this report, I take the opportunity to discuss some of the highlights of this enlightening and beneficial trip.

Sincerely,

THAD COCHRAN,
U.S. Senator.

REPORT OF THE VISIT OF SENATORS COCHRAN, PRESSLER, AND BROWN TO KOREA, BURMA, INDIA, PAKISTAN, KUWAIT, AND THE INTERNATIONAL ATOMIC ENERGY AGENCY—DECEMBER 5–19, 1993

PURPOSE

Senators Cochran, Pressler, and Brown welcomed the Republican Leader's authorization to visit the Republic of Korea, the Union of Burma, the Republic of India, the Islamic Republic of Pakistan, the State of Kuwait, and the International Atomic Energy Agency (IAEA) in Vienna. The delegation was hosted by the respective U.S. embassies.

On December 7 in South Korea, the Senators discussed tensions associated with the refusal of North Korea to allow adequate IAEA inspection of its nuclear facilities.

During the December 8–9 stay in Burma, they met with members of the State Law and Order Restoration Council to consider regional issues and human rights.

In India from December 10 to 13, talks focused on regional conditions, especially tensions with Pakistan over Kashmir; nuclear proliferation; and India's opening economy.

During its December 13–16 visit in Pakistan, the Delegation discussed regional issues, nuclear proliferation, and Pakistan's economic development.

On December 16 in Kuwait, the Senators observed Kuwait's recovery from the Persian Gulf War and discussed the country's regional relations.

In Vienna on December 18, the Delegation discussed nuclear concerns with IAEA officials.

REPUBLIC OF KOREA

After years of international uncertainty regarding its nuclear weapons intentions, North Korea agreed in 1986 to join the Non-Proliferation Treaty. When in 1992 the IAEA asked to inspect some questionable nuclear sites, however, the North Koreans refused and announced in 1993 their intention to withdraw from the Treaty. During negotiations with the United States, North Korea had suspended its withdrawal, but at the time of the Delegation's visit to South Korea, the North was still refusing IAEA access to the sites and seeking greater U.S. concessions.

Minister of Foreign Affairs Han Sung-joo

Upon arrival in Seoul on Tuesday, December 7, the Delegation met with the Minister of Foreign Affairs at his office. The Foreign Minister mentioned the street demonstrations that day protesting the decision to open the South Korean rice market to foreign competition. Despite strong public feelings on this issue, his government believed Korea would benefit from freer trade, symbolized by successful conclusion of the Uruguay Round.

Addressing the North Korean nuclear issue, the Foreign Minister described the next few weeks as critical, since the continuity of IAEA safeguards was at stake. Although North Korea was more militant than before, there was no qualitative change in the situation sufficient to warrant a buildup of South Korean or U.S. forces. The U.S. commitment to the defense of South Korea was adequate to deal with the threat.

It was not clear whether North Korea would eventually agree to special IAEA inspections, was using the nuclear issue to obtain as many concessions as possible, or was determined to develop nuclear weapons in any case. Some diplomatic success had been achieved, but each time North Korea had agreed to something, it later demanded even more concessions. Resolution of the dispute would require patient dialogue.

The Foreign Minister said North Korean acquisition of nuclear weapons would not automatically trigger similar action by its neighbors. Without significant political change, Japan would not consider developing nuclear weapons, and South Korea was "determined not to go nuclear, no matter what."

He noted the rapid expansion in South Korean trade with China since diplomatic relations were established in August 1992. That country was facing internal uncertainty, but the Foreign Minister was hopeful China would play a constructive regional role as its economy continued to expand.

For the foreseeable future, with or without unification, Korea would have to live with powerful neighbors: Japan, China, and Russia. South Korea could not hope to match those countries militarily, but it would maintain a reasonable defense posture. Its main objectives were to maintain its security relationship with the United States and to promote a regional organization for confidence-building, arms control, nonproliferation, sea safety and environmental protection.

Lieutenant General William W. Crouch

The Delegation met at Yongsan Base with Lieutenant General William W. Crouch, Chief of Staff, U.N. Command/Combined Forces Command/U.S. Forces Korea/Deputy Commanding General, Eighth U.S. Army; Major General James M. Myatt, Assistant Chief of Staff C5; and Colonel Richard M. Hasbrouck III, Assistant Chief of Staff J2; for a briefing on the nuclear situation in North Korea.

UNION OF BURMA

In 1988, the armed forces suspended Burma's constitution and established the State Law and Order Restoration Council (SLORC). The SLORC refused to honor the results of the 1990 election won by the National League for Democracy, whose leader, Aung San Suu Kyi, had been under house arrest since 1989.

After General Than Shwe became prime minister in 1992, the government freed some 2,000 political prisoners, allowed family visits to Aung San Suu Kyi, and suspended offensive military operations against some insurgent groups.

Although a national convention to draft a new constitution began in January 1993, the SLORC limited the scope of debate and made it clear the military would play a major role even after a civilian government was established.

At the time of the Delegation's visit, human rights issues were major impediments to improved U.S.-Burma relations, and the Clinton Administration had refused to name an ambassador.

Minister of Foreign Affairs U Ohn Gyaw

The Senators were guests of honor at a December 8 dinner hosted by the Minister of Foreign Affairs, who welcomed the delegation and expressed the hope that their visit would improve relations between Burma and the United States.

Lieutenant General Khin Nyunt

On Thursday morning, December 9, the Delegation met the SLORC First Secretary, Lieutenant General Khin Nyunt, who gave his interpretation of Burma's recent history. In 1988, 51 persons had been beheaded and a communist-instigated takeover appeared imminent. When the politicians could not control the turmoil, the military intervened. The first objective had been to restore law and order. The current constitutional convention was the next step, since the 1974 constitution was inadequate to move Burma from one-party socialism to free-market democracy.

Senator Cochran asked when democracy would be achieved. The General said the convention was trying to agree on constitutional principles and to devise a civilian governmental framework in which the armed forces would also have responsibilities. He said it was difficult to predict when the convention would complete its work.

When the Senators asked if they could visit Aung San Suu Kyi, the General answered that only family members could visit her. The SLORC respected her as the daughter of the national founder, but it would not abandon the principle that a person residing abroad could not participate in Burmese politics. She had left Burma at an early age and had lived in Britain with her husband, an Oxford don. She had received lenient treatment and was free to leave Burma at any time.

He said the SLORC was trying to maintain the peaceful conditions necessary to establish democracy. It was not the Council's intention to prolong the current situation, but Burma would have to move cautiously toward normalization because communism was still a force. Communist groups had disintegrated, but their leaders were hiding on the China border. If communists and their sympathizers were given "too many rights," they could create problems for the country.

Brigadier General David Oliver Abel

Brigadier General David Abel, Minister of National Planning and Economic Development, received the Senators later that morning. When asked how long it would take the convention to develop a constitutional framework, he replied it should not take long once the delegates agreed on basic principles.

In response to questions about the economy, he said the industrial base was small but growing with government-encouraged foreign investment. When it took power in 1988, the Council had managed to stabilize a declining situation, and the economy had gradually resumed healthy growth.

Senator Cochran saw great potential in Burma, but he warned that a negative human rights record would be a drawback to development. The General replied that the situation had been misinterpreted in the media: "If the people are happy in the political, economic, and administrative situation, I think they have their human rights."

When asked what power the military would have under the new constitution, General Abel said the veto power of the military would not be absolute, but the armed forces would intervene if national unity and solidarity were threatened. That had been their patriotic function since Burma became independent.

Senator Cochran emphasized that the suspension of the 1990 election results was a major U.S. concern, and he wished the Council success in establishing democracy at an early date. He said that once democratic reform was achieved, Burma should flourish, since the country had so much to offer.

REPUBLIC OF INDIA

At the time of the Delegation's visit, India was experiencing basic economic reform, inflation had been reduced, and accelerated economic growth was expected in 1994. Increased foreign investment was sought, especially by U.S. firms, the major investors in India. As opportunities for bilateral economic cooperation increased, however, Indian suspicion of U.S. political intentions remained, especially with regard to Kashmir and nonproliferation. Some Indians feared the United States tilted in favor of Pakistan on both issues.

The United States maintained the Kashmir issue should be settled by Pakistan and India and was encouraged that Indo-Pakistani tensions had lessened somewhat as both countries focused on such confidence-building measures as the special hotline used regularly by the Pakistani and Indian armed forces.

India was especially concerned that the United States might modify the Pressler Amendment, under which U.S. aid to Pakistan was suspended in 1990 because of the Pakistani nuclear program. There were indications the Clinton Administration wanted to overhaul U.S. foreign aid by establishing broad standards for all nations rather than targeting specific countries for sanctions.

Indo-American Chamber of Commerce

In Bombay on Friday morning, December 10, the Senators were breakfast quests of the Indo-American Chamber of Commerce, which welcomed the "visitors from the world's greatest democracy to the world's largest democracy" and expressed appreciation for the fact that the United States was India's investor and trading partner.

Senator Cochran stressed the importance of trade as nations redirected their attention from military power to economic development. He hoped India's reforms would strengthen its economy, contribute to stability in South Asia, and deepen friendship between India and the United States.

When asked about U.S. nonproliferation policy, Senator Pressler said he knew of no change of the subcontinent that warranted repeal of the Pressler Amendment.

Senator Brown told the group that the strength of any country was not to be found in the quantity of its population, territory, or natural resources, but in the creative spirit of its people. The United States had fostered the economic freedom that enabled people to keep a fair share of what they produced, and that was an enormous stimulant to economic development. National economic success depended upon efficient management and freedom from the deadening hand of bureaucracy.

Maharashtra Chief Minister Sharad Pawar

During their meeting later Friday morning with Maharashtra Chief Minister Sharad Pawar, the Senators discussed Indian economic reform and foreign relations. When the Chief Minister, a former defense minister, asked about the Pressler Amendment's future, Senator Pressler said it was too early to predict the changes President Clinton might recommend in U.S. foreign aid policy. The Chief Minister noted that Indian uncertainties had been heightened by the Pakistani prime minister's commitment to continue that country's nuclear weapons program.

When Senator Brown asked the Chief Minister to assess the Chinese defense buildup, he said it would continue for another 10 to 15 years. China's nuclear program showed it wanted to be a superpower, a goal that seemed to derive from traditional Middle Kingdom attitudes rather than communist ideology. When asked whether this meant India would still need a nuclear program to offset China even if relations with Pakistan improved, he replied that Pakistan was working against India with a number of her neighbors, including China. Iran and Pakistan were supporting fundamentalists in India and sending arms into Kashmir. In this situation, any U.S. "moral support for Pakistan vis-a-vis India strengthens Muslim fundamentalism."

When Senator Cochran asked the best way to improve U.S.-India relations, the Chief Minister observed that the United States "only takes interest when there is investment." The United States needed to invest more in the big Indian market. Just as U.S. businesses supported China policy, their interest in Indian policy might grow as U.S. investment in India increased.

Bombay Stock Exchange

The Senators toured the Bombay Stock Exchange, India's premier bourse and the oldest in Asia. Accounting for 70 percent of turnover in India's 22 stock exchanges, its capitalization of $75 billion was 30 percent of India's Gross Domestic Product and four times the comparable figure for China.

In discussions with Executive Director Arvind N. Kolhatkar and members of the governing board, the Delegation learned that the Exchange had responded to recent economic reforms by shifting to a new trading ring and computerizing its trading facilities. The market had boomed following the entry of foreign institutional investment. Since January 1993, investment by some 115 foreign institutions had totalled $650 million, the bulk coming from the United States. Some $5 billion in U.S. investment was expected in the next 5 years. Recession in Japan and other countries had actually increased interest in India.

Minister of State for External Affairs Salman Khurshid

The Minister of State for External Affairs welcomed the Senators to New Delhi at a December 11 luncheon. The Minister said repeal of the Pressler Amendment would permit delivery of F–16 aircraft to Pakistan, legitimize that country's nuclear weapons program, destabilize South Asia, and force India to reassess its defense policies. This would be disappointing in light of the fact that the United States and India had worked together on a chemical weapons convention, a comprehensive nuclear test ban treaty, and an agreement to end production of fissile material for nuclear weapons.

The Minister objected to those who lectured India on human rights and ignored her clear need to combat terrorism while upholding democracy. "We are faced with a proxy war in Kashmir, and the menace of externally aided terrorism looms large, not only in Kashmir, but in other parts of our country, "such as Bombay, where bombs were exploded in March. India wanted to revive the political process in Kashmir, but this required an end to outside aid to terrorists.

India's commitment to global nonproliferation was "second to none," but the country would not sign the Non-Proliferation Treaty in its present "discriminatory" form, since Indians "do not subscribe to attempts at achieving regional solutions to an essentially global problem.

Minister of Finance Manmohan Singh

In the afternoon, the Delegation called on the Minister of Finance in his office. Senator Cochran congratulated the Minister on India's economic reforms and assured him they had received much attention in the United States. Dr. Singh responded that India was grateful for U.S. help in the transition. India's relationship with the United States was of tremendous importance as India worked to strengthen its role in the globalizing economy.

Senator Brown said he had been amazed at the economic liberalization and asked whether Dr. Singh thought it would continue. The Minister said it would continue, widen, and deepen, but there might be obstacles along the way, since Indian voters—as in any democracy—might not always see the long-term benefits, only the short-term discomforts.

Dr. Singh said he hoped U.S. investment would increase. When told that some companies hesitated to invest because they thought the regulations showed India did not want foreign business, the Minister said the Indian government had removed most of the irritants and was continuing to liberalize. As an example of the government's determination, he noted that though farmers constituted 70 percent of the Indian work force and were an important political interest, the government had taken the highly unpopular step of deregulating the cost of fertilizer because it had "to get the system in shape."

In response to a question from Senator Pressler, Dr. Singh agreed that normalized trade could help bring Pakistan and India closer together. Although India had agreed to step-by-step normalization, to his great disappointment Pakistan had declined. Perhaps the matter would be discussed when the Pakistani and Indian foreign secretaries held talks in January.

Directorate General of Military Operations

The Directorate General of Military Operations of India briefed the Senators on border tensions with Pakistan.

All Parties Freedom Conference

The All Parties Freedom Conference, a coalition of 27 Kashmiri political parties, was established in 1993 to unite factions of the self-determination movement behind a common political platform. The Senators met late Saturday afternoon with three persons associated with the Conference; Shabnum Lone, daughter of Abdul Gani Lone, a detained Conference leader; Altaf Ahmed, son-in-law of Syed Ali Gilani, another imprisoned leader; and Tariq Ahmad or Nehru University.

The group said 40,000 people had died in Kashmir and Indian troops should end their crackdown there and withdraw to barracks. They maintained that India should accept the fact that Kashmir was a "disputed territory" whose final status should be determined by the people of Kashmir. Moreover, a tripartite conference including India, Pakistan, and legitimate representatives of the Kashmiri people should be held to negotiate a final settlement to be supervised by the United Nations or a third country.

Prime Minister P.V. Narasimha Rao

Early Saturday evening, the Prime Minister received the Delegation at his residence. He moved immediately to the Indo-Pakistani relationship, specifically the Kashmir situation and the destabilizing impact of any change in the Pressler Amendment's restrictions on U.S. aid to Pakistan because of its nuclear program. Any move by the Clinton Administration to change U.S. foreign assistance by modifying the Amendment would lead to resumption of aid to Pakistan and force India to reassess its defense policy.

The Prime Minister told the Senators that statements on Kashmir by officials like Assistant Secretary of State for South Asian Affairs Robin Raphel would not improve U.S.-India relations. Strong exception had been taken to the specific statement that Washington did not recognize Kashmir's instrument of accession and considered it a disputed territory. When Charge d'Affaires Kenneth Brill said the Raphel statement was casual and off-the-record, the Prime Minister said the statement was nevertheless appalling; wherever it came from and whatever its motivation, it hurt.

When asked about the upcoming foreign secretaries' talks, the Prime Minister said he had stopped hoping in advance. There was a framework for resolving the Kashmir issue, but the political will had been lacking. Over the years, he had noticed that "every time I see light at the end of the tunnel, something has changed." He expected something better this time, and friends like the Senators might be able to persuade the Pakistanis to move forward. He thought the general climate was good, but a great deal depended on the Pakistani political climate.

The Prime Minister said India wanted to forge economic and commercial relations with China while continuing the dialogue on their border dispute. When asked what he thought China wanted, the Prime Minister replied "They don't want any trouble. They want investment, especially in the less well-off provinces. China does need peace for this. They do have their ambitions in the long run, but for the next 10 years they need peace."

When Senator Cochran said the Prime Minister had to be pleased with the outcome of the recent Indian elections, he responded that his government's policies "are clicking with our people." By rejecting the fundamentalist parties, the people had shown they were for "peace and development to the exclusion of other emotive issues," and the economic reforms under way would be given an added push by that message. Senator Cochran said the United States strongly supported the reforms and assured the Prime Minister that more U.S. companies would come as those reforms matured.

Senator Pressler asked whether trade might improve Indo-Pakistani relations. The Prime Minister said that would be difficult, since Pakistan feared Indian trade and had erected various barriers, producing a situation in which Pakistanis paid four times the actual price for anything produced in India. The two countries cooperated on such things as libraries, but not on economics. "Pakistan still feels we pose a threat to them."

Senator Brown said that India's economic reforms were significant but relatively unknown in the United States. A visit by the Prime Minister would be well-received, especially in the U.S. financial community. The Prime Minister said his ambassador in Washington had been urging that, and he had told him to go ahead with the dates.

The Prime Minister expressed satisfaction that the United States was India's largest trading partner and that the U.S. Indo-American community was serving as a bridge between India and the United States. He wanted greater interaction between U.S. Senators and Members of the Indian Parliament. He said he was personnally very accessible: "I'm glad to answer questions, and I don't see any other forum that is better than this."

Minister for Home Affairs Shankarrao Bhaurao Chavan

On Monday morning, the Delegation had discussions with the Minister for Home Affairs in his office. He said the Kashmir problem could be worked out if the Kashmiri people were left to themselves. Pakistan had lost three wars over the territory, and now they were waging a proxy war in Kashmir through terrorism. Continued interference by Pakistan was preventing the installation of a democratically elected government, and only such a body could redress genuine public grievances. If outside interference were stopped, the Kashmir dispute could be settled through autonomy and other arrangements. The press and judiciary were free there, and the Indian government felt it could work with anyone elected there.

He noted there were more Muslims in India than in either Pakistan or Bangladesh, and the Muslims of India felt confident about their future in a secular country. The government would be able to deal with the situation in Kashmir in the same way and redress Muslim grievances there within the Indian constitutional framework.

The Home Minister said the statement by Assistant Secretary of State Robin Raphel, whatever the motivation, had been extremely disturbing. If Kashmir's accession to India were questioned, then the status of all other Indian States could be challenged, as well as the creation of Pakistan. Terrorism should be distinguished from human rights. Pakistan had supported the militants who holed up in the Hazratbal shrine, and statements by various American officials had only served to prolong the siege.

Mr. Chavan expressed apprehension over any change in the Pressler Amendment, since such action would eventually lead to enhancement of Pakistan's offensive military capabilities. When he asked for clarification on the Amendment's status, Senator Pressler told him there would be strong opposition in the U.S. Senate to any move to abandon the aims of the Amendment.

Senator Cochran inquired about the status of imprisoned Kashmiris and asked if international agencies like the Red Cross could visit them. The Home Minister said that would pose no problem, "but they should not encourage rebellion." Government representatives had met with Amnesty International and the International Committee of the Red Cross to discuss possible visits to Kashmir to investigate alleged human rights violations.

Vice President Kicheril Raman Narayanan

Vice President K. R. Narayanan received the Senators at his residence. Senator Cochran asked him to identify the number one problem in Indo-American relations. The Vice President replied that although there were no major problems, there were inevitable differences in perception from time to time. Cold War problems had been eliminated, but some current problems resembled Cold War differences.

He warned that the United States should not attempt to separate India's problems with Pakistan from India's problems with China. He had always felt China wanted to dominate the world, and he had been perturbed when President Clinton said recently in Seattle that the United States and China were the two great powers. The Chinese wanted to extend their power in Asia; they had plenty of time and always said "We can wait." In the current period of transition, China wanted friendship with everyone, but that was not their long-term objective.

The Vice President agreed with Senator Pressler that trade could help lessen tensions between India and Pakistan. Indeed, he felt the basic Indo-Pakistani problem was not Kashmir, but trade. Without trade, it made little sense to talk about friendship. Without trade, the two countries could not go far on issues like Kashmir.

Senator Brown asked what the United States and India should be doing to draw closer to one another. The Vice President said the core of economic development was technology. Some Indians feared the United States believed India did not "fit" into U.S. plans for the future and did not "deserve" to share advanced technology. If this indeed became U.S. policy, the resulting gap between haves and have-nots would become greater than in the imperial period.

In answer to the Vice President's concern, Charge d'Affaires Kenneth Brill pointed out that the United States had greater technological cooperation with India than with any other country. While it was true that there had been a recent suspension of technology exchange in one field, the suspension was required under the Missile Control Technology Regime.

The Vice President said this denial of technology illustrated why India had refused to sign the Non-Proliferation Treaty. The United States was spending too much time trying to keep from sharing technology for fear it would fall into the hands of "your next enemy," whoever that might be. It was "like the Cold War all over again." The proliferation problem was not caused by countries like India which needed technology for development, but rather by the nuclear weapons states with their pile of weapons and their continued nuclear testing: "Stop piling on just a small group of countries who are not proliferating."

Minister of External Affairs Dinesh Singh

The Senators called on the Minister of External Affairs during their visit to parliament House. Mr. Singh emphasized the importance of Indo-American relations and said current economic ties were stronger than ever. India stood ready to cooperate with the United States in promoting genuine disarmament and would work to promote nonproliferation through nondiscriminatory, universal agreements.

The Minister said visits by U.S. Senators and Congressmen were opportunities for first-hand observation of Indian democracy and for frank discussion of mutual concerns. He wished the Senators could have more time to see for themselves that India was one of the few developing countries running a secular, multicultural democracy. That was the main reason India opposed secession; if a portion of the nation such as Kashmir seceded, others might attempt to follow. The Indian government could give autonomy, but not independence. India ensured equal rights under the Constitution for all citizens; since there was equality, groups had no right to complain, let alone secede.

When Senator Pressler asked whether increased trade would help improve Indo-Pakistani relations, the Minister replied that he was ready to recommend bilateral removal of all tariffs between the two countries. Athough Pakistan feared India would flood her market, chambers of commerce in Pakistan wanted to be able to buy Indian goods and were doing so through third countries. The problem was not economic, but political: The government of Pakistan did not want Pakistanis to communicate with Indians.

The Minister asserted that the United States should not concentrate on tensions between India and Pakistan. It was in the U.S. national interest to build up India to counter the growing power and influence of China.

Press Conference at Roosevelt House

Prior to their departure for Islamabad on Monday afternoon, December 13, the Senators held a press conference at Roosevelt House in New Delhi. They expressed the hope that the January talks between the foreign secretaries of India and Pakistan would be successful, and they emphasized that the United States respected the rights and responsibilities of the two countries to resolve the Kashmir dispute themselves.

When asked whether they had assured Prime Minister Rao that the view of Assistant Secretary of State Robin Raphel on Kashmir's instrument of accession was not the view of the U.S. Government, they declined to be drawn into the debate over the legality of Kashmir's accession. Senator Cochran said the origin of the Kashmir dispute was a matter of historical interest, "but the parties should look to the future and find ways to deal with the problem."

Senator Pressler said that development of trade and tourism was the key to improving relations between India and Pakistan; business could do more to "clear the atmosphere" than the actions of politicians or bureaucrats. He felt strongly that initiatives should be taken to begin trade between the two countries and that the United States should assist such trade.

Answering a question about nuclear proliferation on the subcontinent, Senator Pressler said he was against U.S. aid going to countries that were developing weapons of mass destruction. This principle was embodied in the Pressler Amendment to the 1985 Foreign Assistance Act, and he would oppose any attempt to weaken that amendment, which had forced the ending of U.S. aid to Pakistan because of that country's nuclear program. He would prefer to see the amendment applied to all countries.

Senator Cochran said India's striking economic reforms had created a favorable environment for improved U.S.-India relations not only in commerce but in such fields as nonproliferation, peacekeeping, and science and technology.

Senator Brown added that India was on the verge of an "explosion in economic activity" in which the United States would play an important role. He expected Indo-American trade to double in three years, and he did not believe the expansion would be greatly affected by India's refusal to sign the Non-Proliferation Treaty.

ISLAMIC REPUBLIC OF PAKISTAN

Although U.S.-Pakistan cooperation has been close over the years, nonproliferation policy has been a major problem. When President Bush could not certify in 1990 that Pakistan was not developing nuclear weapons, U.S. aid was halted in compliance with the Pressler Amendment. Many Pakistanis with strong ties to the United States were disappointed by what they felt was unfair treatment of their country.

At the time of the Delegation's visit, Pakistan had come through recent political uncertainties and was making considerable economic progress. American companies were active, and the Karachi Stock Exchange was booming.

Senate Chairman Wasim Sajjad

After their arrival in Islamabad Monday afternoon, December 13, the Senators attended a dinner at the residence of the Chairman of the Senate of Pakistan. In the discussion before dinner, Senator Cochran expressed the hope that forthcoming talks between India and Pakistan would reduce tensions. He said the United States wanted friendly relations with both countries and appreciated Pakistan's peacekeeping role in Somalia and other parts of the world.

Expressing Pakistan's deep concern over Kashmir, the Senate Chairman said the United States was committed to human rights and should fulfill its responsibility to persuade India to solve the Kashmir issue through peaceful means. India currently had over 400,000 troops in Kashmir: If Kashmir was such an integral part of India, why were so many troops necessary?

India was not allowing the Red Cross, Amnesty International, or other neutral observers to visit Kashmir. Although Pakistan was willing to continue talks with India, experience showed that India always offered to talk whenever international pressure mounted on Kashmir, but found some pretext to withdraw from talks after pressure subsided.

The Pressler Amendment was discriminatory and had weakened Pakistan's defense capability by denying the country arms from the United States, its longtime ally. The amendment had neither promoted stability nor prevented proliferation on the subcontinent. Since India was known to have an advanced program producing nuclear weapons and missiles, it was unreasonable to require Pakistan to end unilaterally its peaceful nuclear program, especially since Pakistan did not intend to make a bomb.

As long as there was a Pressler Amendment that did not apply to India, India had no incentive to cooperate with U.S. nonproliferation objectives. Pakistan would accept any arrangements India accepted for controlling nuclear weapons. Pakistan, for instance, was prepared to sign the Non-Proliferation Treaty if India signed.

Minister of Defense Aftab Shaban Mirani

On Tuesday morning, December 14, the delegation traveled to Rawalpindi to meet the Minister of Defense. The Minister said the Pressler Amendment did not achieve its nonproliferation objective and discriminated against an old ally. Although Pakistan shared U.S. nonproliferation objectives and had proposed a five-nation conference on nonproliferation in South Asia, the Pressler Amendment has seriously undermined U.S.-Pakistan cooperation.

Pakistan's chief regional concern was Kashmir, and the only solution was a plebiscite as called for in U.N. resolutions. Massive human rights violations were being perpetrated by the Indian Army, one-third of which was occupying Kashmir. The Minister hoped the Senators' findings would cause the U.S. government to review its policies and take a more even-handed approach toward Pakistan and Indian.

The Defense Minister said his biggest defense problem was the Pressler Amendment, which was forcing Pakistan to turn to other countries for defense materiel. The country had paid $1 billion to purchase F-16 aircraft and other items and had received nothing. Was this proper treatment for an ally who had stood by U.S. policies in Afghanistan, Cambodia, and Kuwait, and had suffered greater in Somalia than any other country?

When Senator Pressler said the United States was only trying to control proliferation and wanted to be the friend of both India and Pakistan, the Defense Minister retorted that India, not Pakistan, had exploded a nuclear device, and that Pakistan had helped the United States far more than India: "Don't compare us."

Senator Brown said Americans remembered Pakistan's steadfastness in times of adversity, and each Senator felt the need to work with Pakistan. He knew the retroactive suspension of the defense materiel was especially difficult to accept.

The Minister did not believe the India-Pakistan talks in January would produce a solution on Kashmir. The Indians knew they could not win a referendum among the people of Kashmir, so they would try to find a reason not to agree.

Foreign Secretary Shaharyar Khan

Later in the morning, the Senators returned to Islamabad to meet with the Foreign Secretary at the Ministry of Foreign Affairs.

The Foreign Secretary noted that the major concerns of Pakistan's foreign policy were relations with the United States, relations with India, nuclear proliferation, and Pakistan's regional role.

He began by reviewing the long U.S.-Pakistan relationship. The nations had not only shared aims and friendship: "They were allies." The United States voted with Pakistan on Kashmir in the early days in the United Nations; Pakistan made the difficult decision to fight in the Persian Gulf War; and the country had received 3.5 million refugees from the Afghan civil war, the highest number ever supported by one country.

While some Pakistanis feared the United States had turned its back on an old friend, the Foreign Secretary did not join them, and he hoped the Senators would be convinced when they met "our modern, progressive Prime Minister" that Pakistan was a moderate democracy committed to peace with justice.

India and Pakistan had fought three wars over Kashmir. If that one issue could be resolved, other tensions would ease: "This cancer must be removed for us to have normal relations." India had at least 6 divisions in Kashmir, one soldier for every three adults: "There are enough Indian soldiers to keep a mouse from crossing" the boundary. No terrorists were crossing into Kashmir from Pakistan, and his government would be glad to have a monitoring group on the border to confirm that fact.

The Foreign Secretary had once told Mr. Rao that their countries were spending too much on military preparedness, especially nuclear operations. They had enough technicians to get ahead economically but were diverted by the Kashmir issue. He asked Mr. Rao to show his commitment to a solution on Kashmir; Pakistan had shown its commitment by actually shooting some of its own citizens who tried to cross the border. A week later, Mr. Rao wrote a letter blaming Pakistan for terrorism. Because of this experience, the Foreign Secretary was not confident any progress would be made at the January talks.

What was the civilized way to settle the issue? Go to court or let a country friendly to both countries mediate the dispute. The World Bank had forced them to accept mediation by a third party of their water problem, why not have the same process for Kashmir?

Pakistan was committed to nonproliferation. It was ready to sign the Non-Proliferation Treaty if India would sign. It was for a comprehensive test ban. It had proposed a five-power conference on South Asian nonproliferation. If the nations of the South Pacific and Latin America could have a regional approach to nonproliferation, why not South Asia? The United States, Russia, China, and Pakistan had agreed, but India had shot down the proposal by counterproposing the inclusion of Kazakhstan, Israel, Iran, and perhaps even Britain and Japan.

Pakistan was the country whose aid was cut off. Pakistan was the one who was threatened, while India, who did not want cooperation, was free to do as it pleased, with only an occasional tap on the knuckles. Since Pakistan had agreed it would not deploy missiles as long as the U.S. missile proposal was on the table, it could in no way be a threat to India, since India's army was five times as large as Pakistan's, and its navy six times as large.

Pakistan was strategically positioned and had generally good relations with the countries of Central Asia, including Iran. Pakistan wanted to connect Azerbaijan, Afghanistan, and other republics through improved infrastructure and telecommunications. Implementation of its plans would greatly enhance regional security and economic development.

Senator Cochran said the Foreign Secretary's remarks had deepened his appreciation of the importance of the U.S.-Pakistan relationship. He would keep an open mind when revisions in the Foreign Assistance Act came before Congress in 1994. He was fascinated by the idea of taking the Kashmir issue to the World Court or to mediation by a third country. Did the Foreign Secretary think Iran or any other country had the confidence of both countries to mediate the dispute?

The Foreign Secretary replied that India would reject any mediation, claiming the disagreement was a bilateral problem. Acceptance of this reality was the reason Pakistan was willing to try the bilateral approach once again in January. Because only 2 percent of the people voted in the last election in Kashmir, India kept looking for an interlocutor in Kashmir, and they blamed Pakistan when they could not find one. They continued to act as if the situation could go on indefinitely, just as it had for 47 years.

The United States was the only country that could pressure the two countries to settle. It would be difficult, but not as difficult as the peace processes in the Middle East and South Africa. It could be done.

Senator Pressler said some feared an "Islamic Bomb." The Foreign Secretary responded that the Pakistanis had given assurances to the United States that they would not enrich uranium beyond a certain point and would not transfer nuclear technology. They could build a bomb, but they had taken the political decision not to do so, and they would not provide information to any nation, Islamic or non-Islamic. Though Pakistan had not recognized Israel, it had recognized the importance of the Israeli-Palestinian agreement, and its position would be affected positively if the peace process achieved results.

Senator Pressler said President Clinton would be sending up legislative recommendations affecting these issues, and he was sure the Senators would have the Foreign Secretary's presentation in mind as they considered those recommendations.

Senator Brown asked what the United States should be doing to help the countries of Central Asia. The Foreign Secretary said the United States should help them stand up to Russia. They had great natural resources, and the United States could work with Pakistan to build roads and pipelines to help them stand together on their own. Pakistani workers would take the risks and do the construction, but Pakistan needed economic backing. If the United States was not interested, Japan has given the impression that it was.

Minister of Foreign Affairs Sardar Assef Ali

When the Senators met next with the Minister of Foreign Affairs, he noted that Pakistan's recent election had been clean and fair, "one of the most accepted in our history." The fundamentalists had been soundly defeated, and the fact that the President and Prime Minister were now of the same party should provide stability and improve relations with the United States. The government saw no reason Pakistan should not return to its previous level of warm relations as the "most allied ally" of the United States.

During the chill in U.S.-Pakistan relations, India had continued its arms buildup through barter with the Soviet Union at prices one-fifth the world level. India took advantage of the Cold War and did nothing in the battle against Soviet communism.

Pakistan paid a heavy price for its stand in the Afghan war, providing relief for 3.5 million refugees. The country sustained environmental damage, increased narcotics traffic, and emergence of a mafia. Bombings, presumably by Afghan or Soviet terrorists, averaged two or three daily. The 1988 Geneva Accords did not end Afghanistan's internal strife, and 1.5 million Afghan refugees were still in Pakistan, though they would eventually return to their homeland.

Pakistan had furnished 10,000 troops in the Persian Gulf War and had played a role in Cambodia and Somalia. If Americans were now less interested in Pakistan, they ignored not only that country's proud role in the defense of freedom but also its vital geopolitical position: If the territory of the five neighboring Central Asian republics were added to Iran, the area would constitute the second largest hydrocarbon reserve in the world. Pakistan believed it had a role to play in helping this area open to the western world.

Pakistan sympathized with U.S. nonproliferation concerns and did not question American intentions. Pakistan was justifiably proud of its nonproliferation record and was fully committed to the goal of a South Asia free of nuclear weapons. Pakistan had fought three aggressions from India, however, and it had to view its nuclear policy in light of the reality that India had not only exploded a nuclear device but had built one of the largest armies in the world and a huge navy with nuclear submarines and a nuclear carrier.

The one-sided restraints placed on Pakistan by the Pressler Amendment had damaged the country's self-defense capability, and the discrimination had produced a strong reaction in Pakistani public opinion. His government hoped to work with the U.S. Administration and Congress to restore and strengthen the traditional bilateral relationship.

India always responded to Pakistani concerns by saying "Let's not argue about Pakistan; we're concerned about China." India should examine the terms of the Non-Proliferation Treaty. China had signed the Treaty, so India could not claim to be endangered any more by China. India had not signed and had rejected Pakistan's proposal that they sign together. India was developing long-range missiles even as they claimed that they did not have weapons of mass destruction. Any impartial observer would conclude that India was the threat to peace, not Pakistan.

The Pressler Amendment had frozen over $1 billion in defense purchases in the pipeline, including $658 million for F-16 aircraft. Why should India have a nonproliferation program when they were the beneficiaries of a U.S. nonproliferation policy that weakened Pakistan's defense? The U.S. policy was pushing an ally too far and was not a moral policy. It weakened Pakistani moderates against militants and would eventually drive the entire region into proliferation if not changed.

Senator Cochran said it might be time for the United States to take a new approach, although he had not made up his mind on the issue. The Senators were going on to Vienna for talks with IAEA officials on the international nonproliferation regime, and the perspectives gained on the subcontinent would be useful in those discussions.

President Farooq Ahmad Khan Leghari and Prime Minister Benazir Bhutto

The Senators dined later in the evening with President Leghari and Prime Minister Bhutto. The President said Pakistan shared many of the aims of the U.S. Administration, wanted strong links with the United States, and hoped for understanding from the U.S. Senate.

Senator Cochran responded that the visit to Islamabad had shown the need for changes in U.S. policy toward Pakistan and that the Senators would be exploring ways to address problems in U.S.-Pakistan relations.

The Prime Minister said the recent elections were indicative of the "modernity and moderation" of Pakistan. If Pakistan could keep extremists at bay, it could be done in other countries. Her opponents had accused her of being "soft" on the nuclear issue when she urged moderation in the face of U.S. interpretation of the Pressler Amendment to require an aid cutoff when Pakistan came to possess unassembled components for a nuclear device. Five Pakistani governments had exercised restraint in not assembling a bomb, and the United States should appreciate that fact. Pakistan wanted to remain the "most allied ally" of the United States, but when it received nothing for its steadfastness, the government came under criticism from its opponents.

The Pressler Amendment was intended to prevent proliferation, but it had been used by India to promote proliferation. The real question was how the United States could play an effective role on the subcontinent. In light of the Kashmir issue and the need for mutual arms reduction, the time had come for the United States to review its policy in South Asia and to remove the distance that had entered the U.S.-Pakistan relationship.

Pakistan was not asking the United States or Senator Pressler to give up their commitment to nonproliferation, only that nonproliferation requirements apply to all countries and not just Pakistan. When Senator Pressler responded that another Senator (not in the delegation) had said repeal of the Pressler Amendment's restrictions on U.S. aid to Pakistan would signal a lessening of U.S. vigilance on nonproliferation, the Prime Minister said she was not just talking about U.S. aid; she was talking about the basic U.S.-Pakistan relationship and stability on the subcontinent. When Senator Pressler asked what changes she would suggest, the Prime Minister said she had suggested a mutual arms reduction treaty for the subcontinent.

The Foreign Secretary, also present, said all parties claimed to be seeking nonproliferation. The question was whether the Pressler Amendment advanced nonproliferation. Pakistan felt as currently interpreted it did not. A global policy was needed that would bind all countries, with higher standards applied to all pre-nuclear countries. The Prime Minister said that since Pakistan had "capped and frozen" its nuclear program, it deserved better treatment than it had received from the United States.

Press Conference at the American Center

Before leaving Islamabad on Wednesday morning, December 15, the Senators held a news conference at the American Center.

Senator Pressler said the Senator wanted to see both India and Pakistan sign the Non-Proliferation Treaty. Senator Cochran said the talks with Pakistani leaders had produced very persuasive evidence that the present interpretation of the Pressler Amendment was against the interests of Pakistan. He said the Senators would explore options for a more even-handed application of U.S. law.

When Senator Pressler was asked why his Amendment had been applied only to Pakistan, he said there were reports in the media in the mid-1980s that an "Islamic bomb" was being prepared, and he had feared that technology might pass from Pakistan to another country. Senator Brown dismissed this idea and said there was no such thing as an Islamic bomb: "The United States wants to control nuclear proliferation, but not on the basis of likes and dislikes of religions." U.S. nonproliferation efforts must focus not only on Pakistan but on any country that might be tempted to build a nuclear device.

In answer to a question, Senator Pressler denied that his Amendment had been counterproductive by denying Pakistan conventional weapons and pushing the country toward developing a nuclear device. He said the amendment had heightened public awareness of proliferation dangers and had dissuaded many countries from developing nuclear weapons. He maintained the arms race on the subcontinent would have been worse if his Amendment had not existed.

Asked whether he would support the effort to remove all country-specific language in U.S. nonproliferation policy, Senator Pressler said that though he was not willing to do so at that time, it was possible that Congress would pass "new but tougher legislation" against nuclear proliferation by all countries.

Asked whether the delegation had raised with Indian officials the issue of the violation of human rights in Kashmir, Senator Cochran said the issue had been discussed in India—as it had been in all countries the Senators had visited—because the United States expected human rights to be respected all over the world.

American Business Council of Pakistan

The Senators were guests at a Wednesday luncheon in Karachi hosted by the executive committee of the American Business Council of Pakistan. Founded in 1985, the organization worked closely with U.S. consular officials and occasionally made recommendations to the Pakistani government on trade and commercial matters of concern to American companies, which accounted for about 40 percent of foreign investment in Pakistan. The group complained most about high corporate taxation and the government's regulatory inconsistency.

The businessmen felt economic liberalization would continue; the stock market had gone up 40 percent. The staying power of the Bhutto government would depend on relations with the military, but it certainly should be able to last 5 years.

The businessmen said the Pressler Amendment had cast a shadow over Pakistani-American business relations. The Amendment had prevented the U.S. Overseas Private Investment Corporation from providing new insurance for ventures in Pakistan. Businesses has been forced to seek other sources, and some companies had been unable to bid for projects.

Senator Cochran responded that he hoped the Senate would look carefully at any proposal by the President to modify the Foreign Assistance Act. It was proper for the United States to try to retard the spread of weapons of mass destruction, but if any particular policy dislocated friends like Pakistan, it should be closely scrutinized. Pakistan was an old ally of the United States and continued to be a good friend, as evidenced by the $30 million wheat sale announced while the Senators were in Islamabad.

Senator Pressler agreed that the Pressler Amendment would be a big issue in the upcoming session of Congress. He said the Administration had indicated their proposed changes would follow the principles of the Pressler Amendment. Senator Brown said the Amendment had been helpful; if modifications were made, Congress should ensure that the changes could not be interpreted as a retreat in the battle against nuclear proliferation.

When asked why the Senators had not visited Kashmir, Senator Cochran said safety could not be guaranteed. The delegation had met some Kashmiris in New Delhi and had also discussed with Indian officials the question of Red Cross visitation.

Senator Brown brought up the question of human rights and terrorism. He said Indian army officials said Pakistan was sending terrorists into Kashmir. The Pakistani government had denied this. A businessman replied, "Not one person has been caught crossing the boundary." Another noted that the Indian press at first claimed Pakistanis were involved in bombings in Bombay but now reported the bombers had been found in Bombay. One businessman suggested the U.S. Congress send a delegation to Kashmir to see what was happening there.

One person said he hoped the Senators knew that Pakistanis were genuinely angry at their treatment by the United States. The government and the diplomats might be tolerant and forgiving, but the Pakistani people expected Americans to recognize the sacrifices their country had made as a U.S. ally. Any action taken by the U.S. Congress on the Pressler Amendment would be of great importance to the Pakistani people.

STATE OF KUWAIT

Since the 1991 Persian Gulf War liberated Kuwait from 7 months of Iraqi occupation, the country's relations with the United States have broadened and deepened. A pillar of the relationship is a classified 10-year defense pact signed in September 1991. American firms are participating substantially in Kuwait's reconstruction, and the United States is building a radio station there. The Administration and Congress are also encouraging Kuwaiti democratization.

Crown Prince Shaikh Saad Abdallah Al-Sabah

Upon their arrival in Kuwait on Thursday morning, December 16, the Senators met with the Crown Prince/Prime Minister at the Shaab Palace. Shaikh Saud Nasir Al-Sabah, Minister of Information and former Ambassador to the United States, also attended.

The Crown Prince said that while Kuwait hoped the situation with Iraq would improve, he personally had little hope that any part of the region could be secure as long as Saddam Hussein remained in power. U.N. forces would be able to prevent minor border incidents, but Kuwait nonetheless remained vulnerable.

The Minister of Information said Kuwait looked to its allies to focus the attention of the U.N. Security Council on issues of concern to Kuwait, especially U.N. resolutions concerning missing Kuwaitis, border demarcation, Iraqi respect for Kuwaiti sovereignty, and Iraqi reparations for the invasion and occupation of Kuwait. In response to a subsequent question by Senator Brown, the Minister affirmed that the United States fully supported Kuwait's views on these matters.

The Crown Prince explained that Kuwait's fear was that the Security Council might lift sanctions while Saddam Hussein was still in power, in which case Iraq might take the money earned from oil sales to rearm and again threaten its neighbors. For this reason, Kuwait placed special emphasis on the Security Council resolution that demarcated the Kuwait-Iraq boundary.

Senator Pressler asked about Kuwait's record on human rights and democratization. The Crown Prince said he simply encouraged the Senators to put their questions to any Kuwaiti citizen. The Minister of Information said democratic principles were enshrined in the Kuwaiti constitution, but each country had to pursue democracy according to its own traditions and governmental institutions. Every international human rights organization that requested was given full access to Kuwait, its courts, and places of detention. As in other countries following military occupation, there had been abuses by individuals seeking vengeance in the period after liberation, but the government had put an end to that. Western media did not give Kuwait credit for what it had done in human rights, however, and preferred to focus on a few incidents of abuse.

In response to a question by Senator Pressler, the Crown Prince said that close relations among members of the Gulf Cooperation Council were important to Kuwait and there was concern when differences arose within the council with regard to critical issues like Iraq. Because Iraq was working hard to create and exploit these differences, Kuwait attached great significance to the upcoming Council summit and hoped differences on policy toward Iraq would be resolved.

Senator Pressler asked about Kuwait's nuclear proliferation concerns. The Crown Prince said Kuwait's interest focused on Iraq and Iran. Iran was working hard to acquire weapons, including nuclear arms, and reports indicated North Korea and China were engaged in arms transfers to Iran. He had no hard information about Chinese arms transactions with Iraq, but two months earlier a senior Iraqi delegation had visited Beijing.

Senator Cochran thanked the Crown Prince and congratulated him on Kuwait's remarkable recovery and reconstruction since the Persian Gulf War.

Camp Doha

The Senators visited Camp Doha, where they were briefed by U.S. Army officers on the training and security mission of the post and had lunch with military personnel from their respective States. The base was operated under a 10-year agreement that would be reviewed after 8 years and remain in effect after that point unless the United States or Kuwait decided to cancel it.

The forces were mainly involved in combined/joint exercise coordination and support, together with maintenance of prepositioned equipment and supplies. Units from the U.S. mainland were involved almost every month in the camp's operations and exercises.

While U.S. military salaries were not paid by Kuwait, almost all other costs were. Other nationals were involved in operations in Kuwait, including troops from India and Pakistan, who reportedly worked well together.

Minister of Information Shaikh Saud Nasir Al-Sabah

The Minister of Information and former Ambassador to the United States Shaikh Saud Nasir Al-Sabah hosted a dinner for Codel Cochran and expressed warm appreciation for the help of the United States in the liberation of Kuwait. The Senators indicated in their responses that in coming to the aid of Kuwait, Americans had been motivated by the U.S. national interest and the values that had made their nation great.

INTERNATIONAL ATOMIC ENERGY AGENCY

The two IAEA missions are to promote the peaceful uses of nuclear technology and to ensure that nuclear technology is not used for weapons production.

After a country signs the Non-Proliferation Treaty, it agrees to place its nuclear facilities under IAEA safeguards. When the world learned that Iraq had succeeded in conducting a nuclear weapons program even after signing the Non-Proliferation Treaty and placing its declared nuclear facilities under IAEA safeguards, the credibility of safeguards was weakened. The IAEA decided that henceforth its inspections would include more intrusive "unannounced special inspections" to lessen the likelihood that a country could disguise its nuclear intentions.

While this new intrusiveness worked in defeated Iraq, it was challenged in North Korea, which threatened to withdraw from the Non-Proliferation Treaty rather than submit to IAEA special inspections. The United States entered negotiations with North Korea to persuade it to remain a Treaty signatory and to submit to special inspections. It was a virtual certainty that if the negotiations did not persuade North Korea to permit inspections, the IAEA Board of Governors would refer the matter to the U.N. Security Council, which might apply sanctions.

Director General Hans Blix

On Saturday morning, December 18, the Senators visited IAEA Director General Hans Blix at his residence. Also present were Bruno Pellaud, Deputy Director General for Safeguards; David Waller, Deputy Director General for Administration; and Jan Priest, Head of the Safeguards and Non-Proliferation Policy Section of the Division of External Relations.

The Director General reviewed the IAEA organization and the missions of the Agency. Although the major IAEA work in safeguards related to the Non-Proliferation Treaty, the Director General emphasized that the IAEA only inspected and was not the secretariat of the Treaty; it was independent in its operations.

With regard to nonproliferation in South Asia, a hopeful sign was that India appeared ready to accept President Clinton's proposal to "cap" plutonium by ending production of fissile material, if the cap applied to all countries. Pakistan would also agree, in which case both countries would open their nuclear facilities to IAEA inspections. Countries could continue to reprocess civilian waste, but reprocessing facilities would have to be under IAEA safeguards.

The Director General said IAEA could not select countries for special attention, and since most of the world's nuclear material was in countries posing little proliferation threat, the Agency had to expend scarce resources in routine inspections. If IAEA could reduce those routine inspections, it could save money. Deputy Director General Pellaud said there might be a way out: While the Agency could not discriminate among countries, it could discriminate among reactors, i.e., it could focus inspection on reactors using the technologies most associated with weapons programs.

Its experience with the Iraqi nuclear program had caused IAEA to assert its right to conduct special inspections at undeclared sites if it had reason to suspect that a country was producing weapons material, and to take the matter to the U.N. Security Council if it found a safeguards violation.

The Director General reviewed the facts which caused the Agency to suspect North Korea of violating safeguards. Far from rushing to judgment, as some had charged, the Agency had worked through the whole autumn of 1992, trying to persuade North Korea to accept voluntary inspection. IAEA officials then requested special inspection and notified the Security Council of the situation. He emphasized, however, that the Agency was by no means certain that the suspect sites would yield conclusive evidence and said the importance of the sites should not be overemphasized.

IAEA had made it clear that the North Koreans could not determine what would be inspected. The Agency would not negotiate the issue: It would not confine its inspections to sites designated by North Korea. The United States was discussing a number of issues with the North Koreans in an effort to persuade them to cooperate with the IAEA. The problem with the U.S. approach was that it might be perceived as rewarding intransigent attitudes, and other countries might later also threaten to withdraw from the Non-Proliferation Treaty in order to obtain concessions from the United States.

Senator Cochran asked if the process by which Argentina and Brazil reached accommodation on their nuclear standoff might be useful to India and Pakistan in resolving their differences. Dr. Blix responded that a limited India-Pakistan agreement might be possible if there was movement by China and other nuclear powers toward nuclear disarmament. What was needed was a tailor-made solution including India, Pakistan, and China. The same thing was needed among the countries of the Middle East.

He emphasized that nations were dissuaded from developing nuclear weapons by political calculation, not by the safeguards regime. If countries did not think they needed a bomb for their military security, they were unlikely to develop a bomb. Thus, if countries were under a "nuclear umbrella," as in the case of Europe and Japan, they had little incentive to go nuclear.

When Senator Brown asked what policy should be followed to encourage countries to join the Non-Proliferation Treaty, the Director General said little more could be done. Countries in Latin America and the South Pacific, for instance, had devised regional compacts for nuclear-free zones, and others might do the same. The Middle East situation could only be settled in the context of a final peace settlement.

With regard to North Korea, some had suggested North Korea should be denied technical assistance or even expelled from the IAEA. That nation would sustain greater damage, however, if Japan prohibited remittances to North Korea from Koreans living in Japan, or if China suspended trade relations.

Dr. Blix said the U.N. Secretary General might go to North Korea during his upcoming trip to South Korea, though he would not become involved in negotiations. Dr. Blix said such a visit might provide a bit of realism to the North Korean leadership.

CONCLUSION

While the trip provided new insights into regional tensions and the threat to peace and stability which results from the development of nuclear weapons capability in India and Pakistan, and from the new threat from North Korea, it also enabled us to convey a clear message to Burma on the importance of recognition of the rights of individuals there to participate in democratic political processes without fear of personal harm or recriminations.

In Kuwait we were pleased to be able to assure military forces of the United States who are stationed there of our continued appreciation and support for the contribution they are making to keep the peace in that very important area of the world.

THE DEATH PENALTY: JUSTICE BLACKMUN'S OPPOSITION

Mr. HATFIELD. Mr. President, last fall the Senate passed a crime bill that included a broad expansion of the death penalty to numerous Federal crimes. That was a mistake that I hope is not replicated soon by the House of Representatives. Last week, dissenting from the Supreme Court's decision to deny review of the scheduled execution of a prisoner in Texas, Justice Blackmun eloquently stated many of the inherent problems with the death penalty. I ask unanimous consent that this opinion be placed in the RECORD following my remarks, and I urge my colleagues to review it carefully.

(See exhibit 1.)

Mr. HATFIELD. After many years of struggle with this question, Justice Blackmun has come to the conclusion that the death penalty can not satisfy the constitutional demands for consistency, fairness, and individualized sentencing. Justice Blackmun has seen the death penalty applied in an arbitrary and often discriminatory manner. The legal barriers making it possible that valid evidence of a prisoner's innocence might not be heard provide further reason for his coming to the conclusion that the death penalty can not be reconciled with the eighth amendment's requirement against cruel and unusual punishment.

I do not presume to be an expert in constitutional law. And, I have disagreed with some important positions that Justice Blackmun has taken, including his past stance that the death penalty might be imposed if somehow it could be used fairly and consistently. I oppose the death penalty because I believe that government-sponsored killing in all of its forms is immoral. It serves to further this point when a Justice of the Supreme Court, who has seen a vast number of death penalty cases over his long career, comes to the final conclusion that fallible humans can not fairly apply this punishment, or even be certain that they are executing the right person. When human beings attempt to take on authority that only our Creator possesses they are doomed to failure.

EXHIBIT 1

[No. 93-7074, Supreme Court of the United States, Petition for Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit, February 22, 1994, Justice Blackmun, dissenting]

Bruce Edwin Callins, Petitioner *v.* James A. Collins, Director, Texas Department of Criminal Justice, Institutional Division

On February 23, 1994, as approximately 1:00 a.m., Bruce Edwin Callins will be executed by the State of Texas. Intravenous tubes attached to his arms will carry the instrument of death, a toxic fluid designed specifically for the purpose of killing human beings. The witnesses, standing a few feet away, will behold Callins, no longer a defendant, an appellant, or a petitioner, but a man, strapped to a gurney, and seconds away from extinction.

Within days, or perhaps hours, the memory of Callins will begin to fade. The wheels of justice will churn again, and somewhere, another jury or another judge will have the unenviable task of determining whether some human being is to live or die. We hope, of course, that the defendant whose life is at risk will be represented by competent counsel—someone who is inspired by the awareness that a less-than-vigorous defense truly could have fatal consequences for the defendant. We hope that the attorney will investigate all aspects of the case, follow all evidentiary and procedural rules, and appear before a judge who is still committed to the protection of defendants' rights—even now, as the prospect of meaningful judicial oversight has diminished. In the same vein, we hope that the prosecution, in urging the penalty of death, will have exercised its discretion wisely, free from bias, prejudice, or political motive, and will be humbled, rather than emboldened, by the awesome authority conferred by the State.

But even if we can feel confident that these actors will fulfill their roles to the best of their human ability, our collective conscience will remain uneasy. Twenty years have passed since this Court declared that the death penalty must be imposed fairly, and with reasonable consistency, or not at all, see *Furman* v. *Georgia*, 408 U.S. 238 (1972), and, despite the effort of the States and courts to devise legal formulas and procedural rules to meet this daunting challenge, the death penalty remains fraught with arbitrariness, discrimination, caprice, and mistake. This is not to say that the problems with the death penalty today are identical to those that were present 20 years ago. Rather, the problems that were pursued down one hole with procedural rules and verbal formulas have come to the surface somewhere else, just as virulent and pernicious as they were in their original form. Experience has taught us that the constitutional goal of eliminating arbitrariness and discrimination from the administration of death, see *Furman* v. *Georgia*, *supra*, can never be achieved without compromising an equally essential component of fundamental fairness—individualized sentencing. See *Lockett* v. *Ohio*, 438 U.S. 586 (1978).

It is tempting, when faced with conflicting constitutional commands, to sacrifice one for the other or to assume that an acceptable balance between them already has been struck. In the context of the death penalty, however, such jurisprudential maneuvers are wholly inappropriate. The death penalty must be imposed "fairly, and with reasonable consistency, or not at all." *Eddings v. Oklahoma*, 455 U.S. 104, 112 (1982).

To be fair, a capital sentencing scheme must treat each person convicted of a capital offense with that "degree of respect due the uniqueness of the individual." *Lockett* v. *Ohio*, 438 U.S., at 605 (plurality opinion). That means affording the sentencer the power and discretion to grant mercy in a particular case, and providing avenues for the consideration of any and all relevant mitigating evidence that would justify a sentence less than death. Reasonable consistency, on the other hand, requires that the death penalty be inflicted evenhandedly, in accordance with reason and objective standards, rather than by whim, caprice, or prejudice. Finally, because human error is inevitable, and because our criminal justice system is less than perfect, searching appellate review of death sentences and their underlying convictions is a prerequisite to a constitutional death penalty scheme.

On their face, these goals of individual fairness, reasonable consistency, and absence of error appear to be attainable: Courts are in the very business of erecting procedural devices from which fair, equitable, and reliable outcomes are presumed to flow. Yet, in the death penalty area, this Court, in my view, has engaged in a futile effort to balance these constitutional demands, and now is retreating not only from the *Furman* promise of consistency and rationality, but from the requirement of individualized sentencing as well. Having virtually conceded that both fairness and rationality cannot be achieved in the administration of the death penalty, see *McCleskey* v. *Kemp*, 481 U.S. 279, 313, n. 37 (1987), the Court has chosen to deregulate the entire enterprise, replacing, it would seem, substantive constitutional requirements with mere aesthetics, and abdicating its statutorily and constitutionally imposed duty to provide meaningful judicial oversight to the administration of death by the States.

From this day forward, I no longer shall tinker with the machinery of death. For more than 20 years I have endeavored—indeed, I have struggled—along with a majority of this Court, to develop procedural and substantive rules that would lend more than the mere appearance of fairness to the death penalty endeavor.[1] Rather than continue to coddle the Court's delusion that the desired level of fairness has been achieved and the need for regulation eviscerated, I feel morally and intellectually obligated simply to concede that the death penalty experiment has failed. It is virtually self-evident to me now that no combination of procedural rules or substantive regulations ever can save the death penalty from its inherent constitutional deficiencies. The basic question—does the system accurately and consistently determine which defendants "deserve" to die?—cannot be answered in the affirmative. It is not simply that this court has allowed vague aggravating circumstances to be employed, see, *e.g.*, *Arave* v. *Creech*, ___ U.S. ___ (1993), relevant mitigating evidence to be disregarded, see, *e.g.*, *Johnson* v. *Texas*, ___ U.S. ___ (1993), and vital judicial review to be blocked, see, *e.g.*, *Coleman* v. *Thompson*, 501 U.S. ___ (1991). The problem is that the inevitability of factual, legal, and moral error gives us a system that we know must wrongly kill some defendants, a system that fails to deliver the fair, consistent, and reliable sentences of death required by the Constitution.[2]

I

In 1971, in an opinion which has proved partly prophetic, the second Justice Harlan, writing for the Court, observed:

"Those who have come to grips with the hard task of actually attempting to draft means of channeling capital sentencing discretion have confirmed the lesson taught by the history recounted above. To identify before the fact those characteristics of criminal homicides and their perpetrators which call for the death penalty, and to express these characteristics in language which can be fairly understood and applied by the sentencing authority, appear to be tasks which are beyond present human ability. . . For a court to attempt to catalog the appropriate factors in this elusive area could inhibit rather than expand the scope of consideration, for no list of circumstances would ever be really complete." *McGautha* v. *California*, 402 U. S. 183, 204, 208 (1971).

In *McGautha*, the petitioner argued that a statute which left the penalty of death entirely in the jury's discretion, without any standards to govern its imposition, violated the Fourteenth Amendment. Although the Court did not deny that serious risks were associated with a sentencer's unbounded discretion, the Court found no remedy in the Constitution for the inevitable failings of human judgment.

A year later, the Court reversed its course completely in *Furman* v. *Georgia*, 408 U. S. 238 (1972) (*per curiam*, with each of the nine Justices writing separately). The concurring Justices argued that the glaring inequities in the administration of death, the standardless discretion wielded by judges and juries, and the pervasive racial and economic discrimination, rendered the death penalty, at least as administered, "cruel and unusual" within the meaning of the Eighth Amendment. Justice White explained that, out of the hundreds of people convicted of murder every year, only a handful were sent to their deaths, and that there was "no meaningful basis for distinguishing the few cases in which [the death penalty] is imposed from the many cases in which it is not." 408 U. S., at 313. If any discernible basis could be identified for the selection of those few who were chosen to die, it was "the constitutionally impermissible basis of race." *Id.*, at 310 (Stewart, J., concurring).

I dissented in *Furman*. Despite my intellectual, moral, and personal objections to the death penalty, I refrained from joining the majority because I found objectionable the Court's abrupt change of position in the single year that had passed since *McGautha*. While I agreed that the Eighth Amendment's prohibition against cruel and unusual punishments "'may acquire meaning as public opinion becomes enlightened by a humane justice,'" 408 U. S., at 409, quoting *Weems* v. *United States*, 217 U. S. 349, 378 (1910), I objected to the "suddenness of the Court's perception of progress in the human attitude since decisions of only a short while ago." 408 U.S., at 410. Four years after *Furman* was decided, I concurred in the judgment in *Gregg* v. *Georgia*, 428 U.S. 153 (1976), and its companion cases which upheld death sentences rendered under statutes passed after *Furman* was decided. See *Proffitt* v. *Florida*, 428 U.S. 242, 261 (1976), and *Jurek* v. *Texas*, 428 U.S. 262, 279 (1976). Cf. *Woodson* v. *North Carolina*, 428 U.S. 280, 307 (1976), and *Roberts* v. *Louisiana*, 428, U.S. 325, 363 (1976).

A

There is little doubt now that *Furman's* essential holding was correct. Although most of the public seems to desire, and the Constitution appears to permit, the penalty of death, it surely is beyond dispute that if the death penalty cannot be administered consistently and rationally, it may not be administered at all. *Eddings* v. *Oklahoma*, 455 U.S., at 112. I never have quarreled with this principle; in my mind, the real meaning of *Furman's* diverse concurring opinions did not emerge until some years after *Furman* was decided. See *Gregg* v. *Georgia*, 428 U.S., at 189 (opinion of Stewart, Powell, and STEVENS, JJ.) ("*Furman* mandates that where discretion is afforded a sentencing body on a matter so grave as the determination of whether a human life should be taken or spared, that discretion must be suitably directed and limited so as the minimize the risk of wholly arbitrary and capricious action"). Since *Gregg*, I faithfully have adhered to the *Furman* holding and have come to believe that it is indispensable to the Court's Eighth Amendment jurisprudence.

Delivering on the *Furman* promise, however, has proved to be another matter. *Furman* aspired to eliminate the vestiges of racism and the effects of poverty in capital sentencing; it deplored the "wanton" and "random" infliction of death by a government with constitutionally limited power. *FUrman* demanded that the sentencer's discretion be directed and limited by procedural rules and objective standards in order to minimize the risk of arbitrary and capricious sentences of death.

In the years following *Furman*, serious efforts were made to comply with its mandate. State legislatures and appellate courts struggled to provide judges and juries with sensible and objective guidelines for determining who should live and who should die. some States attempted to define who is "deserving" of the death penalty through the use of carefully chosen adjectives, reserving the death penalty for those who commit crimes that are "especially heinous, atrocious, or cruel," see Fla. Stat. §921.141(5)(h) (Supp. 1976), or "wantonly vile, horrible or inhuman," see Ga. Code Ann. §27-2534.1(b)(7) (1978). Other States enacted mandatory death penalty statutes, reading *Furman* as an invitation to eliminate sentencer discretion altogether. See, *e.g.*, N.C. Gen. Stat. §14-17 (Cum. Supp. 1975). But see *Woodson* v. *North Carolina*, 428 U.S. 280 (1976) (invalidating mandatory death penalty statutes). Still other States specified aggravating and mitigating factors that were to be considered by the sentencer and weighed against one another in a calculated and rational manner. See, *e.g.*, Ga. Code. Ann. §17-10-30(c) (1982); cf. Tex. Code Crim. Proc. Ann., Art. 37.071(c)-(e) (Vernon 1981 and Supp. 1989) (identifying "special issues" to be considered by the sentencer when determining the appropriate sentence).

Unfortunately, all this experimentation and ingenuity yielded little of what *Furman* demanded. It soon became apparent that discretion could not be eliminated from capital sentencing without threatening the fundamental fairness due a defendant when life is at stake. Just as contemporary society was no longer tolerant of the random or discriminatory infliction of the penalty of death, see *Furman*, *supra*, evolving standards of decency required due consideration of the uniqueness of each individual defendant when imposing society's ultimate penalty. See *Woodson*, 428 U.S., at 301 (opinion of Stewart, Powell, and Stevens, JJ.) referring to *Trop* v. *Dulles*, 356 U.S. 86, 101 (1958) (plurality opinion).

This development in the American conscience would have presented no constitutional dilemma if fairness to the individual could be achieved without sacrificing the consistency and rationality promised in *Furman*. But over the past two decades, efforts to balance these competing constitutional commands have been to no avail. Experience has shown that the consistency and rationality promised in *Furman* are inversely related to the fairness owed the individual when considering a sentence of death. A step toward consistency is a step away from fairness.

B

There is a heightened need for fairness in the administration of death. This unique level of fairness is born of the appreciation that death truly is different from all other punishments a society inflicts upon its citizens. "Death, in its finality, differs more from life imprisonment than a 100-year prison term differs from one of only a year or two." *Woodson*, 428 U.S., at 305 (opinion of Stewart, Powell, and Stevens, JJ.). Because of the qualitative difference of the death penalty, "there is a corresponding difference in the need for reliability in the determination that death is the appropriate punishment in a specific case." *Ibid.* In *Woodson*, a decision striking down mandatory death penalty statutes as unconstitutional, a plurality of the Court explained: "A process that accords no significance to relevant facets of the character and record of the individual offender or the circumstances of the particular offense excludes from consideration in fixing the ultimate punishment of death the possibility of compassionate or mitigating factors stemming from the diverse frailties of humankind." *Id.*, at 304.

While the risk of mistake in the determination of the appropriate penalty may be tolerated in other areas of the criminal law, "in capital cases the fundamental respect for humanity underlying the Eighth Amendment . . . requires consideration of the character and record of the individual offender and the circumstances of the particular offense as a constitutionally indispensable part of the process of inflicting the penalty of death." *Ibid.* Thus, although individualized sentencing in capital cases was not considered essential at the time the Constitution was adopted, *Woodson* recognized that American standards of decency could no longer tolerate a capital sentencing process that failed to afford a defendant individualized consideration in the determination whether he or she should live or die. *Id.*, at 301.

The Court elaborated on the principle of individualized sentencing in *Lockett* v. *Ohio*, 438 U.S. 586 (1978). In that case, a plurality acknowledged that strict restraints on sentencer discretion are necessary to achieve the consistency and rationality promised in *Furman*, but held that, in the end, the sentencer must retain unbridled discretion to afford mercy. Any process or procedure that prevents the sentencer from considering "*as a mitigating factor*, any aspect of a defendant's character or record and any circumstances of the offense that the defendant proffers as a basis for a sentence less than death," creates the constitutionally intolerable risk that "the death penalty will be imposed in spite of factors which may call for a less severe penalty." *Id.*, at 604-605 (emphasis in original). See also *Sumner* v. *Shuman*, 483 U.S. 66 (1987) (invalidating a mandatory death penalty statute reserving the death penalty for life-term inmates convicted of murder). The Court's duty under the Constitution therefore is to "develop a system of capital punishment at once consistent and principled but also humane and sensible to the uniqueness of the individual." *Eddings* v. *Oklahoma*, 455 U.S., at 110.

C

I believe the *Woodson-Lockett* line of cases to be fundamentally sound and rooted in American standards of decency that have evolved over time. The notion of prohibiting a sentencer from exercising its discretion "to dispense mercy on the basis of factors too intangible to write into a statute," *Gregg*, 428 U.S., at 222 (White, J., concurring), is offensive to our sense of fundamental fairness and respect for the uniqueness of the individual. In *California* v. *Brown*, 479 U.S. 538 (1987), I said in dissent:

"The sentencer's ability to respond with mercy towards a defendant has always struck me as a particularly valuable aspect of the capital sentencing procedure. . . . [W]e adhere so strongly to our belief that a sentencer should have the opportunity to spare a capital defendant's life on account of compassion for the individual because, recognizing that the capital sentencing decision must be made in the context of 'contemporary values,' *Gregg* v. *Georgia*, 428 U.S., at 181 (opinion of Stewart, POWELL, and STEVENS, JJ.), we see in the sentencer's expression of mercy a distinctive feature of our society that we deeply value." *Id.*, at 562-563.

Yet, as several Members of the Court have recognized, there is real "tension" between the need for fairness to the individual and the consistency promised in *Furman*. See *Franklin* v. *Lynaugh*, 487 U.S. 164, 182 (1988) (plurality opinion); *California* v. *Brown*, 479 U.S., at 544 (O'CONNOR, J., concurring); *McCleskey* v. *Kemp*, 481 U.S., at 363 (BLACKMUN, J., dissenting); *Graham* v. *Collins*, ___ U.S. ___, ___ (1993) (THOMAS, J., concurring). On the one hand, discretion in capital sentencing must be "'controlled by clear and objective standards so as to produce non-discriminatory [and reasoned] application.'" *Gregg*, 428 U.S., at 198 (opinion of Stewart, Powell, and STEVENS, JJ.), quoting *Coley* v. *State*, 231 Ga. 829, 834, 204 S.E. 2d 612, 615 (1974). On the other hand, the Constitution also requires that the sentencer be able to consider "any relevant mitigating evidence regarding the defendant's character or background, and the circumstances of the particular offense." *California* v. *Brown*, 479 U.S. 538, 544 (1987) (O'CONNOR, J., concurring). The power to consider mitigating evidence that would warrant a sentence less than death is meaningless unless the sentencer has the discretion and authority to dispense mercy based on that evidence. Thus, the Constitution, by requiring a heightened degree of fairness to the individual, and also a greater degree of equality and rationality in the administration of death, demands sentencer discretion that is at once generously expanded and severely restricted.

This dilemma was laid bare in *Penry* v. *Lynaugh*, 492 U.S. 302 (1989). The defendant in *Penry* challenged the Texas death penalty statute, arguing that it failed to allow the sentencing jury to give full mitigating effect to his evidence of mental retardation and history of child abuse. The Texas statute required the jury, during the penalty phase, to answer three "special issues"; if the jury unanimously answered "yes" to each issue, the trial court was obligated to sentence the defendant to death. Tex. Code Crim. Proc. Ann., Art. 37.071(c)-(e) (Vernon 1981 and Supp. 1989). Only one of the three issues—whether the defendant posed a "continuing threat to society"—was related to the evidence Penry offered in mitigation. But Penry's evidence of mental retardation and child abuse was a two-edged sword as it related to that special issue: "it diminish[ed] his blameworthiness for his crime even as it indicate[d] that there [was] a probability that he [would] be dangerous in the future." 492 U.S., at 324. The Court therefore reversed Penry's death sentence, explaining that a reasonable juror could have believed that the statute prohibited a sentence less than death based upon his mitigating evidence. *Id.*, at 326.

After *Penry*, the paradox underlying the Court's post-*Furman* jurisprudence was undeniable. Texas had complied with *Furman* by severely limiting the sentencer's discretion, but those very limitations rendered Penry's death sentence unconstitutional.

D

The theory underlying *Penry* and *Lockett* is that an appropriate balance can be struck between the *Furman* promise of consistency and the *Lockett* requirement of individualized sentencing if the death penalty is conceptualized as consisting of two distinct stages.[3] In the first stage of capital sentencing, the demands of *Furman* are met by "narrowing" the class of death-eligible offenders according to objective, fact-bound characteristics of the defendant or the circumstances of the offense. Once the pool of death-eligible defendants has been reduced, the sentencer retains the discretion to consider whatever relevant mitigating evidence the defendant chooses to offer. See *Graham* v. *Collins*, ___ U.S., at ___ (STEVENS, J., dissenting) (slip op. 3) (arguing that providing full discretion to the sentencer is not inconsistent with *Furman* and may actually help to protect against arbitrary and capricious sentencing).

Over time, I have come to conclude that even this approach is unacceptable: It simply reduces, rather than eliminates, the number of people subject to arbitrary sentencing.[4] It is the decision to sentence a defendant to death—not merely the decision to make a defendant eligible for death—that may not be arbitrary. While one might hope that providing the sentencer with as much relevant mitigating evidence as possible will lead to more rational and consistent sentences, experience has taught otherwise. It seems that the decision whether a human being should live or die is so inherently subjective—rife with all of life's understandings, experiences, prejudices, and passions—that it inevitably defies the rationality and consistency required by the Constitution.

E

The arbitrariness inherent in the sentencer's discretion to afford mercy is exacerbated by the problem of race. Even under the most sophisticated death penalty statutes, race continues to play a major role in determining who shall live and who shall die. Perhaps it should not be surprising that the biases and prejudices that infect society generally would influence the determination of who is sentenced to death, even within the narrower pool of death-eligible defendants selected according to objective standards. No matter how narrowly the pool of death-eligible defendants is drawn according to objective standards, *Furman*'s promise still will go unfulfilled so long as the sentencer is free to exercise unbridled discretion within the smaller group and thereby to discriminate. "'The power to be lenient [also] is the power to discriminate.'" *McCleskey* v. *Kemp*, 481 U.S., at 312, quoting K. Davis, Discretionary Justice 170 (1973).

A renowned example of racism infecting a capital-sentencing scheme is documented in *McCleskey* v. *Kemp*, 481 U.S. 279 (1987). Warren McCleskey, an African-American, argued that the Georgia capital-sentencing scheme was administered in a racially discriminatory manner, in violation of the Eighth and Fourteenth Amendments. In support of his claim, he proffered a highly reliable statistical study (the Baldus study) which indicated that, "after taking into account some 230 nonracial factors that might legitimately influence a sentencer, the jury *more likely than not* would have spared McCleskey's life had his victim been black." 481 U.S., at 325 (emphasis in original) (BRENNAN, J., dissenting). The Baldus study further demonstrated that blacks who kill whites are sentenced to death "at nearly *22 times* the rate of blacks who kill blacks, and more than *7 times* the rate of whites who kill blacks." *Id.*, at 327 (emphasis in original).

Despite this staggering evidence of racial prejudice infecting Georgia's capital-sentencing scheme, the majority turned its back on McCleskey's claims, apparently troubled by the fact that Georgia had instituted more procedural and substantive safeguards than most other States since *Furman*, but was still unable to stamp out the virus of racism. Faced with the apparent failure of traditional legal devices to cure the evils identified in *Furman*, the majority wondered aloud whether the consistency and rationality demanded by the dissent could ever be achieved without sacrificing the discretion which is essential to fair treatment of individual defendants:

"[I]t is difficult to imagine guidelines that would produce the predictability sought by the dissent without sacrificing the discretion essential to a humane and fair system of criminal justice . . . . The dissent repeatedly emphasizes the need for 'a uniquely high degree of rationality in imposing the death penalty' . . . . Again, no suggestion is made as to how greater 'rationality' could be achieved under any type of statute that authorizes capital punishment . . . . Given these safeguards already inherent in the imposition and review of capital sentences, the dissent's call for greater rationality is no less than a claim that a capital punishment system cannot be administered in accord with the Constitution." *Id.* at 314-315, n. 37.

I joined most of Justice Brennan's significant dissent which expounded McCleskey's Eighth Amendment claim, and I wrote separately, *id.*, at 345, to explain that McCleskey also had a solid equal protection argument under the Fourteenth Amendment. I still adhere to the views set forth in both dissents, and, as far as I know, there has been no serious effort to impeach the Baldus study. Nor, for that matter, have proponents of capital punishment provided any reason to believe that the findings of that study are unique to Georgia.

The fact that we may not be capable of devising procedural or substantive rules to prevent the more subtle and often unconscious forms of racism from creeping into the system does not justify the wholesale abandonment of the *Furman* promise. To the contrary, where a morally irrelevant—indeed, a repugnant—consideration plays a major role in the determination of who shall live and who shall die, it suggests that the continued enforcement of the death penalty in light of its clear and admitted defects is deserving of a "sober second thought." Justice Brennan explained:

"Those whom we would banish from society or from the human community itself often speak in too faint a voice to be heard above society's demand for punishment. It is the particular role of courts to hear these voices, for the Constitution declares that the majoritarian chorus may not alone dictate the conditions of social life. The Court thus fulfills, rather than disrupts, the scheme of separation of powers by closely scrutinizing the imposition of the death penalty, for no decision of a society is more deserving of the 'sober second thought.' Stone, The Common Law in the United States, 50 Harv. L. Rev. 4, 25 (1936)." *Id.*, at 343.

F

In the years since *McCleskey*, I have come to wonder whether there was truth in the majority's suggestion that discrimination and arbitrariness could not be purged from the administration of capital punishment without sacrificing the equally essential component of fairness—individualized sentencing. Viewed in this way, the consistency promised in *Furman* and the fairness to the individual demanded in *Lockett* are not only inversely related, but irreconcilable in the context of capital punishment. Any statute or procedure that could effectively eliminate arbitrariness from the administration of death would also restrict the sentencer's discretion to such an extent that the sentencer would be unable to give full consideration to the unique characteristics of each defendant and the circumstances of the offense. By the same token, any statute or procedure that would provide the sentencer with sufficient discretion to consider fully and act upon the unique circumstances of each defendant would "thro[w] open the back door to arbitrary and irrational sentencing." *Graham* v. *Collins*, ___ U.S., at ___ (THOMAS, J., concurring) (slip op. 17). All efforts to strike an appropriate balance between these conflicting constitutional commands are futile because there is a heightened need for both in the administration of death.

But even if the constitutional requirements of consistency and fairness are theoretically reconcilable in the context of capital punishment, it is clear that this Court is not prepared to meet the challenge. In apparent frustration over its inability to strike an appropriate balance between the *Furman* promise of consistency and the *Lockett* requirement of individualized sentencing, the Court has retreated from the field,[5] allowing relevant mitigating evidence to be discarded,[6] vague aggravating circumstances to be employed,[7] and providing no indication that the problem of race in the administration of death will ever be addressed. In fact some members of the Court openly have acknowledged a willingness simply to pick one of the competing constitutional commands and sacrifice the other. See *Graham*, ___ U.S., at ___ (THOMAS, J., concurring) (calling for the reversal of *Penry*); *Walton* v. *Arizona*, 497 U.S. 639, 673 (1990) (SCALIA, J., concurring in part and concurring in the judgment) (announcing that he will no longer enforce the requirement of individualized sentencing, and reasoning that either *Furman* or *Lockett* is wrong and a choice must be made between the two). These developments are troubling, as they ensure that death will continue to be meted out in this country arbitrarily and discriminatorily, and without that "degree of respect due the uniqueness of the individual." *Lockett*, 438 U.S., at 605. In my view, the proper course when faced with irreconcilable constitutional commands is not to ignore one or the other, nor to pretend that the dilemma does not exist, but to admit the futility of the effort to harmonize them. This means accepting the fact that the death penalty cannot be administered in accord with our Constitution.

II

My belief that this Court would not enforce the death penalty (even if it could) in accordance with the Constitution is buttressed by the Court's "obvious eagerness to do away with any restriction on the States' power to execute whomever and however they please." *Herrera*, ___ U.S., at ___ (BLACKMUN, J., dissenting) (slip op. 18). I have explained at length on numerous occasions that my willingness to enforce the capital punishment statutes enacted by the States and the Federal Government, "notwithstanding my own deep moral reservations . . . has always rested on an understanding that certain procedural safeguards, chief among them the federal judiciary's power to reach and correct claims of constitutional error on federal habeas review, would ensure that death sentences are fairly imposed." *Sawyer* v. *Whitley*, ___ U.S. ___, ___ (1992) (BLACKMUN, J., concurring in the judgment) (slip op. 8–9). See also *Herrera* v. *Collins*, ___ U.S., at ___ (BLACKMUN, J., dissenting). In recent years, I have grown increasingly skeptical that "the death penalty really can be imposed fairly and in accordance with the requirements of the Eighth Amendment" given the now limited ability of the federal courts to remedy constitutional errors. *Sawyer*, ___ U.S., at ___ (BLACKMUN, J., concurring in the judgment) (slip op. 1).

Federal courts are required by statute to entertain petitions from state prisoners who allege that they are held "in violation of the Constitution or the treaties of the United States." 28 U.S.C. §2254(a). Serious review of these claims helps to ensure that government does not secure the penalty of death by depriving a defendant of his or her constitutional rights. At the time I voted with the majority to uphold the constitutionality of the death penalty in *Gregg* v. *Georgia*, 428 U.S. 153, 227 (1976), federal courts possessed much broader authority than they do today to address claims of constitutional error on habeas review. In 1976, there were few procedural barriers to the federal judiciary's review of a State's capital sentencing scheme, or the fairness and reliability of a State's decision to impose death in a particular case. Since then, however, the Court has "erected unprecedented and unwarranted barriers" to the federal judiciary's review of the constitutional claims of capital defendants. *Sawyer*, ___ U.S., at ___ (BLACKMUN, J., concurring in the judgment) (slip op. 2). See, *e.g.*, *Herrera* v. *Collins*, *supra; Coleman* v. *Thompson*, 501 U.S. ___ (1991); *McCleskey* v. *Zant*, 499 U.S. ___ (1991); *Keeney* v. *Tamayo-Reyes*, ___ U.S. ___ (1992) (overruling *Townsend* v. *Sain*, 372 U.S. 293 (1963), in part); *Teague* v. *Lane*, 489 U.S. 288 (1989); *Butler* v. *McKellar*, 494 U.S. 407 (1990).

The Court's refusal last term to afford Leonel Torres Herrera an evidentiary hearing, despite his colorable showing of actual innocence, demonstrates just how far afield the Court has strayed from its statutorily and constitutionally imposed obligations. See *Herrera* v. *Collins*, *supra*. In *Herrera*, only a bare majority of this Court could bring itself to state forthrightly that the execution of an actually innocent person violates the Eighth Amendment. This concession was made only in the course of erecting nearly insurmountable barriers to a defendant's ability to get a hearing on a claim of actual innocence. *Ibid*. Certainly there will be individuals who are actually innocent who will be unable to make a better showing than what was made by Herrera without the benefit of an evidentiary hearing.[8] The Court is unmoved by the dilemma, however; it prefers "finality" in death sentences to reliable determinations of a capital defendant's guilt. Because I no longer can state with any confidence that this Court is able to reconcile the Eighth Amendment's competing constitutional commands, or that the federal judiciary will provide meaningful oversight to the state courts as they exercise their authority to inflict the penalty of death, I believe that the death penalty, as currently administered, is unconstitutional.

III

Perhaps one day this Court will develop procedural rules or verbal formulas that actually will provide consistency, fairness, and reliability in a capital-sentencing scheme. I am not optimistic that such a day will come. I am more optimistic, though, that this Court eventually will conclude that the effort to eliminate arbitrariness while preserving fairness "in the infliction of [death] is so plainly doomed to failure that it—and the death penalty—must be abandoned altogether." *Godfrey* v. *Georgia*, 446 U.S. S. 420, 442 (1980) (MARSHALL, J., concurring in the judgment). I may not live to see that day, but I have faith that eventually it will arrive. The path the Court has chosen lessens us all. I dissent.

FOOTNOTES

[1] As a member of the United States Court of Appeals, I voted to enforce the death penalty, even as I stated publicly that I doubted its moral, social, and constitutional legitimacy. See *Feguer* v. *United States*, 302 F. 2d 214 (CA8), cert. denied, 371 U. S. 872 (1962); *Pope* v. *United States*, 372 F. 2d 710 (CA8 1967) (en banc), vacated and remanded, 392 U. S. 651 (1968); *Maxwell* v. *Bishop*, 398 F. 2d 138, 153–154 (CA8 1968), vacated and remanded, 398 U. S. 262 (1970). See *Furman* v. *Georgia*, 408 U. S. 238, 405 (1972).

[2] Because I conclude that no sentence of death may be constitutionally imposed under our death penalty scheme, I do not address Callins' individual claims of error. I note, though, that the Court has stripped "state prisoners of virtually *any* meaningful federal review of the constitutionality of their incarceration." *Butler* v. *McKellar*, 494 U. S. 407, 417 (1990) (Brennan, J., dissenting) (emphasis in original). Even if Callins had a legitimate claim of constitutional error, this Court would be deaf to it on federal habeas unless "the state court's rejection of the constitutional challenge was *so* clearly invalid under then-prevailing legal standards that the decision could not be defended by any reasonable jurist." *Id.*, at 417–418 (emphasis in original). That a capital defendant facing imminent execution is required to meet such a standard before the Court will remedy constitutional violations is indefensible.

[3] See Sundby, The *Lockett* Paradox: Reconciling Guided Discretion and Unguided Mitigation in Capital Sentencing, 38 UCLA L. Rev. 1147, 1162 (1991).

[4] The narrowing of death-eligible defendants into a smaller subgroup coupled with the unbridled discretion to pick among them arguably emphasizes rather than ameliorates the inherent arbitrariness of the death penalty. S. Gillers, Deciding Who Dies, 129 U. Pa. L. Rev. 1, 27–28 (1980) (arguing that the inherent arbitrariness of the death penalty is only magnified by post-*Furman* statutes that allow the jury to choose among similarly situated defendants).

[5] See *Clemons* v. *Mississippi*, 494 U. S. 738 (1990) (concluding that appellate courts may engage in a reweighing of aggravating and mitigating circumstances in order to "cure" error in capital sentencing); *Blystone* v. *Pennsylvania*, 494 U. S. 310 (1990) (upholding a death penalty statute mandating death where aggravating, but no mitigating, circumstances are present, thus divesting the jury of its ability to make an individualized determination that death is the appropriate punishment in a particular case).

[6] See *Johnson* v. *Texas*, ___ U. S. ___ (1993) (affirming death sentence even though the jurors were not allowed to give full mitigating effect to the defendant's youth under the Texas death penalty statute); *Graham* v. *Collins*, ___ U. S. ___ (1993). See also *Saffle* v. *Parks*, 494 U. S. 484 (1990) (upholding death sentence where jurors were instructed to avoid "any influence of sympathy," because the claim was raised on federal habeas and a ruling for the petitioner would constitute a "new rule" of constitutional law); *Boyde* v. *California*, 494 U. S. 370 (1990) (upholding death sentence where jurors reasonably may have believed that they could not consider the defendant's mitigating evidence regarding his character and background); *Walton* v. *Arizona*, 497 U.S. 639 (1990) (affirming placement upon the defendant of the burden to establish mitigating circumstances sufficient to call for leniency).

The Court has also refused to hold the death penalty unconstitutional per se for juveniles, see *Stanford* v. *Kentucky*, 492 U. S. 361 (1989), and the mentally retarded, see *Penry* v. *Lynaugh*, 492 U. S. 302 (1989).

[7] See *Arave* v. *Creech*, ___ U. S. ___ (1993) (holding that an Idaho statute, as interpreted by the Idaho Supreme Court, which authorizes the death penalty for those murderers who have displayed "utter disregard for human life," genuinely narrows the class of death-eligible defendants); *Lewis* v. *Jeffers*, 497 U. S. 764 (1990) (affirming lenient standard for the review of the constitutional adequacy of aggravating circumstances).

[8] Even the most sophisticated death penalty schemes are unable to prevent human error from condemning the innocent. Innocent persons *have* been executed, see Bedau & Radelet, Miscarriages of Justice in Potentially Capital Cases, 40 Stan. L. Rev. 21, 36, 173–179 (1987), perhaps recently, see *Herrera* v. *Collins*, *supra*, and will continue to be executed under our death penalty scheme.

VERMONT GUARD BIATHLETES IN LILLEHAMMER

Mr. LEAHY. Mr. President, this week two members of the Vermont National Guard returned home from the winter Olympics in Lillehammer, Norway. Laurie Tavares and David Jareckie may not be household names like Bonnie Blair and Dan Jansen but they are champions in their own right. Both competed with a select group of athletes in one of the most difficult sports in the Olympics: the biathlon.

I can count on one hand the number of minutes CBS dedicated to biathlon coverage. Few Americans know much about the biathlon, let alone that it is one of the most mentally and physically demanding sports at the Olympic games. Biathletes must be able to compete in a grueling cross-country ski race while stopping intermittently to test their marksmanship on a shooting range. As a former member of the St. Michael's College rifle team, I recognize the skill and patience it takes to get off a clean shot. It takes a special athlete to stop and shoot accurately during a cross-country ski race.

Laurie Tavares was nothing short of remarkable in Lillehammer. She was a member of the women's biathlon relay team that finished eighth—the highest ever for a U.S. women's relay. Laurie also finished 32d in the 15-kilometer race.

I would also like to take a moment to commend David Jareckie who made his second appearance at the Olympics.

I am proud that both members of the Vermont National Guard represented our country in Norway.

THE SITUATION IN UKRAINE

Mr. DECONCINI. Mr. President, this week, Ukrainian President Leonid Kravchuk will arrive in Washington for meetings with President Clinton. This is an important visit by the President of a country whose significance to the United States is undeniable. No doubt, President Kravchuk will be rightly praised for taking the difficult—and politically courageous—step of signing the trilateral nuclear accord ridding Ukraine of its nuclear weapons. His visit also marks a milestone in United States-Ukrainian relations, which are beginning to improve as a result of a welcome shift in our own policy that increasingly recognizes the critical role of Ukraine and other Independent States of the former Soviet Union.

However, I continue to harbor grave concerns about Ukraine's future. Recently, I was disturbed to see Ukraine again backing away from what appeared to be economic reform efforts—specifically, the Government's decision to issue a flood of new subsidies to State industry and agriculture. This is a move that will again fuel high inflation after only a brief slowdown. I am aware that this move was taken in order to avert a payments crisis and the collapse of Ukraine's industry. Nevertheless, it points to a larger problem: the inability or unwillingness of the Ukrainian Government—and conservative, majority Parliament—to take decisive measures on meaningful monetary and structural reforms, including privatization.

Mr. President, as chairman of the Helsinki Commission and a former member of the Ukraine Famine Commission, I have long been an advocate of freedom and independence for Ukraine and an admirer of the courage and spirit of the Ukrainian people. But I am deeply troubled at Ukraine's current course. After a promising start with respect to political, and to a lesser extent, economic reforms, Ukraine is undergoing a period of stagnation—an inability to move beyond the initial break with the totalitarianism and centralization of the Soviet era. While not minimizing the intense difficulty of the transition to democracy and free markets, or, for that matter, the serious security threats emanating from Ukraine's northern neighbor, I cannot help fearing for Ukraine's future in the absence of reform.

While the United States has become more serious about assisting Ukraine, an effort I have supported, all of the assistance in the world will not help if the political will and wherewithal are not present in Ukraine itself. Next month, the people of Ukraine will vote for a new Parliament—hopefully one that will push, not hinder, significant economic change.

We need to reinforce the message that Ukraine's very future depends upon immediate measures with respect to economic and political reform.

TURKISH DEMOCRACY IMPERILED

Mr. DECONCINI. Mr. President, I rise today to voice concern over Turkey's political future. Because Turkey is an important friend and ally in an unstable region, this Congress and administration should be deeply troubled by increasing violence in southeast Turkey. This predominantly Kurdish region has become a virtual war-zone where basic human rights have been suspended and fear and death mount. Since 1991, more than 5,000 have died in an increasingly brutal battle between Kurdish guerrillas, Moslem fundamentalists and Turkish security forces. The vicious cycle threatens to expand, tearing at the fabric of Turkish democracy and straining delicate regional relations. And while I have no doubt that Turkey's democratic institutions are currently stronger than ever, rumors of a coup have already surfaced in the Turkish press, stirring unpleasant memories of three such previous setbacks to democracy since 1960.

Since modern Turkey's establishment in 1923, Kurds, who presently comprise about 11 million of Turkey's 57 million population, have faced varying pressure to deny their cultural distinctiveness. While Moslem, they maintain distinct language and cultural forms. Through expressions of their Kurdish identity, civil disobedience, or at the extreme, open rebellion, Kurds have sought to promote and preserve their culture and rights. Since 1987, eight provinces where Kurds reside have withered under a state of emergency which authorizes a regional governor and the military to curb political, media and cultural activity.

In 1984, the Kurdish Workers Party [PKK] initiated a violent campaign in support of Kurdish autonomy. Funded in part by groups in Europe, the PKK operates from Syria, Iraq, Iran, and hideouts in Turkey and is considered a terrorist organization by the United States and most other governments. Recently, the group has targeted Turkey's tourist industry. Civilians in areas where the PKK operates often face a terrible choice between aiding the guerrillas and risking violent reprisal by Turkish security forces—or not helping and facing equally harsh PKK retribution. On the one hand, locals suspected of collaborating with Turkish authorities are executed by the PKK. On the other, security forces arbitrarily round up villagers and subject them to beatings, mass arrests, and intimidation. A particularly disturbing tactic, which has caused substantial hardship and displacement, has been the forced evacuation of hundreds of villages and the destruction of entire towns in response to alleged terrorist incidents.

While Turkey, and indeed all states, is entitled to protect their citizens from terrorism and to preserve the integrity of its borders, Turkey has also obligated itself to uphold basic human rights principles. Unfortunately, as the PKK steps up its attacks, civilians are also increasingly threatened by reactions of security forces, and indeed, legitimate rights of Turkey's Kurdish citizens are being denied under the mantle of combating terrorism. The violence is polarizing Turks and Kurds, creating an unprecedented level of fear and mistrust. Kurds, resentful of security abuses, become more supportive of Kurdish nationalism and the PKK. Turks, angered by the costs and brutality of terrorism, are increasingly intolerant of the legitimate rights of Kurdish citizens.

The Turkish Government's military efforts to address the Kurdish situation have only escalated tensions. Massive discontent has resulted in an increasing and unacceptable toll of innocent lives. The one-dimensional military approach stifles even moderate Kurdish political voices, enabling the PKK to gather support among a population weary of constant harassment and with no power or representation to put forward legitimate cultural and political aspirations.

The violent prelude to upcoming local elections has highlighted threats to the democratic process and underlined the inability of Kurds to gain political representation or exercise other basic rights. In the past 2 years, shadowy death squads have killed 70 members of the pro-Kurdish Democratic Party [DEP], which holds 18 of 450 seats in the Turkish Parliament, including a Member of Parliament. Twenty party offices have been bombed. Over 300 DEP election candidates have been arrested and changes in electoral laws—reportedly made on security grounds—have made it extremely difficult for voters in Kurdish regions to cast their ballots. On February 23, DEP members decided to boycott the March 27 elections. International human rights organizations and the European Parliament have announced intentions to send election observes to Turkey.

Mr. President, just yesterday the Turkish Parliament lifted the immunity of four DEP parliamentarians in order to prosecute them for the contents of speeches or writings. Two were detained outside parliament on charges which could bring the death penalty. Prosecutors want to charge a total of eight Kurdish parliamentarians. Such policies are contrary to basic principles of free speech and an affront to the rights of Kurds throughout Turkey. While Turkey remains a NATO ally and major recipient of U.S. military and economic assistance, this Congress and administration should not be deterred from voicing serious concerns over the deteriorating human rights situation and the Turkish Government's inability or unwillingness to constructively address abuses.

Mr. President, while there are no easy solutions to the complex Kurdish issue, fortunately some voices of moderation are heard among civilian policy makers who call for redressing Kurdish grievances and meeting Turkey's commitments to a society based on rule of law. Such voices have called for continued economic investment in the southeast; rescinding the state of emergency; abolishing the restrictive antiterror law and village guard system; reaffirming Kurdish cultural rights; and removing restrictions on Kurdish broadcasting, publishing and other forms of free speech. Major causes of frustration and discontent, which have swelled the ranks of the PKK, could be significantly alleviated by permitting Kurdish political and cultural expression, restoring civil and economic institutions and withdrawing soldiers from city streets and village. Such actions, in my view, could help establish the foundation of a more peaceful, prosperous, and stable Turkish democracy for all its citizens.

Last October, as Turkey's Prime Minister Ciller visited Washington, I joined the cochairman of the Helsinki Commission, STENY HOYER, and a number of congressional colleagues on a letter suggesting that the Government of Turkey pursue political, as opposed to military, solutions to the Kurdish situation. Six months later, I am disappointed not to have received a reply to our views. Cochairman HOYER discussed and passed the letter to a senior Turkish official who indicated a response would be forwarded. I would like to insert a text of that letter into the RECORD following my remarks, and reiterate my hope that a response will soon be forthcoming.

Meanwhile, as the violence escalates, I again urge the Turkish Government to use more carrot and less stick to address underlying roots of Kurdish discontent. The heavy-handed security presence has disrupted normal life and crippled economic viability in the southeast. The military approach drains Turkish coffers, strains relations with neighboring countries, and draws criticism from human rights observers worldwide. Members of the 53 State Conference on Security and Cooperation in Europe have been asked to consider sending official human rights monitor missions to Turkey, and given the present level of hostilities in the southeast, I believe such CSCE missions are warranted.

Mr. President, we in the United States often look with pride upon our heritage as a "melting pot" of ethnicity and culture. We should appreciate that Turkey has been a "melting pot" far longer. Tolerance and understanding, ingredients crucial to keeping such societies from boiling over, are in great need today in Turkey. Violence will certainly beget more violence and further imperil Turkish democracy. Support for the PKK will grow until the Government pursues political solutions and acts to protect the rights of all Turkey's citizens.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 14, 1993.

DEAR MADAME PRIME MINISTER: We respectfully offer our congratulations on your appointment as Prime Minister. We hope your term will be marked by peace and prosperity, and look forward to working with your government to strengthen the bonds of friendship which exist between our two governments and peoples.

As a NATO ally, trusted friend of the United States and signatory to the Helsinki Final Act, Turkey occupies a unique position between East and West. We appreciate that while developing its resources and society, Turkey has also proved committed to strengthening its democratic institutions and protecting and promoting human rights.

We understand that Turkey faces a difficult security situation, and has a legitimate need to counter the terrorist actions of the Kurdish Workers Party [PKK]. At the same time, we are deeply troubled by the apparent escalation of restrictive measures and government-sanctioned violence against Kurdish civilians in southeast Turkey.

The recent decision by the Turkish Constitutional Court to outlaw the People's Labor Party [HEP] and official attempts to suppress Kurdish publications and broadcasting indicate that free expression remains restricted for those who peacefully support the promotion and protection of Kurdish rights.

The unsolved assassinations of Kurdish leaders, human rights activists and journalists have created a climate of fear and mistrust of the government among Turkey's Kurds. The assassination of Mehmet Sincar, a member of Parliament, is a prominent reminder of the danger facing those who promote legitimate cultural and political rights for Kurds.

Under the mantle of combatting terrorism, Turkish government security forces are reported to have forcibly evacuated thousands of Kurdish civilians from their homes and destroyed hundreds of Kurdish villages. We believe this use of military extremism encourages other kinds of extremism and hinders development of moderate Kurdish political views and organizations.

The U.S. government clearly condemns acts of terrorism employed by any people, organization or government, and is against any action which threatens Turkey's stability and sovereignty. However, we also believe it is imperative that Turkey uphold the rights and freedoms of all its citizens, including those of Kurdish origin. In view of the spiraling levels of violence in southeast Turkey, it appears that a political solution, rather than continued reliance on military force, offers the best chance of reestablishing security and peace throughout Turkey and the region.

As friends and supporters of Turkey, we sincerely hope that you will be successful in addressing this critical issue.

Sincerely,

MOSLEM AND CROAT AGREEMENT ON BOSNIA OFFERS SIGN OF HOPE

Mr. PELL. Mr. President, yesterday, Bosnian Croat and Bosnian Moslem representatives reached an agreement which we all hope will lead to an end to the bitter fighting between the Croat and Moslem people in Bosnia. As a unified front, the Bosnian Croats and Moslems stand a better chance of prompting the Bosnian Serbs into negotiations, which will not only bring an end to the fighting, but could yield a fair and just settlement to one of the world's most difficult foreign policy challenges.

At the state level, the Croatian and Bosnian Governments also signed an agreement yesterday which could lead to the establishment of a confederation between the Republic of Croatia and the Bosnian Federation. That separate accord also sets out procedures regarding access to the sea for the Bosnian Federation, and transit through Bosnia for Croatian vehicles.

I must say that there is a bit of irony surrounding the confederation agreement between Croatia and Bosnia. In 1990 and 1991, before the breakup of Yugoslavia, many, including Croatian leaders, saw confederation as a compromise between the complete breakup of Yugoslavia and its continued unity. Serbian leader Slobodan Milosevic, insisting on the preservation of a Serb-dominated Yugoslav Federation, vetoed the confederation idea, precipitating the independence declarations by Slovenia, Croatia, and later, Bosnia and Herzegovina. Three bloody years later, the confederation idea is back on the table as a real alternative.

There is cause for optimism, but we should be cautious. These agreements are only first steps. The negotiations included neither the Bosnian Serbs, who continue to control approximately 70 percent of the land in Bosnia, nor their patrons in Serbia. Moreover, as we have seen during the past few days in the Middle East—another part of the world long wracked by ethnic and religious strife—today's hope engendered by the commitments of leaders can easily give way to doubt and frustration produced by the bullets of a fanatic.

As one who is very reluctant to see United States military involvement in the former Yugoslavia, I am encouraged by the diplomatic successes of the past several days. The United States, with the personal leadership of Secretary of State Christopher and the able negotiating skills of Ambassador Charles Redman and our diplomatic staff in the former Yugoslavia, deserves great credit for seizing the diplomatic initiative.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, as of the close of business yesterday, March 1, the Federal debt stood at $4,554,537,138,164.09, meaning that on a per capita basis, every man, woman, and child in America owes $17,469.68 as his or her share of that debt.

THE 1994 WINTER OLYMPIC GAMES AND A TRIBUTE TO MINNESOTA ATHLETES

Mr. DURENBERGER. Mr. President, for the past 16 days the world has taken a breather—and enjoyed the 17th Winter Olympics held in Lillehammer, Norway.

I want to extend my congratulations and thanks to the people of Norway. For 2 weeks in February, the people of Norway showed us a spirit of cooperation, gracious hospitality, environmental co-existence, and unmatched generosity through their Olympic Aid package to Sarajevo, and perhaps the highest measure of sportsmanship that has been experienced in recent memory.

International Olympic Committee President Juan Antonio Samaranch said it himself, "You have presented to the entire world the best Olympic Winter Games ever."

And now, Mr. President, I want to pay tribute to 18 fine Minnesota athletes who participated in this Olympiad.

Randy Bartz, Roseville, won a silver medal for the United States in the 5,000-meter relay short-track speed skating; Amy Peterson, Maplewood, brought home two bronze medals in short-track speed skating—one in the 500 meters, and another in the 3,000-meter relay.

Olympians from Minnesota also included Todd Boonstra, Eagan; Peggy Clasen, St. Paul; Joan Guetschow, Minnetonka; Brett Hauer, Richfield; Darby Hendrickson, Richfield; Ben Husaby, Eden Prairie; Chris Imes, Birchdale; Craig Johnson, St. Paul; Suzanne King, Minneapolis; Michelle Kline, Circle Pines; Matt Laue, Long Lake; Travis Richards, Crystal; Trace Worthington, Minneapolis.

And because their parents are of Greek heritage, Greta Sebald, Askov; Greg Sebald, Minneapolis; and Spiro Pina, St. Paul, were able to compete for the Greek Olympic Team.

Mr. President, I am extremely proud that Minnesota had more people on the Olympic Team than any other State in the Nation. My heartiest congratulations and best wishes to each one of them for continued success in their life journey.

LEGACY OF JUSTICE FRANK MURPHY PRESERVED

Mr. LEVIN. Mr. President, retired Judge James Lincoln, of Harbor Beach, MI, deserves the praise of his fellow Michiganites for working tirelessly to preserve the memory and history of his former neighbor, mentor and friend, Justice Frank Murphy.

Justice Murphy, born in Harbor Beach in 1890, began a career in law after serving in World War I. During the 1930's, he was mayor of Detroit, Governor-General of the Philippines, and Governor of Michigan. President Roosevelt appointed him Attorney General of the United States in 1939 and to the U.S. Supreme Court in 1940, where he served until his death in 1949.

In 1990, the State of Michigan provided funds to acquire the Murphy estate in Harbor Beach if matching funds could be raised from private sources. In a 3-year effort, spearheaded by Judge Lincoln, the Frank Murphy Memorial Museum Foundation raised these funds. With dedication, determination and a great deal of help and support from the foundation board members, he surmounted many obstacles and finally reached the fundraising goal at the end of 1993.

Mr. President, Judge Lincoln's efforts to preserve the legacy of an American with Frank Murphy's record of public service should be applauded. As a former judge of the juvenile court in Wayne County, his job was not just to pronounce judgments on youngsters, but to educate them. Today, he continues his efforts to educate—not just youngsters, but all citizens, young and old.

Justice Murphy would have liked what James Lincoln has done. He would have liked the fact that he, too, became a judge. And he would have been pleased that two buildings stand in Detroit today—the Frank Murphy Hall of Justice and the James Lincoln Hall of Justice, fitting tributes to two good citizens of Michigan. For his efforts, I commend Judge James Lincoln; the preservation of the Murphy estate and the Murphy legacy will draw visitors to Harbor Beach for years to come.

THE MAJORITY LEADER'S SPEECH ON THE BALANCED BUDGET AMENDMENT

Mr. LEAHY. Madam President, the distinguished majority leader has just spoken on the floor. I would like to note—and it is in the RECORD—his speech from last night on the balanced budget. I am not seeking to embarrass the distinguished Senator from Maine. But in my 20 years in the Senate, I do not know of anybody in leadership in either party that has ever given as strong, as powerful, as cogent, and as compelling a speech as my friend from Maine did.

I think he underscored something that all of us as Senators ought to realize. We are not here, any of us, from any State because we own a seat in the U.S. Senate. We are here to take full advantage of the fact that the Constitution gives us 6-year terms so that we can look at things carefully, think them through, and do what is best for the country.

The famous colloquy between George Washington and Thomas Jefferson, the coffee being poured into the saucer to cool it and the saucer being referred to as the U.S. Senate, came to mind as I heard the distinguished Senator from Maine last night.

If the U.S. Senate is to truly be the conscience of the Nation, as it should be, we should be here voting the same way in an open session on the record as we would if we were voting in a secret ballot. We should be willing to stand up, all of us, all men and women, in this body and do what is right.

So, Madam President, I do not want to detain the distinguished Senator from Maine, nor do I want to embarrass him, nor have I made a speech like this at any other time in my 20 years here, but I was so moved by what he had to say, both on the floor and earlier in the caucus, that I wanted to note that fact.

Mr. MITCHELL. Madam President, I thank my colleague for his kind words. They are very much appreciated, especially coming from such a good friend, whom I respect and admire so much.

TRIBUTE TO GEORGE TAMES

Mr. LEAHY. Madam President, last week, on February 23, a man died, who was in many ways more of a significant historical figure in Washington than those of us who hold public office. I am speaking of my good friend, George Tames, who for many years was the chief photographer for the New York Times.

George Tames was 75 when he died while undergoing heart surgery here in Washington. He was a close and dear friend. When my wife Marcelle and I were at his funeral on Saturday, I could not help but think back over the years that I had known him, both as a law student here in Washington and as a reader of the the New York Times. I had seen his photographs, many taken before I was born, and others taken when I was a child, of Presidents Roosevelt and Truman.

During that funeral, my mind kept moving from past to present to the night before George died. He was at the hospital being prepared for open heart surgery the next day. It was surgery that he was concerned about, surgery that he feared. I knew that, and I had called to talk with him. We talked for quite a time. I remember saying two or three times—it was quite late at night—I said, "George, do you not want to go to sleep and get some rest?" He said, no, he just wanted to talk, because he worried about the next day. I said, "You will be out of the hospital in a couple of weeks, and we will be having lunch in the Senators' dining room and, of course, you will not eat anything because all your friends will be coming over to shake your hand and talk with you." He said, "That is OK, and I will still let you pay the bill." We joked back and forth.

The next day I called the hospital several times during the surgery and all seemed to be going well. Then, we got the dreadful news that he did not make it. While we had talked the night before until it was time for him to go to sleep, in many ways I wished we had talked longer. As it always is with these things, something is always left unsaid. I thought about how proud all of us were of his accomplishments. But I felt the sadness that everybody at St. Sophia's was feeling on Saturday for his lovely wife Fran and his five children and five very lovely grandchildren.

When I first came to the U.S. Senate, I remember the very first caucus I attended. It was held in what is now the Mike Mansfield room, S. 207. I was a 34-year-old kid, a little awed and wondering what I was doing in the U.S. Senate. A few days before, I had been a county prosecutor of one of Vermont's 14 counties. A few days later I walk into a caucus room and there are Scoop Jackson, Hubert Humphrey, John Stennis, BOB BYRD, Frank Church, Gaylord Nelson, Warren Magnuson, and TED KENNEDY. They were people I had just seen in the news but did not know. I retreated to an empty seat in the back of the room. I remember Senator Humphrey coming up to remark that I was learning fast. I said, "What do you mean?" He said, "When you sit in the back row, if it gets really boring, you can slip out quietly, and nobody will notice."

There was a debate going on as to whether or not there would be a committee to oversee the CIA—what later became the Church Committee. I remember that Senator Stennis, who was chairman of the Armed Services Committee, which did have oversight of the intelligence agencies, did not like the idea of a separate committee. Senator Frank Church was very much in favor of it. I remember these two courtly Senators having a polite, but very straightforward, debate. Senator Stennis' facial expressions reflected his great doubt about this idea, but Frank Church pursued his case strongly. It would take a half-hour to describe that scene, but George Tames walked into that room, took out his battered old Nikon, which looked as if it had doubled as a hammer at home, sized up the situation, took one shot, and left. This picture is indelibly in my mind—not so much the picture of my first caucus, but the picture that George Tames took. It turned out to be a prize-winning photograph on the front page of the New York Times the next day.

George would walk into a room where dozens of photographers were taking hundreds of pictures. I swear the man not only did not use a light meter, I think he tested the wind for exposure. He would shoot two or three pictures, then stop to chat with everyone in the room before leaving. He knew everyone. And everyone knew George. No one was left guessing at what he had done, for the next day the photograph would be on the front page of the New York Times and it would be the best photograph of the event.

Senator Humphrey was the first one to introduce me to George Tames. He said, "I want you to know that had I become President of the United States, George Tames was going to be the White House photographer."

When he retired, just a short while ago, it seemed that everyone had a retirement party for George. After we get over a couple dozen retirement parties, you stop counting. But the one I remember was at the National Press Club, and Ken Burns and I were asked to speak about this wonderful man.

I said that George was a man who had captured history better than most writers, because in the next century, and the century after, his photographs would give researchers and historians a real sense of what happened when President Roosevelt had lunch with Harry Truman to demonstrate to the American people he actually did talk with his Vice President, or when President Truman took his morning constitutional, or when Dwight Eisenhower pondered questions, or Richard Nixon decided to play golf, or when John Kennedy, bearing the awesome burdens of the Presidency, leaned over a table in silhouette in the Oval Office, and on and on.

These were photographs taken by George Tames, and they are what people remember. They will fill in the living part of history, not just for our generation but for generations to come.

George wrote a wonderful book with his photographs called "Eye on Washington: Presidents Who Have Known Me," a very typical comment.

I think one of the things that I was most proud of is he asked me to write a jacket blurb for him on that book.

Madam President, I ask unanimous consent that what I wrote be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Historians, including my friend George Tames, will write the history of the past fifty years. George Tames's brilliance as a photographer will make that history live forever. His images are a national treasure.—Senator Patrick J. Leahy.

Mr. LEAHY. So, Madam President, all of us in church on Saturday shared an enormous sense of sadness and loss. But as I looked around and saw progenies of his, people who came along and learned from him, Paul Hosefros, Jose Lopez, and others from the Times, and realized the legacy would go on, I also could not help but think that we, in effect, celebrated a life of a man who had done more to show the history of this Nation then most people would in a lifetime or one who could bring about memories for those of us who shared part of these lives better than anyone else.

I ask unanimous consent that the obituary from the New York Times by David Binder and the obituary from the Washington Post, which is the Associated Press, be printed in the RECORD.

There being no objection, the obituaries were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 24, 1994]

GEORGE TAMES, PHOTOGRAPHER, DIES AT 75

(By David Binder)

WASHINGTON, February 23—George Tames, a news photographer for more than half a century whose work changed the way Americans look at Presidents and political power, died here today while undergoing heart surgery. He was 75.

His photographs chronicled 10 Presidents from Franklin D. Roosevelt to George Bush, countless members of Congress and visiting statesman from Churchill to Khrushchev. President Eisenhower chose two Tames photographs for official portraits, and a third became a 6-cent Eisenhower stamp.

The photo for the stamp was a characteristic Tames shot, taken of Eisenhower in 1953 in an unguarded moment as the president was delivering a radio-television address announcing that a truce had been agreed to ending the Korean War.

Over the years Mr. Tames also won awards and citations for dramatic action shots of a farmers' protest, a civil rights march and a still life of the Lincoln Memorial. The bulk of his work was for The New York Times, which he joined in 1945, after six years with Times magazine. That was the era of the large Speed Graphic camera, which shot only one frame at a time. He retired from The Times 40 years later in the era of the .35 millimeter camera with high-speed shutters and large, fast lenses.

KENNEDY AT HIS DESK

Mr. Tames was a keen student of Washington's changing political culture; early on, he developed an instinct for capturing dramatic moments on film.

One of his most widely known photographs showed a silhouette of President Kennedy from the back, leaning on his desk in the Oval Office and visibly burdened by the weight of his job. It was the kind of picture that Mr. Tames could find and shoot because of his ability to develop easy and informal access to the powerful.

"Mine was an unofficial role in his political kingdom," Mr. Tames recalled in his memoir, "Eye on Washington," published in 1990, "That of jokester and bringer of news, rumors and spicy Capitol Hill gossip."

Knowing that Kennedy often worked standing up because of an injured back and that his door was often open, Mr. Tames saw the President bent over, reading something in a newspaper. "I deliberately underexposed," he said later. "I wanted the blackness, the mood that I saw with my eye."

POSTERITY'S SPY

In a tribute two years ago on the occasion of the National Press Club's Fourth Estate award to the photographer, Ken Burns, the documentary film maker, spoke of Mr. Tames' work as "pictures that last, that speak eloquently, that have and will endure, that clearly are the DNA of our political story in the last 50 years."

Mr. Burns said Mr. Tames was "posterity's spy—a mole—penetrating farther and much deeper into our political landscape and psyche than any reporter who hangs on words has."

George Tames was born in Jan. 21, 1919, a few blocks from the Capitol. He was the son of Greek-Albanian immigrants; his father was a pushcart peddler. In the Depression, when the large Tames family depended heavily on relief, President Roosevelt was venerated in their back-alley home, his photograph placed alongside those of St. George and the Virgin Mother next to candles on an icon stand.

George was introduced to the Capitol early in his life. He had to work after completing the 10th grade and he began as an office courier for Time-Life, which took him back to Capitol Hill.

The work of news photographers attracted him, although at the time cameramen were not allowed to roam the Congressional corridors. But he was soon permitted to make photographs of individual members of Congress, and by the end of World War II he was among a small number of photographers permitted to take pictures of Roosevelt.

Although Mr. Tames had a deep affection for President Kennedy, President Truman was undoubtedly his favorite, not the least because he was the first to treat photographers with respect.

Mr. Tames relished the recollection of the day Truman "made White House photographers first-class citizens" by freeing them from the confines of a tiny West Wing chamber they called the Doghouse, and giving them entree to the press room.

Mr. Tames recalled Truman telling a foreign dignitary: "I am President of the most powerful nation in the world. I take orders from nobody, except photographers."

Mr. Tames had a wiry build and always seeming to be on the move around a city he loved. He was a tireless raconteur, telling anecdotes he had shared with the high and mighty, capped with a raucous laugh. This was a part of the persona he cultivated that made him popular not only with the politicians he covered, but also with his colleagues.

They celebrated him at 14 retirement parties, starting in 1986, after which everyone lost count. But Mr. Tames did not really retire. He went on shooting pictures as a freelance, mainly for the Times, and when a colleague or a colleague's child got married he happily volunteered to make the wedding pictures, asking only for the cost of the film and permission to dance with the bride.

He was usually the life of any party he attended. "He's the champion," Cornell Capa, a former Life photographer, said a decade ago. "He beats everybody."

In a tribute to Mr. Tames, Wally Bennett, a longtime Washington photographer for Time, said today: "He knew all the players in the political game. He did his background work. He had a marvelous eye. He used his knowledge to make marvelous photographs that will be in the history books."

Mr. Tames is survived by his wife, the former Frances Fay Owens; two sons, Chris, of Nags Head, N.C., and Michael G., of Manteo, N.C.; three daughters, Pamale Tames Goodman of Wilson, N.C., Kathryn Tames Walton of Springfield, Va., and Stephanie Tames Nelson of Statesboro, Ga.

[From the Washington Post, Feb. 24, 1994]

PHOTOGRAPHER GEORGE TAMES DIES

George Tames, who photographed 11 presidents during nearly a half-century as a Washington-based photographer for the New York Times, died Feb. 23 while undergoing heart surgery. He was 75.

Mr. Tames, who died at Washington Hospital Center, used wit and charm to gain unique access to presidents from Franklin D. Roosevelt to Bill Clinton, said colleagues at the Times, which he joined in 1945.

"He photographed Roosevelt and Truman * * * sitting on the White House lawn having breakfast, and he was still at it 50 years later. That's an unparalleled run," said R.W. Apple Jr., chief of the Times' Washington bureau. "He had a wonderful eye."

President Eisenhower chose photos by Mr. Tames for his official portraits, and a postage stamp honoring Eisenhower was based on a picture by him.

Along the way, Mr. Tames won numerous awards from the White House Press Photographers Association and other groups and received the National Press Club's Fourth Estate Award for lifetime achievement.

One of his best-known photographs was of a backlit John F. Kennedy leaning over an Oval Office table reading a document.

On his last assignment, he photographed Secretary of State Warren Christopher on Sunday.

Mr. Tames, known as a consummate storyteller, chronicled his career in a 1990 book, "Eye on Washington: Presidents Who Have Known Me."

Mr. Tames, a native of Washington, began his news career in 1939 as an office boy at Times magazine and learned photography on the job.

He is survived by his wife, Frances; five children; and five grandchildren.

Mr. LEAHY. Madam President, I see other Senators have come to the floor, and I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

CONGRATULATIONS TO THE ATHLETES COMPETING IN THE 1994 WINTER OLYMPIC GAMES

Mr. FEINGOLD. Madam President, I would like to take a brief moment to congratulate all of the athletes who competed in Lillehammer, Norway, the last several weeks who have made this year's winter Olympic games such a success and pleasure to watch.

The Olympic games provide the world a friendly forum in which nations can showcase their people's athletic talents and compete with each other in a noncombative and productive manner. Over the years the Olympics have symbolized that at least for a few weeks every 4 years the nations of the world can come together and forget their differences and compete in a spirited and peaceful fashion.

We know that the American team made a strong showing in this year's winter games, and I was proud to see that athletes from the State of Wisconsin were again able to make significant contributions to the team. I am honored to represent the State of Wisconsin which produced close to 20 Olympic team athletes who either grew up in the Badger State or adopted it as their home in order to train for the competition. In particular, I would like to commend two of these athletes who were the true American heroes of this year's winter Olympics—Bonnie Blair and Dan Jansen—who combined to win half of America's gold medals.

Bonnie Blair's two gold medals in the women's 500 and 1000 meter speed skating competitions made her the first American woman to capture five gold medals. Although Bonnie hails from Wisconsin's neighbor to the south, Illinois, she has made the Milwaukee area her home and has practiced at the training rink located in West Allis, WI—the same facility which helped produce previous Wisconsin skating greats such as Eric and Beth Heiden of Madison, WI.

Bonnie's achievement was matched only by the emotional triumph of another American speed skater—Dan Jansen—who grew up in West Allis and now makes Greenfield, WI his home. The entire world was moved with Dan's persistent efforts at achieving his goal of winning a gold medal. After 10 years and four winter Olympic games, Dan met this goal by setting a world record in the men's 1000-meter speed skating competition. By now we all know what Dan had to overcome to achieve this victory and we shared in Dan's and the Jansen family's grief resulting from the tragic loss of his sister Jane during the 1988 winter games at Calgary.

But Dan never gave up and rose to the occasion during his final Olympic race, skating to a long awaited gold medal while setting an example that we can all learn from as well. Who could not share in the joy of watching him skate his long deserved victory lap with his 9-month-old daughter Jane in one hand and the American flag in the other. That victory lap made me realize once again how lucky I am to be able to represent individuals such as Dan Jansen who possess the warmth, courage and spirit that so many Wisconsinites share. Together Dan, Bonnie and the rest of the Wisconsin athletes carried the proud Wisconsin athletic tradition of excellence forward. I look forward to seeing this tradition and success continued in the years ahead.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

PRIMARY CARE ISSUES

Mr. BAUCUS. Madam President, in this Olympic year, America's greatest winter athletes came together in the spirit of competition and sportsmanship to compete against the world's best. These young men and women come from all over the country, from various backgrounds, but they all share the desire to be the best. Who did we send to represent us? Who did we send to go for the gold? America's best. Our first team.

We need the same commitment in health care. We want our first team in the rural areas where the need for basic, primary health care is greater than even before. We depend on the skills of primary care physicians for providing prevention and early detection services.

Over two-thirds of the State of Montana is classified by the Federal Government as a health professional shortage area [HPSA]. Isolation, economics, and family issues have shrunk the pool of primary care doctors. Primary care physicians who do choose to work in rural areas face difficult circumstances—unreasonably long and stressful hours, and much lower salaries than their urban counterparts.

Over the past few years, a consensus has emerged on the physician specialty imbalance. We now have 30 percent in primary care and 70 percent in nonprimary care. The surplus of medical specialists drives up U.S. health care costs, which are already the highest in the world. We need to even the balance if we are to move toward meaningful health reform.

As we have been over the past few weeks of Olympic competition, the difference between a gold medal and the rest of the field can be a fraction of a second. The difference between what I see as our gold medal primary care effort and tinkering around the edges of the problem is just as crucial.

The President's Health Security Act and other health reform bills currently on the table offer several good alternatives geared toward improving the balance between the primary care and nonprimary care physician work force. The proposals would be even more effective in their goals if they would also take a more comprehensive approach to primary care reimbursements.

I introduced legislation last September 20, S. 1473, the Primary Care Support Act of 1993, to address our country's severe shortage of primary care doctors. This bill would increase the number of primary care doctors practicing in the United States, increase the relative income of primary care doctors, and encourage our medical education system to train more primary care doctors.

Let me take a moment to point out how I believe we can all come out winners when it comes to primary care. We must:

Establish fairness in physicians' pay;

Encourage more physician residency programs to train primary care physicians;

Create a national council, such as the National Physician Work Force Commission, to monitor physician supply, identify areas of concern, and propose solutions; and

Provide continued, increased support for the National Health Service Corps and other work force priority areas, as proposed by the Clinton administration.

We must reach out to our health professional shortage areas located throughout rural and urban America if we want to achieve a comprehensive, and long-term solution to our primary care needs. And to do so, we must make sure that our health reform plans keep these elements intact.

As I proposed in the Primary Care Support Act of 1993, and as the President has included in his health reform proposal, we must increase Medicare reimbursement to primary care physicians. We must work toward revising the resource based relative value scale that serves as the basis for Medicare reimbursements, looking beyond historically allowed charges and determining actual resource based practice costs more favorable to primary care. We need to follow up with timely implementation. Following from this, we need to work toward primary care physician pay parity in the private sector as well. We must also reform the payments in the Medicare Program for graduate medical education programs to emphasize primary care. While the public demands more primary care services, the market continues to provide powerful incentives to produce physicians narrowly trained in subspecialty fields. We need to revise the current incentives and establish a meaningful connection between the market for medical care and the market for medical education.

Some people may argue that the market will eventually correct itself. It may. But I see no evidence that we are even moving in the right direction. Even if it were true, we do not have time to wait for this correction to come about. We need to take a pro-active approach to this situation by standardizing Medicare GME payment to hospitals. By basing reimbursement on a weighted national mean amount, we will put the various programs on an equal footing and encourage higher quality programs at hospitals that are currently underpaid.

The Council on Graduate Medical Education currently provides national guidance on primary care issues based on expert advice and targeted research. Health reform plans now under consideration include provisions for the continued use of this council or the creation of a new one that assists in steering medical professionals toward primary care practice.

Like the National Physician Work Force Commission that I proposed in my bill, a national committee would create proposals to allocate more residency positions to general physicians, and decrease the number of specialist residency positions to achieve an even distribution of generalist physicians and specialists.

Physician recruitment and retention in HPSA's is still difficult and the number of HPSA's continues to grow. In Montana and other sparsely populated frontier States, however, the addition of just one or two new physicians can mean that an area loses its HPSA status.

Thus financial incentives can function like a catch-22—health providers are given financial incentives to a HPSA, but as soon as they get there the area loses its HPSA designation, and they never receive the financial incentives they were promised. For this reason, I believe we need multiple incentives that, enacted together, will maintain and build upon and maintain the primary care work force. We need to increase primary care reimbursement to get medical professionals into underserved areas, but also need to offer assurance that they will continue to receive additional compensation in cases where an area loses its HPSA designation.

It is crucial to increase the incentives to practice medicine in health professional shortage areas by doubling the bonus payments in the Medicare Program for services in those areas. Under current law, physicians who furnish services to Medicare beneficiaries that live in health professional shortage areas receive a 10-percent bonus on top of the current geographically determined service reimbursement.

This law has been somewhat helpful in encouraging physicians to serve in those areas, but more must be done. A doubling of this bonus to 20 percent would go further in bridging the reimbursement gap.

I also support continuing bonus payments to physicians who relocate to HPSA's for at least 10 years even if the area loses its HPSA designation. It would be unfair to induce physicians to move into a HPSA and then cut off the bonus payments shortly after they move there.

Health reform will fail in Montana unless we address our shortage of primary care physicians. Without a comprehensive approach to the problem, the shortage will just keep getting worse, reducing access to care, reducing quality of care, and increasing costs. Montana needs primary care physicians and nurses. I will not be able to support a health reform proposal unless I am sure that it will meet Montana's needs. Neither the silver nor the bronze are good enough. Health reform demands our gold medal efforts.

I will not settle for the silver or the bronze.

Madam President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Madam President, I understand we are in morning business.

The PRESIDING OFFICER. The Senator is correct. We are in morning business until 3 p.m..

Mr. MURKOWSKI. I thank the Chair.

I ask unanimous consent that I may be allowed 5 or 6 minutes to make a statement.

The PRESIDING OFFICER. The Senator is authorized to speak up to 10 minutes under the order.

Mr. MURKOWSKI. I thank the Chair.

THE BALANCED BUDGET AMENDMENT

Mr. MURKOWSKI. Madam President, it is this Senator's contention that yesterday this body missed a historic opportunity to end the Federal Government's three-decade-long addiction to deficit spending and uncontrolled debt. I know there is a difference of opinion among a number of my colleagues on that point, but nevertheless it is still the conviction of the Senator from Alaska.

I think we will recall that the Republican leader indicated last evening the issue of amending the Constitution to require a balanced budget is an issue that is not going to go away. It is undoubtedly going to return next year. In my opinion, it is going to return the year after, if it is not taken care of.

I predict that before this decade is over we will add this amendment to our Constitution for the very reason that we have been unable to address deficit spending, and all actions we have taken to reduce the debt have been to no avail.

We all recall Gramm-Rudman I, Gramm-Rudman II, and the Budget Act of 1990.

I am willing to forecast that the taxpayers out there are not going to forget the action taken last night. I think they are going to hold every one of us accountable for our vote yesterday.

But, Madam President, I want to refer specifically to some remarks made last evening by the distinguished majority leader, Senator MITCHELL, for whom I have the highest esteem. He correctly observed during the debate yesterday that the State governments do not always balance their budgets, but they balance their books. And, of course, the majority leader is correct.

He pointed out that States often have to borrow in the credit markets to finance the construction of many new things—new roads, schools, pollution control facilities, and a host of other capital investments. There is certainly nothing wrong with a State or local government borrowing to finance long-term investments—new bridges, airports, schools, roads, and so forth. I would certainly concur that is in the public interest.

Nor is there really anything wrong when an individual family borrows to purchase a major asset, such as a home. It is the only way that most of us can achieve that kind of financial commitment.

But what the majority leader did not point out, and I think most of my colleagues are aware, is that the current Federal Government borrowing has really nothing to do with long-term investments. Because the difference, Madam President, is the current Federal Government is borrowing to pay interest—interest—on that debt. It is not borrowing to put in roads, invest in schools, airports, and so forth. We are at the current time and for the next several years borrowing for the sole purpose of paying interest on that debt. It is the position of the Senator from Alaska that, indeed, there is a difference between the Government's borrowing and providing specific services and necessities that are needed in this country and borrowing to pay interest on the debt.

This year, our interest costs are about $212 billion. That is what it costs us to service that 4.5 trillion dollars' worth of national debt. If we did not have to pay that $212 billion, we would have operating surpluses, I am told, of approximately $40 billion. A surplus, not a deficit.

According to the Congressional Budget Office, all the money we have to borrow over the next 8 years totals $1.673 trillion. The interesting thing is all of that money is going to be used to pay interest on the debt. None of it is going to provide roads, airports, schools, sewers, police—you name it. That is $1.673 trillion we will not be investing to update the Nation's infrastructure or build new hospitals or upgrade our inner city areas that are crumbling. And not a single job will be created, not a single program will benefit from that outlay of $1.673 trillion that is going for interest. It is interest on top of interest and all it does is increase the size of our national debt.

Madam President, I take issue with the generalization made by the majority leader that there is nothing wrong with borrowing. I think there is a definitive difference, if you will, between borrowing and mortgaging the future.

I was in the banking business prior to coming to the U.S. Senate. One of the great temptations of a banker, when a loan is delinquent, is to bring the borrower in, rewrite the loan, and make it current. That is how the banker gets his interest paid, and the interest is the income that helps to show a profit. Banks are not allowed to rewrite loans to add interest to the principal and create an illusion they are generating earnings. All the bank is doing is creating a false income stream.

But that is what we are doing here. We preclude the private sector from doing this because it is a terrible business practice; it is a straight road to bankruptcy. But that is what we are doing in the Federal Government here, in the sense that we are borrowing $212 billion to service our $4.5 trillion debt. We are not building anything with it. We are not providing any new jobs.

I want to reiterate the point. The majority leader was correct when he said there is nothing wrong with borrowing for long-term investment. I could not agree more with him on that statement. But borrowing year in and year out for the sole purpose of covering your interest costs is an entirely different matter, and it leads to bankruptcy. It is a policy that our Government enforces through the Comptroller of the Currency.

The Federal Deposit Insurance Corporation does not allow our private sector businesses to do that. It simply says you cannot take a delinquent loan, bring in the borrower, have him or her sign an extension to bring it current and add your delinquent interest to the principal and pay yourself back, because it is such a terrible business practice. It would weaken the institution, weaken the capital base, and mislead the shareholders and the general public.

That is just what we are doing. We are misleading the public into believing that we can go on and indefinitely borrow, pile interest and debt on top of interest and debt, ad infinitum, without there being serious long-term consequences to the health and vitality of our domestic economy. Mr. President, future generations will bear the burden of our failure to come to grips with our debt addiction.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. MURRAY). Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF WILLIAM B. GOULD IV, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to consider Calendar item 476, which the clerk will report.

The bill clerk read the nomination of William B. Gould IV, of California, to be a member of the National Labor Relations Board.

The Senate proceeded to consider the nomination.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Madam President, I rise today in strong support of the nomination of Prof. William Gould, to be Chairman of the National Labor Relations Board.

For 13 years, the NLRB has withered under consecutive Republican administrations. Seldom has the Board operated with a full five members. Cases have piled up, preventing the timely resolution of labor disputes, and frustrating workers' efforts to enforce their rights. Today, the Board is in desperate need of leadership, and President Clinton could not have made a better choice as his nominee.

As a matter of fact, Professor Gould stands out as perhaps the most qualified nominee in the history of the NLRB. Bill Gould has spent a lifetime thinking about and addressing the needs of America's working men and women. In his long and successful career, he has practiced labor law from every angle. He has represented workers. He has represented management. He has represented the National Labor Relations Board, working for both Republican and Democratic Members. Clearly, this is a man with an unprecedented breadth of experience in the field of labor relations.

Professor Gould stands out as a respected academic, having taught labor law courses at Stanford University since 1972. The academic community, in a letter signed by 75 labor law professors, says Bill Gould is "an outstanding leader in labor relations * * * uniquely qualified for this critical position."

Professor Gould stands out as a prolific writer, having authored 6 books and more than 60 law review articles. Strangely, the National Association of Manufacturers says its opposition to Professor Gould's nomination "is premised on [his] extensive writings." I have difficulty in comprehending how anybody can be opposed to somebody in view of their extensive writings. Perhaps NAM would prefer a nominee who had never read the National Labor Relations Act, or one who had never given thought to the relationship between workers and employers.

NAM says it opposes this nomination because in some of his writings Professor Gould has advocated changes in our Federal labor laws. But is not that the very purpose of legal academia, to assess how our laws are working and offer thoughtful suggestions as to how they might work better?

Professor Gould's views defy simple categorization as either "liberal" or "conservative." Sometimes he has advocated changes that would strengthen workers' rights. Sometimes he has advocated changes that would strengthen employers' rights. If there is one constant in Bill Gould's writings, it is his dedication to improving the state of labor relations in this country. And if one thing is clear, it is the absurdity of challenging this man's qualifications.

Professor Gould stands out as an arbitrator with 30 years experience and tremendous respect from lawyers representing both labor and management. He has resolved over 200 labor-management disputes, displaying a judicial temperament and an unquestioned ability to build consensus. These are qualities that will serve him well as Chairman of the NLRB.

For all of these reasons, Bill Gould stands out as an extraordinary nominee. But most of all, Bill Gould stands out because of the remarkable breadth of support for his nomination. As we all know, labor-management relations is often a highly adversarial, pitched battle between employer and worker advocates. That is what makes the unanimous outpouring of support for Professor Gould all the more remarkable. All of those who have worked with him—his peers, his fellow practitioners, judges, law school deans, present and former NLRB members, and representatives of management and labor who have won and lost cases before him—have uniformly praised his intellect, his fairness, and his integrity.

Let me quote just one of these supporters, Elliott Azoff, a management labor lawyer from a prominent Cleveland firm:

> Bill understands the need for a neutral to not only be fair but to create a pervasive atmosphere of impartiality. * * * Bill will enforce the National Labor Relations Act as it is written and leave amending of the statute, if that is needed, to Congress, and critiquing of the statute to the rest of us.

Elliott Azoff's views confirm that people who know Bill Gould recognize the difference between reforms he discusses in his academic writings, and his ability as NLRB Chair to enforce the law as it is written. They recognize that his many years of reflection on our labor laws are an asset, not a liability. His extensive record as an arbitrator confirms his neutrality and his strict adherence to existing law, even when deciding issues on which he has written as an academic. There simply is no basis to question Professor Gould's integrity or qualifications for this position.

Bill Gould will seek to enforce the law in a fair and impartial manner, promoting labor relations stability and cooperation. I have heard the concerns raised by some of my colleagues about Professor Gould's nomination. Frankly, I am appalled that some of my colleagues would stoop so low to attack a man who is so universally respected. Bill Gould is a man of uncompromising integrity, and I urge my colleagues to support his nomination to chair the National Labor Relations Board.

I understand that not everyone is in agreement, and I respect the views of those who are in disagreement. But I say categorically I think that Bill Gould is the man for the job and I hope the Senate sees fit to confirm him.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Madam President, I rise in opposition to the nomination of William Gould to be Chairman of the National Labor Relations Board. Certainly, William Gould brings high credentials to this position. However, I cannot support this nominee for this position, which wields such significant power over the lives of American workers and businesses.

This is a nominee who has lent support over the years for radical change in labor law. I cannot support a nominee for a position that holds significant power and authority over the labor laws of our land and a nominee who subscribes to an agenda that will undermine the very legal structure his agency will oversee.

For years, Professor Gould has called for a major overhaul of our Federal labor laws. His writings have been very critical of existing law, as well as numerous Board and Supreme Court precedents. He has, in fact, become one of the Nation's leading champions of labor law reform.

The National Labor Relations Board is charged with the interpretation and enforcement of our Nation's labor laws. It is not and should not become a forum for radical labor law reform.

Professor Gould's recent book "Agenda For Reform" lays out a blueprint for drastically changing Federal labor law. For example, most disturbing is Professor Gould's desire to do away with secret ballot elections when workers are asked to decide whether or not they want to join a union. He would replace secret ballot elections by having workers simply sign cards indicating their support.

Secret ballot elections are an essential part of our democracy, and working men and women are no less deserving of this basic democratic right. Workers should never be subjected to coercion in making the decision about joining a union.

Professor Gould will also expand the ability of unions to punish workers who want to continue working during a strike. I am deeply concerned about a nominee who would place the rights of unions, and their ability to strike, over the rights of individual workers who simply want to earn a living.

Professor Gould also believes that permanent replacement workers should be prohibited during an economic strike.

We all know current law permits such permanent replacements. If the law is changed, as Professor Gould would have it, we will see many more strikes and our effort to encourage labor and management cooperation will take a giant step backward.

Professor Gould also advocates double and triple back pay damage awards to remedy unfair labor practice violations. This so-called reform dates back to the labor law reform ideas of the late 1970's, which were flatly rejected by this body. The increase in damage awards would expand litigation and encourage even further division in the workplace.

Professor Gould would expand an employer's duty to disclose confidential information to unions, far in excess of what current law requires. He advocates increasing access to private property for union organizers who are not employees, in direct contradiction to the Supreme Court's interpretation of the law.

I could go on, because these are only a few of the changes that Professor Gould advocates. Now, it is one thing to advocate. It is another to serve as the Chairman of the National Labor Relations Board.

Madam President, I am sure Professor Gould is sincere in his stated hope that he will distinguish these previously expressed views from his role as NLRB Chairman. But such strongly held views must shape and influence the decisions of one who serves in this role. As NLRB Chairman, he has a great opportunity to interpret the law and that is the crux of my objection and my concern.

In fact, Professor Gould once wrote that "new appointments to the Board from 1989 onward can change the law." Are we to believe that Professor Gould will refrain from exercising the power to reform labor law—that he himself acknowledges the Board can do—when he so clearly stated his belief in the need for such comprehensive reform?

I do not believe any of us want to return to a period of labor unrest, of strikes and of work stoppages and excessive and protracted litigation, all of which will resurface if we have a one-sided and activist National Labor Relations Board.

At this juncture, our economy cannot afford the disruption and uncertainty that will result if the Board is used as a platform for labor law reform. Both employers and labor unions must have confidence in the impartiality of the Board in order for it to function effectively.

Unfortunately, Madam President, I think that Professor Gould has failed to instill that confidence.

The business community is unified in its opposition to the nominee. The National Association of Manufacturers, the Labor Policy Association, the Society of Human Resource Management, the Chamber of Commerce, and the National Federation of Independent Businesses have all expressed their opposition to Professor Gould's nomination. Collectively, they represent an overwhelming majority of the businesses in America. Some of these organizations have never taken a position on a Board nominee, but feel very strongly about Professor Gould. Other business organizations have expressed their opposition as well, and I would ask unanimous consent that these letters of opposition be made a part of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION
OF MANUFACTURERS,
Washington, DC, October 6, 1993.

Hon. NANCY LANDON KASSEBAUM,
Ranking Republican, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: In earlier communications, the National Association of Manufacturers expressed serious reservations regarding the nomination of William B. Gould IV to the National Labor Relations Board but withheld final judgment pending his confirmation hearing.

On the basis of the hearing, together with a thorough review of his writings, the NAM has concluded Professor Gould's confirmation would not be in the best interest of our members and urges the rejection of his nomination. We believe that employer-employee relations are at a critical juncture where the substantial rewriting or reinterpretation of labor law would be most disruptive, not only to those relationships but the Nation we well.

The NAM's opposition is premised on Professor Gould's extensive writings, most recently espoused in his book Agenda for Reform, that advocate repeal or substantial change of the law he would be obligated to uphold and administer if confirmed. The NAM appreciates the distinction made by Professor Gould at the hearing between himself as a professor and as a member of the NLRB, *i.e.*, that in the latter role he would enforce the law as written. We are concerned, however, that distancing oneself from such deeply rooted philosophical views is easier said than done.

Our position on this nomination turns also on the fact that the President will this year nominate candidates for two other Board seats and the very critical position of General Counsel. We are aware of possible candidates for the General Counsel and one of the NLRB seats, both of whose sympathies rest with the trade unions. While it is the President's prerogative to make appointments consistent with his own philosophy, we would hope such considerations would provide at least some balance among Board members and the General Counsel.

Accordingly, the NAM urges that the nomination of Professor Gould to be a member and chairman of the National Labor Relations Board be rejected.

Sincerely,

JERRY J. JASINOWSKI.

OCTOBER 19, 1993.

Hon. JUDD GREGG,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR GREGG: I am a member of the Board of Directors of the U.S. Chamber of Commerce and the Chairman of its Labor Relations Committee. The Committee has reviewed many of the articles and books written by Professor William Gould IV, the nominee for the National Labor Relations Board (NLRB). That review, along with Professor Gould's testimony at the Committee's October 1, 1993 hearing, leads us to conclude that he should not be a member of the NLRB. Accordingly, we respectfully urge that his confirmation not be reported out of committee.

Professor Gould's statements and writings reflect a predisposition toward destruction of many established and fundamental principles of this nation's labor policy, as well as a return to the adversarial and litigious processes of the past. His views conflict with and contravene the evolution of U.S. labor policy which now encourages organized labor and management voluntarily to form long-term, non-adversarial relationships of significant mutual benefit. As Chairman of the NLRB, Professor Gould will hinder that positive evolution.

The United States must do everything possible to position itself to play a leadership role in the ever-expanding global economic market. U.S. labor policy encourages conciliation, cooperation, and dispute avoidance or resolution, and should not be changed in the wholesale manner recommended by Professor Gould. Members of the NLRB must be dedicated to upholding the rights of individual workers, facilitating the cooperation essential to growth and survival in a highly competitive global economy, and striving for the legal and administrative consistency that discourages conflict and litigation.

I would like to bring to your attention some of Professor Gould's statements which clearly demonstrate his intent to alter long-established national labor policies. The attachment shows that Professor Gould will use his authority as NLRB Chairman to effectuate the radical suggestions described in his writings.

In his statement to the Committee on October 1, Professor Gould tried to allay concerns about his radical recommendations for revision of existing labor policy. He noted that in his writings he had extensively expressed his views "on the shape that labor policy should take *if Congress should amend* the National Labor Relations Act or other statutes." (Emphasis added.) He added that his responsibility was a Board member would be "concerned *solely* with the interpretation of the law as it is presently written." (Emphasis in original.)

These statements may be misleading. True, he advocates fundamental changes to the National Labor Relations Act (the Act), many of which would require legislation. However, his writings also clearly show a desire and intent to change the Act through NLRB interpretation and application of the statute. Congress need not amend the Act for Professor Gould, through his Chairmanship of the NLRB, to revamp many well-established principles of labor law. We firmly believe, based on his own statements (discussed in the attachment), that he will attempt to make the many substantial labor policy changes he recommends.

Recently, Professor Gould claimed the Act is in "complete disarray." To correct this, he recommended fundamental changes in well-established NLRB and Supreme Court principles. For Example, he recommends issuance of a Board order requiring an employer to bargain with a union, even though the union does not have the support of a majority of employees. The board has rejected this approach, as have the federal courts. He also recommends broadening the scope of collective bargaining to many topics not now the subject of negotiations between a union and employer (e.g., advertising, decisions on future investments, product design, and any other employer decision that has even an "attenuated" impact on employment).

Professor Gould's testimony on October 1 is inconsistent with prior statements he made concerning NLRB and court interpretations of the law. This could be disregarded but for the awesome power and discretion vested in the NLRB.

Interpreting Congressional intent, the Supreme Court has consistently held that the Board has broad authority to change the national labor policy as well as the National Labor Relations Act through its interpretations. According to the Court, the Board's interpretation of the law is entitled to "considerable deference." It is therefore easy for Professor Gould to assuage concerns about his intent to refrain from making labor law changes by saying he will be concerned "solely with the interpretation of the law as it is presently written." The Act allows for NLRB changes in the interpretation and application of the law.

In light of Professor Gould's recommendations to make substantial changes to previous interpretations of the Act, and his clearly expressed doubts about the wisdom of Supreme Court decisions, it must be concluded that he will, through his leadership of the NLRB, attempt to rewrite labor policy. Nothing in his statement or testimony suggests otherwise.

Professor Gould's testimony, coupled with his numerous written statements over the past several years, establish beyond doubt that he has little regard for existing labor policy formulated over several decades by the NLRB and the Supreme Court, and that he intends to make many substantial changes to the nation's labor policy during his chairmanship.

The fundamental principle of the Act and the nation's established labor policy is that employees have the right to decide whether they will engage in union activity and select which, if any, union they wish to represent them. Relying on essential individual and collective rights—democratic procedures and majority rule—employees' desires regarding union representation are ascertained by objective evidence, usually an NLRB secret-ballot election among employees. Those elections determine whether an employer must bargain with a union as the representative of its employees. Fair and democratic efforts to determine employee desires must not be considered mere "roadblocks" by the person charged with enforcing the law. According to Professor Gould, such elections are mere "roadblocks."

For the above reasons we urge the Committee not to confirm the nomination of Professor Gould.

We request that this letter be included into the official committee record.

Sincerely,

WILLIAM A. STONE.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, DC, November 17, 1993.
Hon. TED KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the over 600,000 members of the National Federation of Independent Business (NFIB) I am writing to express opposition to the nomination of William B. Gould IV to chairman of the National Labor Relations Board (NLRB). Historically, NFIB has resisted expressing viewpoints in the NLRB confirmation process. However, upon careful review of Professor Gould's well-publicized views on labor management relations we believe that this nomination warrants our input.

NFIB's opposition to Professor Gould's nomination is based on his extensive writings, specifically his views on labor law as expressed in his recently published book Agenda for Reform. Professor Gould recommends significant changes to the National Labor Relations Act, the same law he will be responsible for upholding as a member of the NLRB. Not only do his writings call for the erosion of many long-held employer rights, but in many cases they reflect a strong union bias.

NFIB members have long opposed drastic revisions in labor law, such as accelerated "quickie" union elections or union certification without secret ballot elections, which would make it easier for unions to organize and would reduce the opportunity for workers to make an informed and uncoerced choice on the important issue of union representation. Professor Gould's writings illustrate his contrary views to established precedents on these and other labor law "reforms." Although during his confirmation hearings Professor Gould attempted to discount these views as the writings of an academic, NFIB is concerned that as chair of the NLRB he will use broad interpretations of the law to move in the direction of his labor law reform "agenda" through administrative adjudication and rule making.

In a time when workplace relations in this country are in transition, small business owners across the country feel that any reinterpretation of labor law aimed solely at institutionalizing organized labor's views would be disruptive and detrimental to the relationship that currently exists between employers and employees.

Thus, NFIB urges the Senate to reject the nomination of Professor William B. Gould IV to be a member and chairman of the National Labor Relations Board.

Sincerely,

JOHN J. MOTLEY,
Vice President, Federal Governmental Affairs.

SOCIETY FOR HUMAN RESOURCE MANAGEMENT,
October 8, 1993.
Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the Society for Human Resource Management (SHRM) it is with regret that I must inform you of our opposition to the nomination of Professor William B. Gould IV to the National Labor Relations Board (NLRB). SHRM is the leading voice of the human resource profession, representing the interests of more than 55,000 professional and student members from around the world.

Our decision to oppose this nomination follows a review of Professor Gould's writings by members of SHRM's national Employee and Labor Relations Committee, including his recent book Agenda for Reform. This is the first time that SHRM has opposed a presidential nomination.

SHRM believes that the views expressed by Professor Gould in his writings, which include advocating dramatic changes in the nation's labor laws, raise a serious question as to whether the Professor would attempt to re-write the law through his decisions.

Professor Gould's assertion during his confirmation hearing that he will be "concerned solely with the interpretation of law as it is presently written", is not helpful. Employers must comply with the statutory provisions of our nation's labor laws as well as NLRB and court interpretations of those laws. Given his authority to interpret the law as NLRB Chairman, Professor Gould would have the power to dramatically change employer obligations under the statute. And because we disagree with many of the Professor's views on the proper formulation of this nation's labor laws, we must oppose his nomination.

This year, the President will have the opportunity to nominate two additional candidates to the National Labor Relations Board, as well as a candidate for the position for General Counsel. We hope that these candidates are representatives of a more balanced philosophy regarding labor-management issues.

SHRM urges that the nomination of Professor Gould to the National Labor Relations Board be rejected.

Sincerely,

MICHAEL R. LOSEY, SPHR,
President and CEO.

Mrs. KASSEBAUM. I would just like to read one letter, submitted by the chamber of commerce, which concluded after extensive review of his writings that "Professor Gould's intent is fundamentally to revamp well-established, effective national labor relations policies and principles through the decisions of the NLRB in a manner that will lead to increasing adversarial labor-management relations, severely reduced competitiveness, and erosion of employee rights."

I am greatly troubled by the lack of confidence that exists in the business community for this nominee, a lack of confidence which I share. And I believe it is this confidence and this trust that is called into question with this nomination, not the extent of Professor Gould's knowledge of labor law and not the fact that he has written extensively. What is really at issue is the lack of confidence in Professor Gould to interpret the law rather than to attempt to move the Board in a very different direction.

I hope that my colleagues would share these reservations and vote against this nominee.

Madam President, I should like to ask that the RECORD be held open for additional statements until the close of business today, although we will be voting, I believe, at 4 o'clock, or thereabouts. There is an hour's agreed time. But I would like unanimous consent to hold the RECORD open for additional statements until the close of business today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair will remind the Senator there is 2 hours of debate equally divided.

Mrs. KASSEBAUM. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Just an inquiry. What is the time agreement?

The PRESIDING OFFICER. The Senator from Massachusetts controls 53 minutes; the Senator from Kansas controls 51 minutes.

Mr. KENNEDY. I do not believe we, the supporters of Mr. Gould, will use all of the time. And I imagine that although if we used all the time under the time agreement we would vote at 5, I believe we will vote earlier. We will try and give the Members sufficient notice. But I hope we would be able to vote closer to 4 than 5, so the Members ought to understand that.

Madam President, I yield such time as I might use.

Madam President, the Senate will vote today on President Clinton's nominees to the National Labor Relations Board. The Committee on Labor and Human Resources has favorably reported four nominations: William Gould as chairman, Margaret Browning and Charles Cohen as members of the board, and Fred Feinstein as general counsel.

I urge the Senate to support their confirmation.

The National Labor Relations Board is a small agency, but its mission is a large one—not only for the parties appearing before it, but also for the country as a whole. It is the Agency we depend on to implement the rules that bring stability to our system of labor-management relations.

The four persons nominated by President Clinton will bring to that Agency a wealth of practical experience in dealing with labor-management issues, and a high level of expertise that has rarely, if ever, been matched in the 60-year history of the Board.

In selecting these nominees, the President has also chosen individuals who will bring a balanced and varied set of perspectives to their work. Margaret Browning is a highly respected labor law practitioner from Philadelphia whose practice has primarily involved the representation of unions and individual workers. Charles Cohen is a highly regarded management attorney.

Fred Feinstein, the nominee for general counsel, has worked on labor-management issues from a legislative perspective for 17 years as counsel to the House Labor-Management Subcommittee. Both Mr. Feinstein and Mr. Cohen also have prior experience as attorneys working for the Board itself.

Bill Gould, the President's nominee for chairman of the Board, has the distinction of having represented every one of the principal interests that come before the Board: employers, unions, individual workers, and the NLRB itself.

Despite Professor Gould's superb qualifications for the position of chairman, an opposition campaign has been mounted to try to defeat his nomination. It is ironic that he should be the target of such a campaign, because he may well be the best qualified chairman ever nominated to the Board. Let me review for a moment his background and credentials.

As a practicing attorney early in his career, Mr. Gould worked for 1 year as a lawyer for the United Auto Workers, then joined the staff of the NLRB for 2 years. He served there on the staffs of Chairman Frank McCulloch and member Howard Jenkins, both of whom were originally appointed by President Kennedy and who served long and respected terms at the Board.

On leaving the Board, Mr. Gould joined the management firm of Battle, Fowler, Stokes & Kheel in New York City, where he represented employers for 3 years. More recently, he has taken time from his academic duties to represent individual workers on a pro bono basis in a series of significant race discrimination suits against both unions and employers.

In addition to this extensive and extraordinary background as a practitioner of labor law, Professor Gould for the past 25 years has had a brilliant career as a professor at Stanford Law School. He has taught labor law to thousands of law students and has authored 6 books and more than 60 scholarly articles on the subject.

His work has established him as a preeminent expert on a wide variety of labor law-management relations issues—which is why more than 75 faculty members in this discipline from universities and law schools around the country have joined in supporting his nomination. They call him an outstanding leader in labor relations who is uniquely qualified for this critical position as Chairman of the NLRB.

At the same time, during the past 30 years, Professor Gould has earned a nationwide reputation as a fair and thoughtful arbitrator. He has been a member of the prestigious National Academy of Arbitrators since 1970. He has been selected by management and labor to settle more than 200 disputes, involving every sector of the economy—including in recent years, numerous player salary disputes in major league baseball. In every way, his selection by President Clinton is a home run, and the Nation is fortunate that a person of Professor Gould's ability and character is willing to accept this call to public service. The test that President Clinton applied was obviously the test of excellence—and if the Senate applies that test as well, Professor Gould should be confirmed by a vote of 100 to 0.

Those who would like to see his nomination defeated have attempted to characterize Professor Gould as having a bias toward labor that will prevent him from fairly and impartially carrying out his duties as Chairman of the NLRB. But his record as an arbitrator refutes any such claim. According to statistics prepared by the Bureau of National Affairs, in his published arbitration decisions, Professor Gould upheld the position of management in 50 percent of the cases, and ruled in labor's favor in only 30 percent of the cases. The rest were split decisions. That record is hardly the kind of record that indicates bias toward labor.

In fact, Professor Gould's experience in arbitration is probably the best indicator of how he will perform in the role of chairman of the National Labor Relations Board. As an arbitrator, he has been called upon to interpret and apply the law of the workplace, as set forth in the terms of collective bargaining agreements, to the facts of particular cases. His record has earned him the respect and widespread support of the parties who have selected him, and also of his peers.

The high regard in which he is held by those who know his work in the arbitration field is reflected in the many letters the committee has received from fellow arbitrators praising Professor Gould's integrity and reputation for impartiality. The comments of Arthur Stark, a past president of the prestigious National Academy of Arbitrators, are typical:

According to Mr. Stark, Bill Gould as an arbitrator has been acceptable to both management and labor representatives and has retained that acceptability over the years. His ability to see and understand both sides of the complex issues which arise in often hotly contested disputes is exactly what is required of an NLRB member and chairman."

Anthony Sinicropi, another past president of the academy, writes that Professor Gould enjoys the respect of both the labor and management community and would steer this historically important governmental quasi-judicial body in a direction to meet the challenge of today and tomorrow.

Eva Robins, also a past president of the academy, praises Professor Gould for his personal integrity, knowledge, and his ethical standards.

Dallas Jones, the current president of the academy, lauds Professor Gould's judicial temperament and says he will make an outstanding Chairman of the National Labor Relations Board.

As Professor Gould himself pointed out at his confirmation hearing, you do not get work as an arbitrator if either labor or management thinks you are unfair or biased toward one side or the other. Over and over, both labor and management have placed their trust in Professor Gould to resolve their disputes. That is the most persuasive evidence the Senate could have that he will be a fair and impartial Chairman of the National Labor Relations Board.

In the months since his nomination was announced, the Labor Committee has received a remarkable outpouring of letters in support of his confirmation.

And as these letters made clear, Professor Gould is viewed by those who know him best, and who have dealt with him professionally, as a responsible, a fair, and a practical person who will promote respect for the NLRB and the law, and will generate a much needed atmosphere of evenhandedness in the contentious field of labor management relations.

It is interesting to note—in light of some opponents' claims that Professor Gould is antibusiness—that some of the highest praise he has received is contained in more than two dozen letters the committee has received from representatives of management. Here are typical comments from letters submitted by leading management attorneys:

> [His] reputation in the rough and tumble world of labor relations is one of impeccable honesty and integrity and his sense of fair play has produced the highest standard of impartiality and neutrality in labor affairs.—Arthur B. Smith, Jr., Murphy, Smith & Polk, Chicago.
>
> [His] reputation for scholastic excellence and objectivity spans both coasts.—Martin J. Oppenheimer, Poskauer Rose Goetz & Mendelsohn, New York City.
>
> [Gould] is especially attractive to a management lawyer because is firmly in the middle ground between labor and management . . . His reputation for ability, integrity and fairness is beyond question.—Frederick A. Morgan, San Francisco, CA.
>
> Bill understands the need for a neutral to not only be fair but to create a pervasive atmosphere of impartiality . . . Bill will enforce the National Labor Relations Act as it is written and leave amending of the statute, if that is needed, to Congress . . .—Eliot Azoff, Baker & Hostetler, Cleveland.

It is unfortunate that the confirmation of this outstanding nominee has become embroiled in excessively ideological and partisan arguments that have little to do with the real challenges that confront the NLRB in its mandates to apply the labor laws fairly and responsibly to the realities of a changing economy and new developments in the workplace.

Those on the other side of the aisle who seek reassurance that Professor Gould is indeed committed to fair and impartial enforcement of the law can take reassurance from the words of former Republican Congressman Tom Campbell from California, who served in the House from 1989 to 1993.

Tom Campbell is now a colleague of Bill Gould's at Stanford Law School, and he has written to all the members of the Labor Committee to endorse Professor Gould's nomination. He calls Professor Gould "an honest man of superb intelligence and integrity." As Tom Campbell writes:

> Professor Gould and I do not always agree on labor law policy. However, I can without the slightest hesitation testify that he has the deepest respect for the rule of law. He will carry out the National Labor Relations Act as it has been interpreted by the courts and as it was enacted by the Congress. Where, as a policy matter, he may wish the Act to be interpreted differently than it has been, I am confident he will proceed in the judicially appropriate fashion . . . Where the precedent is controlling, I have no doubt Professor Gould will follow it, even if it means a policy outcome different from what he might have preferred if he were in a position to draft the statute. He has a brilliant mind and an enviable reputation for tolerance of opposing views.

President Clinton has given us an excellent nominee for Chairman of the National Labor Relations Board. Finally—and this is the icing on the cake—Bill Gould has a lifelong love of baseball, and in particular the Boston Red Sox.

I suspect that the Red Sox may be seeing a little more of Bill Gould in the years ahead—it is a lot easier to get to Fenway Park from Washington than from Stanford.

In sum, Bill Gould has the rare combination of experience, ability, independence, impartiality, and judgment to be an outstanding Chairman of the National Labor Relations Board, and I urge the Senate to confirm him.

Mrs. KASSEBAUM. Madam President, before I yield, I certainly appreciate the Senator from Massachusetts wanting to have an additional fan for the Red Sox. But it is not a question, let me say, of Professor Gould's honesty or integrity. That is not in question. I think he is held in high regard by all. But I would like to particularly respond to the Senator from Massachusetts talking about Professor Gould's role as an arbitrator. An arbitrator's role is very different from that of the chairman of the National Labor Relations Board. An arbitrator takes a very narrow issue and usually, in many ways, splits it in half. I think that the role of chairman on boards such as the NLRB does allow for one's policy views to play a role in the decisionmaking process.

Professor Gould himself has acknowledged that.

So I wanted to comment on the difference that exists between the role of an arbitrator and the role that one would play as chairman of the NLRB.

I yield whatever time the Senator from South Carolina would like to have at this time.

Mr. THURMOND. Madam President, I rise today to oppose the nomination of Mr. William Gould to be the Chairman of the National Labor Relations Board. Based on the views expressed by Professor Gould in his writings, his testimony, and his responses to submitted questions, I cannot support his nomination to be Chairman of the National Labor Relations Board.

As you know, the National Labor Relations Board is an independent agency consisting of five members who act primarily as an adjudicatory body to prevent and remedy unfair labor practices committed by employers and unions. It is also responsible for conducting secret ballot elections of employees to determine whether or not they want to be represented by a labor union.

Madam President, Professor Gould has recently written a book entitled "Agenda for Reform." This ominously titled book does not merely identify, define, and discuss the issues confronting the existing relationship between employers and employees. Instead, it vividly outlines his vision for the future labor relations in America, as he would like it to be.

For example, Professor Gould states in his book that the decline of unions "erodes the fabric of democratic institutions and is thus profoundly worrisome to all who value pluralism and a system of checks and balances in the workplace. * * *"

We must question Professor Gould's concern with the decline of unions in this country. Under our labor relations system, workers have the right to vote for a union or against a union in their workplace. The fact that the vast majority of Americans have rejected a unionized work environment tells me that workers do not place the same value of union representation as does Professor Gould. In contrast to Professor Gould, I trust workers themselves to vote as they see fit.

The Congress has established standards under our Federal labor laws for workers to choose whether they want union representation. I support those standards. But when those workers exercise their free choice and reject a union, I think we should respect that choice without denigrating it.

Professor Gould finds the decline of unions to be worrisome. I hope that he does not plan on taking it upon himself to redress this worrisome condition through the National Labor Relations Board.

Madam President, we must also question whether this nominee will attempt to legislate or define labor policies that are within the jurisdiction of Congress.

Professor Gould clearly stated during his confirmation hearing that he would follow congressional intent if he were confirmed to chair the National Labor Relations Board. However, Professor Gould repeatedly has written that the National Labor Relations Board has the authority to make important labor relations policy. In a 1987 edition of the San Diego Law Review, Professor Gould states that there is an,

> * * * obvious but frequently unpalatable truth that federal labor law, framed as it is in broad ambiguous language addressing matters about which Congress has been unable to provide definitive policy judgments, is federal labor policy defined by the NLRB and ultimately the Supreme Court. The Court is deeply divided on many aspects of this ongoing policy debate.

In the Labor Law Journal, in an article entitled "Fifty Years Under the NLRA: A Retrospective View," Professor Gould stated that "new appointments to the Board from 1989 onward can change the law * * *'. In the Stanford Law Review, he also states that he "believe(s) the Board needs to be changed much more than the law—although the law ought to be strengthened."

How can Professor Gould claim that he will be impartial, and that he does not have an agenda for reform when his statements make clear that he favors changing labor law policy through judicial activism.

Obviously, Professor Gould is a very accomplished labor lawyer. He has been a Stanford Law School professor for over 20 years. He impressed members of the Senate Labor Committee with his knowledge of our Federal labor statutes. However, I remain concerned that he will use his position on the Board to put into practice the many labor reform ideas that he has advocated over the years.

Madam President, the National Labor Relations Board is a quasi-judicial body. Both employers and employees must have confidence in the impartiality of the Board in order for it to function effectively. I believe the strong held views and positions Professor Gould has advocated for so long, make a strong case that it will be difficult for him to act as an interpreter of the law and not an advocate.

Therefore, Madam President, I do not intend to support this nomination.

The PRESIDING OFFICER. Who yields time?

The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I yield myself such time as I might take.

Madam President, in my earlier statement, I pointed out the very strong and enthusiastic support of members of the National Academy of Arbitrators, a very prestigious group of men and women who are involved in the field of arbitration. It is highly regarded and respected, and I quoted from a series of letters our committee has received from both the current president and several past presidents of the Academy who all have been very supportive of Professor Gould.

Some question was raised about the relevance of Mr. Gould's experience as an arbitrator. Is this really a useful measurement in terms of demonstrating the impartiality of this nominee? And there was some suggestion that arbitration is really nothing like adjudication of NLRB cases because all the arbitrator is really doing is splitting the difference between the two parties.

Of course, if that was all that arbitration was—that the two parties were divided and the understanding was that the arbitrator was not just going to take the matter at issue and split the difference, you would not need an arbitrator. The parties could do that themselves.

The point of arbitration is that when you have a disagreement between the parties as to how the words of the contract should be applied to the facts of a particular case, the arbitrator performs that function of interpreting the contract and applying it to the facts, just as a judge applies the words of a statute to the facts of a case.

So, Professor Gould's experience and record as an arbitrator is, I think, reflective not just of the ability, professionalism and integrity of the nominee, but also his qualifications to serve on the NLRB.

I would just mention very briefly some of the issues that have been raised by those who have expressed reservations about Mr. Gould's confirmation.

One was the issue of the card check, which is a means of determining the desire of employees to be represented by a union. Of course, the card check was the primary means by which employees obtained union recognition prior to 1947. It was completely legal and commonly utilized. And it is a respected method of determining who then has majority support for a union in a number of other Western countries, including Canada.

The assertion that this is a radical idea is something that I would really question. It was in the 1978 Labor Reform bill. That bill only failed by a few votes because of a filibuster.

So this concept is something that generally those who are familiar with labor law reform have some position on. Some support it; others do not, but it is not a radical idea.

Then there is the issue that has been raised about Professor Gould's support for legislation to ban the permanent replacement of strikers. More than 55 Members of the Senate have expressed their view that there should be a change in current law on this issue. The President of the United States himself has stated his support for banning the permanent replacement of strikers, so his position is the same as that of this nominee. The idea this is evidence of the radical viewpoints of the nominee I find difficult to accept.

The concept of awarding double back pay to workers who are illegally discharged for union activities was part of the 1978 labor law reform bill too. It was debated and considered. It is widely understood and recognized that there is an anomaly in the fact that in cases of employment discrimination on the basis of union activity, the illegal firing of an individual for supporting a union is treated entirely different than we treat illegal discrimination or firing an individual on the basis of gender, race, religion, and ethnicity. In those kinds of discrimination cases, we impose a variety of different penalties on employers, in addition to back pay. The exception is that where the discrimination is on the basis of union activity, the only remedy is back pay.

There is a very substantial body of evidence to suggest that the penalties for labor law violations are generally considered by many in management to be just a cost of doing business. The employers know that if there are certain individuals who are out there trying to organize, they can fire them and stop the organizing campaign in its tracks. Since the worst that can happen is that they may be told to rehire the union supporters later on, after the organizing campaign has been defeated, and gave them some back pay. Many see that as just a cost of doing business. It is worth it to the employer to take that risk if it means they can keep the union out. The view that back pay is not an effective deterrent to illegal conduct by employers is a very widely held view.

So the views of Professor Gould that were just criticized here—really are very much in the mainstream of debate and discussion in terms of labor law reform.

Just to get back to what has been both the stated position of the nominee as well as those who support him, it is his strong commitment as Chairman of the Board to interpret the law as passed by Congress rather than change the law.

Given the extraordinary comments we have received praising of his basic integrity, I think that this country will be very favorably served when his nomination is approved.

I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. Madam President, I am happy to yield to the Senator from Wyoming however much time he would like to speak.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Madam President, I just want to speak briefly.

Prior to confirming Prof. William Gould to be Chairman of the National Labor Relations Board, which I think we will do momentarily, I suggest that my colleagues take a very good look at some of his writings. I have, and I have strong concerns about this nominee.

I have talked with our fine ranking member, Senator KASSEBAUM, and have the deepest respect for her views on things that come before her areas of jurisdiction. I trust her implicitly.

I have gone into my own examination of material on this person who is going to be responsible for leading the regulation of collective bargaining and union organizing activities in the private sector.

I just want to take a few moments just to say that a few weeks before his nomination William Gould published a book called "Agenda For Reform," in which he strongly criticized the way the Board has operated, and described in some great detail how current law, precedents, and Board procedures should be changed.

I took labor law on the GI bill at Colorado University in the summer program, and my professor was Archibald Cox, so naturally my credentials are unimpugnable, and I know either of my colleagues did not know that, and if Arch Cox were listening he would chuckle about my work in his class. Arch Cox was a great professor of labor law and taught me much during that session of summer school.

In looking at what this man is saying, the views he espouses in his book would take the current balance in labor-management relations and turn it right up on its ear. His extremist, activist approach to labor law certainly bothers me, and I know it bothers others. His views are quite clear and unambiguous. It is virtually impossible to take his message out of context. That excuse simply will not do this time.

He advocates the elimination of secret ballot elections in which employees decide the question of union representation, and inserting in its place signature cards collected by union organizers.

He does not feel that union members should be able to resign from a union during a strike.

He believes that unions should have complete access to company financial information at all times.

He believes that unions should be able to organize a company's management as well as its workers, an extraordinary adventure.

While these are troubling enough, I stumbled across one that really stood out, and that is Professor Gould has been highly critical of the Supreme Court's decision in NLRB versus Wooster Division of Borg-Warner Corp. In this 1959 landmark decision, the Court drew a distinction between "mandatory" and "permissive" subjects of collective bargaining. Employers and unions are required to bargain over mandatory subjects such as wages, hours, and key conditions of employment. Either party may insist on its position, and, if necessary, may use economic force to enforce those demands, such as a strike or lockout.

On the other hand, employers and unions are not required to bargain over "permissive" subjects such as capital investments or discontinuation of a product and things that do not have to do with the basic issues of collective bargaining, which is wages, hours, and conditions of employment. So the parties then can voluntarily incorporate provisions concerning "permissive" subjects into a labor contract, but neither party is obligated to bargain over such provisions and neither party may use economic force to insist on these provisions.

However, Professor Gould advocates eliminating the distinction between "mandatory" and "permissive" subjects of bargaining. On page 178 of his book, "Agenda for Reform", he states, "The demarcation line between mandatory and non-mandatory subject matter should be eliminated and the right to bargain on all issues should be made available to the parties."

I am concerned with those views because the distinction between "mandatory" and "permissive" subjects of bargaining is not found in the National Labor Relations Act itself. Rather, it is a board-created rule of interpretation that the Supreme Court upheld in Borg-Warner. The Board can and does revise such rules, and the courts usually defer if they find the new rule rational and consistent with the act. As the Supreme Court stated in its NLRB versus Curtin Matheson Scientific decision, "a Board rule has precedent even if it represents a departure from the Board's prior policy."

Essentially, Professor Gould's position, if it became Board policy, would tilt current labor law toward permitting more economic strikes by providing more reasons to strike.

With hundreds of millions of dollars at stake in the Board's decision on this issue, all parties must be ensured that their views and arguments are given due consideration. Professor Gould has already prejudged this critical issue.

I would simply add that the Chairman of the National Labor Relations Board is not an arbitrator who is there to split the difference in narrow factual disputes. The NLRB, and particularly its Chairman, have broad authority and discretion to interpret Federal labor law and shape its course. It is absolutely essential that both employers and labor unions have confidence in the impartiality of the Board in order for it to function effectively. William Gould, in my view, has failed to instill any part of that confidence.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. Madam President, I am happy to yield as much time as the Senator from Oklahoma would like.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, parliamentary inquiry. How much time is remaining?

The PRESIDING OFFICER. The Senator from Massachusetts controls 35 minutes. The Senator from Kansas controls 36 minutes and 31 seconds.

Mr. NICKLES. Madam President, I wish to compliment my friend and colleague, Senator KASSEBAUM, from Kansas, and also Senator SIMPSON, from Wyoming, for their statements.

Madam President, I will oppose this nomination of William Gould as Chairman of the National Labor Relations Board. I do not do that with a great deal of joy. I do not like opposing nominations and I have really opposed very few in my career in the Senate.

But I believe that Professor Gould is one of the Nation's leading champions of radical labor law reform. I am really surprised that this administration would name as Chairman of the National Labor Relations Board someone who has no hesitation whatsoever about giving labor union rights higher priority than the rights of individual employees and management.

Madam President, Professor Gould has made clear in his writings his intent to alter long-established national labor policies. His most recent book, "Agenda for Reform"—and I have a copy of that here today—is a manifesto on how he will redirect labor law for this country. The book contains several examples of the vision that William Gould has set forth, which are very troubling to me and should be very troubling to anybody if they believe in consistency in labor law and if they consider that this nominee is appointed to be Chairman of the NLRB.

For instance, the nominee believes that employers should not be allowed to hire permanent replacement workers during an economic strike. Gould stated that the Mackay decision, which holds that it is not an unfair labor practice for an employer to continue operating his business during a strike by hiring permanent replacements for economic strikers, is "badly flawed." On page 202 in his book, "Agenda for Reform," he says:

> The Court and Congress should not be bound by half-century-old opinion. As we move toward the twenty-first century, we should attempt to establish more civilized standards in labor-management relations, a more competitive and cooperative environment inextricably tied to such standards, and an order in which we can compete effectively with Germany, Japan and other countries.

He said we should not be bound by half-century-old opinions, both the court and the Congress. So he is more than willing to use the court and the Congress to change the 50-year-old statute.

Another example is Professor Gould's advocation of the use of authorization cards, a notoriously unreliable indicator of employees' desire to join a union, instead of the current process of secret ballot elections. In addition, Gould recommends expanding the ability of unions to punish workers who choose to continue to work during a strike. These are troublesome restrictions of an individual's right to work at best.

Professor Gould further advocates in "Agenda for Reform" allowing union representation of less than a cohesive group of employees or a minority group of as little as 20 or 30 percent of employees. He says:

> Additionally, the Act (The Labor Relations Act) should be amended so as to allow nonmajority organizations to represent employees and to be consulted and share information about employer decision making that affect employment conditions where 20 to 30 percent of the employees have petitioned the Board to this effect. Under such circumstances consultation and communication should be mandated.

That is on page 141 of the professor's book.

Think of what he just said. He said if 20 or 30 percent of the people sign a card by petition that that 20 or 30 percent should automatically have recognition. What about a secret ballot? What about a right for a majority of the employees? Does that mean somebody can come by and have an organizational election and walk by and say, "Please sign the petition," and maybe they do because they do not want to offend the person, or for whatever; they really have not thought about it.

What about the right to a secret ballot? What about the individual's rights to really select who should represent them. And should we not have majority reputation?

The professor advances union resurgence by utilizing OSHA reform. In the "Agenda for Reform" on page 94, Mr. Gould states:

> Legislation introduced by Senator Edward Kennedy in 1992 would amend the Occupational Safety and Health Act and mandate employee committees charged with the responsibility in the health and safety area. If this legislation is enacted in the future, another institutional basis for representing worker interest relating to employment conditions independent of union majority rule would exist.

Think of that. This is "another institutional basis for representing worker interest relating to employment conditions independent of union majority rule."

In other words, the majority does not rule. We are going to have a small group come in, and this is another basis for union representing workers interests even if they do not have a majority. Wow. I thought we believed in secret ballots and majority rule.

Professor Gould also advocates controversial changes to the remedies available to a reinstated employee in instances of unfair labor practices. Gould favors double or triple backpay awards to be paid by employers. He also thinks labor reforms should make clear that backpay remedies are not available to all workers.

Let me rephrase that. He also thinks that labor reforms should be made clear, that backpay remedies are available to all workers, whether here in the United States legally or not.

In other words, he favors significant fines and penalties, double and triple penalties, and they should be available to workers, both legal and illegal.

Further, Mr. Gould supports expanding employers' duties to disclose confidential information to the union. He believes there should be disclosure of information regarding decisionmaking that could conceivably have an impact on employment conditions, namely investment, closures, advertising, and basic product decisions.

The Supreme Court has held that the National Labor Relations Board, and particularly its Chairman, have broad authority and discretion to interpret and change Federal law through its interpretations. Therefore, Congress need not amend the National Labor Relations Act to make major changes in labor policy. I am not so sure I concur with the Supreme Court's decision, but that is prior decisions.

The use of the National Labor Relations Board as a platform for major labor law reform will result in uncertainty and disruption, which our economy cannot afford right now. The Board must exhibit impartiality to function effectively. I am afraid, with Professor Gould, we do not have impartiality. I think by his writings he has proved there is not impartiality.

This nomination is opposed by many. It is opposed by the National Association of Manufacturers, the Labor Policy Association, the Society of Human Resource Management—which to my knowledge has never opposed any Presidential nominee—the Chamber of Commerce, and the National Federation of Independent Business. They have all expressed their opposition to this nominee, I think for good reason.

(Mr. KENNEDY assumed the chair.)

Mr. NICKLES. I wish my colleagues had enough time to look at these writings that are in Professor Gould's own words. If they did, if they would really look at the statements he has made, I find it hard to see they could support this nominee. This is not a nominee who is unbiased. This is not a nominee in my opinion who will be fair and impartial in making many decisions. And this person is nominated, again, to be Chairman of the National Labor Relations Board, which is a particularly powerful position, I am afraid, for advancing his agenda for reform.

I compliment my friend and colleague from Massachusetts who is now presiding. I understand part of his statement is supporting his nominee. I notice the nominee supports many pieces of the Senator's legislation and supports them energetically. But I have a problem when we have nominees that want to legislate through a board, or through a commission. Obviously, by some of his writings, he plans to be very active in advancing his agenda for reform, which I hope my colleagues will reject when we vote on this nomination.

I urge my colleagues to oppose Mr. Gould for Chairman of the National Labor Relations Board. I thank my friend from Kansas for yielding me this time. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I rise to support the nomination.

The PRESIDING OFFICER. How much time does the Senator desire?

Mr. WELLSTONE. Mr. President, I think 5 minutes will be just fine.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. WELLSTONE. Mr. President, I rise to support President Clinton's nomination of Stanford Law School Prof. William B. Gould IV, to be Chairman of the National Labor Relations Board.

We have heard a number of different comments on the floor, and it is the Senator's first amendment right to express his or her viewpoint. Do not think anybody is fooling anybody. We all have different values and represent, I suppose, different viewpoints.

But the fact of the matter is, Professor Gould by any standard is a nominee of outstanding achievement, outstanding achievement representing business, representing labor, and representing government in labor relations. He is a leading arbitrator and he is a leading scholar and he has been a leading lawyer. Frankly, I think if you review his writings—and we have already essentially presented to the Senate for the RECORD a range of recommendations from distinguished lawyers, crossing the broadest spectrum of political opinion in the United States of America imaginable—what you see is a record of evenhandedness.

It certainly is true that, by definition, not every Senator will agree with every view that Mr. Gould has presented in his writing or presented in his work as a scholar or as a lawyer. On the other hand, if we were to find such a person—and I do not know that we ever really can find such a person—we would not find such a person with such a distinguished career. This is a man who has been enormously successful in many different, but I think very important, walks of life that converge to make him a candidate who will probably end up being one of the great Chairmen of the National Labor Relations Board.

As a former professor, maybe I put more weight on his scholarship. But it is there for all of us to examine. I certainly am impressed with the letters of recommendation and the acclaim he has received from very distinguished lawyers. And I am certainly impressed with the fact that he has such strong recommendations on all sides, as I said before, from labor, from management, from government.

Finally, I want to end with a personal note. I did have an opportunity to be at the Senate Labor and Human Resources Committee when there were some very, I think, difficult, tough, and fair questions—including questions raised by the Senator from Kansas. I deeply respect Senators that ask those tough questions. The Senator from Kansas is a perfect example of someone who takes this job very seriously. But I was equally impressed with the knowledge of this man. I mean, the way in which he handled the questions with grace, his background, the depth of his knowledge. I do not think we can have a better candidate.

I certainly hope my colleagues will vote for William Gould. It is long past time we move forward. I believe what historians will write about this man, and I feel strongly about this, is that he will go down in history as a truly evenhanded, highly intelligent, profound thinker, and I think a truly great Chairman of the National Labor Relations Board. I certainly hope he will have strong support by my colleagues in the Senate.

I yield the remainder of my time.

Mr. President, I suggest the absence a quorum.

The PRESIDING OFFICER. Is the request for the time to be charged equally?

Mr. WELLSTONE. Mr. President, that is correct. I suggest the absence a quorum and that the time be charged equally to both sides.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from California.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. I ask I be provided time to speak on behalf of Prof. William Gould, nominee as Chairman of the National Labor Relations Board.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. How much time does the Senator require?

Mrs. FEINSTEIN. About 5 to 7 minutes.

Mr. KENNEDY. I yield 7 minutes to the Senator from California.

Mrs. FEINSTEIN. Mr. President, in October of last year I introduced Professor Gould during his confirmation hearing before the Senate Labor and Human Resources Committee. And my support for his candidacy is just as strong now as it was then.

He made clear during his confirmation hearing that he pledged to uphold congressional intent in his performance as Chair, and I have no reason to doubt him in this regard.

Like many others in California who know of Professor Gould's work—he hails from my alma mater, Stanford—I believe he has a balance of scholarly achievement and practical experience in labor law which prepare him very well for the challenges of chairing the National Labor Relations Board.

Having said that, I must also say that to me what seems to be going on in this debate is really a battle over ideology. And the underlying question is, what should the National Labor Relations Board be?

In my view, the National Labor Relations Board should be a centrist board which is reflective and knowledgeable about the needs of working men and women, and also the needs of the management sector.

There is some good evidence that Bill Gould fills this bill. Let me share with you a letter that I have received from a management advocate—not a labor advocate—a management advocate. He is president of the Pacific Maritime Association. That is an association which represents maritime management on the west coast. His name is William Coday. I would like to read this letter, which was written to support the appointment of William Gould IV, labor law professor at Stanford Law School as Chair of the NLRB:

> I am a member of the Missouri, St. Louis, and American Bar Associations and a former chairman of the Labor Law Committee of the St. Louis Bar Association. Since my graduation from Washington University Law School in 1956, I have represented management in the field of labor relations and presently represent the maritime industry on the west coast. I have had extensive practice before the NLRB throughout these 37 years.
>
> In the labor law field, Bill is a scholar; that is well-known. Moreover, he is reachable as a person and has a sense of humor. Speaking as one who has always represented the management side, I feel we need someone like Bill to lead the Board back to a more centrist view. In the past decade, the Board has become so conservative as to forfeit its credibility to the labor movement. Management interests are, in turn, jeopardized as we return to a "law of the jungle" mentality.
>
> I realize that Bill has been criticized for some of his writings. This is unfair. All legal scholars have traditionally opined as to what the law should be in addition to analyzing what it is.
>
> As a lawyer and a scholar, he knows the difference between interpreting and effectuating the National Labor Relations Act, versus the Congress' exclusive role of amending.
>
> Bill Gould is a fine choice for this position. He would play a lead role in bringing the NLRB back to the stature it once had. Please support him. Very truly yours, William E. Coday.

Mr. President, I ask unanimous consent that this letter be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PACIFIC MARITIME ASSOCIATION,
San Francisco, CA, December 30, 1993.

Hon. DIANNE FEINSTEIN,
U.S. Senate,
San Francisco, CA.

DEAR SENATOR FEINSTEIN: This letter is written to support the appointment of William B. Gould, IV, Labor Law Professor at Stanford Law School, as Chair of the National Labor Relations Board (NLRB).

I am a member of the Missouri, St. Louis, and American Bar Associations and a former Chairman of the Labor Law Committee of the St. Louis Bar Association. Since my graduation from Washington University Law School in 1956, I have represented management in the field of labor relations and presently represent the Maritime Industry on the West Coast. I have had extensive practice before the NLRB throughout these 37 years.

In the labor law field, Bill is a scholar; that is well-known. Moreover, he is reachable as a person and has a sense of humor. Speaking as one who has always represented the management side, I feel we need someone like Bill to lead the Board back to a more centrist view. In the past decade, the Board has become so conservative as to forfeit its credibility to the labor movement. Management interests are, in turn, jeopardized as we return to a "law of the jungle" mentality.

I realize that Bill has been criticized for some of his writings. This is unfair. All legal scholars have traditionally opined as to what the law should be in addition to analyzing what it is. As a lawyer and a scholar, he knows the difference between interpreting and effectuating the National Labor Relation's act versus the Congress' exclusive role of amending.

Bill Gould is a fine choice for this position. He would play a lead role in bringing the NLRB back to the stature it once had. Please support him.

Very truly yours,
WILLIAM E. CODAY.

Mrs. FEINSTEIN. Mr. President, I would like to also quote from a letter by a Prof. Herman Levy of Santa Clara University School of Law, and William H. Simon, professor, Stanford School of Law, that was printed in the Los Angeles Times. I think it puts to rest some of the charges that we have heard on the floor.

The letter points out that Bill Gould has become the object of "extremist attacks that frequently distort the record." It goes on to say that "Paul Craig Roberts' Column Right, on October 31, was an unsavory example of that."

Then the letter points out that:

> Roberts begins by asserting that Gould's views are "similar" to those of a judge whom he states is an apologist for black criminals. Reminding us of the Willie Horton rhetoric of the 1988 Presidential campaign, Roberts suggests that Gould, who would be the first black Chairman of the National Labor Relations Board in its nearly 60 years of existence, is eccentric or radical.
>
> Roberts could not be more off the mark. As a law professor and arbitrator, who has rendered a majority of awards in favor of employers—

A majority of awards in favor of employers.

> Gould has been consistently viewed as both moderate and impartial.
>
> Roberts says that Gould will "* * * restrain management's ability to communicate with the work force prior to a union certification vote." In fact, in Gould's recent book—

Which has been widely quoted on this floor.

> "Agenda for Reform," he has written that labor law reform should expand employer free speech rights in union organization efforts—not limit them.

This is the problem with quoting from a book. You can take it out of context. Authors say many different things in a book. Here is something which is diametrically opposed which Mr. Gould has said which has not been quoted on this floor.

The letter goes on:

> Roberts further asserts that Gould favors compelling all workers to accept union representation where only a minority favor it. In fact, the proposal to which Roberts refers quite clearly applied to "members only" bar-

gaining. Gould suggested that Congress require that, where 20 to 30 percent of the work force so requested, employers bargain collectively, but only with the consenting workers.

Roberts' suggestion that Gould does not support the secret ballot is equally unfounded. Gould favors the secret ballot in all union elections. His proposal that unions be recognized without elections applies only where a supermajority of workers—60 percent—have voluntarily signed authorization cards.

All of these proposals have been advanced as suggestions for legislative revision, not as interpretations of existing law, which Gould, as Chairman, would be sworn to uphold.

And if I might add, Mr. President, as he has said he would uphold. Roberts' suggestion that Gould would betray his duty to enforce enacted law is completely unsupported character assassination.

Then these two law professors who know Bill Gould go on to write:

We know Gould as a man of unimpeachable integrity and as one who has consistently brought a balanced, moderate approach to labor-management relations. His nomination represents one of the best opportunities to diminish conflict and polarization which have plagued labor and management for most of this century.

Signed, Herman Levy, Professor, Santa Clara; William Simon, Professor, Stanford Law School.

Mr. President, I ask unanimous consent that this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Nov. 15, 1993]

LABOR BOARD NOMINEE

President Clinton has nominated our Colleague and friend, Prof. Bill Gould of Stanford Law School, to be chairman of the National Labor Relations Board. Because Gould's writings support freedom for workers to affiliate with labor organizations of their own choosing and the collective-bargaining process—the explicit goals of the National Labor Relations Act—he has become the object of extremist attacks that frequently distort the record. Paul Craig Roberts' Column Right (Oct. 31) is an especially unsavory example.

Roberts begins by asserting that Gould's views are "similar" to those of a judge whom he states is an apologist for black criminals. Reminding us of the Willie Horton rhetoric of the 1988 presidential campaign, Roberts suggests that Gould, who would be the first black chairman of the National Labor Relations Board in its nearly 60 years of existence, is eccentric or radical.

Roberts could not be more off the mark. As a law professor and arbitrator, who has rendered a majority of awards in favor of employers, Gould has been consistently viewed as both moderate and impartial.

Roberts says that Gould will "* * * restrain management's ability to communicate with the work force prior to a union certification vote." In fact, in Gould's recent book, "Agenda for Reform," he has written that labor law reform should expand employer free speech rights in union organization efforts—not limit them.

Roberts further asserts that Gould favors compelling all workers to accept union representation where only a minority favor it. In fact, the proposal to which Roberts refers quite clearly applied to "members only" bargaining. Gould suggested that Congress require that, where 20% to 30% of the work force so requested, employers bargain collectively, but only with the consenting workers.

Roberts' suggestion that Gould does not support the secret ballot is equally unfounded. Gould favors the secret ballot in all union elections. His proposal that unions be recognized without elections applies only where a super-majority of workers—60%—have voluntarily signed authorization cards.

All of these proposals have been advanced as suggestions for legislative revision, not as interpretations of the existing law, which Gould, as chairman, would be sworn to uphold. Roberts' suggestion that Gould would betray his duty to enforce enacted law is completely unsupported character assassination.

We know Gould as a man of unimpeachable integrity and as one who has consistently brought a balanced, moderate approach to labor-management relations. His nomination represents one of the best opportunities to diminish the conflict and polarization which have plagued labor and management for most of this century.

Mrs. FEINSTEIN. Mr. President, I very much respect some of the opponents on this issue—particularly Senator KASSEBAUM. I in no way, shape, or form attribute any of this to her. But I do think what is at stake here is to try to continue a very conservative bent to a board which I happen to believe should be centrist in nature.

I think William Gould's appointment offers the opportunity to see that this Board does become centrist. From everything I know about this man, his practical application of law would indicate to me that he will carry out the laws, that he will be fair, that he will be moderate, and that he has the ability to bring together people of different persuasions.

It should be no surprise that someone who has represented management—Mr. Coday—has written urging his support. I hope he is confirmed by this body.

Thank you, and I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Does the Senator from Kansas have any time left?

The PRESIDING OFFICER. The Senator has 27 minutes.

Mrs. KASSEBAUM. Mr. President, I will be happy to yield whatever time the senior Senator from Kansas would like.

Mr. DOLE. Mr. President, I want to take a few moments to explain why I intend to vote against the nomination of William Gould to be the next Chairman of the National Labor Relations Board.

But before doing that, Mr. President, let me first say a word about the NLRB itself. The NLRB is the Federal Agency charged with enforcing and interpreting our Federal labor laws. In fulfilling this responsibility, the NLRB acts as a quasi-judicial body, deciding issues on a case-by-case basis.

Although the majority of cases that come before the NLRB are straightforward and can be decided with a minimum of controversy, occasions do arise giving the NLRB the opportunity to break new ground and shape labor policy through precedent. This is where the important policy battles are fought. And that is why the composition of the NLRB is so critical to maintaining the careful balance between labor and management that has characterized our system of collective bargaining for nearly 60 years.

In his writings, Professor Gould has unfortunately expressed many controversial views that could become the law of the land solely through the NLRB adjudication process, and without congressional action.

For example, Professor Gould criticizes the Supreme Court's ruling in the patternmakers case, which made clear that union members have a right to resign from the union at any time, even during the course of a strike. In Professor Gould's view, this ruling "Heavily tips the scales in favor of the individual worker's rights," apparently believing that protecting workers' rights, including the right to resign, is a bad thing. Instead, Professor Gould would prohibit union resignations once the decision to call a strike is made. In this way, he would sacrifice individual rights for the solidarity of the union, subjecting dissenters to stiff fines and other forms of union discipline.

Professor Gould has also argued that employers have a duty to disclose financial information to unions that is much broader than the disclosure requirement currently imposed by the NLRB. More specifically, he has urged Congress to overturn the Supreme Court decision prohibiting unlimited union access to company information. If an employer resists union demands for sensitive company data, citing competitive pressures, Professor Gould claims that the NLRB is free to require full disclosure. In Professor Gould's own words, and I quote:

Disclosure of the true basis for the employer's position should not only be required—periodic disclosure without a union request should be obliged, [including] all decisionmaking that could conceivably have an impact upon employment conditions, namely investment decisions, advertising, and basic product decisions * * *.

Professor Gould would further hamstring business by requiring employers to bargain over all subjects that may somehow affect the employment relationship, not just the traditional mandatory subjects of bargaining such as wages, hours, and other key terms and conditions of employment. In addition, Professor Gould believes the NLRB has the authority to order employers who have committed repeated unfair labor practices to bargain with unions, even if the union has failed to enlist the support of a majority of employees and has lost a representation election. In other words, Professor Gould would give full bargaining status to a union that has failed to demonstrate that it has won the support of at least a majority of the workers it claims to represent.

Mr. President, Professor Gould has staked out other troubling positions that confirm his prounion bias. For example, he publicly supports a ban on the permanent replacement of economic strikers, thereby overturning the well-established Mackay Radio precedent. He also supports giving unions access to company property during an organizing campaign and questions the current system of secret-ballot elections to determine union representation. Instead, Professor Gould advocates the use of authorization cards, enabling unions to be automatically certified without the benefit of a secret-ballot election. The authorization-card approach is notoriously unreliable, and often subjects workers to threats and other forms of intimidation.

Mr. President, I do not question Professor Gould's intellect, nor do I have any doubts that he will be confirmed later today. Once confirmed, I wish him the very best.

But Professor Gould's writings and his public statements are clear and convincing evidence that he possesses a long-standing prounion bias that renders him incapable of acting impartially as chairman of the NLRB. Quite simply, Professor Gould has a prounion agenda that he will, no doubt, aggressively advance once he assumes his new position at the NLRB. For these reasons, I will vote against confirmation.

Mr. President, I am certain the nomination will be approved, but it should not be approved. I hope those of us who want balance on the NLRB will vote against the nomination.

Mrs. KASSEBAUM. Mr. President, I express appreciation to the Republican leader for his thoughtful comments. This is not an inconsequential nomination, and as the Senator from Massachusetts pointed out earlier, the National Labor Relations Board is a very important body. I hope that our colleagues who have been listening will give careful thought to some of the questions that have been raised today.

I urge those who have reservations about the agenda that has been put forward in the past and the views of William Gould think carefully about his nomination as Chairman of the National Labor Relations Board. I urge that they vote against this nominee.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Could we ask for the yeas and nays?

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

STATEMENT ON THE NOMINATION OF WILLIAM GOULD IV

Mr. KOHL. Mr. President, I rise today in support of the nomination of William B. Gould IV as Chairman of the National Labor Relations Board. William B. Gould, who is currently the Charles A. Beardly Professor of Law at Stanford University, has a rich and distinguished record in the field of labor law. In addition to his impressive academic career, Professor Gould has successfully arbitrated some of the country's most well known and contentious labor disputes, including the 1992 and 1993 salary disputes between the Major League Baseball Players Association and the Major League Baseball Players Relations Committee. In the past, Professor Gould has been a practitioner on all sides of labor issues. He has represented management in labor law disputes with a law firm in New York City, and practiced for the United Auto Workers in Detroit. He also previously served as an attorney for the NLRB. His diverse background and expertise prepare him well for the obstacles facing labor-management relations in an increasingly competitive global market.

Unfortunately, Professor Gould's nomination has become the target of numerous misconceptions. His critics charge that Professor Gould would seek to change striker replacement laws. However, in his confirmation hearings, Professor Gould reaffirmed that his primary responsibility as Chairman of the NLRB would be to interpret—not change—the current labor laws. Opponents also argue that Professor Gould would prevent employees from resigning from unions. On the contrary, Professor Gould certainly respects the fundamental right of an employee to freely participate in labor organizations.

Throughout his career, Professor Gould has been called upon by both employers and unions to arbitrate their disputes, and has established a reputation for being fair and impartial. His unique combination of academics and practical experience would, therefore, make Professor Gould an excellent addition to the NLRB.

STATEMENT ON THE NOMINATION OF WILLIAM GOULD

Mr. HATCH. Mr. President, I will oppose the nomination of William Gould as Chairman of the National Labor Relations Board. I do so reluctantly because I believe Professor Gould to be a fine man and a distinguished scholar.

This nominee, however, has a troubling record. While this record includes 30 years' worth of what many would consider controversial writings, one really need not look back more than a year, to the release of a book by William Gould titled "Agenda for Reform."

The book is truly what its title suggests: It is an agenda for reforming labor relations and labor law in this country.

The distinguished Senator from Kansas, ranking minority member of the Labor and Human Resources Committee, has effectively made out the case.

Supporters of this nominee have argued that Professor Gould's advocacy of radical changes in this Nation's labor laws should not weight against him because this position will give him authority to apply and interpret, but not rewrite, the law.

This argument, however, should not carry the day.

Having reviewed Professor Gould's writings, I am persuaded, and in agreement with Senator KASSEBAUM, that such strongly held views must unavoidably inform and shape the decisions of one who serves in this quasi-judicial position. This is of particular significance in labor law, where the National Labor Relations Act leaves so much room for interpretation to the members of the Board.

Furthermore, it is fairly clear that in certain fundamental areas of the law in which Professor Gould has strongly held views, his views will, in fact, lead to the overturning of many case precedents.

I would hardly expect to be in complete agreement with this administration's nominee to this or any other position.

What is, indeed, troubling to me, however, is that the areas in which it is most clear that Professor Gould will change current caselaw are those involving fundamental protections of the rights of individual employees; the right of employees to choose or not choose a union as their bargaining representative, and the right of employees to engage, but also to refrain from engaging in, union activities.

Professor Gould has suggested a balance between the rights of individual employees and the need for union solidarity. His critique of current law strongly suggests to me that he is prepared to tip that balance much too strongly toward union solidarity and against individual rights.

In conclusion, Mr. President, let me say that I have carefully considered the arguments in favor of this nominee, including his record as an arbitrator. Those arguments, however, are not sufficient to mute the strong views expressed by the nominee himself on major issues in labor law which he will be in a position to significantly influence if confirmed as Chairman of the Board.

THE NOMINATION OF PROF. WILLIAM GOULD IV

Mr. GRASSLEY. Mr. President, I rise today to speak in opposition to the nomination of Prof. William Gould to the National Labor Relations Board. Professor Gould's views on labor law are well documented, so I am confident that my decision to oppose his nomination is well founded.

Most Americans are not familiar with the work of the National Labor Relations Board. This five-member Board was created by the National Labor Relations Act of 1935. The board administers the Nation's labor law and is vested with the authority to prevent or remedy unfair labor practices committed by employers and unions and to safeguard employees' rights to organize and have union representation.

The Board functions much like a judicial body. It acts when formally requested to do so. Individuals, employers and unions can all bring cases to the Board. It decides issues on a case-by-case basis rather than issuing regulations. These decisions and their precedents have a strong impact on the laws governing the workplace and the relationship between labor and management. So, you can see why it is important that the Board be impartial.

Professor Gould's nomination runs counter to this notion. His views regarding past Board decisions and labor law, in general, are well documented and clearly defined. I find his views troubling, if not alarming. On the eve of his nomination to the Board, his book, "Agenda for Change," was published. This book outlines not only his controversial views regarding labor law but also his opinions regarding the many past decisions rendered by the National Labor Relations Board. In his book, Professor Gould advocates substantial changes to current law, which has been in place for nearly 50 years. He even advocates overturning a number of previous Board decisions.

Many of my colleagues have already provided examples of Professor Gould's views, so will not speak at great length about them. However, in brief, Professor Gould believes that employers should not be able to hire permanent replacement workers during a strike. This body has failed to pass legislation permitting this practice, but Professor Gould has written that under the authority of the Board, the NRLB could prevent employers from hiring replacement workers, with or without legislation.

Professor Gould also advocates a change in the law which governs the process by which employees vote for union representation. Under current law union representation can be gained, if the majority of workers vote for representation. This election is supervised by the National Labor Relations Board and is a two-step process. A majority of workers must first sign authorization cards inviting organization activity but union certification is achieved only after a secret ballot. This two-step process protects individual rights by allowing workers two opportunities to either support or reject union representation. Professor Gould advocates an amendment to the National Labor Relations Act which would significantly change this process.

Professor Gould advocates the use of authorization cards alone as a way to elect union representation. Unfortunately, authorization cards have not been a reliable indicator of a worker's desire for union representation. There have been numerous examples of abuse of authorization cards in the union organizing effort. Only a secret ballot protects the rights of workers to accept or deny union representation. I am fearful that Professor Gould rejects the concept of individual rights as well as the right to work laws which govern many of our States, including my own State of Iowa.

Professor Gould's nomination to the National Labor Relations Board tarnishes the impartiality of the Board. His views are well known and it appears clear that he will pursue his agenda to change and influence current labor law, if confirmed. It is disturbing to me that as we try to foster a better relationship between labor and management we are about to confirm an individual who seems unwilling to fairly evaluate this relationship.

STATEMENT ON THE NOMINATIONS OF WILLIAM B. GOULD IV, MARGARET A. BROWNING, CHARLES I. COHEN, AND FRED FEINSTEIN

Mr. DURENBERGER. Mr. President, the National Labor Relations Board must prevent and remedy unfair labor practices by employers and labor organizations, and conduct fair employee representation elections. As such, it is charged with the supremely difficult task of assuring the peaceful resolution of labor-management disputes, protecting the rights of both employees and employers, and ensuring that American industry is prepared to meet the challenges of the competitive global marketplace.

I have reviewed Prof. William Gould's background and writings. I have met personally with Professor Gould. And I have been very impressed by his scholarship, his substantive knowledge of labor relations law, and his profound commitment to public service. While I certainly do not agree with all his views and writings, Professor Gould is clearly qualified to serve on the National Labor Relations Board and I believe he should be confirmed.

Professor Gould is a nominee of outstanding achievement in the labor relations field. As a practicing attorney, he has represented business, labor, and Government in labor relations matters, and he has attained national prominence as a leading arbitrator and scholar. I am convinced, from his record and from his testimony before the Senate Labor Committee, that Professor Gould will enforce the law in a fair and impartial manner.

Professor Gould's record as an arbitrator, in particular, satisfies me that he will decide cases that come before him so as to promote stability and cooperation between labor and management. The president of the National Academy of Arbitrators has stated that Professor Gould's record as an arbitrator demonstrates that he "possess[es] a judicial temperament" and has earned "the acceptance of both the labor and management communities."

Mr. President, I know that some of my friends and colleagues in this body believe that Professor Gould should not be confirmed because of his writings on how our labor laws might be changed. But I think it is important that we separate Professor Gould's role as an academic, from the adjudicative role he would serve on the NLRB. Throughout the confirmation process, Professor Gould made clear that as a member of the Board, he would be bound to apply current law, as written, and that he would not substitute his policy preferences for those expressed by Congress.

Indeed, the professor explained during hearings before the Senate Labor Committee that, in his view, one of the most important steps to achieving stable and cooperative labor-management relations is to provide both workers and businesses with the assurance that current law will be faithfully enforced.

Mr. President, in October I joined with Senator KASSEBAUM and my Republican colleagues on the Labor and Human Resources Committee in withholding my complete support for Professor Gould's nomination until President Clinton consulted with us and with the business community regarding the remaining nominees for the Board.

At that time, I made it clear that I supported Professor Gould's nomination. But I also said it was my belief that we should confirm Professor Gould only after the President had sent to Congress a complete package of nominees for the remaining open positions on the Board.

Because it is essential that both labor and management have confidence in the Board's ability to address grievances in a fair, consistent, and even-handed manner, I was troubled by the fact that the business community did not support Professor Gould's nomination. It was my hope that they would support the nominee for at least one of the positions yet to be filled on the Board.

Subsequently, President Clinton did consult with several of my Republican colleagues and with the business community regarding the remaining Board nominations. After seeking our input, the President selected Charles Cohen to fill one of the Board vacancies. Mr. Cohen was recommended and endorsed by me and by other Republican members of the Labor Committee, including our distinguished ranking member, Senator KASSEBAUM. He was also recommended and endorsed by the business community.

Mr. Cohen is a lawyer. He has represented management clients in private practice here in Washington, DC, for nearly 15 years. He currently serves as managing partner of the Washington, DC, office of Ogletree, Deakins, Nash, Smoak & Stewart. Before entering private practice, he held numerous positions with the NLRB for 8 years during the 1970's.

Margaret Browning, the nominee for the other vacant seat on the Board, has represented labor unions in private law practice since 1979. She and Mr. Cohen bring to the NLRB combined experience of 36 years in the labor law field.

Both these nominees bring a wealth of experience and knowledge that will be very beneficial to the Board.

Frederick Feinstein, who has been nominated for the position of general counsel, has served as staff director and counsel to the House Labor Subcommittee under three different chairmen since 1977. Before coming to the Hill, he worked as a field attorney for 2 years with the NLRB's regional office in Winston-Salem, NC. I believe Mr. Feinstein is knowledgeable and well-qualified to serve as the NLRB's general counsel.

Mr. President, all these distinguished nominees share with me the very strong belief that we need to reform the decisionmaking process at the NLRB. In testimony before the Labor Committee and in private meetings, all have stressed their strong conviction that steps must be taken to expedite the adjudication of unfair labor practice charges at the Board.

Mr. President, the current system that we have created for processing unfair labor practice claims is protracted, burdensome, untimely, and therefore fails to provide meaningful relief to parties involved in labor disputes. Last year, I introduced a bill—S. 598, the Justice for Permanently Displaced Striking Workers Act of 1993, that would set strict timetables on the NLRB's processing of certain unfair labor practice claims. It is my hope and belief that these nominees will do whatever is in their power under current law to decide ULP cases as quickly and efficiently as possible.

Mr. President, as I mentioned earlier, I am not in total philosophical agreement with all these nominees. But I strongly believe that the President of the United States is entitled to some deference in his choice of nominees as long as they are qualified. I am now satisfied that the President has made every effort to install a qualified and even-handed decisionmaking body at the Board.

In this regard, I urge my colleagues to confirm Professor Gould, Mr. Cohen, Ms. Browning, and Mr. Feinstein to serve on the NLRB in a bipartisan manner.

I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, I rise today to express my strong support for the nomination of William B. Gould IV to be the Chairman of the National Labor Relations Board. My reasons for supporting this nomination are simple and straightforward. William Gould is a nominee of exceptional ability who will bring to the NLRB not just the thoughtness and intelligent that come from spending more than 20 years as a law professor, but also the practical experience of having served as an attorney and arbitrator. His nomination is an example of President Clinton's continued commitment to excellence in his appointments.

I would like a brief moment to enumerate just a few of the qualifications that distinguish this nominee. Professor Gould comes before the Senate with the unique experience of having represented, at one time or another, all perspectives that appear before the NLRB. Professor Gould began his career in 1961 as an attorney for the United Auto Workers. He left that job in 1962 to serve for 3 years as an attorney for the NLRB. Following his tenure with the NLRB, Professor Gould represented management for 3 years at a distinguished law firm in New York City. Never before has a nominee for the NLRB possessed such a breadth of experience in the labor field, experience that will serve him well during his tenure.

Of course, Professor Gould's career didn't end in the 1960's, a Member of the prestigious National Academy of arbitrators since 1970, Professor Gould has arbitrated more than 200 labor disputes, including the 1992 salary disputes in major league baseball. During that time, he has earned the respect of labor and management alike for his sound judicial temperament.

Finally, William Gould has served as a professor at one of the Nation's most prestigious law schools, Stanford Law School, since 1972. He has taught labor law to hundreds of students while writing six books and more than 60 scholarly articles in the field. His work establishes him as a leading expert on a wide variety of labor issues, including the National Labor Relations Act and NLRB practice and procedure.

However, despite this distinguished record, some opponents have tried to paint Mr. Gould as a radical nominee who, once in office, will seek to undo the very foundations of our Nation's labor laws. The fact of the matter is that nothing could be further from the truth. Has Mr. Gould, in the past, suggested possible legislative changes in current labor relations law? Of course he has. As a professor at Stanford University and a noted labor law scholar, that was his job. As stated by former Republican NLRB member John Raudabaugh—who, I might add, was a management attorney and Bush appointee—Professor Gould's writings indicate that he "was simply doing what academics do best—writing and theorizing about structural changes that might improve the state of labor relations.

But the mere fact that Professor Gould has, while serving as professor, suggested changes in current labor law does not mean that he would use his position on the NLRB to make such changes. In fact, Mr. President, the record clearly demonstrates that the opposite is true.

While appearing before the Senate Labor Committee, Mr. Gould stated in response to specific questions that, if confirmed, he would concern himself "Solely with the interpretation of the law as it is presently written." He went on to state that "Both as an arbitrator and as chairman of the board, my role is to decide cases based upon the facts and relevant law. In neither capacity is the fashioning of legislation part of the job description. That is the appropriate role for Congress." Clearly, these are not the words of a wild-eyed radical just waiting to get his hands on the Nation's labor laws.

But of course, Mr. President, you need not take my word for it. You can look to the statements that have poured in to the Senate Labor Committee from unions and management alike in support of Professor Gould's nomination. I would like to take a moment to read just a sampling of these statements of support.

According to the current president of the National Academy of Arbitrators, Professor Gould's record as an arbitrator demonstrates that he "Possess[es] a judicial temperament that has earned him the acceptance of both the labor and management communities." More than 75 labor relations academics have supported his nomination, calling him an "Outstanding leader in labor relations * * * uniquely qualified for this critical position."

A management attorney from Cleveland, OH, states that Professor Gould will "Enforce the National Labor Relations Act as it is written and leave amending of the statute * * * to congress * * *"

Another management attorney from San Francisco, CA, states Professor Gould is "Especially attractive to a management lawyer because he is firmly in the middle ground between labor and management * * * his reputation for ability, integrity, and fairness is beyond question."

Mr. President, I could continue ad nauseam with examples of such statements because, as I stated, the Labor Committee has received an outpouring of support for this nomination. However, in the interest of time, I will ask that the lengthy list of individuals and organizations who support this nomination be entered into the RECORD following my remarks.

In conclusion, Mr. President, I want to state for the record who Professor Gould is. Despite the efforts of some opponents to paint him as such, Professor Gould is not the ardent advocate of radical labor law reform who is simply waiting for the opportunity to dismantle the NLRB. Rather, he is a prominent arbitrator, a distinguished academic, and an individual of the highest integrity who has stated he will, if confirmed as Chairman of the NLRB, concern himself solely with interpreting the present law. He is an individual who has earned the respect and trust of both management and labor.

And finally, in the words of Tom Campbell, a fellow labor law academic and former Republican Member of Congress, Professor Gould is an individual who is "Superbly qualified * * * has the deepest respect for the rule of law * * * has a brilliant mind * * * [and] will carry out the National Labor Relations Act as it has been interpreted by the courts and as it was enacted by the Congress."

Mr. President, I can think of no individual more qualified to serve as Chair of the NLRB than the individual who has been nominated by the President, Prof. William Gould. I am proud to speak in support of his nomination, and I urge that he be swiftly confirmed.

There being no objection, the list of supporters previously referred to was ordered to be printed in the RECORD, as follows:

SUPPORTERS OF PROF. WILLIAM GOULD

ACADEMIA

Robert N. Covington, Professor of Law, Vanderbilt University, Nashville, TN. Dated August 5, 1993.

Charles B.Craver, Merrifield Research Professor, The George Washington University, Washington, D.C. Dated September 2, 1993.

Jack H. Friedenthal, Dean, The George Washington University, The National Law Center, Washington, D.C. Dated September 9, 1993.

Alvin L. Goldman, Salmon Professor of Law, University of Kentucky, Lexington, KT. Dated August 23, 1993.

Herman M. Levy, Professor of Law, Santa Clara University, Santa Clara, CA. Dated August 25, 1993. (Letter signed with 75 other supporters): Dean Roger Ian Abrams, Rutgers Law School; Peter L. Adomeit, Western New England College, School of Law; Reginald H. Alleyne, U.C.L.A. School of Law; Florian Bartosic, University of California, Davis, School of Law; Robert Belton, Vanderbilt University, School of Law; Herbert N. Bernhardt, University of Baltimore, School of Law; Merton C. Bernstein, Washington University, School of Law; and Ronald C. Brown, University of Hawaii.

Norman L. Cantor, Rutgers Law School; Robert N. Covington Vanderbilt University, School of Law; Charles B. Craver, George Washington University, National Law Center; Kenneth G. Dau-Schmidt, Indiana University, School of Law, Bloomington; William F. Dolson, University of Louisville, School of Law; R. Wayne Estes, Pepperdine University, School of Law; Samuel Estreicher, New York University, School of Law; David E. Feller, University of California, Berkeley, School of Law; and Barbara J. Fick, Notre Dame Law School.

Joel William Friedman, Tulane University, School of Law; Jennifer Friesen, Loyola Law School; Julius G. Getman, University of Texas, School of Law; Raymond Goetz, University of Kansas, School of Law; Dean Michael J. Goldberg, Widener University, School of Law; Stephen B. Goldberg, Northwestern University, School of Law; Richard A. Gonzales, University of California, Hastings, College of Law; Dean Robert A. Gorman, University of Pennsylvania, Law School; and Joseph Grodin, University of California, Hastings, College of Law.

Michael Harper, Boston University, School of Law; Roger Hartley, Catholic University, School of Law; Dean Timothy J. Heinsz, University of Missouri, School of Law; Stanley D. Henderson, University of Virginia; James E. Jones, Jr., University of Wisconsin, Law School; Leo Kanowitz, University of California, Hastings, College of Law; Thomas C. Kohler, Boston College, Law School; Robert F. Koretz, Syracruse University, College of Law; and Douglas Leslie, University of Virginia, School of Law.

Lance M. Liebman, Columbia University, School of Law; Robert F. Koretz, Syracuse University, College of Law; J. Keith Mann, Professor of Law Emeritus, Stanford University, School of Law; Stephen A. Mazurak, University of Detroit, Mercy School of Law; John P. McCrory, Vermont Law School; William F. McHugh, Florida State University, College of Law; Robert G. Meiners, California Western, School of Law; Leroy S. Merrifield, George Washington University, National Law Center; and Gary Minda, Brooklyn Law School.

Charles J. Morris, Professor Emeritus, Southern Methodist University; William P. Murphy, University of North Carolina, School of Law; Walter E. Oberer, University of Utah, College of Law; Quentin O. Ogren, Loyola Law School; Cornelius J. Peck, University of Washington, School of Law; Daniel H. Pollitt, University of North Carolina, School of Law; David Rabban, University of Texas, School of Law; John E. Sanchez, Nova University, Shepard Broad Law Center; and Eric J. Schmertz, Hofstra University, School of Law.

Don W. Sears, University of Colorado, School of Law; Eileen Silverstein, University of Connecticut, School of Law; Clyde W. Summers, University of Pennsylvania, Law School; Donald T. Weckstein, University of San Diego, School of Law; Steve L. Willborn, University of Nebraska, College of Law; Calvin William Sharpe, Case Western Reserve University, Law School; William H. Simon, Stanford Law School; and Madelyn C. Squire, Howard University, School of Law.

Theodore, J. St. Antoine, University of Michigan, Law School; Katherine Van Wezel Stone, State University of New York at Buffalo; W. Gray Vause, Stetson University, College of Law; Lea Vander Velde, University of Iowa, College of Law; Paul Weiler, Harvard University, Law School; June M. Weisberger, University of Wisconsin, Law School; Marley Weiss, University of Maryland, School of Law; Dean Harry H. Wellington, New York Law School; and Martha S. West, University of California, Davis, School of Law.

Willard Wirtz, University of San Diego, School of Law; Donald H. Wollect, McGeorge School of Law, University of the Pacific; Stephen G. Wood, Brigham Young University, Law School; Jayne Zanglein, Texas Technology University, School of Law; and Michael J. Zimmer, Seton Hall University, School of Law.

Jean T. McKelvey, Professor and Coordinator of Off-Campus Graduate Credit Courses, Cornell University-NY State School of Industrial and Labor Relations, New York, NY. Dated September 8, 1993.

ARBITRATORS

Board of Arbitration, U.S. Steel Corporation and United Steelworkers of America, Pittsburgh, PA. Alfred C. Dybeck, Chairman. Dated September 10, 1993.

Kagel and Kagel, San Francisco, CA. John Kagel, Neutral Arbitrator. Dated September 13, 1993.

National Academy of Arbitrators Ann Arbor, MI, Dallas L. Jones, President, Dated September 14, 1993.

Frances Bairstow, Arbitrator, Clearwater, FL, Dated August 15, 1993.

Richard Mittenthal, Labor-Management Arbitrator, Bingham Farms, MI, Dated August 3, 1993.

Riley and Roumell, Detroit, MI, George T. Roumell, Jr., Labor Arbitrator, Dated September 24, 1993.

Eva Robins, Arbitrator, Attorney at Law, New York, NY, Dated September 2, 1993.

Arthur Stark Arbitration, New York, NY, Arthur Stark, Member and Former President of the National Academy of Arbitrators (NAA), Dated August 2, 1993.

CURRENT AND FORMER MEMBERS OF CONGRESS

Tom Campbell, Professor of Law, Stanford Law School, CA, (Former Representative in California's 12th Congressional District, 1989–1993), Dated September 15, 1993.

Representative William L. Clay, Michigan's 1st Congressional District, Dated September 7, 1993.

JUDGES

U.S. Court of Appeals, Sixth Circuit, Kentucky, Tennessee, Ohio, and Michigan, Judge Damon J. Keith, Dated September 21, 1993.

U.S. District Court, Eastern District of Michigan, Ann Arbor, MI, Judge Charles W. Joiner, District Judge, Dated September 9, 1993.

U.S. District Court, Southern District of New York, New York, NY, Judge Morris E. Lasker, Dated September 1, 1993.

NATIONAL BAR ASSOCIATION, INC., WASHINGTON, DC

Paulette Brown, President, Dated August 24, 1993.

MANAGEMENT REPRESENTATIVES

Elliot S. Azoff, Attorney; Baker & Hostetler, Cleveland, OH, Dated September 23, 1993.

Arthur P. Menard, Attorney; Cuddy, Lynch & Bixby, Boston, MA, Dated September 8, 1993.

Stanley E. Tobin, Attorney; Hill Farrer & Burrill, Los Angeles, CA, Dated September 10, 1993.

Basil A. Paterson, Attorney; Meyer, Suozzi, English & Klein, P.C., Mineola, NY, Dated September 23, 1993.

Frederick A. Morgan, Partner in the Labor Department; Frederick A. Morgan, San Francisco, CA, Dated September 14, 1993.

William J. Emanuel, Attorney; Morgon, Lewis & Bockius, Los Angeles, CA, Dated September 13, 1993.

Arthur B. Smith, Jr., Attorney; Murphy, Smith & Polk, Chicago, IL, Dated September 14, 1993.

Robert McAlpine, Director Policy & Government Relations; National Urban League, Inc., Washington, D.C., Dated September 22, 1993.

Stuart H. Bompey, Attorney; Orrick Herrington & Sutcliffe, New York, NY. Dated September 14, 1993.

Martin J. Oppenheimer, Chairman of the Labor and Employment Department; Proskauer Rose Goetz and Mendelsohn, New York, NY. Dated September 8, 1993.

Saul G. Kramer, Co-chairperson of the Labor and Employment Department;

Kroskauer Rose Goetz & Mendelsohn, New York, NY. Dated September 14, 1993.

Edward Silver, Member of the Firm; Proskauer Rose Goetz & Mendelsohn, New York, NY. Dated September 9, 1993.

R. Lawrence Ashe, Jr., Attorney; R. Lawrence, Jr., Atlanta, GA. Dated September 13, 1993.

Morton H. Orenstein, Attorney; Schachter, Kristoff, Orenstein & Berkowitz, San Francisco, CA. Dated September 2, 1993.

Richard Martin Lyon, Attorney; Seyfarth, Shaw, Fairweather & Geraldson, Chicago, IL. Dated September 9, 1993.

Dr. Edward J. Miller, Senior Vice President; Tri Valley Growers, Modesto, CA. Dated September 7, 1993.

Neal Sullins, Senior Attorney; Weyerhaeuser, Takoma, WA. Dated September 13, 1993.

Arnold E. Perl, Management Labor Attorney; Young & Perl, P.C., Memphis, TN. Dated September 13, 1993.

PROFESSIONAL SPORTS REPRESENTATIVES

Boston Red Sox, Boston, MA, James "Lou" Gorman, Senior Vice President General Manager. Dated August 20, 1993.

Golden State Warriors, Oakland, CA, Al Attles, Vice President and Assistant General Manager. Dated September 7, 1993.

Major League Baseball Player Relations Committee, New York, NY. Louis Melendez, Associate Counsel. Dated August 23, 1993.

The Oakland Athletics Baseball Company, Oakland, CA, Richard L. Alderson, President and General Manager. Dated September 10, 1993.

San Francisco 49ers, San Francisco, CA, Carmen A. Policy, President. Dated September 1, 1993.

Seattle Mariners, Seattle, WA, Charles G. Armstrong, President. Dated August 24, 1993.

UNIONS

Council of GSA Locals, Council 236, American Federation of Government Employees, Aubum, WA, Bruce G. Williams, Executive Vice President, Council #236. Dated August 18, 1993.

United Food & Commercial Workers International Union, AFL–CIO & CLC (UFCW), Washington, D.C., William H. Wynn, International President. Dated July 2, 1993.

Gwend Johnson, Member of Communications Workers of America and the Coalition of Black Trade Unionists, Washington, D.C. Dated September 24, 1993.

ADDITIONAL SUPPORTERS OF PROF. WILLIAM GOULD.

ACADEMIA

R. Wayne Estes, Professor of Law, Pepperdine University, Malibu, CA, Dated September 21, 1993.

Jay S. Siegel, Harvard University Center for Business and Government, Boston, MA, Dated September 22, 1993.

ARBITRATORS

Anthony V. Sinicropi, LaQuinta, CA, Dated October 1, 1993.

ATTORNEYS

David A. Cathcart, Los Angeles, CA, Dated October 15, 1993.

CIVIL RIGHTS ORGANIZATIONS—JOINT LETTER OF SEPTEMBER 30, 1993.

National Association for the Advancement of Colored People; National Association for the Advancement of Colored People Legal Defense and Educational Fund, Inc.; National Council of La Raza; National Urban League; and Women's Legal Defense Fund.

MANAGEMENT REPRESENTATIVES

Lloyd C. Loomis, Los Angeles CA, Dated September 27, 1993.

Maureen E. McClain; Kauff, McClain & McGuire, San Fransisco, Dated September 10, 1993.

Patrick N. McTeague; McTeague, Higbee, Libner, MacAdam, Case, & Watson, Topsham, ME, Dated October 1, 1993.

George E. Preonas; Seyfarth, Shaw, Fairweather & Geraldson, Los Angeles, CA, Dated September 22, 1993.

UNIONS

AFSCME Council 31, Chicago, IL, Rosetta Daylie, Associate Director, Dated October 7, 1993.

AFSCME/OHIO, Worthington, OH, Jacqueline L. McClellan, IUR. Dated October 1, 1993.

Amalgamated Service and Allied Industries, Washington, D.C., Clayola Brown Manager/Secretary-Treasurer. Dated September 27, 1993.

American Federation of State, County, and Municipal Employees. AFL–CIO, Indianapolis, IN, Stephan Fantauzzo, Executive Director. Dated September 28, 1993.

Coalition of Black Trade Unionists, Baltimore Chapter, Baltimore, MD, Mary Jones, Chairperson. Dated September 30, 1993.

Coalition of Black Trade Unionists Central Alabama Chapter, Birmingham, AL, Frank Paige, Chairperson. Dated October 4, 1993.

Coalition of Black Trade Unionists, Buffalo Chapter, Buffalo, NY, Robert Massey, Chairperson, Dianne Flakes, Vice Chair, Ron Wofford, Communications Chair. Dated October 8, 1993.

Coalition of Black Trade Unionists, Columbus Chapter, Columbus, OH, Danny N. Martin and Marlene Hill-Powell. Dated October 1, 1993.

Coalition of Black Trade Unionists, Joliet Chapter, Lockport, IL, Eveleyna U. Washington, President. Dated October 11, 1993.

Coalition of Black Trade Unionists, Midwest Region 6, IN, IL, MN, WI, Cordelia Lewis, Representative. Dated September 29, 1993.

Coalition of Black Trade Unionists, Toledo Chapter, Toledo, OH, Anita R. Barton, Chapter Chairperson. Dated October 7, 1993.

Coalition of Black Trade Unionists, Washington, DC, William H. Simons, Treasurer. Dated September 27, 1993.

DC 1707, New York, NY, Bettye W. Roberts, President. Dated October 1, 1993.

Local 743, Chicago IL, Robert T. Simpson, Jr., President. Dated October 6, 1993.

United Food and Commercial Workers, New York, NY, Robert H. Wilson, President. Dated September 27, 1993.

UFCW, Washington, D.C, William H. Wynn, International President. Dated October 18, 1993.

POLITICAL CAUCUSES

The National Black Caucus of State Legislators, Washington, D.C., Senator Regis F. Groff of Colorado, President. Dated September 24, 1993.

National Black Chamber of Commerce, Inc., Indianapolis, IN, Harry C. Alford, Chairman & CEO. Dated September 27, 1993.

PROFESSIONAL SPORTS REPRESENTATIVES

Milwaukee Brewers Baseball Club, Milwaukee, WI, Allan H. Selig, Chairman-CEO. Dated September 28, 1993.

Mr. PELL. Mr. President, I am very pleased President Clinton chose to nominate someone of Mr. Gould's stature and experience to the post of Chairman of the National Labor Relations Board. If I recall, it has been quite some time since the NLRB has been led by someone with his balanced experience. I am sure this past experience is an indication of the openmindedness he will bring to his new post.

Over the years, Mr. Gould has been involved in all facets of labor relations. After over a decade of what some might call business-oriented control of the NLRB, it is refreshing to have a nominee to this post with experience in both labor and management.

I would also note that Bill Gould began his distinguished career as an undergraduate at the University of Rhode Island.

While I received numerous letters supporting Bill Gould's nomination, many quite enthusiastic in fact, one letter in particular sticks out in my mind. Along with his many professional qualifications, Lou Gorman, general manager of the Boston Red Sox, felt compelled to note Mr. Gould's longtime devotion to the Red Sox. While not directly connected to the position of Chair of the NLRB, being a Red Sox fan for 47 years certainly indicates a sense of diligence and dedication, two attributes he may find useful in Federal service.

Mrs. BOXER. Mr. President, I would like to express my unqualified support for the nomination of William Gould IV to chair the National Labor Relations Board.

I am excited at the intelligence and sense of fairness that he will bring to the National Labor Relations Board, which needs new leadership to guide its mission in resolving labor-management conflict and to do its part to promote the economic well-being of all Americans.

You will hear a lot about Mr. Gould and his views—he is a prolific author of many scholarly and popular press articles—but the one theme that stands out is his fundamental belief in the strengths, for both management and labor, of democracy in the workplace.

He has had a career that has provided him varied vantage points from which to view the development of labor-management relations since his graduation from Cornell Law School and study at the London School of Economics in the early 1960's.

He worked as assistant general counsel for the United Auto Workers, served as a staff attorney for the NLRB, and represented management at a private law firm in New York.

He has served as a distinguished professor of law at Stanford University since 1972.

A member of the National Academy of Arbitrators, Mr. Gould has presided over 200 arbitration cases in nearly a quarter of a century. He was first admitted to the academy at the age of 33, one of the youngest members ever to join. That broad experience has taught him how to find the delicate balance between competing interests. He has helped to settle more than 200 labor disputes, across a broad array of occupations.

He has demonstrated a fair hand. In fact, as an arbitrator, he has ruled in favor of employers in 59 percent of the cases. He realizes the critical role labor-management cooperation will play as our industries face the restructuring needed to flourish in the international economy.

He supports easing restrictions preventing companies from forming more labor-management committees to work out their differences before they lead to strikes and in order to promote workplace efficiencies.

He knows, as a baseball fan and as an arbitrator in the 1992 salary disputes in major league baseball, that management cannot hit a home run without players willing to run the bases.

Mr. Gould has studied all aspects of our labor laws and their effects on this Nation. Within this single nomination, you have combined the openmindedness of the scholar and the practical experience of the negotiator.

I am also impressed that he understands the role of the Chairman of the National Labor Relations Board. He knows this job is not to set policy but to follow the law as passed by this Congress.

As he said at his confirmation hearing: as Chairman,

> My charge is to interpret existing law as it is written * * * my role is to decide cases based upon the facts and relevant law. In neither capacity is the fashioning of legislation part of the job description. That is an appropriate role for Congress.

His priorities as Chairman of the NLRB are: One, to establish a more efficient administrative agency where it does not take an average of 300 days from filing of a charge of unfair labor practice to a determination by the Board. We cannot afford administrative logjams contributing to already difficult conflict resolution.

Two, as an avid proponent of informal dispute resolution, Bill Gould will extend this remedy to the time before the complaint of unfair labor practice is issued by the Board's general counsel.

His third priority, as he said at his confirmation hearing, is above all others, and that is—

> * * * to eliminate or substantially diminish the polarization between the parties and to make the Board into an agency which as the full confidence or both labor and management, the Federal judiciary, as well as the general public.

Mr. President, I can think of no more appropriate job description for the Chairman of the National Labor Relations Board.

I think the comments of a bay area lawyer quoted in a story on Mr. Gould in the San Francisco Chronicle summed it up the best when he said:

> What you're going to see is somebody whose fundamental interest is protecting employee rights, but that's counterbalanced by the reality that if you don't have employers you don't have employees.

I urge my colleague to confirm William Gould to serve as Chairman of the National Labor Relations Board.

Mr. KENNEDY. I expect that we will move toward a vote in the very near future. I will just make a final few comments and then suggest the absence of a quorum so that the leader can move us into a vote situation.

Mr. President, I would like to comment very briefly on a couple of matters that have been raised by some in the Chamber this afternoon as issues which should give some pause to support this nomination.

My good friend, Senator NICKLES, was pointing out that Mr. Gould supported legislation to require joint safety and health committees to develop cooperation between employers and employees to deal with the issue of health and safety in the workplace.

It is true that we have legislation before our committee to require this. But this is a process now which is already followed in a number of States, including the State of Washington and the State of Oregon, and the business communities in those States have been wholly enthusiastic in support of that concept.

What we have seen in those States has been a significant reduction in workmen's compensation and lost time from workplace injury and illness, increased safety, and less regulation imposed on many of those industries. So this is something that we will have an opportunity to debate, hopefully, in this Congress.

Second, Mr. President, Joe Dear, the Assistant Secretary of Labor who is running the OSHA program at the Labor Department and who was formerly Commissioner of Labor in the State of Washington, testified before our committee that rather than being an instrument to promote unionism, requiring safety and health committees had a contrary effect; that one of the elements that causes employees to support creating a union is an unsafe workplace, and that where there is a safety and health committee that employees can use to get a safe workplace, there is less pressure for them to move towards unionization.

Now, the fact that Mr. Gould supports safety and health committees does not seem to me a very radical idea, and it is again an idea that the administration supports, and, hopefully, we will have bipartisan support when we are able to consider the legislation in the Chamber.

Third, a question was raised about whether Professor Gould would change the law with regard to what is or is not construed a mandatory subject of bargaining. That question was put to Mr. Gould specifically at his confirmation hearing before the Labor and Human Resources Committee: "Would you place any limit on the subject matter of bargaining under your view of labor law?"

Mr. Gould's answer, which is part of the hearing record, at page 37 was:

> The elimination of the distinction between mandatory and permissive subjects for bargaining is not a policy that is open to the Board, and any legislative modifications of the current law would come to the Board in the context of concrete legislation which would reflect legislatively determined standards in this area.

He recognized quite completely that if there was going to be some changes in that aspect of the law, it has to be done legislatively and not by the NLRB.

Finally, Mr. President, there has been at least some attempt—hopefully not persuasively—to characterize Mr. Gould as being some kind of "radical" in terms of his understanding of labor law issues.

I have a copy of a law review article by Prof. Charles Fried, of the Harvard Law School, entitled, "Individual and Collective Rights in Work Relations. Reflections on the Current State of Labor Law and Its Prospects."

As the Members here would know, Professor Fried was Solicitor General in the Reagan administration and has what I think could fairly be described as quite conservative views in the labor law area. In fact, in this article Professor Fried is extremely critical of what he describes as certain "radical left legal scholars" and their views on U.S. labor law. It is interesting to note that Professor Fried has a footnote, footnote 17, in which he cites a particular article written by Professor Gould where he goes out of his way to make clear that Professor Gould is not one of the so-called radical scholars he is criticizing.

For a discussion of such and such an issue, he writes in the footnote, "see generally Gould." And then he adds in parentheses, "Not a radical legal scholar!" And he actually has an exclamation point here for emphasis.

So here we have a distinguished scholar with strong conservative, Republican credentials who has actually studied and is familiar with Gould's academic writing emphatically rejecting the notion that Bill Gould is somehow out of the main stream. I think this demonstrates that the exaggerated statements that have been made to the effect that there is something extreme or outside the mainstream about Professor Gould's views really do not hold water.

Mr. President, I thank the Members for their attention.

Let me finally just point out that when these nominees are confirmed, there will be two Bush appointees still on the Board and then there will be three of President Clinton's three nominees, who include Charles Cohen, who is a Republican. I think the Board will be ably and capably led by Professor Gould, who has demonstrated extraordinary integrity and professional competency, and a fundamental commitment to the rule of law over a long and distinguished career, and I very much hope that the Senate will approve his nomination.

Mr. President, I yield back the remainder of my time.

Mrs. KASSEBAUM. I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the question is, shall the Senate advise and consent to the nomination of William B. Gould IV, of California, to be a member of the National Labor Relations Board? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

I also announce that the Senator from Maryland [Ms. MIKULSKI] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. DURENBERGER] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 58, nays 38, as follows:

[Rollcall Vote No. 49 Ex.]

YEAS—58

Akaka
Baucus
Biden
Bingaman
Boren
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Chafee
Conrad
Daschle
DeConcini
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mathews
Metzenbaum
Mitchell
Moseley-Braun
Moynihan
Murray
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wofford

NAYS—38

Bennett
Bond
Brown
Burns
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
Danforth
Dole
Domenici
Faircloth
Gorton
Gramm
Grassley
Gregg
Hatch
Helms
Hutchison
Kassebaum
Kempthorne
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Simpson
Smith
Stevens
Thurmond
Wallop
Warner

NOT VOTING—4

Durenberger
Glenn
Mikulski
Pryor

So, the nomination was confirmed.

Mr. KENNEDY. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of the following nominations which the clerk will report.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of Margaret A. Browning, of Pennsylvania, to be a member; the nomination of Frederick L. Feinstein, of Maryland, to be general counsel; and the nomination of Charles I. Cohen, of Maryland, to be a member; and the nomination of William B. Gould, IV, of California, to be a member.

The PRESIDING OFFICER. Under the previous order, the nominees are confirmed en bloc, the motions to reconsider are laid upon the table en bloc, and the President will be immediately notified of the Senate's action.

The nominations considered and confirmed en bloc are as follows:

NATIONAL LABOR RELATIONS BOARD

Margaret A. Browning, of Pennsylvania, to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1997;

Frederick L. Feinstein, of Maryland, to be general counsel of the National Labor Relations Board for a term of 4 years; and

Charles I. Cohen, of Maryland, to be a member of the National Labor Relations Board for the term of 5 years expiring August 27, 1996; and William B. Gould, IV, of California, to be a Member of the National Labor Relations Board for the remainder of the term expiring August 27, 1993.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. BYRD. I thank the Chair.

Mr. President, may I ask the distinguished Senator from Virginia how lengthy a statement he wishes to make.

Mr. WARNER. Mr. President, I inform my good friend, the President pro tempore, I would like to introduce two bills, taking about 6 minutes for each, but I will adjust this to suit the accommodation of the Senate and the Senator.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I intend to speak on the immigration bill which was introduced by Senator SIMPSON earlier today. I am a cosponsor of this legislation. I would like to make a statement.

I do not want to discommode the distinguished Senator from Virginia by keeping him waiting. If he could limit his statement to——

Mr. WARNER. Mr. President, what I would like to do is return at a more appropriate time and allow the senior Senator from West Virginia to proceed, and then I can return a little later today. There is no great urgency.

Mr. BYRD. I thank the distinguished Senator. I would be happy to yield for 5 or 6 or 7 minutes. I do need to proceed as soon as I can but I am happy to yield.

Mr. WARNER. If the Senator will yield me 5 minutes I will introduce the bills.

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Virginia [Mr. WARNER] for no longer than 6 minutes—there is no controlled time—but that I may do that without losing my right to the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Virginia is recognized.

Mr. WARNER. I thank the Chair.

(The remarks of Mr. WARNER pertaining to the introduction of S. 1886 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. I thank the Chair.

(The remarks of Mr. WARNER pertaining to the introduction of S. 1887 located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WARNER. I thank the Chair. I thank my distinguished colleague from West Virginia, and I yield the floor.

Mr. BYRD. I thank my friend from Virginia, Mr. WARNER.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. I thank the Chair.

(The remarks of Mr. BYRD pertaining to the introduction of S. 1884 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SIMPSON. Mr. President, I was here especially to listen to the remarks of my senior colleague from West Virginia because he has joined me throughout my legislative activities with regard to immigration reform.

Senator BYRD, some may not recall, was on the Judiciary Committee for many years, and was on the committee when I came to join the Judiciary Committee of the Senate in 1979. He extended to me every courtesy, and was a great source of learning for a new, freshman Senator.

Then he watched as I was appointed by President Carter to the Select Commission on Immigration and Refugee Policy, and would say to me often: How are you coming with your work? Do you have a good staff? Will you be presenting some legislation to us?

And we did. The Commission responded with the fabric of two bills; one to control illegal immigration and one to control legal immigration. I think probably the Senator from West

Virginia would have a better institutional knowledge, but I do not know many commissions appointed by the President that actually can say that they did what they were supposed to do in the form of legislation. They often compile their reports and their staff volumes, and then they gather dust somewhere. But we went forward.

Father Ted Hesburgh of Notre Dame was our President. We began our work, and throughout all those years there was always one vital ally, through the best and the worst times of immigration reform, legal and illegal immigration reform. There was an initial question that Senator BYRD had—he expressed it to me with regard to his State—that had to do with the H-2 worker programs with regard to agriculture. We resolved those not just for that State but with my own State and other States, and then we moved forward with the reform.

I can tell you, in my years of conference committees and activities of being in the majority and the minority, especially in conference committees in the early times when Senator BYRD was a member of the committee, I always felt a great lightness of step when I would have his proxy in my pocket on immigration reform. And it was always lodged tightly there as he would send me off.

Senator BYRD has been a real warrior in the fray, an extraordinary ally, a very constructive observer, a most adroit advocate, and a loyal friend. And now has chosen to serve me once again and assist me—it is more assistance in every way—as an original cosponsor of a sweeping piece of legislation which he has just well described. But it deals with the entire spectrum of asylum reform, deportation proceedings reform, public assistance reform, some type of, obviously, better verification system.

I showed you graphically how anyone can obtain those documents, this morning. I will not go into that again. But I thank the Senator from West Virginia for his extraordinary consistency and support in a very difficult issue which, if you are not very cautious, can often find its way off in the channels of emotion, guilt, fear, and racism. He has never allowed that to happen. I have not allowed it to happen.

Now we go forward with a consensus in a good, strong, bipartisan bill. That is the way I have always dealt with this issue. I think it portends well for the Senate to have a very good bill coming out of here within the next few months, in time for the House—the House will be dealing with theirs—in time to go to conference.

There are some fine people on both sides of the aisle in the House and the Senate that are ready to go forward with sensible, realistic, nonnativist immigration reform. I thank the Senator from West Virginia. He has been a superb friend throughout.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I have been asked by the distinguished majority leader to ask unanimous consent that the Senate now proceed with a period for the transaction of morning business, and that Senators may be permitted to speak therein for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ON THE SHOOTING OF FOUR STUDENTS IN NEW YORK CITY

Mr. MOYNIHAN. Mr. President, I rise to draw the attention of the Senate to a terrible crime committed yesterday in New York City. At 10:54 a.m. yesterday, on an on-ramp to the Brooklyn Bridge, a lone gunman driving a blue Chevrolet opened fire on a van carrying 15 to 16 Hasidic students. The students were returning to Brooklyn after visiting the spiritual leader of the Lubavitcher sect, Menachem Mendel Schneerson, who was recovering from minor surgery at Manhattan Eye, Ear, and Throat Hospital.

The gunman pursued the van onto the bridge, reportedly firing at least 11 shots from one or more semiautomatic weapons.

Four young men were injured; two critically. A 15-year-old, Aaron Halberstam, the personal student of the Lubavitcher Rebbe, has been declared "clinically brain dead" by doctors at St. Vincent's Hospital in Manhattan, where all four victims have been receiving care.

A second victim, Nachum Sossonkin, 18, was also struck in the head by gunfire, and is given little hope of recovery. The third victim, Levi Wilhem, 18, is in stable condition after undergoing surgery to remove a bullet from his abdomen. The fourth victim, Yaakov Shapiro, also 18, was treated for minor wounds to his hands and released.

According to New York Police Commissioner William Bratton, who spoke at a press conference at 3:45 p.m. this afternoon, a suspect apprehension is, of course, a tribute to the abilities of the New York City Police Department, many of whom worked through the night on the investigation that led to the suspect's arrest.

The suspect, Assad Baz, 28, is a Lebanese National who came to the United States in 1984. His current immigration status is being investigated. He has been charged with 15 counts of attempted murder, 3 counts of assault in the first degree, 1 count of assault in the second degree, and numerous weapons charges.

Police have recovered a Glock 9mm semiautomatic handgun, a Luger semiautomatic submachine pistol, a .380 caliber semiautomatic handgun, and a Street Sweeper, which is a semiautomatic shotgun capable of firing 12 shotgun shells in 3 seconds.

It is not yet known with absolute certainty whether the gunman targeted his victims because they were Jewish. It seems unlikely that they were chosen at random.

Mr. President, this is beyond our worst nightmares. We have come to a point where people are killed not for what they say or do, which is awful enough, but merely for who they are or what they believe. Just 2½ years ago, Yankel Rosenbaum was stabbed to death in Crown Heights because he was Jewish. I said at the time that it was a lynching.

Earlier today, New York Mayor Giuliani called me to discuss the latest developments in the case. An individual committed this crime. One person has been charged thus far, no more than that. What we must condemn is the crime; in no way do we condemn the nationality or religion of the person or persons responsible.

Mayor Giuliani is surely to be commended for his handling of this, his first such incident since taking office in January.

Mr. President, our prayers are with the young men who were shot and with their families. I ask unanimous consent that an article from today's New York Post about young Aaron Halberstam be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Post, March 2, 1994]

VICTIM WAS REBBE'S CHOSEN ONE

When Aaron Halberstam was 3, the man known by many in Crown Heights as the messiah hoisted him upon his knee.

"Aleph, bet . . . ," the holy man began.

It was a simple lesson the Hebrew alphabet—one every yeshiva boy learns as soon as he can walk. But to Ari Halberstam, it was something more.

At the age of 3, he alone was chosen to be the personal student of Rebbe Menachem Schneerson. "He's the only boy the rebbe sat on his leg," a friend told me with admiration.

In Crown Heights, where Lubavitcher boys study from sunup to long past sundown, Ari Halberstam was known to all as someone special.

Last night, the gravely injured boy would need every prayer the community could muster as he fought for his life.

Ari grew up in a family that orbited the inner rung of the rebbe's circle, a boy fiercely devoted to the holy man who gave him language. And so it was fitting yesterday that Ari rose at 5 a.m., to accompany his mentor to the hospital. That he should be sacrificed as a result of the small act of kindness weighed heavy on the hearts of the boys studying late into the night at yeshiva Ohelei Torah.

"He felt such love for the rebbe," a classmate said. "He felt he must be there with him."

Last night, long after dark, a time when ordinary youngsters have settled down in front of the TV, yeshiva Ohelei Torah was alive with the serious words of study and the rhythmic melody of prayer. Like most young men his age. Ari spent most of his waking hours in this run-down school of chipped paint and ancient wooden desks on Troy Avenue.

There are no fancy computers here, no jazzy texts. Yet the constant flow of eager-faced boys, draped in prayer shawls, talking excitedly, ignites a life into these grim surroundings you don't often see in the most modern of institutions.

As the school hummed with purpose, it was as if the very building awaited Ari's return.

Atop a wooden desk, Ari's textbook sat, open to the page of Talmudic study where he had left off just a day earlier. It is jammed with looseleaf sheats, all covered in the neat, even letters that Ari learned so carefully from the rebbe.

"Because he stole from a high priest, he has to give it back," reads one entry on Talmudic law.

There also are things that the rebbe could not have taught him—the doodles and daydreams of a boy of 16. Ari may be special, but he is a boy.

There is a hand-drawn picture of a youth trying to sneak into class. "You're late," someone yells. There also is a caricature of a bearded, bespectacled man—Ari's teacher? On one entire page, Ari has practiced his signature, the letters getting taller and dreamier with each try.

Another page is halting. "If he is not breathing," Ari wrote, "you take him out because even if there are broken bones it doesn't matter because he will die."

It turns out to be a lesson in first aid. One of the last lessons he has written.

The boys of Ari's class passed around the book last night, as if it offered some connection to the missing boy. They were careful not to disturb the pages, in case the owner should need them.

The students talked of Ari, with respect and with sadness. His father, they told me, was the driver for the rebbe's late wife, a position of great prominence in this community. And when the woman died, it was Ari who was bequeathed her prayer book, a holy artifact in these parts.

But Ari also was an athlete, a scholar and a regular guy. "He didn't boast," said Moishe Levin, 15. "He was not a big showoff."

Moishe was at school last night, instead of the hospital, for one simple reason: He did not wake up early enough to accompany the rebbe to Manhattan. Like virtually every other Jew in Crown Heights, he was convinced the shooting of his friends and classmates was the work of those out to kill Jews in retaliation for events in Israel.

And it could happen again.

"It is very scary," a boy named Yitzhak said. "It could happen anywhere."

So the wave of international terror has been felt in this rundown building on Troy Avenue, where a boy's book sits, open, to the words he learned from a holy man. Yet here, there is no talk or revenge. Just of a boy. A special boy.

I ask Moishe if he wants to fight back. He said no.

"All you can do is pray," he said. "Violence is not the way to go."

MARINE TOYS FOR TOTS

Mr. WARNER. Mr. President, I draw my colleagues' attention to an extremely disturbing article which appeared recently on the front page of the Washington Post. The article, entitled "Marines Toys for Tots Spent Millions on Itself; Donations Used to Run Charity, Not Buy Gifts," reported that the highly respected Toys for Tots Program had collected nearly $10 million in the past 2 years, none of which was used to purchase toys for underprivileged children.

Mr. President, I find that headline somewhat misleading. The story failed to make clear that underprivileged children were not the only victims of this scenario—the U.S. Marine Corps Reserve, long committed to the Toys for Tots Program, also has been damaged. I would like to take this opportunity to set the record straight.

The Marine program is not at fault—the charitable foundation augmenting the program went astray.

The article describes a problem with national charities which I have been trying to correct legislatively, without success, for 2 years. I raise this case as a signal to all of that intent to relentlessly press on until this body joins me in addressing the issue. Unfortunately, this case is another sequel to the tragic problems that hurt the United Way.

Marine reservists lend their name, commitment and untold volunteer hours to this project, collecting toys across the country to distribute to needy children who might otherwise find the holidays a dismal prospect. Like all endeavors in which the corps participates, the Toys for Tots drive gained great success, transformed from a small, local drive into a respected nationwide endeavor. Ironically, success spelled the program's downfall.

The program's rapid growth took it far beyond the management scope of Marine Corps Reserve volunteers. In a single season alone, 7.5 million toys were distributed to 3.5 million needy children. To ensure effective management of this burgeoning success, the Toys for Tots Foundation, a civilian enterprise separate and distinct from Marine Reserve forces or the Marine Corps itself, was created to help hardworking marines collect large sums of money to purchase needed toys. The corps continued to associate its name with the program it had created, believing that the foundation would provide relief from the complex management problems associated with charitable fundraising on such a large level. Marine reservists would then be freed to do what they do best: collecting and distributing toys for deserving youngsters during the holidays.

Unfortunately, that happy ending does not fit this story.

By now, my colleagues will be aware of legislation I have introduced to require heightened disclosure from tax-exempt and charitable organizations. When I initially introduced the measure some year and a half ago, I was responding to a situation I hoped to be fairly isolated: the much ballyhooed high-flying lifestyle of the then-head of the United Way, William Aramony. Regrettably, that situation was not isolated. Abuses and mismanagement of donated funds continue at an alarming rate within some charitable organizations, including the Toys for Tots Foundation. Indeed, the past civilian president of the foundation is being investigated for financial improprieties.

I am aware that many charities are run in an organized manner, with full disclosure and excellent use of charitable contributions. These are obviously not the organizations I am targeting. Further, these well-run organizations should welcome my efforts; heightened disclosure will reassure donors that their contributions are being well-spent, and that will fare well and instill renewed confidence in all charitable organizations.

In light of situations such as these, it is evident that my legislation remedy continues to be both needed and timely. I find it somewhat ironic that, had my measure been enacted shortly after it was first introduced, the recent Toys for Tots incident might have been avoided.

Toys for Tots is a worthwhile effort. Thousands of Marine Corps reservists committed to the program deserve our thanks and commendation. It is unfair and unacceptable for their reputations to have been tarnished by actions for which they bear no fault.

We also owe a debt of gratitude to the even greater numbers of generous Americans who contributed to the Toys for Tots Program.

What will it take to stop this train? How many times must I come to the Senate floor to implore my colleagues to stop looking the other way, to demand accountability from charitable organizations who take money from inherently goodhearted Americans?

Mr. President, this is another in a series of articles that really began with the United Way tragedy where the press have exposed the fact that certain well-recognized, well-accepted, well-funded, well-supported charities have taken these donations and used them in such a manner inconsistent with the objectives publicly stated by the charity. In this instance all of the money basically went to run the charity.

Mr. President, I have introduced in this session of the Congress S. 565, together with the distinguished senior Senator from North Carolina, legislation to begin to require these charities to make greater public disclosure of their internal operations of the dollars raised and how they are used.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. IMPROVED DISCLOSURE TO DONORS BY TAX-EXEMPT ORGANIZATIONS.

(A) IN GENERAL.—Section 6033 of the Internal Revenue Code of 1986 (relating to returns by exempt organizations) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) ADDITIONAL REQUIREMENT FOR TAX-EXEMPT ORGANIZATIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any organization described in section 501(c)(3) or 501(c)(4) and any separate segregated fund described in section 527(f)(3) maintained by such organization, which is subject to the requirements of subsection (a) shall—

"(A) advise each contributor of the availability of a disclosure statement described in paragraph (3), and

"(B) shall furnish such statement upon written request to—

"(i) such contributor, or

"(ii) any potential contributor,

within 30 days of such request.

"(2) EXCEPTION.—Paragraph (1) shall not apply to—

"(A) any organization described in clause (ii) or (iii) of section 170(b)(1)(A)), or

"(B) any organization the gross receipts of which in each taxable year are normally not more than $100,000.

"(3) DISCLOSURE STATEMENT.—The disclosure statement described in this paragraph is a statement for the most recent taxable year for which a return under subsection (a) has been field, which contains the information described in—

"(A) paragraphs (1), (2), and (3) of subsection (b), and

"(B) paragraphs (6) and (7) of subsection (b), but only with respect to—

"(i) the 5 highest compensated individuals of the organization for such taxable year, and

"(ii) any other individual whose total compensation and other payments from such organization for such taxable year exceeds $100,000.

"(4) PROCESSING FEES.—Any organization furnishing a disclosure statement under this subsection may require that a self-addressed, stamped envelope and a fee not to exceed $2 to cover the costs of copying and mailing such statement be included in the written request for such statement.".

"(b) PENALTY FOR FAILURE TO MEET REQUIREMENTS.—Paragraph (1) of section 6652(c) of the Internal Revenue Code of 1986 (relating to returns by exempt organizations and by certain trusts) is amended by adding at the end the following new subparagraph:

"(E) DISCLOSURE STATEMENT.—In the case of a failure to comply with the requirements of section 6033(e)(1) (relating to disclosure statements provided upon request), there shall be paid by the person failing to meet such requirements $50 for each day during which such failure continues.".

"(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1994.

MARINES' TOYS FOR TOTS SPENT MILLIONS ON ITSELF

(By Liz Spayd)

The Marine Toys for Tots Foundation, the chief fund-raising arm for the Marine Reserve's Christmas gift drive, has collected nearly $10 million in the last two years through a direct-mail campaign, but foundation officials acknowledge that none of the money has gone to buy toys for needy children.

The charity also is the target of a federal probe into whether its former president diverted money from the nonprofit organization and engaged in other financial improprieties for his personal benefit, according to foundation officials and others familiar with the investigation.

Marine Reserve officials said they are scrambling to correct the problems, but said they are worried that the foundation's questionable management practices will jeopardize the success of the annual gift drive, which began more than 40 years ago.

While toys donated to individual reserve units across the country are reaching children who need them, most of the money donated through the reserve's three-year-old foundation is not.

Of all the money the foundation raised in its most recent fiscal year—including corporate gifts and those from federal workers through the Combined Federal Campaign—10 percent went to buy toys, foundation officials said. The rest was spent on management, fund-raising expenses and materials used to promote the reserve's toy appeal.

And for the second year in a row, the donations mailed in by more than 200,000 people across the country did not cover the cost of running the foundation's massive direct-mail effort, according to the charity's records.

"This foundation has been an embarrassment," said retired Lt. Gen. Matthew T. Cooper, who took over the nonprofit's reins five months ago. "But we are trying to put the train on the track, working seven days a week to assure the public's money goes where it should."

Foundation officials said the most serious problems stem from their former president and chairman, Jerry L. King, who was dismissed last summer after the Buffalo News reported that King had been convicted of tax evasion and conspiring to deal in counterfeit money.

Cooper said the foundation is cooperating with investigators from the Justice Department and the U.S. attorney's office in Buffalo in their efforts to determine whether King took money from the charity.

Both of those offices said they do not confirm or deny investigations. King, reached at his home outside Buffalo, declined to comment yesterday.

After King left, Cooper said, numerous questions began to arise about how the foundation's records were kept and whether King was funneling money into toy companies in which he had a financial interest.

A newly completed audit by a Bethesda accounting firm, Whelan, Barsky and Associates, said that so many invoices, purchase orders and other records were missing that the auditors could not document whether hundreds of thousands of dollars worth of transactions were authentic.

The financial report also raised questions about whether the foundation paid for goods and services that were not actually received. It questioned the foundation's relationship with the two toy companies in which King had a financial interest.

Foundation officials said they have moved swiftly to put the charity back on track: They installed a new president, expanded the board of directors, instituted tighter financial controls and moved the headquarters from Amherst, N.Y., near Buffalo, to rent-free space at the Marine Base in Quantico, 30 miles south of Washington.

But questions about their operations remain.

In a report issued this week by the Better Business Bureau, the foundation is cited as violating six of the consumer watchdog group's 22 standards for charitable organizations. Among the group's concerns are the amount of money spent on fund-raising and management and the lack of complete financial data on the foundation's operations.

"It is unfortunate that so much of their money is being consumed by fund-raising costs and overhead," said Bennett Weiner, who oversees the bureau's charity division. "I would think that should be a serious concern of contributors."

Cooper, who makes $100,000, and his operations manager, who receives $45,000, are the only employees on the payroll. The biggest expenses, records show, have been printing costs and consulting fees paid to Steve Cram and Associates, a Fairfax company that runs the foundation's direct-mail appeal.

Cooper declined to discuss the terms of that agreement, except to say that it is being reviewed so that the charity can receive more favorable terms.

[From the Washington Post, Feb. 10, 1994]

MARINE CHARITY'S FORMER PRESIDENT IS TARGET OF U.S. PROBE

"My goal, and it is an optimistic one, is to have 75 percent of the money raised in the next mailing go toward program expenses, with most of that going to buy toys," Cooper said.

Part of the problem, according to the foundation, is that it is very expensive to initiate a direct-mail campaign.

Fund-raising specialists agree that prospecting for new donors through the mail can be a money-losing proposition at first. But they also questioned why a charity that had sent more than 14 million pieces of mail wouldn't have generated some money for its cause.

"To have done that much mailing and not have anything to show for it makes me think something is wrong. That's not typical," said Hal Malchow, a direct-mail consultant to several national nonprofit organizations.

Foundation officials also defended the fact that only a small percentage of donations received has gone to buy toys. Part of their organization's purpose, they said, is to educate the public on the needs of poor children and to encourage them to donate toys to individual reserve units.

Even with those expenses, the foundation said it still was able to add 500,000 toys to the 8 million collected by reserve units across the country last Christmas. The money for those toys came from corporate donations and sources other than the direct-mail campaign.

Washington area residents contributed 160,000 of the toys, which the local reserve unit says went directly to needy families in the area.

Sgt. Joseph Steigerwald, who heads the local toy drive, said he has heard only rumor about the problems at the foundation and was never told there was a federal investigation or problems involving its operations.

As is practice, money donated in Washington is sent to the foundation. Steigerwald said that money has been available when he needs to buy toys.

> Officials at the Marine Reserve's headquarters in New Orleans said they are concerned about the problems at the foundation and are conducting an annual review of the program to ensure that the toy drive is operating efficiently and is not jeopardized by the foundation's problems.
>
> "We are reviewing the whole program, particularly in light of the foundation and the investigation into it," said Maj. Betsy Sweatt, director of public affairs for the Marine Reserve.
>
> "But Toys for Tots is a good program that has been serving the community for years, and we want to make sure it stays that way," she said.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TO CONDEMN THE MASSACRE IN HEBRON

Mr. LEVIN. Mr. President, I send a resolution to the desk for myself, Senator BOXER, Senator PELL, and Senator METZENBAUM.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 184) to condemn the massacre in Hebron, and urge all parties in the Middle East peace process to renew energy to achieve a just peace.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LEVIN. Mr. President, this resolution has now been cleared by all Senators. In my remarks, I will state basically what the resolution states because I think the words here are important to reflect the sentiment, hopefully, of all Senators.

Immediately after Prime Minister Rabin and Chairman Arafat shook hands on the White House lawn last September, extremists on both sides vowed that the declaration of principles that were signed that day would never come to fruition. That is what we say in our first "whereas" clause.

We then point out that since the signing of the declaration of principles in September 1993, many innocent people have been the victims of vicious acts of terrorism, and that the massacre that took place on February 25, 1994, at the Tomb of the Patriarchs in Hebron was an act of murderous terrorism directed at innocent persons at prayer.

We further point out that the purpose of these acts of terrorism, both at Hebron and all of the other acts of terrorism which have taken place, was to derail the Middle East peace talks.

Then we point out that as diplomats have inched their way toward fulfilling each article of the declaration, extremists have just as painstakingly plotted disruption, preyed on innocents and haphazardly killed and mauled innocent people.

Then we say that if the chances for peace in the Middle East are harmed by the act of terror in Hebron or other acts of terrorism, then these acts of terrorism will have achieved their purpose; and that to prevent terrorism from achieving its purpose, all parties must now redouble their efforts to gain success in those peace talks.

The Senate resolution says the following:

We, the Senate, express our condemnation of the massacre perpetrated in Hebron as violative of all standards of civilized human behavior, and violative of the policies of the Government of Israel and every other government that has spoken out against this atrocity.

And we further resolve that the Senate condemns all acts of terror intended to disrupt the peace process or for any other purpose.

We further resolve that the Senate commends the Government of Israel for its strong condemnation of the Hebron killings, for reaching out to the victims' families, and for taking swift and appropriate action to respond to the threat posed by extremists.

We finally resolve that the Senate urges all parties and others involved in the Middle East peace talks to apply renewed energy to achieve the prompt and just conclusion which is the only way—the only way—to obtain long-term security for all people in the area and as the best way in the short term to deny terror any measure of success.

Mr. President, the terrorist act at Hebron, as are all terrorist acts, was an abomination. Such acts violate our very sense of what life should be, and those acts are an affront to life and to hope itself. The President of Israel, Ezer Weizman, insisted that the shooting at Hebron was anti-Jewish and anti-Israel, and it was. It was also antihope, antipeace, anticivilization. It was simply inhuman, and it must not succeed, and other acts of terror must not succeed. In order to deny any success to that act of terror, or to any other acts of terror, now all parties to the Middle East peace talks must apply renewed energy to achieve the prompt and just conclusion, which is, again, the only way we are going to obtain long-term security for people of the region.

Denying terrorism any measure of success is the only way we are going to stamp out terrorism. Terrorism must not and cannot achieve its goal, and to frustrate those acts in the Middle East, the peace talks now must succeed.

So we in this resolution on behalf of the Senate call upon the parties to redouble their efforts to reach a just conclusion to those peace talks. That is the answer to the terrorists who would derail those talks. It is the best answer, the most dramatic answer and, obviously, it is also the best answer for all the peoples of the Middle East.

In closing, Mr. President, I want to thank Senators on both sides of the aisle, who have been involved in the drafting of this resolution. I particularly want to thank Senator BOXER, who really thought of the appropriateness of this resolution, that the Senate speak out on this subject. It has been a real pleasure working with her on this matter.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized..

Mrs. BOXER. It truly is an honor to have a chance to work with my friend from Michigan, Senator LEVIN. When we learned of the massacre in Hebron, we talked and shared our grief and our feelings and our concern that this act could in fact derail the peace process, as would all acts of terrorism. We decided it would be a good idea for the Senate to go on record to express its outrage at this particular act of terrorism and to point out that terrorism from every quarter must be condemned and must be stopped.

We knew when we saw that wonderful moment in history at the White House, when we saw Yasser Arafat and Rabin shake hands, we knew that the Middle East peace process would be frought with hope, as well as fear, and that it would be a dangerous time. But we also knew that, in the end, people in the world want peace; people in the world want their leaders to sit in those rooms and work it out.

Yes, there are minorities on all sides, minorities in the Arab community, the Palestinian community and, unfortunately, as we saw in Israel, who would want to derail this process. I think it is important for us to stand up for this peace process and to go on record today very clearly in support of this peace process, and in a fair and just peace for Israel and the Palestinians and the Arab nations. No one wants it more than they do—a fair and just peace. We urge them to not let these acts, these individual acts of terrorism deter them from their goal.

The peace talks are too important, not only to Arabs and Jews and Palestinians, but to every one of us. We all hold our breath, and we really pray that the tragedy in Hebron will galvanize us on all sides to stand up for peace, to pray for peace, and with the passage of this resolution, of which I am so proud to be a cosponsor, to say to the world that the U.S. Senate stands against terrorism from every quarter and for peace for all people of the Middle East.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the resolution?

The question is on agreeing to the resolution.

The resolution (S. Res. 184) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 184

Whereas immediately after Prime Minister Rabin and Chairman Arafat shook hands on the White House lawn last September, extremists on both sides vowed that the Declaration of Principles signed that day would never come to fruition, and

Whereas since the signing of the Declaration of Principles on September 13, 1993, many innocent people have been the victims of vicious acts of terrorism, and

Whereas the massacre that took place on February 25, 1994 at the Tomb of the Patriarchs in Hebron was an act of murderous terrorism directed against innocent persons at prayer, and

Whereas the purpose of these acts of terror was to derail the Middle East peace talks, and

Whereas as diplomats have inched their way towards fulfilling each article of the Declaration, extremists have just as painstakingly plotted disruptions, preyed on innocents and haphazardly killed and maimed people, and

Whereas if the chances for peace in the Middle East are harmed by the act of terror in Hebron or other acts of terrorism, then these acts will have achieved their purpose, and

Whereas to prevent terrorism from achieving its purpose, all parties must now redouble their efforts to gain success in those talks: Now, therefore, be it

Resolved, That the Senate expresses its condemnation of the massacre perpetrated in Hebron as violative of all standards of civilized human behavior, and as violative of the policies of the government of Israel and every other government that has spoken on this atrocity, and

Be it further resolved, That the Senate condemns all acts of terror intended to disrupt the peace process or for any other purpose, and be it further

Resolved, That the Senate commends the government of Israel for its strong condemnation of the Hebron killings, for reaching out to the victims' families, and for taking swift and appropriate action to respond to the threat posed by extremists, and be it further

Resolved, That the Senate urges all parties and others involved in the Middle East peace talks to apply renewed energy to achieve the prompt and just conclusion which is the only way to obtain long term security for all people in the area and as the best way in the short term to deny terror any measure of success.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. Mr. President, again I thank and commend Senator BOXER for here leadership here. It is her expression of feelings and emotions as to the events at Hebron that really led to this resolution.

I think the Senate and Nation is in her debt for getting the Senate to express our feelings about the fact that terrorism must not succeed and that peace must succeed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOALS 2000: EDUCATE AMERICA ACT

Mr. LEVIN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on a bill (H.R. 1804) to improve learning and teaching by providing a national framework for education reform; to promote the research, consensus building, and systemic changes needed to ensure equitable educational opportunities and high levels of educational achievement for all American students; to provide a framework for reauthorization of all Federal education programs; to promote the development and adoption of a voluntary national system of skill standards and certifications, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 1804) entitled "An Act to improve learning and teaching by providing a national framework for education reform; to promote the research, consensus building, and systemic changes needed to ensure equitable educational opportunities and high levels of educational achievement for all American students; to provide a framework for reauthorization of all Federal education programs; to promote the development and adoption of a voluntary national system of skill standards and certifications; and for other purposes", with the following amendment:

In lieu of the matter inserted by said amendment, insert:

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

TITLE I—GOALS 2000: EDUCATE AMERICA ACT

Sec. 101. Purpose.

PART A—NATIONAL EDUCATION GOALS

Sec. 111. Purpose.
Sec. 112. National education goals.

PART B—NATIONAL EDUCATION REFORM, LEADERSHIP, STANDARDS, AND ASSESSMENTS

SUBPART 1—NATIONAL EDUCATION GOALS PANEL

Sec. 121. Purpose.
Sec. 122. National Education Goals Panel.
Sec. 123. Duties.
Sec. 124. Powers of the Goals Panel.
Sec. 125. Administrative provisions.
Sec. 126. Director and staff; experts and consultants.
Sec. 127. Early childhood assessment.

SUBPART 2—NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL

Sec. 131. Purpose.
Sec. 132. National Education Standards and Improvement Council.
Sec. 133. Duties.
Sec. 134. Annual reports.
Sec. 135. Powers of the Council.
Sec. 136. Publication for public comment.
Sec. 137. Administrative provisions.
Sec. 138. Director and staff; experts and consultants.
Sec. 139. Opportunity-to-learn development grant.
Sec. 140. Assessment development and evaluation grants.
Sec. 141. Evaluation.

SUBPART 3—AUTHORIZATION OF APPROPRIATIONS

Sec. 145. Authorization of appropriations.

PART C—STATE AND LOCAL EDUCATION SYSTEMIC IMPROVEMENT

Sec. 151. Congressional findings.
Sec. 152. Purpose.
Sec. 153. Authorization of appropriations.
Sec. 154. Allotment of funds.
Sec. 155. State applications.
Sec. 156. State improvement plans.
Sec. 157. Secretary's review of applications; payments.
Sec. 158. State use of funds.
Sec. 159. Subgrants for local reform and professional development.
Sec. 160. Availability of information and training.
Sec. 161. Waivers of statutory and regulatory requirements.
Sec. 162. Progress reports.
Sec. 163. National leadership.
Sec. 164. Assistance to the outlying areas and to the Secretary of the Interior.

PART D—NATIONAL SKILL STANDARDS BOARD

Sec. 171. Purpose.
Sec. 172. Establishment of National Board.
Sec. 173. Functions of the National Board.
Sec. 174. Deadlines.
Sec. 175. Reports.
Sec. 176. Authorization of appropriations.
Sec. 177. Definitions.

PART E—MISCELLANEOUS

Sec. 181. Definitions.
Sec. 182. Limitations.
Sec. 183. Assessment of educational progress activities.
Sec. 184. Compliance with Buy American Act.
Sec. 185. Sense of Congress; requirement regarding notice.
Sec. 186. Prohibition of contracts.

PART F—PARENTAL INFORMATION AND RESOURCES

Sec. 191. Parental information and resources
Sec. 192. Eligibility.
Sec. 193. Uses of funds.
Sec. 194. Technical assistance.
Sec. 195. Experimental centers.
Sec. 196. Reports.
Sec. 197. Authorization of appropriations.

TITLE II—EDUCATIONAL RESEARCH, DEVELOPMENT, AND DISSEMINATION EXCELLENCE ACT

Sec. 201. Findings.

PART A—GENERAL PROVISIONS REGARDING OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Sec. 211. General provisions.
Sec. 212. Assistant Secretary for Educational Research and Improvement.
Sec. 213. Savings provision.
Sec. 214. Existing grants and contracts.

PART B—NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

Sec. 221. Establishment within Office of Educational Research and Improvement.

PART C—NATIONAL RESEARCH INSTITUTES

Sec. 231. Establishment within Office of Educational Research and Improvement.

PART D—NATIONAL EDUCATION DISSEMINATION SYSTEM

Sec. 241. Establishment within Office of Educational Research and Improvement.

PART E—NATIONAL LIBRARY OF EDUCATION

Sec. 251. Establishment within Office of Educational Research and Improvement.

TITLE III—SAFE SCHOOLS ACT OF 1994

Sec. 301. Safe schools program authorized.
Sec. 302. Eligible applicants.
Sec. 303. Applications and plans.
Sec. 304. Grants and use of funds.
Sec. 305. National leadership.
Sec. 306. Reports.
Sec. 307. Definitions.

TITLE I—GOALS 2000: EDUCATE AMERICA ACT

SEC. 101. PURPOSE.

The purpose of this Act is to provide a framework for meeting the National Education Goals established by title I of this Act by—

(1) promoting coherent, nationwide, systemic education reform;

(2) improving the quality of learning and teaching in the classroom and in the workplace;

(3) defining appropriate and coherent Federal, State, and local roles and responsibilities for education reform and lifelong learning;

(4) establishing valid, reliable, and fair mechanisms for—

(A) building a broad national consensus on American education reform;

(B) assisting in the development and certification of high-quality, internationally competitive content and student performance standards;

(C) assisting in the development and certification of opportunity-to-learn standards; and

(D) assisting in the development and certification of high-quality assessment measures that reflect the internationally competitive content and student performance standards;

(5) supporting new initiatives at the Federal, State, local, and school levels to provide equal educational opportunity for all students to meet high standards and to succeed in the world of employment and civic participation;

(6) providing a framework for the reauthorization of all Federal education programs by—

(A) creating a vision of excellence and equity that will guide all Federal education and related programs;

(B) providing for the establishment of high-quality, internationally competitive content and student performance standards that all students will be expected to achieve;

(C) providing for the establishment of high quality, internationally competitive opportunity-to-learn standards that all States, local educational agencies, and schools should achieve;

(D) encouraging and enabling all State educational agencies and local educational agencies to develop comprehensive improvement plans that will provide a coherent framework for the implementation of reauthorized Federal education and related programs in an integrated fashion that effectively educates all children enabling them to participate fully as workers, parents, and citizens; and

(E) providing resources to help individual schools, including those serving students with high needs, develop and implement comprehensive improvement plans;

(7) stimulating the development and adoption of a voluntary national system of skill standards and certification to serve as a cornerstone of the national strategy to enhance workforce skills; and

(8) assisting every elementary and secondary school that receives funds under this Act to actively involve parents and families in supporting the academic work of their children at home and in providing parents with skills to advocate for their children at school.

PART A—NATIONAL EDUCATION GOALS

SEC. 111. PURPOSE.

The purpose of this title is to establish national education goals.

SEC. 112. NATIONAL EDUCATION GOALS.

The Congress declares that the National Education Goals are the following:

(1) SCHOOL READINESS.—(A) By the year 2000, all children in America will start school ready to learn.

(B) The objectives for this goal are that—

(i) all children will have access to high-quality and developmentally appropriate preschool programs that help prepare children for school;

(ii) every parent in America will be a child's first teacher and devote time each day to helping his or her preschool child learn, and parents will have access to the training and support they need; and

(iii) all children will receive the nutrition and health care needed to arrive at school with healthy minds and bodies, and to maintain the mental alertness necessary to be prepared to learn, and the number of low-birthweight babies will be significantly reduced through enhanced prenatal health systems.

(2) SCHOOL COMPLETION.—(A) By the year 2000, the high school graduation rate will increase to at least 90 percent.

(B) The objectives for this goal are that—

(i) the Nation must dramatically reduce its dropout rate, and 75 percent of those students who do drop out will successfully complete a high school degree or its equivalent; and

(ii) the gap in high school graduation rates between American students from minority backgrounds and their non-minority counterparts will be eliminated.

(3) STUDENT ACHIEVEMENT AND CITIZENSHIP.—(A) By the year 2000, all students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter including English, mathematics, science, foreign languages, civics and government, arts, history, and geography, and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our modern economy.

(B) The objectives for this goal are that—

(i) the academic performance of all students at the elementary and secondary level will increase significantly in every quartile, and the distribution of minority students in each level will more closely reflect the student population as a whole;

(ii) the percentage of all students who demonstrate the ability to reason, solve problems, apply knowledge, and write and communicate effectively will increase substantially;

(iii) all students will be involved in activities that promote and demonstrate good citizenship, community service, and personal responsibility;

(iv) all students will have access to physical education and health education to ensure they are healthy and fit;

(v) the percentage of all students who are competent in more than one language will substantially increase; and

(vi) all students will be knowledgeable about the diverse cultural heritage of this Nation and about the world community.

(4) TEACHER EDUCATION AND PROFESSIONAL DEVELOPMENT.—(A) By the year 2000, the Nation's teaching force will have access to programs for the continued improvement of their professional skills and the opportunity to acquire the knowledge and skills needed to instruct and prepare all American students for the next century.

(B) The objectives of this goal are that—

(i) every State will establish opportunity-to-learn standards and create an integrated strategy to attract, recruit, prepare, retrain, and support the continued professional development of teachers, administrators, and other educators, so that there is a highly talented workforce of professional educators to teach challenging standards;

(ii) subgrants for preservice teacher education and professional development activity will be made to local educational agencies, institutions of higher education, private nonprofit organizations, or consortia of such organizations, to support continuing, sustained, professional development activities for all educators; and

(iii) partnerships shall be established, whenever possible, between local educational agencies, institutions of higher education, local labor, business, and professional associations to provide and support programs for the professional development of educators, particularly in the area of emerging new technologies in education.

(5) MATHEMATICS AND SCIENCE.—(A) By the year 2000, United States students will be first in the world in mathematics and science achievement.

(B) The objectives for this goal are that—

(i) math and science education, including the metric system of measurement, will be strengthened throughout the system, especially in the early grades;

(ii) the number of teachers with a substantive background in mathematics and science, including the metric system of measurement, will increase by 50 percent; and

(iii) the number of United States undergraduate and graduate students, especially women and minorities, who complete degrees in mathematics, science, and engineering will increase significantly.

(6) ADULT LITERACY AND LIFELONG LEARNING.—(A) By the year 2000, every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.

(B) The objectives for this goal are that—

(i) every major American business will be involved in strengthening the connection between education and work;

(ii) all workers will have the opportunity to acquire the knowledge and skills, from basic to highly technical, needed to adapt to emerging new technologies, work methods, and markets through public and private educational, vocational, technical, workplace, or other programs;

(iii) the number of quality programs, including those at libraries, that are designed to serve more effectively the needs of the growing number of part-time and midcareer students will increase substantially;

(iv) the proportion of those qualified students, especially minorities, who enter college, who complete at least two years, and who complete their degree programs will increase substantially;

(v) the proportion of college graduates who demonstrate an advanced ability to think critically, communicate effectively, and solve problems will increase substantially; and

(vi) schools, in implementing comprehensive parent involvement programs, will offer more adult literacy, parent training and life-long learning opportunities to improve the ties between home and school, and enhance parents' work and home lives.

(7) SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS.—(A) By the year 2000, every school in

America will be free of drugs and violence and will offer a disciplined environment conducive to learning.

(B) The objectives for this goal are that—

(i) every school will implement a firm and fair policy on use, possession, and distribution of drugs and alcohol;

(ii) parents, businesses, and community organizations will work together to ensure the rights of students to study in a safe and secure environment that is free of drugs and crime;

(iii) every school district will develop a comprehensive K-12 drug and alcohol prevention education program. Drug and alcohol curricula should be taught as an integral part of health education. In addition, community-based teams should be organized to provide all students and teachers with needed support; and

(iv) every school district will develop and implement a policy to ensure that all schools are free of weapons and violence.

(8) SCHOOL AND HOME PARTNERSHIP.—(A) By the year 2000, every school and home will engage in partnerships that will increase parental involvement and participation in promoting the social, emotional, and academic growth of children.

(B) The objectives for this goal are that—

(i) every State will develop policies to assist local schools and local educational agencies to establish programs for increasing partnerships that respond to the varying needs of parents and the home, including parents of children who are disadvantaged, bilingual, or disabled;

(ii) every school will actively engage parents and families in a partnership which supports the academic work of children at home and shared educational decision making at school;

(iii) every home will be responsible for creating an environment of respect for education and providing the physical and emotional support needed for learning; and

(iv) parents and families will help to ensure that schools are adequately supported and will hold schools and teachers to high standards of accountability.

PART B—NATIONAL EDUCATION REFORM, LEADERSHIP, STANDARDS, AND ASSESSMENTS

Subpart 1—National Education Goals Panel

SEC. 121. PURPOSE.

It is the purpose of this part to establish a bipartisan mechanism for—

(1) building a national consensus for education improvement;

(2) reporting on progress toward achieving the National Education Goals; and

(3) reviewing the voluntary national content and student performance standards and opportunity-to-learn standards certified by the National Education Standards and Improvement Council, as well as the criteria for their certification, and the criteria for the certification of State assessments by the National Education Standards and Improvement Council with the option of disapproving such standards and criteria not later than 60 days after receipt from such Council.

SEC. 122. NATIONAL EDUCATION GOALS PANEL.

(a) ESTABLISHMENT.—There is established in the executive branch a National Education Goals Panel (referred to in this Act as the "Goals Panel") to advise the President, the Secretary, and the Congress.

(b) COMPOSITION.—The Goals Panel shall be composed of eighteen members (referred to in this part as "members"), including—

(1) two members appointed by the President;

(2) eight members who are Governors, three of whom shall be from the same political party as the President and five of whom shall be of the opposite political party of the President, appointed by the Chairperson and Vice Chairperson of the National Governors' Association, with each appointing representatives of his or her respective political party, in consultation with each other;

(3) four Members of Congress appointed as follows—

(A) one member appointed by the majority leader of the Senate from among the Members of the Senate;

(B) one member appointed by the minority leader of the Senate from among the Members of the Senate;

(C) one member appointed by the majority leader of the House of Representatives from among the Members of the House of Representatives; and

(D) one member appointed by the minority leader of the House of Representatives from among the Members of the House of Representatives; and

(4) four members of State legislatures appointed by the President of the National Conference of State Legislatures, of whom not more than two may be of the same political party as the President of the United States.

(c) SPECIAL APPOINTMENT RULES.—(1) The members appointed pursuant to subsection (b)(2) shall be appointed as follows:

(A) If the Chairperson of the National Governors' Association is from the same political party as the President, the Chairperson shall appoint three individuals and the Vice Chairperson shall appoint five individuals.

(B) If the Chairperson of the National Governors' Association is from the opposite political party as the President, the Chairperson shall appoint five individuals and the Vice Chairperson shall appoint three individuals.

(2) If the National Governors' Association has appointed a panel that meets the requirements of subsections (b) and (c), except for the requirements of subsection (b)(4), prior to the date of enactment of this title, then the members serving on such panel shall be deemed to be in compliance with subsections (b) and (c) and shall not be required to be reappointed pursuant to such subsections.

(3) To the extent feasible, the membership of the Goals Panel shall be geographically representative and reflect the racial, ethnic, and gender diversity of the United States.

(d) TERMS.—The terms of service of members shall be as follows:

(1) Members appointed under subsection (b)(1) shall serve at the pleasure of the President.

(2) Members appointed under subsection (b)(2) shall serve a two-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of such members' terms concluding every two years.

(3) Members appointed under subsection (b) (3) and (4) shall serve a term of two years.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than sixty days after the date of enactment of this Act.

(f) INITIATION.—The Goals Panel may begin to carry out its duties under this part when ten members of the Goals Panel have been appointed.

(g) VACANCIES.—A vacancy on the Goals Panel shall not affect the powers of the Goals Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(i) CHAIRPERSON.—From among the members, the President shall appoint the Chairperson who shall serve a one-year term and shall alternate between political parties.

(j) CONFLICT OF INTEREST.—A member of the Goals Panel who is an elected official of a State which has developed content, student performance, or opportunity-to-learn standards may not participate in Goals Panel consideration of such standards.

(k) EX OFFICIO MEMBER.—If the President has not appointed the Secretary of Education as 1 of the 2 members he appoints pursuant to subsection (b)(1), then the Secretary shall serve as a nonvoting ex officio member of the Goals Panel.

SEC. 123. DUTIES.

(a) DUTIES.—The Goals Panel shall—

(1) report to the President, the Secretary, and the Congress regarding the progress the Nation and the States are making toward achieving the National Education Goals established under title I of this Act, including issuing an annual report;

(2) report on State opportunity-to-learn standards and the progress of States in meeting such standards;

(3) review, after taking into consideration the public comments received pursuant to section 136, with the option of disapproving by a two-thirds majority vote of the full membership not later than 60 days after receipt of the—

(A) criteria developed by the National Education Standards and Improvement Council for the certification of content and student performance standards, assessments, and opportunity-to-learn standards; and

(B) voluntary national content and student performance standards and opportunity-to-learn standards certified by the National Education Standards and Improvement Council;

(4) report on promising or effective actions being taken at the national, State, and local levels, in the public and private sectors, to achieve the National Education Goals; and

(5) help build a nationwide, bipartisan consensus for the reforms necessary to achieve the National Education Goals.

(b) REPORT.—(1) The Goals Panel shall annually prepare and submit to the President, the Secretary, the appropriate committees of Congress, and the Governor of each State a report that shall—

(A) report on the progress of the United States toward achieving the National Education Goals;

(B) identify actions that should be taken by Federal, State, and local governments to enhance progress toward achieving the National Education Goals and State opportunity-to-learn standards; and

(C) report on State opportunity-to-learn standards and the progress of States in meeting such standards.

(2) Reports shall be presented in a form, and include data, that is understandable to parents and the general public.

SEC. 124. POWERS OF THE GOALS PANEL.

(a) HEARINGS.—(1) The Goals Panel shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Goals Panel considers appropriate.

(2) In carrying out this part, the Goals Panel shall conduct hearings to receive reports, views, and analyses of a broad spectrum of experts and the public on the establishment of voluntary national content and student performance standards, assessments, and opportunity-to-learn standards.

(b) INFORMATION.—The Goals Panel may secure directly from any department or agency of the United States information necessary to enable the Goals Panel to carry out this part. Upon request of the Chairperson of the Goals Panel, the head of a department or agency shall furnish such information to the Goals Panel to the extent permitted by law.

(c) POSTAL SERVICES.—The Goals Panel may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(d) USE OF FACILITIES.—The Goals Panel may, with consent, use the research, equipment, services, and facilities of any agency or instrumentality of the United States, or of any State or political subdivision thereof.

(e) ADMINISTRATIVE ARRANGEMENTS AND SUPPORT.—(1) The Secretary shall provide to the Goals Panel, on a reimbursable basis, such administrative support services as the Goals Panel may request.

(2) The Secretary shall, to the extent appropriate, and on a reimbursable basis, make contracts and other arrangements that are requested by the Goals Panel to help it compile and analyze data or carry out other functions necessary to the performance of such responsibilities.

SEC. 125. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Goals Panel shall meet on a regular basis, as necessary, at the call of the Chairperson of the Goals Panel or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—No individual may vote, or exercise any of the powers of a member, by proxy.

(d) PUBLIC ACCESS.—The Goals Panel shall ensure public access to its proceedings (other than proceedings, or portions of proceedings, relating to internal personnel and management matters) and make available to the public, at reasonable cost, transcripts of such proceedings.

SEC. 126. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Goals Panel shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF EMPLOYEES.—(1)(A) The Director may appoint not more than four additional employees to serve as staff to the Goals Panel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(B) The employees appointed under paragraph (1)(A) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, but shall not be paid a rate that exceeds the maximum rate of basic pay payable for GS-15 of the General Schedule.

(2) The Director may appoint additional employees to serve as staff to the Goals Panel consistent with title 5, United States Code.

(c) EXPERTS AND CONSULTANTS.—The Goals Panel may procure temporary and intermittent services of experts and consultants under section 3109(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Goals Panel, the head of any department or agency of the United States may detail any of the personnel of such agency to the Goals Panel to assist the Goals Panel in its duties under this part.

SEC. 127. EARLY CHILDHOOD ASSESSMENT.

(a) GENERAL.—(1) The Goals Panel shall support the work of its Resource and Technical Planning Groups on School Readiness (referred to in this section as the Groups) to improve the methods of assessing the readiness of children for school that would lead to alternatives to currently used norm-referenced early childhood assessments.

(2) The Groups shall—

(A) create clear guidelines regarding the nature, functions, and uses of early childhood assessments, including a model of school readiness that addresses a broad range of early childhood developmental needs;

(B) monitor and evaluate early childhood assessments, including the ability of existing assessments to provide valid information on the readiness of children for school; and

(C) monitor and report on the long-term collection of data on the status of young children to improve policy and practice, including the need for new sources of data necessary to assess the broad range of early childhood developmental needs.

(b) ADVICE.—The Groups shall advise and assist the Congress, the Secretary, the Goals Panel, and others regarding how to improve the assessment of young children and how such assessments can improve services to children.

(c) REPORT.—The Goals Panel shall provide reports on the work of the Groups to the Congress, the Secretary, and the public.

Subpart 2—National Education Standards and Improvement Council

SEC. 131. PURPOSE.

The purpose of this part is to establish a mechanism to—

(1) certify and regularly review voluntary national content and student performance standards that define what all students should know and be able to do;

(2) certify content and student performance standards submitted by States on a voluntary basis, if such standards are of equal or higher quality to the voluntary national content and student performance standards certified by the National Education Standards and Improvement Council;

(3) certify and regularly review voluntary national opportunity-to-learn standards that describe the conditions of teaching and learning necessary for all students to have a fair opportunity to achieve the knowledge and skills described in the voluntary national content and student performance standards certified by the National Education Standards and Improvement Council;

(4) certify opportunity-to-learn standards submitted by States on a voluntary basis, if such standards are of equal or higher quality as compared with the voluntary national opportunity-to-learn standards; and

(5) certify assessment systems submitted by States on a voluntary basis, if such systems are aligned with State content standards certified by the National Education Standards and Improvement Council and if such systems are valid, reliable, and consistent with relevant, nationally recognized, professional and technical standards for assessment when used for their intended purposes.

SEC. 132. NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL.

(a) ESTABLISHMENT.—There is established in the executive branch a National Education Standards and Improvement Council (referred to in this title as the "Council").

(b) COMPOSITION.—The Council shall be composed of twenty members (referred to in this part as "members") who shall be appointed as follows:

(1) 8 members (2 from each of subparagraphs (A) through (D) of subsection (c)(1)) shall be appointed by the President;

(2) 4 members (1 from each of subparagraphs (A) through (D) of subsection (c)(1)) shall be appointed by the Speaker of the House of Representatives, in consultation with the majority and minority leaders of the House;

(3) 4 members (1 from each of subparagraphs (A) through (D) of subsection (c)(1)) shall be appointed by the majority leader of the Senate, in consultation with the minority leader of the Senate; and

(4) 4 members (1 from each of subparagraphs (A) through (D) of subsection (c)(1)) shall be appointed by the National Education Goals Panel.

(c) QUALIFICATIONS.—(1) The members of the Council shall include—

(A) 5 professional educators, including elementary and secondary classroom teachers, preschool educators and other school-based professionals, local district or State administrators, related service personnel, and other educators;

(B) 5 representatives of business and industry, organized labor, and postsecondary educational institutions, including at least 1 representative of postsecondary educational institutions, at least 1 representative of organized labor, and at least 1 representative of business who is also a member of the National Skill Standards Board;

(C) 5 representatives of the public, including representatives of advocacy, civil rights and disability groups, parents, civic leaders, and local and State education policymakers (including State, local, or tribal school boards); and

(D) 5 education experts, including experts in measurement and assessment, curriculum, school finance and equity, and school reform.

(2) To the extent feasible, the membership of the Council shall be geographically representative of the United States and reflect the diversity of the United States with regard to race, ethnicity, gender, and disability characteristics.

(3) One-third of the Council shall consist of individuals with expertise in the educational needs of children who are from low-income families, minority backgrounds, have limited-English proficiency, or have disabilities.

(d) TERMS.—(1) Members shall be appointed for 3-year terms, with no member serving more than 2 consecutive terms.

(2) The Council shall establish by lot initial terms for individuals of one, two, or three years in order to establish a rotation in which one-third of the members are selected each year.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 120 days after the date of enactment of this Act.

(f) INITIATION.—The Council shall begin to carry out the duties of the Council under this part when all 20 members have been appointed.

(g) RETENTION.—In order to retain an appointment to the Council, a member must attend at least two-thirds of the scheduled meetings of the Council in any given year.

(h) VACANCY.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(i) COMPENSATION.—Members of the Council who are not regular full-time employees of the United States may, while attending meetings or hearings of the Council, be provided compensation at a rate fixed by the Secretary, but not exceeding the maximum rate of basic pay payable for GS-15 of the General Schedule.

(j) CONFLICT OF INTEREST.—(1) A member of the Council may not concurrently serve as a member of the Goals Panel.

(2) Section 208 of title 18 of the United States Code shall apply to members of the Council except that, for the purposes of making written determinations under subsection (b)(1), the Government official responsible for the appointment of any member of the Council is deemed to be the Director of the Office of Government Ethics.

(3) A member of the Council who resides in a State which has developed standards and assessments may not participate in Council consideration of such standards and assessments.

(k) TRAVEL.—Each member of the Council may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(l) OFFICERS.—The members of the Council shall select officers from among its members. The officers of the Council shall serve for one-year terms.

SEC. 133. DUTIES.

(a) VOLUNTARY NATIONAL CONTENT STANDARDS.—(1) The Council shall—

(A) identify areas in which voluntary national content standards need to be developed;

(B) certify voluntary national content and student performance standards using the criteria developed under paragraph (2)(A)(i), that define what all students should know and be able to do;

(C) forward such voluntary national content and student performance standards to the Goals Panel for review, except that the Goals Panel shall have the option of disapproving such standards by a two-thirds majority vote of the full membership not later than 60 days after receipt of such standards; and

(D) develop a process for regularly reviewing any national voluntary content, student performance, and opportunity-to-learn standards that have been certified.

(2)(A) The Council shall—

(i) identify and develop criteria to be used for certifying the voluntary national content and student performance standards; and

(ii) before applying such criteria, forward them to the Goals Panel for review, except that the Goals Panel shall have the option of disapproving such criteria by a two-thirds majority vote of the full membership not later than 60 days after receipt of such criteria.

(B) The criteria developed by the Council shall address—

(i) the extent to which the proposed standards are internationally competitive and comparable to the best in the world;

(ii) the extent to which the proposed content and student performance standards reflect the best available knowledge about how all students learn and about how the content area can be most effectively taught;

(iii) the extent to which the proposed content and student performance standards have been developed through an open and public process that provides for input and involvement of all relevant parties, including teachers, related services personnel, and other professional educators, employers and postsecondary education institutions, curriculum and subject matter specialists, parents, advocacy groups, and the public; and

(iv) other factors that the Council deems appropriate.

(C) In developing the criteria, the Council shall work with entities that are developing, or have already developed, content and student performance standards, and any other entities that the Council deems appropriate, to identify appropriate certification criteria.

(b) VOLUNTARY STATE CONTENT STANDARDS.—The Council may certify content and student performance standards presented on a voluntary basis by States, using the criteria developed under subsection (a)(2)(A)(i), if such standards are of equal or higher quality to the voluntary national content and student performance standards certified by the Council.

(c) VOLUNTARY NATIONAL OPPORTUNITY-TO-LEARN STANDARDS.—(1) The Council shall certify exemplary, voluntary national opportunity-to-learn standards that will establish a basis for providing all students a fair opportunity to achieve the knowledge and skills set out in the voluntary national content standards certified by the Council.

(2) The voluntary national opportunity-to-learn standards certified by the Council shall address—

(A) the quality and availability of curricula, instructional materials, and technologies, including distance learning, to all students;

(B) the capability of teachers to provide high-quality instruction to meet diverse learning needs in each content area to all students;

(C) the extent to which teachers, principals, and administrators have ready and continuing access to professional development, including the best knowledge about teaching, learning, and school improvement;

(D) the extent to which curriculum, instructional practices, and assessments are aligned to content standards;

(E) the extent to which school facilities provide a safe and secure environment for learning and instruction and have the requisite libraries, laboratories, and other resources necessary to provide an opportunity to learn;

(F) the extent to which schools utilize policies, curricula, and instructional practices which ensure nondiscrimination on the basis of gender; and

(G) other factors that the Council deems appropriate to ensure the students receive a fair opportunity to achieve the knowledge and skills described in the voluntary content and student performance standards certified by the Council.

(3) In carrying out this subsection, the Council shall—

(A) identify what countries with rigorous content standards do to—

(i) provide their children with opportunities to learn;

(ii) prepare their teachers; and

(iii) provide continuing professional development opportunities for their teachers; and

(B) develop criteria to be used for certifying the voluntary national and State opportunity-to-learn standards and, before applying such criteria, forward them to the Goals Panel for review, except that the Goals Panel shall have the option of disapproving such standards by a two-thirds majority vote of the full membership not later than 60 days after receipt of such criteria.

(4) The Council shall assist in the development of the voluntary national opportunity-to-learn standards developed by the consortium under section 139 by—

(A) making recommendations to the Secretary regarding priorities and selection criteria for the award made under section 139 and

(B) coordinating with the consortium receiving an award under section 139 to ensure that the opportunity-to-learn standards the consortium develops are appropriate for the needs of all students, are of high quality, and are consistent with the criteria developed by the Council for the certification of such standards.

(5) The Council shall forward the voluntary national opportunity-to-learn standards it certifies to the Goals Panel for review, except that the Goals Panel shall have the option of disapproving such standards by a two-thirds majority vote of the full membership not later than 60 days after receipt of such standards.

(d) VOLUNTARY STATE OPPORTUNITY-TO-LEARN STANDARDS.—The Council may certify opportunity-to-learn standards submitted voluntarily by a State, using the criteria developed under subsection (c)(3)(B), if such standards are of equal or higher quality as compared to the voluntary national opportunity-to-learn standards.

(e) GENERAL PROVISION REGARDING VOLUNTARY NATIONAL STANDARDS.—The Council may certify voluntary national content, student performance, and opportunity-to-learn standards if such standards are sufficiently general to be used by any State without restricting State and local control of curriculum and prerogatives regarding instructional methods to be employed.

(f) ASSESSMENTS.—(1)(A) The Council may certify an assessment system that is submitted voluntarily by a State, using the criteria developed under paragraph (2)(A), if such system is aligned with the State's content standards certified by the Council.

(B) Assessment systems shall be certified by the Council for the purposes of—

(i) informing students, parents, teachers, and related services personnel about the progress of all students toward the standards;

(ii) improving classroom instruction and improving the learning outcomes for all students;

(iii) exemplifying for students, parents, and teachers the kinds and levels of achievement that should be expected of all students, including the identification of student performance standards;

(iv) measuring and motivating individual students, schools, districts, States, and the Nation to improve educational performance; and

(v) assisting education policymakers in making decisions about education programs.

(C) The Council shall certify an assessment system only if—

(i) the State has established or adopted opportunity-to-learn standards;

(ii) such system will not be used to make decisions regarding graduation, grade promotion, or retention of students for a period of five years from the date of enactment of this Act; and

(iii) the State has submitted—

(I) a description of the purposes for which the assessment system has been designed;

(II) the methodologies and process used to develop, select, validate, and use such assessment systems;

(III) a copy of the test instrument and, as appropriate, other measures that will make up the system; and

(IV) evidence that the test or tests which are part of the assessment system are valid, reliable measures of their intended purposes, are aligned with the State content standards, are capable of assessing the progress of all students toward learning the material in the State content standards, and are consistent with relevant nationally recognized professional and technical standards.

(D) The Council shall, at the request of a State prior to developing an assessment system for a proposed use, review and provide guidance to such State on a proposed package of measures, including tests that would be included in such a system.

(2)(A) The Council shall develop and, no sooner than three years or later than four years after the enactment of this Act, begin utilizing criteria for the certification of assessment systems for the purposes indicated in paragraph (1)(B). Before using such criteria, the Council shall forward the criteria to the Goals Panel for review, except that the Goals Panel shall have the option of disapproving such criteria by a two-thirds majority vote of the full membership not later than 60 days after receipt of such criteria.

(B) The certification criteria developed by the Council shall address the extent to which the assessment system—

(i) is aligned with State content standards certified by the Council; and

(ii) is to be used for a purpose for which it is valid, reliable, free of discrimination, and is consistent with relevant, nationally recognized professional and technical standards for assessment.

(C) In determining appropriate certification criteria, the Council shall—

(i) consider standards and criteria being developed by other national organizations, research on assessment, and emerging new State and local assessments;

(ii) recommend needed research;

(iii) encourage the development and field testing of assessment systems; and

(iv) provide a public forum for discussing, debating, and building consensus for the criteria to be used for the certification of assessment systems.

(D) Prior to determining the certification criteria, the Council shall seek public comment regarding the proposed criteria.

(E) The Council shall certify an assessment system only if such system includes all students.

(g) Performance of Duties.—In carrying out its responsibilities under this title, the Council shall—

(1) provide for a process of broad public input as part of the process of developing criteria for standards and assessments;

(2) work with Federal and non-Federal agencies and organizations which are conducting research, studies, or demonstration projects to determine internationally competitive standards and assessments, and may establish subject matter and other panels to advise it on particular content, student performance, and opportunity-to-learn standards and on assessments;

(3) establish cooperative arrangements with the National Skill Standards Board to promote the coordination of the development of content and student performance standards under this title with the development of skill standards under title IV of this Act;

(4) recommend studies to the Secretary that are necessary to carry out the Council's responsibilities;

(5) inform the public about what constitutes high quality, internationally competitive, content, student performance, and opportunity-to-learn standards, and assessment systems;

(6) on a regular basis, review and update criteria for certifying content, student performance, and opportunity-to-learn standards, and assessment systems; and

(7) periodically recertify, as appropriate, the voluntary national content and student performance standards, and the voluntary national opportunity-to-learn standards and the assessments that it certifies under this section.

(h) Unconditioned State Participation.—No State shall be required to obtain certification of standards or assessments developed under subsection (b), (d), or (f) of this section or to participate in programs under title III of this Act, as a condition of participating in any Federal education program under this or any other Act.

SEC. 134. ANNUAL REPORTS.

Not later than one year after the date the Council concludes its first meeting, and in each succeeding year, the Council shall prepare and submit a report to the President, the Secretary, the appropriate committees of Congress, the Governor of each State, and the Goals Panel regarding its work.

SEC. 135. POWERS OF THE COUNCIL.

(a) Hearings.—(1) The Council shall, for the purpose of carrying out its responsibilities, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate.

(2) In carrying out this part, the Council shall conduct public hearings in different geographic areas of the United States, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on the establishment of voluntary national content, student performance, and opportunity-to-learn standards, and assessment systems.

(b) Information.—The Council may secure directly from any department or agency of the United States information necessary to enable the Council to carry out this part. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish such information to the Council to the extent permitted by law.

(c) Postal Services.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(d) Use of Facilities.—The Council may, with their consent, use the research, equipment, services, and facilities of any agency or instrumentality of the United States, or of any State or political subdivision thereof.

(e) Administrative Arrangements and Support.—(1) The Secretary shall provide to the Council, on a reimbursable basis, such administrative support services as the Council may request.

(2) The Secretary shall, to the extent appropriate, and on a reimbursable basis, make contracts and other arrangements that are requested by the Council to help it compile and analyze data or carry out other functions necessary to the performance of its responsibilities.

SEC. 136. PUBLICATION FOR PUBLIC COMMENT.

(a) Transmittal.—For the purpose of obtaining public comment through publication in the Federal Register, the Council shall transmit to the Secretary—

(1) proposed criteria for certifying national and State content and performance standards;

(2) proposed criteria for certifying national and State opportunity-to-learn standards;

(3) proposed criteria for certifying State assessment systems; and

(4) proposed national content, performance, and opportunity-to-learn standards.

(b) Publication.—The Secretary shall publish such proposed procedures, standards, and criteria in the Federal Register.

SEC. 137. ADMINISTRATIVE PROVISIONS.

(a) Meetings.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council, or a majority of its members.

(b) Quorum.—A majority of the members shall constitute a quorum for the transaction of business.

(c) Voting.—The Council shall take all action of the Council by a majority vote of the total membership of the Council, ensuring the right of the minority to issue written views. No individual may vote or exercise any of the powers of a member by proxy.

(d) Public Access.—The Council shall ensure public access to its proceedings (other than proceedings, or portions of proceedings, relating to internal personnel and management matters) and make available to the public, at reasonable cost, transcripts of such proceedings.

SEC. 138. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) Director.—The Chairperson of the Council shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) Appointment and Pay of Employees.—(1)(A) The Director may appoint not more than four additional employees to serve as staff to the Council without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(B) The employees appointed under subparagraph (A) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, but shall not be paid a rate that exceeds the maximum rate of basic pay payable for GS-15 of the General Schedule.

(2) The Director may appoint additional employees to serve as staff of the Council consistent with title 5, United States Code.

(c) Experts and Consultants.—The Council may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) Staff of Federal Agencies.—Upon the request of the Council, the head of any department or agency of the United States may detail any of the personnel of such department or agency to the Council to assist the Council in its duties under this part.

SEC. 139. OPPORTUNITY-TO-LEARN DEVELOPMENT GRANT.

(a) Opportunity-to-Learn Development Grant.—(1) The Secretary is authorized to make a grant, on a competitive basis, to a consortium of individuals and organizations to develop voluntary national opportunity-to-learn standards consistent with the provisions of section 123(c).

(2) To the extent possible, such consortium shall include the participation of—

(A) State-level policymakers, such as Governors, State legislators, chief State school officers, and State school board members;

(B) local policymakers and administrators, such as local school board members, superintendents, and principals;

(C) teachers (especially teachers involved in the development of content standards);

(D) parents and individuals with experience in promoting parental involvement in education;

(E) representatives of business;

(F) experts in vocational-technical education;

(G) representatives of regional accrediting associations;

(H) individuals with expertise in school finance and equity, the education of at-risk students, and the preparation and training of teachers and school administrators;

(I) curriculum and school reform experts;

(J) student and civil rights advocacy groups;

(K) representatives of higher education; and

(L) secondary school students.

(3) In developing voluntary national opportunity-to-learn standards, such consortium shall—

(A) draw upon current research about student achievement and the necessary conditions for effective teaching and learning; and

(B) provide for the development of several consecutive drafts of standards which incorporate the comments and recommendations of educators and other knowledgeable individuals across the Nation.

(4) One-third of the consortium shall consist of individuals with expertise in the educational needs and assessment of children who are from low-income families, minority backgrounds, have limited-English proficiency, or have disabilities.

(5) The membership of the consortium shall be geographically representative and reflect the racial, ethnic, and gender diversity of the United States.

(b) Applications.—(1) Any consortium that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

(2) In awarding such grant, the Secretary shall give priority to applications from consortia which involve individuals and organizations with the greatest diversity of perspectives and points of view.

(3) In establishing additional priorities and selection criteria for such grant, the Secretary shall give serious consideration to the recommendations made by the Council pursuant to section 123(c)(4)(A).

(c) Report.—After the development of the voluntary national opportunity-to-learn standards, the consortium funded under this section shall submit a report to the Secretary which discusses the background, important issues, and rationale regarding such standards.

SEC. 140. ASSESSMENT DEVELOPMENT AND EVALUATION GRANTS.

(a) General.—(1) The Secretary is authorized to make grants to States and local educational agencies or consortia of such agencies to help

defray the cost of developing, field testing, and evaluating assessment systems, to be used for some or all of the purposes indicated in section 123(f)(1)(B), that are aligned to State content standards certified by the Council.

(2) The Secretary shall reserve a portion of the funds authorized under section 141(d) for grants to State educational agencies and local educational agencies for purposes of developing such assessments in languages other than English.

(b) APPLICATIONS.—A State, local educational agency, or consortium of such agencies that desires to receive a grant under subsection (a)(1) shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

(c) REQUIREMENTS.—(1) A recipient of a grant under this section shall—

(A) examine the validity and reliability of an assessment system for the particular purposes for which such assessment system was developed;

(B) ensure that an assessment system is consistent with relevant, nationally recognized professional and technical standards for assessments; and

(C) devote special attention to how an assessment system, treats all students, especially with regard to the race, gender, ethnicity, disability, and language proficiency.

(2) An assessment system developed and evaluated with funds under this section may not be used for decisions about individual students relating to program placement, promotion, or retention, graduation, or employment for a period of five years from the date of enactment of this Act.

SEC. 141. EVALUATION.

(a) GRANT.—From funds reserved under section 154(a)(2), the Secretary annually shall make a grant, in an amount not to exceed $500,000, to the Commission on Behavioral and Social Sciences and Education of the National Academy of Sciences or to the National Academy of Education to—

(1) evaluate—

(A) the technical quality of the work performed by the Goals Panel and the Council;

(B) the process the Council uses to develop criteria for certification of standards and assessments;

(C) the process the Council uses to certify voluntary national standards as well as standards and assessments voluntarily submitted by States; and

(D) the process the Goals Panel uses to approve certification criteria and voluntary national standards;

(2) periodically provide to the Goals Panel and the Council, as appropriate, information from the evaluation under paragraph (1); and

(3) report on the activities authorized under sections 139 and 140.

(b) REPORT.—The grant recipient shall periodically report to the Congress, the Secretary, and the public regarding findings and shall make a final report not later than January 1, 1998.

Subpart 3—Authorization of Appropriations

SEC. 145. AUTHORIZATION OF APPROPRIATIONS.

(a) NATIONAL EDUCATION GOALS PANEL.—There are authorized to be appropriated $3,000,000 for fiscal year 1994 and such sums as may be necessary for each of the four succeeding fiscal years to carry out part A of this title.

(b) NATIONAL EDUCATION STANDARDS AND IMPROVEMENT COUNCIL.—There are authorized to be appropriated $3,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1998 to carry out part B of this title.

(c) OPPORTUNITY-TO-LEARN DEVELOPMENT GRANT.—There are authorized to be appropriated $3,000,000 for fiscal year 1994 and such sums as may be necessary for fiscal year 1995 to carry out the Opportunity-to-Learn Development Grant Program established under section 139 of this title.

(d) ASSESSMENT DEVELOPMENT AND EVALUATION GRANTS.—There are authorized to be appropriated $5,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1998 to carry out the Assessment Development and Evaluation Grants Program established under section 140 of this title.

PART C—STATE AND LOCAL EDUCATION SYSTEMIC IMPROVEMENT

SEC. 151. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) all students can learn and achieve high standards and must realize their potential if the United States is to prosper;

(2) the reforms in education of the last 15 years have achieved some good results, but these efforts often have been limited to a few schools or to a single part of the educational system;

(3) leadership must come both from teachers, related services personnel, principals, and parents in individual schools and from policymakers at the local, State, tribal, and national levels, in order for lasting improvements in student performance to occur;

(4) simultaneous top-down and bottom-up education reform is necessary to spur creative and innovative approaches by individual schools to help all students achieve internationally competitive standards;

(5) strategies must be developed by communities and States to support the revitalization of all local public schools by fundamentally changing the entire system of public education through comprehensive, coherent, and coordinated improvement in order to increase student learning;

(6) parents, teachers, and other local educators, and business, community, and tribal leaders must be involved in developing systemwide improvement strategies that reflect the needs of their individual communities;

(7) State and local education improvement efforts must incorporate strategies for providing all students and families with coordinated access to appropriate social services, health care, nutrition, and child care to remove preventable barriers to learning and enhance school readiness for all students;

(8) States and local educational agencies, working together, must immediately set about developing and implementing such systemwide improvement strategies if the Nation is to educate all children to meet their full potential and achieve the National Education Goals listed in title I of this Act;

(9) State and local systemic improvement strategies must provide all students with effective mechanisms and appropriate paths to the workforce as well as to higher education;

(10) business should be encouraged to enter into partnerships with schools, provide information and guidance to schools on the needs of area business for properly educated graduates in general and on the need for particular workplace skills, that the schools may provide necessary material and support, and continue the lifelong learning process throughout the employment years of an individual, and schools should provide information to business regarding how the business community can assist schools in meeting the goals of this Act;

(11) institutions of higher education should be encouraged to enter into partnerships with schools to provide information and guidance to schools on the skills and knowledge graduates need in order to enter and successfully complete postsecondary education, and schools should provide information and guidance to institutions of higher education on the skills, knowledge, and preservice training teachers need, and the types of professional development educators need in order to meet the goals of this Act;

(12) the appropriate and innovative use of technology, including distance learning, can be very effective in helping to bring all students the opportunity to learn and meet high standards; and

(13) Federal funds should be targeted to support local and State initiatives, and to leverage State and local resources for designing and implementing system-wide improvement plans.

SEC. 152. PURPOSE.

The purpose of this title is to improve the quality of education for all students by improving student learning through a long-term, broad-based effort to promote coherent and coordinated improvements in the system of education throughout the Nation at the local and State levels. This title provides new authorities and funding for the Nation's school systems without replacing or reducing funding for existing Federal education programs. It is the intention of the Congress that no State or local educational agency will reduce its funding for education or for education reform on account of receiving any funds under this title.

SEC. 153. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this title, there are authorized to be appropriated $393,000,000 for the fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

SEC. 154. ALLOTMENT OF FUNDS.

(a) RESERVATIONS OF FUNDS.—From funds appropriated under section 153, the Secretary—

(1) shall reserve a total of one percent to provide assistance, in amounts determined by the Secretary—

(A) to the outlying areas; and

(B) to the Secretary of the Interior to benefit Indian students in schools operated or funded by the Bureau of Indian Affairs (referred to in this Act as the "Bureau"); and

(2) may reserve a total of up to 6 percent for—

(A) national leadership activities under section 163;

(B) the costs of peer review of State improvement plans and applications under this title; and

(C) evaluation activities under section 141.

(b) STATE ALLOTMENTS.—The Secretary shall allot the remaining amount appropriated under section 153 for each fiscal year to the States (which for the purposes of this subsection does not include the outlying areas) as follows:

(1) 50 percent of such remaining amount shall be allocated in accordance with the relative amounts such State received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year.

(2) 50 percent of such remaining amount shall be allocated in accordance with the relative amounts each such State received under part A of chapter 2 of title I of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year.

(c) REALLOTMENTS.—If the Secretary determines that any amount of a State's allotment for any fiscal year under subsection (b) will not be needed for such fiscal year by the State, the Secretary shall reallot such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

SEC. 155. STATE APPLICATIONS.

(a) GENERAL.—(1) If a State desires to receive a grant under this title, the State educational agency shall submit an application to the Secretary at such time and in such manner as the Secretary may determine.

(2) In addition to the information described in subsections (b) and (c), each such application shall include—

(A) an assurance that the State educational agency will cooperate with the Secretary in carrying out the Secretary's responsibilities under section 162, and will comply with reasonable requests of the Secretary for data related to the State's progress in developing and implementing its State improvement plan under this title;

(B) an assurance that State law provides adequate authority to carry out each component of the State's improvement plan developed, or to be developed under section 156, or that such authority will be sought;

(C) an assurance that the standards developed for student achievement are not less rigorous than student achievement standards used prior to the date of enactment of this Act;

(D) an assurance that the State will provide for broad public participation in the planning process; and

(E) such other assurances and information as the Secretary may require.

(b) FIRST YEAR.—A State's application for the first year of assistance under this title shall—

(1) describe the process by which the State will develop a school improvement plan that meets the requirements of section 156; and

(2) describe how the State educational agency will use funds received under this title for such year, including how the State educational agency will make subgrants to local educational agencies and for teacher training.

(c) SUBSEQUENT YEARS.—A State's second application under this title shall—

(1) cover the second through fifth years of its participation;

(2) include a copy of the State's improvement plan that meets the requirements of section 156 or, if the State plan is not complete, a statement of the steps it will take to complete the plan and a schedule for doing so; and

(3) include an explanation of how the State will use funds received under this title, including how it will make subgrants to local educational agencies and for teacher training under section 159(b)(1).

SEC. 156. STATE IMPROVEMENT PLANS.

(a) BASIC SCOPE OF PLAN.—Any State educational agency that wishes to receive a grant under this title after its first year of participation shall develop and implement a plan for the fundamental restructuring and improvement of elementary and secondary education in the State. This plan must address—

(1) in accordance with subsection (c), the establishment or adoption of challenging content and student performance standards for all students and the use of curricula, instructional practices, assessments, technology, parental involvement programs, and professional preparation and development approaches appropriate to help all students reach such standards;

(2) in accordance with subsection (d), the establishment or adoption of opportunity-to-learn standards that will define the conditions of teaching and learning that provide all students the opportunity to meet the challenging content and student performance standards;

(3) in accordance with subsection (e), needed changes in the governance and management of the education system in order to effectively focus schools on, and assist them in, preparing all students to meet the challenging State standards;

(4) in accordance with subsection (f), comprehensive strategies to involve communities, including parents, businesses, libraries, institutions of higher education, employment and training agencies, health and human service agencies, advocacy groups, cultural institutions, and other public and private agencies that provide social services, health care, child care, early childhood education, and nutrition to students, in helping all students meet the challenging State standards;

(5) in accordance with subsection (g), strategies for ensuring that all local educational agencies and schools within the State are involved in developing and implementing needed improvements within a specified period of time;

(6) in accordance with subsection (h), strategies for ensuring that comprehensive, systemic reform is promoted from the bottom up in communities, local educational agencies, and schools; and

(7) the needs of the children, ages 5 through 18, who are out of school and the extent to which such children can be brought back into the education system and meet the standards set forth in this Act.

(b) PLAN DEVELOPMENT.—(1) A State improvement plan under this title must be developed by a broad-based panel (referred to in this title as the "panel") in cooperation with the State educational agency and the Governor. The panel shall include—

(A) the Governor and the chief State school officer, or their designees;

(B) the chairman of the State board of education and the chairmen of the appropriate authorizing committees of the State legislature, or their designees;

(C) teachers, principals, and administrators who have successfully improved student performance and deans of colleges of education;

(D) representatives of teacher organizations, parents, institutions of higher education, business and labor leaders, community-based organizations, Indian tribes, local boards of education, State and local officials responsible for health, social services, and other related services, and others, as appropriate;

(E) representatives from rural and urban local educational agencies in the State; and

(F) experts in educational measurement and assessment.

(2) The Governor and the chief State school officer shall each appoint half the members of the State panel. The full panel shall establish the procedures regarding the operation of the panel, including the designation of the panel chairperson.

(3) To the extent feasible, the membership of the panel shall be geographically representative of the State and reflect the diversity of the population of the State with regard to race, ethnicity, gender, and disability characteristics.

(4) One-third of the panel members shall be individuals with expertise in the educational needs and assessments of children who are from low-income families, minority group backgrounds, have limited-English proficiency, or have disabilities.

(5) The panel shall consult the Governor, the chief State school officer, the State board of education, and relevant committees of the State legislature in developing the plan.

(6) The panel shall be responsible for conducting a statewide, grassroots outreach process, including conducting public hearings, to involve educators, related services personnel, parents, secondary school students, local officials, private nonprofit elementary and secondary schools, community and business leaders, Indian tribes, citizens, children's advocates, and others with a stake in the success of students and their education system, and who are representative of the diversity of the State and its student population, in the development of the State plan and in a continuing dialog regarding the need for and nature of challenging standards for all students and local and State responsibilities for helping all students achieve them.

(7) The panel shall develop a continuing process for interacting with local educational agencies and individual schools engaged in systemic reform, especially including local educational agencies and schools which receive subgrants under section 159 of this Act, to ensure that the development and implementation of the State plan reflects their needs and experiences.

(8) The panel shall develop a State plan, provide opportunity for public comment, and submit the State plan to the State educational agency for approval.

(9) The State educational agency shall submit the original State improvement plan developed by the panel and the State improvement plan if modified by such agency, together with an explanation of any changes made by such agency to the plan developed by the panel, to the Secretary for approval.

(10) If any portion of the State plan addresses matters that, under State or other applicable law, are not under the authority of the State educational agency, the State educational agency shall obtain the approval of, or changes to, such portion, with an explanation from the Governor or other official responsible for that portion before submitting the plan to the Secretary.

(11) After approval of the State plan by the Secretary, the panel, in close consultation with teachers, principals, administrators, school boards, advocacy groups, advocates of children with disabilities and parents in local educational agencies and schools receiving funds under this title, shall monitor the implementation and effectiveness of the State plan to determine if revisions are appropriate, and shall periodically report its findings to the public.

(c) TEACHING, LEARNING, STANDARDS, AND ASSESSMENTS.—Each State plan shall establish strategies and a timetable for improving teaching and learning, including—

(1) a process for developing or adopting challenging content and student performance standards for all students which includes coordinating the standards developed pursuant to section 115 of the Carl D. Perkins Vocational and Applied Technology Education Act of 1990;

(2) a process for providing assistance and support to local educational agencies and schools to give them the capacity and responsibility to provide all students the opportunity to increase education achievement and meet challenging State content and student performance standards;

(3) assessing the effectiveness and equity of the school finance program of the State to identify disparities in the resources available to each local educational agency and school in such State and how such disparities affect the ability of the State educational agency and local educational agencies to develop and implement plans under this title;

(4) a process for developing, adopting, or recommending instructional materials, including gender equitable and multicultural materials, and technology to support and assist local educational agencies and schools to provide all students the opportunity to meet the challenging State content and student performance standards;

(5) a process for developing and implementing a valid and nondiscriminatory assessment system or set of locally-based assessment systems which are consistent with relevant, nationally recognized, professional and technical standards for assessment, and are capable of providing coherent information about student attainments relative to the State content standards;

(6) a process for monitoring the implementation of such system or systems and the impact on improved instruction for all students;

(7) a process for improving the State's system of teacher and school administrator preparation, licensure, and continuing professional development so that all teachers, related services personnel, and administrators develop the subject matter and pedagogical expertise needed to prepare all students to meet the challenging standards under paragraph (1);

(8) a process for providing appropriate and effective professional development, including the

use of technology, distance learning, and gender-equitable methods, necessary for teachers, school administrators, and others to help all students meet the challenging standards under paragraph (1); and

(9) a process to ensure widespread participation of classroom teachers in developing the portions of the plan described in this subsection.

(d) OPPORTUNITY-TO-LEARN STANDARDS.—Each State plan shall establish a strategy and timetable for—

(1) adopting or establishing opportunity-to-learn standards that are consistent with the challenging content and student performance standards that have been adopted or established;

(2) ensuring that every school in the State is making demonstrable progress toward meeting the State's opportunity-to-learn standards;

(3) ensuring that the State's opportunity-to-learn standards address the need of all students;

(4) providing for periodic assessments of the extent to which opportunity-to-learn standards are being met throughout the State; and

(5) periodically reporting to the public on the extent of the State's improvement in achieving such standards and providing all students with a fair opportunity to achieve the knowledge and skill levels that meet the State's content and student performance standards.

(e) GOVERNANCE AND MANAGEMENT.—Each State plan shall establish strategies for improved governance and management of its education system, such as—

(1) aligning responsibility, authority, and accountability throughout the education system, so that decisions regarding content and student performance standards are coordinated and decisions regarding the means for achieving such standards are made closest to the learners;

(2) creating an integrated and coherent approach to attracting, recruiting, preparing and licensing, appraising, rewarding, retaining, and supporting the continued professional development of teachers (including vocational teachers), administrators, and other educators, including bilingual educators and special education providers, so that there is a highly talented workforce of professional educators capable of preparing all students to reach challenging standards, with special attention to the recruitment, training, and retention of qualified minorities into the education profession within the State to ensure that the profession reflects the racial and ethnic diversity of the student population;

(3) providing incentives for high performance, such as—

(A) working with employers and institutions of higher education to devise strategies to reward student achievement;

(B) incentives for classroom teachers, principals, and other professional educators to participate in professional development activities; and

(C) school-based incentives for schools and local educational agencies to improve student performance;

(4) increasing the proportion of State and local funds allocated to direct instructional purposes; and

(5) increasing flexibility for local educational agencies and schools by, for example—

(A) waiving State regulations and other requirements that impede educational improvement;

(B) focusing accountability on educational outcomes rather than monitoring compliance with input requirements; and

(C) fostering conditions that allow teachers, principals, and parents in the school community to be creative in helping all students meet challenging standards.

(f) PARENTAL AND COMMUNITY SUPPORT AND INVOLVEMENT.—Each State plan shall describe strategies for how the State will involve parents and other community members in planning, designing, and implementing its plan, including such strategies as—

(1) educating the public about the need for higher standards, systemic improvement, and awareness of diverse learning needs;

(2) involving parents, communities, and advocacy groups in the standard-setting and improvement process;

(3) linking the family and school in supporting students to meet the challenging student content and performance standards established;

(4) reporting, on an ongoing basis, to parents, educators, and the public on the progress in implementing the plan and improving student performance;

(5) focusing public and private community resources and public school resources on prevention and early intervention to address the needs of all students by—

(A) identifying and removing unnecessary regulations and obstacles to coordination;

(B) improving communication and information exchange; and

(C) providing appropriate training to agency personnel; and

(6) increasing the access of all students to social services, health care, nutrition, related services, and child care services, and locating such services in schools, cooperating service agencies, community-based centers, or other convenient sites designed to provide "one-stop shopping" for parents and students.

(g) MAKING THE IMPROVEMENTS SYSTEMWIDE.—To help provide all students throughout the State the opportunity to meet challenging State standards, each State plan shall describe strategies such as—

(1) ensuring that the improvement efforts expand from the initial local educational agencies, schools, and educators involved to all local educational agencies, schools, and educators in the State education system through such approaches as teacher and administrator professional development, technical assistance, whole school projects, intensive summer training, and networking of teachers and other educators, consortia of schools, and local educational agencies undertaking similar improvements;

(2) developing partnerships among preschools, elementary and secondary schools, institutions of higher education, cultural institutions, health and social service providers, and employers to improve teaching and learning at all levels of the education system for all students and to foster collaboration and continuous improvement;

(3) developing strategies to provide for the close coordination of standards development and improvement efforts among institutions of higher education and secondary, and elementary schools;

(4) conducting parental involvement activities and outreach programs aimed at parents whose language is a language other than English, individuals with disabilities, and other special populations, including American Indians, Alaskan Natives, and Native Hawaiians, to involve all segments of the community in the development of the State plan;

(5) developing partnerships with Indian tribes and schools funded by the Bureau, where appropriate, to improve consistency and compatibility in curriculum among public and such schools funded by the Bureau at all grade levels;

(6) allocating all available local, State, and Federal resources to achieve system-wide improvement;

(7) providing for the development of objective criteria and measures against which the success of local plans will be evaluated;

(8) providing for the availability of curricular materials, learning technologies, including distance learning, and professional development in a manner ensuring equal access by all local educational agencies in the State;

(9) taking steps to ensure that all local educational agencies, schools, and educators in the State benefit from successful programs and practices supported by funds made available to local educational agencies and schools under this title; and

(10) providing assistance to students, teachers, schools, and local educational agencies that are identified through the assessment system developed under subsection (c)(5) as needing such assistance.

(h) PROMOTING BOTTOM-UP REFORM.—Each State plan shall include strategies for ensuring that comprehensive, systemic reform is promoted from the bottom up in communities, local educational agencies, and schools, as well as guided by coordination and facilitation from State leaders, including strategies such as—

(1) ensuring that the State plan is responsive to the needs and experiences of local educational agencies, schools, teachers, the community, and parents;

(2) establishing mechanisms for continuous input from local schools, communities, advocacy groups, institutions of higher education, and local educational agencies into, and feedback on, the implementation of the State plan;

(3) providing discretionary resources that enable teachers and schools to purchase needed professional development and other forms of assistance consistent with their improvement plan from high-quality providers of their choice;

(4) establishing collaborative networks of teachers centered on content standards and assessments for the purpose of improving teaching and learning;

(5) providing flexibility to individual schools and local educational agencies to enable them to adapt and integrate State content standards into courses of study appropriate for individual schools and communities;

(6) facilitating the provision of waivers from State rules and regulations that impede the ability of local educational agencies or schools to carry out local education improvement plans; and

(7) facilitating communication among educators within and between local educational agencies for the purpose of sharing innovative and effective practices, including, through the use of telecommunications, distance learning, site visits, and other means.

(i) COORDINATION WITH SCHOOL-TO-WORK PROGRAMS.—If a State has received Federal assistance for the purpose of planning for, expanding, or establishing a school-to-work program, then a State shall include in the State plan a description of how such school-to-work program will be incorporated into the school reform efforts of the State. In particular, the State plan shall include a description of how secondary schools will be modified in order to provide career guidance, the integration of academic and vocational education, and work-based learning, if such programs are proposed in the State's school-to-work plan.

(j) BENCHMARKS AND TIMELINES.—Each State plan shall include specific benchmarks of improved student performance and of progress in implementing the improvement plan, and timelines against which the progress of the State in carrying out its plan, including the elements described in subsections (c) through (h), can be measured.

(k) COORDINATING STRATEGIES.—Each State plan shall include strategies for coordinating the integration of academic and vocational instruction pursuant to the Carl D. Perkins Vocational and Applied Technology Education Act.

(l) PROGRAM IMPROVEMENT AND ACCOUNTABILITY.—Each State shall describe—

(1) how the State will monitor progress towards implementing the State and local plans; and

(2) procedures the State will use to ensure schools and school districts meet State opportunity-to-learn and content standards within the established time lines.

(m) PROHIBITION ON FEDERAL MANDATES, DIRECTION, AND CONTROL.—Nothing in this section shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's curriculum, program of instruction, or allocation of State and local resources.

(n) PEER REVIEW AND SECRETARIAL APPROVAL.—(1) The Secretary shall review each State improvement plan prepared under this section, and each application submitted under section 155, with the assistance and advice of State and local education policymakers, educators, classroom teachers, related services personnel, experts on educational innovation and improvement, parents, advocates for children with disabilities, representatives of other advocacy groups, and other appropriate individuals. The peer review process shall be performed by individuals representative of the diversity of the United States with regard to geography, race, ethnicity, gender, and disability. The review of each State plan shall include at least one site visit to each State.

(2) The Secretary shall approve a State's plan when the Secretary determines, after considering the peer reviewers' comment, that it—

(A) reflects a widespread commitment within the State;

(B) holds reasonable promise of enabling all students to achieve at the high levels called for by this Act;

(C) meets the requirements of subsections (a) through (k); and

(D) allows local schools, local educational agencies and communities the flexibility to implement local improvement plans in a manner which reflects local needs and requirements in order to promote a 'bottom up' system of school reform.

(3) The Secretary shall not decline to approve a State's plan, or any State application submitted under section 155, before offering the State—

(A) an opportunity to revise its plan or application; and

(B) a hearing.

(o) REGULAR REVIEW.—Each State plan shall include a process for regularly reviewing and updating any State content, student performance, and opportunity-to-learn standards and assessment systems.

(p) AMENDMENTS TO PLAN.—(1) Each State shall periodically review its plan and revise it, as appropriate, in accordance with the process described in subsection (b).

(2) The Secretary shall review major amendments to a State's plan through the same process, described in subsection (j), used to review the original plan.

(q) PREEXISTING STATE PLANS AND PANELS.—(1) If a State has developed a comprehensive and systemic improvement plan to help all students meet challenging standards, or any component of such a plan, that otherwise meets the requirements of this section, the Secretary may approve such plan or component notwithstanding that it was not developed in accordance with subsection (b), if the Secretary determines that such approval would further the purposes of State systemic education improvement.

(2) If, before the enactment of this Act, a State has made substantial progress in developing a plan that otherwise meets, or is likely to meet, the requirements of this section, but was developed by a panel that does not meet the requirements of paragraphs (1), (2), and (3) of subsection (b), the Secretary may, at the request of the Governor and the State educational agency, treat such panel as meeting the requirements of this title if the Secretary determines that there has been statewide involvement of educators, parents, students, advocacy groups, other interested members of the public in the development of the plan.

SEC. 157. SECRETARY'S REVIEW OF APPLICATIONS; PAYMENTS.

(a) FIRST YEAR.—The Secretary shall approve the initial year application of a State educational agency under section 155(b) if the Secretary determines that—

(1) such application meets the requirements of this title; and

(2) there is a substantial likelihood that the renewal application of the State will be able to develop and implement an education improvement plan that complies with section 156.

(b) SECOND THROUGH FIFTH YEARS.—The Secretary shall approve a renewal application of a State educational agency under section 155(c) for the second through fifth years only if—

(1)(A) the Secretary has approved the State's improvement plan under section 156(l); or

(B) the Secretary determines that the State has made substantial progress in developing such plan; and

(2) such application meets the other requirements of this title.

(c) PAYMENTS.—For any fiscal year for which a State has an approved application under this title, the Secretary shall make a grant to the State educational agency in the amount determined under section 154(b).

SEC. 158. STATE USE OF FUNDS.

(a) FIRST YEAR.—In the first year for which a State educational agency receives a grant under this title, the State—

(1) shall use at least 75 percent of such funds to make subgrants, in accordance with section 159(a), to local educational agencies for the development or implementation of local improvement plans and to make subgrants, in accordance with section 159(b), to improve educator preservice programs and for professional development activities consistent with the State plan, if the amount allocated to States under section 154(b) for such year is at least $50,000,000. The State may use such funds for such subgrants if such amount is less than $50,000,000; and

(2) shall use the remainder of such funds to develop, revise, expand, or implement an education improvement plan described in section 156.

(b) SUCCEEDING YEARS.—A State that receives assistance under this title for any year after the first year of participation shall—

(1) use at least 90 percent of such assistance in each succeeding year to make subgrants—

(A) to local educational agencies, in accordance with section 159(a), for the implementation of the State improvement plan and of local improvement plans; and

(B) in accordance with section 159(b), to improve educator preservice programs and for professional development activities that are consistent with the State improvement plan; and

(2) use the remainder of such assistance for State activities designed to implement its improvement plan, such as—

(A) supporting the development or adoption of State content and student performance standards, State opportunity-to-learn standards, and assessments linked to the standards, including through consortia of States, and in conjunction with the National Education Standards and Improvement Council established under part B of title II of this Act;

(B) supporting the implementation of high-performance management and organizational strategies, such as site-based management, shared decisionmaking, or quality management principles, to promote effective implementation of such plan;

(C) supporting the development and implementation, at the local educational agency and school building level, of improved human resource development systems for recruiting, selecting, mentoring, supporting, evaluating, and rewarding educators;

(D) providing special attention to the needs of minority, limited-English proficient, disabled, and female students, including instructional programs and activities that encourage such students in elementary and secondary schools to aspire to enter post secondary education or training;

(E) supporting the development, at the State or local level, of performance-based accountability and incentive systems for schools;

(F) outreach related to education improvement to parents, Indian tribal officials, classroom teachers, related services personnel, and other educators, and the public;

(G) providing technical assistance and other services to increase the capacity of local educational agencies and schools to develop and implement local systemic improvement plans, implement new assessments, and develop curricula consistent with the content and student performance standards of the State;

(H) promoting public magnet schools, public "charter schools", and other mechanisms for increasing choice among public schools; and

(I) collecting and analyzing data.

(c) LIMIT ON ADMINISTRATIVE COSTS.—In each year, a State may use not more than four percent of its annual allotment under this title, or $100,000, whichever is greater, for administrative expenses, not including the activities of the panel established under section 156(b)(1).

SEC. 159. SUBGRANTS FOR LOCAL REFORM AND PROFESSIONAL DEVELOPMENT.

(a) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—(1)(A) Each State educational agency shall make subgrants to local educational agencies (or consortia of such agencies) consistent with subsections (a)(1) and (b)(1)(A) of section 158 through a competitive process.

(B) In making such subgrants, the State educational agency shall award not less than 1 subgrant in each fiscal year to an urban local educational agency and not less than 1 subgrant in each fiscal year to a rural local educational agency, except that this provision shall not apply to the District of Columbia. Rural local educational agencies may include or be represented as a fiscal agent by an education service agency.

(C) Each subgrant shall be for a project of sufficient duration and of sufficient size, scope, and quality to carry out the purpose of this title effectively.

(2) A local educational agency wishing to receive a subgrant under this title for the purpose of developing a comprehensive local plan shall submit an application to the State educational agency. Such application shall contain assurances that the local educational agency intends to develop a plan that meets the requirements of this section.

(3) Each local educational agency wishing to receive a subgrant for the purpose of implementing a plan under this subsection shall submit a local plan to the State educational agency which—

(A) is developed by a broad-based panel that—

(i) is appointed by the local educational agency and is representative of the diversity of students and community with regard to race, language, ethnicity, gender, disability, and socioeconomic characteristics and includes teachers, parents, advocacy groups, school administrators, business representatives, and others, as appropriate; and

(ii) shall, following the selection of its members, establish the procedures regarding the op-

eration of the panel, including the designation of the chairperson;

(B) includes a comprehensive local plan for districtwide education improvement, directed at enabling all students to meet the challenging content and student performance standards of the State, including specific goals and benchmarks, consistent with the State improvement plan (either approved or under development) and includes a strategy for—

(i) implementing opportunity-to-learn standards;

(ii) improving teaching and learning;

(iii) improving governance and management;

(iv) generating and strengthening parental and community involvement; and

(v) expanding improvements throughout the local educational agency;

(C) promotes the flexibility of local schools in developing plans which address the particular needs of their school and community and are consistent with the local plan;

(D) describes a process of broad-based community participation in the development, implementation, and evaluation of the local plan;

(E) describes how the local educational agency will encourage and assist schools to develop comprehensive school improvement plans that focus on helping all students reach challenging content and student performance standards and that address relevant elements of the improvement plan of the local educational agency identified in subparagraph (B);

(F) describes how the local educational agency will implement specific programs aimed at ensuring improvements in school readiness and the ability of students to learn effectively at all grade levels by identifying the most pressing needs facing students and their families with regard to social services, health care, nutrition, and child care, and by entering into partnerships with public and private agencies to increase the access of students and families to coordinated services in a school setting or at a nearby site;

(G) describes how the subgrant will be used by the local educational agency, and the procedures to be used to make funds available to schools in accordance with paragraph (6)(A);

(H) identifies, with an explanation, any State or Federal requirements that the local educational agency believes impede educational improvement and that such local educational agency requests be waived in accordance with section 161 (such requests shall promptly be transmitted to the Secretary by the State educational agency); and

(I) contains such other information as the State educational agency may reasonably require.

(4) A local educational agency which has approved a local plan shall submit such plan to the State for approval together with a description of modifications to such plan and any comments from the local panel regarding such plan.

(5) The panel appointed under paragraph (3)(A) shall, after approval by the State educational agency of the application of the local educational agency, monitor the implementation and effectiveness of the local improvement plan in close consultation with teachers, related services personnel, principals, administrators, community members, and parents from schools receiving funds under this title, to determine if revisions to the local plan should be recommended to the local educational agency. The panel shall make public its findings.

(6)(A) A local educational agency that receives a subgrant under this subsection shall—

(i) in the first year, use not more than 25 percent of subgrant funds to develop a local improvement plan or to implement any local educational activities approved by the State educational agency which are reasonably related to carrying out the State or local improvement plans, and not less than 75 percent of such funds to support individual school improvement initiatives directly related to providing all students in the school the opportunity to meet challenging State content and student performance standards; and

(ii) in subsequent years, use subgrant funds for any activities approved by the State educational agency which are reasonably related to carrying out the State or local improvement plans, except that at least 85 percent of such funds shall be made available to individual schools to develop and implement comprehensive school improvement plans which are tailored to meet the needs of their particular student populations and are designed to help all students meet challenging State content standards.

(B) At least 50 percent of the funds made available by a local educational agency to individual schools under this section in any fiscal year shall be made available to schools with a special need for such assistance, as indicated by a high number or percentage of students from low-income families, low student achievement, or other similar criteria developed by the local educational agency.

(C) A local educational agency may not use more than five percent of its annual allotment under this Act for administrative expenses.

(7) The State educational agency shall give priority in awarding a subgrant to—

(A) a consortium of local educational agencies; or

(B) a local educational agency that makes assurances that funds will be used to assist a consortium of schools that has developed a plan for school improvement.

(b) SUBGRANTS FOR PRESERVICE TEACHER EDUCATION AND PROFESSIONAL DEVELOPMENT ACTIVITIES.—(1)(A) Each State educational agency shall make subgrants to consortia of local educational agencies, institutions of higher education, private nonprofit organizations, or combinations thereof, consistent with subsections (a)(1) and (b)(1) of section 158 through a competitive, peer-reviewed process to—

(i) improve preservice teacher education programs consistent with the State plan, including how to work effectively with parents and the community; and

(ii) support continuing, sustained professional development activities for educators which will increase student learning and are consistent with the State plan.

(B)(i) In order to apply for a subgrant described in subparagraph (A)(i), a consortium must include at least one local educational agency and at least one institution of higher education.

(ii) In order to apply for a subgrant described in subparagraph (A)(ii), a consortium must include at least one local educational agency.

(2) A consortium that wishes to receive a subgrant under this subsection shall submit an application to the State educational agency which—

(A) describes how the applicant will use the subgrant to improve teacher preservice and school administrator education programs or to implement educator professional development activities consistent with the State plan;

(B) identifies the criteria to be used by the applicant to judge improvements in preservice education or the effects of professional development activities consistent with the State plan; and

(C) contains any other information that the State educational agency determines is appropriate.

(3) A recipient of a subgrant under this subsection shall use the subgrant funds for activities supporting—

(A) the improvement of preservice teacher education and school administrator programs so that such programs equip educators with the subject matter and pedagogical expertise necessary for preparing all students to meet challenging standards; or

(B) the development and implementation of new and improved forms of continuing and sustained professional development opportunities for teachers, principals, and other educators at the school or district level that equip educators with such expertise, and with other knowledge and skills necessary for leading and participating in continuous education improvement.

(4) A recipient may use the subgrant funds under this subsection for costs related to release time for teachers to participate in professional development activities.

(5) Professional development shall include related services personnel as appropriate.

(6) In awarding subgrants under this subsection, the State educational agency shall give priority to local educational agencies that form partnerships with collegiate educators to establish professional development school sites.

(c) SPECIAL AWARD RULE.—(1) Each State educational agency shall award at least 50 percent of subgrant funds under subsection (a) in each fiscal year to local educational agencies that have a greater percentage or number of disadvantaged children than the statewide average percentage or number for all local educational agencies in the State.

(2) The State educational agency may waive the requirement of paragraph (1) if such State does not receive a sufficient number of applications to comply with such requirement.

SEC. 160. AVAILABILITY OF INFORMATION AND TRAINING.

(a) INFORMATION AND TRAINING.—Proportionate to the number of children in a State or in a local educational agency who are enrolled in private elementary or secondary schools—

(1) a State educational agency or local educational agency which uses funds under this title to develop goals, content standards, curricular materials, and assessments shall, upon request, make information related to such goals, standards, materials, and assessments available to private schools; and

(2) a State educational agency or local educational agency which uses funds under this title for teacher and administrator training shall provide in its plan for the training of teachers and administrators in private schools located in the geographical area served by such agency.

(b) WAIVER.—If, by reason of any provision of law, a State or local educational agency is prohibited from providing for the equitable participation of teachers and administrators from private schools in training programs assisted with Federal funds provided under this title, or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation, the Secretary shall waive such requirements and shall arrange for the provision of training consistent with State goals and content standards for such teachers and administrators. Such waivers shall be subject to consultation, withholding, notice, and judicial review in accordance with section 1017 of the Elementary and Secondary Education Act of 1965.

SEC. 161. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

(a) GENERAL.—(1) Except as provided in subsection (c), the Secretary may waive any requirement of any statute listed in subsection (b) or of the regulations issued under such statute for a State educational agency, local educational agency, or school that requests such a waiver—

(A) if, and only to the extent that, the Secretary determines that such requirement impedes the ability of the State, or of a local educational agency or school in the State, to carry out the State or local education improvement plan;

(B) if the State educational agency has waived, or agrees to waive, similar requirements of State law; and

(C) if, in the case of a Statewide waiver, the State educational agency—

(i) provides all local educational agencies and parent organizations in the State with notice and an opportunity to comment on the proposal of the State educational agency to seek a waiver; and

(ii) submits the comments of such agencies to the Secretary.

(2) To request a waiver, a State educational agency, local educational agency, or school that receives funds under this Act or a local educational agency that does not receive funds under this Act but is undertaking school reform efforts that meet the objectives of the State plan, shall submit an application to the Secretary that includes—

(A) the identification of statutory or regulatory requirements that are requested to be waived and the goals that the State local educational agency or school intends to achieve;

(B) a description of the action that the State has undertaken to remove State statutory or regulatory barriers identified in the applications of local educational agencies;

(C) a description of the goals of the waiver and the expected programmatic outcomes if the request is granted;

(D) the numbers and types of students to be impacted by such waiver;

(E) a timetable for implementing a waiver; and

(F) the process the State will use to monitor, on a biannual basis, the progress in implementing a waiver.

(3) The Secretary shall act promptly on a waiver request and state in writing the reasons for granting or denying such request. If a waiver is granted, the Secretary must also include the expected outcome of granting such waiver.

(4) The Secretary's decision shall be—

(A) published in the Federal Register; and

(B) disseminated by the State educational agency to interested parties, including educators, parents, students, advocacy and civil rights organizations, other interested parties, and the public.

(5) Each such waiver shall be for a period not to exceed three years. The Secretary may extend such period if the Secretary determines that the waiver has been effective in enabling the State or affected local educational agencies to carry out reform plans.

(b) INCLUDED PROGRAMS.—The statutes subject to the waiver authority of this section are as follows:

(1) Chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

(2) Part A of chapter 2 of title I of the Elementary and Secondary Education Act of 1965.

(3) The Dwight D. Eisenhower Mathematics and Science Education Act (part A of title II of the Elementary and Secondary Education Act of 1965).

(4) The Emergency Immigrant Education Act of 1984 (part D of title IV of the Elementary and Secondary Education Act of 1965).

(5) The Drug-Free Schools and Communities Act of 1986 (title V of the Elementary and Secondary Education Act of 1965).

(6) The Carl D. Perkins Vocational and Applied Technology Education Act.

(c) WAIVERS NOT AUTHORIZED.—The Secretary may not waive any statutory or regulatory requirement of the programs listed in subsection (b) relating to—

(1) maintenance of effort;

(2) comparability of services;

(3) the equitable participation of students and professional staff in private schools;

(4) parental participation and involvement; or

(5) the distribution of funds to State or to local educational agencies.

(d) TERMINATION OF WAIVERS.—The Secretary shall periodically review the performance of any State, local educational agency, or school for which the Secretary has granted a waiver and shall terminate the waiver if the performance of the State, the local educational agency, or the school in the area affected by the waiver has been inadequate to justify a continuation of the waiver.

SEC. 162. PROGRESS REPORTS.

(a) STATE REPORTS TO THE SECRETARY.—Each State educational agency that receives funds under this title shall annually report to the Secretary regarding—

(1) progress in meeting State goals and plans;

(2) proposed State activities for the succeeding year; and

(3) in summary form, the progress of local educational agencies in meeting local goals and plans and increasing student learning.

(b) SECRETARY'S REPORTS TO CONGRESS.—By April 30, 1996, and every two years thereafter, the Secretary shall submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate describing the activities and outcomes of grants under—

(1) section 140 of this Act, including—

(A) a description of the purpose, uses, and technical merit of assessments evaluated with funds under such section; and

(B) an analysis of the impact of such assessments on the performance of all students, particularly students of different racial, gender, ethnic, language groups, or individuals with disabilities; and

(2) this title, including a description of the effect of waivers granted under section 151.

SEC. 163. NATIONAL LEADERSHIP.

(a) ACTIVITIES AUTHORIZED.—From funds reserved each year under section 154(a)(2)(A), the Secretary shall, through the Office of Educational Research and Improvement in accordance with the provisions of sections 405 and 406 of the General Education Provisions Act, directly or through grants or contracts—

(1) provide technical assistance to States and local educational agencies developing or implementing school improvement plans, in a manner that ensures that each such State has access to such assistance;

(2) gather data on, conduct research on, and evaluate systemic education improvement, including the programs authorized by this title;

(3) disseminate research findings and other information on systemic education improvement and how it affects student learning;

(4) provide grants to tribal divisions of education for coordination efforts between school reform plans developed for schools funded by the Bureau of Indian Affairs and public schools described in section 156(g)(5), including tribal activities in support of plans; and

(5) support national demonstration projects that unite local and State educational agencies, institutions of higher education, government, business, and labor in collaborative arrangements in order to make educational improvements systemwide.

(b) RESERVATION OF FUNDS.—(1) The Secretary shall use at least 50 percent of the funds reserved each year under section 154(a)(2)(A) to make grants, consistent with the provisions of section 159(a) that the Secretary finds appropriate, and provide technical and other assistance to urban and rural local educational agencies with large numbers or concentrations of students who are economically disadvantaged or who have limited English proficiency, to assist such agencies in developing and implementing local school improvement plans.

(2) The Secretary shall use not less than $1,000,000 of the funds reserved the first year under section 154(a)(2)(A) to survey coordinated services programs that have been found to be successful in helping students and families and improving student outcomes, and shall disseminate information about such programs to schools that plan to develop coordinated services programs.

SEC. 164. ASSISTANCE TO THE OUTLYING AREAS AND TO THE SECRETARY OF THE INTERIOR.

(a) OUTLYING AREAS.—(1) Funds reserved for outlying areas under section 154(a)(1)(A) shall be distributed among such areas by the Secretary according to relative need.

(2) The provisions of Public Law 95–134, permitting the consolidation of grants to the insular areas, shall not apply to funds received by such areas under this title.

(b) SECRETARY OF THE INTERIOR.—

(1) IN GENERAL.—The funds reserved to the Secretary of the Interior under section 154 shall be made in a payment which shall be pursuant to an agreement between the Secretary and the Secretary of the Interior containing such assurances and terms as the Secretary determines shall best achieve the provisions of this section and this Act. The agreement shall, at a minimum, contain assurances that—

(A) a panel, as set forth in paragraph (4) of this subsection, shall be established;

(B) a reform and improvement plan, designed to increase student learning and assist students in meeting the National Education Goals, meeting the requirements pertaining to State improvement plans required in section 156 and providing for the fundamental restructuring and improvement of elementary and secondary education in schools funded by the Bureau, shall be developed by such panel; and

(C) the provisions and activities required under State improvement plans, including the requirements for timetables for opportunity-to-learn standards, shall be carried out in the same time frames and under the same conditions stipulated for the States in sections 155 and 156, provided that for these purposes, the term "local educational agencies" shall be interpreted to mean "schools funded by the Bureau".

(2) VOLUNTARY SUBMISSION.—The provisions applicable to the States in section 123 of this Act shall apply to the Bureau plan with regard to voluntary submission of standards and assessment systems to the National Education Standards and Improvement Council for review and certification.

(3) PLAN SPECIFICS.—The reform and improvement plan shall include, in addition to the requirements referenced above, specific provisions for—

(A) opportunity to learn standards pertaining to residential programs and transportation costs associated with programs located on or near reservations or serving students in off-reservation residential boarding schools;

(B) review and incorporation of the National Education Goals and the voluntary national content, student performance, and opportunity-to-learn standards developed under part B of title II of this Act, provided that such review shall include the issues of cultural and language differences; and

(C) provision for coordination of the efforts of the Bureau with the efforts for school improvement of the States and local educational agencies in which the schools funded by the Bureau are located, to include, but not be limited to, the development of the partnerships outlined in section 156(g)(5) of the Act.

(4) PANEL.—To carry out the provisions of this section, and to develop the plan for system-wide reform and improvement required under the agreement required under paragraph (1), the Secretary of the Interior shall establish a panel coordinated by the Assistant Secretary of the

Interior for Indian Affairs. Such panel shall consist of—

(A) the Director of the Office of Indian Education Programs of the Bureau of Indian Affairs and two heads of other divisions of such Bureau as the Assistant Secretary shall designate;

(B) a designee of the Secretary of Education; and

(C) a representative nominated by each of the following:

(i) The organization representing the majority of teachers and professional personnel in schools operated by the Bureau.

(ii) The organization representing the majority of nonteaching personnel in schools operated by the Bureau, if not the same organization as in clause (i).

(iii) School administrators of schools operated by the Bureau.

(iv) Education line officers located in Bureau area or agency offices serving schools funded by the Bureau.

(v) The organization representing the majority of contract or grant schools funded by the Bureau not serving students on the Navajo reservation.

(vi) The organization representing the majority of contract or grant schools funded by the Bureau serving students on the Navajo reservation.

(vii) The organization representing the school boards required by statute for schools operated by the Bureau not serving students on the Navajo reservation.

(viii) The organization representing the school boards required by statute for schools funded by the Bureau serving students on the Navajo reservation.

Including the additional members required by paragraph (5), a majority of the members of such panel shall be from the entities designated under subparagraph (C).

(5) ADDITIONAL MEMBERS.—In addition, the members of the panel stipulated above shall designate for full membership four additional members—

(A) one of whom shall be a representative of a national organization which represents primarily national Indian education concerns; and

(B) three of whom shall be chairpersons (or their designees) of Indian tribes with schools funded by the Bureau on their reservations (other than those specifically represented by organizations referred to in paragraph (4)), provided that preference for no less than two of these members shall be given to Indian tribes with a significant number of schools funded by the Bureau on their reservations, or with a significant percentage of their children enrolled in schools funded by the Bureau.

(c) BIA COST ANALYSIS.—

(1) IN GENERAL.—(A) The Secretary of the Interior shall reserve from the first allotment made to the Department of the Interior pursuant to section 154 an amount not to exceed $500,000 to provide, through the National Academy of Sciences, for an analysis of the costs associated with meeting the academic and home-living/residential standards of the Bureau of Indian Affairs for each school funded by such Bureau. The purpose of such analysis shall be to provide the Bureau and the Panel with baseline data regarding the current state of operations funded by the Bureau and to provide a framework for addressing the implementation of opportunity-to-learn standards.

(B) The results of such analysis shall be reported, in aggregate and school specific form, to the chairpersons and ranking minority members of the Committees on Education and Labor and Appropriations of the House of Representatives and the Select Committee on Indian Affairs and the Committee on Appropriations of the Senate, and to the Secretary of the Interior, the Secretary of Education (who shall transmit the report to the proper entities under this Act), and the Assistant Secretary of the Interior for Indian Affairs, not later than 6 months after the date of enactment of this Act.

(2) CONTENT.—Such analysis shall evaluate the costs of providing a program in each school for the next succeeding academic year and shall be based on—

(A) the standards either published in the Federal Register as having effect in schools operated by the Bureau on the date of enactment of this Act or the standards incorporated into each grant or contract in effect on such date with a tribally controlled school funded under section 1128 of Public Law 95-561 (as amended);

(B) the best projections of student counts and demographics, as provided by the Bureau and as independently reviewed by the Academy; and

(C) the pay and benefit schedules and other personnel requirements for each school operated by the Bureau, as existing on the date of enactment.

(d) SECRETARY OF DEFENSE.—The Secretary shall consult with the Secretary of Defense to ensure that, to the extent practicable, the purposes of this title are applied to the Department of Defense schools.

PART D—NATIONAL SKILL STANDARDS BOARD

SEC. 171. PURPOSE.

It is the purpose of this title to establish a National Board to serve as a catalyst in stimulating the development and adoption of a voluntary national system of skill standards and certification that will serve as a cornerstone of the national strategy to enhance workforce skills, and that can be used, consistent with Federal civil rights laws—

(1) by the Nation, to ensure the development of a high skills, high quality, high performance workforce, including the most skilled front-line workforce in the world, and that will result in increased productivity, economic growth and American economic competitiveness;

(2) by industries, as a vehicle for informing training providers and prospective employees of skills necessary for employment;

(3) by employers, to assist in evaluating the skill levels of prospective employees and to assist in the training of current employees;

(4) by labor organizations, to enhance the employment security of workers by providing portable credentials and skills;

(5) by workers, to obtain certifications of their skills to protect against dislocation, to pursue career advancement, and to enhance their ability to reenter the workforce;

(6) by students and entry level workers, to determine the skill levels and competencies needed to be obtained in order to compete effectively for high wage jobs;

(7) by training providers and educators, to determine appropriate training services to offer;

(8) by Government, to evaluate whether publicly-funded training assists participants to meet skill standards where they exist and thereby protect the integrity of public expenditures;

(9) to facilitate the transition to high performance work organizations;

(10) to increase opportunities for minorities and women, including removing barriers to the entry of women in non-traditional employment; and

(11) to facilitate linkages between other components of the workforce investment strategy, including school-to-work transition, secondary and postsecondary vocational-technical education, and job training programs.

SEC. 172. ESTABLISHMENT OF NATIONAL BOARD.

(a) IN GENERAL.—There is established a National Skill Standards Board (in this title referred to as the "National Board").

(b) COMPOSITION.—

(1) IN GENERAL.—The National Board shall be composed of 28 members, appointed in accordance with paragraph (3), of whom—

(A) one member shall be the Secretary of Labor;

(B) one member shall be the Secretary of Education;

(C) one member shall be the Secretary of Commerce;

(D) one member shall be the Chairperson of the National Education Standards and Improvement Council established pursuant to section 122(a);

(E) eight members shall be representatives of small and large business and industry selected from among individuals recommended by recognized national business organizations and trade associations;

(F) eight members shall be representatives of organized labor selected from among individuals recommended by recognized national labor federations; and

(G) eight members shall be representatives from the following groups, with at least one member from each group:

(i) Educational institutions.

(ii) Community-based organizations.

(iii) State and local governments.

(iv) Nongovernmental organizations with a demonstrated history of successfully protecting the rights of racial, ethnic and religious minorities, women, persons with disabilities or older persons.

(2) DIVERSITY REQUIREMENTS.—The members described in subparagraph (G) of paragraph (1) shall have expertise in the area of education and training. The members described in subparagraphs (E), (F), and (G) of paragraph (1) shall—

(A) in the aggregate, represent a broad cross-section of occupations and industries; and

(B) to the extent feasible, be geographically representative of the United States and reflect the racial, ethnic and gender diversity of the United States.

(3) APPOINTMENT.—The membership of the National Board shall be appointed as follows:

(A) Twelve members (four from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the President.

(B) Six members (two from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the Speaker of the House of Representatives, of whom three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Majority Leader of the House of Representatives and three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Minority Leader of the House of Representatives.

(C) Six members (two from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the President pro tempore of the Senate, of whom three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Majority Leader of the Senate and three members (one from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be selected from recommendations made by the Minority Leader of the Senate.

(4) TERM.—Each member of the National Board appointed under subparagraphs (E), (F), and (G) of paragraph (1) shall be appointed for a term of 4 years, except that of the initial members of the Board appointed under such paragraph—

(A) twelve members shall be appointed for a term of 3 years (four from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)), of whom—

(i) two from each class shall be appointed in accordance with paragraph (3)(A);

(ii) one from each such class shall be appointed in accordance with paragraph (3)(B); and

(iii) one from each such class shall be appointed in accordance with paragraph (3)(C); and

(B) twelve members shall be appointed for a term of 4 years (four from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)), of whom—

(i) two from each such class shall be appointed in accordance with paragraph (3)(A);

(ii) one from each such class shall be appointed in accordance with paragraph (3)(B); and

(iii) one from each such class shall be appointed in accordance with paragraph (3)(C).

(c) CHAIRPERSON AND VICE CHAIRPERSONS.—

(1) CHAIRPERSON.—The National Board shall biennially elect a Chairperson from among the members of the National Board by a majority vote of such members.

(2) VICE CHAIRPERSONS.—The National Board shall annually elect 3 Vice Chairpersons (each representing a different class of the classes of members described in subparagraphs (E), (F), and (G) of subsection (b)(1)) from among its members appointed under subsection (b)(3) by a majority vote of such members, each of whom shall serve for a term of 1 year.

(d) COMPENSATION AND EXPENSES.—

(1) COMPENSATION.—Members of the National Board who are not regular full-time employees or officers of the Federal Government shall serve without compensation.

(2) EXPENSES.—The members of the National Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57, title 5, United States Code, while away from their homes or regular places of business in the performance of services for the National Board.

(e) EXECUTIVE DIRECTOR AND STAFF.—The Chairperson of the National Board shall appoint an Executive Director, who shall be compensated at a rate determined by the National Board that shall not exceed the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, and who shall appoint such staff as is necessary in accordance with title 5, United States Code. Such staff shall include at least one individual with expertise in measurement and assessment.

(f) AGENCY SUPPORT.—

(1) USE OF FACILITIES.—The National Board may use the research, equipment, services and facilities of any agency or instrumentality of the United States with the consent of such agency or instrumentality.

(2) STAFF OF FEDERAL AGENCIES.—Upon the request of the National Board, the head of any department or agency of the United States may detail to the National Board, on a reimbursable basis, any of the personnel of such department or agency to assist the National Board in carrying out this title.

(g) CONFLICT OF INTEREST.—An individual who has served as a member of the National Board may not have any financial interest in an assessment and certification system developed or endorsed under this title for a period of three years after the termination of service of such individual from the National Board.

SEC. 173. FUNCTIONS OF THE NATIONAL BOARD.

(a) IDENTIFICATION OF OCCUPATIONAL CLUSTERS.—

(1) IN GENERAL.—Subject to paragraph (2), the National Board, after extensive public review and comment and study of the national labor market, shall identify broad clusters of major occupations that involve one or more than one industry in the United States.

(2) PROCEDURES FOR IDENTIFICATION.—Prior to identifying broad clusters of major occupations under paragraph (1), the National Board shall—

(A) develop procedures for the identification of such clusters;

(B) publish such procedures in the Federal Register; and

(C) allow for extensive public review of and comment on such procedures.

(b) VOLUNTARY PARTNERSHIPS TO DEVELOP STANDARDS.—

(1) IN GENERAL.—For each of the occupational clusters identified pursuant to subsection (a), the National Board shall encourage and facilitate the establishment of voluntary partnerships to develop a skill standards system in accordance with subsection (d).

(2) REPRESENTATIVES.—Such voluntary partnerships shall include the full and balanced participation of—

(A) representatives of business and industry who have expertise in the area of workforce skill requirements, including representatives of large and small employers, recommended by national business organizations and trade associations representing employers in the occupation or industry for which a standard is being developed, and representatives of trade associations that have received demonstration grants from the Department of Labor or the Department of Education to establish skill standards prior to the enactment of this title;

(B) employee representatives who have expertise in the area of workforce skill requirements and who shall be—

(i) individuals recommended by recognized national labor organizations representing employees in the occupation or industry for which a standard is being developed; and

(ii) such other individuals who are nonmanagerial employees with significant experience and tenure in such occupation or industry as are appropriate given the nature and structure of employment in the occupation or industry;

(C) representatives of—

(i) educational institutions;

(ii) community-based organizations;

(iii) State and local agencies with administrative control or direction over education, vocational-technical education, or employment and training;

(iv) other policy development organizations with expertise in the area of workforce skill requirements; and

(v) non-governmental organizations with a demonstrated history of successfully protecting the rights of racial, ethnic, and religious minorities, women, individuals with disabilities, and older persons; and

(D) individuals with expertise in measurement and assessment, including relevant experience in designing unbiased assessments and performance-based assessments.

(3) EXPERTS.—The partnerships described in paragraph (1) may also include such other individuals who are independent, qualified experts in their fields.

(c) RESEARCH, DISSEMINATION, AND COORDINATION.—In order to support the development of a skill standards system in accordance with subsection (d), the National Board shall—

(1) conduct workforce research relating to skill standards (including research relating to how to use skill standards in compliance with civil rights laws) and make such research available to the public, including the partnerships described in subsection (b);

(2) identify and maintain a catalog of skill standards used by other countries and by States and leading firms and industries in the United States;

(3) serve as a clearinghouse to facilitate the sharing of information on the development of skill standards and other relevant information among representatives of occupations and industries identified pursuant to subsection (a), the voluntary partnerships recognized pursuant to subsection (b), and among education and training providers through such mechanisms as the Capacity Building and Information and Dissemination Network established under section 453(b) of the Job Training Partnership Act;

(4) develop a common nomenclature relating to skill standards;

(5) encourage the development and adoption of curricula and training materials for attaining the skill standards developed pursuant to subsection (d) that include structured work experiences and related study programs leading to progressive levels of professional and technical certification and postsecondary education;

(6) provide appropriate technical assistance; and

(7) facilitate coordination among voluntary partnerships that meet the requirements of subsection (b) to promote the development of a coherent national system of voluntary skill standards.

(d) ENDORSEMENT OF SKILL STANDARDS SYSTEMS.—

(1) DEVELOPMENT OF ENDORSEMENT CRITERIA.—

(A) IN GENERAL.—The National Board, after extensive public consultation, shall develop objective criteria for endorsing skills standards systems relating to the occupational clusters identified pursuant to subsection (a). Such criteria shall, at a minimum, include the components of a skill standards system described in subparagraph (B). The endorsement criteria shall be published in the Federal Register, and updated as appropriate.

(B) COMPONENTS OF SYSTEM.—The components of a skill standards systems shall include the following:

(i) Voluntary skill standards, which at a minimum—

(I) meet or exceed, to the extent practicable, the highest standards used in other countries and the highest international standards;

(II) meet or exceed the highest applicable standards used in the United States, including apprenticeship standards registered under the National Apprenticeship Act;

(III) take into account content and performance standards certified pursuant to title II;

(IV) take into account the requirements of high performance work organizations;

(V) are in a form that allows for regular updating to take into account advances in technology or other developments within the occupational cluster;

(VI) are formulated in such a manner that promotes the portability of credentials and facilitates worker mobility within an occupational cluster or industry and among industries; and

(VII) are not discriminatory with respect to race, color, gender, age, religion, ethnicity, disability, or national origin, consistent with Federal civil rights laws.

(ii) A voluntary assessment system and certification of the attainment of skill standards developed pursuant to subparagraph (A), which at a minimum—

(I) takes into account, to the extent practicable, methods of assessment and certification used in other countries;

(II) utilizes a variety of evaluation techniques, including, where appropriate, oral and written evaluations, portfolio assessments and performance tests; and

(III) includes methods for establishing that the assessment and certification system is not

discriminatory with respect to race, color, gender, age, religion, ethnicity, disability, or national origin, consistent with Federal civil rights laws.

(iii) A system to promote the use of and to disseminate information relating to skill standards, and assessment and certification systems developed pursuant to this paragraph (including dissemination of information relating to civil rights laws relevant to the use of such standards and systems) to entities such as institutions of postsecondary education offering professional and technical education, labor organizations, trade associations, employers providing formalized training and other organizations likely to benefit from such systems.

(iv) A system to evaluate the implementation of the skill standards, and assessment and certification systems developed pursuant to this paragraph, and the effectiveness of the information disseminated pursuant to subparagraph (C) for informing the users of such standards and systems of the requirements of relevant civil rights laws.

(v) A system to periodically revise and update the skill standards, and assessment and certification systems developed pursuant to this paragraph, which will take into account changes in standards in other countries.

(2) Endorsement.—The National Board, after extensive public review and comment, shall endorse those skill standards systems relating to the occupational clusters identified pursuant to subsection (a) that—

(A) meet the objective endorsement criteria that are developed pursuant to paragraph (1); and

(B) are submitted by partnerships that meet the representation requirements of subsection (b)(2).

(e) Relationship With Antidiscrimination Laws.—

(1) In general.—Nothing in this title shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, ethnicity, national origin, gender, age, or disability.

(2) Evidence.—The endorsement or absence of an endorsement by the Board of a skill standard or assessment and certification system under subsection (d) shall not be used in any action or proceeding to establish that the skill standard or assessment and certification system conforms or does not conform to the requirements of civil rights laws.

(f) Coordination With Education Standards.—The National Board shall establish cooperative arrangements with the National Education Standards and Improvement Council to promote the coordination of the development of skill standards under this title with the development of content and performance standards under title II.

(g) Financial Assistance.—

(1) In general.—From funds appropriated pursuant to section 166(a), the Secretary of Labor may award grants (including grants to the voluntary partnerships in accordance with paragraph (2)) and enter into contracts and cooperative arrangements that are requested by the National Board for the purposes of carrying out this title.

(2) Grant programs for voluntary partnerships.—

(A) Eligibility and application.—Voluntary partnerships that meet the requirements of subsection (b) shall be eligible to apply for a grant under this subsection. Each such voluntary partnership desiring a grant shall submit an application to the National Board at such time, in such manner, and accompanied by such information as the National Board may reasonably require.

(B) Review and recommendation.—The National Board shall review each application submitted pursuant to subparagraph (A) in accordance with the objective criteria published pursuant to subparagraph (C) and shall forward each such application to the Secretary of Labor accompanied by a recommendation for the approval or disapproval of each such application by the Secretary.

(C) Criteria for review.—Prior to each fiscal year, the National Board shall publish objective criteria to be used by the Board in reviewing applications under subparagraph (B).

(3) Limitation on the use of funds.—

(A) In general.—Not more than 20 percent of the funds appropriated under section 166(a) for each fiscal year shall be used by the National Board for the costs of administration.

(B) Costs of administration defined.—For purposes of this paragraph, the term "costs of administration" means costs relating to staff, supplies, equipment, space, travel and per diem, costs of conducting meetings and conferences, and other related costs.

SEC. 174. DEADLINES.

Not later than December 31, 1996, the National Board shall—

(1) identify occupational clusters pursuant to section 163(a) representing a substantial portion of the workforce; and

(2) promote the development of an initial set of skill standards in accordance with section 163(d) for such clusters.

SEC. 175. REPORTS.

The National Board shall submit to the President and the Congress in each fiscal year a report on the activities conducted under this title, including the extent to which skill standards have been adopted by employers, training providers, and other entities and the effectiveness of such standards in accomplishing the purposes described in section 161.

SEC. 176. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated $15,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1998 to carry out this title.

(b) Availability.—Amounts appropriated pursuant to subsection (a) shall remain available until expended.

SEC. 177. DEFINITIONS.

For purposes of this title, the following definitions apply:

(1) Community-based organizations.—The term "community-based organizations" means such organizations as defined in section 4(5) of the Job Training Partnership Act.

(2) Educational institution.—The term "educational institution" means a high school, a vocational school, and an institution of higher education.

(3) Skill standard.—The term "skill standard" means the level of knowledge and competence required to successfully perform work-related functions within an occupational cluster.

PART E—MISCELLANEOUS

SEC. 181. DEFINITIONS.

As used in this Act—

(1) the terms "all students" and "all children" mean students or children from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, American Indians, Alaska Natives, Native Hawaiians, students with disabilities, students with limited-English proficiency, migrant children, school-aged children who have dropped out, migrant children, and academically talented students;

(2) the term "assessment system" means measures of student performance which include at least 1 test, and may include other measures of student performance, for a specific purpose and use which are intended to evaluate the progress of all students in the State toward learning the material in State content standards in 1 or more subject areas;

(3) the terms "community", "public", and "advocacy group" are to be interpreted to include representatives of organizations advocating for the education of American Indian, Alaska Native, and Native Hawaiian children and Indian tribes;

(4) the term "content standards" means broad descriptions of the knowledge and skills students should acquire in a particular subject area;

(5) the term "Governor" means the chief executive of the State;

(6) the terms "local educational agency" and "State educational agency" have the meaning given those terms in section 1471 of the Elementary and Secondary Education Act of 1965;

(7) the term "opportunity-to-learn standards" means the criteria for, and the basis of, assessing the sufficiency or quality of the resources, practices, and conditions necessary at each level of the education system (schools, local educational agencies, and States) to provide all students with an opportunity to learn the material in national or State content standards;

(8) the term "outlying areas" means Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau);

(9) the term "performance standards" means concrete examples and explicit definitions of what students have to know and be able to do to demonstrate that they are proficient in the skills and knowledge framed by content standards;

(10) the term "related services" has the same meaning given such term under section 602(17) of the Individuals with Disabilities Education Act;

(11) the term "school" means a school that is under the authority of the State educational agency and a local educational agency or, for the purpose of carrying out section 164(b), a school that is operated or funded by the Bureau of Indian Affairs;

(12) the term "Secretary", except where used in title IV, means the Secretary of Education; and

(13) except as otherwise provided, the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.

SEC. 182. LIMITATIONS.

(a) Assessments.—No funds provided under titles II or III of this Act shall be used to undertake assessments that will be used to make decisions regarding the graduation, grade promotion, or retention of students for five years after the date of enactment of this Act.

(b) Public School.—Nothing in this Act shall be construed to authorize the use of funds under title III (except as provided in section 160) to directly or indirectly benefit any school other than a public school.

SEC. 183. ASSESSMENT OF EDUCATIONAL PROGRESS ACTIVITIES.

Section 421(h) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2421(h)) is amended—

(1) by inserting "(1)" after "(h)"; and

(2) by inserting at the end the following:

"(2)(A) Notwithstanding any provision of section 406 of the General Education Provisions Act, the Commissioner of Education Statistics may authorize a State educational agency or a consortium of such agencies to use items and data from the National Assessment of Educational Progress for the purpose of evaluating a course of study related to vocational edu-

cation, if the Commissioner has determined, in writing, that such use will not—

"(i) result in the identification of characteristics or performance of individual students or schools;

"(ii) result in the ranking or comparing of schools or local educational agencies;

"(iii) be used to evaluate the performance of teachers, principals, or other local educators for the purpose of dispensing rewards or punishments; or

"(iv) corrupt or harm the use and value of data collected for the National Assessment of Educational Progress.

"(B) Not later than 60 days after making an authorization under subsection (a), the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate, a report which contains—

"(i) a copy of the request for such authorization;

"(ii) a copy of the written determination under subsection (a); and

"(iii) a description of the details and duration of such authorization.

"(C) The Commissioner may not grant more than one such authorization in any fiscal year and shall ensure that the authorized use of items or data from the National Assessment is evaluated for technical merit and for its affect on the National Assessment of Educational Progress. The results of such evaluations shall be promptly reported to the committees specified in subparagraph (B).".

SEC. 184. COMPLIANCE WITH BUY AMERICAN ACT.

No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1993 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

SEC. 185. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 186. PROHIBITION OF CONTRACTS.

If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.

PART F—PARENTAL INFORMATION AND RESOURCES

SEC. 191. PARENTAL INFORMATION AND RESOURCES.

(a) AUTHORIZATION.—The Secretary of Education is authorized to make grants each year to nonprofit organizations for the purpose of providing training and information to parents of children, aged birth to 5 years, and children enrolled in participating schools and to individuals who work with such parents to encourage a more effective working relationship with professionals in meeting the educational needs of children, aged birth to 5 years, and children enrolled in participating schools.

(b) GRANTS.—Such grants shall—

(1) be designed to meet the unique training and information needs of parents of children, aged birth to 5 years, and children enrolled in participating schools, particularly parents who are severely disadvantaged educationally or economically;

(2) be distributed geographically to the greatest extent possible throughout all the States and give priority to grants which serve areas with high concentrations of low-income families;

(3) be targeted to parents of children, aged birth to 5 years, and children enrolled in participating schools in rural, suburban, and urban areas;

(4) serve parents of low-income and minority children, aged birth to 5 years, and children enrolled in participating schools, including limited-English-proficient children;

(5) be funded at a sufficient size, scope, and quality to ensure that the program is adequate to serve the parents in the area; and

(6) include funds to establish, expand, and operate Teachers as Parents programs.

SEC. 192. ELIGIBILITY.

(a) REPRESENTATION.—To receive a grant under section 191, a nonprofit organization shall meet the following requirements:

(1) Be governed by a board of directors in which the membership includes, or be an organization that represents the interests of, parents and establish a special advisory committee in which the membership includes—

(A) parents of children, aged birth to 5 years, and children enrolled in participating schools; and

(B) representation of education professionals with expertise in improving services for disadvantaged children.

(2) Provide that the parent and professional membership of the board or special advisory committee is broadly representative of minority, low-income, and other individuals and groups that have an interest in compensatory education and family literacy.

(3) Demonstrate the capacity and expertise to conduct effective training and information activities for which a grant may be made.

(4) Network with clearinghouses, other organizations and agencies, and with other established national, State, and local parent groups representing the full range of parents of children, aged birth to 5 years, and children enrolled in participating schools, especially parents of low-income and minority children.

(b) REQUIREMENTS.—The Board of Directors or special governing committee of an organization receiving a grant under this title shall meet at least once each calendar quarter to review the parent training and information activities for which the grant is made.

(c) GRANT RENEWAL.—Whenever an organization requests the renewal of a grant under section 191 for a fiscal year, the Board of Directors or the special advisory committee shall submit to the Secretary a written review of the parent training and information program conducted by such organization during the preceding fiscal year.

SEC. 193. USES OF FUNDS.

Grants received under this title may be used—

(1) for parent training and information programs that assist parents to—

(A) better understand their children's educational needs;

(B) provide follow up support for their children's educational achievement;

(C) communicate more effectively with teachers, counselors, administrators, and other professional educators and support staff;

(D) participate in the design and provision of assistance to students who are not making adequate progress;

(E) obtain information about the range of options, programs, services, and resources available at the national, State, and local levels to assist parents of children, aged birth to 5 years, and children enrolled in participating schools and their parents;

(F) seek technical assistance regarding compliance with the requirements of this Act and of other Federal programs relevant to achieving the goals of this Act;

(G) participate in State and local decisionmaking;

(H) train other parents; and

(I) plan, implement, and fund activities that coordinate the education of their children with other Federal programs that serve such children or their families;

(2) to include State or local educational personnel where such participation would further an objective of the program assisted by the grant; and

(3) to establish a parent training and information center to carry out the activities in paragraphs (1) and (2) and to represent parent interests at the State level, including participation in the design of the public outreach process described in section 156(b)(6), submitting recommendations concerning State standards and plans, and commenting on proposed waivers under this Act.

SEC. 194. TECHNICAL ASSISTANCE.

The Secretary shall provide technical assistance, by grant or contract, for the establishment, development, and coordination of parent training and information programs and centers.

SEC. 195. EXPERIMENTAL CENTERS.

After the establishment in each State of a parent training and information center, the Secretary shall provide for the establishment of 5 additional experimental centers, 3 to be located in urban areas and 2 in rural areas where there are large concentrations of poverty.

SEC. 196. REPORTS.

Not later than June 30, 1995, and not later than June 30 each succeeding year, the Secretary shall obtain data concerning programs and centers assisted under this title, including—

(1) the number of parents, including the number of minority and limited-English-proficient parents, who receive information and training;

(2) the types and modes of information or training provided; and

(3) the strategies used to reach and serve parents of minority and limited-English-proficient children and parents with limited literacy skills.

SEC. 197. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $5,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1998.

TITLE II—EDUCATIONAL RESEARCH, DEVELOPMENT, AND DISSEMINATION EXCELLENCE ACT

SEC. 201. FINDINGS.

The Congress finds as follows with respect to improving education in the United States:

(1) A majority of public schools in the United States are failing to adequately prepare their students. To achieve the national education goals set forth by the President and the governors of the States, an overwhelming campaign for educational improvement must be mounted in order to set in motion many strategies and models designed to encourage and support school restructuring. The Federal Government must support an extensive program of educational research, development, dissemination, replication and assistance to identify and support the best responses for the challenges ahead. A significant investment in attaining a deeper

understanding of the processes of learning and schooling and developing new ideas holds the best hope of making a substantial difference to the lives of every school and student in the United States. The Office of Educational Research and Improvement of the Department of Education should be at the center of this campaign in order to coordinate such efforts.

(2) The Federal role in educational research has been closely identified with youths who are socioeconomically disadvantaged, belong to a language minority, or are disabled. However, in 1988, the Federal commitment to education was sufficient to serve not more than—

(A) 1 out of every 5 low-income children in need of preschool education;

(B) 2 out of every 5 children in need of remediation;

(C) 1 out of every 4 children in need of bilingual education; and

(D) 1 out of every 20 youths in need of job training.

(3) The failure of the Federal Government to adequately invest in educational research and development has denied the Nation a sound foundation on which to design school improvements, leading to a history of faddism and failed experimentation resulting in a dearth of research in the area of educationally at-risk students. This situation is of particular concern because at least half of the public school students in 25 of the largest cities of the United States are minority children, and demographers project that, by 2005, almost all urban public school students will be minority children or other children in poverty.

(4) The investment goal of the Federal research, development, and dissemination function should be at least 1 percent of the total amount of funds spent on education nationally.

(5) Nationwide model programs and reliable interventions should be demonstrated and replicated, and for such purposes, programs should be established to conduct research and evaluations, and to disseminate information.

(6) The Office of Educational Research and Improvement must develop a national dissemination policy that will advance the goal of placing a national treasure chest of research results, models, and materials at the disposal of the Nation's education decisionmakers.

(7) A National Educational Research Policy and Priorities Board should be established to ensure that an educational research and dissemination agenda is developed and implemented without partisan political interference.

(8) Existing research and development entities should adopt expanded, proactive roles and new institutions must be created to promote knowledge development necessary to accelerate the application of research knowledge to high priority areas.

(9) Greater use should be made of existing technologies in efforts to improve the Nation's educational system, including efforts to disseminate research findings.

(10) Minority educational researchers are inadequately represented throughout the Department of Education, but particularly in the Office of Educational Research and Improvement. The Office therefore must assume a leadership position in the recruitment, retention, and promotion of qualified minority educational researchers.

(11) The coordination of the mission of the Office of Educational Research and Improvement with that of other components of the Department of Education is critical. It must improve the coordination of the educational research, development, and dissemination function with those of other Federal agencies.

PART A—GENERAL PROVISIONS REGARDING OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

SEC. 211. GENERAL PROVISIONS.

Section 405 of the General Education Provisions Act (20 U.S.C. 1221e) is amended to read as follows:

"OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

"SEC. 405. (a) DECLARATION OF POLICY REGARDING EDUCATIONAL OPPORTUNITY.—

"(1) IN GENERAL.—The Congress declares it to be the policy of the United States to provide to every individual an equal opportunity to receive an education of high quality regardless of race, color, religion, sex, age, disability, national origin, or social class. Although the American educational system has pursued this objective, it has not attained the objective. Inequalities of opportunity to receive high quality education remain pronounced. To achieve the goal of quality education requires the continued pursuit of knowledge about education through research, development, improvement activities, data collection, synthesis, technical assistance, and information dissemination. While the direction of American education remains primarily the responsibility of State and local governments, the Federal Government has a clear responsibility to provide leadership in the conduct and support of scientific inquiry into the educational process.

"(2) MISSION OF OFFICE.—

"(A) The mission of the Office of Educational Research and Improvement shall be to provide national leadership in—

"(i) expanding fundamental knowledge and understanding of education;

"(ii) promoting excellence and equity in education; and

"(iii) monitoring the state of education.

"(B) The mission of the Office shall be accomplished in collaboration with researchers, teachers, school administrators, parents, students, employers, and policymakers.

"(b) PURPOSE AND STRUCTURE OF OFFICE.—

"(1) IN GENERAL.—The Secretary, acting through the Office of Educational Research and Improvement, shall carry out the policies set forth in subsection (a). In carrying out such policies, the Secretary shall be guided by the priorities established by the Board of Governors established in section 405A.

"(2) ADMINISTRATIVE STRUCTURE.—The Office shall be administered by the Assistant Secretary and shall include—

"(A) the National Educational Research Policy and Priorities Board established by section 405A;

"(B) the national research institutes established by section 405B;

"(C) the national education dissemination system established by section 405C;

"(D) the National Library of Education established by section 405D;

"(E) the National Center for Education Statistics established by section 406; and

"(F) such other units as the Secretary deems appropriate to carry out the purposes of the Office.

"(3) PRIORITIES IN RESEARCH AND DEVELOPMENT.—The Office shall, in accordance with the provisions of this section, seek to improve education in the United States through concentrating the resources of the Office on the following priority research and development needs:

"(A) The education of at-risk students.

"(B) The education and development of young children.

"(C) Student achievement in elementary and secondary school.

"(D) Postsecondary education, libraries, and lifelong learning for adults.

"(E) The improvement of schools through the restructuring and reform of school governance, policymaking, finance and management at the State, local, school building, and classroom level.

"(c) APPOINTMENT OF EMPLOYEES.—

"(1) IN GENERAL.—The Assistant Secretary may appoint, for terms not to exceed three years (without regard to the provisions of title 5 of the United States Code governing appointment in the competitive service) and may compensate (without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates) such scientific or technical employees of the Office as the Assistant Secretary considers necessary to accomplish its functions, provided that—

"(A) at least 60 days prior to the appointment of any such employee, public notice is given of the availability of such position and an opportunity is provided for qualified individuals to apply and compete for such position;

"(B) the rate of basic pay for such employees does not exceed the maximum rate of basic pay payable for positions at GS-15, as determined in accordance with section 5376 of title 5, United States Code;

"(C) the appointment of such employee is necessary to provide the Office with scientific or technical expertise which could not otherwise be obtained by the Office through the competitive service; and

"(D) the total number of such employees does not exceed one-fifth of the number of full-time, regular scientific or professional employees of the Office.

"(2) REAPPOINTMENT OF EMPLOYEES.—The Assistant Secretary may reappoint employees described in paragraph (1) upon presentation of a clear and convincing justification of need, for one additional term not to exceed 3 years. All such employees shall work on activities of the Office and shall not be reassigned to other duties outside the Office during their term.

"(d) AUTHORITY TO PUBLISH.—

"(1) IN GENERAL.—The Assistant Secretary is authorized to prepare and publish such information, reports, and documents as may be of value in carrying out the purposes of sections 405 through 405D without further clearance or approval by the Secretary or any other office of the Department.

"(2) QUALITY ASSURANCE.—In carrying out such authority, the Assistant Secretary shall—

"(A) establish such procedures as may be necessary to assure that all reports and publications issued by the Office are of the highest quality; and

"(B) provide other offices of the Department with an opportunity to comment upon any report or publication prior to its publication when its contents relate to matters for which such office has responsibility.

"(e) BIENNIAL REPORT ON ACTIVITIES OF OFFICE.—The Assistant Secretary shall transmit to the President and the Congress by not later than December 30 of every other year a biennial report which shall consist of—

"(1) a description of the activities carried out by and through each research institute during the fiscal years for which such report is prepared and any recommendations and comments regarding such activities as the Assistant Secretary considers appropriate;

"(2) a description of the activities carried out by and through the national education dissemination system established by section 405C during the fiscal years for which such report is prepared and any recommendations and comments regarding such activities as the Assistant Secretary considers appropriate;

"(3) such written comments and recommendations as may be submitted by the Board concerning the activities carried out by and through each of the institutes and the national edu-

cation dissemination system during the fiscal years for which such report is prepared and how such activities relate to the Research Policies and Priorities Plan developed by the Board;

"(4) a description of the coordination activites undertaken pursuant to section 405(f) during the fiscal years for which such report is prepared;

"(5) recommendations for legislative and administrative changes necessary to improve the coordination of all educational research, development, and dissemination activities carried out within the Federal Government, particularly within the priority research and development needs identified in section 405(b)(3); and

"(6) such additional comments, recommendations, and materials as the Assistant Secretary considers appropriate.

"(f) COORDINATION.—With the advice and assistance of the Board, the Assistant Secretary shall establish and maintain an ongoing program of activities designed to improve the coordination of education research, development, and dissemination and activities within the Department and within the Federal Government, particularly within the priority research and development needs identified in section 405(b)(3), in order to—

"(1) minimize duplication in education research, development, and dissemination carried out by the Federal Government;

"(2) maximize the value of the total Federal investment in education research, development, and dissemination; and

"(3) enable all entities engaged in education research, development, and dissemination within the Federal Government to interact effectively as partners and take full advantage of the diverse resources and proficiencies which each entity has available.

"(g) ACTIVITIES REQUIRED WITH RESPECT TO COORDINATION.—In carrying out such program of coordination, the Assistant Secretary shall compile (and thereafter regularly maintain) and make available a comprehensive inventory of all education research, development, dissemination activities, and expenditures being carried out by the Federal Government within the priority research and development needs identified in section 405(b)(3).

"(h) STANDARDS FOR CONDUCT AND EVALUATION OF RESEARCH.—

"(1) IN GENERAL.—In consultation with the Board, the Assistant Secretary shall develop such standards as may be necessary to govern the conduct and evaluation of all research, development, and dissemination activities carried out by the Office to assure that such activities meet the highest standards of professional excellence. In developing such standards, the Assistant Secetary shall review the procedures utilized by the National Institutes of Health, the National Science Foundation, and other Federal agencies engaged in research and development and shall also actively solicit recommendations from the the National Academy of Sciences, the American Educational Research Association and members of the general public.

"(2) CONTENTS OF STANDARDS.—Such standards shall at a minimum—

"(A) require that a system of peer review be utilized by the Office—

"(i) in reviewing and evaluating all applications for grants and cooperative agreements and bids for those contracts which exceed $100,000;

"(ii) in evaluating and assessing the performance of all recipients of grants from and cooperative agreements and contracts with the Office; and

"(iii) in reviewing and designating exemplary and promising programs in accordance with section 405C(d);

"(B)(i) specify the composition of peer review panels, the criteria for the selection of members of such panels, and describe the means by which potential members shall be identified so as to assure that such panels are broadly representative of individuals with expertise in matters relevant to the purposes of each such panel;

"(ii) prohibit the consideration of partisan affiliation in the selection of any member of a peer review panel;

"(iii) describe the general procedures which shall be used by each peer review panel in its operations;

"(iv) prohibit the participation by a member of a peer review panel in the review of any application in which such member has any financial interest; and

"(v) require that transcripts, minutes, and other documents made available to or prepared for or by a peer review panel will be available for public inspection to the extent consistent with the Freedom of Information Act, the Federal Advisory Committee Act, the Privacy Act, and other laws;

"(C)(i) describe the procedures which shall be utilized in evaluating applications for grants, proposed cooperative agreements, and contract bids;

"(ii) specify the criteria and factors which shall be considered in making such evaluations; and

"(iii) provide that any decision to fund a grant, contract, or cooperative agreement out of its order of ranking by a peer review panel shall be first fully justified in writing and that copies of such justification shall be transmitted to the Board, unless such action is required by some other provision of law;

"(D)(i) describe the procedures which shall be utilized in reviewing educational programs which have been identified by or submitted to the Secretary for evaluation in accordance with section 405C(d); and

"(ii) specify the criteria which shall be used in recommending programs as exemplary and promising; and

"(E)(i) require that the performance of all recipients of grants from and contracts and cooperative agreements with the Office shall be periodically evaluated, both during and at the conclusion of their receipt of assistance;

"(ii) describe the procedures and means by which such evaluations shall be undertaken, including—

"(I) the frequency of such evaluations;

"(II) the criteria, outcome measures, and other factors which shall be taken into account; and

"(III) measures to assure that on-site evaluations of performance shall be utilized to the extent appropriate and whenever practicable; and

"(iii) provide that the results of such evaluations shall be taken into account prior to any decision to continue, renew, or provide new funding to the entity being reviewed.

"(3) PUBLICATION AND PROMULGATION OF STANDARDS.—

"(A) The Assistant Secretary shall publish proposed standards—

"(i) which meet the requirements of subparagraphs (A), (B), and (C) of paragraph (2) not later than 1 year after the date of the enactment of the Educational Research, Development, and Dissemination Excellence Act;

"(ii) which meet the requirements of paragraph (2)(D) not later than 2 years after such date; and

"(iii) which meet the requirements of subparagraph (E) of paragraph (2) not later than 3 years after such date;

"(B) Following the publication of such proposed standards, the Assistant Secretary shall solicit comments from interested members of the public with respect to such proposed standards for a period of not more than 120 days. After giving due consideration to any comments which may have been received, the Assistant Secretary shall transmit such standards to the Board for its review and approval.

"(C) Upon the approval of the Board, the Assistant Secretary shall transmit final standards to the Secretary which meet the requirements of the particular subparagraphs of paragraph (2) for which they were developed. Such standards shall be binding upon all activities carried out with funds appropriated under section 405.

"(i) ADDITIONAL RESPONSIBILITIES OF THE ASSISTANT SECRETARY.—In carrying out the activities and programs of the Office, the Assistant Secretary shall—

"(1) be guided by the Research Priorities Plan developed by the Board;

"(2) ensure that there is broad and regular public and professional involvement from the educational field in the planning and carrying out of the Office's activities, including establishing teacher advisory boards for any program office, program or project of the Office as the Assistant Secretary deems necessary;

"(3) ensure that the selection of research topics and the administration of the program are free from undue partisan political influence; and

"(4) ensure that all statistics and other data collected and reported by the Office shall be collected, cross-tabulated, analyzed, and reported by sex within race or ethnicity and socioeconomic status whenever feasible (and when such data collection or analysis is not feasible, ensure that the relevant report or document includes an explanation as to why such data collection or analysis is not feasible).

"(j) DEFINITIONS.—For purposes of this section and sections 405A through 405D:

"(1) The term 'Assistant Secretary' means the Assistant Secretary for Educational Research and Improvement established by section 202 of the Department of Education Organization Act.

"(2) The term 'at-risk student' means a student who, because of limited English proficiency, poverty, geographic location, or educational or economic disadvantage, faces a greater risk of low educational achievement and has greater potential for dropping out of school.

"(3) The term 'Board' means the National Educational Research Policy and Priorities Board.

"(4) The term 'educational research' includes basic and applied research, development, planning, surveys, assessments, evaluations, investigations, experiments, and demonstrations in the field of education and other fields relating to education.

"(5) The term 'development'—

"(A) means the systematic use, adaptation, and transformation of knowledge and understanding gained from research to create alternatives, policies, products, methods, practices, or materials which can contribute to the improvement of educational practice; and

"(B) includes the design and development of prototypes and the testing of such prototypes for the purposes of establishing their feasibility, reliability, and cost-effectiveness.

"(6) The term 'technical assistance' means the provision of external assistance to facilitate the adoption or application of the knowledge gained from educational research and development and includes—

"(A) problem analysis and diagnosis;

"(B) assistance in finding, selecting, or designing suitable solutions and approaches to problems;

"(C) training in the installation and implementation of products, programs, policies, practices, or technologies; and

"(D) such other assistance as may be necessary to encourage the adoption or application of such knowledge.

"(7) The term 'dissemination' means the transfer of knowledge and products gained through research and includes—

"(A) the use of communication techniques to increase awareness of such knowledge and products;

"(B) the provision of comparative and evaluative information necessary to enable educators, school administrators, and others to assess and make informed judgments about the relevance and usefulness of such knowledge and products in specific settings; and

"(C) the provision of technical assistance needed to adapt, apply, and utilize such knowledge and products in specific educational settings.

"(8) The term 'national education dissemination system' means the activities carried out by the Office of Reform Assistance and Dissemination established by section 405C.

"(9) The term 'Office' means the Office of Educational Research and Improvement established in section 209 of the Department of Education Organization Act.

"(10) The term 'national research institute' means an institute established in section 405B.

"(11) The terms 'United States' and 'State' include the District of Columbia and the Commonwealth of Puerto Rico.

"(k) AUTHORIZATION OF APPROPRIATIONS.—

"(1) NATIONAL INSTITUTES.—

"(A) For the purpose of carrying out section 405B, there is authorized to be appropriated $37,000,000 for fiscal year 1994.

"(B) For the purpose of carrying out the provisions of section 405B relating to the National Institute for Student Achievement, there are authorized to be appropriated $20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(C) For the purpose of carrying out the provisions of section 405B relating to the National Institute for the Education of At-Risk Students, there are authorized to be appropriated $20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(D) For the purpose of carrying out the provisions of section 405B relating to the National Institute for Innovation in Educational Governance, Finance, Policy-Making, and Management, there are authorized to be appropriated $20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(E) For the purpose of carrying out the provisions of section 405B relating to the National Institute for Early Childhood Development and Education, there are authorized to be appropriated $20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(F) For the purpose of carrying out the provisions of section 405B relating to the National Institute of Postsecondary Education, Libraries, and Lifelong Learning, there are authorized to be appropriated $20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(2) NATIONAL EDUCATION DISSEMINATION SYSTEM.—

"(A)(i) For the purpose of carrying out subsections (b)(2) through (g) of section 405C, there are authorized to be appropriated $22,000,000 for fiscal year 1994, and such sums as are necessary for each of the fiscal years 1995 through 1997.

"(ii) Of the amount appropriated under clause (i) for any fiscal year, the Secretary shall make available not less than $7,175,000 to carry out subsection (f) of section 405C (relating to clearinghouses).

"(B) For the purpose of carrying out subsection (h) of section 405C (relating to regional educational laboratories), there are authorized to be appropriated $37,000,000 for fiscal year 1994, and such sums as are necessary for each of the fiscal years 1995 through 1997. Of the amounts appropriated under the preceding sentence for a fiscal year, the Secretary shall obligate not less than 25 percent to carry out such purpose with respect to rural areas (including schools funded by the Bureau of Indian Affairs which are located in rural areas).

"(C) For the purpose of carrying out subsection (j) of section 405C (relating to the teacher research dissemination network) there are authorized to be appropriated $30,000,000 for fiscal year 1994, and such sums as are necessary for each of the fiscal years 1995 through 1997.

"(D) For the purpose of carrying out subsection (i) of section 405C (relating to the Goals 2000 Community Partnerships program), there are authorized to be appropriated $30,000,000 for fiscal year 1994, $50,000,000 for fiscal year 1995, and such sums as are necessary for each of the fiscal years 1996 and 1997.

"(3) NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD.—Of the amounts appropriated under paragraphs (1) and (2) for any fiscal year, the Secretary shall make available 2 percent of such amounts, or $1,000,000, whichever is less, to the Board for the purpose of carrying out section 405A.

"(4) ALLOCATIONS FOR GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Of the amounts appropriated under paragraph (1) or (2) for any fiscal year, not less than 95 percent shall be expended to carry out the purposes described in such paragraphs through grants, cooperative agreements, or contracts.

"(5) LIMITATIONS ON APPROPRIATIONS.—No amounts are authorized to be appropriated under paragraph (1) or (2) for fiscal year 1995 or any fiscal year thereafter unless the Board has been appointed in accordance with section 405A.

"(6) GRANT AUTHORIZED.—From the amounts appropriated under paragraph (1) for fiscal year 1995, the Secretary is authorized, in accordance with the provisions of this paragraph, to award a grant of not more than $5,000,000 to a public or private institution, agency or organization for a period not to exceed five years for the purpose of conducting a State-by-State poll to determine the perceptions of recent graduates of secondary schools, their instructors in institutions of higher education, parents of recent such graduates, and employers of recent such graduates on how well schools have prepared students for further education or employment. The grant shall be awarded on a competitive basis and shall be matched on a two-to-one basis, with the Federal Government contributing one-third of the total costs of the poll.".

SEC. 212. ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT.

Subsection (b) of section 202 of the Department of Education Organization Act is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively; and

(2) by adding at the end the following new paragraph:

"(3) There shall be in the Department an Assistant Secretary for Educational Research and Improvement who shall be—

"(A) appointed by the President, by and with the consent of the Senate; and

"(B) selected in consultation with the National Educational Research Policy and Priorities Board from among individuals who—

"(i) are distinguished educational researchers;

"(ii) have proven management ability; and

"(iii) have substantial knowledge of education within the United States.".

SEC. 213. SAVINGS PROVISION.

Notwithstanding any other provision of law, contracts for the regional educational laboratories, education resources information clearinghouses and research and development centers assisted under section 405 of the General Education Provisions Act on the date of the enactment of this Act shall remain in effect until the termination date of such contracts.

SEC. 214. EXISTING GRANTS AND CONTRACTS.

Notwithstanding any other provision of law, grants and contracts for the research and development centers assisted under section 405 of the General Education Provisions Act on the date of enactment of this Act shall remain in effect until the termination date of such grants or contracts, as the case may be, except that such grants and contracts may be extended to implement the provisions of this Act.

PART B—NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

SEC. 221. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act (20 U.S.C. 1221e et seq.) is amended by inserting after section 405 the following new section:

"NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

"SEC. 405A. (a) IN GENERAL.—There is established within the Office a National Educational Research Policy and Priorities Board (hereafter in this section referred to as the 'Board').

"(b) FUNCTIONS.—It shall be the responsibility of the Board, acting through the Assistant Secretary—

"(1) to determine priorities that should guide the work of the Office and provide guidance to the Congress in its oversight of the Office;

"(2) to review and approve standards for the conduct and evaluation of all research, development, and dissemination carried out under the auspices of the Office pursuant to sections 405 through 405C; and

"(3) to regularly review, evaluate, and publicly comment upon, the implementation of its recommended priorities and policies by the Department and the Congress.

"(c) RESEARCH PRIORITIES PLAN.—In cooperation with the Assistant Secretary, the Board shall—

"(1) survey and assess the state of knowledge in education research, development and dissemination to identify disciplines and areas of inquiry within the priority research, development and dissemination needs identified in section 405(b)(3) in which the state of knowledge is insufficient and which warrant further investigation, taking into account the views of both education researchers and practicing educators;

"(2) consult with the National Education Goals Panel and other authorities on education to identify national priorities for the improvement of education;

"(3) actively solicit recommendations from education researchers, teachers, school administrators, cultural leaders, parents, and others throughout the Nation through such means as periodic regional forums;

"(4) provide recommendations for the development, maintenance, and assurance of a strong infrastructure for education, research, and development in the United States; and

"(5) on the basis of such recommendations, develop a research priorities program which shall recommend priorities for the investment of the resources of the Office over the next 5-, 10-, and 15-year periods, including as priorities those areas of inquiry in which further research, development and dissemination—

"(A) is necessary to attain the goals for the improvement of education identified in paragraph (2);

"(B) promises to yield the greatest practical benefits to teachers and other educators in terms of improving education; and

"(C) will not be undertaken in sufficient scope or intensity by the other Federal and non-Federal entities engaged in education research and development.

"(d) CONTENTS OF PLAN—

"(1) IN GENERAL.—The research and priorities plan described in subsection (c) shall, at a minimum—

"(A) set forth specific objectives which can be expected to be achieved as a result of a Federal investment in the priorities set forth in the plan;

"(B) include recommendations with respect to research and development on cross-cutting issues which should be carried out jointly by 2 or more of the research institutes; and

"(C) include an evaluative summary of the educational research and development activities undertaken by the Federal government during the preceding 2 fiscal years which shall describe—

"(i) what has been learned as a result of such activities;

"(ii) how such new knowledge or understanding extends or otherwise relates to what had been previously known or understood;

"(iii) the implications of such new knowledge or understanding for educational practice and school reform; and

"(iv) any development, reform, and other assistance activities which have utilized such knowledge or understanding and the effects of such efforts.

"(2) REPORT.—

"(A) Not later than 6 months after the first meeting of the Board and October 1 of every second year thereafter, the Assistant Secretary shall publish a report specifying the proposed research priorities of the Office and allow a 60-day period beginning on the date of the publication of the report for public comment and suggestions.

"(B) Not later than 90 days after the expiration of the 60-day period referred to in subparagraph (A), the Assistant Secretary shall submit to the President and the Congress a report specifying the research priorities of the Office and any public comment and suggestions obtained under such subparagraph.

"(e) ADDITIONAL RESPONSIBILITIES OF THE BOARD.—It shall also be the responsibility of the Board to—

"(1) provide advice and assistance to the Assistant Secretary in carrying out the coordination activities described in section 405;

"(2) make recommendations to the Assistant Secretary of persons qualified to fulfill the responsibilities of the Director for each research institute established by section 405B after making special efforts to identify qualified women and minorities and soliciting and giving due consideration to recommendations from professional associations and interested members of the public;

"(3) advise and make recommendations to the President with respect to individuals who are qualified to fulfill the responsibilities of the Assistant Secretary for the Office of Educational Research and Improvement; and

"(4) review and approve standards for the conduct and evaluation of research developed by the Assistant Secretary pursuant to subsection (h) of section 405.

"(f) STANDING SUBCOMMITTEES.—

"(1) ESTABLISHMENT; FUNCTIONS.—The Board shall establish a standing subcommittee for each of the Institutes established by subsection (a) of section 405B and for the Office of Reform Assistance and Dissemination established by subsection (b) of section 405C which shall advise, assist, consult with and make recommendations to the Assistant Secretary, the Board, the Director of such entity and the Congress on matters related to the activities carried out by and through such entities.

"(2) COMPOSITION.—

"(A) Each standing subcommittee shall consist of 3 members of the Board and 6 additional individuals appointed by the Board who have significant experience in and knowledge of the disciplines relevant to the purposes of the entity for which the subcommittee is established.

"(B) The Board shall assure that the membership of each subcommittee includes both educational researchers and persons who are knowledgeable about the research, development and dissemination needs of practitioners, including classroom teachers, school administrators, and members of State or local boards of education.

"(g) POWERS OF THE BOARD.—In carrying out its functions, powers, and responsibilities, the Board—

"(1) shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule who shall assist in carrying out and managing the activities of the Board and perform such other functions the Board determines to be necessary and appropriate;

"(2) shall hire its own staff through routine government procedures;

"(3) may arrange for the detail of staff personnel and utilize the services and facilities of any agency of the Federal Government;

"(4) may enter into contracts, or make other arrangements as may be necessary to carry out its functions;

"(5) may review any grant, contract, or cooperative agreement made or entered into by the Office;

"(6) may, to the extent otherwise permitted by law, obtain directly from any department or agency of the United States such information as it deems necessary to carry out its responsibilities;

"(7) may convene workshops and conferences, collect data, and establish subcommittees which may be composed of members of the Board and nonmember consultants (including employees of the Department) with expertise in the particular area addressed by such subcommittees; and

"(8) shall establish such rules and procedures to govern its operations as it considers appropriate, to the extent otherwise permitted by law.

"(h) MEMBERSHIP IN GENERAL.—

"(1) QUALIFICATIONS.—The members of the Board shall be eminent persons who, by virtue of their training, experience, and background, are exceptionally qualified to appraise the educational research and development effort of the Nation and to establish policies and priorities to govern future Federal investment in educational research, development, and dissemination.

"(2) BROAD REPRESENTATION.—Due consideration shall be given to the gender, race, and ethnicity of appointees to assure that the Board is broadly representative of the diversity of the Nation.

"(3) LIMITATION.—A voting member of the Board may not serve on any other governing or advisory board within the Department of Education.

"(4) CONFLICT OF INTEREST.—A voting member of the Board shall be considered a special Government employee for the purposes of the Ethics in Government Act of 1978.

"(i) SECRETARIAL APPOINTMENTS.—The Board shall consist of 18 members appointed by the Secretary. Of the members of the Board—

"(1) seven shall be appointed from among researchers in the field of education who have been nominated by the National Academy of Sciences and the National Academy of Education (giving due consideration to recommendations made by the American Educational Research Association), including persons who are among the leading authorities on early childhood education and the education of at-risk students;

"(2) five shall be outstanding field-based professional educators;

"(3) one shall be a Chief State School Officer;

"(4) one shall be a local education agency school superintendent or principal;

"(5) one shall be a member of a State or local board of education or Bureau of Indian Affairs-funded school board;

"(6) one shall be a professional librarian, school library media specialist, library administrator, or library science educator;

"(7) one shall be a parent with extensive experience in promoting parental involvement in education; and

"(8) one shall be an individual from business and industry with significant experience in promoting private sector involvement in education.

"(j) REQUIREMENTS FOR NOMINATIONS BY THE NATIONAL ACADEMY OF SCIENCES AND THE NATIONAL ACADEMY OF EDUCATION.—

"(1) IN GENERAL.—In making nominations for the members of the Board described in subsection (i)(1), the National Academy of Sciences and the National Academy of Education—

"(A) may not nominate any individual who is an elected officer or employee of such organizations; and

"(B) shall each nominate not less than 5 individuals for each of the positions on the Board for which such organization has responsibility for making nominations.

"(2) REQUEST FOR ADDITIONAL NOMINATIONS.—In the event that the Secretary determines that none of the individuals nominated by the National Academy of Sciences or the National Academy of Education meets the qualifications for membership on the Board specified in subsection (i), the Secretary may request that such organization make additional nominations.

"(k) NOMINATIONS FOR BOARD MEMBERSHIP.—Prior to appointing any member of the Board, the Secretary shall actively solicit and give due consideration to recommendations of persons qualified for membership on the board from the National Education Association, the American Federation of Teachers, the National Parent-Teachers Association, the American Library Association, the American Association of School Administrators, the National Association of State Boards of Education, the National Indian School Board Association, the Association of Community Tribal Schools, the National Indian Education Association, and other education-related organizations and interested members of the public.

"(l) EX OFFICIO MEMBERS.—The ex officio, nonvoting members of the Board shall include the Assistant Secretary and may also include—

"(1) the Director of Research for the Department of Defense;

"(2) the Director of Research for the Department of Labor;

"(3) the Director of the National Science Foundation;

"(4) the Director of the National Institutes of Health;

"(5) the chair of the National Endowment for the Arts;

"(6) the chair of the National Endowment for the Humanities;

"(7) the Librarian of Congress; and

"(8) the Director of the Office of Indian Education Programs of the Department of the Interior.

"(m) CHAIR.—The Board shall select a Chair from among its appointed members who shall serve for a renewable term of 2 years.

"(n) TERMS OF OFFICE.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the term of office of each voting member of the Board shall be 5 years.

"(2) EXCEPTIONS.—

"(A) Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term for which the predecessor of the individual was appointed shall be appointed for the remainder of the term. A vacancy shall be filled in the same manner in which the original appointment was made.

"(B) The terms of office of the members of the Board who first take office after the date of the enactment of the Educational Research, Development, and Dissemination Excellence Act shall, as designated by a random selection process at the time of appointment, be as follows:

"(i) 2 years for each of 6 members of the Board.

"(ii) 3 years for each of 6 members of the Board.

"(iii) 5 years for each of 6 members of the Board.

"(3) PROHIBITION ON CERTAIN CONSECUTIVE TERMS.—An individual who has been a member of the Board for 10 consecutive years shall thereafter be ineligible for appointment during the 5-year period beginning on the date of the expiration of the 10th year.

"(o) MEETINGS OF BOARD.—

"(1) INITIAL MEETING.—The Secretary shall ensure that the first meeting of the Board is held not later than May 15, 1994.

"(2) SUBSEQUENT MEETINGS.—The Board shall meet quarterly, at the call of the Chair, and when at least one-third of the members of the Board make a written request to meet.

"(3) QUORUM.—A majority of the Board shall constitute a quorum.

"(4) OPEN MEETINGS.—The Government in the Sunshine Act (5 U.S.C. 552b) shall apply to meetings of the Board.".

PART C—NATIONAL RESEARCH INSTITUTES

SEC. 231. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act, as amended by section 221 of this Act, is amended by inserting after section 405A the following new section:

"NATIONAL RESEARCH INSTITUTES

"SEC. 405B. (a) ESTABLISHMENT OF INSTITUTES.—In order to fulfill the research and development purposes of the Office, and to carry out, in accordance with the standards established by the Board, a program of high-quality and rigorously evaluated research and development that is capable of improving Federal, State, Indian tribal, and local education policies and practices, there are established within the Office the following institutes:

"(1) The National Institute for the Education of At-Risk Students.

"(2) The National Institute for Innovation in Educational Governance, Finance, Policy-Making, and Management.

"(3) The National Institute for Early Childhood Development and Education.

"(4) The National Institute on Student Achievement.

"(5) The National Institute on Postsecondary Education, Libraries, and Lifelong Education.

"(b) DIRECTORS.—

"(1) IN GENERAL.—Each Institute established by subsection (a) shall be headed by a Director who shall be appointed by the Assistant Secretary from among persons who have significant experience and expertise in the disciplines relevant to the purposes of such Institute. Prior to making such appointment, the Assistant Secretary shall solicit and give due consideration to recommendations made by the Board of persons qualfied to fulfill the position.

"(2) TERM OF OFFICE.—The Director of each Institute shall serve for a renewable term of 3 years.

"(3) REPORTING.—Each Director shall report directly to the Assistant Secretary regarding the activities of the Institute and shall work with the other directors to promote research syntheses across the Institutes.

"(c) AUTHORITIES AND DUTIES.—

"(1) IN GENERAL.—The Assistant Secretary is authorized to conduct research, development, demonstration, and evaluation activities to carry out the purposes for which such Institute was established—

"(A) directly;

"(B) through grants, contracts, and cooperative agreements with institutions of higher education, regional educational laboratories, public and private organizations, institutions, agencies, and individuals, which may include—

"(i) grants to support research and development centers which are—

"(I) awarded competitively for a period of not less than 6 and not more than 10 years;

"(II) funded at not less than $2,000,000 annually in order to support a full range of basic research, applied research and dissemination activities, which may also include development activities; and

"(III) established by institutions of higher education, by institutions of higher education in consortium with public agencies or private nonprofit organizations, or by interstate agencies established by compact which operate subsidiary bodies established to conduct postsecondary educational research and development;

"(ii) public-private research partnerships established by a State or local education agency, Bureau of Indian Affairs-funded school, or tribal department of education, in concert with a private organization and a team of educational researchers, for which the Federal share shall be limited to not more than 50 percent of the total costs of the project;

"(iii) meritorious unsolicited proposals for educational research and related activities;

"(iv) proposals that are specifically invited or requested by the Assistant Secretary, on a competitive basis; and

"(v) dissertation grants, awarded for a period of not more than 2 years and in a total amount not to exceed $20,000 to graduate students in the sciences, humanities, and the arts to support research by such scholars in the field of education;

"(C) through the provision of technical assistance; and

"(D) through the award of fellowships to support graduate study in educational research by qualified African-American, Hispanic, American Indian and Alaska Native, and other individuals from groups which have been traditionally underrepresented in the field of educational research which shall—

"(i) be awarded on the basis of merit for a period of 3 years; and

"(ii) provide stipends to each fellow in an amount which shall be set at a level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except that such amounts shall be adjusted as necessary so as not to exceed each fellow's demonstrated level of need.

"(2) SCOPE AND FOCUS OF ACTIVITIES.—In carrying out the purposes for which each Institute is established, the Assistant Secretary shall—

"(A) maintain an appropriate balance between applied and basic research;

"(B) significantly expand the role of field-initiated research in meeting the Nation's education research and development needs by reserving not less than 15 percent of the amounts available to each Institute in any fiscal year to support field-initiated research described in clauses (iii) through (v) of paragraph (1);

"(C) provide for and maintain a stable foundation of long-term research and development on core issues and concerns conducted through university-based research and development centers by reserving not less than one-third of the amounts available to each Institute in any fiscal year to support such research and development centers;

"(D) support and provide research information that leads to policy formation for State legislatures, State and local boards of education and other policy and governing bodies, to assist such entities in identifying and developing effective policies to promote student achievement and school improvement; and

"(E) coordinate the Institute's activities with the activities of the regional educational laboratories and with other educational service organizations in designing the Institute's research agenda and projects in order to increase the responsiveness of such Institute to the needs of teachers and the educational field and to bring research findings directly into schools to ensure greatest access at the local level to the latest research developments.

"(3) REQUIREMENTS REGARDING FINANCIAL ASSISTANCE.—No grant, contract, or cooperative agreement may be made under this section unless—

"(A) sufficient notice of the availability of, and opportunity to compete for, assistance has first been provided to potential applicants through notice published in the Federal Register or other appropriate means;

"(B) it has been evaluated through peer review in accordance with the standards developed pursuant to subsection (h) of section 405;

"(C) it will be evaluated in accordance with the standards developed pursuant to subsection (h) of section 405;

"(D) in the case of a grant, contract, or cooperative agreement which exceeds $500,000 for a single fiscal year or $1,000,000 for more than one fiscal year, the Secretary has complied with the requirements of paragraph (4); and

"(E) in the case of a grant, contract, or cooperative agreement to support a research and development center, all applications for such assistance have been evaluated by independent experts according to standards and criteria which include—

"(i) whether applicants have assembled a critical mass of high quality researchers sufficient to achieve the mission of the center;

"(ii) whether the proposed organizational structure and arrangements will facilitate achievement of the mission of the center;

"(iii) whether there is a substantial staff commitment to the work of the center;

"(iv) whether the directors and staff will devote adequate time to center activities; and

"(v) review of the contributions of primary researchers (other than researchers at the proposed center) to evaluate the appropriateness of such primary researcher's experiences and expertise in the context of the proposed center activities, and the adequacy of such primary researcher's time commitment to achievement of the mission of the center.

"(4) BOARD REVIEW OF CERTAIN PROPOSED GRANT AND CONTRACT ACTIONS.—The Assistant Secretary may not solicit any contract bid or issue a request for proposals or applications for any grant or cooperative agreement the amount of which exceeds $500,000 in any single fiscal year or which exceeds an aggregate amount of $1,000,000 for more than one fiscal year unless the Board has had an opportunity to review such proposed grant, contract, or cooperative agreement action and to provide written comments to the Assistant Secretary with respect to whether—

"(A) the purposes and scope of the proposed action are consistent with the Research Priorities Plan; and

"(B) the methodology and approach of the proposed action are sound and adequate to achieve its stated objectives.

"(5) HISTORICALLY UNDERUTILIZED RESEARCHERS AND INSTITUTIONS.—The Assistant Secretary shall establish and maintain initiatives and programs to increase the participation in the activities of each Institute of groups of researchers and institutions that have been historically underutilized in Federal educational research activities, including—

"(A) researchers who are women, African-American, Hispanic, American Indian and Alaska Native, or other ethnic minorities;

"(B) promising young or new researchers in the field, such as postdoctoral students and recently appointed assistant or associate professors;

"(C) historically black colleges and universities, tribally controlled community colleges, and other institutions of higher education with large numbers of minority students;

"(D) institutions of higher education located in rural areas; and

"(E) institutions and researchers located in States and regions of the Nation which have historically received the least Federal support for educational research and development.

"(6) ADDITIONAL AUTHORITIES.—The Assistant Secretary—

"(A) may obtain (in accordance with section 3109 of title 5 but without regard to the limitation in such section on the period of service) the services of experts or consultants with scientific or professional qualifications in the disciplines relevant to the purposes of such Institute;

"(B) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(C) may accept voluntary and uncompensated services; and

"(D) may accept unconditional gifts made to the Office to support its activities.

"(d) NATIONAL INSTITUTE FOR THE EDUCATION OF AT-RISK STUDENTS.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) The rate of decline in our urban schools is escalating at a rapid pace. Student performance in most inner city schools grows worse each year. At least half of all students entering ninth grade fail to graduate 4 years later and many more students from high-poverty backgrounds leave school with skills that are inadequate for today's workplace. In 1988 the average National Assessment of Educational Progress (NAEP) reading score of white 17 year-olds was approximately 20 points higher than that of African-American 17 year-olds and 25 points higher than that of Hispanic 17 year-olds. None of the existing Federal educational research and development programs is adequately addressing this obvious emergency.

"(B) Rural schools enroll a disproportionately large share of the Nation's poor and at-risk students and yet often lack the means to address effectively the needs of these children. Intensive efforts must be made to overcome the problems of geographic isolation, declining population, inadequate financial resources and other impediments to the educational success of children residing in rural areas.

"(C) By the year 2000, an estimated 3.4 million school age children with limited English language proficiency will be entering the school system. The Federal Government must develop effective policies and programs to address the educational needs of this growing population of children who are at increased risk for educational failure.

"(D) An educational emergency exists in those urban and rural areas where there are large concentrations of children who live in poverty. The numbers of educationally disadvantaged children will substantially increase by the year 2020, when the number of impoverished children alone will be 16.5 million, a 33 percent increase over the 12.4 million children in poverty in 1987.

"(E) American Indian and Alaska Native students are keenly at-risk of educational failure, with demonstrated high dropout, illiteracy and poverty rates, and cultural, linguistic, social and geographic isolation. The estimated 400,000 Indian and Alaska Native student population from over 500 Indian and Alaska Native tribes, is small and scattered throughout remote reservations and villages in 32 States, and in off-reservation rural and urban communities where Indians constitute but a small percentage of public school student bodies. To meaningfully address the special educational needs of this historically under-served population, the existing research and development system must be opened to Indian and Alaska Native people to identify needs and design ways to address such needs.

"(F) Minority scholars as well as institutions and groups that have been historically committed to the improvement of the education of at-risk students need to be more fully mobilized in the effort to develop a new generation of programs, models, practices, and schools capable of responding to the urgent needs of students who are educationally at-risk.

"(2) PURPOSE.—It shall be the purpose of the Institute for the Education of At-Risk Students to carry out a coordinated and comprehensive program of research and development to provide nonpartisan, research-based leadership to the Nation as it seeks to improve educational opportunities for students who are at-risk for educational failure, particularly children who reside in inner city and rural areas, and on Indian reservations, and children of limited English proficiency. Such program shall—

"(A) undertake research necessary to provide a sound basis from which to identify, develop, evaluate, and assist others to replicate and adapt interventions, programs, and models which promote greater achievement and educational success by at-risk students, such as—

"(i) methods of instruction and educational practices (including community services) which improve the achievement and retention of at-risk students;

"(ii) means by which parents and community resources and institutions (including cultural institutions) can be utilized to support and improve the achievement of at-risk students;

"(iii) the training of teachers and other educational professionals and paraprofessionals to work more effectively with at-risk students;

"(iv) the most effective uses of technology in the education of at-risk students;

"(v) programs designed to promote gender equity in schools that serve at-risk students; and

"(vi) methods of assessing the achievement of students which are sensitive to cultural differences, provide multiple methods of assessing student learning, support student acquisition of higher order capabilities, and enable identification of the effects of inequalities in the resources available to support the learning of children throughout the Nation; and

"(B) maximize the participation of those schools and institutions of higher education that serve the greatest number of at-risk students in inner city and rural areas, and on Indian reservations, including model collaborative programs between schools and school systems, institutions of higher education, cultural institutions, and community organizations.

"(3) COMPREHENSIVE RESEARCH PROGRAM.—The Institute shall support a diverse and comprehensive program of research and development which shall include research related to the educational needs of—

"(A) at-risk students who reside in urban areas;

"(B) at-risk students who reside in rural areas;

"(C) children with limited English language proficiency; and

"(D) Indian and Alaska Native students.

"(4) CONSULTATION WITH INDIAN AND ALASKA NATIVE EDUCATORS.—All research and development activities supported by the Institute which relate to the education of Indian and Alaska Native students shall be developed in close consultation with Indian and Alaska Native researchers and educators, tribally controlled community colleges, tribal departments of education, and others with expertise in the needs of Indian and Native Alaska students.

"(e) NATIONAL INSTITUTE FOR INNOVATION IN EDUCATIONAL GOVERNANCE, FINANCE, POLICY-MAKING, AND MANAGEMENT.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) Many elementary and secondary schools in the United States—

"(i) are structured according to models that are ineffective and rely on notions of management and governance that may be outdated or insufficient for the challenges of the next century; and

"(ii) are unsuccessful in equipping all students with the knowledge and skills needed to succeed as citizens and in the working world.

"(B) New approaches are needed in the governance and management of elementary and secondary education with the United States at the State, local, school building and classroom level.

"(C) Not enough is known about the effects of various systems of school governance and management on student achievement to provide sound guidance to policymakers as they pursue school restructuring and reform.

"(D) A concentrated Federal effort is needed to support research, development, demonstration, and evaluation of approaches to school governance, finance and management which promise to improve education equity and excellence throughout the Nation.

"(2) PURPOSE.—It shall be the purpose of the National Institute on Innovation in Educational Governance, Finance, Policy-Making, and Management to carry out a coordinated and comprehensive program of research and development to provide nonpartisan, research-based leadership to the Nation as it seeks to improve student achievement through school restructuring and reform. Such program shall—

"(A) undertake research necessary to provide a sound basis from which to identify, develop and evaluate approaches in governance, finance, policy-making, and management at the State, local, tribal, school building and classroom level which promise to improve educational equity and excellence, such as—

"(i) open enrollment programs, magnet schools and other systems through which parents may select the public schools and educational programs in which their children are enrolled;

"(ii) innovative school design, including lengthening the school day and the school year, reducing class size and building professional development into the weekly school schedule;

"(iii) effective approaches to organizing learning;

"(iv) effective ways of grouping students for learning so that a student is not labeled or stigmatized in ways that may impede such student's achievement;

"(v) effective approaches to organizing, structuring, and financing vocational education;

"(vi) the provision of financial and other rewards and incentives based on performance to improve student achievement;

"(vii) the use of regulatory flexibility on the State or district level to promote innovation and school restructuring;

"(viii) school-based management;

"(ix) the restructuring of school finance systems at the State and local level to promote greater equity in the distribution of resources for education and to maximize the allocation of such resources to support direct learning;

"(x) expanding the role of teachers in policymaking and administration at the school and district-wide level;

"(xi) programs designed to increase the involvement of parents and families in the management and governance of schools and the education of their children;

"(xii) effective approaches to increasing the representation of women and minorities among leadership and management positions in education;

"(xiii) approaches to systemic reforms involving the coordination of multiple policies of each level of government to promote higher levels of student achievement;

"(xiv) approaches to coordinated services for children; and

"(xv) policies related to school to work transitions and preparing noncollege-bound students; and

"(B) undertake research and development activities necessary to provide information on the skills required for successful educational leadership at the State, tribal, and local level and to enhance the ability of school leaders and administrators to improve the educational environment for all students.

"(3) RESEARCH ON EDUCATIONAL CHOICE.—In carrying out the duties of the Institute, the Assistant Secretary shall conduct or support research on whether and to what extent the quality of education in the United States would be improved by providing public funds to parents for the costs of attendance of their children at the elementary and secondary schools of the parents' choice.

"(f) NATIONAL INSTITUTE FOR EARLY CHILDHOOD DEVELOPMENT AND EDUCATION.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) The Nation has set as a goal that all children should arrive at school ready to learn.

"(B) Despite efforts to expand and improve preschool programs, many children still reach school age unprepared to benefit from formal education programs.

"(C) Early intervention for disadvantaged children from conception to age five has been shown to be a highly cost-effective strategy for reducing later expenditures on a wide variety of health, developmental, and educational problems that often interfere with learning. Long-term studies of the benefits of preschool education have a demonstrated return on investment ranging from three to six dollars for every one dollar spent.

"(D) The Federal government should play a central role in providing research-based information on early childhood education models which enhance children's development and ultimately their success in school.

"(2) PURPOSE.—The purpose of the National Institute for Early Childhood Development and Education is to carry out a comprehensive program of research and development to provide nonpartisan, research-based leadership to the Nation as it seeks to improve early childhood development and education. Such program shall identify, develop, evaluate, and assist others to replicate sound policies and practices that may include—

"(A) social and educational development of all infants, toddlers, and preschool children;

"(B) the role of parents and the community in promoting the successful social and educational development of children from birth to age five;

"(C) training and preparation of teachers and other professional and paraprofessional preschool and child care workers;

"(D) the structure and environment of early childhood education and child care settings which lead to improved social and educational development;

"(E) practices and approaches which sustain the benefits of effective preschool and child care programs;

"(F) effective learning methods and curriculum for early childhood learning, including access to current materials in libraries;

"(G) the importance of family literacy and parental involvement in student learning;

"(H) the impact that outside influences have on learning, including television, and drug and alcohol abuse; and

"(I) methods for integrating learning in settings other than the classroom, such as within families and communities, with a special emphasis on character development and the value of hard work.

"(3) CERTAIN REQUIREMENTS.—In carrying out the activities of the Institute, the Assistant Secretary shall—

"(A) place special emphasis on the special early childhood education needs of at-risk children, children with disabilities, and girls; and

"(B) ensure that its research and development program provides information that can be utilized in improving the major Federal early childhood education programs, including Head Start, Even Start, chapter 1 preschool programs, and part H of the Individuals with Disabilities Education Act, and Bureau of Indian Affairs early childhood development programs.

"(g) NATIONAL INSTITUTE ON STUDENT ACHIEVEMENT.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) The current achievement levels of students in the Nation are far below those that might indicate competency in challenging subject matter in English, mathematics, science, history, and geography and other areas, or across the subject areas.

"(B) Very few students demonstrate that they can use their minds well. In recent assessments, more students are gaining basic skills, yet fewer are demonstrating a grasp of higher-level applications of those skills.

"(C) During the past 20 years, relatively little has changed in how students are taught. Despite much research suggesting better alternatives, classrooms are still dominated by textbooks, teacher lectures, and short-answer activity sheets and unequal patterns of student attention.

"(D) Despite progress in narrowing the gaps, the differences in performance between white students and their minority counterparts remain unacceptably large. While progress has been made in reducing the gender gap in mathematics, it still remains at higher levels of problem solving. Too little progress has been made in reducing gender performance gaps favoring males in science and females in writing.

"(2) PURPOSE.—The purpose of the National Institute on Student Achievement is to carry out a coordinated and comprehensive program of research and development to provide research-based leadership to the Nation as it seeks to improve student achievement in English, mathematics, science, history, geography, and other subject areas and across the boundaries of the subject areas. Such program shall—

"(A) identify, develop, and evaluate innovative and exemplary methods to improve student knowledge at all levels in English, mathematics, science, history, geography, civics and government, foreign languages, arts and humanities, economics, and other subject areas, such as—

"(i) student learning and assessment in various subject matters;

"(ii) the effects of organizational patterns on the delivery of instruction, including issues of grouping and tracking, ungraded classrooms, and on the effects of various pedagogies, including the issues of technology in education;

"(iii) the best methods of teacher preparation;

"(iv) methods to improve the process of reading, the craft of writing, the growth of reasoning skills, and the development of information-finding skills;

"(v) enabling students to develop higher order thinking skills;

"(vi) methods to teach effectively all students in mixed-ability classrooms;

"(vii) curriculum, instruction, and assessment, in vocational education;

"(viii) the impact and effectiveness of Federal, State, and local efforts to provide gender-fair educational opportunities to elementary and secondary students; and

"(ix) programs, policies, approaches which promote gender equity in elementary and secondary education;

"(B) conduct basic and applied research in the areas of human learning, cognition, and performance, including research and development on the education contexts which promote excellence in learning and instruction, and motivational issues which provide a key to learning;

"(C) identify, develop, and evaluate programs designed to enhance academic achievement and narrow racial and gender performance gaps in a variety of subject areas, including research and development on methods of involving parents in their children's education and ways to involve business, industry and other community partners in promoting excellence in schools; and

"(D) include a comprehensive, coordinated program of research and development in the area of assessment which—

"(i) addresses such issues as—

"(I) the validity, reliability, generalizability, fairness, costs, relative merits, and most appropriate uses of various approaches and methods of assessing student learning and achievement;

"(II) methods and approaches to assessing student opportunities to learn (including the quality of instruction and the availability of resources necessary to support learning) and evaluating the quality of school environment;

"(III) the design, development, evaluation, and validation of model performance-based and other alternative or innovative formats or uses of assessments;

"(IV) the impact of high-stakes uses of assessment on student performance and motivation, narrowing of curriculum, teaching practices, and test integrity;

"(V) the fairness and impact of various methods of assessment on children of different races, ethnicities, gender, socioeconomic status, English language proficiencies, and children with other special needs;

"(VI) standards of performance, quality, and validity for various methods of assessment and the means by which such standards should be developed;

"(VII) current and emerging testing practices of State and local education agencies within the United States, as well as other nations;

"(VIII) the diverse effects, both intended and unintended, of assessments as actually used in the schools, including effects on curriculum and instruction, effects on equity in the allocation of resources and opportunities, effects on equity of outcomes, effects on other procedures and standards for judging students and practitioners and possible inflation of test scores;

"(IX) identifying and evaluating how students with limited English language proficiency and students with disabilities are included and accommodated in the various assessment programs of State and local education agencies; and

"(X) the feasibility and validity of comparing or equating the results of different assessments;

"(ii) reflects recommendations made by the National Education Goals Panel (provided such panel has been authorized by law);

"(iii) complies with the 'Standards for Educational and Psychological Tests' developed by the American Psychological Association, the National Council on Measurement in Education,

and the American Educational Research Association;

''(iv) is consistent with the 'Criteria for Evaluation of Student Assessment Systems' developed by the National Forum on Assessment; and

''(v) complies with the 'Code of Fair Testing Practices in Education' developed by the Joint Committee on Testing Practices.

For purposes of this subparagraph, the term 'development' means the development of prototypes for the purposes of research and evaluation.

''(h) NATIONAL INSTITUTE FOR POSTSECONDARY EDUCATION, LIBRARIES, AND LIFELONG LEARNING.—

''(1) FINDINGS.—The Congress finds as follows:

''(A) The American system of postsecondary education is foremost in the world in its achievement of both academic excellence and equity in access, but maintaining that preeminence requires renewed efforts to strengthen the quality of postsecondary education. Disappointing student performance on achievement tests and licensure examinations, declining rates of persistence and completion among minorities, and other troubling trends in the quality of postsecondary education must be addressed by the Nation as part of its overall drive to improve American education.

''(B) The need to improve our Nation's economic productivity to meet the competitive challenges of a new, international economy, coupled with high levels of mobility in the United States labor market and demographic changes in the workforce, now demands more and higher quality programs of learning and training in the American workplace.

''(C) The more than 1,000,000 men and women incarcerated in the Nation's prisons and jails are among the most severely educationally disadvantaged in the United States, with high rates of functional illiteracy and extremely low levels of educational attainment. Since an estimated 90 percent of these individuals are expected to be released by the end of the decade, the Nation must act to assure that our correctional system has the means to equip these Americans with the knowledge and skills they will need to participate productively in our society.

''(D) The development of a 'Nation of Students' capable of and committed to the pursuit of formal and informal lifelong learning is essential to sustain both national and individual economic success and to provide a nurturing environment in which all children and youth can learn and achieve. Historically the most effective community resource for lifelong learning, the Nation's public library system must expand and restructure its delivery of services to take full advantage of the potential of new information technologies to meet the needs of learning communities.

''(2) PURPOSE.—The purpose of the National Institute for Postsecondary Education, Libraries, and Lifelong Learning is to promote greater coordination of Federal research and development on issues related to adult learning and to carry out a program of research and development in adult learning to provide nonpartisan, research-based leadership to the Nation as it seeks to improve libraries, postsecondary education, and lifelong learning throughout the United States. Such program—

''(A) shall promote greater coordination, cooperation, and interaction among entities within the Federal Government which support research and development related to postsecondary education, libraries, and lifelong learning;

''(B) shall enable greater collaboration among entities within the Federal Government which support research and development related to postsecondary education, libraries, and lifelong learning by supporting research and development projects which are carried out jointly by such entities;

''(C) shall support research and development in those areas of postsecondary education, libraries, and lifelong learning which are not being addressed sufficiently by other entities within the Federal Government;

''(D) may include basic and applied research, development, replication, and evaluation activities in such areas as—

''(i) methods of assessing and evaluating individual, program, and institutional performance;

''(ii) the uses and applications of new technologies to improve program effectiveness and enhance student learning;

''(iii) practices, policies, and programs which address the unique needs of adult learners, including—

''(I) institutional and classroom policies and practices at the postsecondary level necessary to improve matriculation, persistence, achievement and graduation by students who are economically disadvantaged, ethnic and racial minorities, women, older, working, and who have children;

''(II) instructional practices and programs which are effective in correctional settings;

''(III) new models of service delivery for public library systems which expand opportunities for lifelong learning;

''(IV) effective programs and approaches which promote greater access to and success by minorities in postsecondary programs which prepare them for scientific, technical, teaching, and health career fields;

''(V) effective approaches to work-based learning; and

''(VI) the most effective training methods for adults to upgrade education and vocational skills;

''(iv) the effectiveness of Historically Black Colleges and Universities, Tribally-Controlled Indian Community Colleges, women's colleges, and other special mission institutions in fulfilling their mission of providing access and equal opportunity in higher education;

''(v) the quality of higher education at all levels and the roles and responsibilities of regional and national accrediting agencies in assuring the quality and relevance of academic goals and objectives established by institutions of higher education;

''(vi) approaches to improving the productivity of colleges, community colleges, universities, and other postsecondary institutions;

''(vii) financial barriers to postsecondary educational opportunity, including—

''(I) the role of Federal programs authorized under title IV of the Higher Education Act and State grant and work programs in mitigating such barriers;

''(II) the impact of the rising total cost of postsecondary education on access to higher education; and

''(III) the extent and impact of student reliance on loans to meet the costs of higher education;

''(viii) opportunities for adults to continue their education beyond higher education and graduate school, in the context of lifelong learning and information-finding skills; and

''(ix) preparing students for a lifetime of work, the ability to adapt through retraining to the changing needs of the work force and the ability to learn new tasks.

''(3) INVOLVEMENT OF CERTAIN AGENCIES AND ORGANIZATIONS.—In promoting coordination and collaboration on research and development on issues related to postsecondary education, libraries, and lifelong learning, the Institute shall, as appropriate, seek the involvement of—

''(A) within the Department of Education—

''(i) the Office of Library Programs;

''(ii) the Office of Correctional Education;

''(iii) the Office of Vocational and Adult Education;

''(iv) the National Institute on Disability and Rehabilitation Research; and

''(v) the Office of Postsecondary Education;

''(B) the National Institute for Literacy;

''(C) the National Board for Professional Teaching Standards;

''(D) the Employment and Training Administration of the Department of Labor;

''(E) the Administration for Children and Families within the Department of Health and Human Services;

''(F) the National Institutes of Health;

''(G) the National Endowment for Humanities;

''(H) the National Endowment for the Arts;

''(I) the Bureau of Prisons of the Department of Justice;

''(J) the Department of Commerce;

''(K) the Department of Defense; and

''(L) the Office of Indian Education Programs of the Department of the Interior.

''(4) In addition to the responsibilities described in paragraph (2), the Assistant Secretary shall ensure that the activities of the existing National Center on Literacy are fully coordinated with those of the National Institute for Literacy.

''(i) COORDINATION OF RESEARCH ON CROSS-CUTTING ISSUES.—The Assistant Secretary shall promote the coordination of research and development activities among the Institutes established by subsection (a) to investigate those cross-cutting disciplines and areas of inquiry, such as assessment, the use of technology and the training of teachers and school administrators, which are relevant to the missions of more than one of the Institutes. Such activities shall—

''(1) address cross-cutting disciplines and areas of inquiry which have been proposed by the Assistant Secretary and are consistent with the research priorities identified by the Board;

''(2) be carried out jointly (1) by any one of the Institutes and—

''(A) one (or more) of the Institutes;

''(B) the National Center for Education Statistics; or

''(C) any research and development entity administered by other offices of the Department of Education or by any other Federal agency or Department; and

''(3) meet all the standards set by the Assistant Secretary and the Board for other research and development conducted by the Office.

''(j) PROGRAM ON TEACHING AND TEACHER EDUCATION.—

''(1) IN GENERAL.—The Assistant Secretary, in accordance with the requirements of this subsection, shall undertake a comprehensive, coordinated program of research in the area of teaching, teacher education, and professional development.

''(2) CERTAIN PURPOSES OF PROGRAM.—In carrying out the program established under paragraph (1), the Assistant Secretary shall conduct, directly or through grants and contracts, basic and applied research and analytical activities to further knowledge about, make recommendations, and improve—

''(A) the ability of classroom teachers and schools to assist new and diverse populations of students in successfully assimilating into the classroom environment;

''(B) the working conditions of teachers and other educational practitioners, which may include such topics as—

''(i) teacher isolation;

''(ii) professional resources available to teachers;

''(iii) continuing educational and professional opportunities available to teachers;

''(iv) physical facilities and equipment, such as office space, telephone, computer access, and fax machines and television cable access available to teachers in the work environment;

"(v) opportunities for teachers to share information and resources with other teachers and education professionals;

"(vi) opportunities for advanced learning experience; and

"(vii) the reduction of stress in the teaching profession;

"(C) institutional program renewal and instruction;

"(D) restructuring of State certification of teachers and teacher education standards; and

"(E) assisting in the development of teacher certification standards by Indian tribal departments of education.

"(3) CERTAIN ACTIVITIES.—In carrying out the program established under paragraph (1), the Assistant Secretary—

"(A) shall work with institutions of higher education engaged in the preparation of teachers and professional organizations of teacher educators and practitioners to encourage institutional program renewal and restructuring;

"(B) may conduct, directly or through grants and contracts research on—

"(i) effective and reflective teaching for the preparation and continuing education of teachers;

"(ii) the use of computing and multi-made technology to advance the understanding and abilities of teacher educators and classroom teachers;

"(iii) the development and appraisal of curriculum and curriculum materials for the initial and continuing education of teachers and teacher educators; and

"(iv) strengthening the evaluation and dissemination of information on programs for continuing professional education and renewal of those who educate teachers for initial or advanced licensure or certification; and

"(C) shall work with the national regional education laboratories, the ERIC clearinghouses, national education research library, and the National Center for Education Statistics to maximize information available, to prevent unnecessary duplication of efforts and resources, and to ensure the results of the centers work are widely available.

"(k) RESEARCH ON EDUCATIONAL TECHNOLOGY.—The Assistant Secretary shall undertake a comprehensive, coordinated program of research and development in the area of the uses and applications of technology in education. Such program—

"(1) may support basic and applied research and development, analysis, evaluation in the area of the uses and applications of technology to education, including—

"(A) the capabilities of current and emerging technologies and their possible uses in education;

"(B) the uses and applications of technology—

"(i) to improve instruction within all content areas in the school curriculum;

"(ii) to educate more effectively at-risk students and other students with special needs;

"(iii) to improve education in rural communities and other remote areas;

"(iv) to improve the assessment of student learning and achievement;

"(v) to deliver preservice and inservice training for teachers, librarians, and school administrators; and

"(vi) to deliver and improve professional development and continuing education programs;

"(C) the cost and educational effectiveness of technologies used in education;

"(D) effective models and approaches for providing the preservice and inservice training and technical assistance necessary to enable teachers, librarians, and school administrators, cultural organizations, and others to use technology effectively in education;

"(E) the identification of barriers to greater use of technologies in education and potential approaches to eradicating or mitigating such barriers;

"(F) methods and approaches which can be utilized by teachers, school administrators, and education policymakers, and educational programs in cultural institutions to evaluate the quality and most appropriate uses of software and other technologies designed for use in education; and

"(G) approaches to organizing and managing schools and classrooms to make the most effective use of technology in education; and

"(2) shall be coordinated with related research and development activities undertaken by the Office of Special Education Programs, the National Science Foundation, the Department of Defense, and other Federal agencies.

"(l) TRANSITIONAL PROVISIONS.—

"(1) TEMPORARY REORGANIZATIONS.—Upon the enactment of the Educational Research, Development and Dissemination Excellence Act, the Secretary shall reorganize the research and development functions and activities of the Office into administrative units the purposes of which shall be the same as those for each of the national research institutes established in subsection (a). Such administrative units shall be responsible for planning and providing for the establishment of such institutes and shall cease to exist on the dates upon which each of the relevant institutes is established. The provisions of subsection (c) (relating to authorities and duties) shall apply to all activities undertaken by each such administrative unit.

"(2) DATES FOR ESTABLISHMENT OF INSTITUTES.—The National Institute for the Education of At-Risk Students, the National Institute for Innovation in Educational Governance, Finance, Policy-Making, and Management, the National Institute for Early Childhood Development and Education, the National Institute on Student Achievement, and the National Institute on Postsecondary Education, Libraries, and Lifelong Learning shall each be established effective October 1, 1994."

PART D—NATIONAL EDUCATION DISSEMINATION SYSTEM

SEC. 241. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act, as amended by section 231 of this Act, is amended by inserting after section 405B the following new section:

"NATIONAL EDUCATION DISSEMINATION SYSTEM

"SEC. 405C. (a) IN GENERAL.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) In order to improve the American educational system for all students, achieve the national education goals, and provide for greater educational equity, policymakers, administrators, teachers, and parents must have ready access to the best information and methods available as a result of educational research and development.

"(B) The Office of Educational Research and Improvement should have as one of its primary purposes the dissemination of such information and methods in order to assist the national education reform effort.

"(C) All current resources within the Office, the Department, and other agencies that can help accomplish this goal should be coordinated by the Assistant Secretary so as to form a systematic process to accomplish these objectives.

"(D) Education research has the capacity to improve teaching and learning in our Nation's schools, however, teachers need training in the developmental skills necessary to translate research into practice and to allow them to become a cadre of knowledgeable practitioners and leaders in educational improvement.

"(E) Adequate linkages between research and development providers and practitioners are essential to ensuring that research on effective practice is useful, disseminated and supported with technical assistance to all educators, and that all educators are partners in the research and development process.

"(2) PURPOSE.—The purpose of this section is to—

"(A) create a national system of dissemination, development, and educational improvement in order to create, adapt, identify, validate, and disseminate to educators, parents, and policymakers those educational programs that have potential or have been shown to improve educational opportunities for all students; and

"(B) empower and increase the capacity of teachers to participate in the research and development process.

"(3) DEFINITION OF EDUCATIONAL PROGRAM.—For the purposes of this section, the term 'educational program' includes educational policies, research findings, practices, and products.

"(b) ESTABLISHMENT OF OFFICE.—

"(1) IN GENERAL.—There is established within the Office an Office of Reform Assistance and Dissemination (in this section referred to as the 'Dissemination Office') through which the Secretary shall carry out all functions and activities described in this section.

"(2) CERTAIN DUTIES.—The Dissemination Office shall—

"(A) identify educational programs that may merit being designated as exemplary or promising educational programs;

"(B) based solely on the educational merits and promise of such programs, select those to be designated as exemplary or promising;

"(C) provide technical and financial assistance to individuals and organizations in the process of developing promising educational programs in the priority areas identified in section 405(b)(3), but who might not, without such assistance, be able to complete necessary development and assessment activities;

"(D) nationally disseminate information regarding the exemplary and promising programs to educators, parents, and policymakers through a variety of means, including existing Department activities, education associations and networks, and communication technologies;

"(E) provide training and technical assistance regarding the implementation and adoption of such exemplary and promising programs by interested entities; and

"(F) carry out a program of research on models for successful knowledge dissemination, and utilization, and strategies for reaching education policymakers, practitioners, and others interested in education.

"(3) ADDITIONAL DUTIES.—The Dissemination Office shall carry out and contain the following functions and activities:

"(A) A process for the identification of educational programs that work.

"(B) The educational resources information clearinghouses.

"(C) Dissemination through new technologies.

"(D) Smartline.

"(E) The regional educational laboratories.

"(F) Teacher Research Dissemination Network.

"(G) The Goals 2000 Community Partnerships Program.

"(H) The existing National Diffusion Network and its Developer-Demonstrator and State Facilitator projects.

"(I) Such other programs or entities the Secretary determines are consistent with the purposes for which the Dissemination Office is established.

"(c) IDENTIFICATION OF PROGRAMS.—

"(1) IN GENERAL.—The Assistant Secretary shall establish a process through which success-

ful educational programs are actively sought out for possible dissemination through the national educational dissemination system. Such process shall, at a minimum, have the capability to—

"(A) work closely with the research institutes, centers, regional educational laboratories, the National Diffusion Network and its Developer-Demonstrator and State Facilitator projects, learning grant institutions established under the Goals 2000 Community Partnerships Program, department-supported technical assistance providers, and other entities to identify successful educational programs at the regional, State, local, or classroom level;

"(B) review successful educational programs supported by the Department through all of its programs, including Chapter 1, Even Start, Drug-Free Schools and Communities Act of 1986, the Individuals With Disabilities Education Act, Bilingual Education, Indian Education, the Women's Educational Equity Act, and Adult and Vocational Education;

"(C) through cooperative agreements, review for possible inclusion in the system educational programs administered by the Departments of Health and Human Services (particularly the Head Start program), Labor and Defense, the National Science Foundation, the Department of the Interior (particularly the Office of Indian Education Programs), and any other appropriate Federal agency; and

"(D) provide for an active outreach effort to identify successful educational programs through cooperative arrangements with State and local education agencies, teachers and teacher organizations, curriculum associations, foundations, private schools, institutions of higher education, and other entities that could enhance the ability of the Secretary to identify programs for possible inclusion in the dissemination system.

"(2) PRIORITY PROGRAMS.—In carrying out this subsection, the Secretary shall place a priority on identifying programs, products, and practices related to the priority research and development needs identified in section 405(b)(3).

"(d) DESIGNATION OF EXEMPLARY AND PROMISING PROGRAMS.—

"(1) IN GENERAL.—The Assistant Secretary, in consultation with the Board, shall establish 1 or more panels of appropriately qualified experts and practitioners to—

"(A) evaluate educational programs that have been identified by the Secretary under subsection (c) or that have been submitted to the Secretary for such evaluation by some other individual or organization; and

"(B) recommend to the Secretary programs that should be designated as exemplary or promising educational programs.

"(2) CONSIDERATIONS IN MAKING RECOMMENDATIONS.—In determining whether an educational program should receive a recommendation under paragraph (1), a panel established under such paragraph shall consider—

"(A) whether, based on empirical data, which may include but shall not be limited to test results, the program is effective and should thus be designated as exemplary and disseminated through the national dissemination system; or

"(B) whether there is sufficient evidence to lead a panel of experts and practitioners to believe that the program shows promise for improving student achievement and should thus be designated as promising and disseminated through the national dissemination system while it continues to be evaluated.

"(3) REQUIREMENT REGARDING APPROVAL OF PROGRAMS.—In seeking out programs for approval under paragraph (2), the Assistant Secretary shall seek programs that may be implemented at the State, local, and classroom level.

"(4) REQUIREMENTS REGARDING PANELS.—

"(A) A panel shall not eliminate a program from consideration under this subsection based solely on the fact that it does not have one specific type of supporting data, such as test scores.

"(B) The Assistant Secretary may not designate a program as exemplary or promising unless a panel established under paragraph (1) has recommended that the program be so designated.

"(C) The Secretary shall establish such panels under paragraph (1) as may be necessary to ensure that each program identified or submitted for evaluation is evaluated.

"(D) Not less than ⅔ of the membership of a panel established under paragraph (1) shall consist of individuals who are not officers or employees of the United States. Members of panels under paragraph (1) who are not employees of the United States shall receive compensation for each day engaged in carrying out the duties of the panel as well as compensation for their expenses.

"(e) DISSEMINATION OF EXEMPLARY AND PROMISING PROGRAMS.—

"(1) IN GENERAL.—In order to ensure that programs identified as exemplary or promising are available for adoption by the greatest number of teachers, schools, local and State education agencies, and Bureau of Indian Affairs-funded schools, the Assistant Secretary shall utilize the capabilities of—

"(A) the education resources information clearinghouses;

"(B) Smartline;

"(C) the regional educational laboratories;

"(D) the National Diffusion Network;

"(E) entities established under the Goals 2000 Community Partnerships Program;

"(F) department-supported technical assistance providers;

"(G) the National Library of Education; and

"(H) other public and private nonprofit entities, including existing education associations and networks, that have the capability to assist educators in adopting exemplary and promising programs.

"(2) REQUIREMENTS FOR ASSISTANT SECRETARY.—In carrying out paragraph (1), the Assistant Secretary shall ensure that all such entities are—

"(A) kept apprised of the availability of specific programs for dissemination;

"(B) provided technical assistance, if necessary, to carry out this dissemination function; and

"(C) involved in the national education dissemination system as specified by law.

"(f) EDUCATION RESOURCES INFORMATION CLEARINGHOUSES.—

"(1) IN GENERAL.—The Assistant Secretary shall establish a system of 16 education resource information clearinghouses having, at a minimum, the functions and scope of work as the clearinghouses had on the date of the enactment of the Educational Research, Development, and Dissemination Excellence Act.

"(2) ADDITIONAL FUNCTIONS.—In addition to those functions already being carried out by the clearinghouses, such clearinghouses may—

"(A) periodically produce interpretive summaries, digests, and syntheses of the results and findings of education-related research and development; and

"(B) contain and make available to users information concerning those programs designated as exemplary and promising under subsection (c).

"(3) COORDINATION OF ACTIVITIES.—The Assistant Secretary shall assure that the functions and activities of such clearinghouses are coordinated with the activities of the research institutes, the regional educational laboratories, learning grant institutions, other clearinghouses supported by the Department, the National Diffusion Network, and other appropriate entities within the Office and the Department.

"(4) SPECIAL RESPONSIBILITIES OF THE SECRETARY.—To assure that the information provided through such clearinghouses is fully comprehensive, the Secretary shall—

"(A) require that all reports, studies, and other resources produced directly or by grant or contract with the Department of Education are made available to clearinghouses;

"(B) establish cooperative agreements with the Departments of Defense, Health and Human Services, Interior, and other Federal agencies to assure that all education-related reports, studies, and other resources produced directly or by grant or contract with the Federal Government are made available to such clearinghouses; and

"(C) devise an effective system for maximizing the identification, synthesis, and dissemination of information related to the needs of Indian and Alaska Native children.

"(5) COPYRIGHT PROHIBITED.—

"(A) No clearinghouse or other entity receiving assistance under this subsection may copyright or otherwise charge a royalty or other fee that—

"(i) is for the use or redissemination of any database, index, abstract, report, or other information produced with assistance under this subsection; and

"(ii) exceeds the incremental cost of disseminating such information.

"(B) For purposes of subparagraph (A), the incremental cost of dissemination does not include any portion of the cost of collecting, organizing, or processing the information which is disseminated.

"(g) DISSEMINATION THROUGH NEW TECHNOLOGIES.—

"(1) IN GENERAL.—The Assistant Secretary is authorized to award grants or contracts in accordance with this subsection to support the development of materials, programs, and resources which utilize new technologies and techniques to synthesize and disseminate research and development findings and other information which can be used to support educational improvement.

"(2) SOURCES OF MATERIALS AND RESEARCH ABOUT TEACHING AND LEARNING FOR IMPROVING NATIONWIDE EDUCATION (SMARTLINE).—

"(A) ELECTRONIC NETWORK.—The Assistant Secretary, acting through the Office of Reform Assistance and Dissemination, shall establish and maintain an electronic network which shall, at a minimum, link—

"(i) each office of the Department of Education;

"(ii) the research institutes established by section 405B;

"(iii) the National Center for Education Statistics;

"(iv) the National Library of Education; and

"(v) entities engaged in research, development, dissemination, and technical assistance under grant, contract, or cooperative agreement with the Department of Education.

"(B) CERTAIN REQUIREMENTS FOR NETWORK.—The network described in subparagraph (A) shall—

"(i) to the extent feasible, build upon existing national, regional, and State electronic networks and support video, telecomputing, and interactive communications;

"(ii) at a minimum, have the capability to support electronic mail and file transfer services;

"(iii) be linked to and accessible to other users, including State and local education agencies, institutions of higher education, museums, libraries, and others through the Internet and the National Research and Education Network; and

"(iv) be provided at no cost (excluding the costs of necessary hardware) to the contractors and grantees described in clause (v) of subpara-

graph (A) and to educational institutions accessing such network through the Internet and the National Research and Education Network.

"(C) INFORMATION RESOURCES.—The Assistant Secretary, acting through the Office of Reform Assistance and Dissemination, may make available through the network described in subparagraph (A)—

"(i) information about grant and contract assistance available through the department;

"(ii) an annotated directory of current research and development activities and projects being undertaken with the assistance of the Department;

"(iii) information about publications published by the Department and, to the extent feasible, the full text of such publications;

"(iv) statistics and data published by the National Center for Education Statistics;

"(v) syntheses of research and development findings;

"(vi) a directory of other education-related electronic networks and databases, including information about the means by which they may be accessed;

"(vii) a descriptive listing of materials and courses of instruction provided by telecommunications partnerships assisted under the Star Schools program;

"(viii) resources developed by the ERIC Clearinghouses;

"(ix) education-related software (including video) which is in the public domain;

"(x) a listing of instructional materials available through telecommunications to local education agencies through the Public Broadcasting Service and State educational television networks; and

"(xi) such other information and resources the Assistant Secretary considers useful and appropriate.

"(D) EVALUATIONS REGARDING OTHER FUNCTIONS OF NETWORK.—The Assistant Secretary shall also undertake projects to test and evaluate the feasibility of using the network described in subparagraph (A) for—

"(i) the submission of applications for assistance to the Department; and

"(ii) the collection of data and other statistics through the National Center for Education Statistics.

"(E) TRAINING AND TECHNICAL ASSISTANCE.—The Assistant Secretary, acting through the Office of Reform Assistance and Dissemination, shall—

"(i) provide such training and technical assistance as may be necessary to enable the contractors and grantees described in clause (v) of subparagraph (A) to participate in the electronic network described in such subparagraph; and

"(ii) work with the National Science Foundation to provide, upon request, assistance to State and local education agencies, the Department of the Interior's Office of Indian Education Programs, tribal departments of education, State library agencies, libraries, museums, and other educational institutions in obtaining access to the Internet and the National Research and Education Network.

"(h) REGIONAL EDUCATIONAL LABORATORIES.—

"(1) REGIONAL EDUCATIONAL LABORATORIES.—The Assistant Secretary shall enter into contracts with public or private nonprofit entities to establish a networked system of 10 regional educational laboratories which serve the needs of each region of the Nation in accordance with the provisions of this subsection. For the purposes of this subsection, the term 'region' means 1 of the 10 geographic regions set forth in section 2(a) of part 707 of title 34, Code of Federal Regulations (34 CFR 707.2(a)), as published in number 157 of volume 53 of the Federal Register on August 15, 1988.

"(2) DUTIES.—Each regional educational laboratory receiving assistance under this subsection shall, with such assistance, assist State education agencies, intermediate education agencies, local school districts, and schools funded by the Bureau of Indian Affairs in implementing broad-based, systemic school improvement strategies through the use of applied research and development activities. The regional educational laboratories shall support such system-wide reform efforts through—

"(A) the development of a plan for identifying needs and for serving the needs of the region by conducting a continuing survey of the educational needs, strengths and weaknesses within the region, including a process of open hearings to solicit the views of schools, teachers, administrators, parents, local educational agencies, librarians, and State educational agencies within the region;

"(B) the dissemination of information about programs designated as exemplary and promising under subsection (c) and other appropriate programs and practices;

"(C) the provision of support and technical assistance in—

"(i) replicating and adapting such exemplary and promising practices;

"(ii) the development of high-quality, challenging curriculum frameworks;

"(iii) the development of valid, reliable, fair systems of assessment which are based upon State, local, or Bureau of Indian Affairs-funded school curriculum frameworks and reflect recent advances in the field of educational assessment;

"(iv) the improvement of professional development strategies to assure that all teachers are prepared to teach a challenging curriculum;

"(v) expanding and improving the use of technology in education to improve teaching and learning;

"(vi) the development of alternatives for restructuring school finance systems to promote greater equity in the distribution of resources; and

"(vii) the development of alternative administrative structures which are more conducive to planning, implementing, and sustaining school reform and improved educational outcomes;

"(D) the development of educational programs and practices that address State, regional, or Indian tribal needs in relating to their school reform efforts;

"(E) facilitating communication between educational experts, school officials, and teachers, parents, and librarians, to enable such individuals to assist schools to develop a plan to meet the national education goals;

"(F) bringing teams of experts together to develop and implement school improvement plans and strategies;

"(G) the provision of training in—

"(i) the field of education research and related areas;

"(ii) the use of new educational methods; and

"(iii) the use of information-finding methods, practices, techniques, and products developed in connection with such training for which the regional educational laboratory shall be authorized to support internships and fellowships and to provide stipends; and

"(H) the provision of support and technical assistance (upon their request) to State facilitators funded through the National Diffusion Network.

"(3) NETWORKING.—In order to improve the efficiency and effectiveness of the regional laboratories, the governing boards of the ten regional laboratories shall establish and maintain a network to—

"(A) share information about the activities each is carrying out;

"(B) plan joint activities that would meet the needs of multiple regions;

"(C) create a strategic plan for the development of activities undertaken by the laboratories to reduce redundancy and increase collaboration and resource-sharing in such activities; and

"(D) otherwise devise means by which the work of the individual laboratories could serve national, as well as regional, needs.

"(4) ADDITIONAL DUTIES.—Each regional education laboratory receiving assistance under this subsection shall carry out the following activities:

"(A) Collaborate with the Institutes established under section 405B in order to—

"(i) maximize the use of research conducted through the Institutes in the work of such laboratory;

"(ii) keep the Institutes apprised of the work of the regional educational laboratories in the field; and

"(iii) inform the Institutes about additional research needs identified in the field.

"(B) Consult with the State educational agencies and library agencies in the region in developing the plan for serving the region.

"(C) Develop strategies to utilize schools as critical components in reforming education and revitalizing rural communities in the United States.

"(D) Report and disseminate information on overcoming the obstacles faced by rural educators and rural schools.

"(E) Identify successful educational programs that have either been developed by such laboratory in carrying out its functions or that have been developed or used by others within the region served by the laboratory and make such information available to the Secretary and the network of regional laboratories so that they may be considered for inclusion in the national education development and dissemination system.

"(5) CERTAIN REQUIREMENTS.—In carrying out its responsibilities, each regional educational laboratory shall—

"(A) establish a governing board that—

"(i) is the sole entity that—

"(I) guides and directs the laboratory in carrying out the provisions of this subsection and satisfying the terms and conditions of the contract award; and

"(II) determines the regional agenda of the laboratory, consistent with the priority research and development needs identified in section 405(b)(3); and

"(ii) reflects a balanced representation of the States in the region, as well as the interests and concerns of regional constituencies;

"(B) comply with the standards established by the Assistant Secretary and the Board under section 405A;

"(C) coordinate its activities, collaborate, and regularly exchange information with the institutes established under section 405C, the National Diffusion Network, and its Developer Demonstrator and State Facilitator projects, learning grant institutions and district education agents assisted under subsection (i), the ERIC Clearinghouses, and other entities engages in technical assistance and dissemination activities which are supported by other Offices of the Department of Education; and

"(D) allocate its resources to and within each State in a manner which reflects the need for assistance, taking into account such factors as the proportion of economically disadvantaged students, the increased cost burden of service delivery in areas of sparse populations, and any special initiatives being undertaken by State, intermediate, local education agencies, or Bureau of Indian Affairs-funded schools which may require special assistance from the laboratory.

"(6) EVALUATIONS.—The Assistant Secretary shall provide for periodic, independent evalua-

tions of each of the laboratories in carrying out the duties described in paragraph (1) in accordance with the standards developed by the Assistant Secretary and the Board and transmit the results of such evaluations to the relevant committees of the Congress, the Board, and the appropriate regional educational laboratory board.

"(7) INVITATION REGARDING COMPETITION FOR AWARDS OF ASSISTANCE.—Prior to awarding a grant or entering into a contract under this section, the Secretary shall invite applicants, including the existing regional educational laboratories, to compete for such award through notice in the Federal Register and in the publication of the Department of Commerce known as the Commerce Business Daily.

"(8) APPLICATION FOR ASSISTANCE.—Each application for assistance under this subsection shall—

"(A) cover not less than a 5-year period;

"(B) describe how the applicant would carry out the activities required by this subsection; and

"(C) contain such additional information as the Secretary may reasonably require.

"(9) RULE OF CONSTRUCTION.—No regional educational laboratory receiving assistance under this subsection shall, by reason of the receipt of that assistance, be ineligible to receive any other assistance from the Department as authorized by law.

"(10) ADVANCE PAYMENT SYSTEM.—Each regional educational laboratory shall participate in the advance payment system at the Department of Education.

"(i) GOALS 2000 COMMUNITY PARTNERSHIPS PROGRAM.—

"(1) PURPOSE.—The purpose of the Goals 2000 Community Partnerships program is to improve the quality of learning and teaching in the Nation's most impoverished urban and rural communities by supporting sustained collaborations between universities, schools, businesses, and communities which apply and utilize the results of educational research and development.

"(2) GRANTS FOR GOALS 2000 COMMUNITY PARTNERSHIPS.—The Assistant Secretary is authorized to make grants to eligible entities to support the establishment of Learning Grant Institutions and District Education Agents and the activities authorized under this subsection within eligible communities.

"(3) DEFINITION OF ELIGIBLE ENTITY AND ELIGIBLE COMMUNITY.—For the purposes of this subsection:

"(A) The term 'eligible entity' includes any institution of higher education, regional education laboratory, National Diffusion Network project, national research and development center, public or private nonprofit corporation, or any consortium thereof that—

"(i) has demonstrated experience, expertise and commitment in serving the educational needs of at-risk students; and

"(ii) is, by virtue of its previous activities, knowledgeable about the unique needs and characteristics of the community to be served.

"(B) The term 'eligible community' means a unit of general purpose local government (such as a city, township, or village), a nonmetropolitan county, tribal village, or a geographically distinct area (such as a school district, school attendance area, ward, precinct or neighborhood), or any group of such entities that—

"(i) has a population of not less than 200,000 and not more than 300,000; and

"(ii) in which not less than one-half of the school-age children have family incomes which are below the poverty line, as determined by the 1990 United States Census, participation in the National School Lunch program, or other current, reliable data concerning family income.

"(4) GOALS 2000 COMMUNITY PARTNERSHIPS.—Each learning grant institution receiving assistance under this subsection shall establish a Goals 2000 community partnership to carry out the activities authorized under this subsection. Such partnership—

"(A) shall include the participation of one or more local educational agencies, institutions of higher education, community-based organizations, parents, teachers, and the business community;

"(B) may include the participation of human, social service and health care agencies, Head Start and child care agencies, libraries, museums, employment and training agencies, and the State educational agency or tribal department of education; and

"(C) shall be broadly representative of all segments of the community in which the activities will be carried out.

"(5) COMPREHENSIVE GOALS 2000 PLAN.—Each Goals 2000 Community Partnership shall develop a comprehensive plan for assuring educational success and high achievement for all students in the community. Each such plan shall—

"(A) adopt the 6 national educational goals;

"(B) identify additional needs and goals for educational improvement within the community;

"(C) focus on helping all students reach challenging content and student performance standards;

"(D) be consistent with the State and local plan for system-wide education improvement developed pursuant to the Goals 2000: Educate America Act;

"(E) establish a comprehensive community-wide plan for achieving such goals; and

"(F) develop a means for measuring the progress of the community in meeting such goals for improvement.

"(6) IMPLEMENTATION OF COMMUNITY-WIDE PLAN.—Each Goals 2000 Community Partnership shall, utilizing the District Education Agent, provide assistance in implementing the community-wide plan for educational improvement by—

"(A) supporting innovation, restructuring, and continuous improvement in educational practice by—

"(i) disseminating information throughout the community about exemplary and promising educational programs, practices, products, and policies;

"(ii) evaluating the effectiveness of federally funded educational programs within the community and identifying changes in such programs which are likely to improve student achievement;

"(iii) identifying, selecting and replicating exemplary and promising educational programs, practices, products, and policies in both in and out-of-school settings;

"(iv) applying educational research to solve specific problems in the classroom, home and community which impede learning and student achievement; and

"(v) supporting research and development by teachers, school administrators, and other practitioners which promise to improve teaching and learning and the organization of schools;

"(B) improving the capacity of educators, school administrators, child care providers and other practitioners to prepare all students to reach challenging standards and to attain the goals set out in the comprehensive community-wide plan through such means as—

"(i) the training of prospective and novice teachers (including preschool and early childhood educators) in a school setting under the guidance of master teachers and teacher educators;

"(ii) training and other activities to promote the continued learning and professional development of experienced teachers, related services personnel, school administrators to assure that they develop the subject matter and pedagogical expertise needed to prepare all students to reach challenging standards;

"(iii) training and other activities to increase the ability of prospective, novice, and experienced teachers to teach effectively at-risk students, students with disabilities, students with limited English language proficiency, and students from diverse cultural backgrounds; and

"(iv) programs to enhance teaching and classroom management skills, including school-based management skills, of novice, prospective, and experienced teachers;

"(C) promoting the development of an integrated system of service delivery to children from birth through age 18 and their families by facilitating linkages and cooperation among—

"(i) local education agencies;

"(ii) health and social services agencies and providers;

"(iii) juvenile justice and criminal justice agencies;

"(iv) providers of employment training; and

"(v) child care, Head Start, and other early childhood agencies; and

"(D) mobilizing the resources of the community in support of student learning and high achievement by facilitating effective partnerships and collaboration among—

"(i) local education agencies;

"(ii) postsecondary educational institutions;

"(iii) public libraries;

"(iv) parents;

"(v) community-based organizations, neighborhood associations, and other civic and community organizations;

"(vi) child care, Head Start, and other early childhood agencies;

"(vii) churches, synagogues and other religious institutions;

"(viii) labor organizations; and

"(ix) business and industry.

"(7) ADDITIONAL REQUIREMENTS.—In carrying out its responsibilities under this subsection, each partnership receiving assistance under this subsection shall—

"(A) appoint a District Education Agent who shall be responsible, on a full-time basis, for directing the implementation of the community-wide plan. Such individual shall have significant experience and expertise in the field of education in—

"(i) addressing the needs of at-risk students; and

"(ii) conducting educational research and promoting the application of the results of such research to educational practice;

"(B) provide for such other professional and support personnel as may be necessary to implement the community-wide plan under the direction of the District Education Agent; and

"(C) coordinate its activities and work cooperatively with the National Diffusion Network State facilitators, regional laboratories, and other components of the Office to utilize most effectively Federal research, development, and dissemination resources in implementing the community-wide plan.

"(8) APPLICATION FOR GRANTS.—Any eligible entity desiring a grant under this subsection shall submit an application to the Assistant Secretary at such time, in such manner, and accompanied by such information as the Assistant Secretary may reasonably require. Each such application shall—

"(A) include a comprehensive plan for meeting the objectives and requirements of this subsection; and

"(B) provide evidence of support for the application from local elected officials, the State education agency, the local education agency, parents, local community leaders, businesses, and other appropriate organizations.

"(9) PRIORITY IN MAKING GRANTS; DURATION AND AMOUNT OF GRANT.—Each grant made under this subsection shall be—

"(A) awarded on a competitive basis, with first priority given to those applications from communities with the greatest percentage of school-age children in families with poverty-level incomes;

"(B) made for a 5-year period, with funding for the second and each successive year in this period conditioned upon a determination by the Assistant Secretary that the grant recipient has complied with the conditions of the grants during the previous year; and

"(C) an amount equal to not less than $1,000,000 per year.

"(10) LIMITATION OF ONE GRANT PER CONGRESSIONAL DISTRICT.—Not more than one grant shall be awarded within a single congressional district.

"(11) TECHNICAL ASSISTANCE; EVALUATIONS.—In administering the program authorized under this subsection, the Assistant Secretary shall, either directly or through grant or contract with an eligible nonprofit agency—

"(A) upon request, provide technical assistance to eligible entities to assist in the development of a comprehensive plan to meet the requirements of this subsection and in the preparation of applications for assistance;

"(B) regularly provide technical assistance to learning grant institutions receiving assistance under this subsection to assist with the development and implementation of the community-wide plan for educational improvement;

"(C) provide for an independent evaluation of the activities assisted under this subsection, including—

"(i) the impact of the Goals 2000 Community Partnerships program on children and families within each community, including (but not limited to) effects on the extent of educational achievement, rates of school retention and completion, and enrollment in program postsecondary educational programs; and

"(ii) whether an intensified effort to apply and utilize educational research within a limited geographic area significantly improves student learning and achievement; and

"(D) plan for the expansion of the Goals 2000 Community Partnerships program throughout the remainder of the Nation beginning in fiscal year 1998.

"(j) TEACHER RESEARCH DISSEMINATION NETWORK.—

"(1) FINDINGS.—The Congress finds that—

"(A) education research, including research funded by the Office, is not having the impact on the Nation's schools that such research should;

"(B) relevant education research and resulting solutions are not being adequately disseminated to the teachers that need such research and solutions;

"(C) there are not enough linkages between the research and development centers assisted under this section, the regional educational laboratories described in subsection (k), the National Diffusion Network State facilitators, the Education Resources Information Clearinghouses, and the public schools, to ensure that research on effective practice is disseminated and technical assistance provided to all teachers;

"(D) the average teacher has almost no time to plan or engage in a professional dialogue with such teacher's peers about strategies for improving learning;

"(E) teachers do not have direct access to information systems or networks;

"(F) teachers have little control over what in-service education teachers will be offered; and

"(G) individual teachers are not encouraged to move beyond the walls of their classrooms to identify and use outside resources.

"(2) PROGRAM AUTHORIZED.—

"(A) The Assistant Secretary shall enter into contracts with regional educational laboratories, in partnership with 1 or more institutions of higher education in each State of its region, the National Diffusion Network, and other entities with demonstrated experience, expertise, and commitment in the areas of teacher research or teacher professional development, such as the national research and development centers, professional teacher organizations, and other qualified organizations and associations, in the region to carry out activities described in paragraph (3).

"(B) The Assistant Secretary shall enter into contracts under this subsection in an equitable manner and shall provide assistance on the basis of the number of schools, teachers, and students in each regional educational laboratory region with attention given to populations with special needs and the increased cost burden of service delivery in regions of sparse population.

"(C) Contracts under this subsection shall be awarded for a period of not less than 3 years.

"(3) PROGRAM ACTIVITIES.—

"(A) Each regional partnership described in paragraph (2)(A) entering into a contract under this subsection shall carry out programs of providing training to teachers relevant to the needs and problems of the schools and school districts where teachers, who participate in the programs, serve. The purpose of such programs shall be to—

"(i) educate teachers on how to acquire information about education research findings and best practices;

"(ii) provide teachers with current education research and development theory, skills, and practice as shall enable them to modify, design, develop, and adapt such findings and practices to effect local district and classroom outcomes that improve education;

"(iii) enable teachers to become actively involved in the applied research and development process;

"(iv) provide teachers the ability to become leaders in the utilization of applied research and to become active participants in the Federal research and development partnership;

"(v) enhance the ability of teachers to evaluate and choose effective education programs and curricula; and

"(vi) facilitate collaboration between the teacher change agent and the National Diffusion Network State facilitator.

"(B) Teachers that participate in training assisted under this subsection shall be known as 'teacher change agents'.

"(C) The program described in subparagraph (A) shall provide teacher change agents with training during the summer and at such other times as agreed to by the district, which shall—

"(i) give teacher change agents knowledge and guidance in using the existing educational improvement services and resources funded by the United States Department of Education and other major research organizations, including the products and work of the regional educational laboratories, professional teacher organizations, the National Diffusion Network, institutions of higher education, the Educational Research Information Centers, National Research Centers, National Research Institutes, State Departments of Education, local education agencies, and other nonprofit organizations participating in the improvement of education;

"(ii) provide teacher change agents with in-depth knowledge about a number of products, programs, and processes developed by entities described in clause (i) that the teacher change agents judge most relevant to the needs of the district or districts they will serve;

"(iii) inform teacher change agents about government programs, including, but not limited to, programs in government agencies other than the Department of Education, which offer research opportunities, fellowships, and funding; and

"(iv) provide teacher change agents with instruction in technical assistance skills in order to increase their capacity to aid district and school site teacher teams responsible for leading school improvement activities at the district and school site level.

"(D) The school year activities described in subparagraph (A) shall provide teacher change agents participating in such program during the school year with—

"(i) opportunities to meet with other teacher change agents to exchange experiences;

"(ii) additional training or assistance as needed or requested;

"(iii) updates in education research, application, and findings; and

"(iv) opportunities to provide feedback into the educational research infrastructure regarding needed research and ways to improve the development and dissemination of information.

"(E) The regional partnership program may support educational improvement and reform activities such as—

"(i) training in applied research methodologies;

"(ii) assistance in conducting applied research;

"(iii) teacher research sabbaticals;

"(iv) video conferencing for additional training in order to reduce travel time and expenses;

"(v) training in developing and implementing effective teacher in-service training;

"(vi) training in change management, including strategies for restructuring schools, building local capacity, and generally strengthening the culture of schools so that schools are conducive and supportive of change, including training in interpersonal and leadership skills; and

"(vii) training in the appropriate use of technology to assist classroom teachers.

"(F) TEACHER RESPONSIBILITIES.—Teacher change agents shall, during the school year—

"(i) meet with other teachers and district or school site teacher teams to provide other teachers with knowledge about how to acquire information regarding education research findings and best practices, including what resources are available from the Department of Education and how to obtain products and technical services from the Department;

"(ii) meet with the National Diffusion Network State Facilitator to coordinate and not duplicate efforts in the dissemination of exemplary educational programs;

"(iii) help interested schools identify resources needed to address the school's needs and act as liaison between the school and the appropriate resource entities, such as regional educational laboratories, centers, national institutes, institutions of higher education, professional teacher organizations, scholars, consultants, and other schools and school districts that may be of assistance;

"(iv) teach other teachers how to use the products, programs, and processes in which the teacher was trained pursuant to paragraph (2)(C)(II);

"(v) work with other teachers and teacher teams to adapt identified exemplary practices, programs, and research results to implement school site or classroom improvements as desired, and provide follow-up activities throughout a 2-year period to ensure the successful adaptation and implementation of such programs in local schools; and

"(vi) inform teachers about how they can obtain Federal research funding, fellowships, and sabbaticals.

"(G) APPLICATION.—

"(i) IN GENERAL.—Each regional partnership desiring a contract under this subsection shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Assistant Secretary may reasonably require.

"(ii) CONTENTS.—Each application described in clause (i) shall—

"(I) contain a plan acceptable to affected States and local education agencies for conducting the program to be assisted under this section;

"(II) contain assurances that the partnership requirements are fulfilled;

"(III) contain assurances that both district and school site teacher teams will be established to work in conjunction with the teacher change agent;

"(IV) contain a plan for the selection of district and school site teacher team participants and others as deemed appropriate by the teacher change agent and the regional partnership;

"(V) contain assurances that the regional partnership, in conjunction with the participating school districts, shall provide each teacher change agent with a stipend for the entire calendar year commensurate with such teacher's salary and travel expenses, to permit a teacher to participate in such program without incurring loss of income;

"(VI) contain assurances that each teacher change agent participating in the program shall receive an award of not more than $10,000 to be used by such teacher during the school year of such teacher's participation to purchase materials, support, and coordinate with other teachers or site teacher teams in the school district;

"(VII) contain assurances that such regional partnerships shall provide not more than $5,000 to each school district or group of school districts having an individual from such district or districts participating in the program assisted under this section for each of the 2 years following such participation to enable such school district or districts to continue efforts to improve dissemination of effective practices and programs within the district or districts;

"(VIII) contain assurances that representatives of State educational agencies, intermediate educational agencies, teacher centers, teacher educators at institutions of higher education, and school district in-service or curriculum specialists will be eligible to participate in the program assisted under this section if such individuals pay the cost of their participation; and

"(IX) contain an assurance that such regional partnership shall permit a teacher to participate in the program only after such partnership determines that the teacher will be afforded a full opportunity by the district to perform such teacher's responsibilities described in paragraph (3)(F).

"(4) TEACHER SELECTION AND ELIGIBILITY.—

"(A) NOMINATION.—Teacher participants in the program assisted under this subsection shall be nominated by their peers at the school district level.

"(B) ELIGIBILITY.—Each school district or group of school districts desiring to have teachers from such district or districts participate in the program assisted under this subsection shall provide the regional partnership with the names of such teachers, and an indication of the type of issues or problems on which each such teacher would like to receive information and training.

"(C) SELECTION.—

"(i) Teacher participants shall be selected by the regional partnerships in consultation with the State educational agencies in the region. Teacher participants shall be selected in such a manner so as to ensure an equitable representation of such teachers by State and school enrollment within the region.

"(ii) The number of teachers selected each year shall be determined in accordance with the amount of funding received by the regional partnership.

"(5) INDEPENDENT EVALUATION.—

"(A) IN GENERAL.—The Assistant Secretary shall provide for an independent evaluation of the program assisted under this subsection to determine the net impact and cost effectiveness of the program and the reactions of teachers and school districts participating in such program, including any career plan changes of participating teachers.

"(B) DATE.—The evaluation described in subparagraph (A) shall be submitted to the Congress within 6 months after the completion of the third year of the program.

"(C) FUNDING.—The Assistant Secretary may reserve not more than $250,000 of the amount appropriated under section 405(i)(2)(E) to carry out the evaluation described in this paragraph.".

PART E—NATIONAL LIBRARY OF EDUCATION

SEC. 251. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act, as amended by section 241 of this Act, is amended by inserting after section 405C the following new section:

"NATIONAL LIBRARY OF EDUCATION

"SEC. 405D. (a) IN GENERAL.—There is established within the Office a National Library of Education (hereafter in this section referred to as the 'Library'), which shall be maintained as a governmental activity.

"(b) FUNCTIONS OF LIBRARY.—The functions of the Library are—

"(1) to provide a central location within the Federal Government for information about education;

"(2) to provide comprehensive reference services on matters related to education to employees of the Department of Education and its contractors and grantees, other Federal employees, and members of the public; and

"(3) to promote greater cooperation and resource sharing among providers and repositories of education information in the United States.

"(c) ONE-STOP INFORMATION AND REFERRAL SERVICE.—The Library shall establish and maintain a central information and referral service to respond to telephonic, mail and electronic and other inquiries from the public concerning—

"(1) programs and activities of the Department of Education;

"(2) publications produced by the Department of Education and, to the extent feasible, education related publications produced by the Departments of Labor, Health and Human Services, and other Federal agencies;

"(3) services and resources available to the public through the Office, including the ERIC Clearinghouses, the research institutes, and the national education dissemination system;

"(4) statistics and other information produced by the National Center for Education Statistics; and

"(5) referrals to additional sources of information and expertise about educational issues which may be available through educational associations and foundations, the private sector, colleges and universities, libraries and bibliographic databases.

The Library shall maintain and actively publicize a toll-free telephone number through which public inquiries to the Library may be made.

"(d) COMPREHENSIVE REFERENCE SERVICES.—The Library shall, to the extent feasible, provide for the delivery of a full range of reference services on subjects related to education to employees of the Department and its contractors and grantees, other Federal employees, and members of the general public. Such services may include—

"(1) specialized subject searches;

"(2) search and retrieval of electronic databases;

"(3) document delivery by mail and facsimile transmission;

"(4) research counseling, bibliographic instruction, and other training services;

"(5) interlibrary loan services; and

"(6) selective dissemination of information services.

The Library shall first give priority in the provision of reference services to requests made by employees of the Department.

"(e) COOPERATION AND RESOURCE SHARING.—The Library shall promote greater cooperation and resource sharing among libraries and archives with significant collections in the area of education through such means as—

"(1) the establishment of information and resource sharing networks among such entities;

"(2) the development of a national union list of education journals held by education libraries throughout the United States;

"(3) the development of directories and indexes to textbook and other specialized collections held by education libraries throughout the United States; and

"(4) cooperative efforts to preserve, maintain and promote access to items of special historical value or interest.

"(f) ADMINISTRATION.—The Library shall be administered by an Executive Director who shall—

"(1) be appointed by the Assistant Secretary from among persons with significant training or experience in library and information science;

"(2) serve for a renewable term of 5 years; and

"(3) be paid at not less than the minimum rate of basic pay payable for GS–15 of the General Schedule.

"(g) TASK FORCE.—

"(1) IN GENERAL.—The Assistant Secretary shall appoint a task force of librarians, scholars, teachers, parents, and school leaders (hereafter in this paragraph referred to as the 'Task Force') to provide advice on the establishment of the Library.

"(2) PREPARATION OF PLAN.—The Task Force shall prepare a workable plan to establish the Library and to implement the requirements of this section.

"(3) CERTAIN AUTHORITIES.—The Task Force may identify other activities and functions for the Library to carry out, except that such functions shall not be carried out until the Library is established and has implemented the requirements of this section.

"(4) REPORT.—The Task Force shall prepare and submit to the Assistant Secretary not later than 6 months after the first meeting of the Task Force a report on the activities of the Library.

"(h) TRANSFER OF FUNCTIONS.—There are hereby transferred to the Library all functions of—

"(1) the Department of Education Research Library;

"(2) the Department of Education Reference Section; and

"(3) the Department of Education Information Branch.

"(i) COLLECTION DEVELOPMENT POLICY.—Not later than 180 days after the enactment of the Educational Research, Development, and Dissemination Excellence Act, the Assistant Secretary shall promulgate a comprehensive collection development policy to govern the Library's operations, acquisitions, and services to users. Such collection development policy shall—

"(1) be consistent with the functions of the Library set out in subsection (b);

"(2) emphasize the acquisition and maintenance of a comprehensive collection of reference materials; and

"(3) avoid unnecessary duplication by putting a priority on meeting the information needs of the Library's users through cooperation and re-

source-sharing with other entities with significant collections in the field of education.

"(j) ARREARAGE AND PRESERVATION.—On the basis of the collection development policy promulgated under subsection (h), the Executive Director shall develop a multiyear plan which shall set forth goals and priorities for actions needed to—

"(1) eliminate within 3 years the arrearage of uncataloged books and other materials in the Library's collections; and

"(2) respond effectively and systematically to the preservation needs of the Library's collections, relying, whenever possible, upon cooperative efforts with other institutions to preserve and maintain the usability of books and materials in the Library's collections.".

TITLE III—SAFE SCHOOLS ACT OF 1994

SEC. 301. SAFE SCHOOLS PROGRAM AUTHORIZED.

(a) IN GENERAL.—With funds appropriated under subsection (c)(1), the Secretary of Education shall make competitive grants to eligible local educational agencies to carry out projects designed to achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by helping to ensure that all schools are safe and free of violence.

(b) MODEL PROJECT.—The Secretary of Education, shall develop a written safe schools model so all schools can develop models that enable all students to participate regardless of any language barriers.

(c) AUTHORIZATION OF APPROPRIATIONS AND RESERVATION.—

(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this Act $50,000,000 for fiscal year 1994.

(2) RESERVATION.—From the sums appropriated to carry out this Act for any fiscal year, the Secretary may reserve not more than 5 percent to carry out national leadership activities under section 305.

SEC. 302. ELIGIBLE APPLICANTS.

To be eligible to receive a grant under this Act, a local educational agency shall demonstrate in its application under section 303(a) that it—

(1) serves an area in which there is a high rate of—

(A) homicides committed by persons between the ages 5 to 18, inclusive;

(B) referrals of youth to juvenile court;

(C) youth under the supervision of the courts;

(D) expulsions and suspensions of students from school;

(E) referrals of youth, for disciplinary reasons, to alternative schools; or

(F) victimization of youth by violence, crime, or other forms of abuse; and

(2) has serious school crime, violence, and discipline problems, as indicated by other appropriate data.

SEC. 303. APPLICATIONS AND PLANS.

(a) IN GENERAL.—In order to receive a grant under this Act, an eligible local educational agency shall submit to the Secretary an application that includes—

(1) an assessment of the current violence and crime problems in the schools to be served by the grant and in the community to be served by the applicant;

(2) an assurance that the applicant has written policies regarding school safety, student discipline, and the appropriate handling of violent or disruptive acts;

(3) a description of the schools and communities to be served by the grant, the activities and projects to be carried out with grant funds, and how these activities and projects will help to reduce the current violence and crime problems in the schools and communities served;

(4) a description of educational materials to be developed in the second most predominate language of the schools and communities to be served by the grant, if applicable;

(5) if the local educational agency receives Federal education funds, an explanation of how activities assisted under this Act will be coordinated with and support any systemic education improvement plan prepared with such funds;

(6) the applicant's plan to establish school-level advisory committees, which include faculty, parents, staff, and students, for each school to be served by the grant and a description of how each committee will assist in assessing that school's violence and discipline problems as well as in designing appropriate programs, policies, and practices to combat those problems;

(7) the applicant's plan for collecting baseline and future data, by individual schools, to monitor violence and discipline problems and to measure its progress in achieving the purpose of this Act;

(8) a description of how, in subsequent fiscal years, the grantee will integrate the violence prevention activities it carries out with funds under this Act with activities carried out under its comprehensive plan for drug and violence prevention adopted under the Safe and Drug-Free Schools and Communities Act of 1986;

(9) a description of how the grantee will coordinate its school crime and violence prevention efforts with education, law enforcement, judicial, health, social service, programs supported under the Juvenile Justice and Delinquency Prevention Act of 1974, and other appropriate agencies and organizations serving the community;

(10) a description of how the grantee will inform parents about the extent of crime and violence in their children's schools and maximize the participation of parents in its violence prevention activities;

(11) an assurance that grant funds under this Act will be used to supplement and not supplant State and local funds that would, in the absence of funds under this Act, be made available by the applicant for the purposes of the grant;

(12) an assurance that the applicant will cooperate with, and provide assistance to, the Secretary in gathering statistics and other data the Secretary determines are necessary to determine the effectiveness of projects and activities under this Act or the extent of school violence and discipline problems throughout the Nation; and

(13) such other information as the Secretary may require.

(b) PRIORITIES.—In awarding grants under this Act, the Secretary shall take into account the special needs of local educational agencies located in both rural and urban communities.

SEC. 304. GRANTS AND USE OF FUNDS.

(a) DURATION AND AMOUNT OF GRANTS.—Grants under this Act may not exceed—

(1) 1 year in duration; and

(2) $3,000,000.

(b) USE OF FUNDS.—

(1) ACTIVITIES.—A local educational agency may use funds awarded under section 301(a) for 1 or more of the following activities:

(A) Identifying and assessing school violence and discipline problems, including coordinating needs assessment activities with education, law-enforcement, judicial, health, social service, juvenile justice programs, gang prevention activities, and other appropriate agencies and organizations.

(B) Conducting school safety reviews or violence prevention reviews of programs, policies, practices, and facilities to determine what changes are needed to reduce or prevent violence and promote safety and discipline.

(C) Planning for comprehensive, long-term strategies for combating and preventing school violence and discipline problems through the involvement and coordination of school programs with other education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations.

(D) Activities which involve parents in efforts to promote school safety and prevent school violence.

(E) Community education programs involving parents, businesses, local government, the medical, and other appropriate entities about the local educational agency's plan to promote school safety and reduce and prevent school violence and discipline problems and the need for community support.

(F) Coordination of school-based activities designed to promote school safety and reduce or prevent school violence and discipline problems with related efforts of education, law-enforcement, judicial, health, social service, juvenile justice programs, and other appropriate agencies and organizations.

(G) Developing and implementing violence prevention activities and materials, including—

(i) conflict resolution and social skills development for students, teachers, aides, other school personnel, and parents;

(ii) disciplinary alternatives to expulsion and suspension of students who exhibit violent or anti-social behavior;

(iii) student-led activities such as peer mediation, peer counseling, and student courts; or

(iv) alternative after-school programs that provide safe havens for students, which may include cultural, recreational, educational and instructional activities, and mentoring and community service programs.

(H) Educating students and parents about the dangers of guns and other weapons and the consequences of their use.

(I) Developing and implementing innovative curricula to prevent violence in schools and training staff how to stop disruptive or violent behavior if it occurs.

(J) Supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols.

(K) Counseling programs for victims and witnesses of school violence and crime.

(L) Evaluating its project under this Act.

(M) The cost of administering the project of the local educational agency under this Act.

(N) Other activities that meet the purposes of this Act.

(2) OTHER LIMITATIONS.—A local educational agency may use not more than 5 percent of its grant for activities described in paragraph (1)(M).

(3) CONSTRUCTION.—A local educational agency may not use funds under this Act for construction.

SEC. 305. NATIONAL LEADERSHIP.

To carry out the purpose of this Act, the Secretary may use funds reserved under section 301(c)(2) to conduct national leadership activities such as research, program development and evaluation, data collection, public awareness activities, training and technical assistance, to provide grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking, and to conduct peer review of applications under this Act. The Secretary may carry out such activities directly, through interagency agreements, or through grants, contracts, or cooperative agreements.

SEC. 306. REPORTS.

(a) REPORT TO SECRETARY.—Local educational agencies that receive funds under this part shall submit to the Secretary a report not

later than March 1, 1995, that describes progress achieved in carrying out the plan required under section 303.

(b) REPORT TO CONGRESS.—The Secretary shall submit to the Committee on Education and Labor of the House of Representatives a report not later than October 1, 1995, which contains a detailed statement regarding grant awards, activities of grant recipients, a compilation of statistical information submitted by applicants under section 303, and an evaluation of programs established under this part.

SEC. 307. DEFINITIONS.

For purposes of this Act:

(1) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)).

(2) SECRETARY.—The term "Secretary" means the Secretary of Education.

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate disagree to the House amendment to the Senate amendment and agree to the request for a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer (Mr. CONRAD) appointed Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. SIMON, Mr. DODD, Mr. HARKIN, Ms. MIKULSKI, Mr. BINGAMAN, Mr. WELLSTONE, Mr. WOFFORD, Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. COATS, Mr. GREGG, Mr. THURMOND, Mr. HATCH, and Mr. DURENBERGER conferees on the part of the Senate.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

FIFTH BIENNIAL REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 91

The Presiding Officer laid before the Senate a message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Pursuant to the provisions of section 108(b) of Public Law 98-373 (15 U.S.C. 4107(b)), I transmit herewith the Fifth Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1992, to January 31, 1994).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 2, 1994.*

TWENTY-SIXTH ANNUAL REPORT OF THE DEPARTMENT OF TRANSPORTATION FOR FISCAL YEAR 1992—MESSAGE FROM THE PRESIDENT—PM 92

The Presiding Officer laid before the Senate a message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with section 308 of Public Law 97-449 (49 U.S.C. 308(a)), I transmit herewith the Twenty-sixth Annual Report of the Department of Transportation, which covers fiscal year 1992.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 2, 1994.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2244. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to amend the Intermodal Surface Transportation Efficiency Act of 1991; to the Committee on Environment and Public Works.

EC-2245. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation entitled "National Highway System Designation Act of 1994"; to the Committee on Environment and Public Works.

EC-2246. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the report of the financial statements of the forfeiture fund for fiscal year 1993; to the Committee on Finance.

EC-2247. A communication from the Secretary of Commerce, transmitting, a draft of proposed legislation entitled "The Export Administration Act 1994"; to the Committee on Banking, Housing and Urban Affairs.

EC-2248. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the annual report for fiscal year 1993; to the Committee on Governmental Affairs.

EC-2249. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC-2250. A communication from the Assistant Secretary of the Treasury (Management), transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC-2251. A communication from the Office of Special Counsel, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC-2252. A communication from the Principal Deputy Assistant (Secretary of Defense for Public Affairs), transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC-2253. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on silicosis in underground uranium miners; to the Committee on the Judiciary.

EC-2254. A communication from the Secretary of the Education, transmitting, a draft of proposed legislation entitled "College Construction Loan Insurance Association Amendments of 1994"; to the Committee on Labor and Human Resources.

EC-2255. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Preventing Tobacco Use Among Young People"; to the Committee on Labor and Human Resources.

EC-2256. A communication from the Secretary of Labor, transmitting, pursuant to law, the report on the Job Training for the Homeless Demonstration Program; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROCKEFELLER, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute:

S. 1546. A bill to amend title 38, United States Code, to revise certain administrative provisions relating to the United States Court of Appeals, and for other purposes (Rept. No. 103-232).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SIMPSON (for himself, Mr. BYRD, Mr. THURMOND, Mr. DOLE, Mr. D'AMATO, and Mrs. KASSEBAUM):

S. 1884. A bill to amend the Immigration and Nationality Act to reform asylum procedures, to strengthen criminal penalties for the smuggling of aliens, and to reform other procedures to control illegal immigration to the United States; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. KERREY):

S. 1885. A bill to amend the National Security Act of 1947 to provide a uniform framework for the classification and declassification of information in the interests of national security; to the Select Committee on Intelligence.

By Mr. WARNER (for himself and Mr. ROBB):

S. 1886. A bill to amend the Water Supply Act of 1958 to provide for the funding of capital improvements at the Washington Aqueduct, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. COCHRAN:

S.J. Res. 165. A joint resolution to designate the month of September 1994 as "National Sewing Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEVIN (for himself, Mrs. BOXER, Mr. PELL, Mr. METZENBAUM, and Mrs. FEINSTEIN):

S. Res. 184. A resolution to condemn the massacre in Hebron, and urge all parties in the Middle East peace process to renew energy to achieve a just peace; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SIMPSON (for himself, Mr. BYRD, Mr. THURMOND, Mr. DOLE, Mr. D'AMATO, and Mrs. KASSEBAUM):

S. 1884. A bill to amend the Immigration and Nationality Act to reform asylum procedures, to strengthen criminal penalties for the smuggling of aliens, and to reform other procedures to control illegal immigration to the United States; to the Committee on the Judiciary.

COMPREHENSIVE IMMIGRATION AND ASYLUM REFORM ACT OF 1994

Mr. SIMPSON. Mr. President, I rise to introduce today the Comprehensive Immigration and Asylum Reform Act of 1994. This measure addresses so many of the various serious immigration and asylum problems which have been "the stuff of headlines" and debate in this country for the past year and much longer.

As jobless rates remain high, and as State and local governments struggle with the cost of education, public assistance, and health care, and as there is great stress on the criminal justice system during these times of economic pain, we frequently hear in frustration, that "something must be done" about immigration—legal and illegal.

There are many studies and many opinions on the economic costs and benefits of immigration. Some believe we should have open borders. I happen to think that is about the most absurd viewpoint that could ever be expressed, because the first duty of a sovereign nation is to control its borders.

Some feel there should be no limit on the number of immigrants we could admit to our benefit. Others argue that immigration, legal and illegal, is costing State and local governments billions of dollars every year in public-funded services.

I believe that legal immigration has been and can continue to be of great benefit to the United States, but only if the newcomers can be comfortably absorbed into the American community.

I do not want to get into flash words like "assimilation" and "make them do the American thing" and all of the stuff that comes with hyphenated Americanism in these times.

Immigrants can be comfortably absorbed in reasonable numbers if they come here to become "Americans" just as others have always come before them—to understand, accept, and support the democratic institutions and the laws, principles, values, traditions, and spirit which reflect the American character. That is not corny to say. I have always referred to that as our "public culture," in order to distinguish it from the individual's "private culture" of their own religions, their ways, and their customs which reflect the remarkable diversity of our immigrants and which all other Americans should fully respect.

But, indeed, those who come to our land should respect our public culture, a common flag, a common language. These are not racist things. These are not bigoted things. These are not nativist things. These are not mean-spirited things. And all may practice their private cultures, whatever they may be, as long as others are not injured.

But the numbers have to be reasonable for the times in order that these new Americans may be successfully integrated, or people become sour and hardened against their entry.

In 1990, we increased legal immigration to the United States to 700,000 persons—an increase of nearly 40 percent. I was a cosponsor of that act which created the increase. I thought it was good.

Since 1990, we have been admitting more than 120,000 refugees in every year. And I was part of the passage of the Refugee Act in 1980.

In addition to these legal immigrants and refugees, illegal immigration contributes another 300,000 permanent immigrants annually.

This burgeoning stream of legal immigrants, undocumented aliens, and refugees is as large an immigration flow as has ever been experienced in this country. It cannot continue. We can add to that flow thousands more who come here each year to claim, or to try to claim, political asylum. And often it is a phony claim.

Immigration is 35 percent of our annual population growth, and our population growth rate is the highest of any developed Western nation. I have come to the conclusion that our current immigration exceeds the numbers of persons which the United States is capable of absorbing comfortably.

So, today, I present this bill. When we increased the numbers in 1990, I did not foresee these things, did not anticipate California's economic crisis, did not appreciate the fact that illegal immigration was again growing to unacceptable levels. And we see now that 1990 was not the time for a large-scale expansion in legal immigration, and we should not hesitate to correct that miscalculation today.

So the first order of business is to bring undocumented illegal immigration under control. Then we must determine a level of immigration which will be reasonable and which will clearly reflect our interest as a Nation—the national interest. So this measure I am introducing will, for a period of 5 years, reduce legal immigration to 500,000 legal immigrants annually.

When we passed the Immigration Act of 1990, I believed we had successfully closed the back door to illegal immigration. We did not do that. We had enacted laws to prevent the employment of undocumented workers. Apprehensions of deportable aliens dropped for the third straight year. We thought we were on a good course. And we did not foresee the economic distress to our largest immigrant-receiving States: California, Florida, Illinois—caused in part by the downsizing, at least in California, of the defense establishment.

The level proposed in this legislation will take us back to the level of legal immigration prior to the 1990 act. This reduction will be in effect for 5 years, at which time it will automatically return to 675,000 immigrants annually, the permanent, worldwide level established by the 1990 act.

During this 5-year period, this breathing space, we can address the issue of illegal immigration. We can create more English language training programs for the immigrants who are already here. We can assist the half-million immigrants, plus refugees, who will be admitted every year to integrate successfully into the American society. And I would note here that while it has been our usual practice in the United States to allow immigration to grow, and to never adjust it downward no matter what the economic situation, the two other countries of high immigration—Australia and Canada—have mechanisms to reduce immigration as well as to increase it, in order to best serve their national interests.

Because of the worldwide economic recession, Australia, for example, now has reduced immigration by more than 50 percent over the last 3 years. During those same 3 years we were attempting to absorb a nearly 40 percent increase in our own immigration. It just does not make sense that we cannot or should not adjust our numbers when it is obviously in the national interest to do so.

Although some immigrants and their advocates—I often refer to them as "groups" in a sinister way—may consider immigration to the United States as a right, we must always remember that immigration is a privilege; a privilege that should be granted only when it is in the national interest.

This bill will also establish for the first time a firm cap on total immigration, excepting only the immigration of immediate relatives of American citizens—the nuclear family—which shall remain unrestricted. Remember, there is no restriction on the parents, sons and daughters, and spouses of U.S. citizens, and the numbers for the minor sons and daughters and spouses of permanent resident aliens will not be reduced.

But at this point I want to say that all immigrants who are in this country legally have come at the invitation or sponsorship of an American citizen, an employer, or a permanent resident. All of them have been approved by our immigration service. All are entitled to the respect and consideration we accord to every other American. A temporary reduction in the overall level of immigration does not mean there is an anti-immigrant sentiment in the Nation or in the Congress. It is not nativist, racist, or mean-spirited to talk of controlling illegal immigration, or of reducing legal immigration. And it is not some response to anti-immigrant passions in the general public. In fact, a reduction in immigration should help this country to reduce any anti-immigrant feelings that do exist.

This measure will also establish a limit on the number of refugees which the administration can admit without congressional action.

Under the 1980 Refugee Act, the administration was to have consulted with the Congress before determining the number of refugees to admit in each year. This consultation process has not proven in any way to be a copartnership, it is a one-way street. The administrations under both parties have admitted refugees for many years at double or triple the 50,000 admissions which were established under the act as the "normal flow" of refugees.

Most of the refugees now come directly from the country of their own nationality. Hear that. As a refugee, you are supposed to be fleeing persecution based on race, religion, national origin, political opinion, or membership in a particular group. Few are, in fact, fleeing any immediate persecution. They may be fleeing economic conditions, even discrimination, but that does not make one a refugee under the law.

So the refugee program has really become, in essence, more of an immigration program than a refugee rescue program. This bill will establish a limit of 80,000 on the number of refugees which may be admitted without congressional action. That is a 60 percent increase over the "normal flow" set by the Refugee Act. But the ability of the administration to act in the event of a refugee emergency will not be restricted. Under the provisions of the Refugee Act, additional refugees may be admitted in the event of a genuine refugee emergency. That will continue.

In addition to providing more congressional control over the admission of large numbers of refugees, this provision will limit the number of refugees accepted by the United States for the same reasons I have mentioned in discussing the proposed limits on immigrant admissions.

This measure also addresses many of the problems we experience with criminal aliens. Last summer the American public saw on their television the spectacle of aged ships containing hundreds of illegal aliens running aground in New York harbor or sailing under the Golden Gate Bridge in order to discharge their pathetic human cargo at a dock in San Francisco. Americans were appalled at the loss of life, the terrible conditions on board the ships, and the inability of our Government to control this blatant abuse of our laws by alien smuggling organizations. This legislation will increase the penalties for alien smuggling, it will add alien smuggling to the list of crimes that establish the basis for bringing a RICO—racketeering—charge and will expand the seizure or forfeiture authority against those who smuggle or harbor illegal aliens.

The legislation will also expedite the deportation procedures for criminal aliens who are not permanent resident aliens, green-card holders. The bill will permit a Federal judge to enter an order of deportation during the sentencing phase of a criminal trial, thus avoiding a second administrative hearing on the deportation. It will also limit the defenses to deportation for certain criminal aliens. And, to increase the effectiveness of deportation orders, the bill will increase the penalties for criminal aliens who fail to depart, or who reenter the country after the final order of deportation has been issued.

These provisions are tough, and they are strong, and they are direct—but fair. They will reduce the ability of criminal aliens to the advantage of a multilayered appeals process which has been plastered into the law over the decades. Aliens take advantage of that system in extraordinary ways. We now see in our asylum and deportation procedures that it is almost in total gridlock. And this will deter illegal alien smuggling by greatly increasing the cost of the criminal smuggler.

The legislation also addresses a most serious immigration problem at our Nation's international ports of entry. Taking advantage of the loopholes that exist in current law, large numbers of illegal aliens are entering the United States at our major ports of entry, claiming asylum, then disappearing into the interior of our country.

In a single year approximately 40,000 aliens will seek illegal entry at our international airports, either with fraudulent documents or no documents. Because we have limited detention space, these aliens, and the smugglers who assist them, know that they will likely be released into the community at large—and with a work permit, too, if they can simply indicate a desire to apply for asylum. This measure will address this problem while at the same time preserving and protecting the rights of those aliens who present legitimate, good-faith applications for asylum. Under this bill, any alien who uses a fraudulent document to enter the United States or who uses a document overseas, but then fails to present that document upon arrival in the United States, would be subject to an immediate order of exclusion.

However, this bill would still protect those aliens who have legitimate claims to refugee status, but who attempt to enter the country without proper documents. The legislation would prevent the Immigration Service from immediately removing any alien who has a "credible fear of persecution" in the country to which he or she would be returned.

The determination of a "credible fear of persecution" would be made by a specially trained asylum officer at the port of entry. A denial of an asylum claim would be reviewed by the asylum officer's supervisor before the alien would be excluded.

Mr. President, the rampant and widespread use of fraudulent and phony identification of all types in this country continues to appall U.S. citizens. It reduces the effectiveness of the employer sanctions legislation which we passed in 1986. It cannot be effective with the gimmickry of the documents.

It also subjects our public welfare systems to terrible abuse, and it weakens the enforcement of gun control laws.

This legislation will direct the administration to develop and implement a more secure system to verify the identification of persons who apply for work or for welfare benefits in the United States. The bill contains protections to ensure that such a verification system shall not become a national identification card.

I think this provision is especially critical and important, Mr. President, as we move toward a universal health care system. We saw our President in his address to the Nation hold up a card and say, "All of you will carry this, or all of you will have this, and all of you will receive health care."

I have no problem with that. But I must note here that I did not see a great many editorials warning of a "slippery slope" to a national I.D. card. I thought that most interesting.

But as we move toward a universal health care system and we see a system that is costing us $900 billion a year for health care, we see a system out of whack because of what it is costing to sustain people who are here illegally and who get legal documents to get illegal benefits. So we want to have the necessary tool for the enforcement of employer sanctions—a secure verification system—because, potentially, we think that that is the most effective and humane deterrent against illegal immigration.

In addition, the bill will increase penalties for document fraud. I do not usually use these remarkable gimmicks that we sometimes see on the floor, but I certainly would not hesitate if it does not frighten children.

A person called my office and said, "Send me your picture and your vital statistics and I will send you a couple of documents that will be of great interest to you as to what is happening in your country." So, naturally, I took a photo of my best side, sent it to the person, and he went to a street corner in Los Angeles. A man walked up to the car, took the order for a California I.D. card and a Social Security card, and said, "I will have it in the morning," and he did. And here it is. I had it enlarged so you can see it.

This is my name, Alan Kooi Simpson. That is my middle name, Kooi. My address is 4850 Royal in Turlock, CA. I do not know where that is. I have never heard of that. There are my vital statistics. Sex, male; hair, glossy—no, gray. I am sorry. Eyes, gray; height 6'7"; weight, 200. There I am. Date of birth, correct. This is not, of course, my signature. Only the photo background color is a little off. It should be bluer.

This card and the Social Security card would enable me to work anywhere in California and to draw from the welfare systems of the State of California. It had a magnetic tape on the back. As far as I know, the magnetic tape was correct. That will, in some counties, get me the right to vote, and all of it is totally phony. Also, it has a holograph over the photo, just like a genuine California I.D. card, so it looks counterfeit resistant.

No wonder California is finally paying attention. That is their I.D. card. They and Florida are now in the process of wanting to sue the Federal Government for the cost of caring for the people who come there because of the Federal Government's failure to properly restrict refugees and immigrants. So that is the I.D. card.

Then the gentleman, whoever it was—I do not know—got this Social Security card fixed up for me. I covered a couple of numbers, because this is undoubtedly some poor soul's actual number. Some poor guy in America now has me using his Social Security account. The card is on the counterfeit resistant paper now used by the Social Security Administration. There I am. I obliterated two of the numbers so the person whose number this is won't know.

That is the package you need to work, vote, get benefits, whatever. You can get it for 50 to 100 bucks. So that is where we are in America.

These are the things I am up to. We are going to deal with the asylum problem at the airports; we are going to deal with the backlog of 400,000 asylum cases. Hear this one: We have people who are in the United States illegally, then get picked up after ranging through the country for a couple of years, and then plead asylum where they are found. They say, "I am here, I am an asylee, I am fleeing persecution." When it is noted that they have been here a couple years illegally, they reply, "I know, but now I am asking for asylum."

So the systems have been overwhelmed. These 400,000 people in the asylum backlog are aliens who have already entered our country. Actually many have been here, as I say, for many years and they are in illegal status. These undocumented aliens, at some point apply for asylum, usually during deportation proceedings. The system is so laborious, so backlogged, so freighted with lawyers that the alien knows he can get additional months or years to work in America simply by saying the words, "political asylum."

The immigration lawyers of America are really a special group—tough, tough, self-preserving and, of course, always for the little guy if the little guy has enough to pay. They are very difficult. They will go bananas when they see these provisions. I hope we will recognize their special interest in keeping the immigration laws confused and obtuse.

So we will proceed with that. We give the Attorney General the discretion to deny work authorization to asylum applicants until such time as they receive a grant of asylum. This alone should deter many frivolous claims.

Another problem frequently raised by the Governors of our two largest immigrant receiving States—California and Florida—both who served in this body with me, both very able men, is the use of public welfare by legal and illegal aliens. This burden on the States, as I have mentioned, has given rise to calls for full Federal reimbursement for public assistance and educational costs attributable to immigrants.

Under current law, aliens become deportable if they become a "public charge"—those are the words in the statute. But this provision is never enforced because of a difficult court decision that said you have to ask them to pay it back, and only if they refuse to pay it back, are they a public charge. How absurd.

Many legal immigrants are granted admission only because their sponsors promised to support them, if necessary. That is what they promised when they brought them here, that they were paying for them.

This bill will now make it very clear that any alien receiving public assistance for more than 1 year, except for causes occurring after his or her arrival here, will become deportable as a "public charge." Further, the sponsors' income and resources will remain available to assist needy immigrants until such person becomes a citizen, rather than for only 3 years, as is the case under our current policy. A very important change.

The legislation also provides for additional interior investigators; a pilot program to examine the use of closed military bases for the detention of illegal aliens; a pilot program to study the effectiveness of deporting aliens to the interior of their own country rather than simply returning them to the border; and a requirement that all federally funded agencies must communicate with the INS regarding the immigration status of any, and all, aliens in the United States. We will no longer allow that little luxury where a county says, "We do not tell anybody the alienage or the immigration status of anybody in our county regardless of what we are taking from the public Treasury." That is not good enough anymore.

Finally, Mr. President, the bill would establish a border-crossing fee, a user fee to provide funding for the programs contained in this measure.

We must again reform our immigration laws. Much of the American public, with some very real justification, views immigration to the United States as being excessive and plainly out of control. And the most heavily impacted States are demanding Federal moneys to pay the cost of legal and illegal immigrants.

The provisions of this bill, Mr. President, will serve to address those concerns in a reasonable manner: A temporary reduction in immigration for 5 years, and with additional provisions to control illegal immigration; to reduce abuses of the legal immigration system; and to streamline procedures to deal with the massive backlogs in the asylum system. I urge my colleagues to support this measure, and I earnestly invite their cosponsorship.

I ask unanimous consent that the cosponsors include Senator BYRD, Senator THURMOND, Senator DOLE, Senator D'AMATO, Senator KASSEBAUM, and such Senators, at the conclusion of the day, who will indicate themselves as original cosponsors of the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I send to the desk a section-by-section summary of the bill and ask unanimous consent that it be printed at the appropriate place in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION SUMMARY

TITLE I—CRIMINAL ALIENS

Part A—Alien smuggling control

Sec. 101. Increased penalties for alien smuggling. (1) increases the penalty for alien smuggling to 10 years (currently 5), (2) provides an additional penalty if the smuggler willfully subjects any alien to a substantial risk of death or serious bodily harm of 3 to 10 years, (3) allows the death penalty for a smuggler who causes death, and (4) provides a 2 to 5 year sentence if a person knowingly hires a smuggled alien.

Sec. 102. Death penalty procedures. Incorporates constitutionally required procedures for considering and implementing the death penalty.

Sec. 103. Smuggling for commission of crimes. Creates a new crime for smuggling aliens for the purpose of committing serious crimes in the U.S. The underlying smuggling penalty is enhanced by 3 to 5 years.

Sec. 104. Adding alien smuggling to RICO. Adds alien smuggling to the list of crimes which establish the basis for bringing a RICO charge. This addition will allow law enforcement officials to use RICO penalties (such as forfeiture and imprisonment) against alien smuggling organizations.

Sec. 105. Expanded forfeiture for smuggling or harboring illegal aliens. Expands current INS authority to seize and forfeit property used in, or facilitating, the smuggling or harboring of illegal aliens. Important in cases when RICO charges (and penalties) are not available.

Sec. 106. Wiretap authority for alien smuggling investigations. Permits the INS, with judicial authorization, to intercept wire, electronic, and oral communications of persons involved in alien smuggling operations.

Part B—Deportation

Sec. 111. Expansion in definition of "aggravated felony". Expands the definition of "aggravated felony" for purposes of the immigration laws. Currently the definition includes: murder, drug trafficking, trafficking in firearms or explosives, money laundering, terrorism and any crime of violence for which the sentence is 5 or more years. This section adds: firearms violations, failure to appear to answer a felony charge, demanding or receiving ransom money, unlawful conduct relating to RICO, child pornography, owning or operating a prostitution business, treason, tax evasion exceeding $200,000 and certain immigration-related offenses including alien smuggling and sale of fraudulent documents.

Sec. 112. Deportation procedures for certain criminal aliens who are not permanent residents. Provides for the prompt deportation of any non-green card holder alien who has been convicted of an aggravated felony and who is deportable.

Eliminates the following deportation procedures for non-permanent resident criminal aliens: (1) administrative hearing before an immigration judge, (2) administrative review by the Board of Immigration Appeals, (3) availability of current grounds of relief from deportation, and (4) federal court review on any grounds (other than mistaken identity as convicted criminal alien). The AG may not execute a final order of deportation for 14 days to allow the alien to seek the limited court review.

Sec. 113. Judicial deportation. Allows federal trial courts to issue an order of deportation during the sentencing phase of the criminal trial of an alien convicted of an aggravated felony. This section applies to all criminal aliens, including permanent residents.

The deportation order must be requested by the government and the alien must be notified promptly of the government's intent. The government must prove that the defendant is an alien subject to deportation and that the alien has been convicted an "aggravated felony."

"Judicial deportation" would replace current administrative deportation procedures where it is sought. An appeal of the deportation order to the circuit court of appeals is retained. The Attorney General would retain her right to seek an administrative determination of deportability if the federal court denies a motion for judicial deportation.

Sec. 114. Restricting defenses to deportation for certain criminal aliens. Restricts defenses against deportation for aliens convicted of aggravated felonies. Allows only those aggravated felons who have been green card holders for at least seven years, and who have been sentenced to less than five years imprisonment, to assert a defense against deportation.

Currently, green card holders are ineligible for relief from deportation if the alien has served five or more years for one or more aggravated felonies. This section amends section 212(c) to make aliens who have been sentenced to five or more years ineligible for relief.

This standard is more relevant to judging the seriousness of an offense since dangerous criminals may be released prematurely due to prison overcrowding or other reasons unrelated to the seriousness of crime. Also, the current standard at times prevents a speedy commencement of deportation proceedings since it may be five years before it is known whether the alien has "served" 5 years.

This section also clarifies current law that aggravated felons may not request or be granted withholding of deportation. The provision is consistent with the intent of the UN Protocol to permit denial of withholding of deportation in cases of persons convicted of a "particularly serious crime."

Sec. 115. Enhancing penalties for failing to depart, or reentering, after final order of deportation. Enhances penalties for failing to depart or for reentering after a final order of deportation has been issued.

Currently, an alien who is deportable for criminal offenses, document fraud, or as a security risk is subject to criminal penalties of up to 10 years imprisonment for failure to depart. However, there are no penalties for aliens deportable for other reasons. Subsection (a) retains the current 10 year penalty and provides for up to 4 years imprisonment for aliens who are issued deportation orders on other grounds and who fail to depart.

Subsection (b) increases the penalties for criminal aliens who reenter the U.S. after being formally deported. Currently, an alien who is convicted of a felony other than an aggravated felony and who re-enters is subject to 5 years imprisonment and a criminal fine; this subsection extends the penalties to aliens convicted of three or more misdemeanors and increases the maximum sentence to 10 years. Aggravated felons who reenter the U.S. currently are subject to criminal fines and up to 15 years; this subsection increases the maximum sentence to 20 years. Language also is added to make it clear that any alien who stipulates to deportation during a criminal trial shall be considered to have been formally deported.

Subsection (c) would restrict a court's ability, in a criminal proceeding against a deported alien who has re-entered the U.S., to re-examine the underlying deportation order except in those cases where the alien demonstrates (1) that she has exhausted any available administrative remedies against the deportation order, (2) that the deportation proceedings improperly deprived the alien of the opportunity for judicial review, and (3) that the entry of the order of deportation was "fundamentally unfair."

Sec. 116. Civil penalties for failure to depart. Allows civil penalties to be levied against an alien who fails to depart pursuant to a deportation order.

Part C. Miscellaneous

Sec. 121. Miscellaneous and technical changes. Responds to two holdings of the 9th Circuit. Subsection (a) clarifies that the Attorney General can authorize deportation proceedings to be conducted by electronic or telephonic means or, where agreed to by the parties, in the absence of the alien.

Subsection (b) clarifies that nothing in this Act or in section 242(i) (directing the AG to begin deportation proceedings as quickly as possible after a conviction) shall be construed to create a legally enforceable right or benefit for the alien.

TITLE II—PORT OF ENTRY INSPECTIONS

Sec. 201. Restrictions on admissions fraud. An alien who presents fraudulent documents, documents containing false information or who presents no documents to an asylum officer upon entry into the U.S. is excludable (can be denied admission to the U.S.), *unless* the alien can show: (1) that the fraudulent, stolen or "disappeared" documents (such as documents destroyed on the airplane) were used exclusively to leave a country from which he or she has a "credible fear of persecution," or (2) to avoid return to such a country.

Credible fear is established if: (1) it is "more probable than not" that the alien's statements are true, and (2) there is a significant possibility, given the alien's statements and the information known by the asylum officer, that the alien can prove her eligibility as a refugee.

Aliens expressing a desire to apply for asylum will be screened by a specially trained asylum officer. If the officer determines she has a credible fear of persecution, she can then apply for asylum. All other undocumented or falsely documented aliens will be excluded.

Sec. 202. Special port of entry exclusion for admissions fraud. Aliens found to be specially excludable under this bill may be ordered deported. An alien may be returned only to a country in which the alien has no credible fear of prescution upon return.

Sec. 203. Judicial review. Restricted to limited habeas corpus review. Other than limited habeas, no court can: (1) review a determination to exclude aliens under this bill, (2) review the procedures established by the Attorney General under this Title, or (3) enter declaratory or injunctive relief regarding implementation of this Title.

Sec. 204. Effective date.

TITLE III—PENALTIES FOR DOCUMENT FRAUD AND MISREPRESENTATION

Sec. 301. Increased penalties for document fraud. The penalties for fraud and misuse of immigration documents and government-issued identification documents are increased from 5 years imprisonment to 10 years. The sentencing guidelines are amended to increase the minimum penalties based upon the number of fradulent document involved. The penalties are also increased if the documents are supplied to a terrorist, to facilitate a terrorist activity, or to persons involved in organized crime activities.

Sec. 302. Penalties for failure to disclose role as preparer of fraudulent documents. Establishes both civil and criminal penalties for failure to disclose a person's role as preparer of fraudulent documents. Criminal penalties are also established for persons who conceal that they have, for a fee, prepared or assisted in preparing a fraudulent application for asylum.

Sec. 303. Civil penalties for fraud, misrepresentation, and failure to present documents. Establishes civil penalties for failing to present valid immigration documents at the time of boarding a common carrier, or to an immigration officer upon arrival at a U.S. port of entry.

TITLE IV—ASYLUM REFORM

Sec. 401. Penalties for frivolous applications. Establishes civil and criminal penalties for preparing false or frivolous applications for immigration benefits or false supporting documents.

Sec. 402. Asylum and work authorization. Establishes that an applicant for asylum is not automatically entitled to work authorization. The Attorney General has discretion in granting, denying, suspending or placing conditions on work authorization.

Sec. 403. Resources to address asylum backlog. Providing for a 2-year program of property acquisition and leasing and use of retired federal employees to process the backlog of asylum claims (as in the 1986 Act legalization program).

Sec. 404. Reforms to deportation process. To expedite the deportation process: removes the Spanish language requirement for the document initiating deportation proceedings, clarifies that the privilege of counsel is "at no expense or unreasonable delay to the Government," and establishes time deadlines for filing judicial appeals, briefs and reply briefs.

Sec. 405. Reduction of incentive to delay proceedings. Requires that permanent resident aliens undergoing deportation proceedings who assert the defense of having resided in the U.S. for seven consecutive years cannot court the time they were in deportation proceedings towards the 7-year requirement.

TITLE V—ILLEGAL IMMIGRATION AND BORDER SECURITY

Sec. 501. Additional investigators. Reprograms $8 million for one year to hire 125 additional investigators and staff to investigate potential violations of employer sanctions.

Sec. 502. Funding of deportation costs. Reporgrams $10 million for one year to fund the detention and deportation of aliens from the U.S.

Sec. 503. Interior repatriation pilot program. A two-year pilot program and report to examine methods to deter multiple illegal entries, including removing aliens to the interior of their country (instead of just across the border).

TITLE VI—BORDER CROSSING USER FEE

Sec. 601. Imposition of fees. Within 6 months of enactment, fees shall be imposed at land border ports of entry for the entrant's use of border facilities and services to equal the amount necessary for maintenance and operation of facilities and services. A separate account is established to retain the fees for INS use. Moneys unused for the current fiscal year due to the imposition of these fees will be used to hire and equip 100 additional Border Patrol agents and support personnel, and for repair, maintenance or construction of structures on the border.

TITLE VII—DETENTION OF ILLEGAL ALIENS

Sec. 701. Pilot program on use of closed military bases for the detention of illegal aliens. 2-year pilot program and report on the feasibility of using of closed military bases to detain illegal aliens.

TITLE VIII—PUBLIC BENEFITS ABUSE

Sec. 801. Ineligibility for federal benefits. Prohibits the distribution of federally-funded welfare benefits to illegal aliens (except emergency health care, short-term disaster aid, child nutrition programs and public health programs). Only aliens lawfully in the U.S. with work authorization can qualify for unemployment benefits.

Sec. 802. Attribution of sponsor's income and resources to family preference aliens. The income and resources of an alien's sponsor shall be deemed to be the income and resources of the alien until the alien becomes a citizen.

Sec. 803. Definition of public charge. Defines "public charge" (for deportation purposes) as any alien who, within 5 years after the date of entry, has received welfare benefits for more than 12 consecutive months, except for causes which arose after entry into the U.S.

TITLE IX—WORK AUTHORIZATION VERIFICATION

Sec. 901. Work authorization verification. Requires the Attorney General with the Secretary of Health and Human Services to develop and implement a counterfeit-resistant system to verify work eligibility and federally-funded public assistance benefits eligibility for all persons.

TITLE X—NUMERICAL LIMITATIONS ON ADMISSION OF ALIENS INTO THE UNITED STATES

Sec. 1001. Five-year reduction in legal immigration. Reduces legal immigration from 675,000 to 500,000 for five years. The 175,000 reduction is taken proportionately as follows: 75,000 from the family immigration preferences, 45,000 from the employment immigration preferences, and 55,000 from the diversity program.

Sec. 1002. Worldwide numerical limitations. Removes the "pierceable cap" and replaces with a firm cap. This firm cap applies both to the reduced admissions (5-year reduction to 500,000) and the permanent 675,000 admissions limit.

Sec. 1003. Numerical limitation on annual admission of refugees. Limits refugee admissions to 80,000 unless Congress adopts a bill specifically authorizing a larger number.

TITLE XI—MISCELLANEOUS PROVISIONS

Sec. 1101. Use of legalization information for criminal prosecution purposes. Allows the Attorney General to furnish identifying information, contained in confidential legalization applications, to a law enforcement agency in connection with a criminal investigation, or to a coroner for identifying a deceased individual.

Sec. 1102. Communications between federally funded government agencies and the Immigration and Naturalization Service. No federal, state or local government entity receiving federal funds shall be prohibited from communicating with the INS regarding the immigration status of an alien.

Mr. DOLE. Mr. President, I am pleased to join today with my distinguished colleague, Senator SIMPSON, in introducing the Comprehensive Immigration and Asylum Reform Act.

SCOPE OF THE PROBLEM

Mr. President, during the past decade, nearly 9 million people have immigrated legally into our country—a population greater than most States. Unfortunately, millions more have chosen to enter the United States illegally, without our consent. The Immigration and Naturalization Service, for example, estimates that more than 3,000 people attempt to illegally cross the California-Mexico border each night. Nearly 60 percent of them succeed. In 1986, the apprehension of illegal undocumented aliens reached an all-time high of 1.8 million. And in 1992, the number of apprehensions was still staggering—more than 1 million.

Of course, illegal immigration has a disproportionate impact on certain areas of the country. In California, for example, there are an estimated 1.3 million illegal aliens, and more than half of these illegals live in a single county—the county of Los Angeles. Not surprisingly, a staggering 10 percent of the 1992 budget of Los Angeles County was spent on providing services to illegal aliens. The Governor of Florida, another State heavily impacted by immigration, has even threatened to sue the Federal Government for reimbursement of the cost of providing services to immigrants, both legal and illegal.

Today's bill won't solve these critical problems overnight. But, if enacted, it would represent a good first step in the right direction. The bottom line is simply this: If we want to get a handle on the illegal-immigration problem, we need a national immigration policy.

SUMMARY OF THE BILL

Mr. President, some of the highlights of the bill include the following: Increased penalties for alien smuggling, including the death penalty for a smuggler whose actions result in the death of an innocent victim; streamlined deportation procedures that will allow Federal trial courts to issue an order of deportation during the sentencing phase of the criminal trial of an alien convicted of an aggravated felony; reform of the asylum process, making it easier to exclude aliens who present fraudulent immigration documents, and increased penalties for the misuse of these documents; a 2-year pilot program studying the feasibility of using closed military bases to detain illegal aliens; and another pilot program to examine ways to remove illegal and criminal aliens to the interior of their country of origin, rather than right across the border.

The bill also requires the Attorney General, in consultation with the Secretary of Health and Human Services, to develop and implement a counterfeit-resistant system to verify work eligibility and eligibility for federally funded benefits. The bill contains specific language prohibiting this system from ever developing into a so-called national I.D. card. On a related issue, the bill makes illegal aliens ineligible for all Federal benefits except emergency medical assistance, short-term disaster relief, and certain child nutrition and immunization programs.

In addition, the bill addresses the issue of legal immigration, proposing to reduce the annual level of legal immigration from 675,000 to 500,000 for each of the next 5 years, until the year 1999. Annual legal immigration of 500,000 is approximately equal to the level of annual legal immigration that existed prior to the passage of the Immigration Act of 1990.

CONCLUSION

Mr. President, during my 33 years in Congress, I have received many requests for help from people who want to come to America. But I have never—not once—received a request from anyone seeking help in getting a ticket out. Everyone wants to come America. Few ever want to leave.

While America remains the land of opportunity, it is not the land of unlimited opportunity for unlimited numbers of immigrants, both legal and illegal. If the America of the 21st century is to prosper—and yes, to grow—she must be an America that determines her own destiny by controlling her own borders. Today's legislation is an attempt to help this process along.

Finally, Mr. President, I want to thank my colleague, Senator SIMPSON, for his hard work and for all the time he has personally devoted to making some sense out of our Nation's immigration policy. In many ways, this task has been a thankless one, but Senator SIMPSON has carried the ball on immigration without complaint and with considerable skill.

Mr. President, I commend the distinguished Senator from Wyoming, who is recognized as the expert on immigration and immigration policies in the Senate. He spent a lot of time putting this bipartisan bill together, and I hope it is received as such. It has broad bipartisan support.

So I just want to commend my colleague from Wyoming.

Mr. BYRD. Mr. President, I once again find myself rising to support immigration reform legislation introduced by Senator SIMPSON. I commend him, not only for introducing this legislation earlier today but also for his many years of work and leadership in this area. I am pleased to join him as a cosponsor of the Comprehensive Immigration and Asylum Reform Act of 1994.

A thorough reform of U.S. immigration law is overdue. The dramatic changes that the world experienced over the past decade have not been matched by changes in U.S. immigration policies. The breakdown of cold war security structures, the rise of nationalism and interethnic violence, and a deep worldwide recession have prompted the movement of large numbers of people in many regions of the world. Additionally, easier access to travel has contributed to the shifting migration patterns and has made it much easier for individuals to make the trek to the United States. There was a time when America was somewhat insulated by two great oceans, but no longer. In the face of this dramatic change, our immigration laws still reflect an earlier time.

The current lax U.S. asylum procedures provide a prime example of these outdated policies and the way that unscrupulous individuals take advantage of America's compassion. This system allows anyone to gain entry to the United States and become immediately eligible to work here. All one needs to do is to show up at a U.S. port of entry, request asylum, and relate some vague story of persecution to the Immigration and Naturalization Service agent. The individual then receives work authorization documents and is instructed to show up later for a hearing on the asylum claim. The system has become so backlogged that the hearing will most likely be more than a year later. Not surprisingly, fewer than half of the asylum seekers ever appear for their hearing. All too often, those claiming asylum are really seeking economic opportunity, not freedom from persecution, and they use U.S. asylum laws to gain access to the United States, their economic Holy Grail.

America has always had a tradition of compassion for oppressed and persecuted peoples. Unfortunately, in our desire to provide a safe haven for those who legitimately fear for their lives, we have made it too easy to take advantage of American good will by using asylum procedures to circumvent the regular immigration process. Asylum and refugee laws should apply to individuals that have a legitimate fear of personal persecution in their home country, and not those who are fleeing from areas of general unrest or poverty.

Reform of the asylum provisions is important, and over the past 2 years I have joined with Senator SIMPSON in attempts to correct these problems, but I am more concerned with overall immigration levels. We cannot continue to absorb the levels of immigrants that we have experienced over the past few years. America no longer has limitless resources or vast open areas ripe for settlement and our population places ever-increasing demands on an already overburdened environment even without the addition of hundreds of thousands of immigrants a year.

It is clear that reform efforts must go beyond our attempts to merely plug the gap of illegal immigration. We must reexamine our overall immigration policy in light of America's continuing economic and social problems. In addition to the well-known upsurge of illegal immigration, the United States has witnessed an unprecedented explosion of legal immigration in the last few years. From 1981 to 1988, total legal immigration to the United States hovered around 600,000. That number jumped to 1,090,000 in 1989, and continued up to 1,536,000 in 1990, and 1,827,000 in 1991. The number dropped off in 1992, the last year for which we have final numbers, but remained at approximately 1,000,000. This situation cannot continue indefinitely.

The legislation introduced by the distinguished Senator from Wyoming [Senator SIMPSON] attempts to reverse this trend and return the numbers to a more manageable level. Title X includes a 5-year reduction of the basic annual ceiling on immigrants from 675,000 to 500,000 and attempts to make that number a firm cap. In the past this so-called ceiling has been far too permeable, resulting in legal immigration numbers much higher than the statutory limit and, I feel certain, much higher than most Members anticipated when they voted for the Immigration Act of 1990. Title X also limits the annual number of refugees to 80,000 unless the Congress specifically authorizes a larger number. This is another area where the flexibility provided in earlier statutes has resulted in numbers far in excess of what the Congress originally envisioned.

Exceedingly high levels of immigration in recent years have eroded public support for continued immigration. A USA Today cover story on July 14, 1993, included a poll showing that 65 percent of Americans favor decreasing the level of immigration. This is not a question of America's compassion or of our sympathy for the plight of those in the world who are less fortunate. We simply have reached the point where it is not possible for the United States to absorb these exceptionally large numbers.

It is particularly important to note that the segment of our society which suffers the most from increased immigration is the lower end of the economic scale—unemployed, unskilled, and semiskilled laborers who are in real danger of becoming a permanent underclass in our society. If we truly want to help our citizens that are mired in poverty, we should not be accepting ever-increasing numbers of replacement workers to take away those low-skill jobs. We must also realize that the U.S. economy, environment, and social structure are being severely strained by an unprecedented level of immigration and we must take action soon.

The United States simply does not have the resources to help all those around the world who wish to come here for a better life. We do not have the resources to eliminate poverty and unemployment for our own population, much less the rest of the world.

Yesterday, the Senate completed consideration of a constitutional amendment to balance the budget. We had a lengthy debate on the wisdom of using the Constitution to deal with budget deficits, and the amendment was ultimately defeated, but I think it is safe to say, however, that all of the Senators who participated in the debate agreed on one thing—we must continue to reduce the deficit. That will require the President and the Congress working together to achieve that goal. That goal cannot be achieved without additional spending reductions and those reductions will mean reduced services to everyone living in the United States. It is unfair to U.S. citizens and legal residents to continue virtually uncontrolled population expansion through immigration at the same time that our fiscal situation forces us to reduce the services that the Government provides.

The time has come to look inward and to start to take care of our own problems. We can no longer afford to offer opportunities to all those who come in search of a better life. It is more and more difficult for us to provide basic social guarantees—education, health care, and so on—to our own citizens, whose ancestries go back to many countries, and over the years, over the centuries—touch all of us. It is unfair and irresponsible of us, as a Government, not to stem the tide of the hundreds of thousands of new immigrants coming to this country. I hope, in addition to the many other items on the Senate's agenda, that it will be possible to consider this comprehensive immigration reform package, and I thank the distinguished Senator from Wyoming [Mr. SIMPSON] for keeping our attention focused on this issue. I look forward to working with him in the coming months as we attempt to deal with this very important problem.

I ask unanimous consent, Mr. President, to include in the RECORD the article from USA Today to which I referred earlier.

I yield the floor.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From USA Today, July 14, 1993]

USA COOL TO HUDDLED MASSES—SENTIMENT SOURS AS RATE OF ARRIVAL RISES

(By Maria Puente)

America—a nation of immigrants—is turning its back on its newest arrivals, with anti-immigration sentiment now as high as it's been at anytime since World War II.

A USA Today/CNN/Gallup Poll shows the blacklash against the record number of immigrants running broad and deep, stoked by anxiety over the stagnant economy, the failure to curb illegal immigration and, immigration advocates charge, nothing short of racism.

Although relatively few Americans say they have much contact with new immigrants, nearly two-thirds of those polled want immigration decreased—the highest percentage since the mid-1940s.

In addition, 56% believe immigrants cost taxpayers money and 55% say the racial and ethnic diversity of immigrants threatens American culture.

"My nightmare is an image of the Statue of Liberty dissolving, replaced by an image of the bombed World Trade Center and the association of immigrants with smuggling, drugs and terrorism," says Arthur Helton, immigration expert for the Lawyers Committee for Human Rights.

Conjuring the images may be the sheer numbers—a historic and massive movement to this country led by Hispanic and Asian immigrants. About 9.5 million legal and illegal immigrants came to the USA between 1980–90—the largest number in any decade since the nation's founding.

"In my district, no issue compares to illegal aliens—people just go berserk," says Rep. Tony Beilenson, D-Calif., who represents Los Angeles, where immigrants make up a major proportion of the population.

Those who favor curbs—Congress is considering several—say the Emma Lazarus poem on the Statue of Liberty is irrelevant. The last thing needed today, the argument goes, is "huddled masses."

"It's a poem, not policy," says Rosemary Jenks, senior analyst at the Center for Immigration Studies, a Washington think-tank that advocates reducing immigration. "It never was policy and we never said we wanted to open our arms."

Historians take the uproar with a grain of salt. Fifty-four million immigrants have come to the USA since 1820, and the public's response has been at best ambivalent—and at worst racist and violent.

The latest round of recriminations over immigrants has been prompted, at least in part, by recent headlines: boatloads of Chinese peasants trying to sneak into U.S. ports; Haitians with the AIDS virus ordered let in; immigrants arrested in connection with New York bomb plots; and Egyptian cleric who somehow got in and now can't be immediately kicked out.

It is a debate punctuated with apocalyptic rhetoric.

One side says the United States—especially California, Texas, Florida and New York—is being invaded by immigrants who crowd neighborhoods, take jobs, cost money and change the culture.

"We're at the floodstage and we have been for the past six years," says Robert Goldsborough, president of Americans for Immigration Control, a group that backs a temporary moratorium on immigration.

Even President Clinton has adopted the vocabulary of immigration opponents, saying the chief goal of his nominee to head the Immigration and Naturalization Service would be to ensure the USA doesn't "lose control of our borders."

Immigrant advocates, on the other hand, use words like racism and xenophobia to describe feelings of their opponents. They say immigrants create jobs, pay their taxes, build communities and add vitality to the culture.

"There's this image being created of a white minority encircled by Hispanics, Africans and Asians coming to take something we have, rather than contributing to make us all better," says Frank Sharry, head of the National Immigration Forum, a coalition of advocate groups in Washington.

Fierce and emotional, the debate has reached Congress, where many members have concluded that the 1986 law meant to fix the immigration problem failed miserably.

Proposals being debated:

Tightening up the political asylum system to allow immigration officers to immediately turn away people with suspected fraudulent claims.

Denying citizenship to babies born to illegal immigrants.

Deploying the military along the southern border.

Charging a $1 toll for every person entering the USA on foot, ferry, ship or by automobile, to raise $403 million for more Border Patrol agents.

Requiring a fraud-proof national ID card for every citizen to prevent illegal immigrants from getting jobs.

Even the advocates for immigrants want to repeal the 1986 law, which, among other things, bans hiring of illegal immigrants. The advocates argue that employer sanctions have caused widespread discrimination against citizens and legal residents who seem "foreign."

But advocates fear a get-tough attitude will prevail.

"We're right on the verge of a new era of anti-immigrant hysteria that could push us in the direction of policies based on misperceptions," says Lucas Guttentag, of the Immigrant Rights Project of the American Civil Liberties Union.

The USA Today/CNN/Gallup Poll reflects some of those attitudes:

Two-thirds say immigrants take low-paying jobs that most Americans don't want. At the same time, 64% say immigrants hurt the economy by driving down wages.

Many are uncomfortable with the rising numbers of blacks and Hispanics arriving.

About two-thirds believe too many immigrants are coming from Latin America, Asian and Mideast countries, while only 33% say too many are coming from European countries.

Many are willing to embrace some controversial remedies. Fifty-seven percent back the idea of a national ID; 40% would deny illegal immigrants use of hospitals and schools.

Some critics say the current mood could lead to immigrant-targeted violence of the kind now prevalent in Germany and other European countries.

"If leaders do not address the public's legitimate concerns, that leaves the door open for demagogues to take over," warns Ira Mehlman, of the Federation for American Immigration Reform, a leading anti-immigration group.

But Lawrence Fuchs, acting chairman of the U.S. Commission on Immigration Reform, thinks that's unlikely.

Today, he argues, mainstream politicians no longer warn of "inferior" immigrants, as generations did before.

Help? Foreign-born residents now make up 7.9% of the population, compared with about 15% at the end of the 19th century.

And today, most new immigrants come here under family reunification laws.

Says Fuchs: "People will say on surveys they're against more immigration, but when their neighbor calls them up and says, 'I've petitioned for my spouse and little children to come here,' the next thing out of the neighbor's mouth will be 'What can I do to help?'"

Adds immigration expert Helton: "That poem on the Statue of Liberty is more persuasive than some people think."

Immigrants' effect on American culture

[In percent]

Improve	35
Threaten	55
Immigration should stay at present level	27
Be increased	6
Be decreased	65

There are too many immigrants from countries in:

	Now	1992	1984
European	33	36	26
Latin American	62	69	53
African	44	47	31
Asian	62	58	49
Mideast	64	....	....

Anti-immigrant feeling running high in a USA Today/CNN/Gallup poll shows many Americans don't think immigrants are taking away jobs, but feel immigrants are hurting the economy by holding down wages and using government services, such as public schools and hospitals. Many of those surveyed want restricted immigration and tougher immigration laws. A look at how Americans view immigration and immigrants:

Immigration

[In percent]

Many want reduced immigration until economy improves—those who think immigration should:	
Stop	27
Slow	49
Most think government can do more to stop illegal immigration:	
Can do more	69
Doing all it can	28
Immigrants less likely than their children to favor restricting immigration:	
Immigrants	42
1st generation	54
2nd generation	61
Patrolling borders a popular option—percentage favoring the following to stop illegal immigration:	
Stricter patrol of borders	90
National ID card	57
Bar illegal immigrants from American schools, hospitals	40
Erect wall on Mexican border	27
Job skills important—Important criteria in admitting immigrants:	
Job skills	78
Religious persecution	65
Political persecution	64
American relatives	56
Money to invest	50
Economic hardship	47

THE NEW IMMIGRANT

[Perception of immigrants worsens; percentage saying these nationalities generally benefit the country or create problems]

	Benefit country		Create problems	
	1993	1985	1993	1985
Irish	75	78	11	5
Poles	65	72	15	7
Chinese	59	69	31	13
Koreans	53	52	33	23
Vietnamese	41	47	46	30
Mexicans	29	44	59	37
Haitians	19	31	65	35
Iranians	20	32	68	40
Cubans	24	29	64	55

[Asian, Hispanic stereotypes; percentage saying these apply]

	Asian immigrants	Latin American immigrants
Work very hard	74	65
Often end up on welfare	38	60
Do very well in school	74	42
Significantly increase crime	43	62
Have strong family values	77	72
Are too competitive	40	26

Comparing new, older immigrants—many say new immigrants less likely to make good citizens than earlier immigrants:

	In percent
More likely	9
Less likely	42
Same	46

Economic impact

Most say immigrants take more than they give—percentage who say that, in the long run:	
Immigrants productive citizens, pay fair share of taxes	37
Immigrants cost taxpayers by using government services	56
Most say immigrants hurt economy—those saying immigrants:	
Help economy by providing low cost labor	28
Hurt economy by holding down wages	64

By Mr. DECONCINI (for himself and Mr. KERREY):

S. 1885. A bill to amend the National Security Act of 1947 to provide a uniform framework for the classification and declassification of information in the interests of national security; to the Select Committee on Intelligence.

THE SECURITY CLASSIFICATION ACT OF 1994

• Mr. DECONCINI. Mr. President, on behalf of Senator KERREY and myself, I am introducing today a bill that would provide for the first time a statutory basis for the security classification system.

I am also pleased that the chairman of the House Intelligence Committee, Representative DAN GLICKMAN of Kansas, offered a bill yesterday in the House of Representatives to accomplish the same purpose. The two bills differ substantially, but they strive toward the same objective. It is my hope that in the months ahead, working together, we can come up with a legislative solution that makes sense not only to us but to the administration as well.

Heretofore, Mr. President, the classification system has rested entirely upon Executive order. Over the years, that system has been the subject of much complaint and much abuse. It has also been overly cumbersome and costly to administer. In my view, the time has come for Congress to become involved. The end of the cold war presents us with an opportunity for greater openness and accountability. At the same time, there are many secrets we must yet protect, and the President must have sufficient authority to protect what needs protecting as long as protection is needed.

With this bill, Mr. President, I have tried to strike a balance between these two important competing interests: the need for openness and the need for security. Clearly, this has required a subjective judgment on my part. Others will undoubtedly differ on where that line should be drawn, and, indeed, none of this is etched in stone.

I do think, however, that this is an area where Congress ought to act.

For example, there are a number of other statutes which are based upon the classification system, notably, the espionage laws and the Freedom of Information Act. We put people in jail for giving away classified information, and yet the system for classifying that information is not in law but is in Executive order which can be changed at the whim of the Executive. We carve out all classified information from the Freedom of Information Act, putting it off limits to the American public, and yet Congress has had no say on what is classified and what is not. It has been a matter of Executive discretion.

To me, putting the security classification system itself in statute would provide a much firmer legal basis for these other laws. It would be the Congress and not simply the President who determined what was classified and what was not.

Putting the security classification system into law would also tie in the legislative and judicial branches to it for the first time. Heretofore, there has been nothing that required the legislative and judicial branches to protect classified information which they handle. While I am not saying that the President should have control over the other branches, I do think that requiring all branches to respect the classification system by providing a statutory basis for it would be a positive step forward.

Mr. President, my bill would leave the President with sufficient authority to protect what he believes needs protection in the interests of national security, but it would greatly simplify the system, reduce its costs, prevent more abuses, and make more classified information available sooner, than under the current system. These are legitimate goals not only for the Congress but for the President as well.

I have come to find out, Mr. President, that there is no one who actually knows how much classified information there is. The Congress and the President receive an annual report each year which estimates the number of new classified documents created annually at 6 to 7 million. As far as how many classified documents actually exist in files or archives of the Government, I do not think an estimate as high as 100 million would be out of line.

What does it cost the U.S. Government to protect all of this information? I cannot begin to guess. What I do know is that we have spent, and continue to spend, an inordinate amount of money, particularly when it comes to protecting very sensitive special access programs. The Select Committee on Intelligence continues to hear horror stories from contractors in the defense and intelligence communities about the exorbitant costs of security measures being imposed by the various departments and agencies with whom they deal. Security requirements can vary from contract to contract, and often involve costly and needless expenditures of taxpayers' money.

How much of this information is no longer sensitive and should be released to historians and archivists who are trying to find out what role our Government played in the events that marked our history? I do not think anyone can say. What I do know is that there is, as a practical matter, no means of getting this information into the hands of archivists and historians today. I am told that only a very small proportion of the classified documents which become eligible each year for declassification when they reach 30 years of age actually declassified each year, and the number is shrinking rather than increasing. This is because there are literally mountains of documents to cope with and relatively few people to do the job. The system is bogged down in paper without the resources necessary to extricate itself.

Mr. President, I know that the administration is attempting to come to grips with the problem by drafting a new Executive order. I applaud them for it. But the bureaucratic interests here are stifling, and furthermore, I am not certain that ultimately the system can be fixed short of legislation. I recognize that historically this has been the domain of the executive branch, and clearly its authorities and prerogatives must be accommodated, but I think legislating the system would provide a stronger, firmer foundation that we currently have. If the executive branch were to come to the same conclusion, I would pledge myself to working with it to develop legislation to achieve our mutual objectives consistent with our respective authorities and prerogatives.

Mr. President, I now ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Security Classification Act of 1994".

SEC. 2. TABLE OF CONTENTS.

The table of contents of the National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end the following:

"TITLE VIII—CLASSIFICATION OF INFORMATION IN THE INTERESTS OF NATIONAL SECURITY

"Sec. 801. Definitions.
"Sec. 802. Classification criteria.
"Sec. 803. Identification and marking of classified information.
"Sec. 804. Authority to classify information.
"Sec. 805. Duration of classification.
"Sec. 806. Protection of classified information.
"Sec. 807. Special access programs.
"Sec. 808. Declassification, generally.
"Sec. 809. Declassification pursuant to a request by a member of the public.
"Sec. 810. Declassification of permanently valuable records of the Government for historical reasons.
"Sec. 811. Special declassification reviews for topics of historical interest.
"Sec. 812. Oversight.
"Sec. 813. Sanctions.
"Sec. 814. Implementation.
"Sec. 815. Effect on information previously classified pursuant to Executive order.".

SEC. 3. AMENDMENT OF THE NATIONAL SECURITY ACT OF 1947.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding the following new title:

"TITLE VIII—CLASSIFICATION OF INFORMATION IN THE INTERESTS OF NATIONAL SECURITY

"SEC. 801. DEFINITIONS.

"As used in this title:

"(1) The term 'agency' has the meaning provided in section 552(f) of title 5, United States Code.

"(2) The term 'appropriate committees of the Congress' means the Committee on Governmental Affairs of the Senate, the Committee on Government Operations of the House of Representatives, the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and, for purposes of receiving reports regarding specific categories of information, such committees as may have jurisdiction over the subject matter of such information.

"(3) The term 'classified information' means information that has been determined pursuant to this title to require protection against unauthorized disclosure in the interests of national security.

"(4) The term 'declassification' means the authorized change in the status of information from classified to unclassified information.

"(5) The term 'information' means any knowledge that can be communicated or documentary material regardless of its physical form or characteristics.

"(6) The term 'international organization' means an organization designated under section 1 of the International Organizations Immunities Act (22 U.S.C. 288).

"(7) The term 'national security' means the national defense or foreign relations of the United States.

"(8) The term 'originating agency' means, with respect to information, the department, agency, or entity of the United States (or any officer or employee thereof of acting in his official capacity) that originates, develops, publishes, issues, or otherwise prepares that information or receives that information from outside the United States Government.

"(9) The term 'security clearance' means a determination, by appropriate governmental authority, based upon appropriate investigation, that a person can with reasonable certainty be trusted to protect classified information to which he or she may be given access.

"(10) The term 'unauthorized disclosure' means a communication or physical transfer of information to an unauthorized recipient.

"SEC. 802. CLASSIFICATION CRITERIA.

"(a) IN GENERAL.—Information may be classified under this title—

"(1) only if such information is owned by, produced by or for, or is under the control of the United States Government; and

"(2)(A) only if it can be specifically demonstrated that the public release of such information could reasonably be expected to—

"(i) impair the ability of the United States Government and its Armed Forces to defend the United States from armed aggression, to engage in armed conflict, or to participate in peacekeeping or multinational operations abroad;

"(ii) increase the vulnerability of the United States Government personnel, installations, weapons technology, or related systems to armed attack, loss or compromise, or measures that would weaken their effectiveness or counter their capabilities;

"(iii) damage relations between the United States and another country or international organization, impede current diplomatic negotiations, or reveal information provided in confidence by another country or international organization;

"(iv) reveal intelligence sources and methods, including those related to covert actions and cryptologic activities;

"(v) impair United States Government programs from safeguarding nuclear weapons or facilities;

"(vi) damage the ability of the United States to relate or apply critical research or technology to the national defense or foreign relations of the United States; and

"(vii) impair the ability of the United States Secret Service to provide protection to designated persons as required by applicable law; or

"(B) such information otherwise falls within a category designated by the President, after consultation with the appropriate committees of the Congress, the public release of which would, in a manner that can be specifically demonstrated, damage the national security, of the United States and such information is not covered by any of the clauses of subparagraph (A).

Categories designated under paragraph (2)(B) shall be published in the Federal Register prior to their effective date.

"(b) PROHIBITION.—In no case shall information be classified pursuant to this section in order to—

"(1) conceal violations of law, inefficiency, or administrative error;

"(2) prevent embarrassment to a person, organization, or agency;

"(3) restrain competition;

"(4) prevent or delay the release of information that does not require protection in the interests of national security;

"(5) control access to basic scientific research information not clearly related to the national security;

"(6) control information after it has been released to the public or a member thereof under proper authority; or

"(7) prevent the public release of a compilation of items of information which individually are not classified.

"SEC. 803. IDENTIFICATION AND MARKING OF CLASSIFIED INFORMATION.

"(a) CLASSIFICATIONS.—All information classified pursuant to this title shall be clearly identified in an appropriate fashion as either 'TOP SECRET' or 'SECRET', in accordance with subsections (b) and (c).

"(b) 'TOP SECRET' CLASSIFICATION.—Classification as 'TOP SECRET' shall be limited to information which meets the criteria for classification established by subsection 802(a) of this title, whose disclosure to unauthorized persons would have the most serious adverse consequences for the national security, as determined in accordance with regulations to be issued by the President pursuant to section 814 of this title.

"(c) 'SECRET' CLASSIFICATION.—Classification as 'SECRET' shall apply to all other information which meets the criteria for classification established by section 802(a).

"(d) ADDITIONAL INFORMATION.—All information classified pursuant to this title shall also be marked in an appropriate manner at the time of classification to provide the following information:

"(1) The agency and office of origin, if not otherwise evident.

"(2) A date or event for declassification assigned pursuant to section 805.

"(3) A determination whether the document or material contains information which falls within one or more of the categories set forth in section 810(b).

"(e) Marking Portions for Classification.—Each classified document shall, by marking or other means, indicate which portions are classified and which portions are unclassified and shall identify the classified portions with the appropriate classification.

"(f) Exclusivity of Classifications.—Except as provided by section 807 of this title, and the Atomic Energy Act of 1954, no classifications other than those authorized by this section shall be utilized to identify classified information.

"SEC. 804. AUTHORITY TO CLASSIFY INFORMATION.

"(a) Executive Branch.—Information may be classified only by originating agencies within the executive branch of Government, in accordance with procedures promulgated by the President pursuant to section 814, and only by persons authorized by such procedures to classify information.

"(b) Legislative and Judicial Branches.—Documents or materials created by the legislative and judicial branches of Government which contain classified information originated by a department or agency of the executive branch shall be assigned the same classification as was assigned to the information by the department or agency which originated the information concerned.

"SEC. 805. DURATION OF CLASSIFICATION.

"(a) Date or Event for Declassification.—At the time a classification is made, the originating agency of the information shall attempt to establish a specific date or event for declassification of that information based upon the expected duration of the national security sensitivity of the information, and, if this can be done, shall mark the material for declassification by that date, pursuant to subsection 803(d)(2). The date or event shall not exceed the time period prescribed in subsection (b)(1) or subsection (b)(2), as the case may be.

"(b) Duration of Classifications.—If the originating agency cannot determine a specific date or event for declassification:

"(1) Classified information designated as 'TOP SECRET' shall be marked for declassification no later than 15 years from the date of the original decision to classify the information.

"(2) Classified information designated as 'SECRET' shall be marked for declassification no later than 10 years from the date of the original decision to classify the information.

"(c) Application of Classification to Derived Documents.—All documents or materials which contain classified information derived from other classified documents or materials shall be marked with the same date or event for declassification as the documents or materials which were the source of the classified information concerned. When multiple classified sources are used, the latest of the dates assigned for declassification shall be applied.

"SEC. 806. PROTECTION OF CLASSIFIED INFORMATION.

"(a) Eligibility for Access.—Except as otherwise provided by subsections (d), (e), and (f), access to classified information shall be limited to persons who have received a security clearance permitting such access and only to the extent needed by such persons for the performance of an official governmental function.

"(b) Control by Regulation.—In accordance with section 814, the President shall issue regulations which provide for a uniform system for the protection of information classified pursuant to this title applicable to all elements of the executive branch of Government. These controls shall ensure that classified information is used, processed, stored, reproduced, transmitted, and destroyed in a manner that prevents access by persons who do not possess a security clearance and an official need for access to such information. Such controls shall also require more stringent security measures for the protection of information classified as 'TOP SECRET', pursuant to section 803(b), than is required for the protection of information classified as 'SECRET' pursuant to section 803(c).

"(c) Legislative and Judicial Branches.—The legislative and judicial branches of Government shall adopt the same or similar procedures to provide a comparable degree of protection for classified information provided by departments and agencies of the executive branch of Government.

"(d) Access by Elected Officials and Judicial Appointees.—By virtue of their elected or appointed positions, the President and Vice President of the United States, Members of Congress, and persons appointed by the President to the Federal judiciary shall have access to such classified information as may be needed for the performance of their official duties without receiving a security clearance.

"(e) Persons Not Holding Security Clearances.—In accordance with the regulations issued pursuant to section 814, the President may permit access to classified information to persons who do not have a security clearance who are engaged in historical research, or who previously occupied policymaking positions to which they were appointed by the President, if appropriate measures are taken to preclude access by other persons who have not been specifically authorized access under this subsection.

"(f) Foreign Governments and International Organizations.—Whenever the President determines that it would be in the interests of the United States to permit access to classified information to a foreign government or to an international organization, the President is authorized to do so if such government or organization agrees in advance to provide a comparable degree of protection to such information to preclude its disclosure to unauthorized persons, and the President determines that such government or organization is capable of providing such protection.

"SEC. 807. SPECIAL ACCESS PROGRAMS.

"(a) Authorization.—The President may authorize, in regulations issued pursuant to section 814, the establishment of special access programs by the Secretaries of State, Defense, and Energy, or the Director of Central Intelligence. The President may establish such programs in any other department or agency of the executive branch of Government if the President notifies the appropriate committees of the Congress 30 days in advance.

"(b) Requirements.—(1) Special access programs under this section shall be created only where there is a need, due to the national security sensitivity of the information concerned, for a formal mechanism to establish an official need for access to the information concerned and for more stringent security measures than are applicable to classified information generally to protect such information.

"(2) To the extent possible, such special access programs shall not involve security requirements in addition to those required for the protection of information classified as 'TOP SECRET' other than the creation of a list of persons with appropriate security clearances who are permitted access to the classified information covered by the program for an official governmental purpose and such mechanisms as may be necessary to implement such controls.

"(3) Wherever an agency head determines that security measures in addition to those which apply to information classified as 'TOP SECRET' are necessary to protect information within a special access program, such additional measures shall conform to and not exceed a single, uniform set of security measures approved by the President, or the President's designee, for this purpose.

"(4) Information protected within an authorized special access program shall be designated only as 'RESTRICTED', and dissemination of such information shall be limited to persons who have been authorized access to such program by an appropriate official of the department or agency concerned.

"(5) Each department or agency head authorized to establish special access programs shall establish and maintain a system of accounting for such programs consistent with regulations promulgated by the President, or the President's designee, for this purpose.

"(6) Such special access programs shall be subject to oversight by the senior oversight official appointed by the President pursuant to section 812, who shall be afforded such access to these programs as may be necessary to perform his or her responsibilities.

"(7) Each department or agency head authorized to establish special access programs pursuant to this section shall ensure that each such program is reviewed annually to determine whether it continues to meet the requirements of this section.

"(c) Rule of Statutory Construction.—Nothing in this section shall affect the provisions of section 119 of title 10, United States Code.

"SEC. 808. DECLASSIFICATION, GENERALLY.

"Information which is classified pursuant to this title shall remain classified until one of the following has occurred:

"(1) If a specific date or event has been assigned for declassification, the date or event assigned has occurred.

"(2) In response to a request from a member of the public, submitted pursuant to section 552 or 552a of title 5, United States Code, or otherwise, for documents or materials containing such information, the head of the originating agency, or the agency head's designee for this purpose, has determined that such information no longer meets the criteria for classification established by this title in accordance with section 809.

"(3) The information is contained in documents or materials reviewed in accordance with section 810 or 811, and the head of the originating agency, or the agency head's designee for this purpose, has determined that such information does not meet the criteria for continued classification established pursuant to that section.

"(4) Such information has been declassified by an appropriate authority within the executive branch in accordance with this title.

"(5) Such information has been determined to have been improperly classified by a court of competent jurisdiction, and a final order has been issued requiring the release of such information.

"SEC. 809. DECLASSIFICATION PURSUANT TO A REQUEST BY A MEMBER OF THE PUBLIC.

"(a) Declassification Review.—Except as provided by subsection (c), any document or material containing classified information which is requested by a United States citizen or permanent resident alien, a Federal agency, or a State or local government, shall be subjected to a review for declassification by the originating agency at any time after the information has been created in accordance with this section.

"(b) Referral to Originating Agency.—All requests for declassification review which are received by a department or agency which did not originate the information concerned, or by an element of the legislative or judicial branches, shall be referred to the department or agency of the executive branch which originated such information, and the requester shall be apprised of such referral.

"(c) Grounds for Denial of Declassification Review.—Any originating agency which receives a request to review classified information for declassification pursuant to this section may decline to conduct such review if—

"(1) the requester is unable to identify the document or material concerned with sufficient specificity to enable the originating agency to locate it with a reasonable amount of effort; or

"(2) a review of the same document or material has taken place within the last year, in which case the requester shall be apprised of the results of the previous review.

"(d) Eligibility for Declassification.—(1) For purposes of the declassification reviews required by this section—

"(A) information shall be declassified if it no longer meets the criteria established by this title; and

"(B) classified information shall be presumed to no longer meet the criteria for classification established by this title if, at the time of review, the date or event assigned for declassification has passed, unless the agency head or senior agency official determines in writing, citing specific reasons, that the information concerned clearly continues to meet the criteria for classification established by this title.

"(2) In the case of information described in paragraph (1)(B), a new date shall be assigned for declassification of the information concerned which shall not exceed 5 years from the date of such determination and the requester shall be apprised of this determination.

"(3) Notwithstanding a determination that the information requested continues to meet the criteria for classification pursuant to paragraph (1), an agency head or the senior agency official shall declassify such information if the public interest in disclosure of the information outweighs the national security interest in its continued classification.

"SEC. 810. DECLASSIFICATION OF PERMANENTLY VALUABLE RECORDS OF THE GOVERNMENT FOR HISTORICAL REASONS.

"(a) In General.—In addition to the reviews required by section 809, departments and agencies which originate classified information shall establish programs to require review for declassification of all classified documents and materials which are at least 25 years old, which are determined to constitute permanently valuable records of the Government, prior to their being transferred to the National Archives of the United States in accordance with applicable law.

"(b) Exception.—Documents or materials subject to the review required by subsection (a) shall be declassified unless they contain information the release of which could reasonably be expected to—

"(1) identify a confidential human intelligence source;

"(2) reveal information not publicly available that would clearly assist in the development or use of weapons of mass destruction;

"(3) reveal information not publicly available that would clearly impair United States cryptologic systems or activities; or

"(4) violate a statute, treaty, or international agreement.

"(c) Expedited Review.—For purposes of making the determination required by subsection (b), if the document or material has been classified pursuant to this title and has been marked pursuant to subsection 803(d)(3) as not containing information falling within one or more of the categories established by subsection (b), the document or material shall be declassified without further review by the originating agency, except that where an originating agency determines that the document or material concerned should have been marked as containing such information, the originating agency may treat such document or material in accordance with subsection (d).

"(d) Treatment of Exempted Documents.—Wherever documents and materials subject to review in accordance with subsection (a) are found to contain information which falls into one of the categories set forth in subsection (b), the originating agency shall—

"(1) assign a specific date or event upon which the document or material shall be reevaluated for declassification, except that such date or event shall be no later than 5 years after the date of the initial review;

"(2) set aside in one physical location a copy of the documents and materials determined to contain such information;

"(3) establish a system which facilitates the continuous review of such documents or materials at the date or event assigned (which shall not exceed 5-year intervals) until the document or material is declassified; and

"(4) report annually to the senior oversight official appointed by the President pursuant to section 812 regarding the volume and status of such documents and materials.

"SEC. 811. SPECIAL DECLASSIFICATION REVIEWS FOR TOPICS OF HISTORICAL INTEREST.

"In addition to the declassification reviews required by sections 809 and 810, the President shall establish procedures pursuant to section 814 to provide for special declassification reviews to be undertaken by affected departments and agencies of the executive branch leading to the declassification of information regarding topics of significant and current historical interest. Such procedures shall, at a minimum—

"(1) provide for the appointment of a National Security Historical Advisory Panel, consisting of representatives from the public and private sector, that shall, after appropriate consultations with affected departments and agencies, historians, archivists, and others with interests in the classified records concerned, be authorized to direct, consistent with available resources, special governmentwide declassification reviews of classified documents and materials relating to topics of significant and current historical interest;

"(2) provide that special reviews ordinarily will be limited to topics or events which occurred more than 25 years in the past unless the Panel determines an overriding public interest in undertaking such a review of a more recent event or topic;

"(3) give precedence, where necessary, in terms of the use of available resources, to the accomplishment of special reviews, over the accomplishment of declassification reviews required by section 810; and

"(4) direct departments and agencies to provide such support to special reviews as may be necessary to meet the objectives established by the Panel.

"SEC. 812. OVERSIGHT.

"(a) Appointment.—(1) A senior oversight official shall be appointed by the President, by and with the advice and consent of the Senate, who shall be responsible for monitoring the overall implementation of this title within the executive branch and shall report annually to the President and to the appropriate committees of the Congress with respect to the operation of this title, together with any recommendation for statutory or regulatory change. Such official shall also be authorized to consider and take appropriate action with respect to complaints and suggestions from persons within or outside the Government with respect to the administration of this title, including the declassification of information which has been improperly classified.

"(2) Nothing in this section establishes a legal right or entitlement for any person within or outside the Government, nor subjects the official appointed pursuant to this section to suit in any court of law to require performance under this title.

"(b) Access to Classified Information.—The senior oversight official appointed pursuant to subsection (a) shall have access to such classified information as may be required for the performance of his or her duties.

"(c) Designated Agency Officials.—The head of each originating agency shall designate a senior agency official who shall have overall responsibility within the agency for the implementation of this title. Each such official shall keep the senior oversight official appointed pursuant to subsection (a) fully and currently informed with respect to the implementation of this title within his or her respective department or agency, including the reporting of any violations of this title which may have been identified and the remedial actions taken as a result.

"(d) Challenges to Classifications.—Any authorized holder of classified information who, in good faith, believes that such information should not be classified or should be classified at a different level, may challenge the classification status in accordance with regulations to be promulgated by the President pursuant to section 814. Such regulations shall, at a minimum, assure that—

"(1) individuals are not subject to retribution for bringing such challenge;

"(2) an opportunity is provided for review of such challenge by an impartial official; and

"(3) the right to appeal the decision of such official to a higher level is guaranteed.

"SEC. 813. SANCTIONS.

"(a) Unlawful Classification Activity.—Persons with authorized access to classified information who are determined to have—

"(1) knowingly and willfully classified information in violation of section 802 of this title;

"(2) knowingly and willfully continued a classification in violation of sections 808 and 809 of this title; or

"(3) demonstrated reckless disregard in applying the classification criteria of section 802 of this title,

shall be removed from access to classified information and shall be subjected to disciplinary actions that may include official reprimand, suspension without pay, or removal from employment, as may be appropriate.

"(b) UNLAWFUL DISCLOSURE.—Persons with authorized access to information classified pursuant to this title who knowingly and willfully disclose such information to an unauthorized person shall, in addition to incurring potential criminal liability under chapter 37 of title 18, United States Code, or section 4 of the Subversive Activities Control Act of 1950 (50 U.S.C. 783), be removed from access to classified information and shall be subjected to disciplinary actions that may include official reprimand, suspension without pay, or removal from employment, as may be appropriate.

"SEC. 814. IMPLEMENTATION.

"(a) REGULATIONS REQUIRED.—Not later than 180 days after the date of enactment of this Act, the President shall issue regulations to implement this title with respect to agencies of the executive branch. Such regulations shall take effect 1 year after the date of enactment of this Act.

"(b) PROCEDURES.—Pursuant to subsection (a), the President shall, at a minimum—

"(1) require the heads of departments and agencies to appoint a senior agency official to direct and administer this title;

"(2) require the heads of departments and agencies to identify by category information originated by their respective agencies which meets the criteria for classification established by this title, and to issue appropriate regulations, consistent with this title, to require the classification of such information by their employees; and

"(3) require that the systems established by law or regulation for evaluating the performance of civilian or military personnel or contractors include the management and handling of classified information as a critical element or item to be evaluated in the rating of all persons whose duties involve the creation or handling of such information.

"(c) PROCEDURES WITHIN THE LEGISLATIVE AND JUDICIAL BRANCHES.—After the issuance of the regulations required by subsection (a), the Majority and Minority Leaders of the Senate, the Speaker and Minority Leader of the House of Representatives, and the Director of the Administrative Office of the United States Courts, shall ensure that procedures exist within their respective bodies to provide comparable protection to information classified pursuant to this title which may be provided by the executive branch for the conduct of their respective functions.

"SEC. 815. EFFECT ON INFORMATION PREVIOUSLY CLASSIFIED PURSUANT TO EXECUTIVE ORDER.

"(a) REDESIGNATION NOT REQUIRED.—Information classified pursuant to Executive order before the effective date of this Act shall retain the classification assigned without redesignation pursuant to section 803 of this title.

"(b) DECLASSIFICATION OF PREVIOUSLY CLASSIFIED INFORMATION.—(1) Information previously classified as 'CONFIDENTIAL', pursuant to Executive order, which is subject to a request pursuant to section 809 of this title, shall, if more than 5 years old, be declassified and furnished to the requester. If less than 5 years old, such information shall be treated as 'SECRET' information for purposes of this title until it reaches 5 years of age and the requester shall be advised of the date of declassification.

"(2) Declassification of information previously classified as 'SECRET' or 'TOP SECRET', pursuant to Executive order, in response to a request or review made after the effective date of this title, shall be governed by the provisions of this title, regardless of the duration of classification or conditions for declassification previously provided by Executive order.".

SEC. 4. EFFECTIVE DATE.

The amendments made by sections 2 and 3 of this Act shall take effect 1 year after the date of enactment of this Act.●

By Mr. WARNER (for himself and Mr. ROBB):

S. 1886. A bill to amend the Water Supply Act of 1958 to provide for the funding of capital improvements at the Washington aqueduct, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

WASHINGTON AQUEDUCT IMPROVEMENTS ACT OF 1994

Mr. WARNER. Mr. President, I rise today to introduce legislation to allow the U.S. Army Corps of Engineers access to the Federal Financing Bank for the purposes of financing capital improvements of the Washington aqueduct. I am pleased that Senator ROBB has joined in cosponsoring this legislation. I would like to express my appreciation to my legislative assistants Ann Loomis and Ellen Stein for their work in crafting this legislation.

The Washington aqueduct system, which consists of the Dalecarlia and McMillan water treatment plants, has been owned by the Federal Government since it was constructed in 1853. Upon completion, the system was placed under the control of the Corps of Engineers for appropriate management and maintenance. Over the years, many additions and improvements have been made to the system including the construction of the McMillan Reservoir, filtering and chemical treatment facilities and additional intake structures.

Today, the Washington aqueduct system has the capacity to distribute a maximum of 250 million gallons per day to the over 1 million customers in the Metropolitan Washington area.

Mr. President, for 3 days beginning on December 8, 1993, this region was practically crippled by the Environmental Protection Agency's order to boil tap water prior to consumption. Area residents were fearful that their water supply was contaminated and it was an enormous undertaking for local governments to notify everyone of the gravity of this situation, particularly non-English speaking residents.

The preliminary reports following this incident indicate that human error affected the results of the water quality testing. In an effort to gain more information on the circumstances that led to the December event and daily operating procedures of the system, two investigations are underway for the Environmental Protection Agency. It is my hope that these reports will analyze the factors that led to the December order, as well as other incidents involving monitoring and reporting violations. While these reports will be useful, our first responsibility is to ensure that the water from this system is safe for consumption and that public confidence is restored.

In discussions with the affected local Virginia jurisdictions of Arlington and Fairfax Counties and the city of Falls Church, the Corps of Engineers and the Environmental Protection Agency following the December situation, I have learned that capital improvements of the system are critical to ensure that metropolitan Washington area residents have safe drinking water.

While fees collected from the system's users are deposited into the District of Columbia Water and Sewer Enterprise Fund and provide the resources necessary to cover the system's annual operating costs, there are no means available to the corps to finance expensive capital improvements. The Enterprise Fund receives approximately $6 million-per-year directly from the sale of water to citizens in the affected jurisdictions in Virginia. Revenue from this fund, however, is used for the annual operations and maintenance of the system. Any capital improvements must also be financed by the fund and must be paid for in advance of the work. The inability of the corps to provide long-term financing for capital projects will cause the water users to be subject to extremely high water bills in the coming years.

The legislation I am offering today will address this problem by granting the corps access to money from the Federal Financing Bank to underwrite the cost of these improvements to the Washington aqueduct. The Federal Financing Bank has become the vehicle through which many Federal agencies finance programs involving construction projects. Rather than using the Treasury Department as an interim lender and the market as a permanent source of funds, the Federal Financing Bank borrows all funds from the Treasury and matches the terms and conditions of its borrowing from the Treasury with the terms and conditions of its loans.

The legislation is necessary because of this unique situation of Federal ownership of the Washington aqueduct. In this instance, the Corps of Engineers provides a local service to the region much like other public service authorities. The Corps of Engineers, however, is unable to borrow directly to finance needed capital projects. The corps has identified approximately $100 million in capital improvements that are required immediately or that are necessary within the next 5 years to meet Federal drinking water standards.

Other publicly or privately owned facilities are able to issue bonds or borrow from other sources in order to amortize the capital improvement costs over the useful life of the project. This normal means of financing is not available to the Corps of Engineers. As such, area residents are faced with two unacceptable options: possibly unsafe drinking water or exorbitant water rates. Customers which rely on the Washington aqueduct system for safe, reliable drinking water must be allowed the same amortization options available to other public and private utilities. My legislation will provide that equity.

Mr. President, I must also add that it is not my intention that Federal funds be used to address this essentially local situation. Local water users will bear the costs of these improvements with increasing water rates that will be used to repay the loan from the Federal Financing Bank over a reasonable period of time.

Mr. President, I was astonished to read coincidentally in the Washington Post an article entitled "D.C. Water Troubles Run Deep." This is the water that each of us is dependent on in this institution every day. This is water in the Nation's Capital for all of our Government. This is the water that is in Maryland and the District of Columbia. And it is questionable as to its potability.

Just stop to think if we were to experience a major catastrophe in connection with this water supply on which the Nation's Capital, the Nation's Government, is dependent on each day to operate.

I am putting in today a bill to remedy this problem, namely, to allow the U.S. Army Corps of Engineers to have legal access to certain areas to begin to step in and correct this problem.

I urge my colleagues to look at this in the hopes that we can get a number of cosponsors and at the earliest possible date begin to get the Corps of Engineers to work with local government in correcting this problem.

Mr. President, I ask unanimous consent that the bill and the Washington Post article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1886

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CAPITAL IMPROVEMENTS AT WASHINGTON AQUEDUCT.

Section 301 of the Water Supply Act of 1958 (43 U.S.C. 390b) is amended by adding at the end the following new subsection:

"(e) Notwithstanding any other provision of law—

"(1) the Chief of Engineers of the Army Corps of Engineers may borrow from the Federal Financing Bank such amounts as the Chief determines are necessary to finance capital improvements at the Washington Aqueduct;

"(2) upon request of the Chief, the Board of Directors of the Federal Financing Bank shall make loans to the Chief for the purpose described in paragraph (1); and

"(3) any amounts borrowed by the Chief under this subsection shall be repaid by users of the Washington Aqueduct over such period of time, and shall be subject to such other terms and conditions, as the Board determines to be appropriate.".

[From the Washington Post]

D.C.'s Water Troubles Run Deep—Recent Crisis Part of a Pattern of Problems at Two Plants

(By D'Vera Cohn)

The accident that forced a million area residents to boil drinking water in December was not an isolated event. Records from the two treatment plants serving the District and parts of Northern Virginia show a previous pattern of unreported pollution incidents, contradicting statements by the U.S. Army Corps of Engineers that December's accident was an exception in the plants' otherwise smooth operations.

The December boil-water order was triggered by readings of high cloudiness—known as turbidity—in water at the corps' Dalecarlia plant in Nortwest Washington, which officials said meant filters were working so poorly that they could be letting in dangerous parasites. But both Dalecarlia and the corps' other plant, McMillan, had other serious turbidity problems last year that were not made public.

For the month of July, water that McMillan pumped to local faucets was cloudier than federal law allows and should have been reported to the Environmental Protection Agency, according to records made available under the Freedom of Information Act. But the EPA did not learn of the violation until it began investigating December's infraction. The agency has not announced whether it will fine or reprimand the corps for that incident.

Likewise, records show that for two days in early April, turbidity levels shot to dangerous highs at the Dalecarlia plant, on MacArthur Boulevard at the Maryland line. The EPA learned of the problem last month. The April readings were worse than those in December and remained high for a longer period. But at the time, the readings were legal. Standards were tightened July 1.

The corps' two treatment plants, the pipes leading from them and the District's network of reservoirs also are plagued by persistent summer bacteria contamination. EPA officials say in internal memos that they increasingly are suspicious that practices at the plants may be partly to blame.

Despite the recent troubles, corps and EPA officials say water from the two treatment plants is safe to drink—especially now, with investigations underway into what went wrong. And the area begins with a big advantage: The Potomac River, which supplies the plants, is relatively clean. The water has bacteria pollution but few industrial or agricultural chemicals.

There were no known report of illness from the December water crisis.

"Yes, the water is safe," said Stuart Kerzner, a top official in the EPA's Philadelphia regional office, citing recent samplings. But he added, "The plant is a concern * * * the standard operating procedures that go on in the plant need to be tightened up."

Environmentalists, local officials and, privately, some EPA officials say they are troubled by the record of contamination and its potential to recur.

"It's clear this was part of a long-standing pattern of problems," said Erik D. Olson, senior attorney with the Natural Resources Defense Council, an environmental group that also examined plant records. "I think there's a lot more we need to learn before we're complacent."

The public also lacks confidence in public water according to a recent survey by the Atlanta-based Centers for Disease Control and Prevention, which found that more than a third of District households drink bottle water.

The two corps plants supply the District, Arlington, Falls Church, parts of Fairfax County and 100 homes in Prince George's County. They also serve National Airport, the Pentagon and the White House.

Some of the blame for deteriorating water quality rests with loose operations, understaffing and outdated equipment.

Plant records show, for instance, that the corps routinely did not clean filters as often as its own rules required. It also has played down the presence of eels burrowed into the plant's sand filters, a factor an outside consultant suggested may allow contamination leaks.

RESPONSIBLITY LIES IN SEVERAL PLACES

Some fault lies with the EPA regional office's self-confessed weak oversight; the office regulates the two plants and the District's pipes.

The EPA spent $173,000 last year on oversight in Washington but returned $124,500 of its regulatory budget to the Treasury.

"If we'd known the plant was having the kind of problems they were having," the EPA would have spent more, said Jeffrey Hass, chief of the regional drinking-water-protection branch.

Area governments also share responsibility.

The District snubbed requests from the corps to flush its pipes regularly to counter bacteria contamination. And contrary to law, the public was not told when tests found bacteria contamination at the Arlington courthouse two years ago.

The water system's troubles burst into public view Dec. 8, when EPA officials declared the cloudy water undrinkable without first being boiled. The agency feared the presence of a microscopic parasite that sickened thousands of people in Milwaukee last spring.

The edict disrupted life in the Washington area for three days until tests failed to find the parasite, called cryptosporidium, that had worried the EPA.

Corps officials attributed the accident mainly to workers who had failed to add enough of a chemical to counter sediment left in the water by rains. The error was aggravated by an equipment breakdown and a shortage of another critical chemical, plant officials said.

After the order was lifted, they said procedures had been tightened and called the violation a one-time problem.

"The plant has turned out good water for a long time," Col. J. Richard Capka, commander of the corps' Baltimore District, said last month.

Dalecarlia plant records, however, show that on April 3 and 4, cloudiness levels jumped to several times higher than what most plant operators consider safe.

Most plant operators are concerned when water leaving filters has cloudiness higher than 1 "nephelometric turbidity unit," or NTU—a measure of how much light passes through water. The corps and other plants try to maintain levels below 0.2 NTU. The law now says any reading above 5 NTUs is a violation.

At Dalecarlia in December, water leaped above 5 NTUs for three hours, peaking at 9 NTUs. In April, it shot above 5 NTUs for at least five hours, peaking at 14, records show.

The corps faulted employee mistakes for the April pollution and said it did not tighten procedures then because turbidity was not a big problem. The corps was not required to report the incident to EPA officials, and it didn't.

EPA officials say they understand why the corps didn't call, because many in the industry did not draw a link between turbidity and cryptosporidium until Milwaukee's problems later that month. The corps now has a strict procedure to call the EPA as levels start to rise, it says.

Water plant operators elsewhere, though said they would have told the state agency that regulates them had they seen the sort of problems the District was having. In Des Moines, for example, water cloudiness levels reached 2 NTU two years ago, and local officials informed the state.

Records also show that the McMillan plant violated federal standards in July because nearly 20 percent of its hourly water samples were cloudier than 0.5 NTU. The legal limit is 5 percent.

The corps reported the excessive readings in its monthly report to the EPA, but it didn't flag them. EPA officials didn't notice the violation, and the public was not warned.

"It was not reported in the manner it should have been reported," Capka now says.

"We're very concerned that this information The Post has learned concerning these past problems appears never to have been communicated to us," said Richard Hebert, a spokesman for D.C. City Administrator Robert L. Mallett. "As a customer, we deserve to know when they have problems."

Despite the law requiring immediate notification, the public also has not always been told when bacteria readings in water exceeded legal levels.

Bacteria contamination can cause stomach illness in healthy people and can be dangerous to those with cancer, AIDS or otherwise weakened immune systems.

To keep tabs on bacteria, local governments are required to sample regularly throughout their jurisdictions. If tests find general bacteria in more than 4 percent of each month's samples, the public must be told. Arlington issued such an alert in August; the District did the same in September.

If an individual location tests positive for harmful fecal bacteria or E. coli—the kind found in human and animal waste—the public also is supposed to be told, as was done when the bacteria was found in September at a closed school in Northeast Washington. Yet last fall, corps officials found an overlooked incident of fecal bacteria contamination that had occurred at a District firehouse in June. They blamed laboratory understaffing for not catching the problem earlier.

The same bacteria problem occurred two years ago in Arlington, according to water plant records. A water sample at the county courthouse tested positive for fecal contamination.

Virginia Health Department officials say Arlington never notified them. Arlington officials say that they did but that the state did not require them to tell the public because the problem cleared up a day later.

WORKERS TOLD NOT TO DRINK WATER

A question about public disclosure also was raised after workers at the Dalecarlia plant were ordered not to drink water there because of bacteria in the plant's own water supply for several days in November. Corps officials say the plant's water is distinct from the supply that goes into the rest of the city.

But some EPA officials contend that the plant water is drawn from a city reservoir that serves all customers, and therefore the entire city should have been alerted to boil its water, according to an internal EPA memo.

Records show that the corps regularly finds bacteria contamination in a half-dozen sampling points at reservoirs in the District.

Although other water systems report reservoir test results to their supervising agency, the corps does not, because the EPA does not require it. George Rizzo, the EPA official who oversees the District's water supply, said the agency is considering tighter regulation of city reservoirs because the matter is "obviously of concern."

In August, for example, tests were positive for bacteria 23 times at city reservoirs—in some cases twice at the same place on the same day, records show. Samples at 15 faucets also tested positive.

The cause of the contamination is a mystery, but corps officials say that they plan to clean their reservoirs, which are not regularly cleaned, in hopes that it will alleviate the problem.

Although bacteria readings did not violate the legal limits until September, the city skirted violations several times.

In August, 4.76 percent of samples in the District tested positive for bacteria. Records show the number did not exceed 5 percent only because officials took an unusually high number of extra samples during the last week of August. The cleaner samples at the end of the month canceled out dirtier readings taken earlier and dropped the average reading for August to within legal limits.

To try to remedy nagging bacteria contamination, corps officials say they tried for years to persuade the District to flush its pipes. Most big cities regularly flush by opening fire hydrants. The District did not—saying they saw no need to—until the EPA ordered it to do so in late September, invoking a law that gives it emergency power to protect public health.

Agency memos show that the EPA now suspects that recurring high readings may track to more than the stagnant water in pipes and could reflect loose practices at the treatment plants.

That fear was fueled when EPA officials learned in September that tests on water just as it exits the two plants—when it should be cleanest—were positive for bacteria. Before September, those samples had not been included in the corps' report to the EPA.

Adding to the suspicions about plant operations was the fact that corps policy was to clean Dalecarlia's rapid-sand filters every 96 hours to prevent bacteria growth. But plant records show that the rule frequently is violated.

In August, the filters never ran for less than 102 hours. At times in the last two years, there was as much as 493 hours between cleanings.

The EPA recently told the corps to wash filters every 72 hours. Fairfax County officials say their policy is to wash filters at least every 48 hours.

Dalecarlia also failed to disinfect filters with chlorine after they were taken out of service for repairs last spring and did not monitor the quality of water coming off individual filters, according to a consultant hired by the EPA, Science Applications International Corp.

The consultant also cited a concern that Potomac River eels are burrowing into the filters, potentially digging holes that allow bacteria inside.

Capka said the corps is modernizing equipment to provide more precise information on when filters need washing. Each Dalecarlia filter will be equipped by the end of the month with a turbidity monitor and a new gauge to measure its effectiveness, he said.

But other outdated equipment also may have played a role in problems.

Until the December accident, Dalecarlia operators used manual controls to set doses of needed chemicals. After the accident, Dalecarlia installed mechanical controls.

Local officials have complained that they have little voice in how the corps operates.

To try to improve relations, the corps has promised to create a customer committee to share information with local governments.

"We don't expect Third World service delivery in the nation's capital," said Fairfax County Board Chairman Thomas M. Davis III (R). "Clearly, some changes are going to have to be made."

By Mr. COCHRAN:

S.J. Res. 165. Joint resolution to designate the month of September 1994 as "National Sewing Month"; to the Committee on the Judiciary.

NATIONAL SEWING MONTH JOINT RESOLUTION

• Mr. COCHRAN. Mr. President, today I am introducing legislation to designate the month of September as "National Sewing Month."

National Sewing Month was previously designated by the Congress each year from 1984 to 1988 to increase interest in home sewing.

It is estimated that over 30 million Americans sew at home. Many of these individuals have used their acquired sewing skills to enter fashion design, retail merchandising, interior design, patternmaking, and textiles.

The great majority of these careers had their beginning in seventh or eighth grade home economics classes where the enjoyment and pride associated with sewing was first encountered. For generations, the fundamentals of home sewing have also been learned in the context of the family.

The sewing industry employs thousands of individuals in the manufacture, wholesale, retail, and service sectors. The industry generates over $3.5 billion in sales annually and each year invests millions of dollars in plants and machinery.

This September will mark a continuation of a industrywide effort to revitalize the sewing spirit in America, as the American Home Sewing Association conducts an extensive nationwide promotion of "National Sewing Month."

A wide variety of civic organizations will be invited to participate, including home economic teachers, county extension agents, 4-H Clubs, the Girl Scouts, American Sewing Guild Chapters, Future Home Makers of America, and many others.

Mr. President, I invite my colleagues to join me in this effort to cosponsor this joint resolution designating September as "National Sewing Month."•

SENATE RESOLUTION 184—RELATIVE TO THE MASSACRE IN HEBRON

Mr. LEVIN (for himself, Mrs. BOXER, Mr. PELL, Mr. METZENBAUM, and Mrs. FEINSTEIN) submitted the following resolution; which was considered and agreed to:

S. RES. 184

Whereas, immediately after Prime Minister Rabin and Chairman Arafat shook hands on the White House lawn last September, extremists on both sides vowed that the Declaration of Principles signed that day would never come to fruition, and

Whereas, since the signing of the Declaration of Principles on September 13, 1993, many innocent people have been the victims of vicious acts of terrorism, and

Whereas, the massacre that took place on February 25, 1994 at the Tomb of the Patriarchs in Hebron was an act of murderous terrorism directed against innocent persons at prayer, and

Whereas, the purpose of these acts of terror was to derail the Middle East peace talks, and

Whereas, as diplomats have inched their ways toward fulfilling each article of the Declaration, extremists have just as painstakingly plotted disruptions, preyed on innocents and haphazardly killed and maimed people, and

Whereas, if the chances of peace in the Middle East are harmed by the act of terror in Hebron or other acts of terrorism, then these acts will have achieved their purpose, and

Whereas, to prevent terrorism from achieving its purpose, all parties must now redouble their efforts to gain success in those talks.

Now, therefore, be it *resolved*, That the Senate expresses its condemnation of the massacre perpetrated in Hebron as violative of all standards of civilized human behavior, and as violative of the policies of the government of Israel and every other government that has spoken on this atrocity, and

Be it further resolved, That the Senate condemns all act of terror intended to disrupt the peace process or for any other purpose, and

Be it further resolved, That the Senate commends the government of Israel for its strong condemnation of the Hebron killings, for reaching out to the victims' families, and for taking swift and appropriate action to respond to the threat posed by extremists, and

Be it further resolved, That the Senate urges all parties and others involved in the Middle East peace talks to apply renewed energy to achieve the prompt and just conclusion which is the only way to obtain long term security for all people in the area and as the best way in the short term to deny terror any measure of success.

ADDITIONAL COSPONSORS

S. 88

At the request of Mr. LUGAR, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 88, a bill to amend the National School Lunch Act to remove the requirement that schools participating in the school lunch program offer students specific types of fluid milk, and for other purposes.

S. 588

At the request of Mr. ROBB, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 588, a bill to regulate aboveground storage tanks used to store regulated substances, and for other purposes.

S. 1116

At the request of Mr. BURNS, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1116, a bill to amend the Internal Revenue Code of 1986 to clarify the deduction for expenses of certain home offices, and for other purposes.

S. 1208

At the request of Mr. WOFFORD, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1208, a bill to authorize the minting of coins to commemorate the historic buildings in which the Constitution of the United States was written.

S. 1350

At the request of Mr. INOUYE, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1350, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1458

At the request of Mrs. KASSEBAUM, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1458, a bill to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes.

S. 1495

At the request of Mr. INOUYE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1495, a bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment.

S. 1560

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. 1560, a bill to establish the Social Security Administration as an independent agency, and for other purposes.

S. 1690

At the request of Mr. PRYOR, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1806

At the request of Mr. NICKLES, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1806, a bill to rescind the fee required for the use of public recreation areas at lakes and reservoirs under the jurisdiction of the Army Corps of Engineers, and for other purposes.

S. 1860

At the request of Mr. DODD, the names of the Senator from Missouri [Mr. DANFORTH] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 1860, a bill to authorize the minting of coins to commemorate the 1995 Special Olympics World Games.

SENATE JOINT RESOLUTION 151

At the request of Mr. LIEBERMAN, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], the Senator from Maine [Mr. MITCHELL], the Senator from Georgia [Mr. NUNN], the Senator from New York [Mr. MOYNIHAN], the Senator from Oklahoma [Mr. BOREN], the Senator from Wisconsin [Mr. FEINGOLD], the Senator from Massachusetts [Mr. KERRY], the Senator from Michigan [Mr. RIEGLE], the Senator from California [Mrs. FEINSTEIN], the Senator from Delaware [Mr. BIDEN], the Senator from Florida [Mr. MACK], the Senator from South Dakota [Mr. PRESSLER], the Senator from Missouri [Mr. BOND], the Senator from Missouri [Mr. DANFORTH], the Senator from Colorado [Mr. BROWN], the Senator from North Carolina [Mr. HELMS], the Senator from Vermont [Mr. JEFFORDS], the Senator from Texas [Mrs. HUTCHISON], the Senator from South Carolina [Mr. THURMOND], the Senator from Arizona [Mr. MCCAIN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Alaska [Mr. STEVENS], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 151, a joint resolution designating the week of April 10 through 16, 1994, as "Primary Immune Deficiency Awareness Week."

SENATE JOINT RESOLUTION 161

At the request of Mr. BUMPERS, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from New Jersey [Mr. BRADLEY], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. BREAUX], the Senator from New Mexico [Mr. DOMENICI], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Joint Resolution 161, a joint resolution to designate April 1994, as "Civil War History Month."

SENATE JOINT RESOLUTION 163

At the request of Mr. LEAHY, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Maine [Mr. MITCHELL], and the Senator from Texas [Mrs. HUTCHISON] were added as cosponsors of Senate Joint Resolution 163, a joint resolution to proclaim March 20, 1994, as "National Agricultural Day."

SENATE CONCURRENT RESOLUTION 60

At the request of Mr. GRAMM, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of Senate Concurrent Resolution 60, a concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to honor the 100th anniversary of the Jewish War Veterans of the United States of America.

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. WOFFORD, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress in support of the President's actions to reduce the trade imbalance with Japan.

SENATE RESOLUTION 183

At the request of Mr. KERRY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Resolution 183, a resolution expressing the sense of the Senate that the action taken by the Government of France against United States seafood products is a totally unwarranted action that is having severe repercussions on United States seafood producers and, in general, the United States fishing industry.

AMENDMENTS SUBMITTED

SOCIAL SECURITY ADMINISTRATION INDEPENDENCE ACT OF 1993

COHEN (AND OTHERS) AMENDMENT NO. 1474

Mr. COHEN (for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. THURMOND, Mr. GRASSLEY, Mr. NICKLES, Mr. LIEBERMAN, Mrs. FEINSTEIN, Mr. DANFORTH, Mr. KOHL, Mr. LUGAR, Mr. CHAFEE, Mr. WARNER, Mr. BENNETT, Mr. STEVENS, Mr. MATHEWS, Mr. HOLLINGS, and Mr. COCHRAN) proposed an amendment to the bill (S. 1560) to establish the Social Security Administration as an independent agency, and for other purposes; as follows:

At the appropriate place insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Disability and Rehabilitation Act of 1994".

SEC. 2. REFORM OF MONTHLY INSURANCE BENEFITS BASED ON DISABILITY INVOLVING SUBSTANCE ABUSE.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—

(1) IN GENERAL.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended by adding at the end the following new subsection:

"Limitation on Payment of Benefits by Reason of Substance Abuse

"(j)(1)(A) Notwithstanding any other provision of this title, no individual whose disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic shall be entitled to benefits under this title based on such disability with respect to any month, unless such individual—

"(i) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(ii) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under subparagraph (B).

"(B) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in subparagraph (A), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this paragraph.

"(C) The representative payee and the referral and monitoring agency for any individual described in subparagraph (A) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in subparagraph (A) and with the requirements imposed by the Secretary under subparagraph (B).

"(D)(i) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in subparagraph (A), or with the requirements imposed by the Secretary under subparagraph (B), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(ii) Any period of suspension under clause (i) shall be taken into account in determining any 24-month period described in subparagraph (E) and shall not be taken into account in determining the 36-month period described in such subparagraph.

"(E)(i) Except as provided in clause (ii), no individual described in subparagraph (A) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such subparagraph.

"(ii) If at the end of the 24-month period described in clause (i), the individual furnishes evidence in accordance with subsection (d)(5) that the individual continues to be under a disability based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, such individual shall continue to be entitled to benefits under this title based on such disability.

"(iii) Subject to clause (iv), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under clause (ii), clauses (i) and (ii) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(iv) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with subsection (d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(2)(A) Any benefits under this title payable to any individual referred to in paragraph (1), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 205(j).

"(B) For purposes of subparagraph (A) and section 205(j)(4), the term 'qualified organization'—

"(i) shall have the meaning given such term by section 205(j)(4)(B), and

"(ii) shall mean an agency or instrumentality of a State or a political subdivision of a State.

"(3) Monthly insurance benefits under this title which would be payable to any individual (other than the disabled individual to whom benefits are not payable by reason of this subsection) on the basis of the wages and self-employment income of such a disabled individual but for the provisions of paragraph (1), shall be payable as though such disabled individual were receiving such benefits which are not payable under this subsection."

(2) CONFORMING AMENDMENTS.—

(A) Section 205(j)(1) of such Act (42 U.S.C. 405(j)(1)) is amended by inserting ", or in the case of any individual referred to in section 223(j)(1)(A)" after "thereby".

(B) Section 205(j)(2)(D)(ii)(II) of such Act (42 U.S.C. 405(j)(2)(D)(ii)(II)) is amended by striking "legally incompetent or under the age of 15" and inserting "legally incompetent, under the age of 15, or a drug addict or alcoholic referred to in section 223(j)(1)(A)".

(b) SUPPLEMENTAL SECURITY INCOME.—Paragraph (3) of section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended to read as follows:

"(3)(A)(i) No person who is an aged, blind, or disabled individual solely by reason of disability (as determined under section 1614(a)(3)) shall be an eligible individual or eligible spouse for purposes of this title with respect to any month if such individual's disability is based in whole or in part on a medical determination that the individual is a drug addict or alcoholic, unless such individual—

"(I) is undergoing, or on a waiting list for, any medical or psychological treatment that may be appropriate for such individual's condition as a drug addict or alcoholic (as the case may be) and for the stage of such individual's rehabilitation at an institution or facility approved for purposes of this paragraph by the Secretary (so long as access to such treatment is reasonably available, as determined by the Secretary), and

"(II) demonstrates in such manner as the Secretary requires, including at a continuing disability review not later than one year after such determination, that such individual is complying with the terms, conditions, and requirements of such treatment and with the requirements imposed by the Secretary under clause (ii).

"(ii) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in clause (i), in order to assure such compliance and to determine the extent to which the imposition of such requirements is contributing to the achievement of the purposes of this title. The Secretary may retain jurisdiction in the case of a hearing before the Secretary under this title to the extent the Secretary determines necessary to carry out the preceding sentence. The Secretary shall annually submit to the Congress a full and complete report on the Secretary's activities under this subparagraph.

"(iii) The representative payee and the referral and monitoring agency for any individual described in clause (i) shall report to the Secretary any noncompliance with the terms, conditions, and requirements of the treatment described in clause (i) and with the requirements imposed by the Secretary under clause (ii).

"(iv)(I) If the Secretary finds that an individual is not complying with the terms, conditions, and requirements of the treatment described in clause (i), or with the requirements imposed by the Secretary under clause (ii), or both, the Secretary, in lieu of termination, may suspend such individual's benefits under this title until compliance has been reestablished, including compliance with any additional requirements determined to be necessary by the Secretary.

"(II) Any period of suspension under subclause (I) shall be taken into account in determining any 24-month period described in clause (v) and shall not be taken into account in determining the 36-month period described in such clause.

"(v)(I) Except as provided in subclause (II), no individual described in clause (i) shall be entitled to benefits under this title for any month following the 24-month period beginning with the determination of the disability described in such clause.

"(II) If at the end of the 24-month period described in subclause (I), the individual furnishes evidence in accordance with section 223(d)(5) that the individual continues to be under a disability based in whole on a medical determination that the individual is a drug addict or alcoholic, such individual shall be entitled to benefits under this title based on such disability for no more than an additional 36 months.

"(III) Subject to subclause (IV), if such an individual continues to be entitled to such benefits for an additional 24-month period following a determination under subclause (II), subclauses (I) and (II) shall apply with regard to any further entitlement to such benefits following the end of such additional period.

"(IV) In no event shall such an individual be entitled to benefits under this title for more than a total of 36 months, unless upon the termination of the 36th month such individual furnishes evidence in accordance with section 223(d)(5) that the individual is under a disability which is not related in part to a medical determination that the individual is a drug addict or alcoholic.

"(B)(i) Any benefits under this title payable to any individual referred to in subparagraph (A), including any benefits payable in a lump sum amount, shall be payable only pursuant to a certification of such payment to a qualified organization acting as a representative payee of such individual pursuant to section 1631(a)(2)(A)(ii).

"(ii) For purposes of clause (i) and section 1631(a)(2)(D), the term 'qualified organization'—

"(I) shall have the meaning given such term by section 1631(a)(2)(D)(ii), and

"(II) shall mean an agency or instrumentality of a State or a political subdivision of a State."

(c) EFFECTIVE DATES; AUTHORIZATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to benefits payable for determinations of disability made 90 or more days after the date of the enactment of this Act.

(2) CURRENT DETERMINATIONS.—

(A) IN GENERAL.—With respect to any individual described in subparagraph (B), the Secretary of Health and Human Services shall provide during the 3-year period beginning after the date of the enactment of this Act for the application of the amendments made by this section to such individual with the time periods described in such amendments to begin upon such application.

(B) INDIVIDUAL DESCRIBED.—An individual is described in this subparagraph if such individual is entitled to benefits under title II or XVI of the Social Security Act based on a disability determined before the date described in paragraph (1) to be based in whole or in part on a medical determination that the individual is a drug addict or alcoholic.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of the provisions of, and the amendments made by, this section.

SEC. 3. PRIORITY OF TREATMENT.

The Secretary of Health and Human Services, through the Administrator of the Substance Abuse and Mental Health Services Administration, shall assure that every individual receiving disability benefits under title II or XVI of the Social Security Act based in whole or in part on a medical determination that the individual is a drug addict or alcoholic be given high priority for treatment through entities supported by the various States through any substance abuse block grant authorized under law.

SEC. 4. ESTABLISHMENT OF REFERRAL MONITORING AGENCIES REQUIRED IN ALL STATES.

The Secretary of Health and Human Services shall, within 1 year of the date of the enactment of this Act, provide for the establishment of referral and monitoring agencies for each State for the purpose of carrying out the treatment requirements under sections 223(j)(1) and 1611(e)(3)(A) of the Social Security Act (42 U.S.C. 423(j)(1) and 1382(e)(3)(A)).

SEC. 5. PROCEEDS FROM CERTAIN CRIMINAL ACTIVITIES CONSTITUTE SUBSTANTIAL GAINFUL EMPLOYMENT.

(a) SOCIAL SECURITY DISABILITY INSURANCE.—Section 223(d)(4) of the Social Security Act (42 U.S.C. 423(d)(4)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(b) SUPPLEMENTAL SECURITY INCOME.—Section 1614(a)(3)(D) of the Social Security Act (42 U.S.C. 1382(a)(3)(D)) is amended by inserting the following after the first sentence: "If an individual engages in a criminal activity to support substance abuse, any proceeds derived from such activity shall demonstrate such individual's ability to engage in substantial gainful activity.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disability determinations conducted on or after the date of the enactment of this Act.

SEC. 6. CONSISTENT PENALTY PROVISIONS FOR SSDI AND SSI PROGRAMS.

(a) FELONY PENALTIES FOR FRAUD.—

(1) IN GENERAL.—Subsection (a) of section 1631 of the Social Security Act (42 U.S.C. 1383a) is amended by striking "shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both" and inserting "shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both".

(2) REPRESENTATIVE PAYEES.—

(A) SSDI.—Subsections (b) and (c) of section 208 of such Act (42 U.S.C. 408) are amended to read as follows:

"(b)(1) Any person or other entity who is convicted of a violation of any of the provisions of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 205(j) on behalf of another individual (other than such person's spouse or an entity described in section 223(j)(2)(B)(ii)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

"(2) In any case in which the court determines that a violation described in paragraph (1) includes a willful misuse of funds by such person or entity, the court may also require that full or partial restitution of such funds be made to the individual for whom such person or entity was the certified payee.

"(3) Any person or entity convicted of a felony under this section or under section 1632(b) may not be certified as a payee under section 205(j).

"(c) For the purpose of subsection (a)(7), the terms 'social security number' and 'social security account number' mean such numbers as are assigned by the Secretary under section 205(c)(2) whether or not, in actual use, such numbers are called social security numbers."

(B) SSI.—Subsection (b)(1) of section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "(other than such person's spouse)" and all that follows through the period and inserting "(other than such person's spouse or an entity described in section 1611(e)(3)(B)(ii)(II)), shall be guilty of a felony and upon conviction thereof shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both."

(b) CIVIL ADMINISTRATIVE PENALTIES.—

(1) SSDI.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended by adding at the end the following new subsections:

"(e) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(f) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles V, XVI, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(2) SSI.—

(A) In general.—Section 1632 of such Act (42 U.S.C. 1383a) is amended by adding at the end the following new subsections:

"(c) For administrative penalties for false claims and statements with respect to which an individual or other entity knows or has reason to know such falsity, see chapter 38 of title 31, United States Code.

"(d) In the case of the second or subsequent imposition of an administrative or criminal penalty on any person or other entity under this section, the Secretary may exclude such person or entity from participation in any program under this title and titles II, V, XVIII, and XX, and may direct that such person or entity be excluded from any State health care program (as defined in section 1128(h)) and any other Federal program as provided by law."

(B) Conforming amendment.—The heading for section 1632 of such Act (42 U.S.C. 1383a) is amended by striking "FOR FRAUD".

(c) Effective Date.—The amendments made by this section shall be effective on or after the date of the enactment of this Act.

McCAIN AMENDMENT NO. 1475

Mr. McCAIN proposed an amendment to the bill S. 1560, supra; as follows:

At the appropriate place in the bill, add the following:

Title —Social Security Earnings Test.

SECTION . SHORT TITLE.

This title may be cited as the "Older Americans' Freedom to Work Act of 1994."

SEC. . ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

Section 203 of the Social Security Act is amended—

(1) in paragraph (1) of subsection (c) and paragraphs (1)(A) and (2) of subsection (d), by striking "the age of seventy" and inserting "retirement age (as defined in section 216(l))";

(2) in subsection (f)(1)(B), by striking "was age seventy or over" and inserting "was at or above retirement age (as defined in section 216(l))";

(3) in subsection (f)(3), by striking "33⅓ percent" and all that follows through "any other individual," and inserting "50 percent of such individual's earnings for such year in excess of the product of the exempt amount as determined under paragraph (8)," and by striking "age 70" and inserting "retirement age (as defined in section 216(l)";

(4) in subsection (h)(1)(A), by striking "age 70" each place it appears and inserting "retirement age (as defined in section 216(l))"; and

(5) in subsection (j), by striking "Age Seventy" in the heading and inserting "Retirement Age", and by striking "seventy years of age" and inserting "having attained retirement age (as defined in section 216(l))".

SEC. . CONFORMING AMENDMENTS ELIMINATING THE SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) Uniform Exempt Amount.—Section 203(f)(8)(A) of the Social Security Act is amended by striking "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting "a new exempt amount which shall be applicable".

(b) Conforming Amendments.—Section 203(f)(8)(B) of such Act is amended—

(1) in the matter preceding clause (i), by striking "Except" and all that follows through "whichever" and inserting "The exempt amount which is applicable for each month of a particular taxable year shall be whichever";

(2) in clause (i), by striking "corresponding"; and

(3) in the last sentence, by striking "an exempt amount" and inserting "the exempt amount".

(c) Repeal of Basis for Computation of Special Exempt Amount.—Section 203(f)(8)(D) of such Act is repealed.

SEC. . ADDITIONAL CONFORMING AMENDMENTS.

(a) Elimination of Redundant References to Retirement Age.—Section 203 of the Social Security Act is amended—

(1) in the last sentence of subsection (c), by striking "nor shall any deduction" and all that follows and inserting "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60."; and

(2) in subsection (f)(1), by striking clause (D) and inserting the following: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individuals became so entitled prior to attaining age 60, or".

(b) Conforming Amendment to Provisions for Determining Amount of Increase on Account of Delayed Retirement.—Section 202(w)(2)(B)(ii) of such Act is amended—

(1) by striking "either"; and

(2) by striking "or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit".

(c) Continued Application of Rule Governing Entitlement of Blind Beneficiaries.—The second sentence of section 223(d)(4) of such Act is amended by inserting after "subparagraph (D) thereof" where it first appears the following: "(or would be applicable to such individuals but for the amendments made by the Older Americans' Freedom to Work Act of 1994".

SEC. . EFFECTIVE DATE.

The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1994.

HEALTH SECURITY ACT

HATFIELD (AND HARKIN) AMENDMENT NO. 1476

(Ordered to lie on the table.)

Mr. HATFIELD (for himself and Mr. Harkin) submitted an amendment intended to be proposed by him to the bill (S. 1775) to ensure individual and family security through health care coverage for all Americans in a manner that contains the rate of growth in health care costs and promotes responsible health insurance practices, to promote choice in health care, and to ensure and protect the health care for all Americans; as follows:

At the appropriate place in title III, insert the following new subtitle:

Subtitle ___—Health Research

SEC. _____1. SHORT TITLE.

This subtitle may be cited as the "Health Research Act of 1994".

SEC. _____2. FINDINGS.

The Congress finds the following:

(1) Nearly 4 of 5 peer reviewed research projects deemed worthy of funding by the National Institutes of Health are not funded.

(2) Less than 2 percent of the nearly one trillion dollars our Nation spends on health care is devoted to health research, while the defense industry spends 15 percent of its budget on research.

(3) Public opinion surveys have shown that Americans want more Federal resources put into health research and support by having a portion of their health insurance premiums set aside for this purpose.

(4) Ample evidence exists to demonstrate that health research has improved the quality of health care in the United States. Advances such as the development of vaccines, the cure of many childhood cancers, drugs that effectively treat a host of diseases and disorders, a process to protect our Nation's blood supply from the HIV virus, progress against cardiovasculor disease including heart attack and stroke, and new strategies for the early detection and treatment of diseases such as colon, breast, and prostate cancer clearly demonstrates the benefits of health research.

(5) Among the most effective methods to control health care costs are prevention and cure of disease and disability, thus, health research which holds the promise of cure and prevention of disease and disability is a critical component of any comprehensive health care reform plan.

(6) The state of our Nation's research facilities at the National Institutes of Health and at universities is deteriorating significantly. Renovation and repair of these facilities are badly needed to maintain and improve the quality of research.

(7) Because the Omnibus Budget Reconciliation Act of 1993 freezes discretionary spending for the next 5 years, the Nation's investment in health research through the National Institutes of Health is likely to decline in real terms unless corrective legislative action is taken.

(8) A health research fund is needed to maintain our Nation's commitment to health research and to increase the percentage of approved projects which receive funding at the National Institutes of Health to at least 33 percent.

SEC. _____3. NATIONAL FUND FOR HEALTH RESEARCH.

(a) Establishment.—There is established in the Treasury of the United States an account, to be known as the "National Fund for Health Research" (hereafter referred to in this section as the "Fund"), consisting of such amounts as are transferred to the Fund under subsection (b) and any interest earned on investment of amounts in the Fund.

(b) Transfers to Fund.—

(1) In general.—The Secretary of the Treasury shall transfer to the Fund an amount equal to the amounts designated under paragraph (2) and received in the Treasury.

(2) Amounts.—

(A) In general.—With respect to each calendar year beginning with the first full calendar year during which a comprehensive health care reform program utilizing a regional and corporate health alliance structure has been implemented, each such alliance shall set aside and transfer to the Treasury of the United States the applicable amount under subparagraph (B) and under section 6097 of the Internal Revenue Code of 1986.

(B) APPLICABLE AMOUNT.—The applicable amount under this subparagraph with respect to a regional or corporate alliance shall be equal to—

(i) with respect to the first full calendar year described in subparagraph (A), .25 percent of all health premiums received by the alliance for such year;

(ii) with respect to the second calendar year described in subparagraph (A), .50 percent of all health premiums received by the alliance for such year;

(iii) with respect to the third calendar year described in subparagraph (A), .75 percent of all health premiums received by the alliance for such year; and

(iv) with respect to the fourth and succeeding calendar years described in subparagraph (A), 1 percent of all health premiums received by the alliance for such year.

(3) DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS.—

(A) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR THE NATIONAL FUND FOR HEALTH RESEARCH

"Sec. 6097. Amounts for the National Fund for Health Research.

"SEC. 6097. AMOUNTS FOR THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may designate that—

"(1) a portion (not less than $1) of any overpayment of the tax imposed by chapter 1 for the taxable year, and

"(2) a cash contribution (not less than $1),

be paid over to the National Fund for Health Research established under section _____3 of the Health Research Act of 1994. In the case of a joint return of a husband and wife, each spouse may designate one-half of any such overpayment of tax (not less than $2).

"(b) MANNER AND TIME OF DESIGNATION.—Any designation under subsection (a) may be made with respect to any taxable year only at the time of filing the original return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made either on the 1st page of the return or on the page bearing the taxpayer's signature.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this section, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last day prescribed for filing the return of tax imposed by chapter 1 (determined with regard to extensions) or, if later, the date the return is filed.

"(d) DESIGNATED AMOUNTS NOT DEDUCTIBLE.—No amount designated pursuant to subsection (a) shall be allowed as a deduction under section 170 or any other section for any taxable year.

"(e) TERMINATION.—This section shall not apply to taxable years beginning in a calendar year after a determination by the Secretary that the sum of all designations under subsection (a) for taxable years beginning in the second and third calendar years preceding the calendar year is less than $5,000,000.".

(B) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of such Code is amended by adding at the end the following new item:

"Part IX. Designation of overpayments and contributions for the National Fund for Health Research.".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to taxable years beginning after December 31, 1993.

(c) EXPENDITURES FROM FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay annually, within 30 days after the President signs an appropriations Act for the Departments of Labor, Health and Human Services, and Education and related agencies, or by the end of the first quarter of the fiscal year, to the Secretary of Health and Human Services on behalf of the National Institutes of Health, an amount equal to the amount in the National Fund for Health Research at the time of such payment, to enable the Secretary to carry out the purpose of section 404F of the Public Health Service Act, less any administrative expenses which may be paid under paragraph (3).

(2) PURPOSES FOR EXPENDITURES FROM FUND.—Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following new section:

"SEC. 404F. EXPENDITURES FROM THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—From amounts received for any fiscal year from the National Fund for Health Research, the Secretary of Health and Human Services shall distribute—

"(1) 2 percent of such amounts during any fiscal year to the Office of the Director of the National Institutes of Health to be allocated at the Director's discretion for the following activities:

"(A) for carrying out the responsibilities of the Office of the Director, National Institutes of Health, including the Office of Research on Women's Health and the Office of Research on Minority Health, the Office of Alternative Medicine and the Office of Rare Diseases Research; and

"(B) for construction and acquisition of equipment for or facilities of or used by the National Institutes of Health;

"(2) 2 percent of such amounts for transfer to the National Center for Research Resources to carry out section 1502 of the National Institutes of Health Revitalization Act of 1993 concerning Biomedical and Behavioral Research Facilities;

"(3) 1 percent of such amounts during any fiscal year for carrying out section 301 and part D of title IV with respect to health information communications; and

"(4) the remainder of such amounts during any fiscal year to member institutes of the National Institutes of Health and Centers in the same proportion to the total amount received under this section, as the amount of annual appropriations under appropriations Acts for each member institute and Centers for the fiscal year bears to the total amount of appropriations under appropriations Acts for all member institutes and Centers of the National Institutes of Health for the fiscal year.

"(b) PLANS OF ALLOCATION.—The amounts transferred under subsection (a) shall be allocated by the Director of NIH or the various directors of the institutes and centers, as the case may be, pursuant to allocation plans developed by the various advisory councils to such directors, after consultation with such directors.".

(3) ADMINISTRATIVE EXPENSES.—Amounts in the National Fund for Health Research shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

(A) modifying the individual income tax return forms to carry out section 6097 of the Internal Revenue Code of 1986;

(B) carrying out this section with respect to such Fund; and

(C) processing amounts received under this section and transferring such amounts to such Fund.

(4) TRIGGER AND RELEASE OF FUND MONIES.—No expenditures shall be made pursuant to section ____3(c) during any fiscal year in which the annual amount appropriated for the National Institutes of Health is less than the amount so appropriated for the prior fiscal year.

(d) BUDGET ENFORCEMENT.—Amounts contained in the National Fund for Health Research shall be excluded from, and shall not be taken into account for purposes of, any budget enforcement procedures under the Congressional Budget Act of 1974 or the Balanced Budget Emergency Deficit Control Act of 1985.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding an oversight hearing on Thursday, March 3, 1994, beginning at 9:30 a.m., in 485 Russell Senate Office Building on the President's Fiscal Year 1995 Budget for the Indian Health Service.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the role of oceans in global climate change.

The hearing will take place on Tuesday, March 8, 1994, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Leslie Black Cordes.

For further information, please contact Leslie Black Cordes of the committee staff at 202–224–9607.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, March 2, 1994, at 9:30 a.m., in open and closed session, to receive testimony from the unified commanders on their military strategy and operational requirements, and the defense authorization request for fiscal year 1995 and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 2, beginning at 10 a.m. to conduct a hearing on regulatory consolidation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on NASA authorization on March 2, 1994, beginning at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on S. 1822, the Communications Act of 1994, on March 2, 1994, beginning at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITEE ON FOREIGN RELATIONS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate of Wednesday, March 2, 1994, at 3 p.m. to hold nominating hearings on the following nominees: Mr. Donald M. Blinkin, of New York, to be Ambassador to the Republic of Hungary; Mr. Richard Dale Kauzlarich, of Virginia, to be Ambassador to the Republic of Azerbaijan; and Mr. Derek Shearer, of California, to be Ambassador to the Republic of Finland.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 2, 1994, to hold a hearing on the nomination of Thomas A. Constantine, to be administrator of Drug Enforcement.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on "ESEA: Framework for Change" during the session of the Senate on March 2, 1994, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on "The Health Security Act: Early Retirees"—chaired by Senator WOFFORD—during the session of the Senate on March 2, 1994, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Wednesday, March 2, 1994, at 10 a.m. The committee will hold a full committee hearing on the Small Business Administration's 7(a) Guaranteed Business Loan Program and the SBA's Disaster Assistance Loan Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. LEVIN. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs to receive legislative presentations from the Disabled American Veterans. The hearing will be held on March 2, 1994, at 9:30 a.m. in room 345 of the Cannon House Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SUPERFUND, RECYCLING, AND SOLID WASTE MANAGEMENT

Mr. LEVIN. Mr. President, I ask unanimous consent that the Subcommittee on Superfund, Recycling and Solid Waste Management, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, March 2, beginning at 10 a.m., to conduct a hearing on the Superfund cleanup process, delegation to the States, and community participation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORCE REQUIREMENTS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Subcommittee on Force Requirements and Personnel of the Committee on Armed Services be authorized to meet on Wednesday, March 2, at 2 p.m. in open session, to discuss the Uniformed Services University of the Health Sciences.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NONQUALIFIED DEFERRED COMPENSATION CLARIFICATION ACT OF 1994

• Mr. PRYOR. Mr. President, on February 28, 1994, I introduced the Nonqualified Deferred Compensation Clarification Act of 1994, S. 1877, in order to clarify the confusion created over treatment of interest under a nonqualified compensation plan in the wake of the December 1993 Ninth Circuit Court ruling in Albertson's versus Commissioner.

The bill was referred to the Finance Committee, of which I am a member. I am happy to have Senator DAVID BOREN as a cosponsor, and I look forward to working with the chairman and my colleagues on the Finance Committee, and all of my colleagues in the Senate to resolve this issue.

Mr. President, I ask that a copy of S. 1877 be included in the RECORD.

The text of S. 1877 follows:

S. 1877

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION OF INTEREST AND SIMILAR AMOUNTS ATTRIBUTABLE TO DEFERRED COMPENSATION.

(a) IN GENERAL.—Section 404 of the Internal Revenue Code of 1986 (relating to deductions for compensation under a deferred payment plan) is amended by adding at the end the following new subsection:

"(m) DEDUCTIBILITY OF INTEREST AND SIMILAR AMOUNTS ACCRUED WITH RESPECT TO DEFERRED COMPENSATION.—

"(1) IN GENERAL.—For purposes of this chapter, the determination of the taxable year in which a deduction is allowed for amounts described in paragraph (2) shall be made under this section and in the same manner as if such amounts were compensation.

"(2) APPLICABLE AMOUNTS.—An amount is described in this paragraph if it is—

"(A) interest or a similar amount based on the time value of money, and—

"(B) an integral part of the method used to calculate the total amount of deferred compensation to be paid.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts accruing in taxable years beginning before, on, or after the date of the enactment of this Act.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, REGARDING EDUCATIONAL TRAVEL

• Mr. BRYAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received notification under rule 35 for Senator BILL BRADLEY, to participate in a program in Berlin, Germany, sponsored by Haniel Stiftung, from February 9–11, 1994.

The committee determined that no Federal statute or Senate rule would prohibit participation by Senator BRADLEY in this program.

The select committee received notification under rule 35 for Mark Ashby, a member of the staff of Senator BREAUX, to participate in a program in India, sponsored by the Rajiv Gandhi Foundation, from February 12–19, 1994.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Ashby in this program.

The select committee received notification under rule 35 for Dr. Weiss, a member of the staff of Senator GLENN, to participate in a program in Japan, sponsored by the Japan Atomic Industrial Forum, Inc., from February 12–19, 1994.

The committee determined that no Federal statute or Senate rule would prohibit participation by Dr. Weiss in this program.

The select committee received notification under rule 35 for Senator COHEN, Senator COCHRAN, Senator BROWN, Senator GLENN, Senator MIKULSKI, Senator KEMPTHORNE, and Senator SMITH to participate in a program in the Federal Republic of Germany sponsored by the Europaische Wehrkunde Organization, from February 4–6, 1994.

The committee determined that no Federal statute or Senate rule would prohibit participation by the above named Senators in this program.●

COMMITTEE ON ENERGY AND NATURAL RESOURCES: CORRECTION OF REPORTS

● Mr. JOHNSON. Mr. President, on February 2, 1994, the Committee on Energy and Natural Resources ordered reported S. 208, the National Park Service Concessions Policy Reform Act of 1994, and H.R. 1134, the Clear Creek County, Colorado, Public Lands Transfer Act. The report accompanying S. 208 (Calendar No. 360) was filed on February 11, 1994 (S. Rept. 103–226); the report accompanying H.R. 1134 (Calendar No. 372) was filed on February 23, 1994. Both reports contain a typographical error in the tabulation of votes. Senators BINGMAN and MATHEWS are reflected in both reports as voting by proxy when in fact they voted in person in both instances.●

FACES OF THE HEALTH CARE CRISIS

● Mr. RIEGLE. Mr. President, I rise this morning in my continuing effort to put real faces on the health care crisis confronting our Nation. Today I would like to share the story of Joseph Alessandrini from Redford, MI. In a letter he wrote to me in December of this past year, Joseph related his experience of having his health insurance terminated just 3 days before his open heart surgery. As a result, Joseph is currently uninsured and facing over $30,000 in unpaid medical bills.

Joseph is a 25-year-old full-time student at Wayne State University where he is working toward a degree in physical therapy. His wife, Elisa, is 24 years old and works as a business manager for a local radio station. Fortunately, she has health care benefits for herself through her employer. Joseph did have excellent health benefits through his former employer, but when he left his position last August to go back to school full-time, he purchased an individual health insurance policy through a company that his insurance agent recommended. His new policy, which costs $106 per month, went into effect at the beginning of last September.

The following month, Joseph was diagnosed with a heart condition called atrial septal defect—more commonly known as a hole in the heart. Joseph's medical condition was discovered as part of a routine physical by a family physician and further confirmed by a cardiologist. Joseph was referred to a surgeon who recommended open heart surgery as soon as possible. Joseph, being in the middle of his first semester back at school, asked the surgeon if he could have the procedure done during his Christmas break. The surgeon agreed but indicated that the surgery should be performed before the end of the year. The surgery was scheduled for December 30.

After this diagnosis, Joseph's insurance company began to review his claims for a preexisting condition. During the 2 months before his surgery, Joseph and his doctors tried to convince the insurance company that his condition was not preexisting. But the insurance company claimed that the condition was related to an emergency room visit in June, when Joseph was covered under his former employer's insurance.

Joseph had gone to the emergency room late one night in June because he was having symptoms of dizziness and vomiting. The emergency room doctor said that he was reacting to something he had eaten earlier that evening and that his blood sugar had dropped. The doctor did not indicate that anything was wrong with his heart.

During the 2 months prior to his December surgery, Joseph and his doctors tried to get answers from the insurance company about the review process and his coverage. Joseph wanted to make sure that when he went into the operating room he would have the coverage he had purchased. A week and a half before his surgery, the insurance company sent Joseph a letter stating that they were sending his case to underwriting to review it for a possible misstatement on his application.

On December 27, 3 days before his surgery, Joseph received a call from the insurance company to notify him that they were voiding his insurance contract because he did not fill out his application adequately. They claimed that Joseph's June emergency room visit qualified as a preexisting condition and since he did not indicate any preexisting conditions on his application, they were terminating his insurance. This is all very ironic, because the supposed preexisting condition was not diagnosed until 3 months after the emergency room visit and Joseph had no idea he even had the heart condition when he filled out the application.

After having his insurance policy taken away, Joseph went into surgery with no insurance. He had to face the enormity of the hospital bills in addition to the embarrassment and discrimination of being uninsured. Just 2 hours before his surgery, Joseph was required to give the hospital a $2,000 deposit since he did not have health care coverage. Several days after Joseph returned home, he had to be readmitted to the hospital because of excess fluid developing around his heart. At first, the hospital would not admit him because he was uninsured. It took a call from the senior partner in his cardiologist's office to get Joseph readmitted to the hospital for the critically needed treatment.

In his letter to me Joseph states: "I feel that I am an honest person and I have done nothing wrong. [The insurance company] has caused my wife, my family, and myself a great deal of stress that we don't deserve." Not only has the insurance company given him a lot of stress, but they have also left him with a $30,000 hospital bill. This is a tremendous burden for a young, single-income family, and it is not fair to a hard-working young couple who are just starting their lives together.

Joseph is a responsible person, and he took every measure possible to make sure he did not go without health insurance. Joseph is finding out what many Americans are experiencing—that the apparent security of health insurance under the current system is not real insurance, nor is it secure.

Since Joseph's surgery, I have received another letter, this one from his mother-in-law. She writes that Joseph has experienced complications from the open heart surgery, but because he has no insurance he is being treated at home for a condition that would normally require hospitalization.

Mr. President, we must enact comprehensive health care reform to keep insurance companies from taking advantage of honest people like Joseph Alessandrini. I will continue to work with my colleagues in the Senate and with the White House to make sure that health care reform is a reality this year.●

ORDERS FOR TOMORROW

Mr. LEVIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Thursday, March 3; that following the prayer, the Journal of proceedings be approved to date and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business, with Senators permitted to speak therein for up to 10 minutes each; with 10 minutes under Senator WALLOP's control and 10 minutes under Senator HATCH's control; and that immediately following the Chair's announcement, Senator WOFFORD be recognized to speak for up to 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. LEVIN. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate at 6:03 p.m., recessed until Thursday, March 3, 1994, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate on March 2, 1994:

DEPARTMENT OF STATE

RALPH R. JOHNSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS COORDINATOR OF THE SUPPORT FOR EAST EUROPEAN DEMOCRACY [SEED] PROGRAM.

CHARLES H. TWINING, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO CAMBODIA.

AFRICAN DEVELOPMENT FOUNDATION

MARION M. DAWSON, OF CONNECTICUT, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 22, 1999, VICE JOHN TRAIN, TERM EXPIRED.

SMALL BUSINESS ADMINISTRATION

JERE WALTON GLOVER, OF MARYLAND, TO BE CHIEF COUNSEL FOR ADVOCACY, SMALL BUSINESS ADMINISTRATION, VICE THOMAS P. KERESTER, RESIGNED.

ADVISORY COMMISSION ON PUBLIC DIPLOMACY

MARIA ELENA TORANO, OF FLORIDA, TO BE A MEMBER OF THE U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1994, VICE RICHARD B. STONE, TERM EXPIRED.

MARIA ELENA TORANO, OF FLORIDA, TO BE A MEMBER OF THE U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1997. (REAPPOINTMENT.)

CONFIRMATIONS

Executive nominations confirmed by the Senate March 2, 1994:

NATIONAL LABOR RELATIONS BOARD

WILLIAM B. GOULD IV, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE REMAINDER OF THE TERM EXPIRING AUGUST 27, 1993.

WILLIAM B. GOULD IV OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF 5 YEARS EXPIRING AUGUST 27, 1998.

MARGARET A. BROWNING, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 16, 1997, VICE JOHN N. RAUDABAUGH.

FREDERICK L. FEINSTEIN, OF MARYLAND, TO BE GENERAL COUNSEL OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF 4 YEARS.

CHARLES I. COHEN, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL RELATIONS BOARD FOR THE TERM OF 5 YEARS EXPIRING AUGUST 27, 1996.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Wednesday, March 2, 1994*

The House met at 2 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray in the words of Charles Wesley, whose birthday is celebrated today:

Forth in thy name, O Lord, I go,
My daily labor to pursue;
Thee, only thee, resolved to know
In all I think or speak or do.

The task thy wisdom has assigned,
Oh, let me cheerfully fulfill;
In all my words thy presence find,
And prove thy good and perfect will.
Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. TRAFICANT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. TRAFICANT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 262, nays 154, not voting 17, as follows:

[Roll No. 34]

YEAS—262

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Bateman
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (FL)
Brown (OH)
Bryant
Byrne
Callahan
Cantwell
Cardin
Carr
Chapman
Clayton
Clement
Clinger
Clyburn
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Everett
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Houghton
Hoyer
Hughes
Hutto
Hyde
Inglis
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kingston
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McInnis
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Myers
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Poshard
Price (NC)
Rahall
Ravenel
Reed
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Schenk
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Snowe
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velázquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—154

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Calvert
Camp
Canady
Castle
Clay
Coble
Collins (GA)
Cox
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Ewing
Fawell
Fields (TX)
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Gunderson
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Huffington
Hunter
Hutchinson
Inhofe
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Kim
King
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
McCandless
McHugh
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Murphy
Nussle
Oxley
Packard
Paxon
Petri
Porter
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Saxton
Schaefer
Schroeder
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Talent
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—17

Andrews (TX)
Brown (CA)
Buyer
Coleman
Collins (IL)
Crane
de la Garza
Fish
Hamburg
Hastings
Inslee
Kaptur
McDade
Rangel
Schiff
Washington
Whitten

□ 1427

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. MAZZOLI). Will the gentleman from Texas [Mr. HALL] kindly lead the House in the Pledge of Allegiance?

Mr. HALL of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the instructions of the Speaker, the Chair announces that ten 1-minute statements will be allowed on each side.

POLLY KLAAS CHILD RESCUE ACT

(Ms. WOOLSEY asked and was given permission to address the House for 1

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, today Congressman JAY DICKEY and I are introducing legislation that will result in rescuing abducted children and returning them safely to their families.

We are introducing the Polly Klaas Child Rescue Act of 1994 which would provide postage to mail information about children who have been kidnaped by strangers. Our bill pays for postage by cutting the congressional franking budget by 2 percent.

When 12-year-old Polly Klaas was abducted from her home in Petaluma, CA, Polly's family and community immediately wanted to mail her picture nationwide. But, they did not have the funds for postage. They were forced to waste precious time raising money to buy stamps.

We all know that there is a direct connection between distributing information about missing children and the recovery of those children, and that by getting the word out we save children's lives.

Mr. Speaker, there is a war against America's children going on. But for a few extra franking dollars, we can fight back and rescue our kids.

Mr. Speaker, I will forever be heartbroken that we are too late to rescue Polly, but by preventing similar tragedies from happening in any congressional district, Polly's death will not be in vain.

I ask my colleagues to please cosponsor the Polly Klaas Child Rescue Act today.

□ 1430

POLLY KLAAS CHILD RESCUE ACT OF 1994

(Mr. DICKEY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DICKEY. Mr. Speaker, child abductions are a tragic reality in the United States, and the abduction of Polly Klaas brought this fact to the forefront of our society.

Today the gentlewoman from California [Ms. WOOLSEY] and I are introducing the Polly Klaas Child Rescue Act of 1994. This legislation would provide free postage to help families mail out nationwide, pictures and information about an abducted child. The mailing is paid for by a 2 percent spending cut in our congressional franking account.

It is a proven fact that when abducted children have been recovered, it has usually been the result of the distribution of pictures and information about the abducted children. By providing families all of the necessary tools to help find their children, hopefully we can avoid other tragedies and further heartache.

I ask the Members to please join us in cosponsoring the Polly Klaas Child Rescue Act of 1994.

1994's ECONOMIC REALITIES

(Ms. DELAURO asked and was given permission to address the House for 1 minute and two revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, last year, when Congress enacted President Clinton's budget, America was subjected to an onslaught of gloom and doom predictions from many Republican Members of this body. One after another they stood at this podium to spout scary scenarios of economic collapse. But, 1 year later, those words have been proven to be nothing more than hollow rhetoric in the light of new economic realities.

"I will tell you, this program will not give you deficit reduction," said one Republican Congressman.

1994's reality: Last year's budget did lower the deficit. And, the $500 billion in deficit reduction was the largest deficit reduction in history.

"The simple fact is the Clinton plan will not lower interest rates," from yet another Republican.

1994's reality: We have the lowest interest rates in a quarter century.

The lowest interest rates in 25 years, 1.6 million new jobs, and the largest deficit reduction in history, that is the economic reality of 1994. As we embark on the budget debate this year, beware of the old partisan rhetoric that belies our new economic reality.

"Your economic program is a job killer," said one leading Republican.

1994's reality: The budget was a job creator—creating more than 1.6 million new jobs. More jobs were created in the last year than during the entire 4 years of the Bush Presidency.

A SELLOUT WITH A CONSCIENCE

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, last week the country learned that accused spy Aldrich H. Ames is not only a sellout, but a sellout that participates in our political process.

Apparently, he thought enough of his country to donate $5000 to the Democratic National Committee. I think it is appalling to find out that the DNC would not act quicker in light of the fact the Aldrich Ames made the contributions in 1991 and after the Democratic National Convention in 1992. Federal Election Commission records clearly identify Mr. Ames as a contributor. In fact, a spokeswoman for the DNC said "I don't know what's to be embarrassed about."

Well, I do. It's called Blood Money. And, why is it that the New Democratic Party, pledged to change the way Washington operates, has failed to rectify the situation? It is absolutely outrageous to comprehend that KGB money, supplied to Ames, was donated to fund Democratic candidates. I think the people of this country deserve an explanation.

Mr. Speaker, no one is charging that the DNC knowingly took money from a traitor. However, given the circumstances, the Democratic party should take immediate action to resolve this embarrassing donation and I have a few ideas.

For starters, try sending the money to the CIA Public Service Aid Society which provides interest free loans to families of agents killed in the line of duty.

INTRODUCTION OF THE ETHICS IN BILLING ACT

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, today I am introducing legislation, with the gentleman from North Carolina [Mr. MCMILLAN] that will provide significant health care savings for our constituents. The Ethics in Billing Act would require that bills for ancillary health services, such as laboratory tests, be sent directly to the patient or an insurer, rather than through the physician who orders the services. Medicare already has a direct billing requirement for laboratory services. This bill would extend direct billing to private payers.

The most striking example of the need for this legislation can be found in the laboratory testing industry. Under the present system, physicians can request that laboratories bill them for tests they order for their non-Medicare patients. In most States, it is a common practice for the physicians to request and receive discounts from the laboratory providing this testing. The physicians can then markup the cost of these tests when insurers and patients are billed. This gives the doctor a financial interest in the testing that is ordered. Studies have shown that these mark ups are often unjustified. One survey found an average markup of 139 percent of the price charged by the lab performing the tests. The current system creates incentives that can lead not only to unnecessary laboratory testing, but also to an intolerable level of cost shifting.

Enactment of this bill will have an immediate and positive impact on taxpayers and health care consumers. Direct billing for ancillary services such as laboratory testing will eliminate physician markup and help curb unnecessary utilization and cost shifting.

In the laboratory testing industry alone it is estimated that enactment of a national direct billing law could reduce health care expenditures by between $2.4 and $3.2 billion per year due to lower prices and reduced utilization of laboratory testing. The goal of reform must be to provide quality services as efficiently as possible. Direct billing achieves this goal by removing the financial incentive from the physician's selection of ancillary health service providers.

I urge my colleagues to join me and the gentleman from North Carolina as cosponsors of the Ethics in Billing Act. This bill will help save an enormous amount of health care dollars. It deserves our support.

THINK

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, before any of my colleagues decide to support the Clinton plan, I urge them to look into the eyes of their constituents and ask the following questions:

"Do you support the idea of the Government running your health care?

"Are you willing to wait in long lines for necessary and important surgery?

"Are you ready for the rationing of your family's health care?

"Do you believe that if your parents get too old, they should be denied health care options now currently available to them?

"Is it really time for you to pay a 7.9-percent payroll tax to pay for health care for people you don't know?

"Can we afford to add 70 billion more dollars to our deficit?"

Mr. Speaker, this is what the Clinton health plan will do to every middle-class family in America. Before supporting the Clinton plan, I urge my colleagues to think carefully about these questions.

CHANGING THE TAX CODE COULD CREATE JOBS IN OUR COUNTRY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, experts say the economy is great and getting better, but something does not add up. Hamilton Standard of Connecticut is cutting 500 jobs. Dawson Products of North Carolina is cutting 2,000 jobs. AT&T has announced they will cut 15,000 jobs over the next 2 years.

Now to complicate this, my colleagues, personal income of Americans dropped three-tenths of 1 percent last quarter, and personal spending increased one-half of 1 percent last quarter.

Congress does not need to tamper with the Constitution. Congress has got to change the tax laws that are killing small business, killing investment and killing jobs.

My colleagues, it is the Tax Code, not the Constitution. Congress should keep their hands out of the Constitution and change the Tax Code. It might create some jobs in this country.

GOVERNMENT-RUN HEALTH CARE GOOD FOR BUREAUCRATS BUT BAD FOR AMERICA'S FAMILIES

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, many want us to believe that Government-run health care is good for families.

However, the only ones who will benefit from such a system are Government bureaucrats.

Families lose because they will no longer be able to choose what doctor to see and when.

Families lose because they will not be able to use another health insurance policy or doctor if these are not one of the Government's options.

Families lose because the Government will limit the kinds of treatment and medicine they can seek.

The problems with America's health care system shouldn't be fixed by putting Government bureaucrats between families and their doctors.

Government-run health care may be good for bureaucrats, but it's bad for America's families.

□ 1440

TRUTH-IN-SENTENCING LEGISLATION

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, America needs truth in sentencing. In the avalanche of legislation that has been introduced this year to address the issue of crime in America, one bill which my colleague, the gentleman from Alaska [Mr. YOUNG], and I have introduced will, I think, make a real difference very quickly.

This bill would give States incentives to adopt truth-in-sentencing laws that would require violent and repeat offenders to serve 85 percent of their sentence before they are eligible for early release or parole. The incentives would come in the form of grants to the States to build the prison space that would be needed to house these violent felons.

Statistics tell us that 6 percent of the repeat and violent offenders commit 70 percent of the violent crime in America. This legislation targets that 6 percent of the violent criminals in this country and gives them not 3 strikes, not 2 strikes, but when they are convicted of that violent crime, it will lock them up and keep them there. It is commensense legislation that I hope my colleagues will examine, and I urge the Members to cosponsor H.R. 3584.

Mr. Speaker, before this job I was a district attorney, and I can tell the Members that nothing will work better and more quickly to stop violent crime in America than truth in sentencing.

THE NO-CHOICE CLINTON HEALTH PLAN

(Mr. KINGSTON asked and was given permission to address the House for 1 minute.)

Mr. KINGSTON. Mr. Speaker, according to a new poll, 8 in 10 Americans fear the quality of their health care will decline under the Clinton health care plan. That is 80 percent, and the American people are right. The Clinton plan, with its farfetched global budget ratcheted in and its disincentive for medical research, will irreparably harm the American health care system.

In fact, some have called it the no-choice plan—no choice in physicians, no choice in hospitals, no choice in providers, and no choice who is going to go to medical school on scholarships, all kinds of no choices for American consumers and all kinds of power for the bureaucracy.

Futhermore, the employer mandates will mean one thing—loss of jobs.

Mr. Speaker, the American people are right about the Clinton plan. The more they understand it, the more they do not like it. Let us go with the Michel alternative which reforms only those parts of our health care system that are broken and does not sacrifice American jobs.

SUPPORT URGED FOR COMMITTEE APPROACH TO ILLEGAL ALIENS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, later today, or possibly tomorrow, we will take up a package of two amendments offered by the gentleman from California [Mr. ROHRABACHER] dealing with illegal aliens and with using the school systems to identify them in order to deny funding for the education of these children.

I realize the frustration many of us feel as we see a situation in which we do not have control of our borders. There are many people who are in our country illegally who are consuming social welfare programs, educational programs, and health care programs, all to the diminution of the available funds for our own citizens and residents.

I hope, however, that our colleague will not accept those amendments and will join with me and other members of my Subcommittee on International Law and Immigration in trying to fashion a bill that will keep people out of this country who are seeking to enter illegally and to reform, as I hope we will, the asylum laws to make sure people do not play games or abuse the system, to improve the Border Patrol so people are apprehended as they enter the country, and to have employer sanctions strengthened with more teeth so that the job lure is turned off which lures people, in some cases, across the border into the United States.

Again I realize the frustration and torment that many of my colleagues are feeling, but I hope they can hold off on that and not accept the gentleman's amendments and try to support us in our efforts to make the system better by keeping the people without documents out of the country in the first place.

CURRENT WELFARE POLICIES SAID TO ENCOURAGE POVERTY

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute.)

Mrs. MEYERS of Kansas. Mr. Speaker, yesterday in a "Dear Colleague" I shared this poverty statistic with my colleagues:

> A recent study compared two groups of Americans: those who finished high school, got married and reached age 20 before having their first child, and those who didn't. Of the children of those in the first group, only 8% were living in poverty in 1992. In the second, the poverty rate was 79%.

I read this alarming information in a William Raspberry column last week. Please watch for my "Dear Colleague" and read the Raspberry article. We know that the teenage out-of-wedlock birth rates are growing at an disastrous rate. In fact, many believe our current welfare policies, which were put in place to fight poverty, actually encourage poverty. Let us put the brakes on out-of-wedlock births. Cosponsor H.R. 1293. Fight poverty proactively.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3421

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Pennsylvania [Mr. GREENWOOD], who was inadvertently added as a cosponsor of the bill, H.R. 3421, which I introduced, be removed.

The SPEAKER pro tempore (Mr. MFUME). Is there objection to the request of the gentleman from Texas?

There was no objection.

TOUGH CHOICES

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, critics have pulled out all the rhetorical stops in their misguided attempts to defeat the balanced budget amendment.

Perhaps none of the critics' claims is more wrong than that this amendment would be a substitute for tough choices and accountability.

This amendment will only be a substitute for tough choices if it doesn't pass. If it does pass, then the tough choices will have to be made, and no one will be held more accountable than those who voted for it.

What solutions are amendment critics proposing?

They say to do nothing and count on the economy to fix the deficit.

The question then becomes: What will improve our economy faster? A government that spends more than it takes in or a private sector that gets to spend more of what it takes in?

I believe that the latter will, and I believe the Members who support this amendment and the American people who pay the bills agree with me.

MANAGED COMPETITION—MORE MANAGEMENT, LESS COMPETITION

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, today my colleagues will be getting a letter from me explaining the downfalls of managed competition as offered by our colleague from Tennessee. As we all know, this concept of reforming our health care system has received much attention and support of late not because of its merits, but because of its compromised nature.

Mr. Speaker, the Cooper plan contains elements of the President's plan which will harm the way Americans receive health care. Just ask the Tennessee Valley Authority and the residents in Tennessee. Proponents of managed competition often cite the TennCare plan in Tennessee as an example of where managed competition will lead us. To those of us who question the soundness of managed competition, it is not surprising that Tennesseans are worried about the effects of TennCare. The Cooper plan contains: excessive governmental regulation; community rating; a National Health Board that will decide what benefits all Americans must receive; and higher taxes on employers who wish to provide health benefits which may be more generous than what the National Health Board deems to be necessary. And, oh yes, Mr. Speaker, the Cooper plan will mean less choices, not more choices for our citizens.

Mr. Speaker, this bill is more management and less competition. Mr. Speaker, this proposal will not bring good things to life. Just ask General Electric's CEO, Jack Welch. I quote:

> If you believe Government operated purchasing alliances in 50 States can weed out billions in waste, go visit your local motor vehicle department.

Is there an alternative to more Government bureaucracy and regulation? Yes—the Chattanooga Free Press in Tennessee is but 1 of over 150 editorial boards from across the country that have endorsed H.R. 3698, the Consumer Choice Health Security Act of 1993. I urge all of my colleagues to review and support this free market alternative.

□ 1450

THE SPIRIT OF 76

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, opponents argue that a balanced budget amendment is a cheap fix which will wreak havoc with our budget and our Constitution.

I cannot help but wonder what kind of havoc an impending $6 trillion national debt will have on our budget and our Constitution. It is certainly a fair debate whether Congress requires the discipline of a constitutional amendment to force a balanced budget, and we will be having that debate in this very body in just a few weeks. But there is no debate that Congress has the responsibility today for curtailing unnecessary spending to help restore fiscal order.

Mr. Speaker, I have presented to the Budget Committee and will soon introduce legislation which presents a package of 76 spending cut suggestions for a savings of $285 billion over 5 years that can and should be debated on this floor. Some of these cuts are more controversial than others, but the point is that I—and many of my colleagues—are willing to get down to the specifics of budget cutting. And we are ready to start today, and America is asking us to.

REOGNIZING EFFORTS OF CARRIE LOCICERO AND THE SISTERS OF GETTYSBURG ALPHA DELTA PI

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I rise today to call the attention of my colleagues to a very special project underway on the campus of Gettysburg College.

Across the college last week, the sisters of Alpha Delta Pi devoted themselves to educating Gettysburg students as to the tragedy and personal impact of gun violence, and encouraging them to send their message to end this violence to Congress.

I take a personal interest in this, Mr. Speaker, as the Alpha Delta Pi sorority has dedicated its efforts to the loss of the Locicero family, of Hawthorne, NJ. Jack and Arlene Locicero lost their daughter, Amy Locicero Federici, in the Long Island Rail Road massacre.

Amy's sister Carrie Locicero, a 21-year-old student at Gettysburg and sister of Alpha Delta Pi, has been an energetic and enthusiastic supporter and advocate of this program.

The response on Gettysburg's campus last week was overwhelming, as hundreds of students and faculty members sent their message to Washington. The sisters of Alpha Delta Pi now plan to bring their project to the national chapter, with the hope of involving all national chapters of the sorority.

My colleagues, the need to take action on firearm violence has never been more pressing. Jack, Arlene, and Carrie Locicero have each made it their personal commitment to ensure that Amy's death not be just another statistic.

As we saw this week, we have taken the first step by enacting the Brady bill national handgun waiting period. It is now time to take the next step and take action to ban those semiautomatic assault weapons, the weapons of war.

Our colleagues in the other body have taken action, by including the Feinstein amendment in its crime bill. This amendment is a commonsense measure that prohibits the manufacture, sale, and future ownership of specifically-named weapons of war—those guns which have no legitimate sporting purposes.

The Secretary of the Treasury today announced that three of the most egregious weapons—the Streetsweeper, the Striker, and the USAS—will now be under strict Government regulation, because they bear no sporting purpose.

I urge my colleagues to follow this lead, and enact the Feinstein amendment, and comprehensive assault weapons provisions as part of our anticrime strategy.

While our hearts go out to the Locicero family, and all those who lost friends and loved ones in the LIRR massacre, I make special note today of Carrie and her sorority sisters' efforts to focus attention on this issue.

Let us act on the lessons of this tragedy as are the Loiceros and the sisters of Gettysburg Alpha Delta Pi. Amy's death must not be another statistic. It must lead us to attack this epidemic of violence sweeping our country.

It is said that education is the first weapon in any war. As we battle to end handgun violence, the strength and voices of the Locicero's and the sisters of Gettysburg Alpha Delta Pi encourage us to continue the fight, and take action against this national epidemic.

ABUSE OF TAXPAYERS' TRUST

(Mr. MANZULLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANZULLO. Mr. Speaker, I was outraged to learn that the mayor of the District of Columbia spent $14,650 of taxpayers' dollars to pay for her own personal makeup artist. The artist is a former campaign worker of the mayor and was awarded a $5,000 noncompetitive contract to serve as a makeup artist to the mayor at the rate of $65 an hour.

This body, Mr. Speaker, provides Federal funds for nearly 19 percent of the D.C. budget. That means the Federal taxpayer paid this makeup artist $2,740 to powder Her Honor's face. It is time these abuses stop.

Mr. Speaker, I am not singling out the D.C. government for my wrath. Last year, I voted over 150 times to cut $127 billion in unnecessary Federal spending. It is time to get our priorities straight and only fund those programs necessary for the operation of the Federal Government. I am going to make it a point to periodically report on abuses of the taxpayer's trust. The Mayor has egg on her face and it will not be covered up with powders furnished by the taxpayers.

CABINET OFFICIALS LOBBYING FEDERAL EMPLOYEES

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, who exactly supports the Clinton health care plan? Why the Secretary of Education, of course—just ask his employees.

I come to the House floor today to ask for an explanation of a letter signed by Secretary Richard Riley that was issued to all employees at the Department of Education. In that letter, the Secretary took time out of his busy schedule to explain the "unfortunate confusion and misunderstanding about the President's health care proposal." The letter introduces a 23-page color brochure which provides a glowing summary of the President's plan for a Federal takeover of the United States health care system.

I certainly believe that all citizens should be alerted to the impact of the President's plan. However, I am deeply concerned about the propriety of Federal workers being lobbied at work by their boss. More importantly, I am interested in knowing just who or what public or private organization paid for these brochures and what was the purpose of their distribution?

This action is clearly an abuse of a Cabinet position. Just because the White House seems to be the only organization in America that still backs the Clinton health plan doesn't legitimize the practice of Cabinet officials lobbying Federal employees on Government time.

REFERRAL OF COMMUNICATION TO COMMITTEE ON APPROPRIATIONS AND COMMITTEE ON FOREIGN AFFAIRS

Mr. OBEY. Mr. Speaker, I ask unanimous consent that executive communication No. 2199, a communication from the Department of State transmitting a report pursuant to 22 U.S.C. 2413(a) relative to allocations of foreign assistance, be rereferred jointly to the Committees on Appropriations and Foreign Affairs.

This communication was mistakenly referred solely to Appropriations. This report, authorized under the Foreign Assistance Act, has historically been referred jointly to Foreign Affairs and Appropriations.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMITTING USE OF FUNDS FOR SEISMIC RETROFIT OF BRIDGES

Mr. RAHALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1789) to amend title 23, United States Code, to permit the use of funds under the highway bridge replacement and rehabilitation program for seismic retrofit of bridges, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. PETRI. Mr. Speaker, reserving the right to object, I do not intend to object, but I yield to the chairman of the Subcommittee on Surface Transportation, the gentleman from West Virginia [Mr. RAHALL], for an explanation of the bill.

Mr. RAHALL. Mr. Speaker, S. 1789 as passed by the Senate on February 7, provides for relatively minor adjustments to the Highway Bridge Replacement and Rehabilitation Program. This adjustment would enable a State to use its HBRRP funds for the seismic retrofit of a bridge, regardless of whether or not the bridge is structurally deficient or structurally obsolete. In effect, under this legislation, a State at its discretion may practice preventive medicine to those bridges which are located in earthquake prone areas.

Mr. Speaker, it should also be noted that this legislation does not change the program's apportionment formula. As such, the current level of HBRRP funds each State receives shall remain unchanged.

I assure the gentleman that the legislation is budget neutral and is supported by the administration.

Mr. PETRI. Mr. Speaker, further reserving the right to object, I yield to the ranking minority member, the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, there is one point that I wish to emphasize very strongly here, and it is that this legislation does not change the apportionment of funds to the States. Therefore, no State will either gain funds or lose funds as a result of this legislation.

Mr. Speaker, this simply gives those States affected, California most significantly, for example, the flexibility of spending its funds as it decides are most necessary.

Because it does not affect apportionment to other States, and because it does give increased flexibility, I strongly support this legislation.

Mr. PETRI. Mr. Speaker, further reserving the right to object, I yield to the chairman of the Committee on Public Works and Transportation, the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, I rise in strong support of S. 1789, a bill to permit the use of funds under the Highway Bridge Replacement and Rehabilitation Program for seismic retrofit of bridges.

One of the underlying principles of the Intermodal Surface Transportation Efficiency Act of 1991 [ISTEA] was to enhance flexibility so that States could better meet our Nation's varied and critical transportation needs. An example of that flexibility is a provision in the law making bridge funds under the Federal Highway Bridge Rehabilitation and Replacement Program [HBRR] eligible for seismic retrofitting activities. However, subsequent to enactment of ISTEA, the Federal Highway Administration [FHWA] interpreted the ISTEA language as prohibiting the use of bridge program funds for seismic retrofitting activities unless the particular bridge is determined to be structurally deficient.

S. 1789, as passed by the Senate, is intended to rectify this serious inequity in FHWA's interpretation by allowing a State to use funds for the seismic retrofit of a bridge without regard to whether the bridge is determined to require replacement or rehabilitation for nonseismic reasons.

Thus, S. 1789 simply gives States the flexibility to use their annual bridge apportionments for seismic retrofit of any bridge. In doing so, S. 1789 does not alter, directly or indirectly, the formula used in apportioning bridge program funds. In addition, the intent of the bill is that a bridge only in need of seismic retrofitting and not otherwise deficient is not to be considered deficient for purposes of the bridge apportionment calculation. Each year the apportionment of HBRR funds would continue to be based, as at present, on the unmet needs to replace or rehabilitate structurally deficient or functionally obsolete bridges in each State.

S. 1789 enjoys widespread support. It was passed by the Senate without objection and on a bipartisan basis; and it is supported by the administration. On this point, Mr. Speaker, I ask unanimous consent that a letter of support from the Department of Transportation be included in the RECORD following my remarks.

This bill is virtually identical to legislation I introduced a year ago and is similar to legislation I proposed in earlier years.

Mr. Speaker, the recent California earthquakes have demonstrated the vulnerability of our infrastructure to natural disasters.

In the Loma Prieta Earthquake of 1989, both the Cypress Viaduct and the San Francisco Bay Bridge suffered severe damage. In fact, two-thirds of the 63 people who died in that earthquake perished when the viaduct collapsed.

As a result of the Northridge Earthquake, 12 bridges were damaged, including the collapse of the Interstate 5 and Golden Gate Freeway Bridges, which severely disrupted the major north-south artery for the Los Angeles basin.

There are 24,000 bridges in my State of California. More than 9,770 of these were constructed before the higher earthquake building code. The State Department of Transportation has determined that about 1,500 bridges will need seismic retrofit and of these, about 300 are not otherwise structurally deficient. California needs over $1.5 billion to correct seismic deficiencies on its bridges yet while it receives about $127 million a year from the Highway Bridge Rehabilitation and Repair Program, it cannot spend any of these funds on those 300 bridges because of the current interpretation of the law. No one who has ever experienced or seen pictures of the devastation inflicted by an earthquake could understand why the Federal Government would not permit funds to be used for seismic protection of bridges.

The fact is that not only should we be doing this, but that seismic retrofit works. Again, no better example exists than the span of Interstate 10 at Venice-La Cienega in California. The east and west-bound lanes are held up by separate bridges. After the Northridge Earthquake, the span that had seismic protection was still standing. The lanes where this protection had not yet been retrofitted collapsed.

Also, one other important fact is that S. 1789 does not target just one part of the country or one State. It would establish a national policy that would be available to all States. For example, no bridge in the Eastern United States has been built with seismic safety in mind, yet can any one of us assume that an earthquake of significant magnitude will never hit that area? The fact is that 16 States, as far east as Kentucky and Tennessee, are considered to be either at a high or a very high risk of earthquake damage. The strongest U.S. earthquake in recorded history was centered in Missouri.

Mr. Speaker, by enacting S. 1789 the Congress will be affirming an important policy tenet: the value of investment and preventive maintenance. The fact is that when we fail to seismically retrofit a bridge and it subsequently collapses, we pay the far greater cost of rebuilding it. By allowing the opportunity to make relatively minor investments in bridge structures now, we will inevitably save money and, more importantly, lives, in the future. It is a small cost to pay now compared to the costs we could face in the years to come. I urge passage of this much-needed legislation.

I included for the RECORD a letter from Stephen Kaplan of the Department of Transportation.

U.S. DEPARTMENT OF TRANSPORTATION,
Washington, DC, January 26, 1994.

Hon. MAX BAUCUS,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Department of Transportation would like to submit the following comments in support of S. 1789, a bill to permit the use of funds under the Highway Bridge Replacement and Rehabilitation Program (HBRRP) for seismic retrofit of bridges.

S. 1789 would enable California, as well as other States, to use HBRRP funds on non-deficient bridges to meet critical seismic retrofit needs. S. 1789 would not alter HBRRP apportionments.

The Department supports S. 1789. We will be happy to work with the Committee on this legislation. The Office of Management and Budget has advised that, from the standpoint of the Administration's program there is no objection to the submission to Congress of the Department's views on this legislation.

Thank you for the opportunity to comment on S. 1789.

Sincerely,

STEPHEN H. KAPLAN,
General Counsel.

Mr. PETRI. Mr. Speaker, further reserving the right to object, S. 1789 is a simple bill which would allow bridge program funds to be used for the seismic retrofit of a bridge, even if the bridge is not considered deficient. It does not increase funding for the program, and the formula used in apportioning bridge funds to any State will not be altered by this bill.

The recent experience in California demonstrated that bridges where a seismic retrofit project has been completed did perform well in the earthquake, so I urge the House to pass S. 1789 today.

□ 1500

Mr. MCKEON. Mr. Speaker, will the gentleman yield?

Mr. PETRI. I am delighted to yield to my colleague, the gentleman from California [Mr. MCKEON].

Mr. MCKEON. Mr. Speaker, as the Members know, the epicenter of the recent earthquake was in my district in Northridge, CA. I have seen first hand the tremendous damage which impacted many of the freeways in the San Fernando and Santa Clarita Valleys. Repairing the freeway damage alone will probably cost over $1 billion. In order for this expenditure to be worthwhile, the State of California must have the flexibility to spend money to seismically retrofit bridges where the greatest need exists. Unless the California Department of Transportation has the ability to make retrofit decisions free from federal constraints, the taxpayers will not get their money's worth from this expense. Because flexibility for states to make these decisions was one of the foundations of the 1991 Intermodal Surface Transportation and Efficiency Act, I commend my fellow members of the Public Works and Transportation Committee for expediting consideration of S. 1789, and urge unanimous approval of this bill.

Mr. Speaker, I urge unanimous approval of this bill.

Mr. KIM. Mr. Speaker, I rise in support of S. 1789. This bill is vitally important to California. Passage would permit the expenditure of Federal-aid highway funds for the seismic retrofitting of bridges. Under current law, States cannot use Federal funds for seismic retrofitting—only for structurally deficient or functionally obsolete bridges. The recent Northridge earthquake demonstrated that bridges that have not been retrofitted will, in fact, collapse.

As an engineer, I can tell you that unretrofitted bridges are structurally deficient. Of the 10 bridges that collapsed, 9 had already been determined to be in need of seismic retrofitting.

The California Department of Transportation [CALTRANS] has developed a good seismic retrofit program that has investigated and prioritized over 24,000 bridges. But because of budgetary problems, California has been forced to spread the seismic retrofit program over a period of 3 years. While CALTRANS estimates that the program will cost over $1.5 billion, it is far less than we are going to spend to restore the damaged highways.

Governor Wilson has estimated the damage at $15 to $30 billion. The damage to the transportation system was in excess of $2 billion. But I am here to tell you that this disaster could have been much worse; 106 other bridges in the Los Angeles area are also in need of seismic retrofitting. And had we completed these retrofittings prior to the Northridge earthquake, it is very likely that we only would have lost the one bridge that was directly on top of the fault line.

S. 1789 is a prudent bill that will allow the State of California to accelerate this desperately needed program. It is a preventative measure that will ultimately save tens of thousands of lives.

Ms. FURSE. Mr. Speaker, I rise today in strong support of S. 1789. Mr. RAHALL, chairman of the Surface Transportation Subcommittee, deserves our credit for helping to move so expeditiously on this legislation. S. 1789 will allow States expanded use of Federal funds to retrofit their bridges.

This is important legislation. Retrofitting bridges is an investment which saves literally billions of dollars in the long-term. In Oregon, according to our State transportation agency, we have 2,000 bridges which need to be retrofitted to withstand a seismic disturbance. If an earthquake were to knock out one or two key bridges across the Columbia or Willamette Rivers in my district, economic trade and commerce from Canada to Mexico would be seriously affected—in many cases suspended completely. The economy of the entire west coast of the North American Continent would suffer. The legislation before us today helps us address the potential for large-scale economic upheaval by utilizing foresight and allowing States to pursue state-wide bridge retrofitting plans. It will save money and lives, and deserves our support.

Earlier this year, I had the honor of being named to the Task Force on Disasters—where I serve with Public Works Chairman MINETA—to grapple with some of these issues. I look forward to working with him on these issues on the task force, and urge my colleagues to support S. 1789 today.

Mr. PETRI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1789

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SEISMIC RETROFIT OF BRIDGES.

Section 144 of title 23, United States Code, is amended—

(1) in the third sentence of subsection (d), by inserting before the period at the end the following: ", except that a State may carry out a project for seismic retrofit of a bridge under this section without regard to whether the bridge is eligible for replacement or rehabilitation under this section"; and

(2) in subsection (e), by adding at the end the following new sentence: "The use of funds authorized under this section to carry out a project for the seismic retrofit of a bridge shall not affect the apportionment of funds under this section.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on S. 1789, the Senate bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

REQUEST FOR CONSIDERATION OF S. 636, FREEDOM OF ACCESS TO CLINIC ENTRANCES ACT OF 1993

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 636) to amend the Public Health Service Act to permit individuals to have freedom of access to certain medical clinics and facilities, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. SENSENBRENNER. Mr. Speaker, reserving the right to object, I take this time to ask the gentleman why this action is necessary, since the House debated and passed its own version of the clinic access bill last year.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, the purpose of the request really is just to permit us to go to conference on the bill. When the House originally passed the bill last session, it was our hope that we would not need a conference at all. Subsequent events have led us to the point where a conference is necessary to resolve it. There are some differences in the two bills that we can resolve in a conference without further debate.

Mr. SENSENBRENNER. Further reserving the right to object, Mr. Speaker, since the House acted last session on the clinic access bill, the Supreme Court rendered a unanimous decision that subjects people who protest in front of abortion clinics to treble damages under the law. Since both the Senate version and the House version of this bill create a new Federal cause of action civilly with treble damages, as well as subject these people to Federal criminal penalties, does not the gentleman from Texas [Mr. BROOKS] feel that the combination of these three types of penalties is a bit of an overkill?

Mr. BROOKS. If the gentleman will continue to yield, sometimes it depends on who they are killing, whether it is doctors or patients, but we can resolve the differences, I believe, between them.

Mr. SENSENBRENNER. Further reserving the right to object, Mr. Speaker, I think there are adequate State and Federal laws to take care of those who are killing doctors and patients, so the concern that many of us have expressed on this is, this has a chilling effect on first amendment rights to those who take one particular side on one particular issue.

Mr. BROOKS. Will the gentleman yield on that question?

Mr. SENSENBRENNER. I yield on that question.

Mr. BROOKS. Mr. Speaker, to my friend I would say that he recalls the difficulties. The testimony reflected in the hearings was that in some areas, where there is controversy about this issue, sometimes the officials in that area were not as industrious as they might have been in enforcing the local law which would have prevented it, but they allowed it pretty much tacitly to happen, and that is what we are trying to avoid.

Mr. SENSENBRENNER. Further reserving the right to object, Mr. Speaker, it appears that the chairman of the Committee on the Judiciary, my distinguished friend, is enunciating the Democratic crime package so far just aimed at people who protest in front of abortion clinics.

Mr. Speaker, I would be the last one to want to stand in the way at this time of advancing this Democratic crime package, so I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. SMITH of New Jersey. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

The SPEAKER pro tempore. Pursuant to House Resolution 366 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 6.

□ 1504

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee on the Whole House on the State of the Union for the further consideration of the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, with Mr. DARDEN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Thursday, February 24, 1994, the amendments en bloc offered by the gentleman from Michigan [Mr. KILDEE] had been disposed of.

The Clerk will designate title I.

The text of title I is as follows:

"TITLE I—IMPROVED EDUCATION FOR DISADVANTAGED CHILDREN

"SEC. 1001. DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

"(a) STATEMENT OF POLICY.—The Congress declares it to be the policy of the United States that a high-quality education for all persons and a fair and equal opportunity to obtain such education—

"(1) are a societal good necessary for creating a vibrant future for our complex and diverse democracy and for meeting the challenge of an internationally competitive economy;

"(2) are a private good because individual opportunity is greatly enhanced by being well educated;

"(3) are a moral imperative in our society and simple justice demands that the opportunity to acquire skills and knowledge deemed necessary for basic citizenship and economic opportunity be equally available to all; and

"(4) improve the life of every person, because the quality of individual lives ultimately depends on the quality of the lives of others.

"(b) RECOGNITION OF NEED.—The Congress recognizes that—

"(1) although the achievement gap between disadvantaged children and other children has been reduced by half over the past two decades, a sizable gap remains, and many segments of our society lack the opportunity to become well educated;

"(2) the most urgent need for educational improvement is in schools with high concentrations of children from low-income families and achieving the National Education Goals will not be possible without substantial improvement in these schools;

"(3) educational needs are particularly great for low-achieving children in the highest-poverty schools, children with limited English proficiency, children of migrant workers, Indian children, children who are neglected or delinquent, and young children and their parents who are in need of family-literacy services; and

"(4) while title I and other programs funded under this Act contribute to narrowing the achievement gap between children in high-poverty and low-poverty schools, such programs need to become even more effective in improving schools in order to enable all children to achieve high standards.

"(c) WHAT HAS BEEN LEARNED.—To enable schools to provide all children a high-quality education, this title builds upon what has been learned:

"(1) All children can master challenging content and complex problem-solving skills and research clearly shows that children, including low-achieving children, can succeed when expectations are high and they are given the opportunity to learn challenging material.

"(2) Conditions outside the classroom such as hunger, unsafe living conditions, homelessness, unemployment, violence, inadequate health care, child abuse, and drug and alcohol abuse can adversely affect children's academic achievement and must be addressed through the coordination of services, such as health and social services, in order for the Nation to meet the National Education Goals.

"(3) A better understanding of the principles of good health can help children and adolescents succeed in school, become active, productive members of society, and successfully compete in a rapidly changing global economy. Schools that provide quality physical and health education contribute to enhanced knowledge, behavior, and fitness of children and adolescents.

"(4) Use of low-level tests that are not aligned with schools' curricula fails to provide adequate information about what children know and can do and encourages curricula and instruction that focus on the low-level skills measured by such tests.

"(5) Resources are more effective when they ensure that children have full access to effective regular school programs and receive supplemental help through extended-time activities.

"(6) The disproven theory that children must first learn basic skills before engaging in more complex tasks continues to dominate strategies for classroom instruction, resulting in emphasis on repetitive drill and practice at the expense of content-rich instruction, accelerated curricula, and effective teaching to high standards.

"(7) Intensive and sustained professional development for teachers and other school staff (focused on teaching and learning and on helping children attain high standards) is too often not provided.

"(8) Insufficient attention and resources are directed toward the effective use of technology in schools and the role it can play in professional development and improved teaching and learning.

"(9) All parents can contribute to their children's success by helping at home and becoming partners with teachers so that children can achieve high standards.

"(10) Decentralized decisionmaking is a key ingredient of systemic reform. Schools need the resources, flexibility, and responsibility to design and implement effective strategies for bringing children to high levels of performance and should accept responsibility to do so.

"(11) Opportunities for students to achieve high standards can be enhanced through a variety of approaches such as public school choice and public charter schools.

"(12) Attention to academics alone cannot ensure that all children will reach high standards. The health and other needs of children that affect learning are frequently unmet, particularly in high-poverty schools, thereby necessitating coordination of services to better meet children's needs.

"(13) Resources provided under this title can be better targeted on the highest-poverty local educational agencies and schools that have children most in need.

"(d) STATEMENT OF PURPOSE.—The purpose of this title is to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the rigorous State content standards and to meet the challenging State performance standards developed for all children under the Goals 2000: Educate America Act or, in their absence, under this title. This purpose shall be accomplished by—

"(1) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards;

"(2) providing children an enriched and accelerated educational program through schoolwide programs or through additional services that increase the amount and quality of instructional time so that children served under this title receive at least the classroom instruction that other children receive;

"(3) promoting schoolwide reform and ensuring access of children (from the earliest grades) to effective instructional strategies and challenging academic content that includes intensive complex thinking and problem-solving experiences;

"(4) significantly upgrading the quality of curricula and instruction by providing staff in participating schools with substantial opportunities for intensive and sustained professional development;

"(5) coordinating services under all parts of this title with each other, with other educational services, and, to the extent feasible, with health and social service programs funded from other sources;

"(6) affording parents meaningful opportunities to participate in the education of their children at home and at school;

"(7) distributing resources, in amounts sufficient to make a difference, to schools where needs are greatest;

"(8) improving accountability, as well as teaching and learning, by using State assessment systems designed to measure how well chil-

dren are achieving high State standards of performance expected of all children; and

"(9) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance.

"SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

"Appropriations are authorized for the following programs and activities under this title:

"(1) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A of this title, other than sections 1117, and 1120(d), there are authorized to be appropriated $7,400,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(2) EVEN START.—For the purpose of carrying out part B of this title, there are authorized to be appropriated $118,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(3) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C of this title, there are authorized to be appropriated $310,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(4) PREVENTION AND INTERVENTION SERVICES FOR DELINQUENT YOUTH AND YOUTH AT RISK OF DROPPING OUT.—For the purpose of carrying out part D of this title, there are authorized to be appropriated $40,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(5) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(d) of this title, there are authorized to be appropriated $41,434,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(6) SCHOOL IMPROVEMENT.—For the purpose of carrying out the activities authorized in section 1117 of this title, there are authorized to be appropriated $30,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(7) FEDERAL ACTIVITIES.—(A) For the purpose of carrying out section 1501 of this title, there are authorized to be appropriated $9,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(B) For the purpose of carrying out sections 1502 and 1503 of this title, there are authorized to be appropriated $20,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

"Subpart 1—Basic Program Requirements

"SEC. 1111. STATE PLANS.

"(a) PLANS REQUIRED.—(1) Any State desiring to receive a grant under this part shall submit to the Secretary a plan, developed in consultation with local educational agencies, teachers, administrators, and parents, that—

"(A)(i) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that State plan; and

"(ii) is integrated with other State plans, if any, under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, to the extent that these plans have not already been incorporated in the State's plan under title III of the Goals 2000: Educate America Act; or

"(B) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan—

"(i) is integrated with other State plans under this Act and other plans, including those under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, where such plans exist; and

"(ii) satisfies the requirements of this section.

"(2) The plan may be submitted as part of a consolidated application under section 9302.

"(3) A State may satisfy all or part of the requirements of this section by referencing applicable sections of its approved State plan under title III of the Goals 2000: Educate America Act.

"(b) STANDARDS AND ASSESSMENT PROVISIONS.—(1)(A) Each State plan shall demonstrate that the State has developed or adopted high-quality standards for children served under this title that will be used by the State, its local educational agencies, and its schools to carry out this Act and that these standards be as challenging and of the same high-quality as they are for all children. These standards shall include—

"(i) challenging content standards in the core academic subjects that—

"(I) specify what children served under this title are expected to know and be able to do;

"(II) contain coherent and rigorous content; and

"(III) emphasize the teaching of advanced skills;

"(ii) challenging performance standards that—

"(I) are aligned with the State's content standards;

"(II) describe two levels of high performance, 'proficient' and 'advanced', that determine how well children served under this title are mastering the material in the content standards; and

"(III) include a third benchmark below proficient, if necessary, to provide complete information about the progress of the lower-performing children toward achieving the high 'proficient' and 'advanced' performance standards; and

"(iii) opportunity to learn standards that address—

"(I) the quality and availability of curricula, instructional materials, and technologies for all students served under this title;

"(II) the capability of teachers to provide high-quality instruction to all students served under this title;

"(III) the extent to which teachers, principals, and administrators have ready and continuing access to professional development, including the best knowledge about teaching, learning and school improvement;

"(IV) the extent to which curricula, instructional practices, and assessments for students served under this title are aligned to content standards;

"(V) the extent to which school facilities provide a safe and secure environment for learning and instruction and have the requisite libraries, laboratories, and other resources necessary to provide students served under this title an opportunity to learn;

"(VI) the extent to which schools which receive funds under this title utilize policies, curricula, and instructional practices which ensure nondiscrimination on the basis of gender;

"(VII) the capability of local educational agencies and schools to comply with the requirements in section 1112(c)(3) with respect to addressing the comprehensive needs of children and the requirements of section 1114(b) or section 1115(c), whichever is applicable; and

"(VIII) such other factors that the State deems appropriate to ensure that students served under this title receive a fair opportunity to achieve the knowledge and skills described in content and performance standards adopted by the State.

"(B) For those core academic subjects in which a State has not adopted challenging content and performance standards, the State plan shall include a schedule for their development that includes the completion of standards in mathematics and reading/language arts by the end of the interim period as described in paragraph (8).

"(2)(A) Each State plan shall demonstrate, based on assessments described under paragraph (3), what constitutes adequate yearly progress of—

"(i) any school served under this part toward enabling children to meet the State's 'proficient' and 'advanced' performance standards; and

"(ii) any local educational agency that received funds under this part toward enabling children in schools receiving assistance under this part to meet the State's 'proficient' and 'advanced' performance standards.

"(B) Adequate yearly progress shall be defined in a manner—

"(i) that is consistent with criteria of general applicability established by the Secretary and results in continuous and substantial yearly improvement for economically disadvantaged, limited-English proficient, and all students under this title in each school and local educational agency toward the goal of all children under this title meeting the State's challenging 'advanced' performance standards; and

"(ii) links progress primarily to performance on the assessments carried out under this section while permitting progress to be established in part through the use of other outcome-based measures such as reductions in drop-out rates.

"(3) Each State plan shall demonstrate that the State has developed or adopted a set of high-quality, yearly student assessments that will be used as the primary means of determining the yearly performance of each local educational agency and school receiving assistance under this part in enabling children served under this title to meet the State's performance standards and that these assessments be challenging and of the same high-quality as they are for all children. These assessments shall—

"(A) be aligned with the State's challenging content and performance standards and provide coherent information about student attainment of such standards;

"(B) be used for purposes for which they are valid and reliable, and be consistent with relevant nationally recognized professional and technical standards of assessments;

"(C) shall measure the proficiency of students in the core academic subjects in which a State has adopted challenging content and performance standards and be administered at some time during—

"(i) grades 3 through 5;

"(ii) grades 6 through 9;

"(iii) grades 10 through 12.

"(D) be comprised of multiple, up-to-date measures of student performance;

"(E)(i) include limited-English proficient students who shall be assessed, to the extent practicable in the language and form most likely to yield accurate and reliable information on what these students know and can do, to determine their mastery of skills in subjects other than English;

"(ii) include students who have been resident in a local educational agency for a full academic year but have not attended a single school for a full year, provided that the performance of students who have attended more than one school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency; and

"(iii) include students with disabilities who shall be assessed, to the extent practicable, in a manner and form most likely to yield accurate

and reliable information on what these students know and can do, including assessment accommodations and modifications necessary to make such determinations, provided that those students who are determined, through valid evaluation conducted by qualified personnel, to be so severely cognitively impaired as to permanently lack the capacity to make any educational progress, with the provision of special education and related services, in meeting the State content and performance standards may be exempted from the assessment process;

"(F) provide individual student scores; and

"(G) provide for disaggregated results within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, and by economically disadvantaged students as compared to students who are not economically disadvantaged.

"(4) Each State plan shall identify the languages other than English that are present in the participating student population and indicate the languages for which yearly student assessments are not available and are needed. The State shall make every effort to develop such assessments and shall notify the Secretary if linguistically-accessible assessment measures are needed. Upon notification, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages through the Office of Bilingual Education and Minority Language Affairs.

"(5) Each State plan shall include a description of how the State will annually evaluate and report to the public about the extent to which local educational agencies and schools within the State which receive funds under this title meet the State's opportunity-to-learn standards.

"(6) If a State has developed or adopted challenging content and performance standards and an aligned set of assessments for all students such as those developed under title III of the Goals 2000: Educate America Act, or another process, the State shall use such standards and assessments, modified, if necessary, to conform with the requirements of paragraphs (1)(A)(ii), (2), and (3).

"(7) If, after 2 years, a State does not have challenging content and performance standards that meet the requirements of paragraph (1) or after 3 years, a State does not have assessments that meet the requirements of paragraph (3), a State shall adopt a set of standards and aligned assessments such as the standards and assessments contained in other State plans that the Secretary has approved.

"(8)(A) If a State does not have assessments that meet the requirements of paragraph (3), the State may propose to use an interim set of yearly statewide assessments that will assess the performance of complex skills and challenging subject matter.

"(B) For any year during which a State is using an interim assessment system, the State shall devise a means for identifying schools and local educational agencies in need of improvement under section 1116.

"(c) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—Each State plan shall also describe—

"(1)(A) the means by which the State educational agency will work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools to carry out the State educational agency's responsibilities under this part, including assistance in providing high quality professional development under section 1119 and technical assistance under section 1117; and

"(B)(i) where educational service agencies exist, the State educational agency shall consider providing professional development and technical assistance through such agencies; and

"(ii) where educational service agencies do not exist, the State educational agency shall consider providing professional development and technical assistance through other cooperative agreements such as a consortium of local educational agencies;

"(2) the measure of poverty that local educational agencies shall use which shall include such measures as the number of children age 5 to 7 in poverty counted in the most recent census data approved by the Secretary, the number of children eligible to receive free and reduced price lunches under the National School Lunch Act, the number of children in families receiving assistance under Aid to Families With Dependent Children or the number of children eligible to receive medical assistance under the Medicaid program; or a composite of such indicators;

"(3) how the State educational agency will notify local educational agencies of the authority to operate schoolwide programs, and fulfill its local educational agency and school improvement responsibilities under section 1116, including the corrective actions it will take under section 1116(d)(6);

"(4) how the State educational agency will encourage the use of funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 1114;

"(5) how the Committee of Practitioners established under section 1601 was substantially involved in the development of the plan and will continue to be involved in monitoring its implementation by the State;

"(6) how the State educational agency will assess the needs of local educational agencies serving rural areas, and the plans the State educational agency has to meet those needs;

"(7) how the State educational agency will assess the needs of local educational agencies serving rural areas and the plans the State educational agency has to meet those needs; and

"(8) how the State educational agency will encourage the establishment and operation of cooperative education, mentoring, and apprenticeship programs, involving business and industry.

"(d) PEER REVIEW AND SECRETARIAL APPROVAL.—The Secretary—

"(1) shall establish a peer review process to assist in the review and revision of State plans;

"(2) shall, following an initial peer review, approve a State plan the Secretary determines meets the requirements of subsections (a), (b), and (c);

"(3)(A) shall, if the Secretary determines that the State plan does not meet the requirements of subsection (a), (b), or (c), immediately notify the State of such determination and the reasons for it;

"(B) shall not decline to approve a State's plan before offering the State an opportunity to revise its plan or application, provide technical assistance in order to assist the State to meet the requirements under subsections (a), (b), and (c) and a hearing; and

"(C) may withhold funds until determining that the plan meets the requirements of this section, provided, however, that the Secretary may not withhold funds on the basis of the specific content of the opportunity-to-learn standards adopted by a State under this section.

"(e) DURATION OF THE PLAN.—(1) Each State plan shall—

"(A) remain in effect for the duration of the State's participation under this part; and

"(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this part.

"(2) If the State makes significant changes in its plan, such as the adoption of new content and performance standards, new assessments, or a new definition of adequate progress, the State shall submit this information to the Secretary for approval.

"(f) Nothing in this title shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or pupil performance standards and assessments, curriculum, or program of instruction as a condition of eligibility to receive funds under this title.

"(g) Nothing in this title shall be construed to authorize an officer, or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific opportunity-to-learn standards as a condition of eligibility to receive funds under this title.

"(h) If aggregate State expenditure by the State educational agency for operation of elementary and secondary education programs is less than the State educational agency's aggregate Federal allocation for State operation of all Federal elementary and secondary education programs, then the State plan for title I must include assurances and specific provisions for State expenditures for operation of elementary and secondary education programs to equal or exceed the level of Federal expenditures for such operation by fiscal year 1999.

"SEC. 1112. LOCAL EDUCATIONAL AGENCY PLANS.

"(a) PLANS REQUIRED.—(1) A local educational agency may receive a subgrant under this part for any fiscal year only if it has on file with the State educational agency a plan, approved by the State educational agency, that—

"(A)(i) is integrated with the local educational agency's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that State plan; and

"(ii) is integrated with local plans, if any, under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, to the extent that such plans have not already been incorporated into the local educational agency's plan under title III of the Goals 2000: Educate America Act; or

"(B) if the local educational agency does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan—

"(i) is integrated with other local plans under this Act and other plans, including those under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, where such plans exist; and

"(ii) satisfies the requirements of this section.

"(2) The plan may be submitted as part of a consolidated application under section 9302.

"(3) A local educational agency may satisfy all or part of the requirements of this section by referencing applicable sections of its approved plan under title III of the Goals 2000: Educate America Act.

"(b) STANDARDS AND ASSESSMENT PROVISIONS.—Each local educational agency plan shall include—

"(1) a description of its challenging content and performance standards, if any, in the core subjects, in addition to the content and performance standards adopted by the State under section 1111, that the local educational agency expects children served under this title to meet;

"(2) a description, based on the assessments described under paragraph (3), of what constitutes adequate yearly progress if a local educational agency elects to establish such measures that are more stringent than the measures described in the State plan under section 1111;

"(3) a description of additional high-quality student assessments, if any, other than the as-

sessments described in the State plan under section 1111, that the local educational agency and schools served under this part will use to—

"(A) determine the success of children served under this title in meeting the State's performance standards;

"(B) assist in diagnosis, teaching, and learning in the classroom in ways that best enable children served under this title to meet State standards and do well in the local curriculum; and

"(C) determine what revisions are needed to projects under this part so that such children will meet the State's performance standards; and

"(4) a description of the strategies the local educational agency will use to implement opportunity-to-learn standards for all students served under this title.

"(c) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—(1) To ensure high-quality instruction to enable participating children to meet the State's challenging performance standards expected of all students, each local educational agency plan shall describe a coherent strategy for intensive and sustained professional development for teachers, administrators, and other staff, including staff of such agency, in accordance with section 1119.

"(2) Each local educational agency plan shall describe how the local educational agency will—

"(A) notify schools of the authority to operate schoolwide programs;

"(B) work in consultation with schools as the schools develop their plans pursuant to section 1114 or 1115 and assist schools as they implement such plans so that each school can make adequate yearly progress toward meeting the State's standards; and

"(C) fulfill its school improvement responsibilities under section 1116, including the corrective actions it will take under section 1116(c)(5).

"(3) To address the comprehensive needs of children served under this title, each local educational agency plan shall describe how the local educational agency will—

"(A) coordinate and integrate services provided under this part with other educational services at the local educational agency or individual school level, including—

"(i) Even Start, Head Start, and other preschool programs, including plans for the transition of participants in such programs to local elementary school programs, vocational education programs, and school-to-work transition programs; and

"(ii) services for children with limited English proficiency or with disabilities, migratory children served under part C of this title or who were formerly eligible for services under part C in the 2-year period preceding the date of the enactment of this title, delinquent youth and youth at risk of dropping out served under part D of this title, homeless children, and immigrant children in order to increase program effectiveness, eliminate duplication, and reduce fragmentation of the children's instructional program;

"(B) coordinate and collaborate with other agencies providing services to children, youth, and families, including health and social services.

"(4) The local educational agency plan also shall include a description of—

"(A) the poverty criteria that will be used to select school attendance areas under section 1113;

"(B) the multiple criteria that will be used by targeted assistance schools under section 1115 to identify children eligible for services under this part;

"(C) the nature of the programs to be conducted by its schools under sections 1114 and 1115 and services outside such schools for children in local institutions for neglected or delinquent children and eligible homeless children, in accordance in section 1115(b)(2)(D);

"(D) how the local educational agency will ensure that migratory children and formerly migratory children who are eligible to receive services under this part are selected to receive such services on the same basis as other children who are selected to receive services under this part;

"(E) how a school that plans to serve preschool children through the Head Start or Even Start programs will use its funds to expand such programs to serve preschool children from its attendance area that otherwise would not have been served or increase the level of service to children presently being served;

"(F) how the local educational agency will provide services to eligible children attending private elementary and secondary schools in accordance with section 1120, and how timely and meaningful consultation with private school officials regarding such services will occur; and

"(G) the number of schoolwide programs that will be operating in the local educational agency.

"(d) PLAN DEVELOPMENT AND DURATION.—Each local educational agency plan shall—

"(1) be developed in consultation with teachers, including vocational teachers, where appropriate, and parents of children in schools served under this part; and

"(2)(A) remain in effect for the duration of the local educational agency's participation under this part; and

"(B) periodically be reviewed and revised, as necessary, to reflect changes in the local educational agency's strategies and programs.

"(e)(1) STATE APPROVAL.—The State educational agency shall approve a local educational agency's plan only if the State educational agency determines that the plan will enable schools served under this part to substantially help children served under this title to meet the State's challenging performance standards expected of all children.

"(2) The State educational agency shall review the local educational agency's plan to determine if such agency's professional development activities are in accordance with section 1119.

"(f) PROGRAM RESPONSIBILITY.—The local educational agency plan shall reflect the shared responsibility of schools, teachers, and the local educational agency in making decisions required under sections 1114 and 1115.

"SEC. 1113. ELIGIBLE SCHOOL ATTENDANCE AREAS.

"(a) IN GENERAL.—(1)(A)(i) A local educational agency shall use funds received under this part only in school attendance areas with high concentrations of children from low-income families, hereafter in this section referred to as 'eligible school attendance areas'.

"(ii) For the purposes of this part—

"(I) 'school attendance area' means, in relation to a particular school, the geographical area in which the children who are normally served by such school reside; and

"(II) 'eligible school attendance area' means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families in the local educational agency as a whole.

"(B) If funds allocated in accordance with subsection (c) are insufficient to serve all eligible school attendance areas, a local educational agency shall—

"(i) annually rank, without regard to grade spans, its eligible school attendance areas in which the concentration of children from low-income families exceeds 75 percent from highest to lowest according to the percentage of children from low-income families; and

"(ii) serve such eligible school attendance areas in rank order.

"(C) If funds remain after serving all eligible school attendance areas under subparagraph (B), a local educational agency shall—

"(i) annually rank its remaining eligible school attendance areas from highest to lowest either by grade span or for the entire local educational agency according to the percentage of children from low-income families; and

"(ii) serve such eligible school attendance areas in rank order either within each grade-span grouping or within the local educational agency as a whole.

"(2) The local educational agency shall use as the measure of poverty, the number of children ages 5–17 in poverty counted in the most recent census data approved by the Secretary, the number of children eligible for free and reduced priced lunches under the National School Lunch Act, the number of children in families receiving assistance under Aid to Families with Dependent Children or the number of children eligible to receive medical assistance under the Medicaid program, or a composite of such indicators, with respect to all school attendance areas in the local educational agency—

"(A) to identify eligible school attendance areas;

"(B) to determine the ranking of each area; and

"(C) to determine allocations under subsection (c).

"(3) This subsection shall not apply to a local educational agency with a total enrollment of less than 1,000 children.

"(b) LOCAL EDUCATIONAL AGENCY DISCRETION.—Notwithstanding subsection (a)(1), a local educational agency may—

"(1) designate as eligible any school attendance area or school in which at least 50 percent of the children are from low-income families;

"(2) use funds received under this part in a school that is not in an eligible school attendance area, if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of such agency; and

"(3)(A) elect not to serve an eligible school attendance area or eligible school that has a higher percentage of children from low-income families if—

"(i) the school meets the comparability requirements of section 1121(c);

"(ii) the school is receiving supplemental funds from other State or local sources that are spent according to the requirements of section 1114 or 1115; and

"(iii) the funds expended from such other sources equal or exceed the amount that would be provided under this part.

"(B) Notwithstanding subparagraph (A), the number of children attending private elementary and secondary schools who are to receive services, and the assistance they are to receive under this part, shall be determined without regard to whether the public school attendance area in which such children reside is passed over under this paragraph.

"(c) ALLOCATIONS.—(1) A local educational agency shall allocate funds received under this part to eligible school attendance areas or eligible schools, identified under subsection (a) or (b), in rank order, on the basis of the total number of children from low-income families in each area or school.

"(2)(A) Except as provided in subparagraph (B), the per-pupil amount of funds allocated to each school attendance area or school under paragraph (1) shall be not less than 80 percent of the per-pupil amount of funds the local educational agency received for such year under sections 1124, 1124A, and 1125.

"(B) A local educational agency may reduce the amount of funds allocated under subparagraph (A) for a school attendance area or school by the amount of any supplemental State and local funds expended in such school attendance area or school for programs that meet the requirements of section 1114 or 1115.

"(3) A local educational agency shall reserve such funds as are necessary under this part to provide services comparable to the services provided to children in schools funded under this part to serve—

"(A) homeless children in accordance with section 1115(b)(2)(D); and

"(B) children in local institutions for delinquent children.

"SEC. 1114. SCHOOLWIDE PROGRAMS.

"(a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—(1) A local educational agency may use funds under this part, in combination with other Federal, State, and local funds, to upgrade the entire educational program in an eligible school if, for the initial year of the schoolwide program, the school meets the following criteria:

"(A) For the school year 1995–96—

"(i) the school serves an eligible school attendance area in which at least 65 percent of the children are from low-income families; or

"(ii) at least 65 percent of the children enrolled in the school are from such families.

"(B) For school year 1996–97 and thereafter, the percentage requirement of clauses (i) and (ii) of subparagraph (A) shall be 60 percent.

"(2) The provisions of paragraph (1) notwithstanding, a local educational agency may start new schoolwide programs only after the State educational agency provides written information to each local educational agency in the State that—

"(A) demonstrates that such State agency has established the statewide system of support and improvement required by section 1117; and

"(B) describes how such statewide system has the capability of providing on-site assistance if necessary to each eligible school, including a listing of school support teams and the eligible schools assigned to each such team.

"(3) A schoolwide program school shall use such funds only to supplement the amount of funds that would, in the absence of funds under this part, be made available from non-Federal sources for the school, including funds needed to provide services that are required by law for children with disabilities and children with limited English proficiency.

"(4) A school may use funds received under any noncompetitive, formula-grant program administered by the Secretary, excluding programs under the Individuals With Disabilities Education Act, and any discretionary program contained on a list (updated as necessary) issued by the Secretary to support a schoolwide program, notwithstanding any provision of the statute or regulations governing any such program.

"(b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—(1) A schoolwide program shall include the following components:

"(A) A comprehensive needs assessment of the entire school that is based on information on the performance of children in relation to the State's standards.

"(B) Schoolwide reform strategies that—

"(i) provide opportunities for all children to meet the State's 'proficient' and 'advanced' performance standards expected of all children;

"(ii) are based on research on effective means of improving the achievement of children;

"(iii) use effective instructional strategies which may include the integration of vocational and academic learning (including applied learning and team teaching strategies) that increase the amount and quality of learning time, such as providing an extended school year and before- and after-school programs and opportunities, and help provide an enriched and accelerated curriculum rather than remedial drill and practice, and that incorporate gender-equitable methods and practices;

"(iv) address the needs of all children in the school, but particularly the needs of low-achieving children, children with limited-English proficiency, children from migratory families, and children who are members of the target population of any program that is included in the schoolwide program, address how the school will determine if such needs have been met, describe the current program being offered to limited-English proficient students, and address how the school will build upon, expand, or coordinate the schoolwide program with the current program; and

"(v) are consistent with, and are designed to implement, the State and local reform plans, if any, approved under title III of the Goals 2000: Educate America Act.

"(C) Instruction by highly qualified professional staff.

"(D) Intensive and sustained professional development for teachers, principals, and other staff, including aides, in accordance with section 1119, to enable all children in the school to meet the State's performance standards.

"(E) Strategies to increase parental involvement, including family literary services.

"(F) Plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, or a State-run preschool program, to local elementary school programs.

"(G) Additionally, in schools serving children beyond grade six, in coordination with funds available from other programs and, as appropriate, drawing on private and public organizations—

"(i) counseling and mentoring services;

"(ii) college and career awareness, exploration, and preparation, such as college and career guidance, comprehensive career development, enhancement of employability and occupational skills, personal finance education, job placement services, and innovative teaching methods which may include applied learning and team teaching strategies; and

"(iii) services to prepare students for the transition from school to work, including the formation of partnerships between elementary, middle, and secondary schools and local businesses, and the integration of school-based and work-based learning.

"(2)(A) Any eligible school that desires to operate a schoolwide program shall first develop, in consultation with the local educational agency, a comprehensive plan for reforming the total instructional program in the school that—

"(i) incorporates the components described in paragraph (1);

"(ii) describes how the school will use resources under this part and from other sources to implement such components;

"(iii) includes a list of State and local educational agency programs and other Federal programs under paragraph (a)(3) that will be included in the schoolwide program; and

"(iv) describes how the school will provide individual student assessment results, including an interpretation of those results, to the parents of a child who participates in the assessment required by section 1111(b)(3).

"(B) Plans developed before a State has adopted standards and a set of assessments that meet the criteria in section 1111(b) (1) and (3) shall be based on an analysis of available data on the achievement of students in the school and a review of the school's instructional practices in the context of available research on effective instructional and school improvement practices.

"(C) The comprehensive plan shall be—

"(i) developed during a one-year period, unless—

"(I) the local educational agency, based on the recommendation of the technical assistance providers under section 1117, determines that less time is needed to develop and implement the schoolwide program; or

"(II) the school is operating a schoolwide program at the time this section takes effect, in which case it may continue to operate such program, but shall develop a new plan during the first year to reflect the provisions of this section;

"(ii) developed with the involvement of the community to be served and individuals who will carry it out, including teachers, principals, other staff, parents, and, if the plan relates to a secondary school, students from the school;

"(iii) reviewed and revised, as necessary, by the school;

"(iv) made available to parents and the public with the information contained in such plan translated, to the extent feasible, into any language that a significant percentage of the parents of participating children in the school speak as their primary language; and

"(v) developed where appropriate in coordination with programs under the School-to-Work Opportunities Act, the Carl D. Perkins Vocational and Applied Technology Education Act, and the National and Community Service Trust Fund Act.

"(c) ACCOUNTABILITY.—

"(1) As provided in subsection (c) of section 1116, each schoolwide program shall be subject to school improvement for failure to make adequate progress for two consecutive years.

"(2) A schoolwide program identified for school improvement under such subsection that has not made adequate progress by the third year following such identification shall forfeit its schoolwide status in addition to corrective actions, if any, taken by the local educational agency.

"(3) A school that has forfeited its schoolwide status may not regain such status until such school shows improvement by making adequate progress for one year.

"SEC. 1115. TARGETED ASSISTANCE SCHOOLS.

"(a) IN GENERAL.—In all schools selected to participate under section 1113 that are ineligible for a schoolwide program, or that choose not to operate a schoolwide program, a local educational agency may use funds received under this part only for programs that provide services to eligible children identified as having the greatest need for special assistance.

"(b) ELIGIBLE CHILDREN.—(1)(A) The eligible population for services under this part is—

"(i) children up to age 21 who are entitled to a free public education through grade 12; and

"(ii) children who are not yet at a grade level where the local educational agency provides a free public education, yet are of an age at which they can benefit from an organized instructional program provided in a school or other educational setting.

"(B) From the population described in subparagraph (A), eligible children are children identified by the school as failing, or most at risk of failing, to meet the State's challenging performance standards on the basis of multiple, educationally related, objective criteria established by the local educational agency and supplemented by the school, except that children from preschool through grade two shall be selected solely on the basis of such criteria as teacher judgment, interviews with parents, and developmentally appropriate measures.

"(2)(A)(i) Children receiving services to overcome a disability or limited English proficiency are eligible for services under this part on the same basis as other children selected to receive services under this part.

"(ii) Funds received under this part may not be used to provide services that are otherwise required by law to be made available to such children.

"(B) A child who, at any time in the previous two years, participated in a Head Start, Even Start, or State-run preschool program shall be automatically eligible for services under this part;

"(C)(i) A child who, at any time in the previous two years received services under the program for delinquent youth and youth at risk of dropping out under part D of this title (or its predecessor authority) may be eligible for services under this part.

"(ii) Any child in a local institution for neglected or delinquent children or attending a community day program for such children is eligible for services under this part.

"(D) A local educational agency shall use funds received under this part to serve eligible homeless children who attend a school in the local educational agency that receives funds under this title. To the extent feasible, a local educational agency shall use funds received under this part to serve eligible homeless children who attend schools in noneligible attendance areas, including providing educationally related support services to children in shelters, where appropriate.

"(c) Components of a Targeted Assistance School Program.—(1) To assist targeted assistance schools and local educational agencies to meet their responsibility to provide all students with the opportunity to meet the State's challenging performance standards, each targeted assistance program under this section shall—

"(A) use its resources under this part to help participating children meet the challenging performance standards expected for all children;

"(B) be based on research on effective means for improving achievement of children;

"(C) use effective instructional strategies that—

"(i) give primary consideration to providing extended learning time such as an extended school year and before- and after-school programs and opportunities;

"(ii) involve an accelerated, high-quality curriculum, including applied learning, rather than remedial drill and practice; and

"(iii) minimize removing children from the regular classroom for instruction provided under this part;

"(D) be coordinated with and support the regular program in providing an enriched and accelerated curriculum for eligible children;

"(E) provide instruction by highly qualified professional staff;

"(F) provide opportunities for intensive and sustained professional development in accordance with section 1119 with resources under this part and from other sources for administrators and for teachers and other school staff who work with participating children in programs under this section or in the regular education program;

"(G) provide strategies to increase parental involvement, including family literary services;

"(H) provide plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, or a State-run preschool program, to local elementary school programs; and

"(I) include, additionally, in schools serving children beyond grade six, in coordination with funds available from other programs and, as appropriate, drawing on private and public organizations—

"(i) counseling and mentoring;

"(ii) college and career awareness and preparation, such as college and career guidance, comprehensive career development, enhancement of employability skills, personal finance education, and job placement services; and

"(iii) services to prepare students for the transition from school to work, including the formation of partnerships between elementary, middle, and secondary schools and local businesses.

"(2)(A) Each school conducting a program under this section shall develop, in consultation with the local educational agency, a plan to assist participating children to meet the State's 'proficient' and 'advanced' performance standards that describes—

"(i) the selection of children to participate in accordance with subsection (b);

"(ii) the program to be conducted that incorporates the components described in paragraph (1) and how the resources provided under this part will be coordinated with other resources to enable the children served to meet the State's standards;

"(iii) how the school will review, on an ongoing basis, the progress of participating children and revise the program, if necessary, to provide additional assistance to enable such children to meet the State's challenging performance standards such as an extended school year and before- and after-school programs and opportunities, training for teachers regarding how to identify students that require additional assistance, and training for teachers regarding how to implement performance standards in the classroom; and

"(iv) if the school is eligible to operate a schoolwide program under section 1114, why it chose not to do so.

"(B) Plans developed before a State has adopted standards and a set of assessments that meet the criteria of section 1111(b) (1) and (3) shall be based on an analysis of available data on the achievement of participating children and a review of the school's instructional practices in the context of available research on effective instructional practices.

"(C) Each plan shall be—

"(i) developed with the involvement of the community to be served and the individuals who will carry it out, including teachers, administrators, other staff, parents, representatives from business and industry, and, if the plan relates to a secondary school, students from the school;

"(ii) approved by the local educational agency and made available to parents and the information contained therein translated, to the extent feasible, into any language that a significant percentage of the parents of participating children in the school speak as their primary language; and

"(iii) reviewed and revised, as necessary, by the school.

"(d) Assignment of Personnel.—To promote the integration of staff paid with funds under this part and children served under this part into the regular school program and overall school planning and improvement efforts, public school personnel who are paid with funds received under this part may—

"(1) assume limited duties that are assigned to similar personnel who are not so paid, including duties beyond classroom instruction or that do not benefit participating children so long as the amount of time spent on such duties is the same proportion of total work time as prevails with respect to similar personnel at the same school;

"(2) participate in general professional development and school planning activities; and

"(3) collaboratively teach with regular classroom teachers, so long as their efforts directly benefit participating children.

"SEC. 1116. ASSESSMENT AND SCHOOL AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.

"(a) Local Review.—Each local educational agency receiving funds under this part shall—

"(1) use the State assessments described in the State plan and any additional measures described in the local educational agency's plan to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(A)(i) or section 1112(b)(2), as appropriate, toward enabling its students to meet, the State's performance standards;

"(2) review annually the progress of each school which receives funds under this title in meeting State opportunity-to-learn standards;

"(3) publicize and disseminate to teachers, parents, students, and the community the results of the annual review under paragraphs (1) and (2) of all schools served under this part in individual school performance profiles that include disaggregated results as required by section 1111(b)(3)(G); and

"(4) provide the results of the local annual review to schools so that they can continually refine the program of instruction to help all children in such schools to meet the State's high performance standards.

"(b) Designation of Distinguished Schools.—Each State educational agency and local educational agency receiving funds under this part shall designate distinguished schools in accordance with section 1117.

"(c) School Improvement.—(1) A local educational agency shall identify for school improvement any school served under this part that—

"(A) has been in program improvement under section 1021 of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as in effect before the effective date of the Improving America's Schools Act of 1994, for at least two consecutive school years prior to such date;

"(B) has not made adequate progress as defined in the State's plan under section 1111(b)(2)(A)(i) or section 1112(b)(2), as appropriate, for two consecutive school years; or

"(C) has failed to meet the criteria established by the State through its interim procedure under section 1111(b)(5)(C) for two consecutive years.

"(2) A school shall not be identified for school improvement if virtually all its students meet the State's advanced performance standards.

"(3)(A) Each school identified under paragraph (1) shall—

"(i) in consultation with parents, the local educational agency, and, for schoolwide programs, the school support team, revise its school plan under section 1114 or 1115 in ways that have the greatest likelihood of improving the performance of participating children in meeting the State's performance standards; and

"(ii) submit the revised plan to the local educational agency for approval.

"(B) Before identifying a school for program improvement under paragraph (1), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which such identification would be based. If the school believes that its identification for school improvement would be in error, it may provide evidence to the local educational agency to support such belief.

"(C) During the first year immediately following identification under paragraph (1), the school shall implement its revised plan.

"(4) For each school identified under paragraph (1), the local educational agency shall make technical assistance available as the school determines why the school's plan failed to bring about increased achievement and develop and implement its revised plan. Such technical assistance may be provided directly by the local educational agency, through mechanisms authorized under section 1117, or by an institution of higher education, a private nonprofit organization, an educational service agency, Federal technical assistance centers under part D of title II of this Act, or other entities with experience in helping schools improve achievement.

"(5)(A) After providing technical assistance pursuant to paragraph (4) and other remediation measures, the local educational agency may take corrective action at any time against a school that has been identified under paragraph (1), but, during the third year following identification under paragraph (1), shall take such action against any school that still fails to make adequate progress.

"(B) Corrective actions are those listed in the local educational agency plan adopted in compliance with State law, which may include decreasing decisionmaking authority at the school level, making alternative governance arrangements such as the creation of a charter school, reconstituting the school staff; and authorizing students to transfer, including paying transportation costs to other schools in the local educational agency.

"(6) The State educational agency shall—

"(A) make technical assistance under section 1117 available to the schools furthest from meeting the State's standards, if requested by the school or local educational agency; and

"(B) if it determines that a local educational agency failed to carry out its responsibility under paragraphs (4) and (5), take such corrective actions that it deems appropriate.

"(7) Schools that for at least two of the three years following identification under paragraph (1) make adequate progress toward meeting the State's 'proficient' and 'advanced' performance standards no longer need to be identified for school improvement.

"(d) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—(1) A State educational agency shall—

"(A) annually review the progress of each local educational agency receiving funds under this part to determine whether all students in schools receiving assistance under this part are making adequate progress as defined in section 1111(b)(2)(A)(ii) or section 1112(b)(2), as appropriate, toward meeting the State's performance standards; and

"(B) publicize and disseminate to teachers, parents, students, and the community the results of the State review, including disaggregated results, as required by section 1111(b)(3)(G).

"(2) In the case of a local educational agency that for three consecutive years has a school or schools receiving assistance under this part which have exceeded the State's definition of adequate progress as defined in section 1111(b)(2)(A)(ii) or section 1112(b)(2), as appropriate, the State may make institutional and individual rewards of the kinds described for individual schools in subsection 1117(c)(2)(B).

"(3) A State educational agency shall identify for improvement any local educational agency that—

"(A) for two consecutive years, has a school or schools receiving assistance under this part that are not making adequate progress as defined in section 1111(b)(2)(A)(ii) or section 1112(b)(2), as appropriate, toward meeting the State's performance standards; or

"(B) has failed to meet the criteria established by the State through its interim procedure under section 1111(b)(8)(A) for two consecutive years.

"(4) Each local educational agency identified under paragraph (3) shall, in consultation with schools, parents, and educational experts, revise its local educational agency plan under section 1112 in ways that have the greatest likelihood of improving the performance of its schools in meeting the State's performance standards.

"(5) For each local educational agency identified under paragraph (3), the State educational agency shall—

"(A) determine why the local educational agency's plan failed to bring about increased achievement;

"(B) provide technical assistance, if requested, as authorized under section 1117 to better enable the local educational agency to develop and implement its revised plan and work with schools needing improvement; and

"(C) make available to the local educational agencies furthest from meeting the State's standards, if requested, assistance under section 1117.

Technical assistance under subparagraph (B) may be provided by the State educational agency directly, or by an institution of higher education, a private nonprofit organization, an educational service agency or other local consortium, a technical assistance center, or other entities with experience in assisting local education agencies improve achievement.

"(6)(A) After providing technical assistance pursuant to paragraph (5) and other remediation measures, the State educational agency may take corrective action at any time against a local educational agency that has been identified under paragraph (3), but, during the fourth year following identification under paragraph (3), shall take such action against any local educational agency that still fails to make adequate progress.

"(B) Corrective actions are those listed in the State educational agency plan adopted in compliance with State law, which may include reconstitution of district personnel, appointment by the State educational agency of a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board, removal of particular schools from the jurisdiction of the local educational agency and establishment of alternative arrangements for governing and supervising such schools, the abolition or restructuring of the local educational agency, and the authorizing of students to transfer from 1 local educational agency to another.

"(7) Local educational agencies that for at least two of the three years following identification under paragraph (3) make adequate progress toward meeting the State's standards no longer need to be identified for local educational agency improvement.

"(e) STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—From the amount appropriated under section 1002(6) for any fiscal year, each State shall be eligible to receive an amount that bears the same ratio to the amount appropriated as the amount allocated to the State under sections 1124, 1124A, and 1125 bears to the total amount allocated to all States under such sections, except that each State shall receive at least $180,000, or $30,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Marianas, and Palau (until the Compact of Free Association goes into effect).

"SEC. 1117. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

"(a) SYSTEM FOR SUPPORT.—(1) Each State educational agency shall establish a statewide system of intensive and sustained support and improvement for schools receiving funds under this title, including all schoolwide programs and all schools in need of program improvement, in order to increase the opportunity for all students in such schools to meet the State's content and performance standards and opportunity-to-learn standards.

"(2) Funds appropriated pursuant to section 1002(6) shall be used to meet the requirements of this section. In addition and notwithstanding section 1002(1), a State or local educational agency may use funds made available under section 1002(1) and other available funds to meet such requirements.

"(b) REGIONAL CENTERS.—Such a statewide system shall be linked to and receive support and assistance from the regional technical assistance centers authorized under part D of title II and the regional labs authorized under section 205 of the General Education Provisions Act.

"(c) PROVISIONS.—The system shall include at a minimum the following:

"(1) SCHOOL SUPPORT TEAMS.—

"(A) Each State, in consultation with local educational agencies, shall establish a system of school support teams to provide information and assistance to each schoolwide program and to assist such program in providing an opportunity to all students to meet the State's performance standards.

"(B) Each such team shall be composed of individuals with experience in successfully improving the educational opportunities for low achieving students, especially individuals identified in paragraph (3), and individuals knowledgeable about research and practice on teaching and learning, including alternative and applied learning, especially for low achieving students.

"(C) A school support team shall work with each school as it develops its schoolwide program plan, review each plan, and make recommendations to the school and the local educational agency.

"(D) During the operation of the schoolwide programs, a school support team shall periodically review the progress of the school in enabling children in the school to meet the State's performance standards, identify problems in the design and operation of the instructional program, and make suggestions for the improvement to the school and the local educational agency.

"(2) DISTINGUISHED SCHOOLS.—

"(A) Each State shall designate as a distinguished school any school served under this part which, for 3 consecutive years, has exceeded the State's definition of adequate progress as defined in section 1111(b)(2), and, any school in which virtually all students have met the State's advanced performance standards and in which equity in participation and achievement of students by sex has been achieved or significantly improved.

"(B) Schools designated under this paragraph may serve as models and provide support to other schools, especially schoolwide programs and schools in program improvement, to assist such schools in meeting the State's performance standards.

"(C) States shall use funds available under section 1002(6) to allow schools identified under this paragraph to carry out the activities described in subparagraph (B) and may use such funds to provide awards to such schools to further their education programs under this part, provide additional incentives for continued success, and reward individuals or groups in the school for exemplary performance.

"(D) A local educational agency may also recognize the success of a distinguished school by providing additional institutional and individual rewards, such as greater decisionmaking authority at the school building level, increased access to resources or supplemental services such as summer programs that may be used to sustain or increase success, additional professional development opportunities, opportunities to participate in special projects, and individual financial bonuses.

"(3) DISTINGUISHED EDUCATORS.—

"(A) In order to provide assistance to schools and local educational agencies identified as needing improvement or schoolwide programs, each State, in consultation with local educational agencies and using funds available under section 1002(6), shall establish a corps of distinguished educators.

"(B) When possible, distinguished educators shall be chosen from schools served under this part that have been especially successful in ena-

bling children to meet or make outstanding progress toward meeting the State's performance standards, such as the schools described in paragraph (2).

"(C) Distinguished educators shall provide, as part of the statewide system, intensive and sustained assistance to the schools and local educational agencies furthest from meeting the State's standards and schoolwide programs as they develop and implement their plans, including participation in the support teams described in paragraph (1).

"(d) In order to implement this section, funds under section 1002(6) may be used by a State for release time for teachers and administrators, travel, training, and other related costs.

"(e) ALTERNATIVES.—If a State has devised alternative or additional approaches to providing the assistance described in paragraphs (1) and (3) of subsection (c), such as providing assistance through institutions of higher education and educational service agencies or other local consortia, the State may seek approval from the Secretary to use funds authorized in section 1002(6) for such approaches as part of the State plan.

"SEC. 1118. PARENTAL INVOLVEMENT.

"(a) IN GENERAL.—A local educational agency may receive funds under this part only if it implements programs, activities, and procedures for the involvement of parents in programs assisted under this title. Such activities shall be planned and implemented with meaningful consultation with parents of participating children.

"(b) LOCAL EDUCATIONAL AGENCY POLICY.—(1) Each local educational agency that receives funds under this part shall develop jointly with, and make available to, parents of participating children a written parental involvement policy that is incorporated into the local educational agency's plan developed under section 1112, establishes the expectations for parental involvement, and describes how the local educational agency will—

"(A) involve parents in the development of the plan described under section 1112, and the process of school review and improvement described under section 1116;

"(B) provide the coordination, technical assistance, and other support necessary to assist participating schools in planning and implementing effective parent involvement;

"(C) build the schools' and parents' capacity for strong parent involvement as described in subsection (f);

"(D) coordinate and integrate parental involvement strategies in this part with parental involvement strategies under other programs, including Head Start, Even Start, and State-run preschool programs;

"(E) conduct, with the involvement of parents, an annual evaluation of the content and effectiveness of the parental involvement policy developed under this section in increasing the participation of parents to identify barriers to greater participation by parents in activities authorized by this section, giving particular attention to parents who are economically disadvantaged, are disabled, have limited-English proficiency, have limited literacy, or are of any racial or ethnic minority background and use the findings of such reviews in designing strategies for school improvement.

"(2) If the local educational agency has an agency-wide parental involvement policy that applies to all parents, it may amend such policy, if necessary, to meet the requirements of this subsection.

"(3) Each local educational agency shall reserve not less than 1 percent of its allocation under this part for the purposes of carrying out this section, including family literacy and parenting skills.

"(c) SCHOOL PARENTAL INVOLVEMENT PLAN.—(1) Each school served under this part shall jointly develop with, and make available to, parents of participating children a written parental involvement plan that shall be incorporated into the school plan developed under section 1114 or 1115 and shall describe the means for carrying out the requirements of subsections (c) through (f).

"(2) If the school has a parental involvement policy that applies to all parents, it may amend such policy, if necessary, to meet the requirements of this subsection.

"(d) POLICY INVOLVEMENT.—Each school served under this part shall—

"(1) convene an annual meeting, at a convenient time, to which all parents of participating children shall be invited and encouraged to attend, to inform parents of the school's participation under this part and to explain this part, its requirements, and the parent's right to be involved;

"(2) involve parents, in an organized, ongoing, and timely way, in the planning, review, and improvement of programs under this part, including the development of the school plan under section 1114 or 1115 or if a school has in place a process for involving parents in the planning and design of its programs, the school may use such process, provided that the process includes an adequate representation of parents of participating children; and

"(3) provide parents of participating children—

"(A) timely information about programs under this part;

"(B) school performance profiles required under section 1116(a)(2) and individual student assessment results, including an interpretation of such results, required under section 1111(b)(3);

"(C) opportunities for regular meetings to formulate suggestions, if such parents so desire; and

"(D) timely responses to parents' recommendations.

"(e) SHARED RESPONSIBILITIES FOR HIGH STUDENT PERFORMANCE.—As a component of the school-level parental involvement plan developed under subsection (b), each school served under this part shall jointly develop with parents for all children a school-parent compact that outlines how parents, the entire school staff, and students will share the responsibility for improved student achievement and the means by which the school and parents will build and develop a partnership to help children achieve the State's high standards. Such compact shall—

"(1) describe the school's responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enable the children to meet the State's challenging performance standards, and the ways in which each parent will be responsible for supporting his or her children's learning, including monitoring attendance, homework completion, television watching, and positive use of extracurricular time; and

"(2) address the importance of communication between teachers and parents on an ongoing basis through at a minimum—

"(A) parent-teacher conferences in elementary schools, at least annually, during which the compact shall be discussed as it relates to the individual child's achievement;

"(B) frequent reports to parents on their children's progress; and

"(C) reasonable access to staff and observation of classroom activities.

"(f) BUILDING CAPACITY FOR INVOLVEMENT.—To ensure effective involvement of parents and to support a partnership among the school, parents, and the community to improve student achievement, each school and local educational agency—

"(1) shall provide assistance to participating parents in such areas as understanding the National Education Goals, the State's content and performance standards, opportunity-to-learn standards, State and local assessments, the requirements of this part, and how to monitor a child's progress and work with educators to improve the performance of their children;

"(2) shall provide materials and training, including—

"(A) coordinating necessary literacy training from other sources to help parents work with their children to improve their children's achievement; and

"(B) training to enable parents to work more effectively with teachers, schools, and school systems;

"(3) shall educate teachers, principals, and other staff in the value and utility of contributions of parents, and in how to reach out to, communicate with, and work with parents as equal partners, implement and coordinate parent programs, and build ties between home and school;

"(4) shall develop appropriate roles for community-based organizations and businesses in parent involvement activities, including providing information about opportunities for them to work with parents and schools, and encouraging the formation of partnerships between elementary, middle, and secondary schools and local businesses that include a role for parents;

"(5) shall ensure, to the extent possible, that information related to school and parent programs, meetings, and other activities is sent to the homes of participating children in the language used in such homes;

"(6) shall involve parents in the development of training for teachers, principals, and other educators for the purpose of improving the effectiveness of such training in improving instruction and services to the children of such parents;

"(7) may provide necessary literacy training from funds received under this part if the local educational agency has exhausted all other reasonably available sources of funding for such activities;

"(8) may pay reasonable and necessary expenses associated with local parental involvement activities, including transportation and child care costs to enable parents to participate in school-related meetings and training sessions;

"(9) may coordinate and integrate parent involvement programs and activities with Head Start, Even Start, and State-run preschool programs;

"(10) may train and support parents to enhance the involvement of other parents;

"(11) may arrange meetings at a variety of times, such as in the mornings and evenings in order to maximize opportunities of parents to participate in school related activities;

"(12) may arrange for teachers or other educators, who work directly with participating children, to conduct in-home conferences with parents who are unable to attend such conferences at school; and

"(13) may adopt and implement model approaches to improving parental involvement such as Even Start.

"(g) ACCESSIBILITY.—In carrying out the parental involvement requirements of this part, local educational agencies and schools shall, to the extent practicable, ensure that parents of limited-English proficient children or disabled children are afforded the same access to parental involvement opportunities as their children are afforded to other programs funded under this part, including the provision of information in a language and form that the parents of such children can understand.

"SEC. 1119. PROFESSIONAL DEVELOPMENT.

"(a) PROGRAM REQUIREMENTS.—(1) Local educational agencies receiving assistance under this

part shall provide high-quality, sustained professional development that will improve the teaching of the core academic subjects, consistent with the State content standards, in order to enable all children to meet the State's performance standards.

"(2) Professional development activities shall be designed by teachers and other school staff in schools receiving assistance under this part.

"(b) PROFESSIONAL DEVELOPMENT ACTIVITIES.—

"(1) Professional development activities shall—

"(A) support instructional practices that are geared to challenging State content standards and create a school environment conducive to high achievement in the core academic subjects;

"(B) support local educational agency plans under section 1112 and school plans under sections 1114 and 1115;

"(C) draw on resources available under this part, title III of the Goals 2000: Educate American Act, part A of title II of this Act, and from other sources;

"(D) where appropriate, include strategies for developing curricula and teaching methods that integrate academic and vocational instruction (including applied learning and team teaching strategies); and

"(E) include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices.

"(2) Professional development activities may include—

"(A) instruction in the use of assessments;

"(B) instruction in ways that teachers, principals, and school administrators may work more effectively with parents;

"(C) the forming of partnerships with institutions of higher education to establish school-based teacher training programs that provide prospective teachers and novice teachers with an opportunity to work under the guidance of experienced teachers and college faculty;

"(D) instruction in the use of technology;

"(E) the creation of career ladder programs for paraprofessionals (assisting teachers under this part) to obtain the education necessary for them to become licensed and certified teachers;

"(F) instruction in ways to teach special needs children;

"(G) instruction in gender-equitable education methods, techniques, and practices;

"(H) joint professional development activities involving programs under this part, Head Start, Even Start, or State-run preschool program personnel; and

"(I) instruction in experiential-based teaching methods such as service learning.

"(c) PROGRAM REQUIREMENTS.—Programs should be designed so that—

"(1) all school staff in schoolwide program schools can participate in professional development activities;

"(2) all school staff in targeted assistance schools may participate in professional development activities if such participation will result in better addressing the needs of students served under this part.

"(d) PARENTAL PARTICIPATION.—Parents may participate in professional development activities under this part if the school determines that parental participation would be appropriate.

"(e) CONSORTIA.—In carrying out such professional development programs, local educational agencies may provide such services through consortia arrangements with other local educational agencies, educational service agencies or other local consortia, institutions of higher education or other public or private institutions or organizations.

"(f) EFFECTIVE TEACHING STRATEGIES.—Knowledge of effective teaching strategies that is gained through professional development activities under this section may be shared with teachers who are not participating in schoolwide or targeted assistance programs under this part.

"(g) COMBINATIONS OF FUNDS.—Funds provided under this part that are used for professional development purposes may be combined with funds provided under part A of title II of this Act, title III of the Goals 2000: Educate America Act, and other sources.

"(h)(1) The State educational agency shall review the local educational agency's plan to determine if such agency's professional development activities—

"(A) are tied to challenging State student content and performance standards and opportunity-to-learn standards;

"(B) reflect recent research on teaching and learning;

"(C) are of sufficient intensity and duration to have a positive impact on the teacher's performance in the classroom;

"(D) are part of the everyday activities of the school and create an orientation toward continuous improvement in the classroom or throughout the school;

"(E) include methods to teach children with special needs;

"(F) are developed with the extensive participation of teachers; and

"(G) include gender-equitable education methods, techniques, and practices.

"(2) If a local educational agency's plan for professional development does not meet such criteria, the State educational agency shall assist such local educational agencies in making progress toward inclusion of such elements in the local educational agency's professional development activities.

"(i) INSTRUCTIONAL AIDES.—(1) If a local educational agency uses funds received under this part to employ instructional aides, the local educational agency shall ensure that such aides—

"(A) possess the knowledge and skills sufficient to assist participating children in meeting the educational goals of this part;

"(B)(i) have a high school diploma, a General Education Development certificate, or earn either within 2 years of employment, except that

"(ii) a local educational agency may employ an instructional aide that does not meet the requirement in clause (i) if such aide possesses proficiency in a language other than English that is needed to enhance the participation of children in programs under this part; and

"(C) are under the direct supervision of a teacher who has primary responsibility for providing instructional services to eligible children.

"(2) Local educational agencies receiving funds under this part shall include instructional aides in professional development activities.

"SEC. 1120. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

"(a) GENERAL REQUIREMENT.—(1) To the extent consistent with the number of eligible children identified under section 1115(b) in a local educational agency who are enrolled in private elementary and secondary schools, a local educational agency shall, after timely and meaningful consultation with appropriate private school officials, provide such children, on an equitable basis, special educational services or other benefits under this part (such as dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment).

"(2) The educational services or other benefits, including materials and equipment, must be secular, neutral, and nonideological.

"(3) Educational services and other benefits for such private school children shall be equitable in comparison to services and other benefits for public school children participating under this part.

"(4) Expenditures for educational services and other benefits to eligible private school children shall be equal to the proportion of funds allocated to participating school attendance areas based on the number of children from low-income families who attend private schools.

"(5) The local educational agency may provide such services directly or through contracts with public and private agencies, organizations, and institutions.

"(b) PUBLIC CONTROL OF FUNDS.—(1) The control of funds provided under this part, and title to materials, equipment, and property purchased with such funds, shall be in a public agency, and a public agency shall administer such funds and property.

"(2)(A) The provision of services under this section shall be provided—

"(i) by employees of a public agency; or

"(ii) through contract by such public agency with an individual, association, agency, or organization.

"(B) In the provision of such services, such employee, person, association, agency, or organization shall be independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency.

"(c) STANDARDS FOR A BYPASS.—If a local educational agency is prohibited by law from providing for the participation on an equitable basis of eligible children enrolled in private elementary and secondary schools or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for such participation, as required by this section, the Secretary shall—

"(1) waive the requirements of this section for such local educational agency; and

"(2) arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections 9505 and 9506 of this Act.

"(d) CAPITAL EXPENSES.—(1)(A) From the amount appropriated for this subsection under section 1002(5) for any fiscal year, each State is eligible to receive an amount that bears the same ratio to the amount so appropriated as the number of private school children who received services under this part in the State in the most recent year for which data satisfactory to the Secretary are available bears to the number of such children in all States in that same year.

"(B) The Secretary shall reallocate any amounts allocated under subparagraph (A) that are not used by a State for the purpose of this subsection to other States on the basis of their respective needs, as determined by the Secretary.

"(2)(A) A local educational agency may apply to the State educational agency for payments for capital expenses consistent with this subsection.

"(B) State educational agencies shall distribute such funds to local educational agencies based on the degree of need set forth in their respective applications.

"(3) Any funds appropriated to carry out this subsection shall be used only for capital expenses incurred to provide equitable services for private school children under this section.

"(4) For the purpose of this subsection, the term 'capital expenses' is limited to—

"(A) expenditures for noninstructional goods and services, such as the purchase, lease, or renovation of real and personal property, including, but not limited to, mobile educational units and leasing of neutral sites or spaces;

"(B) insurance and maintenance costs;

"(C) transportation; and

"(D) other comparable goods and services.

"SEC. 1121. FISCAL REQUIREMENTS.

"(a) MAINTENANCE OF EFFORT.—A local educational agency may receive funds under this

part for any fiscal year only if the State educational agency finds that the local educational agency has maintained its fiscal effort in accordance with section 9501 of this Act, including such effort for professional development activities.

''(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NON-FEDERAL FUNDS.—(1)(A) Except as provided in subparagraph (B), a State or local educational agency shall use funds received under this part only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs assisted under this part, and not to supplant such funds.

''(B) For the purpose of complying with subparagraph (A), a State or local educational agency may exclude supplemental State and local funds expended in any eligible school attendance area or school for programs that meet the requirements of section 1114 or 1115.

''(2) No local educational agency shall be required to provide services under this part through a particular instructional method or in a particular instructional setting in order to demonstrate its compliance with paragraph (1).

''(c) COMPARABILITY OF SERVICES.—(1)(A) Except as provided in paragraphs (4) and (5), a local educational agency may receive funds under this part only if State and local funds will be used in schools served under this part to provide services that, taken as a whole, are at least comparable to services in schools that are not receiving funds under this part.

''(B) If the local educational agency is serving all of its schools under this part, such agency may receive funds under this part only if it will use State and local funds to provide services that, taken as a whole, are substantially comparable in each school.

''(C) A local educational agency may meet the requirements of subparagraphs (A) and (B) on a grade-span by grade-span basis or a school-by-school basis.

''(2)(A) To meet the requirements of paragraph (1), a local educational agency shall demonstrate that—

''(i) expenditures per pupil from State and local funds in each school served under this part are equal to or greater than the average expenditures per pupil in schools not receiving services under this part; or

''(ii) instructional salaries per pupil from State and local funds in each school served under this part are equal or greater than the average instructional salaries per pupil in schools not receiving services.

''(B) A local educational agency need not include unpredictable changes in student enrollment or personnel assignments that occur after the beginning of a school year in determining comparability of services under this subsection.

''(3) Each local educational agency shall—

''(A) develop procedures for compliance with this subsection; and

''(B) maintain records that are updated biennially documenting its compliance.

''(4) This subsection shall not apply to a local educational agency that does not have more than one building for each grade span.

''(5) For the purpose of determining compliance with paragraph (1), a local educational agency may exclude State and local funds expended for—

''(A) bilingual education for children of limited English proficiency; and

''(B) excess costs of providing services to children with disabilities.

"Subpart 2—Allocations

"SEC. 1122. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

''(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

''(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

''(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (b).

''(b) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

''(1) The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

''(A) Indian children on reservations served by elementary and secondary schools for Indian children operated or supported by the Department of the Interior; and

''(B) out-of-State Indian children in elementary and secondary schools in local educational agencies under special contracts with the Department of the Interior.

''(2) From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary of Education determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The amount of such payment may not exceed, for each such child, the greater of—

''(A) 40 percent of the average per-pupil expenditure in the State in which the agency is located; or

''(B) 48 percent of such expenditure in the United States.

"SEC. 1123. ALLOCATIONS TO STATES.

''(a) GENERAL.—For each fiscal year, an amount of the appropriations for this part equal to the appropriation for fiscal year 1994 for part A of chapter 1, title I, Elementary and Secondary Education Act, shall be allocated in accordance with sections 1124 and 1124A. Any additional appropriations for this part for any fiscal year, after application of the preceding sentence, shall be allocated in accordance with section 1125.

''(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

''(1) If the sums available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d) of this section.

''(2) If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

''(c) HOLD-HARMLESS AMOUNTS.—Notwithstanding subsection (b), the total amount made available to each local educational agency under each of sections 1124 and 1125 for any fiscal year shall be at least 85 percent of the total amount such local educational agency was allocated under such sections (or, for fiscal year 1995, their predecessor authorities) for the preceding fiscal year.

''(d) DEFINITION.—For the purpose of this section and sections 1124 and 1125, the term State means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

''(a) AMOUNT OF GRANTS.—

''(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—

''(A) The grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in section 1126), be determined by multiplying the number of children counted under subsection (c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (i) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States, or (ii) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States. For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total population of fewer than 20,000 persons, the State education agency may either (I) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (II) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflect the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas.

''(B) If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. In such cases, subject to section 1126, the grant for any local educational agency in such an area of a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Secretary.

''(C) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this subpart for a fis-

cal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

"(i) the percentage determined under the preceding sentence; and

"(ii) 32 percent of the average per pupil expenditure in the United States.

"(2) DEFINITION.—For purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau.

"(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if the number of children counted under subsection (c) in the school district of such local educational agency is at least 10.

"(c) CHILDREN TO BE COUNTED.—

"(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

"(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A),

"(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and

"(C) the number of children aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children (other than such institutions operated by the United States) or attending community day programs for such children, but not counted pursuant to subpart 3 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

"(2) DETERMINATION OF NUMBER OF CHILDREN.—

"(A) For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (as produced and published under section 181a of title 13, United States Code). If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if it were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which shall distribute to schools in each county within it a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant. If the Department of Commerce has updated data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use the updated data. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

"(B) For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

"(C) When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

"(d) STATE MINIMUM.—

"(1) The aggregate amount allotted for all local educational agencies within a State may not be less than one-quarter of 1 percent of the total amount available for such fiscal year under this section.

"(2)(A) No State shall, by reason of the application of the provisions of paragraph (1) of this subsection, be allotted more than—

"(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

"(ii) the amount calculated under subparagraph (B), whichever is less.

"(B) For the purpose of subparagraph (A)(ii), the amount for each State equals—

"(i) the number of children in such State counted under subsection (c) in the fiscal year specified in subparagraph (A), multiplied by

"(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

"SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

"(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

"(1)(A) Except as otherwise provided in this paragraph, each local educational agency, in a State other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau, which is eligible for a grant under this part for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if—

"(i) the number of children counted under section 1124(c) of this part in the local educational agency for the preceding fiscal year exceeds 6,500, or

"(ii) the number of children counted under section 1124(c) exceeds 15 percent of the total number of children aged five to seventeen, inclusive, in the local educational agency in that fiscal year.

"(B) Except as provided in subparagraph (C), no State described in subparagraph (A) shall receive less than—

"(i) one-quarter of 1 percent of the sums appropriated under paragraph (6) of this section for such fiscal year; or

"(ii) $250,000, whichever is higher.

"(C) No State shall, by reason of the application of the provisions of subparagraph (B)(i) of this paragraph, be allotted more than—

"(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

"(ii) the amount calculated under subparagraph (D), whichever is less.

"(D) For the purpose of subparagraph (C), the amount for each State equals—

"(i) the number of children in such State counted for purposes of this section in the fiscal year specified in subparagraph (B), multiplied by

"(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

"(2) For each local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

"(A) the greater of—

"(i) the number of children in excess of 6,500 counted under section 1124(c) for the preceding fiscal year, in a local educational agency which qualifies on the basis of subparagraph (A)(i) of paragraph (1); or

"(ii) the number of children counted under section 1124(c) for the preceding fiscal year in a local educational agency which qualifies on the basis of subparagraph (A)(ii) of paragraph (1); and

"(B) the quotient resulting from the division of the amount determined for those agencies under section 1124(a)(1) for the fiscal year for which the determination is being made divided by the total number of children counted under section 1124(c) for that agency for the preceding fiscal year.

"(3) The amount of the additional grant to which an eligible local educational agency is entitled under this section for any fiscal year shall be an amount which bears the same ratio to the amount reserved under paragraph (6) for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

"(4) For the purposes of this section, the Secretary shall determine the number of children counted under section 1124(c) for any local educational agency, and the total number of children aged five to seventeen, inclusive, in local educational agencies, on the basis of the most recent satisfactory data available at the time the payment for such local educational agency is determined under section 1124.

"(5)(A) For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than

20,000 persons, the State education agency may either (i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons and meeting the eligibility criteria of paragraph (1)(A). If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas meeting the eligibility criteria of paragraph (1)(A).

"(B) If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. In such cases, subject to section 1126, the grant for any local educational agency in such an area of a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with the basic criteria prescribed by the Secretary.

"(b) RESERVATION OF FUNDS.—Of the total amount of funds available for sections 1124 and 1124A, 10 percent of the amount appropriated for that fiscal year shall be available to carry out this section.

"(c) RATABLE REDUCTION RULE.—If the sums available under subsection (b) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are entitled to receive under subsection (a) for such fiscal year, the maximum amounts which all States are entitled to receive under subsection (a) for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

"SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

"(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency under subsection 1124(c), before application of the weighting factor, is at least 10.

"(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—(1) The amount of the grant that a local educational agency in a State or that the District of Columbia is eligible to receive under this section for any fiscal year shall be the product of—

"(A) the number of children counted under subsection (c); and

"(B) the amount in the second sentence of subparagraph 1124(a)(1)(A).

"(2) For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to the number of children counted under subsection (c) for Puerto Rico, multiplied by the amount determined in subparagraph 1124(a)(1)(C).

"(c) CHILDREN TO BE COUNTED.—

"(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section shall be the number counted in subsection 1124(c) multiplied by the weighting factor for the local educational agency. The weighting factor shall be established on the basis of the percentage that the number of children counted under section 1124(c) represents of the total population aged 5–17 years in the local educational agency or the number of such children. Weighted pupil counts will be calculated based upon both percentage and number and the larger of the two counts will be used in calculating grants for each local educational agency. Weighting factors shall be assigned according to the following scale: if the percentage is greater than 0 but less than 14.265, the weighting factor shall be 1.00 for all children counted in section 1124(c); if the percentage is greater than 14.265 but less than 21.553, the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population and 1.50 for children counted under section 1124(c) in excess of 14.265 percent of the total school age population; if the percentage is greater than 21.553 percent but less than 29.223 percent, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population, 1.50 for a number of children counted under section 1124(c) equal to 7.288 percent of the total school age population, and 2.00 for children counted under section 1124(c) in excess of 21.553 percent of the total school age population; if the percentage is greater than 29.223 percent but less than 36.538 percent, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population, 1.50 for a number of children counted under section 1124(c) equal to 7.288 percent of the total school age population, 2.00 for a number of children counted under section 1124(c) equal to 7.67 percent of the total school age population, and 2.50 for children counted under section 1124(c) in excess of 29.223 percent of the total school age population; and if the percentage is greater than 36.538, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population, 1.50 for a number of children counted under section 1124(c) equal to 7.288 percent of the total school age population, 2.00 for a number of children counted under section 1124(c) equal to 7.67 percent of the total school age population, 2.50 for a number of children counted in section 1124(c) equal to 7.315 percent of the total school age population, and 3.00 for children counted in section 1124(c) in excess of 36.538 percent of the total school age population. Separately, if the number of children counted under section 1124(c) is greater than 0 but less than 575, the weighting factor shall be 1.00 for all children counted in section 1124(c); if the number is greater than 575 but less than 1,870, the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, and 1.50 for children counted under section 1124(c) in excess of 575; if the number is greater than 1,870 but less than 6,910, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, 1.50 for a number of children counted under section 1124(c) equal to 1,295, and 2.00 for children counted under section 1124(c) in excess of 1,870; if the number is greater than 6,910 but less than 42,000 then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, 1.50 for a number of children counted under section 1124(c) equal to 1,295, 2.00 for a number of children counted under section 1124(c) equal to 5,040, and 2.50 for children counted under section 1124(c) in excess of 6,910; and if the number is greater than 42,000, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, 1.50 for a number of children counted under section 1124(c) equal to 1,295, 2.00 for a number of children counted under section 1124(c) equal to 5,040, 2.50 for a number of children counted in section 1124(c) equal to 35,090 and 3.00 for children counted in section 1124(c) in excess of 42,000. For the Commonwealth of Puerto Rico, the weighting factor shall be no greater than 1.62.

"(d) LOCAL EDUCATIONAL AGENCY ALLOCATIONS.—For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State education agency may either (1) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (2) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total populations of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas.

"(e) STATE MINIMUM.—Notwithstanding any other provision of this section, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

"(1) one quarter of one percent of such amount;

"(2) 150 percent of the national average grant under this section per child described in section

1124(c), without application of a weighting factor, multiplied by the State's total number of children described in section 1124(c), without application of a weighting factor.

"SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

"(a) Allocations for Neglected or Delinquent Children.—(1) If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected or delinquent children as described in subparagraph 1124(c)(1)(C), the State educational agency shall, if it assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

"(2) If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

"(b) Allocations Among Local Educational Agencies.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 between and among the affected local educational agencies when—

"(1) two or more local educational agencies serve, in whole or in part, the same geographical area; or

"(2) a local educational agency provides free public education for children who reside in the school district of another local educational agency.

"(c) Reallocation.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

"SEC. 1127. CARRYOVER AND WAIVER.

"(a) Limitation on Carryover.—Notwithstanding section 412 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

"(b) Waiver.—A State educational agency may, once every three years, waive the percentage limitation in subsection (a) if—

"(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

"(2) supplemental appropriations for this subpart become available.

"(c) Exclusion.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than $50,000 under this subpart for any fiscal year.

"PART B—EVEN START FAMILY LITERACY PROGRAMS

"SEC. 1201. STATEMENT OF PURPOSE.

"It is the purpose of this part to help break the cycle of poverty and illiteracy by improving the educational opportunities of the Nation's low-income families by integrating early childhood education, adult literacy or adult basic education, and parenting education into a unified family literacy program, to be referred to as 'Even Start', that is implemented through cooperative projects that build on existing community resources to create a new range of services, that promotes achievement of the National Education Goals, and that assists children and adults from low-income families to achieve challenging State standards.

"SEC. 1202. PROGRAM AUTHORIZED.

"(a) Reservation for Migrant Programs, Outlying Areas, Indian Tribes, and Other Purposes.—(1) In each fiscal year, the Secretary shall reserve not less than 5 percent of the amount appropriated under section 1002(b) of this title for programs, under such terms and conditions as the Secretary shall establish, that are consistent with the purpose of this part, and according to their relative needs, for—

"(A) children of migratory workers;

"(B) the outlying areas;

"(C) Indian tribes and tribal organizations; and

"(2) If the amount of funds made available under subsection (a) exceeds $4,600,000, the Secretary shall make a grant of sufficient size and for a period of sufficient duration to demonstrate the effectiveness of a family literacy program in a prison that houses women and their preschool age children and that has the capability of developing a program of high quality.

"(b) Reservation for Federal Activities.—From amounts appropriated under section 1002(b), the Secretary may reserve not more than three percent of such amounts or the amount reserved for such purposes in the fiscal year 1994, whichever is greater, for purposes of—

"(1) carrying out the evaluation required by section 1209; and

"(2) providing, through grants or contracts, technical assistance, program improvement, and replication activities through eligible organizations.

"(c) State Allocation.—(1) After reserving funds under subsections (a) and (b), the Secretary shall allocate the remaining funds appropriated for this part to States, to be used in accordance with section 1203.

"(2) Except as provided in paragraph (3), from the total amount available for allocation to States in any fiscal year, each State shall be eligible to receive a grant under paragraph (1) in an amount that bears the same ratio to such total amount as the amount allocated to such State under section 1122 of this title bears to the total amount allocated under that section to all the States.

"(3) No State shall receive less than $250,000 under paragraph (1) for any fiscal year.

"(d) Definitions.—For the purpose of this part—

"(1) the term 'eligible entity' means a partnership composed of both—

"(A) a local educational agency; and

"(B) a nonprofit community-based organization, public agency, institution of higher education, or other public or private nonprofit organization of demonstrated quality;

"(2) the terms 'Indian tribe' and 'tribal organization' have the meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act;

"(3) the term 'State' includes each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico; and

"(4) the term 'eligible organization' means any public or private nonprofit organization with a record of providing effective services to family literacy providers, such as the National Center for Family Literacy, Parents as Teachers, Inc., and the Home Instruction Program for Preschool Youngsters.

"SEC. 1203. STATE PROGRAMS.

"(a) State-Level Activities.—Each State that receives a grant under section 1202(c)(1) may use not more than 5 percent for—

"(1) administrative costs; and

"(2) the provision, through one or more subgrants or contracts, of access to technical assistance for program improvement and replication to eligible entities that receive subgrants under subsection (b).

"(b) Subgrants for Local Programs.—(1) Each State shall use the remainder of its grant to make subgrants to eligible entities to carry out Even Start programs.

"(2) No State shall award a subgrant under paragraph (1) for an amount less than $75,000.

"SEC. 1204. USES OF FUNDS.

"(a) In General.—In carrying out an Even Start program under this part, a recipient of funds under this part shall use such funds to pay the Federal share of the cost of providing family-centered education programs that involve parents and children, from birth through age 7, in a cooperative effort to help parents become full partners in the education of their children and to assist children in reaching their full potential as learners.

"(b) Federal Share Limitation.—(1)(A) Except as provided in paragraph (2), the Federal share under this part may not exceed—

"(i) 90 percent of the total cost of the program in the first year that that program receives assistance under this part or its predecessor authority;

"(ii) 80 percent in the second such year;

"(iii) 70 percent in the third such year;

"(iv) 60 percent in the fourth such year; and

"(v) 50 percent in any subsequent such year.

"(B) The remaining cost of a program under this part may be provided in cash or in kind, fairly evaluated, and may be obtained from any source other than funds received under this title.

"(2) The State educational agency may waive, in whole or in part, the cost-sharing requirement of paragraph (1) if an eligible entity—

"(A) demonstrates that it otherwise would not be able to participate in the program under this part; and

"(B) negotiates an agreement with the State educational agency with respect to the amount of the remaining cost to which the waiver would be applicable.

"(3) Federal funds under this part may not be used for the indirect costs of an Even Start program, except that the Secretary may waive this limitation if a recipient of funds reserved under section 1202(a)(3) demonstrates to the Secretary's satisfaction that it otherwise would not be able to participate in the program under this part.

"SEC. 1205 PROGRAM ELEMENTS.

"Each Even Start program assisted under this part shall—

"(1) include the identification and recruitment of families most in need of services provided under this part, as indicated by a low level of income, a low level of adult literacy or English language proficiency of the eligible parent or parents, and other need-related indicators;

"(2) include screening and preparation of parents and children to enable them to participate fully in the activities and services provided under this part, including testing, referral to necessary counselling, other developmental and support services, and related services;

"(3) be designed to accommodate the participants' work schedule and other responsibilities, including the provision of support services, when unavailable from other sources, necessary for participation, such as—

"(A) scheduling and locating of services to allow joint participation by parents and children;

"(B) child care for the period that parents are involved in the program provided under this part; and

"(C) transportation for the purpose of enabling parents and their children to participate in programs authorized by this part;

"(4) include high-quality instructional programs that promote adult literacy, empower par-

ents to support the educational growth of their children, developmentally appropriate early childhood educational services, and preparation of children for success in regular school programs;

"(5) include special training of staff, including child care staff, to develop the skills necessary to work with parents and young children in the full range of instructional services offered through this part;

"(6) provide and monitor integrated instructional services to participating parents and children through home-based programs;

"(7) operate on a year-round basis, including the provision of some program services, either instructional or enrichment, or both, during the summer months;

"(8) be coordinated with—

"(A) programs assisted under other parts of this title and this Act;

"(B) any relevant programs under the Adult Education Act, the Individuals With Disabilities Education Act, and the Job Training Partnership Act; and

"(C) the Head Start program, volunteer literacy programs, and other relevant programs; and

"(9) provide for an independent evaluation of the program.

"SEC. 1206. ELIGIBLE PARTICIPANTS.

"(a) In General.—Except as provided in subsection (b), eligible participants in an Even Start program are—

"(1) a parent or parents—

"(A) who are eligible for participation in an adult basic education program under the Adult Education Act; or

"(B) who are within the State's compulsory school attendance age range, so long as a local educational agency provides (or ensures the availability of) the basic education component required under this part; and

"(2) the child or children, from birth through age seven, of any parent described in paragraph (1).

"(b) Eligibility for Certain Other Participants.—(1) Family members other than those described in subsection (a) may participate in program activities and services, when deemed by the program to serve the purpose of this part.

"(2) Any family participating in a program under this part that becomes ineligible for such participation as a result of one or more members of the family becoming ineligible for such participation may continue to participate in the program until all members of the family become ineligible for participation, which—

"(A) in the case of a family in which ineligibility was due to the child or children of such family attaining the age of eight, shall be in two years or when the parent or parents become ineligible due to educational advancement, whichever occurs first; and

"(B) in the case of a family in which ineligibility was due to the educational advancement of the parent or parents of such family, shall be when all children in the family attain the age of eight.

"SEC. 1207. APPLICATIONS.

"(a) Submission.—To be eligible to receive a subgrant under this part, an eligible entity shall submit an application to the State educational agency in such form and containing or accompanied by such information as the State educational agency shall require.

"(b) Required Documentation.—Each application shall include documentation, satisfactory to the State educational agency, that the eligible entity has the qualified personnel needed—

"(1) to develop, administer, and implement an Even Start program under this part; and

"(2) to provide access to the special training necessary to prepare staff for the program, which may be offered by an eligible organization.

"(c) Plan.—Such application shall also include a plan of operation for the program which shall include—

"(1) a description of the program goals;

"(2) a description of the activities and services that will be provided under the program, including a description of how the program will incorporate the program elements required by section 1205;

"(3) a description of the population to be served and an estimate of the number of participants;

"(4) as appropriate, a description of the applicant's collaborative efforts with institutions of higher education, community-based organizations, the State educational agency, private elementary schools, or other eligible organizations in carrying out the program for which assistance is sought;

"(5) a statement of the methods that will be used—

"(A) to ensure that the programs will serve families most in need of the activities and services provided by this part;

"(B) to provide services under this part to individuals with special needs, such as individuals with limited English proficiency and individuals with disabilities; and

"(C) to encourage participants to remain in the program for a time sufficient to meet the program's purpose; and

"(6) a description of how the plan—

"(A)(i) is consistent with and promotes the goals of the State and local plans, either approved or being developed, under title III of the Goals 2000: Educate America Act; and

"(ii) is consistent with the State and local plans under sections 1111 and 1112; or

"(B) is consistent with the State and local plans under sections 1111 and 1112 is the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan.

"(d) The plan described in subsection (c)(6) may be submitted as part of a consolidated application under section 9302.

"SEC. 1208. AWARD OF SUBGRANTS.

"(a) Selection Process.—(1) The State educational agency shall establish a review panel that will approve applications that—

"(A) are most likely to be successful in meeting the purpose of this part, and in effectively implementing the program elements required under section 1205;

"(B) demonstrate that the area to be served by such program has a high percentage or a large number of children and families who are in need of such services as indicated by high levels of poverty, illiteracy, unemployment, or limited English proficiency;

"(C) provide services for at least a three-year age range, which may begin at birth;

"(D) demonstrate the greatest possible cooperation and coordination between a variety of relevant service providers in all phases of the program;

"(E) include cost-effective budgets, given the scope of the application;

"(F) demonstrate the applicant's ability to provide the additional funding required by section 1204(b);

"(G) are representative of urban and rural regions of the State; and

"(H) show the greatest promise for providing models that may be adopted by other local educational agencies.

"(2) The State educational agency shall give priority for subgrants under this subsection to proposals that either—

"(A) target services primarily to families described in paragraph (1)(B); or

"(B) are located in areas designated as empowerment zones or enterprise communities.

"(b) Review Panel.—A review panel shall consist of at least three members, including one early childhood professional, one adult education professional, and one or more of the following individuals:

"(1) A representative of a parent-child education organization.

"(2) A representative of a community-based literacy organization.

"(3) A member of a local board of education.

"(4) A representative of business and industry with a commitment to education.

"(5) An individual who has been involved in the implementation of programs under this title in the State.

"(c) Duration.—(1) Subgrants may be awarded for a period not to exceed four years.

"(2) The State educational agency may provide a subgrantee, at the subgrantee's request, a 3- to 6-month start-up period during the first year of the four-year period, which may include staff recruitment and training, and the coordination of services, before requiring full implementation of the program.

"(3)(A) In reviewing any application for a subgrant to continue a program for the second, third, or fourth year, the State educational agency shall review the progress being made toward meeting the objectives of the program after the conclusion of the start-up period, if any.

"(B) The State educational agency may refuse to award a subgrant if such agency finds that sufficient progress has not been made toward meeting such objectives, but only after affording the applicant notice and an opportunity for a hearing.

"(4)(A) An eligible entity that has previously received a subgrant under this part may reapply under the terms of this part for a second project period.

"(B) During the second project period, the Federal share of the subgrant shall not exceed 50 percent in any year.

"SEC. 1209. EVALUATION.

"From funds reserved under section 1202(b)(1), the Secretary shall provide for an independent evaluation of programs under this part—

"(1) to determine the performance and effectiveness of programs; and

"(2) to identify effective Even Start projects that can be replicated and used in providing technical assistance to national, State, and local programs.

"PART C—EDUCATION OF MIGRATORY CHILDREN

"SEC. 1301. PROGRAM PURPOSE.

"It is the purpose of this part to assist States to—

"(1) support high-quality and comprehensive educational programs for migratory children to help reduce the educational disruptions and other problems that result from repeated moves;

"(2) ensure that migratory children are provided with appropriate educational services (including supportive services) that address their special needs in a coordinated and efficient manner;

"(3) ensure that migratory children have the opportunity to meet the same challenging performance standards that all children are expected to meet;

"(4) design programs to help migratory children overcome educational disruption, cultural and language barriers, social isolation, various health-related problems, and other factors that inhibit their ability to do well in school, and to prepare these children to make a successful transition to postsecondary education or employment; and

"(5) ensure that migratory children benefit from State and local systemic reforms.

"SEC. 1302. PROGRAM AUTHORIZED.

"In order to carry out the purpose of this part, the Secretary shall make grants to State educational agencies, or combinations of such

agencies, to establish or improve, directly or through local operating agencies, programs of education for migratory children in accordance with this part.

"SEC. 1303. STATE ALLOCATIONS.

"(a) State Allocations.—Each State (other than the Commonwealth of Puerto Rico) is entitled to receive under this part, for each fiscal year, an amount equal to—

"(1) the sum of the estimated number of migratory children aged three through 21 who reside in the State full time and the full-time equivalent of the estimated number of migratory children aged three through 21 who reside in the State part time, as determined in accordance with subsection (e); multiplied by

"(2) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent, or more than 48 percent, of the average expenditure per pupil in the United States.

"(b) Allocation to Puerto Rico.—For each fiscal year, the amount for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to—

"(1) the number of migratory children in Puerto Rico, determined under subsection (a)(1); multiplied by

"(2) the product of—

"(A) the percentage that the average expenditure per pupil in Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

"(B) 32 percent of the average expenditure per pupil in the United States.

"(c) Ratable Reductions; Reallocations.—(1)(A) If, after the Secretary reserves funds under section 1308(c), the amount appropriated to carry out this part for any fiscal year is insufficient to pay in full the amounts for which all States are eligible, the Secretary shall ratably reduce each such amount.

"(B) If additional funds become available for making such payments for any fiscal year, the Secretary shall allocate such funds to States in amounts that the Secretary finds would best carry out the purpose of this part.

"(2)(A) The Secretary shall further reduce the amount of any grant to a State under this part for any fiscal year if the Secretary determines, based on available information on the numbers and needs of migratory children in the State and the program proposed by the State to address such needs, that such amount exceeds the amount required under section 1304.

"(B) The Secretary shall reallocate such excess funds to other States whose grants under this part would otherwise be insufficient to provide an appropriate level of services to migratory children, in such amounts as the Secretary determines are appropriate.

"(d) Consortium Arrangements.—(1) In the case of a State that receives a grant of $1,000,000 or less under this section, the Secretary shall consult with the State educational agency to determine whether consortium arrangements with another State or other appropriate entity would result in delivery of services in a more effective and efficient manner.

"(2) A State, irrespective of the amount of its allocation, may propose a consortium arrangement.

"(3) The Secretary shall approve a consortium arrangement under paragraph (1) or (2) if the proposal demonstrates that the arrangement will—

"(A) reduce administrative costs or program function costs for State programs; and

"(B) make more funds available for direct services to add substantially to the welfare or educational attainment of children to be served under this part.

"(e) Determining Numbers of Eligible Children.—In order to determine the estimated number of migratory children residing in each State for purposes of this section, the Secretary shall—

"(1) use such information as the Secretary finds most accurately reflects the actual number of migratory children;

"(2) as soon as feasible develop and implement a procedure for more accurately reflecting cost factors for different types of summer program designs which will be used to adjust the estimated number of children who reside in a State in order to reflect the number of migratory children who are served in summer programs (which may include intersession programs) in the State and the additional costs of operating such programs; and

"(3) conduct an analysis of the options for adjusting the formula so as to better direct services to the child whose education has been interrupted.

"SEC. 1304. STATE APPLICATIONS; SERVICES.

"(a) Application Required.—Any State wishing to receive a grant under this part for any fiscal year shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(b) Program Information.—Each such application shall include—

"(1) a description of how, in planning, implementing, and evaluating programs and projects under this part, the State and its operating agencies will ensure that the special educational needs of migratory children are identified and addressed through a comprehensive plan for needs assessment and service delivery that meets the requirements of section 1306, including, when feasible, recording the migratory status of such children and their average daily attendance on State student collection data;

"(2) a description of the steps the State is taking to provide migratory students with the opportunity to meet the same challenging performance standards that all children are expected to meet;

"(3) a description of how the State will use its funds to promote interstate and intrastate coordination of services for migratory children, including how, consistent with procedures the Secretary may require, it will provide for educational continuity through the timely transfer of pertinent school records, including information on health, when children move from one school to another, whether or not during the regular school year;

"(4) a description of the State's priorities for the use of funds received under this part, and how they relate to the State's assessment of needs for services in the State;

"(5) a description of how the State will determine the amount of any subgrants it will award to local operating agencies, taking into account the requirements of paragraph (1); and

"(6) such budgetary and other information as the Secretary may require.

"(c) Assurances.—Each such application shall also include assurances, satisfactory to the Secretary, that—

"(1) funds received under this part will be used only—

"(A) for programs and projects, including the acquisition of equipment, in accordance with section 1306(b)(1); and

"(B) to coordinate such programs and projects with similar programs and projects within the State and in other States, as well as with other Federal programs that can benefit migratory children and their families;

"(2) such programs and projects will be carried out in a manner consistent with the objectives of sections 1114, 1115(b) and (d), 1120, and 1121(b) and (c), and part F of this title;

"(3) in the planning and operation of programs and projects at both the State and local operating agency level, there is appropriate consultation with parent advisory councils for programs lasting a school year, and that all such programs and projects are carried out, to the extent feasible, in a manner consistent with section 1118 of this title;

"(4) in planning and carrying out such programs and projects, there has been, and will be, adequate provision for addressing the unmet education needs of preschool migratory children;

"(5) the effectiveness of such programs and projects will be determined, where feasible, using the same approaches and standards that will be used to assess the performance of students, schools, and local educational agencies under part A of this title; and

"(6) the State will assist the Secretary in determining the number of migratory children under section 1303(e), through such procedures as the Secretary may require.

"(d) Priority for Services.—In providing services with funds received under this part, each recipient of such funds shall give priority to migratory children who are failing, or most at risk of failing, to meet the State's challenging performance standards, and whose education has been interrupted during the regular school year.

"(e) Continuation of Services.—Notwithstanding any other provision of this part—

"(1) a child who ceases to be a migratory child during a school term shall be eligible for services until the end of such term;

"(2) a child who is no longer a migratory child may continue to receive services for one additional school year, but only if comparable services are not available through other programs; and

"(3) secondary school students who were eligible for services in secondary school may continue to be served through credit accrual programs until graduation.

"SEC. 1305. SECRETARIAL APPROVAL; PEER REVIEW.

"(a) Secretarial Approval.—The Secretary shall approve each State application that meets the requirements of this part.

"(b) Peer Review.—The Secretary may review any such application with the assistance and advice of State officials and other individuals with relevant expertise.

"SEC. 1306. COMPREHENSIVE NEEDS ASSESSMENT AND SERVICE-DELIVERY PLAN; AUTHORIZED ACTIVITIES.

"(a) Comprehensive Plan.—Each State that receives a grant under this part shall ensure that the State and its local operating agencies identify and address the special educational needs of migratory children in accordance with a comprehensive State plan that—

"(1)(A) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act and satisfies the requirements of this section that are not already addressed by such State plan; and

"(B) is integrated with other State plans, if any, under the School-To-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Act to the extent that such plans have not already been incorporated in the State's plan under title III of the Goals 2000: Educate America Act;

"(2) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan—

"(A) is integrated with other State plans, such as those under the School-To-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Act, where such plans exist; and

"(B) satisfies the requirements of this section;

"(3) may be submitted as a part of a consolidated application under section 9302;

"(4) provides that migratory children will have an opportunity to meet the same challeng-

ing performance standards, set out in those plans, that all children are expected to meet;

"(5) specifies measurable program goals and outcomes;

"(6) encompasses the full range of services that are available for migratory children from appropriate local, State and Federal educational programs;

"(7) is the product of joint planning among such local, State, and Federal programs, including those under part A of this title, early childhood programs, and bilingual education programs under title VII of this Act;

"(8) provides for the integration of services available under this part with services provided by such other programs; and

"(9) to the extent feasible, provides for—

"(A) advocacy and outreach activities for migratory children and their families, including informing them of, or helping them gain access to, other education, health, nutrition, and social services;

"(B) professional development programs, including mentoring, for teachers and other program personnel;

"(C) parent involvement programs (as defined under section 1118) and, when feasible, the establishment of instructional programs such as use of the model developed under the Even Start Family Literacy Programs that promote adult literacy and train parents to support the educational growth of their children;

"(D) the integration of communication and information technology into educational and related programs; and

"(E) programs to facilitate the transition of high school students to postsecondary education or employment.

A State may satisfy all or part of the requirements of this section by referencing applicable sections of its approved plan under title III of the Goals 2000: Educate America Act.

"(b) AUTHORIZED ACTIVITIES.—(1) In implementing the comprehensive plan described in subsection (a), each local operating agency shall have the flexibility to determine the activities to be provided with funds made available under this part, provided that—

"(A) before funds provided under this part are used to provide services described in subparagraph (B), those funds shall be used to meet the identified needs of migratory children that—

"(i) result from the effects of their migratory lifestyle, or are needed to permit migratory children to participate effectively in school; and

"(ii) are not addressed by services provided under other programs, including part A of this title; and

"(B) all migratory children who are eligible to receive services under part A of this title shall receive such services with funds provided under this part or under part A of this title.

"(2) This subsection shall not apply to funds under this part that are used for schoolwide programs under section 1114 of this title.

"SEC. 1307. BYPASS.

"The Secretary may use all or part of any State's allocation under this part to make arrangements with any public or private nonprofit agency to carry out the purpose of this part in such State if the Secretary determines that—

"(1) the State is unable or unwilling to conduct educational programs for migratory children;

"(2) such arrangements would result in more efficient and economic administration of such programs; or

"(3) such arrangements would add substantially to the welfare or educational attainment of such children.

"SEC. 1308. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

"(a) IMPROVEMENT OF COORDINATION.—The Secretary, in consultation with the States, may make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, and other public and private nonprofit entities to improve the interstate and intrastate coordination among State and local educational agencies of their educational programs, including the establishment or improvement of programs for credit accrual and exchange, available to migratory students. Grants under this subpart may be made for up to 5 years.

"(b) ASSISTANCE AND REPORTING.—(1) Within 60 days of enactment, the Secretary shall convene a panel of Chief State School Officers and technical experts to assess alternative methods by which student records may be transferred from one school to another. Within 150 days of having been convened, the panel shall make recommendations to the Secretary on how schools may adopt the most cost-effective means of exchanging of school records. The Secretary shall also develop the most cost-effective and accurate method of determining the number of students or full-time equivalent students in each State on a yearly basis. The Secretary shall report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate the panel's findings and the Secretary's recommendations.

"(2) The Secretary may contract for services for purposes of this section.

"(c) AVAILABILITY OF FUNDS.—For the purpose of carrying out this section, the Secretary shall reserve up to $6,000,000 from the amount appropriated under section 1002(3) for each fiscal year to carry out this part.

"(d) COMPETITIVE GRANTS.—From the amounts made available for this section, the Secretary shall reserve not more than $1,500,000 to award, on a competitive basis, grants in the amount of up to $100,000 each to State educational agencies with consortium agreements described under section 1303(d). Not less than 10 of such grants shall be awarded to States which receive allocations of less than $1,000,000 if such States have approved agreements.

"SEC. 1309. DISTANCE LEARNING.

"(a) PROGRAM.—The Secretary may establish a distance learning program to provide, through competitive grants, continuity in the education of migrant children using technology, interactive learning, computers, and automated technology links achieved with modems and telephone networks.

"(b) FUNDS.—Not more than $3,000,000 may be used to establish the program under subsection (a).

"SEC. 1310. DEFINITIONS.

"As used in this part, the following terms have the following meanings:

"(1) The term 'local operating agency' means—

"(A) a local educational agency to which a State educational agency makes a subgrant under this part;

"(B) a public or nonprofit private agency with which a State educational agency or the Secretary makes an arrangement to carry out a project under this part; or

"(C) a State educational agency, if the State educational agency operates the State's migrant education program or projects directly.

"(2) The term 'migratory child' means—

"(A) for fiscal year 1996 and subsequent years, a child who is, or whose parent or spouse is, a migratory agricultural worker (including a migratory dairy worker) or a migratory fisher, and who, in the preceding 24 months, in order to obtain, or accompany such parent or spouse in order to obtain, temporary or seasonal employment in agricultural or fishing work—

"(i) has moved from one local educational agency to another; or

"(ii) in a State that is comprised of a single local educational agency, has moved from one administrative area to another within such agency; or

"(B) for fiscal year 1995 only, a child fulfilling the requirements of subparagraph (A) for a period of 36 months instead of for 24 months.

"PART D—PREVENTION AND INTERVENTION SERVICES FOR DELINQUENT YOUTH AND YOUTH AT RISK OF DROPPING OUT

"SEC. 1401. FINDINGS; PURPOSE; PROGRAM AUTHORIZED.

"(a) FINDINGS.—Congress finds the following:

"(1) A large percentage of youth in the juvenile justice system have poor academic achievement, are a year or more behind grade level, and have dropped out of school.

"(2) There is a strong correlation between academic failure and involvement in delinquent activities.

"(3) Preventing students from dropping out of local schools and addressing the educational needs of delinquent youth can help reduce the dropout rate and involvement in delinquent activities at the same time.

"(4) Many schools and correctional facilities fail to communicate regarding a youth's academic needs and students often return to their home school ill-prepared to meet current curriculum requirements.

"(5) Schools are often reluctant to deal with youth returning from facilities and receive no funds to deal with the unique educational and other needs of such youth.

"(6) A continuing need exists for activities and programs to reduce the incidence of youth dropping out of school.

"(7) Federal dropout prevention programs have demonstrated effectiveness in keeping children and youth in school.

"(8) Pregnant and parenting teens are a high at-risk group for dropping out of school and should be targeted by dropout prevention programs.

"(9) Such youth need a strong dropout prevention program which provides them with high level skills and which provides supports to youth returning from correctional facilities in order to keep them in school.

"(b) PURPOSE.—It is the purpose of this part—

"(1) to improve educational services to children in local and State institutions for delinquent children so that they have the opportunity to meet the same challenging State performance standards that all children in the State will be expected to meet;

"(2) to provide such children the services they need to make a successful transition from institutionalization to further schooling or employment; and

"(3) to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

"(c) PROGRAM AUTHORIZED.—In order to carry out the purpose of this part, the Secretary shall make grants to State educational agencies, which shall make subgrants to State agencies and local educational agencies to establish or improve programs of education for delinquent children and youth at risk of dropping out of school before graduation.

"SEC. 1402. PAYMENTS FOR PROGRAMS UNDER THIS PART.

"(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 1403, the Secretary shall allocate to each State educational agency amounts necessary to make subgrants to State agencies.

"(b) LOCAL SUBGRANTS.—Each State shall retain, for purposes of subpart 2, funds generated throughout the State under part A based on youth residing in local correctional facilities, or

attending community day programs for delinquent children.

"(c) USE OF REMAINING FUNDS.—Each State shall use any funds remaining after allocations are made under subsection (a).

"Subpart 1—State Agency Programs

"SEC. 1403. AMOUNT OF ALLOCATION TO STATE.

"(a) STATE ALLOCATION.—Each State educational agency is eligible to receive under this part, for each fiscal year, an amount equal to the product of—

"(1) the number of delinquent children in State correctional facilities serving youth under the age of 21 who are enrolled for at least 20 hours per week in education programs operated or supported by facilities serving youth, and 10 hours a week in adult facilities serving youth.

"(2) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent or more than 48 percent of the average per-pupil expenditure in the United States.

"(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—For each fiscal year, the amount of the grant for which a State agency in the Commonwealth of Puerto Rico is eligible under this part shall be equal to—

"(1) the number of children counted under subsection (a)(1) for Puerto Rico; multiplied by the product of—

"(A) the percentage that the average per-pupil expenditure in Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

"(B) 32 percent of the average per-pupil expenditure in the United States.

"SEC. 1404. STATE PLAN.

"(a) STATE PLAN.—(1)(A) Each State educational agency that desires to receive payments under this part shall submit, for approval by the Secretary, a plan, which shall be revised and updated as needed, for meeting the needs of delinquent youth and children at risk of dropping out that—

"(i) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by such State plan; or

"(ii) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act or is not developing such a plan, is integrated with other State plans under this Act and satisfies the requirements of this section.

"(B) A State plan submitted under paragraph (1)(A)(i) may, if necessary, be submitted as an amendment to the State's plan under title III of the Goals 2000: Educate America Act.

"(2) Each such plan shall also—

"(A) describe the State-established program goals, objectives, and performance measures that will be used to assess the effectiveness of the program in improving academic and vocational skills of children in the program;

"(B) provide that, to the extent feasible, such children will have the same opportunities to learn as they would have if they were in schools of local educational agencies in the State;

"(C) describe the manner in which such State educational agency will make subgrants; and

"(D) contain assurances that the State educational agency will—

"(i) ensure that programs assisted under this part will be carried out in accordance with the State plan described in this subsection;

"(ii) carry out the evaluation requirements of section 1408;

"(iii) ensure that its State agencies comply with all applicable statutory and regulatory requirements; and

"(iv) provide such other information as the Secretary may reasonably require.

"(b) SECRETARIAL APPROVAL; PEER REVIEW.—(1) The Secretary shall approve each State plan that meets the requirements of this part.

"(2) The Secretary may review any such plan with the assistance and advice of individuals with relevant expertise.

"(c) SUBGRANTS TO STATE AGENCIES.—A State agency is eligible for assistance under this part if it is responsible for providing free public education for children in institutions for delinquent children.

"(d) STATE AGENCY APPLICATIONS.—A State agency that desires to receive funds to carry out a program under this part shall submit an application to the State educational agency that—

"(1) describes the procedures to be used, consistent with the State plan under part A of this title, to assess the educational needs of the children to be served;

"(2) provides assurances that in making services available to youth in adult correctional facilities, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

"(3) describes the program, including a budget for the first year of the program, with annual updates to be provided;

"(4) describes how the program will meet the goals and objectives of the State plan under this part;

"(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1406 are of high quality;

"(6) describes how the agency will carry out the evaluation requirements of section 1408 and how the results of the most recent evaluation are used to plan and improve the program;

"(7) includes data showing that the agency has maintained fiscal effort required of a local educational agency, in accordance with section 9501 of this title;

"(8) describes how the programs will be coordinated with other appropriate State and Federal programs, including the Job Training Partnership Act, vocational education, State and local dropout prevention programs, and special education;

"(9) describes how appropriate professional development will be provided to teachers and other instructional and administrative personnel;

"(10) designates an individual in each affected institution to be responsible for issues relating to the transition of children from an institution to locally operated programs;

"(11) describes how the agency will, endeavor to coordinate with businesses for training and mentoring for participating youth;

"(12) describes how the agency will assist in locating alternative programs through which students can continue their education if they are not returning to school after leaving the correctional facility;

"(13) describes how the agency will work with parents to secure their assistance in improving the educational achievement of their children and preventing their further involvement in delinquent activities;

"(14) describes how the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if such youth is identified as in need of special education services while the youth is in the facility and if the youth intends to return to the local school;

"(15) describes how the agency will work with youth who dropped out of school before entering the facility to encourage such youth to reenter school once their term has been completed or provide the youth with the skills necessary to gain employment, continue their education, or achieve a high school equivalency certificate if the youth does not intend to return to school;

"(16) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

"(17) describes any additional services provided to youth, including career counseling, assistance in securing student loans, grants; and

"(18) describes how this program will be coordinated with any programs operated under the Juvenile Justice and Delinquency Act, if applicable.

"SEC. 1405. USE OF FUNDS.

"(a) GENERAL.—(1) A State agency shall use funds received under this part only for programs and projects that—

"(A) are consistent with the State plan referred to in section 1404(a); and

"(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to high school completion, further education, or employment.

"(2) Such programs and projects—

"(A) may include the acquisition of equipment;

"(B) shall be designed to support educational services that—

"(i) except for institution-wide projects under section 1406, are provided to children identified by the State agency as failing, or most at risk of failing, to meet the State's challenging performance standards;

"(ii) supplement and improve the quality of the educational services provided to such children by the State agency; and

"(iii) afford such children an opportunity to learn to such challenging State standards;

"(C) shall be carried out in a manner consistent with section 1119(b) and part F of this title; and

"(D) may include the costs of meeting the evaluation requirements of section 1408.

"(b) SUPPLEMENT, NOT SUPPLANT.—A program under this part that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the 'supplement, not supplant' requirement of section 1119(b) of this title without regard to the subject areas in which instruction is given during those hours.

"SEC. 1406. INSTITUTION-WIDE PROJECTS.

"A State agency that provides free public education for children in an institution for delinquent children may use funds received under this part to serve all children in, and upgrade the entire educational effort of, such institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for such institution or program that—

"(1) provides for a comprehensive assessment of the educational needs of all youth in the institution or program serving juveniles;

"(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a 2-year period;

"(3) describes the steps the State agency has taken, or will take, to provide all children under 21 with the opportunity to meet challenging academic and vocational standards in order to improve the likelihood that the students will complete high school, attain high school equivalency, or find employment after leaving the institution;

"(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in paragraph (1), including, to the extent feasible, the provision of mentors for secondary school students;

"(5) specifically describes how such funds will be used;

"(6) describes the measures and procedures that will be used to assess student progress;

"(7) describes how the agency has planned, and will implement and evaluate, the institu-

tion-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions for delinquent children and personnel from the State educational agency; and

"(8) includes an assurance that the State agency has provided for appropriate training to teachers and other instructional and administrative personnel to enable them to carry out the project effectively.

"SEC. 1407. THREE-YEAR PROJECTS.

"If a State agency operates a program under this part in which individual children are likely to participate for more than one year, the State educational agency may approve the State agency's application for a subgrant under this part for a period not to exceed 3 years.

"SEC. 1408. TRANSITION SERVICES.

"(a) Transition Services.—Each State agency shall reserve not more than 10 percent of the amount it receives under this part for any fiscal year to support projects that facilitate the transition of children from State-operated institutions to local educational agencies.

"(b) Conduct of Projects.—A project supported under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

"(c) Limitation.—Any funds reserved under subsection (a) shall be used only to provide transitional educational services, which may include counseling and mentoring, to delinquent children in schools other than State-operated institutions.

"Subpart 2—Local Agency Programs

"SEC. 1410. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

"(a) Local Subgrants.—With funds retained under section 1402(2), the State educational agency shall make subgrants to local educational agencies with—

"(1) a high number or percentage of youth who are residing in local (including county) correctional facilities for youth (including those involved in day programs); and

"(2) which have the highest numbers or percentage of youth in the State which have dropped out of school in the preceding fiscal year.

"(b) Notification.—A State educational agency shall notify local educational agencies which meet the criteria of subsection (a) of their eligibility for participation in the program.

"(c) Purpose of Local Educational Agency Programs.—The purpose of this section is the operation of local educational agency programs which involve collaboration between local educational agencies and local correctional facilities serving such youth to—

"(1) continue transition activities for youth returning from such facilities;

"(2) to operate dropout prevention programs in local schools for youth at risk of dropping out and youth returning from correctional facilities; and

"(3) to prepare youth who have finished their period of incarceration for employment, high school completion, and further education.

"(d) Local Educational Agency Applications.—(1) Eligible local educational agencies which choose to take part in programs funded under this section shall submit an application to the State educational agency, containing such information on programs to be operated under this section as the State educational agency may require, and which shall include—

"(1) a description of formal agreements between the local educational agency and correctional facilities and alternative school programs serving youth involved with the juvenile justice system to operate programs for delinquent youth;

"(2) a description of how participating schools will coordinate with facilities working with delinquent youth to ensure that such youth are participating in an education program comparable to one operating in the local school such youth would attend;

"(3) a description of the dropout prevention program operated by participating schools and the types of services such schools will provide to at risk youth in participating schools and youth returning from correctional facilities;

"(4) a description of the youth expected to be served by the dropout prevention program and how the school will be coordinating existing educational programs to meet unique education needs;

"(5) a description of how schools will coordinate with existing social and health services to meet the needs of students at risk of dropping out of school and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted re-entry and outreach programs, referrals to community resources, and scheduling flexibility;

"(6) a description of any partnerships with local businesses to develop training and mentoring services for participating students;

"(7) a description of how the program will involve parents in efforts to improve the education achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

"(8) a description of how this program will be coordinated with other Federal, State, and local programs, including the Job Training and Partnership Act and vocational education programs serving this at risk population of youth;

"(9) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act, if applicable;

"(10) a description of how schools will work with probation officers to assist in meeting the needs of youth returning from correctional facilities;

"(11) a description of efforts participating schools will make to ensure correctional facilities working with youth are aware of a child's existing individualized education program; and

"(12) a description of the steps participating schools will take to find alternative placements for youth interested in continuing their education but unable to participate in a regular public school program.

"(e) Uses of Funds.—Funds provided to local educational agencies under this section may be used for—

"(1) dropout prevention programs which serve youth at educational risk, including pregnant and parent teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrants, immigrants, students with limited-English proficiency and gang members;

"(2) the coordination of health and social services for such youth if there is a likelihood that the provision of such services including day care and drug and alcohol counseling, will improve the likelihood such students will complete their education; and

"(3) programs to meet the unique education needs of youth at risk of dropping out, which may include vocational education, special education, career counseling, and assistance in securing student loans or grants.

"(f) Program Requirements for Correctional Facilities Receiving Funds Under This Section.—Each facility entering into a partnership with a local educational agency to provide services to youth under this section shall—

"(1) ensure educational programs in juvenile facilities are coordinated with the student's home school, particularly with respect to special education students with an individualized education program;

"(2) notify the local school of a youth if the youth is identified as in need of special education servicers while in the facility;

"(3) provide transition assistance to help the youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

"(4) provide support programs which encourage the youth who have dropped out to reenter school once their term has been completed or provide such youth with the skills necessary for them to gain employment or seek a high school equivalency certificate;

"(5) work to ensure facilities are staffed with teachers and other qualified staff who are also trained to work with children with disabilities and other special needs students taking into consideration such unique needs;

"(6) ensure educational programs in correctional facilities are related to assisting students meet high educational standards;

"(7) use, to the extent possible, technology to assist coordinating educational programs between the juvenile facility and community school;

"(8) involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

"(9) coordinate funds received under this program with other available State, local, and Federal funds to provide services to participating youth, including the Job Training Partnership Act, and vocational education;

"(10) coordinate programs operated under this section with activities funded under the Juvenile Justice and Delinquency Prevention Act, if applicable; and

"(11) if appropriate, work with local businesses to develop training and mentoring programs for participating youth.

"(g) Accountability.—The State educational agency may—

"(1) reduce or terminate funding for projects funded under this section in local educational agencies if such agencies do not show progress in reducing dropout rates for male students and for female students over a 3-year period; and

"(2) require juvenile facilities to demonstrate, after 3 years, that there has been an increase in the number of youth returning to school, obtaining high school equivalency certificates, or obtaining employment after such youth are released.

"SEC. 1411. PROGRAM EVALUATIONS.

"(a) Scope of Evaluation.—Each State agency or local educational agency that conducts a program under subpart 1 or 2 shall evaluate the program, disaggregating data on participation by sex, and if feasible, by race, ethnicity, and age, not less than once every 3 years to determine its impact on the ability of participants to—

"(1) maintain and improve educational achievement;

"(2) accrue school credits that meet State requirements for grade promotion and high school graduation;

"(3) for delinquent youth, make the transition to a regular program or other education program operated by a local educational agency; and

"(4) complete high school (or high school equivalency requirements) and obtain employment after leaving the institution.

"(b) Evaluation Measures.—In conducting each such evaluation with respect to subsection (a)(1), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

"(c) EVALUATION RESULTS.—Each State agency and local educational agency shall —

"(1) submit evaluation results to the State educational agency; and

"(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children.

"SEC. 1412. DEFINITIONS.

"For the purpose of this part, the following terms have the following meanings:

"(1) The term 'adult correctional institution' means a facility in which persons are confined as a result of a conviction for a criminal offense, including persons under 21 years of age.

"(2) The term 'at risk youth' means school aged youth who are at risk of academic failure, have drug or alcohol problems, are pregnant or are parents, have come into contact with the juvenile justice system in the past, are at least one year behind the expected grade level for such age, have limited-English proficiency, are gang members, have dropped out in the past, or have high absenteeism rates.

"(3) The term 'community-day program' means a regular program of instruction provided by a State agency at a community-day school operated specifically for delinquent children.

"(4) The term 'institution for delinquent children' means a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

"PART E—FEDERAL EVALUATIONS, DEMONSTRATIONS, AND TRANSITION PROJECTS

"SEC. 1501. EVALUATIONS.

"(a) NATIONAL ASSESSMENT.—(1) The Secretary shall conduct a national assessment of programs under this title, in coordination with the ongoing Chapter 1 Longitudinal Study under subsection (b) of this section, that shall be planned, reviewed, and conducted in consultation with an independent panel of researchers, State practitioners, local practitioners, and other appropriate individuals.

"(2) The assessment shall examine how well schools, local educational agencies, and States—

"(A) are progressing toward the goal of all children served under this title reaching the State's content and performance standards; and

"(B) are accomplishing the specific purposes set out in section 1001(d) of this title to achieve this goal, including—

"(i) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children reach them;

"(ii) providing children an enriched and accelerated educational program through schoolwide programs or through additional services that increase the amount and quality of instructional time that children receive;

"(iii) promoting schoolwide reform and access of all children to effective instructional strategies and challenging academic content;

"(iv) significantly upgrading the quality of the curriculum and instruction by providing staff in participating schools with substantial opportunities for professional development;

"(v) coordinating services under all parts of this title with each other, with other educational services, including preschool services, and, to the extent feasible, with health and social service programs funded from other sources;

"(vi) affording parents meaningful opportunities to participate in the education of their children at home and at school, including the provisions of family literacy services;

"(vii) distributing resources to areas where needs are greatest;

"(viii) improving accountability, as well as teaching and learning, by making assessments under this title congruent with State assessment systems; and

"(ix) providing greater decisionmaking authority and flexibility to schools in exchange for greater responsibility for student performance.

"(3) Where feasible, the Secretary shall use information gathered from a variety of sources, including the National Assessment of Educational Progress, State evaluations, and available research studies in carrying out this subsection.

"(4) The Secretary shall submit a biennial report summarizing the cumulative findings to date of the assessment to the President and the appropriate committees of the Congress.

"(b) STUDIES AND DATA COLLECTION.—The Secretary may collect such data, as necessary, at the State, local, and school levels and conduct studies and evaluations, including national studies and evaluations, to assess on an ongoing basis the effectiveness of programs under this title and to report on such effectiveness on a periodic basis.

"(c) NATIONAL EVALUATION OF TITLE I.—The Secretary shall carry out an ongoing evaluation of the program under part A of this title in order to provide the public, Congress, and educators involved in such program, an accurate description of the effectiveness of such program and provide information that can be used to improve such program's effectiveness. Such evaluation shall—

"(1) have a longitudinal design tracking cohorts of students for at least 3 years which, when the cohorts are taken as a whole, provides a picture of such program's effectiveness over the elementary and secondary grades;

"(2) be separate and independent from State and local assessments and evaluations as required under this part;

"(3) utilize the highest available content standards that are generally accepted as national in scope;

"(4) provide information on all students, students served under this part, and, if funds are sufficient, information on students from low-income families and limited English proficient students; and

"(5) when feasible, collect, cross-tabulate, and report data by sex within race or ethnicity and socioeconomic status.

The Secretary shall use the information from this evaluation as part of the national assessment required by subsection (a) and shall report the data from this evaluation to the Congress and the public at least as frequently as that assessment.

"(d)(1) In conducting the National Assessment under subsection (a) and the National Evaluation under subsection (b), the Secretary shall not assess the progress of students in grade 1, kindergarten, and pre-kindergarten on the basis of outcome measures such as content and performance standards;

"(2) any assessments of children in grade 2 shall utilize matrix sampling and be performance-based; and

"(3) any data collected regarding children in grade 2 shall—

"(A) be collected at multiple points in time;

"(B) not be used to stigmatize, label, or place any child; and

"(C) be collected in multiple domains.

"(e) PARENTAL INVOLVEMENT, STUDY, REPORT AND DISSEMINATION.—(1) The Secretary, through the Office of Education Research and Improvement, shall conduct a study to identify and describe—

"(A) common barriers to effective parental involvement in the education of participating children; and

"(B) successful local policies and programs which improve parental involvement and the performance of participating children.

"(2) The Secretary shall—

"(A) complete such study by December 31, 1995;

"(B) report the findings of such study to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate; and

"(C) disseminate the findings, relating to the successful local policies and programs which improve parental involvement and the performance of participating children, to local educational agencies.

"SEC. 1502. DEMONSTRATIONS OF INNOVATIVE PRACTICES.

"(a) DEMONSTRATION PROGRAMS TO IMPROVE ACHIEVEMENT.—(1) From the funds appropriated for any fiscal year under section 1002(7)(B), the Secretary may make grants to State educational agencies, local educational agencies, other public agencies, nonprofit organizations, public/private partnerships involving business and industry organizations, and consortia of such bodies to carry out demonstration projects that show the most promise of enabling children served under this title to meet challenging State standards. Such projects shall include promising strategies such as—

"(A) accelerated curricula, the application of new technologies to improve teaching and learning, extended learning time, and a safe and enriched full-day environment for children to provide them the opportunity to reach high standards;

"(B) integration of education services with each other and with health, family, and other social services such as mentoring programs, particularly in empowerment zones and enterprise communities;

"(C) effective approaches to whole school reform;

"(D) programs that have been especially effective with limited English proficient children, migratory children and other highly mobile students, children leaving institutions for neglected or delinquent children and returning to school, and homeless children and youth; and

"(E) programs that are built upon partnerships developed between elementary and middle schools, employers, and the community which emphasize the integration of high quality academic and vocational learning, stress excellence and high expectations for success in core academic subjects, instill responsibility, decisionmaking, problem solving, interpersonal skills, and other competencies in students, and make school relevant to the workplace and the community, through applied and interactive teaching methodologies, team teaching strategies, learning opportunities connecting school, the workplace, and the community, and career exploration, awareness, and career guidance opportunities.

"(2) The Secretary shall evaluate the demonstration projects supported under this title, using rigorous methodological designs and techniques, including control groups and random assignment, to the extent feasible, to produce reliable evidence of effectiveness.

"(b) PARTNERSHIPS.—(1) From funds appropriated under section 1002(7)(B) for any fiscal year, the Secretary may, directly or through grants or contracts, work in partnership with State educational agencies, local educational agencies, other public agencies, and non-profit organizations to disseminate and use the highest quality research and knowledge about effective practices to improve the quality of teaching and learning in schools supported under this title.

"SEC. 1503. INNOVATIVE ELEMENTARY SCHOOL TRANSITION PROJECTS.

"(a) IN GENERAL.—From not less than $10,000,000 of the amount appropriated under section 1002(7)(B) the Secretary shall provide financial assistance to support innovative transition projects in elementary schools.

"(b) GRANTS.—(1) From 70 percent of the amount reserved under subsection (a) to carry

out this section, the Secretary shall make grants to local educational agencies for the purpose of supporting projects, for children from low-income families who previously attended Head Start, Even Start, or similar preschool programs, which provide educational and other services in kindergarten and early elementary grades.

"(2) The purpose of such projects are to assist such children to—

"(A) make a successful transition from preschool through the early elementary grades; and

"(B) achieve challenging academic standards.

"(3) A program assisted under this subsection shall—

"(A) provide transition-to-elementary school activities, such as—

"(i) development of a transition plan for each child, which provides for support and assistance through the third grade;

"(ii) transfer of each child's preschool records to the elementary school (with parental consent);

"(iii) formal meetings between a child's parent, preschool teacher, and kindergarten or first grade teacher; and

"(iv) kindergarten visits and other orientation activities for preschool children prior to enrollment in elementary school;

"(B) use a model instructional approach for which financial assistance is provided under subsection (d);

"(C) provide directly or through referral comprehensive educational, health, nutritional, social, and other services as will aid in the continued development of eligible children to their full potential; and

"(D) provide for the direct participation of the parents of such children in the development, operation, and evaluation of such program.

"(c) Applications and Grant Priority.—(1) An application for a grant under subsection (b) shall—

"(A) describe the transition-to-elementary school activities which the applicant plans to administer;

"(B) describe the model instructional approach the applicant will use, and the manner in which the applicant will implement such approach;

"(C) provide evidence that the applicant has made a formal arrangement to receive technical assistance and training from the agency, organization, or institution which sponsors such approach and receives funds under subsection (d);

"(D) describe the manner in which the applicant will provide comprehensive services to the children to be served;

"(E) describe how the applicant will provide for direct participation by parents in the planning, operation, and evaluation of such program;

"(F) describe how such program will be coordinated with title I, title VII, and other programs authorized under this Act; and

"(G) provide evidence that—

"(i) the applicant has entered into formal arrangements with local Head Start, Even Start, and other preschool programs to ensure that the transition activities supported by such program are effective; and

"(ii) the transition activities, instruction, and other services to be provided by the applicant have been specifically designed to build upon, and coordinate with, those services provided to eligible children and their parents in local Head Start, Even Start and other similar preschool programs.

"(2) In making grants under subsection (b), the Secretary shall—

"(A) give priority to applicants that—

"(i) propose to administer a project in schools designated as a schoolwide program under section 1114 of this Act; and

"(ii) propose to use an innovative transition and instructional approach which has been shown to be effective for the purpose described in paragraph (2) of subsection (b); and

"(B) provide sufficient funds to enable programs to meet the purposes of paragraph (1) and the requirements of paragraph (2).

"(d) Technical Assistance and Training.—From 30 percent of the amount reserved under subsection (a), the Secretary shall make grants to public and private nonprofit agencies, institutions, and organizations to provide—

"(1) technical assistance in the implementation and expanded use of model transition and instructional approaches; and

"(2) training in conjunction with the implementation and operation of such model approaches.

"(e) General Provisions.—

"(1) An application for assistance under this section may not be approved unless the Secretary is satisfied that the services to be provided by the applicant will supplement, and not supplant, services previously provided without Federal assistance.

"(2) A program which receives assistance under subsection (b) must demonstrate that such program achieved the purposes described in paragraph (2) of such subsection in order to be eligible for a renewal grant.

"PART F—GENERAL PROVISIONS

"SEC. 1601. FEDERAL REGULATIONS.

"(a) In General.—The Secretary is authorized to issue such regulations as are necessary to reasonably ensure that there is compliance with this title.

"(b) Negotiated Rulemaking Process.—(1) Prior to publishing proposed regulations in the Federal Register to carry out this title, the Secretary shall obtain the advice and recommendations of representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with the implementation and operation of programs under this title.

"(2) Such advice and recommendations may be obtained through such mechanisms as regional meetings and electronic exchanges of information.

"(3) After obtaining such advice and recommendations, and prior to publishing proposed regulations, the Secretary shall—

"(A) establish a negotiated rulemaking process on a minimum of 4 key issues, including—

"(i) schoolwide projects;

"(ii) standards and assessment;

"(iii) parental involvement; and

"(iv) professional development;

"(B) select individuals to participate in such process from among individuals or groups which provided advice and recommendations, with representation from all geographic regions; and

"(C) prepare a draft of proposed policy options that shall be provided to the individuals selected by the Secretary under subparagraph (A) not less than 45 days prior to the first meeting under such process.

"(4) Such process—

"(A) shall be conducted in a timely manner to ensure that final regulations are issued by the Secretary not later than the 240-day period required by section 437 of the General Education Provisions Act;

"(B) shall not be subject to the Federal Advisory Committee Act but shall otherwise follow the provisions of the Negotiated Rulemaking Act of 1990 (5 U.S.C. 561 et seq.).

"(5) In an emergency situation in which regulations to carry out this title must be issued with a very limited time to assist State and local educational agencies with the operation of the program, the Secretary may issue proposed regulations without following such process but shall, immediately thereafter and prior to issuing final regulations, conduct regional meetings to review such proposed regulations.

"(c) Special Rule.—Funds made available under section 1002(7) may not be released by the Secretary for expenditure until such time as final regulations to carry out part A are published in the Federal Register.

"(d) Limitation.—Regulations to carry out this part may not require local programs to follow a particular instructional model, such as the provision of services outside the regular classroom or school program.

"SEC. 1602. COORDINATION OF FEDERAL, STATE, AND LOCAL ADMINISTRATION.

"(a) Program Assistance Manual.—The Secretary shall, not later than 6 months after the publication of final regulations under this title, prepare and distribute to State educational agencies, State agencies operating programs under parts C and D, and local educational agencies, and shall make available to parents and other interested individuals, organizations, and agencies, a manual for this title to—

"(1) assist such agencies in—

"(A) enhancing the quality, increasing the depth, or broadening the scope of activities for programs under this title;

"(B) applying for program funds under this title; and

"(C) meeting the program objectives under this title;

"(2) assist State educational agencies in achieving proper and efficient administration of programs funded under this title;

"(3) assist parents to become involved in the planning for, and implementation and evaluation of, programs and projects under this title; and

"(4) ensure that officers and employees of the Department of Education, including officers and employees of the Secretary and officers and employees of such Department charged with auditing programs carried on under this title, uniformly interpret, apply, and enforce requirements under this title throughout the United States.

"(b) Contents of Policy Manual.—The policy manual shall, with respect to programs carried out under this title, contain descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices to and amendments of the foregoing, and in particular, whether or not such items are required under section 552 of title 5, United States Code, to be published or made available. The manual shall include—

"(1) a statement of the requirements applicable to the programs carried out under this title, including such requirements contained in this title, the General Education Provisions Act, other applicable statutes, and regulations issued under the authority of such statutes;

"(2) an explanation of the purpose of each requirement and its interrelationship with other applicable requirements; and

"(3) model forms and instructions developed by the Secretary for use by State and local educational agencies, at their discretion, including, application forms, application review checklists, and instruments for monitoring programs under this title.

"(c) Response to Inquiries.—The Secretary shall respond with written guidance not more than 90 days after any written request (return receipt requested) from a State or local educational agency regarding a policy, question, or interpretation under this title. In the case of a request from a local educational agency, such agency is required to address its request to the State educational agency first.

"SEC. 1603. STATE ADMINISTRATION.

"(a) Rulemaking.—(1) Each State that receives funds under this title shall—

"(A) ensure that any State rules, regulations, and policies relating to this title conform to the purposes of this title and provide any such pro-

posed rules, regulations, and policies to the Committee of Practitioners for their review and comment;

"(B) minimize such rules, regulations, and policies to which their local educational agencies and schools are subject; and

"(C) identify any such rule, regulation, or policy as a State-imposed requirement.

"(2) State rules, regulations, and policies under this title shall support and facilitate local educational agency and school-level systemic reform designed to enable all children to meet the State's standards.

"(b) COMMITTEE OF PRACTITIONERS.—(1) Each State educational agency shall create a State committee of practitioners to advise the State in carrying out its responsibilities under this title.

"(2) Each such committee shall include—

"(A) as a majority of its members, representatives from local educational agencies;

"(B) administrators;

"(C) teachers, including vocational educators;

"(D) parents;

"(E) members of local boards of education;

"(F) representatives of private school children; and

"(G) counselors.

"(3) The duties of the committee shall include a review, prior to publication, of any proposed or final State rule or regulation pursuant to this title. In an emergency situation where such rule or regulation must be issued within a very limited time to assist local educational agencies with the operation of the program, the State educational agency may issue a regulation without prior consultation, but shall immediately thereafter convene the State committee of practitioners to review the emergency regulation prior to issuance in final form.

"(c) PAYMENT FOR STATE ADMINISTRATION.—Each State may reserve for the proper and efficient performance of its duties under this title the greater of—

"(1) one percent of the funds received under sections 1002 (a) and (c) through (f); or

"(2) $325,000, or $50,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau (until the Compact of Free Association takes effect).

AMENDMENTS EN BLOC OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer amendments.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. KILDEE:

AMENDMENT TO H.R. 6, AS REPORTED OFFERED BY MR. ORTON OF UTAH

Page 201, line 6, strike "$325,000" and insert "$375,000".

AMENDMENT BY MR. GOODLING TO H.R. 6

Page 657, after line 15, add the following section:

"(1) Exception—States which do not, as of the date of enactment of this Act, have in place a system for collecting such data for all students in such State, are not required to meet the requirement of this section as it pertains to the educational programs and services available to limited English proficient students. In the event such State develops a system for collecting data on the educational programs and services available to all students in the State, then such State is required to comply with this requirement.

AMENDMENT BY MR. OWENS TO H.R. 6

Page 264, line 17, after "facilities," insert "adult and family education programs,"

Page 267, line 15, after "Labor," insert "the National Institute for Literacy,"

Page 268, after line 12, add a new "(E)" (and redesignate succeeding paragraphs accordingly)

"(E) increased access to high quality adult and family education services through the use of technology for instruction and professional development;"

Page 269, line 20, delete "and" and insert "," and line 21, after "1993" insert ", and the National Literacy Act"

Page 270, line 3, after the comma insert "adult and family education,"

Page 272, line 20, after "students" insert "of all ages" and line 21, strike "local educational agencies" and insert in lieu thereof "educational settings"

Page 276, after line 8 insert "(iii) adult and family education programs;" (and redesignate succeeding paragraphs accordingly)

Page 277, line 17, delete the first "and" and line 18, after "efforts" insert ", and how it will contribute to creating a high quality system of lifelong learning"

Page 280, line 23, after "staff" insert ", and adult and family educators"

Page 282, line 7, insert a new "(2)" (and redesignate the following paragraphs accordingly)

"(2) would provide services to programs serving adults, especially parents, with low levels of literacy; and"

Page 287, line 2, after "agencies" insert ", and adult and family education programs"

Page 288, line 21, after "students" insert "of all ages"

AMENDMENT TO H.R. 6, AS REPORTED OFFERED BY MR. TRAFICANT OF OHIO

Page 762, after line 8, insert the following:

"SEC. 9508. COMPLIANCE WITH BUY AMERICAN ACT.

No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

"SEC. 9509. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

"SEC. 9510. PROHIBITION OF CONTRACTS.

If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

AMENDMENT BY MR. OWENS TO H.R. 6

Page 762, after line 23, insert the following new part:

"PART G—CUSTODIAL SERVICE

SEC. 9701. COMPENSATION OF CUSTODIANS.

Notwithstanding any other provisions of law, a local educational agency which contains five countries in their entirety and has a student population which exceeds 900,000 may not use any assistance under this Act to provide compensation or other financial benefits to personnel who provide janitorial or custodial services to and within schools."

AMENDMENT TO H.R. 6, AS REPORTED OFFERED BY MR. KILDEE

Page 752, strike line 2 and all that follows through line 12 of page 754 and insert the following:

"SEC. 9401. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

"(a) GENERAL.—Except as provided in subsection (c), the Secretary may waive any requirement of this Act or any regulation under this Act for a State educational agency, local educational agency, Indian tribe, or school, or that—

"(1) receives funds under a program authorized by this Act; and

"(2) requests a waiver as prescribed in subsection (b).

"(b) REQUEST FOR WAIVER.—(1) A State educational agency, local educational agency, or Indian tribe which desires a waiver shall submit a request to the Secretary that—

"(A) identifies the Federal programs affected by such requested waiver;

"(B) describes which Federal requirements are to be waived and how the waiving of such requirements will—

"(i) increase the quality of instruction to students; or

"(ii) improve the academic performance of students;

"(C) if applicable, describes which similar State and local requirements will be waived and how the waiving of such requirements will assist the local educational agencies or Indian tribe and schools to achieve the objectives described in this paragraph;

"(D) describes specific, measurable educational improvement goals and expected outcomes for all affected students;

"(E) describes the methods to be used to measure progress in meeting such goals and outcomes; and

"(F) describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

"(2) Such requests under this section—

"(A) may provide for waivers of requirements applicable to State educational agencies, local educational agencies, Indian tribes, and schools.

"(C) comparability of services;

"(D) use of Federal funds to supplement, not supplant non-Federal funds;

"(E) equitable participation of private school students and teachers; and

"(F) parental participation and involvement;

"(2) the elements of a charter school described in section 3407(1); or

"(3) the prohibitions regarding—

"(A) state aid in section 9502; or

"(B) use of funds for religious worship or instruction in section 9507.

"(e) DURATION AND EXTENSION OF WAIVER.—(1) The duration of a waiver approved by the Secretary may be for a period not to exceed 3 years.

"(2) The Secretary may extend such period if the Secretary determines that the use of such waiver has increased the quality of instruction or the academic performance of students.

"(f) TERMINATION OF WAIVERS.—The Secretary shall terminate a waiver under this section if—

"(1) the Secretary determines that the use of a waiver has not increased the quality of instruction or improved the academic performance of students; or

"(2) such waiver is no longer needed by the recipient to achieve the objectives of such waiver.

"(g) REPORTS.—

"(1) A local educational agency that receives a waiver under this section shall annually submit a report to the State educational agency that—

"(A) describes the uses of such waiver by such agency or by schools;

"(B) describes how schools continued to provide assistance to the same populations served by the programs for which waivers are requested; and

"(C) evaluates the progress of such agency and of schools in improving the quality of instruction on the academic performance of students.

"(2) A State educational agency that receives reports required by paragraph (1) shall annually submit a report to the Secretary that summarizes such reports.

"(3) An Indian tribe that receives a waiver under this section shall annually submit a report to the Secretary that—

"(A) describes the uses of such waiver by schools operated by such tribe; and

"(B) evaluates the progress of such schools in improving the quality of instruction or the academic performance of students.

"(3) The Secretary annually shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report—

"(A) summarizing the uses of waivers by State educational agencies, local educational agencies, Indian tribes, and schools; and

"(B) describing whether such waivers—

"(i) increased the quality of instruction to students; or

"(ii) improved the academic performance of students.

AMENDMENT BY MR. OWENS TO H.R. 6

Page 880, line 1, insert the following new subparagraph (and redesignate succeeding subparagraphs accordingly)—

"(F) violence against teachers and students, and other indices of school safety;"

AMENDMENT TO H.R. 6, AS REPORTED OFFERED BY MR. HOYER OF MARYLAND

Page 900, after line 23, insert the following (and redesignate any subsequent sections accordingly):

SEC. 502. STUDY OF THE EFFECTIVENESS AND IMPACT OF FEDERAL CATEGORICAL AID PROGRAMS.

(A) STUDY.—In addition to the national assessment conducted pursuant to section 1501 of the Elementary and Secondary Fducation Act of 1965, as amended by section 101 of this Act, the Secretary of Education shall conduct a comprehensive study of the effectiveness of other Federal categorical aid programs and the administrative impact of such programs on schools and local educational agencies.

(b) CONTENTS.—Such study shall—

(1) examine the effectiveness of elementary and secondary school categorical programs, including those authorized in this Act and elsewhere, in improving the educational achievement of participating students;

(2) encompass an in-depth evaluation of the administrative impact of the broad range of categorical programs on participating schools and local educational agencies;

(3) include a comprehensive review of the programs to determine their effect on—

(A) the improvement in educational achievement of participating students;

(B) school and local educational agencies' administrative responsibilities and structure, including the use of local and State resources, with particular attention to schools and agencies serving a high concentration of disadvantaged students; and

(C) overall school reform efforts, including efforts undertaken by States and encouraged by Federal laws, such as the Goals 2000: Educate America Act;

(4) evaluate the effect of Federal categorical programs at the elementary and secondary levels on the proliferation of State categorical education aid programs and regulations, and the impact on student achievement and school and local educational agency administrative responsibilities and structure; and

(5) examine the effect of waivers on categorical program requirements and other flexibility provisions in this Act, the School-to-Work Opportunities Act, and the Goals 2000; Educate America Act on improvement in educational achievement of participating students and on school and local educational agency administrative responsibilities, structure, and resources.

(c) PANEL.—The Secretary shall appoint an independent panel to review the plan for the study, to advise on the program of the study, and to comment, if it so wishes, on the final report.

(d) REPORT.—The Secretary shall submit the report not later than January 1, 1997, to the Committee on Education and Labor of the House of Representatives, to the Senate Committee on Labor and Human Resources, and to the Labor, Health and Human Services, and Education Subcommittees of the House and Senate Appropriations Committees.

AMENDMENT BY MR. WILLIAMS FOR HIMSELF AND MR. GOODLING

Page 738, line 8, strike section 9104 and insert the following:

"Sec. 9104. For purposes of any competitive program under this Act, a consortia of schools operated by the Bureau of Indian Affairs, a school operated under a contract or grant with the Bureau of Indian Affairs in consortia with another contract or grant school or tribal or community organization, or a Bureau of Indian Affairs school in consortia with an Institution of Higher Education, a contract or grant school and tribal or community organization shall be given the same consideration as a local education agency. Such consortia shall apply through the Bureau of Indian Affairs, which shall apply to the Department of Education on their behalf."

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MS. KAPTUR OF OHIO

Page 330, line 4, insert the following (and redesignate the subsequent subparagraphs accordingly):

"(L) programs designed to reduce excessive student mobility, retain students who move within a school district at the same school, educate parents about the effect of mobility on a child's education and encourage parents to participate in school activities;

Mr. KILDEE. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KILDEE. Mr. Chairman, I ask unanimous consent to modify the en bloc amendments.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification offered by Mr. KILDEE to the amendments en bloc offered by Mr. KILDEE:

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. RICHARDSON OF NEW MEXICO

In section 101 of the bill, in subparagraph (A) of section 8009(b)(2) of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), strike "For purposes" and insert "(i) For purposes".

In section 101 of the bill, in subparagraph (A) of section 8009(b)(2) of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), add at the end the following:

"(ii) If a program of State aid uses a 'weighted-pupil', a 'classroom', 'instructional unit', or other designated unit of need in determining allocations of State aid in order to take account of special cost differentials, the computation of pre-pupil revenue or current expenditures may be made on the basis of any such unit of need."

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. QUILLEN OF TENNESSEE

In section 101 of the bill, at the end of section 8003 of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), insert the following new subsection:

"(e) SCHOOL DISTRICT CONTAINING FOREST SERVICE LAND AND SERVING CERTAIN COUNTIES.—Beginning with fiscal year 1995, a school district shall be deemed to meet the requirements of subsection (a)(1)(C) if such school district meets the following requirements:

"(1) The school district contains between 50,000 and 55,000 acres of land that has been acquired by the Forest Service of the Department of Agriculture between 1915 and 1990, as demonstrated by written evidence from the Forest Service satisfactory to the Secretary.

"(2) The school district serves a county chartered by State law in 1875."

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MS. LONG OF INDIANA

Page 271, after line 11, insert the following:

"(13) the development, demonstration and evaluation of a Buddy System Computer Education grant to each of three states having demonstrated ability or commitment to computer-based technology education to establish an education program for students in 6th through 8th grades in which computers are placed and linked in students' classrooms and homes."

Page 271, line 12, delete "13" and insert "14".

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. HOYER OF MARYLAND

Page 71, line 2, strike "that is deems appropriate" and insert ", which may include actions in compliance with state law to withhold or transfer funds and authority from schools that are failing to make adequate progress as defined in section 1111(b)(2), as will assure adequate progress for all students".

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. KILDEE OF MICHIGAN AND MR. GOODLING OF PENNSYLVANIA

On page 112, after line 21, add the following, "(3) However, no State may receive less under this section for fiscal years 1995 and 1996 than it received the preceding year, or fiscal year 1993, whichever is greater, as a result of application of paragraph (2)."

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. DOOLEY OF CALIFORNIA

On page 767, at the end of line 9, change the period to semicolon and add the following new line,

"(7) when applicable, strategies to ensure that the health and welfare needs from migratory families are addressed."

On page 184, at the end of line 24 add the following sentence,

"The Secretary shall report no later than December 31, 1997 to the House Committee on Education and Labor and the Senate Committee on Labor and Human Resources on how schoolwide programs are meeting the needs of children from migratory families."

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. GILMAN OF NEW YORK

Page 193, after line 5, insert the following (and redesignate any subsequent paragraphs accordingly):

"(2) An application for a grant under subsection (b) may provide for the use of mentors who are high school or college students trained to provide tutoring to elementary and secondary students formerly enrolled in Head Start or Even Start programs."

AMENDMENT TO H.R. 6, AS REPORTED OFFERED BY MR. KILDEE

Page 879, line 23, strike "education;" and insert "education, including the supply and demand for such teachers;".

Page 879, line 24, strike "environment;" and insert "environment, including the nature and incidence of violence affecting students, school personnel, and other individuals participating in school activities;"

Page 884, line 25, strike "influence;" and inset "influence; and".

Page 885, line 1, insert "and the National Assessment Governing Board" after "Commissioner".

Page 885, line 2, strike "Progress," and all that follows through line 12 and insert "Progress."

Page 896, strike lines 6 through line 9 and insert the following:

"(e) STUDENT PERFORMANCE LEVELS.—(1) The National Assessment Governing Board established under section 412, working with the Assistant Secretary, shall develop appropriate student performance levels for each age and grade in each subject area to be tested under the National Assessment.".

Page 896, line 8, strike "goals" and insert "levels".

Page 896, line 12, strike "goals" and insert "levels".

Page 896, line 13, strike "Such goals" and insert "(A) Such levels".

Page 896, line 14, strike "(A)" and insert "(i)".

Page 896, line 18, strike "(B)" and insert "(ii)".

Page 896, line 20, strike "goals" and insert "levels".

Page 896, line 23, strike "(C)" and insert "(iii)".

Page 896, after line 23, insert the following:

"(B) In using such levels on a trial basis, the Commissioner and the Board shall/may only issue reports on such levels separate and apart from the regular reports on the National Assessment and State assessments.

"(4) After determining that such levels are reasonable, valid and informative, the Commissioner may use such levels or other methods or indicators for reporting results of the National Assessment and State assessments.

Page 897, line 4, strike "goals" and insert "levels".

Redesignate section 412 as section 413.

Page 898, after line 5, insert the following:

"SEC. 412. NATIONAL ASSESSMENT GOVERNING BOARD

"(a) ESTABLISHMENT.—There is established the National Assessment Governing Board (the "Board") which shall formulate policy guidelines for the National Assessment, as provided in subsection (e).

"(b) MEMBERSHIP.—(1) The Board shall be appointed by the Secretary and shall be composed of—

"(A) 2 Governors, or former Governors, who shall not be members of the same political party;

"(B) 2 State legislators, who shall not be members of the same political party;

"(C) 2 chief State school officers;

"(D) 1 member of a State board of education;

"(E) 1 superintendent of a local educational agency;

"(F) 1 member of a local board of education;

"(G) 3 classroom teachers representing the grade levels at which the National Assessment is conducted;

"(H) 1 representative of business or industry;

"(I) 2 curriculum specialists;

"(J) 3 testing and measurement experts;

"(K) 1 nonpublic school administrator or policymaker;

"(L) 2 school principals, one of whom is an elementary school principal and the other of whom is a secondary principal; and

"(M) 4 additional members who are representatives of the general public, including parents.

"(2) The Assistant Secretary for Educational Research and Improvement shall serve as an ex officio and nonvoting member of the Board.

"(3) In making appointments under this subsection and filling vacancies under subsection (d), the Secretary shall ensure that the membership of the Board reflects regional, racial, gender, and cultural diversity and balance.

"(c) TERMS.—(1) Terms of service of members of the Board shall be staggered and may not exceed a period of 3 years, as determined by the Secretary.

"(2) Members of the Board may serve not more than two consecutive terms.

"(3) A members of the Board who changes status under subsection (b) during the term of the appointment of the member may continue to serve as a member until the expiration of such term.

"(d) VACANCIES.—The Secretary shall appoint new members to fill vacancies on the Board—

"(1) after soliciting recommendations from a wide variety of organizations, including those representing the types of individuals listed in subsection (b)(1); and

"(2) in a manner which maintains the composition, diversity and balance of the Board required under subsection (b).

"(e) DUTIES.—(1) The Board, working with the Assistant Secretary, shall develop—

"(A) appropriate student performance levels as provided in section 411(e);

"(B) assessment objectives and test specifications through a national consensus approach which includes the active participation of teachers, curriculum specialists, local school administrators, parents, and concerned members of the public.

"(C) guidelines for analysis plans and for reporting and disseminating National Assessment results; and

"(D) recommendations for actions needed to improve the form and use of the National Assessment.

"(2) The Board, working with the Commissioner, shall take steps to ensure that all items selected for use in the National Assessment are free from racial, cultural, gender, or regional bias.

"(3) In carrying out the duties required by paragraph (1), the Board shall seek technical advice, as appropriate, from the Commissioner and the Advisory Council on Education Statistics.

"(4) Within 90 days following an evaluation of the student performance levels under section 411(f), the Board shall make a report the Secretary of Education, the Committee on Education and Labor of the House of Representatives, and the Committee on Labor and Human Resources of the Senate describing the steps the Board is taking to respond to each of the recommendations contained in such evaluation.

"(f) PERSONNEL.—(1) The Secretary may appoint, at the request of the Board, such staff as will enable the Board to carry out its responsibilities under subsection (e)(1).

"(2) Such appointments may include, for terms not to exceed 3 years and without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, not more than 6 technical employees who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(g) COORDINATION.—The Commissioner and the Board shall meet periodically to ensure coordination of their duties and activities relating to the National Assessment.

"(h) ADMINISTRATION.—(1) Sections 10, 11, and 12 of the Federal Advisory Committee Act are the only sections of such Act that shall apply with respect to the Board.

"(2)(A) No member of employee of the Board, in the course of the official duties of such member or employee, may engage in activities designed to directly or indirectly influence legislation which is or may be considered by the Congress, except in instances where a representative of the Board has been invited to provide testimony before a committee of the Congress.

"(B) Any member or employee of the Board who knowingly engages in the conduct prohibited by subparagraph (A) may be subject to either confinement for a period not to exceed 6 months or a fine not to exceed $10,000, or both.

Page 898, line 7, strike "There" and insert "(1) There".

Page 898, line 8, strike "title" and insert "title (except section 412)".

Page 898, after line 10, insert the following:

"(2) There are authorized to be appropriated to carry out section 412 $2,000,000 for each of the fiscal years 1995 and 1996.

AMENDMENT TO H.R. 6, AS REPORTED, OFFERED BY MR. SKAGGS OF COLORADO

Page 430, line 12, after "mediation" insert ", student pledges to renounce the use of violence, student nonviolence awareness days, student outreach efforts against violence, anti-crime youth councils (which work with school and community-based organizations to discuss and develop crime prevention strategies)".

Page 431, at the end of line 17, add the following sentence: "Local educational agencies may use funds obtained under this part to pay the costs of programs and activities complying with the requirements of this section that are carried out by student organizations.".

On page 767, Line 25, strike "(1)." and insert

"(1);

but shall not include the direct provision of any health or health-related services."

SUBSTITUTE AMENDMENT OFFERED, BY MS. VELÁZQUEZ OF NEW YORK TO THE AMENDMENT OFFERED BY MS. VELÁZQUEZ TO H.R. 6

Page 438, after line 21, insert the following:

"SEC. 4203. HATE CRIME PREVENTION.

"(a) GRANT AUTHORIZATION.—The Secretary of Education may make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes.

"(b) USE OF FUNDS.—

"(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

"(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

"(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

"(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

"(D) professional training and development for teachers and administrators on the causes, effects and resolutions of hate crimes or hate-based conflicts.

"(2) IN GENERAL.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency or a local educational agency in conjunction with a community-based organization shall submit an application to the Secretary in such form and containing such information as the office may reasonably require.

"(3) REQUIREMENTS.—Each application under subsection (a) shall include—

"(A) a request for funds for the purposes described in this section;

"(B) a description of the schools and communities to be served by the grants; and

"(C) assurances that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

"(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

"(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

"(B) a description of the program to be developed or augmented by these Federal and matching funds;

"(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

"(D) proper and efficient administration of such program; and

"(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

"(c) ALLOCATION OF FUNDS.—From the funds authorized under this part, the Secretary of Education may carry out programs under this section.

"(d) AWARD OF GRANTS.—

"(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

"(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt, to the extent practicable, to achieve an equitable geographic distribution of grant awards.

"(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

"(e) REPORTS.—The Secretary shall submit to the Congress a report every 2 years which shall contain a detailed statement regarding grants and awards, activities of grant recipients and an evaluation of programs established under this section.

"(f) DEFINITIONS.—For the purposes of this section—

"(1) the term 'hate crime' means a crime as defined by the Hate Crime Statistics Act of 1990;

"(2) the term 'local educational agency' means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary and secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary and secondary schools and includes any other public institution or agency having administrative control and direction of a public elementary or secondary school;

"(3) the term 'community-based organization' means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

On page 330, line 9, insert a new paragraph "2" and redesignate the following paragraphs accordingly.

"(b)(2) funds may also be used to establish a National Center for Second Language Development.

"(b) COMPOSITION.—The Center may include representation from—

"(1) a principle federal language training institution that has expertise in translation and interpretation with responsibility for foreign language instruction of military, foreign service officers and other federal personnel; and

"(2) other public, government and private entities with expertise in the education and training of second language curricula, as determined necessary by the Secretary.

"(c) MISSION.—The Center may—

"(1) assess the economic and social benefits of second language capabilities for the population of the United States;

"(2) make recommendations to the Secretary of the most appropriate means of increasing widespread second language capabilities in the United States; and

"(3) effectuate a greater second language capability within the United States through activities that include: developing and implementing model programs for children, college students and adults; conducting research on effective ways to teach second languages; developing teacher training programs; and, developing teaching materials.

AMENDMENT TO H.R. 6 OFFERED BY MR. SMITH OF MICHIGAN

Page 763, line 3, insert new section:

Section 9602—

"It is the sense of Congress that States, local educational agencies, and schools should encourage and support parents and families in teaching children certain ethical principles. Such principles may include trustworthiness, respect, responsibility, fairness, caring and citizenship."

Mr. KILDEE. Mr. Chairman, I ask unanimous consent that the modification to amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the original request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Without objection, the modifications are agreed to.

There was no objection.

Mr. KILDEE. Mr. Chairman, I offer these amendments on behalf of myself and the gentleman from Pennsylvania [Mr. GOODLING].

Mr. Chairman, this contains a number of amendments to H.R. 6 proposed by Members on both sides of the aisle which the gentleman from Pennsylvania [Mr. GOODLING] and I have examined and agreed to. They include amendments proposed by the gentleman from Maryland [Mr. HOYER], the gentleman from New York [Mr. OWENS], the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from Ohio [Mr. TRAFICANT], the gentlewoman from Indiana [Ms. LONG], the gentlewoman from Ohio [Ms. KAPTUR], myself, and others.

Mr. Chairman, I urge the adoption of the amendments en bloc, as modified.

Mr. WILLIAMS. Mr. Chairman, I rise in support of the en bloc amendment offered by Mr. KILDEE, and to express my appreciation to him for including in that amendment a provision offered by Mr. GOODLING and myself dealing with Indian schools.

The provision that my colleague Mr. GOODLING and I drafted has one basic aim—to make the schools for Indian children funded by the Bureau of Indian Affairs eligible to apply for competitive grants under this act in the same way that local educational agencies apply. The provision would apply to all types of schools funded by the BIA, whether they be operated directly by the BIA or by the tribes themselves under grants or contracts from the BIA.

I believe it is essential that we assure that all schools in the BIA system are equally eligible to apply for competitive grant programs under this act. For too long, the BIA system schools have fallen through the tracks of many Federal grant programs because they are not considered to be local educational agencies, the basic eligibility requirement for nearly all Federal education program funding. The provision added to the en bloc amendment today is a step toward correcting this oversight. It is my intention that all schools in the BIA system have the opportunity to apply for competitive grants just like their counterparts in the public school systems can do.

Our provision allows consortia of schools in the BIA system to submit applications for competitive grants. It allows these schools to combine with other tribal organizations—such as a tribal department of education—or community organizations or even colleges and universities to comprise the consortium that could apply for these competitive grants.

The provision requires that applications from consortia that include BIA-operated or tribally operated schools be submitted to the Bureau of Indian Affairs, which will then submit the application to the Department of Education. I want to make it clear that the BIA's role in this is purely a minesterial one; the BIA submits the application once it receives it. It does not approve or disapprove an application, or select between applications filed by various consortia or Indian schools. The BIA is simply a conduit to facilitate the submission of all applications to the Education Department in a timely fashion.

Mr. Chairman, this provision that Mr. GOODLING and I worked on is an affirmative step toward assuring that Federal programs we design to help improve educational programs and delivery systems will also reach the children in the small, yet significant, school system the Federal Government runs for Indian children. I thank my colleague Mr. GOODLING for working on this provision with me, and I thank Chairman KILDEE for including this provision in his en bloc amendment.

Mr. GOODLING. Mr. Chairman, I rise in support of the amendments en bloc, as modified.

Mr. Chairman, I would indicate my pleasure in working this out with the majority, and also indicate that the waiver provision in this amendment is very, very important. I want to take this time, rather than to talk about the en bloc amendments, to merely say what I had said at the beginning when we started this last week.

I would ask the Members to keep in mind that after this got through the committee, the subcommittee, and the full committee, we had added 9 new programs, and we had put back in about 9 or 10 more old programs that were taken out, and we had a total of 23 new reporting requirements. I am saying this just so both sides of the aisle, before we start this amendment process, understand how far we have gone and how confused we have made this issue.

Mr. Chairman, I would hope that they would resist the temptation to get up and add a lot more, because every time we add an authorization, somebody is going to get very upset about the legislation.

Mr. Chairman, I also want to say to both sides of the aisle, but particularly to my side, I cannot stand up here and rail against the majority every time they are micromanaging and every time they are doing unfunded mandates, and then turn around and say when my side gets up and says, "We should do these unfunded mandates, and we should micromanage State and local government," that it is all right. It is wrong on both sides.

I would hope my side of the aisle would be very reluctant to get up and try to micromanage. My side of the aisle is supposed to be operating on the theory that State and local governments have the responsibilities that some people are trying to take from them, so I do not want to get up and have to say that my side is right when they micromanage, or my side is right when they offer unfunded mandates. They are wrong, just as the other side is wrong. I just want to make that clear before we get started on these amendments.

Mr. Chairman, I rise in support of the en bloc amendment offered by Mr. Kildee.

In particular, I am pleased that this en bloc amendment includes a bipartisan compromise to the waiver provisions contained in H.R. 6. This amendment adds additional accountability provisions to ensure that funds are not misused as a result of the waiver provisions. In addition, it allows schools, local educational agencies, and States to request waivers for all programs authorized under this act; in my view, this is the singlemost important part of this compromise.

This amendment is based upon provisions of H.R. 1452, a bill which I authored to provide schools with additional flexibility. As we focus the elementary and secondary education programs on assisting schools to undertake the broad reforms necessary to meet the National Education Goals, they will need the flexibility offered through this amendment to develop innovative programs to increase learning and raise the achievement of all students.

For many years, I have been telling my colleagues that we need to trust local educators to do what is best for students. This amendment is an indication that we have confidence in teachers, administrators, and others to do what is necessary to raise student achievement based on their knowledge of the needs of their students.

The second provision I would like to address is an amendment to exempt States which do not currently collect data on the educational programs and services available to all children from collecting such data on a State's language minority and limited English-proficient students.

Mr. Chairman, a growing number of schools are faced with meeting the educational needs of limited English-speaking students. Those schools which do not receive funds under the title VII competitive grant program will more than likely turn to their State to assist them in their effort.

We need to ensure that States are in a position to assist local schools. Without this amendment, some States will not be able to receive their State dollars under this title, which will adversely impact their ability to serve this population of students.

I appreciate the willingness of my colleagues to accept this amendment and am hopeful it will result in better services to schools serving limited English-proficient students.

I would also like to express my support for a provision in the en bloc which allows BIA-operated schools and contract schools to compete for competitive grant programs.

Mr. Chairman, I urge my colleagues to accept these en bloc amendments. These amendments are noncontroversial and deserve our support.

Mr. GILMAN. Will the gentleman yield?

Mr. GOODLING. I am happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise today to thank the distinguished subcommittee chairman and the gentleman from Michigan, Mr. KILDEE, and the ranking Republican, the gentleman from Pennsylvania, Mr. GOODLING, for including my mentoring amendment in his en bloc amendment to H.R. 6, Improving America's Schools Act of 1994. Additionally, I would like to commend the committee for all of their diligent work in helping to improve our Nation's schools.

My amendment allows the use of mentors who are high school or college students trained to provide tutoring to elementary and secondary students formerly enrolled in Head Start or Even Start programs.

A number of studies indicate that the benefits accruing to Head Start children tend to dissipate if there is no continued reinforcement in their early elementary school years.

My amendment would go along with the committee's intentions to establish projects to assist Head Start, Even Start, or similar preschool children in making a successful transition from preschool through the early elementary grades. A mentoring program would be a good way to help the Head Start and Even Start children achieve challenging academic standards, as well as helping them develop socially.

We all know that parents are the central source of emotional, financial, and social support for their children. Unfortunately, many children have no such resources, especially those living in inner cities. These children live in families that are under tremendous pressure because of poverty, divorce, teen pregnancy, drug abuse, violence, or stress. As a result, the children in greatest need of help from outside the family are often the least likely to get it.

Neighborhood schools have tried to help such children, but many are already overburdened. In many cases, mentor programs are the best means for bringing into the life of a child a person who can represent the concern and support of the community. The one-on-one relationship with a mentor can help a child with many problems that affect life at home and at school, such as: alienation, loneliness, low self-esteem, poor work habits, and lack of basic skills.

The complexity of today's society demands that the responsibility for the well-being of our children extend beyond the home and school. Our children are a national responsibility. Congress has established programs to help every child have a healthy start. But we must not forget these children once they enter the schools.

Mr. Chairman, my amendment will allow schools to apply for a grant that can be used to establish a mentor program to help the Head Start and Even Start children make that hard transition to elementary school. This amendment does not require additional authorization of funds over and above the committee's recommendations.

Moreover, by establishing a mentoring program for our Head Start and Even Start children, we will be offering to a child friendship, guidance, and a positive perspective on life. Hopefully, as this program develops over a period of time, former Head Start and Even Start children will become the next generation of mentors.

Accordingly, I urge my colleagues to support my amendment.

□ 1510

Mr. HOYER. Mr. Chairman, I move to strike the last word.

First, Mr. Chairman, I want to thank the committee for accepting my amendment on corrective action and including it in the chairman's en bloc amendment. I want particularly to thank Chairmen FORD and KILDEE and the committee's ranking member, BILL GOODLING for all their help on this.

My amendment to title 1 is simple and straightforward, enhancing accountability for performance. It adds "actions to withhold or transfer funds and authority from schools that are failing to make adequate progress" to the possible corrective steps a State could take in the very worst cases. By making it explicit that States have this option, my amendment establishes a bottom line for the $7 billion we will spend on title 1: funds should be contingent on adequate progress toward high standards. I do not think any taxpayer in this country would expect us to support anything less.

I would like briefly to explain the accountability framework for title 1 set up in H.R. 6, so my colleagues can understand the context into which this amendment fits. Some have tried to portray the corrective action portion of title 1 as this draconian, punitive system that limits local control. Nothing could be further from the truth.

States, with input from local education agencies and schools, develop a definition of what constitutes adequate yearly progress toward enabling title 1 children to meet clearly defined objectives. Corrective action is only triggered when schools fail to make adequate progress for two consecutive years. These schools are then targeted for improvement. They would have to go back to their title 1 school work plan and specify how they're going to do better for the students they serve. School districts would be required to work with these poor performing schools to get them up to par over at least a 3-year period.

This help must include providing technical assistance, which can be performed by the district itself or by a variety of organizations with experience in helping schools improve achievement.

If the school district requests it, the State can help in this effort. But if the State determines that a local education agency is not doing its job to help a failing school, my amendment makes it clear that one of the approaches it can take—consistent with State law—is to withhold title 1 funds from the folks who have not done the job for the students in a school and redirect them to an entity that will. For example, a State could contract with a higher education institution to provide title 1 services in a school that is failing to make adequate progress. This approach could provide instruction to the children who need it desperately, while making it clear that the taxpayers demand performance for their investment.

Mr. Chairman, last year during an appropriations subcommittee hearing on the Education Department budget, we heard the shocking fact that despite a broad consensus that the chapter 1 program is not producing results for disadvantaged students not a single dollar has ever been denied a grantee for poor performance. We have spent over $80 billion on compensatory education for the disadvantaged since the late 1960's and not once has the Secretary used his authority—which, by the way, H.R. 6 does not affect—to deny funds for poor achievement. Grantees only get in trouble when audits turn up money going where it was not supposed to.

But with H.R. 6, we enter a new era. This legislation increases State, local, and school flexibility, but in return demands real accountability for school improvement. My amendment reinforces this new framework by spelling out Congress' intention that the taxpayers will only invest in programs that work. We are willing to be realistic about how much time it takes to turn our education system around; given that the future of our children is at stake, maybe we are more patient than we should be. But if 3 years of corrective action have not yielded adequate progress, permitting States to take "actions to withhold or transfer funds and authority" from failing schools is a moderate measure, to say the least, and thank the committee again for its support.

Mr. SANDERS. Mr. Chairman, I want to thank the chairman for helping to reach an agreement on this en bloc amendment. I also want to thank the chairman for his commitment to quality education programs in all our States.

Mr. Chairman, I stand in strong support for this small State amendment to H.R. 6 and thank the chairman and his staff for working with us to reach a successful compromise.

Mr. Chairman, as you know, the State of Vermont is subject to a $2 million cut in funds this year for its Chapter 1 Program because of existing law, and there is nothing we can do today to fix this. That's a 15-percent cut in our funds, and is a terrible blow to education in our State. This catastrophic cutback in Vermont's funding will threaten the stability of our program and certainly make it very difficult for Vermont to carry out the intent of this legislation. Confronting this painful cut, I have joined with Mr. CASTLE and Mr. SWETT and worked closely with your staff to offer a modest amendment, which will restore the $2 million in funds in the following school year and prevent an additional cut of $800,000. Our amendment will help Vermont and other small States who have lost funding this year by restoring those funds, preventing further cuts and making it possible for small States to continue to operate their Title I Programs in the future.

Mr. CASTLE, Mr. SWETT, and I have worked together to achieve equity in funding for the smallest States in this county. While most States in this country receive far more than one-quarter of 1 percent under title I of this bill, five States will not receive that amount.

Delaware, Vermont, New Hampshire, Alaska and Wyoming will not receive one-quarter of 1 percent of this bill. One-quarter of 1 percent is a minimum standard for small States, and it makes no sense to me that we cannot have that same standard in H.R. 6. The Job Training Partnership Act has a small State minimum of one-quarter of 1 percent, the Older Americans Act has one-half of 1 percent for small States, and recently the Community Service Block Grant was amended to increase the small State minimum from one-quarter of 1 percent to one-half of 1 percent.

Mr. Chairman, the smallest States thank you for helping us to hold our States harmless with the changes in the formula in this bill and allow us to maintain a small State minimum. This minimum will enable us to carry out the intent of this bill, especially with regard to the Compensatory Education Programs [title I] for low-achieving youth. The amendment included in the en bloc amendments will not have a noticeable effect on any other States, approximately .11 percent of Chapter 1 funds, or $5.8 million out of $7 billion dollar program. This is not a greedy amendment, our amendment will not lift these small States to the one-quarter of 1 percent threshold. This modest amendment is trying to ensure the survival of small State programs. Our amendment will give these small States the security and support to continue their operation.

Thank you again for your support for the small States and for working with us on a compromise to helping States to operate the Chapter 1 Programs in their States.

Ms. VELÁZQUEZ. Mr. Chairman, hate crimes have become an all too common occurrence in our communities. From antisemitic attacks to race inspired murders, these crimes threaten not only our safety, but also the richness of our diversity and who we are as a people. More importantly, we know that hate crimes, which stem from bigotry and ignorance, can be stopped through proper education and awareness. The Velázquez amendment establishes a hate crimes prevention program that would be incorporated into title IV, The Safe and Drug-Free Schools and Communities Act of H.R. 6. This amendment would emphasize tolerance and acceptance through education, and would deter our children from falling into the dark pit of elitist thought and bigotry.

In 1991, there were 4,755 hate-related crimes reported under the Hate Crimes Statistics Act. Racial bias was the motivation behind 60 percent of these crimes, followed by religious bias crimes at 20 percent, and ethnic and sexually oriented crimes at 10 percent. This data was based on information submitted by only 32 States, and falls far short from predictions by several racial, ethnic and religious organizations, who claim that the numbers of hate crimes exceed the tens of thousands annually.

These figures are staggering when you consider that most of these crimes were committed because of the color of someone's skin, or because of someone's religion or nationality. In light of this sad, but true fact, I have introduced an amendment that would create a discretionary grant program for the education and prevention of hate-based crimes.

Administered by the Department of Education, the program would award grants to local educational agencies and community based organizations, for activities that would prevent and reduce hate crimes and conflicts prompted by hatred. Most importantly, my amendment uses no new funds. The revenue needed to fund this program would be administered under the discretion of the Secretary of Education, through title IV of H.R. 6. There are already several public and private ventures at the State and local level that would benefit greatly from this amendment.

We must take steps to ensure that America's future will not be plagued by ignorance and hatred. Under the shadow of the latest events that have shocked and enraged our society. Yesterday's shootings of four Hasidic Jewish students on the Brooklyn Bridge, the Rodney King beating that led to the Los Angeles riots, and the senseless beating of a 13-year-old Latino youth who was then spray-painted white by three caucasian youths in New York City. We can not afford to let our children grow up amidst this unjustifiable prejudice and intolerance. It already consumes too much of their lives.

We must stop the vicious and senseless trend of hate-based crimes from becoming an acceptable practice in the minds of our children. We must offer them the education needed to promote acceptance and tolerance.

I ask all of you to send the future of America a message of hope and understanding. In the unforgettable words of Maya Angelou, "We are more alike, my friends, than we are unlike." Support the Velázquez amendment.

Mr. SKAGGS. Mr. Chairman, I am pleased to offer an amendment to H.R. 6, the Improving America's Schools Act, that I believe will send a strong message about the importance of encouraging our young people to refrain from using violence to settle their problems. I'd like to thank Chairman KILDEE and Representative GOODLING for including it in this en bloc amendment. My amendment will merely clarify what I believe is already the bill's intent, but I think that it is important to make this point clear.

My amendment is to title IV, concerning Safe and Drug-Free Schools and Communities, of the Elementary and Secondary Education Act and has two parts. The first part provides authority for additional kinds of programs that safe and drug-free schools grants can be used for; the second part clarifies that grants provided under the act can be used to fund the costs of violence and drug prevention programs carried out by student organizations.

I was moved to offer this amendment by an important initiative taken by students at Ranum High School in Denver, CO, which is in the district I represent. These students, on their own, began an anti-violence program that included a nonviolence pledge taken by the vast majority of the students and outreach activities designed to let younger students know how important it is to settle disputes peacefully. Ranum's principal, Dick Werpy, told me how impressed he was when the students came to him. They didn't ask him to do the work to set up a nonviolence program, but told him their own ideas for a program to curb violence. They wanted to do it, and they have. The sense of empowerment and responsibility this has brought to the Ranum campus has proven to be a positive force for change.

I want to help the kind of program begun by these students spread to other schools, and grow in scope. If that is to happen, local education agencies must have the option of funding these activities where appropriate. My amendment simply clarifies that H.R. 6 permits such funding.

The students at Ranum have dedicated a good deal of their time to this project, including attending a crime town meeting that I held in January. I believe that the dedication they have shown is admirable, and that their efforts are the kind that we should encourage. The amendment that I offer would do just that.

Violent incidents in our schools and among our youth are growing, both in numbers and seriousness. We need to do what we can to bring down the level of violence before it brings down too many more young lives. It's obvious that edicts from Congress or State legislatures are of limited impact. What's essential is to encourage the young people themselves involved in stopping the violence that affects them so much. Most of these young people care deeply about themselves, their fellow students, and their communities. They've had enough of the violence and want to do something about it. We need to support their efforts to create a framework for meaningful action on their own in every way possible.

I urge all of my colleagues to support the youth in our communities who want to make a difference, who want to make our streets safer. This amendment will help demonstrate that support.

Mr. CASTLE. Mr. Chairman, I rise in support of the chairman's second en bloc amendment. I would like to thank Chairman FORD, Chairman KILDEE, and the ranking member of the Education and Labor Committee, my friend BILL GOODLING, for their assistance on two amendments that I had planned to offer. The first amendment, developed with Mr. SANDERS of Vermont, and Mr. SWETT of New Hampshire, sought to protect small States from a dramatic loss in title I funds under the new formula. The second amendment, sponsored by Congressman ROEMER and myself intended to preserve the National Assessment Governing Board [NAGB]. I am pleased that our differences have been resolved to the point that we are able to include these provisions as part of the chairman's second en bloc amendment.

As we all know, especially my fellow members of the Committee on Education and Labor, there has been a great deal of debate over the Chapter 1 funding formula. This issue is of the utmost importance to all Members—and it should be. Chapter 1 is an effective program. It provides the resources to our schools to implement substantive, quality programs for our poor and disadvantaged children. Ask any parent, teacher, or administrator associated with this program and you will hear how important it truly is.

Under the Chapter 1 funding formula, the smallest small States are subject to a minimum cap. For this year, the small States that are subject to this cap are Vermont, North Dakota, Alaska, Wyoming, New Hampshire, and Delaware. The Castle-Sanders-Swett amendment I had originally planned to offer simply would have lifted a provision which keeps small States from receiving more than 150 percent of the national average grant per pupil, and would allow them to receive one-quarter of 1 percent of appropriated title I funds.

This small State minimum is a cap that I understand was designed to help small States. Unfortunately, in the case of our States, it does not help but hurt. For example, in 1 year's time, Delaware lost 18 percent of its Chapter 1 funding. According to our State education agency, had I not offered an amendment and had an agreement not been reached, Delaware would have lost an additional 9 percent, totaling a 26-percent loss over the last 2 years. A loss of this magnitude would be devastating for our educationally and economically disadvantaged students and our entire Chapter 1 Program.

If a similar trend were to continue, we would repeatedly suffer such drastic losses. Such a loss, like $1.8 million for Delaware in fiscal year 1994, may not seem like a large amount to other States. But to small States like Delaware, that only receive a total of $12.8 million in Chapter 1 funding, each and every dollar is crucial.

Mr. SANDERS, Mr. SWETT, and I realize that this issue is a sensitive one and, consequently, were willing to reach middle ground with other Members of the U.S. House of Representatives. The compromise that ensued would hold the small States "harmless" at their fiscal year 1993 level—or current level, whichever is greater—for 2 years.

Putting this amendment into perspective, the $12.8 million that Delaware receives in total Chapter One funds is twice the number of what this amendment would reallocate to the six small States to help them continue their State Chapter One Programs. Specifically, the compromise would reallocate .11 percent—approximately $5.8 million of a $7 billion program—to these six small States.

Rarely in this body does anyone ask for a minuscule reallocation that will greatly benefit some without taking away greatly from others. The compromise amendment does exactly that. Again, Mr. Chairman, I am pleased that the chairmen have agreed to our modest adjustment request. This fix will give small States the resources they need to effectively run the program and get the funds to the kids who need them. If we continually lose as much as 18 percent each year, imagine the devastating effect this could have on our poor and disadvantaged children.

It is important to remember that this change in the funding formula is not solely for the six currently defined small States. Small State qualifiers are determined by several criteria, most notably the number of poor and disadvantaged children. You may not qualify as a small State this year, but under H.R. 6, census updates will occur every 2 years as opposed to 10; therefore, your State could be categorized as a small State next year or the following year by definition under this formula. Furthermore, because this piece of legislation authorizes the Chapter 1 Program for the next 6 years, more than six States could have experienced a similar hardship in the near future had this amendment not been agreed to.

I would like to make one last point. We understand that the object of this program is to give funds for the education of our poor and disadvantaged children. We understand that we may have fewer disadvantaged and poor kids in our States, but due to the sheer fact alone that we have fewer residents. Poor and disadvantaged children are exactly that, no matter where they live and what level of attention they need in order to achieve.

I again thank the chairmen and Mr. GOODLING for their attention to this important small State matter, and I look forward to ensuring that our small States maintain the necessary resources to continue beneficial Chapter 1 Programs when this bill goes to conference.

I am also pleased that Chairman KILDEE and Chairman FORD have agreed to a compromise with Congressman TIM ROEMER and me to preserve the National Assessment Governing Board. This agreement is supported by the Department of Education.

The National Assessment Governing Board was established in 1988 to set policy for the National Assessment of Education Progress, also known as the Nation's Report Card. NAGB is a bipartisan, independent board made up of Governors, State legislators, State and local education officials, teachers, and parents. The board plays a vital role in providing a voice for State and local input in the development of the levels and standards intended to measure our children's educational success.

As reported by the committee, H.R. 6 would have eliminated NAGB and shifted its responsibilities to the Commissioner of Education Statistics.

I know some of the chairman's concerns regarding NAGB centered around questions of its responsiveness to technical advice and evaluations of NAGB's decisions on the national achievement levels, as well as concern that these achievement levels, as well as concern that these achievement levels have been too controversial.

The Department of Education, Congressman ROEMER, and I took the position that NAGB plays a vital role in setting achievement standards for America's students. We feel that any concerns about the Board's actions could be addressed without eliminating NAGB, which is strongly supported by the Nation's Governors and State and local education officials.

The compromise we have reached is a true compromise in that neither side is entirely happy with it. From our point of view it is positive because it retains NAGB and continues its role in developing the appropriate national student performance levels. From the committee's point of view it requires NAGB to work more closely with the Assistant Secretary of Education and the Commissioner of Education Statistics.

I am pleased that the chairman agreed to provide an authorization of $2 million for NAGB. While this is a reduction in its current level of funding, it is a significant improvement over the committee's original position.

There are a number of other issues that we were unable to reach agreement on, including the length of the reauthorization for NAGB. The administration had requested a 5-year authorization and the committee would only agree to a 2-year authorization. Congressman ROEMER and I support the full 5-year authorization to allow NAGB to continue its work. I would hope that the chairman will remain open to discussion on this question when H.R. 6 goes to conference with the Senate.

It is my goal to ensure that NAGB is able to continue its productive role in setting policy on the national education assessment with the strong input of State and local education officials.

I want to thank my colleague TIM ROEMER for his efforts on this issue, as well as Chairman FORD and Chairman KILDEE for their willingness to negotiate a compromise on many of our differences. I would also like to thank the committee staff, particularly Jeff McFarland, Jack Jennings, and Susan Wilhelm for their assistance in putting the language together. Congressman GOODLING and his staff were also extremely helpful during this process.

Ms. DELAURO. Mr. Chairman, I rise today in strong support of an amendment offered by my good friend and colleague, DAVID SKAGGS, which was accepted today as part of the en bloc amendments to H.R. 6, the Improving America's School Act. I want to thank my friend from Colorado for allowing me to add an important provision to his amendment and thank Mr. KILDEE and Mr. GOODLING for accepting our modification.

The Skaggs amendment gives students additional tools to increase their participation in the fight against drugs and crime. The amendment will allow student organizations to apply through local educational agencies for grants to fund antidrug and violence prevention efforts. Some of the innovative programs that will benefit from this amendment include: student nonviolence awareness days, student outreach programs, and, now, through the addition Mr. SKAGGS has generously allowed me, anticrime youth councils.

After talking to students in my district who felt left out of the debate on drugs and crime, I helped them form an anticrime youth council. The council has provided junior and high school students a unique forum for discussing their perceptions of crime and violence with community leaders. The council representatives are now generating their own creative solutions to address these issues, and the Skaggs amendment will assist them in translating their ideas into action.

I commend Mr. SKAGGS for his leadership on this issue and look forward to working with him, and the other Members of the House, on additional youth crime prevention measures as we proceed to consideration of the crime bill.

Mr. RICHARDSON. Mr. Chairman, I rise in support of my amendment which clarifies that States which have established equalized funding formulas are not restricted from using their formulas to allocate the State's impact aid funding.

My State of New Mexico has pioneered the Nation's oldest and most equal method of dispersing the State's educational dollars. Title 8 of H.R. 6 already establishes that States may use equalized funding formulas to allot impact aid when those formulas take into consideration that students in rural areas or students who have disabilities have special funding needs. My amendment simply specifies that State equalization formulas based on a "weighted student," a "classroom," or "instructional unit" are methods of taking into consideration students with special needs.

This amendment is identical to the issued impact aid regulations in effect since 1980. This amendment would simply add the technical clarifications to the bill that are already in regulations.

Lastly, I would like to thank the honorable chairman of the subcommittee, Mr. KILDEE, for allowing this technical clarification as an en bloc amendment to H.R. 6.

Mr. ROEMER. Mr. Chairman, I would like to thank Chairman KILDEE for his willingness to work on reauthorizing the National Assessment Governing Board [NAGB]. I truly appreciate his cooperation in working with me and Representative CASTLE in an effort to reach a compromise on this issue.

My main goal during the reauthorization of NAGB was to ensure that we would maintain State and local input on the National Assessment of Education Progress [NAEP]. The Board, which is comprised of State and local legislators, teachers, public and business representatives, as well as individuals with expertise in testing, is important if we, as Federal legislators, expect States and local education agencies to buy into the national assessment.

The NAGB sets policy for the national assessment, which for over 20 years has provided policymakers with one of the only continuing national measures of student achievement. Since 1990, the national assessment has provided the only State-by-State data on academic achievement and this information has been used to track progress toward reaching the national education goals.

The 24 members of NAGB engage in extensive consultation in order to achieve its mandate of deciding on content and performance standards of the National Assessment of Education Progress test.

I believe that it is important to maintain NAGB. While I support the provisions of the compromise amendment to include NAGB in this reauthorization, I continue to object to the 2-year authorization period. While I understand that the duties of NAGB may be shifted to the NESIC panel contained in the Goals 2000 legislation, I believe that we should allow some overlap time between these two panels until we determine what duties NESIC, which is contained in legislation not yet enacted, will actually undertake.

Again, I thank Chairman KILDEE for his assistance in resolving this matter which is important to me and to Indiana's Governor. I commend the chairman for all the hard work that he has expended in guiding this complex and extremely important legislation through the House.

Mr. ORTON. Mr. Chairman, I rise in support of the Kildee-Goodling en bloc amendment to H.R. 6, which contains my amendment. I appreciate the efforts of the subcommittee to ensure that minimum grant States, specifically my home State of Utah, receive the funding necessary to carry out the requirements contained in this bill.

My amendment will increase the State minimum administrative grant level from $325,000 to $375,000. Utah and 14 other States currently receive this minimum, which has not increased for the past 5 years.

During this same time period, the other 35 States all received substantial increases of over 17 percent. This is ridiculous. We cannot continue to ask more of the States without providing the means for them to carry out the requirements contained in Federal legislation.

We cannot simply neglect to consider the effects of our economy on the State. Activities that were possible 5 years ago simply cannot be funded now. The State of Utah Office of Education has had to decrease the number of employees, restrict travel, and reduce long distance phone use. I am told that if the State administrative level does not increase, travel and long distance phone calls will be eliminated all together.

How are we to expect the State to oversee 40 school districts, many of which are located hundreds of miles from Salt Lake City, without long distance phone calls or travel?

H.R. 6 requires States to provide intensive technical assistance to schools and districts that fall behind. It requires an intensive effort to create district and State plans that coincide. And it holds the State responsible for ensuring that all of the requirements of this bill are carried out. How can this take place without the personnel and funding necessary to visit each district?

Although I understand the efforts of the House to reduce spending wherever possible, we must provide a minimum grant that is sufficient to carry out the requirements of our legislation. For this reason, I urge you to support my amendment that is part of the en bloc amendment.

The CHAIRMAN pro tempore (Mr. DARDEN). The question is on the amendments en bloc, as modified, offered by the gentleman from Michigan [Mr. KILDEE].

The amendments en bloc, as modified, were agreed to.

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON: Page 82, strike lines 1 through 4.

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

Mr. GUNDERSON. Mr. Chairman and Members, this is probably one of the more important amendments in the bill, because it really represents what this bill has become, not what I think it was intended to be all about.

Unfortunately, the gentleman from Pennsylvania [Mr. GOODLING] said, there are no less than 23 new reporting requirements already included in this legislation; the fact is that if you will look at the bill, you will find, beginning in section 111 and going through section 118, what the State and local plans must require. Literally, you will find 57 pages of legislative mandates that must be included. Those 57 pages of mandated requirements in State and Federal plans are going to transfer into how many untold pages of reporting requirements at the local level when the rules and the regulations are published.

The amendment that I am offering says we get a little bit carried away when we require schools to report down to the very last single percentile, and that is exactly the language that I am trying to delete from the bill. The language was included in the committee that requires that every school receiving chapter 1 funds must prove that at least 1 percent of their funds are being used for parental involvement programs.

I am all for parental involvement. That is not the problem. I am all for the Government perhaps even mandating parental involvement. That is not the problem. I have got real problems though when we say to a school, "You have got to prove to us that at least 1 percent of your money is being used for this particular program."

I have a school district, and I know many of my colleagues have many, many small school districts that are receiving and participating in the chapter 1 program. One of my schools receives $36,000 a year. Do you know what that means? That means that school has to prove to the Federal Government that they are spending $360 a year on parental involvement.

Folks, if we do not have any more confidence than that in local public education, we ought to say so and eliminate it. To ask schools to do those kinds of reporting requirements goes beyond any sense of what I would call ridiculous.

I would like to take some time, and it is going to take some time, but I would like to show you what a local LEA has to do today to participate in the chapter 1 program as we know it. One of our school districts was kind enough to make a copy of literally everything that they had to do. There are no less than, folks, 95 pages of data submitted by this small school district to comply with chapter 1 regulations today.

Let me share with you some of what those data are, because I think it is important that you understand. Obviously in the application, you have to show, first and foremost, how every dollar is projected to be spent from administration to instruction, from salaries to fringe benefits to noncapital objects, to purchased services, and so you have to show exactly how every dollar is going to be spent. Then you have to articulate what the purchased services are going to be, what the capital objects are that you are going to purchase with this money. Then you have to indicate in subject areas exactly where the impact of these dollars is going to be, in other words, how much is going to be allocated for every different kind of instruction from language arts to reading to integrated reading and language arts to math to prekindergarten to extended day kindergarten and so on the list goes. Then you have to show how many grades are going to be involved, how many of those students are going to be in the public schools, how many are going to be in the private schools, and how much you are going to allocate in each particular area. Then you have to indicate what your personnel are going to be, who they are going to be, what their title will be, exactly what percent of their full-time equivalency will be spent on this program. Then you have to indicate general information about the school district such as where it is, its basic administration, its coordinator for the chapter 1 program, et cetera.

On the next page, you have to indicate who the targeting data would suggest to be the targeted students. You have to indicate this for every school building within your local education agency, indicating the grades covered in that school, the enrollment, those that are going to be enrolled from private schools, those that are low income, and that type of data. Then you have to explain the private school participation. At that point in time, you begin a needs assessment and then you have to explain exactly how the procedural steps will be taken to describe which students most need this program. When that is completed, you will describe the procedural steps that will be taken to specifically select students within your local education agency. Then you will have to go on and describe the constructional component in each particular one of these categories that is going to be used from their goals, their desired outcomes, and the State's definition of substantial progress that is the goal in that particular area.

At that point, you have to go on and begin to describe the basic concept or the basic description of your particular school district, and each of the buildings within your school district that will be used in the activities, that will be used under that, at which point you begin to articulate how your evaluation plan will be carried out.

At that point, you have to design, under section 5, an instructional component design talking about what the LEA performance objectives are in each area and what definition of substantial progress will be used to calculate whether substantial progress was or was not made.

Then you begin an evaluation plan for the next few pages, literally describing in every area how you will be evaluating this particular plan with each kind of particular students that will be going on.

Now, I could carry this on to the end, and I would bore you to death. And, folks, that is only one part of the LEA application.

The CHAIRMAN pro tempore. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent, Mr. GUNDERSON was allowed to proceed for 5 additional minutes.)

Mr. GUNDERSON. Mr. Chairman, that took up only 30, one-third of the 95 pages that this school has to fill out.

The next thing they have to do is fill out five pages, which point out the private school targeting forms included within those local LEA funds, at which point they then have to explain exactly through three more pages what the needs assessment, the identification data will be that is used.

Then they have to articulate exactly which students in which grades in which subject matters are going to be used.

It took this school 16 pages to do that.

Then it had to give a needs assessment summary which took five particular pages to explain exactly what the recommendations of their needs assessment study were and why, at which point they had to provide supporting data. That is 14 pages of supporting data explaining their needs assessment in this school. And then they had to get into the evaluation program which took 15 more pages of data on evaluation at which point they had to get into four pages on program improvement.

I do not intend to make a mockery of this at all. I have taken this time because, folks, these are real people, for the most part these are real teachers who have a desire to serve real students in real need of special education assistance, and somehow or another we in Washington in this era of thinking that Washington knows best want to suggest through this bill that we can mandate all kinds of additional reporting requirements above and beyond those 95 pages that must be filled out by any LEA today to participate in this program.

Whether you have 100 students or 10,000 students in your particular school district, you have to fill out all of this paperwork.

So, please, my colleagues on both sides of the aisle, let us make sure our limited chapter 1 dollars go not to filling out Federal forms but to really helping students in need of this special assistance.

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Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in opposition to the amendment.

Mr. Chairman, the speech we have just heard was a very interesting analysis, useful; the problem is it is the wrong speech at the wrong time on the wrong amendment.

I would be happy to join the gentleman from Wisconsin [Mr. GUNDERSON] in simplifying the kind of reporting requirements that are necessary under this bill. That is not the issue here. But it certainly sounds as if we need to have some simplification.

I am in favor of that, but it has nothing to do with the requirement that 1 percent of the title I funds be spent on parent involvement activities. That is what the amendment is all about: parent involvement activities. It just says, "We require that 1 percent be spent." There is no requirement of a special report, there is no requirement that you prove it, we just require it, not less than 1 percent. You can spend more if you want to, you can make another little niche, another category on your financial report on your computer, and it will tell you what you spent for parent involvement activities.

In the case of one of the gentlemen's districts, it was either $36,000 or $360—maybe they spent $360 on stamps to notify the parents to come to a meeting. One little press of a button will tell you that is what was spent. You do not have to have a special report, you do not have to have a special report. Of all the reports that are required, one thing is certain: There is always going to be a financial report. No matter how hard I work with the gentleman from Wisconsin to help simplify the reporting systems, there is always going to be a requirement that there be financial reporting.

So this is just another little request that you show us what you are spending on parent involvement activities. Why do we have to have this requirement? Because there are parents across the country who keep complaining year after year about not having the opportunity to participate as required by the law. Everybody pays lip service to parent involvement—that is, the concept; everybody supports it with rhetoric, that there should be more parent involvement. Everybody says you cannot do anything without the parents, that it is not the duty of government to teach values, it is the parents'. Everybody says the schools must work closely hand-in-hand with the parents. But when you begin to move and look at the details, it appears that most of the people involved in education are afraid of parents. Parents are good people. I want the gentleman from Wisconsin to understand, parents are good people. People are vitally necessary to this process. Parents and teachers working together is very necessary, so if the teachers are afraid of this requirement, I want you to reassure them that this will not only allow us to help them do the job better but teachers complain to me about parents, that you cannot get the parents to cooperate; but here is a vehicle by which you bring parents together with the teachers and administrators to make some decisions.

The history of the title I, chapter 1 program—when it first started, it was title I—title I had a requirement that parents must sign off. Parents had policymaking power. If you did not have a parent sign off, you could not get the funds. They have that kind of power.

Later on, the Congress, as a result of administrators complaining, teachers complaining, they did not want parents interfering in the administrative process. It was all a power play, in my opinion. I do not think we should change that. I was not in Congress at the time.

But Congress retreated from support of the parents. Congress said parents should have an advisory role. So now they have an advisory role. It is required that you seek their advice. They cannot hold up submission of a chapter 1 or title I package, they cannot hold it up. Whatever the administrator and teacher decide to do, basically they can do it, but they must consult, they must allow the parents to come in, look at it, make comments on it.

This is a very fundamental, elementary, rudimentary basic process which is not being followed in numerous school districts. Parents complain that they do not have that opportunity. I asked the teachers and the principals, "Why didn't you give them the opportunity to comment?" All they can do is comment on the package. "Why didn't you give them an opportunity to comment?" The teachers and principals said, "We had a meeting, and they did not come." So, "When did you have a meeting?" "Well, 4:30 in the afternoon." So, automatically the parents could not come. "How did you notify the parents to come?" They said, "Well, we told the kids in the auditorium, told the kids to tell their parents to come to the meeting." "Why didn't you sent the parents a letter in the mail for this important meeting held once a year?"

The CHAIRMAN pro tempore. (Mr. DARDEN). The time of the gentleman from New York has expired.

(By unanimous consent, Mr. OWENS was allowed to proceed for 5 additional minutes.)

Mr. OWENS. The question is, "Why didn't you send a letter to the parents to come to this one important meeting per year in the mail?" "We didn't have the postage," the principal says. "Why didn't you have the postage?"

You know, out of the chapter 1, title I funds, surely we can provide enough postage to notify the parents once a year that their all-important advisory committee meeting is taking place. Their perception is that the parents are not important, and there are numerous other situations where a little bit of attention, a little bit of money expended to encourage parents to participate would reap a great benefit.

The problem is, if you are not committed to it, you always find the excuse of not spending the money for it. But no school administrator and no superintendent in all the hearings that I have attended—quite a number—would admit that they were not spending at least 1 percent. The comments we always receive when I ask the question of a superintendent or a principal. "Would you object to a provision in the law which says you must spend no less than 1 percent on parent involvement activities," the answer invariably is, "Oh, we spend far more than that, we spend far more than that."

I said, "Would you object to having the requirement that you at least show how you spend the money?" The objection is always, "We don't want more redtape, we don't think it is necessary." I do not understand. There is a contradiction. If you are doing it already, what is the problem? The problem is that it is not being done, and the problem is it is felt parents are not enough to break it out and delineate what is being done so they will know. Many parents may perceive they are not being recognized properly, not being included, there is not sufficient opportunity for participation. They may perceive that, and one way for the superintendents, principals, and administrators to be able to quiet their own fears and answer their own questions is to have a way to break it out and show, "We spend so much on stamps, we spend so much on a coordinator of parent activities, full-time, part-time, quarter-time," whatever you want to say, "we spend so much on parent leaflets, practice booklets, whatever, to go to the parents; we produced the proposal summary and we sent it out to all the parents or maybe just the key leaders."

It is not a difficult thing to show how you have supported your parent involvement activities if you have parent involvement activities. The problem is people do not understand that parents are good people, parents are vital people, parents deserve more than just a good line and the rhetoric we put out about wanting to have parent involvement. You know, Education 2000, America 2000, there is a great emphasis on parent participation, citizen participation.

America 2000 commits—one part of the previous President's package that I thought was great, President Bush proposed in America 2000 a community commitment where a whole community would be invited to join with the parents and school personnel, teachers, administrators, in working toward the improvement of education in the district. So, parents there were included in the central part.

The real problem behind the attempt to gut this amendment is a fear that parents are not really that important, not that significant, and local people would not appreciate an opportunity to encourage greater amounts of parent participation. I think that is an unfounded fear.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from New York [Mr. OWENS] articulated earlier that simply using the 1 percent for stamps would comply with the Federal Government.

Mr. OWENS. I did not get into that detail. I said it might be they spent $360 on stamps to notify parents of various meetings. Yes, that is a possibility.

Mr. GUNDERSON. But think about it, if that satisfied this requirement, have we not reached the level of absurdity when we require that schools have to point out that they spent 1 percent of their money of $360 on stamps and report that to the Federal Government? Is that not asking a little bit much of a local education agency?

Mr. OWENS. The gentleman chose to give the ridiculous——

Mr. GUNDERSON. I used the gentleman's example.

Mr. OWENS. Ridiculous example. The gentleman chose that particular small amount, and I told you how it could be done——

Mr. GUNDERSON. The gentleman is——

Mr. OWENS. Mr. Chairman, may I reclaim my time?

Mr. GUNDERSON. It is the gentleman's time.

□ 1530

Mr. OWENS. Nobody says how it should be done or, "That's all you should do."

We say, "You should spend a minimum of 1 percent."

They can argue that we have many other parent involvement activities that are not involved with expenditures of the Federal Government.

Mr. GOODLING. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. Chairman, my colleague is correct, they can use the money now in the program in order to do parenting programs or programs involving parents. I would be very happy to indicate in an amendment such as this, such as the gentleman from New York has offered, that the large percentage of it must go for improving parent literacy and parenting skills. In all of the programs we are discovering that family literary is the answer if we are really going to help the disadvantaged become less disadvantaged or not disadvantaged at all. So, if it went strictly for a large portion or directly to parenting skills and to improving literacy skills, then I would not have too much problem with it.

But what we are doing in this particular piece of legislation, Mr. Chairman, is saying that here is just one more reporting requirement. The gentleman from Wisconsin [Mr. GUNDERSON] is correct. Whenever we speak to teachers in chapter 1, whenever we speak to supervisors in chapter 1, their greatest concern is the amount of hours they spend doing the paperwork when they could be doing it either in teaching or in preparation for their teaching, and so this provision just creates an enormous paperwork requirement on LEA's because they will have to show to the Department satisfactorily that they are spending 1 percent of their title I funds on parental involvement.

Now I do not know what the requirement will be from that department in respect to these reporting requirements. I do not know how tough they will be and how many pages it will take to justify what they are doing. But it is another burden taking the teacher and the supervisor away from teaching young people.

I say, if you can get parents to be the first and foremost parent, that's the kind of parental involvement we really should be striving for. That's why Head Start hasn't worked the way we wanted it to work, and we have spent 20-some billion dollars on Head Start. That's why chapter I hasn't worked the way we thought it would work after spending $80-some billion.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from New York.

Mr. OWENS. Will the gentleman accept the amendment if I work with him to limit? Say we are going to go together to the Department of Education and work with them to make sure the regulation limits any reporting requirements to two or three sentences or a paragraph.

Mr. GOODLING. Mr. Chairman, I am not quite sure what the gentleman means.

Mr. OWENS. The gentleman said he does not know what the Department of Education will require as a result of this new requirement in the law, what regulations they will come up with, and I ask the gentleman, "Would you go with me, and, if I pledge to go with you to the Department of Education and, in addition to the language in the report which makes it clear this is no new reporting requirement, to make sure that they don't come up with anything more than a few sentences or a paragraph in additional reporting? Would you accept the amendment then?"

Mr. GOODLING. Mr. Chairman, I say to the gentleman, "Anything you can do to get more parental involvement, including parenting skills and improving literacy skills, I am a hundred percent behind," and I say to the gentleman, "If you can do that without reporting requirements, then I'm very happy to join you in doing that."

Mr. OWENS. I will join the gentleman.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, I appreciate that.

The thing I would like to simply point out, and I think this is important for the gentleman from New York [Mr. OWENS] and everyone else to understand, is we do not delete anything in the parental involvement section of the bill except that one section that says, "You have to prove that you have spent at least 1 percent." Every one of the other programmatic requirements is still there.

Now I say to my colleagues, "The problem you're going to face is that in order to comply you're going to have to articulate exactly every one of the sections, A, B, C, D, E and (2), to prove that you are doing those activities which would qualify for that 1 percent of, quote, unquote, parental involvement, and it's like I said earlier. We're not trying to eliminate parental involvement. We are just trying to eliminate a requirement down to the last single percentile of allocation of funds."

The CHAIRMAN pro tempore (Mr. DARDEN). The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 2 additional minutes.)

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from New York.

Mr. OWENS. Mr. Chairman, I just wanted to point out the wording here on page 82:

> Each local educational agency shall reserve not less than 1 percent of its allocation under this part for the purposes of carrying out this section, including family literacy and parenting skills.

There is no requirement for proving anything. The gentleman keeps using the word "prove" and "special reporting." It just says, "You shall reserve, you shall do it."

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Let me say in all due respect that that then is exactly how we get all these rules, regulations and paperwork, because if the gentleman thinks there is any department in the Federal Government that is not going to take that section and promulgate rules and establish forms that require every local education agency to prove that they have met exactly that 1 percent utilization of funds, then the gentleman just is not dealing with the real world, and that is exactly what these 95 pages of requirements are all about.

Mr. OWENS. We are streamlining government now. We are getting rid of all this.

Mr. GUNDERSON. I say to the gentleman, "You're increasing it; that's the problem."

Mr. OWENS. Not this administration.

Mr. KILDEE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON], not because of the person who is offering it because he has made many fine contributions to this bill and other education bills, but I rise to oppose it. The setaside established in the bill is low enough not to be burdensome on the local school districts, and, having taught for 10 years, I know that meaningful parental involvement is very important for good education.

In my Ninth District of Michigan, my second largest city, Pontiac, MI, has very good title I (chapter 1) program, and one of the reasons it is good is because of parental involvement. They have had that parental involvement from the beginning, and the school district encourages that parental involvement. Parents become more interested in the schooling of their children when they are involved in the schooling of their children. I always tried to encourage that, and I taught at the high school level. It was always strange that on PTA night the parents I needed to see never came. The parents I did not need to see always came. I always tried to encourage parental involvement.

Now I know the gentleman from Wisconsin [Mr. GUNDERSON] is sincerely concerned with paperwork, and I share that concern, but H.R. 6 substantially addresses that burden of paperwork. For example, the separate Federal testing which was required before now has been replaced by letting them use the State testing system. Today a school has to be 75 percent qualified to have a schoolwide program. We reduce that to 60 percent where they can have a schoolwide program. That in itself will reduce the paperwork. So, I want to make it clear that within H.R. 6 we have made substantial improvements in reducing the paperwork.

Second Mr. Chairman, I want to get clear that parental involvement is very important in all phases of education and particularly in this title I.

I yield back the balance of my time.

Mr. MILLER of Florida. Mr. Chairman, I move to strike the requisite number of words, and rise in support of the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. Chairman, I support my colleague's proposal to eliminate the mandate on local education agencies to spend 1 percent of their Chapter I funds for parental involvement. I cannot justify forcing local educating agencies to narrow the parameters of their spending for Chapter I funding. The idea was to add flexibility in this bill, not confiscate it from the local school districts. We don't need micromanaging from Washington.

While parental involvement is of the utmost importance to a student's success, placing mandates on school districts is bureaucratic.

Throwing money at parental involvement may not be the best use of scarce Federal dollars for education. I don't think other options for encouraging parental involvement have been explored. We need to encourage and support parental involvement, not have a bureaucratic mandate. What kind of regulations will be developed to implement this mandate. As we reduce the size of the Federal Government, we are increasing the need for more bureaucrats.

Take for instance, rural districts, that receive $100,000 or less for Chapter I funding. To be forced to spend $1,000 of that on parental involvement may sacrifice curriculum materials like updated books or video resources.

Liberty County in Florida receives $146,000 in Chapter I funding—1 percent of that is $1,460. Is that enough to pay for a tutor for parents to learn to read? I know that it could buy a lot of books, even copies of the Ken Burn's "The Civil War Series."

Also, Mr. Chairman, how is the Federal Government to document the use of funds for parental involvement?

How much is it going to cost to implement a policy requiring funds to be spent on parental involvement? When considering the answer to this question, keep in mind that we voted 2 weeks ago to downsize the Federal Government by 252,000 employees.

And, how does Liberty County in Florida measure volunteer services when the Secretary of Education asks the school how they spent $1,460 on parental involvement?

I sat at a round table on Monday with the two superintendents of education in my district to review H.R. 6. One of the superintendents looked at this section of the bill and said, "The Federal Government is not the school board. We'd just like to see the Federal Government keep its fingers out of local concerns." Both superintendents enumerated a number of parental involvement programs that don't cost money, and both spend far more than 1 percent on parental involvement. One more "i" to dot or "t" to cross just adds to the inordinate amount of paperwork schools already have to complete. Not everything in education has to cost money, Mr. Chairman.

I implore the Members to vote to eliminate this mandate. I don't want to start telling local school districts exactly how to spend every dime of their money.

Let us keep some flexibility in tact for local school districts. I know I trust them to make their own decisions on how to involve parents.

Don't misunderstand me, parents need to be involved in the education of their children. But a hamfisted Federal mandate is no substitute for good parenting.

□ 1540

The CHAIRMAN pro tempore (Mr. DARDEN). The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment was rejected.

Mr. SMITH of Michigan. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank the sponsor of the bill, Congressman DALE KILDEE, and the committee ranking member, BILL GOODLING for their consideration.

The original amendment that Congressman EMERSON and I introduced asked for a study and plan of how schools can assist families in reinforcing values. Specifically, it named and defined 10 ethical principles that should be considered. Namely:

Honesty; To be truthful, sincere, forthright, straightforward, frank and candid; to not cheat, steal, lie, deceive, or act deviously.

Integrity; To be principled, honorable, and upright; to not be two-faced or unscrupulous.

Promise-keeping: To be worthy of trust, keep promises, fulfill commitments, and abide by the spirit as well as the letter of an agreement.

Loyalty; To be faithful and loyal to family, friends, employees, clients, and country.

Fairness: To be fair and open-minded, willing to admit error, and, if appropriate, change positions and beliefs; to demonstrate a commitment to justice and the equal treatment of individuals.

Caring for others: To be caring, kind, and compassionate; to share; to be giving and of service to others; to help those in need and avoid harming others.

Respect for others: To demonstrate respect for other people's property, human dignity, and privacy; to be courteous, prompt, and decent; to not patronize, embarrass, or demean.

Responsible citizenship: To obey the laws and, if a law is unjust, protest it and try to change it but continue to obey.

Pursuit of excellence: To pursue excellence in all matters and in meeting personal responsibilities; to be diligent, reliable, industrious, and committed; to perform all tasks to the best of one's ability, develop and maintain a high degree of competence, and be well informed and well prepared; to not be content with mediocrity; to not strive to 'win at any cost'.

Accountability: To be accountable and accept responsibility for decisions, for the foreseeable consequence of actions and inactions, and for setting an example for others.

This morning, Congressman TONY HALL of Ohio and I met with Michael Josephson and actor, Tom Selleck of the Character Counts Coalition. The coalition is a national partnership of organizations and individuals involved in the education, training, or care of youth, joined together in a collaborative effort to improve the character of America's young people based on six core ethical values of trustworthiness, respect, responsibility, fairness, caring, and citizenship. I have amended my motion to specifically identify these six core ethical values.

The reason that it is so important that we all get involved is to combat violence, dishonesty, and irresponsibility by strengthening the moral fiber of the next generation. The coalition will put the issue of character development on the forefront of the American agenda through a wide variety of grassroots activities built upon the simple but profound conviction that character counts. The coalition is built upon the common ground of consensus ethical values that form the foundation of a democratic society.

With the passage of my amendment I am hopeful that States, local school districts, and individual teachers will assist in this effort and be motivated to study and plan the best ways to support the community and parents in the positive development of a child's character and value system. The Josephson Institute of Ethics has helped to define these six core ethical values in terms of do's and don't's as follows:

SIX CORE ETHICAL VALUES

TRUSTWORTHINESS

Honesty—Do: tell the truth; be sincere. Don't: betray a trust, deceive, mislead, cheat, or steal; don't be devious or tricky.

Integrity—Do: stand up for your beliefs; be your best self; walk your talk; show commitment, courage, and self-discipline. Don't: do anything you think is wrong.

Promise-Keeping—Do: keep your word and honor your commitments; pay your debts and return what you borrow.

Loyalty—Do: stand by, support and protect your family, friends, and country. Don't: talk behind people's backs; spread rumors or engage in harmful gossip; don't do anything wrong to keep or win a friendship or gain approval; don't ask a friend to do something wrong.

RESPECT FOR OTHERS

Do: judge all people on their merits; be courteous and polite, tolerant, appreciative and accepting of individual differences; respect the right of individuals to make decisions about their own lives. Don't: abuse, demean, or mistreat anyone; don't use, manipulate, exploit or take advantage of others.

RESPONSIBILITY

Accountability—Do: think before you act; consider the consequences on all people affected; think for the long-term; be reliable; be accountable; accept responsibility for the consequences of your choices; set a good example for those who look up to you. Don't: make excuses, blame others for your mistakes or take credit for others achievements.

Excellence—Do: your best and keep trying; be diligent and industrious. Don't: quit or give up easily.

Self-Restraint—Do: exercise self-restraint and be disciplined.

FAIRNESS

Do: treat all people fairly; be open-minded; listen to others; try to understand what they are saying and feeling, make decisions which affect others only after appropriate considerations. Don't: take unfair advantage of other's mistakes or take more than your fair share.

CARING

Do: show you care about others through kindness, caring, sharing and compassion, live by the Golden Rule and help others. Don't: be selfish, mean, cruel or insensitive to other's feelings.

CITIZENSHIP

Do: play by the rules; obey laws; do your share; respect authority; stay informed; vote; protect your neighbors; pay your taxes; be charitable; help your community by volunteering service; protect the environment; conserve natural resources.

Mr. Chairman, the following are Members of the Character Counts Coalition as of February 14, 1994:

American Association of Colleges of Nursing.
American Association of Community Colleges.
American Association of Retired Persons.
American Association of School Administrators.
American Federation of Teachers.
American Red Cross.
American Youth Soccer Organization (AYSO).
Assoc. for College & University Religious Affairs.
Babe Ruth League.
Big Brothers/Big Sisters of America.
Black Coaches Association.
Boys & Girls Clubs of America.
Boys Town.
Child Welfare League of America.
Council of the Great City Schools.
Covenant House.
Crossroads of North Carolina.
Family Service of America.
Fayetteville State University (NC).
4-H.
Girls Incorporated.
Goodwill Industries of America.
The Heartwood Institute (PA).
Little League Baseball.
Minnesota Center for Corporate Responsibility.
National Association of Basketball Coaches.
National Association of Catholic School Teachers.
National Association of Secondary School Principals.
National Association of State Boards of Education.
National Association of Student Councils.
National Catholic Educational Association.
National Council of LaKaza.
National Federation for Catholic Youth Ministry.
National Urban League.
Quest International.
San Francisco Giants.

United Neighborhood Centers of America.
United Way of America.
YMCA of the USA.
Young Men's & Young Women's Hebrew Ass'n. (92nd St., NYC).
Youth Volunteer Corps of America.

Again, I thank the chairman and ranking member and the Members of this House for passing this amendment.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Chairman, I commend the gentleman from Michigan [Mr. SMITH] for offering the amendment, and I rise in support of it.

Mr. Chairman, I rise today in strong support of the amendment by my good friend, NICK SMITH of Michigan.

The Smith amendment is straightforward and simple, but its effects could be far-reaching. This "Sense of the Congress" amendment will suggest 10 principles to be taught to our Nation's children—honesty, integrity, promise-keeping, loyalty, fairness, caring, respect, citizenship, accountability and the pursuit of excellence.

Teaching the youth of our country reading, writing, and arithmetic is fundamental to our Nation's future economic success. More fundamental, however, is teaching our young people the difference between right and wrong—teaching them the values of a civilized society.

It is no coincidence that Bill Bennett's Book of Virtues is on the bestseller list. People from all ideological spectrums have praised the book, saying that they have bought it themselves to read to their children and grandchildren. The Smith "Sense of Congress" will demonstrate that old-fashioned, commonsense values are vital components of education.

John Locke wrote, "Virtue is harder to be got than knowledge of the world; and, if lost in a young man, is seldom recovered."

The Smith amendment is a simple way for Congress to show school districts, teachers, and parents that virtue is to be gotten and not lost in each and every young person. I urge adoption of the Smith amendment.

AMENDMENT OFFERED BY MR. ROMERO-BARCELÓ

Mr. ROMERO-BARCELÓ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROMERO-BARCELÓ:

Page 106, line 20 before "the percentage" insert "the greater of".

Page 106, line 21, after "sentence" insert "and 60 percent for fiscal year 1995, 70 percent for fiscal year 1996, 80 percent for fiscal year 1997, 90 percent for fiscal year 1998, and 100 percent for fiscal year 1999 and succeeding fiscal years".

Page 123, line 15, after "1.62" insert "for fiscal year 1995, 2.0 for fiscal year 1996, 2.33 for fiscal year 1997, 2.67 for fiscal year 1998, and 3.0 for fiscal year 1999 and succeeding fiscal years".

Mr. ROMERO-BARCELÓ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

Mr. ROMERO-BARCELÓ. Mr. Chairman, the amendment I am offering today is offered on behalf of the children of Puerto Rico. The law, the Elementary and Secondary Education Act and the amendment establish arbitrary caps for Puerto Rico which are perpetuating the second-class, underfunded education system. The elementary and Secondary Education Act funds have been traditionally capped for Puerto Rico. The Island usually receives less than 50 percent of what it would get if parity with the States in this program were to be extended to Puerto Rico.

I want to at this moment to recognize that during the past years the prior chairman, Mr. Gus Hawkins, and the chairman, the gentleman from Michigan [Mr. FORD], have been extremely concerned and have helped Puerto Rico get funding for this program, but what has never been explained to the people of Puerto Rico, and particularly its children, to whom I would like to carry back an explanation, why it is that United States citizens the children, are being discriminated against and are not being given full funding for their education. The hundreds of thousands of poor and the low-income students are now being deprived significant resources that can make a crucial difference in their learning experience.

Education is a key to our economic program, and the education of children in Puerto Rico, with scarce resources, is hindered by the caps contained in this bill.

We are talking precisely about the children who are primary targets of programs such as Chapter 1 funds, and in Puerto Rico over 60 percent of the school-aged population falls below the Federal poverty guidelines. There is great need in my district, and my district is 6 times as large as the districts of any of my colleagues here.

So we are talking about the 60 percent of the children that fall below the Federal poverty guidelines, and there is a great need to move forward and catch up with the national educational standards. In order to accomplish this, the American citizens of Puerto Rico must have equal access to adequate resources.

We ask, Are the children of Puerto Rico U.S. citizens or not? Are they citizens, these children who are grandchildren or great grandchildren of men who gave up their lives defending their country, who have seen their great grandparents or grandfathers who were maimed or handicapped because they were involved in the defense of this Nation and they are deprived of equal funding to improve their educational standards?

Arbitrary caps like the one funded within the Elementary, Secondary Education Act serve to widen the economic gap between mainland and island citizens. Lack of adequate resources result in high dropout rates, outdated schools and learning techniques, and juvenile delinquency, and in many instances, as a measure of last resort, families opt to migrate to the mainland in search of better educational opportunities.

I met a redcap from Puerto Rico in Dallas, and he was telling me how much he missed being back in Puerto Rico with his family. I said, "Why don't you go back to Puerto Rico?"

He said, "I cannot until my children get educated. The opportunities that they have here in Dallas in the public educational system are much better than the ones in Puerto Rico."

Of course, Dallas is much more handsomely funded by the Federal Government than Puerto Rico. So that gap is being not only maintained, it is being increased as the years go by.

□ 1550

When I was a child, I learned that Robin Hood was a hero, that he took away from the wealthy ones that oppressed the poor and took away the crops from the poor, so he redistributed the wealth. But in Puerto Rico, we have tax exemption for the wealthy, and you penalize the poor because the wealthy are tax exempt. Then they say, well, you don't pay taxes in Puerto Rico.

It is not because I don't want to. I don't have a vote. If I had a vote, I would vote so that we would pay the taxes, those of us that can pay, so that the poor, the handicapped, the children, would have equal opportunities. You have the votes. The Members here have the votes. The Senators have the votes. I don't have them.

Then they vote to give tax exemptions to the wealthy, to the great corporations, the 936 corporations. And they say because they are tax exempt, because you don't pay Federal taxes, then the children are not allowed to have the same funding, people who are handicapped are not allowed to have the same funding. And we are depriving our children of equal educational opportunities.

The CHAIRMAN. The time of the gentleman from Puerto Rico has expired.

(By unanimous consent, Mr. ROMERO-BARCELÓ was allowed to proceed for 3 additional minutes.)

Mr. ROMERO-BARCELÓ. Mr. Chairman, this year the U.S. Treasury expects to collect close to $1 billion in corporate income taxes from corporations in Puerto Rico. This money could be used to make whole the children of Puerto Rico.

When I go back, I must tell the children, why is it that they, U.S. citizens, are not treated the same? I would like an answer.

We have made calculations to see how much it would cost if Puerto Rico were given parity with the States and treated by the same formula. What it would cost would be 75 cents per child per month as an average for all the States.

Now, 75 cents per child per month, I ask my colleagues here, is that too much to give up? Seventy-five cents per child per month, so that the most disadvantaged children in the Nation can be treated equally?

Congress must stop this blatant form of discrimination against 3,600,000 American citizens, with the poorest school districts and lowest educational area in this Nation. The law itself that has been passed that is being proposed here before us, the bill, the statement of policy says the Congress declares it to be a policy of the United States that a high quality education for all persons and a fair and equal opportunity to obtain such education are a societal good, and so on.

Now, are the children of Puerto Rico not part of the term "all persons?" Are they not to be treated equally?

I think that it is about time that the Congress make an example and put its money where its mouth is. If we are saying we are going to be treating everyone equally, yet the children of Puerto Rico are being treated unequally, I think that this discrimination, this injustice, must end, and we must find a way to make the children of Puerto Rico have the same opportunities that the children of the rest of the Nation have.

Mr. GOODLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we have to put a few things in order here. The first thing I probably should mention is that Puerto Rico at the present time receives more chapter 1 money than 42 States. I repeat, Puerto Rico receives more chapter 1 money than 42 States. Puerto Rico also has one of the lowest per pupil expenditures for elementary and secondary pupils. If you don't pay Federal income tax, it seems to me there should be some additional money available to raise that per pupil expenditure back home.

I remember when I first came here, we had an opportunity to get into a debate on this because there were numerous States that had very low per pupil expenditures, but they were always tilting the formula to take care of those States who were not doing very much to take care of themselves.

I gave a speech in one of the big States, the Lone Star State, some years ago. And when I was finished, a group came up and said, "You have got to get more Federal dollars to us." I said, "As soon as you tax in Texas for education as we tax in Pennsylvania for education, I will be very happy to listen to whatever it is you have in mind."

What we must keep in mind is that Puerto Rico does receive more chapter 1 money than 42 other States. If they were to get more now, it would have to come from some of those 42 States who get less than Puerto Rico presently gets. Again, as I indicated, having no Federal income tax should give them an advantage in providing more money for their local education.

Mr. ROMERO-BARCELÓ. Will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Puerto Rico.

Mr. ROMERO-BARCELÓ. The income taxes in Puerto Rico are higher than the income taxes in any State, if you put the Federal and State income taxes together. The problem is that Puerto Rico is poorer than any other State, so we have less to collect from the citizens. But the rates are higher than anywhere else in the Nation.

We are making an effort. But then in every single program that is of significance, we are treated less. So there has to be much more of a local effort also to try to put the money into that program.

The children don't pay taxes. It is not the children who should be penalized. And we should not look at this in the terms of a State, because some States have populations of 800,000, and they have a much higher standard of living, and a lot of the children are not under the Federal poverty level. So of course they are going to get less.

About 60 percent of the children in Puerto Rico are under the poverty level. They are all U.S. citizens. If we are going to be treated equally, we should look at it as a child, and not as a group in any of the States. If we do that, we are not treating them equally.

Mr. GOODLING. Reclaiming my time, I would indicate the very first thing we did in Pennsylvania is put on a 6-percent sales tax, which goes directly to public education. That is the first thing we did.

The second thing I would say is, as I told you after the vote in committee, the minute you get that statehood vote up to 51 percent the other way, rather than the 48 percent, then I will be the first one here to make sure you get the same treatment that every State gets.

Mr. KILDEE. Mr. Chairman, it is really with a very heavy heart that I rise to oppose this amendment, both because of my great respect for Governor ROMERO-BARCELÓ, and my great feelings for Puerto Rico. I look forward to working with him to achieve his goal to have statehood for Puerto Rico, and I know he supports that very strongly. I believe that that would be the best solution to the problems existing in Puerto Rico with regard to this program.

With statehood, of course, they would pay a Federal income tax and have full voting rights. So I would say to the gentleman from Puerto Rico, Mr. ROMERO-BARCELÓ, he could then not only speak here on the floor, but he could vote on final passage of bills.

In the meantime, while seeking that full representation and full rights of citizens to the people of Puerto Rico, I will pledge myself to work with the Governor to try to get a bigger pie for title I, so that the piece that Puerto Rico gets will be bigger. I also do not preclude the possibility of working with him in the coming years before the reauthorization of this bill to see whether we can find a better way to treat more justly the children of Puerto Rico.

That is why it is with a heavy heart that I oppose this amendment. I do not oppose the Governor, but I have a reality that I have to recognize exists here. I will work with the gentleman to get more money and work to see whether we can find a better formula before we reauthorize this bill again.

Ms. VELÁZQUEZ. Mr. Chairman, I rise today in support of the amendment offered by Mr. ROMERO-BARCELÓ. This amendment accomplishes exactly what the Chapter 1 Program sets out to do, it provides educational funds to the poorest districts with the neediest children.

Puerto Rican children are born American citizens. Yet, they suffer lower poverty and malnutrition rates than any other children in the mainland. The public education system in Puerto Rico is in desperate need to chapter 1 funds. There are not enough funds to supply Puerto Rican children with the type of education that they need to excel in this harsh and competitive world.

Puerto Rican children deserve the same educational opportunities as children in the mainland. They deserve the opportunity to learn. After all, they are American citizens. I urge you to support the Romero-Barceló amendment.

The CHAIRMAN pro tempore (Mr. DARDEN). The question is on the amendment offered by the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ].

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Mr. ROMERO-BARCELÓ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 70, noes 358, not voting 10, as follows:

[Roll No. 35]

AYES—70

Abercrombie
Ackerman
Andrews (ME)
Becerra
Bishop
Clay
Clayton
Clyburn
Conyers
Danner
de Lugo (VI)
Dellums
Deutsch
Diaz-Balart
Engel
Faleomavaega (AS)
Fields (LA)
Filner
Flake
Foglietta
Gonzalez
Green
Gutierrez
Hamburg
Hilliard
Hoyer
Jefferson
Johnson, E. B.
Kennedy
Kopetski
Lewis (GA)
Martinez
McKinney
Meek
Menendez
Mfume
Mink
Murphy
Nadler
Norton (DC)
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Pelosi
Rangel
Reynolds
Richardson

Romero-Barceló (PR)
Ros-Lehtinen
Roybal-Allard
Schumer
Scott
Serrano
Smith (IA)
Tejeda
Thompson
Torres
Towns
Tucker
Underwood (GU)
Velázquez
Vento
Waters
Watt
Waxman
Woolsey
Wynn

NOES—358

Allard
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clement
Clinger
Coble
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Darden
Deal
DeFazio
DeLauro
DeLay
Derrick
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Ehlers
Emerson
English
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Fingerhut
Fish
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McHugh
McInnis
McKeon
McMillan
McNulty
Meehan
Meyers
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Natcher
Neal (MA)
Neal (NC)
Nussle
Oberstar
Orton
Oxley
Packard
Parker
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Reed
Regula
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Rose
Rostenkowski
Roth
Roukema
Rowland
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schroeder
Sensenbrenner
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Thornton
Thurman
Torkildsen
Torricelli
Traficant
Unsoeld
Upton
Valentine
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Weldon
Wheat
Williams
Wilson
Wolf
Wyden
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Andrews (TX)
Collins (IL)
de la Garza
Gallo
Hastings
McDade
Schiff
Washington
Whitten
Wise

☐ 1626

Messrs. DEUTSCH, FOGLIETTA, GONZALEZ, OLVER, and PALLONE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. COLEMAN. Mr. Chairman. I rise in support of H.R. 6, as amended, which reauthorizes the Elementary and Secondary Education Act to spell out the Federal Government's commitment and contribution to America's schools.

Unfortunately, the significance of H.R. 6 was initially lost in the debate over whether it imposed certification requirements no one wanted to impose on private and home schools. I am grateful to the committee for their bipartisan amendment deleting the provision which caused the confusion and making it absolutely clear that nothing in this act is to be construed to apply to home schools.

I have also reluctantly supported the Armey amendment, even though Mr. ARMEY admitted on the floor that his amendment is a redundant statement of protections that are already provided to private schools by permanent education law. I say for the RECORD, though, that I will hold my esteemed colleague on the other side of the aisle to his word that the language of this amendment will be modified so that it does not hurt the parochial schools, especially the Catholic schools, in my district. As it is now, my understanding is that Mr. ARMEY'S amendment is an incomplete restatement of the protections provided to parochial schools by permanent law and that by making an incomplete restatement of those permanent protections, we might inadvertently be opening those schools to lawsuits. I understand that Mr. ARMEY redrafted his amendment several times while we debated it on the floor in an area of law that has a long and complicated history in our courts. I vote for the amendment reluctantly in order to end this issue at least temporarily, are in hopes to avoid any unanticipated and harmful effects on the parochial schools in my district.

With this issue resolved, I think it is important to recognize what H.R. 6 will do. H.R. 6 changes the funding formula for the largest Federal education funding program, the chapter 1 program, in a way which will target more funds towards high-poverty areas such as my district of El Paso, TX. It will also restructure the chapter 1 program to help disadvantaged kids achieve the high levels of performance that we expect from all students, instead of assuming that just because they are poor they need remedial help with low-level skills. In this way, the Federal Government can, for once, complement the efforts that my school districts are making to challenge kids, instead of undermining them.

That is the underlying object of all of the initiatives in H.R. 6—to adjust Federal programs so that they fit in with the efforts that States and local school districts are already making to reform education. This includes provisions to give more flexibility to schools and school districts by waiving various regulations if they are impeding education reform efforts by those schools.

Of the many amendments being offered to H.R. 6, I want to specifically note my adamant opposition to three: the Rohrabacher amendments and the Roth amendment. The Rohrabacher amendments would impose a massive unfunded Federal mandate on State and local governments. The first amendment would require school districts to train educators as Immigration and Naturalization Service [INS] officials so they can identify undocumented students. The second amendment would deny the use of Federal funds to educate these students even though the Supreme Court has ruled that the school districts have an obligation to provide an education to all students, including the undocumented.

I unequivocally oppose these amendments because I do not think that educators should have to take time away from their primary task, education, to hold due process hearings. Furthermore, funding for immigration control and for the education of undocumented students is clearly a Federal responsibility, since State and local governments can do nothing to control undocumented immigration.

The Roth amendment would eliminate Federal funding for bilingual education services for students, an extremely short-sighted idea. Children who speak a language other than English make up the fastest growing segment of the K through 12 population. Experts have found that the best way to help these children make a smooth transition into our society and into an all-English classroom is to allow them to develop skills in basic areas like math, reading, and writing through instruction in their native language, while simultaneously learning English. This method lets children keep up with their schoolmates in those basic skills, preserves their self-esteem, and allows them to grow up with the advantage of proficiency in two languages. The programs work, and to cut off funds and try to deny reality by claiming that we do not face a need to educate students who do not speak English would be plain wrong.

For those reasons, I urge my colleagues to defeat the Rohrabacher and Roth amendments, and to pass H.R. 6, the Improving America's Schools Act.

Ms. LONG. Mr. Chairman, Congressman MYERS and I had intended to offer an amendment regarding Buddy System Computer Education to expand a successful education program to three States to determine if there is merit in funding such a program on a nationwide basis. After working with Chairman FORD of the full committee, Chairman KILDEE of the subcommittee, and Congress GOODLING, the ranking minority member of the full subcommittee, the Buddy System amendment has been incorporated in the committee en bloc amendment.

Specifically, the amendment authorizes the development, demonstration and evaluation of the Buddy System Computer Education grant program in each of three States having demonstrated ability or commitment to computer-based technology education. The program will be established for students in 6th through 8th grades where computers will be placed and linked in students' classrooms and homes.

The amendment is similar to a bill that Congressmen MYERS and I introduced in the House—both this Congress and during the last Congress—and that Senator COATS introduced in the Senate. In 1992, the House passed the bill as part of a larger education measure, but Congress adjourned before the Senate was able to act on the measure.

The program—which is modeled after the Buddy System in Indiana—has shown tremendous success in improving students' academic achievements in the schools that participate. With computers in their homes, students take a greater interest in their homework, spend less time watching television, and improve their computer skills in the process. The results have been nothing short of amazing.

Having a computer in the home also increases parents' participation and involvement in their children's assignments. Parents and siblings of Buddy participants use the computer as well—for school work, business, or household finances—and improve their own computer skills.

Mr. MYERS and I have been enthusiastic supporters of this unique and innovative program for many years. We have visited Buddy sites in our congressional districts in Indiana and have been impressed by the knowledge and skills which the students have demonstrated during school visits.

Mr. Chairman, when I was in school the United States was in a race with the Soviet Union to put someone on the Moon, and the emphasis in education was on science and math. Things have changed. Today our race is on the information superhighway and we must also emphasize computer skills. For our country to win this race, we have to have a well-educated, computer-literate population.

I also note, for the RECORD, that the action today follows a similar action taken, last week, in which another amendment which I drafted was incorporated into the bill to add Buddy System-like programs to a list of innovative educational programs from which the U.S. Secretary of Education may choose to fund. Specifically, the Long amendment allows the Secretary of Education to fund the development and expansion of public-private partnership programs which extend the learning experience, via computers, beyond the classroom environment into student homes.

Finally, I extend my sincere appreciation for all the hard work that went into this amendment and to having it included in the committee proposal. Specifically, I appreciate the involvement of Chairman FORD, Chairman KILDEE, the ranking minority member, Mr. GOODLING, and their staffs—Jack Jennings, Susan Wilhelm and Tom Kelley, and Vic Klatt—respectively. The time and attention that these Members and their staffs devoted to the Buddy System amendment will be long-remembered by the teachers, parents, and school students that will benefit from the Buddy System.

COMMEMORATING THE BIRTHDAY OF THE HONORABLE ROBERT H. MICHEL

Mr. KILDEE. Mr. Chairman, I move to strike the last word. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. GOODLING].

(By unanimous consent, Mr. GOODLING was allowed to speak out of order.)

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding. I just merely wanted to say that one of the finest gentlemen in the Congress happens to have a birthday. You can call him "Michelle," you can call him "Michael," you can call him "Mr. Tough Man," because he is tougher than an automobile.

But we should wish a happy birthday to our minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. FORD of Michigan. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker pro tempore (Mr. HOYER) having assumed the chair, Mr. DARDEN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION REQUESTING A CONFERENCE WITH THE SENATE ON AN AMENDMENT OF THE HOUSE TO S. 636, FREEDOM OF ACCESS TO CLINIC ENTRANCES ACT OF 1993

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-427) on the resolution (H. Res. 374) to request a conference with the Senate on an amendment of the House to the bill (S. 636) to amend the Public Health Service Act to permit individuals to have freedom of access to certain medical clinics and facilities, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PRIVILEGES OF THE HOUSE—CALLING ON COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO DEFER CONDUCTING AN INVESTIGATION INTO ACTIVITY AT THE HOUSE POST OFFICE

Mr. GEPHARDT. Mr. Speaker, I offer a privileged resolution (H. Res. 375) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 375

Whereas the House is on notice pursuant to Rule IX that it may soon consider a proposal to direct the Committee on Standards of Official Conduct to investigate the former operations of the House Post Office;

Whereas matters relating to the former operations of the House Post Office are the subject of an ongoing criminal investigation by the United States Attorney of the District of Columbia;

Whereas pursuant to its rules, the Committee on Standards of Official Conduct traditionally defers inquiry with respect to a matter that is the subject of an ongoing investigation by an appropriate law enforcement or regulatory authority;

Whereas the Committee on Standards of Official Conduct has on several occasions agreed to defer inquiry with respect to the former operations of the House Post Office, and has deferred inquiry in other matters regarding current Members where investigations by other authorities are proceeding;

Whereas by letters of November 25, 1992, September 9, 1993, and October 26, 1993, then Assistant Attorney General Lee Rawls, then United States Attorney J. Ramsey Johnson, and current United States Attorney Eric Holder, respectively, requested that the Committee on Standards of Official Conduct defer any inquiry into the former operations of the House Post Office and related matters;

Whereas on February 23, 1994, the United States Attorney of the District of Columbia delivered the following letter to the Speaker and the Republican Leader:

DEPARTMENT OF JUSTICE,
Washington, DC, February 23, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

Hon. ROBERT H. MICHEL,
Minority Leader, House of Representatives, Washington, DC.

DEAR MR. SPEAKER AND CONGRESSMAN MICHEL: I am writing to express my concern that certain actions reportedly being considered by the House of Representatives could significantly damage a criminal investigation being actively pursued by this Office. Like my two immediate predecessors as United States Attorney for this District, Jay B. Stephens and J. Ramsey Johnson, I urge the House to refrain from such actions, and to affirm the paramount public interest in permitting the grand jury to determine fairly whether the criminal laws have been violated, whether by Members of Congress or others. My request is all the more urgent now, as this important investigation is in its final stages and will be concluded in the near future.

As you know, the United States Attorney's Office, in conjunction with a federal grand jury, has been conducting a criminal investigation of matters that related originally to the operation of the House Post Office. That original phase of the investigation, which has resulted in the criminal convictions of seven former employees of the House Post

Office and one former congressional aide, reached its most significant point so far in July 1993, with the guilty plea of former House Postmaster Robert V. Rota. With the cooperation of Mr. Rota, the investigation turned to allegations of criminal conduct by other individuals, specifically Members of Congress who conducted certain financial transactions through the House Post Office. This aspect of the investigation is continuing.

As you also are aware (because of disclosures mandated by House Rule 50) in the last few months the grand jury's investigation has expanded to include additional allegations of criminal misconduct beyond those tied to the House Post Office, including matters involving the House Finance Office and the House Office Supply Service (known as the House Stationery Store). These relatively recent additional developments are now fully within the purview of the grand jury's criminal investigation.

It is my understanding, however, that despite the existence of this active and important criminal investigation, the House may soon be asked to vote on House Resolution 238. This resolution would specifically direct the Committee on Standards of Official Conduct to investigate whether Members of Congress received cash from the House Post Office.

Inquiry into these matters by a committee of the House would pose a severe risk to the integrity of the criminal investigation. Inevitably, any such inquiry would overlap substantially with the grand jury's activities. Among other concerns, the House certainly would seek to interview the same witnesses or subjects who are central to the criminal investigation. Such interviews could jeopardize the criminal probe in several respects, including the dangers of congressional immunity, of Speech-or-Debate issues, and of unwarranted public disclosure of matters at the core of the criminal investigation. This inherent conflict would be greatly magnified by the fact that the House would be investigating matters that are criminal in nature, and would be covering essentially the same ground as the grand jury. This Office had occasion to voice similar concerns during the operations-and-management review of the House Post Office that was conducted by a task force of the Committee on House Administration; yet that review is far more limited in scope, and far easier to separate from the criminal probe, than the investigation required by House Resolution 238.

These threats to the grand jury investigation would not be lessened by the portion of the resolution that would permit the Committee to defer its inquiry as to any particular Member, if the Department of Justice stated in writing that that Member was being investigated. Wholly apart from the legal issues involved in the Justice Department's identifying individuals who are under criminal investigation, the idea of excluding the conduct of one or more identified individuals from the congressional inquiry does almost nothing to protect the integrity of the overall criminal investigation. That investigation encompasses the interrelated conduct of numerous persons, and cannot be divided and compartmentalized in such a manner.

I and my predecessors have acknowledged the importance to the House of its ability to review and police the internal operations, management, and procedures of congressional institutions. In particular, we are sensitive to the special responsibility of the Committee on Standards of Official Conduct to examine possible violations of House ethical standards. Nevertheless, it is unquestionably the province of the grand jury to investigate, without interference, specific criminal allegations against particular individuals, regardless of who they may be or to what institution of government they may belong. Moreover, the vital public interest in fair and effective law enforcement requires that any such investigation be shielded vigorously from actions that might endanger its integrity.

For these reasons, it has been the consistent position of this Office, throughout the life of the investigation, that the House should defer its own inquiries until the grand jury investigation is completed. I make that request of you again now, in the strongest possible terms. I ask the House of Representatives to forbear from any proposed actions or inquiries in the areas covered by the grand jury's ongoing criminal investigation, both in order to avoid compromising that investigation at this late stage, and in order to further the public interest in preserving the fairness, thoroughness, and confidentiality of the grand jury process.

Thank you for your attention to this important matter.

ERIC H. HOLDER, Jr.,
U.S. Attorney.

Whereas, the House should exercise particular caution so as not to impede, delay, or otherwise interfere with an ongoing criminal investigation that may involve its own Members; Therefore, be it

Resolved, That the House supports the decision of the Committee on Standards of Official Conduct to defer inquiry on matters relating to the former operation of the House Post Office; and be it

Further resolved, That the Committee on Standards of Official Conduct shall continue to consult with the United States Attorney and continue to review its decision to defer inquiry in this matter. At such time as the Committee determines that a Committee inquiry would no longer interfere with the criminal investigation, the Committee shall proceed, pursuant to its rules, with such inquiry as it deems appropriate.

☐ 1630

The SPEAKER pro tempore (Mr. HOYER). The Chair determines that the resolution offered by the gentleman from Missouri [Mr. GEPHARDT] raises a question of privilege, and under rule IX, paragraph 2(a)(2), the gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes.

The Chair will recognize the minority leader or his designee for 30 minutes. Does the gentleman from Iowa [Mr. GRANDY] rise as the designee of the minority leader?

Mr. GRANDY. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. GRANDY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. GEPHARDT].

☐ 1640

Mr. GEPHARDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the subject matter of this resolution is familiar to the House. It is, as we all know, the object of a criminal investigation within the office of the U.S. attorney for the District of Columbia. I would have preferred not to offer this resolution, however, under the rules, the House must consider today another privileged resolution offered by the gentleman from Oklahoma [Mr. ISTOOK].

The House addressed this topic in July of last year when we voted to make public the transcripts of the House Post Office Task Force of the House Administration Committee when the inquiry now ongoing in the U.S. attorney's office is concluded.

The House wisely decided to defer publication until the U.S. attorney completed his inquiry because a move to immediately disclose those records would have undermined the U.S. attorney's investigation.

As you know, last Wednesday, the U.S. attorney for the District of Columbia delivered a letter to the Speaker and the Republican leader in which he strongly urged the ethics committee to continue to defer action in this matter.

Mr. Holder noted that his "request was all the more urgent now, as this important investigation is in its final stages and will be concluded in the near future." He also stated that investigation of "these matters by a committee of the House would pose a severe risk to the integrity of the criminal investigation."

In its previous correspondence with the House, the Department of Justice, in both this administration and the last one, has made it clear that such activity would interfere with its official investigation.

In a while, later today, we will consider House Resolution 238, the Istook resolution, which would require the ethics committee to give the Department of Justice a list of witnesses and specific evidence it would need to conduct its investigation, and to press the Department to explain, on a witness-by-witness, document-by-document basis, how important each is to the Department's ongoing criminal investigation of these matters. Then and only then, can a majority of the committee vote, on the same witness-by-witness, document-by-document basis, to defer investigation as to each such item.

I have serious doubts that such an elaborate process is likely to yield much more information than the committee has already elicited through its ongoing dialogue with the Department, specifically with three successive U.S. attorneys.

I oppose the Istook resolution because it would reverse the long preserved tradition of the ethics committee of deferring inquiry into the conduct of Members, Republicans and Democrats, in the face of an ongoing investigation by a law enforcement or regulatory authority.

The committee has a primary responsibility to ensure that justice is served by its actions. Because of this principle, the committee has, pursuant to its rules, deferred such inquiry with respect to the former operations of the House Post Office on several occasions.

I remain firmly convinced that the decision to pursue an ethics inquiry into the conduct of a sitting Member should remain within the carefully maintained bipartisan forum of the ethics committee.

Accordingly, my resolution urges support for the ethics committee decision to defer inquiry at this time, particularly in light of the strong objection of the U.S. attorney. My resolution also directs the ethics committee to continue to consult with the U.S. attorney, to continue to review its decision to defer inquiry, and to take such action as it deems appropriate at such time as it determines that an inquiry would not interfere with the criminal investigation.

Mr. Speaker, this policy of deferral is not new. It has been applied to Members of both parties under investigation, and without the necessity for privileged resolutions.

I believe that there is only one course that can be taken here, only one course that conforms to the House's consistent policy, only one course that preserves the presumption of innocence, only one course that applies the same standard to all Members of the House. I urge an "aye" vote on this resolution.

The SPEAKER pro tempore (Mr. HOYER). The Chair recognizes the gentleman from Iowa [Mr. GRANDY], the ranking member of the Committee on Standards of Official Conduct.

Mr. GRANDY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the ranking member of the Committee on Standards of Official Conduct, I will rise today in opposition to the majority leader's resolution. I do that reluctantly, because this committee, as he has pointed out, has a long history of being able to resolve matters brought before it in a nonpartisan fashion, and I, too, am disturbed that the resolution before us will almost certainly force members of this committee to vote along party lines. I hope we are not establishing a precedent today because I would consider that precedent very dangerous to the future viability of the committee.

But it is important to oppose what the majority leader is doing today because there is a disagreement in the committee. There is a disagreement in the committee as to whether the committee may defer while a Justice Department investigation is going on or whether the committee shall defer, and that is essentially the choice for Members today.

Mr. Speaker, the Istook resolution says the committee may defer. That implies that the Committee on Standards of Official Conduct should perhaps test the firewalls that exist between the Department of Justice and their investigation and the proceedings conducted under House rules in the Committee on Standards of Official Conduct. It is uncharted territory, Mr. Speaker. We are not sure exactly how far we can proceed.

The only precedent we really have, Mr. Speaker, is the House Bank, which was, unfortunately, a judgment we made up as we went along, and I very much hope that, even though the bank precedent which obliged this House, and then the Committee on Standards of Official Conduct, to investigate an institution of the House rather than an individual, was the precedent that is set today. I am afraid that unfortunately we must comply with that standard, and this, too, will be a gray area.

Under normal circumstances I would heartily concur that the committee should not be subject to the political pressures of the House, but this is not a normal circumstance. The Post Office case is different from those normally before the committee wherein a written complaint is filed with the committee stating the allegations and the name of the alleged wrongdoer. Then the normal committee rules regarding the investigation of complaints of alleged violations of the House rules are drafted in terms of allegations that involve a Member, an officer, or an employee of the House. In the case of the Post Office we are dealing again with an institution, not just one person, and unfortunately, with the bank as our precedent, we know very often that the more we investigate the institution, the more individuals, Members, and employees and others become part of that investigation.

So, Mr. Speaker, unfortunately today this committee must divide, and unfortunately it is important for Members on the Republican side to insist that we move forward with a flexible standard for the Committee on Standards of Official Conduct to possibly defer, and I would daresay right now, if the vote were taken in the committee, we would defer if the U.S. attorney wrote another letter. But let me just read one provision of the Istook resolution because I think it provides more flexibility for the committee than perhaps the majority leader indicated in his remarks:

> Further resolved that the Committee shall inform the Department of Justice regarding the procedures and aspects the Committee intends to investigate. If the Department of Justice then responds that a specific matter the Committee intends to investigate is material to, or subject of an official investigation, the Committee may defer that inquiry pending the conclusion of the investigation by the Department of Justice . . . .

Mr. Speaker, that is what we have done time and time again and will probably continue to do. We have no interest in impeaching witnesses, destroying immunity for witnesses or otherwise compromising a criminal investigation. But it is also important for us to keep a certain dialog and perhaps even a pressure going with the Department of Justice to complete this investigation which is now well over 2 years old.

Mr. Speaker, that is why when we compare what the Istook resolution does, which allows the committee at least some flexibility to go back to Justice and say, "Please give us some more information, please tell us how far we can proceed." and the Gephardt resolution, we ask for the opportunity to proceed to the Gephardt resolution, which says that we shall continue to consult with the U.S. attorney and continue to review its decision and to defer inquiry on this matter.

It may seem like a trivial difference, but it is enough to divide the Republicans and the Democrats on this committee so we cannot resolve our differences either in the leader's office or in our own council, and so we bring it to the floor today.

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Speaker, I thank the majority leader for yielding me this time.

Mr. Speaker, I urge my colleagues to vote against the resolution offered by the gentleman from Oklahoma [Mr. ISTOOK] and for the majority leader's resolution.

It is very important that we respect the investigations of our investigating agencies. The Committee on the Judiciary, of course, had had jurisdiction over the FBI for many years, and there will never be and never has been inquiry with regard to ongoing investigations. We must respect the integrity of the investigating agencies of the executive department.

In addition to that, we are asking for the tainting of any evidence that might be developed should an indictment come along. It could just result in the dismissal of any suit by the judge should any of the information developed by a committee of Congress be leaked to the press, which practically always happens.

Mr. Speaker, I urge a no vote on the resolution offered by the gentleman from Oklahoma [Mr. ISTOOK] and an "aye" vote on the resolution offered by the majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GRANDY. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KYL], a member of the committee.

Mr. KYL. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, the issue here is simple, but not easy. It is whether the legislative branch of our Government will proceed to obtain necessary information from the Department of Justice to independently determine whether the House Ethics Committee can conduct an investigation without jeopardizing the ongoing criminal inquiry.

The problem with the Gephardt resolution is that it creates a de facto presumption against the ethics committee proceeding and fails to assert the legitimate and equal obligations of the House in the legislative branch vis-a-vis the Justice Department in the executive branch.

The ethics committee needs to have the backing of the full House in asserting our right to know who the Justice Department is investigating and how our proceeding would jeopardize its investigation. We can then make a decision on our own whether or not to defer.

To date, the committee has deferred simply on assurances by representatives of the Justice Department that they are proceeding and that any action by the committee would jeopardize the U.S. attorney's case. The committee as a whole has thus far accepted the conclusion of the U.S. attorney's office. Some members of the committee, however, believe the committee should make an independent judgment based on information—facts—not just conclusions by who are concerned prosecutors primarily with their responsibilities, not ours. We need the backing of the House to deal effectively with the Department of Justice to learn enough to make an informed and independent judgment.

The committee has already shown it will be sensitive to do nothing to jeopardize criminal investigations. We have deferred action now for a year and a half. We will not abuse your trust. But, we need the authority of the House to learn what we need to know. That is why the Istook resolution would be helpful, and the Gephardt resolution would add unnecessary confusion.

The American people are now beginning to ask: Why the delay? How do you in the House know you should take no action? How much longer are you willing simply to take the U.S. attorney's word for it?

I have no doubt about the total integrity of the U.S. Department of Justice. The Department should have no doubt of the integrity of the committee. We have already demonstrated our good faith.

As a member of the committee, I ask the House for support by voting "no" on the Gephardt resolution and "aye" on the Istook resolution.

Mr. GEPHARDT. Mr. Speaker, I yield such time as he may consume to the chairman of the committee, the distinguished gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Speaker, I rise in support of the majority leader's resolution. It affirms the efforts of the ethics committee to carry out its responsibilities to the American people, the House, and to Members as it always has—evenhandedly as to all Members, without partisan motivation, and with a proper regard for the legitimate concerns of the criminal justice system.

Whatever the vote today, the committee will continue its consultations with the U.S. attorney, and will continue to review his requests to defer to insure that they are based on an accurate factual predicate and sound legal reasoning.

I believe it fair to say, however, that I, and most committee members, believe it entirely reasonable and prudent to permit the Department of Justice to conclude a lengthy, complicated and sensitive criminal investigation without interference from the House of Representatives—the course the committee, with bipartisan unanimity has always taken in these cases, and which it has taken recently in other cases. Never has the House directed its ethics committee to proceed with an ethics inquiry in the face of a committee determination that it should defer to the Justice Department. And never before has the ethics committee undertaken an investigation—that is, subpoenaed, deposed, and examined witnesses, made grants of immunity, demanded the production of documents, conducted hearings—when a Federal grand jury was actively investigating the same case and pursuing the same witnesses and documents.

I would also point out for the record that, contrary to recent assertions by some Members, the committee and the Department of Justice did not simultaneously investigate the House Bank. And, although the committee did some preliminary work on the Abscam matter, it acceded to the then Attorney General's request to delay a full investigation until the Department of Justice had concluded its inquiry.

Indeed, during the course of the Department's investigation of that case and before indictments were handed down, the House defeated, 404-4, a resolution of inquiry that would have directed the Department of Justice to turn over its Abscam records to the ethics committee.

And, ironically, although the independent counsel inquiry in the Iran/Contra affair did coincide with the Iran-Contra Committee's investigation, that very investigation lead to the reversal of two of the convictions.

So, Mr. Speaker, the ethics committee has not delayed an investigation for partisan purposes or because a respected and senior Member of the House may be involved. Rather, the ethics committee has deliberated fully and honestly on this issue and has consistently concluded on a bipartisan basis that the proper course was to defer action until the completion of the criminal investigation.

Mr. Speaker, it was my initial intention to stay out of this debate since it usually is the better practice for ethics committee members to avoid public comment on whether it should proceed in particular matters. However, I simply cannot remain silent while some, with little regard for the institutions of the House, for the efficacy of its ethics procedures, or for the facts, impugn the motivation, judgment, and essential honesty of the ethics committee.

Mr. Speaker, there is no hidden agenda lurking behind the familiar facts of this case.

Members know that the Department of Justice will not and should not divulge grand jury information to the ethics committee while the grand jury is investigating; but such information would be essential to any committee inquiry.

Members know the havoc the committee would wreak on the Department of Justice's activities if the former Postmaster were granted immunity; but that is what would be needed to secure his testimony.

Members know that the ethics committee, under two different chairmen and two different ranking minority members, has concluded that it would be unwise to duplicate Department of Justice efforts in this case; but we are urged to investigate.

Members understand that a House inquiry would lead to endless legal battles with the Department over access to documents and witnesses and could result in defense challenges based on the Jencks Act and other statutes and rules of criminal procedure; but we are urged to investigate.

Most Members know of the character and reputation of the U.S. attorney for the District of Columbia, former Judge Eric Holder, but some persist in implying coverup.

Most of my colleagues are aware of the complexities of this case and of the fact that three professional assistant U.S. attorneys have been working on it full time and continue to pursue new leads; but some continue to accuse the Department of unreasonable delay.

I can only conclude, Mr. Speaker, that something other than a thirst for justice informs the thought processes of some of our colleagues. And I can not for the life of me, considering all the circumstances of this case, understand why anyone would want to risk impeding the criminal investigation. Indeed, I can well imagine the outcry if I, and not Members on the other side, were urging the committee to act. Would my actions be perceived as a principled attempt to protect the integrity of the House? I think not.

Mr. Speaker, let me briefly summarize the history of this matter as it relates to the ethics committee.

In February 1992, following news accounts of thefts, drug use, and other improprieties on the part of mid- to lower-level employees of the post office, the House enacted House Resolution 340, directing the Committee on House Administration—not the ethics committee—to investigate the operation and management of the Office of the Postmaster. Late in July 1992, that committee's post office task force completed its work and filed its report with the House.

On July 22, 1992, the House enacted House Resolution 518, directing the Committee on House Administration to transmit to the Department of Justice and the ethics committee all records it had obtained during its investigation. Those records were provided to the committee on August 17.

In the meantime, the then chairman and ranking Republican member, Lou Stokes and Jim Hansen, appointed a six Member bipartisan task force to examine the records and make recommendations on how the committee should proceed. Contending with the summer recess, the task force was still able to meet three times to review the work of the committee's attorneys.

On September 17, 1992, the task force presented its recommendations to the full committee. Those recommendations, with which the full committee agreed, were to consult with the Department of Justice and, if a reasonable and supportable request was made, to defer committee inquiry, as it usually does in such cases, pending completion of the preexisting criminal investigation. The same day Chairman Stokes and ranking member Hansen wrote to Attorney General Barr seeking his opinion on these issues. The 102d Congress adjourned *sine die* before a response to the letter was received.

The response came on November 25, 1992, from Assistant Attorney General Lee Rawls. He stated:

> We recognize the responsibility of the Committee on Standards of Official Conduct to examine possible violations of House ethical standards. Nevertheless, such inquiry, at this point in the criminal investigation, would likely involve testimonial and documentary evidence that are integral parts of that investigation, and so could compromise the vital public interest in fairly determining whether criminal laws have been violated. Accordingly, we ask that your committee, pursuant to Rule 14(g), defer its consideration of this matter until the completion of the criminal investigation.

Again, that letter was received after the Congress had adjourned.

The 103d Congress convened in early January 1993, but the ethics committee was not elected until February 4 and the committee's organizational meeting, under a new chairman and a new ranking Republican member, did not occur until February 18.

At that meeting I and Fred Grandy reviewed the history of the post office task force, noted the exchange of letters with the Department of Justice, and reminded members that the committee was acceding to the Department's request to defer.

Three meetings of the full committee were held in the next few months on other matters, and members were reminded informally of the ongoing criminal investigation and the decision to defer. In the meantime, in July 1993, as debate approached on a privileged motion to publicly disclose the Committee on House Administration's transcripts of its post office related interviews, the U.S. Attorney wrote the Speaker and the Republican Leader stating that such disclosure would have a "significant adverse impact on the ongoing criminal investigation." The House then adopted House Resolution 223, committing the House to consider disclosure of the transcripts at such time as the U.S. Attorney indicated he no longer objected.

On August 4, 1993, Mr. Istook introduced his resolution. The staff of the ethics committee again reviewed the matter. On September 3, 1993, Mr. Grandy and I sent a letter to the U.S. Attorney asking for his comments on the resolution. On September 9, 1993, U.S. Attorney J. Ramsey Johnson replied. He stated the following:

> We are very concerned that any parallel inquiry by your Committee at this stage could significantly interfere with this important ongoing criminal investigation. Among other concerns, individuals whom you may wish to interview may include many of the same persons who are critical witnesses or subjects of the criminal investigation. Interviews of those individuals about the subject matter still under active investigation by the grand jury could lead to the disclosure of matters still under active investigation by the grand jury, and could otherwise jeopardize the integrity of the criminal investigative process.

In October 1993 newspaper accounts and a public hearing of the Committee on House Administration revealed that the grand jury had subpoenaed finance office records of certain Members and that some irregularities in that office's maintenance and handling of particular records had been discovered. The matter was discussed at an ethics committee meeting on October 20.

On that same date Chairman Rose and ranking member Thomas of the Committee on House Administration asked the ethics committee to inquire into possible ethical violations in the finance office matter.

On October 26, 1993, Mr. Grandy and I sent another letter to the U.S. attorney, asking for his comments on the effect a committee inquiry into the finance office would have on the criminal investigation. On November 18, 1993, the new U.S. attorney, former Judge Eric Holder, wrote to the committee as follows:

> I ask you now to continue our cooperation, under the terms of Rule 14(g), by deferring any action on matters related to the House Finance Office. As I understand the issues that were reported to have raised the concerns of the House Administration Committee, the requested inquiry by your Committee would overlap substantially with matters under active investigation by the grand jury * * * We will continue to conduct the criminal investigation as expeditiously as can prudently be done, in order to bring it to an appropriate conclusion.

On that date a meeting of the ethics committee was held to consider these matters. The committee directed the staff to meet with the prosecutors to fully discuss the soundness of their requests to defer and the progress of the investigation. On that same date I also had a telephone conversation with Judge Holder. He urged us to continue to defer, assured me that he was under no political pressure to proceed in any particular manner, stated that the investigation had not been delayed because of the change in administrations, and noted that the investigation was proceeding as fast as prudently possible considering its scope. I understand that Judge Holder has provided the same assurances to Mr. Schiff.

On November 22, 1993, three attorneys from the ethics committee staff met with the section chief and two of the three other assistant U.S. attorneys assigned full time to the case.

On November 24, the committee staff discussed the Finance Office problems with General Wishart.

On November 26, 1993, the first session of the 103d Congress adjourned.

On January 11, 1994, committee staff again met with General Wishart. On January 14, the committee staff met with the Chief of the Finance Office. On January 24 the committee staff met again with the assistant U.S. attorney in charge of the investigation. On January 31, the committee staff met with the clerk of the House to discuss finance office matters.

Finally, on February 23, 1994, came Mr. Holder's letter the Speaker and Republican leader. It is the letter reprinted in the majority leader's resolution. It is as clear and focussed a statement of the grounds for the ethics committee's actions in this matter as I have seen.

Mr. Speaker, the chronology I have just recited, I trust, suggests that the committee has not delayed unnecessarily, sought to bury the matter, or acted for partisan reasons, as some have suggested. Rather, the record reflects a committee that has done its duty responsibly and fairly.

Nor does the record suggest that the prosecutors are motivated by anything else that a desire to perform their duties in a professional manner.

The prosecutors do contend, and most legal experts with whom I have consulted agree, that the single most damaging action to the prosecution's efforts that could occur right now is for the ethics committee to begin interviewing government witnesses, making grants of immunity, and otherwise taking those actions essential to a thorough inquiry.

So, make no mistake about it. The ethics committee understands its responsibilities to the public, to the

House, and to Members. The committee will take all reasonable steps to make the determinations required by the resolution and to carry out the will of the House. The committee will strive to secure these ends without delaying, impeding, or jeopardizing the criminal investigation. And the committee will continue to resist all attempts to use the ethics process for personal or partisan advantage.

In short, the committee, with your support, will continue on the reasonable and prudent course it has been following in this case.

□ 1710

The SPEAKER pro tempore (Mr. HOYER). The gentleman from Missouri [Mr. GEPHARDT], the majority leader, has 7 minutes remaining, and the gentleman from Iowa [Mr. GRANDY] has 23 minutes remaining.

Mr. GRANDY. Mr. Speaker, I yield myself such time as I may consume.

Let me just, in light of the chairman's comments, reemphasize that the Republican members of the Committee on Standards of Official Conduct have no intention of jeopardizing the criminal investigation that is currently proceeding at Justice. The latitude that the committee granted the Department of Justice has led to eight individuals pleading guilty to criminal violations, and those persons are cooperating with the prosecutors to proceed with the investigation.

I want to point out, too, Mr. Speaker, that this resolution offered by the gentleman from Oklahoma [Mr. ISTOOK] today has been crafted with the support of the chief counsel and the minority members of the Committee on Standards of Official Conduct. It is attempt to investigate the institution of the House so as not to jeopardize the criminal investigation.

I would point out that there are parts of this puzzle that do not involve calling witnesses. Documents could be subpoenaed, such as cash for stamp vouchers, which the committee has not seen yet.

Will Justice allow that? We do not know. But our purpose, in trying to pass this resolution and defeating the Gephardt resolution, is, we want the ability to ask them, why not?

Mr. Speaker, I yield 4 minutes to the gentleman from Kansas [Mr. ROBERTS], a member of the Committee on House Administration.

Mr. ROBERTS. Mr. Speaker, I thank the gentleman for yielding time to me.

Once again, I have the very unenviable task of recalling for the membership the findings, the actions, and the weaknesses of the House post office investigation. I was the cochairman of that investigation.

When I came to the House floor, on July 22, 1992, some 20 months ago, with my colleagues who served on the task force and with our report, I told the House, "This review found disarray, no oversight, no accountability, not to mention the use of drugs and embezzlement and the misuse of House funds."

Our report was filled then with mismanagement and allegations of wrongdoing. It was then and it is now the job of the Committee on Standards of Official Conduct to pursue any question that would concern the possible violation of House rules.

Mr. Speaker, I told the House then that this report "is in no way," and when I refer to the report, I have same in my hand, "This report in no way is complete as to what happened in the House post office."

It was our best effort under very, very difficult circumstances. And I said, "The investigation should continue."

Now, over the course of the last 2 years, some will argue, have argued already that the investigation has continued under the direction of the Department of Justice. But other than the press reports and the recent letter here, we have no knowledge of what, if anything, the Department of Justice is doing or accomplishing. But today we speak of the House's responsibility and our ability to investigate and to discipline our own Members according to House rules, not to enforce or to meddle with or to interpret any Federal laws.

Throughout the course of the House investigation, we took the position that the House was capable, without interfering with the Department of Justice activities, to conduct an investigation of our own affairs. Time and time again the Department of Justice insisted that the House administration investigation end and that no action be taken until a criminal probe could be complete. The same arguments made in the well of the House were made then.

Every time that challenge was made by the Department of Justice, the House leadership and our task force, reinforced by the will of the House, persisted. And we moved ahead.

Now today the situation is no different. We have to choose to move ahead or continue to languish and leave a cloud of doubt and suspicion.

I want to remind my colleagues that we exchanged 12 letters, here they are, in the House post office investigation report, all contained within the appendices, starting on page 266, in regards to the House and the Department of Justice during the 8-month course of our investigation, exerting our ability to conduct an investigation without impeding the Department of Justice. Six times we were asked to halt our investigation and six times we proceeded.

This letter says, "With all due respect to the Acting Assistant Attorney General, April 2, 1992. We do not want to impair or infringe on an ongoing criminal investigation by the Department of Justice."

"We are confident, however, that the task force investigation will not interfere with your criminal investigation. The task force will continue to maintain our communications with the Department in an effort to avoid unnecessary conflict. Signed BOB MICHEL, Republican Leader; Speaker THOMAS S. FOLEY; WILLIAM M. THOMAS, ranking member, Committee on House Administration; CHARLIE ROSE, chairman, Committee on House Administration."

Now, the Democrat leadership signed that letter previously and supported that position, but argues today we are unable to do the same thing.

Let the Committee on Standards of Official Conduct move ahead. Please support the Istook resolution. Let us put this matter behind us.

Mr. GRANDY. Mr. Speaker, I yield 4½ minutes to the gentleman from Kentucky [Mr. BUNNING], a distinguished member of the Committee on Standards of Official Conduct.

Mr. BUNNING. Mr. Speaker, I rise in support of the Istook resolution to initiate an inquiry into the activity at the House post office and urge my colleagues to oppose Mr. GEPHARDT's resolution which would basically maintain the status quo of inaction and irresponsibility.

Stonewalling doesn't solve anything. And stonewalling is exactly what this body has been doing for the past 2 years on the House post office scandal.

The post office scandal started over 2 years ago.

The scandal was serious enough to result in the conviction of eight former House employees—over 6 months ago. Eight convictions is a pretty good sign that something fairly significant has happened.

Yet, this body has done absolutely nothing. We have done nothing to determine how many Members of the House of Representatives might be involved in any kind of illegal or improper activity.

We have done nothing to determine who those Members might be.

We have definitely done nothing to discipline them.

Every time we have considered initiating an investigation, we get a letter from the Justice Department telling us that they really would rather we wouldn't get involved.

They say we might jeopardize the criminal investigation. They say that they are getting close to some kind of conclusion.

And each time, we have deferred to the wishes of the Justice Department.

Two years have gone by and we still don't know the size or the scope or the extent of improper activity. Nobody knows.

The only thing that anybody knows for sure, is that the U.S. House of Representatives has a 2-year-old scandal in its midst, and it has not even made a token effort to fulfill its constitutional responsibility to police its own house—to clean it's own house.

It is our constitutional responsibility. The Constitution gives the House the authority—and by implication, the responsibility to discipline its own Members. The Constitution doesn't say we have to defer to the Justice Department.

It says we have the authority. We need to exercise that authority.

In fact, in the past, House leaders have protected that right and that responsibility—the separation of powers. That is why this institution has exempted itself from so many of the laws that we impose on others.

And now the House leadership is asking us to step aside and defer once again to the executive branch. That is the height of hypocrisy.

We cannot afford to give a foot-dragging Justice Department the right to veto our constitutional rights and responsibilities.

We cannot afford to hide any longer behind inaction like the majority leader has proposed. His resolution would have us continue to do absolutely nothing. Status quo—self imposed ignorance.

Inaction does nothing to stop the erosion of public respect for this body. Inaction does nothing to slow the tarnishing of our public reputations as Members of this body.

We cannot afford inaction any longer. And I think it is time to do something about it.

I urge my colleagues to join me in defeating the majority leader's resolution and moving ahead.

There is absolutely no reason that we cannot conduct a concurrent investigation of our own without interfering with the efforts of the Justice Department.

We do have a permanent Ethics Committee that has been created specifically for this purpose. Let it do its job. That's why it was created—to investigate wrongdoing or improper conduct by House Members.

And the House Ethics Committee can surely coordinate its investigation to make sure it does not interfere with or jeopardize the criminal investigation of the Justice Department in any way.

We cannot keep deferring our responsibilities. A 3-year-old scandal is lying rotting in the heart of this House and we need to clean it up.

I urge my colleagues to join me in defeating the Gephardt amendment.

Mr. GEPHARDT. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Speaker, let me share with my colleagues, the letter of February 23, 1994, from U.S. Attorney Eric Holder, who I think points out why we should not take the course that the gentleman from Oklahoma [Mr. ISTOOK] suggests today.

He says, "Like my two immediate predecessors as U.S. Attorney for this district, Jay B. Stephens," and I might point out, a Republican appointee, "and J. Ramsey Johnson," a court-appointed appointee, "I urge the House to refrain from such actions."

He goes on to say, "My request is all the more urgent now, as this important investigation is in its final stages and will be concluded in the near future."

On the second page he says,

> Inquiry into these matters by a committee of the House would pose a severe risk to the integrity of the criminal investigation. * * * Such interviews could jeopardize the criminal probe in several respects, including the dangers of congressional immunity, of Speech-or-Debate issues, and of unwarranted public disclosure of matters at the core of the criminal investigation.

He concludes with these words, "I make that request of you again now, in the strongest possible terms * * * in order to aviod compromising that investigation at this late stage".

My colleagues, all of us who chose to serve and run for these positions in this great institution come here for the purpose of serving our country and our constituents. In that process, the American public expects that politics is going to be involved in those decisions. But, parties and individuals who posture have never gone over the line of jeopardizing the constitutional responsibilities of an equal branch of government.

Not once, not twice, but three times the Ethics Committee, which is equally divided between the two parties, has chosen not to interfere with the judicial branch of government in its present investigation. It has been unanimous by the Republicans on the Ethics Committee. For Republicans to suggest now that the Ethics Committee has been stonewalling this investigation is to suggest that their own Republican Members on the Ethics Committee have been part of that stonewalling.

Let us not jeopardize this very serious investigation. Let us not go over that line at this time. Let us complete this process, and then let the Ethics Committee do the job that it is entitled to do in that timely fashion.

I include for the RECORD the entire letter by Mr. Eric H. Holder, Jr., to the Honorable THOMAS S. FOLEY, Speaker, U.S. House of Representatives:

DEPARTMENT OF JUSTICE,
U.S. ATTORNEY, DISTRICT OF COLUMBIA,
Washington, DC, February 23, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

Hon. ROBERT H. MICHEL,
Minority Leader, House of Representatives, Washington, DC.

DEAR MR. SPEAKER AND CONGRESSMAN MICHEL: I am writing to express my concern that certain actions reportedly being considered by the House of Representatives could significantly damage a criminal investigation being actively pursued by this Office. Like my two immediate predecessors as United States Attorney for this District, Jay B. Stephens and J. Ramsey Johnson, I urge the House to refrain from such actions, and to affirm the paramount public interest in permitting the grand jury to determine fairly whether the criminal laws have been violated, whether by Members of Congress or others. My request is all the more urgent now, as this important investigation is in its final stages and will be concluded in the near future.

As you know, the United States Attorney's Office, in conjunction with a federal grand jury, has been conducting a criminal investigation of matters that related originally to the operation of the House Post Office. That original phase of the investigation, which has resulted in the criminal convictions of seven former employees of the House Post Office and one former congressional aide, reached its most significant point so far in July 1993, with the guilty plea of former House Postmaster Robert V. Rota. With the cooperation of Mr. Rota, the investigation turned to allegations of criminal conduct by other individuals, specifically Members of Congress who conducted certain financial transactions through the House Post Office. This aspect of the investigation is continuing.

As you also are aware (because of disclosures mandated by House Rule 50) in the last few months the grand jury's investigation has expanded to include additional allegations of criminal misconduct beyond those tied to the House Post Office, including matters involving the House Finance Office and the House Office Supply Service (known as the House Stationery Store). These relatively recent additional developments are now fully within the purview of the grand jury's criminal investigation.

It is my understanding, however, that despite the existence of this active and important criminal investigation, the House may soon be asked to vote on House Resolution 238. This resolution would specifically direct the Committee on Standards of Official Conduct to investigate whether Members of Congress received cash from the House Post Office.

Inquiry into these matters by a committee of the House would pose a severe risk to the integrity of the criminal investigation. Inevitably, any such inquiry would overlap substantially with the grand jury's activities. Among other concerns, the House certainly would seek to interview the same witnesses or subjects who are central to the criminal investigation. Such interviews could jeopardize the criminal probe in *several respects, including the dangers of congressional immunity, of Speech-or-Debate issues, and of unwarranted public disclosure of matters at the core of the criminal investigation.* This inherent conflict would be greatly magnified by the fact that the House would be investigating matters that are criminal in nature, and would be covering essentially the same ground as the grand jury. This Office had occasion to voice similar concerns during the operations-and-management review of the House Post Office that was conducted by a task force of the Committee on House Administration; yet that review was far more limited in scope, and far easier to separate from the criminal probe, than the investigation required by House Resolution 238.

These threats to the grand jury investigation would not be lessened by the portion of the resolution that would permit the Committee to defer its inquiry as to any particular Member, if the Department of Justice stated in writing that that Member was being investigated. Wholly apart from the legal issues involved in the Justice Department's identifying individuals who are under criminal investigation, the idea of excluding the conduct of one or more identified individuals from the congressional inquiry does almost nothing to protect the integrity of the overall criminal investigation. That investigation encompasses the interrelated conduct of numerous persons, and cannot be divided and compartmentalized in such a manner.

I and my predecessors have acknowledged the importance to the House of its ability to review and police the internal operations, management, and procedures of congressional institutions. In particular, we are sensitive to the special responsibility of the Committee on Standards of Official Conduct to examine possible violations of House ethical standards. Nevertheless, it is unquestionably the province of the grand jury to investigate, without interference, specific criminal allegations against particular individuals, regardless of who they may be or to what institution of government they may belong. Moreover, the vital public interest in fair and effective law enforcement requires that any such investigation be shielded vigorously from actions that might endanger its integrity.

For these reasons, it has been the consistent position of this Office, throughout the life of the investigation, that the House should defer its own inquiries until the grand jury investigation is completed. I make that request of you again now, in the strongest possible terms. I ask the House of Representatives to forbear from any proposed actions or inquiries in the areas covered by the grand jury's ongoing criminal investigation, both in order to avoid compromising that investigation at this late stage, and in order to further the public interest in preserving the fairness, thoroughness, and confidentiality of the grand jury process.

Thank you for your attention to this important matter.

Sincerely,

ERIC H. HOLDER JR.
United States Attorney.

Mr. GRANDY. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. GOSS], a member of the committee.

Mr. GOSS. Mr. Speaker, I thank the distinguished ranking member for yielding me the time.

Mr. Speaker, I am a member of the ethics committee and I am very proud of the work we have done so far. I have been here for 5 years. I have been on the ethics committee 3 years. I do not know what that means in terms of who I offended when I came here, but I will tell the Members that I am proud of the work we have done.

I believe that the ethics committee can function well on behalf of the House, the whole House, every Member. I think it can make sure that there is no special privilege for certain more senior people. I think every person is guaranteed equal treatment under our rules, so we can take our job and we can do our job, as we have proven when we can operate in a nonpartisan way, without any partisan pressures on either side, and when we can operate unilaterally from the leadership, either minority or majority leadership, when we operate for the whole body.

I think we all know that we have a problem with the institution itself, with our credibility rating. An awful lot of Americans do not have a high opinion of the way we go about our business. Certainly when we get a bad headline, as we are having in this case, it causes us a problem.

Recently we refused to allow a mandated congressional coverage under the independent counsel statute. We were told in our debate that we can police ourselves. That is really what these two resolutions are about, will we have the opportunity to police ourselves.

At the core of this dispute is whether we can go about our business while the executive branch goes about its business without interfering with each other. Probably we can do that to a point, but inevitably we are going to have a place where those roads come together, and we are going to have to make some good decisions.

I think the ethics committee is going to get its marching orders today. The gentleman from Missouri [Mr. GEPHARDT] wants this investigation done sequentially, first DOJ, then our ethics committee. The gentleman from Oklahoma [Mr. ISTOOK] suggested it could be done concurrently, that we can go about our business without tripping over each other.

Does the ethics committee have the wisdom to make a judgment whether to defer, or do we leave it to the executive branch to make that decision in case of a conflict? I have some observations on that. We have worked in the House bank situation with Judge Wilkie and some others, and I think we cooperated very well.

As the chairman, the gentleman from Washington [Mr. MCDERMOTT] has said, we have got a situation now with the long chronology of 2 years where the Ethics Committee has handled very well and responsibly so far what we have been asked to do. Perhaps some of us are frustrated we cannot do more, but we understand the value of the DOJ situation.

We have preserved our prerogative to do our own investigation. We have certainly not interfered in any DOJ criminal or civil investigation at this time, and I think we have believed the assurances from DOJ that they are doing something appropriate and taking action.

I think that is all a very responsible situation.

Chairman MCDERMOTT also said, "Why are we doing this now?" And I suggest part of the answer may be that some feel in America that we are not policing ourselves well enough in light of recent headlines, in light of the fact that 2 years has gone by. I think that it is not Republicans who are raising the issue. I think it is Americans that are raising the issue.

I am getting these questions not from just Republican constituents. I am getting it, as we all are, from all Americans, and the issue is: Are you going to do something about what we are reading about? Many do not realize that we are doing something about it right now.

I believe that where we are today at the crux of the issue is whether we in ethics can start an activity without interfering with the DOJ ongoing investigation. Can we get to some accountability after the process we have gone through over 2 years? Are there certain things we can do in spite of the new irregularities to House rules that we have read about on the front page of the press lately? Is there something else we should be doing in that area? These are fair and obvious questions.

The other side of this issue is do not yield to the executive branch our ability to police ourselves, and that is why I oppose the Gephardt resolution and support Istook, because we preserve our right to police ourselves.

Mr. GRANDY. Mr. Speaker, how much time remains in the debate?

The SPEAKER pro tempore (Mr. HOYER). The gentleman from Iowa [Mr. GRANDY] has 9½ minutes remaining.

Mr. GRANDY. It is my understanding, Mr. Speaker, that the majority has the right to close, so we will now use the 9½ minutes in its entirety. Is that correct, Mr. Speaker?

The SPEAKER pro tempore. That is correct. It was the Chair's intention to recognize the gentleman from Iowa as long as he wants to use the 9½ minutes and then to recognize the majority leader for closing.

Mr. GRANDY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, to use the old tired Yogi Berra saying, it is deja vu all over again. That is right, here we go again.

Was it not during the House banking scandal when the Democratic leadership worked the phones to deny a full-disclosure vote a few years ago?

Here we go again.

The gentleman from Oklahoma [Mr. ISTOOK] has a very good resolution requiring the ethics committee to investigate as long as it does not interfere with the Justice Department. What is wrong with that?

Once again, the Democratic leadership is opposed and wants to give its Members cover with the Gephardt resolution which really does nothing. That is right, nothing. It allows the ethics committee to keep on doing what it has been doing the last 2 years: nothing.

Please, my colleagues, vote "no" on the Gephardt resolution and give us a vote, a real vote, with teeth in it on the Istook resolution.

Mr. GRANDY. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. ISTOOK], the author of the resolution in opposition to the Gephardt resolution.

Mr. ISTOOK. Mr. Speaker, I think sometimes people are missing the point, and that is that last July 19 a smoking gun was laid down regarding the House post office through the guilty plea and the conviction of Robert V. Rota, who served for about 20 years as the Postmaster. He went to Federal court that day and pleaded guilty to three charges of helping Members of Congress to embezzle tens of thousands of dollars from the taxpayers. It is in the court records. It is there for everyone to see. It is not whispering anymore. It is not rumors.

The U.S. Government told the court on that day that they were prepared to prove that Mr. Rota helped these Members to embezzle the money, three counts of embezzlement laid right at the feet of Members of Congress.

What has happened since that time? Nothing. The ethics committee does not know which Members. They do not know how many Members. They do not known how much money.

Any company that had internal embezzlement would have an internal investigation in addition to what is being done by a prosecutor. That is all that we are seeking to do. If you were shareholders in a company, you would insist that be done by your management. We are no different.

The U.S. Government said in the papers that several Members of Congress were involved. We do not know how many. But how can you decide to defer if you do not know the basic facts?

We in this body often brag, it seems, about being able to bring competing positions together, to find a way for people to work together, to cooperate. In this case, we are so eager, it seems, to accept a blanket superficial assertion by the U.S. attorney, "Somehow you are interfering," instead of saying, "Let us sit down together, let us find a way to cooperate, we have a constitutional duty, we and the taxpayers have been cheated from, embezzled from, according to what you told the court." It is a smoking gun. It cannot be ignored. It is different from any other allegation before.

I urge you to vote against the Gephardt resolution and for the Istook resolution.

Mr. GRANDY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I just am saddened by these kinds of issues. I believe very deeply in this institution, and I would hope that others do, too, and understand that, No. 1, the Justice Department is another branch of our Government, that we are empowered and mandated to clean our own house. Yet some in this body do not seem to understand that and would rather see mud thrown at this institution than to get to the bottom of problems in this institution.

The gentleman from Michigan mentioned the bank scandal. This is almost the same thing that happened during the bank scandal. Rather than walk out to the American people and tell them the bank was not a bank and explain what was going on, we dragged not only this institution but many good Members through the mud, because we did not believe in the institution first and individuals second. That is what is happening.

And then the majority leader's resolution: It is cleverly written to just say we are going to stick with the status quo; we are going to rely on the Justice Department to do a criminal investigation, and then maybe if something comes out of that, we will do an investigation of our own to clean our own house. There is nothing in our House rules that precludes us from doing both at the same time.

We are about to meet the third-year anniversary of this scandal. It started on April 26, 1991, and yet this House has not investigated anything to clean up the problem and the American people are seeing what is happening. In fact, they just saw the President of the United States go out and campaign for one of the principals that is being investigated in this issue. And yet what do we do? We pass, or try to pass, this unfortunate resolution that says we are just going to continue the process as usual.

We need to clean our own house for the sake of the institution. Defeat the Gephardt resolution and pass the Istook resolution.

Mr. GRANDY. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KYL], a member of the committee.

Mr. KYL. Mr. Speaker, I want to begin by praising the majority leader for his efforts and the minority whip for his efforts to try to bring about a bipartisan agreement on this so we could have proceeded in a bipartisan way.

I think the operative difference between the two resolutions that resulted from the failure of that agreement is this: Gephardt, in effect, says to the committee, "Defer action unless something happens to change your mind." Istook says, "Go as far as you can until you conclude the criminal case would be jeopardized." Istook is a vote of confidence in the ethics committee to continue to exercise its judgment. Gephardt says, "Inquire no further, at least for now." Istook says, "Try to determine what problems would occur if you proceeded. You owe it to the House to do more than just accede to the wishes of the U.S. attorney. Verify his concerns are legitimate. If they are, defer. But exercise your own judgment in policing your Members."

Mr. Speaker, the question, therefore, is whether this House trusts the ethics committee. Judge Holder's letter suggests that is too great a risk, that we either might foolishly grant immunity to a witness in a way that could hurt his case, or that a sensitive matter might leak from the committee.

I ask this question of my colleagues: Under the leadership of Chairman McDERMOTT and the gentleman from Iowa [Mr. GRANDY] and Members like the gentleman from Maryland [Mr. CARDIN], who will close this debate, do you really believe the ethics committee would be so foolish as to jeopardize a legitimate criminal prosecution? Has the committee done anything to date to suggest that we would not act responsibly?

If anything, I would suggest the committee has been too cautious. I wish we could have proceeded on a bipartisan basis. I think we can in the committee. But we must be empowered to proceed as far as we can responsibly go. That is why, regrettably, I oppose the Gephardt resolution and urge my colleagues to support the Istook resolution.

Mr. GRANDY. Mr. Speaker, how much time remains?

The SPEAKER pro tempore. The gentleman from Iowa [Mr. GRANDY] has 2½ minutes remaining.

Mr. GRANDY. Mr. Speaker, I yield myself the balance of my time.

Let me just point out to the Members, if they had listened to the debate on our side, they have heard perhaps a difference in tone between those Republican Members who are serving on the committee and those who do not.

The Members on the committee are scrupulously trying to maintain the integrity of the Justice Department investigation while asking for a little bit more flexibility to proceed within the committee. That is why we have consciously tried to tone down the rhetoric in our remarks.

But whether you are on the committee or not on the committee, Mr. Speaker, the question we are asking today and we have asked before in this body is what must the House do to begin to restore its lost credibility with the American people? Unfortunately, whenever that happens, when public pressure collides with committee procedures with prerogatives, usually public pressure wins because we are trying to protect public trust in this institution.

The last precedent, we all remember it, was when we voted to turn over material to Judge Wilke, who was special counsel on the bank scandal. Unfortunately, we divided along partisan lines, and we will divide along partisan lines again.

That was an important precedent for us to remember. Members of this House did not want to give up their personal files to a Justice investigation, but we did. Today we ask for the opportunity to question Justice's prerogatives.

I would add one more point, Mr. Speaker: The Istook resolution asks the committee to do something we are doing today but we should do periodically, which is to report to the House. We may report, we cannot proceed; Justice has told us clearly what we can and cannot do, and we concur.

I appreciate the support of the gentleman from Arizona [Mr. KYL], and others of the committee who do know that we are trying to find some kind of balance. The Istook resolution asks us to question that balance, to go back to Justice, to ask them to be a little bit more forthcoming in the material that they have provided and in the material that they have not provided.

So, again, the debate today is whether we shall defer in the Gephardt resolution and do nothing and maintain the status quo or whether in the Istook resolution we may defer. It is the difference between the status quo and the status quo-plus. It may seem slight, but it has brought us to this debate today, and I encourage Members of this Congress to reject the Gephardt resolution and support the Istook resolution.

The SPEAKER pro tempore (Mr. HOYER). All time on the minority side has expired.

The gentleman from Missouri [Mr. GEPHARDT] has 4 minutes remaining.

Mr. GEPHARDT. Mr. Speaker, I yield the balance of our time to a distinguished member of the Committee on Standards of Official Conduct, the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, as a member of the Ethics Committee, I rise here disappointed and troubled by the resolutions that are before us, for I fear that they could jeopardize two longstanding traditions of this House that have served this House well and have served the American people well.

The first principle is that the Ethics Committee must work in a bipartisan fashion. As the gentleman from Iowa [Mr. GRANDY] has pointed out, we have worked in a bipartisan manner. There has been no disagreements within the Ethics Committee as to the actions of the Ethics Committee. We have reviewed this matter in September 1992, September 1993, October 1993, and unanimously deferred action at the request of the U.S. attorney.

The second tradition that I am afraid that we jeopardize is that this House should not compromise a criminal investigation under any circumstances. Our constituents want us to be held accountable criminally, as any other citizen should be held accountable, if we violate the criminal statues. And yet we are perhaps today willing to jeopardize that because we think we are an independent branch of Government and should do something more.

The Istook resolution assumes that the Ethics Committee has not done what it should. As Mr. GRANDY has pointed out in his comments, we on the Ethics Committee acted upon the best information that we had.

The Gephardt resolution, despite the characterizations, gives the Ethics Committee the discretion to act or not. It says, "At such time as the committee determines that a committee inquiry would no longer interfere with criminal investigation, the committee shall proceed pursuant to its rules with such inquiry as it deems appropriate." It does not take away the discretion of the Ethics Committee and does not change the burden of proof, as some of my colleagues would have you believe.

Let me point out the language difference that I think is in the two resolutions: The Istook resolution says, and this is important, that the Ethics Committee "shall immediately investigate all possible violations", et cetera. The U.S. attorney has said an inquiry into these matters by the committee would pose a serious risk to the integrity of the criminal investigation.

Should we substitute our judgment for the U.S. attorney's? We are Members of Congress, not U.S. attorneys.

We should rely upon his best judgment as to whether a criminal case will be jeopardized. He says it will; we should take his word.

Should we make a mistake? Should we substitute our judgment and mess up a criminal investigation? No Member wants that.

The majority leader's resolution makes it clear that every Member should be held accountable for violations of our roles, but we should not jeopardize the criminal investigation. That is not germane, it is not up to the House of Representatives to bring criminal charges. That is up to the U.S. attorney.

We cannot investigate criminal charges. Our rules specifically require us to refer out matters that involve criminal matters to the U.S. attorneys. Our rules specifically provide for us to defer action, which we have always done, in order not to violate criminal matters. There has been inference here that this matter has not proceeded in the normal course. I take exception to that.

Both the Democrats and Republicans on the Ethics Committee have conferred with the U.S. attorney. This has been an active investigation. Eight indictments have been brought. To infer that the U.S. attorney is dragging his feet, the inquiry has been expanded; it started with the U.S. post office, and now it has been expanded to other aspects.

We are satisfied that the U.S. attorney is proceeding with due haste. We do not want to jeopardize a criminal investigation. This House, the committee has acted responsibly. Let the committee do its work. That is what it should do. It will do its work, it will investigate violations of our rules. But do not put us in the position where you could cause a partisan split for the Ethics Committee to take action which could violate a criminal investigation.

I urge support of the majority leader's resolution, and not the Istook resolution.

The SPEAKER pro tempore. All time has expired.

Mr. GEPHARDT. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution offered by the gentleman from Missouri [Mr. GEPHARDT].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ISTOOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 241, nays 184, not voting 8, as follows:

[Roll No. 36]

YEAS—241

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamburg
Harman
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Markey
Martinez
Matsui
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)

Rahall
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stokes
Strickland
Studds
Stupak
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—184

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cooper
Cox
Crane
Crapo
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
Margolies-Mezvinsky
Mazzoli
McCandless
McCollum
McCrery
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Parker
Paxon
Penny
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Swett
Talent
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Andrews (TX)
Collins (IL)
de la Garza
Gallo
Hastings
McDade
Schiff
Washington

□ 1808

The Clerk announced the following pairs:

On this vote:

Mr. Andrews of Texas for, with Mr. Gallo against.

Mrs. Collins of Illinois for, with Mr. Schiff against.

Mr. PETERSON of Minnesota and Mr. STENHOLM changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCathran, one of his secretaries.

PRIVILEGES OF THE HOUSE—CALLING ON COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO CONDUCT INVESTIGATION INTO ACTIVITY AT HOUSE POST OFFICE

Mr. ISTOOK. Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 238) and ask for its immediate consideration.

□ 1810

The SPEAKER pro tempore (Mr. HOYER). The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 238

Whereas, allegations reported in public and made in official court documents that personnel of the House Post Office provided illegal cash to certain members in three ways: (1) cash instead of stamps for official vouchers, (2) cash for postage stamps which, had earlier been purchased with official vouchers, and (3) cash for campaign checks;

Whereas, these allegations directly affect the rights of the House collectively, its safety, dignity, and the integrity of its proceedings, and the rights, reputation, and conduct of its Members:

Whereas, Article I, Section V of the Constitution gives each House of the Congress responsibility over disorderly behavior of its Members:

Whereas, the Committee on Standards of Official Conduct has jurisdiction over the conduct and behavior of current House Members, Officers, and employees, including investigatory authority, and is the appropriate body of this House to conduct any inquiry: Now, therefore, be it

Resolved, That the Committee on Standards of Official Conduct is instructed to investigate immediately all possible violations that are related, but not limited to, the documents received by the Committee on Standards of Official Conduct from the Committee on House Administration, and the allegations stated above.

Further resolved, The Committee on Standards of Official Conduct shall coordinate its investigation with the related efforts of the Department of Justice so as not to jeopardize any ongoing criminal investigation.

Further resolved, That in pursuing its investigations, the Committee on Standards of Official Conduct shall determine Members, Officers or employees who have violated House rules, practices and procedures in connection with the House Post Office.

Further resolved, The Committee shall inform the Department of Justine regarding the procedures and aspects the Committee intends to investigate. If the Department of Justice then responds that a specific matter the Committee intends to investigate is material to, or subject of an official investigation, the Committee may defer that inquiry pending the conclusion of the investigation by the Department of Justice.

Further resolved, That the Committee on Standards of Official Conduct shall file a public status report within 60 days of the adoption of the resolution and periodically thereafter.

The SPEAKER pro tempore. The resolution constitutes a resolution raising a question of the privileges of the House.

The gentleman from Oklahoma [Mr. ISTOOK] will be recognized for 30 minutes, and the gentleman from Missouri [Mr. GEPHARDT], the majority leader, will be recognized for 30 minutes.

The Chair recognizes the gentleman from Oklahoma [Mr. ISTOOK].

Mr. ISTOOK. Mr. Speaker, all time yielded during my debate is for purposes of debate only.

I yield myself such time as I may consume.

Mr. Speaker, as has been mentioned previously in debate earlier today, last July a former employee of the House of 20 years's standing confessed in Federal court to three charges of assisting Members of Congress to embezzle large sums from taxpayers. As unpleasant as the task may be, Mr. Speaker, we have a constitutional obligation, article I, section 5 gives it to us, to pursue incidents of misconduct by our Members, to take any necessary steps that may include discipline or even expulsion from this body. It is a duty that no one here wishes that we had to have, but nevertheless, is ours.

Our Ethics Committee, Mr. Speaker, although aware of the circumstances, evidently has yet to try to find the answer to some simple questions that are necessary for the protection of this body: Who are the Members who allegedly were involved in the embezzlement, what are the amounts taken, and how many are there?

I submit, Mr. Speaker, that only if we can satisfy some threshold questions can we understand the scope of these very serious allegations and determine how we should proceed, whether we can indeed, as many of us believe we can, cooperate and coordinate an internal investigation with the current probe by the Justice Department, rather than giving an automatic response of deferral.

I would submit, Mr. Speaker, that although the Justice Department has certainly put in writing a desire to defer, the arguments they present us are superficial and have not been questioned or studied by the Ethics Committee of this body; that we have been all too willing to pass the buck to someone else to mess with our dirty linens in this matter. Therefore, this resolution calls upon the Ethics Committee to open the inquiry. The resolution simply requires the Ethics Committee to open the inquiry, to go as far as they can without constitution interference with the Justice Department, and to work with the Justice Department to satisfy the needs of this body to uphold its own integrity and dignity, as well as the needs of the Justice Department in the criminal justice system.

Mr. Speaker, I have heard from many people a concern, would our Ethics Committee grant immunity to a witness that somehow interferes with the Justice Department. Many people have overlooked a very simple fact, and it is in the Federal court records in the plea agreement of Mr. Robert Rota, the former Postmaster.

Paragraph eight of the agreement states that he has already been granted immunity by the Justice Department from any additional charges that might stem from his service as Postmaster of this body, so long as he will cooperate with all investigators of the United States. Mr. Speaker, that language would include us. It is in the court records, it is in the plea agreement.

This resolution is simple and straightforward, Mr. Speaker. It states that we do not have enough information yet to make an informed decision, and the Ethics Committee is the proper group to pursue that on our behalf.

Mr. Speaker, I urge adoption of the resolution, and I reserve the balance of my time.

Mr. McDERMOTT. Mr. Speaker, I yield 6 minutes to the gentleman from Ohio [Mr. STOKES].

Mr. STOKES. Mr. Speaker, I thank the distinguished chairman of the Committee on Standards of Official Conduct for yielding to me.

Mr. Speaker, the debate which we have just heard on the floor a few minutes ago brings back a lot of memories to me. On two occasions during my tenure here in the House I have been called on by Speakers of the House to chair the House Ethics Committee. It is probably the most painful experience that I have ever encountered during my tenure in the House.

□ 1820

It is the toughest job and the worst job that any person in the House could be asked to do. So is service on that committee. I do not know of any Members who ever have sought to be on the ethics committee. But I do know that all of them, once assigned that responsibility on behalf of the House, have tried to carry out an institutional responsibility with great integrity.

During the two times that I chaired the committee, I had the good fortune of having two of the finest men in the House serve as the ranking minority members. In one case it was the gentleman from South Carolina, Mr. SPENCE, and in the other case it was JIM HANSEN. Both of these men worked with me in order to do the difficult jobs we had been given without any partisanship whatsoever, and it is to their credit and the credit of the other Members that we were able to keep any partisanship out of any type of assignment ever given us. We never brought a political matter to the floor.

We had some tough cases. We had the ABSCAM cases, the infamous ABSCAM cases. We had the sex-and-drug investigations involving Members of Congress and pages. We even investigated a former Member of the House then running for the Vice Presidency of the United States, and we investigated numerous Members of the House charged with various types of offenses. All of those cases were tough.

We had cries at that time for us to investigate many times at the same time that the Justice Department was conducting investigations. As a matter of tradition and history, the ethics committee has never conducted an investigation simultaneously with the Justice Department, the reason being that this would be political influence of an ongoing criminal investigation.

The action just taken by the House was the proper action. What we did in the resolution just passed was we said that the House should exercise particular caution so as not to impede, delay, or otherwise interfere with an ongoing criminal investigation that may involve its own Members. It said further that the House supports the decision of the Committee on Standards of Official Conduct to defer inquiry on matters relating to the former operation of the Post Office. This is important to realize that this was the right action for us to take. We ought not to be interfering in any way with an ongoing criminal investigation.

What the Istook resolution does, and it says this, and I think it is important for us to understand what it says, that in pursuing its investigation, the Committee on Standards of Official Conduct shall determine Members, officers, or employees who have violated House rules, practices, and procedures in connection with the House Post Office. You cannot do this here in the House while they are conducting a criminal investigation through a grand jury.

While I served my last tenure as chairman of this committee, we had the same problem that had been referred to us by a vote of 414 to nothing for us to investigate this matter, and pursuant to the past history and tradition of the House, I wrote a letter, signed by JIM HANSEN, our ranking member, to the Department of Justice and posed this question. I said:

> It is our understanding that the Department of Justice, through a grand jury empaneled by the United States District Court for the District of Columbia, is conducting a criminal investigation relating to the House Post Office. This Committee would not want to interfere with or impede that investigation in any way. Moreover, pursuant to past practice, as reflected in Committee Rule 14(g), the Committee may defer action on any matter being actively pursued by the Department until such time as the Department has concluded in its investigation.

This was on September 17, 1992. On November 25, 1992, I received a reply back from W. Lee Rawls, the Assistant Attorney General. Let me refer to that part of it which I think is pertinent, relative to the Istook resolution. They said to us.

> The Department of Justice shares your concern that any parallel inquiry by your committee at this stage could significantly interfere with this important ongoing criminal investigation. Among other concerns, individuals whom you may wish to interview may include many of the same persons who are critical witnesses or subjects of the criminal investigation. Interviews of those individuals about the subject matter of the criminal problem could lead to the disclosure of matters still under active investigation by the grand jury and could otherwise jeopardize the integrity of the criminal investigative process.

Mr. Speaker and Members of the House, all of us want to do what is right and proper in terms of what is right for this House. We do not want, however, to do what we have done on other occasions, and that is interfere with something to the detriment of the House and bring further shame upon the House in some way.

This is a matter that we ought to leave to the Department of Justice. Let our ethics committee remain in touch with them, continue to monitor it, and at the proper time they will be able to bring us the kind of action we ought to take. Until then we should defeat this resolution.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Speaker, it is a privilege for me to follow the gentleman from Ohio [Mr. STOKES].

Mr. STOKES, I believe that you are an honorable man, and I have great respect for you in having served in the chairmanship of that position for over 10 years, and I agree with you when you say it is a difficult job. I have not served in that kind of position.

I served as an honor court justice in law school for 2 years and had to rule over some of my own classmates. It is not easy. I have served also as a prosecutor in the U.S. attorney's office, so I have an understanding of the United States Code and the criminal process.

I agree with you when you say that matters such as this, that we want to take politics out of it. Ethics should not be a partisan issue.

I was bothered when I walked in and cast one of the last votes to see that the last vote appeared to be a partisan, and you can pick up the paper tomorrow and they will put a partisan spin on how this was voted. I agree with you, sir, that it should not be a partisan issue.

I am in disagreement with you, though, when you say that we should just turn it over to the Department of Justice, because our inaction in this body does create the cloud of politics. Inaction creates that cloud. And that is very bothersome.

How well you know, Mr. STOKES, and I guess I am talking directly to you.

Mr. Speaker, we are constitutionally charged, so often charged, to take care of our own Members, and so often we hear that we should not, Mr. Speaker. So often we say that we should not pass rules that apply to us because we will police our own. There was an argument that the gentleman from Missouri [Mr. GEPHARDT] gave during the family leave that I listened attentively to: Here we have the opportunity to police our own, but we say, "No, let us punt that issue to the Department of Justice and let Justice take care of it."

Folks, we have a tremendous responsibility to take care to police our own, and we should not punt the issue to the Department of Justice.

This, the United States Code, takes care of the criminal process and criminal procedure. That is what the U.S. attorney's office is, that is what the Department of Justice is. Let us just not throw the book away and let them do it. Our responsibility comes under this, the House ethics code. We are constitutionally charged to move forward.

□ 1830

And I will say that James Madison said it very well, the Federalist No. 51, page 3. I hope you read it.

Mr. GEPHARDT. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker and Members of the House, we know that the members of the Ethics Committee, none of them has asked for this assignment and none of us hopes we ever are chosen to carry it out. We know that the leadership has exercised its judgment on both sides of the aisle, to pick people for this committee whom they trust, they respect, and they expect to discharge their duties to the House and to the country. This is done so that we can assure the public and our colleagues that justice will be carried out and that the public interest and the public trust will be protected. This process should not be subject to political pressure. As difficult as that political pressure might be for Members of the House, we should in fact recognize that the process must work to the end of achieving justice and protecting the public interest.

The members of this Ethics Committee were picked by the Speaker and the minority leader of the House. They have discharged their duty throughout history in a rather admirable fashion, based upon the principles that each case would be taken care of and protected so that justice would be carried out. And yet, if you listen to the people who have come to this aisle from the Republican side, you would have to believe that they are leaning to an indictment of the Ethics Committee. You would have to believe, as Mr. BUNNING said, that this committee is committed to stonewalling, that somehow the committee of which he is a member is committed to stonewalling or, as Mr. ISTOOK said earlier, that they are all too willing to simply go along with the status quo; or, as the speaker who was just in the well said, that they are committed to inaction. That is not the fact. That is not the history of this committee.

The history of this committee is that they have been working, they have been discussing on a bipartisan basis with the Department of Justice to see whether or not there is an opening, whether or not there is something they should be doing. At each and every turn, they have been told, "No, stay out of this so that we can conclude this to bring about justice, to bring it to a successful conclusion." But the members of this committee somehow suggest that if we do not have the Istook resolution, that the members of this committee are lying down on the job, that they are not discharging their obligations to you or to the country.

That simply cannot be true. We know the members of this committee, these are honorable people, these are people who have discharged their obligations in very, very difficult circumstances. What they have chosen not to do in the discharge of that obligation is to obstruct justice, is to trample on justice, and to deny a person the fairness of that hearing.

But in the end, what have they done? They have ferreted out, whether it was the bank scandal or any other scandal which was presented to this House, they have ferreted out those facts, delivered those facts to this House, and this House has voted from time to time to censure, to condemn Members, to expel Members, and people have been brought before the bar of justice.

Now, what has happened? Apparently, Mr. ISTOOK is impatient with the pace of the investigation. I am sorry about that. Maybe he is impatient of the investigation with Mr. MCDADE. That has been 2 years. But people felt that he was entitled to his appeals, to not have that case obstructed in one fashion or another by their involvement.

Now, this committee has voted not to proceed, on a bipartisan basis; in some cases, perhaps on a unanimous basis. Is the judgment of this House that this committee is engaged in a process of covering up or stonewalling? I do not think so. I do not think so.

But let us remember something: This committee has all of the authority that it needs to proceed. They have chosen, under Mr. GRANDY's leadership and under Mr. MCDERMOTT's leadership, with the support of the Republican side and the Democratic side, not to proceed, because after discussions with the U.S. attorney they were told that to proceed is to jeopardize that case and that investigation.

But somehow, Mr. ISTOOK wants to supplant his judgment for what in some cases is the unanimous bipartisan judgment of the members of this committee. So, Mr. ISTOOK must tell us which of the members of this committee he believes is engaged in that coverup or all to willing to go along with the status quo or stonewalling, as Mr. BUNNING suggested. I suspect it is none of the members of this committee. They have proceeded as they properly should.

Mr. ISTOOK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I believe the actions and the votes of the members of the committee will speak for themselves in this process. I would also bring out to the attention of those who are not certain that, as Mr. ROBERTS pointed out, who was the cochair of an earlier task force that looked into the operations of the House post office, that Mr. MICHEL and Mr. FOLEY, as respective leaders of the parties, both wrote to the Justice Department when there was no implication that Members of Congress would have a finger of guilt pointed to them, that we needed to work with the Justice Department and investigate jointly.

But now, since Rota's confession and allegation, when a finger of suspicion points at Members of Congress, suddenly all that we seem to hear from too many people is defer, defer, rather than cooperate and work jointly to get to the bottom of it.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Ms. PRYCE].

Ms. PRYCE of Ohio. I thank the gentleman for yielding this time to me.

Mr. Speaker, it is with no joy that I rise in support of the Istook resolution. There is nothing more painful than drawing attention to, putting the spotlight on, or casting a bad light on this honorable House—nothing more painful except perhaps allowing our wounds to fester in the minds of the public to the point that this body begins to decay. And that is what is happening.

This venerable institution has been reduced by scandal after scandal like a body being consumed by disease. As a former judge, I often noted that our laws were only as strong as the respect we had for them—that when that element of respect for law was gone, we would be reduced to anarchy—because when there is no respect, there is no law—only print on paper.

And so we must stop the decay and begin the healing process. We have been armed with the public trust and have betrayed that trust—not because of allegations that so-and-so did such and such, but because we have stood idly by and done nothing when these allegations are being made. Nothing to keep the respect that, as the lawmakers, only we can be the stewards of. The administration can't make the public trust and respect us. The judiciary can't make the public trust and respect us. Only we can do that; and I respectfully suggest that we have fallen woefully short of that important calling.

Very candidly—we have a PR problem—one that filters down and affects the very fiber of society. It is not only hurting us, but hurting every citizen in this great country—every child growing up with no respect for the law because he has no respect for the lawmakers, every kid in school bombarded by one political scandal after another after another.

Now we have an opportunity to begin to recapture what has been lost. The ethics committee should do its job. This is a problem in the U.S. House of Representatives—but this House has turned a blind eye for over 2 years. The public has not. Let us seize the moment, make up for lost time, and get on with doing what's right.

I urge support of the Istook resolution.

Mr. GEPHARDT. Mr. Speaker, at this time I yield 3 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I thank the majority leader for yielding this time to me.

Mr. Speaker, I rise perhaps to offer the experiences of one who has not been on the ethics committee but who has chaired a subcommittee which has had jurisdiction for 4 years, all during a Republican administration, that of President Bush, on sensitive matters and sensitive criminal investigations.

Mr. Speaker, a previous speaker spoke of not wanting the ethics committee to punt, he said you should not punt. Well, Mr. Speaker, this is not punting. The job is being done. It is the issue of whether or not one fumbles the ball, and what the U.S. attorney is asking is that the ball not be fumbled.

□ 1840

But in my experience, Mr. Speaker, I chaired the Subcommittee on Information, Justice, Transportation, and Agriculture of the full Committee on Government Operations for 4 years all during the tenure of President Bush, and in that time we had a number of investigations ongoing involving criminal matters, involving handling of criminal matters by the Department of Justice, involving fairly sensitive areas. Repeatedly we were confronted with the U.S. attorney, or his representative, or the Attorney General, in some cases asking us not to hold a hearing, not to continue an investigation, certainly not in public session, because of an ongoing criminal investigation, an ongoing criminal investigation.

Mr. Speaker, this was true in the PanAm bombing over Lockerbie, Scotland, on a specific matter we were looking into. It was true for several drug related matters that our subcommittee was looking into. Yes, it was frustrating to be confronted with this, but when faced with this, Mr. Speaker, every time we withdrew and said because of an ongoing and criminal investigation we will not endanger that.

A previous speaker also asked, "Well, what will Americans think?"

Well, my question is:

What will Americans think to find out that the Congress disregarded a request from the U.S. attorney who was handling an ongoing criminal investigation, not only a request from the present U.S. attorney who is handling it and appointed by a Democrat administration, but a request that was initiated by a Republican appointee and then was continued by the interim appointee and now by the present holder of that position? And so I would ask what will Americans think if the Congress disregards this language in this letter of February 23, 1994, from U.S. Attorney Eric Holder to the Speaker and to the gentleman from Illinois [Mr. MICHEL] when he writes:

> Like my two immediate predecessors as United States Attorney for this District, Jay B. Stephens and J. Ramsey Johnson, I urge the House to refrain from such actions. * * *

And then in his concluding remarks when he writes:

> For these reasons, it has been the consistent position of this Office, throughout the life of the investigation, that the House should defer its own inquiries until the grand jury investigation is completed.

Nothing in the resolution that has passed or in the actions that are taken suggests that the Committee on Standards of Official Conduct is going to avoid its responsibility, but it is just saying the process is in motion. The key is not to fumble the ball, and since there is an ongoing criminal investigation, Mr. Speaker, we should honor that request as we have always done in this body.

Mr. ISTOOK. Mr. Speaker, I would remind the Members of this body that every act which we are seeking to have investigated in this matter occurred within the walls of this House of Representatives, not in Scotland or anyplace else. We are seeking to have an investigation of what happened internally within this body.

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Speaker, how very far over the years the reputation of the Congress of the United States has fallen in the eyes of the American people. How sad that an institution that once the people trusted to do the right thing has allowed itself, through its own actions and inactions, to fall so far in the esteem of the people. Tonight we have an opportunity to take a little tiny baby step toward clearing the cloud which has been hanging over the Congress since the post office scandal came to light. We have an opportunity to prove to the American people that the Congress can police its own and can take a principled stand for its own institutional integrity. We have the opportunity to demonstrate that Congress does have some self-respect left.

I say to my colleagues, do not throw away this opportunity, for if we do by opposing the Istook resolution, we will further damage this great institution bequeathed to us by our Founders. The gentleman from Oklahoma [Mr. ISTOOK] makes an honest effort to do the right thing by directing the Committee on Standards of Official Conduct to investigate this public blight on our institution, and now he has to contend with a last minute resolution from the leadership designed to give political cover via a hastily drafted letter from the U.S. attorney.

I urge my colleagues, especially my fellow freshman Members of this House, not to be part of this shell game. Do not let the leadership succeed in this sleight of hand. There have been plenty of concurrent investigations in the past, but now, all of a sudden, it is taboo for the House to investigate its own. Many of my fellow freshmen ran for Congress in the midst of the House banking scandal and won in part because of it. Well, if we run the reel back a few years and had this same debate, it is very likely the bank scandal would never have been exposed to the public.

I say to my colleagues, don't protect the status quo. Vote to pass the Istook resolution. You'll feel better looking in the mirror tomorrow morning.

Mr. GEPHARDT. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, Congress should not obstruct justice. On July 22, 1993, we joined in this very debate. When, at the request of a gentleman named Ramsey Johnson who was appointed as chief prosecutor by a Republican Virginia gentleman named Jay Stephens who was the U.S. attorney for the previous administration, the House decided to honor the Justice Department's request and not interfere in the House Post Office investigation. I stood before this house that day and said, "* * * we ought not interfere." Today, and I say again, we ought to honor the U.S. attorney's request and, "* * * we ought not interfere." Nothing has changed.

I would like to take a moment to remind my colleagues about a famous example of what happens when Congress interferes with a Justice Department investigation.

When Oliver North was subpoenaed to appear before Congress, he used the fifth amendment to claim that he could not testify on the grounds that anything he said may be used to incriminate him in a court of law. Congress then granted him use immunity.

Many observed that Ollie North in his testimony before Congress admitted to obstruction of justice (18 U.S.C. section 1505), illegal gratuities under a section of the bribery laws (18 U.S.C. 201), and destruction and mutilation of government documents (18 U.S.C. 2071); in other words, he admitted to three felonies during the course of his congressional testimony.

When the case finally came up before the U.S. Court of Appeals, one of the charges was thrown out immediately and the other two felonies were thrown out on what amounted to a technicality under the fifth amendment. Because Congress, with the exception of Messrs. STOKES, HYDE, BROOKS, and Rodino, had granted Ollie North use immunity, and because the hearings were televised, the result was as the National Law Journal headline from December 2, 1991, stated, "Use Immunity" now means "Total Immunity." And, Ollie North, a man who was indicted on 21 accounts and convicted of 3 felonies, went free.

Prosecutor Walsh was then asked by the Court to prove that the witnesses were not influenced by the televised testimony before the congressional committee, a task that proved to be impossible.

Now, Members of Congress may think that our testimony before a congressional committee would be protected by speech and debate privileges.

But, I want to point out that there are currently cases pending decisions by the U.S. Court of Appeals that could very well end the protection of speech and debate privileges for this kind of testimony.

What does that mean?

It means that a Member of Congress might have to claim the fifth amendment to protect him or herself from self-incrimination and, that means that Congress might find it necessary to grant "use immunity" to encourage testimony. And, that means we could set ourselves up for another Ollie North type situation where justice is obstructed and the convicted goes free.

Mr. Speaker, the public has a right to demand answers and the public has a right to demand justice.

The Congress does not have a right to stand in the American public's way and obstruct justice. If we do not honor the Justice Department's request to let it conduct this investigation, which I remind my colleagues is in its final stages, we as a Congress will be obstructing the justice that Americans are demanding, and that is not why we were elected to the House, to say the least.

Please defeat this inappropriate resolution and let the process of obtaining justice proceed to a conclusion. The House will clearly act once the prosecutor has concluded his or her work.

I might add that the situation that applies to our Republican colleague, the gentleman from Pennsylvania [Mr. McDADE], is exactly the same that applies to those on this side of the aisle. We ought to reserve judgment despite our frustration and any impatience we may individually feel. Let the process of justice in the judicial branch run to completion, and then we will judge our colleagues, as we are required to, to the degree that we believe a report, let alone any indictment, requires us to act.

□ 1850

This is not an attempt to obfuscate or avoid our responsibility. But I think what we have on the floor today is to take partisan advantage, when in fact the problem we face is bipartisan in nature.

It is a sad day that the House must debate an issue that is, I think in the Ollie North instance, so clearly it is to our advantage to put aside until the judicial branch handles the problem, as inevitably they will complete their task.

So, Mr. Speaker, I think the majority leader's resolution appropriately speaks to the issues of concern to the Members. I regret Mr. ISTOOK takes an unfair political opportunity. It ought to be defeated.

Mr. ISTOOK. Mr. Speaker, I am sure the gentleman from California will be relieved to know that the principal witness in this matter, Mr. Rota, has already been granted immunity by the Justice Department from any further prosecution for any other acts that he may have committed during his 20 years as Postmaster. It is in paragraph 8 of his plea agreement on file at the Federal courthouse.

I yield such time as he may consume to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Speaker, I rise in support of House Resolution 238. I remind my colleagues that an independent autonomous congressional inspector general would have completed his investigation by now, would have helped us live up to our constitutional responsibility to discipline our own Members, and would have removed the political cloud surrounding this scandal from this House for 2 years.

Mr. Speaker, I rise in strong support of House Resolution 238. I would think that every Member of this body has learned that the American people want representatives in the U.S. Congress that will act responsibly and with accountability. The responsible action today will be to support this resolution.

For over 2 years, I have advocated the creation of an independent office of congressional inspector general. Such offices exist in the executive branch. An independent IG could have helped this institution avoid the tragic embarrassment of the post office scandal and even the need for this debate today. Had an independent IG existed, a prompt investigation would have been completed, appropriate action taken, years of delay and political maneuvering avoided. This lingering cloud of uncertainty can't be removed by the IG that exists within the House today, because he is virtually powerless in these situations.

We have a continuing responsibility to run the people's House in a manner that is not only efficient and effective, but also above ethical approach. After 2 years, I believe that it is time that the House of Representatives determine if there is any truth to the allegations of criminal activity and other wrongdoings at the House post office. Similar allegation in the executive branch would have dealt with openly, completely and independently a long time ago.

And, today, instead of consuming valuable time on debating this resolution, we could be concentrating on those issues that are important to Americans outside the beltway—crime, education, welfare, and health care. But the House leadership has failed to empower the existing IG to work independently, has failed to give him proper authority to conduct investigations into matters such as this, and regrettably has failed to take politics out of the investigation and our handling of this matter.

Since the power of the House IG is limited, we must find other ways to ensure that all members of this body are held to the moral and ethical standards that have been set. The House of Representatives constitutionally has the authority to discipline its Members. And I think that we should use this authority and not defer to the Department of Justice. It is our job, not theirs. Justice has had ample time to act on the criminal allegations and has not. It's time we did.

It should also be emphasized that concurrent investigations by Justice and the House have occurred in the past with regard to the House bank, Silverado Savings & Loan, the Packwood diaries, the Keating affair, and other matters. Last, the measure that we are debating today provides for the Ethics Committee to defer its investigation if is found that their investigation would jeopardize the one being conducted by Justice.

It is my hope that the ethics committee investigation will finally allow us to end this ongoing debate regarding the House post office scandal. At the same time, we need to also solve the problem that caused the scandal in the first place—lack of proper oversight. We must amend the rules of the House and create a position of inspector general that would be autonomous and independent in nature.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Speaker, I rise today to speak in support of the Istook resolution regarding the investigation into the House Post Office scandal. And I commend my colleague from Oklahoma for his perseverance in this matter.

For too long, this House has ignored its constitutional responsibility to investigate allegations of conduct by its Members. In the case of the House Post Office, evidence of inappropriate conduct is far greater than any reasonable threshold for investigation. We all remember, with great regret, that the former House Postmaster has already pled guilty to Federal criminal charges as a result of this scandal.

Nonetheless, the House seems content to turn a blind eye to this scandal. It reminds me of the line from George Orwell's "Animal Farm": all Members of this House are supposed to be equal, but some are more equal than others, and Members of the House are more equal than the average American.

Congress does a disservice to itself and the American people when it abdicates its responsibilities in this way. While it is always painful to have to investigate allegations of wrongdoing by a Member of this House, that pain is small compared to the damage that is done when our relationship with the people we are elected to represent is weakened.

There is a critical democratic principle that has to be reaffirmed—that no man or woman in this country is ever above the law, ever able to avoid the day of reckoning for his or her actions simply because of the position he or she holds.

If you believe we should abide by the Constitution, do the will of the people, and do what is right, vote for the Istook amendment.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Speaker, I rise in support of the Istook resolution. In September of 1992, by unanimous vote, this Congress expressed a desire to investigate the possible wrongdoing by Members of this institution in relation to the so-called post office scandal. In the months since that initial action, the Committee on Ethics of the House of Representatives has deferred to the Justice Department on this matter. But it is distressing to me that in the 1½ years since the disclosure of this scandal, only House post office employees have been brought to justice to their misdeeds.

Former House Postmaster Bob Rota has lost his job and has recently plea bargained before a court of law. Eight other post office employees have lost their jobs and been dealt with harshly by the court system.

It just does not make sense that the only individuals who have not yet been brought to account in this sad episode are the several Members of Congress who both precipitated and benefited from this inappropriate and illegal activity.

Obviously, simple justice is not so simple when it comes to the powerful in our society. It has been 1½ years. Congress has, by tradition, been silent on this issue. It is time for this institution to break the code of silence by calling for an internal investigation of this matter.

The Istook resolution instructs the Committee on Ethics to cooperate with the Justice Department on this matter and to assure the successful completion of that Justice Department investigation.

I believe that by voting for the Istook resolution, we are simply saying let justice be done.

The SPEAKER pro tempore. The gentleman from Oklahoma has 14 minutes remaining, and the majority leader has 12 minutes remaining.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. I want to thank the gentleman from Oklahoma for yielding, and want to congratulate the gentleman for his persistence in bringing this issue to the floor. For 6 months now this issue has been under discussion. The gentleman from Oklahoma has worked with a number of Members trying to bring this to a successful conclusion in a bipartisan way. Unfortunately, that has not happened.

Many of us think that this post office problem is a problem that is a year old, 2 years old. Well, it is not. The problems in the House post office go back to 1979, when a former employee in the post office went to law enforcement officials and admitted there was a cash for stamps scheme underway. At that time it was covered up and it went away.

But the Democrat leadership of the House that ran the post office knew about it. Yet the problems persisted in the post office. Again, in the mid-eighties, this problem came up once again, and law enforcement officials began to do an investigation. Nothing came of it. It went away because it was hushed up and covered up again.

This problem has been going on long before 20 months. It goes back about 3 years ago when the leadership of this House understood the problems, the serious problems, that were underway in the House post office.

Should it surprise any of us that we sit here tonight, not willing to take a look at it, not willing to pursue this? No, it should not. And I say to all of you, there is another point that should be made. We as Members of Congress are charged under the Constitution with holding ourselves to a higher standard, a higher standard than criminal conduct. We are charged with holding ourselves to a standard that is anything that would be unbecoming of a Member of Congress. It is our sacred responsibility under the Constitution for us to hold ourselves and our colleagues to that standard to benefit this institution. And once again, it saddens me that tonight we are about to abdicate that responsibility.

□ 1900

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank the majority leader for yielding.

Mr. Speaker, I take this time to talk about one of the points raised by the gentleman from Oklahoma [Mr. ISTOOK]. I tried to get him to yield, and he would not. The gentleman from Oklahoma is indicating since Mr. Rota has been given use immunity, that we could at least start to pursue an inquiry of Mr. Rota.

Mr. Speaker, the truth is that the plea agreement entered into by Mr. Rota indicates that he will provide such information whenever and in whatever form the U.S. attorney's office shall reasonably request. The U.S. attorney's office is not going to let Mr. Rota testify with immunity before the Ethics Committee. We will have to grant immunity if we want him to testify.

Twenty-six times during Irangate Congress granted use immunity. If we grant use immunity, then the prosecutor, the U.S. attorney, must prove that any information that was obtained through the testimony of Mr. Rota was not used in bringing the criminal charges. It is an impossible burden.

One thing we know about the Istook resolution, it requests the Ethics Commission to do something that the U.S. attorney's office says will severely risk the integrity of the criminal investigation.

Mr. GEPHARDT. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, I want to thank the majority leader for yielding me time.

Mr. Speaker, let me, if I might, give a perspective from somebody who worked for 10 years in the vineyards handling grand juries and criminal cases, some rather complex criminal cases. Mr. Speaker, I really do not understand a lot of things. I do understand the frustration, because it does seem like an inordinate amount of time has been taken with this investigation, but we have had three U.S. attorneys, one appointed by a Republican, one appointed by a judge, and now a Democratic U.S. attorney who has all the credentials that would ensure that we are going to have a complete investigation, so nobody could suggest that it is being dragged out because of political reasons. That is ridiculous. It is nonsense. The Members know that.

One of the reasons why the U.S. attorney, three U.S. attorneys, believe that we should defer to them is because we could mess up, we could mess up, once again, an ongoing criminal investigation. I do not care how we couch it, that is exactly what the U.S. attorney has done.

One of the things that I am sure the U.S. attorney does not want to do at this point is, he does not want to identify targets of the investigation, because they are now interviewing witnesses, they have granted immunity at this point beyond what has already been testified, to Rota. He has already pleaded guilty, and they are going to have to grant other immunity, I would assume, to complete the investigation.

We have to assume that one of the reasons why they have not completed the investigation is because they have not identified, because of the complexity of the investigation, all the targets. There are subjects of the investigation that may move over to targets of the investigation. The U.S. attorney, as my colleague, the gentleman from Maryland, has just indicated, is not going to permit the use of use immunity, and we know that, for the simple reason he does not want to compromise this investigation.

Are the Members going to assume the responsibility for those that walk because of what we do at this point in interfering with an ongoing criminal investigation? I do not think so. I think our constituents back home are going to hold us accountable if anybody walks out of this ongoing investigation.

That is the problem. The Members do not want to assume that responsibility, but they want to move ahead at this point, and when the U.S. attorney says he is in the final stages of his investigation, I can think of probably half a dozen reasons why he would not want to identify certain subjects or targets at this point.

I say to my colleagues, come on. Let us use some common sense. Put the politics aside. I understand that is has some sex appeal, but Members are politicizing the Committee on Standards of Official Conduct, No. 1, and No. 2, we are jeopardizing a possible criminal investigation. Do not do it. Reject the Istook resolution.

Mr. ISTOOK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I must confess I am at a loss to understand how an investigation that is supposedly in the final stages is one which still has failed to identify all the targets of the investigation. I think part of the problem is that we assume, rather than trying to find out, rather than trying to create a mechanism of cooperation, which is what we expect in all other aspects. I would not wish to assume that the Ethics Committee nor this body is so incompetent that it would somehow mess things up, rather than cooperate.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Speaker, 80 percent of the American people no longer trust the work that goes on in this House. It is the responsibility of this House to monitor the actions of its Members, to monitor the actions of its different functions. I am personally saddened that many here do not see a problem or do not perceive a need to enhance our reputation, no, not to enhance our reputation but to enhance our performance as perceived by the American people.

The American people are demanding more. Today we have an opportunity to deal with substance, to strive for excellence. I hope that that is the course we choose, to aggressively pursue excellence in our conduct.

Mr. Speaker, I hear that we have never done it this way before. Maybe it is about time that we do something differently, because what we have been doing has not been good enough. Mr. Speaker, I hear charges that we are on a partisan crusade. We asked for a generic investigation. Our colleagues on the other side of the aisle are the only ones that have mentioned Members names by name.

I am sorry that the gentleman from Oklahoma [Mr. ISTOOK] is impatient, that he believes that it is taking too long, but I am delighted that it appears that the gentleman from Oklahoma is the only one that had the courage to recognize that that is what the American people are demanding, that the American people are impatient, that they want us to deal with this issue and they want action now.

Tonight we have the opportunity to demonstrate that we will address the questions of conduct in this House, that we will move forward and will resolve the issue.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, the gentlewoman from Ohio said it was the job of the Committee on Standards of Official Conduct not to punt the ball. Another gentleman gave a retort that said the issue is not to fumble the ball. What we are trying to say, Mr. Speaker, it does not matter if you fumble the ball when there is only one team that is carrying the ball, and that is the majority party.

Mr. Speaker, I would like to take a look at the public trust. In the 102d Congress our freshman class speaker pursued, with the Gang of 7, the House Bank scandal. Why? Because the Majority, just like it is doing now, is attempting to prevent disclosure.

The next battle they took up is with the House Post Office. Why? Because by name, we had an alleged violator who was taking stamps or campaign funds, turning them in for stamps, and then at a later date had a sweetheart deal and was cashing those stamps in and putting the money in his pocket. We did not know that the House Post Office was dealing cocaine at the time.

Why not the will of the people? The Attorney General fired the D.A. that was investigating this case. Then we take a look and they appointed their own, an administration D.A. That D.A. says, "Don't get involved. We want to do it." That was done by a letter last July. A partisan vote prevented disclosure last July, just like it has a minute ago with the Gephardt resolution.

Two and one-half years, we have known some of the perpetrators, at least the alleged perpetrators, but they have not come forward. We have been very careful on this side not to mention any names, to keep this in a partisan manner, but that was violated, so let us take a look.

This weekend the President put his arm around the prime suspect in the investigation and endorsed him in a primary. What message does that send to the District Attorney? What message does that send, when the prime suspect in the Post Office investigation meets with the President discussing a crime bill?

The gentleman from California [Mr. FAZIO] says there is no partisanship in this. Is there any doubt, Mr. Speaker, that the gentleman from California brought up a senatorial candidate's name as a target?

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I love this institution, and I am very grateful to serve here, but I am ashamed it has taken so long to address the post office scandal. This scandal has festered for nearly 3 years, and we have allowed it to happen.

We're told the U.S. attorney does not want the House to conduct an investigation. What prosecutor wants to encourage another investigation? I have never met one who does.

The Justice Department is looking at a criminal investigation, but we are talking about alleged serious violations of House rules. We are talking about House ethics. This is our jurisdiction and we must act.

Mr. Speaker, we're told the Committee on Standards of Official Conduct has not acted because no one has brought forth a complaint. If the Committee continues to take no action and no one else brings a complaint, I will.

Mr. ISTOOK. Mr. Speaker, I reserve the balance of my time.

□ 1910

Mr. GEPHARDT. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to say to my colleague, the gentleman from Oklahoma, if I can get his attention, the gentleman from Oklahoma, I do not know how many matters you presented over the years to a grand jury, but I did it for 10 years. I can tell the gentleman there are lots of reasons why I would not want to identify as a prosecutor the subjects or targets of the investigation for a lot of reasons. When you have not completed the investigations, sometimes subjects automatically become targets as you get more information, and you would not want that disclosed, because you are trying to force others to turn state's evidence, as Mr. Rota has done, after he pleaded guilty.

I want to say to my colleague, if you want to talk about partisan politics, if I were interested in protecting a Democrat, do you know what I would do? If I were interested in protecting a Democrat who is a target of an investigation, I would do precisely what you are trying to do, because that would be the way to compromise a criminal investigation and have him walk. I cannot believe you want to do that.

I want to say to my colleague, the gentleman from Connecticut [Mr. SHAYS], for whom I have a lot of regard, that I want to tell you I am proud of the House of Representatives. I am proud in this instance, because they are doing the right thing, and I think doing the right thing is good politics in the long pull, and frankly, I think you are going to find that out, too.

Mr. ISTOOK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate always advice to do the right thing, which is why we have brought this resolution to the floor today.

Having myself been in charge of conducting investigations previously, I know the sensitivity, as do people on both sides of the aisle, which is why we have always emphasized the need for the executive and legislative branches to cooperate rather than one telling the other just to butt out of an investigation.

We have mutual obligations. They should be mutually pursued.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I want to commend him for the courage he has shown in coming to the House floor with this resolution. He has had lined up against him committee chairmen, majority leaders, all kinds of folks who do not want him to proceed ahead. I think this debate has been healthy for the House because it has focused on an issue that I think the American people want us to bring to a head in the Congress.

It has surprised me as I have listened to the debate here this evening how weak a foundation the opposition to the resolution offered by the gentleman from Oklahoma [Mr. ISTOOK] builds their case upon. Let me just read from the Istook resolution, because evidently most people have not read it. Anyone who suggests that somehow the Istook resolution will result in interference with a criminal investigation has not read the Istook resolution. The Istook resolution makes it very clear, and let me quote directly from it:

> Further resolved the Committee on Standards of Official Conduct shall coordinate its investigation with the related efforts of the Department of Justice so as not to jeopardize ongoing criminal investigations.

Specific to the Istook resolution is an understanding that the Committee on Standards of Official Conduct would do absolutely nothing, nothing to interfere with the criminal investigation, that all this resolution asks that committee to do is to make certain that those matters internal to the House are properly investigated.

There is a difference between our obligations and those obligations of the Justice Department. The Justice Department is concerned with criminal violations. The Justice Department is rightfully pursuing a case on criminal violations.

We have another duty. We have a duty to the House of Representatives and our own rules and code of conduct.

It would appear as though corrupt activities took place in an institution of this body. They were corrupt activities that had been testified to by an officer of this House. They are matters that can be pursued whether or not we interview principals in the case. Even that officer may not be necessary to interview to find out what has gone wrong in one of the institutions of this body.

It seems to me that we have an obligation to do those things, and not to do those things would be wrong.

Support the Istook resolution. Do the right thing.

Mr. GEPHARDT. Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I heard the previous speaker, and it seems to me he is following the same reasoning of an old story. He says this will not interfere with the criminal investigation that is ongoing, initiated under the Bush administration by Bush appointees, continued in that same spirit by the current appointees. He says it will not interfere because it says it will not interfere.

But sometimes saying something does not accomplish it. There is a story about the old man who walked into a candy store and said, "Make me a malted." And the man behind the counter said, "'Poof,' you are a malted." But he was not a malted. And saying this does not interfere with the investigation will not make it not interfere with the investigation.

What this says here is here is how we will do an investigation, that we will say to Justice we want to investigate this. "Can we investigate this?" "No. You cannot investigate that. Investigate this instead. We will make it public what we are or are not investigating." They say you can do it without asking some of the serious witnesses. This is a recipe for the most inconsistent, poorly conducted, hodgepodge of a semi-investigation I have ever seen.

It is true that this is the procedure which brought freedom to Oliver North and John Poindexter. It was precisely because Congress followed this model that Oliver North's conviction and John Poindexter's conviction were overturned, and I can understand that since this led to their convictions being overturned, some people on the other side like the model. But I would have hoped that we would have learned that this is in fact a poor way to conduct an investigation.

The majority leader's resolution said we will defer until the criminal process has completed their investigation, and then we will investigate. There is nothing about that that implies covering up or holding back. It says you will allow a criminal investigation to go forward, and this suggestion here that the committee shall inform the Department of Justice regarding what it wants to investigate, if Justice then responds that a specific matter is material to or subject of an official investigation, the committee may defer.

Justice will be too busy dealing with the committee to go on with its investigation. It is not a serious effort to advance finding out what happened. It is a purely political gesture.

Mr. ISTOOK. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, I would like to suggest to the Members of this Chamber that it can no longer be business as usual.

This afternoon we discussed H.R. 6. We discussed about the growing amount of crime in this country. We discussed about how we are going to instill ethical values in the students of this country.

It cannot be business as usual. We cannot simply continue to have the casualness of possible ethical violations of this Chamber.

We, as individuals and collectively, have lost the respect of the American people. I think it is important that we be aggressive, that we pass the Istook resolution as an effort to look out after our own, to start policing ourselves. We do not have control of the President and his influence over what happens in the judicial system. I think it is important, if we are going to be leaders in this country, that we be very cognizant and aggressive in pursuing possible ethical violations of our Members.

Mr. GEPHARDT. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, this is a target so rich with opportunity for partisanship and for posturing that it is something that simply cannot be resisted by some. To hear them, you would think that the House is trying to cover up.

Some coverup. It was a Republican Justice Department that first asked the House to refrain from interfering in this matter, and one does not cover up a problem by allowing the Justice Department, controlled by the other party, to work its will and investigate.

So why would anyone oppose this proposition that we are opposing? Because we believe the prosecutor.

I hear no charge that this prosecutor is not doing his job, and it is his job to investigate, and it is his job to prosecute.

□ 1920

He says the House can goof up his ability to get a conviction and carry out his responsibility. The resolution says "Coordinate with the ethics committee." What does that mean? And how do you coordinate with a prosecutor who does not want to coordinate and who is fact has made it explicitly clear that an effort to do so he believes will ruin the potential success of his effort? I think we should, in fact, listen carefully to the gentleman from Massachusetts [Mr. FRANK] and maybe we should call this the malted milk perspective.

The gentleman from Massachusetts told the old story about the man who walked into a shop and he said "Make me a malted." And he said "Poof, you are a malted." But the man did not become a malted. Very frankly, saying that this will not interfere will not make that so either. I suggest what we have here is the malted milk proposition and it should in fact be treated for the attractive, frothy serving of empty calories that, in truth, it is.

Mr. ISTOOK. Mr. Speaker, I am sure everyone acknowledges that just saying you are a malted does not make you one; an assertion by a U.S. Attorney that somehow you would interfere does not mean that you would. That is why we need the ethics committee to attempt to coordinate rather than say "Oh, you don't want us to do it? Fine, we won't." Boy, that is giving up very easily.

I would inquire about the remaining time, Mr. Speaker.

The SPEAKER pro tempore (Mr. HOYER). The gentleman from Oklahoma has 3¼ minutes, and the gentleman from Missouri [Mr. GEPHARDT] has 2 minutes remaining.

Mr. ISTOOK. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas [Mr. DICKEY].

Mr. DICKEY. I thank the gentleman for yielding this time.

I think one thing missing in this discussion is what the American people want. I am here to say, at least from my standpoint, what I think they might be saying to us. First, that these Members of Congress are sitting up there and distinguishing between this and that and the Attorney General and the prosecutor and legal matters and criminal matters, when all they are trying to do is to have special treatment for special people.

I think we have a problem with the American people in that we have a very powerful Member or Members who might be involved in this. That divides us from them, in their minds, and I think the only thing that we have to do is say "What do the people at the ground level want?" And discuss that. All of these other arguments are filled with persuasion and they make sense when you look at it from up here and we sit and we talk back and forth, and we can talk about malted milk and other things and jurisdiction and so forth, but the American people need to be heard, and we need to let them be heard with this vote so that we can have this investigation and show them that they are a part of this process.

Mr. GEPHARDT. Mr. Speaker, I yield the balance of our time to the chairman of the Committee on Standards of Official Conduct, the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. I thank the majority leader for yielding this time to me.

As I alluded to in the earlier discussion, I am very troubled to find the ethics committee in the midst of a partisan debate, especially when the debate centers on how the committee should conduct its daily business.

I trust those who are bringing us here this afternoon have a sensible reason for doing so. I have searched in vain for the argument that will illuminate the question of why this matter should be considered apart from others like it that, unfortunately, come before the committee.

I wonder if many still understand the tradition and precedent that must guide our actions, not just because they are old, but because they are proven guides to sound government and wise decision.

As far as I can determine this House has never before provided detailed guidance on the specifics of a committee inquiry nor directed it to consult with particular individuals. The House has wisely not seen fit to run the ethics committee from the floor by way of privileged resolutions.

I want to say one thing out here: I cannot imagine the next meeting of the ethics committee after this debate—and I want to say something on behalf of Mr. GOSS, Mr. BUNNING, Mr. SCHIFF, Mr. HOBSON, Mr. GRANDY, Mrs. JOHNSON of Connecticut, and Mr. KYL: They are fine Members of this House. They have discharged their responsibility to this House. And for anybody on this side of the aisle to imply for 1 minute that they have stonewalled, covered up or anything else is absolutely untrue.

Now when we go beyond this point you are going to have one resolution after another saying "Well, did they subpoena the right person? Let us bring up a privileged resolution out and we will subpoena the person." Or "Did they get the right document? Well, we will have a resolution on the floor about should the committee investigate this document? Should they look at this document?"

That is what you are precipitating by this kind of action.

The committee has acted; seven members of the Republican side have been absolutely forthright in following their oath in this office. For anybody to imply otherwise is absolutely unfair.

Mr. ISTOOK. Mr. Speaker, every Member of this body took the same oath, every one of us, not just those who are on the ethics committee, regarding upholding the Constitution of the United States, which includes in article I, section 5, the obligation that we police the behavior of our Members, discipline if necessary, expel if necessary, but every single one of us has the obligation.

And although we have an ethics committee assist us in discharging those obligations, it belongs to each one of us to act and take seriously that responsibility, not to pass the buck to the ethics committee, not to pass the buck to the U.S. attorney, but to stand up for the standards that the American people have every right to expect of us.

And they have a right to expect that Members of Congress will not embezzle from the taxpayers, that Members of Congress will not be the only ones to escape indictment no matter how smoking the gun may have been laid down as has been done almost 8 months ago. They have every right to expect that since we believe in reasoning, that that extends to cooperation with all aspects of the executive branch, including the Justice Department, including finding a way to work together to cooperate on an internal probe for embezzlement that happened within the walls of this Congress by Members, according to the testimony and the proffer of proof by Mr. Rota. We are not investigating something that happened elsewhere.

We have an obligation to look at what happened internally. And the U.S. attorney would cooperate with any private business that had to clean up a problem of internal embezzlement and they should cooperate with us as well.

Do not give a veto to a prosecutor just to sign a letter saying, "Let me do my job by myself." Let us uphold our job under the U.S. Constitution, uphold the oath that each one of us took, saying to the ethics committee, "You are doing a job for us. We expect you to find a way to cooperate rather than caving in and giving up."

I thank the Speaker, and I urge adoption of the resolution.

The SPEAKER pro tempore (Mr. HOYER). The question is on the resolution offered by the gentleman from Oklahoma [Mr. ISTOOK].

MOTION TO TABLE OFFERED BY MR. GEPHARDT

Mr. GEPHARDT. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion to table.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ISTOOK. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 238, nays 186, not voting 9, as follows:

[Roll No. 37]

YEAS—238

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamburg
Harman
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Houghton
Hoyer
Hughes
Inslee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
King
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Markey
Martinez
Matsui
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stokes
Strickland
Studds
Stupak
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn

NAYS—186

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cooper
Cox
Crane
Crapo
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Huffington
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Istook
Jacobs
Johnson (CT)
Johnson (GA)
Johnson, Sam
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
Margolies-Mezvinsky
Mazzoli
McCandless
McCollum
McCrery
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Parker
Paxon
Penny
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Swett
Talent
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

Andrews (TX)
Collins (IL)
de la Garza
Gallo
Hastings
McDade
Schiff
Washington
Yates

☐ 1956

The Clerk announced the following pairs:

On this vote:

Mrs. Collins of Illinois for, with Mr. Gallo against.

Mr. Yates for, with Mr. Schiff against.

Mr. WALSH and Mr. McINNIS changed their vote from "aye" to "no."

Mr. BERMAN and Mr. COYNE changed their vote from "no" to "aye."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE HONORABLE E (KIKA) DE LA GARZA, MEMBER OF CONGRESS

The SPEAKER pro tempore (Mr. ROEMER) laid before the House the following communication from the Honorable E (KIKA) DE LA GARZA, a Member of Congress:

HOUSE OF REPRESENTATIVE,
COMMITTEE ON AGRICULTURE,
Washington, DC, February 28, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my Committee staff has been served with a subpoena issued by the Superior Court for the District of Columbia.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

E (KIKA) DE LA GARZA,
Chairman.

COMMUNICATION FROM THE HONORABLE DAN ROSTENKOWSKI

The SPEAKER pro tempore laid before the House the following communication from the Honorable DAN ROSTENKOWSKI, a Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 1, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to rule L (50) of the Rules of the House, that the Custodian of Records of my office has been served with a subpoena issued by the United States District Court for the District of Columbia.

After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges of the House.

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

ANNUAL REPORT OF THE DEPARTMENT OF TRANSPORTATION, FISCAL YEAR 1992—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce, the Committee on Public Works and Transportation, and the Committee on Merchant Marine and Fisheries:

To the Congress of the United States:

In accordance with section 308 of Public Law 97–449 (49 U.S.C. 308(a)), I transmit herewith the Twenty-sixth Annual Report of the Department of Transportation, which covers fiscal year 1992.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 2, 1994.*

FIFTH BIENNIAL REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Science, Space, and Technology:

To the Congress of the United States:

Pursuant to the provisions of section 108(b) of Public Law 98–373 (15 U.S.C. 4107(b)), I transmit herewith the Fifth Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1992, to January 31, 1994).

WILLIAM G. CLINTON.

THE WHITE HOUSE, *March 2, 1994.*

A CHALLENGE TO THE ROHRABACHER AMENDMENT ON H.R. 6

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.)

Mr. GENE GREEN of Texas. Mr. Speaker, first I would like to ask the Members to join with me and the Texas delegation today to celebrate Texas Independence Day. March 2, 1836, was the day Texas declared its independence. It took us a few weeks to win it, though. But today is Texas Independence Day at home.

Mr. Speaker, I would like to call my colleagues' attention to the upcoming debate on the Rohrabacher amendment to H.R. 6 and state my opposition to this misguided approach to immigration policy.

The Rohrabacher amendment would require local school districts to compile statistics each year on the number of students who are not lawfully in the United States. While this may seem like a good policy to some it really only amounts to a massive unfunded mandate and an impossible administrative burden to our school districts.

The courts have ruled that we must educate a child that shows up at our schools and treating any child differently due to their race or parents background would seriously undermine that child's right to an education. I agree that something must be done to stop illegal immigration but our schools are not the place to fight that battle. Our teachers are not immigration agents and it is the job of the Immigration and Naturalization Service to enforce our countries immigration laws not our public schools.

This amendment will not solve the problem of illegal immigration, nor will it ease the number of children crowding our schools. It will only shift the financial burden. I ask my colleagues to oppose this amendment because this education bill is not the appropriate forum to debate immigration policy and furthermore, we should not punish children for the status of their parents.

The Immigration and Naturalization Service opposes this amendment as does the National Conference of State Legislatures.

Mr. Speaker, I urge a no vote on the Rohrabacher amendment.

Mr. Speaker, I include the following letter for the RECORD:

DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, DC, February 28, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to express the strong opposition of the Immigration and Naturalization Service (INS) to the amendments to H.R. 6, the "Improving America's Schools Act of 1994," which have been proposed by Congressman Dana Rohrabacher. The first amendment would require local school districts to provide annually to the Department of Education the number of students who are not lawfully in the United States, and the number unlawfully here who do not have at least one parent or legal guardian who is lawfully in the United States. The second amendment would bar the use of Federal funds for assistance to any individual who was not a citizen or national of the United States, a permanent resident alien, or an alien who is a parolee, asylee or refugee.

As a practical matter, school districts cannot by themselves make immigration status determinations about students or their parents and therefore would have to work with INS to implement these amendments, which would be extremely difficult and enormously burdensome for the INS. INS would have to divert scarce resources from other enforcement priorities, including border enforcement and the removal of criminal aliens, to check both our automated and other records of aliens in the United States. The local educational authorities could not be directly linked to our automated databases without creating vast opportunity for privacy violations. Finally, the labor-intensive requirements contemplated by these amendments could not be assumed without extensive new resources.

In addition, the first amendment would require the local educational agency to count students who are not lawfully in the United States, which is a category that does not correlate with the one used in the second amendment to define alien students who could benefit from the Federal funds—"permanent resident aliens, parolees, asylees, and refugees." Certain other aliens are deemed by statute, regulation and court decision to be "lawfully in the United States."

I urge you and your colleagues to oppose this amendment. We share a concern that illegal aliens not be allowed to remain in the United States, but INS believes that these amendments will not further that end.

Thank you for your consideration of our views. The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

DORIS MEISSNER,
Commissioner.

□ 2000

CRITICS WERE WRONG ABOUT THE BUDGET, AND THEY'RE WRONG ABOUT HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, we are hearing a lot of doom and gloom predictions from Republicans these days about the President's health care plan.

But if you think their words sound familiar, if you feel like you have heard them all before, well, you are right, we have heard them all before.

In fact, we heard many of the same doom and gloom predictions from Republicans last year during the debate over the President's budget plan.

Then, like now, they are saying that the President's ideas will make the sky fall, will bring swarms of locusts, and will make the seas boil.

In the words of that great statesman Yogi Berra: "it's like deja vu all over again."

Before we take their criticism to heart, I think we should check the record, and see how accurate their predictions turned out to be last year.

Let us recall some of the words we heard from Republicans during last year's budget debate.

One Republican told us that the President's budget would lead to, and I quote, "a job-killing recession."

Another told us that the budget was, "Clearly * * * a job-killer in the short run * * * and that the impact on job creation would be devastating."

Another said that the budget would mean, and I quote again, "a higher national debt, deficits running $350 billion a year, more unemployment, higher interest rates, and higher inflation."

Speaker after Republican speaker repeated the same exact line.

And one gentleman even said to those of us who voted for the plan, "This is now your package. We will come back here next year and try to help you when this puts the economy in the gutter."

Well, Mr. Speaker, guess what: Next year is here.

The budget has had time to take effect.

And each and every one of their predictions has fallen flat on its face.

The truth is that today, interest rates are down and homes sales are up.

Inflation is down and auto sales are up.

Unemployment is down and incomes are up.

And all told, our economy has created more jobs in the past year alone than in the 4 years of President Bush combined.

Last summer, the so-called experts were predicting that if we passed the President's budget, this year's deficit would be $300 billion.

Well, the experts were wrong.

Because we passed the plan, this year's deficit is projected to be under $180 billion—a 40-percent drop.

And if we stick with this plan, we will post 3 consecutive years of declining deficits for the first time since Harry Truman lived in the White House.

That's a good start, Mr. Speaker, and more needs to be done. Much more needs to be done.

But it just goes to show that when you make tough choices, you get results.

So when you check the record—it shows that our friends on the other side of the aisle were 100 percent wrong about the President's budget last year.

But now that they lost that battle, they're up to their old tricks again and they are bringing the same old scare tactics to the health care debate.

Now, they are telling us that guaranteed health insurance is quote, "socialism, now or later" and a "dictatorship in health care."

They are telling us, and I quote, "President Clinton wants to deliver a monstrous, government-run, bureaucratic nightmare that is not reform."

And in response to the President's State of the Union message last month, the Republicans said that the President's health plan would "put a mountain of bureaucrats between you and your doctor."

Once again, the President is trying to bring positive change to America. And once again, our friends on the other side of the aisle are using the same old cliches, scare tactics, and tired rhetoric.

Well, we have a saying for this kind of thing in America: Fool me once, shame on you. Fool me twice, shame on me.

The American people are not going to be fooled again.

The Republicans were wrong about the budget then, and they are wrong about the health care plan now.

They did not get it then, and they don't get it now.

Well, the American people get it.

They want a health system that covers everyone, and provides all Americans with health insurance that can never be taken away.

They want a health care system controlled by people who care about our health, not just our wallets.

They want a system that protects and expands Medicare, and lets people choose their own doctors and health plan.

And want a health care system that everyone can depend on. Every day. Always.

After 50 years of starts and stops, that's the plan President Clinton has proposed for America.

And I think it is high time that Republicans stop trying to scare the American people, and start working with the President to fix our health care system, and provide health security for all Americans.

MAJOR DISASTER CONDITIONS IN PENNSYLVANIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, at this very moment, Pennsylvania is being hit yet again with a severe winter storm, the proportions of which are yet to accumulate in the Commonwealth.

This brings us to a point where we must repeat the history of this winter thus far for the Commonwealth of Pennsylvania in the context of requests made to the President to take note of the conditions in the Commonwealth of Pennsylvania.

On February 2, the Governor of the Commonwealth, the Honorable Robert Casey, issued a letter to the President in which he asked that the President declare Pennsylvania to be a major disaster. Not only did we already have several waves of winter weather, severe winter weather, but then an earthquake hit several counties of the Commonwealth of Pennsylvania.

The combination of the two, the relief efforts for the earthquake troubled by the severe winter storm, plus the multicounty impact of the adverse winter conditions, prompted the Governor to issue this letter to the President.

The Members of Congress from Pennsylvania, the entire delegation, followed that up with a letter on February 3, directly to the President. It was signed by every Member of the House and by the two Senators, Senators WOFFORD and SPECTER of Pennsylvania. In this letter to the President, we repeated the itemization of what had been happening to Pennsylvania and what continues to happen.

Here we are tonight not yet having received a response from the White House. Yet financial conditions grow worse. Supplies of all kinds are dwindling. Highway crews are being taxed to their limit. The various agencies in the Commonwealth are way beyond their budgets in responding to these storms, and a variety of the problems that every State from time to time faces in emergency measures have hit again in the Commonwealth of Pennsylvania.

So today I followed all of this up with another letter to the President referring back to the letter of the delegation dated February 3 which relates back to the letter by the Governor on February 2.

□ 2010

We repeat, we say to the President that he ought to now declare the emergency that is required and begin the process of funneling the needed funds to Pennsylvania to try to rectify the horrors of the latest onslaught of the winter storms.

FEDERAL RESERVE BOARD: TRANSCRIPT OF PAUL VOLCKER'S AND ARTHUR BURNS' RESPONSE TO THE HOUSE BANKING COMMITTEE'S REQUEST

The SPEAKER pro tempore (Mr. COOPER). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, yesterday I discussed how the Federal Reserve proclaims itself above politics, even as it carries on an elaborate, sophisticated, and very effective political operation. But the Fed does not merely lobby Congress; it feels its influence is so great and Congress so in its thrall, that it can bend the truth and mislead us if our questions get uncomfortable or the facts may be embarrassing.

I recently discovered a particularly illuminating conversation between Arthur Burns and Paul Volcker, which reveals how the former Chairman of the Federal Reserve and the former President of the New York Federal Reserve Bank, respectively, plotted and conspired to try to mislead the Congress. They hoped that by releasing only portions of the Federal Reserve documents requested by the Banking Committee, that the committee would not notice the omission. This subterfuge is revealed in the FOMC minutes that Federal Reserve Chairman Burns left at the Gerald R. Ford Presidential Library in Ann Arbor, MI. Does this sound familiar? These were the same tactics the Fed used just last year to cover up its records.

This particular deception was openly discussed during the November 16, 1976, FOMC meeting. At that time, the Banking Committee was trying to obtain 3 years' worth of minutes from the Board of Directors meetings with the 12 Federal Reserve banks to learn about the immense power that the banking industry wields by way of these Federal Reserve banks.

The regional Federal Reserve banks are run by Boards of Directors, two-thirds of whom are elected by the very banks they regulate. These Directors have great power to regulate the industry that elects them. They initiate actions related to bank holding companies, such as permission for acquisitions of competing banks, and the Directors approve Federal Reserve loans through the discount window to banks in their districts. This setup provides fertile ground for possible conflicts of interest, since the Fed can pass out favors and punishments to those it wants to keep in line.

For decades, the Fed has orchestrated and executed a full-scale lobbying effort on Capitol Hill, conscripting the very banks it regulates to act as its chorus. This lobbying has been going on for decades. But the Fed has been able to hide this because the minutes of the Directors meetings are pitifully incomplete and not publicly available. It is also something the Fed camouflages whenever it defends its right to continue regulating the banks and bank holding companies instead of turning these duties over to the new, autonomous bank regulatory agency currently being proposed by the administration.

Today, the Fed promises its flock that it will continue to be the friendly regulator—and that is reason enough to oppose reform.

The Fed does not just lobby—it feels free to lie. The transcript of the November 16, 1976, FOMC meeting reveals that President Volcker and Chairman Burns decided to omit the attachments to the minutes that were delivered to the House Banking Committee.

Fed Governor Lawrence K. Roos asked:

> How do we protect ourselves from the reverse of giving meaningful information to him [former House Banking Chairman Henry Reuss of Wisconsin]?

New York Federal Reserve Bank President Volcker said:

> Well, the important thing to protect here is the attachments to the minutes, in our case they're very long minutes and they include a great many sensitive, as well as a great many dull things.

Chairman Burns replied:

> Well, you see if a question were raised about attachment, later on, then these understandings, if they hold and I assure you that I'll do everything in my power to achieve that objective that would apply to the attachment.

The counsel to the Chairman of the Federal Reserve, Thomas J. O'Connell, then warned that it might be necessary to include some attachments because they are referred to in the minutes.

> If you start including some attachments, but not others then to the extent that Mr. Reuss' [Committee] staff is less imaginative than I hope they will be, you will ignite [the] imagination of one or another of his numerous troublemakers.

The 1976 pattern of deception is alive and well today. In 1992 I asked for and received minutes of the Boards of Directors meetings of the 12 Federal Reserve banks from recent years. Were complete documents sent? What can the public and the Congress expect from the Federal Reserve? I have to wonder, because the record is not encouraging.

It is long past time to put an end to the secrecy that allows the Federal Reserve to escape accountability. I recently shared the notes of the Burns-Volcker discussion with former House Banking Committee Chairman Henry Reuss. He expressed shock at the fact that the Fed attempted to mislead him. Who can blame him? The Fed similarly tried to deceive me about its FOMC records.

This is why I am urging you, my colleagues, to support legislation mandating complete disclosure of what is said at the Fed's eight annual monetary policy meetings. To do any less is to give the Fed license to pull the wool over the Congress' eyes, something the central bank is appearently willing to try if the facts are embarrassing to the Fed.

My bill, H.R. 28, the Federal Reserve System Accountability Act of 1993, requires prompt release of FOMC monetary policy changes and timely release of a detailed record of FOMC meetings. The bill also calls for the GAO to examine substantial parts of Federal Reserve operations which are now restricted from inspection. Anyone who wants to drop a curtain of secrecy over the kind of stealth the Fed engages in, does not understand how the Fed has abused and misused its privileged position. Accountability is the first duty of responsibility. For as Lord Acton observed, those who need not be accountable eventually become corrupt.

(The material referred to follows:)

TJOC. Mr. Chairman, may I urge then that to the extent executive committee minutes would be included, that the same right and function of withdrawal and exclusion from those be followed.

CB. Oh yes, absolutely.

ROOS. How do we protect ourselves from the reverse of giving meaningful information to him, if he has too little information, he comes back and says one of two things either we're highly, say in the case we do nothing or we are so secretive in our activities that we don't dare put down our nefarious activities. I mean, it seems to me he's got us either way if he wants to play that game and I don't know it.

CB. Well, I don't know if there is any protection and I would not be at all surprised if a by-product of this fishing expedition turned out to be a strong recommendation by Mr. Reuss, possibly by his entire committee, possible a piece of legislation that he would introduce as to the character of minutes. I would not be surprised in the future. First, a condemnation, and then laying the basis you see for this request as to the future. Well, gentlemen, that's the kind of world we live in and I don't think that this environment in which we function, that it's going to change very quickly nor am I ready to predict that it's going to improve this year. Any question, comment, criticism of this procedure. I haven't sent this letter yet.

BARTEE. I would consider it very fortunate if you can, get it off, and get it accepted——

VOLCKER. Well, the important thing to protect here is the attachments to the minutes, in our case they're very long minutes and they include a great many sensitive, as well as a great many dull things.

CB. Well, you see if a question were raised about attachments, later on, then these understandings, if they hold and I assure you that I'll do everything in my power to achieve that objective that would apply to the attachments. In other words, if let's say Reuss asks later on for the attachment, these categories of exclusion and separate filings, it would—these attachments would be handled in exactly the same way as the body of the minutes. But let's not anticipate too much. There is still, I've said this 3, 4, 5, times already, there's still a possibility Mr. Reuss will acquire other interests in the course of the year. One of the difficulties, of course, here is you know that's part of the world we live in. Mr. Reuss may well acquire other interests. He has a very large staff. I think they've put in long hours thinking up ways you see of harassing, etc.

VOLCKER. The trouble is he's got a big enough staff so one of them could make this his personal interest.

CB. Oh, yes.

TJOC. Before closing, may I touch on a matter that Mr. Volcker has remarked about the attachments again. It's quite possible that a board of directors minutes will contain a reference to that board's recent action in recommending a discount rate for the Board and the Board's response thereto attached as exhibit A. Mr. Chairman, it's quite possible that's the very type of attachment you would want to exhibit to Mr. Reuss, consistent with the position you've taken all along with respect to the roll that the Bank directors play in this action of monetary policy. So that at the very outset we may be including specific attachments as we review these minutes. I didn't * * *

CB. Well, let's think very carefully about that. If you start including some attachments, but not others then to the extent that Mr. Reuss' staff is less imaginative than I hope they will be, you will ignite imagination of one or another of his numerous troublemakers.

TJOC. In a way you've done that when you've included the executive committee minutes, Mr. Chairman.

CB. Well executive committee meetings are different, as I think that Mr. Volcker explained that better than I did, that there are executive committee functions for the Board and at times meetings of the executive committee are virtually indistinguishable from full board meetings.

TJOC. All right sir.

CB. Any thing else, gentlemen? On this we've had two unsavory subjects for discussion and if there is no further question or comment, let's drink coffee and that would fortify us perhaps for——

PEACE IN NORTHERN IRELAND?

The SPEAKER pro tempore. (Mr. COOPER). Under the Speaker's announced policy of February 11, 1994, the gentleman from Massachusetts [Mr. NEAL] is recognized for 60 minutes as the designee of the majority leader.

Mr. NEAL of Massachusetts. Mr. Speaker, tonight we rise again for the next hour in an attempt to draw attention to and spread some light upon the longest-standing political dispute in the Western world.

The issue that we put before the American people tonight is the issue, once again, of Northern Ireland. During the course of the next hour we will have an opportunity to discuss this issue and to speak forcefully to the issues that still bedevil those six counties in the northeast of Ireland. We are reminded tonight that this geographic area is comprised of similar size to the State of Connecticut and is inhabited by 1.5 million people.

This week I was fortunate enough to have been invited by the Speaker, Speaker FOLEY, to attend a meeting with the prime minister of Great Britain, John Major. During the course of that meeting we had a free exchange of ideas, which I hope will be helpful during the course of this debate.

But I would like at this time to present the gentleman from New York [Mr. MANTON], who is not only a distinguished American in his own right but this year has the distinct honor of leading the St. Patrick's Day parade in the city of New York. I can think of no one who is more deserving of this tribute and honor than the distinguished gentleman from New York. His interest in this issue goes back many, many years, and we are, indeed, grateful for his help. I would now like to acknowledge the gentleman from New York, Mr. TOM MANTON, for as much time as he may consume.

Mr. MANTON. Mr. Speaker, I want to thank my good friend RICHARD NEAL for organizing this special order on the subject of prospects for a united Ireland. I also want to commend him for his longstanding efforts to bring peace to all of Ireland.

Mr. Speaker, I think it's appropriate that we join to discuss prospects for a united Ireland at this juncture. In the last several months, those of us concerned about human and civil rights in Northern Ireland have had reason for hope. This optimism began when the most important Catholic leaders in Northern Ireland, John Hume, the leader of the SDLP Party, and Gerry Adams, the leader of the Sinn Fein Party announced they had joined to craft an historic plan to end civil strife in Northern Ireland. Later, British Prime Minister John Major and Irish Prime Minister Albert Reynolds took another step to encourage the peace process by issuing their joint Declaration of Peace. More recently, President Clinton's decision to allow Gerry Adams into the United States last month provided an important opportunity for Mr. Adams, whom the British have silenced through censorship in his own country, to share the perspective of a substantial segment of the Catholic population in Northern Ireland.

While these events have been positive, change in Northern Ireland is long overdue. We cannot be satisfied by the encouraging gestures we have received from Mr. Major, Mr. Reynolds, or President Clinton. We cannot be satisfied because we cannot allow any more young lives to be sacrificed to the ongoing sectarian strife in Northern Ireland.

Several weeks ago, Amnesty International released a troubling report entitled, "Political Killings in Northern Ireland," which noted that more than 350 people have been killed by security forces in Northern Ireland during the last 20 years. About half of those killed were unarmed individuals. Most were Catholic. Disturbingly, Amnesty International expressed the view that there was convincing evidence that British security forces in Northern Ireland practice a policy of deliberately killing suspects, rather than arresting them. The gravity of such a charge cannot be overstated. The idea of the police shooting suspects, thereby taking upon themselves the role of investigator, prosecutor, judge, jury, and executioner is shocking to me as a former police officer and as an American. To date, the British have still not responded to Amnesty's charges.

Unfortunately, these kind of charges against British occupying forces in Northern Ireland are not new. While international media attention is often rightly given to the tragedy of IRA terrorism in Ireland, in the United States we do not often hear of the equally gruesome violence perpetrated by loyalist paramilitary groups against Catholics there. My point today is not that one type of murder is worse than another, but rather that after more than 20 years and the deaths of more than 3,400 people over all, the time has come to stop simply laying blame at one side or another and bring peace to the whole of Ireland.

Those of us who have joined here today believe that we can no longer be patient with small steps toward peace. We must offer support to President Clinton and the Irish and British Prime Ministers for their efforts up to this point, but we must urge them to do more. The fact is Northern Ireland is one of the last vestiges of the British colonial system. British rule in Northern Ireland is enforced today by the barrel of a gun. To me, it seems the sensible thing from all standpoints would be to create a government for all of Ireland which protects the rights of both Protestants and Catholics, encourages integration rather than reinforces separation, and is determined by the ballot rather than by bombs and fear. I firmly believe this is an Ireland that the Irish people fervently desire.

Of course, as Americans we cannot make peace a reality. Although we can continue to speak out and urge our President to encourage the British and Irish Governments to support peace, peace must ultimately come from the Irish people themselves. However, they must be given the support necessary to achieve this goal. I pledge my support, and ask my colleagues to join me in continuing to call attention to the suffering in Northern Ireland, and speak out until the goal of peace for all of Ireland is realized.

□ 2020

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the distinguished gentleman from New York [Mr. MANTON]. Certainly the theme of this evening's talks will refer frequently to the issue of a united Ireland, which brings us to the House this evening.

I now would like to acknowledge a great son of South Boston, an individual who has had a consistent interest in the issue of the state of Ireland, the distinguished chairman of the Committee on Rules, the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Mr. Speaker, I rise here today to say a few words about the conflict in Northern Ireland. This issue has been important to me for many years, and I thank my colleague and friend, RICHARD NEAL, for organizing this special session.

Given the recent developments in the peace process and diplomatic visits by Prime Minister John Major, Irish President Mary Robinson, and Irish Prime Minister Albert Reynolds, I think it is especially important that we call attention to the many questions surrounding this conflict.

For many years there seemed little reason to hope for a peaceful, demilitarized Northern Ireland. Efforts toward a united Ireland were too often associated with violence and fear. Well, that has changed. I believe we have reached a historic moment in this conflict and believe it is our responsibility not to let this opportunity slip away.

The joint peace declaration gives all parties a foundation from which to approach lasting solutions in Northern Ireland. Prime Minister Major and Secretary of State for Northern Ireland John Mayhew have publicly reaffirmed their desire to legislate for a united Ireland.

I am encouraged that Prime Minister Major has said repeatedly that the British Government has no strategic interest in remaining in Northern Ireland and that the British Government intends to withdraw its troops from Northern Ireland if the violence stops.

With the Downing Street Declaration we now have a framework under which a comprehensive political settlement can be achieved. We must recognize, however, that a lasting solution can only be achieved through agreement and consent. If we are going to be able to reach this agreement, all parties must be full participants in the process.

I urge my colleagues and President Clinton to understand the overwhelming desire of the people in both parts of the island for a lasting peace. It is our responsibility to push for a peace process that will allow all the people of Ireland to negotiate the future of their great nation.

I thank all of my colleagues who have done so much good work on this issue and who have shown their support for Ireland by being here tonight.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY].

Now I would like to acknowledge, in a demonstration of bipartisan support, the theme that we have enunciated once again this evening, the distinguished gentleman from the State of Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. NEAL], and I do not have the time in this Chamber nor the credentials with this particular issue that, for example, the gentleman from Massachusetts [Mr. MOAKLEY] has because I am relatively new to it, and perhaps I can bring some perspectives of someone who has become recently involved in the issue that might be a little different.

Mr. Speaker, last summer I was privileged to gain an extraordinary exposure to Ireland's expansive landscape of political views and opinions during a visit to Belfast, and with the assistance of the U.S. State Department and Cleveland City Councilman Pat O'Malley I met with party leaders representing the entire spectrum of Irish political parties from Gerry Adams, the leader of Sinn Fein, to Ian Paisley, the leader of the Democratic Unionist Party, which represents the most extreme loyalist pro-British element.

Unlike our American political parties, the political parties in Northern Ireland are not distinguished primarily by their commitment to economic or social principles. Whereas our political parties debate ideological differences over the legitimate and appropriate size of Government, the role of regulation, how much we should tax ourselves, et cetera, the Irish parties are distinguished first and foremost by their various commitments to the future geopolitical status of Northern Ireland.

At one end of the political spectrum are the pure Republicans, the Catholic faction which demands that Northern Ireland become part of the Republic of Ireland to the south. This is the position held by the Sinn Fein Party, which received about 12 percent of the popular vote in the last election. At the other end of the spectrum is the Protestant faction, which believes Northern Ireland should always be a part of Britain. They are represented by the DUP, the Democratic Unionist Party, which received about 17 percent of the vote in the last election. In the middle are three other parties which have the majority of popular support, although none has a majority by itself. The Social Democratic Labor Party [SDLP], led by John Hume of Derry, is the pronationalist, prounification party that gathered about 22 percent of the vote and then the Ulster Unionist Party is a prounion centrist party with 29 percent of the vote. Finally, there is the appropriately named Alliance Party which is the only political party with substantial numbers of both Catholics and Protestants, which predictably is also the smallest party and received only about 8 percent of the vote.

The problems in Northern Ireland are not simple. They are reflected by that rather complex array of parties. It is axiomatic that if the problems of Northern Ireland were simple and lent themselves to easy solutions, they would have been resolved a long time ago.

□ 2030

Lending to the confusion is the practice by nearly every political leader I met in Ireland of using historical events to prove his or her point, reaching back as far as needed to illustrate it. To put this in perspective, bear in mind that Saint Patrick converted the Celts to Christianity in AD 432, and the British came to Northern Ireland nearly 400 years before Columbus sailed for the Americas.

It is not unusual for Americans visiting Northern Ireland to be struck by the similarities between Ireland's current situation and our civil rights movement of the 1960's. The primary difference being that Ireland suffers not from a history of racial discrimination, rather from a history of religious discrimination, specifically discrimination against Catholics by Protestants. What is unfortunate is that the Irish have not yet benefited from the lessons of the politics of inclusion that we have here in the United States.

Instead of including all political groups with popular support in the political process, the British Government has, until very recently, actually aggravated the natural political polarities by excluding those of dissenting views, specifically the Sinn Fein Party. To the extent that all groups are brought within the process and thereby made responsible and accountable for outcomes, society succeeds in pulling dissenting elements into the social and political mainstream. Certainly the past 250 years of American history convincingly illustrate this point.

If I had to single out one flaw in British policy toward Northern Ireland over the past 20 years, it would be its ignorance of this political truth. By way of example, I had the privilege of touring the Conway Mills project, an established community center that was founded by Father Des Wilson in 1982, a supporter of the reunification of Ireland. It has applied and been turned down for grants from the International Fund for Ireland [IFI], a program for commercial development in Ireland that receives half of its funding from the United States and the other half from the European Community.

Father Wilson is working in the poorest section of Catholic West Belfast on a number of initiatives designed to improve peoples' lives through economic development, education, and hunger relief. The Conway Mills Community Center includes classrooms and a small business incubator. Actively involved in special community projects, it also has a small theater, a day care center, and an inexpensive snack bar. Frankly, it reminded me of the community center in the Cleveland neighborhood of Tremont.

But the British Government had indicated to the IFI that it did not want Conway Mills to be funded in any way because of the politics of Father Des Wilson. I personally spoke to the Director of the IFI and requested that the Conway Mills grant request be reconsidered. Bear in mind that 50 percent of the IFI's funding is appropriated by the U.S. Congress. I explained that I though it was not only important to support Conway Mills because of the value of its programs, but equally important to draw it out of the underground and into the mainstream. This will profoundly impact not only how the individuals involved with Conway Mills are viewed by outsiders, but how those individuals view themselves and their own relation to the larger society in which they live.

Because of the polarized environment and rigid positions held by Ireland's parties, I am relatively discouraged regarding the prospects for near-term reconciliation of these differences. That notwithstanding, I was tremendously impressed and inspired by one group with whom I met, the Northern Ireland Commission for Integrated Education [NICIE]. Led by Fiona Stephens, this is a parent-driven initiative which has established integrated schools with student bodies composed of about equal numbers of Protestants and Catholics. It is tragic that the vast majority of the people of Northern Ireland grow up never meeting or getting to know people of different religious faiths except in brief commercial transactions, feeding the development of deep-seated prejudice at a very young age. NICIE has only been around for a few years, yet it already has over 18 schools with 4,000 students. While this represents only 2 percent of Ireland's student population, it was the most hopeful indication I saw that these differences will eventually be worked out.

The untenability of the British position is that during their colonial period they presided over the building of a political and economic system which exploited the religious differences and rivalries between two communities in order to serve and maintain their own colonial purposes. Now in a vastly changed 1990's European Community. Northern Ireland finds itself saddled with the rotting remnants of an unjust foundation. No lasting and equitable solution will be possible without the full inclusion and participation of all political parties. The British and Dublin Governments are clearly in the positions of leadership to initiate a new era of reconciliation and cooperation in which the politics of pride and paranoia are replaced by the politics of inclusion and reason.

Britain is to be praised for its recent boldness in initiating talks, even though clandestinely, with representatives of Sinn Fein. But Britain should be further encouraged to continue this process, that when men and women of peace and justice are committed to positive resolution and reconciliation, if all are included in that process, then reconciliation will eventually come.

Mr. Speaker, I thank the gentleman for yielding.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from Ohio for his presentation.

Mr. Speaker, I now would like to call upon the cochairman of the ad hoc committee on Irish affairs, a champion of human rights everywhere, who has been a leader on the issue of a united Ireland, and an outspoken critic of a system that in many cases has demonstrated injustice, the distinguished gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise today to join with my colleagues in drawing attention to the turbulent, hostile situation in Northern Ireland—and the critical role the United States can play in achieving a just, peaceful and lasting resolution to the tragic conflict there.

I thank the gentleman from Massachusetts [Mr. NEAL] for organizing this special order to permit us to once again, focus our attention on this important issue.

The United States owes a great deal of gratitude to Americans of Irish birth and descent. Their significant contributions to the development and growth of our country are part of the warp and woof of our history.

Our Nation's history is interwoven with the biographies of Irish men and women who have helped to provide leadership to our Nation.

No fewer than 11 Presidents, from Andrew Jackson elected in 1828, to Ronald Reagan elected in 1980, have identified themselves as at least partially of Irish descent.

A number of Irish-Americans sit in Congress on both sides of the aisle. It is only appropriate that we do whatever we can to improve the situation in both parts of Ireland—the north and the south.

The recent visit to New York of Sinn Fein's political leader, Gerry Adams, with whom London had been meeting secretly for 3 years, demonstrated the impact of U.S. can have in seeking a resolution to this conflict. His visit enabled millions of Americans and others to gain a fresh insight into the conflict and the divisions it has created.

Mr. Adams' visit to the U.S. came after pressure was put on President Clinton to fulfill his promise in the 1992 Presidential campaign that a Clinton administration would issue a visa to the leader of Sinn Fein.

We must all work together to build upon that visit by ensuring that the American public is informed about all points of view concerning the north of Ireland.

While Mr. Adams' brief visit was welcome, there needs to be more. The U.S. provides 7,000,000 visas a year for travel to the U.S.

We have issued visas to political leaders who have been our adversaries, such as Mikhail Gorbachev, and leaders of organizations, that we have considered terrorist, such as Yassar Arafat, because we consider it in our interests to do so.

If the United States is to play a constructive role in seeking a just and peaceful resolution to the conflict in Northern Ireland—and I believe it is in our best interest to do so—then it is in our interest to permit those who hold different viewpoints on this issue to visit the United States so that the American public can hear those viewpoints.

Mr. Speaker, in addition to promising a visa for Gerry Adams, Mr. Clinton make a number of other commitments to the Irish-American community during his 1992 presidential campaign, including support for the Mcbride Principles on Fair Employment in Northern Ireland and appointment of a United States peace envoy to Northern Ireland.

They are described in an article in the April 8–14, 1992 issue of The Irish Echo which I include for the RECORD.

[From the Irish Echo, April 8, 1992]

PUTTING IRELAND ON THE MAP

(By Ray O'Hanlon)

Governors Bill Clinton and Jerry Brown, rivals for the Democratic Party nomination for November's presidential election, have backed the recent proposal of a U.S. peace envoy to Northern Ireland.

And at a specially convened forum to discuss issues of Irish concern. Sunday night in Manhattan, both candidates said that as president they would support the MacBride Principles on Fair Employment in Northern Ireland and rescind the current State Department ban on the entry to this country of Sinn Féin President Gerry Adams.

The forum, which had previously been scheduled for Saturday at Mt. St. Vincent College in the Bronx—and which Clinton was not expected to attend—was rescheduled for Sunday night at the Sheraton Manhattan Hotel, Clinton's base of operations in the city.

The meeting, organized by Bronx Assemblyman John Dearie, featured a panel of journalists and community leaders who directed a series of questions at both candidates.

BILL CLINTON

In answer to the first question, if as president of the United States would he appoint a special envoy to Northern Ireland, delivered by Boston Mayor Ray Flynn. Gov. Clinton was to the point with his answer.

"The short answer to your question is yes," he said.

"I think sometimes we have been a little too reluctant to engage ourselves in a positive way in pursuit of our clearly stated interests and values because of our longstanding special relationship with Great Britain and also because it (Northern Ireland) seemed such a thorny problem."

Clinton also said he hoped to see the United Nations become more involved in helping to solve the North's troubles.

On the question of direct presidential intervention with the British Government regarding cases of human rights violations in Northern Ireland, Clinton said that if the U.S. had a special envoy and was initiating greater activity on the part of the U.N., "we would wish to focus on the work of Amnesty International as well as Helsinki Watch on verifiable cases, not only by the security forces, but by other forces of violence, other violators of human rights and other purveyors of death in Northern Ireland.

"And I don't think you can exempt the security forces from the actions we ought to take," he said.

Clinton said he did not see a more direct approach taken with London as being a danger to the special relationship between the U.S. and Britain.

"We have a government in (the Republic of) Ireland and a president committed to reaching across religious and geographic borders. This is a propitious opportunity to try and heal some of the divisions and solve some of the problems and, yes, I would take it up with the prime minister of Great Britain."

Clinton said he would support a visa for Gerry Adams and would support a visa for "any other properly elected official."

He said he understood the position of the U.S. "with regard to Sinn Féin and the advocacy of violence as opposed to non-violence." But as Adams was an elected member of the British Parliament, Clinton said he felt that it would be "totally harmless to our national security interest and it might be enlightening to the political debate in this country about the issues."

"I would support a visa for Adams and any other properly elected official from a government we recognize," Clinton said.

Clinton expressed his concern over the manner of the recent deportation to Northern Ireland of Joe Doherty.

"What bothers me about this case more than the facts of the case is the indication that our court system plainly laid out a process by which he could have been extradited or not as the case may be and that the process was short-circuited apparently for political reasons by the administration.

"That's what bothers me about this case. I know that those who supported the extradition say that if he (Doherty) had been in Ireland he would have been extradited, but that's not the point. The point is we have rules, regulations, a Constitution, court procedures and my strong instinct in all cases of this kind would be to let the court procedures run their course."

Clinton did point out that if Doherty had been granted an asylum hearing, and if the court had ordered him to be sent back to Northern Ireland, he would have had to support that decision.

Clinton said he liked the MacBride Principles and believed in them and as president would encourage all governors to embrace them.

And he rejected the argument that the principles discourage investment in Northern Ireland. Instead, he saw the principles as a way of encouraging investment and stabilizing the political and economic climate and the work force by making them free of discrimination.

"I don't buy that (argument). I don't see it as a problem," he said.

Clinton, who addressed the forum for about 30 minutes, from about 8:30 p.m., also welcomed recent changes in U.S. immigration law and the introduction of the Morrison Visa Program. He also paid tribute to Irish-Americans and their contribution to the building of the United States. "The character, the strength of family and community, the old fashioned passion for politics that the Irish have brought to this country are very much needed today, "Clinton said in a concluding statement.

JERRY BROWN

Because of his schedule, Gov. Brown did not speak until some time after his rival left the forum. Indeed, it was something of a dramatic entrance for Brown almost at the stroke of midnight following a flight from upstate New York.

He lost no time in warming to and warming up those who had lasted the three hours spanning the Clinton and Brown interviews.

"It would be quite appropriate to appoint a special envoy and peace envoy and take a real personal interest," Brown said.

"Ireland and the violence in Northern Ireland doesn't get the same presidential attention that other areas in the world do. And yes, I would appoint a special envoy; more than that I would make an effort to go to Northern Ireland myself or send the secretary of State."

Brown was emphatic that, as president, he would raise human rights issues directly with the British Government.

"Great Britain needs to be reminded in the most forceful way that this is a country whose premise is due process and rights and respect for each individual person."

On the Gerry Adams visa denial issue, he prefaced his support for the admission to the U.S. of the Sinn Féin leader by saying that it was without giving "any particular support to the advocacy of violence, terrorism or killing."

He added that he believed that elected officials should be invited to the United States particularly if Americans wanted to hear them.

"This country," Brown said, "is governed not by politicians but by the people, we the people, and the first principle of we the people running things is to have information."

Brown said that if the U.S. was going to have a national policy with regard to Northern Ireland, then people would have to be allowed to hear different points of view and to that end he would allow "legitimate political leadership," including Gerry Adams, to enter the country.

In expressing his support for the MacBride Principles and disagreement with the decision of current California governor, Pete Wilson, to veto the state's MacBride Bill, Brown said it was necessary to take an active role in public pension funds as a way of having an impact on the direction of investment.

As to arguments that MacBride was a disincentive to investment, Brown replied: "I don't believe the market should be the closet dictator."

"We should introduce a moral principle into the social and economic order," he said to loud applause.

In addition to promising a visa to Mr. Adams, Mr. Clinton also pledged to encourage all State governors to embrace and enact the MacBride Principles.

These moral guidelines call on foreign business to invest only in those enterprises in Northern Ireland which do not practice religious discrimination. So far, the President has not pushed State governors in that direction, and I urge him to do so.

During the 1992 campaign, then Boston Mayor Ray Flynn, now U.S. Ambassador to the Vatican, asked then Governor Clinton if he would appoint a special peace envoy to Northern Ireland.

After saying that the short answer to Mr. Flynn's question was yes, Mr. Clinton said he would use the special envoy to:

Focus on the work of Amnesty International as well as Helsinki Watch on verifiable cases, not only by the security forces, but by other forces of violence, other violators of human rights and other purveyors of death in Northern Ireland.

Appointment of a Special U.S. Representative who would focus on peace efforts would be an important and visible symbol that the United States is truly committed to helping all the parties to the conflict achieve a just and lasting settlement. Former President Jimmy Carter comes to mind as just one potential candidate as a special envoy.

Those of us in this Congress who want peace in Ireland must ensure that President Clinton lives up to his promise to appoint a special envoy, as well as his other campaign promises regarding Northern Ireland.

The American Irish Political Education Committee is among many groups in the United States that are working diligently to realize this goal. Founded in 1975 and based in West Haverstraw, NY, its national president is John Finucane, a retired, 20-year decorated firefighter. The American Irish Political Committee realizes that now is the time to work for a peaceful, united, democratic Ireland.

In addition to pressing President Clinton on key issues, the Congress can keep up pressure on other fronts. Earlier today our Irish Caucus met with Martin Finucane, no relation to the previously mentioned John Finucane, who is president of the Patrick Finucane Centre for Human Rights and Social Change in Derry. Derry was the location of the tragic 1972 massacre of 13 unarmed people known as Bloody Sunday.

Martin's brother Patrick Finucane, a well respected human rights lawyer who had successfully taken the British Government to court, was murdered by the loyalist Ulster Defense Association in 1989. Mr. Finucane shed light on the state of the judicial system in the north of Ireland by stating, "Where I come from the people who write the laws are the ones who break them." Martin also noted that the opportunities for peace have never been greater.

I also met this week with British Prime Minister John Major. He assured us that he would continue the current peace talks. While the Downing Street Declaration requires further clarification in certain areas, such as amnesty of political prisoners on all sides and a timetable for complete demilitarization, this new dialog stands in stark contrast to the posturing of years past.

We must also continue our economic support of the Anglo-Irish Fund and continue the work of the Congressional Ad-Hoc Committee on Northern Ireland. The ad-hoc committee now has more than 100 members.

The United States, as a world leader, must play its rightful role in bringing about that peace. Today's special order clearly underscores the need and reviews the historical basis for that role. I thank the gentleman from Massachusetts [Mr. NEAL] for his leadership in this evening's effort.

□ 2040

Mr. NEAL of Massachusetts. We thank the distinguished gentleman from New York [Mr. GILMAN] for his longstanding interest in human rights issues.

Mr. Speaker, I yield to the gentleman from New York [Mr. KING], an individual who has had a long history of interest in this issue. Indeed, he has been courageous and forceful on this issue for many, many years.

Mr. KING. Mr. Speaker, I thank the gentleman for yielding.

At the very outset I want to begin my remarks on a bipartisan tone by first commending the gentleman from Massachusetts [Mr. NEAL] for the outstanding leadership that he has shown on this issue. He has been in the forefront. He has waged the fight, waged the struggle, and he is always there when needed. I just want to thank him for the truly outstanding work that he has done in alerting the Members of this House on both sides of the aisle to the terrible injustices which exist in the north of Ireland.

I also, on a further bipartisan note, want to extend my congratulations to my colleague, the gentleman from New York [Mr. MANTON] on being designated as the grand marshal of the New York City St. Patrick's Day parade. TOM MANTON has been a friend of mine for many years before I came to this House. In fact, TOM represents my old neighborhood in Sunnyside, Queens, and no one is more deserving of the honor of grand marshal than TOM MANTON. Hundreds of thousands of Irish-Americans will be very proud to march behind him as he leads us up Fifth Avenue on St. Patrick's Day.

Also, on another bipartisan note, I want to commend President Clinton for resisting the pressure of the British Government, the British Ambassador, the British Prime Minister, and granting a visa to Mr. Gerry Adams, the president of Sinn Fein, to enter this country. For 20 years, the American Government allowed its policy toward Mr. Adams to be guided and controlled by the British Government. President Clinton, honoring a campaign pledge, allowed Mr. Adams into this country and gave the American people the opportunity to see for themselves exactly who Gerry Adams was and what he stood for.

Also, Mr. Speaker, I should, and I would be remiss if I did not, point to those Irish-Americans, those of Irish ancestry, who have risen to high positions of power, but unfortunately have chosen not to advance the cause of Irish freedom, instead following in the ignoble tradition of Judas Iscariot and Gypo Nolan and turned their backs on their own people. Thank God that we had people in this House and in this Chamber and in this Government who were willing to stand up for what was right, and people not just of Irish descent, people such as the gentlemen from New York, Mr. GILMAN and Mr. FISH, people who understand that justice is not something that is defined by religious or ethnic lines.

Mr. Speaker, I think it is important to note that we are at a crossroads in Irish history. We are at a moment in Irish history where, for the first time, there is a real opportunity for all the parties to come together, and yet there is still more that has to be done.

Yes, the Downing Street Declaration was certainly a very, very significant step in the right direction. Indeed, it was a historic step in the right direction. I commend the prime ministers for going as far as they have. However, we have to realize that these talks were initiated in the first instance by Sinn Fein, with the British Government, between Gerry Adams and John Hume and with the British Government. That is where the pressure continues to come from.

We cannot reach a lasting peace unless the legitimate aspirations of all the people in the north of Ireland are acknowledged. That is the flaw which still remains in the Downing Street Declaration. As progressive as it is, as advanced as it is, the bottom line is it still does retain a loyalist veto.

I would join with those who call upon the British Government to further clarify what that Declaration is about, to go the extra mile, to go the extra step, and too, now that we are so close to the possibility of peace, not to let anything stand in the way, not to let a certain intransigent or historical bigotry or bias or blindness towards the north of Ireland prevent the British from going that extra step.

Also, that involves our Government. It is important for our Government, just because Mr. Adams came once, not to feel that our commitment to free speech has been satisfied. I believe that Mr. Adams should be allowed to reenter this country, to once again meet with Members of Congress, to come to Washington, to not just be confined to a narrow 15-mile zone in New York City.

Let the Members of this body see what Mr. Adams stands for and what he has to say. Let him answer questions we may have for him. I think it is absolutely vital that we do that.

In saying that, let us not focus all of the attention on Mr. Adams. People have spoken about a person who was alleged to be a terrorist entering this country, a person who perhaps has been involved with paramilitary organizations entering this country, yet no one says a word when Ian Paisley enters this country. Ian Paisley is the head of the Democratic Unity Party. He is a notoriously open anti-Catholic bigot who still gives speeches against the Pope and denounces Rome, and carries on in some sort of 19th century tradition, and his chief deputy, Peter Robinson, is openly allied with paramilitaries in Northern Ireland. He was involved in the Ulster resistance movement several years ago, yet he will be able to come to this country in several weeks and no one will comment on why the President let him in. It will be looked on as just the ordinary course of business.

I say if it is just the ordinary course of business for Ian Paisley and Peter Robinson to come to this country, then it should be the ordinary course of business for people such as Gerry Adams and Martin McGinnis of Sinn Fein to come to this country.

Mr. Speaker, sitting in this Chamber tonight in the gallery is a gentleman who was referred to by the gentleman from New York [Mr. GILMAN] Martin Finucane. I was privileged to know Martin's brother, Patrick Finucane, very well. Patrick Finucane was one of the leading solicitors in the north of Ireland. He took on the cases that other lawyers were afraid to take on.

Patrick Finucane was in the forefront of exposing the injustices of the British criminal justice system, and in 1989, after a member of the British Parliament stood on the floor of the House of Commons, and by his words, called for the death of Patrick Finucane, within weeks of that speech Patrick Finucane was shot dead in his home in front of his wife, in front of his children, and he was only shot dead after the British security forces cleared that neighborhood to make sure there was no one there to defend Patrick Finucane.

When we talk about terrorism, and all of us must denounce terrorism, but let us never forget the state terrorism of the British security forces, the state terrorism of the British security forces which brought about the murder of outstanding people such as Patrick Finucane.

When those who talk of Gerry Adams, a man who, by the way, and I think this should also be put in the RECORD, Mr. Adams represents a political party which has had more of its members assassinated in the last 1½ than any other political party in Western Europe. They have been assassinated. His office was rocket-bombed just several days ago. He has been, himself, shot, shot in the back.

In spite of all of that, in spite of the fact that he is not allowed to speak on television in the north of Ireland, the people cannot hear his words, they are dubbed in by an actor, in spite of all of that, in the last elections Mr. Adams' party, Sinn Fein, received more first preference votes than any other political party in Belfast, and that is very, very important to note.

Mr. Speaker, what can be done? We can go on all night denouncing the record of the British Government in the north of Ireland, and the fact that it is the British Government which is the source and the cause of the violence in the north of Ireland, but I also want to take a step forward.

□ 2050

I say let us put all of that behind us and let us let all people come to the negotiating table. Let us all follow the admonition of the President of Sinn Fein who called for a complete demilitarization in the north of Ireland, yes, the IRA should lay down their arms, yes, the British Army should lay down there arms, yes, the Royal Ulster Constabulary should lay down their arms, yes, the discredited UDR, now going under the pseudonym of the Royal Irish Rangers, yes, the Ulster Defense Association should lay down their arms, and the Ulster Freedom Fighters, and the Ulster Volunteer Force, and all of the paramilitaries on the loyalist side.

You will notice that I just went through a list of seven, or eight, or nine armed organizations in the north of Ireland. Only one of them was the Irish Republican Army.

Yet when people call for a cease-fire, when people call for a laying down of arms, all they talk about is the IRA. What about all the others?

Mr. Speaker, in conclusion, I just emphasize again the crossroads that we are at, the fact if John Major will just come forward and say that the loyalists no longer have their veto in the occupied six counties, if he would say that the solution to the problems of Ireland is to have all the people on the island of Ireland speak, let them all come together and let us create a 32-county island where all denominations and all traditions and all peoples receive full civil rights, civil liberties, and human rights, so no longer will we have an occupied six counties where the British are condemned more for their human rights violations than any other country in Western Europe. Let us have, after 835 years of occupation, let us finally have an island that is free, an island that is united, and an island where the counties from Antrim, Down, Armagh, Fermanagh, and Tyrone are part of a free, united, and peaceful 32-county republic.

Mr. NEAL of Massachusetts. Mr. Speaker, we thank the gentleman for articulating that point of view as well as he always does.

I now would like to yield to the distinguished gentleman from the Third Congressional District of Massachusetts. We are reminded tonight, Mr. Speaker, that not only have we utilized the talents of many individuals who frequently have spoken out on this issue, but just as importantly, there are a lot of new faces who have joined us in this effort. I would like now to acknowledge the distinguished gentleman from the Third Congressional District of Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Speaker, I would like to thank my colleague, the gentleman from Massachusetts [Mr. NEAL], for his leadership on this issue which is well known in the Commonwealth of Massachusetts and across the country. I would also like to commend my freshman colleague, the gentleman from New York [Mr. KING], who has brought a passion to this issue that I do not think has been seen for some time.

Tonight we are speaking about Ireland.

Unfortunately, as we have heard tonight, Ireland today stands divided. It stands divided at a time when the rest of the world seems to be moving together. The Iron Curtain has fallen, as has the Berlin Wall. Jews and Arabs in the Middle East are coming together, and whites and blacks in South Africa are moving toward peace and democracy, although as we have heard in recent weeks, there will be setbacks along the way.

But even with the efforts for peace and reunification, these are turbulent times in Germany, in Eastern Europe, in Israel, and in South Africa. But it is also a time when there is new hope and thoughts of what can be and will be, rather than the dark thoughts of hopelessness.

Peace is not easy. Reunification is not an easy way. But it is, in the end, the only way.

Just a few short months ago prospects for peace in Ireland were not strong. But today after the issuance of the joint Declaration of Peace by Prime Ministers Reynolds and Major in December and developments over the last few months, I think most observers find themselves thinking positively about the situation in Northern Ireland. We have a chance now to move forward toward a united Ireland.

Prime Minister Major said yesterday in referring to the violence in Northern Ireland that, "Strong support for peace coming from America can play a part in this." I guess we should add tonight that strong support for unity coming from Britain can also play a major part in this.

I, for one, pledge my support for the principle of peace in Northern Ireland and for making, at long last, Ireland a free and united 32-county Ireland.

Clearly, the Irish people overwhelmingly support efforts for peace. They are tired of the violence. The American people and the American political leadership here in the Congress and in the administration should be as well.

It is time for all parties to the dispute to sit down and work out an accord, and whatever steps we can take as Americans to accomplish this noble goal should be taken just as we have across the globe.

Eight hundred years of conflict, 25 years of increasing violence. More than 3,500 lives lost; women, children, infants, the frail, and elderly, countless innocent bystanders have been brutally and violently murdered. It is time to make it stop.

There is no easy solution, but the first steps toward unity are a willingness to negotiate whether you are from Britain or Northern Ireland or the Republic, whether you are a unionist, a republican, or a nationalist; put aside your differences, clear your minds, and make a good-faith effort to arbitrate this dispute. Now is the time for peace and unity in Northern Ireland.

I urge other Members of this House to join me and many of the speakers here tonight in standing up for unity and standing up for an end to the violence in Ireland.

I want to thank my colleague, the gentleman from Massachusetts [Mr. NEAL], my neighbor, for arranging this discussion and for allowing the American people to hear the great prospects for peace and unity that have developed over the last few months.

Mr. NEAL of Massachusetts. We thank the distinguished gentleman from the Third District of Massachusetts for offering those encouraging words.

I now would like to acknowledge a familiar face in the Congress on the issue of Northern Ireland, indeed, a united Ireland, an individual who has time and again articulated a strong point of view as it relates to this issue, the distinguished gentleman from New York [Mr. WALSH].

Mr. WALSH. I thank the gentleman for yielding to me.

I very much appreciate his organizing this special order at a very historic moment in the history of Ireland and its relationship with our country and with England. I would also like to give credit to the gentleman from New York [Mr. KING] who I joined last night watching the movie "In the Name of the Father," a movie about the Guildford Four, which shows that tyranny and bigotry and injustice still exist in the north of Ireland, and its relationship with England.

Since first coming to this Chamber as a Representative from central New York, I have had the honor of witnessing internationally historical events unfold. Many of them have been positive, the results of compromise and understanding. I want the same to happen in Northern Ireland.

Lech Walesa was here in this Chamber and told us what it is finally like to live in a free Poland. Nelson Mandela gave his personal and important views as to what freedom means in South Africa. The wheels are turning in the Middle East. We are working to bring a permanent end to the fighting in Yugoslavia. The Berlin Wall is down. The U.S.S.R. has dissolved. Eastern Europe and Asia are still writhing in chains of totalitarianism.

But in Northern Ireland the same class struggle exists as if it were excerpted from a 1950's documentary or an early 1900's newsreel or a late 19th century letter to relatives in America from the old country.

I have to tell you a story. Most of our great Irish traditions are oral, and a story that my grandfather related to me when I was a young boy about when he was a young boy around the turn of the century, just before the turn of the century in Ireland, and things were hard, and wherever you could find food you found it. He used to go down to a river near his house on the west coast in the northern part of Ireland and try to hook a salmon. He had a gaff hook, which some of you may be familiar with, and he would go down and lay along the side of the river and wait until a salmon swam by and hook it and pull it out. One day he was doing this, and he got one, and he was only about 13 or 14 years old at the time.

He told me the salmon was about as big as him, and he pulled it out of the water, and he started walking back home, and a game warden saw him and started chasing him. My grandfather started running, and he said that that salmon got heavier and heavier as he ran, and the man behind him kept yelling, "That fish belongs to the King. That fish belongs to the Crown of England." And the faster he ran, the heavier the fish got until they were almost nose to nose, he and that game warden. They got so close that my grandfather had to finally drop the fish in order to escape.

A long time later when he left Ireland to go to a country where he could fish where he pleased, he met that man again in an elevator shaft going down into a coal mine in Pennsylvania, and they recognized each other. They did not say anything on the way down, but on the way back up they passed the time of day, and he said, "You were that little boy I saw trying to steal that salmon out of the river?" And my grandfather acknowledged him, and they became close friends. They were now in a country where they could go and take a fish from a river and not have to worry about it belonging to someone who lived in a foreign land. It was their fish.

I asked my colleagues today to join me in giving Ireland a turn on center stage. It is Ireland's turn. All parties involved need our help.

We either act positively or risk being judged negatively by our inaction. But just what can we do? It is a fair enough question, given the fact that our historic ally, Great Britain, struggles with this question every day.

□ 2100

There are nettlesome issues involved. How indeed can they extricate themselves militarily and every other way if the majority of the northern Provinces desire to remain part of the United Kingdom?

There are no easy answers. Step-by-step negotiations, finding common ground, appealing to the desire for peace and security, men and women of peace trying to unravel the strands of mistrust and animosities centuries old; it can be done. We know it can.

We have seen it happen right here. Religious prejudice does exist in the north of Ireland as it exists in many countries. The difference in Northern Ireland is the government sanctions it, de facto, favoring one side. This is historic and undeniable.

Prime Minister John Major inherited this, just as many before him. He asks seemingly reasonable questions of Sinn Fein leader Jerry Adams, "Say you will lay down your arms, and we will include you in the peace talks." At arms length, so to speak, across the ocean, so many of our ancestors traveled to get away from the persecution and famine, and we can see things clearly. That does not mean we see an easy solution, but we see that common sense can prevail if certain steps are taken.

The Prime Minister must answer Sinn Fein's request for clarification of the joint declaration. Mr. Adams must be given information with which to approach the Irish Republican Army.

The problem can be very generally stated as this: If Mr. Adams did have the power over all Irish Republican Army actions, he would be hard-pressed to get all the elements to agree to abandon the armed struggle. No reasonable person can deny the hardship inflicted by the Loyalists over the years, just as one cannot condone revenge by the IRA. Mr. Adams needs our understanding of his political position, and our support. We need to convey this commitment to our ally, Great Britain.

Now, I am not an expert in this area. I do know that the history of Ireland's struggle documents clear hardship for the minority in the north. Those identified as Catholics are living in desperate physical conditions while Protestants have been prosperous since Great Britain divided Ireland 74 years ago.

This fits neatly into headlines as a religious war, but these are two groups who would be seen in many areas of the world as quite similar. They are Christian, they speak the same language, they use the same currency. They are separated profoundly by economics. This is part of how we can help. President Clinton should undertake the appointment of a special envoy. Ireland needs our attention. It would be unconscionable to let this historic opportunity fade. We must become active. It is Ireland's turn.

We can easily take fundamental steps toward strengthening the economy of Northern Ireland. This strength—that is, creating jobs—will soothe fears, create cross-cultural associations and friendships. As we know, security for one's family often translates into toleration for others, all of which precedes egalitarianism.

No matter what action we take, the troubles are a long way from over.

I think we are at an important juncture. The United States cannot stand by. We can make a difference. I saw a difference. I saw us make a difference. I was a Peace Corps volunteer in Nepal. When I came here to this body, I was joined by a number of Members who wrote to the king when they went through the transition from monarchy to democracy. We asked that he honor the legitimate rights of his people for democracy, and he did. There was a peaceful transition there. People pay attention to what is done in this Chamber.

This year the Project Children Program, which brings Northern Ireland kids to the United States for a summer vacation with host families, celebrates 20 years in business.

My family and I hosted a boy from Belfast, Michael Lyons. I tried to call him recently but was reminded that his family does not have a phone. If you have been through the Catholic neighborhoods in Belfast, you will know the level of poverty that suffocates the dreams of young people there. Michael is now 14. It makes me sad to think that he could grow into adulthood surrounded by the same fear and hatred that has existed throughout not only his life but those of his parents, grandparents, and great-grandparents.

But I remind myself that there is hope. I think of the other historic agreements we have seen in recent years. I am excited by the prospect of peace in Northern Ireland, too. It is Ireland's turn. We can make a difference. They must act in unison with our ally, but we must do everything we can to make them act now.

No more bloodshed, no more tyranny; the time has come for peace, Justice, and a unified Ireland.

Mr. Speaker, I again thank the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank my friend for a very clear presentation.

I would like to close, for the next few minutes. Tonight we heard two themes: No. 1, the unification of Northern Ireland; and, No. 2, at long last that peace be brought to this tiny island that has given so much to the rest of the world. At that meeting that I had this past week with Prime Minister Major, I asked him to set a date for the withdrawal of British soldiers from Northern Ireland. Tonight, even as I speak here, there are 17,000 British soldiers, at an annual cost of $3 billion, to occupy Northern Ireland.

During the course of our conversation, which was always respectful, I reminded the Prime Minister that the 800-year history of Great Britain in Ireland has not always been high-minded. He has acknowledged that himself in recent days.

I am also encouraged that the secretary of state for the north of Ireland, Sir Patrick Mayhew, has stated that you could make a good argument that the partition of Ireland was wrong.

Northern Ireland was artificially contrived. It was offered as a prospect to those who did not want to join the Republic of Ireland.

The truth is it has outlived its usefulness. As we watch the British set a date in Hong Kong for withdrawal, we are reminded that why, after 800 years and at least 300 years of direct antagonism, the same model cannot be applied to those six counties in the northeast of Ireland.

Indeed, overwhelming British public opinions favors the withdrawal of British troops from the north of Ireland. Why should the small segment in the north of Ireland be given veto power over unification? Why should a small segment be allowed to practice ascendancy when that model is now dead in South Africa?

This issue draws more attention as time moves on, and I am encouraged that John Major has never, like his predecessor, ruled out the prospect of a united Ireland.

Mr. Speaker, I want to assure you and the viewers this evening that we will be back again next month in another in this series of special orders. I would encourage all to view the movie "In the Name of the Father" if they wonder why many of us are so worked up about the repeated injustices that exist in the north of Ireland. It indeed is a great lesson for all.

I would just close on this note as many of the speakers before me tonight have: When I met with John Major, he noted, in speaking of Boris Yeltsin, that Boris Yeltsin needed to be supported because of the extraordinary changes that have swept the world in the last 4 years. I asked him, "Mr. Prime Minister, how can you contrast that progress with the current stalemate of eight centuries in Ireland?

In but the last 4 years, the Berlin Wall has come down, Eastern Europe has been freed, the Soviet Union dissolved, Russian troops have left Latvia, Estonia, and Lithuania; majority rule has come to South Africa and free elections have taken place in El Salvador and Nicaragua. Yet the one place where the sunshine of freedom continues to be blacked out by the clouds of injustice is on the island of Ireland.

□ 2110

The gentleman from New York [Mr. WALSH] said it well:

"It's Ireland's turn, and fair-minded people everywhere agree with our position."

I want to close simply by saying, Mr. Speaker, that there is one ireland on one island, and, if there is to be a referendum, it should include all the people of the Island of Ireland.

Once again I want to acknowledge, as well, Bill Tranghese and Margaret Albrecht from my office who helped to put together this special order.

Mr. MACHTLEY. Mr. Speaker, first of all, I would like to thank my colleague from Massachusetts for organizing this special order session with regard to the advancement of the peace process in Northern Ireland.

The timing of this session is particularly good, in light of this month's release of Amnesty International's report on human rights in Northern Ireland.

The report warns that there will be no peace without respect for human rights in Northern Ireland. I maintain that no negotiated settlement will take place until the cycle of sectarian murders is put to an end and until the British Government's atrocious human rights record is drastically improved.

It should come as no surprise that the majority of human rights violations detailed in Amnesty's report have occurred to the detriment of the Catholic community in Northern Ireland. There has long been an appearance of collusion between the security forces in the north and illegal loyalist paramilitary organizations. This apparent collusion has had the understandable effect of polarizing the Catholic population from the security forces in Northern Ireland.

On this note, I believe the time has come for an independent tribunal to be appointed to carry out independent investigations into shooting incidents involving members of the public where lethal force has been used. I also believe it necessary to tighten up on the operational rules with regard to lethal force used by the security forces in Northern Ireland.

There have been many allegations that the Royal Ulster Constabulary [RUC] has been uncooperative with regard to gathering evidence about loyalist attacks on Catholics, and the continued failure to provide adequate levels of protection to the Catholic community from loyalist attacks. How can years of hatred between these two divided communities be expected to subside if biases are allowed to thrive, judicial injustices are left unchecked and the weight of the law seems balanced in favor of one community over the other?

Besides the obvious and more publicized inequities in Northern Ireland, there exists a need for effective and fair antidiscrmination laws to ensure that new and existing jobs are distributed fairly between Protestants and Catholics. There also needs to be a more vigorous enforcement of the 1989 Fair Employment Act in an effort to reach out to the underrepresented in both communities. Much good has been achieved in this area, but more needs to be done.

The road to the peace talks has come a long way, but before it reaches its destination, the British Government, in my opinion, must come to the realization that for negotiations to succeed, all involved parties, including the Irish Republican Army, must participate. How can a resolution be achieved with the absence of the very groups upon which the success of the talks hinge? In my opinion, it can't.

The British and Irish Governments have achieved much in the past few months and we have all been encouraged by the momentum for change in South Africa and in the Middle East. However, the comparisons with the strife in Northern Ireland are few. In South Africa and in the Middle East, unconditional negotiations between all parties have resulted in real progress. If peace in Northern Ireland is to be achieved, preconditions for any negotiation must be cast aside and details of any proposed negotiating settlement should be disclosed at the outset for all parties to see. Attaching preconditions to negotiations in Northern Ireland serves no positive purpose, and so far, has only alienated those whose accordance is critical if there is to be agreement.

There will be no lasting settlement in Northern Ireland unless the Catholic community truly believes they are entering into talks as equal negotiators, and not as unequal subjects whose interests are subservient to those of the unionist majority.

Evenhandedness must prevail for a settlement to be reached and a lasting peace to be maintained.

Mr. FISH. Mr. Speaker, as many of you know, my first contact with Ireland came in the early 1950's when I served as a vice consul of the U.S. Foreign Service in Dublin. I then returned in 1978, as the ranking minority member of the Immigration Subcommittee, to investigate reports of visa denials to British subjects of Irish descent by United States consular posts in London, Dublin, and Belfast.

That Judiciary Committee trip forever changed my outlook on Northern Ireland. Despite the thorough briefings we had on the situation prior to our departure, we were totally unprepared for what we saw during our 4 days there. We were especially struck by the violation of human rights the people of Northern Ireland are subjected to day in and day out and the glaring inadequacies of the justice system there.

Since that time, I have worked with my colleagues as one of the cochairmen of the Ad Hoc Committee on Irish Affairs, to realize the goals of peace, justice, freedom, and an end to all discrimination in Northern Ireland. We are closer than ever to achieving those goals.

The Joint Declaration of Peace issued by British Prime Minister John Major and Irish Prime Minister Albert Reynolds on December 15, acknowledges the urgency of the situation in Northern Ireland and indicates a willingness to take steps toward resolving the crisis there. This plan, however, is just a first step.

While it contains many positive statements, the plan outlines no definite proposals for bringing about peace and no specific timeframe for initiating negotiations. All affected parties must have their questions answered and be allowed to participate in the debate. It is vital that the Governments of Ireland and Great Britain follow through on their commitment to consider the wide spectrum of political views in Northern Ireland.

Certainly a solution which has eluded men not just for decades, but for centuries, will not be easy. But peace, justice, and unity in Ireland are possible if leadership is exhibited, policies are developed to end the great economic injustices there, and all violence is ended.

Ms. MALONEY. Mr. Speaker, in recent years, world attention and pressure have brought about an end to apartheid in South Africa, a dialog between Israel and the PLO, and the collapse of communism in Eastern Europe and Russia. These incredible changes, unthinkable just a few years ago, make the continuing conflict in Northern Ireland all the more tragic, and the world's silence all the more puzzling.

This is one reason why I strongly supported congressional efforts to grant Gerry Adams a visa, and why I applauded President Clinton's decision to do just that. I believe that Mr. Adam's visit has enhanced the process of Irish peace and reconciliation by focusing public attention on the issue and generating a healthy public debate.

The joint declaration by Prime Ministers Major and Hume was initially greeted by many with great optimism. It is unfortunate that the peace process seems to have stalled since then. Mr. Adams has requested clarification from the British Government on certain points so that Sinn Fein may then approach the Irish Republican Army for a cease fire. I hope Mr. Major will provide that clarification to promote resumption of the peace process.

There are other issues in which I believe that Congress can play a positive role to help improve the situation in Northern Ireland. Concerned Members of Congress have repeatedly urged the President to fulfill his campaign promise and appoint a special envoy to Northern Ireland. I continue to believe that a special envoy would help to facilitate negotiations and I again ask the President to appoint one.

The human rights violations in Northern Ireland continue to be an issue of great concern, as the Amnesty International report released last month points out. The people of Northern Ireland have endured human rights violations for far too long. They need and deserve the protection which a bill of rights would provide. I commend my colleague from Massachusetts, Mr. KENNEDY, for his resolution calling for such a bill of rights and urge all Members of this House to support it.

Working to end anti-Catholic discrimination in Northern Ireland is also a legitimate concern for this House. Unfortunately, religious discrimination is still pervasive in Northern Ireland; that is why I hope Congress will adopt the same MacBride principles legislation that I authored and brought to passage while on the New York City Council.

By passing the MacBride principles, as outlined in H.R. 672, Congress would go a long way to help end corporate discrimination against anyone in Northern Ireland on the basis of religion.

As with other conflicts around the world, Congress has an important role to play in demonstrating the support of the people of the United States for the preservation of basic human rights and self-determination. By keeping attention focused on Northern Ireland, it is my hope that we in the House can help to bring about peace with justice in that long-troubled part of the world.

Mr. SCHUMER. Mr. Speaker, since 1969, we have lost more than 3,000 individuals to the political violence in Northern Ireland. Women and children are afraid to leave their homes in certain sections of Belfast. Basic guarantees of due process have been suspended and freedom of expression has been restricted throughout the United Kingdom. Conditions in many prisons violate international standards. The people of Northern Ireland deserve to be granted the rights they are due. It's time for the bloodshed to end; it's time to stop fighting and start talking.

The peace initiative outlined by British Prime Minister John Major and Irish Prime Minister Albert Reynolds was an important first step. But it was only a first step, and we are kidding ourselves if we treat it as anything more than that. The initiative contains no definite proposals for bringing about peace and no definite timeframe for negotiations. It includes many positive statements, but compelling rhetoric alone will not save Northern Ireland. If we wait for the declarations of the initiative to make a real change in Northern Ireland, we will be helplessly sitting by as countless lives continue to be lost to violence. More than 2 months have passed since the agreement was announced, and we are yet to see any significant strides toward peace.

The United States cannot sit by and watch this opportunity for lasting peace to go to waste. By appointing a special envoy to Northern Ireland, we can advance the process of negotiations. A special envoy would give the talks the support they need to move beyond rhetoric and into substance.

I have already urged President Clinton on a number of occasions to appoint a special envoy to Northern Ireland. I will continue to do so because I believe this is an issue that is just too important to ignore. The lives of innocent people in Northern Ireland are at stake. We must act now.

GENERAL LEAVE

Mr. NEAL of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of Ireland.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

UPDATE ON THE SITUATION IN HAITI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, I rise tonight to update the situation in Haiti. I want to talk about our Haitian policy and the fact that that Haitian policy, and all of the activities surrounding Haiti presently, represent a mushrooming United States foreign policy and domestic moral crisis.

Mr. Speaker, it is a foreign policy crisis, it is a human rights crisis, and it is a crisis which is producing an erosion of the moral authority of the United States. Haiti is just a small country compared to the United States and the industrialized nations of the world. Haiti has a population of 7 million. Haiti has no great amount of natural resources, no oil, nothing of great desirability with respect to the industrialized nations and their needs for raw materials. Haiti is not militarily a strategic location for any United States military concerns.

However, Mr. Speaker, Haiti is in the Western Hemisphere, and Haiti has a long history of being dominated by the United States policymakers like every other nation in the Western Hemisphere. The United States does consider what happens in Haiti important. The United States would never allow another power, even a friendly power like France, or Canada or Japan, to begin to dominate in the relationship with Haiti, dominate the making of foreign policy in Haiti or dominate the economic situation, as meager as it may be, as insignificant as Haiti's economy may be.

Mr. Speaker, I assure my colleagues that if the Koreans were to come in with an economic development plan, or the Japanese were to come in with an economic development plan and all that leads to, because the great competition in the world right now is an economic competition, not a military competition, I assure my colleagues if any industrialized nation were to come in and to begin to work with the Haitian leaders, or begin to work to return the democratic leaders to Haiti with the expectation that they would have a great role in the making of future policy and economic development in Haiti, I assure my colleagues the United States Government would not sit by quietly and say, "Great. Go right ahead. We wash our hands of the Haiti situation and the problems."

No, Haiti is important to us, and therefore we must look at the situation and determine a new course of action with respect to the return of democracy in Haiti. We can take no other route as a great nation. We can take no other route as a leader of the free world, as the last superpower. Haiti represents a mushrooming crisis, and we should deal with the crisis right now.

As a result of our lack of a cohesive and well-directed foreign policy with respect to Haiti, as a result of our lack of an honest and morality based, morally based policy with respect to Haiti, Mr. Speaker, we are being backed into a position that this Nation has never been in before. We are being backed into a situation where we are behaving like one of the greatest totalitarian nations on the face of the Earth. There are very few totalitarian powers lacking morality of concern for morality. There are very few powers that never subscribe to human rights that are behaved in the way we are presently behaving in Haiti. We have backed into a situation which is totally untenable.

First of all, Mr. Speaker, we are in a situation where our asylum policy represents a double standard. The United States has always had a policy for treating refugees in a very liberal way. The Statue of Liberty is not the symbol of this country for no reason. It is because of the fact that we have always had open doors to those who were suffering or persecuted. Our asylum laws have been very generous and a great outreach for those who were in need. Only in the situation that presently exists with respect to Haitian refugees have we behaved in this way. Only now have we refused to follow our own asylum traditions, our traditions of granting asylum. Only now have we imposed a double standard on a particular nation.

Mr. Speaker, the Haitian refugees are alone in the way they are treated by the United States Government. What are the implications of that? The Haitian Government is alone, and it stands out in bold relief.

There is nothing subtle about the fact, or secret about the fact, that we have put the Haitians in a special category. If there was anything subtle about it before, then certainly an incident that took place several months ago where Haitian refugees came ashore in Florida in the same boat with

Cuban refugees—somehow they had gotten together in the Bahamas, and I do not know the full story—but it was clearly documented that the Cuban refugees in that boat were welcome and given the usual asylum treatment, the same one we would give to refugees coming from Hungary years ago, the same one we are giving now to refugees from the Soviet Union, the same one we gave to refugees from Vietnam. They were treated in accordance with our regular, established asylum policies and traditions. In the boat, the same boat as the Cubans, the Haitians were arrested, taken into custody and treated totally different.

Mr. Speaker, with respect to Haiti we have a double standard. Is it because the Haitians are black? What other reason can there be? For the first time we have a nation of black people seeking asylum in large numbers, and our response has been a different kind of response, a different standard. Is it because the Haitians are black?

We have gone further than just have a different standard with respect to asylum. We also have a policy of searching out Haitian boats on the high seas that are trying to get to this country, boats that are bringing people who are seeking to escape the terror in Haiti.

We all admit that there is terror. Nobody had disputed the fact that the present Government of Haiti is a brutal regime, that the present Government of Haiti has no philosophy of government, has no purposes, has no goals. The only purpose of the present Government of Haiti is to drain out of the Haitian economy as much as they can get for their personal aggrandizement for their own greed. Everybody agrees that drug running and the drug trade is a large part of what is propping up this regime in Haiti. Everybody agrees that there is terror and that many people have been killed.

So, Mr. Speaker, here is a situation where a whole nation has been placed under a kind of quarantine by the whole world. Nobody in the whole world, no nation in the whole world, recognizes the present military thugs who are in control of Haiti. We do not recognize them, so clearly here is a nation where people are being persecuted politically.

□ 2120

But we take the position that we will stop the boatloads of people coming from Haiti, load them upon our Coast Guard ships, and carry them back to the terror and the persecution.

At one time we said it was a humanitarian position, that we were merely doing this to make certain people didn't drown on the high seas. If you don't want them to drown on the high seas, save them, put them in the boats, and give them the usual treatment with respect to asylum. Let them be interviewed, let them follow the same procedures, that all other refugees follow. But not with the Haitians. We load them into boats and we take them back to the illegal, unlawful, unrecognized military regime that has power in Haiti.

Why do we do this? We would not do this if they were French. We would not do this if they were Vietnamese. We would not do this if they were Hungarians. We would not do this if they were Jewish. We have examples where we have opened our borders for people who are under that kind of pressure. We have good examples. We have a good tradition. We should be proud of that tradition. But in the case of the Haitians, the American tradition ends, breaks down, and we impose something new, an interdiction, which is something very different from anything else we have ever done to any other group of people. Why? Is it because they are black? is it because this is a black nation, these are black people, these are black refugees?

We have gone even further than interdiction. First, we don't give them the same treatment with respect to asylum. Then we have imposed a unique interdiction policy on the high seas. We have gone one step further and we have established a blockade. We have ships around Haiti that are not there only to enforce an embargo. Before the embargo was tightened, we had ships around Haiti to keep the people in Haiti. We don't want the boats to even leave.

We have a blockade around a sovereign nation to keep the people in, to hold them in and let the persecutors reign supreme. They cannot get out. They cannot even venture on a boat to get on the high seas.

If they want to risk their lives, if they feel they are under such tremendous pressure that they want to risk their lives on the high seas, then perhaps as human beings they have the right to make that choice. But we won't even let them make that choice. Never before have we put a blockade around a nation to keep the people in. This is unique. It applies only to Haiti and Haitians. Is it because the Haitians are black? Have we set up a double standard because they are black?

This is a question that every person of African descent anywhere in the world has to ask. We cannot go any longer with posing the question. For a long time following President Clinton's election, we were willing, we have been willing, to accept the President's explanation that all of this represents a temporary policy, a temporary set of procedures, to deal with a crisis situation. And the president pledged to solve the situation and to solve the problem by doing what all of us know is the right thing to do, the one thing that will produce a solution, which is the return of the rightfully elected President of Haiti, John Bertrand Aristide. Aristide was elected by 70 percent of the voters. Seventy percent. When have we had that kind of election in this country?

So the approval of Aristide by the masses is clearly understood. We know who the masses want. For the 7 months that Aristide was allowed to govern, before the U.S. trained army threw him out of power, before the army that is in league with the CIA, their leaders were on the payroll of the CIA, an army with leaders who were on the payroll of the CIA, before they threw Aristide out of power, during that seven months the number of people trying to get out of Haiti and get into the United States went down to zero. The Coast Guard will document this fact. No people were found trying to get out of Haiti and get into the United States via the high seas during that 7-month period.

Why? Did John Bertrand Aristide have an economic development program? Was he able to overnight do miraculous things? No, he was not able to do miraculous things overnight for the economy of Haiti. What he did bring was an honest government for the first time in the history of Haiti, a government that cared about the people, a government that proposed simple things, like maybe the rich should pay taxes so we will have some money to pay for our schools. Simple things like no matter what it is, we ought to have some kind of minimum wage. It may be far lower than it is in the United States or other countries, but we ought to make people pay a decent wage. We ought to have some kind of restrictions on the exploitation of workers. We ought to have a cushion on the power of certain political figures in the rural areas. We ought to do some basic honest things that bring Haiti into the 20th century with respect to government. That is all he proposed.

He gave hope by just proposing, let us do things in a civilized way. Let's do things in the way in which all modern nations operate. Let's do the basics. The people rallied to his aid. They stopped trying to get out of the country. Many Haitians who lived in the United States and in other parts of the world were returning to Haiti. There is a large Haitian population outside of Haiti, very skilled people, very knowledgeable people. If they were to return in large numbers, they can turn the country around.

All they ask for is an honest government that is real, a government that wants to live by the law, a government that wants to abide by the Constitution, and they would do that. John Bertrand Aristide offered that hope. And the Haitians wanted not only total stay in, but others who were outside wanted to get back from.

That is a solution. The solution to the Haitian problem is very simple: Return the rightfully elected, democratically elected President, to Haiti, and take away the threat, take away the exploitation and the oppression, of the military government. The military government who is trained by the United States, the military whose leaders were once on the payroll of the CIA. We have the numbers. We can do it. But we have not done that.

So because we have not done the right thing, because we have not done the practical thing, because we have not done the obvious, we instead find ourselves enveloped in a byzantine policy of evil. We have an evil policy radiating around the Haitian situation. It is evil to have a different set of standards for one group of people. And when you can find no other reason than they are black, it becomes racist. This is not a racist nation. Our policies of government do not reflect racism. In this particular instance, we have allowed ourselves to drift into racism. We have a different set of standards, different standards with regards to interdiction, a blockade to hold people in. All of it is un-American. It is un-American. We have backed into an un-American racist policy.

United States Government, this present administration, has a failed Haitian policy. I use the term failed Haitian policy because one highly placed person in the State Department spoke to newspaper reporters and said that Haiti was a failed nation. Haiti was a failed nation.

Well, Haiti is a failed nation, and without Aristide it will continue to be a failed nation. But our Government has never referred to any other nation in that way. By implication they were saying Haiti is a failed nation and we should wash our hands of Haiti. Forget about Haiti. That was the tone of the statement made by this highly placed person in the State Department.

Why do you use that tone with respect to Haiti? Germany was a failed nation that did great harm to the rest of the world. They killed millions of people, the Germans. But when the war was over, we took that failed nation and we brought all kinds of aid to that failed nation, and we rebuilt that failed nation.

Japan was a failed nation, and they did great harm to this country in the process of failing. They killed 3,000 people in 1 day at Pearl Harbor. This failed nation we did not write off and say it is a failed nation, therefore the implication is the United States should not waste any time trying to rebuild or resuscitate this failed nation.

☐ 2130

The Soviet Union is a failed nation. The Soviet Union failed in a mission which was designed to wipe us out, to wipe us off the face of the Earth as a nation. They had missiles aimed at us to do it physically. That failed nation now we are working in harmony with to salvage, trying to salvage the Soviet Union. So why would anybody in the State Department who supports our policy toward Russia and the Soviet Union and the former nations of the Soviet Union, why would anybody who supports our policy toward Germany and Japan, why would they make a point that Haiti is a failed nation, and therefore Haiti does not deserve any of our attention?

We have a failed foreign policy. We have failed diplomats in the State Department, but we do not need to dwell on the fact that Haiti is a failed nation. Our failed foreign policy is based on a faulty analysis given by the CIA from the very beginning. An analysis of the election which catapulted John Bertrand Aristide into power was a faulty analysis.

In the first place, the CIA and its bungling, blundering intelligence operations in Haiti as usual did not know who Aristide was at the time that he was elected. It was a great surprise to our CIA, and there were agents who were in on this situation, I assure you, agents who had been in that country for years, so why is it they were totally surprised that Aristide was elected by 70 percent of the vote? That was a first-rate failure. They had egg all over their faces about that, and they became very bitter about it and proceeded to produce faulty analyses of the situation.

The CIA had picked somebody else to win the election, but the U.S. Government was spending money via the CIA and other entities, spending money for another candidate to win. Not only did he lose, but he lost big. There was no way to patch it up, so the CIA proceeded to try to smear, assassinate the character, of John Bertrand Aristide.

They were very upset because their alliances in Haiti, the alliance with their political figures and the alliance with the military leaders, was being threatened, jeopardized. They began a vendetta against John Bertrand Aristide, a vendetta which was totally unprofessional, and of course the CIA is an unprofessional organization, the CIA is a bungling organization, the CIA is a very expensive organization, probably a very corrupt organization, and we cannot prove any of this because the CIA is a very secret organization. It is only when things bubble to the surface that we get a glimpse of what is going on.

Any organization that can have a person in a high level, one of the highest ranking officers in the CIA, the person in charge of Soviet counterintelligence, any organization that can have a person in that position, and that person be a spy for Russia, for the Soviet Union, for 8 years, 8 years, and they not be able to detect it, not be able to discover it for 8 years, is an organization that is in great need of overhaul. Something is radically wrong with the CIA. There is a culture of buddyism, a culture that cannot see their colleagues. There is something radically wrong.

The people who have been charged with espionage for 8 years, the man who headed the Soviet counterintelligence desk, the man who they charged probably has caused the death of at least 10 agents in Russia who were working for the United States. That man was living off of his CIA salary, as if he was a multimillionaire. The man and his wife were living like multimillionaires, and the CIA could not see that something was wrong for 8 years, for 8 years. Something is radically wrong with the CIA.

How can we believe their analyses of anything? This is the same CIA which did not predict the collapse of the Soviet Union's economy. Their No. 1 priority was the Soviet Union. This CIA could not predict that the Soviet Union's economy was going to collapse. It came as a great surprise. We have thousands of people in that operation studying it from every angle, as well as agents on the ground, with large expense accounts which have been wasted paying counterespionage agencies.

Recently they had been boasting that, "Well, we caught one spy here in our country that the Russians were employing, but we have employed many of theirs. We have turned many of their agents," and can you imagine the millions of dollars we must have shelled out to Russian agents, people who were giving us information about Russia?

Can you imagine that? It does not take much, I am sure, any sophomore listening and any kid can understand the game. Can the Members imagine how many Russians swindled the United States out of millions of dollars, giving us secrets that were not secrets? We had all these agents that were turned in by the CIA and were spying on Russia for us, and we could not predict the collapse of the Soviet Union's economy, so then they must have been giving false information in exchange for the millions of dollars they were paid.

What I am saying is that the CIA is not in a position to be the kingpin, the core of making policy for any nation, until it is revamped, until the President puts leadership in the CIA which belongs to his generation.

I think a large part of the problem in the State Department and in the CIA is that there are men who do not belong to Bill Clinton's generation, they do not think like Bill Clinton. They come from a different era. They come from an obsolete line of thinking. They are the protégés, more in the line of Oliver North, than they are modern-thinking activists like Bill Clinton.

To base our policy in Haiti on an analysis done by the CIA, on information supplied by the CIA, is to get off on the wrong foot. They chose to fight back and to wage a vendetta against the man that they could not predict would win the election, Aristide, so they have waged a war on Aristide, assassinating Aristide's character at every turn.

Where are we right now? They are saying right now that the best thing that could happen to Haiti would be for Aristide to make another concession to the military, to the thugs, to the drug smugglers, one more concession they want. They say that would solve the problem, but Aristide allowed them to name people in a cabinet, appoint a prime minister, name a cabinet, and the military people have lined up a cabinet for him to name.

That is what we are saying now, that Aristide is a bad guy because he will not agree to a total sell-out, a sell-out that any sophomore in high school could understand. It is not a subtle sell-out, it is a total sell-out, an obvious sell-out.

They would just say, "We surrender." If what is being proposed by the State Department and the administration's negotiators were to be put in place right now, it would be the end of democracy forever in Haiti, for a long, long time in Haiti, because what they are saying is, "Turn over your government to the enemy, turn over your government to the military thugs that threw you out in the first place. Turn over your government to the people who have always exploited the 7 million people in Haiti. Tell the Haitian people to forget it, there is no hope, and the future will be like the past, surrender."

In answer to that President Aristide said no, and we have a movement underway now to just jettison President Aristide. I expect sometime soon we are going to hear some kind of proclamation that makes President Aristide persona non grata in this situation.

Aristide's answer is the following. I just want to sum it up. Aristide's answer in summary is that, "Yes, I will cooperate in a new initiative, but the new initiative must be consistent with the following eight steps." There must be a departure of the leaders of the September 30 coup as foreseen in the Governor's Island Agreement, an agreement that Aristide signed many months ago. It called for the departure of the military leadership October 15, 1993. They did not abide by the agreement. They did not leave.

Everything that Aristide agreed to, everything that he signed that he would do, Aristide has done.

□ 2140

But the military has not. Aristide says you can get the military out if you would really seriously impose severe sanctions by the Security Council of the United Nations, and accompany that with adoption of measures to train Haitians to participate in the United Nations technical assistance project. If you take measures to end the flow of goods coming into Haiti from the borders of the Dominican Republic, and if you allow an informational campaign for the Haitian population, in other words, the rightfully, legally elected Government of Haiti, headed by President Aristide, which would like for the United States Government to assist it in just beaming television and radio messages into Haiti.

You know, we had Radio Free Europe, we had Radio Havana, the U.S. Government has sponsored and passed many radio information operations, many operations to jump over the borders of a totalitarian government and bring the message. There is nothing now.

We know how to do that. But as elementary and inexpensive an operation as that, we have refused to carry out for the Government of Haiti headed by President Aristide.

He has just asked for these simple things. And that is step one.

Step two, the adoption by the Haitian Parliament of the laws that were foreseen in the New York Pact. The Governor's Island Agreement was signed by President Aristide and called for Haitian amnesty for the leaders of the Haitian coup. He agreed to that, and it is up to the Parliament to adopt what he agreed to.

Step three is the deployment of a technical assistance mission of the United Nations to Haiti.

Step four is name a new prime minister. Aristide is willing to name a new prime minister assisted by the State Department, if they take these other steps first.

Step five is the return to Haiti of President Aristide in 10 days after the naming of a new prime minister. Now, in the plans being proposed by the failed diplomats who are in charge of our Haitian negotiations or Haitian policy, the failed diplomats do not want to mention the return of Aristide at all. They want Aristide to take certain steps to compromise with the military, to name a new prime minister, put people in the cabinet who are his enemies, but they are not willing, even if he does that, they are not willing to say that we shall support your return by a date certain and set a date.

As any intelligent being would request, President Aristide says, "Say when I can return. If you will not say it, I will say it, 10 days after the naming of a new prime minister." That is step five.

Step six, the lifting of the sanctions on Haiti. The embargo would be lifted, because once Aristide is returned, it is no longer necessary to have those sanctions and the embargo. The rightful democratic government would be back in place. There would be confirmation then of a new prime minister, step seven.

And step eight is reinstatement of economic aid to Haiti suspended some time ago when the coup took place.

These are the simple steps that President Aristide has proposed.

The Congressional Black Caucus supports them. Numerous other organizations support them. We will probably be moving to make certain that all of the American people understand the significance of those steps.

The Congressional Black Caucus, at this point, has a position which states, and the President has been made aware of this position, which states clearly that we are in favor of protective military intervention if necessary. We are on record as saying that there are times when only force can resolve the situation, and we do not recommend an attack on anybody in Haiti. But we do recommend in the Congressional Black Caucus position that a force of people be used to return President Aristide to Haiti, that that force of military people be large enough to make certain that President Aristide is protected, all of the members of the legislature are protected, all of the members of the cabinet are protected, everybody who is in any way connected with the government is protected. If someone chooses then to attack their protective force, then the protective force would have to respond likewise. But we are not proposing an invasion. This is the Congressional Black Caucus position at this point.

I might say that it is also the position of the overwhelming number of Haitian people, Haitian-Americans in this country, and it is the position at this point of the Haitian people.

Now, the people of Haiti and the Haitian-Americans in this country at the beginning of this process when Aristide was first overthrown were adamant about the fact that they did not want an invading army to return Aristide. Aristide certainly has not called for an invading army. Aristide has said he wants the Governor's Island Accords enforced. Aristide has said that drug smuggling and the drug industry base in Haiti, that the United States certainly has a right to do something about that. But he has not called for an invasion.

The people of Haiti have called for and made it clear that they are desperate, that they are certain that there is no other way to deal with the situation. Negotiations will not do it.

There is a certain class of human being that knows no other language except force. We saw the SS in Hitler, we saw Saddam Hussein, we have seen in Bosnia murderous slaughter going on and on until force was introduced as a counterbalance to the murderers.

There are some situations which can only be handled by countervailing force, and I consider myself as much of a peace advocate as anybody in the world. I consider myself a follower of Martin Luther King. Nonviolence is always the way you go when you can go that way, but there comes a time when it is impossible to deal with a situation using nonviolent techniques alone. Haiti is one of those situations.

We are dealing with thugs. We are dealing with criminals. They have uniforms on, but they are thugs. They are criminals. They are in control of a drug trade which produces $1 million a month. They are not going to turn loose of that unless it is dislodged by a countervailing force greater than they are.

An army of 6,000 has all the guns, machine guns, hand grenades, all the armored cars, and the population has nothing. So they are in control.

We have the policy. We have proposals which would change the failed United States policy into a policy for returning Haiti to democratic rule.

We are considering further actions. I will quickly summarize those.

We are considering a request from the leadership of the Congress. We have been dealing with the President, the administration, but the leadership of this Congress needs to answer the question: Should we have a separate asylum policy for Haiti? Should we have separate and unprecedented interdiction policies for Haiti? Should we have a blockade around Haiti?

Our Democratic leadership and our Republican leadership, we want their support for the human rights in Haiti, for a return to American principles driving our policy. We want their support. We want support from the leadership. We want support from the total Congress. We want a sense-of-the-Congress resolution that would tell the President that this Congress stands for a policy which treats Haitians as they treat everybody else in the world.

We want a sense-of-the-Congress resolution which says we want an asylum policy which applies to the Haitians the way it applies the the Cubans. We want an end to interdiction on the high seas and the return of people to the terrorists in Haiti. We want an end to the blockade which keeps people inside. We want an end to all of these un-American acts. We want an end to the erosion of the moral authority of the United States of America. We want an end to it.

We want a sense-of-the-Congress resolution which tells the President where we stand.

We want to go further and call a summit on all the people who are interested in justice for Haiti, and by implication interested in having all nations treated equally in this hemisphere, all nations treated equally throughout the world. So that means anybody can come to the summit, not just black leaders, not just American leaders. We want to reach out to the moral leaders of the world. We would love to invite Mikhail Gorbachev to conference and to get involved as a world figure and as a man who is the winner of a Nobel Peace Prize and get him involved. We would like to invite him. Michael Manley from Jamaica, we would like to invite him. We would like to invite any world leader of stature who looks upon this situation and says, "Here is a moral problem first of all," and then want to get involved.

We would like to call on the nations of the United Nations, other than the United States, to deal with the moral issue.

There are four friends of Haiti that have been involved in this situation on a regular basis, Canada, France, Venezuela, and the United States. They have been working cooperatively to try to resolve the problem, but they have been ineffective. We need more than four obviously. Other nations should join.

We call on Japan to join the effort to restore democracy in Haiti. We call on Israel to join. We call on Germany to join the effort. We call on all the nations of the world. We call on Russia to join the effort to restore democracy in Haiti. It should not be confined to just the four friends. They have reached the point where they are paralyzed.

□ 2150

We have a failed policy, and we need other nations to come to the rescue of the four who have failed.

We need a moral crusade for the restoration of democracy in Haiti. That moral crusade should begin in the streets of America. Certainly among African-Americans, the issue of double standard, the issue of separate treatment, the implication that people of African descent can be singled out for separate treatment, is a reason to go to war—nonviolent war—but a war against this administration. This administration must move forward on Haitian policy and confront African-Americans of this Nation who have every reason to feel that this is not just racism that will stop with black Haitians but will be carried forward to black Americans. The danger is there, the danger is clear and present, and we have to have a response to the fact that we have pointed out we understand this danger. A moral crusade for the restoration of democracy in Haiti is not just a foreign policy issue, it is a domestic issue, it is an African-American agenda issue. The spirit of Martin Luther King must rise and march again in order to deal with an evil situation. This is an evil situation.

Aristide is the key to the solution. It is a simple solution, as I said before. The CIA analysis is totally wrong. The CIA analysis would like to have the American people believe that Aristide is some kind of egomaniac. Since when does an egomaniac become a priest and as a priest take the poorest church in the hills of a rural area as his beginning church and as a priest move on to one of the poorest churches in the slums of Port-au-Prince? That is not the behavior of an egomaniac.

Since when does an egomaniac lecture to youth groups, try to convert prostitutes, and day in and day out live with his parishioners to try to console their suffering, their poverty? This is not the behavior of an egomaniac. But that is the beginning of Jean-Bertrand Aristide.

He began as a priest, he came under suspicion by the church merely by quoting from the Bible revolutionary statements, in their opinion, statements that called for justice for the poor. His church peers considered that revolutionary in the context of Haiti. So they began to watch him. They sent him all over the world to study, to get him out of Haiti. He studied in Canada, in Israel. Jean-Bertrand Aristide speaks 8 languages. He speaks Hebrew very well, better then he speaks English. He does speak English, Spanish, on and on.

Jean-Bertrand Aristide is a scholar. Jean-Bertrand Aristide is a poet. Jean-Bertrand Aristide is a writer, he is a theologian. Jean-Bertrand Aristide is a philosopher. Jean-Bertrand Aristide is an honest man who inspires the confidence of millions. Jean-Bertrand Aristide never trained to become a politician. He did not seek public office. There was no game plan that he had.

And the one criticism of Jean-Bertrand Aristide that is true is that Jean-Bertrand Aristide knows very little about politics. He knows very little about statecraft. These are the things that you have to buy, statecraft; many experts, good, well-qualified people in Haiti, can be pulled in to run the details, do the micromanagement of the state. That can be done if you establish an honest government. What Jean-Bertrand Aristide has is vision, what Jean-Bertrand Aristide has is compassion. He inspires trust. A nation of people who had given up hope, 7 million of them, looked to him for leadership. He gives hope.

The only person who can bring Haiti together and make Haiti function as a nation instead of as a pirate cove—that is what it has always been, a cove, a bandit cove where a handful of elite families owned the top plantations and had almost a situation where the rest of the population was enslaved. They shared power with the military, who used drugs and other kinds of corrupt practices to rake off as much money as they could from the population.

So this is what Haiti is today, and this is what it was in the past. Jean-Bertrand Aristide can break that pattern. Jean-Bertrand Aristide has certain qualities possessed by George Washington. George Washington was an unselfish man without a drive toward power. When the crown was put on George Washington's head by his officers and they wanted to make him a king, he refused. If he had been an egomaniac, if he had been power-driven and accepted the crown, he would have thrown the infant nation of the United States into a moral turmoil that probably would have lasted for decades. But that unselfish act by George Washington was probably his greatest act, probably the greatest thing he ever did. He refused to be crowned king.

Aristide never wants to become king, he never aspired to assume power in Haiti. His concern has always been for the people on the bottom, the people in the slums, for the suffering that he wants to relieve in some way.

They said Aristide was unstable, that is another big lie perpetrated by the CIA and repeated by certain people in the other body. Aristide is unstable, they say. They even believe—somebody got the details of documentation, and they said Aristide spent some time in a Canadian hospital for mental treatment. They gave the name of the doctor. The secret CIA suddenly let out some of their secrets. Well, once their secrets were let out, you could check them. They double-checked the documentation of the CIA and found that the hospital did not exist, there was no such hospital, and there was no doctor by that name.

So the one thing that could be checked, that was checked, was found to be a total falsehood.

All you have to do is sit in the company of President Aristide for 1 hour and you know this is not an unstable person, this is not an egomaniac, this is a man of stature, the stature of Martin Luther King, Nelson Mandela, Mohandas Gandhi.

What the CIA cannot see, what they are blind to, is greatness. Obvious greatness that everybody else can see, obvious greatness that millions of people who voted in Haiti could see. The CIA is blind to it. They are so corrupt, so caught up in their cultural secrecy, so out of touch with the world, such blunderers, such expensive misfists that they cannot see the obvious. But the obvious is true; Aristide is a great man. And it does not matter what the United States does, it does not matter what the United Nations will do in the future, you will never take away from Aristide the role that he has at this point and will continue to have in the lives of the people of Haiti.

The man is moving toward sainthood. We do not want martyrs, but certainly he has been a candidate for martyrdom several times.

If there is anybody in the world who deserves to be unstable or slightly mentally off, it would be Jean-Bertrand Aristide. Jean-Bertrand Aristide has faced death three times, he has stared down death three times that have been documented, three times where there have been guns pointed at Aristide's face and head. That is three times.

The most dramatic situation happened when the church that Aristide was pastor of was raided by the military thugs—this is before he entered politics, before he had become president—the church was raided by people with machineguns on a Sunday morning while Aristide ws saying mass. They came in with the machineguns, and they shot men, women, and children. They piled up at the edges trying to escape.

A group of people in the church led Aristide upstairs into a room in the church. Of course, the bandits who came with their guns were primarily seeking him. They came into the room where he was, and while he lay on the bed and listened, not trying to escape, not doing anything, they debated who would kill him. They debated who would kill him.

And you may call it a miracle, but they decided they would go away and not shoot him at all.

If that did not unnerve Aristide, if that was not the kind of experience that would shake someone up and to make them a bit unusual mentally, then there is no other way to do it.

He has every reason. That was just one of the three attempts where he was staring death in the face and he survived.

□ 2200

As my colleagues know, Aristide is being treated by this administration and the failed diplomatic State Department as if he was a ward boss from one of our big cities, a tinhorn politician. They are so blind, and there is so much racism there, that they cannot see the caliber of the man they are dealing with. History will spit on them, and their judgment and their analysis, as a result of the way they are treating Jean-Bertrand Aristide. Our overreliance on the CIA analysis has generated an entrenched, wrong-headed policy starting from the CIA to generate our policy on Haiti. We have gone from one failure to another. We have gone down, down, down into a bottomless pit, but now we are watching the moral authority of the United States being eroded.

Mr. Speaker, this little country and this little situation is taking a grip on the moral authority of the country. This little situation is mushrooming into a situation that will have African-Americans in the streets of our Nation because they understand the implications of a double standard where black people are concerned because black people are involved and they are treated a different way. They are not going to wait for the implications to play themselves out. They are going to protest and rise up now.

Duplicity and deception permeate this failed policy toward Haiti. We say on the one hand we are for democracy, we want to return Aristide. On the other hand we have the officers who will overthrow him on the payroll of the CIA. We have done nothing really to send a message to those officers that we will not tolerate their staying there indefinitely. We are saying on the one hand we want them to go. On the other hand we are doing nothing to remove them. We are doing nothing to send a message to really remove those officers. The pressure is all on Aristide.

So the duplicity and the fraud of our present policy must end. The failed diplomats who have perpetrated this policy must be removed. The people that President Clinton has in charge of the Haitian foreign policy are men not of his generation. They are men who are obsolete in their way of looking at the world. They are men who cannot solve this problem because they have blinders on, and they see the world through glasses that are tinted with the past, and they can do nothing more than fail.

The President must strike out on his own and remedy this problem. I think my colleague, the gentleman from Massachusetts [Mr. KENNEDY], has summed it up very well. Some of the points I already made he makes in a letter to the President dated February 18. He calls on the President, he urges the President, to lead an effort in the United Nations to impose a worldwide freeze on assets and visas of the entire officer corps and their civilian supporters. Some of us have been led to believe that that had already been done. They deliberately made us think that the United States had imposed a freeze on the assets of most of the officers and denied them visas a long time ago. We are seeing now that that was only on a few of the top leaders, so there was duplicity and some fraud in previous policy proclamations.

Mr. Speaker, the gentleman from Massachusetts [Mr. KENNEDY] goes further to ask the President to urge the United Nations to impose a total commercial embargo against Haiti, including financial transactions on air travel. The only exemptions should be for food, medicine and strictly humanitarian goods or services.

Point three: Put additional pressure on the Dominican Republic to cut the flow of goods across the border with Haiti and allow an international observer at the border.

Four: Increase radio and television broadcasts to Haiti to break the military's control of information and explain the steps the military must take to end the sanctions, and explain that to the Haitian people.

And point five in Mr. KENNEDY'S letter to the President:

Work with other countries to set the groundwork for reintroducing the U.N. and OAS technical mission and human rights mission as soon as possible.

There are other people like the gentleman from Massachusetts [Mr. KENNEDY], who are concerned about this situation who have written to the President, other Members of Congress. There are organizational heads. Recently a statement was signed by the head of about a hundred organizations asking for the same things to take place.

And on January 3, Mr. Speaker, I wrote a letter to the President that I would like to close with. I think in the final analysis it is up to President Clinton. The people around here are not capable of solving this problem. The men in the CIA who have been handling the Haitian policy should be removed totally. The people in the State Department who have been handling Haitian policy should be removed. We should replace them with people of his own generation who understand the world as he understands it.

I wrote a letter to the President making this plea, that he take this kind of action. I want to close with a quote from this letter.

> Mr. President, please be assure that we recognize that the decision for new action to move the Haitian situation forward will not be an easy one. We also recognize that you alone will have to choose the course for United States policy and action. Whether Haiti continues to be an island of seven million human souls being trampled deeper into the mud of poverty and disease by a murderous, heartless army and a dozen feudal lords; or whether Haiti will have a new birth as a nation can only be determined by you, Mr. President.
>
> We strongly urge that you act alone if necessary, Mr. President. It is not exaggerating to say that you are presently in a position comparable to the one occupied by President Truman on the eve of his decision to recognize the State of Israel. Public opinion was against the recognition of Israel. The CIA strongly opposed recognition. The majority of the members of Congress and the members of the President's cabinet including General George Marshall opposed U.S. recognition of Israel. President Truman was left alone to meditate in communion with the wisdom of the ages. The President decided to recognize Israel and thus set in motion a chain reaction which gave birth to, and nurtured the survival of a great nation.
>
> It is also not exaggerating to state that most of the seven million people of Haiti are forced to exist in a state close to slavery. As we all know, when Abraham Lincoln proposed the issuance of the Emancipation Proclamation all of his cabinet members voted no. To free the slaves Lincoln cast the only yes vote.
>
> Mr. President, the fate of the Haitian nation is in your hands. Please remember that history always applauds, validates, and honors those leaders who take risks to help the least powerful among us.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COOPER). The Chair would advise the gentleman that remarks made on the floor must be addressed to the Chair and not to the President.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCHIFF (at the request of Mr. MICHEL), for today and the balance of the week, on account of a death in the family.

Mr. MCDADE (at the request of Mr. MICHEL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GEKAS) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS, for 5 minutes, today.

Mr. EWING, for 5 minutes, today.

(The following Members (at the request of Mr. NEAL of Massachusetts) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. RICHARDSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GEKAS) and to include extraneous matter:)

Mr. SOLOMON in four instances.
Mr. ZELIFF in two instances.
Mr. GILMAN.
Mr. MACHTLEY.
Mr. LEACH in two instances.
Mr. POMBO.
Mr. DORNAN in three instances.
Mr. GALLEGLY.
Mr. BURTON of Indiana.
Mr. LAZIO.
Mr. GINGRICH.

(The following Members (at the request of Mr. NEAL of Massachusetts) and to include extraneous matter:)

Mr. DEUTSCH.
Mr. DELLUMS.
Mr. POSHARD.
Mr. JACOBS.
Mrs. MALONEY.
Mr. CARR.
Mr. SYNAR, in two instances.
Mr. MARKEY, in two instances.
Mr. MANN.
Mr. STARK.
Mr. LANTOS.
Mr. NEAL of Massachusetts, in two instances.
Mr. WAXMAN.
Mr. HAMILTON in two instances.
Mr. NADLER.
Mr. HALL of Ohio.
Mr. SKELTON in two instances.
Mr. ROEMER.
Mr. REED in four instances.
Mr. RICHARDSON.
Mr. HINCHEY.
Ms. ESHOO in 14 instances.
Mr. KOPETSKI.
Ms. WOOLSEY.
Ms. KAPTUR.
Mr. LEVIN.
Mr. LAFALCE in two instances.
Mr. LEWIS of Georgia.
Mr. BECERA.
Mr. BARCIA of Michigan.
Mr. SERRANO.
Mr. CLEMENT.

(The following Member (at the request of Mr. OWENS) and to include extraneous matters:)

Mr. LAROCCO in three instances.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 8 minutes p.m.), the House adjourned until tomorrow, Thursday, March 3, 1994, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2671. A letter from the Principal Deputy Under Secretary of Defense, transmitting notification that the report on the effects of the post-cold war officers strength reductions on the officer personnel management system will be sent to the Congress by early April 1994; to the Committee on Armed Services.

2672. A letter from the Chairman, National Commission on Manufactured Housing, transmitting the Commission's interim report, pursuant to Public Law 101–625, section 943(d)(2) (104 Stat. 4414; 103 Stat. 1150); to the Committee on Banking, Finance and Urban Affairs.

2673. A letter from the Transition Manager, U.S. Enrichment Corporation, transmitting the corporation's annual report for fiscal year 1993, pursuant to Public Law 102–486, section 901 (106 Stat. 2929); to the Committee on Energy and Commerce.

2674. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by David M. Ransom, of the District of Columbia, to be Ambassador to the State of Bahrain, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2675. A communication from the President of the United States, transmitting further information on the deployment of United States combat-equipped aircraft to support NATO's enforcement of the no-fly zone in Bosnia and Herzegovina (H. Doc. No. 103–213); to the Committee on Foreign Affairs and ordered to be printed.

2676. A letter from the Director, Office of Public Affairs, Department of Agriculture, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552; to the Committee on Government Operations.

2677. A letter from the President and Chairman, Export-Import Bank of the United

States, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2678. A letter from the Federal Housing Finance Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2679. A letter from the FOIA Officer and General Counsel, Federal Mediation and Conciliation Service, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552; to the Committee on Government Operations.

2680. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(a); to the Committee on Government Operations.

2681. A letter from the International Boundary and Water Commission, United States and Mexico, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2682. A letter from the Chairman, National Mediation Board, transmitting the annual report on activities of the inspector general for fiscal year 1993, pursuant to Public Law 95–452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2683. A letter from the Secretary of Health and Human Service, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2684. A letter from the Director, U.S. Information Agency, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2685. A letter from the Administrator, U.S. Small Business Administration, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(a); to the Committee on Government Operations.

2686. A letter from the Clerk, U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period October 1, 1993 through December 31, 1993, pursuant to 2 U.S.C. 104a (H. Doc. No. 103–214); to the Committee on House Administration and ordered to be printed.

2687. A letter from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting the Department's notice on leasing systems for the central Gulf of Mexico, sale 147, scheduled to be held in March 1994, pursuant to 43 U.S.C. 1337(a)(8); to the Committee on Natural Resources.

2688. A letter from the Office of the Marshall, Supreme Court of the United States, transmitting the annual report on administrative costs of protecting Supreme Court officials, pursuant to 40 U.S.C. 13n(c); to the Committee on the Judiciary.

2689. A letter from the Executive Director of Government Affairs, Non Commissioned Officers Association of the United States of America, transmitting the annual report of the Non Commissioned Officers Association of the United States of America, pursuant to Public Law 100–281, section 13 (100 Stat. 75); to the Committee on the Judiciary.

2690. A letter from the Secretary, Department of Transportation, transmitting the Department's 1993 annual report on the recommendations received from the National Transportation Board regarding transportation safety, pursuant to 49 U.S.C. app. 1906(b); to the Committee on Public Works and Transportation.

2691. A letter from the Inspector General, Department of Commerce, transmitting the Department's report on the limitation on use of appropriated funds to influence certain Federal contracting and financial transactions, pursuant to Public Law 101–121, section 319 (103 Stat. 752); jointly, to the Committees on Government Operations and Appropriations.

2692. A letter from the Secretary, Department of the Interior, transmitting certification that lands for the Central Arizona Project [CAP] has had an adequate soil survey, land classification has been made, and that the lands to be irrigated are susceptible to agricultural production by irrigation, pursuant to 43 U.S.C. 390a; jointly, to the Committees on Natural Resources and Appropriations.

2693. A letter from the Secretary, Department of Health and Human Services; transmitting a report on the incidence of radiation related silicosis and pneumoconiosis in uranium miners, pursuant to Public Law 101–426, section 12 (104 Stat. 926); jointly, to the Committees on the Judiciary, Energy and Commerce, and Education and Labor.

2694. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled, "Export Administration Act of 1994"; jointly, to the Committees on Foreign Affairs, Banking, Finance and Urban Affairs, Ways and Means, Public Works and Transportation, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. SLAUGHTER: Committee on Rules. House Resolution 374. Resolution to request a conference with the Senate on an amendment of the House to the bill S. 636 (Rept. 103–427). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACOBS (for himself and Mr. BUNNING):

H.R. 3935. A bill to amend title II of the Social Security Act to establish a continuing disability review account in the Federal disability insurance trust fund which shall be available solely for expenditures necessary to carry out continuing disability reviews; to the Committee on Ways and Means.

By Mr. DUNCAN (for himself, Mr. SOLOMON, Mr. BAKER of California, Mr. CANADY, Mr. FROST, Mr. DOOLITTLE, Mr. MCHUGH, and Mr. LEVY):

H.R. 3936. A bill to provide the penalty of death for federally prescribed kidnappings resulting in the death of a minor; to the Committee on the Judiciary.

By Mr. GEJDENSON (by request):

H.R. 3937. A bill entitled: "The Export Administration Act of 1994"; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H.R. 3938. A bill to provide duty-free privileges to participants in, and other individuals associated with, the 1994 World Rowing Championships; to the Committee on Ways and Means.

By Mr. SLATTERY (for himself, Mr. MCMILLAN, and Mr. PENNY):

H.R. 3939. A bill to amend the Public Health Service Act to eliminate the incentives that lead to increased prices and utilization of clinical laboratory diagnostic testing services and other ancillary health services; to the Committee on Energy and Commerce.

By Ms. WOOLSEY (for herself and Mr. DICKEY):

H.R. 3940. A bill to provide funds for postage for mailing of information on active stranger abduction investigations; jointly, to the Committees on Post Office and Civil Service, the Judiciary, and House Administration.

By Mr. ZIMMER (for himself and Mr. BACCHUS of Florida):

H.R. 3941. A bill to amend section 207 of title 18, United States Code, to tighten restrictions on former executive and legislative branch officials and employees; to the Committee on the Judiciary.

By Mr. APPLEGATE:

H.R. 3942. A bill to amend the Internal Revenue Code of 1986 to exclude strike benefits from gross income; to the Committee on Ways and Means.

By Mr. BLUTE:

H.R. 3943. A bill to prevent persons that have drug use or alcohol use problems from occupying dwelling units in public housing projects designated for occupancy by elderly families, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LAROCCO (for himself, Mr. FAZIO, and Ms. ENGLISH of Arizona):

H.R. 3944. A bill to provide for a demonstration program to develop and implement special management practices for certain National Forest System lands; jointly, to the Committees on Natural Resources and Agriculture.

By Mr. GEPHARDT:

H. Res. 375. Resolution relating to a question of the privileges of the House; considered and agreed to.

By Mr. JOHNSON of South Dakota:

H. Res. 376. Resolution amending the Code of Official Conduct of the Rules of the House of Representatives to require that contributions to legal defense funds for the benefit of Members shall be treated as campaign contributions; to the Committee on Standards of Official Conduct.

By Mr. GOSS:

H. Res. 377. Resolution instructing the Committee on the Budget to make the precise spending cuts set forth in this resolution to save $285 billion over the next 5 fiscal years unless the committee determines that any such cuts would be unjustified; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII.

292. The SPEAKER presented a memorial of the Senate of the State of Louisiana, relative to the designation of critical habitat for the Louisiana black bear in certain portions of south Louisiana; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PETERSON of Minnesota:

H.R. 3945. A bill providing for a 5-year extension of patent numbered 4,062,141 (relating to a waterfowl decoy); to the Committee on the Judiciary.

By Mrs. VUCANOVICH:

H.R. 3946. A bill to require the Secretary of Agriculture to convey certain lands in Austin, NV, to the Austin Historic Mining District Historical Society, and for other purposes; to the Committee on Natural Resources.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. Hoagland.

H.R. 115: Mr. Abercrombie.

H.R. 171: Mr. Ewing.

H.R. 300: Mr. Montgomery and Ms. Furse.

H.R. 302: Mr. Fingerhut, Mrs. Fowler, Mr. Doolittle, Ms. Lowey, Mr. Barlow, and Mr. Waxman.

H.R. 408: Mrs. Fowler.

H.R. 439: Mr. Levy.

H.R. 455: Mr. Hamburg.

H.R. 476: Mr. Goodling.

H.R. 493: Mr. Bachus of Alabama.

H.R. 494: Mr. Barlow.

H.R. 702: Mr. Condit, Mr. Torkildsen, Mr. Bunning, Mr. Burton of Indiana, and Mr. Zeliff.

H.R. 703: Mr. Moran.

H.R. 746: Mr. Calvert and Mr. Parker.

H.R. 786: Ms. Pryce of Ohio.

H.R. 885: Mr. Torkildsen and Mr. Stupak.

H.R. 911: Mr. Sangmeister.

H.R. 979: Mr. Wheat.

H.R. 1031: Mr. Pomeroy.

H.R. 1056: Ms. Furse, Mr. Young of Alaska, Mr. Rowland, Mr. Hall of Texas, Mr. Bishop, and Mr. Filner.

H.R. 1110: Mr. Stump.

H.R. 1168: Mr. Franks of New Jersey, Mr. Bachus of Alabama, and Mrs. Meyers of Kansas.

H.R. 1171: Mr. Smith of Iowa and Mr. Costello.

H.R. 1203: Mr. Diaz-Balart.

H.R. 1349: Mr. Goss, Mr. Hayes, and Mr. Canady.

H.R. 1493: Mr. Portman and Ms. Shepherd.

H.R. 1517: Mr. Walsh.

H.R. 1552: Mr. McHugh.

H.R. 1572: Mr. Zimmer.

H.R. 1712: Mr. Mica, Mr. Ballenger, and Mr. Torkildsen.

H.R. 1719: Mr. Walsh and Mr. Hansen.

H.R. 1767: Mrs. Lloyd, Ms. Furse, Mr. Rose, Mr. Evans, Mr. Rogers, and Mr. Emerson.

H.R. 1886: Mr. Coleman, Mr. Pastor, Mr. Synar, and Mr. Evans.

H.R. 1986: Mr. Ehlers and Mr. Costello.

H.R. 2019: Ms. Eshoo.

H.R. 2135: Mr. Torkildsen.

H.R. 2153: Mr. Johnston of Florida, Mr. Machtley, and Mr. Rangel.

H.R. 2293: Ms. Brown of Florida.

H.R. 2444: Mr. Barton of Texas, Mr. Gordon, and Mr. Dornan.

H.R. 2573: Mr. Sanders, Mr. Ramstad, Mr. Engel, Mr. Sawyer, and Mr. Nadler.

H.R. 2641: Mr. Pastor and Ms. DeLauro.

H.R. 2721: Mr. Hochbrueckner.

H.R. 2826: Ms. Byrne, Ms. Harman, Mr. Shaw, Mr. Sensenbrenner, Mr. Rangel, Mr. Pastor, Mr. Meehan, Mr. Barca of Wisconsin, Mr. Fish, Ms. Long, Mr. de Lugo, Mrs. Unsoeld, Ms. Eddie Bernice Johnson of Texas, Mr. Zeliff, Mr. Cardin, Mr. Gene Green of Texas, Mr. Moran, Mr. Owens, Ms. DeLauro, Mr. Gingrich, Mr. Lazio, Mr. Doolittle, and Mr. Rahall.

H.R. 2866: Mr. Rangel, Mr. Flake, Mr. Nadler, and Mr. Glickman.

H.R. 2896: Mr. Gejdenson, Mr. Solomon, and Mr. Evans.

H.R. 2898: Mr. Farr and Ms. Shepherd.

H.R. 2930: Mr. Evans, Mr. Hinchey, Mrs. Mink of Hawaii, and Mr. Taylor of Mississippi.

H.R. 2959: Mr. Taylor of North Carolina, Mr. Shaw, Mr. Solomon, Mr. Istook, Mr. DeLay, Mr. Armey, Mr. Herger, and Mr Stump.

H.R. 3075: Mr. Rush.

H.R. 3105: Mr. Doolittle, Mr. Saxton, and Mr. DeLay.

H.R. 3184: Ms. Norton.

H.R. 3245: Mr. Nadler.

H.R. 3251: Mr. Emerson, Mr. Kingston, Mr. Parker, and Mr. Lewis of Florida.

H.R. 3278: Mr. Vento.

H.R. 3288: Mr. Wolf.

H.R. 3305: Mr. Olver.

H.R. 3328: Mr. Hefley and Mr. Washington.

H.R. 3333: Mr. DeLay.

H.R. 3373: Mr. Ehlers and Mr. Pallone.

H.R. 3374: Mr. Pallone and Mr. Ehlers.

H.R. 3392: Mr. Deal, Ms. Pryce of Ohio, Mr. Ackerman, Mr. Ramstad, Mr. Sensenbrenner, Mr. Mazzoli, Mr. Wolf, Mr. Ortiz, and Mr. Schiff.

H.R. 3421: Mr. Pete Geren of Texas, Mr. Combest, and Mr. Pombo.

H.R. 3424: Mr. Linder, Mr. Coleman, and Ms. Furse.

H.R. 3464: Mr. Moorhead, Mrs. Lloyd, and Mr. Weldon.

H.R. 3513: Mr. Andrews of Maine and Mr. Meehan.

H.R. 3550: Mr. Frost, Mr. Serrano, and Mr. Washington.

H.R. 3572: Mr. Nadler and Mr. Romero-Barceló.

H.R. 3611: Mr. Waxman.

H.R. 3620: Mr. Ehlers, Mr. Dornan, Mr. Rohrabacher, and Mr. Kim.

H.R. 3645: Mr. Hansen, Mr. Gekas, and Mr. Miller of Florida.

H.R. 3685: Mr. DeLay and Mr. McCollum.

H.R. 3706: Ms. McKinney, Mr. Olver, and Mr. Pallone.

H.R. 3743: Mr. Mann, Ms. Eddie Bernice Johnson of Texas, and Mr. Pastor.

H.R. 3757: Mr. Ehlers.

H.R. 3808: Mr. Sanders

H.R. 3814: Mr. Ewing, Mr. Solomon, Mr. Smith of Michigan, Mr. Talent, Mr. Petri, Mr. Lewis of Florida, Mr. Dornan, Mr. Rogers, Mrs. Roukema, Mr. Boehner, Mr. Mica, and Mr. Ballenger.

H.R. 3838: Mr. Neal of Massachusetts and Mr. Foglietta.

H.R. 3849: Mr. Barton of Texas.

H.R. 3860: Mr. Dornan, Mr. Pombo, and Mr. Saxton.

H.R. 3866: Mr. Evans, Mr. Frost, Mrs. Collins of Illinois, Mr. Wilson, Mr. Barca of Wisconsin, and Mrs. Meek of Florida.

H.R. 3876: Mr. Gekas.

H.R. 3877: Mr. Frost.

H.R. 3878: Mr. Klein and Ms. Eddie Bernice Johnson of Texas.

H.R. 3880: Mrs. Vucanovich, Mr. Livingston, Mr. Rogers, and Mr. Goss.

H.R. 3900: Mr. Carr and Mr. Payne of Virginia.

H.R. 3905: Mr. Wyden.

H.R. 3916: Mr. Franks of New Jersey and Mr. Klink.

H.R. 3927: Mr. Laughlin and Ms. Pelosi.

H.J. Res. 9: Mr. Taylor of North Carolina and Mr. Dreier.

H.J. Res. 113: Ms. Eddie Bernice Johnson of Texas.

H.J. Res. 117: Mr. Pomeroy.

H.J. Res. 209: Mr. Lantos and Mr. Gunderson.

H.J. Res. 233: Mr. Gallo and Mr. Borski.

H.J. Res. 278: Mr. Farr, Mrs. Bentley, Mr. Fish, Mr. Hilliard, Ms. Velázquez, Mrs. Roukema, Mr. Saxton, Mr. Wolf, Mr. Klein, and Ms. Brown of Florida.

H.J. Res. 297: Mr. Parker, Mr. Klein, and Mr. Gordon.

H.J. Res. 310: Mr. Vento, Mr. Pastor, Mr. Clay, Mr. Ravenel, Mr. Hefner, Mr. Cramer, Mr. Faleomavaega, Mr. Gallegly, Mr. Talent, Mr. Hinchey, Mr. Ackerman, and Mr. Brewster.

H.J. Res. 322: Mr. Borski, Ms. Pelosi, Mr. Hochbrueckner, Mr. Kasich, Mr. Volkmer, Mr. Gallo, Mr. Lipinski, Mr. Walsh, Mr. Barrett of Nebraska, Mr. Evans, Mr. Bliley, Mrs. Morella, Mr. Hughes, Mr. Dingell, Mr. Bevill, Mr. Faleomavaega, Mr. Waxman, Mr. Bereuter, Mr. Sabo, and Mr. Andrews of Maine.

H.J. Res. 328: Mr. Kasich, Mr. Faleomavaega, Mr. McNulty, Mr. Waxman, Mr. Klein, Mr. Borski, Mr. Quinn, Mr. Blute, and Mr. Frost.

H. Con. Res. 35: Ms. Eddie Bernice Johnson of Texas and Mr. Montgomery.

H. Con. Res. 47 Mr. Pomeroy.

H. Con. Res. 91: Mr. Bonior.

H. Con. Res. 152: Mr. Ridge, Mr. McCurdy, and Mr. Smith of New Jersey.

H. Con. Res. 154: Mr. Rohrabacher, Mr. Sanders, Mr. Hughes, Ms. Woolsey, Mr. Barrett of Wisconsin, Mrs. Meyers of Kansas, Mr. Hinchey, Mr. Torkildsen, Mr. Miller of California, Ms. Ros-Lehtinen, Mr. Klein, and Mr. Murphy.

H. Con. Res. 166: Mr. Bilbray, Mrs. Meyers of Kansas, Mr. Penny, and Mr. Hastings.

H. Con. Res. 173: Mr. Rangel, Mr. Hughes, Mr. Ehlers, Mr. Canady, Mr. Ford of Michigan, Ms. Snowe, Ms. McKinney, and Mr. Volkmer.

H. Con. Res. 176: Mr. Fazio.

H. Con. Res. 199: Mr. Skelton, Mr. Walsh, Mr. Menendez, Mr. Gekas, Mr. Faleomavaega, Mr. Parker, Mr. Yates, and Mr. Mann.

H. Con. Res. 201: Mr. Gilchrest, Mr. Porter, Mr. Bachus of Alabama, Mr. Darden, Mr. Walsh, and Mr. Gekas.

H. Con. Res. 202: Mr. Upton, Mr. Nadler, Ms. Woolsey, Ms. Furse, and Mrs. Mink of Hawaii.

H. Con. Res. 210: Mr. Schumer, Mr. Gekas, Ms. Lowey, Mr. Torkildsen, Mr. Meehan, Mr. Frank of Massachusetts, and Mr. Horn.

H. Res. 238: Mr. Saxton.

H. Res. 255: Mr. Ridge, Mr. Pomeroy, Mr. Kingston, Mr. Armey, Mr. Barrett of Wisconsin, Mr. Swett, Mr. Portman, Mr. McCollum, Mr. Dornan, Mr. Bonilla, and Mr. DeFazio.

H. Res. 362: Mr. Evans, Mr. Hughes, and Mr. Klein.

H. Res. 365: Mr. Bunning and Mr. Torkildsen.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3421: Mr. Greenwood.

EXTENSIONS OF REMARKS

UNIVERSITY-SMALL BUSINESS COLLABORATION: KEY TO AMERICAN ECONOMIC COMPETITIVENESS

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. POSHARD. Mr. Speaker, I rise today to recognize one of the most important trends in the American economy over the past decade—collaboration between our Nation's universities and small business entrepreneurs. From biotechnology to computer software, these collaborations are changing the landscape of American industry, generating high-tech economic development and high-wage jobs, and enabling American companies to compete and to win in the international marketplace.

In the last Congress, I initiated the legislation which created the Small Business Technology Transfer [STTR] Program, which joins together universities and small businesses in cooperative R&D projects, in order to move innovative ideas from the university laboratory to the marketplace. One of the key supporters of that initiative, and of the Small Business Innovation Research [SBIR] legislation, was the National Association of State Universities and Land Grant Colleges [NASULGC]. In fact, NASULGC, which represents nearly 180 public universities across the United States, consistently has risen above narrow political interests to embrace the larger vision: That universities and businesses have far more to gain by collaborating than by competing, and that such collaborations are the way that this Nation can compete economically in the global marketplace of the 1990's and beyond.

Mr. Speaker, the President of NASULGC, Dr. Peter Magrath, delivered an eloquent statement of that vision at a recent SBIR/STTR conference. His remarks carry an important message for the university community, the business community, and Federal policymakers, and I wish to include them in the RECORD.

CHANGE, COOPERATION, AND COLLABORATION EQUALS COMPETITIVENESS

There is a story of a little boy who was deaf and who never spoke a single word all the seven years of his young life. Nevertheless, his mother cared for him with undiminished love and tenderness. One morning as she brought him his breakfast in the dining room, he suddenly said:

"Take this damn lousy oatmeal back to the kitchen."

"Darling," she exclaimed, "you can speak! I'm thrilled, I'm overjoyed, but tell me; why didn't you ever say anything before now?"

"Well," he said, "up till now everything has been okay."

Roland Schmidt, former GE President and later President of RPI: "Business corporations are institutions designed by geniuses to be run by idiots; Universities are enterprises designed by idiots to be run by geniuses."

"I have a rotten sense of timing."—Mark Muriello of Park Ridge, N.J., whose car was recovered intact after the World Trade Center explosion. He had driven to work for the first time in five years.

The meaning and the lessons to be drawn from the above stories will be explained later, but for the moment let me state my fundamental thesis clearly and directly. All of those participating in the workshop conference are involved in an environment or context that is one of change and opportunity: and that opportunity is a very straightforward one. Cooperation and collaboration among universities, small and medium sized businesses, and national laboratories is not something that we should do because it is "nice," but something that is essential if we are interested in competitiveness and, for those in the business sector, profits. And in furthering these opportunities the association I represent, consisting of nearly 180 of this nation's leading public universities, have much both to gain and to offer.

Before elaborating this thesis, let us take a look at the research and economic competitiveness context of 1994, in other words where we are today.

No one has to elaborate on the difficult times our country has experienced in many areas. Neither need we describe in detail the economic difficulties still before us. The litany of concerns is quite dramatic: job losses at all levels of society, the closing of factories, the "downsizing" of some of our most heralded corporations, the problems attendant on imbalances in foreign trade, and the loss of whole industries to foreign competitors. Everyone sitting in this room knows as much about it as I do and more. You also know about the reactive turnaround: a good increase in the number of American automobiles sold in the U.S. this year, the millions of new jobs created in industry, and the tightening up of a whole range of American business and industry so that our workers are becoming more productive than ever.

But the challenges, and opportunities before us are formidable; that is why we are here. Our ability to meet the challenge to be more competitive—and generate profits and new capital—may depend far more on our capacity to change attitudes, our own and others than on questions of markets and productivity and investments. We need to be flexible and creative in our attitudes about each other and the ways in which we can work together for our mutual benefit.

And ironically, the extraordinary success of the so-called American century in which the United States dominated the world's markets, expanded its universities to become the best in the world, and created a standard of living for its average worker even beyond the dreams of labor and management—ironically, that very success may now be one of our great barriers. One of my senior colleagues, Jerry Roschwalb, recently pointed out to me that, without regard to the specific pros and cons of the health care reform proposals, bringing reform about was going to be a diabolically difficult task simply because the vast majority of Americans had a health insurance and medical system that was pretty good. Their last surgery or the delivery of their newest baby or any other of their costly medical needs had been taken care of rather well. To be sure, the system is expensive, soaring toward the trillion dollar per year mark, and consuming about 14% of the GNP. But for the average Joe Six Pack or his boss, why mess around with it? The fact, of course, is that the health care system does need fixing. And the same is true of the way we have approached the world of American manufacturing and the whole range of areas of technology on which the future of this country is totally dependent.

Despite some issues and problems, the federal laboratories have done their important and interesting work well according to their agendas. Universities have operated pretty much the same and produced remarkable new knowledge, and industry has operated within industry producing quality products and a high quality of American life. Much of this will continue and much of this works, but a large amount of this work—by the laboratories, the universities, and the businesses—has been done in a self-imposed isolation. Too often the various sectors of American science and technology and business allow themselves the luxury of being cut off from one another rather than working cooperatively with one another.

It seems to me that the time is past when we are going to be comfortable sharing an inadequate national R&D budget. Competitiveness will not arise from that. The road we are beginning to travel—this meeting is part of it—runs at least in two directions, often more, and all of us are going to have to learn to travel along the road in the company of others. We must learn to work together, and that requires learning to trust each other. And the way that is done is the way every kind of trust in human experience occurs—through experience, and some prudent risk taking. We must learn that it is possible to support one another without losing our core identity. We must learn to use one another in the positive and productive sense of that verb.

In order to foster that kind of cooperative work and mutual trust we can build on and draw lessons from the philosophy that lay behind the Morrill Act of 1862 creating many of the universities in my associations. I refer of course to the land-grant philosophy that American education must be predominantly public; that it must be focused on research and knowledge that can be applied for practical economic and social purposes; and that it is a prime responsibility of universities to work to further the economic interests of their state and regions. Interestingly enough, that legislation finally emerged in the midst of the worst and most wrenching war in American history—the Civil War. But even then the sponsors of the land-grant legislation saw a future for this county tied, of course, to what was the economic engine and vehicle of that period, which in the 19th Century and for much of this century has been agriculture. Without my going into this in

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

unnecessary detail the tie between the American land-grant and state university and the agricultural sector was purely and simply an economic development model, to use our contemporary language. It is based on the principle of technology transfer from universities to the business of agriculture—but it was and is premised and structured in such a way that fosters mutual collaboration between the agricultural businesses and the universities. This is not, for it could not have worked that way, a one way street in which "the university" dictated results and methods to the agricultural sector. And that system works, for American agriculture is still today literally the envy of the world in its productivity and its profitability.

This land-grand philosophy, which today is enthusiastically embraced by virtually all American state universities whether technically agricultural and land-grant or not, is really at the root of the National Association of State Universities and Land-Grant Colleges. We will soon be 180 universities in our membership, enroll more than three million students, produce more than 70 percent of all engineers in this country and an equal percentage of all university-based engineering research, and represent an enormous component of the research capability of this nation in science, biology, biotechnology, medicine and medical technology, and in virtually all areas of scientific research—many with a practical or applied bent. The whole purpose of this education and research is to serve economic and social interest, and to extend that knowledge (our extension or outreach programs) to society.

The record speaks for itself, but it may be worth noting that, in recently reorganizing itself, my association created six commissions that approach educational issues on an integrated and interdisciplinary, basis. I will note three of these commissions: one on outreach and technology transfer; one on the incredibly exciting and unfolding world of information technology; and one dealing with food, the environment, and renewable resources. Moreover, my association has put its practical foot down to support the words and philosophy it promotes. We have been early and strong supporters of SBIR, STTR, the EPSCOR program of NSF. Moreover, NASULGC and I personally have been strong supporters of the National Science Foundation's proposed new thrust, strongly endorsed by leading members of Congress, toward strategic research that can be used for economic developments and technology transfer purposes.

If we are going to improve our nation's economy in all of its manifestations it seems strikingly clear to me, and I hope to you, that we need a national commitment that goes beyond words and reflection, and that involved all of us—the university community, directors of laboratories from all sectors, universities, government, and industry, so that we can build a science and technology network and population relevant to the challenges, not of yesterday, but of today and tomorrow. But as with all worthy challenges and opportunities, this is a lot easier said than done.

In many ways, this country and the communities represented by you have done before what needs to be done again. If you read the various books about the Manhattan Project you come across suspicion, internal competition, self-doubt among the leadership, failure and more failure, and the combination of extraordinary intellect. (And by the way, a substantial number of those fellows were recent immigrants from the continent where evil madness had exploited and threatened their very lives. Perhaps the concern in some circles in American life today over the numbers of foreign students in our graduate schools may be not entirely directed in wise directions). It has been forgotten, unfortunately, that radar, sometimes called the key to victory in World War II, was created by scientists and engineers on the campus of MIT in an exercise that involved all of the entities represented here today. And since I represent the 72 land-grand institutions, along with their state university sisters, I again remind us of what was accomplished by American agriculture in the first half of this century. Those accomplishments have benefitted virtually the entire world, and they literally grew out of university laboratories, were taken to the fields of individual farmers, and then to the production lines of the American business. Those farmers were engaged in small and medium sized business, and initially, by the way, there were attitudes of distrust and miscommunication that had to be overcome by the university researchers and what were then known as the county extension agents. But those suspicions and misunderstandings were overcome to everyone's benefit, and the same is absolutely possible today as we contemplate collaborations between business and universities and laboratory researchers to deal with the challenges of technology and productive business innovations.

What can we see in the near future? Allow me a metaphor: I would like to see around the research-based campuses of this country a necklace of entrepreneurial businesses offering an easy and visible test to the goals we seek here. We need to have a solid core of alumni who understand that entrepreneurship must be a national priority, and that placing top-notch graduate students is not to be left to the proverbial somebody else. At the heart of all of this activity will be small businesses as has been the case for a long time. The kinds of progress that we make will certainly have its imprint on the major corporations of this country, but the swift progress and the quick evolution of new ideas will take place in small businesses that have intensely woven ties to laboratories and university laboratories.

Since this is a Western Regional Meeting, a special word needs to be directed to those states that so far appear to have too often bypassed research and development. As a consequent, there may be instances where universities have to substitute for small businesses that are simply not there and provide the leadership that will lead to the creation of new small businesses. I am not sure that anyone has an exact formula, but I am sure that there is not just one formula. Every instance may have to come out in its own fashion.

I deeply applaud those people here who have taken the regional approach to make two plus two equal seven. That's what happens in collaboration. One of the problems that universities have been finding of late is that if they all reach forward to become Berkeleys and Michigans or even some of those private institutions you have heard of in the East and West it requires that they have specialists and experts in every field of every sort in every institution. That is how we operated during most of the Cold War period. But when the country discovers that it does not have the funds to underwrite research in say, 150 chemistry departments and that it would be better if there were only 100 first-rate departments, we have a problem. Ideally, those schools without the chemistry department strength could have other departments of excellence and, through collaboration, institutions could all be great universities but not all great comprehensive universities. This has not occurred, although it is beginning.

But here in this western region (and other regions of the United States) there is the possibility and opportunity—if attitudes can be unfrozen and trust developed—for key participants from our universities, from the business sector, from the national laboratories, and from state and local governments to forge the collaborative and cooperative linkages that will enable your states and regions to attract resources that are essential, to develop and market products that are needed and will generate profits, and to strengthen the economy of both your state and ultimately the nation.

If I have one plea to make is that we work toward building trust and partnerships in this arena of economic collaboration and technology transfer, for that is the only road to attracting resources from the federal government (and for that matter the states), and it is the best vehicle for developing creative new ideas and products. We may all, in some ways, be strangers to each other. Universities, I can assure you, can be strange and baffling places, populated with many interesting and sometimes perverse (I did not say perverted!) characters. But there is undoubtedly strangeness or at least uniqueness in the world of business and the profit world, even if it is dressed in a better cut suit with a better matching tie. What is ultimately important is that we recognize that individual talented people from the world of universities, business, the laboratories, and yes, even government, can be heroic and accomplish wonders if they have a vision that is larger than themselves.

Ladies and gentlemen the context I described earlier is a tough one. We still face enormous economic problems in this country and dramatic competitive challenges from our friendly, and sometimes not so friendly, competitors around the world. Ultimately I suppose it does not matter whether the world of universities and small business and laboratories come together out of fear of the alternatives, or simply because it makes good sense in an idealistic fashion. As is so often the case among we humans, our greatest obstacles are usually right in front of us—ourselves, our hesitations, our fears, our desire to be left at peace to do things our way as we have always been doing it. But that option ultimately has never been granted any generation, and it certainly will not do for a country and a people that in their best ideals still are optimistic and look toward economic growth and social improvement.

Remember those little stories with which I began my presentation? For me at least I draw some lessons from them. There was the boy who did not like the damn lousy oatmeal, because "everything" was not now okay. I suggest that everything today in our business and economic world is not okay—and that therefore thoughtful action and steps of the kind before this conference are essential to our mutual well being.

I quoted Roland Schmidt's dig at business corporations and universities, the clever comment about geniuses and idiots. I am persuaded that both businesses and universities are complex institutions that often defy even geniuses in leading, but in reality the lesson is that there are few, if any, idiots in any sector and probably even fewer geniuses. But the lesson is that there are many good smart men and women, and if they can deal with complexities and challenges, we can have good business that make profits and good universities and laboratories that contribute to our economy and society.

And, finally, there was that story about the man with the rotten sense of timing in driving his car for the first time in five years to the World Trade Center. There is a real lesson here: timing is important-in sports, in lovemaking, in education, and in business. And this is the time, right now, not tomorrow or the day after tomorrow, for change and cooperation and technology research collaboration on behalf of this nation's economy and its economic competitiveness.

This is the moment; this is opportunity; this is the time. Let's get on with it.

HIGHER EDUCATION ACCUMULATION PROGRAM [HEAP]

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I am proud to sponsor H.R. 3897, the Higher Education Accumulation Program [HEAP] Act of 1994. This legislation would allow parents to make tax deductible contributions to special IRA-like savings accounts earmarked for their children's college or vocational education.

Higher education has often become a matter of checkbooks as much as textbooks. A recent study by the investment management firm T. Rowe Price found that in 11 years it will cost over $71,000 for a child to earn a 4-year degree from a public college and more than $139,000 for a child to attend a private university. That means parents with a child now in first grade would have to save $335 every month for the next 11 years to send their child to a public school and almost $700 every month to send their child to a private institution. Although these figures are overwhelming, parents frequently do not start saving for their children's education early enough, then find themselves strapped for money when the bills are due. Families can no longer afford to be caught financially unprepared, especially as more and more jobs require some form of higher education.

Foreseeing this crisis in education funding, the Kenyon College Alumni Council formed the Funding Education Committee [FEC]. Committee members—including representatives from the Alumni Council, the Parents Association, the faculty and the administration—spent over a year examining cost projections, public policy considerations and financing concepts to deal with this issue. What they found was alarming. Assuming 2 percent real growth and 4 percent inflation per year, they determined that 4 years at Kenyon will cost approximately $250,000 in the years 2010 to 2014.

Mr. Speaker, I commend Kenyon College, its Alumni Council, and the Kenyon FEC for having the foresight to address this problem. I would particularly like to thank Neal Mayer, vice president at Kenyon's Alumni Council, for bringing this issue to my attention and drafting the solution embodied in my legislation. Concerned citizens contribute greatly to our democratic process by becoming involved with issues which will affect generations to come and devising innovative responses to them.

The HEAP Act would allow parents to deposit up to $5,000 per child each year in a college savings account with a maximum allowable deduction of $15,000 per year. When money is withdrawn from a HEAP account for education purposes, one-tenth of that amount would be included in the gross income of the beneficiary for tax purposes over a 10-year period. The legislation also includes a 10-percent penalty for money withdrawn from a HEAP account for purposes other than paying for higher education.

Mr. Speaker, this legislation provides a HEAP of relief for middle class families who are often not eligible for low-interest student loans and other Government aid. By encouraging these families to save for their children, we help give future generations access to all the advantages of higher education. I urge my colleagues to support the HEAP Act and pay tribute to those who shaped this worthy legislation.

RUSSIA AND THE INTERNATIONAL MONETARY FUND

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LEACH. Mr. Speaker, a great deal has been said recently about the causes for the new Russian Government's decision to dramatically slow Moscow's transition from a command to market economy. Some administration officials and others have expressed frustration with an alleged lack of resource commitments by the international financial institutions, and implied that the International Monetary Fund [IMF] has been overly stringent in insisting on fundamental macroeconomic reforms as a prerequisite to lending.

While external assistance to developing or transitional economies often give rise to a resentment factor in the recipient country, it should be stressed that without robust stabilization efforts and commitment to fundamental reforms, resource transfers only bolster status quo government enterprises and the bloated public sector. In the end, if the money supply is not constrained by Russian politicians, neither the United States nor the IMF can afford to make themselves accountable for unlimited contingent liabilities.

In this regard, I commend to Members a recent statement on aid to Russia by Michael Camdessus, the Managing Director of the International Monetary Fund:

AID TO RUSSIA

(By Michel Camdessus)

The situation in Russia is evolving rapidly, and in view of the high level of interest in the International Monetary Fund's relations with Russia, I would like to set out our position on a number of issues. Why are we having this meeting today? Because a team from the IMF starts working Moscow this very day.

The Russian elections reflected a number of political and economic factors. On the economic side, these included, certainly, the difficulties in adjusting from a command to a market economy. The new Government is now starting its work, and we look forward to close cooperation with it. This is now the proper time to reestablish and, if possible, Intensify the momentum of cooperation between the IMF and the Russian authorities.

Prime Minister Chernomyrdin has recently asked me to send a delegation to discuss an economic program which could merit support under our systemic transformation facility (STF). In view of the magnitude of the problems to be addressed, and of the approach of the Government in a number of areas, it may not be easy for our mission and the Russian negotiating team to reach agreement on a suitable program. But as you can imagine, we look forward to hearing the Russian authorities' own views on how to deal with the challenges before them. When will we be in a position to disburse the second tranche of the STF? It will essentially depend on steps taken by the Russian authorities to decide upon, and start implementing, an agreed and credible set of measures.

As to policies, we consider it vital to speed up the stabilization and reform process to create the necessary preconditions for sustained growth and improved living standards. We all know that without adequately strong monetary and budgetary policies, no efforts to reduce inflation and stabilize the ruble will be successful for long. Along with the consolidation of the key achievements of the last two years—in particular, the liberalization of prices, trade, and the exchange rate regime, and privitization—a substantial reduction in the government deficit relative to the size of the economy is essential for Russia to reduce inflation.

As in the past, we continue to feel it important to ensure adequate protection for the most vulnerable groups of society, especially during the transitional period. The IMF has raised this issue several times with the Russian authorities in the past, but was not able to pursue it to a sufficient extent, essentially because of the reluctance of the former Parliament to consider the basic changes needed. Now the situation has changed, or seems to be changing, and an IMF mission with expertise on these matters has just concluded productive discussions with the Russian authorities. The mission advised the government on ways of improving the value of social benefits, especially minimum benefits, and presented options for financing the additional costs.

External financial assistance can play an important role in improving living standards in Russia, especially if it speeds up reform and stabilization. The IMF can play a key role to this end; but in accordance with its Articles of Agreement, it can only extend financing conditional on appropriate economic polices. When, for other reasons, there is a desire to provide assistance unconditionally, this should come from other sources, essentially bilateral sources. For us the amount of assistance will then depend on progress with economic reforms. The initiative of such reforms with of course all our technical support—must come from the Russian authorities. After they have adopted their own decisions, and they have appropriately specified the policies, then we will be in a position to work with the international community to evaluate the modalities and amounts of external assistance for 1994.

In concluding, I would like to note that our decisions concerning Russia—as with any other country—are arrived at only after careful consideration and wide debate amongst the IMF's member governments, including Russia itself. These decisions represent the views of the whole membership, which has consistently and universally supported the IMF's role in Russia. Suffice it to say that we are looking forward to this new step in our cooperation with Russia, as we look forward to all challenges: in the most positive spirit and being ourselves, which means uncomplacent and constructive.

OFFICIAL FINANCIAL ASSISTANCE TO RUSSIA, 1992–93

Over the two-year period 1992–93, the cumulative amount of official financial assistance provided to Russia was at least US$38 billion, compared with the US$55 billion announced by the G-7. Part of the announced amount, especially the contributions of international financial institutions, was subject to Russia implementing strong economic policies (i.e., the conditions normally required by these institutions).

Recorded bilateral aid disbursed to Russia over this two-year period—US$20 billion—was in line with the amount announced. In addition, separately from the announced packages, Russia received about US$4 billion from Germany to help rehouse Russian troops.

The IMF disbursed US$2.5 billion in support of Russia's stabilization effort during 1992–93. Additional finance from the IMF did not materialize because the Russian authorities were unable to implement appropriate stabilization and structural reform policies.

Virtually all assistance promised in the form of debt relief was granted.

In addition to official financing, Russia also benefitted from commercial financing, notably US$16 billion of debt service deferment and arrears (pending settlement) in 1992 and 1993 together.

OFFICIAL FINANCIAL ASSISTANCE TO RUSSIA, 1992–93

[In billions of U.S. dollars]

	1992		1993		1992 and 1993[1]	
	Announced by G–7	Delivered	Announced by G–7	Delivered (Prel.)	Announced by G–7	Delivered (Prel.)
Bilateral creditors and European Union[2]	11	14	10	6	21	[3]20
IMF (including stabilization fund)	9	1	13	1½	21	2½
World Bank and EBRD	1	0	5	½	5	½
Official debt relief	[4]1½		15	[5]15	15	15
Total	24	15	43	23	55	38

Sources: Russian Federation Ministry of Finance; Vneshekonombank; Press Release of U.S. Administration of April 2, 1992; Chairman's statement of the G–7 Joint Ministerial Meeting and the Following Meeting with the Russian Ministers of April 15, 1993; Tokyo Summit Economic Declaration of July 9, 1993; and IMF staff estimates.

[1] Excludes most double-counting, i.e., amounts announced but not disbursed in 1992 and announced again in 1993. The largest of these elements is the US$6 billion for a ruble stabilization fund from the IMF. A small amount of double-counting in the two-year total may nevertheless persist.

[2] Does not include about US$4 billion of grants from Germany to rehouse Russian troops which was not intended to be part of the announced packages.

[3] Delivered total excludes some items in the announced packages for which reliable data are not available (e.g., technical assistance, nuclear facilities rehabilitation, etc.).

[4] This amount of interest deferral was not formally granted during 1992.

[5] Includes amounts deferred or that went into arrears in 1992 amounting to US$6½ billion.

TRIBUTE TO ROBERT EBERHARDT

HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. POMBO. Mr. Speaker, I rise today to honor a constituent of mine, Mr. Robert Eberhardt. Bob was recently honored for his decades of service to Ducks Unlimited, a wetlands and waterfowl conservation organization that is the largest of its kind in North America.

Ducks Unlimited was founded 57 years ago. Over this time, it has grown to 530,000 members throughout North America. Ducks Unlimited has assisted in the restoration of over 6 million acres of habitat throughout Canada, the United States, and Mexico. Its primary ongoing mission is to provide support for waterfowl migration on the great Pacific, Central, Mississippi, and Atlantic flyways.

Among its half million members, it would be difficult to find anyone who has made the long-term commitment of time, resources, and pure energy, that Bob Eberhardt has to Ducks Unlimited. In the 30-plus years he has been a member, Bob has served in numerous positions in this organization, most notably as California state chairman, national president, chairman of the board, and chairman of the executive committee.

In particular, the Cosumnes River Project in Sacramento County has been a major priority for both Ducks Unlimited and Bob Eberhardt personally. The area was first conceived as a refuge over 10 years ago. In the past 6 years, it has grown from 500 acres to nearly 5,000 through acquisition from willing sellers, and voluntary cooperative agreements. The success of this project is due to Bob Eberhardt's persistence and the 110 percent effort he has put forth over the course of the past several years.

Bob Eberhardt has approached the Cosumnes River Project with the same irresistible enthusiasm that he has demonstrated in every civic and community service activity he has undertaken in the Stockton area. He is renowned for his impressive record of professional civic and philanthropic achievements, including work with the University of the Pacific and its Pacific Athletic Foundation, the Boy Scouts and other men's youth organizations, Rotary International, the Bank of Stockton and the California Bankers Association, and many others.

Bob's wife Mimi has been an invaluable and inseparable partner in all of these efforts. Both have been named Stocktonian of the Year by the Stockton Board of Realtors for their untiring efforts.

Mr. Speaker, on behalf of this House, I thank Bob Eberhardt for his efforts with Ducks Unlimited in support of wildfowl conservation, and for his significant contributions to California and our Nation.

TRIBUTE TO REBECCA COOPER

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Rebecca Cooper, a dedicated community leader from California's 14th Congressional District who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Rebecca Cooper is an exceptional public servant who currently works as the executive director of Friends for Youth, a nonprofit organization that pairs troubled youth with adult volunteers for one-on-one counseling. For 14 years, she has educated teachers, counselors, social workers, and probation officers in our community about the importance of mentoring young people in our district. She has worked with the National Association for the Education of Young Children, the East Palo Alto Youth Development Center, and the International Association for Justice Volunteers. Her community awards include Chevron/The Management Center's Award for Management Excellence in 1990, the Unsung Hero Award for her work in child abuse prevention, and a citation from the Presidential Volunteer Action Awards in 1993.

Mr. Speaker, Rebecca Cooper is an outstanding citizen of California's 14th Congressional District and I salute her for her remarkable contributions and commitment to our youth. I ask my colleagues to join me in honoring Ms. Cooper and congratulate her on being inducted into the San Mateo County Women's Hall of Fame.

SOLZHENITSYN

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SOLOMON. Mr. Speaker and my colleagues, listen to these words:

> Communism, which is based on the theory that the economy is the basis of all human activity, collapsed for economic reasons. It could survive only with an iron grip. When Gorbachev first tried to ease that iron grip, the process of collapse accelerated. Gorbachev did not have in mind that negation of socialism * * *

> Gorbachev and his circle were locked into a Marxist ideology * * * [but] * * * he really understood that the country was in such a difficult economic situation that sustaining the tension of the old rivalry with the West was no longer possible. The cold war was essentially won by Ronald Reagan when he embarked on the star wars program and the Soviet Union understood that it could not take this next step. Ending the cold war had nothing to do with Gorbachev's generosity; he was compelled to do it. He had no choice but to disarm.

Mr. Speaker and Members, I hope you have listened closely to these words—but I have to tell you that they are not mine. They are the words of Aleksandr Solzhenitsyn.

The man who is by all odds the greatest literary figure of this century attributes victory in the cold war to Ronald Reagan.

I can only conclude by noting that the Bible tells us of how the ancient prophets were always looking for men who understood the signs of the times. And I can tell you that it was Ronald Reagan who understood the signs of our times—and it was Strobe Talbott and Bill Clinton who did not.

FIRST AMENDMENT RIGHTS

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SYNAR. Mr. Speaker, on Wednesday, February 23, I voted in opposition to H. Res. 343. This resolution was an official action by the U.S. House of Representatives condemning a political speech by Khalid Abdul Muhammad, a spokesman for the Nation of Islam. My vote opposing the resolution was cast despite my strong, negative feelings concerning the speech in question.

I found the contents of the speech offensive, bigoted, repugnant and totally unsupportable. What I support strongly, however, is the right of any individual American to be protected by the first amendment. As I have expressed several times in this House, I believe that political speech, however offensive, is the cornerstone of our system of democracy. The first amendment was not designed to protect only the majority, popular opinion. The first amendment is the Bill of Rights to ensure the protection of speech that is unpopular and supported only by a few.

Each and every citizen has the right to speak out and condemn Mr. Muhammad's speech. In fact, I would strongly encourage every citizen to read his disgraceful speech and personally condemn the hatred and bigotry so blatant in every word. But I would not stop there. I would encourage every citizen to review carefully the many other racist and hateful speeches, talk shows, articles, and books that are prevalent in our society and also speak out forcefully against intolerance and hateful attitudes wherever they are found.

I cannot recall when the House of Representatives has chosen to take an official position by voting to condemn an individual's speech. I believe this official censure to be contrary to the Constitution and in violation of the oath of office I took as a Member of Congress. Such an official action sets an ominous precedent. Are the Members who officially condemned Mr. Muhammad's speech prepared to pass judgment on all other offensive speakers in the future?

Each citizen has an obligation to speak out against such hatred and that includes every individual Member of Congress. We are capable of censuring such speech as individuals and as Members have more public opportunities than most Americans. What we have no right to do as an official body of government is to single out a particular speech we abhor or favor and take an official position for the House of Representatives.

IN HONOR OF BOB SANS

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Bob Sans—an exceptional public servant, community leader, and dedicated family man—on the occasion of his retirement from the Department of Public Works of San Mateo County, CA.

For 34 years Bob Sans has served San Mateo County with distinction and honor. His positions in the Department of Public Works have included associate highway engineer, assistant road superintendent, senior highway engineer, chief deputy county engineer, and most recently, director of public works. Not only has Bob Sans played an instrumental role in the success of the department, but he has also served in leadership positions with many professional organizations such as the San Mateo Credit Union, the County Administrators Association, the Peninsula Association of Contractors and Engineers, and the County Engineers Association of California.

Bob Sans is a committed community volunteer who has been active in his church and local community groups throughout his entire life. From delivering means to home-bound seniors, helping build playground equipment for the YMCA, to raising money for local charities, Bob Sans is always available to lend a helping hand. I salute him for his deep caring and his dedication to serving those in need. He has touched the lives of so many and earned the utmost respect and regard from all whom he has worked and been associated with.

Most important of all, Bob Sans is a devoted husband, father, grandfather, colleague and friend whose commitment to family, faith, community, and professional excellence is unsurpassed.

Mr. Speaker, I ask all my colleagues to join me in honoring and congratulating this noble man for a lifetime of high achievement and devotion to all he has served. I'm blessed to know him and call him my friend.

THE TRUTH ABOUT BOMBING IN BOSNIA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. DORNAN. Mr. Speaker, I strongly recommend that all of my colleagues and all the citizens of this country carefully read the following article by former top gun and Navy fighter ace, Congressman RANDY "DUKE" CUNNINGHAM, about the difficulties with bombing in Bosnia:

[From the Christian Science Monitor, Feb. 16, 1994]

THE TRUTH ABOUT BOMBING IN BOSNIA

(By Randy Cunningham)

Three hundred air missions over Vietnam and five air-to-air victories taught me harsh lessons about surgical airstrikes; Chiefly, air missions are hardly surgical. Targets are destroyed much less frequently than one might suppose. If we embark on these strikes in Bosnia—or worse, if we allow the United Nations to direct American airstrikes for us—our pilot losses could be great and our impact low.

Let me first state what airstrikes are not: They are not Star Wars, video games, or precise and painless operations. Airstrikes are deadly and costly. The planes are flown by real people. In training operations alone one out of five United States Navy fighter pilots are killed. They leave families behind. As a Top Gun instructor and Adversary Squadron commander, I attend chapel services for lost comrades.

In war, it's worse. Dying for your country is serious enough, and every combat pilot knows that risk. Under no circumstances should we put our military men and women under UN command.

But why are airstrikes not more effective? Imagine speeding in a car across an interstate overpass at 700 m.p.h., dropping a golf ball out of the window and in the cup dug into the cross-street below. That is about as close as one can get to a real airstrike. Except in a real airstrike, the enemy is shooting at you, and you are flying in three dimensions, not driving in two.

Wielding air power I very difficult, even for the most talented military commander. Fortunately, our experiences in Vietnam and the Persian Gulf teach us quite a bit.

The jungles of Vietnam hid deadly artillery and surface-to-air missiles all too well. We normally flew on clear days. We could see the missiles coming and take evasive action. But in the Balkan winter we would be flying beneath an overcast sky, and our aircraft would be silhouetted against the clouds. (Flying would be risky even without enemy fire.)

In late 1971 in North Vietnam I flew in Operation Proud Deep, a massive strike that required Navy pilots to bomb Hanoi's supply depots and airfields. Despite bad weather, we were ordered to fly. Blinded by overcast, we were sitting ducks for surface-to-air missiles the size of telephone poles, rocketing toward us at twice the speed of sound. Anti-aircraft artillery was another threat. In five days, we lost over a dozen aircraft and pilots. Target destruction was minimal.

We were ordered to break the most common-sense rule of air power: Never attack through an overcast sky. In the Balkan winter, overcast is the order of the day, and the mountains there bristle with anti-aircraft artillery. Military planners would be tragically foolhardy to ask our pilots to place their lives at such extraordinary risk.

But even on the clearest days, surface-to-air missile and anti-aircraft attacks are a constant danger. On May 10, 1972, after I had downed three enemy MiGs over North Vietnam, I turned my F-4 Phantom back toward the carrier Constellation in the South China Sea. Still 40 miles inland, a surface-to-air missile I saw too late exploded near my plane, disabling most of my controls. I barrel-rolled the burning aircraft until we reached the mouth of the Red River. My Radar Intercept Officer Willie Driscoll and I ejected just as the plane exploded. As we parachuted down, we watched the Viet Cong assemble on the beach, ostensibly to take us prisoner. But a Marine Corps helicopter rescued us in the water, just in time. If our pilots get shot down over Bosnia, I can't believe they would be as lucky or as blessed as we were to avoid capture.

Operation Desert Storm began with a blistering six-week air attack. Pilots dropped more tons of bombs in those six weeks than we did in all our years in Vietnam. And each Desert Storm bomb was generally more effective, thanks to high-tech targeting equipment not available to Vietnam-era pilots. The air war of early 1991 severely weakened the Iraqi army for Gen. Norman Schwarzkopf's masterful ground assault.

Even so, military writer Rick Atkinson, in his Gulf-war history, "Crusade," finds that after millions of air missions, including thousands purposely sent on "Scud patrols," battle damage reports cannot conclusively say if we destroyed a single Iraqi Scud site.

And that was over open Iraqi desert. Our F-117 stealth fighters attacked heavily defended sites at night. But the ancient city of Sarajevo lies deep in a valley that is surrounded on all sides by steep, forested mountains, where Bosnian Serbs have placed heavy artillery. Surreptitious low-level nighttime raids would be nearly impossible.

Flying at 600 knots toward Mt. Zuc, four miles north of Sarajevo, the most eagle-eyed, well-equipped American pilot will have awful trouble finding even one artillery piece, must less destroying it. And should our pilots find and target an artillery piece (there are surely tens of thousands of guns in those mountains), they must fly toward the target, dodging small-arms fire or missiles from the ground. The pilot has to release the ordnance at just the right moment, then pull up and away while dodging more missiles. Even under optimum conditions, it's treacherous. And it can take days for battle damage assessments to determine whether the target was hit.

Can our pilots bomb from high altitude? Yes, but great altitude decreases accuracy. "Carpet bombing" from B-52s is a weapon of terror. Don't count on "smart" bombs to do the job. More than 95 percent of the bombs the allies dropped on Iraq were the conventional "dumb" kind.

But let us assume that despite all these concerns, airstrikes are ordered. The Bosnian Serbs can read history: As the North Vietnamese did, they will place their artillery in residential areas. They may even gather UN peacekeepers (read "hostages") around critical weapons sites. Americans will not stomach such horrors. We are not a warlike nation. Even our warriors much prefer peace, and would recommend staying out of wars if, as in Bosnia, our interests are not at stake.

Defense Secretary William Perry and Joint Chiefs Chairman John Shalikashvili both caution against American airstrikes. Experience shows that these missions just won't work, and they'll get our pilots killed. A similar commitment of ground troops would prove costlier, in human lives and dollars, than Vietnam.

FAMOUS WORDS OF GOV. MEL THOMSON

HON. WILLIAM H. ZELIFF, JR.

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. ZELIFF. Mr. Speaker, Mel Thomson who celebrates his 82th birthday on March 8, is still one of New Hampshire's most popular Governors. During his three terms as Governor, Mel championed the belief that "low spending yields low taxes." Governor Thomson was recently honored at a salute to Governors held in Manchester, NH. I would like to share Mel's pragmatic words of experience from 1972, regarding his advice to future Governors of the Granite State:

> Taxation without representation was the firebrand that touched off our American Revolution. This was the Stamp Tax Act of 1765. Now, 200 years later, we have taxation without responsible representation and often with misrepresentation.

Chief Justice John Marshall, our fourth Chief Justice of the Supreme Court, said, "The power to tax involves the power to destroy." The sources of our public financial problem is the escalation of our excessive spending, which produces burdensome taxation. We confront two simple alternatives. Either taxation or face certain destruction through bankruptcy.

During 20 years of relentless pressure from taxers, the people of New Hampshire have withstood the broad base taxes—and it is now 42 years. New Hampshire is still the only State, other than Alaska, that has neither a general sales nor an income tax. I'm against a broad base tax in New Hampshire for two reasons. First, I'm for that philosophy which holds that man's greatest happiness and liberty flourish with a minimum of restraints and interference by government. And second, I'm for that degree of economy and efficiency in government that would make excessive taxation unnecessary.

We need taxes to conduct an orderly society. But must we continue the wild and spendthrift ways of recent decades? Must we, by taxation, make the State our master? We in New Hampshire have resisted the tide of broad base taxes that has inundated all other States, and in many cases wrecked their financial structures.

If the folks in Washington took Governor Thomson's advice, we would all be a lot better off.

TRIBUTE TO WILLIAM J.C. AMEND, JR., M.D., FOR RECEIVING THE GIFT OF LIFE AWARD FROM THE NATIONAL KIDNEY FOUNDATION OF NORTHERN CALIFORNIA

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Dr. William John Conrad Amend, Jr., a man deeply devoted to his family, medicine, and humanity who is being honored by the National Kidney Foundation of northern California with its Gift of Life Award.

Dr. Bill, Willie, even Billy, as he is affectionately known, has made extraordinary contributions to the advancement of dialysis and nephrology. Beginning with a brilliant career at the Cornell University Medical College, Dr. Amend has led his field in both patient care and teaching. He helped found the medical arm of the UCSF Renal Transplant Service and the Cape Cod Dialysis Center at Yarmouth and has been a longstanding member of the medical advisory board. On both coasts and throughout the world, Dr. Amend is known and loved for his selfless commitment to the health of everyone.

While his work is a major part of Dr. Amend's life, it does not consume him. He wakes early in the day for his work, ensuring himself time for his family and friends. He also makes time to pursue his intellectual loves: Literature, history, and art; and his secret passion, baseball scouting.

Dr. Amend teaches students to emphasize patient care over pure science and help academic centers evolve with the changing U.S. health system without losing their traditional missions.

Mr. Speaker, I ask all my colleagues to join me in honoring Dr. Amend, congratulating him on receiving this distinguished award, and for living a life filled with values.

THE 100TH ANNIVERSARY OF THE UKRAINIAN NATIONAL ASSOCIATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. GILMAN. Mr. Speaker, Ukrainian-American immigrants to the United States have played an important role in the settlement and development of the United States of America. Like other groups of hard-working immigrants that have made this country a great and prosperous nation, Ukrainian-Americans faced hardships and a loss of connection to the country of their birth as they worked to build a new life here in the United States.

Today, I would like to recognize the important role that the Ukrainian National Association has played in helping Ukrainian-Americans and their families overcome those hardships and maintain a link to their original culture.

Founded on February 22, 1894 as a fraternal insurance organization, the UNA has expanded from 13 branches to 370 branches in the United States and Canada and now has over 66,000 members and $100 million in assets. Conceived in the pages of Svoboda, the first Ukrainian newspaper in the United States and the oldest Ukrainian newspaper in the world, the UNA now publishes Svoboda as its official newspaper, as well as the English-language Ukrainian Weekly and the children's magazine Veseka. The UNA also provides its members the benefits of educational, cultural, social and charitable program as well as scholarships, a retirement home, and the Soyuzivka resort in the Catskill Mountains of my State of New York.

Mr. Speaker, I take great pleasure in recognizing the work of the Ukrainian National Association as it commemorates the centennial of its birth. I wish it many, many more years of success in its work on behalf of the Ukrainian-American community.

In these times of painful economic and political transition back in Ukraine itself, I take great pleasure in once again saluting the UNA and all Ukrainian-Americans for the great contributions they have made to the United States.

GREEN OAKS CLUB HONORED FOR COMMUNITY SERVICE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mrs. MALONEY. Mr. Speaker, I rise today to pay tribute to the Green Oaks Citizens Club, a community group which has done so much over the past three decades to improve the quality of life in the northern Brooklyn neighborhoods of my district.

The Green Oaks Citizens Club is a nonprofit organization which began as a fishing club before receiving its official charter on June 29, 1966. It is named after its original location at the corner of Green Street and Oakland Street, now known as McGuinness Boulevard. Over the years, its membership importance to the entire community has grown.

Today, the Green Oaks Citizens Club is very involved in promoting summer youth programs, summer lunch programs, and the Green Oaks Community Garden. The club also donates considerable funds to various worthy causes and charities.

The club is involved in almost every aspect of community life. It sponsors a Little League baseball team and a football team known as the Spartans. Other activities sponsored through the club include a monthly bus trip to Atlantic City, a Memorial Day breakfast, and a July 4th open house. But the highlight of the year is clearly the annual children's Christmas party, attended by hundreds of the neighborhood's children.

Because of its importance to the community of northern Brooklyn, I hope that my colleagues will join with me in praising the Green Oaks Citizens Club for its work and wishing it many more years of service to the community.

TRIBUTE TO ELEANOR WILLIAMS CURRY

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Eleanor Williams Curry, a dedicated community leader from California's 14th Congressional District who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Eleanor Williams Curry is a longtime community activist who, during the turmoil of school desegregation, provided invaluable training programs in race relations and cultural diversity to our community. Administrators, parents, and schools on the local, State, and national levels benefited from her expertise, insight, and wisdom. Ms. Curry founded the Curry Scholarship for Girls and the Ronald McNair Scholarship Fund for the Ravenswood School District.

Professionally, she is the Coordinator of the Housing Partners in East Palo Alto. She is also a founding member of the San Mateo County Advisory Council on Women and the Black Women in San Mateo County Government, and was cochair of the Women's Hall of Fame from 1984–1993. Her community awards include the San Francisco Foundation Award in 1986 and the John W. Gardner Distinguished Leadership Award in 1992.

Mr. Speaker, Eleanor Williams Curry is an outstanding citizen of California's 14th Congressional District and I salute her for her remarkable contributions and unswerving commitment to our community. I ask my colleagues to join me in honoring Ms. Curry and congratulate her on being inducted into the San Mateo County Women's Hall of Fame. I am privileged to know her, to have worked by her side, and to call her my friend.

CLINTON UKRAINE POLICY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SOLOMON. Mr. Speaker, I would like to bring the following article from the Washington Post to the attention of Congress and the American people. The article states, Mr. Speaker, that Clinton administration officials, and I quote, "have declared repeatedly that military aid to Ukraine in the event of an attack by Russia is out of the question."

Mr. Speaker, it is important that this remarkable passage go into the RECORD. For quite frankly, I believe Russia and Ukraine may be headed for war. If this should happen, everyone will be looking for scapegoats. We need look no farther than this article, Mr. Speaker. The Clinton administration is greasing the skids for this confrontation with its weak, ahistorical, and incredibly inept foreign policy.

The administration's overall foreign policy, and especially its policy toward Russia and Ukraine, is utterly devoid of historical context, ignores the role of power in world affairs, and completely junks basic principles of diplomacy that have been around for centuries.

Recent events display clearly that Russia and Ukraine are on a collision course. Russian nationalists are on the offensive. They received the backing of a substantial portion of the Russian populace in the recent elections and just days ago, the criminals from the 1991 and 1993 coups have been released from prison. Even Russian reformers, like President Yeltsin and Foreign Minister Kozyrev, whom most of us have staunchly supported in the past, are rattling the nationalist saber. The people of Crimea, which Russia claims, have just voted for independence from Ukraine. Russia has all but reabsorbed Georgia and Belarus. The troop withdrawals from the Baltics have been halted.

And all of this is occurring as Ukraine lies prone, due to the economic illiteracy of its Communist-dominated government. It all has the stench of the Soviet era, Mr. Speaker, and it is very dangerous.

But the Clinton administration is oblivious to the significance of all of this. In its romantic and facile drive to create a two-power condominium with Russia, the administration is removing any and all potential barriers to renewed Russian imperialism.

In the event of Russian aggression against Ukraine, there would be three possible means of defending Ukraine: First, Ukraine's nuclear arsenal; second, direct intervention by NATO; and third, invoking the Reagan doctrine and arming the Ukrainians.

Not ruling out or emasculating any of these options before the balloon goes up is the only way to deter Russian extremists from contemplating any aggressive action.

But by badgering the Ukrainians into unilateral nuclear disarmament, obsequiously allowing a Russian veto of NATO expansion, and now openly declaring that we won't even arm Ukraine in the event of a Russian invasion, the Clinton administration has effectively eclipsed all three of these deterrents.

What will it take to pound the lessons of history into this administration's head, Mr. Speaker?

Neville Chamberlain called Czechoslovakia and Poland far off countries, and Hitler went on the march. Roosevelt fondly referred to Stalin as "Uncle Joe," decided not to let Patton continue eastward, and the East Europeans descended into a 45-year nightmare. Dean Acheson declared Korea out of our sphere of influence, and Kim-il-Sung, with Stalin's backing, invaded the South. The United States Congress openly declared that we were washing our hands of Vietnam in 1973 and 1974, and Soviet-made North Vietnamese tanks poured into South Vietnam in 1975. Jimmy Carter said we shouldn't fear communism, Cyrus Vance said that Brezhnev "shared our aspirations," and the Soviets ran amok in the Third World and invaded Afghanistan.

Time and again throughout history, we see that appeasement does not work. Time and again, we see that vacuums of power are filled, and that power imbalances are balanced by one side or the other. Time and again, we see that defensive nations must not let potential aggressors think they have leeway. Lines, clear lines, must be drawn.

Despite this, this administration is pursuing a policy of appeasement toward Russia. It is allowing a vacuum of power to develop in Eastern Europe. It is consciously tilting the balance of power toward Russia. It has not sent a single message of disapproval of any of Russia's policies in the near abroad. It has not drawn any line, Mr. Speaker.

This is a clear recipe for disaster, and it is high time this administration wakes up and realizes the bankruptcy of its approach to these issues.

Never in history have unilateral disarmament, dollar bills and romantic attachments led to peace. Only a credible deterrent, a proper balance of power, and realistic diplomacy can do that.

NEW OBSTACLES TO THE DENUCLEARIZATION OF UKRAINE

(By Robert Seely)

KIEV, Ukraine.—The repeatedly stalled nuclear disarmament of Ukraine appears to be facing new obstacles in Kiev's negotiations with Russia and the United States over security guarantees that the former Soviet republic has demanded in exchange for surrendering its inherited strategic weapons.

Moreover, the Ukrainian parliament has failed to ratify the international nuclear Non-Proliferation Treaty, a condition of last month's Moscow accord. Ukraine pledged then to begin dismantling its 1,800 nuclear warheads in return for large-scale U.S. financial aid and inviolable international security guarantees—chiefly against any possible threat from its giant Russian neighbor.

Taking these factors together, analysts and diplomats here say, it appears unlikely that the final form of any U.S. security pledge to Ukraine will be ready by the time Ukrainian leader Leonid Kravchuk meets with President Clinton in Washington on Friday.

Ukraine is trying to obtain from all five nuclear powers—the United States, Britain, France, Russia and China—as strong a set of guarantees against potential aggression as possible, but it is the assurance that U.S. prestige and power will support its sovereignty that the Kiev government covets most.

U.S. diplomats have been trying to reach agreement with the Kiev government over the wording of a security pledge, but they have declared repeatedly that military aid to Ukraine in the event of an attack by Russia is out of the question.

Ukraine, which had been dominated by Russian czars and Communist commissars for centuries before the collapse of the Soviet Union in 1991, shares an 800-mile border with Russia and is fearful that a resurgence of Russian imperial ambitions would leave it virtually defenseless.

Fueling these fears has been a decided turn in Russia toward nationalist politics, beginning with the election to parliament last December of a large bloc of jingoistic politicians—led by Vladimir Zhirinovsky—who have called for massive reassertion of Russian power.

Even Russian President Boris Yeltsin and his reformist foreign minister, Andrei Kozyrev, recently have spoken forcefully of Moscow's right to defend Russians living in former Soviet republics—statements particularly alarming in Ukraine, where nearly a quarter of the 52 million citizens are ethnic Russians.

A senior Ukrainian official who has been involved in negotiating the security guarantees with Moscow and Washington said that the West and Russia had "let Ukraine down" by failing to behave like genuine partners in the talks. Ukraine's government expected that the document "should involve some rights" for Ukraine should it be threatened, he said.

"Ukraine is not a subject but an object of this document; it is not a player," he said, adding that the Kiev government wants the agreement to be "legally binding" and not just a statement of vague principles. "We had a last chance to push ratification of [the Non-Proliferation Treaty] through parliament [last] week," the official said. "But for that, we had to show parliament [some progress on the security pledges]. We had nothing."

Despite assurances by Kravchuk's government and leaders of the fractious Ukrainian parliament that the non-proliferation pact would be ratified by March, both Ukrainian officials and Western diplomats say that it now appears the treaty cannot be approved by the legislature before summer.

Further complicating the situation, analysts here say, is that legislative and presidential elections scheduled for this spring could produce a new leadership that is unwilling to abide by the pledges and agreements undertaken by Kravchuk and the current parliament and might even seek to halt the denuclearization process.

A SUCCESSFUL PATRIOT

HON. WILLIAM H. ZELIFF, JR.

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. ZELIFF. Mr. Speaker, recently, a major news correspondent, in commenting on the possible deployment of Patriot missile batteries to South Korea, set a new standard for misinformation that would fit into a minute's time. Errors in the press are not new to any of us and normally I would not take the time to put corrections into the RECORD. However, since the subjects of these errors pertain to two studies, one conducted by a subcommittee of which I was a member and the second a GAO study commissioned by that same subcommittee I feel it necessary to set the record straight.

On April 7, 1992, the Legislation and National Security Subcommittee of the Government Operations, of which I was a member, held a hearing on the performance of the Patriot air defense system during the Gulf war. The subcommittee called the hearing largely because of criticisms raised by a few people in academia. I listened with great interest to all of the testimony that was given and was present throughout the entire hearing.

I heard the Army describe how they achieved success rates of over 70 percent in Saudi Arabia and over 40 percent in Israel against a threat that was beyond what the Patriot had been designed to handle. I heard how they assessed performance by collecting all of the data that existed and analyzing it according to a clear and logical method.

I heard how our soldiers went to war with a total of only three of the new Patriot missiles that were capable of destroying tactical ballistic missiles and how American workers labored around the clock to produce 500 such missiles by the time hostilities started. They produced these well before any missiles had originally been scheduled to be available.

I heard how certain unexpected characteristics of the Iraqi threat caused problems during the first few days, and how the ingenuity of the Army/industry team solved these problems by initially changing procedures, and within a couple of weeks, by actually changing software in the system—in the field and in the middle of the war.

And I also heard expert testimony from the Congressional Research Service describe the case being made by the principal Patriot critic as "worthless". I also heard other independent experts describe, one by one, all the errors contained in the critics' analysis, to the point where nothing was left of what the critics had claimed.

Pehaps there is nothing newsworthy in reporting that the congressional report touted in the NBC News segment was not a congressionally approved report after all. In fact, when this report was presented to the U.S. House of Representatives, Government Operations Committee, for approval, a majority of the committee, Republican and Democrat, would not vote for approval. They felt, and I wholeheartedly agree with this assessment, that the report preparation was unprofessional and biased. And, most importantly, that its conclusions were not supported by the facts presented. Rather than face sure rejection, our chairman pulled this report prior to a vote. Mr. Speaker, as you know, such a drastic maneuver is not a frequent occurrence. If anything, rejection of this report by this Nation's elected officials is a repudiation of the claims put forward by critics of the Patriot system.

Perhaps it is not news that civilian lives were spared and American troops were literally hugged in the streets by men, women, and children in Israel and Saudi Arabia for coming to protect them.

Perhaps there is little news in the fact that American workers willingly labored days and nights, through weekends and holidays, to provide our soldiers with Patriots that didn't exist at the time Iraq invaded Kuwait 3 years ago and United States troops were sent to the region. And these workers will willingly do it again if required.

Finally, perhaps there is nothing newsworthy in reporting that the American military recognized that improvements were necessary based upon the lessons learned from Desert Storm, and that while the critics were off gaining media attention with their false claims, the Army and American industry quietly went ahead and made those improvements.

Maybe it is more important to ignore all the triumphs by American troops, American workers, and American technology so that we can pay false homage to a handful of self-serving critics who offer nothing constructive and simply try to tear down the accomplishments of others in order to serve their own agendas.

But, I do not think so. I think it is the critics who should be ignored. I would like to thank the soldiers who went into harm's way in Saudi Arabia and Israel to protect against the nightly terror, and those in American industry who created the Patriot technology and built the systems that our troops used so well. You did a great job and should be proud of your accomplishments.

TRIBUTE TO CHRISTINA SUTHERLAND

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Christina Sutherland, a dedicated community leader who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Christina Sutherland is the founding executive director of Shelter Network of San Mateo County, private nonprofit agency providing a comprehensive network of housing and social services for homeless families and single adults. Under her leadership, Shelter Network has been recognized as a State and national model of effective housing by the Department of Housing and Urban Development, the California Housing and Homeless Coalition, Architecture Magazine, and most recently by the Management Center of San Francisco for its professional nonprofit management. Since Christina Sutherland became executive director in 1987 at the age of 25, Shelter Network has grown from one shelter with a staff of three, to four programs county-wide with a staff of 50 and a budget of $1.5 million.

Mr. Speaker, Christina Sutherland is an outstanding citizen and I salute her for her commitment to our community. I ask my colleagues to join me in honoring her as she is inducted into the San Mateo County Women's Hall of Fame.

PROTECTING THE INTEGRITY OF THE SOCIAL SECURITY DISABILITY INSURANCE TRUST FUND

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. JACOBS. Mr. Speaker, today Mr. BUNNING and I are introducing H.R. 3935, the Social Security Continuing Disability Review Account Act of 1994. This legislation would protect the integrity of the Social Security Disability Insurance Program by insuring that people who are no longer disabled are removed from the disability benefit rolls. To achieve this objective, it would authorize the Social Security Administration [SSA] to use a portion of the benefit savings it derives from conducting continuing disability reviews [CDR's] of disabled beneficiaries to perform more reviews. These benefit savings would be credited to a newly established CDR account in the disability insurance trust fund, which would operate as follows:

No later than September 1 of each year, the Secretary of HHS would estimate the present value of DI trust fund savings for all future years resulting from cessation of benefit payments during the prior year based on CDR's. The Secretary would certify these savings to the managing trustee of the DI trust fund.

Upon receiving the Secretary's certification, the managing trustee would transfer to the CDR account from amounts otherwise in the DI trust fund a portion of these estimated savings. This amount would vary depending on the CDR account balance but could not exceed 50 percent of estimated savings.

No later than September 15 of each year, the Secretary would certify to the managing trustee the expenditures required to perform mandated CDR's during the coming fiscal year. These expenditures would include the cost of staffing, training, purchase of medical and other evidence, and processing related to appeals and overpayments.

Upon commencement of the fiscal year, the managing trustee would make available to the Secretary from the CDR account, to the extent that funds are available, the amount that the Secretary certified as necessary to perform mandated CDR's during that year. These funds could then be used by the Social Security Administration to perform the required CDR's.

DR. FRANKLIN SMITH'S REMARKS AT THE UNITED BLACK FUND PRESS CONFERENCE

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. DELLUMS. Mr. Speaker, I would like to bring to the attention of the House of Representatives the remarks of Dr. Franklin Smith who spoke at the United Black Fund press conference on January 27, 1994 in support of the "I Love Life and I Want to Live" campaign and contest.

With today's young people living with a sense of hopelessness and the belief that their life has no value, this program makes giant steps toward breaking that cycle. I am excited about supporting this endeavor and I call upon my colleagues from both sides of the aisle to lend their support to this project as well.

Dr. Smith's remarks follow:

I want to thank Dr. Calvin Rolark for his commitment and dedication to the young people of Washington, DC. The DC Public Schools System is indeed fortunate to have a partner such as Dr. Rolark, who devotes tireless energy and vision to helping youth overcome some of the very serious problems they face on a daily basis—violence and crime, drug and alcohol abuse, neglect, even death.

The educational system with its inherent concern for the welfare of children, cannot alone be expected to stem the tide of violence, abuse, and neglect. As Superintendent of the District of Columbia Public Schools, I have witnessed a growing willingness on the part of our community to help address the difficulties confronting our children.

Dr. Rolark's "I Love Life and I want to live" campaign and contest for our students is a perfect example of the community's care and concern for our young people. This campaign, and others like it, are critical for helping youth understand the value not only of their lives, but also the lives of their families and friends. This type of program also helps to aim high and work hard to realize their dreams and potential.

Fortunately, in the DC Public Schools, we have long recognized their value of outside support as a means of addressing students' needs. The Parent involvement Unit builds collaboration among existing parent groups and reinforces their links with the school system. On a more informal basis, parent partners—volunteers from all segments of the community—are the mainstay of our schools.

Their activities range from helping students with homework assignments to serving as cafeteria and playground monitors to working as teachers aides. They are an effective child-centered network that provides our students with positive adult role models and contributes to their well being.

We also are working directly with students who often feel powerless against the negative activities they see around them. In November 1992, we began work on a three-level plan to help students solve conflicts nonviolently and to make appropriate decisions when confronted with negative peer pressure and other destructive influences.

We have asked for 1.2 million in funding to implement the plan, developed by the DCPS' Multicultural and Values Branch, which focuses on the different needs of students. For example, The first level provides role playing and other activities on a constituent basis for all students to help them develop leadership and personal skills. These activities may occur during regular classroom or extracurricular time. The second and third levels provide direct intervention with students who have been displaying behavioral problems for some time and have not responded well to instruction by teachers and/or parents. Students receive intensive training in social and academic skills away from the school. The training also involves the parents. We are challenged and energized by this plan's potential for success.

These are just a few examples of our efforts to accomplish positive change within our schools and for our students. And our work is far from over. As Columnist and author Richard Louv states, "We can't wait for Politicians to do it." We must all—parents, non-parents, seniors, and young people, community activists and business leaders—continue to be involved, to let our young people know we care about them and their future. Dr. Rolark's "I Love Life and Want To Live" campaign is certainly a major step in that direction.

TRIBUTE TO LOUISE BASTILLE

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Louise Bastille, a dedicated community leader who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Louise Bastille was ordained a pastor in the United Church of Christ in 1981 when it was not common for women to assume such untraditional roles. As associate pastor of the Congregational Church of San Mateo, she has provided exceptional leadership while serving on the boards of the Interfaith Network for Community Help, the San Mateo County Organizing Project, and the Mid-Peninsula Emergency Task Force for the Homeless. This year Ms. Bastille established an outreach ministry for older adults called Tilton Travelers. In 1992, she went to Russia with the National Veterans Affairs Medical Musical Group to deliver food and clothing, as well as establish an exchange program for Russian chaplains.

Mr. Speaker, Louise Bastille is an outstanding citizen and I salute her for her remarkable contributions and commitment to serving those in need. I ask my colleagues to join me in honoring Ms. Bastille and congratulate her on being inducted into the San Mateo County Women's Hall of Fame.

IN RECOGNITION OF THE OPENING OF THE MINISALON EXHIBIT IN HOLLYWOOD, FL

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. DEUTSCH. Mr. Speaker, on March 3, 1994, the Minisalon art exhibit will make its United States debut at the Art and Culture Center of Hollywood, FL. The Czech Government has declared the Minisalon exhibit a national treasure of the Czech people. Indeed, through the kindness of the Czech Government, the exhibit will make its one and only tour outside of the Czech Republic here in the United States. Upon completing the tour in 1995, the Minisalon exhibit will be placed in the permanent collection of the Czech National Museum.

The collection of multimedia works that comprise the Minisalon exhibit were the brainchild of dissident artist, Joska Skolnik. In 1984, Skolnik secretly commissioned 244 art works by prominent, underground Czech artists. Using 662 foot wooden boxes to convey their emotions, the artists created a startling and moving multidimensional exhibition of life under a Communist regime. In order to avoid confiscation, the works were then concealed until the fall of the regime in 1989.

The 1948 seizure of Czechoslovakia by Communists resulted in severe curbs on freedom of expression. In order to exert its control over artistic thought, the regime denied nonconforming artists access to state-sponsored galleries. As a result, only those artists willing to promote the Socialist realism were permitted to display their works. Private exhibits and sales were criminalized. Ultimately, the realm of art was divided into the legal proregime works and their underground unofficial counterparts.

In 1971, this repressive environment gave birth to the Jazz Section, a group of artists who fought for the freedom of artistic expression even in the face of the Government's repression. Free of Government control, the Jazz Section quickly became Czechoslovakia's leading culture force. Its popularity and irreverence angered the regime, and it immediately ordered the organization to disband. Instead the members of Jazz Section ignored the demand and continued their activities. The Government responded by arresting and imprisoning the Jazz Section leaders, among them Joska Skolnik.

The Minisalon exhibition is the triumph of the human spirit over the oppression of a controlled society. It is a testament to the survivability of a people and the creative mind which has brought us and safeguarded these works. I urge my colleagues to visit this exhibit as it makes its way around the United States. I am especially grateful to President Vaclav Havel and the many people who have made this exhibit possible. We warmly accept this gesture of gratitude for American support of the Czech people's struggle against oppression.

TRIBUTE TO CLARA LEE JACOBS

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Clara Lee Jacobs, a dedicated community leader from California's 14th Congressional District who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Clara Lee Jacobs is an exceptional public servant who has been a foster parent for abused and neglected children for 23 years. She is currently a trainer for Model Approach to Partnerships classes which are offered by the County of San Mateo. When her own son was born deaf, she was determined that his disability would not be an excuse for failure, and she encouraged and empowered him to be independent. She was honored by the San Mateo County Social Services Department in 1989 and the Palo Alto Sertoma Club in 1987.

Mr. Speaker, Clara Lee Jacobs is an outstanding citizen of California's 14th Congressional District and I salute her for her remarkable contributions and commitment to youth in our community. I ask my colleagues to join me in honoring Ms. Jacobs and congratulating her on being inducted into the San Mateo County Women's Hall of Fame.

TRIBUTE TO MICHAEL PATRICK TOOLE'S ACCOMPLISHMENTS IN BOY SCOUTS OF AMERICA

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Michael Patrick Toole of troop 15 in Warwick, RI, and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. This young man has distinguished himself in accordance with these criteria.

For his Eagle Scout project, Michael cleaned out the Wells Street playground in Warwick.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Michael Patrick Toole. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its 80 years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that Michael Patrick Toole will continue his public service and in so doing will further distinguish himself and consequently better his community. I join friends, colleagues, and family who this week salute him.

TRIBUTE TO PHYLLIS MILLER

HON. MICHAEL J. KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. KOPETSKI. Mr. Speaker, I rise to recognize a constituent of mine, Ms. Phyllis Miller, as a recent winner of the prestigious Salem Area Chamber of Commerce Distinguished Service Award. Ms. Miller is part of what makes the State of Oregon a great place to live.

Ms. Miller has always set high standards for herself. After serving her country in medical evaluation hospitals around the world, she ended her U.S. Army career as the senior administrative noncommissioned officer at Walter Reed Hospital.

Unable to retire her desires to help others, Ms. Miller became involved with the U.S. Department of Veterans Affairs Portland Medical Center 15 years ago. To date, she has logged more than 7,500 hours of voluntary service at the medical center. In addition, she continues to actively participate in the transportation program, which provides a vital link between the medical center and veterans who would have no other choice for transport to and from their medical appointments.

Ms. Miller's commitment to veterans takes many forms. She sits on the board of the Veterans Rehabilitation Center, an organization which provides direct assistance to indigent veterans and their families. She has organized veteran job fairs at local community college campuses, as well as the most prominent Memorial Day service in the Willamette Valley, a ceremony I have had the privilege to observe. Through her leadership of the Greater Salem Area Veterans Organization, American flags decorated the city of Salem Civic Center as well as bridges across the Willamette River.

Phyllis Miller's energy seems boundless. In addition to her work within the veterans' community, she is an ardent supporter of the physically and mentally challenged. She is a year round volunteer for the Oregon Games, and is the inspiration for their Phyllis Miller Volunteer Award.

Ms. Miller also finds the time and energy to serve as an officer, board member, and active volunteer for the Special Olympics. The Oregon School for the Blind is another local organization which benefits from Ms. Miller's constant participation. She was also a prominent player in the establishment of the RAH House located in Salem, OR, and continues to volunteer her time to the brain damaged young adults living in this alternative residential housing.

Mr. Speaker, Ms. Miller's accomplishments are beyond expectation. Though her own health is less than perfect, Ms. Miller continues to aid and comfort those less fortunate. Her dedication to helping others sets a high standard for those who follow her example. She deserves our thanks and congratulations.

TRIBUTE TO MARCY VACURA SCHULTZ

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Marcy Vacura Schultz, a dedicated community leader from California's 14th Congressional District who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Marcy Vacura Schultz is the business manager of the Building and Construction Trades Council of San Mateo County. She is the first woman to be elected to such a position in the United States. As a former flight attendant, she led 2,500 coworkers in a strike against a major airline in 1983. Based on her belief that female-dominated unions should be treated equally with male-dominated unions, she successfully lobbied the California Joint Legislature to pass a resolution in support of flight attendants and convinced then-Congresswoman Barbara Boxer to launch a National Boycott of Conscience against the airline. Since joining the Building Trades Council as assistant manager in 1987, she has worked with the Private Industry Council, the County Leadership Council of the United Way, the Advisory Council on Women, and the County Housing Task Force. She was a founding member of the START Program, a project designed to train women in nontraditional jobs, and currently is the president of a nonprofit homeless agency, Shelter Network of San Mateo County.

Mr. Speaker, Marcy Vacura Schultz is an outstanding citizen of California's 14th Congressional District and I salute her for the commitment and contributions she has made to our community. I ask my colleagues to join me in honoring Ms. Schultz and congratulate her on being inducted into the San Mateo County Women's Hall of Fame.

MORE TESTIMONY ON THE NEED FOR UNIVERSAL HEALTH CARE FOR ALL

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. STARK. Mr. Speaker, it is easy to lose sight of what matters most in the health care debate. Special interest groups are spending millions to influence legislators and the American public alike. Some would have you believe that there is no health care crisis, that the status quo is where we should stay. To them, I would say, the status quo is a place where millions of Americans are uninsured and many more can barely afford to pay for what they have. Consider the letter I've just received from a widow living in Indiana:

> I'm 62 years old and have worked 43 and a half years in the same factory. I am drawing $553 from Social Security. I am paying $116.83 per month for my health insurance, plus a premium for nursing home care. And this does not pay for everything. When I go off COBRA in 1995, my premium will be $327.91 and frankly I can't afford it.

Mrs. Burch favors a plan which would collect premiums for health insurance through a system similar to Social Security.

> The government would be collecting the money, so there would be money to pay the bills. Some people don't trust the government to handle this, but Social Security has worked pretty good for millions of citizens. Frankly, I don't trust the insurance companies.

During the 103d Congress I introduced a plan that would cover every American by expanding Medicare, a system that now serves 35 million people, while containing costs and maintaining services better than private health insurance. Now called H.R. 2610, the Mediplan model meets the needs of people like Mrs. Burch, who want to help pay for their own health care, but on a more reasonable scale.

"Please consider these ideas," Mrs. Burch said. "All our people are counting on you in Congress to hear our prayers."

CONGRATULATING OLYMPIC SILVER MEDALIST NANCY KERRIGAN

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. MARKEY. Mr. Speaker, I rise today before my colleagues in the House of Representatives to congratulate and pay tribute to an American champion, Olympic Silver Medalist Nancy Kerrigan.

Nancy, hailing from my district in Stoneham, MA, is a national hero, a young woman who enraptured the world with her courage, grace, artistry, athleticism, and competitive spirit.

In the premiere event of the Winter Olympics, the woman's figure skating, Nancy was truly radiant. She dazzled the crowds, performing her spectacular routines with sophistication and elegant artistry.

Two years ago, on a rainy afternoon in Stoneham, I had the honor of joining thousands of others for a parade in Nancy's honor. Despite the terrible weather, the crowd gathered along the route roared for their hometown hero. The affection the crowd showed even then, before Nancy had received the celebrity status she now enjoys, demonstrated the tremendous admiration and respect people have for her. Over the last few months I have watched as the people of Stoneham have again rallied to support Nancy. They have strung banners on their businesses and homes congratulating Nancy on her success.

Over the last week, I have been approached by representatives in the House from across the United States asking that I pass their congratulations on to Nancy. It is easy to understand the national and international admiration. she is the embodiment of the Olympic spirit and people have been drawn to her. Her poise and grace under trying circumstances have been a credit to herself, her family, and her country. Seeing Nancy put her tremendous skills on display was inspirational.

Mr. Speaker, I ask that you join me, our colleagues, Nancy's dedicated parents Dan and Brenda, her outstanding coaches Evy and Mary Scotvold, her friends and family, and her many supporters and fans across the United States and the world in expressing our pride and joy in her winning the women's figure skating silver medal. Nancy's artistic skating proved she was an outstanding Olympic representative of the United States in Lillehammer, Norway.

TRIBUTE TO ANA VIVAS

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Ana Vivas, a dedicated community leader from California's 14th Congressional District who is being honored as an inductee into the San Mateo County Women's Hall of Fame as a Young Woman of Excellence.

Ana Vivas is an inspirational young woman who came to the United States from Nicaragua in 1989. During a difficult adjustment period in her new home, she was referred to a local youth mentor organization, Friends for Youth. Working with her mentor, she developed the confidence and perseverance necessary to succeed. Currently, she is one of the top five students in academic performance at her school and she has been chosen the school's top English student. She volunteers at the Community Living Room in San Mateo where she works directly with at-risk youth and also serves as an exception role model to youth by sharing her personal experiences and successes with them. Her career goal is to become a doctor.

Mr. Speaker, Ana Vivas is an outstanding citizen of California's 14th Congressional District and I salute her for her remarkable strength and commitment to our community. I ask my colleagues to join me in honoring Ms. Vivas and congratulate her on being inducted into the San Mateo County Women's Hall of Fame as a Young Woman of Excellence.

TRIBUTE TO JO ANN MURPHY

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. CARR. Mr. Speaker, I appreciate this opportunity to pay tribute today to Jo Ann Murphy, of Green Oak Township, MI, who celebrated her retirement from the Ford Motor Co. on February 25, 1994.

Jo Ann has retired after 25 years of dedicated service to Ford, contributing her energies and talents to her work in the magnetic gauge room at the Ford plant in Saline, MI. It is thanks to the efforts of dedicated people like Jo Ann that her employer can speak of quality No. 1.

Jo Ann is also a long time and active member of the UAW Local Union 892, demonstrating time and time again an unparalleled commitment to the advocacy of workers' rights. Her leadership in the union, like her presence in the workplace, will be sorely missed.

Having known Jo Ann well for many years, I can say with confidence that her contributions to her community will only grow in her retirement. Her three great loves are her husband, her garden, and local and State politics. Ford's loss is their gain.

Mr. Speaker, it is fitting that the House of Representatives honor outstanding individuals like Jo Ann Murphy. Please join me in recognizing her many years of contribution to her community, and in wishing her continued success in her retirement.

HONORING COL. PAUL M. HUFFMAN, CHIEF OF POLICE, SPRINGFIELD TOWNSHIP

HON. DAVID MANN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. MANN. Mr. Speaker, it is my privilege to congratulate Col. Paul M. Huffman, the chief of police in Springfield Township, on the occasion of his retirement, March 18, 1994.

Colonel Huffman began his law enforcement career with the Springfield Township Police Department on October 1, 1967. His steady advancement on the force culminated with promotion to chief on October 13, 1987.

During his years of service to the citizens of Springfield Township, Colonel Huffman was instrumental in initiating the D.A.R.E. program at schools in the Township, as part of the schools' efforts to steer young people away from drugs and toward positive activity. Colonel Huffman also introduced the Neighborhood Block Watch Program to the Township, whose participants have proven to be helpful allies to the police. Colonel Huffman also organized the first vice, traffic safety, and canine units in the department.

When not busy fulfilling his duty as chief of police, Colonel Huffman has been an active member of the Greenhills-Forest Park Kiwanis, having served one term as president.

I extend my heartiest congratulations to Col. Paul Huffman upon his retirement and express my thanks for a job well done.

POST-COMMUNIST ECONOMIC REFORM

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SOLOMON. Mr. Speaker, I would like to insert into the RECORD the following article by the Prime Minister of Estonia, Mart Laar.

Prime Minister Laar's article outlines the tremendous progress that has been made in this tiny Baltic country since implementing shock therapy, despite a minimum of foreign aid. In so doing, he puts to rest two shallow myths that permeate the air regarding Russia.

The first, evinced by the new Deputy Secretary of State, Strobe Talbott, is that Russia needs less shock and more therapy. The second is that, unless the West pumps tens of billions of dollars into the Russian treasury, the Russian reformers don't stand a chance.

The lesson is that, even if the Clinton administration continues to fantasize that the Russian reformers are still in control, foreign aid won't save them. Only the proper economic policies can do that.

[From the International Herald Tribune, Jan. 27, 1994]

THE RUSSIANS NEED MORE SHOCK THERAPY, NOT LESS

(By Mart Laar)

TALLINN, ESTONIA.—In recent weeks, a debate has been conducted on the pages of the world's leading newspapers and in the corridors of power over the utility of "shock therapy" as a means for states to wrest themselves from the shackles of central planning to become free market economies. I believe it is essential to re-examine the assumptions upon which this debate is based.

As even the casual observer knows, the states of Central and Eastern Europe have had mixed results with shock therapy. Slowly, economies have begun to improve. In some respects, development in Central and Eastern Europe has been speedier than in the former East Germany.

But at the same time, serious dissatisfaction with shock therapy has arisen among the peoples of the region. Economic revival has been neither as swift nor as painless as anticipated; many people feel they have been left to the hand of fate.

Some Western experts have begun to doubt the wisdom of shock therapy. There is increasing talk of the need to spend more on social welfare, to "soften" reforms, and to increase subsidies and transfer payments. In short, East and Central European countries are being sold on a model that has got many a Western state into serious trouble.

Let us not forget that had the Adenauer government launched a program of social well-being rather than of economic stabilization, Germany's "economic miracle" would never have occurred.

Such posturing has become nearly epidemic since the Russian parliamentary elections in December, in which both the former Communists and political forces described as fascist did well. Many observers, including Strobe Talbott, U.S. deputy secretary of state-designate, blame overly speedy reforms in Russia for the setback suffered by democratic forces. After hearing the election results, Mr. Talbott remarked that what Russia needed was "less shock and more therapy."

I could not disagree more.

A splintered approach helped defeat the democrats, as did poor coordination and the weakness of the multiparty system in Russia. The democrats underestimated the strength of the Communist-fascist forces and made tactical errors. Boris Yeltsin failed to support the democrats publicly.

Many Russians in fact share Vladimir Zhirinovsky's views. Russia is the land not only of Pushkin and Dostoyevsky but also of Ivan the Terrible and Stalin. It is a wonder that the democrats received as many votes as they did.

The experience of other states demonstrates that shock therapy is not at issue here.

After reinstating independence in 1991 and taking a few cautious steps, Estonia launched a program of radical reform. In June 1992 it became the first of the so-called former Soviet republics to introduce its own convertible currency, which was firmly fixed to the deutsche mark. Since then the Estonian kroon has been remarkably stable.

Strict monetary policy and a balanced budget are responsible for this success. Inflation plummeted from 1,000 percent in 1992 to an annual rate of 3.5 percent in 1993. Hard currency reserves have increased 3.5 times in the 18 months since the kroon replaced the ruble. In a scant year, Estonia's economy turned from East to West; exports to the West have increased by 15 times in the last few years.

After an initial drop in production, the economy had bottomed out by the second half of 1993 and begun an upturn. The third quarter of 1993 brought a clear increase in gross domestic product. We take great pride in the prediction by the International Monetary Fund that Estonia will have the highest growth rate in Europe this year.

Foreign investment has risen swiftly, while the number of businesses in Estonia jumped from 2,000 in 1991 to 60,000 last year. After radical reforms, Estonia's tax rates are perhaps the lowest in Europe. All the while, Estonia has maintained a liberal trade regime, doing away with import and export taxes.

Estonia has changed beyond recognition. New shops and cafés offer visible proof of the victory of market forces. Productivity is up, and our industries have enjoyed success in finding new markets. The standard of living reached its low point early last year, and real wages are rising again.

All of this is in sharp contrast with Russia's situation. Estonia's experience clearly demonstrates that only radical and systematic reforms can ensure a better future for a country emerging from years of central planning.

The tragedy of Russia lies in the fact that there has been too little shock in its shock therapy, and too much inconsistency in its application. Russian economic reform has followed a pattern of "one step forward, two steps back."

And now the West, instead of lending clear support to the reformists and radial democrats, speaks of "softening" reforms. It has suggested channeling more money into social spending (regardless of the effect on budget deficits and the tax burden) and has begun cajoling international monetary organizations to relax their strict terms of lending.

In protest, reformist politicians in the Russian government have been defecting to the opposition. The West, quite wrongly, behaves as if nothing awful were happening. This further weakens the democrats and consolidates support behind Mr. Zhirinovsky and his fellow travelers.

Russia and the Russians must not be treated as if they were spoiled children, above reprimand or reproach. Such children grow up to be disobedient, arrogant and tyrannical adults. We must expect of Russia what we expect of other countries, and treat Russia as an equal partner. Only this sort of pedagogy can create for Russia a better tomorrow.

TRIBUTE TO MARGARET GALLAGHER

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Margaret Gallagher, a dedicated community leader who is being honored as an inductee into the San Mateo County Women's Hall of Fame as a Young Woman of Excellence.

Margaret Gallagher is an inspirational young woman who has turned an obstacle into a tremendous achievement. In 1990, she was diagnosed with cancer yet was able to maintain a busy schedule of school activities and volunteer work. As a teen advisory board member for the Better Health Foundation's Louie Group, she helps with discussion programs, hospital visits, and fund raisers. She has trained as an environmental traveling companion and has already led three kayaking trips for the disabled. In addition, she will be a counselor-in-training at the Oncology Camp for Children with Cancer. At school, she is on the academic honor roll, a member of the drama club, La Raza, and the Panda Bowl, a schoolwide Jeopardy game. In 1993, she received the Real Alternatives Program peer education award for excellence.

Mr. Speaker, Margaret Gallagher is an outstanding citizen and I salute her for her remarkable personal resilience and strength, and her solid commitment to our community. I ask my colleagues to join me in honoring Ms. Gallagher and congratulate her on being inducted into the San Mateo County Women's Hall of Fame as a Young Woman of Excellence.

RECOGNITION OF NATIONAL SPORTSMANSHIP DAY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize March 1, 1994, as the fourth annual National Sportsmanship Day. As the 1994 Olympic games come to a close having showed us fair play and not so fair play, good sportsmanship and bad, it is only fitting that we pay tribute to the good, and the fair—our role models in athletics and society.

National Sportsmanship Day was first conceive by Dan Doyle, executive director, of the Institute for International Sport located at the University of Rhode Island. The institute has played a major role in promoting athletics and most recently organized a highly successful World Scholar Athlete Games in Rhode Island last June. Today, we celebrate National Sportsmanship Day to foster the sense of fair play, ethics, and sportsmanship in athletics and society.

Since 1991, National Sportsmanship Day has served as a way to educate children on fair play, both on the playing fields and in the classroom. Today, over 4,000 schools in the United States and 35 international schools are expected to participate. The program continues to grow, as evidenced by its spanning the globe for the first time this year. In the past 4 years, over 6,000 schools in all 50 States have worked with this program. Student athletes from colleges and high schools from all over the country travel to local elementary and middle schools to promote the issues of fair play and sportsmanship in athletics and in life.

An integral part of National Sportsmanship Day is the naming of sports ethics fellows. I am pleased to announce that Rhode Island has two this year—Linda Hackett, athletic director of Bryant College in Smithfield, and Robert Weygrand, Lieutenant Governor of Rhode Island.

As we reflect on this year's winter Olympics and anxiously await the summer games, and as we each take part in our own personal athletic endeavors, we must hold close the ideals embodied in National Sportsmanship Day.

I ask my colleagues to support National Sportsmanship Day. It is beneficial to the youth of today to understand how to succeed both fairly and honestly. I believe this program's continued success will help form a solid foundation for our children—our future Olympic heroes and lifelong athletes. I would like to thank the Institute for International Sport for its efforts and wish it the best of luck and continued success with this very worthwhile program.

TRIBUTE TO HERB HOLMES

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. REED. Mr. Speaker, I rise today to salute a distinguished individual from Rhode Island who has, through his dedication, hard work, and professionalism, served the people of Rhode Island proudly in his role as business manager of the Rhode Island Carpenters' District Council of the United Brotherhood of Carpenters and Joiners of America.

Herb Holmes joined local 94 of the Carpenter's Union in March 1955 and quickly progressed through the union leadership, first as a council delegate, treasurer and then to business agent. He went on to serve in the important role of business manager from 1981 until his retirement at the end of 1993.

During his years of dedication to the labor movement, he served on numerous committees throughout the State representing the interests and concerns of hundreds of individuals in his union. Throughout his distinguished tenure, he always dedicated his efforts toward the betterment of working conditions for the talented members of the union which he so proudly served. His accomplishments are many and we take great pride in honoring him here today for his 39 years of devoted service.

In addition to his union leadership, Herb was called upon to serve on many important commissions in Rhode Island including the Blue Cross Board of Directors, the RI Airport Corporation, the Port Authority Board and the Rhode Island Economic Development Board of Directors.

Mr. Speaker, the lives of many people in the State of Rhode Island have been greatly enhanced by Herb's efforts in promoting the professionalism of the members of Rhode Island Carpenters' District Council. I urge my fellow colleagues to join me in saluting an outstanding labor leader who I am proud to represent in the U.S. Congress.

TRIBUTE TO C. BRADFORD JEFFRIES FOR RECEIVING THE MAN OF THE YEAR AWARD FROM THE NATIONAL KIDNEY FOUNDATION OF NORTHERN CALIFORNIA

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Mr. C. Bradford Jeffries, a devoted community leader, a long-time friend of the National Kidney Foundation, and the honoree of the foundation's northern California affiliate as its Man of the Year.

Mr. Jeffries became involved with the Kidney Foundation by accepting the presidency of its northern California branch in 1970. He used his extraordinary management skills and unselfish commitment to expand KFNC, broadening its programs and services, increasing its volunteer base, and improving its funding base. By 1974 he made KFNC one of the best performing affiliates in the Nation.

Mr. Jeffries has achieved singular distinction in our community through his nationally known expertise in venture capitalism and his generous mentoring of young law associates. He helped Silicon Valley become what it is today through a combination of law and business savvy. Beyond these important contributions, Mr. Jeffries has also found time to serve as city attorney for the town of Atherton.

Perhaps most illustrative of why the Kidney Foundation is honoring Mr. Jeffries is his help in organizing Satellite Dialysis Centers, Inc. In 1974 Mr. Jeffries assisted in guaranteeing their first loan, then continued to build this small nonprofit into a company with annual revenues of $40 million which treats more than 1,500 patients a week.

Mr. Speaker, this special man has always used his talents and gifts for the greatest possible benefit of our community. It's a privilege for Congress to honor him today.

THE BOSPHORUS DECLARATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. HAMILTON. Mr. Speaker, the events of recent days and weeks in former Yugoslavia obviously command the concern of us all. For this reason, Members will read with interest a resolution, "The Bosphorus Declaration," adopted on February 9, 1994, by a group of leaders of various religious faiths—Christian, Jewish, and Moslem—who met from February 7 to 9 in Istanbul, Turkey.

The International Conference on Peace and Tolerance was cohosted by His All Holiness Bartholomew I, the Ecumenical Patriarch, and Rabbi Arthur Schneier, president of the Appeal of Conscience Foundation.

The text of "The Bosphorus Declaration" follows:

THE BOSPHORUS DECLARATION

I. The participants in the Conference of Peace and Tolerance wish to thank the Government of Turkey for the courteous hospitality it has extended to us and opportunity to pursue our deliberations on the vital issues of peace and tolerance.

The conference wishes to recognize the contributions of President Clinton, President Demirel, Secretary General Boutros Boutros-Ghali, and all the other religious and political leaders who have sent messages of support.

In this declaration we wish specifically to refer to the Berne Declaration of November 26, 1992, which has given us a foundation on which to build. That declaration specifically states that "a crime committed in the name of religion is a crime against religion."

Since November 26, 1992 we have seen many crimes committed in the name of religion and we, the Conference participants, wish to speak out vigorously against them. As recent events have shown, the crimes against humanity continue in Bosnia, in Armenia/Azerbaijan, Georgia and Tajikistan. The cruelties have continued unchecked and we demand an end to this brutality.

We, the undersigned, reject any attempt to corrupt the basic tenets of our faith by means of false intrepretation and unchecked nationalism. We stand firmly against those who violate the sanctity of human life and pursue policies in defiance of moral values. We reject the concept that it is possible to justify one's actions in any armed conflict in the name of God.

We wish to emphatically remind all the faithful that the scriptures of all three monotheistic religions specifically speak of peace as a supreme value. "Blessed are the peace makers, for they will be called children of God." "Allah summoneth to the abode of peace." "His ways are the ways of peace."

THE WAR IN FORMER YUGOSLAVIA IS NOT A RELIGIOUS WAR

II. We reiterate that the war in former Yugoslavia is not a religious war and that appeals and exploitations of religious symbols to further the cause of aggressive nationalism are a betrayal of the universality of religious faith. We emphasize the imperative of freedom of conscience and freedom of religion of every minority. We call for an end to the confiscation, desecration, and destruction of houses of worship and of holy and sacred places of whatever religious tradition. We totally abhor and condemn ethnic cleansing and the rape and murder of women and children. We demand the removal of obstacles that prevent humanitarian assistance from reaching those who are suffering.

We condemn the use of force in countries of the former Soviet Union. The conflicts in Georgia, Armenia/Azerbaijan, and Tadjikistan must be concluded immediately and solutions of the outstanding issues must be found by other means.

We recognize that all who are suffering are victims, but single out specifically the most tragic and innocent victims who are the children.

HELP SUFFERING CHILDREN

III. We ask our religious communities to embrace children from the areas of conflict in God's love and to extend all possible assistance to the suffering children, to help them to find spiritual, psychological, and physical healing. We cannot emphasize enough that spiritual nourishment is a paramount requirement; Religious communities must be supported. We also recognize that all the countries suffering from conflict have had a long, dark period of communism where there was little or no spiritual education. We urge all faiths to redouble their efforts for spiritual guidance for those who were deprived.

We wish to recognize also that tension exists within faiths and urge the leaderships of those faiths to bring about peaceful resolutions to the issues which divide them.

ASSIST REFUGEES

IV. The conference participants, as all others who have followed these tragic conflicts, observe with horror the forced migrations of refugees. Millions have experienced or are threatened by forcible displacement. Therefore, we call upon all religious faiths to speak out clearly and consistently against these actions. We condemn those who uproot families from their homes, tear children from their parents, divide husband and wife in the name of false nationalisms. We expect all religious leaders to stand fast in the protection by all those threatened by involuntary migration, whatever their religious beliefs or ethnic backgrounds. We demand that all refugees who have left their home involuntarily be permitted to return with dignity and honor; that the religious communities strengthen their institutions to receive, assist, and protect refugees of whatever faith; that religious and lay relief agencies develop procedures to coordinate their efforts. As long as the conflicts continue we urge all countries to extend temporary asylum to victims, while granting opportunity for refugee status to those who truly seek it; to increase resources for relief; and to work with all who are of good faith for the cessation of hostilities.

V. The participants in the Conference on Peace and Tolerance have agreed unanimously to utterly condemn war and armed conflict; to demand that no hostile acts are perpetrated upon any peaceful group or region in the name of a religious faith; to demand the initiation of constructive dialogues to solve outstanding issues between those of different faiths; and to demand the right to practice one's religion in freedom and with dignity.

STOP WANTON KILLING

VI. We have deliberated carefully and are in agreement that the wanton killing must stop; that those who continue to perpetrate such heinous acts are criminals and that, although we have no weapons of war and no armies for combat, we have a greater strength—the strength of spiritual might. We totally condemn those who commit the brutalities, the killings, the rapes, mutilations, forcible displacement, and inhuman beatings.

VII. We, the conference participants, have decided to establish an Appeal of Conscience Conflict Resolution Commission, to deal with ethnic conflicts. This Commission will be made up of representatives from all of the faiths and from all of the countries represented at this conference. The AC Conflict Resolution Commission will be responsible to inform Commission members and recommend ways and means to deal with the scourge of extreme nationalism and ethnic conflict.

Rabbi Arthur Schneier, President, Appeal of Conscience Foundation; His All Holiness Ecumenical Patriarch Bartholomew I; His Eminence Mehmet Nuri Yilmaz, President of the Office of Religous Affairs of the Republic of Turkey; His Eminence Cardinal Roger Etchegaray, President of the Pontifical Council on Peace and Justice and Cor Unum, Particopants in the Conference on Peace and Tolerance.

TRIBUTE TO JUDGE FLOYD L. SPERRY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SKELTON. Mr. Speaker, today I would like to pay tribute to an outstanding Missourian, Judge Floyd L. Sperry, who recently died.

Judge Sperry served his country in the Army from 1950 until 1953. He served as a combat veteran of the Korean war and was discharged as a Sergeant First Class. Following his service to his country, Judge Sperry received his law degree from the University of Kansas City.

His achievements in his career are most outstanding. Elected prosecuting attorney of Henry County in 1957, he served for 6 years. In 1964, he served for 1 year as assistant attorney general for the State of Missouri. After opening his own practice in Warsaw, MO, in 1977, he was elected in 1981 to be Benton County prosecuting attorney. His last stage of his career was his election as Benton County associate circuit judge, which he served until September 30, 1993.

Judge Sperry's active involvement throughout the community includes membership of the First Baptist church of Clinton MO, a lifetime member of the Veterans of Foreign Wars of Clinton, MO, and the American Legion 40/8. He was also a member of both the American Legion Post 217 of Warsaw, MO, and of the Elks Lodge of Clinton, MO.

A devoted and loving husband, father, and grandfather, he is survived by his wife Wanda, 3 sons, 2 stepsons, 11 grandchildren, 3 brothers, and 2 sisters. I know that my colleagues join me in my extension of condolences to his family and loved ones.

THE PRIDE OF GREATER ROCHESTER

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LAFALCE. Mr. Speaker, as a nation we had much to be proud of at the performance of our athletes at the winter Olympics in Norway. Like millions of their fellow Americans, the residents of the 29th Congressional District of New York, which I am privileged to represent, cheered and applauded as the United States collected 13 medals this year.

But they were especially proud and especially supportive of one of their fellow New Yorkers, Cathy Turner, a resident of the town of Clarkson and an entrepreneur in the village of Hilton, both in my congressional district. Cathy garnered two—gold and bronze—of those medals in the short-track speed skating competition, adding to the two medals—gold and silver—she won 2 years ago at the winter games in France.

Cathy might very well have captured three medals this year, except for her disqualification in the 1,000-meter race. For many of her fans, including me, watching that event, it seemed like a classic case of "the wheel that squeaks the loudest is the one that gets the grease." As we all know, Cathy's disqualification came in the wake of strident protests from Chinese and Canadian skaters after an earlier race Cathy won.

The following editorial from the Rochester Times-Union on March 1, 1994, puts that disqualification in just the right perspective. I would like to share it with my colleagues and congratulate Cathy Turner on a job well done. She's proved she is not just a good skate. She's a great skate.

TURNER DESERVED A LAST SHOT AT GOLD

Maybe our eyes are biased in favor of the hometown star. But, as we repeatedly watched the replays over the weekend, we just couldn't see the "dirty moves" that led to Olympic speedskater Cathy Turner's disqualification in Friday's 1,000-meter race.

Turner, of Hilton, won gold and bronze medals at the Lillehammer Games, to go with the gold and silver medals she won two years ago. But she might well have won another medal, perhaps the gold, in the 1,000-meters, had she been allowed to compete in the finals.

We think Turner was right, that the judges were "waiting for something to happen"—that they were looking for an excuse to disqualify her after Chinese and Canadian skaters accused her of illegal contact during the 500-meter finals.

We watched that videotape, too, and while there was contact as Turner passed China's Zhang Yanmei, she certainly never grabbed Zhang's leg, as was alleged.

Short-track speedskating inevitably involves contact, and Turner is aggressive. She is also very good, and she deserved a shot at a third gold medal.

Sour grapes? Nope—just the truth.

TRIBUTE TO LT. GEN. EUGENE F. TIGHE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. DORNAN. Mr. Speaker, I would like to take this opportunity to recognize before my colleagues and the American people the passing of Lt. Gen. Eugene F. Tighe, Jr., USAF—1921–94.

General Tighe served 39 years in the Air Force, 4 of these years as the Director of the Defense Intelligence Agency at which he was a tireless advocate for the MIA issue. His life exemplified both professionalism and integrity. The American people have been truly blessed by the service and life of General Tighe and we will all miss his presence greatly.

I have enclosed a copy of General Tighe's 12 Commandments for Junior Airmen. These are principles we would all do well to remember.

The article follows:

GENERAL TIGHE'S 12 COMMANDMENTS FOR JUNIOR AIRMEN

Learn to pray, if you don't know how, today. God's may someday be the only shoulder you can find on which to cry.

Protect your integrity. Once lost, it is gone forever, and you will know it even though no one around you is aware.

Learn to listen—except when drowning or otherwise trapped.

Resist the urge to steer your own canoe. It's better to enjoy the therapy of knowing the Air Force assigned you to a lousy job, than remembering you arranged to get the job yourself.

Don't volunteer. Your bosses and peers will push and pull you to the level the team effort requires. If you've got it—they will know it. If they need it—they'll use it. Once you have the chance—excel.

Don't be a chronic complainer. Even your mother will get to hate you.

Arrive for work early. Put in a good day's work, but stay late only if there is work for you to do. Don't try to impress with overtime; it may look like inefficiency.

Try to develop a single, uncommon specialty. Whether a foreign language, a specific area of expertise, flower growing, or a mechanical talent, it is nice to be able to do something few around you can do, and it is great for your self-confidence.

Keep stretching your experience—in art, music, literature, and science. If you do, you will never be a bore, or bored with life.

Strive earnestly to learn to produce reasonably stylish prose and clear, concise reports. And, once in a while, a little poem—but show it to no one.

When you are out in public, be sure you look like an airman should—at all times. Your bearing will continually shape and discipline your growth to greater things.

Learn to say thank you frequently and with genuine feeling. You are never likely to be independent.

TRIBUTE TO DENIS MULCAHY, FOUNDER OF PROJECT CHILDREN

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LEVIN. Mr. Speaker, as Project Children celebrates its 20th year, I rise today to pay tribute to Denis Mulcahy, Project Children's founder and chairman.

Since its founding in 1975, Project Children has been sowing the seeds of tolerance, mutual respect, and friendship. Project Children brings children from northern Ireland—both Catholics and Protestants—to the United States. Here, they enjoy a brief respite from the strife and violence of their homeland. Together, they forge new bonds of friendship that transcend religious and ethnic differences. Child by child, Project Children is sowing the seeds that will, one day, blossom into a lasting peace.

Under the direction of Denis Mulcahy, Project Children has grown from 6 children in 1975, to 900 in 1993. Today, Project Children has host families in 17 States across the country. Over the past 20 years the program has brought over 9,000 children to the United States. For his efforts, Mr. Mulcahy has been honored by Prime Minister Charles Haughey of Ireland, Pope John Paul II, and President Ronald Reagan. In addition, Mr. Mulcahy is a decorated member of the New York City Police Department's bomb squad. He was awarded the Medal of Valor after diffusing a bomb in 1987.

Mr. Speaker, in past years my office has helped to coordinate Project Children's Capitol Hill day. I very much look forward to this annual event, seeing firsthand, the results of Mr. Mulcahy's labors and meeting all the people that contribute to this remarkable program.

I congratulate Denis Mulcahy for his leadership and vison. His passion, ceaseless efforts, and perseverance had made Project Children a success. May he keep bringing the children of northern Ireland together in an environment of peace and hope.

THE UNITED STATES AND NEW ZEALAND: CIVILITY RESTORED

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LEACH. Mr. Speaker, building on progress made by President Clinton and Prime Minister Bolger at the APEC summit last November, the United States announced on February 18 that it is restoring senior-level contacts between United States officials and their New Zealand counterparts for discussions on political, strategic, and broad security concerns. This will result in the first high-level bilateral dialogue between New Zealand and the United States in almost a decade. This Member strongly supports that decision. It has been long past due.

Most Americans are probably unaware of what the U.S. ban was all about. Briefly, in

1985 New Zealand moved to compromise the integrity of the Australia-New Zealand-United States Alliance [ANZUS] by adopting a strict anti-nuclear policy, subsequently enacted into legislation, which prohibited Navy ship visits by nuclear powered or potentially nuclear armed vessels. In reaction, the United States suspended its ANZUS obligations to New Zealand and sharply restricted high-level dialogue on foreign policy and security. Until last Friday, that policy remained in place.

Fortunately, the flap over ship visits did not disrupt our overall bilateral relations. After all, the ties that bind our two peoples remain strong: a common heritage rooted in democratic institutions and frontier immigrant traditions, as well as our allied status in every principal engagement of the century. We cooperate on an impressive panoply of issues, ranging from the crucial world trade talks to human rights to environmental protection and Antarctic research. And our economic ties continue to deepen, with two-way trade rising to about $2.7 billion and the United States becoming New Zealand's second largest direct foreign investor.

In foreign policy and broad international security, the United States and New Zealand enjoy an enormous commonality of interests. The United States values Wellington's experienced counsel in the South Pacific Forum, its regional leadership role, and continued security cooperation in Southeast Asia. More broadly, New Zealand's tradition of good global citizenship stands as a beckoning model for all. We welcome in particular New Zealand's recently increased international activism, such as its vigorous participation in U.N. peacekeeping operations and leadership on the United Nations Security Council.

The ANZUS rift with New Zealand did not affect overall United States strategic engagement in the Pacific. But the end of the cold war has made effective multilateral cooperation and institution-building more, not less, important to advancing U.S. interests in the region. Thus ANZUS remains an important trans-Pacific anchor for the United States, even as the region develops new means and institutions, such as APEC, to help meet the compelling challenges of our time.

For many years this Member endeavored in the strongest possible terms to impress upon the executive branch that there could be no prospect for restoring security ties while restrictions on political access remained in place. They were offensive to New Zealand sensibilities and frankly counterproductive. Last year the new administration appeared to recognize such and initiated a lengthy policy review, the results of which are now evident.

In this regard, it is to the credit of President Clinton, Assistant Secretary of State Winston Lord, his deputy Mike Owens, the East Asian and Pacific Affairs office at the Department of Defense and Admiral Larson—the Commander in Chief, U.S. Pacific Command—that a change in U.S. policy was finally effected.

Likewise, the support and understanding of our staunch ally Australia, which itself outfaced very considerable anti-nuclear pressures in the mid-1980's and with whom we consulted very closely on this issue, is much appreciated. In addition, New Zealand's very able and very fondly regarded Ambassador in Washington, Dennis McLean, has worked tirelessly over the past several years to restore civil political discourse.

But as the administration made clear, even with civil discourse restored, renewed bilateral security ties will remain problematic until Wellington is prepared to come to grips with its own increasingly anachronistic anti-nuclear ban. Here we all recognize that won't be easy. The divisive and emotional politics of the issue are well understood in Washington.

One unlikely outcome is a unilateral resumption of security cooperation by the United States. Despite enormous fondness for New Zealand, there is no Congressional dissent from the principle of alliance responsibility. Likewise, the Congress remains supportive of one of the crucial keepers of the peace in this century—the U.S. Navy—and our global policy of neither-confirming-nor-denying the presence of nuclear weapons [NCND].

Nevertheless, assuming a majority of New Zealanders still want to have security relations with the United States, as virtually every opinion poll since 1985 has shown, a healing of the ANZUS rift can still be realistically contemplated.

After all, the taproot of Wellington's novel anti-nuclear policy stemmed from New Zealand, indeed world, doubts about the sincerity and capacity of President Reagan in his first years in office to advance arms control. Yet in partial measure Reagan's Evil Empire doctrine has been vindicated by history and subscribed to by a new generation of Russian democrats. It also led to a new era of progressive U.S. leadership on arms control, from the INF treaty to START I and START II. The United States now supports a comprehensive test ban treaty and has proposed eliminating the production of fissile material for nuclear weapons. All tactical nuclear weapons have been removed from U.S. surface naval ships. Even the South Pacific Nuclear Free Zone [SPNFZ], long supported by Canberra and Wellington but bitterly opposed by the Pentagon, is now under very active policy review.

In other words, through American leadership on international arms control, the United States has effectually removed the original strategic concerns underlying New Zealand's antinuclear ban. Those concerns cannot logically be the basis for New Zealand objections to renewed security ties.

Likewise, by removing a ban on high-level political contacts, the United States has dramatically improved the diplomatic and psychological climate for considering an eventual resolution of the nuclear issue.

While we all hope that there will eventually be some movement on this issue in Wellington, Americans recognize the genuine and strong public antipathy in New Zealand to nuclear weapons, as reflected in its antinuclear legislation. Given the changed strategic landscape, this Member can see no reason to ask New Zealand to compromise its core principles against nuclear weapons. It is a given of New Zealand public opinion and public policy that we must respect. And those principles need not necessarily conflict with our policy of NCND.

New Zealanders might then reasonably ask, what's the problem? My sense is that its chiefly in the ban on nuclear powered warships, the only such legislation in any country of the world. It clearly restricts the operational flexibility of the U.S. Navy. While over 90 percent of the 148 United States vessels to visit New Zealand waters between 1960 and 1984 were conventionally powered, some 10 nuclear propelled vessels did make port calls during that time. While the United States would undoubtedly strive to respect New Zealand sensibilities on this issue, it is impossible to imagine having normal military-to-military cooperation or return to an alliance relationship, if some of our ships can't visit.

Because this problem appears more psychological than substantive, many in Washington were hopeful that the December 1992 report of the authoritative and impartial Somers Commission on nuclear propulsion safety would have stimulated greater domestic debate in New Zealand. Nonetheless, the findings of the report remain timely and significant.

I would only quote from the first finding of the Commission:

> The presence in New Zealand ports of nuclear powered vessels of the navies of the United States and United Kingdom would be safe. The likelihood of any damaging emission or discharge of radioactive material from nuclear powered vessels is so remote that it cannot give rise to any rational apprehension.

And as the Somers Commission also pointed out, codes and regulations governing visits by nuclear powered ships would be entirely under New Zealand's sovereign control.

From a congressional perspective, the conceptual framework for resolving the ANZUS rift appears clear. With normal relations now restored by the Clinton administration, the question for New Zealand to decide is how it sees the world and Wellington's role in it; whether its aspirations for a more humane, prosperous, and stable world order includes mutually advantageous security cooperation with the United States.

As America looks forward to working with its friends in building a new Pacific community, now is the time in New Zealand-United States relations to emphasize our shared heritage, our mutual responsibilities, and our common view of the future. Now is the time to underscore our mutual confidence and respect by working together to reinvigorate the ANZUS Alliance.

DEFENSE CUTS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SOLOMON. Mr. Speaker, it has been suggested by the chairman of the Armed Services Committee that the defense budget is not being cut enough by the Clinton administration.

Let me repeat that for those who may be in a state of shock. The chairman of the Armed Services Committee has suggested that defense spending has not been cut enough.

Mr. Speaker, I am in a state of shock. For at least a year, the consensus among those who understand this Nation's defense establishment has been that defense is being cut too much.

It is though some people are in a time warp, Mr. Speaker.

To hear such sentiments, one might think it was 1985, when defense was eating up 27 percent of spending and 7 percent of GNP.

Or perhaps 1991, when we were euphoric over our victory in the cold war.

Maybe some still think it is 1992, when the Bush administration outlined a prudent plan to build our defenses down to 3.6 percent of GNP by 1998.

But it is not 1985, 1991 or 1992, Mr. Speaker. It is 1994, year two of the Clinton administration, and here are the objective facts.

We are now heading into our ninth year of real defense cuts.

Real defense spending has declined by 35 percent since 1985 and procurement has been cut 50 percent.

Defense spending is now at just 4 percent of GNP and 16 percent of spending, and with the Clinton cuts, it is headed to 2.8 percent of GNP and 13 percent of spending by 1998.

It is simply behind the times to blame the defense budget for our budget and domestic woes. The numbers just do not bear that out.

And what are the results of these already draconian cuts, Mr. Speaker?

Well, for starters, even the Clinton administration admits that we are already $20 billion short of funding necessary to fulfill their own Bottom-Up Review.

At current projections, Air Force structure will be 15 percent below Bottom-Up levels by 1998.

Navy shipbuilding and aviation procurement is already short by $3.5 billion in fiscal year 1995.

And for the first time in 10 years, the Marine Corps' equipment is less than 90-percent battle ready.

We are going hollow. Mr. Speaker.

Again.

And all of this comes at a time when our euphoria of 1991 has given way to reality.

The reality of Vladimir Zhirinovsky.

The reality of North Korea's nuclear bomb.

The reality that the world remains an incredibly unstable and dangerous place.

And the reality that there is only one country capable of leading the civilized world through these turbulent times.

That country is us Mr. Speaker, and this is no time to talk about further defense cuts.

Indeed, given today's reality, it is high time we begin talking about increasing the defense budget, Mr. Speaker.

TRIBUTE TO MASSACHUSETTS SEVENTH DISTRICT OLYMPIANS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. MARKEY. Mr. Speaker, I rise today before my colleagues in the House of Representatives to congratulate and pay tribute to four outstanding Olympic athletes who represent the true ethos of the Lillehammer winter games.

The young men from my district in Massachusetts, Jim Herberich of Winchester, a bobsled driver; Jeff Lazaro of Waltham, a forward on the hockey team; John Lilley of Wakefield, a forward on the hockey team; and David Sacco of Malden, also a forward on the hockey team; all embody the Olympic ideal. The teamwork and commitment they exhibited exemplify goals we should all try to attain.

Mr. Speaker, I would like to pay homage to the immense personal sacrifice made by these individuals. To be an Olympic athlete requires enormous desire, dedication, and determination. The long hours of training and preparation yield little immediate attention or accolades. Fortunately, once every 4 years these athletes have 2 weeks to shine. Jim, John, Jeff, and David are true Olympic heroes of whom all Americans can be proud.

Mr. Speaker, I ask that you join me, our colleagues, Jim, Jeff, John, and David's parents, friends, family, and many supporters in thanking and congratulating them for their truly Olympic performances.

TRIBUTE TO ELIZABETH LINN TRAUBMAN

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Elizabeth Linn Traubman, a dedicated community leader who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Elizabeth Linn Traubman is an exceptional public servant who has been serving the needs of her community for 25 years. She has worked with so many, including the elderly, families of retarded children, postsurgical and terminally ill hospital patients, and war veterans. As a full-time volunteer, she was instrumental in the formation of the antiwar group Beyond War now known as the Foundation for Global Community. She has worked to create trust and understanding between those involved in the Middle East conflict. She cofounded monthly dialogs in her home between local Jews and Palestinians and helped organize a 1991 meeting of Israelis and Palestinians in the Santa Cruz Mountains. She also helped organize the 1993 Armenia/Azerbaijan Initiative Conference held in Ben Lomond. In addition, she has been a member of the steering committee of County 2000 since its inception and has helped organize its series of public forums and programs focusing on the future of San Mateo County, CA.

Mr. Speaker, Elizabeth Linn Traubman is an outstanding citizen and I salute her for her remarkable contributions and commitment to our community. I ask my colleagues to join me in honoring Ms. Traubman and congratulate her on being inducted into the San Mateo County Women's Hall of Fame.

WASHINGTON REPORT—AGRICULTURAL OUTLOOK

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 2, 1994, into the CONGRESSIONAL RECORD:

AGRICULTURAL OUTLOOK

US agriculture continues its strong recovery from the farm recession of the 1980s. In 1986, farmers' net cash income was about $48 billion, government spending was a record $26 billion, and farm exports were $26 billion. In 1993, net cash income is expected to be $59 billion—which would surpass last year's record level of $57.7 billion—government spending was $16 billion, and exports are expected to remain at the 1992 level of $42.5 billion. Although the value of exports was stagnant, there was a rise in 1993 in high value exports, particularly dairy, meat and poultry.

Although the typical 1990s farm is still family-owned and operated, it is no longer the small, diverse operation of 60 years ago. In 1930, the nation had roughly 1 billion acres of farmland in 6.3 million farms, and today the same amount of land is in 2.1 million farms. 15% of these farms are responsible for more than 75% of all US farm commodity sales, and the remainder are operations that annually gross $40,000 or less from farming and rely on off-farm sources for additional income. Indiana is following these trends. In 1992, Indiana had 62,778 farms, compared to 70,506 farms in 1987. While the amount of land in those farms fell from 16,170,895 acres in 1987 to 15,618,831 acres in 1992, the average size of Hoosier farms increased from 229 acres to 249 acres.

1993 AGRICULTURAL PERFORMANCE

Southern Indiana was spared the floods and drought that plagued other regions. Higher prices meant greater profit for those with production to sell, and many Hoosiers recorded bumper crops. Even for those hurt by the disasters, the impact of the crisis is not expected to be as severe or as widespread as in the mid-1980s. Low interest rates, less debt, lower land costs, and government assistance will all help to cushion the effect of the disasters for these farmers. Overall the US farm sector improved slightly in 1993, and, in Indiana, the total value of principal crops rose 10% over the 1992 level.

EXPECTED 1994 PERFORMANCE

A return to normal weather in 1994 will set the stage for a more production year for US agriculture. With the recovery from the floods and drought, crop production will likely increase 5 to 10%. Last year's smaller crop and reduced carry over will likely boost prices for many commodities in 1994. Expected larger outputs along with higher crop prices will mean increased income for many farmers this year. Higher prices will increase production costs for livestock and poultry producers, however.

THE PRESIDENT'S BUDGET

The President has requested $60.25 billion for US Department of Agriculture (USDA) in fiscal year 1995, of which an estimated $13 billion will be spent on price and income supports, farm credit, agriculture research, and extension. The President's budget includes several new farm policy recommendations, including crop insurance reform and elimination of certain export subsidies. Congress will scrutinize the budget request to assure that farmers receive full benefit for each dollar spent.

TRADE

Opening export markets is critical for US farmers. One out of every three acts of cropland already goes for export each year, and US productivity continues to rise. In 1976, the US exported almost exactly the same amount of corn as in 1993—1.6 million bushels. But our corn yield has increased almost 50% in those 16 years. Because the US economy cannot consume all the output from the steady rise in farm productivity, expanding global export markets must be a primary policy goal. The growth in the markets for value-added farm products—like corn and soybean meal—will also help absorb the added production.

The NAFTA, which became effective January 1, will phase out barriers in US-Mexican agricultural trade over 15 years. After full implementation of NAFTA, US agricultural exports are expected to be $2.6 billion higher annually than without the agreement. This year Congress is scheduled to consider implementing legislation to the Uruguay Round of the GATT. Under the agreement, agriculture would be covered by the GATT for the first time and GATT members would be required to make significant cuts in the value and volume of agricultural export subsides. I know of no single step that would help farmers more than to expand US agricultural exports. New global markets provide the American farmer with exciting opportunities.

NEW USES

The Clean Air Act of 1990 expanded the role of cleaner fuels, such as ethanol, in fighting air pollution. The Administration recently proposed regulations that would carve out a specific niche for corn-based fuel additives in the reformulated gasoline market. The rule, which will be finalized in June, will help corn growers.

USDA REORGANIZATION

Discussion of USDA reorganization continues. The Agriculture Secretary can act to streamline and realign headquarters offices and functions and to close or consolidate field offices, but other aspects of his reorganization plan require congressional action. The centerpiece of the plan, which is now under consideration in committee, is a new Farm Services Agency that would carry out price and income support, crop insurance, and farm credit programs, and possibly certain conservation programs. The plan calls for the first and largest cuts to come from USDA headquarters. My goal is to reduce the bureaucracy and save money, while providing improved and farmer friendly service to farmers. The full House is likely to debate the reorganization bill later this spring.

CONSERVATION AND ENVIRONMENTAL ISSUES

The recent farm acts established programs to encourage soil conservation and address water quality issues. The upcoming reauthorization of the Clean Water Act will again focus attention on agriculture's role in nonpoint pollution and wetlands conversion; laws governing pesticide sale and use will also be reviewed. I want Congress to look at these proposals with great care to assure that they do not penalize farmers.

OUTLOOK

Strong economic growth and low interest and inflation rates will continue to help U.S. farmers. They will also benefit from the lowest debt-to-asset ratio—a key indicator of farm financial health—in 25 years. There will be challenges for US agriculture, including declining price and income supports, increased competition from abroad, lower sales to the former Soviet Union, and reduced US export subsidies under GATT. My view is that US agriculture is in a strong competitive position to succeed over the decade. As we in Congress continue to monitor US agriculture policies in anticipation of farm act renewal next year, my hope is that greater economic growth at home and abroad and stable production expenses will help US farmers strengthen their position as the world's leading producers.

TRIBUTE TO DR. ROBERT P. WEST

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SKELTON. Mr. Speaker, I take this opportunity to pay tribute to a good friend and community leader, Dr. Robert P. West of Lee's Summit, who recently died.

Dr. West was an orthodontist in Independence, MO, for 23 years. He was a native of Marshfield, MO. From 1971–72, he taught at the University of Missouri at Kansas City School of Dentistry. He was past president of the Missouri Society. Other community positions included president of the Independence Rotary Club, a member of the board of directors of Second Harvest, and a cofounder of Harvesters. Dr. West was also a fellow of the International College of Dentists and a board member of the American Cancer Society and of the governmental affairs department of the American Association of Orthodontics on the American Dental Political Action Committee.

Educated at UMKC, he received bachelor's degree in science and a doctorate in dentistry from the dentistry school. He received his orthodontics degree from the University of West Virginia, Morgantown.

I extend my most heartfelt condolences to his wife Marge, his parents, and other members of his family. He was truly an outstanding citizen and will be missed by all who knew him.

TRIBUTE TO MARIANO LUCCA

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LAFALCE. Mr. Speaker, a longtime friend and constituent from Buffalo, NY, Mariano A. Lucca, passed away this week at the age of 92. He was a man short in stature but tall in achievement.

Throughout his lifetime, Mariano Lucca was an activist, deeply involved in a variety of community improvement efforts, political affairs, fund-raising events for good causes.

He was particularly active in preserving and promoting Italian-American culture, of which he was most proud. That certainly led to his fascination with Christopher Columbus and eventually resulted in the Federal holiday—Columbus Day—we have observed in October each year since 1971. Mariano Lucca founded the National Columbus Day Committee, opened an office in Washington in 1966 and relentlessly campaigned, cajoled, and crusaded through the Halls of Congress in support of legislation to create that Federal holiday honoring Columbus. He was irrepressible, dogged, sometimes charming, sometimes irreverent; and, in the end, Mariano Lucca successfully championed Columbus' cause.

Unquestionably, Columbus would have discovered America a lot earlier than 1492 if he had had an advocate of Mariano Lucca's caliber and persistence in the Spanish court.

Mariano was a fascinating man, who left an indelible mark on his community and his Nation. The following article which appeared in the Buffalo News on February 28, 1994, describes in more detail his many activities and accomplishments during a lifetime well spent:

MARIANO A. LUCCA DIES; COLUMBUS DAY CHAMPION

(By Mike Vogel)

Mariano A. Lucca, a longtime crusader who championed a series of causes in a lifetime that took him from one of the toughest streets in the world to audience halls of Europe, died Sunday (Feb. 27, 1994) in his West Side home after a long illness.

Lucca, the man who made Columbus Day a national holiday, died surrounded by family members in the 7th Street house he had turned into a Columbus and Queen Isabel museum. He was 92.

A Mass of Christian Burial will be offered in Holy Angels Catholic Church at 9:30 a.m. Wednesday. Burial will be in Mount Olivet Cemetery.

Lucca was born in 1901 on Canal Street, near the end of that storied street's long tenure as one of the toughest streets in the world.

His father, Sicilian immigrant Francesco Lucca, had taken over management of the Only Theatre, scene of an infamous 1890s murder, at a time when Italians were starting to convert the crime-ridden waterfront district to a poor but respectable "Little Italy" that would be renamed Dante Place. As a child, Lucca and a friend discovered a large mound of human bones in the building's basement.

"I was born at 104 Canal St.," he told the author of a recently published waterfront history. "My mother cut meat until two hours before my birth—my mother had nine children, and my father was a widower with five kids."

In later years, Lucca would claim to have been present at the assassination of President McKinley. Lucca's mother, the month before his birth, had gone to the Pan-Am Exposition to watch his father play the cornet in a band, and Dr. Charles Borzilleri—a pioneer Italian physician and founder of Columbus Hospital—later gave him a certificate attesting to his attendance.

Assassination aside, Lucca's early years sparked a lifelong fascination with politics and the Democratic Party. As a child, he would grab a ginger ale and hide in a stack of casks or flour sacks in his father's saloon to listen as Francesco and influential local and state candidates discussed political affairs.

He was befriended by a young Alfred F. Smith, and much later developed friendships with Franklin Delano Roosevelt, John F. Kennedy and others.

In 1924, after his marriage to the former Clara L. Gugino, the couple honeymooned at the Democratic National Convention in New York City. Lucca, who staged five unsuccessful congressional bids in the 1950s and 1960s, attended every presidential inauguration since Herbert Hoover, and President Clinton played a saxophone tune for Clara at his inauguration festivities last year.

As a teen-ager, Lucca briefly managed the Only Theater while his father returned temporarily to Sicily for a health cure. As a young man, Lucca investigated workmen's compensation abuses for the U.S. Labor Department.

Soon after his marriage, the diminutive crusader began publishing his own weekly newspaper, the "Warder." His work prompted Buffalo Evening News Editor Alfred H. Kirchhofer to publish his reporting and to send him twice to Europe to file stories for this newspaper.

In 1933, he filed a series of stories from Italy, in the form of letters to his father. The stories detailed conditions in that nation and included interviews with Italian Premier Benito Mussolini, King Victor Emmanuel, Pope Pius XI and the papal secretary of state who would later become Pope Pius XII.

Lucca confronted Mussolini, during a private audience, by vowing that he wouldn't lower his eyes before the premier, but "only to God!" Mussolini picked the small man up, hugged him and kissed him on both cheeks, and cried, "A real Italian!"

"No, your excellency," Lucca responded, "an American of Italian heritage, of which he's proud!"

In 1935, a second trip abroad took him to Germany and interviews with Adolf Hitler and his top aides.

Resigning from The News shortly afterwards, Lucca began free-lance advertising and public relations work, and founded the Buffalo Publicity Bureau. During World War II he worked as a production expediter at the Curtiss-Wright aircraft plant here, and in the late 1940s began a 12-year career as publisher of the Buffalo Beacon, a weekly newspaper that championed the cause of the underdog.

Always active in promoting Italian culture in this area, Lucca also began a multinational annual series of Mardi Gras pageants in the 1930s to showcase Buffalo's varied ethnic traditions.

He also organized the Buffalo Famine Emergency Committee to aid war-ravaged regions of Poland and Greece in the 1940s, and guided a relief effort to help residents of Rimouski, Quebec, after a devastating fire leveled that town. In 1980 he mobilized clothing collections as the Order of the Sons of Italy moved to aid victims of a massive earthquake in Italy, and he and his wife traveled to that nation to make sure the aid got to the 97 communities in need.

Perhaps his greatest career achievement, though, came in the 1960s, when he successfully campaigned to make Columbus Day a federal holiday. Jucca founded the National Columbus Day Committee and opened an office in Washington in 1966. Two years later, after long and hard lobbying by the crusader from Buffalo, Congress passed Columbus Day legislation and the holiday was inaugurated in October, 1971.

Lucca remained a champion of Columbus and Queen Isabel, and was working on expanding his front-parlor museum at the time of his recent illness and eventual death. The committee staged annual or twice-yearly banquets in Buffalo, with Lucca singling out dozens of local and national figures to honor their community contributions.

Surviving are his wife, Clara, 98, whom he repeatedly described at banquets as the "bundle of sweetness" who had made all his work possible through the years; a son, Fran, a Buffalo-based freelance television producer long associated with WNED-TV; nine grandchildren; seven step grandchildren; 25 great-grandchildren; and two great-great grandchildren.

WHITEWATER SCANDAL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. DORNAN. Mr. Speaker, this past week there appeared two editorials, one in the New York Times on February 27 and the other in the Washington Post on February 28, that I would like to bring to the attention of my colleagues and the American people.

When the two most liberal and pro-Clinton papers in America start raising questions about the ethical climate in the White House, you just know something is rotten in Denmark, or in this case Little Rock.

But one thing is certain. The sooner we get to the bottom of this sordid business the better. And we won't have all the answers the American people deserve unless Congress exercises its oversight authority and looks into the Whitewater scandal.

[From the New York Times, February 27, 1994]

SLOVENLY WHITE HOUSE ETHICS

President Clinton and his helpers keep saying they have nothing to hide on Whitewater. So some evil genie must be making them act as if they do. The latest affront is the boneheaded conclave convened by Deputy Treasury Secretary Roger Altman to give a "heads up" to three White House officials about the Resolution Trust Corporation inquiry into a savings and loan association connected to Mr. and Mrs. Clinton.

Mr. Altman said he wanted to brief Bernard Nussbaum, the White House counsel, Harold Ickes, the deputy chief of staff, and Margaret Williams, the First Lady's chief of staff, on when the statute of limitations would run out on the R.T.C. investigation of Madison Guaranty Savings and Loan.

That is an interesting question and not unrelated to other questions that Republicans on the Senate Banking Committee and other reasonably curious Americans would like to have answered. Here are four:

1. Was Madison used to convert Clinton campaign funds to personal funds for the then Governor?

2. Did a regulator appointed by Governor Clinton go easy on Madison because it was owned by the Clinton's political ally, James McDougal, who was also the Clinton's business partner in the Whitewater Development Company?

3. Did the Clintons pay the same amount of money for their half share of Whitewater that Mr. McDougal paid for his? This question is important because if bears on whether Mr. Clinton, while Governor, received gifts or claimed underserved tax deductions in connection with Whitewater.

4. Did Mrs. Clinton's law firm behave properly in its dealings with Madison and bank regulators?

Given that such questions are now before a special counsel and the R.T.C., a meeting between Mr. Altman and top White House aides was improper on its face. It could never have taken place in a White House that had even a rudimentary respect for the common-sense rules on conflict of interest. The Clinton team has taken the nation back to the sham ethics of the early Reagan Administration. That crowd believed conflicts of interest could not exist since they could not conceive of letting any law or rule of propriety interfere with the political and financial interests of the President or his buddies.

The stated reason for this meeting will not wash. Information on the statute of limitations could be had from the newspapers or a brief memo from the R.T.C. legal staff. Senator Alfonse D'Amato and Representative Jim Leach therefore have reason to suspect that the goal of the meeting was to control political damage or compromise the R.T.C.'s investigation. Who knows what the White House has learned about the R.T.C. findings? After all, it was only through Mr. D'Amato's efforts that the Government released an R.T.C. document suggesting that Mrs. Clinton's law firm had failed at proper disclosure of its dealings with Madison.

In response to bad publicity, Mr. Altman has recused himself from the R.T.C. inquiry on Whitewater. His R.T.C. deputy should now take over all his duties at the agency until a permanent director is appointed. Senator Donald Riegle, the chairman of the Senate Banking Committee, needs to step up his committee's oversight activities. Other Democrats like Senator John Kerry need to cease their myopic defense of Mr. Clinton on a matter about which neither the Senator nor the public has been fully informed.

Opposition leaders are right when they say that a Republican White House that so recklessly meddled in the Justice Department, the R.T.C. and other agencies would be shelled with endless Congressional investigations. It is time for the Democratic Congressional leaders, Thomas Foley and George Mitchell, to try to educate this White House about the normal protocols of governance. Explaining what Representative Leach meant when he said "arms length" would be a start.

Clinton aides behave as if their President had deep deposits of public trust. In fact, that account was pretty slim when Mr. Clinton got to Washington, and it is just about tapped out now.

[From the Washington Post, Feb. 28, 1994]

WHITEWATER RECUSAL

Deputy Treasury Secretary Roger Altman's decision to recuse himself from all matters relating to the investigation of the Madison Guaranty Savings and Loan failure was belated but proper. Besides his personal friendship with President and Mrs. Clinton, Mr. Altman also serves as acting chief of the Resolution Trust Corp. It's the independent federal agency charged with disposing of collapsed savings and loans and pursuing civil and criminal cases against those associated with the failures, including officers, borrowers, accountants and lawyers.

Mr. Altman's disclosure last Thursday that he had recently briefed White House counsel Bernard Nussbaum and two top aides to Mr. and Mrs. Clinton on how the RTC would proceed with potential claims growing out of Madison's failure drew Republican charges that the White House was improperly involved in a case that affects the Clintons personally. On Friday, Mr. Altman said that while his briefing was confined to procedural issues confronting the RTC and not matters related to the Madison case, he had exercised "bad judgment" by initiating contact with the White House. "If I had it to do all over again, I wouldn't," he said. There are good reasons, however, why he should never have entertained the idea of going over to the White House in the first place.

Mrs. Clinton and her former Rose Law Firm partners represented Madison in the mid-1980s. Her firm also sued Madison's accountants on behalf of the federal government in 1989. The Clintons were also business partners with James McDougal, owner of the failed Madison Guaranty Savings and Loan. The Clinton-McDougal joint investment in the Whitewater land venture also had a banking relationship with Madison. It was inappropriate for the head of an independent regulatory agency to give a "heads up" (to use Mr. Altman's words) to White House advisers of the Clintons who are his friends and who are also potential defendants in RTC civil suits.

If, however, it was wrong for appearances sake for Mr. Altman to offer a briefing, it was inappropriate for the same reason for Mr. Nussbaum, deputy chief of staff Harold Ickes and Mrs. Clinton's chief of staff Margaret Williams to accept the invitation. The Whitewater probe is a personal matter for the Clintons and does not involve the presidency. With the hiring of private attorney David Kendall to represent the Clintons' interests in "Whitewater," White House staff, absent a showing of an official link to the White House, should keep their hands off the probe.

TRIBUTE TO RUTH HASLEGRAVE

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. REED. Mr. Speaker, I rise today to salute a distinguished individual from Rhode Island who has, through her dedication, hard work, and professionalism, served the people of Rhode Island proudly.

Ruth Haslegrave of Riverside, RI, has been a member of the Girl Scouts of America for 75 years. Ruth joined the Girl Scout organization in 1919, and since then, she has enriched the lives of many young girls and women in this State. Ruth's commitment to this outstanding organization for so many years sets a wonderful example for today's young people to emulate.

The Girl Scouts are recognizing this distinguished woman on the occasion of her 75th anniversary in Girl Scouting and are commemorating her legacy of leadership by erecting a flagpole in her honor.

In addition to her contribution to Girl Scouts, Ruth was a member of the emergency relief team for the American Legion and unselfishly devoted her time, talents, and courageous spirit to assist her neighbors and community during times of great adversity.

Mr. Speaker, there are few Americans who have in their lifetime given so much to their community and to young people, and I would urge my fellow colleagues to join me in honoring this outstanding public servant.

TRIBUTE TO SHIRLEY MOORE

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. ESHOO. Mr. Speaker, I rise today to honor Shirley Moore, a dedicated community leader from California's 14th Congressional District who is being honored as an inductee into the San Mateo County Women's Hall of Fame.

Shirley Moore is an exceptional public servant who is the founder and endowment director of Project REACH, an organization dedicated to providing recreation to children and teenagers with disabilities. Under her direction, Project REACH has developed into a multisite recreation program that is the only one of its kind in northern California. In 1982, Shirley Moore received the Peninsula Community Foundation's Outstanding Service to the Community Award. After 10 years of serving as the executive director of Project REACH, she is now developing a $500,000 endowment fund for the agency. Because of her tireless efforts, she has already reached more than half that goal.

Mr. Speaker, Shirley Moore is an outstanding citizen of California's 14th Congressional District and I salute her for her remarkable contributions and commitment to our community. I ask my colleagues to join me in honoring Ms. Moore and congratulate her on being inducted into the San Mateo County Women's Hall of Fame.

TRIBUTE TO ALEX W. BUSSEY

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. NADLER. Mr. Speaker, I rise today to pay tribute to Mr. Alex W. Bussey, the Assistant Regional Commissioner for Field Operations for the New York region of the Social Security Administration. Mr. Bussey will be honored on March 4, 1994, by his colleagues for 38 years of Federal service. Because he will be retiring in early March, this honor will represent the pinnacle of Mr. Bussey's success and diligent work.

Mr. Bussey has clearly done much to deserve this distinction. He was the first African-American to hold the position of assistant regional commissioner for field operations, or even a position similar to this one, in the New York region. In addition, he was the recipient of the Commissioner's Citation in 1979 and 1988 and the Commissioner's Leadership Award in 1991. His dedication and outstanding performance is known throughout the agency. Since taking over this position in 1980, he has made a point of visiting each of his 135 offices, which are located in New York, New Jersey, Puerto Rico, and the Virgin Islands. This feat, which was unprecedented, enabled him to keep in close contact and to provide meaningful direction to each of his offices.

Mr. Bussey truly understands the meaning of social mobility. After receiving his B.A. degree from Catholic University of America in Washington, DC, he joined the Social Security Administration in 1956 as a claims representative. He quickly advanced in his field and held various positions of increasing responsibility. By 1968 he was promoted to district manager at the uptown district office. As a result of his accomplishments as district manager, he was appointed to the position of regional representative in the Health and Human Services Office of Family Benefits Planning in 1971. He soon assumed the position of senior State relations officer and in 1976 he was named the Deputy Assistant Commissioner of SSI. He assumed his current position as the Director of Assistance programs in 1980. As the Assistant Regional Commissioner for Field Operations, he is responsible for directing the administration of Social Security and supplemental benefit payments to over 3½ million people in the New York region.

Mr. Speaker, I am proud to join the Social Security Administration in congratulating Alex Bussey for his 38 years of service. Furthermore, I would like to wish him continued success and happiness. His dedication and advancement should be an inspiration for all people.

STEWARDS OF THE LAND

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. RICHARDSON. Mr. Speaker, I am honored to have Roger and Debby Bowe of San Jon, NM, in Washington today. The Bowes are being honored for their commitment to preserving our environment as they manage and operate the Rafter F Cattle Co.

As a third-generation farmer, Roger Bowe understands the importance of caring for the land and preserving it for future generations. Roger Bowe spends his days nurturing and cultivating the same land that his grandfather homesteaded in the early 1900's.

The Bowes have adopted sound conservation policies which also have increased the productivity and value of their land. The Bowes environmental stewardship has resulted in nearly doubling the stocking rates since 1983 and has cut production costs per pound of beef in half. The Bowes' cattle move through a grazing system of 54 paddocks based on nutrition and growth rates of the forage. The results of this conservation practice have resulted in better vegetation cover, cleaner water, and less silt in stock ponds. Increased forage has meant more forage for antelope and other wildlife.

I ask my colleagues to join me in congratulating the Bowes on their commitment to protecting and preserving our environment. It is my hope that other farmers and ranchers across our great Nation will follow the leadership that the Bowes have pioneered in conservation and preservation.

TRIBUTE TO JOE RUTHERFORD

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. KAPTUR. Mr. Speaker, last month one of the Toledo Public School's most distinguished educators and administrators, Mr. Joe Rutherford, retired after 37 years of service to our community. His counsel and wisdom will be sorely missed.

Joe Rutherford has done it all in his career. He began as a math teacher, moved on to become a principal, a superintendent, and since 1978, the director of legislative services for the Toledo Public Schools. It was my pleasure to know and work with Joe in all these capacities. I always have been impressed by the energy and commitment he brings to his life and his desire to do what is best for the community, especially our students.

Joe Rutherford's service to our community did not stop at the end of his busy days at the Toledo Public Schools. He possesses a long and impressive record of service to other organizations in our community, our State, and our Nation. He is a man of many talents and those who have benefited from his generosity are eternally grateful.

On behalf of the Toledo Public Schools—its educators, administrators, students, and alumni—I would like to extend our sincere gratitude to Joe Rutherford for his many years of service to our community. He made a difference and built a better future for our community.

COURAGE AWARDS

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Ms. WOOLSEY. Mr. Speaker, I would like to commend Kate McLean and Gillian Pelham for their exceptional courage and strength during a time of extreme hardship.

Kate and Gillian were the two young people with Polly Klaas when she was abducted by a stranger from her home in Petaluma, CA. On the night Polly was taken, Kate and Gillian displayed great bravery by remaining calm in the face of danger.

In the trying days and weeks that followed Polly's abduction, Kate and Gillian's courage did not falter. These young girls demonstrated an inner strength uncommon to people of any age. At the same time Kate and Gillian were coping with the abduction of their friend and their own victimization, they withstood intense examination of their actions on the night Polly disappeared, and, of their entire lives.

Kate and Gillian acted as only heroes do.

I would also like to commend the Polly Klaas Foundation for their extraordinary efforts during the search for Polly, and for their ongoing efforts to protect and invest in our children. There are many individuals who have devoted incredible amounts of time and energy to building the Polly Klaas Foundation, including Polly's parents—Eve Nichol and Marc Klaas. I know that the Polly Klaas Foundation will continue to make an important difference in the lives of many children.

Finally, I would like to commend the United For Courage program, directed by Joanne Masokowski, for creating a greater awareness of the significant contribution children make to combat illegal activity. United For Courage provides a valuable and much-needed service that offers encouragement to young people and will help to end the cycle of abuse that harms too many of our children.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT—H.R. 3759

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. BECERRA. Mr. Speaker, as a resident of Los Angeles who was awakened along with my wife by the jolt on January 17 with just enough time to run to my baby's bedside and ensure her safety, I can truly appreciate the personal terror and destruction wreaked by the Northridge earthquake.

As a member of California's congressional delegation and former State assemblyman, I understand the urgent need and responsibility for the State and Federal Government to appropriate critical emergency assistance funds. It was for this reason that I worked hard with my colleagues from California to craft a solid and comprehensive emergency aid bill which could gain the support of a majority of the Members of this House.

Many of us from California fought tenaciously and were pleased to win $7.8 billion in emergency funding for victims of the Los Angeles area earthquake; $685 million was also included in the emergency appropriations bill, designated H.R. 3759, to finish off the emergency aid effects necessitated by the Midwest floods of 1993 and $315 million was earmarked for final emergency efforts for the Loma Prieta earthquake of 1989 in northern California.

Unfortunately, as this emergency appropriations bill evolved, it began to include much more than just emergency relief and assistance. How did the $8.8 billion for earthquake and flood assistance balloon to the $11 billion amount appropriated in the final House/Senate joint conference report? The $2.2 billion in additional spending that was attached to this conference bill is hardly pocket change.

I cannot in good conscience vote for the conference report which superseded H.R. 3759. Yes, I do believe the people of Los Angeles deserve Federal earthquake aid; I voted for H.R. 3759 when it came before the full House on February 3, 1994. However, I will vote against the House/Senate conference report because I am opposed to the earthquake assistance bill being used to include additional expenditures and policies unrelated to genuine emergency aid.

The integrity of the goal to provide emergency assistance was eroded as agencies and Members of Congress tacked on increased funding requests having nothing to do with emergency aid. Particularly disturbing for me was the unwarranted $1.2 billion—I repeat, $1 billion, $200 million—handed over to the Department of Defense. I spoke out against this additional funding on the House floor when I supported Representative Barney Frank's unsuccessful amendment to delete the defense funding. It never should have been included in an emergency appropriations bill. This emergency assistance bill has nothing to do with the Defense Department.

This is just one example of how $8.8 billion becomes $11 billion. When emergencies strike, Congress indeed owes affected constituencies quick and deliberative action. However, it should never be a time for a come-one-come-all money giveaway.

Other legislative policy agendas are also being pushed forward in the earthquake supplemental appropriations. For example, $117.2 million will be make available for cooperative space ventures between the Republic of Russia and the United States; $10 million has been placed in this bill for the renovation and preservation of Penn Station in New York City. Additionally, more than $1 million has been set aside for Senate congressional operations. What do these have to do with emergency assistance? Nothing, which is exactly my point. They do not belong in this bill.

Other Members of Congress are misusing this emergency appropriations bill as an opportunity to advance immigration policy. Changes were made in FEMA benefits for undocumented individuals affected by the earthquake. The final amendment adopted in the Senate, which required FEMA to determine the legal status of those applying for disaster assistance, was crafted in a matter of hours. How will individuals who lost everything prove they are citizens? How will those permanently locked out of their apartment complexes recover the necessary documentation in a timely manner?

This policy is unworkable and inherently discriminatory. Furthermore, the amendment overburdens FEMA and the INS. FEMA's first priority ought to center around providing assistance to those in need, and the INS needs to concentrate its work along our borders to prevent illegal immigration in the first place. These are issues that deserve deliberation and investigation, not cursory political negotiations. If representatives believe in the necessity of limiting FEMA assistance to undocumented populations, such a policy should have been debated and scrutinized during the full legislative process.

Everyone loses when ill-prepared and hasty deals are struck to placate Members with political agendas that stretch beyond emergency assistance. It is critical for all to realize that the emergency supplemental appropriations stretches beyond emergency assistance for distressed communities. As a Member of Congress and as a representative for the residents of Los Angeles, I have a fervent commitment, indeed a profound obligation, to fight for our earthquake victims. Unfortunately, in the end, the conference report legislation, with its tortured formulation process and inexcusable inclusion of unrelated expenditures and policies, has become a bill can no longer support.

Thank you, Mr. Speaker, for this opportunity to explain my efforts and, lamentably, my disappointment regarding the emergency aid legislation directed to help the victims of the Los Angeles area earthquake.

STANDARDIZED MONITORING AND CONTROL SYSTEM

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. HINCHEY. Mr. Speaker, at a time when affordability must be a central tenet of Defense Department acquisition, I would like to call the attention of my colleagues to a program that will reduce costs while rationalizing and modernizing the control and monitoring systems in the Navy's surface fleet. This system, the standaridized monitoring and control system [SMCS] has recently been the subject of a feature article in Surface Warfare, the Navy's journal for professionals in this area. It is manufactured by my constituents at CAE-Link Corp. in Binghamton, NY.

The standard monitoring and control system will bring the surface fleet into the digital age. Not only will it permit a vessel to operate more efficiently, but SMCS should also increase survivability and reduce costs for training operations, maintenance, manpower, and spare parts. The system's cost is modest when compared to the total costs associated with the control sytems now in place.

These innovations can also be tied to a state-of-the-art battle damage control system [BDCS], which is also built by CAE-Link. BDCS will allow operation in high-threat situations and enable crews to be trained in how to handle many different scenarios on shipboard. Both systems are now operating effectively in the surface fleet. Binghamton is proud that its products are contributing immensely to the safe, successful, and efficient operation of our fleet as it sails into the next century.

Mr. Speaker, I ask for unanimous consent that the article "21st Century Engineers Enter New Frontier" appear in the CONGRESSIONAL RECORD.

21st-Century Engineers Enter New Frontier

(By Lt. Jon P. Walman)

Computer networks and advanced electronics are no longer the sole domain of twidgets and ops types in CIC. Snipes, putdown those green logs and man your keyboards! With the recent commissioning of Osprey (MHS-51)-class coastal minehunters, the soon-to-be built LPD 17-class amphibious assault shops and planned upgrades to Arleigh Burke destroyers, a new ear of digital electronics for integrated machinery control and minitoring has arrived.

As more and more bits of information are able to be collected, condensed and passed from one place to another, computer technology continues to dramatically change just about every industry in America. The advent of digital control technology, for example, has had a profound impact in industries such as manufacturing (process control), military/commercial aircraft design and more recently, combatant shipbuilding. Ever wondered how two pilots can effectively control a Boeing 757 with two gas turbine engines and all the electronic and auxiliary systems that support it? The answer is digital control technology.

The introduction of gas-turbine propulsion to naval combatants in the early 1970s marked the beginning of widespread use of electronics and automation in engineering spaces. Since then, improved hardware and software design has led to the highly automated and intelligent DDG-51 machinery control system.

The Osprey's AN/SSQ-109 Machinery/Ship Control System (M/SCS), however, is a fully integrated monitoring and control system that uses distributed processing, a triplicated databus and a CRT-based man-machine interface. Designed by CAE Electronics, SSQ-109 is also the first integrated system that allows both steering and propulsion to be controlled from the pilot house, CIC or the central control station.

In the same manner Arleigh Burke destroyers use six central microcomputers (AN/UYK-44) for a system that monitors and controls the functions, health and status of its engineering plant, the SSQ-109 system uses three distributed computers (enclosed in three data acquisition enclosures) to control and monitor hull, mechanical and electrical systems (H.M. &E) systems aboard Osprey. The SSQ-109's distributed computer architecture and fully digital electronics expand system functionality to include: propulsion machinery; steering control; auxiliary/ancillary machinery; electrical power generation/distribution machinery; trend monitoring; integral electronic telegraph system; integral Voith Schneider propeller controllers; built-in-testing to the single line-replaceable unit; damage control and monitoring; combat systems interface.

COMMONALITY AND MODULARITY

By incorporating distributed software and built-in hardware redundancy, the SSQ-109 M/SCS provides a highly reliable, rapid-response system which enhances total ship survivability and affordability through commonality. All associated hardware and software is modular by design to ensure maximum interchangability and minimum life-cycle cost. More importantly, because the software modules are common to all digital platform controllers, man-machine interface (MMI) functions and remote data-acquisition units, battle damage to a central processing unit—where a single point of failure would severely limit a ship's machinery systems—is otherwise avoided.

Distributed computers effectively coordinate engine power and changeover, monitor electrical switchboard loads, and control propeller pitch and auxiliary systems using the common software suite. All operation software is capable of on-line calibration and is based on erasable programmable read-only memory (EPROM) that allows (with the appropriate built-in safeguards) for on-line, software changes of set points.

The CRT-based MMI software resides in the operator consoles and displays the color pages used to monitor and control platform machinery. Each color CRT display uses a hierarchically organized mimic-page format which allows the operator to monitor the status and control machinery from any of the M/SCS consoles.

In addition, a built-in-test (BIT) system provides continuous diagnostics of electronic components to any of 36 single line-replaceable units (LRU)—this compares to more than 200 LRUs used in previously built Navy machinery control systems. Displayed automatically on the operator consoles, BIT messages have the reduced Mean Time to Repair of less than 20 minutes.

The SSQ-109 MSCS represents the baseline for monitoring and control systems of the future. The Navy has contracted CAE-Link to design and build the advanced development model (ADM) for the Navy's Standard Monitoring and Control System (SMCS). In support of affordability through commonality, the Navy's strategy is to eventually use SMCS as the standard control system aboard all Navy ships, both new construction and back-fit.

"Unquestionably, one of the principal drivers for the development of this system is the realization of cost savings from and adaptability of technologies now available in private industry," said CAPT G.R. Whaley, Head of Controls and Monitoring Systems Group, Engineering Directorate of NAVSEA.

SMCS will expand upon SSQ-109 functionality by incorporating enhanced equipment health monitoring, combat systems support, damage control and onboard training features.

EQUIPMENT HEALTH MONITORING

Today's surface ship engineers, especially steam engineers, from fireman to chief engineer, bear the time and labor-intensive task of reading, logging and analyzing machinery plant data on a continuous basis. These duties are vitally important to ensuring the safe operation of the plant. Unfortunately, engineers haven't had much support from advanced computer technology in meeting these essential requirements—until now.

New equipment health monitoring (EHM) software acts as the enabling technology which gathers and archives operating information on a computer hard drive and permits analysis of equipment sensor data to assist in determining machinery faults. This can eliminate the need to maintain a multitude of engineering logs and save an engineer a great deal of time spent evaluating data and formulating a meaningful analysis. The EHM software: gathers and stores information such as running hours, number of starts, fuel consumption and number of washes (gas turbine); provides trend plots and all sensor information; collects and analyzes vibration data from fitted sensors and allow external inputs from portable vibration-monitoring devices; compares gas path data from the gas turbines to model data and highlights deviations from the norms; records engine performance data for gas-turbine and diesel steady-state operating conditions; keeps a maintenance log to determine the type and frequency of maintenance actions.

Additionally, the trend analyses performed by EHM software serve as an ideal foundation for condition-based maintenance (CMB). This new maintenance philosophy bases preventive maintenance actions upon equipment condition instead of its expect life cycle (time-based). CBM is proving to have significant maintenance and cost benefits.

UNITING DECKS ABOVE AND BELOW

The combat systems interface is a planned subsystem of the SMCS that will integrate information from both combat and machinery control systems under one data-control system. An electronic gateway with the combat system will provide immediate combat-threat alerts to the machinery control system and can be set to automatically increase machinery readiness. This datalink will also be integrated with damage control programs and data bases to help determine the extent of equipment damage.

In addition, the SMCS will be capable of tailoring a ship's H, M and E systems to support its immediate mission as defined by the ship's doctrine. Software-controlled load shedding, for example, is accomplished by independently selecting support systems that are essential to a particular mission and giving them a higher priority than less-important systems. When power is limited due to battle damage or a major accident, this capability enables a ship to continue its mission with uninterrupted support from vital systems.

TOTAL SHIP SURVIVABILITY

Fast control-system response times for combat, machinery and damage control are critical to the safe operation and survivability of a ship. Consequently, CAE-Link is expanding its digital control technology to include a damage control system in support of TSS.

Rapid exchange of damage control information is revolutionizing damage control procedures on board USS *Anzio* commanded by CAPT P.M. Balisle. The prototype Battle Damage Control System (BDCS) is a nine-node computer network that provides instantaneous damage control communications throughout the ship and offers real-time decision aids to assist in fighting a damaged ship.

By displaying battle damage, fire-fighting status, combat systems readiness and other critical information to each node, the BDCS eliminates the need for grease-pencil status boards and plotting. Instead, the system allows repair party officers and warfare supervisors to simultaneously communicate the DCA, CSOOW and CO using DC and CSOSS symbology, minimizing the need for sound-powered phone talkers and message runners.

Running from distributed, IBM-compatible 80486 computers tied together on Ethernet, CRT windows display information such as ship drawings, combat systems and engineering readiness and deactivation diagrams, compartment check-off lists, a main space fire doctrine check-off list, repair-locker inventories and a Commander's Summary for each area. It also contains programs for plotting detailed damage control status, setting boundaries, calculating stability and estimating battle damage.

Another feature of the BDCS is its onboard training capability which allows damage control training teams to develop scenarios, from a daily inport fire drill to a complex TSS exercise. Recorded and played back to the crew these scenarios serve as a highly accurate post exercise report as well as a valuable interactive training tool.

The advantages of fully digital machinery control systems installed in Osprey and planned for the LPD 17 (formerly LX) and later variants of Arleigh Burke destroyers are particularly valuable during the Navy's transition to a smaller force. Faced with stringent operational and maintenance (O&M) budgets, surface Navy leaders realize that these systems not only help to improve material readiness, but also lower operating costs by minimizing hardware and manpower requirements.

Although it seems as if it would require a "computer whiz" to operate and understand the advanced electronics associated with a machinery control system, this is simply not the case. The basic principles can be learned quickly by engineers totally unfamiliar with the system and its method of operation. Moreover, the embedded training available with SSQ-109, BDCS and SMCS allows operators to develop and maintain their proficiency inport of at sea.

NUCLEAR PROLIFERATION IN SOUTH ASIA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. BURTON of Indiana. Mr. Speaker, I would like to insert in the RECORD an excellent column written by my colleague from Indiana, Mr. HAMILTON, about the Pressler amendment and nuclear proliferation in South Asia.

Chairman HAMILTON makes the point, quite correctly, that the Pressler amendment hasn't worked, and encourages India to avoid meaningful negotiations with Pakistan because current United States policy punishes only Pakistan. My colleague calls for replacing the Pressler amendment with a more even-handed policy that would pursue attainable goals, such as encouraging both India and Pakistan to take part in regional negotiations toward reversing the nuclear arms race.

I agree wholeheartedly with the sentiments expressed by my colleague. In fact, I have advocated replacing the Pressler amendment with a more clearly thought-out policy for a number of years. I hope all of my colleagues will read Lee's thoughtful piece and support efforts to develop a workable, more effective policy toward nuclear nonproliferation in South Asia this year.

[From the New York Times, Feb. 22, 1994]

BOMB SCARES

(By Lee H. Hamilton)

American nonproliferation policy in South Asia isn't working. Both India and Pakistan have the capacity to develop nuclear weapons in short order. The barn door is open, the horse long gone.

This troubling fact should guide Congress and the Clinton Administration in the next few months as they reconsider the Pressler amendment, which has driven U.S. policy on the issue since 1985. The amendment, sponsored by Senator Larry Pressler of South Dakota, bans most U.S. aid to Pakistan unless the President certifies that Pakistan does not possess a nuclear explosive device.

The aim was to induce Pakistan to forgo its nuclear capability. Unfortunately, the premise is obsolete. Since 1990, U.S. officials have been unable to make such a certification, and U.S. assistance and military sales to Pakistan have all but dried up.

This policy has damaged U.S. relations with Pakistan. A long partnership has been undermined by feelings of suspicion and betrayal. As U.S. influence in Pakistan has declined, Chinese and Iranian influence has increased. Our impact on democracy and human rights has diminished at a time when Pakistan is trying to break with its authoritarian past. Our ability to stem the flow of drugs from the region—the second-largest supplier of heroin to the U.S.—has been undercut.

These costs might have been acceptable if our nonproliferation policy were working. But it isn't. Pakistan clearly has no intention of complying with the Pressler requirements. Instead, our policy risks pushing Pakistan into the arms of renegade states like Iran, Libya or North Korea, which would pay handsomely for Pakistani nuclear secrets. And the policy encourages India to avoid meaningful negotiations with Pakistan, since it is content with a policy that punishes only Pakistan.

The solution is not to abandon our nonproliferation goals for South Asia, but to pursue attainable ones. Recognizing that both India and Pakistan have nuclear capacities, we need to offer both of them incentives to work toward a nuclear-free South Asia.

The need could hardly be more urgent. James Woolsey, the Director of Central Intelligence, recently named South Asia as the most likely place for the outbreak of a nuclear conflict. And failing to stop the spread of nuclear weapons in South Asia would make it harder to keep such weapons out of the hands of Iran, Iraq and other would-be nuclear powers.

A realistic nonproliferation strategy for South Asia would start out with these four objectives:

First, it would focus on negotiating a comprehensive test ban, something the U.S. Pakistan and India can all agree on.

Second, it would work for a global ban on the production of nuclear material—another area where there is considerable agreement among the three countries.

Third, it would seek a ban on deploying missiles in the subcontinent—a substantial step toward a nuclear-safe South Asia.

Fourth, it would try to draw the Chinese into the South Asian dialogue, since our nonproliferation efforts in South Asia can succeed only if India's concerns about China are adequately addressed.

There are other ways to advance our nonproliferation agenda. We should urge both India and Pakistan to be full participants in next year's conference to review the Nonproliferation Treaty. And we should hold out South Africa's decision to disclose and abandon its nuclear weapons programs as a model for the Asian subcontinent.

Once India and Pakistan are co-operating on nonproliferation, we can pursue other important goals—co-operation at the U.N. and on global hot spots, drug control, democracy and human rights.

Repealing the Pressler amendment would be controversial, as the Clinton Administration learned when it raised the possibility last November. But by revising our policy to reflect reality in South Asia, we stand a much better chance of achieving not only our nonproliferation objectives but other important goals.

PROJECT LONG ISLAND: A CENTURY COUNCIL COALITION

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LAZIO. Mr. Speaker, I have recently become aware of the formation of a new community coalition to combat drunken driving and underage drinking problems in Nassau and Suffolk Counties called Project Long Island: A Century Council Coalition.

This coalition of leading Long Island business, political, media, and education officials seeks to solve problems of abuse through public-private cooperation on a level unprecedented on this issue in the Second Congressional District. Project Long Island's first initiative is illustrative of the benefits of working together.

Project Long Island obtained the support of the Long Island Taxi and Transportation Operators Association in an intensive holiday season effort that provided more than 1,200 Long Islanders who had consumed too much alcohol to drive with a free ride home. An ongoing designated driver campaign is planned with the support of the local chapters of the New York State Restaurant Association and United Restaurant, Hotel, Tavern Association of New York.

Plans are also underway for other legislative, education, and enforcement programs designed to make the abuse of alcohol socially unacceptable. This innovative campaign is being supported by the Century Council, a not-for-profit organization dedicated to reducing drunk driving and underage drinking problems throughout the United States. The council was founded by a small group of concerned brewers, vintners, distillers, and wholesalers. It is currently supported by more than 750 firms.

I am delighted to see such a powerful combination of community leaders and organizations joining together to solve an all too common problem. I wholeheartedly commend the efforts of the Century Council and everyone involved.

UPDATE ON SITUATION IN EAST TIMOR

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. HALL of Ohio. Mr. Speaker, for many years, I have been deeply concerned over the tragedy in the former Portuguese colony of East Timor, which was invaded and occupied by Indonesia in 1975 and has since been the scene of widespread repression and human suffering. At least 100,000 of a population of less than 700,000 perished since the occupation began, far from the spotlight of international attention. The world was also shocked by the televised images of the massacre of perhaps more than 250 people that took place at Santa Cruz cemetery on November 12, 1991. Both before the 1991 massacre and subsequently, I have been joined by numerous colleagues of both parties in the House and Senate in expressing concern about this situation.

Last March, I was gratified to see the strong stand of the Clinton administration at the United Nations Human Rights Commission in Geneva, where the United States for the first time voted for a resolution on the East Timor situation. Thereafter, in July, President Clinton raised the issue of human rights in East Timor when he met with Indonesian President Suharto in Tokyo. President Clinton deserves credit for taking these actions.

Nonetheless, the news from East Timor has continued to be extremely disturbing. A letter of January 14, 1994 by East Timor's highly respected Roman Catholic bishop, Carlos Ximenes Belo, outlines recent instances of torture and brutality, as well as problems of missionary priests who are seeking extension of their residency visas. These accounts are consistent with similar reports received by other church and human rights organizations over the past 6 months, and belie the contention that the situation in East Timor is improving. The consistent nature of the repression in East Timor makes it clear that until and unless there is an unmistakable policy decision on the part of the Indonesian military, systematic abuse of East's Timor's people will continue.

Consistent and assiduous American diplomatic pressure on Indonesia's leaders is needed to encourage Indonesia to respect human rights in East Timor and bring about a long overdue peace for its long-suffering people. Now is not the time to relax such pressures. The East Timor question is being discussed once again in March at this year's session of the U.N. Human Rights Commission. I strongly recommend that the Clinton administration continue to support human rights and peace initiatives on East Timor at the United Nations in both New York and Geneva, and in regular high-level diplomatic exchanges with the Indonesian Government. I call upon my colleagues to support such efforts. The situation in East Timor demands no less.

For the benefit of my colleagues, I have attached some excerpts of Bishop Belo's January 14, 1994 letter.

EXCERPTS FROM THE BISHOP BELO'S LETTER

(1) With this letter, I would like to let you know that torture continues in East Timor. On December 23, 1993 in the parish of Ossu, County of Viqueque, the military captured several young Catholics, beat them, tortured them and forced them to declare that they participated in a subversive meeting. On January 4, 1994 in Dili, the military were waiting for a young man named Salvador Sarmento, who is a student at the Pastoral Institute, and when he left the classroom they took him, stuck him in a military vehicle and took him to a place where he was kicked, beaten, tortured, until he was almost dead. Then they forced his parents, who are illiterate, to declare that they had seen their son participate in subversive meetings. With these kinds of injustices, they want to force a declaration that Father Sancho Amaral is a priest who is against Indonesia.

(2) We have problems with regard to three of our Salesian missionaries. The military do not want to extend the visas of Father Locatelli (Italian), Father Andres Calleja (Spaniard) and Father Joao de Deus (Portuguese), because they say that the three are helping Fretilin.

(3) The third problem has to do with our young people. The Indonesian authorities have taken more than 400 young East Timorese to Java with the promise of work. When they arrived there, they were distributed amongst a number of factories without keeping the initial agreement, there were changes of factory and the young people did not receive a sufficient salary. Many of the young East Timorese in Jakarta suffer like slaves. Two of them have died already. Others are being persecuted and beaten. It is great injustice and suffering.

AMERICAN-UKRAINIAN RELATIONSHIP

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LANTOS. Mr. Speaker, I would like to submit for the RECORD the following communique from the Center for Strategic and International Studies.

COMMUNIQUE

To foster a closer American-Ukrainian relationship, a group of concerned American and Ukrainian citizens, acting in their private capacities, have established a joint American-Ukrainian Advisory Committee. Through a consultative process, the Committee will seek to identify opportunities for closer political and economic cooperation between our two countries.

The Committee's inaugural meeting was held in Washington on February 24. The participants included the following:

On the American side:

Dwayne O. Andreas, Chairman of the Board and Chief Executive of Archer Daniels Midland Company; Zbigniew Brzezinski, former National Security Adviser; Gen. John R. Galvin, USA(Ret.) of West Point, former NATO Commander; Michael H. Jordan, Chairman and Chief Executive of Westinghouse Electric Corporation; Henry Kissinger, former Secretary of State; George Soros, Soros Fund Management.

On the Ukrainian side:

Kostyantyn Petrovych Morozov, former Minister of Defense; Dmytro Vasylyovych Pavlychko, Chairman, Permanent Commission on Foreign Affairs of Ukrainian Parliament; Borys Ivanovych Tarasyuk, Deputy Minister of Foreign Affairs; Volodymyr Oleksandrovych Sumin, Chairman, Council of Entrepreneurs of Ukraine. In addition, present at the meeting were Ambassador Oleh Grygorovych Bilorus and Yuliy Yakovlevych Ioffe, Head of the Ukrainian Trade Mission in Washington, and former Deputy Prime Minister.

Unavoidably absent from the meeting were two American members (Frank Carlucci, Carlyle Group, and former Secretary of Defense; and Malcolm S. Forbes, President and Chief Executive Officer, Forbes Magazine) and three Ukrainian members (Viktor Mykhaylovych Pynzenyk, former Deputy Prime Minister for Economic Reform and People's Deputy, Parliament of Ukraine; Anton Denysovych Buteiko, advisor to the President of Ukraine; and Volodymyr Borysovych Hrynyov, Deputy, Parliament of Ukraine).

Those present agreed on the following basic principles;

1. That an independent and secure Ukraine, in its internationally recognized borders, is in the U.S. national interest;

2. That a closer American-Ukrainian relationship is not directed at any other state; and that the United States should pursue an evenhanded relationship with both Russia and Ukraine, specifically in regard to high level visits, economic aid, and other forms of cooperation;

3. That a cooperative Ukrainian-Russian relationship, based on respect for each other's sovereignty and territorial integrity, and of other norms and principles of international law, is not only in the interest of both these countries but also in America's interest;

4. It is essential to create new mechanisms of American-Ukrainian consultations on national security issues, including its military, economic, technological, environmental, and informational components;

5. That a comprehensive reform program for the Ukrainian economy, that will inspire public confidence by instilling hope in the citizenry for a better future, is an overdue and urgent necessity;

6. That the United States should take the lead in the development of comprehensive G–

7, IMF, and World Bank support for such a program.

To further the above goals, a number of specific recommendations were discussed. They will be pursued in greater depth by the Committee's task forces both in Washington and in Kyiv.

The next meeting of the Advisory Committee will be held in Kyiv at a date to be mutually agreed later in the year.

THE 75TH ANNIVERSARY OF THE OFFICE OF THE LEGISLATIVE COUNSEL

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. WAXMAN. Mr. Speaker, I want to take this occasion to note that last week was the 75th anniversary of the establishment of the Office of the Legislative Counsel of the House. In the midst of our daily debates on legislation, we should stop for a moment and recognize the men and women who work in this office, and we should also acknowledge that, to the extent that there is clarity, reason, and structure to the legislation we debate, it is largely because of their efforts.

Unthinkable as it is now that the Congress should ever have been without a legislative counsel, it was not until 1919 that the Congress established a formal drafting service for legislation. That service, built upon the work of the Law Librarian of the Library of Congress, was created as part of the Revenue Act of 1918, which was enacted 75 years ago today. More than 50 years later, the Office of Legislative Counsel was formally chartered to serve as it does today.

The office now is composed of fewer than 50 people, about two-thirds of them staff attorneys. The office drafts bills and amendments on a nonpartisan basis and advises all Members of the scope and effect of current law and proposed legislation. In the words of its charter, the office assists the House "in the achievement of a clear, faithful, and coherent expression of legislative policies." The office does so, for Democrats, Republicans, and Independents alike, taking no position on the advisability of policy and acting only to ensure that whatever language is enacted clearly states the authors' intent.

I have worked with this office for years now. Indeed, the current Legislative Counsel of the House, David Meade, has drafted most of the public health law of the land and has worked closely with the majority and minority of the Subcommittee on Health and the Environment. He has advised us constantly on the law and our proposals to amend it, and he is personally responsible for making the statutes plain and direct and stylistically clear. Now, in his current role as the head of the office, he oversees a staff who have undertaken everything from clean air to health reform to AIDS policy for the subcommittee.

I want to express my appreciation to Mr. Meade and to his staff for their diligent efforts on behalf of the Health Subcommittee and all their other clients in the House. I want to congratulate this office for their work. And I want to encourage my colleagues to take note of this anniversary and to appreciate the professionalism and patience of these people who help make our jobs productive.

DIETARY SUPPLEMENTS ARE BENEFICIAL TO GOOD HEALTH

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. GALLEGLY. Mr. Speaker, the subject of health care reform seems to be the talk of the town these days. While more and more politicians are talking about health care reform, one of the trends in our Nation is the increasing attention among people toward health consciousness and preventative measures.

Scientific evidence is mounting that one thing people can do to promote good health is to consume dietary supplements, and two recent articles in respected scientific publications reinforce that view.

In the December 8, 1993, issue of the Journal of the American Medical Association, an editorial appeared concerning the importance of adequate vitamin intake. In the past, it was noted that a balanced diet was sufficient and that vitamin supplements were not necessary. This is no longer the case.

And in January of this year, the editors of the University of California at Berkeley Wellness Letter, published by the university's school of public health, said they were now convinced that supplements are beneficial as well.

Proper nutrient intake not only helps prevent disease, but is essential to maintaining good health. Unfortunately, most Americans do not get even the recommended dietary allowance—RDA—of many nutrients from their normal diets and have chosen to supplement their diet with vitamins, minerals, and other nutritional substances.

The scientific evidence continues to mount supporting the importance and the necessity of vitamin supplementation. A striking example is the relationship between folic acid supplements and the reduction in neural tube birth defects. A simple multivitamin of 0.4 mg taken daily by women of childbearing age can reduce the risk of neural tube birth defects by approximately 70 percent. Neural tube birth defects now occur in about 1 of 1,600 pregnancies, resulting in the birth of 2,500 affected infants each year. Although most survive, many are in need of extensive, lifelong medical care, which can have a staggering effect on these children and our families.

Mr. Speaker, I am inserting the editorial from the December 8, 1993, issue of the Journal of the American Medical Association, and the editorial from the January 1994 issue of the University of California at Berkeley Wellness Letter in the CONGRESSIONAL RECORD.

The material follows:

[From the Journal of the American Medical Association, Dec. 8, 1993]

HOMOCYSTEINE AND MARGINAL VITAMIN DEFICIENCY—THE IMPORTANCE OF ADEQUATE VITAMIN INTAKE

Apart from calcium and iron requirements, nutrition in general (and vitamins in particular) has traditionally rated only a passing nod in medical school. Physicians in training are typically taught that a "balanced" diet is sufficient and that hardly anyone really needs vitamin supplements. Although frank vitamin deficiency is now uncommon in the United States, many investigators have long suspected that large segments of the US population are consuming suboptimal levels of several micronutrients; in recent years, compelling evidence has emerged that supports this contention. In national surveys, a substantial proportion of the US population consumes levels of several vitamins that are well below recommended intakes, and recent evidence strongly indicates that such low intakes are associated with serious health consequences. The most striking recent example is the finding that folic acid supplements can reduce the risk of neural tube defects by approximately 70%. That relationship was demonstrated in observational epidemiological studies describing an inverse association with multiple vitamin use, and confirmed by randomized clinical trials. The implication of those studies is that suboptimal consumption of folate exists among at least a subgroup of women of childbearing age. The inverse relationship between consumption of fruits and vegetables and cancer risk, as seen in dozens of studies, further suggests that large segments of our population are at risk of serious disease due to inadequate diets, although cause-and-effect relationship has not been proved. In a recent large prospective study, intake of vitamin A was inversely related to risk of breast cancer, and among those with the lowest intakes from diet, use of supplements containing vitamin A was associated with lower risk. Also, in a recent randomized trial, elderly Canadians given multivitamin, multimineral supplements had half the risk of various infections compared with the placebo group. Two large recent studies found that men and women taking vitamin E supplements of at least 100 IU per day (a level exceeding that found even in good diets) had a 40% lower risk of coronary heart disease.

In the present issue of The Journal, Selhub and colleagues report on the vitamin status of the elderly participants in the Framingham Study and provide further evidence that suboptimal intake of several vitamins is common, even in a population enrolled in a long-term health survey. They measured intake of vitamins B_6 and B_{12} and folate, their blood levels, and a metabolic marker of suboptimal intake of those vitamins, plasma homocysteine concentration. Their findings are striking. In this population sample, even after taking into account supplement use, about 20% were consuming less than the current recommended dietary allowance (RDA) for folate. More important was the finding that the homocysteine concentration in blood rose with decreasing folate and vitamin B_6 intakes (and blood levels). Individuals whose folate intake reached the RDA (200 µg/d for men and 180 µg/d for women) still had elevated homocysteine levels compared with those with higher intake. The homocysteine concentration did not reach its nadir until folate intake approached about 400 µg/d, a level that was attained by only about 40% of the population. Thus, homocysteine elevations were not limited to a small subgroup with extremely low intake. The findings were strengthened by the close consistency of the results with plasma folate: the homocysteine concentration appeared to increase among those in the lower half of the population classified by plasma folate levels. These observations support the restoration of 400 μg/d as the RDA for folate, which was the RDA level until recently.

Similar findings were observed for vitamin B_6. The nadir for homocysteine were not seen until vitamin B_6 intake approximated the RDA (2 mg/d for men, 1.6 mg/d for women), but half the population had levels lower than this. These findings demonstrate that a large proportion of the elderly do not consume adequate folate or B_6 as judged by the RDA standards, or by the impact on homocysteine. As expected in an elderly population, inadequacies in B_{12} levels (also associated with elevated plasma homocysteine) appeared to be more related to absorption than to intake.

Why should we care about homocysteine? Early studies showed that individuals with very high levels of homocysteine (due to genetic metabolic defects) often died of severe vascular disease in their teens or 20s. More recent work has shown that even moderately elevated levels are associated with increased risk of cardiovascular disease. In the first prospective study, published last year in JAMA, participants in the Physicians' Health Study with homocysteine concentrations greater than 15.8 μmol/L (the 95th percentile for controls in that population) had a threefold increase in risk of myocardial infarction compared with men with normal levels, independent of other coronary risk factors. That study was based on a highly selected, low-risk, and generally well-nourished population. In the elderly Framingham population, which is somewhat more representative of the US population, 21% had levels above 15.8 μmol/L, more than four times the proportion among the physicians. The epidemiologic data are insufficient to distinguish whether the risk associated with homocysteine is limited to those with high levels, or whether there is a graded association across much of the distribution, as with serum cholesterol. In either event, an elevated homocysteine concentration may contribute to a substantial fraction of myocardial infarctions (and perhaps other cardiovascular outcomes) in the United States.

Several investigators have demonstrated that elevated levels of homocysteine can often be normalized with nutritional supplements, particularly with folate; thus, the associations observed by Selhub et al are very likely to be causal. However, it is not yet clear that reducing elevated homocysteine levels decreases the risk of coronary disease. Thus, observational studies and randomized trials relating intakes of folate and vitamin B_6 to incidence of coronary heart disease are needed. Except for the risk of masking vitamin B_{12} deficiency, which is very small if it exists at all at intakes of less than 1000 μg/d, folate doses several times greater than the RDA have no known toxic effects. Hence, randomized, placebo-controlled trials of primary and secondary prevention among persons with elevated levels of homocysteine are quite feasible. Trials of secondary prevention would be simpler because a smaller sample size would be needed (due to the higher risk of a subsequent event) and because a larger proportion of such patients have elevated homocysteine concentrations than the general population. Compared with other treatments and preventives currently being tested, such trials would be simple and relatively inexpensive and would carry a reasonably good likelihood for success. The careful work of Selhub and colleagues underscores the importance of this issue.

As we await the initiation and completion of such studies, is it appropriate to act on the accumulating evidence? Adequate intake of folate may be important not only in preventing neural tube defects and reducing the risk of cardiovascular disease through its effect on homocysteine, but also in helping to prevent colon polyps, colon cancer, and cervical cancer. The intake of folate, vitamin B_6, and some other micronutrients appears to be inadequate for many Americans, and the data from the present study provide further reason for individuals to consume better diets; five servings of fruits and vegetables as part of a good diet would bring the folate and vitamin B_6 intakes of most persons to levels adequate to prevent high homocysteine levels.

However, even though Americans have been told to eat more fruits and vegetables (the best source of folate) for decades, large segments of our population are still far from consuming recommended intakes. Barriers include more than just education; cost, convenience, and hectic lifestyles also contribute. Consuming an optimal level of vitamin B_6 is even more complicated as red meat is a major source of this vitamin, but also is an important source of methionine (the metabolic precursor of homocysteine), saturated fat, and cholesterol intake. In recognition of the proven relationship between inadequate folate intake and risk of neural tube defects, the Food and Drug Administration has proposed to fortify flour and rice with this nutrient.

Given the realities of US diets, uncertainty about the timing and effectiveness of folate fortification, and the low cost and apparent absence of toxic effects of standard RDA-level multivitamins, a reasonable argument can be made for recommending such supplements for many individuals. Although the benefits of such supplements have not been proved, except for reducing neural tube defects, physicians must often weigh risks and benefits in the absence of complete information.

Recommending the use of such supplements should not deter efforts to improve dietary intake of fruits and vegetables, particularly since fiber and other biologically active components of vegetables and fruits, in addition to recognized nutrients, appear to play important functions in maintaining health. Most individuals consuming five servings of fruits and vegetables per day (a minority of Americans) would not benefit from supplement use. Pending results from randomized trials, however, vitamin supplementation at the RDA level may be beneficial for the large segment of the US population not meeting dietary goals, and in particular elderly persons and women of childbearing age.

Meir J. Stampfer, MD, DrPH.
Walter C. Willett, MD, DrPH.

[From the University of California at Berkeley Wellness Letter, January 1994]

OUR VITAMIN PRESCRIPTION: THE BIG FOUR

The editorial board of the Wellness Letter headed by Dr. Sheldon Margen, has been reluctant to recommend supplementary vitamins on a broad scale for healthy people eating healthy diets. But the accumulation of research in recent years has caused us to change our minds—at least where four vitamins are concerned. These are the three so-called antioxidant vitamins, plus the B vitamin folacin. The role these substances play in disease prevention is no longer a matter of dispute.

The antioxidant vitamins are E and C, as well as beta carotene, a plant form of vitamin A. (Beta carotene, one of the carotenoids, is not strictly classified as a vitamin: once thought to be effective only after being converted to vitamin A in the body, it now appears to have important functions of its own.) Acting at the molecular level, these antioxidants inactivate a class of particles known as free radicals. A free radical is a highly reactive atom or molecule that carries an unpaired electron and thus seeks to combine with another molecule. In humans, the most common free radicals are "activated" oxygen molecules. Free radicals are natural by-products of many normal processes at the cellular level and are also created by such environmental factors as tobacco smoke and radiation. They can damage basic genetic material, cell walls, and other cell structures, and in the long run this damage can become irreparable and lead to disease. But the antioxidant vitamins help mop up these free radicals before they do their dirty work.

A high intake of vitamins C and E and beta carotene seems to be protective against many kinds of cancer, including oral, esophageal, and reproductive. They, and in particular vitamin E, may lower the risk of heart disease by reducing the build-up of plaque in coronary arteries. Vitamins C and E seem to play a protective role against cataracts. Antioxidants may even delay some effects of aging. Indeed, we are only beginning to understand the importance of these nutrients and how they work.

Though not an antioxidant, folacin (also called folic acid or folate) has been shown to prevent certain birth defects (see Wellness Letter, November 1992), and increased intakes of folacin are now recommended to all women in their childbearing years, unless they are absolutely certain of not becoming pregnant. Folacin may also protect against cancer, at least cervical cancer. More discoveries about folacin, too, will undoubtedly be forthcoming.

Ideally your vitamins should come chiefly or entirely from your diet rather than from pills. Supplements cannot substitute for a healthy diet. There's a simple reason for this: foods supply much else besides vitamins—minerals, fiber, carbohydrates, proteins, and fats, as well as elements we have not yet even discovered. Furthermore, many nutrients require synergy: vitamin C helps you utilize iron, for instance, and vitamin E helps you use vitamin K. But even if you do eat a very healthy diet—and most Americans do not—it's unlikely you will get the high levels of folacin and of the antioxidant vitamins many authorities think you need. A recent government survey found that only 9% of Americans are eating the recommended minimum of five servings of fruits and vegetables (rich in antioxidants) a day.

Optimal doses of these vitamins are still far from agreed on. Dr. Gladys Block of the University of California at Berkeley and other scientists have called for serious national debate on the issues of fortifying more foods with vitamins and recommending supplementation for more groups. The Food and Drug Administration recently proposed that folacin be added to flour, bread, and cereals, which are already enriched with other B vitamins.

WHAT YOU SHOULD DO

The first step is to eat a very healthy diet—at least five servings of fruits and vegetables daily, six to eleven servings of grains, especially whole grains, two or three servings of low-fat or nonfat dairy products, and small servings of meats and fish. In addition, you should consider taking supplements of the antioxidant vitamins and, if you are a premenopausal woman, folacin.

FAREWELL ADDRESS TO MASSACHUSETTS HOUSE OF REPRESENTATIVES

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. NEAL. Mr. Speaker, I rise today to share with my colleagues Chairman Richard Moore's farewell address to the Massachusetts House of Representatives. Chairman Moore recently left the Massachusetts House of Representative to begin his position as the Associate Director of FEMA. As did I, I think you will find Chairman Moore's remarks extremely eloquent:

FAREWELL ADDRESS TO MASSACHUSETTS HOUSE OF REPRESENTATIVES

(By Representative Richard T. Moore)

For longer than anyone can remember, the Blackstone Valley and Webster regions of this State have been among the most active textile manufacturing areas in the country. Many have heard me speak about the historic Blackstone River, which launched America's "Industrial Revolution" two centuries ago. A waterway, lined with dozens of brick and granite mills, that came to be known as the "hardest working river in America.

For generations, that river and its mills meant jobs and a way of life for the people who settled there. They came by the thousands: Yankee farmer, Irish, Polish, French-Canadians, Italian and other immigrant groups—all drawn by the promise of a new life in a new world. They worked hard, played by the rules, and committed themselves to making a better life for their children.

The Blackstone River still winds through the villages and farmland of the Blackstone Valley. Many of its mills, having long been silent, still stand as reminders, and perhaps guardians, of a golden age when success was measured, not by wealth or materialism, but by hard work and community pride. These are my roots. And, this is the place I will always call home.

I took the long way to Boston today—traveling though many of the valley towns I have been honored to represent in this Great and General Court. I passed the mills, factory houses, churches, schools, and village greens. And, as I did, I thought of the generations of men and women who were born and raised in those communities. How they worked, married and raised children of their own. How they lived and, yes, how they died. I reflected on their hardships and marveled at their accomplishments.

Then, as the rural hills of Central Massachusetts faded behind me and the Boston skyline appeared, my thoughts shifted to the state as a whole. And, soon, like every morning of the past 17 years, my eyes caught hold of the shining dome atop this historic building. It's gold leaf, radiant in the morning light—a beacon of democracy that has stood proud on this hill for more than two centuries.

And you and I have been a part of its rich history. For nearly two decades, I have had the privilege of serving here, working here, legislating here. A privilege bestowed on a small but devoted group of people. Entrusted with the responsibility of keeping alive the promise of that great shining dome—caretakers of this treasured beacon of Democracy.

And, from this "Beacon Hill," we all inevitably come to see a larger picture than the one we brought from home. We see and hear the pressing and sometimes conflicting needs of districts. Districts that, when woven together, form a great tapestry depicting our goals and aspirations, our problems and concerns, our people, our Commonwealth.

Beacon Hill represents a pinnacle of power to many in our state who seek favors, assistance, or relief. But, we who serve here, receive a daily lesson in the limits of what government can do, of the inevitability of change, and of the challenge of passing on democratic values from one generation to the next.

As I traveled to the State House today, the last time as a State Representative, my thoughts also turned to another day, which now seems so long ago. January 5th, 1977—the day I arrived in Boston as a newly elected member of this legislature.

I stood here with 239 colleagues pledging to "faithfully and impartially perform all the duties incumbent on me as a State Representative." It marked the beginning of the last session for a 240 member House of Representatives.

My proud parents, my wife to be, friends and supporters made the journey with me that day. They were here to witness the beginning of my career in this magnificent Chamber—a career that officially began when House Clerk Wally Mills gavelled the House to order. He introduced the Dean, Michael Paul Feeney of Boston, who had been first elected in 1939—four years before my birth.

The House Chaplain, the late beloved Monsignor George V. Kerr, a man of great personal courage and humility, and who was to officiate at my wedding two years later, intoned the prayerful hope that "our deliberations of this day and of this session will be enacted with grace of soul, peace of mind, purity of intention, and solemnity of purpose."

The 47 members of my freshman class beamed with optimism, as we contemplated the great parliamentary tasks soon to be performed for our constituents and for this Commonwealth.

The Democratic nominee for Speaker, Thomas W. McGee of Lynn, soundly defeated Francis W. Hatch of Beverly to win his first full term in the Chair.

In remarks to the members that day, Speaker McGee called on the Legislature to reassert its authority and to adopt legislative veto power over administrative rules and regulations. A call met with a profound disapproval by the editorial scribes of an unnamed Boston newspaper.

Kevin B. Harrington of Salem was notified in the "other body" that we were organized and ready to do the people's business. We then proceeded to spend several frustrating hours being scolded by Thomas H. Colo of Athol for being "bumps on a stump," for concurring in the normally routine procedure of adopting the Rules. But, Rules Reform, having not yet reached the boiling point it would in the historic Speaker's battle of 1984, finally yielded to the demands of new member and their families who had planned celebration lunches at Jimmy's Harborside and other Boston watering holes.

Forty-seven freshmen shared the excitement of that day in 1977. Now, only four will remain in this Chamber—Charles Decas of Wareham, Mary Jeannette Murray of Cohasset, Kevin Porier of North Attleboro and Richard A. Voke of Chelsea.

Two others—William Keating of Sharon and Michael Morrissey of Quincy—now serve in the Senate, and two others, Paul Cellucci and Joe DeNucci service with distinction in Construction Office.

The remainder can be found in other government offices: including three mayors, and in the private sector. Four regrettably, are deceased: Bill Mullins, Bob Casey, John Loring and Joe Herman.

And now, some 9,622 roll calls and 11,017 acts and resolves later, the time has come for me to move on to other challenges. But, my departure is not without mixed emotions, for I truly love this House of Representatives. It is, after all, the branch of government closest to the people—a little too close sometimes, especially when you're about to sit down to dinner.

It is the governmental institution upon which rests our democracy. As H.L. Mencken observed: "Democracy is the theory that the common people know what they want, and they deserve to get it good and hard." And, throughout my tenure here, this House has not disappointed them in that regard!

An observer of our democracy once said "The Legislature will train you to talk; and above all things to listen, with patience, to unlimited quantities of foolish talk." I guess that after nearly 17 years in the Legislature, the President thought me well trained for public service in our nation's capitol.

On the other hand, the President may have been impressed by my record of not being among the more frequent visitors to this podium. You see, I subscribed early in my career to the wisdom of a former Democratic floor leader of this House who counseled members "Don't write if you can talk—don't talk if you can nod—and don't nod if you can wink."

My view of the role of State Representative is one I shared with my first Speaker Tom McGee. He frequently expressed his belief that the job of a legislator should be based on two fundamental principles. That your votes should be based on reason and judgment. Not public opinion. Any, that you should always strive to help people.

Tom McGee was fond of quoting from Edmund Burke's speech to the electors of Bristol that "Your representative owes you, not his industry only, but his judgement—and he betrays, instead of serving you, if he sacrifices it to your opinion."

Tom's other quote from the heart, rooted in his working class upbringing, "If at the end of the day you can say that you've helped one person, you've done a good job, you've had a good day."

That's what it's all about. That's why we're here.

When I entered this House in January of 1977, there was a great deal of excitement and optimism—at least among my fellow Democrats.

The Democratic Party had returned to national leadership in Washington under the banner of a former southern Governor named Jimmy Carter.

Now, as I leave this House, there is once again great excitement and optimism in Washington as another son of the south, Bill Clinton, serves in the White House.

There are, of course, some differences between then and now. In my first term, I filed ten bills, including a Constitutional Amendment to limit state mandated programs. It later passed.

This past year, I sponsored 96 pieces of legislation, including the landmark voter registration reform bill. The budget has grown too—from $4.2 billion, compared to $15.2 billion today.

The national debt has risen from $7 billion to $4 trillion today. Only the legislative salary of $12,688 has failed to grow proportionately. And there's a mindless proposition in the wings to make this job a voluntary one beyond eight years of service.

Any one of us who serve in public life would not arrive here, or long remain on Beacon Hill without the help, support, friendship and love of so many others. We neither walk nor run for office alone!

My career in public service has been based on some basic principles that my parents—the late Tom and Helen Moore, taught me years ago. They gave me a respected family name, traditional American values, a strong work ethic and a conscience to know right from wrong.

They believe in service to others, helping neighbors and community in whatever way possible. That's what government and politics mean to me.

My wife Joanne, the Speaker of MY house, along with other family members, friends and supporters have helped to sustain me through the victories and the defeats. They have encouraged me to face and meet the challenges of political life.

My personal staff throughout the years, currently led by Sean Canty, have been, in a real sense, "part of my family."

The staffs of the Committees on State Administration, Taxation and Election Laws that I have chaired, the staffs of the Committees on Ways and Means, Rules, Post Audit, Counties, Public Safety, Personnel, Ethics and Local Affairs on which I've served—indeed the entire staff of the House and Senate have all helped and assisted me in a friendly and competent manner. I thank you all!

I recall with great fondness and respect the guidance I've received from people like Michael Paul Feeney, Jim Craven, Tony Scibelli, Tom McGee, George Keverian, Charlie Flaherty, Tom Finneran, Bill Saltonstall, Steve Pierce, John Parker, Peter Forman, Bob MacQueen and so many others.

When I look back on my years in this House, and the countless men and women with whom I've served—members, clerks, court officers, pages and capital police officers—I think often of their friendship, loyalty and of their devotion.

Most of all, there are the wonderful people in Southern Worcester County. The people of my hometown of Hopedale, who first entrusted me with the Office of Selectmen nearly a quarter century ago.

And then there are the people of Blackstone, Douglas, Mendon, Millville, Sutton, Uxbridge and Webster who, along with their neighbors from Hopedale, entrusted me with this responsible office—and the rare opportunity to serve them as their State representative.

And, over the years, they have allowed me to continue their work—re-electing me by wide margins in eight successive state elections. They are the ones who made it all possible. And, I am proud of what we've accomplished together.

With my appointment by the President of the United States to the position of Associate Director of the Federal Emergency Management Agency, a new and very challenging opportunity for public service has been extended to me.

Under the leadership of President Clinton, and its dynamic new Director, James Lee Witt, FEMA has truly become an agency of "people helping people."

My responsibility at FEMA will be to work with other federal agencies, state and local governments, volunteer organizations and the private sector.

Together we will help people help themselves.

Together we will strive to make America a safer place, through mitigation, thereby reducing or eliminating the repetitive damage and suffering caused by future natural disasters. And, having been in politics for 25 years, I certainly have seen my share of disaster. And, not all caused by nature.

Helping people will be the focus of my job at FEMA. That's what I've enjoyed doing most throughout my career. I consider it to be a public servant's most cherished reward.

My new duties in Washington will enable me to continue that commitment to helping people, while serving our President and this great country. It is high honor and a privilege for me as a public servant and as an American.

And so, as this son of a place called Hopedale in Massachusetts leaves this great House to join an Administration led by a son of a place called Hope in Arkansas, I do so with a profound respect and affection for the people who sent me here, and indeed for all of the citizens of this Commonwealth.

Their past support and your enduring friendship will be a continuing source of strength and encouragement as I begin a new and exciting chapter in my life.

As President Kennedy, who first sparked my interest in politics, said from this very Chamber a generation ago—just days before he departed for Washington:

"I carry with me more than fond memories and fast friendships. The enduring qualities of Massachusetts—the common thread woven by the Pilgrim and the Puritan, the fisherman and the farmer, the merchant and the millworker, the Yankee and the immigrant—will not and could not be forgotten in the Nation's Capitol. They are an indelible part of my life, my convictions, my view of the past and my hopes for the future."

May God bless each of you and your families.

GOOD STEWARDSHIP FOR OUR FORESTS

HON. LARRY LaROCCO

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LAROCCO. Mr. Speaker, tonight I am introducing the Stewardship End-Result Contracts Demonstration Act.

This legislation simply extends for 1 year a program that was authorized by Congress in 1992 for fiscal year 1993 (P.L. 102–381). It allows the Forest Service to use all or a portion of the receipts from timber salvaged in an ecosystem management project to offset the costs of the various treatments which are prescribed as a part of that project. These treatments usually include such things as wildlife habitat enhancements, reforestation, watershed, and recreation improvements.

The authorized program, which was included as bill language in the fiscal year 1993 appropriations act, identifies the Dixie, Kaibab, Coconino, Idaho Panhandle, and the Lake Tahoe Basin Management Unit as eligible forests.

A number of projects have been planned and several contracts have been awarded. However, most of the proposed projects were still in the planning or NEPA process at the end of the 1993 fiscal year. In deference to general concerns of the authorizing committees regarding authorization on an appropriations bill, the Appropriations Committee did not include the bill language in fiscal year 1994. However, the statement of the managers, included in the conference report—103–299—expresses the committee's expectation that the program as authorized in fiscal year 1993 would be continued in fiscal year 1994.

However, it was the determination of the Forest Service, as expressed in a directive—November 23, 1993—to the regions, that only those projects already under contract on October 1, 1993 could be continued. And, projects without a contract award would have to wait for additional authorization.

That is the purpose of this legislation. We have asked the Forest Service to supply a list of projects that could be completed through the NEPA process and be advertised and awarded this year. As a result, we have three projects which fit that criteria.

The project with which I am most familiar is in my congressional district. It is in the Priest Lake Ranger District, on the Idaho National Forest. It is a very small project and, in total, includes only about 400 acres. But what makes it important is the process through which it evolved.

It has been developed by the district ranger in cooperation with both local environmental and private sector interests and with other involved citizens. I believe it could be an important model, not only for ecosystem management but for public involvement and cooperation.

The stewardship, or Land Management Service contract, provides a tool to achieve ecosystem management. At our recent committee oversight hearings, I asked the Assistant Secretary of Agriculture, Jim Lyons, about the concept. He was supportive of the demonstration program and indicated that the administration is looking closely at the concept in terms of future policy directions.

I believe the Congress should look closely at this approach as well. The experience gained from these first demonstrations will help us examine fully the issues involved in ecosystem management, and structure, perhaps, a broader and more comprehensive demonstration program.

TRIBUTE TO ANNA J. HUDSON, WINNER OF THE ARLEEN SINGLETON WILKES COMMUNITY SERVICE AWARD

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Anna J. Hudson, a wonderful, socially active and politically minded individual who will receive the National Council of Negro Women's Arleen Singleton Wilkes Community Service Award this Friday, March 4, at the National Council's 7th Annual Award Dinner.

Born and reared in South Carolina, Anna Hudson moved to New York City after her graduation from high school and studied to become a dietitian. She worked as a hospital dietitian for 25 years before beginning service as a school food service manager for New York City's School District III in 1976.

Anna Hudson soon became active in a number of community service efforts, rose to the vice presidency of the Seneca Center, a social service agency serving the Hunt's Point area of the Bronx. After many years in that position, she now sits on the Seneca Center Board of Directors, as well as that of the Carnes McKinney Coop, Inc. She is a member of the NAACP, and serves as a member of the senior executive board of the East Bronx Section of the National Council of Negro Women, Inc.

Anna Hudson is an active member of the Bright Temple A.M.E. Church and has served for many years as a member of the Church's Trustee Board, Chancel Choir, and Pastor's Aid Board. She is president of the Church's Progressive Club, first vice president of the Lay Organization and cochairperson of the Commission on Finance. She also coordinates and leads Bright Temple's Girl School troop, and organizes cultural and consumer education programs which benefit her entire community.

Anna Hudson has received numerous community service awards over the course of her long career of active citizenship in the South Bronx. I have known her for most of that time, and while I cherish the memories of all of the occasions I have had the privilege of working with her, I value her even more deeply for her continuing contributions to the community. I ask my colleagues to join me in recognizing Anna J. Hudson for the honor she will receive from the National Council of Negro Women this Friday night.

TRIBUTE TO BOB EASTERBROOK

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. BARCIA of Michigan. Mr. Speaker, I would like to call attention to the outstanding service and leadership of Mr. Bob Easterbrook. As founder and president of the National Wildlife Education Foundation, Bob successfully initiated and developed conservation projects all over the world and throughout Michigan, bringing conservation, ecology, wildlife, and habitat education to thousands each year.

A renowned hunter and conservationist, Bob has been tireless in his dedication to sportsmen. A founding member and past president of the Detroit chapter of Safari Club International, Bob has been repeatedly recognized in Michigan for his efforts to enhance the image of hunters in the community, earning the Michigan United Conservation Club Special Conservationist of the Year for 1986, Ted Nugent's World Bowhunters Lifetime Representative Award, and the Detroit chapter of the Safari Club International President's Award for 1991.

A member of the international board of directors for Safari Club International, Bob has also been recognized for his work outside of Michigan, winning the World Wildlife Foundation Award 3 consecutive years for assisting in its formation, establishing its goals, direction, and purposes. More importantly, Bob established himself this year as the premiere hunter and conservationist in the country by winning the Safari Club International President's Award for 1994.

In the endless campaign for pro-hunting legislation, Bob has continually worked to challenge State laws and successfully advocated for the adoption of the Sportsmen Against Hunger Program in five States including Michigan. Moreover, working with the Tracks Magazine Program, State teachers workshop, and Safari Club International Education Committee, Bob has directed his latest efforts toward the education of our youth, time and again demonstrating his ability to reach kids that teachers, doctors, and counselors couldn't.

Mr. Speaker, I am proud to associate myself with the efforts of Bob Easterbrook, as he represents that which I strive for as a sportsman and as a hunter, providing the necessary framework to ensure the viability of the hunt for generations to come.

SHOW YOU CAN DO IT

HON. LARRY LaROCCO

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LAROCCO. Mr. Speaker, a recent article in the Idaho Statesman paid tribute to Ramiro Reyes, pastor of Idaho's only Hispanic church, Iglesia Evangelica, in Wilder.

The article, by Bill Roberts, describes the many contributions of Pastor Reyes based upon his beliefs in self-help and involvement in the community.

I commend the article to my colleagues and ask that it be printed in the RECORD.

SHOW YOU CAN DO IT

(By Bill Roberts)

WILDER.—Lauro Trina, his wife, and their three children came to Wilder last September with no money and no food.

A string of temporary jobs had played out, and Trina came looking for work.

Ramiro Reyes, pastor of Wilder's only Hispanic church, heard about Trina's plight. Within the day he showed up at the family's house in Wilder's government migrant housing complex with bags of groceries.

At Christmas, he was there with toys for the children.

"He came and brought food," Trina says. "He was here right away. It's all right."

Another life touched by Ramiro Reyes.

Trina is working now, Reyes says. And things are better for the family.

There have been many such stories about Reyes in the 38 years he's ministered to the people of Wilder, a predominantly Hispanic town of 1,350.

Reyes' church, Iglesia Evangelica, is nondenominational and 98 percent Hispanic. The core membership works mostly for agricultural companies.

During summer, Sunday attendance jumps from about 60 to over 100 as migrant laborers come to work the fields from across the country and from Mexico.

At church, they hear Reyes preach from the Bible, but he also tells them how to improve their daily lives. To a family with kids dropping out of school, he says, don't blame the schools, "Kids spend more time in front of TV than reading a book," he says.

To Hispanic men who drink and that is a key problem, Reyes says he tells them to go home and be with their families.

"Did you ever see a drunk that was rich?" he asks. "You don't have to go to a bar to have a good social life."

To Hispanics struggling financially, he says "out of a dollar, put 20 cents in the bank."

It's pull-yourself-up-by-the-bootstraps straight talk that makes no allowances for people who may feel oppressed. That's because Reyes doesn't believe in discrimination.

"We've got too many beggars like that," he says. "We're not in the minority here." Wilder is about 60 percent Hispanic.

"We haven't got a problem with racists. I've never been ill treated."

Reyes urges his congregation to get involved in their community. Run for the school board, he says.

So far, few have. The mayor of the town is white. So is the school board.

But Reyes isn't giving up.

Sure, he says, it's a tough message. "Some people don't see the truth as helping." Some people drop in on a Sunday, hear the message, and don't return. "A person might get offended at what I say and never come back." Jose and Rosa Rodriguez didn't leave. They started coming to the church in the mid-1980s.

Reyes helped them get their first house. He helped them fill out forms and serve as a translator. "He helped during hard times," says Rosa through a translator.

And they believe in his take-charge message. "That's very true," Rosa says. "That's what I tell my children."

Reyes who says he's such a familiar figure in Wilder that even the dogs know him is about to retire from the church he started.

But it's doubtful this stocky man, with an urgency in his voice that compels people to listen, will ever stop telling Hispanic farm laborers that they must take control of their own destiny.

His plan is simple: "Show you can do it," he says.

He asks no more of his congregation that he has of himself.

Reyes was raised in a migrant family in Texas and Mexico and spent much of his early life picking cotton, strawberries, tomatoes and oranges. He's never strayed far from the dirt and the crops.

By his mid-20s Reyes had compiled a resume of drinking, gambling and fighting. He beat his wife, and never held a job for more than six months.

"Nine out of 10 men (I knew) were like me," Reyes says. "Every day, every evening. I did this to make me a macho man."

At a Southern Baptist Church in Texas in 1955 where friends had persuaded him to come Reyes says he realized his life was going in the wrong direction. "I felt convicted of my sinful life," Reyes said, and accepted Jesus Christ as his savior.

"When my buddies discovered I became a Christian and saw me with a Bible, a lot of these people made fun of me," Reyes says. In 1956, Reyes, then 27, moved to southwest Idaho. He worked the fields by day. But at night, and all day Sunday, he and his wife, Rebeca, walked through the labor camps in Wilder, Emmett and other cities passing out Spanish literature and talking about God.

Sam Parvin, a Wilder minister, remembers working with Reyes during the late '50s. The two would talk through row shelters long buildings broken into small rooms. "We went in night after night with loud speakers and Spanish music," Parvin says. Parvin preached the Gospel, and Reyes translated.

Even then, when people were without food, Reyes helped, Parvin says, "We used to get groceries. It's part of the ministry."

In 1958, Reyes left Idaho to attend a Spanish Bible School in California, so he could return home and preach.

After several years of working in the migrant camps, Reyes was frustrated. "We weren't gaining any ground," he says. So he and his wife started a church in 1963. It began as a Bible study with the Reyes and Parvins 13 people in all. But it soon grew.

They held Sunday School classes in their house or in visitors' cars.

"He just stuck to it," Parvin says. "He has a good nucleus there."

Iglesia Evangelica is small. It seats about 100 people.

On a typical Sunday, Ramiro Reyes stands in the aisle and greets everyone as they come to Sunday school or church.

Services are bilingual. Hymns are sung from Spanish and English hymnals. Reyes leads the singing. The languages mix without confusion.

Bible lessons are read by the congregation. One verse in Spanish. One in English.

The sermon is given in both languages. Each thought spoken by Reyes is given first in Spanish, then in English.

He moves effortlessly between languages.

There is a pulpit at the front of the church. But Reyes doesn't use it. With a tattered Bible in his hand, he delivers the sermon he's worked on for several days during his early-morning Bible study.

He paces up and down the aisle stressing his message again and again.

"For God so loved the world that he gave," Reyes says.

"If you say you're holy, you blew it, because you are not."

Be fair with people, he tells the congregation. And try to do the right things.

Outwardly, Reyes pushes for a better life for Hispanics in an upbeat, direct tone. But inwardly, he says he gets discouraged.

"We can do more with Hispanics in every area," he says. But Hispanics won't take leadership roles, often because they don't believe they have the education. "Some day this will change," he says.

Reyes' presence in Wilder has helped bridge the city's Anglo and Hispanic cultures, says Ramiro Cruz-Ahedo, pastor of Wilder Methodist Church's mostly white congregation.

"He was the first person to welcome me to the community," Cruz-Ahedo says. "He opened doors for me. He was delighted to see a Hispanic pastor of a white congregation.

"His ministry is bicultural and bilingual. He relates to both groups. That has helped to bring the two communities closer together."

Doug Amick, Wilder's mayor, agrees. "If you need help you can depend on him to help. It doesn't matter if you're Hispanic or white. If he sees a problem, he confronts it head on."

Reyes saw a need for housing for migrant Hispanic farm workers. He helped raise the issue, and today Chula Vista Acres has 120 units for farm laborers. One of the streets in the housing complex bears his name.

"I speak out when I see an injustice," Reyes says. But he disdains the label of social activist. "You don't have to raise a flag. Go through channels, not on the streets as a demonstrator. That brings reproach to our denomination."

The congregation is having a tough time envisioning Iglesia Evangelica without him.

Rosa Rodriguez rolls her eyes back and shakes her head. "I don't want him to retire."

Says her husband Jose, "I thank God because I know Pastor Reyes."

TRIBUTE TO DR. CAVIT C. CHESHIER

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. CLEMENT. Mr. Speaker, I am pleased to pay tribute to Dr. Cavit C. Cheshier upon his retirement as executive secretary of the Tennessee Education Association.

Dr. Cheshier has done an excellent job on behalf of our State's students and teachers and I am proud to call him a friend. He came to the TEA in 1956 as a field service assistant and assumed the position of executive secretary in 1976. As the chief administrative officer, he is responsible for the supervision and coordination of many of TEA's programs.

A former public school teacher and university instructor himself, Dr. Cheshier has the first-hand knowledge of the workings of public education. His contacts with both student and teachers have allowed him to understand the policy consequences of many of the proposals put forward to improve our schools. His opinion is well-respected and, for more than 30 years, he has influenced the direction of education policy before both the Tennessee State Legislature and the U.S. Congress.

As an individual who has dedicated his professional career working for the improvement of public education, his legacy are the hundreds of thousands of students who have benefited from his lobbying efforts. His influence, fortunately, has extended beyond the classroom. Dr. Cheshier is an active member of the community-at-large, participating not only in a number of business, cultural and artistic committees and board, but in his church as well.

Dr. Cheshier will be sorely missed by his many friends and colleagues throughout the State of Tennessee. But he well-deserves his retirement, although I suspect he will continue to be a strong voice and active adviser to educators and policy-makers for years to come.

I would like to extend heartfelt congratulations to Dr. Cheshier and my best wishes to him and his family.

ENOUGH BEAR STROKING

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. GINGRICH. Mr. Speaker, I would like to encourage all of my colleagues in Congress to read the following essay by Charles Krauthammer on the new reality in Russia.

As Mr. Krauthammer points out, the Clinton administration has gone to great lengths to support President Yeltsin and his efforts to bring about economic and political reform. However, despite these measures, there has been a resurgence of nationalism and imperialism, and the United States must prepare to take some resolute steps to ensure that Russia does not once again become a threat to her neighbors or anyone else.

[From Time, Jan. 31, 1994]

ENOUGH BEAR STROKING

(By Charles Krauthammer)

Just over a year ago in Stockholm, Russia's Foreign Minister delivered a shocking speech announcing a return to empire and cold war. No more Mr. Nice Guy for "Greater Russia," declared Andrei Kozyrev. "The space of the former Soviet Union . . . is essentially a post-imperial space, where Russia has to defend its interests by all available means, including military and economic ones."

The speech created a sensation. Western delegates were stunned—until Kozyrev explained an hour later that he was playacting. The speech, he said, was one Moscow hardliners would deliver were they to seize power. He was warning of the dark future awaiting the world should Yeltsin fall.

Well, Yeltsin did not fall. The Soviet-era hard-liners Kozyrev warned against fell. Some are in jail. But now it is Kozyrev himself declaring last week that Russia should keep its troops in neighboring republics: "We should not withdraw from those regions that have been in the sphere of Russian interest for centuries."

This time he is not kidding. And because he is not, Kozyrev, a man who truly represents Russian moderation, has given the world a measure of how far Russian moderation has traveled in the past year. For months Russia has been interfering in neighboring republics, notably Georgia and Azerbaijan, to bring them under Russian domination. Withdrawal from the Baltics is stalled. And Belarus, which agreed to scrap its currency and restore the ruble, is in effect being economically annexed.

Market reform is in retreat as well. The day after President Clinton finished his Moscow summit, Yegor Gaidar, chief architect of economic reform, resigned. Four days later, Boris Fyodorov, the other major reformer, was purged from the government. The ruble is collapsing. The Prime Minister talks of a return to wage and price controls.

All this is acutely embarrassing for Clinton, who had trumpeted Yeltsin's commitment to reform during his Moscow visit. Treasury Secretary Lloyd Bentsen, in particular, waxed enthusiastic about the assurances he had received that reform would continue. Assurances from whom? From the doomed Gaidar and Fyodorov, with whom Bentsen had excellent meetings.

Within a week of the trip to Moscow, the President's Russia policy had collapsed. Russia's slide is not, mind you, a failure of Clinton's personal diplomacy. There are limits to personal diplomacy. (Something politicians often have difficulty recognizing: "Lord," said Senator William Borah after Germany invaded Poland in September 1939, "if only I could have talked with Hitler, all this might have been avoided.") Personal diplomacy cannot reverse the trajectory of a great power. Russia's retreat is an aftershock of the December elections in which the totalitarian parties campaigning against reform and for empire won about half the vote.

The people have spoken, and Yeltsin has listened. Clinton has not. He keeps campaigning for Russian democracy, but he refuses to acknowledge what the people voted for in a democratic election. Why did Clinton spend so much of his Moscow trip cheerleading for economic reform? That is Yeltsin's job. Why should an American President expose himself and his country to blame for the suffering such reform inevitably brings?

By the same token, now that the Russian people have spoken, it is time to change our attitude to Russia's foreign policy too. During the fight to the finish between the Soviet-era Congress and Yeltsin, it made sense for the U.S. to back him to the hilt. That meant bending over backward not to offend Russian nationalism: leaning hard on Ukraine to disarm; raising no fuss when Russian troops intervened in Georgia, Tajikistan and Moldova; keeping the East Europeans out of NATO.

We gave bear stroking a try. It did not work. Despite our extraordinary deference to Russian national feelings, the antireform and anti-Western parties did exceptionally well in free elections. Yeltsin is accommodating to reality. Time for us to follow suit.

Yeltsin still represents as moderate a government as Russia is going to produce. But that highlights all the more clearly the limits of Russian moderation. It would be foolish, therefore, to continue a purely Russocentric policy that bets the house on the hope that with enough Western coaxing and acquiescence, Russia will turn into a Western democracy, a Cyrillic England. It is far more prudent for the West to demonstrate some firmness, to show we will respect Russia's national interests but not its imperial impulses.

If Russia tires of reform, that is her business. But if Russia hungers for empire, that unfortunately is our business. As leader of the West, we must be the one to say no. Instead, for fear of offending Russia, we say no to the pro-Western Poles, Czechs and Hungarians seeking admittance to NATO.

Russia needs to be told that it does not have a veto over NATO membership. That only an imperial Russia would take offense at East Europeans finding shelter in NATO—the Polish army, after all, is no threat to Moscow. And that if Russia insists on military pressure on its neighbors, it will pay a high price, economic and diplomatic, in relations with America.

The current unpleasantness is neither Yeltsin's fault nor Clinton's. But it is a fact. The free ride given Russia, based on hopes for a kind of Russia that is not, has got to end.

THE NATURE OF OUR COMMUNITY IS STILL UP TO US

HON. LARRY LaROCCO

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1994

Mr. LAROCCO. Mr. Speaker, I ask that an editorial from the February 24, 1994, Idaho County Free Press, be entered into the RECORD. Written by Jeff Tallent, the editorial reminds us of our individual responsibility to speak out against hatred and intolerance.

In condemning the racist doctrine of the Aryan Nations in north Idaho, or challenging the exclusionary efforts of the antigay Idaho Citizens Alliance, I have repeatedly voiced my opposition to all forms of hatred.

As the editorial concludes, "Hatred is a disease that can't be cured, but it can be controlled when communities set their minds to it."

Sadly, acts of hatred and intolerance continue to occur. When they arise, I am confident Idaho's communities will once again choose to unite in position to hate and intolerance.

[From the Idaho County Free Press, Feb. 24, 1994]

THE NATURE OF OUR COMMUNITY IS STILL UP TO US

It appears Idaho County is on its way to the unenviable distinction of becoming a home to a white supremacist element now that James "Bo" Gritz and friends are prepared to take up residence.

The Coalition for Human Dignity, a group that monitors the activities of ultra right organizations, has established Gritz's land acquisition in Idaho County and has drawn parallels between that and the plans it says are circulating within the radical right to establish strongholds populated by true believers trained in paramilitary tactics. "A pack of lies" retorted Gritz's mouthpiece, Jerry Gillespie, who denied an association of either him or Gritz with hate groups while lashing out at the coalition as a "homosexual-lesbian group."

Let's assume that the coalition is wrong about Gritz's intentions on the parcel of land called "Almost Heaven." For now, let's be optimistic and say the coalition overstated the relationship between Gritz's land buy in Idaho County and the paramilitary-style training it says Gritz is conducting through his Center for Action. Let's buy into Gillespie's claim that Gritz isn't forming a "Christian Covenant Community," but a subdivision of people eager to be good neighbors—who would never consider throwing a loud party or neglecting their lawns.

You've still got the frightening prospect of James "Bo" Gritz moving to town and in a position to hand-pick his neighbors. You've got a leadership vacuum in North Idaho's white supremacist movement. Nature abhors a vacuum and Gritz is a born leader.

Take umbrage all he will, the white supremacist label is one he helped stick on himself and one he deserves. He may not claim formal membership in white supremacist groups, but he wasn't above seeking their support in his bids for public office. Theirs is the movement he hoped to ride into national power and theirs is the element he's mobilizing in Idaho County.

Already ultra-right Idaho Constitutionalists have put the Idaho County Sheriff on notice to start looking for another job because their man is coming from Arizona and they intend to put him in office.

That's not a hollow threat. A tactic the ultra right has used before is to enter a sparsely populated county and try to swing elections their way. It's never worked and for the same reason it won't work here. Most people aren't saints but are decent, and they can even be heroic if push comes to shove.

Consider the people of Billings, Montana, who were plagued by hate crimes of racist skinheads. In December they targeted Jewish homes displaying menorahs—nine-candled symbols of Hanukkah. A beer bottle was hurled through a glass door of one home and a cinder block through a window of another. Within days, menorahs were displayed in thousands of homes in the city and it became too big a job to harass everyone.

Hatred is a disease that can't be cured, but it can be controlled when communities set their minds to it.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 3, 1994, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 4

9:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the American Battle Monuments Commission, Cemeterial Expenses (Army), the National Credit Union Administration, the Federal Deposit Insurance Corporation, the Resolution Trust Corporation's Inspector General Office, the Consumer Product Safety Commission, the Center for Consumer Information, the Consumer Information Center, the Neighborhood Reinvestment Corporation, and the Court of Veterans Affairs.

SD-106

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Labor, Health and Human Services, and Education, and related agencies.

SD-192

Governmental Affairs

Regulation and Government Information Subcommittee

To hold joint hearings with the Committee on the Judiciary's Subcommittee on Juvenile Justice to examine the system of rating video games.

SH-216

Judiciary

Juvenile Justice Subcommittee

To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Regulation and Government Information to examine the system of rating video games.

SH-216

Joint Economic

To hold hearings on the employment/unemployment situation for February.

SD-562

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Agriculture.
SD-138

Banking, Housing, and Urban Affairs
To continue hearings on regulatory consolidation.
SD-538

Budget
To hold hearings to examine twenty-first century goals for American schools.
SD-608

MARCH 7

1:30 p.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the U.S. Capital Police Board, and the Architect of the Capitol.
SD-116

MARCH 8

9:00 a.m.
Armed Services
Defense Technology, Acquisition, and Industrial Base Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense program, focusing on technology base programs.
SR-222

9:30 a.m.
Energy and Natural Resources
To hold hearings on the President's proposed budget request for fiscal year 1995 for the Department of Energy, focusing on renewable energy programs.
SD-366

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense.
SD-192

Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Library of Congress, and the Office of Technology Assessment.
SD-116

Environment and Public Works
To hold hearings on the President's proposed budget request for fiscal year 1995 for the Environmental Protection Agency.
SD-406

Finance
To resume hearings to examine proposed health care reform issues, focusing on graduate medical education and academic health centers.
SD-215

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for foreign assistance programs and global development.
SD-138

Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense program.
SR-222

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

MARCH 9

9:30 a.m.
Armed Services
To continue hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense plan, focusing on force structure levels in the Bottom Up Review.
SR-222

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for conservation programs of the Department of Energy.
SD-138

Budget
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1995 budget for the Federal Government, focusing on defense.
SD-608

Finance
To resume hearings to examine the results of the Uruguay Round trade negotiations, focusing on the Agreement on Subsidies and Countervailing Measures.
SD-215

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold oversight hearings on the operation of the Patent and Trademark Office, Department of Commerce.
SD-226

Indian Affairs
To hold hearings on the President's proposed budget request for fiscal year 1995 for Indian programs within the Departments of Housing and Urban Development, Education, and Labor, and the Administration of Native Americans.
SR-485

MARCH 10

9:30 a.m.
Rules and Administration
To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing Rules of the Senate.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Navy and Marine Corps.
SD-192

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Highway Administration, Department of Transportation.
SD-138

Finance
To resume hearings to examine health care reform issues, focusing on health care cost containment.
SD-215

Judiciary
To hold hearings on the nomination of Deval L. Patrick, of Massachusetts, to be an Assistant Attorney General.
SD-226

Commission on Security and Cooperation in Europe
To hold hearings to examine how the conflict in Bosnia-Herzegovina has effected the children of the region.
SD-562

1:30 p.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Government Printing Office, and the General Accounting Office.
SD-116

2:00 p.m.
Armed Services
To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD-G50

Governmental Affairs
To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD-G50

Veterans' Affairs
To hold hearings on proposed budget requests for fiscal year 1995 for veterans programs.
SR-418

2:30 p.m.
Labor and Human Resources
To hold hearings to examine the Employee Retirement Income Security Act's (ERISA) preemption of State prevailing wage laws.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

MARCH 11

9:30 a.m.
Governmental Affairs
To hold hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.
SD-342

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Indian Health Service, Department of Health and Human Services.
SD-138

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the General Services Administration, and the Federal Law Enforcement Training Center, Department of the Treasury.
SD-116

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation to reauthorize the Earthquake Assistance Program.
SR-253

MARCH 15

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Army.

SD-192

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Land Management, Department of the Interior.

SD-116

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of the Attorney General.

S-146, Capitol

2:00 p.m.

Governmental Affairs

To resume hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.

SD-342

2:30 p.m.

Armed Services

To resume hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense program.

SR-222

MARCH 16

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Health and Human Services.

SD-192

10:00 a.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for Small Community and Rural Development, Farmers Home Administration, and Rural Electrification Administration, all of the Department of Agriculture.

SD-138

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of State.

S-146, Capitol

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Internal Revenue Service, Department of the Treasury, and the Office of Personnel Management.

SD-116

2:00 p.m.

Armed Services

To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.

SD-106

Governmental Affairs

To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.

SD-106

2:30 p.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on competition in the U.S. biotechnology industry.

SR-253

MARCH 17

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Institutes of Health, Department of Health and Human Services.

SD-116

Governmental Affairs

To hold hearings to examine contract and financial management at the Department of Energy.

SD-342

Rules and Administration

To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing Rules of the Senate.

SR-301

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Jewish War Veterans, the Blinded Veterans Association, and Non Commissioned Officers Association.

345 Cannon Building

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Air Force.

SD-192

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Science Foundation, and the Office of Science Technology Policy.

SD-124

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Inspector General, Department of Transportation, and the Interstate Commerce Commission.

SD-138

MARCH 22

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Education.

SD-138

Indian Affairs

To hold oversight hearings on water and sanitation issues in rural Alaska.

SR-485

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on manpower and personnel programs.

SD-116

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Commerce.

S-146, Capitol

MARCH 23

10:00 a.m.

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Secret Service, Department of the Treasury, and the Executive Residence at the White House.

SD-116

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Forest Service, Department of Agriculture.

SD-138

2:30 p.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to examine science and technology policy issues.

SR-253

MARCH 24

9:00 a.m.

Office of Technology Assessment Board meeting, to consider pending business.

EF-100, Capitol

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Labor.

SD-138

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Veterans of World War I, Association of the U.S. Army, The Retired Officers Association, and the Military Order of the Purple Heart.

345 Cannon Building

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for National Guard and Reserve programs, focusing on manpower and equipment requirements and the restructuring of brigades.

SD-116

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Emergency Management Agency.

SD-124

2:00 p.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

MARCH 25

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Management and Budget, and the Executive Office of the President.
SD-116

APRIL 11

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Marketing and Inspection Services, Animal and Plant Health Inspection Service, Food Safety and Inspection Service, and Agricultural Marketing Service, all of the Department of Agriculture.
SD-138

APRIL 12

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on classified programs.
S-407, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Oceanic and Atmospheric Administration, Department of Commerce.
S-146, Capitol

APRIL 13

9:30 a.m.
Indian Affairs
To hold hearings on the President's proposed budget request for fiscal year 1995 for the Bureau of Indian Affairs.
SR-485

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Energy, focusing on fossil energy and clean coal programs.
SD-116

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Coast Guard, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Postal Service, and the Financial Crimes Enforcement Network.
SD-192

APRIL 14

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on health services and infrastructure.
SD-192

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Bureau of Investigation, and the Drug Enforcement Administration, both of the Department of Justice.
S-146, Capitol

APRIL 18

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Science and Education, Agricultural Research Service, Cooperative State Research Service, Extension Service, and Alternative Agricultural Research and Commercialization, all of the Department of Agriculture.
SD-138

APRIL 19

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on strategic programs.
SD-192

APRIL 20

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Treasury.
SD-116

APRIL 21

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on intelligence programs.
S-407, Capitol

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Housing and Urban Development.
SD-106

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Fish and Wildlife Service, Department of the Interior.
S-128, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Securities and Exchange Commission, and the Federal Communications Commission.
S-146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Aviation Administration, Department of Transportation.
SD-138

APRIL 25

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for International Affairs and Commodity Programs, Natural Resources and Environment, Agricultural Stabilization and Conservation Service, Foreign Agriculture Service, Soil Conservation Service, and Federal Crop Insurance Corporation, all of the Department of Agriculture.
SD-138

APRIL 26

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on National Foreign Intelligence Programs (NFIP) and Tactical Intelligence and Related Activities (TIARA).
S-407, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Justice Programs, and the Immigration and Naturalization Service, both of the Department of Justice.
S-146, Capitol

APRIL 27

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Transit Administration, Department of Transportation, and the Washington Metro Transit Authority.
SD-138

APRIL 28

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Environmental Protection Agency, and the Council on Environmental Quality.
SD-106

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Information Agency.
S-146, Capitol

2:30 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Indian Affairs, Department of the Interior.
SD–116

MAY 3

9:30 a.m.
Energy and Natural Resources
To hold hearings on Boron-Neutron Cancer Therapy.
SD–366

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Food and Consumer Services, Food and Nutrition Service, and Human Nutrition InformationService, all of the Department of Agriculture.
SD–138

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on defense conversion programs.
SD–192

MAY 5

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Legal Services Corporation.
S–146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Transportation Safety Board, and the National Highway Traffic Safety Administration, Department of Transportation.
SD–138

MAY 10

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Commodity Futures Trading Commission, the Farm Credit Administraion, and the Food and Drug Administration, Department of Health and Human Services.
SD–138

MAY 11

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Park Service, Department of the Interior.
S–128, Capitol

MAY 12

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Corporation for National and Community Service.
SD–106

MAY 17

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on the Pacific Rim, NATO, and peacekeeping programs.
SD–192

MAY 19

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense.
SD–192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Veterans Affairs, and the Selective Service System.
SD–106

MAY 20

9:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Veteran's Affairs and Housing and Urban Development, and independent agencies.
SD–138

MAY 25

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Interior.
S–128, Capitol

MAY 26

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Aeronautics and Space Administration.
SD–106

JUNE 8

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings proposed budget estimates for fiscal year 1995 for the Department of Energy.
S–128, Capitol

JULY 19

10:00 a.m.
Appropriations
Defense Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense.
SD–192

CANCELLATIONS

MARCH 3

9:30 a.m.
Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings to examine the procurement of weapons process by the Department of Defense, focusing on operational testing activities.
SD–342

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the U.S. Senate, and the Congressional Budget Office.
SD–116

MARCH 16

9:30 a.m.
Indian Affairs
To hold hearings on S. 1876, to revise the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such Act.
SR–485

SENATE—*Thursday, March 3, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. As we make our supplications and give praises to Almighty God, who created man in His own image and breathed into His nostrils the breath of life, the Senate will be led by its Chaplain, the Reverend Dr. Richard C. Halverson. Dr. Halverson.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer: Let us pray.

* * * *thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind, and thou shalt love thy neighbour as thyself. On these two commandments hang all the law and the prophets.*—Matthew 22:37–40.

Gracious God of truth and love and mercy, these words are precise and unambiguous, but we do not seem to take them seriously. Paul, the apostle, declared that "love is the fulfilling of the law." The apostle John wrote, "He that does not love does not know God; for God is love." Hearing these explicit words, we remember with shame the history of religious wars, and the consummate tragedy that today religion is fracturing nations.

God of perfection, awaken us to the realization that failure to love makes a travesty of religion and exposes our ignorance of God. Help us understand that love is more than a sentimental feeling, love is volitional, requiring a decision to obey God and love, not only our neighbor, but our enemy.

In His name who is love incarnate. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each, with the Senator from Pennsylvania [Mr. WOFFORD] to be recognized to speak for up to 30 minutes; the Senator from Wyoming [Mr. WALLOP] will be permitted to speak for not to exceed 10 minutes; and then the Senator from Utah [Mr. HATCH] will control 10 minutes.

Mr. DASCHLE addressed the Chair.

The PRESIDENT pro tempore. The Senator from South Dakota [Mr. DASCHLE] is recognized for not to exceed 10 minutes.

Mr. DASCHLE. Thank you, Mr. President.

CONFUSING THE HEALTH CARE ISSUE

Mr. DASCHLE. Mr. President, I have been asked in recent days about polls published in a number of newspapers showing some slippage in the support for the health plan proposed by this administration.

My answer to the queries that I have had is, I am not really surprised. After an orchestrated campaign, the cost of which has been more than $10 million, by many opponents of health reform, especially those outside of Washington—the insurance industry, lobbyists, and others—I am not surprised.

The American people are confused with the tremendous amount of misinformation that has characterized so much of the debate so far. There has been an orchestrated effort to mislead the people and I think, to a certain extent, as it pertains to the Clinton health plan, they have succeeded.

But I am also convinced that these poll numbers are temporary. What is permanent is a desire on the part of the American people to solve the health care crisis.

Because, in spite of the ups and downs of polls relating directly to this plan, 86 percent of the American people, in virtually every poll from the very beginning, want guaranteed private health insurance for all Americans. In spite of the ups and downs on the Clinton health plan, 67 percent of all the American people want the responsibility for paying for it to be shared between employer and employees alike. And in spite of the ups and downs, Mr. President, over 60 percent of the American people say again and again that they want a specified list of comprehensive benefits so they know what they are getting.

Those numbers do not appear to change at all. Regardless of all the talk of alliances and specific proposals, the core feeling of the American people is as strong today as it was at the very beginning. That does not change.

I hope there is something else that does not change. I hope that there is a sincere desire on the part of our Republican colleagues not to politicize this issue. I believe that there are many on the other side who want health reform as badly as those on this side of the aisle. I am encouraged by their determination in much of what I see in the Finance Committee on a daily basis—good questions, good statements, persistence on the part of so many who have been with this issue for so long.

But I must say this morning, Mr. President, I am encouraged, as well as concerned, about this Republican retreat that will begin tonight. I am encouraged because there are a large number of Republican Senators who certainly want to devote the attention necessary to an issue of this magnitude and have demonstrated it. Our colleague from Rhode Island [Mr. CHAFEE] is the one who called for this retreat. So I know in his mind there is a lot that can be done in another opportunity to look very closely at an issue of this magnitude.

But I am concerned that some in the Republican caucus want to do to health what they did to deficit reduction. They want to politicize it.

I have concluded, having been around here for almost 7 years now, that each and every time this body politicizes an issue, we lose. It is that simple. To politicize health would mean that Republicans lose. To politicize health would mean Democrats lose. But, most importantly, to politicize this issue means the American people lose.

Instead of coming out swinging, my sincere hope this morning, the morning of the retreat tonight, is that our Republican colleagues will come out extending—extending their arms in a real effort at bipartisanship to resolve these problems that we all know exist.

That has been the approach this administration has used from the very beginning. In scores of meetings here and down there one-on-one with the President himself, with the First Lady, with every Member of the Cabinet, in small groups and in big groups, I do not think I have ever seen a more inclusive effort ever undertaken by any administration. Inclusion has been the approach that this administration has used. I hope that it is reciprocated as Republicans and Democrats attempt, in as sincere a way as possible, to deal with this issue effectively.

I hope, Mr. President, that my concerns are unwarranted. I hope the announcement tomorrow afternoon will be that the Republican caucus is even more determined than ever to come up with a plan to work together. I hope

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

that all Senators can come to the same conclusion which many of us have—that the less we do, the more costly the effect. That is counterintuitive, but it is true—the less we do, the more costly the effect.

Every single serious analytical effort that has been presented to us thus far has demonstrated that. And of all the alternatives, they tell us, one by one, as recently as this week, the status quo is the most expensive. Every analysis done so far has indicated that we have to do something to stem this incredible flow of cost into health. We all have been told, time and time again virtually every time we get into a budget debate about the implications of health on our budget, and the President pro tempore knows that better than any one of us in this Chamber—in fact the Congressional Budget Office said that—unless we deal with health care we cannot contain our budget problems.

As they reported to Congress just a couple of weeks ago, it is the Clinton plan that reduces costs to health, and to the budget, by $237 billion over a 10-year period of time. They reported to us just a couple of weeks ago that the Clinton plan saves business $90 billion a year, when it is fully implemented. And just this week the Department of Health and Human Services released their analysis of the effect that the Clinton plan would have, not only on our budget but on all the budgets, State by State. Their report was very encouraging.

They indicated that States could save $39 billion in Medicaid costs alone between the years 1996 and 2000; that they would save $6.3 billion a year at the end of the decade just as an employer. That is per year, by the end of the decade.

Health and Human Services say business, too, are big winners, saving more than $59 billion a year, that comes out to $605 a worker. And working families would save $29 billion a year, $293 per worker.

That is the kind of analytical information many of us asserted all along ought to drive this debate. We can truly provide the universal coverage, this guaranteed access to private insurance that we want for all Americans, at the same time we reduce costs.

It is such a remarkable study I would like to share it with my colleagues. I ask unanimous consent to have it printed in the RECORD at this time.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From the U.S. Department of Health and Human Services, Feb. 28, 1994]

IMPACT OF THE HEALTH SECURITY ACT ON STATES

I. SUMMARY, IMPACT OF THE HEALTH SECURITY ACT ON STATES

The Health Security Act will reduce the cost of insurance in states through universal coverage, cost containment, and the elimination of cost shifting.

Employers who currently offer insurance will save on average of $605 per worker (1.6% of payroll or $59.5 billion on total) on premiums in the year 2000.

Workers who are in firms that currently offer health insurance will save an average of $293 per worker ($29.9 billion in total) on premiums in the year 2000.

As a purchaser of health care coverage for their employees, states will save approximately $5.6 billion in premium payments for active employees in the year 2000 due to slower growth in overall health care costs. Additionally, states will save an estimated $704 million through federal support of health care for early state retirees in the year 2000.

State expenditures for Medicaid and community-based long-term care are projected to decrease in the aggregate under the Health Security Act.

Between 1996 and the year 2000, states will save an estimated $43.6 billion in state Medicaid expenditures under the Health Security Act; an estimated $31.9 billion represents coverage of Medicaid recipients through regional alliances, and approximately $11.7 billion will be saved through the new community-based long-term care program. In the year 2000, state Medicaid programs will save approximately $22.3 billion—$3.3 billion results from the new home and community-based long-term care program.

When taking new state spending for the new community-based long-term care program into account, states will save, on net, nearly $7.6 billion on community-based long-term care expenditures between 1996 and 2000 under the Health Security Act. In the year 2000 alone, states will save $1.1 billion on community-based long-term care.

States will save $39.5 billion between 1996 and 2000 under the Health Security Act, $7.6 billion from the community-based long-term care program, and $31.9 billion from the remaining changes in the Medicaid program. In the year 2000, this represents $20.1 billion, $19.0 billion in Medicaid savings excluding home and community-based care and $1.1 billion in savings from the home and community-based care program.

IMPACT OF THE HEALTH SECURITY ACT ON STATES: YEAR 2000

Expenditure categories	Without reform	Reform	Savings
PURCHASING HEALTH COVERAGE UNDER THE HEALTH SECURITY ACT			
Employers' share of the premiums:			
Total employer premium payments—all firms	$303.5 billion	$275.5 billion	$28.0 billion
Total employer premium payments—employers currently offering insurance	$303.5 billion	$243.9 billion	$59.5 billion
Premium payments as a percent of payroll—employers currently offering insurance	8.2%	6.6%	1.6%
Premium payments per worker—employers currently offering insurance	$3,086 per worker ($257/month)	$2,481 per worker ($207/month)	$605 per worker ($50/month)
Families' and individuals' share of the premiums:			
Total worker premium payments—all firms	$73.6 billion	$53.7 billion	$19.9 billion
Total worker premium payments—workers in firms currently offering insurance	$73.6 billion	$44.7 billion	$28.9 billion
Worker premiums—workers in firms currently offering insurance	$748 per worker ($62/month)	$455 per worker ($38/month)	$293 per worker ($24/month)
New Federal funds for discounts[1]		$81.0 billion	
State expenditures on active State employees	$15.8 billion	$10.2 billion	$5.6 billion
State expenditures on early State retirees	$1.3 billion	$0.6 billion	$0.7 billion
MEDICAID			
State Medicaid expenditures, including savings from community-based long-term care	$123.3 billion	$101.0 billion	$22.3 billion
State Medicaid expenditures, not including savings from community-based long-term care	$123.3 billion	$104.3 billion	$19.0 billion
NEW LONG-TERM CARE PROGRAM			
State community-based long-term care expenditures	$9.9 billion	$8.9 billion	$1.1 billion

[1] Total discounts minus states' maintenance of effort

NOTE: For display purposes only, the Medicaid savings due to the new community-based long-term care program are shown under both the Medicaid and the New Long-Term Program sections. "State Community-Based Long-Term Care Expenditures" also reflects changes in state-only spending for the severely disabled and state funds directed toward the new long-term care program. Numbers may not sum to totals due to rounding.

II. HEALTH SECURITY ACT: MAJOR POLICY CHANGES AFFECTING STATES

The following is a brief description of some of the major policy changes under the Health Security Act that affect state expenditures.*

Footnotes at end of article.

Universal coverage and cost containment under the Health Security Act

The Health Security Act guarantees all American citizens and legal residents private insurance coverage for a comprehensive package of benefits. Coverage continues with no lifetime limits regardless of a change of employer, employment status, marital status or medical condition.

The Health Security Act relies on the requirement of shared responsibility for the purchase of health coverage. It strengthens the private, employment-based system and augments it with a commitment to make the purchase of coverage affordable through discounts to small business and families.

The Health Security Act carries out the commitment to control the rising costs of health care by:

(1) Consolidating the purchasing power of consumers so that private payers in a competitive market can slow the growth of health insurance premiums. This process is backed up by a cap on the growth of insurance premiums.

(2) Reducing the rate of growth of the Medicare and Medicaid programs without reducing benefits or quality of care.

Premiums under the Health Security Act

Under the Health Security Act, health coverage is purchased in two shares: the individuals or family share and the employer share. Each individual or family purchases a health plan designed to cover one of four categories by family type:

(1) A single adult policy;

(2) A policy covering two adults;

(3) A policy covering a single parent with children; or

(4) A policy covering two parents with children.

Employers' share of the premiums

Generally, employers pay 80 percent of the weighted average premium calculated on a per worker basis within a regional alliance for the appropriate family type policy.** Additionally, an employer may choose to pay part or all of the family share of the premium.

Employers' premium payments within regional alliances are capped. At full implementation, employers purchasing coverage through regional alliances will pay no more than 7.9 percent of payroll for health coverage for their workers. Businesses with fewer than 75 workers receive discounts that cap their payments to a sliding scale (3.5% to 7.9% of payroll) based on size and average wage.

Families' and individuals' share of the premiums

The family or individual pays the difference between the employer share and the actual premium of the health plan in which they choose to enroll. Those who choose to enroll in a lower-cost plan will pay lower premiums than those who choose higher-cost plans.

For families and individuals, as well as employers, premium payments are capped. Families with an annual income of $40,000 or less pay no more than 3.9 percent of their income toward their share of the premium. Those with incomes below 150 percent of poverty receive discounts toward their share of the premium.

Medicaid under the Health Security Act

Under the Health Security Act. Medicaid recipients under the age of 65 enter the alliance system to obtain the guaranteed comprehensive benefit package.

People not on cash assistance who now receive Medicaid choose their health plan and may qualify for discounts based on income, like other eligible individuals and families. States contribute toward discounts for their residents by maintaining current Medicaid spending efforts for this population.

Individuals who qualify for cash assistance (Aid to Families with Dependent Children or Supplemental Security Income) also choose their own health plans through regional alliances. The federal and state governments make premium payments for these individuals based on current state and federal Medicaid expenditures.

For low-income children under the age of 19, a new program is created to provide services currently offered under Medicaid but not included in the comprehensive benefits package, such as hearing aids and non-emergency transportation. States maintain current spending for children receiving cash assistance.

State expenditures on Medicaid will decrease under the Health Security Act for several reasons:

Coverage of current cash eligible Medicaid recipients through regional alliances: Acute care spending for cash eligible Medicaid recipients decreases because of their inclusion in regional alliances, where costs will not grow as rapidly as under the current system. States pay a premium for these services that is based on 95 percent of current expenditures for this population. In addition to this reduction in expenditures, states no longer make disproportionate share payments for their cash-eligible populations.

Coverage of current non-cash eligible Medicaid recipients through regional alliances and the new program for children's supplemental services: Expenditures for non-cash eligible Medicaid recipients, like those for cash eligibles, are reduced due to their inclusion in regional alliances. Although the states make maintenance of effort (MOE) payments based on current expenditures for acute care services and disproportionate share for this population, these payments will not grow as rapidly as under the current system. Additionally, the federal government assumes the costs of supplemental services for Medicaid eligible children. Because the MOE payments for cash eligible children's supplemental services will grow at a slower rate than do current expenditures for these services, states achieve savings.

New long-term care program under the Health Security Act

The Health Security Act creates a new home and community-based long-term care program for individuals with severe disabilities regardless of income or age. The program is financed by:

Federal Government: New federal funds are allotted to states based on a formula that includes the number of persons with severe disabilities among other factors. Additionally, current federal Medicaid expenditures for these services for the severely disabled will be used to fund the new program to the extent that current Medicaid eligibles are served in the program. The federal share of public costs ranges from 78 to 95 percent when fully phased in.

States: State spending for the new program will be matched by the federal government at a rate substantially higher than that of the current Medicaid program. Part of the state funds will come from the transfer of Medicaid expenditures for community-based long-term care for the severely disabled. At the most, states will pay between 5 and 22 percent of the public program costs.

Individuals: Participants whose income is greater than 150 percent of the federal poverty level will contribute based on their income.

States have the flexibility to organize services to meet their populations' diverse needs; at a minimum, states must provide personal assistance to eligible individuals needing assistance with activities of daily living. States have the option to continue to provide community-based long-term care services under the state Medicaid program.

Public health initiatives under the Health Security Act

The Public Health Initiatives under the Health Security Act will provide states and communities with new funds to create partnerships among government, alliances, health care providers, and communities that will:

Enhance the capability of communities to protect the health of their populations and to address high-priority local health problems;

Increase the number of minorities in health professions, support graduate nurse training initiatives, and expand training projects for primary care physicians and physician assistants;

Assure access to essential health services for all Americans, particularly low-income, isolated, hard-to-reach populations; and

Provide the knowledge and information systems necessary to prevent disease and provide medical care more appropriately and efficiently.

Due to universal coverage under the Health Security Act, most personal health services now provided the Public Health Service will be paid for by insurance.

III. BACKGROUND: STATES AND HEALTH REFORM

Over the past decade, state governments, residents, and employers have faced rapid increases in the already high health care costs.

Between 1980 and 1991, spending in states for hospital care, physician services, and prescription drug purchases in retail outlets rose at an average annual rate of 10.5 percent.[1]

In 1993, states spent more on health care than on tax-financed higher education.[2]

Between 1988 and 1990, the average annual growth in Medicaid expenditures was 15.7 percent,[3] and it is expected that state Medicaid spending will nearly triple between 1990 an 1995.[4]

United States—Health care environment	Statistics
Percentage of population covered by Medicaid (1991)[5]	10.6%
Medicaid payments per recipient (1992)[6]	$2,937
Average annual growth in Medicaid expenditures (1988–1990)[3]	15.7%
Infant mortality rate per 1000 live births (1991)[7]	8.9

Footnotes at end of article.

States have taken several steps to control the rise in health care costs and to increase access to health care for its residents.[8, 9]

Almost all states have initiated or enacted measures to improve access and contain costs.[8]

Fourteen states have enacted or proposed legislation designed to provide universal coverage for all state residents.[8]

Twelve states have enacted or proposed legislation designed to contain costs through managed competition or purchasing pools.[8]

Forty-seven states have enacted or proposed small group insurance reform; eighteen states have enacted or proposed insurance reform for individuals.[8]

Examples of state health reform initiatives include:

Expanding access to health care for targeted population groups, such as pregnant women or children, through public sector, private sector, or a mixture of both, interventions. This often includes expanding Medicaid eligibility for coverage and services beyond Medicaid's traditional income restrictions.[8]

Small group and individual market reforms including guaranteed issue and renewal, limits on pre-existing condition exclusions, rating restrictions and benefit mandates.[8]

Containing costs through the use of managed competition or purchasing pools, provider rate setting, insurer premium caps, and global budgets.[8]

Acting alone, states are hampered in their efforts to control the growth of health care costs. The Health Security Act will enable states to control the growth of health care expenditures and assure access to care for its residents.

Universal coverage, achieved through a federal/state partnership, will reduce the burden on state and municipal programs and providers that today help finance and deliver services to the uninsured and under-insured.

Federal grants will help states provide special assistance to underserved rural and urban areas. States will be able to strengthen and improve essential public health efforts.

The Health Security Act will control the increase in health care costs by introducing greater competition into the health care delivery system.

IV. IMPACT ON THE PRIVATE SECTOR[10]

A. Premium payments under the Health Security Act

Total Annual Premium Payments: Year 2000

Without reform, employers who currently offer insurance would pay an estimated total of $303.5 billion in premiums in the year 2000. Under the Health Security Act, all firms, including those that do not currently offer insurance, will pay $275.5 billion in premium payments for their employees. Firms that currently offer insurance to their employees will pay an estimated total of $243.9 billion in premium payments—$59.5 billion less than they would pay without comprehensive reform.

Workers who currently work in firms that offer insurance would pay an estimated total of $73.6 billion in premium payments in the year 2000 without comprehensive reform. Under the Health Security Act, workers, including those who are not currently covered through firms offering insurance, will pay a total of $53.7 billion in premiums in the year 2000. Employees in firms that currently offer insurance will pay an estimated total of $44.7 billion in premiums in the year 2000, almost $29 billion less than they would without comprehensive reform.

Employer Premium Payments as a Percent of Payroll: Year 2000

The Health Security Act will reduce the percent of payroll that employers who currently offer health insurance will spend on premiums from 8.2 percent to 6.6 percent, a reduction of approximately 20 percent due to reforms in the Act.

In the year 2000, all employers will spend an average of 6.4 percent of their payroll on premiums under the Health Security Act.

Average Annual Premium Payments per Worker: Year 2000

For all employers, the average premium payment per worker will be an estimated $2,245 in the year 2000 under the Health Security Act. Employers that currently offer health insurance will pay an estimated $2,481 in premium payments for workers—$605 less than they would pay if there were no comprehensive reform.

Under the Health Security Act, workers will pay an average premium share of approximately $437 in the year 2000. Employees in firms that currently offer insurance will pay on average $455. This is an estimated $293 less than they would pay in premiums if there were no comprehensive reform. Savings will be even greater for those workers who currently purchase health insurance directly from insurance companies.

B. Discounts under the Health Security Act—Year 2000

Qualified small and low-wage employers, low-income families, and early retirees will receive an estimated total of $104 billion in the year 2000 for premium and out-of-pocket payment discounts under the Health Security Act.

States' residents and businesses will receive an estimated $81 billion in federal funds for discounts in the year 2000.

The approximately $23 billion remaining will come from state funds, a substitute for the $27.8 billion that states would have paid for services for non-cash Medicaid recipients without reform.

V. IMPACT ON THE PUBLIC SECTOR

A. States as employers under the Health Security Act—Year 2000

As purchasers of health care coverage for their employees, states will benefit from slower growth in overall health care costs.

Federal support of health care for early retirees will produce large savings for state employee health benefits programs. Under the Health Security Act, the federal government will cover the 80 percent employer share of the early state retirees' premiums. The state will assume the 20 percent family share.

States will spend an estimated $10.2 billion on their active employee health benefits in the year 2000 under the Health Security Act. This represents an estimated savings of $5.6 billion when compared to the estimated spending without reform of $15.8 billion in the year 2000.

States as employers will save an estimated $704 million on its premium spending for retirees between the ages of 55 and 64 years in the year 2000.

B. State Medicaid spending under the Health Security Act

Medicaid Growth: 1996–2000[11]

Under the Health Security Act, states save approximately $43.6 billion between the years 1996 and 2000. These savings will result primarily from the inclusion of Medicaid recipients in regional alliances, where health care costs will not grow as rapidly as in the current system.

MEDICAID EXPENDITURES: 1996–2000[1]

[In billions of dollars]

	Fiscal year 1996	Fiscal year 1997	Fiscal year 1998	Fiscal year 1999	Fiscal year 2000	Total
Medicaid spending without reform	77.6	87.3	98.0	109.9	123.3	496.0
Health Security Act spending	76.8	85.1	94.1	95.4	101.0	452.3
Acute care Medicaid	47.9	49.3	44.0	38.1	39.3	218.6
Long-term care Medicaid	27.0	29.3	32.0	34.9	38.2	161.3
Maintenance of effort	2.0	6.5	18.1	22.4	23.4	72.4
Change in State Medicaid spending	(0,8)	(2.2)	(3.9)	(14.5)	(22.3)	(43.6)
Change in State Medicaid spending less community-based long-term care savings	0.5	(0.2)	(1.5)	(11.6)	(19.0)	(31.9)

[1] Estimates of the impact of the Health Security Act on all States assumes that States implement reform in January of 1996, 1997, or 1998, as specified in the act.

Overall, states will save an estimated $43.6 billion on Medicaid expenditures between 1996 and 2000 under the Health Security Act. An estimated $31.9 billion in savings results from coverage of Medicaid recipients through the regional alliances and other policy changes under the Health Security Act. The remaining $11.7 billion in Medicaid savings results from the new community-based long-term care program.[12]

Medicaid spending on acute care, which includes premium payments for cash assistance recipients and wrap-around services for adults, will be an estimated $39.3 billion in the year 2000. This will be lower than the acute care spending under the current system because of slower growth of health care costs under the Health Security Act.

Medicaid spending on long-term care under the Health Security Act will be approximately $38.2 billion in the year 2000. This includes coverage of institutional long-term care and continuing Medicaid community-based long-term care.

States will contribute an estimated $23.4 billion in the year 2000 in maintenance of effort payments that will be used for discounts for their low-income residents and small businesses.

C. New Long-Term Care Program Under the Health Security Act

STATE EXPENDITURES FOR COMMUNITY-BASED LONG-TERM CARE: 1996–2000

[In millions of dollars]

	Fiscal year 1996	Fiscal year 1997	Fiscal year 1998	Fiscal year 1999	Fiscal year 2000	Total
Spending without reform	5,199	7,694	8,314	9,208	9,949	40,363
State Medicaid spending[1]	3,893	5,856	6,359	7,154	7,819	31,081
State-only spending on severely disabled[2]	1,306	1,838	1,955	2,054	2,130	9,283
Health Security Act spending	3,764	5,786	6,601	7,756	8,870	32,776

STATE EXPENDITURES FOR COMMUNITY-BASED LONG-TERM CARE: 1996–2000—Continued

[In millions of dollars]

	Fiscal year 1996	Fiscal year 1997	Fiscal year 1998	Fiscal year 1999	Fiscal year 2000	Total
New program spending:[3]						
State spending to match new Federal funds	869	1,504	2,106	2,804	3,551	10,835
State spending to match Medicaid transfer	276	446	540	645	737	2,644
State spending on continuing Medicaid	2,618	3,836	3,954	4,306	4,581	19,297
Change in State spending on community-based long-term care	(1,436)	(1,907)	(1,713)	(1,452)	(1,079)	(7,588)

[1] Projected Medicaid spending for home health, home and community-based waivers, personal care, frail elderly, and community-supported living arrangements (CSLA).

[2] Includes estimated spending for persons who are likely to meet the eligibility criteria for the new program.

[3] Assumes full state participation in the new program. The new program is not fully implemented until FY 2003. These net savings include some of the Medicaid program savings presented in Section B (State Medicaid Spending). The Medicaid offset estimate reflects more recent data than were available at the time that the FY 1995 Budget was prepared. Numbers may not sum to totals due to rounding.

Source: ASPE.

States will save an estimated $7.6 billion on community-based long-term care spending under the Health Security Act between 1996 and 2000, $1.1 billion in the year 2000 alone.

Without comprehensive reform, states would spend an estimated $9.9 billion in Medicaid and non-Medicaid (state-only) funds on home health, personal health care services, and home and community-based waivers in the year 2000.

Under the Health Security Act, federal expenditures for community-based long-term care have two sources: new federal funds and Medicaid offset amounts. States will spend an estimated $3.6 billion in the year 2000 to match new federal funds appropriated for the new program. Additionally, states will spend approximately $737 million to match Medicaid offset amounts.

States will spend an estimated $4.6 billion in the year 2000 for community-based services that continue to be offered through Medicaid.

Total savings for states from Medicaid policy changes ($31.9 billion) and the new community-based long-term care program ($7.6 billion) will be an estimated $39.5 billion between 1996 and 2000.[13]

FEDERAL EXPENDITURES FOR COMMUNITY-BASED LONG-TERM CARE FOR STATES: 1996–2000

[In millions of dollars]

	Fiscal year 1996	Fiscal year 1997	Fiscal year 1998	Fiscal year 1999	Fiscal year 2000	Total
Spending without reform[1]	4,787	7,200	7,818	8,796	9,613	38,214
Health Security Act spending	9,021	14,647	18,509	23,207	28,061	93,445
New program spending:						
New Federal funds for program	4,500	7,800	11,000	14,700	18,700	56,700
Estimated Medicaid transfer[2]	1,429	2,311	2,819	3,380	3,882	13,822
Federal spending on continuing Medicaid community-based long-term care[3]	3,092	4,535	4,690	5,127	5,478	22,923
Change in Federal spending on community-based long-term care	4,234	7,447	10,691	14,412	18,447	55,231

[1] Projected Medicaid spending for home health, home and community-based waivers, personal care, frail elderly, and community-supported living arrangements (CSLA).

[2] Federal Medicaid spending on persons with severe disabilities who are expected to be transferred to the new program. Assumes that no more than 75 percent of the new program's expenditures will be used for the Medicaid severely disabled during the phase-in.

[3] Medicaid with federal matching funds for home and community-based long-term care continues for the non-severely disabled and the severely disabled not served through the new program. Program is not fully implemented until FY 2003.

The Medicaid offset estimate reflects more recent data than were available at the time that the FY 1995 Budget was prepared. Numbers may not sum to totals due to rounding.

Note.—Please refer to the Key Assumptions listed in the Methods Paper for this report.

Source: ASPE.

In the absence of comprehensive reform, the federal government would spend an estimated $9,6 billion in Medicaid funds on home health, personal health care services, and home and community-based waivers in states in the year 2000.

Under the Health Security Act, states will receive an estimated $18.7 billion in new federal funds in the year 2000 for the new program for persons with severe disabilities. Additionally, states will receive an estimated $3.9 billion in federal Medicaid offset amounts to reflect Medicaid savings from the new long-term care program.

States will receive an estimated $5.5 billion in the year 2000 in federal Medicaid funds for community-based services that continue to be offered through Medicaid.

Between 1996 and 2000, federal spending for home and community-based long-term care will increase by an estimated $55.2 billion under the Health Security Act.

D. Public Health Initiatives Under the Health Security Act

PUBLIC HEALTH SERVICE FUNDING FOR STATES: 1997–2000

[In millions of dollars]

	1997	1998	1999	2000	Total
New PHS funds	3,630	4,005	3,955	3,555	15,145
Health services and workforce funding[1]	2,630	2,905	2,855	2,455	10,845
Health research funding[2]	1,000	1,100	1,100	1,100	4,300
Offsets[3]	1,582	2,510	2,729	2,729	9,550
Total funds	2,048	1,495	1,226	826	5,595

[1] Federal funds for health-related services and workforce are allocated to States based on the State's percentage of its population beneath the poverty level in 1992.

[2] Federal funds for health research are allocated to states using proportional distribution based on total fiscal year 1993 AHCPR and NIH funds to each State.

[3] Offsets are allocated to States based on fiscal year 1993 distribution of funds from HRSA, SAMHSA, CDC, IHS, and NIH.

Numbers may not sum to totals due to rounding.

Note.—It is assumed that all States will implement reform in 1997.

Source: OASH, PHS.

Between 1997 and 2000, Public Health Initiatives of the Health Security Act will provide the states and its localities with an estimated $5.6 billion in new funds for its community health centers, training of primary care physicians, core public health functions such as immunizations and disease prevention, and health research, among other programs.

With universal coverage, payments from health plans will replace (offset) the current Public Health funds for the personal health services, totalling approximately $9.6 billion between 1997 and 2000.

FOOTNOTES

*Note: This analysis includes the major ways that states will be affected by the Health Security Act; other sectors that will be affected such as hospital and local governments, are not described in this report.

**The weighted average premium is the average of the accepted bids for all health plans in the alliance, weighted to reflect enrollment of eligible individuals among the plans.

[1] Health Care Financing Administration, as published in Levit, et al., "Health Affairs," Fall 1993.

[2] National Association of State Legislatures, 1993.

[3] Health Care Financing Administration, Office of the Actuary. Per capita from 1992. As cited in Office of Management and Budget Health Reform Briefing Book. October, 1993.

[4] National Association of Budget Officers, 1993.

[5] Congressional Research Service. Medical Source Book, 1993 Update. Prepared for the Committee on Energy and Commerce, U.S. House of Representatives. January 1993. P. 48.

[6] Health Care Financing Administration, as compiled by The Urban Institute, 1993. As cited in Office of Management and Budget Health Reform Briefing Reform Briefing Book. October, 1993.

[7] Centers for Disease Control and Prevention. "Monthly Vital Statistics Report," 42(2s). August 31, 1993.

[8] Blue Cross and Blue Shield Association. State Legislative Health Care and insurance issues, 1993 Survey of Plans.

[9] Office of Management and Budget Health Policy. Health Reform Briefing Book: States. October 1993.

[10] The Congressional Budget Office (CBO) has produced a higher premium estimate than the Administration's. The CBO also estimates larger employer discounts. On balance, both the CBO and the Administration predict the Health Security Act will re-

duce business spending compared with current policy by similar amounts. (CBO. "An Analysis of the Administration's Health Proposal." February 8, 1994, p. 54.)

Source: ASPE and the Urban Institute's TRIM2 Model, benchmarked to HCFA's National Health Accounts.

[11] Estimates of the impact of the Health Security Act on all states assume that states implement reform in January of 1996, 1997, or 1998, as specified in the Act. Please refer to the Key Assumptions listed in the Methods Paper for this report.

Assume that: States will continue their spending on non-cash adult wrap-around services; sources of revenue for Medicaid disproportionate share remain and funds were used for uncompensated care.

Estimated savings will change slightly due to normal baseline revisions which accompany new economic data.

Numbers may not sum to totals due to rounding.

Source: HCFA OACT, OLP and ASPE.

[12] Medicaid savings for community-based care reported here differ from community-based term care savings reported in section C because Medicaid savings do not include non-Medicaid (state-only) spending or the new program spending. Please refer to the Key Assumptions listed in the Methods Paper for this report.

Assume: States will continue their current spending level for non-cash adult wrap-around services, current state sources of revenue for Medicaid disproportionate share remain and funds are used for uncompensated care.

Long-term care includes both institutional and community-based long-term care. These estimates include offsets due to the new community-based long-term care program (see next section).

Maintenance of effort payments include expenditures for alliance-covered services and disproportionate share for the non-cash population and wrap-around services for cash-eligible children.

Numbers may not sum to totals due to rounding.

[13] This assumes universal coverage in 1997; Medicaid savings will be larger if states adopt universal coverage during 1996. Please refer to the Key Assumptions listed in the Methods Paper for this report.

Mr. DASCHLE. I hope we will have a serious discussion about cost savings and I hope we can agree on one thing as it relates to cost. I hope we can all agree we will not support any plan which fails to produce at least the savings that have been laid out in the Clinton plan. Let us use that as the base, the threshold. Let us assume we cannot provide any credibility to any other plan that does not at least achieve the savings in the Clinton plan.

The Health and Human Services report breaks down the costs between employers and employees. It raises the issue, as well, of an employer mandate; the "M" word—mandate. There are those who would have us believe we could avoid the "M" word, this mandate. But those who do ignore the mandate we have in our current system. We have a mandate in our current system that is often overlooked. It is there every day, and we are blind to it so often, but it is there in the most inequitable way.

I ask unanimous consent for 3 additional minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection.

The Senator is recognized for 3 additional minutes.

Mr. DASCHLE. The mandate I am referring to, of course, is the status quo mandate, the mandate that says those who pay will pay for those who do not pay.

If we had ever designed a new system and somebody had come to this Chamber and proposed that method of financing, I think we would probably have laughed them out of the Chamber. That Senator would not get one vote for the mandate that exists in the system today: Those who pay, pay for those who do not pay.

How inequitable could it be? Yet there are those who suggest we keep that current mandate, that we keep the current system, that we allow what they would call a volunteer system to prevail. Yet that volunteer system is no more than an euphemism for the status quo mandate that exists right now.

There are those who suggest it is inequitable, but that the alternative ought not involve the employers; that it is too burdensome, somehow, for the small employer. My question to those advocates of a shift in the responsibility onto the family is, if it is too expensive and too burdensome for a small business, how is it not so burdensome for small families, for young families just trying to get started? How is it that a family mandate is more politically acceptable than a small-business-shared responsibility?

What we are suggesting is that businesses and families share this responsibility, as we have for generations. Yet there are some who argue that there ought not be any shared responsibility, that the entire brunt of the costs of health be put on the shoulders of every working family. So they would propose we shift from a status quo mandate to a family mandate. I do not think that is any more acceptable. I hope we have the chance to talk about that a lot more in the future.

So, let us be clear about what the polls really say. They say the American people want us to solve this problem. They say the American people question we have what it takes to do it. That is what they say. They say they want us to solve this problem. So let us look at the opportunity that is now before us in the coming weeks and months as just that, as an opportunity to provide private health insurance to every American family; to demonstrate our ability to govern; to tell the American people that there are times when we can put politics aside as Democrats and as Republicans, and do it right.

I yield the floor.

Mr. WOFFORD addressed the Chair.

The PRESIDENT pro tempore. Under the order, the Senator from Pennsylvania [Mr. WOFFORD] is recognized for not to exceed 30 minutes.

HEALTH CARE

Mr. WOFFORD. Mr. President, quite often on these Thursday mornings, or on other days, I have come to the Senate floor, and often with the Senator from South Dakota, who is giving such good leadership in this fight for guaranteed health insurance, private health insurance for all Americans—we have come to the floor to speak about what is happening to people in our States under our current health care system.

Many of our colleagues have done this in a series we have called Faces of the Health Care Crisis, the human faces that go with the figures, the statistics, and the problems that have been presented to us.

Little did we expect that talking about a crisis would become controversial here in Washington. The crisis concept is not so difficult for Pennsylvanians that I have spoken with over the past 2 years: People who have come to hearings and roundtables all over Pennsylvania; people whose stories I have tried to tell from this spot; people who are feeling in their lives the crisis we are talking about; people who have seen their coverage cut off when they lose a job, when they change a job, when they retire from a job, and—most absurdly—welfare recipients who lose their coverage when they get a job; small business owners who have seen their premiums skyrocket 20 or even 30 percent a year when they or one of their employees, or their children, get a serious illness; older citizens who had to spend down—what a word that is—spend down their life savings in order to pay for nursing home care and have gotten no support for home care which is the most cost-effective and humane way, so often, to give care for long-term problems and for older citizens.

Because of stories like that, Pennsylvanians gave a verdict a few years ago when they sent me here on whether to reform our health care system. They did not know exactly what the plan should be that would reach the goal they knew, but they knew they wanted to have health care reform reach that goal.

So now we have the great opportunity within our reach, we have the opportunity to go forward. We have a President and a Congress, we have Democrats and a goodly number of Republicans working on the question of how to do it. But as we have that opportunity before us, the historic proponents of reform are trying to change the clock back, the same special interests who fought against Medicare, who beat Harry Truman and even Richard Nixon with scare tactics about socialized medicine.

But there is another way to keep us from moving forward. Now some people in Washington want to keep talking about health care reform as if it is another political horse race. This week, they are talking about polls and where the President's health care plan stands in the polls. It should come as no surprise to anyone who has run for office that the Health Insurance Association of America got its money's worth out of their spokesmodels, Harry and Louise.

People in this city are experts in moving poll numbers. That is how they get here in the first place. So let us not act surprised that the Health Insurance Associations' millions of dollars in deceptive TV ads, financed by premium dollars paid by their own customers, have served their purpose: To turn skepticism into cynicism, confusion into fear.

This afternoon, our Republican colleagues are going to Annapolis for a health care retreat, an attempt to reach consensus on health care reform. I am glad they are going to do this, and I wish them well. It is an important development that they are spending a weekend on what to do about health care. A few years ago, many Republicans dismissed the importance of health care reform, and I doubt that they would have done this. I also would not have imagined 3 years ago so many Republican colleagues would be supporting proposals that do go a significant, remarkable distance further toward Harry Truman's goal of guaranteeing private health insurance for all Americans. They do not go far enough yet, but they have gone a good distance.

The progress we have made is real. The common ground is important. Many Republicans are very serious about this issue and want to be constructive, and I am counting on them to help us to succeed together.

So it is good for them to leave Washington for a couple of days because whenever we go beyond the beltway and listen to our fellow Americans, wherever we are—back home or in Annapolis—we see that they do not share Washington's view of health care reform as a spectator sport. People want information, that is for sure, a lot more information than they can get in the 30-second ad, but they are not interested in which party wins, which loses. And the latest punditry in poll numbers—who is up and down—may have been interesting in Lillehammer, but the Winter Olympics are now over and it is time for spring planting and it is time for a crop this summer that will give the American people their long-sought goal of universal health insurance.

I find that what citizens really want to know is whether their health insurance cannot be taken away, whether they can choose their own health plan, whether their premiums are going to continue to go up and up.

Americans are justifiably confused about how any particular health plan will work. But they know what they want. To put it simply, they want what we have, what Senators and Members of Congress and 9 million other Federal employees have—a menu of affordable health plans in which both the employer and the employees contribute.

So I hope our Republican colleagues will use this opportunity to back away from the confusion and the complexity of the insider's game and go back to the basics, to the simple questions which truly define the health care debate, questions which point to the key elements of any solution to the problem.

To make their work easier, I offer these five key questions that they and all of us must answer: How do you guarantee private health insurance to every American? It is easy to share the goal of universal health care. Let us all very firmly agree that health insurance for every American is our goal. I think a strong majority of us in this body agree with that, but how are we and how do you, my Republican colleagues, propose to proceed, and are you ready to take the steps needed to reach that goal?

The President and 31 cosponsors of the Health Security Act have spelled out how to make that guarantee of private health insurance a reality. How would my Republican colleagues do it? We would build on the present American system of employer-employee mutual contribution, which is a fact of life for a great majority of Americans with health insurance today. We would build on it and extend it to all working Americans. How do my Republican colleagues propose to do it?

Then how do we plan and how do you, my Republican colleagues, plan to control the costs of health care? Many Republicans supported the balanced budget amendment but oppose real cost control in health care. I cannot reconcile those positions. We cannot end the Federal deficit without controlling the skyrocketing costs of Medicaid and Medicare. But you cannot simply cap those entitlements because all that will do is to shift costs on to the private sector and make the burden on business and families and individuals even heavier. Paying customers will pay more and more to cover the uninsured and the underinsured. That is not fair and it is not smart.

The President's Health Security Act proposes very specific ways in which we will bring down the inflation in health care costs. It proposes a structure of competition of the private health care plans for purchasing pools that will be our purchasing pools. It proposes a structure of consumer cooperatives that put the consumers in the driver's seat and no longer leave the choice of health plans just to employers and to insurance companies.

We propose standby backup premium caps. Insurance companies in other fields—automobile insurance, worker's compensation—are used to limits on the amount they can increase each year. We would propose some standby limits on how much premiums can increase each year, how much they can increase beyond the cost-of-living increase.

But what do our Republican colleagues propose? What is their alternative? How will they bring down the cost of health insurance that is breaking our national budget, but, even more importantly, is affecting the burden and the budget of every family, every business, every State and local government in this country?

Then how do we make sure that Americans have the ability to choose their own doctors? Many of our colleagues love to talk about the importance of choice of doctors. I agree with them. But like our friends, Harry and Louise—our friends on the other side of the aisle have talked about that—they do not seem to realize that more and more people are losing or do not have that choice of doctor today. More and more companies are turning to the lowest costs HMO with a limited list of doctors and saying, take it or leave it.

A recent study by KPMG Peat Marwick revealed that, as recently as 1988, 73 percent of all employer plans allowed individuals to choose their own doctor. But by 1993, only 49 percent of employer-paid health plans still give that choice, and the trend is only going stronger. It is going down to less and less choice of your own doctor unless we do something.

Our proposed Health Security Act does something. It provides that every American in health insurance purchasing cooperatives, called alliances, will have a menu of choice that always must include a plan to choose your own doctor and which provides competition so that you are likely to be able to find your own doctor in a number of plans.

This proposal will increase the choice of plans and the choice of your own doctor for Americans, and I wish to see the alternatives that will help stop the trend that is taking that fundamental choice more and more from the American people.

So I ask our Republican colleagues to help us reverse that trend and tell us how they would do so, if they do not want to go the route that we have proposed.

Then are you, my Republican colleagues, prepared to enact real health insurance reform? Under the current system, insurance companies have the power to jack up rates, especially on older citizens—charge them four times what younger citizens are charged—to cut off coverage for people with preexisting conditions, and establish limits on the amount of benefits people can receive. Are you ready to enact real insurance reform that not only prohibits these insurance company practices but establishes a system that finally puts consumers in the driver's seat instead of the insurance companies.

Finally, for today, of the five questions I am contributing to our Republican colleagues' retreat, what will you do to protect older citizens? Whatever its shortcomings, Medicare is one of the most successful programs ever created. Every serious health reform plan calls for savings for Medicare.

What will you, my Republican colleagues, do to protect the seniors who depend on Medicare? Will you include a prescription drug benefit as the Health Security Act does? What will you do about long-term care? Will you take some steps to make that more available? And, particularly, will you take steps to provide assistance for home care, family home care?

I think that most of us want bipartisan action on health care reform, but real health care reform requires answers to these questions. I put proposals from Democrats like Representative COOPER to this same test, asking how will they advance toward the goal of guaranteed, affordable, private health insurance for every American.

After all, that is really the point of a strategic retreat like the one our colleagues are about to have, that is going to begin in Annapolis. It is to figure out how to advance.

I hope we will advance, and we will advance together. The logic of the facts demand it; the American people demand it, because for all the efforts to confuse this issue and to highlight how complicated it all is, the bottom line is really very simple. Complexity is often the last excuse of those who want to do nothing.

So help us answer these questions, my colleagues. They will not be easy to answer. It is complicated, but we can do it if we move together and we do it with determination, and if we tap the better angels of our nature. To cite the great Republican who showed us how to bind up the wounds of the Nation and, "with malice toward none," move forward to achieve the goals of this Union.

The other day the head of the Congressional Budget Office, Dr. Reischauer, at the end of his testimony, said he hoped the facts that he was contributing, and the facts that we need to get together and look at hard, would not torpedo this opportunity for fundamental health care reform but instead would be used to build a reform that achieves what our economy and our country need.

He said he hoped that someday those of us who have something to do with this legislation in these next months will be able to do what a congressional committee did when it visited the Lyndon Johnson Library and looked at the exhibit on the Medicare bill and the signing of the Medicare bill, and were able to turn to their grandchildren and say, "That is something that I contributed to, to the well-being of this country, to the common good of America." He said he hoped someday those of us who have this opportunity today to craft this legislation, with our grandchildren in tow will be able to say, "Here is the bill that in 1994 we put together which made our health care system more equitable, more efficient, and less costly."

We can do it, Mr. President. Let us do it.

I yield the floor.

The PRESIDENT pro tempore. Under the order previously entered, the Senator from Utah [Mr. HATCH] has control of not to exceed 10 minutes.

Mr. HATCH. I thank the Chair.

RETENTION OF TOUGH PROVISIONS OF THE CRIME BILL

Mr. HATCH. Mr. President, despite President Clinton's rhetorical support for congressional passage of a strong anticrime bill, the prevailing view inside the beltway is that weakening changes will be made to the Senate-passed bill to soften liberal opposition. This $22.8 billion measure still awaits action in the House of Representatives and, following House action, the measure will be sent to a conference committee. What remains to be seen is how many of the tough provisions in the Senate bill will survive the conference with the other body.

Representatives from more than 20 organizations, including civil rights and criminal defense organizations, have reportedly begun weekly meetings to develop strategies for winning major changes in the Senate crime bill. These groups took heart in the fact that President Clinton did not explicitly endorse the Senate crime bill or most of its measures. According to the Washington director of the American Civil Liberties Union, "There's enough wiggle room to give everybody the political capital they need." Congressional Quarterly, January 29, 1994. This is the sort of political wiggling and compromising law abiding Americans can ill afford.

The ACLU has declared the Senate's 95 to 4 passage of the crime bill "a shocking demonstration of excess in a politically charged atmosphere." The ACLU has examined the bill and, in a recent memorandum, has targeted more than 25 significant proposals for elimination or significant revision citing "major civil liberties concerns."

These measures include the organization's longstanding target—the death penalty. As well, several other popularly supported criminal justice reforms, such as enhanced mandatory minimum sentences for violent offenders and increased victims rights proposals have been targeted.

The proposals which the ACLU disapproves of are as follows:

First, a comprehensive Federal death penalty for heinous crimes including terrorism, espionage, and large scale drug trafficking;

Second, prosecution of violent teenagers as adults;

Third, federalizing serious gang offenses;

Fourth, the Republican version of the three-time-loser bill. Ironically, following the ACLU's issuance of its memo, the administration has proposed its own version of a three-time-loser law which is substantially narrower than the versions passed by the Senate;

Fifth, increased mandatory minimum sentencing for violent offenders;

Sixth, enhanced maximum penalties for numerous offenses including drug dealing in prison and drug dealing near schools;

Seventh, a funding mechanism to insure that the $22.8 billion promised in the bill is actually delivered. They would do away with that as well.

Eighth, a proposal for the expedited removal of alien terrorists;

Ninth, expedited deportation of criminal aliens;

Tenth, requiring State and local government to cooperate with INS officials in immigration cases;

Eleventh, a prohibition on payment of non-health-related Federal benefits to illegal aliens;

Twelfth, criminalizing the direct support of terrorist activities;

Thirteenth, grants to States for pretrial drug testing;

Fourteenth, postconviction drug testing of Federal offenders;

Fifteenth, grants to States for bootcamps;

Sixteenth, a requirement that court clerks report cash bail postings in excess of $10,000;

Seventeenth, a voluntary motor vehicle theft prevention program;

Eighteenth, changes to the rules of evidence to make evidence of similar crimes admissible in sex offense cases;

Nineteenth, judicial restrictions on the scope and availability of prison caps;

Twentieth, violence against women proposals including mandatory restitution to victims of sexual assault and HIV testing of defendants in sex offense cases.

I cannot for the life of me understand why they are against all of these things. But that is the Biden-Hatch bill, and we think it is long overdue.

Twenty-first, a prohibition against the improper disclosure of information obtained through a wiretap;

Twenty-second, a measure which insures that victims of crime will have the right to address the court prior to sentencing;

Twenty-third, prohibitions against the obstruction or interference with a lawful hunt on Federal land;

Twenty-fourth, a study requiring the Attorney General to study the ways in which antiloitering laws can be used to fight crime without violating one's constitutional rights and to prepare a model antiloitering statute; and

Twenty-fifth, a prohibition against prisoners receiving low-income, higher education grants.

As Congress moves closer to final passage of the crime bill, members must resolve whether they will come down on the side of strong law enforcement and victims or on the side of the ACLU. It will be interesting to see what transpires.

We need President Clinton to speak out specifically in favor of the tough provisions in the Senate's crime bill.

I can see maybe differences over one or two of them, but not 25.

Without his leadership, I fear these provisions will come under attack in the other body and in Congress.

THE NEED TO RETAIN THE ANTI-GANG PROVISION OF THE CRIME BILL

Mr. HATCH. Mr. President, today's Washington Post contains an editorial critical of the Senate passed Dole-Hatch antigang amendment writing that it:

> Would cause a major restructuring of criminal law enforcement that is unnecessary and for which the federal system is not prepared.

Mr. President, I believe our gang amendment is necessary and if Federal law enforcement is not prepared, as the Post opines, the responsibility for this current erosion of Federal law enforcement rests with the Clinton administration.

Our antigang amendment responds to the epidemic of gang violence which is gripping our Nation's urban and rural areas. Our Nation's heartland is witnessing an unprecedented growth in gang violence—a scourge known all too well to cities like Los Angeles and New York City.

The antigang amendment makes it a Federal offense to engage in gang-related crime and subjects gang members to tough mandatory minimum penalties. I can think of no area where there is a greater Federal interest than in assisting the States in the prosecution and incarceration of violent offenders. This is especially true given that much of the drugs and firearms used by gangs in States like Utah cross State lines.

The administration recognizes the need for a Federal role in this area. Only 2 days ago, the administration announced that it would be mounting a major Federal antigang initiative which would target our Nation's most violent gangs. According to a Justice Department memo, reported in the March 1, 1994 edition of the Post, "Now when a gang member is caught, law enforcement officials will decide whether he should be prosecuted in Federal court."

The first responsibility of Government is to ensure the safety of the public. I submit that the Federal Government's role in ensuring our safety must be measured by more than just grant dollars. The Federal Government, as a result of the Controlled Substance Act, has jurisdiction over virtually all drug trafficking, manufacturing, and distribution offenses. Yet, most drug cases are still prosecuted at the State and local level. This is because the Federal law enforcement agencies have worked in a coordinated manner with local officials so that the U.S. resources can be used most effectively. This is precisely what we intend to see happen with our amendment.

The Post also argues that there is not enough Federal prison space and that the FBI doesn't have the manpower to take up these cases. It is true that the administration's policies and budget priorities diminishes our Federal law enforcement presence. But Congress cannot let the administration's inadequate commitment to Federal law enforcement dictate the scope and strength of its anticrime proposals.

It should be noted that President Clinton's proposed fiscal year 1995 budget cuts the Bureau of Prisons construction and operation budget by over $78 million, a cut of nearly 30 percent. The President's budget also cuts 1,523 Department of Justice law enforcement agency positions. The FBI will lose 847 positions, the Drug Enforcement Agency will lose 355, the Department's Criminal Division will lose 28, the Organized Crime Drug Enforcement Task Forces will lose 150, and Federal prosecutors will lose 143 positions. Absent these cuts, there are already 431 fewer FBI agents and 301 fewer DEA agents today than there were in 1992. Not a single new agent has been hired by either the FBI or the DEA since 1992; none, according to the President's budget, will be hired until at least 1996.

If the President truly wants to provide the States the assistance they need in fighting gang violence, both financial support and jurisdictional support, then he should voice his support the Dole-Hatch-Brown antigang amendment to the crime bill. So too should he reassess these dangerous cuts to law enforcement.

THE DIETARY SUPPLEMENT INDUSTRY

Mr. HATCH. Mr. President, before I close, let me take this opportunity to express my views on an issue which I know is also of deep concern to this body: The Food and Drug Administration's continued efforts to persecute the dietary supplement industry. The FDA's persistent hyper-regulatory zeal in removing products from the market and limiting consumer access to legitimate scientific information never fails to amaze me.

The urgent need prompting my legislation—S. 784—to create a rational regulatory environment for dietary supplements is being underscored this morning.

Eleven of America's foremost scientists, acting at the behest of the Alliance for Aging Research, issued a recommended daily level for antioxidant vitamins, vitamins which can prevent heart disease, cancer, cataracts, and other conditions associated with aging.

What is significant about this event is that these scientists and the Alliance for Aging Research are being forced to have a press conference to publicize antioxidants, because the FDA has refused to tell the public about their benefits. In fact, this is not an error of omission, but rather one of commission. The FDA has specifically turned down requests to approve a health claim for antioxidants.

Some of my colleagues may have seen a segment about this on the Today show this morning. Dr. Jeff Blumberg from Tufts University, representing the 11 scientists, made an excellent presentation which really drove home two important points: First, the FDA has set up barriers so that consumers simply cannot receive information about the benefits of dietary supplements; and second, good nutrition is important, but diet alone cannot supply the recommended level of antioxidants. Supplements are also needed.

I want to commend the Alliance, which is the first public health organization to issue recommended daily antioxidant levels through a combination of diet and supplementation. Their bold step to protect the public health is an action the FDA should emulate.

Mr. KERREY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Nebraska [Mr. KERREY] is recognized for not to exceed 10 minutes.

THE CRIME BILL

Mr. KERREY. Mr. President, if I might just respond to the good statement of the distinguished Senator from Utah that he just made on crime, I share, as I suspect everybody in the Midwest does, his concern for rising crime, particularly rising adolescent crime.

I also point out that much of the dilemma that we are going to face in law enforcement, as the distinguished Senator just pointed out, is with reference to the FBI, which has not hired, it is my understanding, since March 1992, an additional agent. Much of that is caused by the budget caps that have been imposed.

I am prepared to work with the Senator from Utah and others who are concerned about how we provide resources that are consistent with their own caps. We all talk about crime. We all talk about wanting to provide additional resources. We just had the Bureau of Alcohol, Tobacco, and Firearms before the Appropriations Committee yesterday. We are asking for more money for the Achilles Task Force and we are asking for continued support for our program called the Gang Resistance Education and Training Program, both of which are the very sorts of collaborative efforts that the distinguished Senator is trying to develop.

The dilemma is we have caps that are going to force us really to engage in a debate about what our priorities are. It seems to me that particularly, for example, in Omaha, NE, since 1985, 1986, and 1987, in that range, our city was invaded by crack cocaine. We all know from our own hearings and discussions with law enforcement officers how crack cocaine has changed the nature of law enforcement. It just seems to me as well that we have not really been terribly realistic about the need to provide the resources commensurate with our own urgency, at least as expressed by our speeches.

Unless we do, Mr. President, it seems to me that we are going to have to disclose to the American people that there is a lot of hypocrisy in our words, and that we do not really mean what we say. We will talk about crime, and then not follow through.

Mr. HATCH. Mr. President, will the Senator yield on that point?

Mr. KERREY. Certainly. I am happy to yield.

Mr. HATCH. We actually have the money in this bill because of the genius of the distinguished Senator from West Virginia in providing for that $22.3 billion.

I agree with the distinguished Senator from Nebraska. We have to put our money where our mouths are in this matter because we can no longer allow rampant crime.

I want to thank my dear colleague for his kind remarks.

Mr. KERREY. I appreciate that.

HEALTH CARE LEGISLATION

Mr. KERREY. Mr. President, I come today to discuss briefly the health care debate.

The Republican Members of this body are having a retreat. I think those of us on the other side of the aisle need to listen very carefully when they come back from their retreat as to what they are willing to do. The one thing that I believe strongly about health care today is that the American people cannot afford in 1994 for us to do nothing; that we have to have the wisdom and the perseverance necessary to put together a piece of legislation that has both Republicans and Democrats on it.

We ought to give some on this side of the aisle, and they ought to give some on their side of the aisle in an effort to enact legislation.

Mr. President, since the President introduced his legislation which he presented to the American people last fall, I have made an effort to learn what is in that bill. I view the President's bill as the vehicle for action. He, after all, is the President. He has spent a great deal of take time looking at that issue.

He has presented a very thoughtful piece of legislation, frankly not as confusing as described. There are 11 sections in it. Yes, the legislation is long. It is 1,300 or 1,400 pages. But it seems to me on an issue this important, we should not expect to get three or four pages of law. It is long; it is thoughtful; it is detailed; and it specifies how the bills are to be paid. And it provides for universal coverage.

I have found, in my own presentations to audiences, that when they are presented with the facts of what is in the bill, No. 1, they say, "Gosh, this is not as confusing as I thought." And, second, they say, "I am sort of comforted by the language. It is not as obscure as I thought."

I heard the distinguished President pro tempore, the occupant of the chair, talk at length about the need for us to understand the law. And thus I think it is very important in this debate for Americans really to become familiar with this proposal.

I myself want to amend the bill, want to make changes in this legislation. But it is rather difficult for me to make changes unless I know what is in it.

It is interesting as you watch the critics. I see in one week the Business Roundtable says, "We won't support the President's bill because it does too much." The next week, the American Association of Retired People says, "We will not support the bill because it does too little."

That, it seems to me, sort of frames the argument. We are going to have people opposed to the legislation because it does not do enough, or we will have people opposing it because it does too much. We have to figure out how to change this piece of legislation so we can pass it. We cannot allow the status quo to continue. We know that, Mr. President.

The mandated spending on health care, Medicare, and Medicaid will increase another $30 billion from last year to this. The principal reason we are struggling to find money for crime and transportation and economic development and education is that these health care programs are squeezing out these other spending items. The domestic accounts will all go down in total this year; whereas, the mandated programs are all going to go up. We have no change. We know that.

People are still out there with preexisting conditions. Individuals are rationing their care. Americans at age 55 are praying that nothing happens to them for the 10 years before they become eligible for Medicare. People are confused about the current system. There are businesses that are unable to purchase a product, and there are all kinds of freezes beyond our own budget for us to take action.

We do not have to wait for a problem to affect a majority of us; it need not affect 60 percent or 51 percent of the American people. This affects every one of us, in my judgment, through the increased cost of taxation. But it affects a sufficient number of Americans in a very terrifying and real form who wonder whether or not they are going to get care for us to act as well.

Mr. President, there are four areas where I am going to focus my attention. The first is in the area of insurance reform. The insurance industry has changed dramatically from 3 years ago. They are saying: We will accept the need for community rating and accept the need for comprehensive uniformity in benefits at the national level. We need to lock that reform in. I believe we can get agreement between the Republicans and Democrats on that issue and find common ground so the American people can begin to get a little less confused about what it is that we support.

Second, the welfare system is broken. The Medicaid system traps people, makes it difficult for people to get back into the work force and encourages the wrong kind of behavior. We need to reform that system, Mr. President, and disclose to the American people that all of us pay for health care through our tax system; and disclose to the American people that if you have household income of, say, $30,000 a year, it is apt that you are already paying $3,000 or $4,000 through your tax system. We need to disclose that so that we can design a means to allow individuals who are receiving State and Federal payments for health care in low-income categories to move back into the work force. It is relatively easy to envision a way to do that with merely a sliding scale, using the tax system to adjust the subsidy as an individual goes back to work.

I do not like the idea, Mr. President, of having somebody sit out there and say that you have to meet this arbitrary guideline of 100 percent or 200 percent. Use our tax system. It is relatively easy for me to imagine a compromise between Republicans and Democrats on Medicaid reform. There is an urgent need to do it. Because it has long-term care in it, we can address that rather difficult problem simultaneously, I hope.

The third area is that I think there is generalized agreement that rather than having the Government regulate price and do cost control, we need to move in a direction where individuals are taking more risk, where individuals are getting information about price and quality and making decisions based on that information. That is what the President has talked about over and over again. His critics say he wants to have the Government do it. That is not true. There is an agreement between the Republicans and Democrats that we need to move away from Government regulation of health care and in the direction of having individuals make more decisions about price and quality. A relatively small number of adjustments in our Tax Code would provide those incentives. And, again, I see consensus emerging between Democrats and Republicans to do it.

The last area is the area of accountability. The system is not very accountable, whether the issue is an individual that has been injured and wants damages through a tort system that is difficult, or whether a provider is trying to defend against some very unreasonable and silly lawsuits, or whether, Mr. President, you are talking about the accountability provided by us as politicians by telling the American people how we are paying the bill, there is an urgent need to provide a simplified way for individuals to come and appeal a decision that is negative, either by an insurance company or by Federal payer benefits. We cannot have Americans flying to Baltimore, MD, or to some insurance company headquarters, to appeal. We know accountability is something we can lock in with Republican and Democratic support.

In conclusion, Mr. President, I really think there is consensus in this body, and I will listen with a great deal of interest when the Republicans come back off of their retreat. I know a majority of Republicans want to enact legislation this year. Our job is to write law, Mr. President. This Senate sometimes does not do that. We have an opportunity, I think, to lead now—to lead by doing the hard work of looking at the law, ignoring the rhetoric, and looking at the detail of this legislation and coming together to try to provide the American people in fact exactly what they want, which is comprehensive coverage for every single American, and a system they can understand.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mrs. MURRAY). Under the order, Mr. WALLOP is to be recognized for up to 10 minutes.

Mr. REID. Parliamentary inquiry, Madam President.

Mr. WALLOP. I am happy to yield for that purpose.

Mr. REID. Madam President, I have had a number of people come to me. The Senator from Colorado has a couple minutes he would like to speak, and Senator DASCHLE wants to speak. We will raise that after the Senator completes his.

A TRIBUTE TO TED NUGENT

Mr. WALLOP. Madam President, once in a while on this floor, we have the privilege to leave politics behind and recognize outstanding achievements of Americans. So today I would like to pay tribute to a great friend and a great American, Mr. Ted Nugent. A few Senators, and most of their children, will know him as one of the world's great rock stars, a man who has sold over 20 million albums in his impressive 27-year career, and who continues to sell out arenas and stadiums across the globe. His musical abilities are truly legendary.

Madam President, I know a different Ted Nugent. Ted Nugent is a hunter who happens to be a rock star, not a rock star who happens to be a hunter.

I teamed up with Ted last fall to launch a program called Hunters for the Hungry in Wyoming. The program is classically simple. It is all volunteer. Hunters and their families team up with meat processors across the State to distribute game meat that they harvest to the tables of the hungry. The success was absolutely phenomenal. Although the final numbers are not yet in, Becky Massengill, president of the Wyoming Food Bank, tells me that in this first year of the Hunters for the Hungry Program, Wyoming hunters donated thousands of pounds of game meat to hungry families in our State.

I know it seems strange to some Members of Congress that we did not build a single Federal bureaucracy in order to achieve these amazing results. There was no big Government and no redtape. Let me emphasize again that it was all volunteer. And it is a testament for what reinventing government should be all about. Get government out of the way, and people can do incredible things.

Ted Nugent flew out to our great cowboy State, and we began with a rally at the University of Wyoming, where Ted mesmerized an audience of college students and their friends with his music and his presence. He emphasized the importance of hunting in America and how it builds strength in family members. It is a family value, especially in a State such as ours.

Ted and I then embarked on an antelope hunt as guests of Deborah Bradbury at the Bradbury Ranch in Glenrock, WY. Our hunt—our amusing and exciting hunt—was captured by the Nashville Network's "Celebrity Outdoors" program which aired last month.

After a successful hunt, we donated our game to the Wyoming Food Bank.

What most impressed me about Ted Nugent is his commitment to the real America. His message is clear. He cares about our country. He cares about our family, his family, and others of America, and he leads by example.

In an industry that is filled with self-importance and has been the topic of some conversation within the Senate and within Congress, he has avoided all the self-importance, all the greed, all the moral corruption, and stands out above it. He is a cheerleader for the real hard-working folks, the law-abiding folks of America.

He is so committed to America's children that he is a national spokesman for the Drug Abuse Resistance Program called DARE. Many Senators know about it. He donates his time to remind our children of the dangers of drug and alcohol abuse.

Madam President, I said that Ted leads by example. DARE could not have a better example. Ted Nugent never had a drink of alcohol, never smoked, and never used drugs in his life—this is in an industry known to be completely surrounded by all of these events.

Ted is also a founder of a something called KAMP for kids. It is a place where youngsters in America learn the importance of the out of doors and woodsmanship and conservation. His antidrug message is a cornerstone of that organization.

I encourage any family in America with children to look into this truly wonderful program. Once again, it is free from the twisting, strangling arms of Government. It is the brain-child of a great American entertainer.

Ted's message is being heard through a variety of media. He is not only an accomplished author but is the editor and publisher of his own outdoors magazine. He is heard on hundreds of radio stations throughout the country as the official rock and roll hunting conservation representative for Rush Limbaugh's program.

So I would just say, Madam President, to Ted Nugent, thank you for your message, thank you most of all for your unselfish actions, thank you very much for being a tremendous example to youngsters in America who love rock music and see that it can be done without filth, without drugs, without alcohol, with a great example, with the enthusiasm and fun which is what music should always be.

Let me say once again Ted Nugent is a hunter who just happens to a rock star, a rock star who is an example for all of us, hunters or not.

Madam President, I yield the floor.

The PRESIDING OFFICER. The majority leader.

HEALTH CARE FOR ALL

Mr. MITCHELL. Madam President, today and tomorrow, the Senate Republicans will attend a meeting on health care. Senator DOLE asked me to adjust the Senate schedule to accommodate their meeting. I was happy to do so. Democrats have had many such meetings on this issue and will have many more. I commend Senator DOLE and other Republican leaders for their attention to this critical matter. There is no issue more urgent, no concern more pressing to American families than the need to reform our Nation's health care system.

While there are many points on which we disagree, Democrats and many Republicans share a commitment to assure that every American has private health insurance that cannot be taken away.

Nearly 40 million Americans have no health insurance, millions of others—in fact, nearly all Americans—fear losing coverage if they become seriously ill or lose their job.

Many Americans have the most basic decisions of their life dominated by concerns about the cost of health care. Whether to marry. Whether to have children. Where to work. Where to live.

These fundamental decisions of life should not be dictated by concerns about health insurance. But in the current system, for many Americans they are.

In 1960, the United States spent $27 billion on health care. This year health care spending is expected to rise to $950 billion.

Those numbers are so staggering that they bear repeating. From $27 billion a year in 1960 to $950 billion a year this year.

These costs are unsustainable for Federal and State governments, for businesses, and for American families.

President Clinton has proposed to reform the system. Every Member of Congress knows that reform must come. And the American people are demanding reform—reform which will assure them the security of health care insurance that is permanent, guaranteed, can never be taken away.

There has been much debate about the merits and the shortcomings of specific provisions of the President's health care plan. There has been less but similar debate about other health plans which have been introduced by Senators CHAFEE and DOLE and by Congressman COOPER and Senator BREAUX, among others.

It is time we put aside our differences and look to our common goals, rather than concentrating our effort on only those provisions on which we disagree. It is time that we refocus on the fundamental need for legislative action this year. The problems have not gone away, rather they have gotten worse. No plan is perfect, but we cannot allow the perfect to be the enemy of the good.

Nearly every industrialized nation in the world provides health care to its citizens. Each nation's plan is different, based on the economic needs and the social customs of its people. None of these systems is without problems. Each of these nations struggles to control its health care costs. And many continue to revise their health care systems in an effort to meet the changing health and economic needs of its people.

The lesson for the United States must be a commitment to develop a way to assure to every American the security of having private health insurance that can never be taken away. We must develop a plan that is fundamentally an American plan, one that will work for us. We cannot allow ourselves to be deterred from this critical objective because it is too difficult, because there is no perfect plan, because some will have to change their business practices or because the way health care is delivered will have to be changed. Maintaining the status quo ought not to be an option. Tinkering around the edges ought not to be an option. Neither will address the fundamental problems of full coverage for all Americans and controlling costs.

I believe that we can—I believe that we must—work together to achieve our common objectives during this Congress.

We can reform our health care system. It will be done so long as all of those involved remain focused on our common goal to provide affordable health care to all of our citizens and not be distracted by those things on which we disagree.

So I wish the Republicans well during their health care meeting and I hope they will return from that meeting with a commitment to work with Democrats to enact comprehensive health care reform legislation this year—legislation which includes the one essential element for all Americans, health insurance for every American that is permanent, that is guaranteed, and that can never be taken away.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

HEALTH CARE CRISIS

Mr. REID. Madam President, I, too, wish the Republicans well on their retreat to discuss health care, and I do hope that they come back from that health care conference energized, willing to work to improve health care in America.

Madam President, there are some who are saying there is no health care crisis. I want to talk about two people who indicate to me that they are representative of many, many hundreds of thousands if not millions of people who are sick and certainly cry out that there is a health care crisis.

Madam President, I want to put a face on this principle we talk about, health care.

The first face that I want to establish is a 27-year-old woman from Reno, NV. Her name is Erin Dowell. I first met Erin about a month ago here in Washington. She was here testifying about the high cost of medical care.

When I first met her in Washington, she was a vibrant, energetic, extremely attractive red-headed woman, who was so full of life. She had at that time leukemia, a specific kind of leukemia. She told me how she had gone through the medical process, costing upward of $300,000.

When I visited with her, she was broke. She was one of those Americans caught in the system. She had an industrial injury and, as a result of that, she lost her health insurance. The week that she was ready to go back to work, she found that she had leukemia.

Well, Madam President, I wish I could report to the people of Nevada, this Senate, and the people of America that Erin, who I saw back here so energetic, so vibrant, was still that way. But she is not.

Two weeks after I met her here in Washington, I went to Reno and I went to her home to visit her. She at that time was bedridden. She at that time had come out of remission and was extremely ill. She was laying on a sofa, covered with an electric blanket. The vibrancy I saw in her here was gone, and in Reno it looked as if she were a different person.

We visited and she was afraid. We held hands and talked. Her family was around her.

You see, the reason this story is so tragic is that she could have had a bone marrow transplant. She had a perfect donor. But that can only take place when she is in remission. Through the bureaucratic mess that she found herself in, created by the Government and insurance companies, she was unable to have her bone narrow transplant when she was in remission.

I wish I could report to everyone that she is still at home, but she is not. She is in the hospital.

I talked to her sister Kelly last night. She had an extremely bad week. She is in intensive care. She has had problems with her heart. I hope Erin lives. I do not know if Erin will live. I do not know if she will ever come out of the exacerbated condition she is in. I do not know that. No one knows that. If she does not, she will die. She knows that. We have talked about it.

But it is an example, Madam President, of how our system is not working. It is really too bad that this woman has had to go through what she has gone through. I hope that other people next year will not have to go through what she has been through.

I wish that she were the only case like this in the entire of America, but she is not. There are lots of Erin Dowells in America today.

I am going to work and I am going to hope that Erin will come out of the serious condition she is in, will be removed from intensive care and get back into an acute care bed and finally be able to go home, and, hopefully, the leukemia will go into remission and that she will be able to have this bone marrow transplant. There is a perfect match waiting to give this life-saving sustenance to Erin. I hope it works out.

I hope others do not have to go through what she has gone through. But unless we change the system, there will be many other Erin Dowells.

The same week I was in Reno, Madam President, I did a radio interview that lasted half an hour. The man that did the interview—I had known him for a long time—asked me if I could wait after the interview. He had something personal he wanted to talk to me about. I am not going to embarrass him by announcing his name, but let me give you the facts.

He said, "Harry, I make $13,000 a year here at this radio station. I have been offered raises. I cannot take them because, if I took a raise, we would be over the limit and my wife, who has 18 months to live, would be cut off medically."

Madam President, the two situations I have just related are only two. All of our senatorial offices, every congressional office, has stories just like this, stories that tear at your heartstrings.

So it is very troubling to me to find people who say: "There is no health care crisis. What's wrong with the system? Why fix something that is not broke?"

Well, I am here to say, from my perspective, the system is broke and we need to do something to fix it. We cannot go on like we are going on.

You know, it is fine for us. We have health insurance, like other Federal employees. And millions of people in America are satisfied with their health insurance benefits. But millions and millions have no health insurance. Millions and millions are going to lose the health insurance they have. We need to fix the system. It is something that cannot be fixed by tinkering at the edges.

So, Madam President, when some say there is no health care crisis, have them call me and I will talk to them about Erin, I will talk to them about my friend at the radio station.

For Erin's sake and the sake of others in America like her, we must act and we must act this year. We must, Madam President, have health care reform.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Madam President, let me commend the senior Senator from Nevada for his powerful statement. There is no more compelling argument to be made than to talk about the faces of real Americans who are experiencing the crisis that we talk about daily on the floor so routinely.

There is nothing routine about the crisis that those Nevada patients are experiencing. There is nothing routine about the agony and uncertainty and the extraordinary difficulty that they feel each and every day, not only that they feel but their families feel and that all of us who are touched by the lives of these people must feel.

The Senator has raised, again, a very compelling reason why health reform is so critical this year.

THE PROPOSED RENEWABLE OXYGENATE REQUIREMENT

Mr. DASCHLE. Madam President, I want to state publicly how disappointed I am with a letter recently sent by my friend and colleague, Senator BILL BRADLEY, and a number of others to the Environmental Protection Agency attacking their proposed renewable oxygenate requirement. In attacking the requirement, the letter makes very erroneous assertions about the economic and environmental impacts of promoting renewable energy.

As many of my colleagues know, the EPA proposal, issued last December, would require that 30 percent of the oxygenated fuel used to produce reformulated gasoline—which is used to reduce ozone pollution—shall be made from renewable resources. That is, 70 percent of the oxygenates could be nonrenewable.

The commitment made by EPA came after a tremendous amount of consideration and discussion of the environmental and economic objectives that could be achieved through our energy policy, as we move forward to create a cleaner environment.

As I reviewed the letter, I concluded that there must be a great deal of confusion surrounding the use of renewable fuels in reformulated gasoline. I am concerned that there will be those who are misled by the letter. There should be no mistake: This is just another in a long series of confrontations between domestically produced renewable fuel and our age-old dependence upon imported fossil fuels. There are differences of opinion, but there should be no difference on the facts.

The letter sent to Administrator Browner states that "EPA's attempt to choose the RFG 'winner' is troubling * * *."

Madam President, this is not troubling at all. In fact it is long overdue. Allowing the market to decide winners and losers in this Nation's energy use has left us with the debilitating dependence upon imported fossil fuels.

None of my colleagues who support the existing tax breaks for the oil and gas industry seem to find the market a particularly satisfactory judge of energy policy. I find it particularly ironic that at a time when imported oil prices are at historically low levels and many of my colleagues are actively discussing the need for additional tax incentives to boost the domestic oil and gas industry, the EPA renewable oxygen proposal, which will undoubtedly reduce oil imports, is under attack.

EPA stated in its proposal that the renewable oxygen requirement will reduce foreign oil imports, create investment and jobs in America, reduce fossil energy use, and lower emissions of harmful greenhouse gases. These are assertions made by the EPA, based on a thorough analysis of the facts. They are not claims made by biased ethanol or renewable fuel advocates. EPA is the agency that is given the responsibility to make decisions on environmental issues of this kind for all of us, taking into account all the data and all the information.

The consequences of the renewable oxygenate proposal noted by EPA strike me as objectives that the market has thus far failed to achieve, and which merit considerably more attention in formulating this Nation's energy policy.

The Natural Resources Defense Council [NRDC], a leading environmental organization, stated in its comments to EPA on the renewable oxygenate proposal:

> Petroleum consumption in the U.S. transportation sector is, and will likely continue to be, at the root of compelling environmental and economic concerns for the nation as a whole. For these reasons, there is wide consensus that the development of competitive, environmentally benign, domestic renewable resources is desirable (some would say urgent) and would yield significant societal benefits. It is also widely recognized that policies specifically aimed at promoting renewable technologies may be appropriate and necessary, given that significant market barriers stand in the way of a transition from our current, fossil fuel dominated energy economy.

That was the NRDC.

The Senate letter to Administrator Browner argues against the proposal on two grounds: environmental impacts and the effect on the taxpayers. The concerns raised in the letter cannot stand up to close scrutiny.

The very premise used by EPA to justify issuing this proposed regulation is the determination by EPA that the proposed rule will improve air quality and create domestic economic benefits.

The State and local air pollution association cited in the Senate letter sent its own letter to Administrator Browner in January stating:

> The intent of the association's [January 14] testimony was to raise several potential air pollution issues that we believe warrant consideration, not to imply opposition to the proposal * * * STAPPA is in no way opposed to the use of ethanol or the extent of its role in the RFG program.

So, let there be no mistake about it. The association clearly has argued in as unequivocal way as possible, that it does not oppose the use of ethanol or the extent of its role in the reformulated gasoline program.

Contrary to the assertions made in the letter regarding the potential impact on taxpayers, the proposed rule will likely save American taxpayers hundreds of millions of dollars by reducing the need for farm support payments. The Department of Agriculture has estimated those net savings to the taxpayer at over $500 million annually.

I do not think anyone should be misled, Madam President. By reducing the costs of the farm program there will be a direct and positive effect on the budget—the same budget that we have debated in this Chamber for the last week. There is a big difference from the $340 million in costs asserted in the letter and the $500 billion annually committed to deficit reduction that the General Accounting Office and the Department of Agriculture agree will result from this program.

So, again, no one should be misled. When we look at the environmental consequences that will result from this renewable oxygenate requirement, and those associations who are reported to oppose this particular plan, when we look at the costs associated with implementing that plan, this year and every year hereafter—it becomes clear that the facts are on our side.

I encourage my colleagues who signed this letter to reflect on the facts of this debate and reconsider their position with respect to the EPA proposal. The proposal means a great deal to the economic health, not only of the Midwest, but of the national as a whole. It represents a small, but significant step toward bringing domestic renewable fuels into the mainstream of American energy policy—a step which I welcome and will continue to support. I hope that a review of the record will lead my colleagues in this body to join me in working to achieve that objective.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

RENEWABLE FUELS

Mr. HARKIN. Madam President, I want to associate myself with the remarks of my friend and colleague from South Dakota. I know the Senator from Montana has been seeking the floor. I will be as brief as possible.

Madam President, we have had a long-time debate on this issue of cleaning up the environment, cutting oil imports and encouraging domestic production of clean, renewable fuels. It has been an ongoing debate here in the Congress for a number of years.

I thought we had resolved this issue in the Clean Air Act of 1990, when we put a provision into the bill that required that oxygenated fuels would be used to help clean up the air in this country.

The Senator from South Dakota was the sponsor of that amendment, which I cosponsored. It was supported here, overwhelmingly—69 Senators voted in favor of adding oxygenated fuels in reformulated gasoline. It was supported in the House. It is now part of the law.

That provision had two effects: First to help clean up the air, and to help promote a domestic renewable fuel industry. At that time Congress anticipated that ethanol would play a role.

Since that time the oil companies just have not let up. They have been trying to subvert this intent of Congress ever since. But we also had some efforts by the Bush administration with regard to reformulated gasoline that were not quite clear.

Last fall the Clinton administration, I thought, finally put this issue to bed when they issued a proposed rule in December that would mandate that at least 30 percent of oxygenated fuels must be from renewables. That comment period closed on February 14 of this year. We thought it was over and done with, that EPA would then issue that rule that would provide that at least 30 percent of those oxygenated fuels would be from renewables.

Then we get hit with this letter yesterday, sent by my colleague from New Jersey, Senator BRADLEY, to the Administrator of EPA, Ms. Browner, asking that they not implement the rule.

First of all, the comment period closed on February 14. I submit if Senator BRADLEY and others did not like the proposed rule, they should have put their comments in before the end of the comment period. Everyone knew what the comment period was. So I see this as an effort to torpedo what has already been agreed upon in all sectors.

But beyond that, the letter of Senator BRADLEY contains egregious errors of fact, as the Senator from South Dakota pointed out. I would like to address those factual errors.

First of all, studies have shown—and no one disagrees with this—that ethanol cuts carbon monoxide by at least 20 to 25 percent. Everyone agrees with that. That is not even in contention. And yet the Bradley letter says that this mandate of EPA would increase carbon monoxide. I am sorry, Senator BRADLEY, but that is just the opposite of what the facts are. No one would dispute the fact that ethanol decreases carbon monoxide. Yet, in his letter, the Senator says ethanol increases carbon monoxide.

Second, Senator BRADLEY says ethanol increases greenhouse gas emissions; that is, CO_2. That is not true. According to the latest Department of Agriculture estimates, ethanol decreases carbon monoxide, the main greenhouse gas, by 27.5 percent. Again, indisputable. These are facts. Again, Senator BRADLEY states just the opposite in his letter.

Finally, Senator BRADLEY says ethanol increases "volatile organic"—I assume he means volatile organic compounds. Again, that may have been true under the previous Bush administration proposal but not under the Clinton administration proposal. The Clinton administration's proposed rule says we will use ETBE, which is an ether of ethanol, during the summer months. What that means is that we will cut down on volatile organic compounds because the ethanol ether, ETBE, has a Reid vapor pressure of 4 psi. Gasoline has an RVP of about 12 psi. MTB has a Reid vapor pressure of 8 psi. You can see, using ETBE in the summer, we cut down on the emissions of volatile organic compounds.

So, on the facts, the letter sent by my colleague, Senator BRADLEY, is just absolutely, totally wrong, and yet states that ethanol increases pollutants and greenhouse gases as though these were facts. That is not so at all.

Senator DASCHLE has responded on the claim that the EPA rule would be a drain on the Treasury. Senator BRADLEY says in his letter:

> Under the EPA mandate, this industry—

I assume meaning the ethanol industry—

> will drain the U.S. Treasury and Highway Trust Funds of an additional $340 million annually.

Not so, absolutely not so. The fact is that under the proposed EPA rule, the actual tax subsidy would cost $180 million a year, not $340 million. That is just the actual subsidy. As Senator DASCHLE pointed out, corn deficiency payments by the Government would be reduced by $580 million a year in 1998 and by $740 million a year by the year 2000. The net savings to U.S. taxpayers: $500 million a year. Of course, Senator BRADLEY does not point that out in his letter.

Lastly, I think Senator BRADLEY in his letter tries to imply that the use of ethanol and its ethers are not supported in the fuel industry.

Madam President, here is a copy of a magazine called Fuel Formulation, the January-February 1994 issue. Right here on the inside cover it states: "ETBE, the Right Road to Reformulated Gasoline."

This is an ad put out by ARCO Chemical, a gasoline refiner, saying ETBE has higher octane, and it has lower Reid vapor pressure so they can use it in the summer months.

So progressive-minded oil companies are looking at ethanol and its ethers as a formulation to use in the renewable fuels gasoline program.

I thank the Senator from Montana for allowing me to follow on the heels of the remarks made by Senator DASCHLE. This letter by Senator BRADLEY simply is an effort to torpedo the fine work that has been done by the Clinton administration, by the EPA, and by others to do two things: Clean up our environment and, secondly, provide for a domestic renewable fuels industry. The EPA proposed rule will do that, and it will do it in the best interest of the environment; it will cut down on the cost to taxpayers of farm subsidies; and it will put us on the path of increasing a domestic renewable fuels industry in this country.

Madam President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I thank the Chair.

(The remarks of Mr. BAUCUS, pertaining to the introduction of S. 1887 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BAUCUS. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

UNITED STATES-JAPAN CELLULAR TELEPHONE TRADE

Mr. BROWN. Madam President, I rise to commend the President of the United States on his firm action on cellular telephone trade with Japan. This Nation and Japan are good friends. We are not only friends but allies. That relationship is based on great respect for the Japanese people and admiration for their hard work and their commitment to excellence. That mutual respect has seen us grow together as countries for the last four decades. Our two countries see much of the world in eye-to-eye fashion and have worked together for world peace and economic progress globally. Nonetheless, we also have differences.

One of those differences relates to a United States trade deficit with Japan of $59 billion. Part of that, let us acknowledge, is the result of the excellent efficiency and high quality products produced by Japanese workers. But it also is a reflection of unfair and unbalanced trade rules. The simple fact, Madam President, is that currently Japan has closed their market in many ways and erected many nontariff and tariff barriers that do not exist against Japanese products entering the United States.

The reality is quite clear. They have chosen to sell into our market which has very few restrictions, if any, and have chosen also to leave very tough restrictions against American products in a number of areas.

In 1989, this country and Japan reached an agreement on cellular phones. It was one that was meant to address a small piece of that imbalance by expanding United States opportunities to sell cellular phones in Japan.

That agreement has been violated in the opinion of the administration. Resolution of that difference has been the focus of our recent negotiations with Japan. It is unfortunate for both sides that they were unable to reach an agreement.

I wish to commend the President of the United States for not agreeing to a faulty solution. His willingness to stand up, to insist that the Japanese must live by their agreement should be applauded by all Americans, whether Democrat or Republican.

The simple fact is this country's leadership has not been willing to insist on equal access to the Japanese market. The President's steps, although small and dealing only with a portion of the total market are to be applauded and deserve very strong bipartisan support.

It is reported also, Madam President, that this morning the President of the United States is considering reinstituting by Executive order a provision of our law called Super 301. The 301 provisions dealt with specific sectors in which trade is unbalanced. The Super 301 provisions gave us additional powers to deal with countries that erected a wide range of major barriers to our products.

Madam President, I support the President's efforts to reinstitute Super 301. It is the minimum that we ought to be doing to address the problems. I wish to assure the President of the United States when he acts to reassert Super 301 that he will have strong Republican support for an effort to make sure our friends around the world trade fairly with the United States.

Ultimately, a good arrangement and a good friendship with Japan must be based on mutual respect and mutual access. The idea that the United States should remain a pushover forever is simply illogical. A sound relationship with Japan can only be based on mutual trade and mutual market access. For the United States, acting like a rug while other nations walk all over us is simply foolish. In the long range, such a policy will not develop better, stronger relations with our friends. If we stand up for American industry and American workers by insisting on fair and equal access to world markets, we will gain respect, not lose it.

Is it going to be easy? No. But we must convince the Japanese and our other trading partners that the United States insists on fairness, insists on equal access, and that the days of the United States as a pushover in world trade negotiations are over.

There are stories on the wire which suggest that Japan and South Korea and perhaps another country will object to our reinstituting Super 301. They may well make appeals to GATT or to the World Trade Organization, if we do institute Super 301. That is a little like a mugger complaining to the police when a victim objects to being beaten up. Other countries will make a mistake if they think the American people will not stand behind the President of the United States on these actions.

For too long, we have been willing to live with unfair rules and unfair access. I for one want to assure this body and the President that if he acts today, he will have very strong bipartisan support that runs deep through the Senate, the House and through the entire Nation.

Madam President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Thank you, Madam President.

EPA'S RENEWABLES PROPOSAL

Mr. WELLSTONE. Madam President, the effort by some in the Senate to derail the Environmental Protection Agency's [EPA] proposed rule for a renewable oxygenate requirement is a mistake. Unfortunately their letter to EPA Administrator Carol Browner calling for withdrawal of the renewable requirement proposal will not help lead us to better environmental policy.

The EPA's renewables proposal is the direction we need to go as a country. The rule is completely in tune with the intentions of the Clean Air Act, and it would represent an historic marriage between clean air policy and renewable energy progress.

The EPA worked very hard and carefully to craft a rule that will improve the quality of our air while also promoting energy security goals and benefitting our domestic rural economy. The comments the EPA has received during its rulemaking process—and the oil industry has had every opportunity to participate fully—may lead to minor modifications to improve the rule. But it is basically sound, and it should be finalized in close to its current form.

Last month Dick Wilson, who is Director of EPA's Office of Mobile Sources and is the EPA official most responsible for this rule, visited Marshall, MN. He was accompanied by John McClelland, an energy economist from USDA. We held a public forum there, and over 500 farmers and rural residents turned out; 500 farmers gave the EPA a standing ovation at that meeting, and I believe that may have been as historic as this new rule; 500 farmers who gave a standing ovation to "bureaucrats" from Washington, DC.

The feeling in Marshall was due to the fact that this administration is acknowledging, through this rule, that ethanol represents what rural America needs to do; that is, utilize our own domestic, renewable resources in a way that supports farm income, creates rural jobs, and yes, protects the environment. In Marshall we have a very successful farmer-cooperative ethanol processing facility, one of several already operating in our State. The day after our Marshall event, I attended a groundbreaking for yet another farmer-cooperative ethanol plant in Winthrop, MN.

I am telling you something, Madam President. I have not been at a farm gathering for half a decade where I have seen as much hope for people that there can be a market for this clean fuel; that would be good for agriculture, good for rural communities, and good for jobs. This is not just an economic issue for people in rural America. They are looking for a signal from Government that they are not out of sight and out of mind, and that they are going to get a fair shake.

This is the effect this rule is already having in the rural Midwest. It is giving hope to farmers in rural communities, and they are investing their own savings, their own savings, in this hope, in the hope of sustainable economic development which ethanol represents.

This rule is about more than what portion of reformulated gasoline might be made of ethanol when the RFG program goes into effect next year. This rule has become a symbol for whether or not the Government will be attentive to the rural people in our country, to the concerns and circumstances of the lives of rural people in America. Rural America is helping itself, and it is only asking that the Federal Government take rational steps to coordinate environmental—we have worked hard with environmentalists—and energy progress with sustainable economic development.

Key statements in the Wallop-Bradley letter are mistaken.

The letter claims that a renewable requirement would add unnecessarily to clean-fuel and taxpayer costs. But new USDA analysis concludes there would be "no additional cost" associated with blending ethanol into reformulated gasoline. Several Government studies have shown ultimate savings to taxpayers from incentives for ethanol production. This is due to the farm price and job creating consequences of producing our energy domestically.

Worse is the letter's claim of the absence of environmental benefits from using ethanol—I say this as a strong environmentalist—and a vague warning of possible adverse environmental effects. No evidence is presented for such claims. Again, new USDA analysis conducted specifically for that Department's comment on this proposed rule demonstrates striking energy-efficiency advantages for ethanol, especially when compared to gasoline refined from petroleum and methanol from natural gas. Combined with its known clean-burning properties, this makes ethanol our premier clean fuel.

I note that most signatories to the Wallop-Bradley letter represent big oil-producing, big-oil refining, and big oil-import-harbor States. A quick look at the League of Conservation Voters scorecard shows that they had an average environmental voting record of about 48 out of 100 last year—with a letter that professes all these environmental concerns. Because of the letter's errors, I do not believe contributes to good clean-air policy.

Madam President, I yield the floor.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

SENATOR MURRAY FROM WASHINGTON

Mr. ROCKEFELLER. Madam President, I am happy and proud to be able to speak in the Chamber being presided over by the distinguished Senator from Washington, and I wish her a good day and continued remarkable service to her people.

THE HEALTH CARE SYSTEM

Mr. ROCKEFELLER. Madam President, just over a month ago, President Clinton came here to Capitol Hill not just to tell America what the state of the Nation is but to deliver a message to us from America in no uncertain terms.

Basically, our health care system is in absolute crisis, and we here in Washington are expected to fix it. The American people want us to fix it, expect us to.

Amazingly, there is still debate about whether we can get the job done. I am astounded by that. I am offended by that. I sit and observe in sadness as people nit-pick health care while not putting out comprehensive plans of their own, as the President and Mrs. Clinton have done.

Madam President, there should not be any doubt about the fact of the crisis. Eighty-one million Americans are paying more or cannot get insurance, or are locked into second-rate jobs because they have what the insurance industry brands as a "preexisting condition." Fifty-eight million Americans lose coverage for some part of each year. Today, 700,000 Americans who have health insurance will lose their health insurance. Another 70,000 tomorrow, 70,000 did yesterday, all hard-working, tax-paying citizens. But they will lose their health insurance. It is not their fault, but their tragedy.

One million Americans are forced to stay on welfare. We hear a lot of talk in this country which is antiwelfare. Well, to those who say that, I would say a million of those folks on welfare would not be on welfare, and do not want to be on welfare, but have to be on welfare because we have not passed universal health insurance coverage, and if they go to take the jobs which they have been offered and would want to take, they would have no health insurance in those jobs. Therefore, having children, they have made a moral decision that having health insurance coverage for their children under Medicaid is their parental responsibility. If everybody had health insurance, if all employers provided health insurance for their employees, then 1 million people who are on the welfare rolls would immediately disappear from the welfare rolls. To me, that is an amazingly wonderful prospect. But we cannot do that unless we pass comprehensive health care reform.

Americans are being run ragged by health care costs. Our spending on health care is out of control. I have said 5,000 times in the last 5 years that we are spending $1 trillion—it was less before—this year; and in less than 6 years, we will be spending $2 trillion on health care. That is not sustainable; everybody knows that. We have chief executive officers of corporations coming before our Finance Committee saying, "We have excellent managed care programs in our company, we think; yet, we find our health costs are doubling every 6 years."

(Mr. CAMPBELL assumed the Chair.)

Mr. ROCKEFELLER. If any one of us tried to sell this health care formula we have, which is to spend more and more money for less and less dependable care, we would be laughed right out of every shareholders meeting and business office in our country.

It is mind boggling to hear anybody argue with a straight face that our health care system is not in crisis. Doctors do not argue that. Consumers do not argue that. Certain people who do not want health care to pass argue that. There is a lot going on for us in the health care system; no doubt about that. We have great doctors, wondrous technology, and miraculous advances—but all for fewer and fewer Americans. And too many who turn to our health care system come out physically better but financially and emotionally devastated. That is what is taking place in the towns, counties, and States that we are here to represent—the State of Colorado for the Presiding Officer, and this Senator in the State of West Virginia.

Take the experience of Keith Stevens, who is a young West Virginian, a 21-year-old car salesman. He makes a reasonable income. Yet, he had to use his Christmas bonus to pay for his daughter's medical care because he cannot afford insurance and the company for which he works does not provide insurance. Yet, he earns too much for his children to qualify for Medicaid. So Keith would be described, I guess, as lucky because he did have a Christmas bonus that helped him—if you call spending Christmas money on doctor bills lucky.

But that is not the point. What is important is that a hardworking young father, married and with children, cannot afford health insurance for his family when he is doing everything right, as he understands it, under the American system. You play by the rules, work hard, pay taxes, do your best with your family and your children, and our system in America rewards you. That is true—but not in health care. More than all the frightening statistics and all of the frightening stories that we and the Presiding Officer could lavish upon this Chamber, that is what is out and out wrong with our system today—that good people like Keith Stevens, willing to pay their fair share and play by the rules, are forced to worry all the time about how to get health care for their family.

If you ask the American people and really want to listen to their answers and what they are saying, they will tell you loud and clear: Fix the health care system.

Over 80 percent of Americans want the Federal Government to fix the health care system. Fix it because it is too costly, too undependable, and too laden with unfair rules in favor of big insurance companies; fix it because it tilts heavily against most American families; fix it because it is driving families and businesses to bankruptcy, and it is keeping parents and seniors awake at night worrying that they cannot afford to meet basic medical needs—and they worry with good cause—fix it because the country can and should do better when it comes to something so absolutely critical and personal and universal as health care.

Doing better must mean the ability to feel secure about health care. We, as a nation, are the standard by which the world measures its prosperity and its achievement. As various countries around the world strive to improve themselves, we are the standard; we always have been as long as I have been alive, and we still are. We have universities that are the envy of the world. We have opportunity which is the envy of the world. People have come to our shores not for incidental reasons, but because they feel that in America they can find success and make themselves better.

Our industries, Mr. President, drive the global economic engine. Yet, alone among modern countries, superior though we are in all economic manner, we cannot somehow find a way to give our citizens secure health care. We should not tolerate those who have made the political calculation that this Congress cannot stand up to special interests and stand up for hardworking American families in need of a strong hand to help them get and keep health insurance.

Americans know the President is fighting hard to give them peace of mind. They do know that. They do not really know what is in the Cooper bill. They do not really know that there is a Cooper bill or a Chafee bill. The polls show that. They do know there is a Clinton bill, and they know that the President cares about it and that the President wants to make health care better. But they do not know exactly what is in the bill. They do not know that the changes they are demanding are in that bill. I happen to know that they are.

Our people are frustrated that the information they need about the President's plan is being drowned out by two things, the least important of which is that there is a multi-million-dollar television commercial blitz, paid for by the insurance industry. And they are doing what they ought to be doing to protect their hides, but, in the process, they are creating enormous doubts about everything in health care. So that no matter what comes out from what person or political party, the American people are now predisposed to be doubtful about it actually helping their personal situation.

Second, I think people are being confused and discouraged, because nobody has found a way to talk through the filter of the media, which treats health care and each day's events in Washington in health care like a horse race. They want to know who has won and who has lost. When I am approached by reporters, they are not asking: What is it about alliances that the American people need to understand? They are saying: So and so said yesterday that a certain percentage of American people have said this about American alliances and, therefore, the prospects of health care passing are less than they were yesterday. What do you have to say about that, Senator ROCKEFELLER?

In other words, it is an attempt to try to get some little scoop. It is a media filter. Most of the media does not understand health care itself. Some of it does. I have been astounded, as the founder of something called the Alliance For Health Reform—which is nonpartisan and backs no single health plan, but does back health care reform—by some of the trips I have made with my Republican colleagues to parts of this country, where health care reporters come before us and we give them a presentation, and they ask questions which basically show that they have no idea about what is going on in health care.

It is sad, but it is true. That is the reason that our alliance is putting out enormous volumes of manuals, books, and loose-leaf binders which help explain to reporters what health care is about.

Mr. President, I am going to do something in one paragraph which you will not think possible. I am going to explain to you, in one paragraph, how the President's health care plan works.

The Clinton plan will give every American guaranteed private insurance that can never, ever, ever be taken away. The Clinton plan guarantees that it is people who will choose their health care coverage and their doctors, not insurance companies. The Clinton plan preserves Medicare, alone among other plans, and improves benefits with prescription drug coverage and a start on long-term care, which seniors and others who need long-term care—the 40 percent who are younger than 65—long for. The Clinton plan saves money for families and businesses by limiting how fast premiums can rise. And, since both businesses and individuals benefit from the reforms and from health coverage, both employers and employees share the responsibility and cost of coverage.

End of paragraph.

We cannot go through committee meetings, hearings, and debates here on Capitol Hill with an excuse-a-day to put off health care reform or to put off another trillion dollars. It should be all too clear that business as usual is what has brought us to this crossroads in the first place. Given that, we must reform the American health care system and we must do it, Mr. President, this year. We cannot do it incrementally. We must do it all whole cloth.

We must and we do have the political knowledge and the political courage to do that. Democrats on this side of the aisle, Republicans on that side of the aisle, underestimate—all of us—our political courage. We do that constantly.

I just came from a Finance Committee hearing on benefits in which Senators were basically saying we cannot say "no" to anybody. Mr. President, you and I have been in public life for a while. We spend a whole lot of our time saying "no" to all kinds of people.

Of course, there are 1,100 health care trade associations—read lobbyists—registered in Washington to give tender loving care to the President's health care bill. There is no doubt in my mind that I have the courage to say "no" to any one of them, to any scores of them, any hundreds of them, if they are trying to push on us something which is unrealistic, unaffordable, and which does not make a health care plan work properly for our people.

Enough of this weighing health care reform as a political calculation. Enough of this knowing in your heart that we need health care reform, that the American people want it. They deserve it. We all have family members and friends who have aching conditions of health care insufficiency which, in our hearts, we know we want to reform, but then somehow conclude that we do not have the will to stand up to the special interests to create the reform to bring that about. Again, alone among all modern countries in the world, America, Mr. President, with 70,000 people who have health insurance, losing it every single day.

In conclusion, Mr. President, enough of even thinking about squandering this chance to pass health care because special interests and partisanship magnify the critical nature of one's vote. Oh, yes, this is a vote which will be critically analyzed, and it ought to be. It is a broad vote to critically analyze because it is one of the most important votes any of us will ever make in our public lives. Health care reform is exactly the place to surprise all cynics, to surprise the obstructionists and simply do our job.

I thank the Presiding Officer and yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT C. LOUTHIAN

Mr. WARNER. Mr. President, it is my privilege today to recognize and commend the many contributions made by one of the Senate's most talented and distinguished staff advisers, a native of my own Commonwealth of Virginia, Robert C. Louthian.

Having served longer than any other individual in the Office of Legislative Counsel of the Senate, Bob is preparing to embark on a well-deserved retirement. Two years ago, I had the pleasure of congratulating Bob right here in this Chamber as he celebrated 40 years of service; today I am pleased to reiterate my appreciation for his dedication and accomplishment as we—the U.S. Senate—bid him farewell for a well-earned retirement.

While we are fortunate in the Senate to have the assistance and counsel of many outstanding support staff, few careers are as exceptional as Bob Louthian's. His experience, knowledge, wisdom, and judgment are evident in the major legislation he has drafted over these many years. He has crafted the language of legislative efforts as diverse as Indian affairs and shipping, communication, and energy. Our paths have crossed frequently as he advised the committees on natural resources. Indeed, all Senators have had Bob's invaluable experience and guidance through his service as senior legal adviser to Senate offices.

Born in Roanoke, VA, Bob Louthian attended that city's public schools. He and I share a common military experience: We both joined the Navy at an early age in World War II. Bob, however, saw active duty in the Pacific theater while I simply went to school. And, following his discharge, he returned to Virginia to enroll in Roanoke College. He earned a B.S. in economics in 1949, then pursued his legal studies at my own alma mater, Washington and Lee University, Lexington, VA. At Washington and Lee, he began to demonstrate the exceptional abilities that would characterize his professional career: He served on the staff of the Law Review and was elected to the prestigious Order of the Coif in recognition of his academic and leadership achievements.

The Senate is truly fortunate that Bob Louthian chose to join the ranks of those who make our mandate workable immediately after law school. He accepted the position of law assistant in the Office of Legislative Counsel on July 14, 1952. Two years later, Bob was promoted to assistant counsel and, in 1973, he achieved the rank of senior counsel.

Throughout his tenure, Bob Louthian has served not just the Senate or the Congress as a whole—he has served the best interests of the United States of America. Moreover, he has done so in so many ways, large and small. His career has been marked by professionalism, insight, and a keen understanding of the legislative process. His efforts have been of invaluable help to every Members of the U.S. Senate for many, many years.

Bob Louthian stands as an example for all to emulate in the realm of public service. I know that my colleagues join with me in applauding his excellence, commending his commitment, and wishing him well as he departs. His record of achievement will long be remembered in U.S. Senate, and I know that he will continue to serve his community and country in his future endeavors.

WTOP RADIO

Mr. WARNER. Mr. President, I am pleased to join others today all across the greater Washington metropolitan area in saluting Washington's own radio station, WTOP, as it celebrates 25 years of all-news broadcasting. Today WTOP will be honored with a gala celebration, hosted by the CBS radio network, featuring such illustrious news figures as Walter Cronkite, Sam Donaldson, and Connie Chung.

WTOP, which first signed on as WTRC broadcasting from Brooklyn, NY in 1929, gained its current call letters 1943, when it became affiliated with CBS. The station is now owned by the Dallas-based Evergreen Media Group. WTOP has been honored with the prestigious Edward R. Murrow Award for excellence in news broadcasting.

In particular, I would like to recognize and commend the outstanding contributions made by a newsman from whom I and many of my colleagues have the highest regard: WTOP's one and only Dave McConnell. Dave is the Capitol Hill correspondent for the station and the host of "Today on the Hill," an excellent program which opens up and clarifies congressional action—Senate and House, floor and committee—to the people in our greater metropolitan area of the Nation's Capitol. Dave's program has aired since 1981, making lively and interesting stories out of congressional actions which often seem baffling and ponderous to others. The success and longevity of this popular program are due to Dave's knowledge, insight, and articulate presentation. He truly is a student, if not a professor, in some ways.

Dave McConnell's success reflects his lifelong fascination with Capitol Hill. From his boyhood days, he always enjoyed visiting the galleries and dreaming of someday covering our actions as a reporter. Those of us who serve are indeed fortunate that Dave's dream came true.

Recognizing that not everyone who listens to his program understands the somewhat arcane complexities of the legislative process, Dave always takes care to turn dry facts and somewhat confusing language into enjoyable and informative, accurate—and I underline "accurate"—unbiased, fair, and objective listening. Best of all, he tempers his well-told stories with his own brand of keen wit and humor.

As we all know, many people come and go on the Hill, especially in the media. Dave McConnell has hung in with all of us for many, many years. He belongs to a small and admired cadre of dedicated broadcasters who devoted most of his career to broadcasting.

To WTOP and to Dave McConnell, I am pleased to offer my congratulations for a job well done and every best wish for many years to continued service.

I thank the Chair and I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHITE HOUSE ETHICS

Mr. DOLE. Mr. President, according to Webster's Dictionary, the word "independent" means, "not subject to control by others; not looking to others for one's opinions or for guidance in conduct."

I cite this definition because the last time I checked, the Resolution Trust Corporation is supposed to be an independent agency—underscore the word "independent."

But, in light of recent press accounts, it appears I may have to do some more research, or Webster's may have to revise its definition.

Last week, we learned that Robert Altman, the Acting CEO and No. 2 political appointee at the Treasury Department, met with White House political officials, allegedly to give them a "head's up" on the RTC's civil investigation into Madison Guaranty.

This morning, I think in a bit of damage control, there was a story in the Washington Post, front page story, "Treasury Officials Told White House Status of S&L Probe," told about other meetings. I think they did not want this to come out in some committee investigation so they somehow got it to the Washington Post.

Realizing his blunder, Mr. Altman subsequently and very belatedly, as pointed out in another column by William Safire called, "The Whitewater Coverup"—these are all today's clippings—recused himself.

Is that not great? We do not know how many contacts he has really had, we do not know who he has talked to outside the administration—lawyers, maybe representing the White House, the President, whether he has talked to the U.S. attorney in Little Rock who recused herself after a late, late hour. So he recused himself from the RTC matter after almost 11 months. He finally understands it was bad judgment.

Today, we read that top officials of the Treasury Department, after the supposedly independent RTC asked the Justice Department last year to investigate possible criminal activity involving Madison, met twice with members of the White House Whitewater brain-trust—Bernard Nussbaum, big key player in the Watergate investigation years ago; Bruce Lindsey; and Mark Gearan; and who knows who else. According to news accounts, the Treasury officials gave the White House staffers a report on the status of the RTC's investigation and informed them that the President and Mrs. Clinton were named in the RTC referral, though not accused of any wrongdoing.

Needless to say, the average American citizen who was either named in a RTC criminal referral or subject of a RTC civil investigation would never have received such high-level cooperation from the very people charged with conducting the investigations.

You cannot tell me somebody from Colorado or Kansas could get that treatment if they had a RTC matter pending. They would bring all these people down and give us a "heads up." No, it would not have happened.

So, a dangerous pattern seems to be emerging.

During last year's Travelgate fiasco, overly eager White House staffers raised eyebrows by pressuring a top FBI official to attend a White House "political strategy" session, allegedly to coordinate a press response to the burgeoning number of media inquiries. Unfortunately, the supposedly independent FBI went along with this charade—and I always thought the FBI was independent—in changing an FBI press release. They changed the FBI press release to suit the White House political needs.

I have never heard of that before as long as I have been here.

Today, White House staffers are adopting a similar ploy, saying there was nothing wrong with Treasury-White House meetings: We were told that they were simply sessions to coordinate responses to press inquiries, and now belatedly again "Mack" McLarty, the Chief of Staff, has issued a memo: You cannot do this anymore. All this time, after all the news: You cannot do this anymore because they have caught us. Do not do it anymore.

That brings me to another word. We have defined the word "independent." Let us take the word "judgment."

In light of recent news reports, it is becoming increasingly clear that good judgment is in short supply among White House and top administration officials. No doubt about it, you are asking for big, big trouble and showing some stunningly bad judgment when you start mixing politics with law enforcement. It is only fair to excuse a misstep or two. We all make mistakes. But when bad judgment becomes the rule rather than the exception, and when those involved will not admit their own mistakes, it may be time for a little White House housecleaning.

Finally, a third word comes to mind—"coverup." If the White House has nothing to hide about Whitewater—and that is what they have been saying for months; that is what they said in the campaign: Nothing to it, just a little transaction—then why all the meetings? Why all the panic? Why all the behind-the-scenes machinations? Why negotiate a subpoena to shield Whitewater documents from public scrutiny?

The public cannot get access to the Whitewater documents because they negotiated this subpoena several months ago now. So the public is shut out. And why put yourself in the dangerous position of being charged with compromising what are supposed to be independent civil and criminal investigations?

Coverup is a tough word, but the consequences of a coverup can be even tougher. Many of us learned this in the Nixon administration, in Watergate. One of the prosecutors there was Mr. Nussbaum. You would think he would have learned that lesson and would be out saying: We cannot do this. And look what happened to the Nixon administration. He apparently is teaching a course on how to do it, if you can get away with it.

Mr. President, I do not know what to make of the recently disclosed White House RTC-Treasury shenanigans, but I do know Congress has an obligation to ensure that supposedly independent law enforcement agencies are just that—independent. And for Congress to punt on its oversight responsibilities is a disservice to the American people and exposes Congress to the charge that we are willing accomplices—we do not care; we do not want to have any hearings; we do not want to hear what was referred to as a "nonindependent counsel" this morning by William Safire in the New York Times.

We have had the chairman of the Banking Committee say: Well, after the independent counsel finishes his work, whenever that may be, then if we are not satisfied—"if," that means if the Democrats are not satisfied—then we might look into it with a congressional investigation.

So we are at a loss. We are the minority party. We know if Republicans had the White House, there would be 15 hearings going on right now—maybe not 15, maybe a half a dozen. They would be every day, every day, every day—drip, drip, drip. And we have already asked the Congressional Research Service to take a look at the last 12 years. We found about 20 hearings conducted when Republicans had the White House and Democrats controlled the Congress. They could not wait to have congressional hearings. But now we are told, with a solemn look: Oh, we cannot do this. We do not want to interfere with the investigation.

We have oversight responsibilities. We do not know how else to proceed, in the minority. We only have one thing we can do and that is to block nominations, to try, to hope the Democratic leadership will do what they should do and have a full-blown hearing without compromising anything that any independent or nonindependent counsel might do.

So we have, 43 of us out of 44, written to the distinguished majority leader yesterday to say we are going to object to proceeding to the nomination of Ricki Tigert, President Clinton's nominee to chair the supposedly independent FDIC, unless the Senate Banking Committee has an opportunity to thoroughly examine the RTC's handling of its civil investigation into Madison. I think today's shocking revelations only serve to underscore the need for such an examination, and more broadly, for hearings on the entire Madison/Whitewater affair.

I did not pick out too many clippings today, but I have already referred to two—the New York Times, "Whitewater Coverup"; Washington Post, "Treasury Officials Told White House Status of S&L Probe." The New York Times, they did not do much, "Justice Official Is Questioned About Billings at Rose Firm."

Washington Post, "Hillary Clinton's Role in Lawsuit Appears Larger."

Washington Times, "Prosecutor to Re-examine Foster Suicide Ruling."

Washington Post, "Hubbell Confirms Questioning, Asserts Innocence."

Washington Times, "Hubbell 'Denies' Rose Firm Probe." "Altman Gets Close to the Heat. White House Surprised by Billing Questions."

These are just a few of the clippings in papers we get in our office. It seems to me the media is also belatedly beginning to focus on what I consider to be a very important matter.

But when will Congress act? When will the majority—it has been reported in the Safire column that the House has been told by the Speaker: No hearings under any circumstances, any time.

It seems to me that may—that is borderline.

So I think there is no way we can have a rehearing on the nomination of Mr. Hubbell, or Mr. Altman. There is no way we can do that to check that.

But, I ask unanimous consent the letter be reprinted in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. And I ask unanimous consent that stories and commentaries from today's Washington Post, New York Times, and Washington Times, be printed in the RECORD as well—not the entire stories, but the headlines.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DOLE. I suggest we have been very quiet on this issue, at least this Senator has, since last year.

It seems to me, though, that sooner or later Congress is going to have to examine this if we are going to have any credibility ourselves as an institution. We have responsibilities. We cannot pass them all off to the independent counsel. We have not done it in the past. We can come out and give some fine legal argument. The American people do not understand that.

We have oversight responsibility. We exercise that responsibility time after time after time, and it seems to me that sooner or later, this is going to become an issue and it should not become an issue. We are not asking for anybody's head, we are just asking for hearings. We are asking for hearings. We are going to be asking our colleagues, why should we not have hearings? The Democrats chair all the committees. They are not going to get out of hand. They control the staff. The Democrats control every agency in town, every Cabinet office, the White House. I do not think it is too much to the let the minority in this case, the Republicans, to explain to the American people, or bring out the facts so the American people can make a judgment. Nobody has made a judgment. We are not about to make a judgment. It is not my purpose to make a judgment. But it is our responsibility to try to obtain the facts. And if the majority says you cannot have the facts, we are not going to have any hearings, we do not care what happens, OK, they are the majority, they have the votes; they have 56, we have 44 and we will have to resort to whatever we can.

I do not have any problem with Ricki Tigert. So I apologize to her. If she can give me some other way we can go or if we can have hearings, that nomination would not be held up 1 minute.

EXHIBIT 1

U.S. SENATE, WASHINGTON, DC. MARCH 2, 1994.

Hon. GEORGE J. MITCHELL,
U.S. Senate,
Washington, DC

DEAR MR. LEADER: We are writing to inform you that we will object to any agreement seeking consent to proceed to the nomination of Ricki R. Tigert, President Clinton's nominee to chair the Federal Deposit Insurance Corporation, until the Senate Banking Committee has an opportunity to thoroughly examine the Resolution Trust Corporation's handling of its civil investigation into Madison Guaranty Savings and Loan.

As you know, the Acting Chief Executive Officer of the RTC, Roger Altman, recently disclosed that he sought a meeting with White House officials to give them a "heads-up" on the RTC's investigation. Needless to say, such a meeting is highly improper and raises very real questions about Mr. Altman's impartiality and the alleged independence of the investigation. Specifically, why were Harold Ickes and Margaret Williams present, in addition to White House Counsel Bernard Nussbaum? According to the *Washington Post*, Mr. Ickes the Deputy Chief of Staff, is responsible for Whitewater "damage control" Ms. Williams, Chief of Staff for Mrs. Clinton, had previously participated with Mr. Nussbaum in searching Vincent Foster's office and sending all or some of the materials to David Kendall of Williams and Connally who is representing the President and Mrs. Clinton.

We believe public hearings are required to explore these and other questions involving the attendance of political operatives at the White House in briefings by the head of a supposedly independent agency on matters that have nothing to do with the Executive Office of the President.

We regret having to delay the Senate's consideration of Ms. Tigert's nomination. Nevertheless, the American people deserve to have confidence that the RTC conducts its important business in an independent and impartial fashion. A Congressional hearing is an appropriate forum in which to examine the important ethical and regulatory issues raised by the Altman-White House meeting.

Sincerely,

Alfonse D'Amato, Paul Coverdell, Bob Dole, Malcolm Wallop, Phil Gramm, Judd Gregg, Larry E. Craig, Trent Lott, Dan Coats, Connie Mack, Conrad Burns, John McCain, Robert F. Bennett, Kit Bond, Ted Stevens, Lauch Faircloth, Bob Packwood, Arlen Specter, John H. Chafee, Jim Jeffords, Al Simpson, Jesse Helms, Don Nickles, Mitch McConnell, Orrin Hatch, Strom Thurmond, Thad Cochran, Pete V. Domenici, Hank Brown, Mark Hatfield, Larry Pressler, Bill Roth, John C. Danforth, Chuck Grassley, Bill Cohen, Dave Durenberger, Slade Gorton, Richard G. Lugar, Bob Smith, Nancy Landon Kassebaum, John Warner, Dirk Kempthorne, Kay Bailey Hutchison.

EXHIBIT 2

[From the Washington Times, Mar. 3, 1994]

"HUBBELL 'DENIES' ROSE FIRM PROBE"

"ALTMAN GETS CLOSE TO THE HEAT"

[From the Washington Post, Mar. 3, 1994]

"HUBBELL CONFIRMS QUESTIONING, ASSERTS INNOCENCE"

"TREASURY OFFICIALS TOLD WHITE HOUSE STATUS OF S&L PROBE"

"HILLARY CLINTON'S ROLE IN LAWSUIT APPEARS LARGER"

[From the New York Times, Mar. 3, 1994]

"JUSTICE OFFICIAL IS QUESTIONED ABOUT BILLINGS AT ROSE FIRM"

"WHITEWATER COVER-UP"

HEALTH CARE REFORM

Mr. DOLE. Mr. President, I listened to the President last night talking about the reason the health care plan is losing supporters is because all these "special interest groups are spending millions and millions and millions of dollars." How much has the White House spent? How much has the administration spent? They have been at this a year. How much have they raised? How much has the Democratic National Committee raised from big corporations?

They had a list in last week's paper, a big list, of big business giving money on health care. Before the President says anything about all these little Harry and Louise ads, I think we ought to add up the total.

The last time I looked, the first amendment said you had a right to express your views in America. Just as President Clinton does, just as Senator DOLE does, just as anybody in this Chamber does. People opposed to this plan have a right to express their views. It would be nice if they did not have any money and they could say there is not anything wrong with this plan. There are a lot of things wrong with this plan. The plan is in the terminal stage right now, at least in intensive care.

So I hope the President will give the American people more specifics about the plan. You cannot do everything for everybody, add new entitlement programs for early retirees, long-term care, prescription drugs and tell everybody in America you are going to get more and say it does not cost anything, you are going to save money. That is the judgment we have.

We are going to go off this afternoon, 33 Republicans, and we are going to have a conference this afternoon and tomorrow. We do not have any intention of coming out with a plan but we are going to see how close we can come. It is still my hope—as I said yesterday, I worked on a lot of bipartisan measures on health care over the years—it is my hope we will end up with a bipartisan measure and we will stop arguing about whether it is a crisis, a serious problem, this or that, some little nit-picking thing.

We will talk about how do we make it work, how do we take care of people who do not have the coverage now, how do we pay for it, who wins, who loses and how can we do it on a bipartisan basis? Maybe we cannot. Maybe the time will come in September, October, November when we just have to have 2 votes, but I do not think every Democrat supports the President's plan, not every Republican supports every Republican plan. We have plans, the Democrats have two or three plans. I think the American people would like to see us come together. We hope we can make some contribution today and tomorrow in our Republican conference. The primary purpose would be to go out, do our best, write down everything we agree on and disagree on and then start working in the areas of disagreement. I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

WHITEWATER AND MADISON GUARANTY INVESTIGATION

Mr. BOND. Mr. President, I rise today to take a few minutes of the Senate's time to outline for my colleagues where we are in terms of the ongoing disclosures with the White House, the Resolution Trust Corporation and the Treasury's activities regarding Madison Guaranty and related issues.

As my colleagues know, Madison Guaranty was a Little Rock savings and loan which was owned by James McDougal, the business partner of the Clintons in the Whitewater real estate deal. Madison Guaranty was a classic S&L story of insider dealing, reckless loan policies and ultimate failure with the U.S. taxpayers picking up the tab. But in this case, there is a small twist. Many of its benefactors were in politics and Government.

The tangled web of Madison and Jim McDougal has led to two criminal referrals by the RTC, an ongoing civil action investigation by the RTC, a conflict of interest case for the Rose law firm and a trial, which is about to start, concerning David Hale. It has also led to the appointment by the Attorney General of Special Prosecutor Robert Fiske, who is looking at all these issues to see what happened, who was involved, who benefited and was there a coverup.

In the middle of all this action, as has been noted by our distinguished Republican leader, Republicans in the House and Senate have been attempting to get the facts, not to interfere, to impede or to delay the investigation, but in order to fulfill our obligation of oversight of those who are now running the Government. This means asking questions of the RTC, the FDIC, the OCC and others about whether they are receiving outside pressure; is this White House staff attempting to get information that these so-called independent agencies would never give to anyone else? Is this information being provided? If so, by whom and to whom?

As my colleagues know, it was in the course of asking these questions, questions some of my colleagues do not believe should ever have been asked, that we first discovered from the acting head of the RTC, Mr. Roger Altman, that he had briefed the White House staff on the status of the RTC investigation. For those of you who are saying stay out of the way, the special counsel is on the case, perhaps you would be interested to know that this meeting took place 2 weeks after Mr. Fiske was named.

Mr. President, let me tell the Senate about this episode which should go a long way toward explaining why the Republicans signed and sent a letter to the majority leader that Senator DOLE has just outlined.

When Mr. Altman was before the Banking Committee on February 24, I asked him a series of questions about how he and the RTC had been handling the case. Given the sensitivity of the case, with the President and the First Lady having been named in a criminal referral by the RTC regional office, I asked Mr. Altman:

> Are there special measures taken in the resolution of a failed thrift when you find it to be affiliated with a high-profile individual, someone in Government, for example?

Mr. Altman replied:

> The procedures, Senator, which the RTC follows are intended to be identical in each case; and they certainly have been identical in the case discussed this morning.

He went on to say:

> When the possibility of criminal referral was brought to me, I took one step. That was to instruct all the relevant RTC personnel to handle criminal judgments in the same exact fashion that they would handle any other PLS matter with no deviation whatsoever.

I should note for the record that Mr. Altman answered these questions before he had divulged the meeting at the White House in February. I should also point out that in the course of this discussion with me when he was assuring me and the Senate that the RTC was treating the Madison case in an identical manner and that the staff should treat the criminal referral in the exact same fashion with no deviation whatsoever, that Mr. Altman did not at that point see fit to tell us about how they had not followed the exact same or identical procedures. But it only gets worse.

Later in the hearing, I asked Mr. Altman:

> When did you become aware of the RTC recommendation that further criminal prosecution be taken against Madison?

Mr. Altman replied:

> Last fall, I was advised that a question of referral to the Justice Department was under consideration at the RTC and, as other members of the RTC will attest, I said that normal procedures with no deviations whatsoever should be pursued, including chain of command in terms of reaching that conclusion.

I then asked him:

> Were you aware that the regional office had asked the national office to make a determination as to whether the Clinton's names should be in the new expanded referral?

Mr. Altman replied:

> No, I was simply informed that this issue was on the table, and my reaction was, and I only had one conversation about it, the normal procedure should be followed. That is the way we are going to handle it from beginning to end.

I then asked:

> How was the White House notified in the referral?

Mr. Altman replied:

> They were not notified by the RTC, to the best of my knowledge.

I then followed up:

> Nobody in your agency, to your knowledge, advised the White House staff that this was going to be a major—this could be a major source of concern?

Mr. Altman replied:

> Not to my knowledge.

Now, Mr. President, what we have just heard is the repeated assurances that the RTC did nothing different in the Madison case from any other case, that the head of the RTC had instructed his people from the moment he was aware of Madison's new criminal referral to treat the case no differently than all others.

But we now know that this story is simply not true. Not only did the head of the RTC brief the White House staff—and I believe it bears repeating—but by briefing Mr. Bernie Nussbaum and Ms. Maggie Williams, Mr. Altman was briefing the very people who stand accused of taking Whitewater-Madison files out of the late Mr. Foster's office and then attempting to conceal that they existed. These files are certainly ones that the RTC's own investigators would want to review.

But now we find out that at least two additional meetings were held, both late last year, as the RTC was putting together their second criminal referral.

According to the Washington Post article—and this was confirmed to me by Mr. Altman by telephone last night—Jean Hanson, the general counsel of the Treasury—and I assume acting counsel of the RTC at the time—briefed Mr. Nussbaum in late September and told him that the Clintons would be named in the criminal referral.

The second meeting occurred in October and again included Jean Hanson plus two other Treasury political appointees and was held in Mr. Nussbaum's office. Also in attendance, according to the Post, were White House Communications Director Mark Gearan and the designated White House spokesman, Bruce Lindsey.

Before the meeting, Hanson was briefed by RTC senior Vice President Bill Roelle.

Mr. President, something is very wrong. Either Mr. Altman deliberately misled the committee, which I do not believe he did, or the political appointees beneath him deliberately failed to inform him or to correct the misimpression left by him in his testimony when the Secretary of the Treasury came before the Banking Committee the next day or prior to last night.

Mr. Altman has recused himself. It is better late than never. And the President's Chief of Staff, Mack McLarty, has now laid down the law. No more meetings. Again, better late than never.

But this is something that should not have to be stated explicitly. Has Ms. Hanson recused herself? After all, she has had three meetings. She is the general counsel and chief lawyer of the Department of the Treasury.

Did she suggest to Mr. Altman that a February briefing was in order? Did she set up other meetings that have not yet come to light? Why was she involved in the first place? Is it true that she has been acting as the general counsel of the RTC as there is no one currently in that position?

As I stated in the committee, we now have five examples of what it takes for Presidential appointees in this administration to see conflicts of interest and bow out. They have to be caught in the act.

Mr. President, for those of us in Congress who work with the administration on a daily basis, trust is a very important commodity. Unfortunately, it is easy to lose and hard to regain, and the administration's handling of Whitewater-Madison has seriously eroded the trust of many of us in the body of the administration.

I believe the Senate owes it to the public to get to the bottom of this, and that is why I support our minority leader in asking for further hearings.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa [Mr. GRASSLEY] is recognized.

GRASSLEY AMENDMENT TO GOALS 2000: EDUCATE AMERICA ACT

Mr. GRASSLEY. During debate, Mr. President, on Goals 2000: Educate America Act, I introduced an amendment, which the Senate adopted, to address an issue of concern to many of my constituents. The amendment was a culmination of over 2 years of research on the invasion of student and family privacy that might be taking place and is taking place in schools around America.

I have dealt with people in 25 States who feel that their family's privacy has been invaded by intrusive surveys, analyses, and other evaluations. These surveys ask very personal questions of children without their parents' knowledge or consent.

During debate on the Goals 2000 bill, I came to this floor with such examples from 14 different States, some of which I discussed and the rest of which, Mr. President, I just placed in the RECORD for easy referral by people who are interested in pursuing this.

Because the weight of evidence is so overwhelming, the Department of Education suggested a possible compromise to the amendment that I originally introduced. I pursued negotiations with the Department. We reached an agreement that, quite frankly, met many of my concerns. And since it met so many of my concerns and since the Department of Education and their representatives were so forthcoming and up front and honest in their negotiations. We put that compromise together, and that amendment was adopted 93 to zero before we passed Goals 2000.

Subsequent to this Senate's action on that amendment, the House Education and Labor Committee voted on identical language as an amendment to the Elementary and Secondary Education Act, which was taking place in the Education and Labor Committee. That debate was held the same afternoon my amendment was adopted.

In introducing the amendment during the markup on the House side, Representative ARMEY of Texas stated that the Senate-passed language would be a positive change in the elementary and secondary education bill. He said it would also send a very clear signal to the conferees on the Goals 2000 bill regarding the House committee's reaction to my amendment and the compromise that was worked out between me and the Department of Education.

So I was pleased when the House committee supported the amendment by a vote of 38 to 4. That vote was an affirmation of the good balance that I struck with the Department of Education in our negotiations on this side.

Despite that balance struck and the overwhelming support in Congress—38 to 4 in committee on the House side, 93 to zero on the Senate side—I regret to report now that there may be—and I wish to say "may be"—ongoing efforts to undermine our agreement with the Department of Education.

In my hand, Mr. President, is an internal memorandum from the Department of Education. It represents a proposed revision of the Armey amendment by the Department of Education. It so happens that this proposed language is exactly the same proposal that the Department brought to me in our initial negotiations on Goals 2000. I speak of what is floating around the Hill now and the language that is written at the bottom of this page, and I will not go into specific detail what that language does. But we rejected this language. The negotiators for the Department of Education were very pleased with the negotiations that we worked out.

So the suggested comment on this internal Department memo regarding the Armey amendment is exactly the position that I, the Department, and 92 of my colleagues put to rest when we reached the final compromise.

The fact that this language is suddenly resurfacing is troubling to me, and it should be troubling to each and every Member of this body who voted for my amendment.

I must point out that this language is not yet an official Department position. It is merely being passed up the chain of command by wily bureaucrats in the bowels of Education.

But that is why I indicated the agreement may be undermined. It is not yet a fait accompli. After all, I am confident that the Department would not want to be accused of saying one thing out of one side of its mouth and another out of the other. You see, I do not believe the Department, once it discovers that this language is floating around the Hill—in other words, once Secretary Riley and Mr. Cohen, who negotiated for him, see this language floating around the Hill—will do the bidding of some bureaucrat down there in the Department that does not like the agreement that was reached in the Senate.

That would be double dealing. It would be a bait-and-switch approach. You do not survive long in this town with that sort of an approach.

So I am hoping, Mr. President, that my being here on the floor this afternoon is a false alarm. Because I am hoping that this position paper will never see the light of day, that it will be put to rest once more as we agreed here in the negotiations before we adopted my amendment 93 to 0, and before we passed the Goals 2000 bill. I am confident that the honorable thing will be done and that the department will adhere to its agreed-to position.

Mr. President, I hope my colleagues will support the amendment in conference as passed by the Senate 93 to 0, and I hope that the Department of Education continues to work with us as we seek broad consensus on education reforms.

Mr. President, I yield the floor.

I do not see any of my colleagues seeking the floor. So I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DORGAN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRAMM. Mr. President, with the indulgence of the Presiding Officer, I would like to speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas is recognized for 10 minutes.

THE PRESIDENT'S HEALTH CARE PLAN

Mr. GRAMM. Mr. President, I wanted to talk a little bit about health care and respond to something the President said yesterday about the declining popularity of his proposed health care plan. I will also talk about the meeting or retreat which Republicans begin this afternoon and will continue until tomorrow, in our effort to try to come up with a united position on health care reform.

Let me first talk about the President's health care plan. I believe that support for the President's plan has declined every day since it was made public by him in a very excellent speech to a joint session of Congress. The President yesterday attributed that decline in support to special interests. I believe the decline in support is more basic than that. Not only has support for the plan declined every day since the public first heard about it, but the polls have consistently shown something that I think is very important, which is that the more people know about the President's plan, the more likely they are to oppose it.

Let me just try to summarize what I think is right about the President's plan and what I think is wrong about it. What I think is right about the President's plan is that there are parts of America's health care system that are broken. We can fix the system and make it possible for people to change jobs without losing their health insurance. Every one of the proposals that has been made to reform health care, every single bill—those offered by Republicans; those offered by Democrats—has had a provision that would make it possible for people to change jobs without losing their health insurance.

I believe the President is right that people should be able to buy health insurance that can never be taken away and cannot be canceled. I remember growing up in the fifties. My mama bought an insurance policy and paid on it 4 or 5 years. She had a major ailment, and the insurance company paid for the first episode of medical care and then immediately canceled. What good is health insurance if you do not have it when you need it? The good news is that while that happened a lot in the fifties, it rarely happens today. But the point is that it ought never happen. We can fix that.

I believe the President is also right that we need to do something about excessive paperwork and we need to do something about the regulatory burden. But the paradox is that while the Government now pays 31 percent of the medical bills and generates two-thirds of the paperwork, the President would have us believe that if we turn the whole system over to the Government, somehow the paperwork and regulatory burden will disappear. I do not think people believe that.

We need medical liability reform. The President touches on it in his bill. I do not think it is a very dramatic change to limit contingency fees to 30 percent, every other health bill proposed has had a more comprehensive medical liability provision than the President's. But I agree with the President that there is a problem and in fact a crisis, depending on who you are and the status of your health care.

I have never gotten into this silly debate about whether there is a problem or whether there is a crisis in health care. I think whether there is a problem or a crisis depends on who you are and what your circumstances are. Certainly, if you are in the process of changing jobs and you find out you or somebody else in your family is very sick and you have lost your health insurance in that transition, that is a crisis. If you are worried about paying the Nation's bills and you look at the exploding cost of Medicare and Medicaid, if it is not a crisis, it is close to it.

There clearly are problems. The point is—and where I differ with the President—is that I believe we can fix what is wrong in the American medical care system without destroying what is right. If our objective is to try to help every American get health insurance, why would we want to destroy coverage for the 85 percent of all Americans who now have it in order to try to help the 15 percent who do not?

I think where the President's plan gets off track—and where it has lost public support—is that while the President talks about access and talks about universal coverage, the reality is that only 19 pages of the President's plan have anything to do with universal coverage. The other 1,323 pages have to do with the Government taking over and running the health care system.

I think where the American people have parted company with the President, and where Congress, Democrats and Republicans in Congress, are parting company with the President, is that we do not believe, and the American people do not believe, that having the Government take over and run the health care system is going to solve our problems. I believe the American people think that what we need to do is preserve the things about our health care system that we recognize as second to none: The quality, the access to the science and technology that have revolutionized American medicine and world medicine, and our right to choose. What we should do is change the system to help all Americans get and keep private health insurance; to make it possible for people who change jobs or who get sick to not lose their health insurance. But we should not force people out of the private sector into a Government health program.

Here are the things that I think represent problems with the President's bill and, to some extent, with the Cooper bill; and it is because the American public is recognizing these problems that I believe we are going to be able to first build a consensus among Republicans and then, hopefully, sit down with Democrats to try to work out a bipartisan bill.

I do not see a health care bill passing with 55 votes. I expect a health care bill to pass with 80 votes, and I expect it to pass with 40 Republicans and 40 Democrats, because I think, in the final analysis, we are going to decide that we do not want the Government to take over and run the health care system; that we want to try to build on the strengths of the system and we want to try to fix the parts that are broken, but we do not want to tear down the whole health care system of the country and recreate it in the image of Government.

Where I think the President gets off track is when he attempts to limit people's freedom. Under the President's plan, if you do not work for the Federal Government and you do not work for a company that has 5,000 or more employees, your health insurance is going to be canceled. You are going to be forced to buy health care and health insurance through a Government-run cooperative that will be a monopoly buyer in your region.

The American people have looked at this, and I think they have rightly been concerned about a seven-member board in Washington, DC, that is going to dictate the principles under which health care will be practiced nationwide. I do not think it is because the President would appoint this board. I would not be happy with this board if we had the seven wisest people on Earth as members of it. I would not be happy with it if a Republican appointed them. I do not think any seven people ought to have that much power.

The idea that anyone would force people to give up their private health insurance I think is alien to the American character. I am against the President's plan not just because it will not work, but because it is at variance with the basic character of the American people to say to someone who has a good Blue Cross/Blue Shield or other insurance policy, who is happy with it, that they have to give up that policy and they have to then buy their health care and their health insurance through a Government-controlled agency, I think people reject that.

I think they also reject the idea that the Government ought to tell us what kind of insurance we should have. If the Government wants to provide information, if the Government wants to help make us wiser purchasers of health care by sharing information with us, I think people are for that. But I do not believe that people think the Federal Government ought to be telling people what kind of health insurance they need.

I think the American people believe that each family ought to have the freedom and flexibility to buy the coverage they want.

It is not a good idea to force everyone, for example, into a system where they are covered for alcohol and drug rehabilitation. Those are real costs, but in many States those requirements have driven up the cost of health insurance by 12 to 14 percent. The fact that we ought to mandate, as the President does, that every American be covered for participation in encounter groups—I do not know what an encounter group is. It may well be that an encounter group is useful. The point is, to take just one scenario, if a healthy 26-year-old is married to a healthy 23-year-old and they have three little children and are not allowed to buy the insurance of their choice in case little Sarah has to have an appendectomy or in case Johnny falls down and breaks his arm, and they are forced into a plan with all this exotic coverage which costs them money and denies them access just does not make any sense.

We Republicans are going to meet in Annapolis this afternoon to try to come together and support a unified set of principles and ultimately later to produce a bill. We are not going to produce a bill by the end of this meeting. I think we all know it.

But I think what has happened as people reject the parts of the President's program that use the coercive power of Government to force people into the collectivization of health care purchases, is that the rejection of the President's plan has created the opportunity to bring both Republicans and Democrats together.

One of the main things that Republicans differ from the President on is the role of Government. Should we have Government set up these alliances, and control the purchase of health care?

The President's plan says if you work for a company that has 5,000 or fewer employees, your insurance is canceled and you have to buy health care through this Government agency. The Cooper plan says the cutoff point is 100 employees, that if you work for a company with 100 or fewer employees, your insurance is canceled and you are going to have to buy insurance and health care through these Government-run cooperatives.

My answer is that the magic number is not 5,000, and it is not 100. The magic number is 1. I do not think we ought to deny one American freedom to choose his or her own health insurance. If our objective is to help everybody get health insurance, why should we want to cancel the health insurance policies of the people who have health insurance today? I think that makes absolutely no sense.

So as we reject the idea that we should cancel people's health insurance and make them buy through mandatory Government programs, I think that is ultimately going to bring Democrats and Republicans closer together. I believe that the health care purchasing cooperative would be ineffective in any shape, form, or fashion, other than simply allowing free people through organizations or through businesses to pool voluntarily in an effort to reduce cost. But any element of mandated pooling, anything that takes away from people their right to choose, that I am against. I believe ultimately when we vote on the floor of the U.S. Senate on these mandatory health care purchasing collectives which will force people to cancel their insurance, force them to buy through Government, and when we look at the President's extraordinary provision which provides a $10,000 fine for anybody who tries to sell private health insurance in competition with the Government, that is not going to survive a debate or a vote on the floor of the Senate.

So I think a consensus can be reached when Democrats and Republicans catch up with the American people, reject mandatory purchasing cooperatives, and reject the idea of Government deciding what kind of health insurance people should buy. When we focus on the parts of the system that are broken, when we provide a workable plan so people can keep bridge coverage when they lose their jobs and retain their insurance until they get a new job, when we change the system to make insurance permanent, when we deal with medical liability, when we force the Government to reduce paperwork, when we allow free individuals and institutions to voluntarily pool to buy health insurance, and when we reform Medicaid and use the savings to give refundable tax credits to working moderate income people so they can buy private health insurance, then I think we are going to find a consensus on those issues. I believe the American people support those reforms.

So, the basic difference that exists among Republicans and among Democrats is really a difference about the role of Government.

The President believes that we should tear down the current system and start over. I reject that. I cannot see destroying the greatest medical system in history to start over and rebuild it in the Government's image.

What we need to do is take the parts of the system that are broken and fix them and we need an aggressive program to fix them. I do not defend the status quo. I did not create the status quo. There are many things about the status quo that I do not support, but I do not believe that we should be destroying the greatest medical care system in history with the idea that by having Government re-create it, that we will be improving it.

Let me also say that when some of my colleagues longingly look toward Canada as being an ideal place where medical care is perfect, it strikes me as somewhat paradoxical that nobody that I have ever heard of in the United States of America went to Canada to get health care. Yet I see Canadians who either have the money or have political influence come to the United States every single day to get health care.

So I would say, in conclusion, Mr. President, that I want to pass a health care bill this year. There is absolutely no reason that we cannot dramatically reform the health care system to fix the parts of the system that are broken, to make the system more cost conscious, to make it more competitive, to make it more efficient. But we are not going to find cost consciousness in Government, we are not going to find efficiency in Government. We are going to find it by promoting price competition, by making consumers more cost conscious and more responsible for their own individual actions.

I am hopeful that Republicans in Annapolis today and tomorrow will come closer together, will agree to write a health care plan that builds on the principles we believe in—the right of people to choose, a belief that price competition promotes efficiency and economy. I am hopeful that as the American people, as they seem to be doing in their great wisdom, reject all the coercive Government bureaucracy in the President's program—that we can all come together, put together a bipartisan health care reform package, get 80 percent of the Senate to vote for it, and show the American people that we, in fact, can do the job they want us to do. I look forward to that.

I thank the Chair for his indulgence, and I yield the floor.

The PRESIDING OFFICER. The Senator from Texas has consumed 10 generous minutes.

Mr. GRAMM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is currently in morning business.

Mr. LEAHY. Is there a limitation of time Senators can be recognized?

The PRESIDING OFFICER. There is 10-minute limitation.

The Senator is recognized for 10 minutes.

SNOW AND POTHOLES

Mr. LEAHY. Mr. President, I would note that the usual degree of panic has been expressed by the local governments and media and so on because they had, I think 2, maybe even 3 inches of snow—something we refer to as a dusting back home, unless it happens in July. I have heard a lot of stories, even editorials, saying the weather is terrible here.

I think one might justifiably ask the local governments if they could take a day or so to actually teach people how to remove snow. It is absolutely ridiculous.

I will not go into the usual bit about people who come barreling down the road, thinking they can stop on ice or snow, because that is obvious, and they have the car repair bills to prove it. I will not comment upon the District of Columbia using an outmoded way of repaving their streets. Something that has been turned down by every other city in the country is used here because, I guess, of a historic affinity for potholes.

I think the only way I could compliment those who are supposed to keep our streets clean is to say that they are very religious people. They have an abiding faith—faith that if God put the snow there, God and God alone will take it away. Because, God knows, they are not going to.

EXTENDING THE SATELLITE HOME VIEWER ACT

Mr. LEAHY. Mr. President, I come to the floor of the U.S. Senate to assure the thousands of families in Vermont and the millions of households nationwide that their home satellite dishes are not going to go dark and that the Congress is not about to pull the plug on home satellite reception. I am going to do everything in my power to ensure that we pass the legislation necessary to continue home viewer access to satellite reception of television.

Where mountains and distances can interfere with over-the-air reception of network broadcasts and cable is not a viable alternative—and I can think of my own home in the mountains of Vermont, in a very rural area with houses about a mile apart where you are not going to have cable and the mountains interfere with reception—satellite technology has provided access to the information and entertainment available on television that those in a more urban area take for granted.

In 1988, we made possible the development of home satellite viewing by passing the Satellite Home Viewer Act. I am proud to have been a principal in the passage of that act. I am delighted that so many people in my own home State, who might not otherwise receive signals from the networks or the superstations or the special channels, now can through satellite viewing.

In fact, there are an estimated 35,000 satellite dishes in Vermont. To put that in perspective, Mr. President, we are a State of only 570,000 people. That is a pretty high percentage. In fact, some say that we ought to change our State flower from red clover to the satellite dish. I am not quite prepared to go that far. But if you go down any of the rural roads in Vermont—and there are many of them—you will see how much we rely on satellites.

Last year Senator DECONCINI introduced S. 1485 in order to extend the statutory copyright license that has made the development of the home satellite dish industry possible. The license provided by current law expires this year, 1994. Indeed, there are less than 120 legislative days left to us in this Congress to act on this necessary legislation. To date, the legislation has yet to be considered by either the House or Senate Judiciary Committees, let alone scheduled for floor action. With the extensive agenda we face in this legislative session, including health care reform, welfare reform and crime legislation—all things I and so many others want to go forward with—we should not delay our consideration of home satellite legislation any longer.

We are undercutting consumer confidence in the future of the home viewing of satellite transmission and raising needless concerns for our constituents, local distributors and satellite retransmission carriers. Home satellite technology has advanced to where the dish is becoming more affordable and about the size of a large dinner plate. This is hardly the time to allow congressional inaction to interfere with these developments that hold such promise for so many viewers in rural areas of the country.

In fact, the distinguished presiding officer comes from a State, a very rural State where—I know from my own experience and—the pleasure I have had visiting North Dakota—you see a number of satellite dishes as you go around that wonderful State.

I join today with my distinguished colleague from Arizona, the chairman of the Subcommittee on Patents, Copyrights and Trademarks of the Judiciary Committee to urge prompt consideration and passage of legislation designed to continue to make possible home satellite viewing of television by those in rural areas and those who opt to take advantage of this exciting technological opportunity.

By cosponsoring S. 1485 today I signal that I intend to make sure that the Satellite Home Viewer Act is extended without interruption. While the precise contours of the legislation will be improved by consideration and amendment, the fundamental purpose of my action today is to reaffirm that home satellite viewing will continue and the development of broadcast satellite technology and so-called wireless cable and other technologies should be encouraged and have access to signals in order to provide video programming and viewing alternatives that the public wants. The prompt consideration and passage of S. 1485 will provide an essential component of the legal framework that is currently needed if all of our constituents are to have increased opportunity to receive information and entertainment by way of television.

As we begin travelling the information highway we should extend to those in unserved and underserved areas, in remote locations and outside our cities, the opportunity to see their government in action and their favorite sports team, a chance to see performing arts and international news developments, as they happen, and the capability to share in the harvest of information and entertainment that is before us.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Chair advises the Senator there are two minutes and 40 seconds remaining.

WTOP AT 25

Mr. LEAHY. Mr. President, I want to speak about a radio station I listen to virtually every day. Do you know what Walter Cronkite, Connie Chung, Sam Donaldson, Bill Lynch, Eric Engberg, Jim Bohannon, Gary Nunn, Bill Diehl and Jamie Gangel have in common? Besides their reputation for being among the finest broadcast journalists in the business today?

They are all members of the distinguished alumni of Washington's all-news radio station, WTOP. I know that many of us listen to Dave McConnell's "Today on the Hill" program on our way to work each morning and his late night wrapup of the day's congressional action when we return home that night. A lot of times I listen to it late at night as I drive back home just to find out exactly what we did do during the day in the Congress.

Today, WTOP is celebrating the 25th anniversary of its all-news format. I am sure Charles Osgood will have something in rhyme to commemorate the occasion, but I would like to add my appreciation, on behalf of the Senate, for the tremendous public service performed by this great station.

Washington thrives on information. The Congress and the White House are often called upon to react to this information and we are dependent upon the integrity of those sources of information.

WTOP performs a great public service for the people of Washington and those who work on Capitol Hill. On behalf of the Senate and thousands of appreciative listeners, I congratulate WTOP as it marks its 25th anniversary as an all news station.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT CLINTON

Mr. DORGAN. I have listened today at some length to discussion on the floor about a number of things. I wanted to come over and say a few words about President Clinton.

It is interesting that we have so many people running for President this early in the season that they are bumping into each other, driving these political cement trucks, careening from side to side of the road, not caring who or what they run into: Health care, Whitewater.

Let me say first about Whitewater, I do not know all the facts about Whitewater, but I know many of the facts about Presidential ambition. We are told that Whitewater is a massive scandal of some sort.

There is no alleged criminal impropriety by the President in Whitewater that I am aware of. These were not actions that were involved with the term of Mr. Clinton's Presidency. We were told by those who continue to raise this on the floor that there should be a special prosecutor; so there was a special prosecutor named. Now we are told that is not enough, there should be congressional committees investigating it.

I just wonder, as I listen to all of this, whether any helping of information or facts would satisfy the political appetites of those out here on the floor of the Senate with respect to Whitewater.

Next let me mention health care. I have not been a cosponsor of the Clinton health care plan. There are parts of that plan I do not agree with. But I will say this. This President has stepped forward and said this health care system needs fixing and I am going to lead the effort to fix it. I credit him for that, as opposed to previous Presidents who say: "What problem? There is no problem? Everything is just fine," while health care prices are increasing double and triple the rate of inflation every year, pricing American families out of the ability to get health care for their children.

Things are just fine?

They are not fine. We do have a crisis in health care for too many American families. I credit this President for saying this is an issue this Congress must address. Good for him.

For those who are having what is called a retreat this afternoon, I would say that is probably an apt description of where they are heading, a retreat. Because finally, this President through his leadership is bringing them, as well, into the discussion about how to fix this difficult problem.

TRADE

Mr. DORGAN. Mr. President, let me turn to trade just for a second. President Clinton is also under attack for his position on trade issues with Japan. Finally, I say, finally we have a President who is willing to exhibit a bit of leadership in international trade. We have had, year after year after year, trade actions by Japan and others that are fundamentally unfair to American producers, drive up enormous trade deficits in this country without anybody willing to stand up and say, "That's unfair to us."

Uncle Sam ought to stop getting kicked around in international markets. We ought not expect any special favors at any time, but neither should we accept unfair trade. When other countries decide they want to accept the opportunity in our market to send all their goods to us, then we ought to say one simple thing of them: We have a requirement of you to open up your market to our producers just as generously as we open up the American market to yours. That ought to be the standard for trade: Reciprocal trade and fair trade.

Finally, we have a President who is willing to stand up to Japan and others—good friends, allies, trading partners, yes—but to stand up and say we expect more from you, we expect your markets to be open to American businesses and American workers, and we expect to get our goods into your markets just as you flood our markets with your goods. That is a standard that every American should accept and every American ought to applaud this President for taking that leadership.

Let me turn to one other point in trade that we are trying very hard to get the White House to move on as well, and that is trade with Canada. Canada shares with us the longest border up North. We are good neighbors. We are good friends. But we have an enormously serious trade problem with the Canadians, and that is they are flooding our market with unfairly subsidized grain.

Most people do not know what durum is, unless you produce durum. The people who eat macaroni and cheese tonight will not know they are eating something produced from semolina flour. Semolina flour is the ground product of durum wheat. Eighty percent of the durum wheat raised in America is raised in North Dakota.

So if this evening you decide to have a pasta dinner, you are likely to put something in your stomach that comes from a durum wheat field in North Dakota.

When we had the United States-Canada Free-Trade Agreement before the Congress, our farmers were literally sold out by then Trade Ambassador Yeutter and by the administration. We had zero durum wheat shipped into our country at that point from Canada. Do you know what it is now? Twenty percent of domestic consumption—all of it—is coming in unfairly subsidized. None of it is trade with which we can compete—50 cents a bushel subsidy just on the subsidized Canadian railroad alone. We cannot compete with it.

It is fundamentally unfair trade. It has sucked hundreds of millions of dollars out of the pockets of our farmers. It has cost us an extra $600 million in added farm program payments, said the USDA, according to their own testimony.

The question is, what is going to be done about it? This President has taken the first steps to address it, but they are not steps sufficient enough to resolve the problem. And we are asking—yes, demanding—that this administration step up and say to the Canadians, "No more."

We want trade remedies called an emergency 22, emergency section 22, which would impose immediately a significant tariff on that unfairly subsidized grain. We are having a series of meetings with the administration. But you almost fall asleep over all these meetings and all these months when everybody says all these soothing things and nothing really quite gets done to solve the problem.

I am of the opinion that we probably will not need to confirm any additional trade folks, because we do not need more trade people working in any agency downtown if we cannot solve the trade problems we now have. We have some nominations coming up. I have talked to some people in the administration suggesting that if that is the only point of leverage, then we will have to use that.

We must resolve this issue with the Canadians and we must resolve it now. Our farmers deserve no less than to have the administration and Congress step up and say we will not accept unfair trade from our neighbors.

The Presiding Officer, who very ably chairs the Agriculture Committee, understands how arcane some of these disputes are and how difficult some of the issues are with respect to grain.

Most of the people in this Chamber—I should say most of the people in the other Chamber, in the House of Representatives—come from urban areas. Many in this Chamber grew up in urban areas. They do not have to live in a rural area in order to serve here. Those of us who come from rural areas have to live in an urban area to serve here. That is part of the requirement of serving in the U.S. Senate: You have to live at least part of the year in Washington, DC. We understand urban problems because we are forced to live here to serve here.

The reverse is not true. Urban Members of the House and Senate do not always understand the problems we have in rural America. We have very few people out there. They are important. Their livelihood is fragile, depending on the weather, depending on the price. If they get a crop, there might be a decent price from the harvest; more than that, depending on the trade rules, because we must find a foreign home for half of what we produce.

Trade rules are unfair to them. When you have trade rules that are as unfair as the rules have been with Canada, our farmers understand and are demonstrating in 30 degree below weather up on the northern border that this Government take action.

I talked with President Clinton as recently as 2 days ago about this subject. I implore him again that we need to take effective, immediate, and decisive action to respond to this issue.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE STATE OF HISTORY EDUCATION

Mr. BYRD. Mr. President, the Woodrow Wilson International Center for Scholars, which operates out of the Smithsonian Institution, recently reported a revival of the study of classical history and philosophy in the Soviet Union. Private educational institutions are being established there to study the humanities—although Soviet authorities have not yet permitted these schools to award degrees. The Wilson Center suggests that "the popularity of such 'non-utilitarian matters' as Greek and Roman classical works represents a clear breakdown of the ideological control Soviet authorities once exercised over education." This is welcome news, and yet how ironic it is that the study of Western civilization seems to be bursting forth in the Soviet Union at the very time it has been declining in the United States.

The distinguished former Chairman of the National Endowment for the Humanities, Mrs. Lynne V. Cheney, had written about how tragic it is that Americans as a society no longer emphasize the study of history and literature in our schools. She pointed out that the study of history—which was part of every year's curriculum when my generation attended high school—has generally now been reduced to a single year. And even within that single year, many State education systems have de-emphasized the chronological study of history in order to focus on more topical, social studies issues.

A provocative book, "What Do Our 17-Year-Olds Know?" by Diane Ravitch and Chester Finn, Jr., argues that in our national concern over science and mathematics education, following the sputnik scare of the 1950's, we turned our attention away from the humanities to the sciences and reduced history to just one of the "social studies." They lament that as a nation we have lost any consensus about what authors should be read, what subjects should be studied. Standardized testing subsequently concentrated on verbal skills over literary knowledge and appreciation, and on mathematical equations rather than a sense of history. As a result, we have produced a generation of young citizens who have graduated from high school without having read Charles Dickens or Mark Twain, and who have not the slightest clue who Herodotus or Thucydides were. Many young people cannot tell when World War II was fought, cannot identify the Magna Carta; and cannot explain why President Washington was also called "General Washington." And the only information they have about Abraham Lincoln is that—as I heard one young lady say—"he was shot." We may well have produced a generation of voters who cannot understand what they read in the newspapers or hear on the media because they lack any historical reference points.

One newspaper columnist has written "In Praise of the Non-Voter." Rather than being depressed that only half the eligible voters showed up to cast ballots on election day, columnist Doug Bandow took satisfaction on the grounds that people who do not know enough about the issues should not be encouraged to vote. "High school graduates these days have no idea where most foreign countries are." He noted, "they have no sense of history and don't understand economics." I can agree with his assessment of the current state of history education, but I cannot subscribe to a cure that discourages voters. I would rather ensure that all citizens are educated sufficiently to carry out their responsibilities and preserve our democratic form of government. Every citizen must have some sense of history in order to make choices about today's social, economic, and political issues.

Along these same lines, University of Virginia Professor E.D. Hirsch, Jr., has called for improvement of America's "cultural literacy." Professor Hirsch writes: "To be culturally literate is to possess the basic information needed to thrive in the modern world." He argues that the cultural "illiteracy" of so many citizens is a result of the failure of our schools, which offer "a fragmented curriculum based on faulty educational theories." Professor Hirsch not only believes that there is a national culture, but that it can and must be studied and mastered. "To teach the ways of one's own community has always been and still remains the essence of the education of our children," he writes. He objects to "cafeteria-style education" and "the shopping real high school," in which students randomly and arbitrarily choose what they will study amid myriad classes, many drawn not with the core curriculum but from passing fads and fancies. He believes that teaching children the "national mainstream culture" will help them to understand those values, but not force them to accept those values uncritically. Cultural literacy will place "a higher value on national rather than on local information," and give students a greater breadth of view.

Professor Hirsch then offers a 63-page list of names, dates, places, events, and concepts that literate Americans ought to know. This list is probably what made his book a best seller, as readers who studied the list could then pride themselves on their literacy. Others have objected to such reductionist approaches to knowledge and literacy. Professor Fred Newmann, director of the National Center on Effective Secondary Schools, spoke for those who felt we should "go for depth" of learning rather than limit ourselves to Professor Hirsch's lists of specific background information. In response, Professor Hirsch admitted that he did not "love a list," but was impelled to create one by the logical and practical constraints of trying to identify the core knowledge that all educated citizens should possess. His list, he hoped, would open debate about what that core knowledge should be.

Open—or at least contribute mightily to a debate he surely did. In the last few years both popular and scholarly journals have produced a literary avalanche of articles on what has gone wrong with our study of the humanities. The Bradley Commission on History in the Schools, designed to help States perform their history education, has proclaimed that the study of history fosters better "habits of the mind," among them "critical thinking, acceptance of uncertainty, [and] appreciation of causation." Professor Paul Gagnon, staff director of the Bradley Commission, testified that such books as "What Do Our 17-Year-Olds Know?" and "Cultural Literacy" have stimulated a much-needed review of history education, and also considerable opposition from those who fear that they will bring about a return to rote learning of facts and jettison "relevance" from the curriculum.

Professor Gagnon added his own prescriptions in an important cover-story in the Atlantic Monthly, "Why Study History?" "When Students, and School Boards Ask, 'Why History? What Are We Supposed To Be Getting Out of This?'" He wrote, "the best answer is still that one word: Judgment." Citizens need to possess a judgment guided and enlightened by history. Judgment requires more than simply a civics lesson on the tools of government, it requires wisdom, a sense of tragedy, comedy, irony, and paradox—and history, biography, and literature, "if they are well taught, cannot help but convey them." Gagnon tells us that history helps students develop a sense of "shared humanity." History helps students to understand themselves and others, by showing their resemblances to people of different times and places. History helps students to question stereotypes. History helps students to distrust simple answers and to confront complexity in human action and motivation. History even helps students to recognize the abuse of historical "lessons" and other forms of misinterpretation and distortion of the past.

History is at its best when it pursues broad themes, but Professor Gagnon particularly faults American history textbooks for a lack of imagination in presenting these themes and the broad sweep of history. In recent years textbooks seem to be stripped of style, and devoid of any point of view. Trying to appeal to everyone and to offend no one, they may well have appealed to no one and offended everyone by their blandness. What a shame that is, because I still remember the vivid prose and sweep of the textbook that I read in high school, as a matter of fact, in Elkton in the elementary school, by David S. Muzzey, "History of the American People." Since Muzzey, history textbooks have apparently lost their world view and make few comparisons with events happening outside of North America. In their rush to include the lives of "ordinary people," they have diminished the stature of the leaders and heroes who once made history thrilling and inspired young leaders. Trying to become more democratic, they have lost much of their power to serve as educators of democracy.

These themes are repeated in various forms in such studies as Harriet Tyson-Bernstein's "A Conspiracy of Good Intentions: America's Textbook Fiasco," Gilbert T. Sewall's "American History Textbooks: An Assessment of Quality," and the People for the American Way's "Looking at History: A Review of Major U.S. History Textbooks," as well as Professor Gagnon's pamphlet, "Democracy's Half-Told Story: What American History Textbooks Should Add."

Now, it is worthwhile to mention that while these studies are uniformly critical of American history textbooks, especially on the high school level, they each have favorite books that they cite as better than the rest, and they do not at all agree on which books are the best. In other words, the situation is bad but not hopeless, and there are some good products available on the market.

Pick up any high school textbook today and you will notice immediately that it looks different from the books we read. Those of us who have lived a long time and others who have not lived so long will notice immediately that the history textbook of today looks different from the book that you read. For one, there are color illustrations on practically every page. In Muzzey there were none. There is nothing wrong with color pictures, particularly if they catch a student's attention and imagination. I am very pleased with the handsome appearance of the color pictures in my own recently published "History of the United States Senate." But I must admit a preference for colorful writing over colorful pictures. The real test of a textbook is in the words, the story, and the flow of the narrative. Thankfully, some books still tell a good story, but others read as if they were written by a committee—and most likely they probably were!

How did textbooks get this way? Part of the problem lies in the fragmented nature of our National Education System.

The United States has developed 50 approaches to education, and an even greater number when one considers the individual towns and counties and local school districts that direct education in their schools. When it comes to adopting textbooks, about half the States have some form of State-wide adoption. Under these systems, the individual State reviews the various textbooks that publishers offer and selects a limited number from which the various schools in that State can choose. If a book is not adopted, it cannot be purchased by the public schools in that State. Naturally, larger States like California and Texas, with their larger sales potentials, will influence the market far more than smaller States. Some large States, like New York, have a system of local option, leaving decisions to local school boards. Regardless of the merits of these State and local approaches, they have tended to fragment educational policies and leave textbook publishers in something of a quandary over how they can possibly appeal to so many different demands.

For many years, for instance, some southern States would not purchase books that employed the term "Civil War," preferring, instead the euphemistic "War Between the States." Textbook publishers complied by producing two different versions of their books with the appropriate nomenclature for each region. But issues of interpretation are much harder to resolve. How should these textbooks deal with the issue of slavery and reconstruction, when the north and south still, a century and a quarter after the Civil War, hold different interpretations? Other States have mandated that textbooks adopt a multicultural approach to history, or emphasize the development of the free-enterprise system, or include references to a particular hero of that State. Moreover, the increased academic interest in social history has reduced the space available in textbooks for more traditional political and diplomatic history. More history is also devoted to women, African-Americans, Hispanic-Americans, Asian-Americans, and Indian-Americans, each of whom has sought strong voices of advocacy in the textbook-adoption process. Taken on their own, these may all be valid requests, but put together, they certainly make it difficult for publishers to satisfy everyone and still retain their individual character and style. I wonder how Muzzey would have fared against such odds.

Mr. President, my ancestors came from England and so I suppose I would call myself an Anglo-American. But I think there are too many hyphenated Americans. Afro-Americans to me are Americans, and so are all of the other hyphenated Americans, if they are born in this country. I can be just as proud of my Anglo-American heritage as anyone else can be of theirs. But I am not a hyphenated American. I am not an Anglo-American. I am an American.

So that is the way I look at it.

Now, what is the answer? As a nation, Americans recognize that we have drawn our heritage from the contributions of men and women from all continents. Over the past decades, the lives and writings of individuals from all of these hyphenated groups have been incorporated into our traditional fields of study—and rightly so. But, I would agree with Ravitch and Finn that:

> It is possible to define American history, with all its complexity, controversy, and variety, as the story of a people forged from many different pasts but joined together under a common political system. There is, in short, an American people—we ought to be proud of that—not just a mosaic of unrelated groups, each with its own story, disconnected from the whole.

Mr. President, from what I have been saying, I think it is obvious that I find history worth studying. History is exciting. It is flesh and blood. It is drama. It is enormously instructive. I can also attest that history is exacting. It requires research. It requires accuracy and precision. It requires analysis. It requires understanding and even empathy for those who went before us, and whose lives and deeds have so much to teach us.

A taste for history can become unquenchable. My own studies began with the institution of the Senate, and then led me back to our pre-history in the British Parliament.

Of course, as I already indicated, they began with Muzzey, but more recently my studies began with the institution of the Senate and then led me back to our present-history in the British Parliament. From there I found myself reading about the Roman Senate and further back to the Greek democratic city-states. As a result, I have come to believe that Americans need more than a knowledge of their own history. Mainly, we should know American history. One needs a knowledge and appreciation of world history. Therefore, with regard to the debate over "Euro-centric" history and "Afro-centric" history, I would endorse "global-centric" history. We need to broaden our focus, not shut our eyes to the achievements and lessons from all parts of the world.

I find it strange, for instance, to identify ancient Greece as part of a "Euro-centric" curriculum, when the ancient Greeks had far more contact with the Middle East and Africa than with Europe. Moreover, many of the writings and lessons of the Greeks were preserved not by Europeans but by Arab scholars, from whom the Europeans eventually received back that lost heritage.

Why should American students study the Ancient Greeks? It was from the Greeks that we inherited our concept of democracy, and from whom we learned the wisdom of dividing government into different branches. In the Fourth Century B.C., Aristotle divided government into "three elements." The first was "the deliberative element," or the legislative branch, along with an executive branch and a judicial branch. Aristotle found it in the interest of a democracy that "the parts of the state should be represented in the deliberative body by an equal number of members," the formula that the Constitutional Convention adopted for the U.S. Senate. He recommended that the legislature be sovereign in such matters as war and peace and the making and breaking of alliances, in the enactment of all laws, and in the appointment of all magistrates.

Polybius, who lived from 205 B.C. to 125 B.C., spoke about a government with separation of powers.

He talked about the Romans, and their checks and balances.

Our Founding Fathers had the benefit of a classical education, and were well aware of such theories at the time they drafted our Constitution. To understand our Government today we, therefore, need to understand Aristotle, Lycurgus, Polybius, the Greeks, and the Romans.

The very concept of a historian comes from the Greek historein, meaning "to inquire," and a sustained inquiry was a historia. Herodotus was the first historian. He lived from circa 480 to circa 420, B.C.

Thucydides lived from circa 460 to circa 400, B.C. Herodotus lived during, the Fifth Century B.C., and his account of the Greek war with the Persians is considered the first work of Greek history.

Herodotus tells us about the Persian Kings, about how Darius, of Hystaspes, was made king by the neigh of a horse. Thucydides followed shortly after Herodotus and appears to have been much influenced by him. Indeed, his story began where Herodotus's ended; and Xenophon's story picked up where Thucydides left off.

Xenophon wrote about the Anabasis, the going in to Persia by Cyrus the Younger, the brother of Artaxerxes II, and about the death of Cyrus at the battle of Cunaxa.

Thucydides tells us that his history is not easy to read "because of the absence in it of a romantic element." He was not writing in the style of Homer, with heroes and gods and monsters and daringly impossible feats. Instead, he wanted to write factual story of real people and nations engaged in a long war. He did not believe in knowledge for its own sake, but something that could be used. Thus, he wrote:

> It will be enough for me, however, if these words of mine are judged useful by those who want to understand clearly the events which happened in the past and which (human nature being what it is) will, at some time or other and in much the same ways, be repeated in the future. My work is not a piece of writing designed to meet the needs of an immediate public, but was done to last forever.

Thucydides distinguished his own form of factual history from the "prose chroniclers" of his time, who he informs us, "are less interested in telling the truth than in catching the attention of their public," and "whose authorities cannot be checked." He might very well be describing the many "prose chroniclers" of our own day, who pass off rumors and gossip and unattributed "deep-background" quotes as gospel truth and offer no possibility of verification.

His history of the Peloponnesian War is the story of alliances, of mistrust, of military action, victory, retreat, and defeat, of fortifications and land and naval battles, of diplomacy oratory, and politics, of how small allies can trigger warfare between large powers, of how people can miscalculate their strength, miscalculate their enemies. He wrote of the love of power, of individual and communal greed and treachery, of violent fanaticism, even of politicians who tried to deny bad news by attacking the medium that brought the news. In short, although writing about the distant past, he was cataloging and analyzing human nature, which is timeless and universal.

Napoleon said, "Let my son often read and reflect on history; this is the only true philosophy."

Thucydides tells us that "war is a stern teacher." Centuries before George Orwell, Thucydides understood the politics of words:

> To fit in with the change of events, words, too, had to change their usual meanings. What used to be described as a thoughtful act of aggression was now regarded as the courage one would expect to find in a party member; to think of the future and wait was merely another way of saying one was a coward; any ideas of moderation were just an attempt to disguise one's unmanly character; ability to understand a question from all sides meant that one was totally unfitted for action. Fanatic enthusiasm was the mark of a real man.

How modern that sounds!

Mr. President, our students should be reading Herodotus and Thucydides and Polybius and Livius and Gaius Sallustius, Crispus, and Tacitus, and Zosimus, and Suetonius, and Gibbon, and others.

They should be studying particularly America's history and literature, and English literature and English history—the history of the British, the history of the people of the British Isles, which are today known to us as Scotland, Ireland, Wales, and England. And what history is more fascinating than the history of the Romans?

They should have enough time in their curricula to study all of those fields comprehensively and in depth.

Prof. Peter Stearns of Carnegie-Mellon University has urged that American history be taught as part of the "much broader historical panorama" of the world. More comparative history, more interaction between world and American history, more global perspectives, he reasons "will help students intelligently assess any claim to American uniqueness or to understand why foreign views of the United States—and its history—may well differ from their own."

I, for one, welcome the debate over our history education, and trust that its effects will be felt in classrooms all over this Nation. We must do all that we can to stimulate and support our educational system if we hope to produce new generations who are capable of carrying out their responsibilities as citizens with an appropriate sense of history.

I close with Cicero's words:

> One should be acquainted with the history of past events. To be ignorant of what occurred before you were born is to remain always a child.

(Mrs. BOXER assumed the chair.)

HAPPY BIRTHDAY, EDDIE WALKER

Mr. BYRD. Madam President, from time to time in my daily life, I am privileged to encounter a man or woman who renders exceptional service in his or her work, who seems to have discovered in his or her work a special calling, who feels that no respectable job is demeaning and who believes that a big man can make a little job big, and who consistently leaves those to whom those services are rendered with the impression that such services were adorned with courtesy and performed with pleasure.

Such a man is Mr. Eddie Walker. Who is Eddie Walker? You have all seen him. I am sure he has said hello to everyone here, whether or not they bother to respond by saying hello to him. He is the Lead Waiter with the U.S. Senate Restaurant's Banquet Department.

Edward Steven Walker started working with the Senate Restaurant on October 26, 1971—nearly 23 years ago—at the age of 20. He has spent more than half of his life working here for Senators, for the families of Senators, for tourists, for the general public, and for all of the people who work with us and for the Senate.

Eddie Walker seems to perform all of his assignments with a smile—something of a rarity in so many occupations nowadays. And he is always polite, and that is all too often a scarce commodity nowadays. His smile is one of those contagious expressions that makes its recipient feel better for having received it.

Ever dependable, Eddie Walker always seems to be here at 7 o'clock in the morning, and often stays late in the evening, sometimes until 10, 11, or even 12 o'clock at night, depending on the scheduling of special dinners, receptions, or banquets.

Regardless of the time of day that I encounter Eddie Walker, he seems always to have something kind or pleasant to say to me—something that further brightens my day or that makes me glad that Eddie Walker is my friend.

Madam President, I make a point of sharing these thoughts about Eddie Walker because this Saturday, March 5, is Eddie Walker's 43d birthday. Oh, to be 43 again!

On this occasion, I wish Eddie Walker the happiest of birthdays, and I know that I speak for all of our colleagues who have been recipients of Eddie Walker's unique graciousness, when I express this greeting to one of the people who makes the work lighter and every day a little brighter for all who are privileged to serve in the United States Senate.

So, Eddie,

Count your garden by the flowers
Never by the leaves that fall;
Count your days by the sunny hours,
Not remembering clouds at all;
Count your nights by stars, not shadows,
Count your life by smiles, not tears,

And on next Saturday afternoon, Eddie:

Count your age by friends, not years.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WTOP 25TH ANNIVERSARY

Mr. BYRD. Madam President, today marks the 25th anniversary of Washington's only All-News radio station, WTOP. WTOP's reputation for presenting the news instantly and in a unbiased manner is well known. It sets a good example of providing the facts to its listeners without editorializing.

This is quite a milestone for the personnel at WTOP and I am sure that my colleagues and all join with me in wishing the personnel at WTOP many more years on the air.

TRIBUTE TO PAUL DUKE

Mr. BYRD. Madam President, this weekend will mark a real sea change for devotees of good political discussion. On Friday night, that is tomorrow night, Paul Duke will celebrate his last night as moderator of the PBS program "Washington Week in Review." I have known Paul Duke for many, many years. I have not seen him in a while face to face, and I will miss him.

Paul has been an institution in this town for over two decades and he has come to symbolize all that is good about the media's role in reporting the business of Congress and the White House. His ability to transcend the fray and present a balanced, fair, and decent program is legendary. Paul has never made himself the focus of the debate. He has always brought the proper combination of expertise and guidance, and graciousness to his role. As a result, Paul has set a remarkable standard. One that will not be easily repeated. It is my hope that his contribution to his profession will be remembered and that journalists will seek to emulate him.

I congratulate Paul on his great contribution to Washington and wish him all the best in his future plans.

The hours are like a string of pearls,
  The days like diamonds rare.
The moments are the threads of gold,
  That bind them for our wear.
So may the years that come to you (Paul),
  Such wealth and good contain.
That every moment, hour and day,
  Will be like a golden chain.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. MITCHELL. Madam President, as all Members of the Senate know, ordinarily the Senate would be in session well into the evening on today—a Thursday—and tomorrow as well. But as I noted in earlier remarks to the Senate, the Republican Senators have a meeting today and tomorrow on health care, and the Republican leader asked me to change the schedule to accommodate Republican Senators for that meeting. I was pleased to do so. I applaud their attention to the importance of the subject of health care. As I also noted in my earlier remarks, Democratic Senators have had a number of meetings on this subject, and they will have a number of additional meetings.

My hope is that out of these respective meetings can come a genuinely bipartisan effort to reach agreement to reform our Nation's health care system. The problems that Americans face with respect to the cost of health care are neither Republican problems nor Democratic problems. They are problems that face every family, regardless of politics or political philosophy or persuasion. I believe it will take a genuine bipartisan effort, with our allegiance being first and foremost to the national interest, for us to resolve this matter and to reach agreement on what I hope will be a meaningful and bipartisan and comprehensive reform of our Nation's system of health care.

There are many things we must do. First and foremost among them, we must see to it that every American has private health insurance that cannot be taken away, health insurance that is permanent, noncancelable, and that travels with that person for life. No longer should Americans have to fear the loss of health insurance if they lose or change their jobs, if they move from one place to another.

No longer should a single American—a single American—have to choose, let alone the many thousands who now make the most basic decisions of life based upon health care considerations. Right now in this country there are thousands of people who decide whether or not to marry, whether or not to have children, where to live and where to work, based upon health care insurance and cost considerations. I personally have met with many such Americans.

I held a series of hearings around the country, and I was shocked to hear people tell me that they are either not going to be married or not going to have children solely because of their concern about health insurance and the cost of health care.

And, of course, we all know about the growing phenomenon of joblock, where millions of Americans have jobs that are not making the maximum use of their talents, and who could, in fact, and would like to have other jobs, but do not move because of their fear of losing health insurance. This creates massive inefficiency in a free-market economic system in which the highest level of productivity is when each person is working at the maximum level of talent which he or she has.

So there has to be health insurance for every American. There has to be control of cost. We cannot continue the escalation of health care costs that is occurring in this country, that has occurred over the past several decades.

Volumes have been written on it; books have been written on it; but one statistic tells the story. In 1960, Americans spent on health care in the aggregate $27 billion. This year, Americans will spend on health care in the aggregate $950 billion. From $27 billion to $950 billion. That is a rate of increase which cannot be sustained.

I know there are some who say the rate of increase has moderated a little bit in the most recent year or two and, therefore, ought not be a matter of concern. These are among the no-crisis exponents in our society who say this is not a crisis, this is not a real problem, we really do not have to do very much.

Madam President, Members of the Senate, I strongly disagree.

We must act. We must act this year.

I would like to make a final personal appeal on one subject which has been a matter of special consideration and attention for me.

Before becoming majority leader, I served as chairman of the Senate Health Subcommittee, and I have been privileged to serve on that Health Subcommittee in all the years I have been in the Senate.

I became aware then and have become increasingly aware of the need for much greater emphasis on primary and preventive care in our society. One of the reasons Americans spend so much on health care is that we spend almost all of it trying to make people well after they have become ill. We devote very little attention, very little effort, and very little in the way of resources—and almost nothing in the way of education—in an effort to persuade people that it is in their personal interest to concentrate on wellness.

Healthy people do not need as much health care as people who are not healthy. That is so obvious it needs to be restated: We must undertake a major national effort at education, at prevention, to change the minds and attitudes and poor health habits of Americans, to concentrate our efforts on personal responsibility. Every person is personally responsible for his or her well-being. It is something that is so obvious that it is often not said. But we have to do a much better job, especially among young Americans, of encouraging them to discontinue poor health habits and to encourage the kinds of habits that will permit longer, fuller, more meaningful, and more healthy lives. We can save billions of dollars in the process, and although the examples are legion, I am going to take this opportunity to recite just one of them because I think it is an example with which every American can and should identify.

I have toured every health-care facility in my State, and I have been in many health-care facilities in other States. Some time ago, I was privileged to be taken on a tour of the Tampa, FL, General Hospital. It is a very fine community hospital in a large urban area with a diverse population. As I walked through the pediatrics ward, the chief pediatrician pointed to a row of incubators along the wall and said: "Senator, those are our million-dollar babies."

I said, "What do you mean by that?"

She said: "It is a term of affection, but the cost of keeping each of those babies alive has exceeded $1 million. In the case of some of them, it is $2 million or $3 million."

I went over with her to the row of incubators and walked along and looked at each of those babies. Some of the parents were there, and I talked to some of them and I inquired about the histories of the babies and the parents.

They were different. This is a diverse urban area, but there was one common theme among most of them. Most of these babies were born of mothers who had received no prenatal care. In plain and simple English, many of these young mothers had not seen a doctor between the time they conceived and the time they gave birth to the child.

That ought to be shocking to all of us. I am absolutely certain that every single Member of this Senate would find it unthinkable, if one of their children became pregnant, that she would not see a doctor during pregnancy. For us, it would be unthinkable.

What is unthinkable for us ought to be unthinkable for every American family. It is unacceptable that what is unthinkable for us is the reality for many American families. It simply ought not to occur in America.

Every single American woman should know that if she becomes pregnant, she can see a doctor. The normal, reasonable, preventive measures that our children would take under similar circumstances ought to be taken by every pregnant American woman. This simply ought not to occur in our country, and yet it does with distressing frequency.

I have had many people say to me, "Well, there really are not that many $1 million babies." Maybe there are $800,000 babies, maybe there are $400,000 babies, maybe there are $100,000 babies. But the reality is this: The rate at which babies are born prematurely and of very low birthweight is markedly higher among women who do not receive prenatal care than it is among those who do.

That, again, is just obvious common sense. A pregnant woman who does not see a doctor, especially one who may not have a high level of education, who may not have a supportive, intact family, who may be frightened and under enormous social and economic pressure, that woman is much more likely to have a child born prematurely of low birthweight, therefore requiring these heroic and expensive measures, than one who does not suffer from those pressures, who is not subject to those pressures, and who has the opportunity and the means to see a doctor on a regular basis and to have any problems taken care of, or, most importantly, to take reasonable preventive measures.

That is just one example, and there are literally hundreds of such examples, of how we can have a healthier society, a better society, and spend less money.

Would we all not be better off if there were fewer $1 million babies or $100,000 babies, whatever the figure? We would have healthier babies, healthier mothers, healthier families, a healthier society, and spend less in the process.

It is so obvious, it is so clear, the knowledge exists. The only thing lacking is the political will to do what we know must be done. And that is our task.

Each of us sought this office. Each of us worked very hard to get here. And once we get here, it is our responsibility to act in the national interest, not merely to serve in public office for the glory of being in public office, but to use that limited opportunity, the short time that each of us has in life overall and in public life to do something good and meaningful and positive and beneficial to the country. That would be the best legacy we could leave individually and as a Congress.

Our challenge this year—and it is a challenge that no other Congress has faced with as much opportunity in many, many years—is to pass comprehensive, meaningful health care reform.

Madam President, I commit myself to that objective. Again, I express the determination of the Democratic Members of the Senate to get this job done this year. We look forward to working with our Republican colleagues. We do not think we have all of the answers. We do not think our way is the only way. We welcome discussion. We welcome dialog. We welcome negotiation.

Let us keep our eye on the common objective that we share and not be divided by the differences on how best to get there. With good will, with determination, with commitment, and with a proper sense of what public service means, I am convinced we can reach that goal.

So I look forward to welcoming our Republican colleagues back to the Senate next week with a view toward sitting down and going forward and working together and achieving this important national objective. It is the most important thing we have to do. If we do it, we will have performed a valuable public service.

SENATOR SPECTER ARGUES BEFORE SUPREME COURT

Mr. WARNER. Madam President, I rise to commend my colleague, the senior Senator from Pennsylvania [Mr. SPECTER], for personally arguing yesterday the case of Dalton versus Specter before the Supreme Court of the United States.

This case was originally filed by Senators SPECTER, WOFFORD, BRADLEY, and LAUTENBERG, as well as other Pennsylvania, New Jersey, and Delaware elected officials and various unions, to protest the alleged violations of law in the procedures followed by the Base Realignment and Closure Commission [BRAC]. The BRAC recommended closing the Philadelphia Naval Shipyard.

Senator SPECTER argued that the Navy deliberately concealed from the BRAC certain information which argued for keeping the Philadelphia Naval Shipyard open. The argument before the Supreme Court yesterday focused on the question of whether the courts had any power to require that the BRAC follow the procedures outlined in the Base Realignment and Closure Act. Senator SPECTER argued that the Department of Defense had specifically violated the act's requirements that all information relied on in the base closing process be made available to the Commission, the GAO, and the Congress.

Senator SPECTER pointed out that a long line of Supreme Court decisions, from Chief Justice Marshall's opinion in Marbury versus Madison in 1803 to the Youngstown case involving President Truman's seizure of the steel mills in 1952, require the courts to determine whether the President and executive branch agencies have complied with the law.

As a sitting Senator, Senator SPECTER was not unique in appearing before the Supreme Court to argue a case. Daniel Webster and others did so frequently in the 1800's, and more recently Senators Ervin and Saxbe did so in 1972 in a case involving senatorial immunity.

This is not the first time Senator SPECTER argued before the Supreme Court of the United States. As a Yale law school graduate and district attorney from Philadelphia, he was last at the court in 1970.

Once again, Senator SPECTER has proven himself to be a skilled litigator as well as a tough fighter for the people of Pennsylvania.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Madam President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending. Congress has failed miserably in that task for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,554,851,980,565.91 as of the close of business yesterday, March 2. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $17,470.89.

MASSACHUSETTS ATHLETES IN THE 1994 WINTER OLYMPICS

Mr. KENNEDY. Madam President, it is a privilege to commend the 17 athletes and the 2 coaches from Massachusetts who earned the honor of representing the United States at the winter Olympic games in Lillehammer, Norway, last month.

All of these athletes and coaches deserve great credit for their achievements. The outstanding performance of Nancy Kerrigan was a profile in courage because of her extraordinary grace under extraordinary pressure. She skated into the hearts of our country and the world in winning the silver medal in figure skating, missing the gold medal by only the narrowest of margins.

I also particularly commend Eric Flaim, who won a silver medal as part of the Men's 5,000 Meter Short Track Relay Team and Karen Cashman, who won the bronze medal as part of the Women's 3,000 Meter Short Track Relay Team.

In addition, I want to pay special tribute to a native son of Massachusetts who is currently "on loan" to Yale University, the head coach of the USA Hockey Team, Tim Taylor. Tim, a former Natick resident, did an outstanding job in guiding Team USA to the medal round.

Massachusetts is proud of all our athletes who competed at Lillehammer. Their ability, their energy, and their dedication are inspiring examples to us all. I ask unanimous consent that a list of the members of the U.S. Olympic Team from Massachusetts may be printed at this point in the RECORD.

There being no objection, the list of members was ordered to be printed in the RECORD, as follows:

THE MASSACHUSETTS MEMBERS OF THE 1994 U.S. OLYMPIC TEAM

Women's downhill: Krista Schmidinger of Lee.

Women's giant slalom: Heidi Voelker of Pittsfield.

Women's slalom: Carrie Sheinberg of Lee.

Freestyle skiing: Nikki Stone of Westborough.

Figure skating: Nancy Kerrigan of Stoneham and Mahlon Bradley of Marblehead (Assistant Team Leader).

Luge: Jon Edwards of South Weymouth and Erin Warren of Somerville.

Bobsled: Jim Herberich of Winchester.

Men's 5,000 meter short track relay: Eric Flaim of Pembroke.

Women's 3,000 meter short track relay: Karen Cashman of Quincy.

Hockey: Tim Taylor of Natick (Head Coach), Jim Campbell of Westborough, Ted Crowley of Concord, Peter Laviolette of Franklin, Jeff Lazaro of Waltham, John Lilley of Wakefield, David Sacco of Medford, and Garth Snow of Wrentham.

PARTNERSHIP FOR PEACE: A CONFUSED POLICY

Mr. HELMS. Madam President, one of the special friends that I have made since I came to Washington is a true patriot who has served his country long and well—Lt. Gen. Edward L. Rowny. Ed Rowny has distinguished himself in every assignment he has undertaken.

As a military man, his career was nothing short of superb. As deputy chairman of NATO's military committee he earned the respect of everyone who observed his work. As an arms control negotiator, Ambassador Rowny handled every sensitive aspect in a manner that served well the hopes for peace in the world.

Madam President, Ambassador Rowny was present at the Wehrkunde Conference in Munich in early February. He told friends later that the new Secretary of Defense, Bill Perry, "foreshadowed the administration's stiffening policy on Bosnia."

Upon his return, Ambassador Rowny penned an article for the Wall Street Journal which should be must reading for all Senators. I therefore ask unanimous consent, Madam President, that this article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PARTNERSHIP FOR PEACE: A CONFUSED POLICY

(By Ambassador Edward L. Rowny)

My recent conversations with European and Russian policymakers reveal they are confused over how to carry out President Clinton's Partnership for Peace. In the rush to cobble together a road map for the future of NATO, it is understandable that the Clinton Administration was not able to develop a coherent or sufficiently detailed plan for policymakers to follow.

Our allies, grateful for President Clinton's commitment to NATO, and desirous of assuring that NATO has a viable future, adopted a vague and painless proposal to which all could quickly agree. Central European leaders, unhappy with the proposal, were pressured into adopting it in the hope that they could turn it to their advantage. Eastern European leaders, jubilant that the proposal does not appear to be a policy of neo-containment, likewise hope to turn its implementation to their advantage. The Clinton Administration, still reluctant to get deeply involved in external affairs, appears content to have checked off this square with a sketchy outline and let nature take its course. As a result, Western European officials are unclear about the ultimate objectives of Partnership for Peace. Central European officials, stunned with their shabby treatment because the West failed to make a distinction between them and Eastern Europe, are content to pocket what they can in the hopes for getting more later. Both groups naturally want to see the plan carried out to suit themselves. Eastern European policymakers, calculating that the initial steps implementing the plan are working to their advantage, are content with them. To regain credibility and demonstrate leadership, the Clinton Administration should act quickly to provide a more detailed plan which will clear up the confusion and uncertainty.

All would agree that the ultimate goal of Partnership for Peace is to provide for security and stability in Central and Eastern Europe. But by failing to establish priorities, the uncharted course will either allow the proposal to continue to flounder, or worse, cause it to fail completely. Meanwhile, the Eastern European states will attempt to shape events so as to continue to a gain unilateral advantage.

I believe that the Clinton Administration should act now and promise the Central European states of Poland, Hungary, and the Czech and Slovak Republics early membership into NATO. These states share Western cultural values and yearn to be fully reunited with Europe from which they were snatched by the Soviets. They have demonstrated courage in breaking away from totalitarian communist regimes and have shown a willingness to undergo hardships in transforming their Marxist economies. They have moved a long way in the last three years along the road to democratic capitalism. As soon as they demonstrate that they will be able to shoulder the burdens of membership, they should join NATO as full partners.

At the same time, Eastern European nations—Russia, Ukraine, Belarus, and the Baltics—should be given more support and encouragement to adopt democratic and economic reforms. There should be no promise of early, or even eventual, membership in NATO. Rather, they should be led to understand that it is in their own interests to embrace democracy and market economics as ways of promoting their own security and prosperity.

In talking to Russian and Ukrainian leaders, I am convinced that drawing Central Europe into the NATO sphere will not undermine Yeltsin's efforts to seek reforms. Thoughtful leaders realize that NATO was—and will continue to be—a purely defensive alliance which threatens no one. Western leaders need to reiterate this point and drive it home so that Yeltsin's opposition, such as Zhironovsky, the military, and the successors to the KGB, are exposed as being paranoid. They can then be prevented from capitalizing on the instabilities resulting from Russia's experiments with democracy. Yeltsin can then show Russian citizens and the world that these anti-reformers undermine Russian stability and prevent economic growth.

The United States and its Western European allies, whose resources are already stretched thin, should concentrate on assisting Central Europe to become full members of NATO. This will provide the West with a hedge against a resurgence of a militant Russia. It will also promote stability in Europe.

At the same time, the West should redouble its efforts to help Eastern Europe reform. We should continue military contacts between the states of NATO and Eastern Europe. But the principal elements of assistance should be non-military, such as cultural exchanges and training leaders in skills necessary for democracy and economic health. When IMF conditions are met, larger doses of financial aid should be offered. We should also assist Eastern Europe in transforming their industries from a military to a civilian base, to scrap their missiles more rapidly, and to place their growing stockpiles of plutonium and weapons grade uranium under strict surveillance and control.

I am not one who shares the notion that promoting democracy and market economics in Eastern Europe is a hopeless endeavor. It is true that these states lag behind Central Europe in such efforts and have a long historical legacy to overcome. But there is nothing inherent in the Russian character which prevents them from moving toward Western ideas and standards. The rapid fall of the Communist Party and renunciation of Marxist economics are cases in point. Further encouragement and investment in hastening reforms in Eastern Europe can pay large dividends. We should not repeat the mistake we made in the early 1930s in failing to support the Weimar Republic. If we were to consider Russia—as we then considered Germany—a pariah state, we could well create a climate for the emergence of a totalitarian regime.

There is another reason why membership of the Central European states in NATO makes sense and membership for Eastern Europe does not. Central European states are largely homogeneous ethic entities. Western NATO allies need not worry about preserving internal stability in Central Europe. On the other hand, there are reasons to worry about the stability of Eastern Europe. A quarter of the Russian population lives beyond its current borders. Today there are armed conflicts in Georgia, Armenia, Moldova, and other former republics of the Soviet Union. Ukraine, despite recent security guarantees, remains suspicious of Russia in view of the boasts by Russian hardliners that Ukraine will be annexed. We can therefore expect considerable unrest, resulting in conflict and bloodshed, in Russia and its eastern and southern neighbors. These conflicts are not matters in which an expanded NATO should become involved. In fact, when the Eastern European states no longer have ethnic conflicts, and when they become democracies with operating market economies, they will no longer pose a potential threat to others. NATO can then be declared a full success, and like an old soldier, quietly fade away.

As for providing security guarantees to Eastern Europe, the United States can enter into agreements with Russia and Belarus similar to those reportedly offered recently to Ukraine. As part of the deal to get Ukraine to give up its nuclear weapons to Russia, the United States and Russia recognized the current Russian-Ukrainian boundaries. The United States also promised to support any actions that the United Nations decides are necessary to assure Ukraine's sovereignty and territorial integrity.

In sum, the Clinton Administration should quickly announce its specific plans to implement Partnership for Peace. Inaction and drift will only encourage further confusion and invite chaos. The key to success is the leadership of the United States. It should press for membership of the Central European states into NATO. The Clinton Administration's failure to take timely action will result in a missed opportunity to enhance stability in Central and Eastern Europe and support reforms in Russia.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY WITH IRAQ—MESSAGE FROM THE PRESIDENT—PM 93

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of August 2, 1993, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq), then or thereafter located in the United States or within the possession or control of a U.S. person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution No. 661 of August 6, 1990.

Executive Order No. 12817 was issued on October 21, 1992, to implement in the United States measures adopted in United Nations Security Resolution No. 778 of October 2, 1992. Resolution 778 requires U.N. member states temporarily to transfer to a U.N. escrow account $200 million apiece in Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq. These funds finance Iraq's obligations for U.N. activities with respect to Iraq, such as expenses to verify Iraqi weapons destruction and to provide humanitarian assistance in Iraq on a nonpartisan basis. A portion of the escrowed funds will also fund the activities of the U.N. Compensation Commission in Geneva, which will handle claims from victims of the Iraqi invasion of Kuwait. The funds placed in the escrow account are to be returned, with interest, to the member states that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the U.N. Security Council. No member state is required to fund more than half of the total contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders Nos. 12724 and 12817. The report covers events from August 2, 1993, through February 1, 1994.

1. During the reporting period, there were technical amendments to the Iraqi Sanctions Regulations relating to notification of transfers into blocked accounts and registration of persons holding blocked property, 58 Fed. Reg. 47643 (September 10, 1993). A copy of the amendments is attached for reference.

2. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were prepared during the reporting period for violations of the International Emergency Economic Powers Act and Iraqi Sanctions Regulations with respect to transactions involving Iraq. Three penalties totaling nearly $54,000 were collected from three banks for violation of the prohibitions against funds transfers to Iraq, and noncompliance with reporting requirements and an Office of Foreign Assets Control directive license.

3. Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to the Office of Foreign Assets Control's listing of individuals and organizations determined to be Specially Designated Nationals of the Government of Iraq.

4. Pursuant to Executive Order No. 12817 implementing United Nations Security Council Resolution No. 778, on October 26, 1992, the Office of Foreign Assets Control directed the Federal Reserve Bank of New York to establish a blocked account for receipt of certain post-August 6, 1990, Iraqi oil sales proceeds, and to hold, invest, and transfer these funds as required by the order. On July 20, 1993, following payments by the Governments of Saudi Arabia and Denmark of, respectively $40,589,419.00 and $674,360.00, to the special United Nations-controlled account, entitled United Nations Security Council Resolution No. 778 Escrow Account, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $41,263,779.00 from the blocked account it holds to the United Nations-controlled account. Similarly, on August 2, 1993, following the payment of $1,765,138.33 by the Government of the United Kingdom, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $1,765,138.33 to the United Nations-controlled account; on September 11, 1993, following payments of $1,547,054.35 by the Government of Canada, $276,000.00 by the Government of Greece, $3,196,897.72 from the Commission of the European Community, and $1,006,614.89 from the Government of Denmark, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $6,026,566.96 to the United Nations-controlled account; and on December 15, 1993, following payments of $5,223,880.60 by the Government of the United Kingdom, $621,426.80 by the Government of Germany, and $1,219,941.98 from the Government of the Netherlands, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $7,065,249.38 to the United Nations-controlled account. Total transfers from the blocked Federal Reserve Bank of New York account since issuance of Executive Order No. 12817 have amounted to $107,613,270.99 of the $200 million for which the United States is potentially obligated, on a matching basis, pursuant to United Nations Security Council Resolution No. 778.

5. Since the last report, there have been developments in one case. In *Campia et al. v. Newcomb et al.*, a settlement was entered into by the parties addressing payment of back rent to the landlord and return to the landlord of premises leased by the Matrix Churchill Corporation. To implement the settlement, certain blocked property owned by Matrix Churchill was sold, with the proceeds placed in a blocked account. Matrix Churchill's remaining property and records were placed in secure storage.

6. The Office of Foreign Assets Control has issued a total of 444 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Since my last report, 53 specific licenses have been issued. Licenses were issued for transactions such as the filing of legal actions against Iraqi governmental entities, for legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes, the execution of powers of attorney relating to the administration of personal assets and decedents' estates in Iraq, and the protection of pre-existent intellectual property rights in Iraq.

7. The expenses incurred by the Federal Government in the 6 month period from August 2, 1993, through February 1, 1994, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are reported at about $3.1 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near East and South Asian Affairs, the Bureau of International Organizations, and the Office of the Legal Adviser), and the Department of Transportation (particularly the U.S. Coast Guard).

8. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime, despite international will, has failed to comply fully with United Nations Security Council resolutions. Security Council resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. Nonetheless, we see a pattern of defiance: repeated public claims to Kuwait, sponsorship of terrorism, incomplete declarations to weapons inspectors, and ongoing widespread human rights violations, among other things. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continued to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance. For more than 2 years, Baghdad has maintained a complete blockade of food, fuel, and medicine on northern Iraq. The Iraqi military routinely harasses residents of the north, and has attempted to "Arabize" Kurdish, Turcoman, and Assyrian areas in the north. Iraq continues to launch artillery attacks against civilian population centers in the south, and its efforts to drain the southern marshes have forced thousands to flee to neighboring States.

In 1991, the United Nations Security Council adopted Resolutions 706 and 712 that permit Iraq to sell up to $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations. The Iraqi regime so far has refused to accept these resolutions and has thereby chosen to perpetuate the suffering of its civilian population. In October 1993, the Iraqi government informed the United Nations that it would not implement Resolutions 706 and 712.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. Because of Iraq's failure to comply fully with United Nations Security Council resolutions, the United States will continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 3, 1994.*

MESSAGES FROM THE HOUSE

At 11:14 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1789. An act to amend title 23, United States Code, to permit the use of funds under the highway bridge replacement and rehabilitation program for seismic retrofit of bridges, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-379. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on Armed Services.

"SENATE RESOLUTION NO. 313

"Whereas, It has long been customary for kings and republics, governments of all kinds, to issue medals commemorating events or faithful service. Presently the United States issues a multitude of medals and ribbons for a broad scope of services and actions, both to individuals and to all members of a command; and

"Whereas, Members of the armed forces are issued campaign medals and ribbons indicating participation in certain actions, bravery, or honorable service. These are to denote a person's accomplishments. Now, the question of a medal that will also identify heritage has been raised. The establishment of a National Armed Forces Medal for United States military veterans would continue a proud tradition from one generation to the next; and

"Whereas, It has been suggested that a separate ribbon for each American effort of one's blood lineage be worn with one universal medal. Thus, on quick observation, it would be apparent by the line of ribbons whether the wearer had forebears in service during the American Revolution, the War of 1812, the American Indian Wars, the Civil War, or other events in a certain 100-year time frame; and

"Whereas, Other periods of war service would also be included after the 100-year period. The Spanish-American War, 1898 to 1902, would be included in 1998, and World War I, World War II, and succeeding conflicts, after each had passed the century mark; now, therefore, be it

"*Resolved by the Senate,* That this legislative body memorialize the Congress of the United States to establish a National Armed Forces Medal for United States military veterans; and be it further

"*Resolved,* That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

POM-380. A joint resolution adopted by the General Assembly of the State of Tennessee to the Committee on Commerce, Science and Transportation.

"HOUSE JOINT RESOLUTION NO. 407

"Whereas, a joint National Aeronautics and Space Administration (NASA) and U.S. Department of Defense study has proposed the construction of a $3.2 billion state-of-the-art subsonic and transonic wind tunnel complex with all necessary operational support facilities, such project to be know as the National Wind Tunnel Complex (NWTC); and

"Whereas, although such worthy project has yet to be funded, technical and cost criteria for the project have been established and a process begun to select a site for the proposed NWTC; and

"Whereas, if approved, the NWTC would establish a capability for advanced aeronautical development that will strengthen the national security of the United States in two important ways; and

"Whereas, the NWTC would provide a development capability second to none in the world for advanced military aircraft, and more importantly, it would enable our commercial aircraft developers to compete more effectively in the world market, thereby strengthening our economic national security; and

"Whereas, the NWTC would require some 1,200 experienced construction workers to build the facility and at least 200 skilled management and engineering personnel to operate the facility; and

"Whereas, the premier site in this nation for the new development of wind tunnels is the U.S. Air Force's Arnold Engineering Development Center (AEDC), located in southern Coffee County and neighboring Franklin County in Middle Tennessee; and

"Whereas, AEDC houses testing grounds for jet engines and space systems, including wind tunnels used to gauge equipment strength and durability on 40,000 acres managed by the U.S. Air Force and operated by private contractors; and

"Whereas, AEDC has a total work force of nearly 4,000, including roughly 500 Air Force and Defense Department civilian employees; and

"Whereas, the existing support infrastructure and experienced development testers at AEDC would reduce the initial cost and operational risk of the NWTC, and there are opportunities for commercial-military partnerships in dual-use technologies which are made possible only by the co-location and joint use of civilian and military facilities; and

"Whereas, U.S. Senator Jim Sasser, U.S. Senator Harlan Mathews and U.S. Congressman Jim Cooper have so astutely stated: 'This potential investment is far too critical to our nation's economic and defense future not to be placed in a location in which low life-cycle cost, high operating efficiencies, ideal environment conditions and an abundance of space for future expansion can maximize its effectiveness'; and

"Whereas, the AEDC site provides an ideal location for the NWTC because of the abundance of land, water for cooling the vast machinery used to operate the test facilities, low-cost electricity, and its relative isolation from other development; and

"Whereas, the AEDC installation is buffered from surrounding communities by thousands of forested acres, and would remain so even with further expansion in the future; and

"Whereas, the Tennessee Valley Authority has the current generating capacity to meet the electrical needs of the NWTC with no impact on current customers or restrictions on testing operations; a 4,000-acre cooling-water reservoir is already in place; and

"Whereas, finally, the entire southern Middle Tennessee area benefits from relatively low construction costs, a workforce already experienced in production development testing, and the synergism that would be created by co-locating this facility with those testing and research facilities already in the area; and

"Whereas, the NWTC will provide our nation with a world-class developmental test capability which will support military and commercial aeronautical requirements well into the next century; and

"Whereas, the siting of NWTC at AEDC would ensure AEDC's long-term viability as a national testing and research center; and

"Whereas, the members of this General Assembly are confident that the site selection process for NWTC will clearly demonstrate that AEDC is by far the best site in the nation for the complex; Now, therefore, be it

"*Resolved by the House of Representatives of the Ninety-eighth General Assembly of the State of Tennessee, the Senate concurring,* That this General Assembly hereby memorializes the President of the United States and the U.S. Congress to locate the proposed National Wind Tunnel Complex (NWTC) at the Arnold Engineering Development Center (AEDC) in Middle Tennessee, because the AEDC installation best serves the aeronautical development needs of this nation, and be it further

"*Resolved,* That the Chief Clerk of the House is hereby directed to transmit enrolled copies of this resolution to the President and Vice President of the United States; the U.S. Secretary of Defense; the Administrator for NASA, the Speaker and the Clerk of the U.S House of Representatives; the President and Secretary of the U.S. Senate; and to each member of the Tennessee delegation to the U.S. Congress."

POM-381. A resolution adopted by the Legislature of Rockland County, New York relative to Northern Ireland; to the Committee on Foreign Relations.

POM-382. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on Foreign Relations.

"SENATE RESOLUTION NO. 369

"Whereas, The President of the United States has lifted the trade embargo with Vietnam by Executive Order. This embargo was imposed on North Vietnam in 1964 and on the entire country in 1975 after the communist forces succeeded in capturing South Vietnam. The embargo was enforced not only because this communist government had waged a bitter and painful war against the United States, but also because some of our citizens may still be missing in that country; and

"Whereas, The MIA issue is a painful controversy in this nation, one that will not be resolved until we have the fullest possible accounting of the nearly 2,300 Americans who remain missing and unaccounted for in Southeast Asia. Seventy-two of these people are from Michigan, brave and patriotic citizens who cannot be forgotten; and

"Whereas, Restoring this embargo will maintain pressure on the government of Vietnam to do everything possible to find the missing Americans. On behalf of the MIAs, their loved ones, and all veterans, we request the President to restore the trade embargo on Vietnam; Now, therefore, be it

"*Resolved by the Senate*, That we memorialize the President of the United States to reconsider lifting the trade embargo with Vietnam; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

POM-383. A concurrent resolution from the Legislature of the State of Texas relative to State Tidelands Rights; to the Committee on the Judiciary.

POM-384. A concurrent resolution from the Legislature of the State of Texas relative to polygamy and polygamous cohabitation; to the Committee on the Judiciary.

POM-385. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION NO. 122

"Whereas, The United States Supreme Court has ruled in a 5-4 decision that popular legislative assemblies' attempts to curtail those acts that are an affront to the American people by protecting national symbols through local legislation may be unconstitutional if they go beyond the fine-line of the First Amendment; and

"Whereas, The desecration of national symbols through acts which are beyond the free speech essentials of our laws that allow the expression of diverse ideas or opposition to national policy that is political in nature, should be defined in law in order to protect against offensive acts which may incite or encourage violence or counterproductive activity of other citizens; and

"Whereas, Veterans' groups, expressing the sentiment of our people, have called for action to ban the desecration of the American flag. Indeed, to ignore the effect of this decision would be an affront to everyone who has been committed to the ideals of our nation in times of war and in times of peace; now, therefore, be it

"*Resolved by the House of Representatives (the Senate concurring)*, That the members of the Michigan Legislature hereby memorialize the United States Congress to pass an amendment to the United States Constitution to prohibit the desecration of the American flag; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Michigan congressional delegation."

POM-386. A resolution adopted by the House of the Legislature of the State of West Virginia; to the Committee on the Judiciary.

"HOUSE RESOLUTION NO. 8

"Whereas, Legal injustice and discrimination on the basis of gender have long existed; and

"Whereas, The citizens of West Virginia clearly support an end to discrimination on the basis of gender through an amendment to the Constitution of this nation, as the United States has previously renounced slavery, racial discrimination, and denial of the right to vote on the basis of race and gender; and

"Whereas, Congress in 1972 proposed a federal Equal Rights Amendment to the United States Constitution to provide for equality of the law regardless of gender, which was narrowly defeated in 1982; and

"Whereas, The West Virginia House of Delegates prefers that each state ratify the federal Equal Rights Amendment to achieve a uniform national policy; and

"Whereas, The Equal Rights Amendment provides that gender should not be a factor in determining the legal rights of men and women and thereby recognizes the fundamental dignity, individuality, and worth of each human being; and

"Whereas, The West Virginia House of Delegates again stands ready to ratify a federal Equal Rights Amendment when approved by Congress for state ratification; therefore, be it

"*Resolved by the House of Delegates:* That the House of Delegates of the State of West Virginia respectfully memorializes the President and the Congress of the United States to propose to the several states an amendment to the Constitution of the United States stating that all men and women are equal under the law; and, be it further

"*Resolved*, That the Clerk of the House of Delegates is hereby directed to forward a copy of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from West Virginia in the Congress of the United States."

POM-387. A resolution adopted by the Council of the City of New York, New York relative to AIDS education and prevention; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1224. A bill to prohibit an agency, or entity, that receives Federal assistance and is involved in adoption or foster care programs from delaying or denying the placement of a child based on the race, color, or national origin of the child or adoptive or foster parent or parents involved, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BAUCUS (for himself, Mr. MOYNIHAN, Mr. REID, Mr. WOFFORD, Mr. WARNER, Mr. DURENBERGER, Mr. GRAHAM, Mr. LAUTENBERG):

S. 1887. A bill to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SARBANES:

S. 1888. A bill for the relief of Maria Manzano; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS (for himself, Mr. MOYNIHAN, Mr. REID, Mr. WOFFORD, Mr. WARNER, Mr. DURENBERGER, Mr. GRAHAM, and Mr. LAUTENBERG):

S. 1887. A bill to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1994

Mr. BAUCUS. Madam President, I am pleased today to introduce the National Highway System Designation Act of 1994. I am joined by Senators MOYNIHAN, WARNER, DURENBERGER, LAUTENBERG, WOFFORD, and REID.

Madam President, I first want to congratulate Department of Transportation Secretary Federico Peña and Federal Highway Administrator Rodney Slater for all of their hard work in developing the National Highway System or NHS. This map is the culmination of many months of consultation and discussion with Federal, State and local officials.

The Intermodal Surface Transportation Efficiency Act of 1991 requires congressional approval of the National Highway System by September 30, 1995. I am happy to tell my colleagues that as chairman of the Environment and Public Works Committee, I am committed to begin work on this bill this year.

INTERSTATE SYSTEM

In 1956, President Dwight D. Eisenhower initiated the construction of one of this Nation's largest public works

projects—the Interstate System. As when Jefferson made the Louisiana Purchase or when Seward and Lincoln bought Alaska, this turned out to be one of the wisest investments in American history. The Interstate System has served to unite and connect every region of this country.

The Interstate System has been the catalyst behind the growth and expansion of the U.S. economy. While the Interstate is finally nearing completion—40 years and $130 billion later—the economic importance of a well-maintained, interconnected system of highways continues.

In 1991, Congress recognized this by passing the Intermodal Surface Transportation Efficiency Act; a law later known as ISTEA. ISTEA marked a significant change in transportation policy by emphasizing flexibility, planning, and strategic investing. ISTEA has also shifted this country out of the Interstate era and into the National Highway System era.

NATIONAL HIGHWAY SYSTEM

The NHS is a network of over 159,000 miles—only 4 percent of the nearly 4 million miles of our public roads. The NHS will carry over 40 percent of the highway traffic and carry over 70 percent of commercial truck traffic. By identifying the NHS routes, States will be able to better target their future investments to address the safety and efficiency of our highways.

These are the arteries of American commerce; they connect major population centers, border crossings, ports, and airports.

In the spirit of ISTEA, the National Highway System reflects an emphasis on intermodal connectivity. Making sure all our various transportation components are connected. A seamless transportation network that encompasses all modes of transportation that will enhance our economic competitiveness in an increasingly global economy.

For western States, such as my home State of Montana, the National Highway System is vital. Highways are critical to the economy and way of life in the West. Highways are virtually the only significant source of transportation, sometimes a few buses, some air service, but the main transportation system is highways. Highways are also a key to travel and tourism. Many tourists will use some portion of the NHS in the future. By linking population centers with national parks and other tourist attractions, the NHS can contribute to the development of areas not currently served by the Interstate.

In particular, I commend Secretary Peña and Federal Highway Administrator Slater for recognizing the importance of considering the legitimate transportation needs of every region of this country—both urban and rural.

For my home State of Montana, for instance, this proposal represents a vast improvement over a plan that was put forward by the Bush administration. That proposal would have made it virtually impossible for large and sparsely populated States to maintain their existing road networks. And it would have amounted to an economic death sentence to many rural communities in my State and other sparsely populated areas.

But the Clinton administration plan—and the bill I am introducing today—would treat States like Montana fairly. This new map is good news for a number of Montana communities—places like Lewistown, Thompson Falls, Circle, Sidney, Jordan, Broadus, Miles City, Roundup, and Malta—that would have been left in virtual isolation under the previous proposal.

RELATION TO NAFTA

The NHS also has broad and important implications for American trade policy. The passage of the North American Free-Trade Agreement will spur future growth in trade between the United States, Canada, and Mexico.

The NHS not only helps to link all three countries, it enables States to develop transportation corridors for an integrated system of roads to meet increases in commercial vehicle use.

Almost 80 percent of the freight moving between the United States and Mexico moves by truck. Almost 60 percent of the freight between the United States and Canada moves by truck. Improving and maintaining the NHS within these trade corridors will further facilitate this trade.

ALLEVIATE CONGESTION

Making the necessary improvements to existing roadways will alleviate much of the traffic congestion in this country. We see this in the Washington area today—the large number of potholes in the roads has slowed and snarled traffic, thereby increasing not only the time spent on the road, but also increasing vehicle emissions. Focusing future investments on the NHS routes can help alleviate the increasing congestion problems in urban areas.

NATIONAL TRANSPORTATION SYSTEM

The declaration of policy in ISTEA states "It is the policy of the United States to develop a National Intermodal Transportation System that is economically efficient and environmentally sound, provides the foundation for the Nation to compete in the global economy, and will move people and goods in an energy efficient manner."

The National Highway System will serve as the backbone for such a system. The Department of Transportation is in the process of formulating the National Transportation System with the cooperation of State and local officials. I applaud the Department's efforts.

While I reserve judgment on the final NTS product, I do feel it is important to have an intermodal emphasis to future transportation policies. This Nation cannot afford to view its transportation system as a collection of individual modes. An integrated approach to planning and investments is in our national interest.

CONCLUSION

Madam President, I have outlined the purposes and goals of the NHS. Let me now alert my colleagues to my intentions in moving this bill. The Environment and Public Works Committee will hold hearings this spring on the NHS and transportation policies in general.

As I mentioned earlier, the deadline for congressional action on the NHS is September 30, 1995. While I intend to take action on this bill this year—and I underline this year—I must warn Members that this is not an opportunity to reopen ISTEA.

I know that Members have special highway demonstration projects that are important to them. Let me be firm in saying that Senate consideration of the NHS bill will not be an avenue to add new demonstration projects. I encourage Members to restrain themselves from requesting demonstration projects.

With the difficulty Congress continues to face with fully funding ISTEA, I believe the Senate should continue its tradition of passing highway bills that are free of demonstration projects.

In order for the NHS to be approved this year, it must remain a clean bill—that is, free from extraneous and controversial items. I look forward to working with Members of the Senate and with Chairman NORM MINETA in the House to pass an NHS bill that will help lead American transportation policy and American competitiveness into the next century.

Madam President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Highway System Designation Act of 1994".

SEC. 2. NATIONAL HIGHWAY SYSTEM DESIGNATION.

Section 103 of title 23, United States Code, is amended by inserting after subsection (b) the following new subsection:

"(c) NATIONAL HIGHWAY SYSTEM DESIGNATION.—

"(1) DESIGNATION.—The most recent National Highway System as submitted by the Secretary of Transportation pursuant to this section is hereby designated to be the National Highway System.

"(2) MODIFICATIONS.—

"(A) IN GENERAL.—At the request of a State, the Secretary may—

"(i) add a new route segment to the National Highway System, including a new intermodal connection; or "(ii) delete a then existing route segment and any connection to the route segment,

if the total mileage of the National Highway System (including any route segment or connection proposed to be added under this subparagraph) does not exceed 165,000 miles (265,542 kilometers.)

"(B) PROCEDURES FOR CHANGES REQUESTED BY STATES.—Each State that makes a request for a change in the National Highway System pursuant to subparagraph (A) shall establish that each change in a route segment or connection referred to in such subparagraph has been identified by the State, in cooperation with local officials, pursuant to applicable transportation planning activities for metropolitan areas carried out under section 134 and statewide planning processes carried out under section 135.

"(3) APPROVAL BY THE SECRETARY.—The Secretary may approve a request made by a State for a change in the National Highway System pursuant to paragraph (2) if the Secretary determines that the change—

"(A) meets the criteria established for the National Highway System under this title; and

"(B) enhances the national transportation characteristics of the National Highway System.".

Mr. WARNER. Madam President, I am pleased to join with Chairman BAUCUS and other colleagues to introduce legislation to designate the National Highway System.

The National Highway System is the cornerstone of the 1991 Intermodal Surface Transportation and Efficiency Act [ISTEA] to ensure that our rail, air, and surface transportation network perform to maximum efficiency to move goods and people across the country.

Through the designation of the NHS, we reaffirm the direct Federal responsibility to maintain essential elements of a core network of our interstate system, plus strategic defense highways, and other primary routes.

While the hallmark of ISTEA was its flexibility for States to address their most pressing priorities, the NHS provides the assurance that a quality transportation system will be maintained to assist the flow of commerce between States and into international markets.

I am also committed to developing an efficient, modern, and safe National Highway System because I believe it should be the first of our systems to benefit from the application of new and emerging technologies. The Intelligent Vehicle Highway System or the so-called smart highways presents a good example of emerging technologies with great potential for improving highway safety and efficiency.

In Virginia, the twin problems of congestion and safety in major urban/suburban areas have been the focus of our transportation policy for some time. Interstate highways approach complete gridlock during peak travel periods with the result that commuters cannot get to work and interstate commerce is delayed. That translates into reduced productivity and wasted time and money.

Throughout my service on the Environment and Public Works Committee, I have been concerned about the safety of our surface transportation system for the traveling public.

While we have experienced a decrease in highway fatalities in recent years because of seatbelt and speed limit laws, both of which I have supported, the number of highway-related casualties each year is still far too high. More than 40,000 persons are killed and another 5 million persons injured each year in traffic accidents.

The allocation of resources to bring IVHS technologies to the National Highway System offers a tremendous opportunity to improve mobility, enhance safety, and reduce congestion through electronics, communications, and control technologies.

I believe the Congress must move promptly to designate the National Highway System so that States can begin to plan effectively to dedicate transportation dollars to these routes.

I also believe that this legislation should not become a new reauthorization for our Nation's surface transportation programs.

Madam President, If the Congress can keep this legislation focused on its purpose and address limited and valid technical amendments to ISTEA, then we have a good chance for success this year.

ADDITIONAL COSPONSORS

S. 549

At the request of Mr. DOMENICI, the names of the Senator from Idaho [Mr. CRAIG] and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of S. 549, a bill to provide for the minting and circulation of one-dollar coins.

S. 1149

At the request of Mr. DOMENICI, the names of the Senator from Utah [Mr. HATCH] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1149, a bill to establish in the Department of the Interior the Office of Indian Women and Families, and for other purposes.

S. 1288

At the request of Mr. AKAKA, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1288, a bill to provide for the coordination and implementation of a national aquaculture policy for the private sector by the Secretary of Agriculture, to establish an aquaculture commercialization research program, and for other purposes.

S. 1329

At the request of Mr. D'AMATO, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1329, a bill to provide for an investigation of the whereabouts of the United States citizens and others who have been missing from Cyprus since 1974.

S. 1359

At the request of Mr. LEAHY, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1359, a bill to amend the Food Stamp Act of 1977 to require the domestic production of food stamp coupons.

S. 1485

At the request of Mr. DECONCINI, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 1485, a bill to extend certain satellite carrier compulsory licenses, and for other purposes.

S. 1614

At the request of Mr. LEAHY, the names of the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of S. 1614, a bill to amend the Child Nutrition Act of 1966 and the National Lunch Act to promote healthy eating habits for children and to extend certain authorities contained in such acts through fiscal year 1998, and for other purposes.

S. 1690

At the request of Mr. DANFORTH, the names of the Senator from Utah [Mr. BENNETT] and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1858

At the request of Mr. BAUCUS, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1858, a bill to amend the Trade Act of 1974 to make Super 301 permanent.

S. 1884

At the request of Mr. SIMPSON, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of S. 1884, a bill to amend the Immigration and Nationality Act to reform asylum procedures, to strengthen criminal penalties for the smuggling of aliens, and to reform other procedures to control illegal immigration to the United States.

SENATE JOINT RESOLUTION 163

At the request of Mr. LEAHY, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 163, a joint resolution to proclaim March 20, 1994, as "National Agricultural Day."

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. WOFFORD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress in support of the President's actions to reduce the trade imbalance with Japan.

SENATE RESOLUTION 182

At the request of Mr. D'AMATO, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Resolution 182, a resolution entitled "A Call for Humanitarian Assistance to the Pontian Greeks."

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing to examine the impact of health care reform on the small business sector. The hearing will be held on Thursday, March 10, 1994, at 9:30 a.m., in room 428A of the Russell Senate Office Building. For further information, please call John Ball, staff director of the Small Business Committee at 224–5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, March 3, 1994, at 11 a.m. to mark up draft legislation entitled the "Department of Agriculture Reorganization Act of 1994."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, March 3, 1994, at 9:30 a.m., in open and closed session, to receive testimony from the unified commanders on their military strategy and operational requirements, and the Defense authorization request for fiscal year 1995 and the future years Defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 3, beginning at 10 a.m. to conduct a hearing on regulatory consolidation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10 a.m. to hear testimony on the subject of designing health care benefit packages.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, March 3, 1994, beginning at 9:30 a.m., in 485 Russell Senate Office Building on the President's fiscal year 1995 budget for the Indian Health Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, March 3, 1994, to hold a hearing on the nominations of Franklin D. Burgess, to be a U.S. district judge for the Western District of Washington, Ancer Haggerty, to be a U.S. district judge for the District of Oregon, Michael J. Davis, to be a U.S. district judge for the District of Minnesota, Daniel T.K. Hurley, to be a U.S. district judge for the Southern District of Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, March 3, 1994, at 9:30 a.m., to hold a hearing to receive testimony and view demonstrations on current and emerging technology which may affect the future operations of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 3, 1994 at 2:30 p.m. to hold an open hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIA AND PACIFIC AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on East Asia and Pacific Affairs of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, March 3, 1994, at 10:30 a.m. to hold a hearing on U.S. policy toward North Korea.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY, TRADE, OCEANS AND ENVIRONMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy, Trade, Oceans and Environment of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, March 3, 1994, at 2 p.m. to hold a hearing on global economic and environmental policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 10 a.m., March 3, 1994, to receive testimony on the following bills: S. 218, to authorize the Secretary of Agriculture to convey certain lands in the State of Arizona, and for other purposes; S. 859, to reduce the restrictions on lands conveyed by deed under the act of June 8, 1926; S. 1233, to resolve the status of certain lands in Arizona that are subject to a claim as a grant of public lands for railroad purposes, and for other purposes; S. 1586, to establish the New Orleans Jazz National Historical Park in the State of Louisiana, and for other purposes; and H.R. 1183, to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO ADVANCE SEED CO.

• Mr. MCCONNELL. Mr. President, I rise today to pay tribute to a company's countless contributions to the community of Louisville, KY. The Advance Seed Co. of Fulton, KY, has helped make the dreams of a Veterans Administration medical center in Louisville come true and the dream continues today.

The Louisville-based medical center leads other centers in a nationwide program named Project Blossom, a horticultural therapy project for veterans which allows for exposure to the outdoors, mental exercise, relaxation, and a chance to nurture living things. With help from Advance Seed Co., the national project became a success in Louisville. Advance Seed has donated more than $3,000 in seeds to the program. More than 35 centers in 24 states now participate in Project Blossom with 6 million seeds at a retail value over $57,000 donated nationwide. The extensive effort will benefit over 1,500 patients directly and thousands more indirectly. These numbers continue to grow daily.

Of course, this would hardly be a reality if it were not for the diligent and continuous work of Mr. Jack Simpson. A very active member in the community of Fulton, Mr. Simpson is a member of the four Rivers Manufacturing Council, the Fulton County Chamber of Commerce, and other civic organizations. Along with these achievements is his enthusiastic commitment to Advance Seed for the past nineteen years. He is currently chief operating officer of the Advance Seed Co., and he certainly put his best foot forward to make sure that the medical center's wishes were granted.

Mr. President, I ask my colleagues to join me in recognizing this outstanding Kentucky company and all its valuable members, especially Mr. Simpson. Mr. President, I also ask that an article from a Veterans Administration medical center newsletter be included in the RECORD.

The article follows:

> [From the VA Connections newsletter]
>
> PROJECT BLOSSOM GROWS AND GROWS AND GROWS * * *
>
> [Note.—As the story goes, Johnny Appleseed traveled around the country planting apple seeds wherever he went. The Department of Veterans Affairs Medical Centers have their own "Johnny Appleseed" in the form of the Advance Seed Company.]
>
> Through the exceptional generosity of a seed company in Fulton, Kentucky, the Louisville VAMC has led Medical Centers across the country in a nationwide horticulture therapy project.
>
> Last summer, the Advance Seed Company donated 2,500 packages of vegetable and flower seeds (valued at over $3,200) to the Day Treatment Center's Horticulture Therapy Program.
>
> Robert Brown, Sales Administrator for the Advance Seed Company, says his company made the donation to benefit the country's Veterans. "Because they have given so much to us, we felt this would be the least we could do for them." he said.
>
> After their initial donation, the Advance Seed Company (which is the retail distributor of Ferry-Morse Seeds) received such an overwhelming positive response from Veterans and the general community that they decided to take the Project nationwide.
>
> With the help and coordination of the Louisville VAMC's Public Affairs Office and the American Legion, every VAMC with horticulture therapy programs was contacted and offered up to 3,000 packages of seeds—at absolutely no cost.
>
> The response was tremendous.
>
> Project Blossom distributed more than six million seeds nationwide—that's 43,475 individual seed packets—with a retail value of more than $57,000. Thirty-five Medical Centers in 24 states received seed packets that will ultimately benefit over 1,500 patients directly and thousands more indirectly.
>
> Each facility receiving seed packets was encouraged to use creativity and ingenuity in deciding how they could best use the donation. And, since the massive distribution early this Spring, several Medical Centers have reported back to the Louisville VAMC and the Advance Seed Company regarding their success with Project Blossom.
>
> At the Battle Creek, Michigan, VAMC, for example, the seeds are being grown to produce flowers for the flower beds on hospital grounds and for flower arrangements used at VA functions (such as dances, volunteer luncheons, and patriotic celebrations). Their greenhouse also features a "plant of the month" that is grown and distributed on the hospital wards, in waiting areas and in day rooms.
>
> Battle Creek patients are taking horticulture therapy one step further by using the flowers in basic flower arranging classes and also by creating a "butterfly garden" complete with hibernation boxes.
>
> Horticulture therapy principles have been around for centuries, but formal horticulture therapy and structured programs are relatively new. Horticulture therapy uses simple gardening techniques to enhance the quality of life for individuals with mental, physical, emotional, development, and/or social problems.
>
> From a medical perspective, researchers are just beginning to look for a psychological or even physiological explanation for the benefits of horticulture therapy. However, on a more obvious level, gardening benefits special populations in the same way it does for the rest of us: physical exercise, the opportunity to be exposed to the outdoors, mental challenges, relaxation when we're tense, and the outlet to nurture living things.
>
> A big "thanks" goes to Robert Brown, who initiated Project Blossom. A great Veterans advocate, Brown is currently the vice-commander of the American Legion—Department of Kentucky, as well as an active member of the Disabled American Veterans and the Veterans of Foreign Wars among others.•

CONGRATULATIONS TO JOE MERRITT ON THE OCCASION OF HIS ELECTION TO THE PRESIDENCY OF THE NFDA

• Mr. GORTON. Mr. President, I would like to take this opportunity to congratulate an outstanding man on the occasion of his election to the presidency of the National Funeral Directors Association [NFDA]. Mr. John C. "Joe" Merritt has been a licensed funeral director and embalmer since 1974, when he received the Mu Sigma Alpha Society award for excellence from the California College of Mortuary Science.

Joe was born and raised on an American Indian reservation. He and his wife Kerry are the parents of two daughters, Brandi, who was a nursing student at the Washington State Intercollegiate School of Nursing before her death as a result of a brain tumor on November 1, 1992, and Bradi, a business student at Washington State University.

Joe and Kerry own and operate Merritt Funeral Home, Langevin-Mussetter Funeral Home, Jones & Jones Funeral Home, and Waterville Funeral Home. Joe is a past president of the Washington State Funeral Directors Association as well as a past president of the State Funeral Insurance Agency. Joe has served NFDA as chairman of the committee for audits of brochures and booklets and as a member of the education affairs steering committee. Additionally, Joe has served as NFDA's secretary, treasurer, and president-elect. Joe's outstanding contributions to NFDA have enabled the association to better serve its members through improved communications and educational programs.

During the upcoming year, Joe hopes to help NFDA establish itself more fully as a flexible, growing, and dynamic leader in the funeral service industry. Finally, Joe believes that NFDA's priorities should mirror those of the truly committed funeral service professional: The consumer first, the profession second, and the individual third.

The National Funeral Directors Association has elected an able and committed leader as their president for 1994. They are fortunate to have such a leader, and I commend Mr. Merritt on his great achievement in becoming president of the National Funeral Directors Association.•

HONORING DOMINIC DiFRISCO AND STEFANO CACCIAGUERRA RANGHIERI

• Ms. MOSELEY-BRAUN. Mr. President, on March 4, 1994, the National Italian-American Foundation will honor my friends Dominic DiFrisco and Consul General Stefano Maria Cacciaguerra Ranghieri at the first Annunzio award luncheon in Chicago. This recognition is indeed an honor—and a well-deserved one.

The NAIF is honoring Dominic DiFrisco and Stefano Cacciaguerra Ranghieri with this award because they have made a real difference in bringing together the Italian-American citizens of Illinois. They serve their community with distinction. NAIF is the major advocate in Washington, DC, for the Nation's 20 million Italian-Americans. Their mission is to help Italian-Americans preserve the values of their heritage and to ensure that the American media and public are aware of the contributions that Italians and their descendants have made to the United States throughout its history. Dominic DiFrisco and Stefano Cacciaguerra Ranghieri are truly representative of these goals and ideals.

Dominic currently represents the esteemed firm of Burson-Marsteller as their senior vice president and director of community and government relations in Chicago. Prior to that, he was an administrative aide to Congressman Frank Annunzio following his work as public relations and sales manager at Alitalia Airlines in Chicago. He is a man who is proud of his Italian heritage which shows in both his professional life and personal endeavors. He has led the community in bridging the gap between people of various ethnic backgrounds, cultural differences, and social diversity.

Dominic has spent many years working on behalf of his community and many other ethnic communities in Chicago. Whether it is as president of the Joint Civic Committee of Italian-Americans, as a member of the board of directors of the Chicago Center for Peace Studies, as chairman of the

United Negro College Fund Telethon in 1990–91, or as a member of the board of directors of the Chinese-American Service League, Dominic has shown his dedication and commitment to the various communities which serve the Chicago area. Dominic is immersed in the fabric of Chicago's multiethnic community.

Stefano Cacciaguerra Ranghieri has served in the diplomatic service of Italy for over 15 years, and we have been lucky enough to have him in Chicago as the consul general for the past 3 years. The consul general has taken an active role in promoting the Italian cultural heritage of Italian-Americans, and in forging trade and economic links between Italy and Chicago and the Midwest. He is a cofounder of the Italy-Midwest Exchange whose mission is to strengthen the economic and cultural ties between Italy and the Midwest, and to promote the image of contemporary Italy.

The consul general was very involved in the events in Chicago leading up to the 500th anniversary of Columbus's voyage to America. As part of the 1992 Quincentenary Celebration and Beyond, he assisted in the staging of the Living Chess Game from Marostica, Italy, in the Daley Center Plaza. And he brought Frecce Tricolori, the Italian Air Force aerobatic team, to the 1992 Chicago Air and Water Show.

I am very pleased that the National Italian American Foundation has chosen to honor Dominic DiFrisco and Stefano Cacciaguerra Ranghieri. Their past national honorees include U.S. Supreme Court Justice Antonin Scalia, Frank Sinatra, Joe DiMaggio, Lee Iacocca, Liza Minelli, Luciano Pavorotti, and Sophia Loren, and in my view Dominic and the consul general fit in perfectly with this esteemed group. I wish to convey my heartfelt congratulations to them and my sincere thanks for all that they have done.•

TRIBUTE TO DANIEL "DANNY" STERN

• Ms. MIKULSKI. Mr. President, I rise today to honor a remarkable man, Daniel "Danny" Stern, my constituent and an active member of the Beth Israel Synagogue for over 20 years. He will be given a Distinguished Service Award by the Beth Israel Synagogue in Randallstown, MD. He has earned this award because of his active involvement in his synagogue and the community. A man successful in life, he generously contributes to his community his time and energy.

He has been the club president and vice president of Beth Israel Synagogue. He has served on the Beth Israel board of directors for 8 years and has served as copresident of the Hebrew School PTA with his wife. He has taught bar and bat mitzvah lessons to young students.

In addition to his involvement in his synagogue and with its young people, he has held many regional executive positions within the Federation of Jewish Men's Clubs [FJMC]. Currently, he serves on the executive committee of FJMC. The FJMC is the coordinating body which sets the national policy and service programs for all conservative Jewish synagogues in the United States and Canada.

Mr. Stern gives so much of his community. It is citizens like Mr. Stern who make America the great country that it is. That is why I stand here today to honor him.•

CASIMIR PULASKI DAY

• Ms. MOSELEY-BRAUN. Mr. President, I would like to take a moment to honor Casimir Pulaski, one of the heroes of the American Revolution. In my great State of Illinois the first Monday in March is know as Casimir Pulaski Day, in honor of his birthday, March 4, 1747. In 1929, Congress designated October 11 to be observed as Pulaski Day.

Born in Warka, Poland, Mr. Pulaski began his career as organizer and leader of the Confederacy of Patriots which fought against Russian aggression and interference. He was exiled from Poland in 1771 after being unjustly accused of attempting to kill the King. He eventually wound up in Paris where his military leadership was recognized by the French royal court who recommended him to Benjamin Franklin, who was seeking volunteers for the American Revolution.

On July 23, 1777, Pulaski arrived in America to serve in General Washington's army not speaking a word of English. Mr. Pulaski proved to be much more than a good officer; he was both an experienced cavalry man and a superior strategist.

This marked the beginning of an extraordinarily decorated career. He played a crucial role in helping America fight for freedom and independence. As soon as Mr. Pulaski took temporary command of Washington's cavalry detachment in September 1777, he successfully saved supplies and Warren's Tavern from British attack.

On September 15, 1777, because of his bravery in the Battle of Brandywine, Congress commissioned Mr. Pulaski brigadier general. On February 25, 1778, he resigned as commander of the cavalry corps and began the formation of the Independent Corps of Light Cavalry and Infantry, which was later known as the Pulaski Legion.

Once the corps was authorized, Brigadier General Pulaski quickly recruited, clothed, and trained the corps in 3 months time, using a good sum of his own money. His corps fought minor skirmishes in Egg Harbor, NJ, and Minising on the Delaware River.

In February 1779, the corps was ordered to the South to join Gen. Benjamin Lincoln's army. The corps helped regain Charleston, SC, and later that year fought the siege of Savannah, GA, alongside the French against the British. It was during this battle where he was fatally wounded as he led the charge against the enemy. He later died aboard the American brig *Wasp* on October 11, 1779 at the age of 32.

Pulaski has been honored in many ways around the United States. There is a monument here in Washington. Brigadier General Pulaski was one of 600 Polish officers that vitally contributed to our fight for freedom.

One of this country's greatest strengths is its ability to draw on the talent of all the people that have arrived on American shores. Casimir Pulaski is a proud example of the contributions of many to the fight for freedom and democracy in the United States.

Today, I honor Brig. Gen. Casimir Pulaski as an American patriot.•

ORDERS FOR MONDAY, MARCH 7, 1994

Mr. MITCHELL. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12:30 p.m. on Monday, March 7; that following the prayer, the Journal of the proceedings be approved to date, and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business not to extend beyond 1:30 p.m., with Senators permitted to speak therein for up to 10 minutes each, with Senator HEFLIN recognized for up to 10 minutes; that at 1:30 p.m. the Senate proceed to the consideration of Calendar No. 165, S. 4, the National Competitiveness Act of 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 12:30 P.M., MONDAY, MARCH 7, 1994

Mr. MITCHELL. Madam President, I see no other Senator seeking recognition.

If there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 3:50 p.m., recessed until Monday, March 7, 1994, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate March 3, 1994:

FEDERAL MARITIME COMMISSION

JOE SCROGGINS, JR., OF FLORIDA, TO BE A FEDERAL MARITIME COMMISSIONER FOR THE REMAINDER OF THE TERM EXPIRING JUNE 30, 1995, VICE CHRISTOPHER L. KOCH, RESIGNED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE AS-

SIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A), AND AS A SENIOR MEMBER OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS UNDER TITLE 10, UNITED STATES CODE, SECTION 711:

To be lieutenant general

To be a senior member of the military staff committee of the United Nations

MAJ. GEN. WESLEY K. CLARK, [redacted], U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS CHIEF, ARMY RESERVE, U.S. ARMY FOR A PERIOD OF 4 YEARS, UNDER SECTION 3038, TITLE 10, UNITED STATES CODE.

ARMY RESERVE

To be chief

MAJ. GEN. MAX BARATZ, [redacted], U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) IN THE STAFF CORPS OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

MEDICAL CORPS

To be rear admiral

REAR ADM. (LH) RICHARD ARNOLD NELSON, [redacted], NAVY.

SUPPLY CORPS

To be rear admiral

REAR ADM. (LH) DONALD EUGENE HICKMAN, [redacted], U.S. NAVY.

REAR ADM. (LH) DAVID ROSS RUBLE, [redacted], U.S. NAVY.

CIVIL ENGINEER CORPS

To be rear admiral

REAR ADM. (LH) THOMAS ALLAN DAMES [redacted], U.S. NAVY.

DENTAL CORPS

To be rear admiral

REAR ADM. (LH) WILLIAM HOWARD SNELL, JR., [redacted] U.S. NAVY.

HOUSE OF REPRESENTATIVES—*Thursday, March 3, 1994*

The House met at 11 a.m.

The Rabbi Israel Poleyeff, Hebrew Academy of the Five Towns and Rockaway, Cedarhurst, NY, offered the following prayer:

Almighty God, we ask Thy blessings upon this distinguished legislative body, and we ask that You crown their deliberations with success. For more than two centuries our blessed and beloved country has been the haven for those fleeing tyranny and oppression. They came to these shores seeking a new life in the land of freedom and opportunity. Our Nation to this day remains a beacon of light to all people and an example to the nations of the world that life, liberty and the pursuit of happiness are indeed the inalienable rights of all human beings.

The men and women gathered here are charged with the awesome responsibility of guiding our Nation along that path set forth by our Founding Fathers. Bless them with wisdom and understanding and compassion so that all the inhabitants of this land can look forward to the time when every person shall dwell safely, "each under his vine and his fig tree" in peace and security. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. TRAFICANT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. TRAFICANT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 250, nays 153, not voting 30, as follows:

[Roll No. 38]

YEAS—250

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Barton
Bateman
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Borski
Boucher
Brewster
Brooks
Browder
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Everett
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Harman
Hayes
Hefner
Hinchey
Hoagland
Hochbrueckner
Holden
Houghton
Hoyer
Hughes
Hutto
Hyde
Inglis
Inslee
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kingston
Kleczka
Klein
Klink
Kopetski
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Rowland
Roybal-Allard
Rush
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schumer
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—153

Allard
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clay
Coble
Collins (GA)
Cox
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Ewing
Fawell
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Gunderson
Hancock
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Huffington
Hunter
Hutchinson
Inhofe
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Kim
King
Klug
Knollenberg
Kolbe
Kreidler
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Machtley
Manzullo
McCandless
McCollum
McHugh
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Murphy
Nussle
Packard
Paxon
Petri
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Talent
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—30

Andrews (TX)
Archer
Bonior
Brown (CA)
Collins (IL)
Crane
de la Garza
Fields (TX)
Fish
Ford (MI)
Gallo
Green
Hansen
Hastings
Hilliard
Jefferson
Livingston
McCrery
McDade
McInnis
Moran
Natcher
Owens
Rostenkowski
Sabo
Schiff
Scott
Torkildsen
Washington
Whitten

☐ 1130

Mr. QUINN changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. DARDEN). The Chair will ask the gentleman from Georgia [Mr. COLLINS] if he would kindly come forward and lead the membership in the Pledge of Allegiance.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. COLLINS of Georgia led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate disagrees to the amendment of the House to the amendment of the Senate to the bill (H.R. 1804) "An Act to improve learning and teaching by providing a national framework for education reform; to promote the research, consensus building, and systemic changes needed to ensure equitable educational opportunities and high levels of educational achievement for all American students; to provide a framework for reauthorization of all Federal education programs; to promote the development and adoption of a voluntary national system of skill standards and certifications; and for other purposes," agrees to a conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. SIMON, Mr. DODD, Mr. HARKIN, Ms. MIKULSKI, Mr. BINGAMAN, Mr. WELLSTONE, Mr. WOFFORD, Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. COATS, Mr. GREGG, Mr. THURMOND, Mr. HATCH, and Mr. DURENBERGER, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

> S. 1560. An act to establish the Social Security Administration as an independent agency, and for other purposes.

WELCOME, RABBI ISRAEL POLEYEFF

(Mr. LEVY asked and was given permission to address the House for 1 minute.)

Mr. LEVY. Mr. Speaker, I rise to thank today's guest chaplain, Rabbi Israel Poleyeff, for offering a moving and inspirational opening prayer.

Rabbi Poleyeff is a teacher at the Hebrew Academy of the Five Towns and Rockaway, which is located in the district I represent. He is joined today by several of his students in the House gallery who have braved the elements to tour our Capital and see their teacher speak on the House floor.

Rabbi Poleyeff has served his country as an Army chaplain and has offered counsel and guidance to congregants in Pennsylvania and New York. He has been teaching at the Hebrew Academy since 1975.

I am grateful to have such an outstanding spiritual leader from my district open a session of the House of Representatives and I want to thank Speaker FOLEY for allowing me to bring Rabbi Poleyeff here today.

Thank you, Rabbi Poleyeff, and the students of the Hebrew Academy for joining us.

TRIBUTE TO THE HONORABLE WILLIAM H. NATCHER

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, for the first time since his election on August 1, 1953, the gentleman from Kentucky, WILLIAM H. NATCHER, has not responded to a rollcall vote. It would have been his 18,402d consecutive vote, the vote we just took on approving the Journal.

I was advised today that after consultation with his physicians he reluctantly determined that he would remain at Bethesda Naval Hospital and, consequently, not respond to this or other rollcall votes today.

Obviously, this is a sad moment for all of us because of the unparalleled public service of Mr. NATCHER. He will have in the record of 18,401 rollcall votes a record that I believe will stand forever.

I hope, Mr. Chairman, that you may be watching this session of the House and understand that behind that standing ovation of Members of the House from both sides of the aisle, from every part of this country, goes our enormous respect and admiration for you.

With your permission, Mr. Chairman, I would like to read your own words as given today:

> Afer consultation with my physicians this morning, I have very reluctantly decided to remain at Bethesda Naval Hospital for continued treatment, and I will not be able to return to Capitol Hill today.
>
> I want to thank the people of the Second Congressional District of Kentucky and the Commonwealth of Kentucky for all of their support and for their prayers and concern.
>
> I served as Federal conciliation commissioner in 1936 and 1937 for the Western District of Kentucky, was then elected as county attorney of Warren County for three 4-year terms, and then was elected as commonwealth attorney in 1951 and served until I was elected to the Congress on August 1, 1953. Throughout my entire public service, I have never missed a single day of work, and during my tenure as a Member of Congress, I never missed a day or a vote. Through yesterday, Wednesday, March 2, 1994, the total of 18,401. I could not do this again, but I will try because I believe Members of Congress should vote.
>
> The Second Congressional District of Kentucky has been good to me. I have enjoyed every day of my service, not only as a Member, but also as the chairman of the Labor, Health and Human Services and Education Appropriations Subcommittee, and as the chairman of the Full Committee on Appropriations.
>
> I am extremely proud that last year, after being elected chairman of the full committee, with the cooperation of all of the Members and the staff, I was able to see to it that all 13 appropriations bills were enacted on time, without an extended continuing resolution.
>
> I will remain at the hospital and will be consulting with my physicians about my return to work.

Mr. Chairman, everyone in this Chamber hopes that the day will come soon when you can return to us, to your distinguished work and to this House. In the meantime, our prayers and thoughts are with you. God bless you, sir.

FURTHER TRIBUTE TO HON. WILLIAM H. NATCHER

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, let me say first of all that I want to thank the Speaker for the way in which he briefed the House and briefed the country today. I think it is an important part of this institution to remind people how human it is. I think every heart here goes out to Chairman NATCHER, and I appreciate very much the Speaker's bringing it to our attention.

I just want to say on behalf of Mr. MICHEL and the Republican leadership that we join with what the Speaker said and that we want Mr. NATCHER to know that across this House and, I think, frankly, this land, as people in recent weeks have watched the courage and the commitment of Mr. NATCHER, that the people are praying for him and care about him and that all of us look forward very fondly to the day when he can come back and join us. And I thank the Speaker for bringing that to our attention.

(Applause, the Members rising.)

FURTHER TRIBUTE TO THE HONORABLE WILLIAM H. NATCHER

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I can add very little to what our Speaker has said a moment ago about our colleague and friend, BILL NATCHER. But to put it in perspective, I have had the honor and rare privilege of serving with him for the past 24 years. It has been from my observation of him as a person and as a professional that when we think of BILL NATCHER, we think of the term estimable, we think of the terms devoted, dedicated, all these terms we know are part and parcel of public service.

Congressman NATCHER, my good friend from the Second District, has exemplified all of those cardinal virtues of public service throughout his entire career here in the House.

As the Speaker has said, this marks a day in which for the first time in those

40-plus years the chairman has been unable to cast a vote.

□ 1140

It does not mark the end of his service, however. It does mean that he is taking a momentary pause to try to recover his health at Bethesda Hospital, and we do join the Speaker and the minority side, all the sides, in extending our prayers to him for a full and a swift recovery.

Mr. Speaker, I think that while we will cast many votes in our careers and while we will represent our communities in the best way we can see fit to do, that there will be very few among us who will reach that pinnacle, who will become a true icon of public service, and I think that is exactly how the gentleman from Kentucky [Mr. NATCHER] has proceeded, to become an icon of this place.

So, Mr. Speaker, all of us in the Kentucky delegation join in extending our best wishes to BILL in the hopes that he take a good rest and recover his strength.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I would like to say just briefly that I was here when the gentleman from Kentucky [Mr. NATCHER] came, when he was sworn in, and he has been a gracious and distinguished Member since that very day, been courteous to everybody, fair to everybody, and well respected by spouses. In fact, Mr. Speaker, my wife said this morning that she wanted me, if I saw BILL NATCHER, to tell him that we still loved him.

Now that is the kind of impact he made on people.

Now I want to give my colleagues one bit of other information:

While he was probably the most distinguished Presiding Officer that we had, other than our elected Speakers, he did confide in me one day that having a perfect record was probably the worst mistake he ever made, and I fully agree because I do not have a perfect voting record. I have missed several quorums, four or five Journal votes, and every now and then I believe I missed other votes that were not critical.

So I just want to say to my colleagues, "I warn you. Don't think you can emulate this because it's not a good deal, and he would have told you, and probably would still tell you, that trying to have a perfect record is almost impossible and a tremendous burden on yourself."

Mr. BARLOW. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. Mr. Speaker, I would appreciate being able to yield a brief moment to my friend from the First District, the gentleman from Kentucky [Mr. BARLOW].

Mr. BARLOW. Mr. Speaker, it is an honor and a privilege to be in the House working with the gentleman from Kentucky [Mr. NATCHER]. He has just missed one vote. He has other votes ahead of him. He is a fighter. We Kentuckians are fighters. He is fighting to restore his health.

Across America, Mr. Speaker, prayers are with him. I do believe the Lord has prepared the gentleman from Kentucky [Mr. NATCHER] to lead us as a House on both sides of the aisle as we come into this period when we are restoring financial strength to our Nation. God bless him. Our prayers are with him.

Mr. BAESLER. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Kentucky [Mr. BAESLER], my colleague.

Mr. BAESLER. Mr. Speaker, for those of us from Kentucky and, I think, throughout the country, the gentleman from Kentucky [Mr. NATCHER] sets a standard for service to this House, as was said by the Speaker.

He sets a standard for grace and charm for all of us who might be in public life, and I think he sets a standard, and will continue to set a standard, for those of us who care about those we serve, our constituents, and all we can do is strive toward that standard, but we can never equal it. Mr. Speaker, it will always be a goal we will try to strive for.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I, like many in this body today, feel very close to the gentleman from Kentucky [Mr. NATCHER]. In fact, Mr. Speaker, this Member knows him well.

For the last 20 years, Mr. Speaker, when we have been in session, we have had breakfast together, and I would like to say, "God bless you, BILL NATCHER. We look forward to seeing you back at breakfast, and it's your time to buy."

TRIBUTE TO THE SERVICE OF WILLIAM H. NATCHER

(Mr. ROGERS asked and was given permission to address the House for 1 minute.)

Mr. ROGERS. Mr. Speaker and Members of this august body, today, of course, is a different day for everyone in this body except two because this is, of course, the first time in 40 years and 18,401 votes that the voting light beside BILL NATCHER'S name stayed dark. And this is the first day he has missed work in his 40 years of service to this body and to this Nation.

Mr. Speaker, I think we all watched that light up there knowing that it would come on before the voting time expired because it always has. We have always known that, all but two Members of this body who came here senior to Mr. NATCHER. That unbroken voting record, of course, is unmatched, not just in this body, but in every other national legislative body in the world.

More important, Mr. Speaker, than the quantity of his votes, however, has been the quality of his service to the House and to the Nation. His devotion to duty is evidenced in these last few weeks by his painful journey to this body to cast votes, and with this incredible voting record that he has amassed, never to be superseded, there is even more proof to the body of his legislative achievement, his quietly working behind the scenes putting together those appropriations bills which made massive changes in America and its people.

None of us know, Mr. Speaker, a more courteous, or dignified, or considerate human being than the gentleman from Kentucky [Mr. NATCHER]. He is a neighbor to my district in Kentucky, and, of course, the dean of the Kentucky delegation and the chairman of the Committee on Appropriations where I have the honor of serving with him. None of us is more respected. No one is more admired. No one has the rectitude of BILL NATCHER. But we also learned over these years that one could not mistake that courtliness, from another age really, with timidity or reticence. BILL NATCHER was forceful, is forceful. He is resolute. He is crisp. He is commanding in his leadership and in his beliefs.

Mr. Speaker, in an age of cynicism toward politicians the gentleman from Kentucky [Mr. NATCHER] remains a pillar of rectitude and of admired devotion to duty, and he makes us all proud to serve in this House and be his colleague here.

The gentleman from Kentucky [Mr. NATCHER] appreciates all of our prayers, and he knows of our love and devotion. We have shown that to him. He also knows of the care and concern of every Kentuckian from every county and community in our State who are praying for his quick recovery and return to his beloved House here and his beloved home in Kentucky.

Mr. BUNNING. Mr. speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Kentucky.

Mr. BUNNING. Mr. Speaker, I thank the gentleman from Pulaski for yielding to me, and I would just like to add my devotion to BILL NATCHER as a colleague in this House of Representatives, the pride that I have in serving with the gentleman having the respect of everyone in Kentucky. There is not one person in Kentucky that I know that has anything but the deepest respect for BILL NATCHER as a servant of the people.

Mr. Speaker, if we could make a prototype of a person to serve in this

House of Representatives, the gentleman from Kentucky [Mr. NATCHER] would be that prototype. As my colleagues know, 18,000-plus votes and 40 years of service uninterrupted for the people of this House of Representatives, the people of his district, the people of the Commonwealth.

However, Mr. Speaker, more than that the people of the United States of America know what a job BILL NATCHER has performed, and I am proud to have served in this House with the gentleman from Kentucky, and I am more proud to call him my friend and fellow Kentuckian.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to our distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

□ 1150

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this is a very historic moment in this House of Representatives, and I just cannot refrain from making mention of the very telling conversation I had with BILL yesterday after BILL had cast his next-to-last vote. We were in our old Appropriations Committee room, and I was making my point with BILL about how he had already made his mark in history through this tremendous unblemished record, and that I would hope he would give serious thought to the tremendous opportunities we have here through advances in medical science to make him whole again, and that, from my point of view and, I am sure, from the point of view of his constituents in the country, much more important than extending a voting record, I feel it would be so much better for him to give those people the opportunity to make him whole, and that that would mean so much to his grandchildren to whom he has written regularly about the history of this body and his experience in it, and how much more memorable it would be if he could live a sufficient number of years in the future, regardless of the voting record, to be able to tell those grandchildren about it personally and to amplify on what he had written.

I hope that maybe it might have had a little impact on BILL, as he then went back to the hospital last night and thought it all over again. So for me, I have to be happy that BILL has made that agonizing decision when I thought maybe he just would not come to grips with it in that way.

I certainly want to endorse and subscribe to everything that has been said about him here today. You folks from Kentucky know him so well. I spent so many of my years, 20 years in this House on the Appropriations Committee with him. I became the ranking member of our subcommittee, and he eventually became our chairman. We were so close in our deliberations with one another, and I have to say there was no finer subcommittee chairman or full committee chairman from the standpoint of fairness and, yes, working industriously as he was tending to his duties every day.

So rather than detain the House any longer from this Member of Congress, may I simply say that I embrace all those wonderful things that have been said. And, BILL, if by chance you are listening on the monitor, I want to just say again that we, I am sure, speaking for all the Members of this House, will keep praying for you, and we are happy about your decision, because it suggests to me that you can again be made whole and live to tell those grandchildren any number of stories for a number of years to come, and we will be happy to welcome you back to the House when that time comes.

Mr. ROGERS. Mr. Speaker, may I say this: Mr. Leader, I think I can safely say for BILL NATCHER that you are going to come out OK in his journal. Of course, BILL NATCHER is going to come out OK in all our journals as well.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield briefly to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I thank the gentleman for yielding, and I will be succinct.

I think even more important than the votes is that we should know the character of BILL NATCHER. I have three Members from the other side of the aisle who really touched me and helped me, especially when I was a freshman. One was JOHN LEWIS, and another was CRAIG WASHINGTON. And I say, yes, CRAIG, I will support you.

The other one was BILL NATCHER. But I was madder than a hornet at BILL NATCHER one day when he was on the other side of the aisle and we were arguing and debating an issue. Being a hot-headed freshman, I was steaming. BILL NATCHER walked over to this inexperienced freshman and put his arm around me, and he said, "DUKE, you know, in Kentucky, we have these young horses that run and they get so much adrenaline that they break their legs and we have to shoot them."

I thought, man, he is threatening me. Then he looked at me and put his arm around me and he said, "DUKE, if you will just slow down a bit, I'll show you how to win the race."

And more than just win the race, he did help me. It is that kind of leadership that I think all of us enjoyed.

Mr. ROGERS. BILL NATCHER, our hearts and our prayers are with you for a quick and speedy return to your place.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. DARDEN). At this point the Chair will proceed in the following manner:

The Chair will receive up to 15 1-minute speeches from Members on both sides of the aisle.

A FURTHER TRIBUTE TO BILL NATCHER

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, when I was elected to the 100th Congress and came to Washington to go through the orientation process, I immediately realized what a giant of a man Mr. NATCHER is. We had a routine that we went through, because we would always talk about Kentucky, which is my native States, and whenever I would speak to him or ask him about anything, he would always say to me, "Aren't you from Pulaski County?" And after I said, "Yes, sir, I am," then we could get on with the business of the day.

I want to comment, not only on his voting record, which will never be equaled in the universe, but on the fact that he loved his grandchildren so much and every day he sat down and wrote an individual letter to each one of them. Last year he lost one of his beloved grandsons in an automobile accident, and his grief was painful to watch.

What I would like to say to Mr. NATCHER, if I could, is, "Mr. NATCHER, lay down that burden of never missing a vote. The people in the Second District certainly understand your faithful service."

Mr. Speaker, I do not think anybody else in the country could ever follow or match his reelection record. I am told that the most Mr. NATCHER ever spent on a campaign was $50, and that that money was only for gasoline. He had no pamphlets, no bumper stickers, no media. He simply drove around his district every 2 years, and without any question, unfailingly, they sent him back.

It has been a wonderful record, Mr. NATCHER, and when you come back, you can complete it. But nobody has voted more than you, and your record will stand. We hope that you really will not worry about it. Just get well.

A PLEDGE TO FIGHT CRIME BY RENDERING JUSTICE AND GUARANTEEING LIBERTY

(Mr. COLLINS of Georgia asked and was given permission to address the House for 1 minute.)

Mr. COLLINS of Georgia. Mr. Speaker, we have just rendered a pledge to our flag and the Republic for which it stands.

Mr. Speaker, a republic is people. People working equally as one nation. Under God, indivisible, with liberty and justice for all.

Yes, under God we have united and have been granted a government, to protect the liberty and render justice for all.

We protect our liberty through faith, patriotism, and a strong defense. Would be aggressors fear our strength and respect our values.

However, the aggressor we fear most walks among us, dividing us from within—the criminal.

We must make the criminal as fearful of violating our liberty as any aggressor we have faced.

Mr. Speaker, only justice will render such fear.

We as dutiful officers of the Republic must harness the criminal element through justice.

Justice will only prevail when we as a Congress swallow our thirst for power and assist our local and State governments in stopping the criminal threat to our liberty.

THE HEALTH CARE CRISIS

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, there are those in this body who would have America believe there is no health care crisis.

I stand before you today to say, shame on them. Shame on them for trying to deny over 37 million of their fellow citizens who stand to lose everything they have, if they are faced with a serious illness or injury.

Those who live in rural areas like my own district have an even greater problem—that of access. They often put off going to the doctor until they are faced with a medical emergency. Then, they have to drive many miles to the nearest hospital.

Mr. Speaker, this is expensive, inhumane, and unacceptable. It is a crisis of the worst sort. We must have health care reform now, with coverage that is universal, affordable, and portable. And for the people who live in rural areas and urban centers where access is a tremendous problem, we must empower community health centers to do what they do best.

We must protect this grassroots health care delivery system if we are ever to fully address the problem of access. I ask you to join me in support of the Access to Community Health Care Act, and the Community Health Improvement Act. They will ensure that this main artery to preventive health care will not be shut off from those who so desperately need it.

□ 1200

CONFLICT OF INTEREST

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the White House yesterday denied that there was a conflict of interest when Hillary Clinton sued a political supporter for the Government, and settled for less than she should have.

The White House also doesn't think it is unusual that Mrs. Clinton's associates sold short pharmaceutical company stocks right before she publicly attacked those companies in the media.

Clearly, the White House doesn't know the definition of conflict of interest.

But, Mr. Speaker, there are serious questions raised by the ethical lapses of the Clinton administration. The President's credibility on health care and crime must be reexamined in light of these ethics questions.

How can we trust a Government to run our health care when it cannot take care of its own business without waste, fraud, and abuse of the people's trust?

How can we trust a President to fight crime when his own administration has ethical problems? The American people need to know the answers to these questions.

CONSTITUTION COVERS AMERICAN TAXPAYERS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, for more than 4 years, Alex and Kay Council fought the IRS, trying desperately to provide that they did not owe $70,000, that grew to $300,000. They said the IRS was ruthless—so ruthless, that Alex Council believed he had no other choice to provide money for his family, so he took his own life. He left a note, and he said, "Use the insurance money to stop this illegal agency that is out of control and fight, by God, for our family."

Mr. Speaker, a court in North Carolina ruled the following: No. 1, his deduction was completely legal; and No. 2, the IRS never made notice.

The IRS said they sent a letter, and it did not need to be certified. It was an oversight.

Mr. Speaker, we in Congress ought to be ashamed of ourselves. If Charles Manson is innocent until proven guilty, an American taxpayer should be treated the same way. Discharge Petition No. 12 says a taxpayer is innocent until proven guilty and the Constitution still means something in our country.

TRY IT, YOU'LL LIKE IT?

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, when it comes to their health care reform plan, the Clinton White House is saying to the American people, "Try it. You'll like it."

But after looking at the particulars of this proposal, the people are gagging on the Clinton plan. Eight out of ten fear, rightfully, that the quality of their health care will go down with the Clinton bill.

Most business groups oppose the President's employer mandate, which will drive thousands of small businesses out of business and millions of Americans out of their jobs.

And the public has rebelled against getting its health care spoon-fed by the Government.

Mr. Speaker, the American people don't have to try the Clinton plan to know they won't like it. They just have to look at the specifics. And as they do, their prognosis is: The Clinton bill is dead.

DEMOCRATIC ACTION SPEAKS LOUDER THAN REPUBLICAN WORDS

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, last year Congress passed the largest deficit reduction package in history. During the debate on that economic plan, Republican rhetoric did not reflect reality.

For example, on February 18 of last year, the gentleman from Texas [Mr. ARMEY] said, "I will tell you this: This program will not give you deficit reduction. It will be a disaster for the performance of the economy."

Mr. Speaker, the reality is that President Clinton's economic plan has reduced the deficit to its lowest level since 1979 relative to the gross economy. The reality is that the actual deficit for the last year was $73 billion lower than that projected in President Bush's budget.

Mr. Speaker, the deficit is projected to fall to $226 billion this year, and decline again to $178 billion in 1995, putting our Nation on track for 3 years of reduced deficit. This is the first time this has happened since a Democrat, Harry Truman, was in the White House.

Mr. Speaker, when it comes to deficit reduction, it is clear that Democratic actions speak louder than Republican words.

GLOBAL WARMING—LET US PUT IT IN PERSPECTIVE

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I rise today concerning an issue that I am sure is on everybody's mind, global warming. I say this with tongue in cheek as an admonition.

It is obvious to all of us as we are dealing with this latest snowstorm here that the blistering apocalypse of global warming is putting everything in perspective.

After all, during the big January snowstorm, temperatures dipped below zero. In the February snow and ice storm, the thermometer dropped into the single digits. And here in March, the coldest it will get during this snowstorm is only the twenties.

Judging by this winter, you'd think that a new ice age is upon us. Of course, it would be ridiculous to judge long-term climatic changes on one winter in one part of the country. Unfortunately, equally ridiculous claims of global warming have been made based on short-term weather trends, and have helped shape policy in Congress.

Mr. Speaker, let us keep this long, cold winter in mind the next time Congress is asked to push good science aside and make policy based on hyperbole and hysteria.

PRESIDENT'S BUDGET POINTS WAY TO STRONGER ECONOMY

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, we all know that there is a right way and a wrong way to do everything, and the effort to deal with the budget deficit is no exception. Today in the Budget Committee we begin marking up the fiscal year 1995 budget, and continue what we began last year—dealing with the budget deficit the right way.

We will continue to set priorities, make tough choices, and focus resources where they are needed most. We will stay within the very tight discretionary caps adopted last year. And we will keep that deficit on a downward path.

That is the right way. The wrong way is to offer phony panaceas and miracle cures—rhetorical flourishes instead of real fixes. That's the approach taken by those who oppose the President's budget.

Last year, Republicans predicted the President's budget would be a disaster for the economy. They said it would do nothing to reduce the deficit. They said it would slow economic growth. And they were wrong, wrong, wrong.

There is a right way and a wrong way to do everything. Mr. Speaker, we have now started to do things the right way. Let us continue what we have begun by passing the President's budget, and keeping America on the path to a stronger economy.

ACTIONS SPEAK LOUDER THAN WORDS

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, in his State of the Union Address, Clinton told us that as long as he is President, the military will be the best equipped, best trained, and best prepared fighting force on the face of the Earth. No more cuts, he stood right there and said.

But actions speak louder than words. Just a few short weeks have passed, and yesterday the Secretary of the Army said what Clinton really meant to say was no more cuts beyond what he had already planned to cut.

So much for the Clinton credibility. Defense is back on the chopping block, this time to cut personnel by 181,000. The Army, of course, takes the biggest hit.

For a decade now the Defense Department has been the only Federal agency to see its budget cut. But look around you. We have got problems in Somalia, Communists with nuclear capability in Korea, and bloody violence in Bosnia. The cold war may be over, but we do not have the capability, given the numbers we are looking at now, to respond adequately to many of these challenges.

Ronald Reagan believed in peace through strength. According to Solzhenitsyn, who is going back to Russia, he said that Ronald Reagan, with that belief, brought about the collapse of the Soviet Union and the Berlin Wall.

Mr. Clinton, do not tell us. Show us that you are committed to a military that will ensure the security of all Americans and our interests around the world.

CHICKEN LITTLE AWARDS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, during the last couple weeks we have seen all sorts of medals and awards being handed out in the Olympics and the Grammys, but the awards being handed out in Congress today are the most important ones, for looking to the future.

What are they? They are chickens running through the halls giving Chicken Little awards to many of the Republicans, because they are the ones last year who not one of them voted for the budget and made all sorts of wrong predictions. There were more dead wrong predictions than we can even talk about.

□ 1210

Let me just point out one. One Member came out and said this is really the Dr. Kevorkian plan for our economy. Oh, really? The economy seems to be booming more than we ever anticipated. Look at the Greenspan report. Look at everything else.

I hope as we enter this year's budget it will not be partisan and we will deal with real facts and not Republican rhetoric.

FRIENDS IN NAME ONLY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, Canada may be our good northern neighbor, but it is not friendly in trade matters. The Journal of Commerce reports that last year, under the Canadian Free-Trade Agreement [CFTA], a five member dispute resolution panel overturned a 6.5 percent duty placed by the United States on imports of Canadian softwood lumber.

The tariff was to offset Canadian subsidies which had pushed down lumber prices in the United States. American lumber officials charged that two Canadian panel members had ties to both the Canadian lumber industry and Canadian Government. This is not the first time the United States has charged a conflict of interest on the dispute panels.

Trade negotiators are concerned that the CFTA panel reveals a critical flaw in the dispute panel system. This decision exposes the fact that special interests can influence the panels and harm U.S. interests. Remember CFTA panels, NAFTA panels and GATT panels all operate the same. We should say no to this system when we debate GATT, the granddaddy of the agreements.

MISLEADING POLITICAL RHETORIC

(Mrs. UNSOELD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. UNSOELD. Mr. Speaker, rhetoric flows freely in this well and throughout this House, particularly political rhetoric. Last year it foamed and flowed over the Clinton economic package. In August, Mr. KASICH said, "We will come back here next year and try to help you when this puts the economy in the gutter." The minority whip said, "I believe this will lead to a recession next year. This is the Democrat machine's recession, and each one of them will be held personally accountable."

Mr. Alan Greenspan is hardly a flaming radical, but at the end of January of this year he said, "I do not recall as good an underlying base for the long-term outlook as we have today in the last two or three decades."

Mr. Speaker, I will gladly be accountable for what has taken place, but for what will we make the minority whip accountable?

ANOTHER MONSTER LOOSE IN THE LAND

(Mr. HORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORN. Mr. Speaker, when we think about walking through the Jurassic Park as portrayed in the book and the movie, we know we need a catastrophic health care plan. Indeed, there is a catastrophic health care plan. If there were a legislative sequel to it, it would be the President's plan that promises to be just like Jurassic Park in terms of viciousness and scariness. It creates 105 new bureaucracies and expands 40 more. According to the Congressional Budget Office, it adds $70 billion more to the deficit. Another trillion dollars will be expended by the year 2000.

There are those that paid the admission fee for the movie Jurassic Park and found it worth the money, at least in technique, but many Americans will find that the legislative sequel will be a high budget, low quality production. When the dinosaur ideas of the Clinton monster plan cut into the hard-earned savings of the American family, the American people will wish that they had never entered that theater.

A SUCCESSFUL BUDGET AND A HEALTH CARE REFORM PLAN THAT WILL WORK

(Mr. CLYBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLYBURN. Mr. Speaker, 2 months ago the opponents of health care reform announced no crisis in health care. Now we hear them declaring the health care security plan dead. These prognostications remind me more than a little bit of things we were hearing last year about the President's budget. Last year one of our opponents said that the President's budget will stifle economic growth, destroy jobs, reduce revenues, and increase the deficit.

Mr. Speaker, let us look at what has happened. Today the deficit is projected to be 40-percent lower than it was projected to be 1 year ago. Today housing starts are up over 25 percent, and single-family starts are their highest level in 15 years.

Under the President's budget, nearly 2 million jobs were created last year, including 1.7 million in the private sector, 70 percent more than was created in the whole 4 years previously.

Mr. Speaker, the President's budget is working, and now we need to get on with reforming our health care delivery system.

URGING FULL DISCLOSURE OF THE WHITEWATER TRANSACTION

(Mr. LEACH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEACH. Mr. Speaker, there are many elements of the so-called Whitewater affair that are a bit esoteric. But the revelations of the past few days that officials of the Department of the Treasury and Resolution Trust Corporation briefed key White House aides on potential legal action which independent regulatory agencies might be obligated to take against the President and First Lady subvert one of the fundamental premises of American democracy—that this is a country of laws and not men.

In America, process is our most important product. No individual, whatever his or her rank, is privileged in the eyes of the law. No public official has the right to influence possible legal actions against him or herself. For this reason agencies of the Government as well as the White House have precise rules that govern their employees.

Let me cite, in particular, the following Department of Treasury standard which appears patently to be violated. Under "Rules of Conduct," 31 CFR, section 0.735-30 states:

> An employee should avoid any action * * * which might result in, or create the appearance of * * * (2) Giving preferential treatment to any person; * * * (4) Losing complete independence or impartiality; (5) Making a Government decision outside official channels; or (6) Affecting adversely the confidence of the public in the integrity of the Government.

Similarly, the following standards contained in 12 CFR section 1605.7 apply to RTC employees:

> No employees shall engage in any action, which might result in, or create the appearance of***(b) giving preferential treatment to any person; * * * (d) losing complete independence or impartiality; (e) making an RTC decision outside official channels; or, (f) adversely affecting the public's confidence in the integrity of the RTC.

Likewise, the following standards apply to the White House—3 CFR, section 100.735-4:

> In all circumstances employees shall conduct themselves so as to exemplify the highest standards of integrity. An employee shall avoid any action, whether or not specifically prohibited by this subpart, which might result in, or create the appearance of: (1) Using public office for private gain; (2) Giving preferential treatment to any person; * * * (4) Losing complete independence or impartiality; (5) Making a Government decision outside official channels; or (6) Affecting adversely the confidence of the public in the integrity of the Government.

Seldom have the public and private ethics of lawyers in the White House and executive branch departments and agencies been so thoroughly devalued.

All participants in these meetings should be brought before Congress to provide full public disclosure of their actions and discussions.

VIOLENCE—A THREAT TO SOCIETY

(Mr. TOWNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TOWNS. Mr. Speaker, once again the city of New York and its citizens have been victimized and assaulted.

Unfortunately, violence has become pandemic in our society. However, I applaud the efforts of the New York City Police Department, and those concerned citizens, that assisted cutting across ethnic and religious lines, that have resulted in the speedy apprehension of the alleged gunman who perpetrated the heinous and barbaric act against innocent individuals. The victims were concerned solely with their religious faith and devotion.

I offer my condolences to members of the Lubavitcher community who have suffered terribly as a result of this crime. And I also offer my gratitude to them for their restraint. I also commend the Arab community for assisting in the apprehension of the alleged gunman. It is gratifying that despite the prevailing pain, anguish, and anger, emotions have been tempered and calm actions have been maintained.

I encourage all New Yorkers to seek common bonds of understanding so that we can eradicate the bigotry and prejudice that is the root cause of many of these violent acts.

□ 1220

TRIBUTE TO WTOP NEWS RADIO 1500

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I rise today to congratulate station WTOP-AM, Washington, DC's only all-news radio, on its 25th anniversary, and to extend my very best wishes to its 23 anchors, 11 reporters, 12 editors, and 2 writers.

I would like to especially commend the station's Capitol Hill reporter, Dave McConnell, who day after day, vote after vote, with style and grace, informs his listeners about the legislation, the personalities, and the drama of the U.S. Congress.

I would also like to salute WTOP's energetic Montgomery County reporter, Janice Sosebee, a former student of mine at Montgomery College, who covers the people and news of my home county and my congressional district.

Twenty-four hours a day, in good times and bad, those of us who live in the Washington metro area know we can rely on WTOP for the latest in news, weather, and sports. It has never let us down since its debut as an all-news outlet in 1969.

EARLY RESULTS SHOW BRADY LAW WORKS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, today is day 3 of the Brady law and the early evidence is already in: careful gun control works, and works well.

During the first 48 hours of the new law, convicted criminals and mentally unstable people all across the Nation have been denied guns.

In Utah, 4 felons were refused guns; in Kentucky, 8; in Colorado, 17; in Nevada, 6; in Louisiana, 10; in just one city in Texas, 13 were turned away; and in Kansas, 5.

And the list goes on and on across the Nation. Criminals are denied access to guns without doing any harm to the law-abiding gun owners.

In fact the attorney general of Kansas estimated that as many as 10 percent of those trying to buy guns in Kansas will be caught by the Brady law and they won't get a handgun.

Law enforcement, parents, concerned citizens, and community leaders are delighted. We don't know exactly how many lives may be saved, how many stores won't be held up, how many kids won't be shot on the way to school, how many domestic disputes won't end in blazing gunfire.

But we do know this: lives will be saved. We know that over 60 people who shouldn't have a handgun in just the 7 States I have cited won't walk away with a handgun, thanks to the Brady law.

Mr. Speaker, the irony is that only the NRA thinks this is a bad thing.

Only the NRA will keep pretending that a disastrous assault on the constitution is going on here.

Only the NRA will keep falsely claiming the Brady law won't help in the battle against handgun violence.

Only the NRA will keep denying what everyone else can see.

The good news, my colleagues, is that the American people will see that the NRA has not been telling the truth. Americans will see every day in every State that rational gun control works, protects lives, and does no harm to the law abiding, whether they own guns or not.

ACCESS TO CHILDREN'S HEALTH CARE ACT OF 1994

(Ms. LAMBERT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LAMBERT. Mr. Speaker, I rise today to introduce the Access to Children's Health Care Act of 1994. This bill will allow children's hospitals to qualify as federally qualified health centers [FQHC] by giving children's hospitals outpatient services exemptions to certain FQHC provisions. These provisions will strengthen the vital safety net of services for low income and underserved children with special health care needs.

Children's hospitals provide almost half of all their care to poor children. As the number of children in poverty have grown and private coverage of dependents has declined, children's hospitals have increasingly become the primary care pediatrician and pediatric specialist for children. In addition, children's hospitals accept all children regardless of their ability to pay and substantially underwrite outpatient care.

By allowing children's hospitals to qualify as FQHC's, the hospitals will receive reimbursement based on reasonable costs as defined by Medicaid.

This bill has the support of the National Association of Community Health Centers, which recognizes the need to maintain and strengthen community resources. In addition, this legislation is a top priority for the National Association of Children's Hospitals and related institutions.

Access to care is a vital part of health reform. This legislation is not only important within the context of the current Medicaid program, it also will assure that children's hospitals will be recognized as essential providers under reform proposals.

I urge my colleagues to take a serious look at this proposal to guarantee appropriate health care access for the children in their districts with special health needs.

CLINTON CARE-LOWER QUALITY

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, yesterday the Washington Post reported that 80 percent of Americans fear that the Clinton health plan would reduce the quality of health care in this country. The same poll showed more Americans disapprove of the President's plan than support it. That is certainly consistent with the message I am receiving from constituents in my district.

Most telling however, is the fact that now more than 60 percent of Americans feel like they actually know something about the proposal and the bottom line: The more people learn about the President's 1,300-page bill—and its arbitrary price controls, big government alliances, and new bureaucracies—the more skeptical they become.

In other words, the more they know, the more they dislike, notwithstanding rhetoric cranked out at a dizzying speed by White House spin doctors. It is time to move on to other choices—and there are other choices, better choices like the Rowland-Bilirakis bill—that deserve attention and action.

STOP FEEDING ADDICTS HABITS

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, most Americans were outraged that a Federal court recently ruled that the SSI Disability Program must pay nearly $20,000-plus monthly to a convicted heroin drug dealer who said he needed the money to support his habit.

Drug addicts and alcoholics who receive disability benefits should be required to receive treatment as a condition of eligibility. Right now, that is not the case.

I have introduced a companion bill to legislation which was adopted unanimously in the other body yesterday to streamline the disability program so that the Federal Government doesn't continue to feed life destroying addictions. It also requires a responsible party to be named to oversee benefits paid to addicts and alcoholics. I urge my colleagues to cosponsor and support this much needed reform of our disability system.

UPTURN IN THE ECONOMY

(Mr. GOODLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOODLING. Mr. Speaker, I do not usually take 1 minutes, but sitting here listening to the 1 minutes I became very, very amused because some very intelligent people would have us believe that somehow or other last year's budget process had something to do with the upturn of the economy. Now, those very intelligent people certainly remember that the upturn of the economy began in the third quarter of 1992, I repeat, the third quarter of 1992. That is before we got to the budget process.

I would also remind them that we will not know what effect April 15 will have on the economy until about December of this year. I hope that it will not have an ill-effect, but we will not know that for another several months.

25TH ANNIVERSARY OF WTOP RADIO NEWS

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, today as we drive home from work many of us will turn on WTOP 1500 on our radio dial and we will hear Dave McConnell report on the very sad and historic occasion that occurred today. One of the finest gentleman to ever serve in the U.S. House of Representatives missed his first vote after never having missed a vote in 42 years. After over 18,000 consecutive votes he had to miss today's vote.

I did not plan to mention that, but rather to focus on the fact that today is the 25th anniversary of WTOP, a station that has defined itself by its professional and objective reporting. It was Walter Cronkite, Connie Chung, Sam Donaldson, and a host of other familiar names who got their start with WTOP. It brings a lot to the Washington area.

I wish today that the news that it were reporting was not so sad. All of us grieve over the fact that such a respected, esteemed colleague has missed his first vote, and we wish him all the best. He certainly is in our thoughts and has our prayers at Bethesda Naval Hospital.

HEALTH CARE: DO NOT CREATE NEW GOVERNMENT BUREAUCRACIES

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Speaker, achieving Government mandated health coverage such as advocated by President Clinton and others will require a Government intrusion into the lives of both employers and individuals. Implementing such a mandate will require the Government to make insurance affordable by rationing health care and imposing price controls. Price controls will lead to higher taxes, bigger deficits, and health care rationing.

Employer mandates and mandatory health alliances will have a significantly negative impact on jobs and on the character and quality of our health care.

We should focus our effort instead on reforming the current system rather than creating a new Government bureaucracy. Our goal, as policymakers, ought not to be to mandate insurance coverage for everyone, rather it ought to be to make sure that all Americans are guaranteed access to health insurance, making that access as easy and consumer friendly as possible within our means.

ADVICE FOR THE PRESIDENT

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I want to recommend to the President and his senior staff that they read today's column by Al Hunt in the Wall Street Journal entitled "Whitewater: It's the Coverup More Than the Deal."

There was a point where President Nixon could have, I think, saved his Presidency by decisively bringing in outside counsel, listening to them, and doing whatever it took to obey the law and to enforce public trust even at the expense of personal friendship. There was a point where President Reagan felt compelled to create the Tower Commission to look into a series of allegations and to try to find out what had happened in the White House.

I am afraid, with yesterday's revelations and today's revelations involving the Justice Department, the RTC, and a whole range of clearly unethical and inappropriate behaviors by senior appointees, that the Clinton Presidency is very close to a problem that, in fact, could ultimately unravel its entire ability to function.

I would hope the President would take seriously the recommendation to relieve the current counsel, Mr. Nussbaum, to bring in a total outsider of impeccable credentials, respected by everyone, to insist that that person go through the entire administration, insisting on ethical, accountable behavior, and establishing firm principles that fit the law and that fit the procedures the country should expect of the executive branch.

I simply would suggest to the President and his senior staff that this is potentially a very critical turning point for the administration, and it should not go into a defensive bunker mentality, and it should not wait for an independent counsel like Mr. Fisk to give it the bad news after the fact, and it should not tolerate its aides engaging in coverup.

REPORT CONCERNING NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. VISCLOSKY) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of August 2, 1993, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq), then or thereafter located in the United States or within the possession or control of a U.S. person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution No. 661 of August 6, 1990.

Executive Order No. 12817 was issued on October 21, 1992, to implement in the United States measures adopted in United Nations Security Council Resolution No. 778 of October 2, 1992. Resolution 778 requires U.N. member states temporarily to transfer to a U.N. escrow account up to $200 million apiece in Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq. These funds finance Iraq's obligations for U.N. activities with respect to Iraq, such as expenses to verify Iraqi weapons destruction and to provide humanitarian assistance in Iraq on a nonpartisan basis. A portion of the escrowed funds will also fund the activities of the U.N. Compensation Commission in Geneva, which will handle claims from victims of the Iraqi invasion of Kuwait. The funds placed in the escrow account are to be returned, with interest, to the member states that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the U.N. Security Council. No member state is required to fund more than half of the total contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders Nos. 12724 and 12817. The report covers events from August 2, 1993, through February 1, 1994.

1. During the reporting period, there were technical amendments to the Iraqi Sanctions Regulations relating to notification of transfers into blocked accounts and registration of persons holding blocked property, 58 Fed. Reg.

47643 (September 10, 1993). A copy of the amendments is attached for reference.

2. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were prepared during the reporting period for violations of the International Emergency Economic Powers Act and Iraqi Sanctions Regulations with respect to transactions involving Iraq. Three penalties totaling nearly $54,000 were collected from three banks for violation of the prohibitions against funds transfers to Iraq, and noncompliance with reporting requirements and an Office of Foreign Assets Control directive license.

3. Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to the Office of Foreign Assets Control's listing of individuals and organizations determined to be Specially Designated Nationals of the Government of Iraq.

4. Pursuant to Executive Order No. 12817 implementing United Nations Security Council Resolution No. 778, on October 26, 1992, the Office of Foreign Assets Control directed the Federal Reserve Bank of New York to establish a blocked account for receipt of certain post-August 6, 1990, Iraqi oil sales proceeds, and to hold, invest, and transfer these funds as required by the order. On July 20, 1993, following payments by the Governments of Saudi Arabia and Denmark of, respectively $40,589,419.00 and $674,360.00, to the special United Nations-controlled account, entitled United Nations Security Council Resolution No. 778 Escrow Account, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $41,263,779.00 from the blocked account it holds to the United Nations-controlled account. Similarly, on August 2, 1993, following the payment of $1,765,138.33 by the Government of the United Kingdom, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $1,765,138.33 to the United Nations-controlled account; on September 11, 1993, following payments of $1,547,054.35 by the Government of Canada, $276,000.00 by the Government of Greece, $3,196,897.72 from the Commission of the European Community, and $1,006,614.89 from the Government of Denmark, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $6,026,566.96 to the United Nations-controlled account; and on December 15, 1993, following payments of $5,223,880.60 by the Government of the United Kingdom, $621,426.80 by the Government of Germany, and $1,219,941.98 from the Government of the Netherlands, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of $7,065,249.38 to the United Nations-controlled account. Total transfers from the blocked Federal Reserve Bank of New York account since issuance of Executive Order No. 12817 have amounted to $107,613,270.99 of the $200 million for which the United States is potentially obligated, on a matching basis, pursuant to United Nations Security Council Resolution No. 778.

5. Since the last report, there have been developments in one case. In *Campia et al. v. Newcomb et al.*, a settlement was entered into by the parties addressing payment of back rent to the landlord and return to the landlord of premises leased by the Matrix Churchill Corporation. To implement the settlement, certain blocked property owned by Matrix Churchill was sold, with the proceeds placed in a blocked account. Matrix Churchill's remaining property and records were placed in secure storage.

6. The Office of Foreign Assets Control has issued a total of 444 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Since my last report, 53 specific licenses have been issued. Licenses were issued for transactions such as the filing of legal actions against Iraqi governmental entities, for legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes, the execution of powers of attorney relating to the administration of personal assets and decedents' estates in Iraq, and the protection of pre-existent intellectual property rights in Iraq.

7. The expenses incurred by the Federal Government in the 6 month period from August 2, 1993, through February 1, 1994, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are reported at about $3.1 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near East and South Asian Affairs, the Bureau of International Organizations, and the Office of the Legal Adviser), and the Department of Transportation (particularly the U.S. Coast Guard).

8. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime, despite international will, has failed to comply fully with United Nations Security Council resolutions. Security Council resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. Nonetheless, we see a pattern of defiance: repeated public claims to Kuwait, sponsorship of terrorism, incomplete declarations to weapons inspectors, and ongoing widespread human rights violations, among other things. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continued to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance. For more than 2 years, Baghdad has maintained a complete blockade of food, fuel, and medicine on northern Iraq. The Iraqi military routinely harasses residents of the north, and has attempted to "Arabize" Kurdish, Turcoman, and Assyrian areas in the north. Iraq continues to launch artillery attacks against civilian population centers in the south, and its efforts to drain the southern marshes have forced thousands to flee to neighboring States.

In 1991, the United Nations Security Council adopted Resolutions 706 and 712 that permit Iraq to sell up to $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations. The Iraqi regime so far has refused to accept these resolutions and has thereby chosen to perpetuate the suffering of its civilian population. In October 1993, the Iraqi government informed the United Nations that it would not implement Resolutions 706 and 712.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. Because of Iraq's failure to comply fully with United Nations Security Council resolutions, the United States will continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 3, 1994.*

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

The SPEAKER pro tempore. Pursuant to House Resolution 366 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 6.

□ 1234

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, with Mr. HUGHES, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, March 2, 1994, the amendment offered by the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] had been disposed of.

Are there further amendments to title I of the proposed Elementary and Secondary Education Act?

AMENDMENT OFFERED BY MR. BOEHNER

Mr. BOEHNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOEHNER:

Page 66, after line 18, insert the following (and redesignate the subsequent sections accordingly):

"SEC. 1116. SCHOOL CHOICE.

"(a) CHOICE PROGRAMS.—A local education agency may use funds under this part, in combination with other Federal, State, local, and private funds to develop and implement choice programs, for children eligible for assistance under this title, which permit parents to select the public school that their children will attend.

"(b) CHOICE PLAN.—A local educational agency that chooses to implement a school choice plan shall first develop a comprehensive plan that includes assurances that—

"(1) all eligible students across grade levels will have equal access to the program;

"(2) the program does not include schools which follow a racially discriminatory policy;

"(3) describe how the school will use resources under this part and from other sources to implement such components;

"(4) describe how the school will provide individual student assessment results, including an interpretation of such results, to the parents of a child who participates in the assessment required by section 1111(b)(3);

"(5) the plan will be developed with the involvement of the community to be served and individuals who will carry it out, including teachers, principals, and other staff, parents, and, if the plan relates to a secondary school, students from the school;

"(6) the plan will be made available to parents and the public; and

"(7) the program shall not include schools that do not receive funds under this title".

Mr. BOEHNER. Mr. Chairman, I rise today to offer an amendment which would allow school districts to use their title I funds for public school choice programs. To begin, I would like to emphasize three points.

First, this amendment is strictly optional. There is no mandate. It is up to school districts to decide whether or not they want a public school choice program.

Second, this amendment only allows for public school choice.

Third, only children eligible for assistance for title I funds can participate. These children are the poor and educationally disadvantaged. In other words, the ones most in need of a choice.

I hear a great deal on this floor about how we must help the poor, especially the children. Our goal with title I is to help these poor. What better way to help them than to allow them to get out of bad schools? What better way to help them than to allow school districts to set up programs that would allow the poor to attend a school that better suits their needs?

As a reasonably well-off parent, I and my wife have the financial ability to send our two daughters to private schools or to move into a jurisdiction with better public schools. Luckily, the public school district in which I live is one of the best in the State, so my wife and I have made the choice to send our daughters to the schools in that district. But what about the poor children just miles away? Their parents are so poor that they cannot move into another district. They cannot afford a private school. And if their district does not allow movement among schools, they may be forced to keep their children in failing schools. This amendment would allow and encourage school districts to change this and grant parents the power to get their children into better schools.

Bill and Hillary Clinton and Al and Tipper Gore should not be the only two couples in America who live in public housing that have school choice. The President in the State of the Union Address made it clear that he supports public school choice.

I also hear a great deal about how we must get parents more involved in their child's education. What better way to get this involvement, than to empower parents to make the most fundamental of decisions, where to send their child to school? Experiences with choice programs in East Harlem, Cambridge, MA and elsewhere have shown that parental involvement with a school and with their child's education is increased when they get to choose the school.

The States seem to agree with me. As a former member of the Ohio General Assembly, I am reminded that States often are the laboratories of invention. This is why I look to such varying States as California and Minnesota, Virginia and Hawaii, Arkansas and Massachusetts, and my home State of Ohio, which all have some form of public school choice programs. We can help school districts in these States and others with this amendment.

In conclusion, I cannot emphasize enough that this amendment will help poor children, will empower poor parents, and will improve pubic schools. I encourage its adoption.

Mr. KILDEE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, many Members of this body support the concept of public school choice. Others do not. The President himself has expressed interest in this approach.

But using title I funds to develop and implement such a program I do not believe is really an appropriate use of these funds. Title I funds are a central source for our poorest schools, and the purpose of title I is to provide educational services to low-achieving students.

This amendment would change the purpose of title I from that of providing educational services to disadvantaged students to paying the administrative costs of developing and implementing choice programs.

□ 1240

Mr. Chairman, I do not believe this is a good use of title I funds, and I do oppose the amendment.

Mr. GOODLING. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, because the amendment deals strictly with title I schools, title I children going from title I schools to another title I school, I rise in support of the amendment by our colleague, the gentleman from Ohio [Mr. BOEHNER]. First of all, it is a local option to implement public school choice, it is entirely up to the local school. Second, the choices are limited to other title I schools. This would avoid the criticism that I would have that you would dilute title I funds and limit the effectiveness of the program if it were going to a non-title I school.

Making choices available to parents, particularly in title I programs, encourages them to be more involved in their child's education.

The amendment does not require the LEA to provide transportation.

So, because of all of those reasons, I rise in support of the gentleman's public school choice amendment.

Mr. BALLENGER. Mr. Chairman, I rise in support of the Boehner school choice amendment and urge my colleagues to vote "yes" on this important amendment. Even President Clinton has stated his support for public school choice, an idea whose time has come.

Far too many students experience failure that is far worse than an "F" on a test. The failure they experience is that of the entire public school system. Schools across the country seem to be plagued with second rate syndrome. They are falling behind and no longer offer a quality education to the youth of America.

To allow parents the option of choosing which public school their children will attend, is to empower them. By making a very small change to the status quo, this amendment would provide huge benefits to the parents and students ensnared in failing schools.

As studies have shown, and parents will tell you, they would like to have the option of sending their children to the good schools in their community, the ones with a magnetism that would draw students if choice were allowed. The mediocre schools, those that refuse to change in order to meet the educational needs of students, are stagnant and performing a grave disservice to the youth of America. If competition were injected into the educational system, these stagnant schools would be forced to improve, or cease to exist.

Competition in schools must take the form of school choice. We all know that wealthy privileged Americans, like President Clinton, can send their children to the best schools available. The poor do not have that option. They are locked into the worst and weakest schools, in spite of the fact that parents long for the ability to choose which school their children will attend. I believe parents should have more options for educating their children.

The implementation of school choice for public schools receiving title I funds would allow for the participation of parents and establish an important structure of accountability for those receiving Federal funds. I believe strongly that empowering parents with the ability to choose the school their children will attend, would make our public schools among the finest in the world.

Mr. Chairman, choice for everyone is an idea whose time has come. I urge my colleagues to vote "yes" on the Boehner amendment.

The CHAIRMAN pro tempore (Mr. HUGHES). The question is on the amendment offered by the gentleman from Ohio [Mr. BOEHNER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROMERO-BARCELÓ

Mr. ROMERO-BARCELÓ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ROMERO-BARCELÓ: Page 123, line 15, strike "1.62" and insert "2.5".

Mr. ROMERO-BARCELÓ. Mr. Chairman, yesterday I proposed an amendment to bring the students in Puerto Rico to the point where they receive the same share, the same amount that is granted for every child throughout the Nation. The House voted 258 to 70 against it.

I explained that it would only have cost each State, per child, the sum of 75 cents per month to allow the children of Puerto Rico, U.S. citizens, to be treated in the same way as all of the children throughout the Nation.

Today I am proposing an amendment that would not bring the children in Puerto Rico to parity with the rest of the fellow citizens throughout the 50 States of the Nation but at least would give them a little fairer share of the funds being allocated through H.R. 6 for children throughout the Nation.

The formula which is applied for Puerto Rico is arbitrary. At the end, when they discuss the formulas to be applied for all the States throughout the Nation, discussed at pages 120 to 123 of H.R. 6, they end up with the last sentence, lines 13, 14, 15, that say, "For the Commonwealth of Puerto Rico the weighting factor shall be no greater than 1.62."

We are asking that that be amended to read 2.5. That still is not the largest weighting factor. The largest weighting factor is 3 points. Puerto Rico would be entitled to the largest weighting factor of 3 points. With 2.5 you take into consideration all of the children throughout the Nation and what each State would have to give up on an average would be a little bit over 3 cents per month per child covered by the act—38 cents per year per child covered by the act.

The funds that would be available then for the children of Puerto Rico, as I said before, would not bring them up to parity with the rest of the Nation even though they are United States citizens, but at least would give them an opportunity to have a better education at home.

I want to read once again the statement of policy of H.R. 6 in title I, section 1001. The statement of policy reads:

> The Congress declares it to be the policy of the United States that a high-quality education for all persons and a fair and equal opportunity to obtain such education (1) are a societal good necessary for creating a vibrant future. * * *

Mr. Chairman, I ask once again, we would like to tell the children of Puerto Rico: Are they considered to be part of other persons in the Nation, are they considered to be citizens of this Nation or not? Do they have a right to be treated equally or not?

Many of those children, their grandparents or their great-grandparents died in the Second World War, in the Korean war, in the Vietnam war, defending this Nation. Some of these children see their grandparents or great-grandparents who have been maimed or who have some kind of difficulty as a result of the wounds they suffered defending this Nation in the wars in which they participated.

Mr. Chairman, Puerto Ricans are equal in death, they are equal in time of war, there is not a halftime allotment for service in the military in the time of war. It is a full-time service.

Now, when it comes to education, they are being treated unfairly, unequally.

The Congress talks about equality, it talks about discrimination, but it is not putting its money where its mouth is because for Puerto Rico there is a different formula. The children of Puerto Rico are being deprived of an opportunity to decrease the gap of education that exists between Puerto Rico and the Nation.

As I said yesterday, I hear from other people, "Oh, but you don't pay income taxes in Puerto Rico." That is true. But I did not vote for it. If I had a vote, I would vote for the people of Puerto Rico, the ones who can pay, would pay their income taxes so that the poor, the children, the handicapped would receive what they deserve. But I do not have a vote; you have the vote. There is no reason, no good reason why Puerto Rico cannot pay Federal income taxes.

But you have chosen to give the benefits to the large corporations, to the wealthier individuals, and deprive the children, the handicapped, the elderly, abandoned mothers with children who have no resources, of fair and equal treatment. I say the children, they do not pay taxes, but they should be allowed to at least receive a little bit more.

All I am asking each fellow Member in this House is for 3 cents per month per child who qualifies under the act in their State. I think that is very little to ask to just give the children of Puerto Rico a little better chance; not the same kind of chance, but a little better chance than they have right now under the act.

Mr. GOODLING. Mr. Chairman, as my chairman would say, I rise with heavy heart to oppose the amendment.

I do so because the new formula, of course, does take into consideration the fact that Puerto Rico will receive from the new formula in H.R. 6 more than 42 other States in the United States. It would put them in the top five, as a matter of fact. It will put them above Michigan and Pennsylvania in receiving new money.

So, because the fact that the formula is weighted to help areas such as Puerto Rico, I rise in opposition because it will be taking from other needy areas in the other 42 States throughout the United States.

Mr. ROMERO-BARCELÓ. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I would be happy to yield to the gentleman from Puerto Rico.

Mr. ROMERO-BARCELÓ. I thank the gentleman for yielding.

Mr. Chairman, the reason why Puerto Rico is receiving more is because it has many more poor children than those other States. If we had the same number of poor children or a lesser number of poor children, it would be receiving less. But because it has many more poor children, then it gets penalized. They say because you have so many poor children who need an advantage, who need an opportunity to raise the level of education so they can find a better job, so there will be less poverty in Puerto Rico, you are going to be deprived of those funds, just because we have those poor children.

□ 1250

Mr. GOODLING. Mr. Chairman, reclaiming my time, that is why we agreed to a formula that benefits Puerto Rico and the children of Puerto Rico. Those of us in the 42 States who will lose money, because those who agreed to the formula believe that we should help the young people in Puerto Rico. So the new formula will be very helpful to Puerto Rico.

Mr. KILDEE. Mr. Chairman, for similar reasons enunciated by myself yesterday and by the gentleman from Pennsylvania [Mr. GOODLING] today I rise, again with a heavy heart, to oppose this amendment being offered by the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ].

We did in committee, of course, increase the concentration in a formula for title I, and that will help Puerto Rico, and I will continue to work with the Governor in trying to achieve statehood for the people of Puerto Rico. In that instance they will have full voting rights and will be paying Federal income tax.

But in the meantime, Mr. Chairman, to enact this amendment would mean the loss of dollars for a number of States here, many of whom are willing to give up some dollars in increasing the concentration formula. So, I do oppose the amendment, again with a heavy heart, but I feel that we must oppose it because States will lose dollars under this.

Mr. ROMERO-BARCELÓ. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Puerto Rico.

Mr. ROMERO-BARCELÓ. Mr. Chairman, I want to explain once again that even though we do not pay Federal income taxes we are now paying for the first time in our history income taxes, and that money that is being received by the Federal Treasury, which is approximately $1 billion per year, is from the corporations that are doing business in Puerto Rico. This is a new tax which was not paid before this year, and that money is not being received back by Puerto Rico at all.

So, Mr. Chairman, from that money there is sufficient monies to be given to Puerto Rico, but we are not being treated fairly, and all I am asking my fellow Members, Mr. Chairman, all I am asking is 3 cents per child per month so that the children of Puerto Rico can have a better opportunity of education. That is all I am asking.

The CHAIRMAN pro tempore (Mr. HUGHES). The question is on the amendment offered by the gentleman from Puerto Rico (Mr. ROMERO-BARCELÓ).

The question was taken; and the Chairman pro tempore announced that the nays appeared to have it.

RECORDED VOTE

Mr. ROMERO-BARCELÓ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 76, noes 340, not voting 22, as follows:

[Roll No. 39]

AYES—76

Abercrombie
Ackerman
Andrews (ME)
Becerra
Bishop
Blackwell
Clay
Clayton
Clyburn
Collins (MI)
Conyers
de Lugo (VI)
Deutsch
Diaz-Balart
Engel
Faleomavaega (AS)
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Gekas
Gonzalez
Gutierrez
Hamburg
Hilliard
Jefferson
Johnson, E. B.
Kennedy
Kennelly
Lewis (GA)
Manton
McDermott
McKinney
Menendez
Mfume
Mink
Mollohan
Murphy
Nadler
Norton (DC)
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Rangel
Reynolds
Richardson
Romero-Barcelo (PR)
Ros-Lehtinen
Roybal-Allard
Rush
Schumer
Scott
Serrano
Smith (IA)
Stark
Stokes
Tejeda
Thompson
Torres
Underwood (GU)
Unsoeld
Velazquez
Vento
Waters
Watt
Wheat
Woolsey
Wynn
Young (AK)

NOES—340

Allard
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clement
Clinger
Coble
Coleman
Collins (GA)
Combest
Condit
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Cunningham
Danner
Darden
Deal
DeFazio
DeLauro
DeLay
Derrick
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Ehlers
Emerson
English
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fields (TX)
Fish
Ford (MI)
Fowler
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manzullo
Margolies-Mezvinsky
Markey
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McHale
McHugh
McInnis
McKeon
McMillan
McNulty
Meehan
Meek
Meyers
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Neal (MA)
Neal (NC)
Nussle
Oberstar
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Reed
Regula
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Rose
Roth
Roukema
Rowland
Royce
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schroeder
Sensenbrenner
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaugther
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Thurman
Torkildsen
Torricelli
Traficant
Tucker
Upton
Valentine
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waxman
Weldon
Whitten
Williams
Wilson
Wise
Wolf
Wyden
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—22

Andrews (NJ)
Andrews (TX)
Bonior
Collins (IL)
Crapo
de la Garza
Dellums
Fingerhut
Ford (TN)
Gallo
Green
Hastings
Houghton
Martinez
McDade
Natcher
Rostenkowski
Schiff
Sharp
Thornton
Towns
Washington

□ 1313

The Clerk announced the following pairs:

On this vote:

Mrs. Collins of Illinois for, with Mr. Bonior against.

Messrs. HERGER, NEAL of Massachusetts, KLEIN, HUFFINGTON, GORDON, and ROWLAND changed their vote from "aye" to "no."

Mr. JEFFERSON and Mr. FIELDS of Louisiana changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FINGERHUT. Mr. Chairman, due to official business with constituents visiting Washington, DC, I was away from the House of Representatives at 12:43 p.m., March 3, when the vote was taken on the Romero-Barceló amendment to H.R. 6. Unfortunately my pager malfunctioned and failed to indicate that a vote was being taken. As a result, I was not present to cast my vote on this occasion. Had I been present at 12:43 p.m., I would have voted "no" on the Romero-Barceló amendment.

AMENDMENT OFFERED BY MR. BOEHNER

Mr. BOEHNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOEHNER: Beginning on page 190, strike line 1 and all that follows through line 13 on page 194 (and redesignate the subsequent sections accordingly).

Mr. BOEHNER. Mr. Chairman, I rise today to offer an amendment to eliminate the Elementary School Innovative Transitional Projects Program. But before I speak directly on this program, I would like to outline what Mr. MILLER from Florida and myself will try to do throughout the consideration of this bill.

We will be offering amendments to streamline the ESEA by eliminating several programs. Some of them have been recommended for elimination by President Clinton, not only in his proposal for the reauthorization of ESEA, but also in his recent budget. Some of them are so targeted in their focus that they can't possibly address broad, national educational concerns. Some of them can be funded by other larger programs and don't require their own separate authorization. And still others have the Federal Government getting into areas traditionally left to the States.

As the ESEA stands today, there are 61 programs. Some with large authorizations and many others with small authorizations and even smaller appropriations. There is no focus and priorities are lost. That is why many of us on the Education and Labor Committee started on a path to consolidate all of these programs into a set which not only was focused, but also made clear our priorities. Instead of having a large number of small pots of money, we would have a small number of large pots. These programs would in turn be focused and give school districts the flexibility to use the funding for their needs.

Even the Clinton administration got into the act with their initial proposal which consolidated some programs and eliminated others. Their proposal recommended the authorization of 26 programs. However, as the bill now stands, there are almost 48.

Unfortunately, some of these programs will end up taking funding away from larger ones, such as title I and chapter 2. What is going to happen when the Appropriations Committee looks at this potpourri of programs and can't figure out our priorities? They will try to fund all of the programs in amounts too small to carry out their various objectives.

Mr. MILLER and I want to return focus to this bill and make for a more efficient use of taxpayer money. If these amendments are accepted, our schools will be better served, and ultimately, our children will be better served.

Which brings me to the present amendment. Since 1967, there has been a program called Follow Through, which is intended to sustain the gains made in Head Start and other preschool programs. But, as President Clinton described in his budget, "It was intended as a short-term experimental effort. Successful models have now been designed, refined, and disseminated for more than 25 years. The reauthorized title I grants to LEA programs will provide a more appropriate vehicle for funding implementation of these models."

The program before us is an extension of the Follow Through Program. While supporters of the program advocate that it is different, I submit that it is similar enough to Follow Through that it should be eliminated. In addition, the Secretary of Education will have to spend at least $10 million on this program. In short, we are taking away the flexibility of title I and splitting that particular pot of money.

The administration proposed to eliminate Follow Through, and, frankly, this is nothing more than a backdoor attempt to ensure that the program continues. That is why we have a new title to the program.

Under the current Follow Through Program, approximately one-half of the grantees have had their grants for 20 years or more. This program started out as a demonstration project. However, there has been little growth in the program due to the fact that many of the original grantees still receive Federal support. There are no assurances that the same grantees will not receive funds under this new program in the bill.

In fiscal year 1991, the Department of Education funded 42 projects, 10 for sponsors, 30 for LEA's, and 2 research grants. The program gave priority to LEA projects operating in chapter 1 schools operating as schoolwide programs, and, as a result, 20 of the LEA grants were awarded to districts serving children in schoolwide projects.

The point we are trying to make here is that this is nothing more than a demonstration program that has gone on and on and on, and it is time to say "no." We can change the name. We can call a pig a cow, but that will not make it oink. The fact is, this is Follow Through under disguise, and it ought to be eliminated from ESEA.

Mrs. UNSOELD. Mr. Chairman, I move to strike the last word.

I rise in opposition to the Boehner amendment, striking the Innovative Elementary School Projects. In response to the question of the gentleman from Ohio [Mr. BOEHNER] as to what our priorities are, in my view there is nothing more vital to our national security than how we educate our children.

This is part of the work that has been done in H.R. 6, particularly in title I, to ensure that our children are going to have the best education possible and that they are going to be able to succeed.

This program allows schools receiving title I funds to create and implement innovative transition projects to help at risk preschool children in Head Start, Even Start, and other preschool programs come to school prepared to learn.

It provides $10 million in assistance under this section of the bill that deals with Federal evaluations and demonstrations under title I.

Now, we all know the importance of intervening early with our at-risk children. That is the entire purpose behind such programs as Head Start and Even Start. But we know by now that 1 year of preschool is just not enough. We have got to continue to support those children and their families as they move from one system to another. This is one important way we can encourage schools to focus their energy and their resources on helping Head Start and Even Start children to enter school ready to learn and to stay ready to learn.

This is not a Follow Through Program. This is a new authority that provides grants to LEA's for innovative transition projects. In order to be funded under this authority, projects must enter into formal transition agreements with Head Start, Even Start, and other local preschool programs, and they must involve parents in the planning, operation, and evaluation of transition projects.

We need to support these young children early in their education. Research indicates that without this support in those early years, we can expect increased school failure, higher drop-out rates, all of which are far more costly in the long run. This is a means of saving money in the long run, by keeping these children in school so that they can contribute to society rather than out of school and become dependent upon society.

One of the ways to reform welfare is to help children succeed in school. I urge my colleagues to vote "no" on the Boehner amendment to title I.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in opposition to Representative BOEHNER's amendment to H.R. 6, Improving America's Schools Act of 1994. The Boehner amendment would eliminate funding for the innovative elementary school transitional projects.

The elementary school transitional projects are extremely important in helping children from low-income families who were part of a Head Start, Even Start, or a similar preschool program make a smooth transition to kindergarten and the early elementary grades.

Let us bear in mind that more than $20 billion is being spent on Head Start and Even Start. The innovative elementary school transitional projects ensure that investment and its effectiveness.

Mr. Chairman, many gains have been made for children enrolled in Head Start and Even Start, but studies have shown that if we don't follow through with these children they fall behind. That is why the innovative elementary school transitional program is so essential.

I have introduced an amendment to this bill which would allow the use of mentors who are high school or college students trained to provide tutoring to elementary and secondary students formerly enrolled in Head Start or Even Start programs. Mentoring is just one example of the different types of transitional projects that can be initiated under this program.

Accordingly, I urge my colleagues to oppose the Boehner amendment.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment.

If we truly expect to meet our first national education goal, that all children shall enter school ready to learn, then preschool transition programs are absolutely essential.

Study after study has shown that the early school years are crucial in setting the stage for future academic success. We have all seen the benefits of Head Start and other early childhood programs that help low-income children start elementary school on an equal footing with their more economically advantaged peers.

However, Mr. Chairman, research indicates that the advantages of Head Start fade around third grade. Mr. Chairman, we must support these students during their first years of elementary school if we want them to maintain the gains they made during their preschool years.

The preschool transition program in H.R. 6 is designed to target children who are most educationally at risk. If we are concerned about school failure; if we want to lower the school drop-out rate; and if we want to increase the number of students who graduate with the skills we will need for tomorrow's technological workplace; we must support the preschool transition program.

I urge my colleagues to vote "no" on the Boehner amendment.

Mr. REED. Mr. Chairman, will the gentlewoman yield?

Ms. WOOLSEY. I yield to the gentleman from Rhode Island.

Mr. REED. Mr. Chairman, I thank the gentlewoman for yielding to me. I rise in opposition to this amendment. I think the whole amendment fundamentally misperceives the nature of our reauthorization.

What we are trying to do is take what we have learned over the last several years and incorporate it into this legislation. One thing we have learned is that young people who have been exposed to preschool programs like Head Start lose their advantage over the years, unless adequate comprehensive and thorough transition programs, all of the money that is being spent, as the gentleman from New York [Mr. GILMAN] indicated, is really dissipated, because we cannot sustain that level of performance.

At the heart of the amendment of the gentlewoman from Washington [Mrs. UNSOELD] is a very sensible and very pragmatic approach, which is to invest in the types of transitional programs which will sustain what we have achieved through Head Start. We are going to once again, I hope, vigorously support Head Start. But to do so without this transitional mechanism is, I think, to be somewhat misplaced in our priorities. So we have to, I think, support this amendment.

The gentlewoman from Washington is right. We have to sustain the progress we have made through Head Start.

Also this program is not antagonistic to the administration's proposals. It is part and, indeed, complements the demonstrations of innovative practices programs which have been proposed by the administration.

□ 1330

On policy grounds, on commonsense grounds, this amendment should be defeated. We should retain the program of the gentlewoman from Washington [Mrs. UNSOELD].

Mr. PORTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, reluctantly, because I have such respect for the gentleman from Ohio [Mr. BOEHNER], I rise to oppose the amendment which would eliminate title I transition projects. Over the past year the Subcommittee on Labor-Health and Human Services-Education of the Committee on Appropriations has demanded of the administration greater accountability for the education programs we fund.

We know that Head Start dollars, for instance, are simply being lost because in the transition to elementary school, children lose the gains they have made in Head Start by the third grade.

Mr. Chairman, I know that transition programs can work. I have seen it in my own district at the Carmen school, in Waukegan where children get transition assistance. They do not have the Head Start fade. Their students maintain high achievement throughout the elementary grades. I invite anyone who questions the value of transition programs to look at the letters I get from these kids. Their ability to write as well as they do is eloquent testimony to their transition program.

Normally, I would be down here with Mr. BOEHNER, supporting a consolidation or termination of these programs. But, Mr. Chairman, I have been a strong supporter of transition programs from the beginning because they have proven their effectiveness. They work.

Congress allocates over $3 billion a year on Head Start to give economically disadvantaged students the opportunity to start school ready to learn. Transition programs ensure the Head Start money is not wasted and that students continue to achieve at higher levels throughout elementary school.

I want to make an important point. This is an authorization bill and will not add to the deficit. The bill will not raise spending caps. But it will give the Appropriations Subcommittee the opportunity, without adding more money to total spending, to strike the proper balance between preschool and transitional assistance to ensure that billions of taxpayer dollars are not wasted on an ineffective program.

Mr. Chairman, I urge Members to allow the Appropriations Subcommittee the flexibility of working between Head Start and transitional assistance, to fund children able to start school ready and able to learn.

Without the transitional programs, much of the Head Start money will simply not do the job. I urge Members to oppose the amendment.

Mr. SAWYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is not my purpose to take the full time. There is so much of what was needed to be said that has been said.

Let me just suggest, however, that I understand the motive of the gentleman from Ohio. I think it is well-motivated. If this in fact were a follow-through program, we would not want to sustain cash cows that simply went back to the same programs year after year, if that were what we were doing.

I do not believe that that is the case in this instance. Rather, this is a case of having learned the lessons of 23 years and more of programs as widely and highly regarded as Head Start, and innovative programs as essential to sustaining that effort as Even Start, and to put them together in a way that lets them sustain the effort that they have begun, not only through a child's early school years, but from generation to generation.

The truth is that much of what we say about Head Start is absolutely true, but the program is not without its faults. It does not have the longevity we all would like to see. It does not have the sustainability we all would like to see.

However, we have learned lessons in recent years from the best of the followthrough programs and from others, like one in my district, the Decker Family Care Center, in which programs across school boundary lines bridge together Even Start, Head Start, health care programs from a variety of different kinds of settings, and sustain the strength of a family at the point where it is most fragile.

In fact, this was a program, the Decker Family Care Center, that was one of only a handful which, under the successful literacy demonstration programs in this country, was recognized by the First Lady. I hasten to add, it was not the current First Lady who recognized this, but the previous First Lady, who brought this program to national attention.

We need to be able to learn from this kind of effort. We need to be able to take those lessons and sustain them where they can grow. That is what this particular effort does. The title I transition projects do not represent an enormous amount of money, but they do represent the glue, the mortar, to hold together some solid bricks, some real building blocks that can build an edifice of a kind we care deeply about.

In that sense, while it is a matter of sympathy for me, that I understand the motive in making sure that we do not dissipate and diffuse already scarce dollars in the programs that we have, I stand here in opposition to the so-called Boehner amendment on the grounds that this is not the diffusion of dollars, these dollars represent the glue to hold together much larger programs that need the sustainability that it offers.

Mr. BECERRA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me just add a few remarks to what has been said, the words that have been said by some of my colleagues who are in opposition to the amendment before us.

In California we spend about $4,200 per year to keep a child in school. We spend $32,000 to keep a youth the same age locked up in a youth facility if he or she has committed a crime. When we consider that 80 percent of all the prisoners in our jails and prisons are school dropouts, it becomes very, very easy to understand why we want to have programs like Head Start, and then have the transition programs once the child is no longer in Head Start but has moved on to school.

What we want to try to do is provide this child not just with the initial step to help any child who may be at risk with the opportunity to really learn and be productive once he or she becomes an adult, but really, once they are in school, to provide them with the assistance and that support that explains to them in very graphic terms that we are not going to let them fall between the cracks.

We do not want them to become part of the 80 percent that goes on to or is in prison. We also do not want them to become part of those that are costing us, as taxpayers, $32,000 per year to keep them behind bars.

We have to do some things and we have to do them early so they do not cost us that much. We have to do what we can to use prevention methods and not remedial methods with kids who are starting to show signs of not being able to succeed in school.

I would hope that we would take a close look at these, particular projects that are funded by the transition projects under title I and understand that what we are doing is, we are paying pennies to keep these kids from becoming part of the 80 percent that are behind bars right now. Therefore, I would urge all my colleagues to please oppose this amendment and let us move on.

Mr. MILLER of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment.

Mr. Chairman, at the beginning of the reauthorization process last year, there was a bipartisan effort to target scarce Federal dollars on title I and other programs focusing on broad national education concerns, rather than on specific constituencies.

We hoped to eliminate or consolidate numerous categorical programs and use the savings to create better education opportunities for all students.

During committee markup that concept was forgotten. Programs were reinstated which were originally eliminated not only in the President's reauthorization proposal, but also in his recent budget proposal. President Clinton called many of the programs worthy of termination or unneeded.

Rather than follow the President's recommendations, the committee added many brandnew programs. We believe that the House should return to the original intention and eliminate the $1.8 billion of new programs as well as the $62 million of programs targeted for elimination by the President.

We must begin eliminating and consolidating somewhere. The Innovative Elementary School Transition Project, formerly referred to as the Follow Through Program, should be eliminated.

I agree with my colleague from Ohio, Mr. BOEHNER, and the President in this case.

The Follow Through Program, in theory, is a noble idea, but the time has come to set priorities on Federal spending.

President Clinton and Secretary Riley have set priorities and I believe we need to do the same.

Authorizing $10 million for a program targeted for elimination doesn't make sense. That's $10 million to be divided over 15,000 school districts. I question the impact that so few dollars have?

The President called this program a short term experimental effort and pointed out that title I grants "will provide a more appropriate vehicle for funding implementation." I think we should show our support of the President and eliminate this program.

I would also like to point out the irony that today, we're marking up the 1995 budget in the Budget Committee. Our goal is to eliminate 115 programs targeted by the President. Meanwhile, this bill adds $10 million here and another $350 million in title II and $200 million in title XI. The list goes on reaching $1.86 billion of unwarranted spending.

We have got to start eliminating and consolidating somewhere.

We have got to draw the line.

The President drew the line when he targeted this program for elimination. I implore the Members to join the President and Mr. BOEHNER and pick up a piece of chalk and let us draw the line.

□ 1340

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Florida. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I thank the gentleman from Florida for speaking and for yielding on this important issue. The gentleman and I do not have any beef with the program, and if Members want to do the program in their districts, more power to them, because obviously in some cases it has worked, although with Even Start the statistics are in and children are not falling behind as a result. So we have no beef about the program.

What the beef is is about a program that is so narrowly targeted that only 30 school districts in America receive benefit for it. All of this talk we heard on the floor this afternoon would lead one to believe this was a large nationwide project. But the fact is that what we have heard from today are Members who happen to have a grantee, one of these 30 grantees in their districts. I do not blame them for standing up on the floor here defending the program, trying to keep that money coming into their districts.

We are all familiar with pork in Congress. We all think it all happens in the appropriations bills, but it does not. This is nothing more than educational pork that ends up in 30 school districts in America. When we are trying to focus some attention on how to help disadvantaged children in title I, this is the last thing that we ought to be doing—taking out an authorization for $10 million in order to benefit just 30 school districts in America. That is my problem. It is not the program in general. I think districts and communities can afford to fund this program on their own. But for the Federal Government to do this for 30 districts is wrong, because what it does is it does this: It reduces the pie for all other school districts in America. And so for the 30 Members of Congress who have a grantee in their district, it may be great. But for the other 405 Members of Congress who receive nothing out of this, their districts end up getting less for their schools as a result of these types of very targeted programs.

Mrs. MINK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. All of us who have followed the progress of education in America realize how important it is to begin the educational process in the earliest possible years. And because that has become almost a universally accepted educational policy in America, we have given in the Congress and throughout this country extraordinary support to Head Start programs and other preschool programs, because we realize that in particular for those communities that are at risk, have a tremendous percentage of poor children or poor families who are in some way economically disadvantaged, that if we are to help the children in these communities we have to start at the earliest possible age.

So we have embarked upon Head Start programs and we continue to insist that the goal of this country be to fully fund Head Start and to have it not only a half-day program but a full-day program as well as throughout the 12-month year.

In concert with our commitment to support the youngest of our children in Head Start programs and Even Start programs and others, we also believe that the gains that are made through Head Start and through early childhood education must have a transition process into the regular school program. And if we do not have this transition process much of what is gained in the preschool years will be lost.

So, my colleagues, this is an important part of the total concept of elementary and secondary education for children that are in the poverty area.

Mrs. UNSOELD. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I am glad to yield to my colleague, the gentlewoman from Washington.

Mrs. UNSOELD. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, I fear that the sponsor of this amendment is not desiring to respond to his own colleagues about the need to not waste the $20 billion that is already being spent on Head Start and Even Start by failing to sustain the progress of these students and has unfortunately resorted to calling this pork. It is an insurant and an investment that we are already making in at-risk children so that they will be able to succeed in school.

Mr. BOEHNER. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, if this was such an important program, why would not President Clinton have proposed in his recent budget that this program continue? And why would he, when he proposed the reauthorization of the elementary and secondary and vocational education, why would he not then have proposed that this program continue? The fact is that he did not propose in either his budget or in his reauthorization bill that this program continue.

Mrs. MINK. I have to respond to the gentleman that he has directed the question to someone who is not in full agreement with the President on many of his education initiatives, and in this particular one I think grievous error and failure of recognizing the importance of such programs that did provide a transition from early childhood education into the regular school. There may have been programs with followthrough, but this is not followthrough. This is a new program which attempts to enlarge upon and expand the opportunities for at-risk children, and in fact I believe concurs with the President's Goals 2000 which says the No. 1 goal is that all children shall enter school ready to learn.

That is really what this is all about. Why spend billions of dollars on Head Start with a comprehensive approach to education and then not have a program which affords extra support for transition in the at-risk school? We are not dictating policy. This is a voluntary approach which school districts are going to have the opportunity to avail themselves of. Only some of them may not like it, but I am sure in the gentleman's district as well as mine this opportunity to continue the advances and advantages of Head Start will be a very welcomed approach.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the gentleman's amendment, and I do so for two reasons.

First of all, I think that in an effort to save us $10 million, this will ultimately cost us more money, both in terms of complementing, first, the Head Start Program, and second, crime preventing. And let me address both of those.

The Committee on Education and Labor will shortly reauthorize the Head Start Program. We have already conducted many thorough studies about where Head Start, a bipartisan-supported program, is good and strong, and where it might have some weaknesses. One of its perceived weaknesses is in following up on the knowledge that we give these children in Head Start Programs through preschool programs and entering into elementary school.

This program is designed to complement and provide a transition for those at-risk children and for those children that need, through a paucity or some weaknesses in the Head Start Program, some supplemental education and followup. So this will complement our Head Start Program, and hopefully keep children in school.

Second, many Members in this body are going to vote for a tough crime bill. Three strikes and you are out is going to be considered, reforms in habeas corpus and the exclusionary rule, and death penalty provisions expanded. I intend to vote for many of those provisions.

□ 1350

But we will be remiss in this body if we do not provide crime prevention programs as well, and invest in our children.

When I was in Indiana looking at our State budget for new prisons and new prison cells, I asked the director of prisons, "How do we calculate how many new prisons and prison cells we are going to build in the State of Indiana?" He said, "Mr. ROEMER, hold on to the seat of your pants. The single biggest variable, the barometer we look at, is the number of at-risk children in the second grade."

If we do not do enough on the crime bill or in this very important education bill, we will really be letting our taxpayers down. We will be telling them it is OK to spend $30,000 to incarcerate and imprison people, but we do not want to spend some money on keeping our children in school and from the danger of dropping out.

I think that this amendment should be defeated. I think this will save us money both in terms of a crime bill, in terms of preventive education, and in terms of saving money for special services education, and I strongly encourage my colleagues to defeat this amendment.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I am happy to yield to the gentleman from Ohio.

Mr. BOEHNER. As I said earlier, I do not have any problem with the objectives that the Members who put this language in here are trying to accomplish. The problem is that it is only $10 million. It is not a problem that is going to help in transition for all people involved in Head Start, or Even Start, across the country. It is not anywhere near enough money.

Mr. Chairman, it would take hundreds and hundreds of millions of dollars to accomplish that.

Second, it looks like the old Follow Through Program. There are no guarantees in the legislation that those grantees, those 30 grantees—20 of which who have been receiving money for over 20 years as part of the demonstration project—there is no grant or guarantees that they will not in fact continue to receive the same amounts of money that they have in the past.

So I understand your concern. But I say this to you: This is a very targeted program to help 30 school districts in America, and that is not why we are here reauthorizing this bill.

Mr. ROEMER. Reclaiming my time, which I do not have a lot of left, I would say this needs to be targeted. This need to be targeted to at-risk children who will drop out if not provided with the Follow Through assurances in this kind of transition program, who will cost us $30,000 as opposed to several hundred dollars invested in children early on.

As the gentleman from Ohio knows, we are going to spend several billion dollars on crime prevention or on crime and on prisons and on putting more police on the streets, which we should be doing.

We have an obligation to future generations to invest in the crime prevention part, and that is what this transition program does.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as chairman of the subcommittee, I feel very much like an orchestra leader.

All of the Members opposing this amendment have presented a very good concern against it.

I urge its defeat.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I am happy to yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I sit on your subcommittee, and you do a wonderful job. I have to ask you this question: Do you currently have a school district in your congressional district that receives funding under the Follow Through Program?

Mr. KILDEE. Yes, I do.

Mr. BOEHNER. Would you think that with this new authorization that that school district would continue to receive funding?

Mr. KILDEE. I have no idea. They will have to compete with every other school district applying. The gentleman knows that.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do this only to point out that our great flaw in Head Start over a 20-year period, and at a cost of approximately $20 billion, has been the fact that we have done nothing until the last reauthorization to deal with the family literacy problem.

The whole idea in Head Start, unfortunately, was to involve parents in everything other than learning about parenting, other than improving their literacy skills. The unfortunate part about this is that there is then no one at home to be the first and most important teacher that a child ever has.

That is why, when they get to third grade, contrary to what those who support Head Start usually like to say—that it is the school district's fault—the reason these children have problems is that we did not design the program well and did not insist that family literacy was a part of that program.

A second problem is that over the years since Head Start began, we have never recompeted a Head Start Program. I mean, even though the reports were such that we should have been doing something, we did not. We just allowed the same group to continue and continue and continue, and it became an employment program for them. It was their employment program, and they did not want us to mess with them. And so I think we really have to, as we go through this whole exercise, really zero in on the whole idea of family literacy, or we can spend $20 billion more on Head Start, and those disadvantaged youngsters are still going to be disadvantaged, more disadvantaged, or at least not any better than those that went through the Head Start Program before them.

I will do anything I can do to make sure we do not come back with this argument against Head Start in the future. The chairman knows I have made this criticism about Head Start over and over again. We have to make very, very sure the same people do not constantly receive the grants year after year unless they are doing a good job.

Mr. ENGEL. Mr. Chairman, I rise in opposition to Mr. BOEHNER's amendment to strike "Title I—Transition Projects" which are currently authorized under H.R. 6, the Improving America's Schools Act.

The legislation authorizes Federal assistance for comprehensive projects that provide for a smooth transition for children from preschool through the early elementary school grades. The projects target poor children, assisting them in reaching high academic standards.

These transition programs are vital in continuing the social and educational successes of those children participating in Head Start, Even Start, and other quality preschool programs through the early grade levels. The fade-out effect, seen in former Head Start participants, may be alleviated through the continuation of effective services for at-risk children during the elementary school grades.

Certainly, the continuation of innovative and successful preschool transition programs will prove to be a cost-effective and practical approach in the long run. If the educational and social needs of our youngest students are permitted to be neglected, the costs to society in the future through added demands on our education, justice, and social service programs will be enormous.

Therefore, I urge my colleagues to defeat the Boehner amendment and support the "Title I—Transition Program."

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. BOEHNER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOEHNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 128, noes 292, not voting 18, as follows:

[Roll No. 40]

AYES—128

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bilbray
Bliley
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Canady
Cardin
Castle
Clinger
Coble
Collins (GA)
Combest
Condit
Cox
Crane
Crapo
Cunningham
Deal
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Emerson
Fawell
Fields (TX)
Fingerhut
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Geren
Gingrich
Glickman
Goodlatte
Goss
Grams
Greenwood
Hall (TX)
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Johnson, Sam
Kanjorski
King
Kingston
Knollenberg
Kolbe
Kyl
Lehman
Lewis (FL)
Linder
Livingston
McCollum
McCrery
McHugh
McInnis
McKeon
McMillan
Mica
Miller (FL)
Minge
Moorhead
Myers
Nussle
Oxley
Packard
Paxon
Penny
Peterson (MN)
Petri
Pombo
Portman
Pryce (OH)
Quillen
Ramstad
Ravenel
Roberts
Rohrabacher
Roth
Roukema
Royce
Santorum
Schaefer
Sensenbrenner
Shaw
Shuster
Smith (MI)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stenholm
Stump
Talent
Thomas (CA)
Thomas (WY)
Walker
Weldon
Zeliff
Zimmer

NOES—287

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilirakis
Bishop
Blackwell
Blute
Boehlert
Borski
Boucher
Brewster
Brooks
Browder
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DeLauro
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Derrick
Deutsch

Diaz-Balart
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Dingell
Dixon
Dooley
Durbin
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Edwards (TX)
Ehlers
Engel
English
Eshoo
Evans
Everett
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Faleomavaega (AS)
Farr
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Fields (LA)
Filner
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Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
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Gonzalez
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Gutierrez
Hall (OH)
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Hoyer
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Hughes
Hutto
Inslee
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Johnson (CT)
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Johnson, E.B.
Kasich
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Orton
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Pallone
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Payne (NJ)
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Pelosi
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Price (NC)
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Reynolds
Richardson
Ridge
Roemer
Rogers

Romero-Barcelo (PR)
Ros-Lehtinen
Rose
Rowland
Roybal-Allard
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Shepherd
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Snowe
Spence
Spratt
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Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
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Thompson
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Thurman
Torkildsen
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Traficant
Tucker
Underwood (GU)
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Waxman
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—18

Andrews (TX)
Bonior
Collins (IL)
de la Garza
Gallo
Green

Hastings
Jefferson
Johnston
Kaptur
Laughlin
McDade

Michel
Natcher
Rostenkowski
Schiff
Taylor (NC)
Washington

□ 1417

The Clerk announced the following pair:

On this vote:

Mr. Taylor of North Carolina for, with Mr. Gene Green of Texas against.

Mr. MANZULLO, Mr. LEVIN, Mrs. MEYERS of Kansas, and Mr. RIDGE changed their vote from "aye" to "no."

Mr. EMERSON, Mrs. ROUKEMA and Messrs. THOMAS of California, BILBRAY, LEHMAN, and HALL of Texas changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON: Page 127, after line 21 insert:

"Subpart 3—Presidential Awards Program

"SEC. 1131. PRESIDENTIAL AWARDS PROGRAM.

"(a) DEVELOPMENT.—The Secretary shall, in consultation with the chairpersons and ranking minority members of the Committee on Education and Labor for the House of Representatives and the Committee on Labor and Human Resources of the Senate and educational leaders, develop a Presidential awards program that will recognize and provide a cash award to schools that excel in educating their students to high levels as defined by the National Education Goals and the standards certified by the National Education Standards and Improvement Council established under the Goals 2000: Educate America Act.

"(b) NOMINATIONS.—Schools recognized under this program will be selected by the Secretary from a list of nominees. Each State shall select a nominee to be submitted to the Secretary from among schools designated as distinguished schools under section 1119.

"(c) SELECTION.—The Secretary shall annually convene a panel of experts who will review nominated schools and select those who will receive awards. In addition to Presidential recognition, selected schools will receive a cash award which may be applied without restriction to enhance the educational programs in those schools or to provide cash awards to personnel in the school.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart such sums as may be necessary for each of fiscal years 1995, 1996, 1997, 1998, and 1999.

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. SHARP). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERFECTING AMENDMENT OFFERED BY MR. GOODLING TO THE AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GOODLING. Mr. Chairman, I offer a perfecting amendment to the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The Clerk read as follows:

Perfecting amendment offered by Mr. GOODLING to the amendment offered by Mr. GUNDERSON: In the amendment to page 127, after line 21—add the following:

In section 1131, subsection (a)—

(1) strike "shall in consultation" and all that follows through "America Act" and insert "may develop a Presidential awards program that will recognize the person or corporation producing the best education game of the year."

(2) in subsection (b)—

Strike "Schools" and all that follows through "section 1119" and insert the following: "Games recognized under this program shall be selected by the Secretary from a list of nominees or applicants submitted by a panel of experts who convene annually at the request of the Secretary."

(3) In subsection (c) strike "nominated" and all that follows through "1999" and insert the following: "nominations and applicants in selecting recipients who will receive awards under this section. Games selected for awards under this section may be eligible to receive other awards."

Mr. GOODLING (during the reading). Mr. Chairman, I ask unanimous consent that the perfecting amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Michigan [Mr. KILDEE] rise?

Mr. KILDEE. Mr. Chairman, we accept the amendment.

The CHAIRMAN pro tempore. The question is on the perfecting amendment offered by the gentleman from Pennsylvania [Mr. GOODLING] to the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The perfecting amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment, as amended, was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. ROHRABACHER

Mr. ROHRABACHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROHRABACHER: Page 25, after line 18, insert the following:

"SEC. 1003. REPORTING REQUIREMENTS.

"None of the funds authorized in section 1002 shall be made available to a local educational agency unless—

"(1) such agency, beginning on October 1, 1994, and continuing on or before such date in each subsequent year, submits to the Assistant Secretary of Education for Elementary and Secondary Education, a statement regarding the total number of students enrolled in its school system, the number of students enrolled who are not lawfully in the United States, the number of students who are lawfully in the United States who do not have at least 1 parent or legal guardian who is lawfully in the United States, and the average per pupil expenditure of the local educational agency.

"(2) The data submitted under paragraph (1) shall be current as of any date in the 30-day period prior to the date that the Assistant Secretary requires."

□ 1420

Mr. ROHRABACHER. Mr. Chairman, my amendment is simple, straightforward, and it ought to be noncontroversial. It simply requires schools receiving funding under title I of ESEA to count their students who are in this country illegally or those who have parents who are in this country illegally. This information, taken together with the information about the cost of education at the schools, will allow all levels of Government to determine the cost of illegal education to our country's school systems.

The reason I believe this amendment should be noncontroversial is that regardless of how one stands on the issue of Government benefits to illegal aliens, the debate should be based on the most accurate information possible about the cost to all levels of Government of the current policy, which is the policy of giving educational benefits to anyone who makes his or her way into this country, legally or illegally.

To those who believe that the Federal Government should provide such compensation to school districts with high levels of illegal immigrants, this amendment will provide them the data they need to determine the amount of money that is needed to be reimbursed. Those who believe, as I do, that Government should not provide education for illegal aliens and their children will also find it valuable to have these costs and the figures available. Whichever side one is on of the illegal issue, it is essential for Congress to know how much it is costing to educate illegal aliens and their children in this country.

Let me also explain, Mr. Chairman, what my amendment does not do. It does not create any great or unprecedented burden on the schools, although I am sure that is what my opponents will suggest. There is not a school in this country which does not have information for every student enrolled in its system. It is very easy to determine if the birth certificate comes from the United States or not, and those presenting birth certificates from other countries would simply be asked a further question about their legal status.

Under a number of Federal laws, the schools are already required to determine the occupation of the students' parents for impact purposes and the incomes of their parents for school lunch purposes. It is not out of line to ask, with very little expense, just an additional question about legal status.

Some Members of this House who are themselves responsible for imposing billions of dollars' worth of unfunded mandates on local school districts have decided to attack this minor requirement which would have very little cost to impact and attack it as an unfunded mandate. That is absolutely ridiculous, and just to remove any doubt, I will be accepting an amendment to my amendment brought by the cochairs of the Congressional Unfunded Mandates Caucus, of which I am an original member. The gentleman from California [Mr. CONDIT] and the gentleman from Kansas [Mr. ROBERTS] will be proposing an amendment that will take care of that particular problem, if it ever was a problem.

My amendment also does a couple of other things, and it does not do a couple of other things also. It does not require the reporting of any names of students or parents to the INS, although we will hear people making that charge. It does not require that, or that these names be transmitted to any other Federal agency. All we are asking for in this amendment is that we need the numbers, not the names. Nor does this amendment cut off any funds for educating illegal aliens. That is not what this amendment is about. I will be proposing an amendment like that separately later on, but that is not the point of this amendment.

Let me make note of the fact that asking for information does not violate in any way the Supreme Court's Plyer versus Doe decision. That decision deals with providing education, not with asking questions, so there is no prohibition on whether or not we can in some way come to grips with the illegal alien problem, with the numbers of illegal aliens that are in our schools and how much they cost us.

Mr. Chairman, this amendment is merely an attempt to quantify these costs, the costs of educating illegal aliens and their children, something that everyone should agree is needed.

Let me say this very clearly. Those people who oppose this amendment and say that we should not even be able to count the number of illegal aliens in our schools should not come back to this body and expect that any money be provided by the Federal Government to finance the education of illegal aliens, if they themselves have refused to provide the data that is necessary to find out how many illegal aliens are needed to be financed. Any small burden that this amendment would require, that it would add in terms of the informational requirements that the schools already face, is just absolutely minimal, it far outweighs the benefits of knowing the information that we have to have. There is a huge unfunded mandate right now, and the number of illegal aliens, especially in the Southwest and California, that is providing a burden to the taxpayers to the point that the level of our schooling or the quality of our schooling is being stretched to the breaking point is such that we cannot permit this to go on and just ignore the issue. Let us quantify it, find out how much it is costing, and then we can determine what the solution should be.

AMENDMENT OFFERED BY MR. ROBERTS TO THE AMENDMENT OFFERED BY MR. ROHRABACHER

Mr. ROBERTS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERTS to the amendment offered by Mr. ROHRABACHER:

At the end of the amendment proposed to be added to page 25, after line 18, add the following:

"(3) The direct costs incurred by States, local educational agencies, and schools in complying with this section shall be reimbursed by the Federal Government.

Mr. ROBERTS. Mr. Chairman, I offer this amendment on behalf of the gentleman from California [Mr. CONDIT] and other members of the Congressional Caucus on Unfunded Mandates.

After consulting with various Members on the language and the intent of the amendment offered by the gentleman from California [Mr. ROHRABACHER], it was agreed that this correcting amendment to his language should be and would be offered.

I wish to recognize the efforts of the gentleman from California [Mr. ROHRABACHER] to amend H.R. 6 in a way that hopefully would reduce costs to American taxpayers.

The simple language we are offering is intended to remove an additional unfunded mandate that would be created if the Rohrabacher language were adopted. Simply put, this language would require that the Federal Government fund the cost of this requirement if it were enacted.

Mr. Chairman, I now yield to the chairman of the Unfunded Mandates Caucus, the gentleman from California [Mr. CONDIT].

Mr. CONDIT. Mr. Chairman, I thank the gentleman very much for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kansas [Mr. ROBERTS]. I think it is imperative that when we in Congress determine that there is an unfunded mandate attached to a piece of legislation, or as in this case, an amendment, we find a way to pay for it. That is what we are trying to do with this amendment. We are trying to state clearly that if it costs local school districts money, the Federal Government is obligated and responsible to pay for that.

That is basically what we are doing today. I am in support of that, and I urge my colleagues to support the amendment offered by the gentleman from Kansas [Mr. ROBERTS] that would ask us to do that.

In addition to that, I would advise Members that we will be offering this amendment to other parts of H.R. 6. This is not something new. It is something we have debated, and it is something we will continue to do.

Mr. Chairman, I ask for an aye vote.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for his contribution.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield very briefly to the gentleman from California.

□ 1430

Mr. MILLER of California. I thank the gentleman for yielding. My understanding is that his amendment is to say that the Federal Government shall pay for this program.

I have two questions. One is, how are we going to pay for that program, and the second one is if we do not pay for that program because we have passed a series of laws around here, unfortunately, where we have told local government we would pay for the program, and it has never happened, and yet they are still mandated to carry out the program.

We do that for education of the handicapped. We told them we would pay a percentage of excess costs. We never did that. They still have to educate handicapped children. What is going to happen here when this part is not funded?

Mr. ROBERTS. I think the gentleman is pointing out exactly why we are making this perfecting amendment. We are extremely concerned that, regardless of what we pass in this body, we are passing the costs on to the States and local government. If the Rohrabacher amendment is passed, if that does actually represent a de minimis kind of unfunded mandated cost, we are simply saying the Federal Government shall pay for it.

Mr. MILLER of California. We all know that is subject to appropriations.

Mr. ROBERTS. I would tell the gentleman that it comes under section 502 of the bill as it stands, it is subject to the provisions of the Committee on Appropriations. So the appropriations process would take care of it. I cannot tell you exactly where the money would come from.

Mr. MILLER of California. If they do not fund it, does the Rohrabacher provision drop out?

Mr. ROBERTS. I cannot answer that question.

Mr. MILLER of California. If they do not fund it, we are back to an unfunded mandate.

Mr. ROHRABACHER. If the gentleman would yield, this whole question about cost is obviously a maneuver in order to defeat the purpose of the bill, rather than what I consider to be a substantial argument.

Mr. MILLER of California. It is talking about the merits. Somebody is going to have to talk about the costs.

Mr. ROBERTS. Mr. Chairman, I have the time. While I have great respect for the gentleman from California [Mr. MILLER] and the gentleman from California [Mr. ROHRABACHER], they can continue this debate under their own time.

I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have discussed this amendment with the gentleman from Kansas [Mr. ROBERTS]. The gentleman from California [Mr. MILLER] raises a very good question. When I first heard about the amendment, I put the gentleman on notice that I would have to make a point of order against the amendment because it would be establishing an entitlement. The gentleman went and checked, as I checked, and found out that indeed this is an entitlement. There is no guarantee that the States and local governments will ever get a nickel out of this language. It is mainly an authorization to appropriate money for that purpose. And if we never appropriate a nickel, the States and local communities will still have to put their money out, because if they do not put their money out to do this, they will not get money under this bill to educate the at-risk children in their school district from the Federal Government.

Mr. Chairman, there is a cutoff if they fail to gather the information, but there is no cutoff of the requirement to gather the information if they fail to get the money. And that is the very strange situation.

The gentleman from California [Mr. ROHRABACHER] can refer to it as a gimmick to oppose your amendment. I am opposed to the gentleman's amendment because it is insane to suggest that after what we learned about Nazi Germany in the period before World War II, that we would turn little children into informers on their parents as to their nationality status in schools in this country and expect that they would still go to school with trust in their eyes and trust in their hearts, when it was time for them to go to school.

It is insane in your attempt to make whatever point you wanted to make about illegal aliens. And I do not know what is going on in your part of California. I have never been able to figure it out. But I wanted to tell you something, it is not just going to affect them.

In the city of Detroit, there are tens of thousands of people who are in the school system and in surrounding suburbs who are Canadian citizens, and they never saw a green card. They do not know about those things, because they are not a different color and they do not speak a different language.

Where you have a population that is coming in that has a different skin coloration or a different language, it is easy to pick them out and identify the problem and demagog on that issue. I am not saying that the gentleman is doing that, but some have in the past.

What I want to tell the gentleman is that you are causing trouble for every school district in the country. You go into Miami and try to find out how you are going to get anybody to come to school, when the school has to turn in the number of children who are illegal. Not only that, if the child is born in the United States and is legal, they have to bring information about mommy and daddy. And not since Adolf Hitler has any government asked little school children to tell on mommy and daddy.

Your amendment should be defeated with or without the amendment correcting it. And the amendment correcting it does not really do any good, because it does not guarantee that the school districts will ever get paid a dime.

Mr. MILLER of California. Mr. Chairman, I rise in opposition to the Roberts amendment, because I think it is a subterfuge. If in fact what they were concerned about is unfunded mandates, what they would say is unless Federal moneys are provided for this activity, the activity shall not be required.

That is not what it does. In fact, what we do is, we say the Federal Government shall fund this, as we do throughout the entire bill. We know that we have the right as the Federal Government to pick and choose where we will spend taxpayers' dollars and where we do not, and that happens in the appropriations process.

But, in fact, the school district will be left with this charge in this legislation without the money. That is the history of unfunded mandates. So this amendment does not cure that problem.

I think it is a subterfuge to suggest that it does or that it takes somebody off the hook. Because let us read what the California school board's association says about this, a State that the gentleman from California [Mr. ROHRABACHER] and I both represent.

They say, "It is with great frustration that we find the Federal Government attempting to address illegal immigration by further burdening the schools. Immigration policies and enforcement are strictly under the domain of the Federal Government, and yet schools have direct constitutional mandates to provide the educational services, regardless of whether or not the Federal Government has enforced those policies."

That is the law. That is what the constitutional case the gentleman from California [Mr. ROHRABACHER] pointed out said. And yet now we are telling them that whether or not we are effective in controlling immigration and enforcing the laws of this country, they will suffer another burden.

I would say to the gentleman from California [Mr. ROHRABACHER], that our governor was just back here in Washington explaining to us that is exactly what he did not want to have continue to happen. That is how he has added up a $3 billion bill, saying that this is the unfunded cost of illegal immigration to the State of California. Now what the gentleman is suggesting is he is going to add to that.

So, the Roberts amendment is not a big enough fig leaf to cover the flaws in this amendment. There are other flaws that we will address when we get back to the Rohrabacher amendment. But to suggest that somehow the Roberts amendment takes care of unfunded mandates, the chairman of the caucus better go back to legislative counsel and draft one that in fact does that.

Mr. ROBERTS. Mr. Chairman, If the gentleman will yield, I an wondering if the gentleman would accept a request on my part, a unanimous consent request, that would say something to the effect that requirements of this title, however, would be suspended if such reimbursement is not authorized by the Congress.

Mr. MILLER of California. Mr. Chairman, the gentleman will have to work that out with the committee, the language. It has to be language that works, but that, in effect, says that when the Committee on Appropriations comes here, you can have that fight. But do not do this to the school districts that do not have the money. You have got to make that kind of link. And I do not know if that does it or not, and I am not objecting to it.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, is not the problem the gentleman is trying to articulate is that the money is actually appropriated under title I, and the net effect of the two amendments together will be that the first requirement of every State is to use their limited chapter 1 dollars to do a survey before they use any of the money for anything else, which is clearly not the intent of the amendment.

Mr. MILLER of California. Mr. Chairman, it is a condition of the funding. What they point out is you are reducing the educational dollars to take care of now another problem you want local government to solve, which is not of their making. They do not create the immigration laws nor the enforcement policies in this country. The gentleman from Wisconsin is quite correct.

Mr. FORD of Michigan. If the gentleman will yield, what you are doing now is identifying another facet of the problem. If the gentleman from California [Mr. ROHRABACHER] has an objective here, he should attain that objective by amending the immigration laws and putting obligations on local police departments, school districts, whoever he wants to, providing that the money that we appropriate to enforce our immigration laws pay for it.

Do not take money that is so thinly spread now that we cannot do the job away from children who are being taught to read and compute math and use it for recordkeeping to do the INS's job for it. If they are going to work for the INS, let the INS pay for it. If you want to do something about tightening up on immigration, let us do it with immigration legislation. Let us not try to use scarce school dollars to do that.

☐ 1440

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it never ceases to amaze me how these debates get distorted, at least in my view. They have to get a lot of this information when students enroll in school anyhow. They have to provide birth certificates. They have to provide other information. They have to provide health information.

This is not a large additional cost. Yet they are using this, in my view, as a red herring to stop finding out what the real problem is.

In 1992 we spent $13.2 billion on primary and secondary education for illegal aliens. In 1992, the estimated cost for illegal immigrants, for the period 1992 to 2002, will be $221.5 billion. Yet every single time we come to this floor to try to get a handle on the illegal immigration problem, the liberal mentality says we cannot do that. Yet people across this country are concerned about their tax dollars being used wisely. They are concerned about the national debt. And yet one of the biggest expenditures we have that is adding to this deficit is taking care of illegal aliens coming across this border for health care purposes, educational purposes, and social purposes.

We will not even address the problem, because the liberals in this body continue to say, "Oh, my gosh, we cannot do that."

Let me give my colleagues some statistics that we will not address in this body. There are 2.3 million illegal aliens coming across the Mexican-American border alone every year, and about 1 million go back. That means we are getting 1.3 million new illegal aliens in this country that we are taking care of every single year with American taxpayers' dollars.

They are not paying taxes. They come in to get phony Social Security cards, phony drivers' licenses so they do not have to do that. And yet, we are picking up the tab. But we cannot deal with it, because the liberals in this body continue to say, "Oh, my gosh, that is something we can't do. You are going to hurt the children. You are going to hurt these poor people."

That is insane. The taxpayers who are paying the bill in this country ought to have some accountability from this Congress, and that means when illegal aliens come into this country, we ought to know how many of them there are. We ought to know where they are. We ought to know what benefits they are getting, and we ought to send them back where they came from, unless they are legally in this country.

Let me give my colleagues some other statistical data. Illegal aliens constitute one out of four people that are inmates in our Federal prisons. Each one of those inmates costs about $85,000 a year that the taxpayers have to pay for, one-fourth of our prison population, but we cannot deal with that. We ought to talk to them about that.

There were 1,064 illegal aliens in the Los Angeles riots that did billions of dollars worth of damage. Those were not American citizens. They were illegal aliens breaking into those stores, carrying out television sets and everything else, 1,064 of them.

Two-thirds of the births in Los Angeles County last year or 37,000 births were illegal alien births, and the AFDC payments per month is $26 million just to take care of those children and take care of their families. That did not include other forms of health care, education, or anything else. Yet we cannot get at the problem, because the liberals say we cannot do that.

If we look at every single bill that came before this body, the immigration bill, everything else, there is always a reason to say no, we cannot do that.

I say we ought to be accountable to the U.S. taxpayer that is footing the bill. These people are not American citizens. If they wanted to come through the normal immigration process, fine. But when they come into this country illegally, we have no obligation to take care of their health, their welfare, or their education. Yet we cannot talk to these Members. They say one is a Nazi, if they talk about that. Give me a break. Give me a break.

We ought to start thinking about the American taxpayer who is footing the bill. I could go on and on and on, because I have reams of statistical data to show we are spending billions and billions and billions of dollars, when we cannot afford it, when the national debt has grown from $1 trillion 10 years ago, after 200 years, to $4.5 trillion in 10 years.

We are taking care of the rest of the world, and we are neglecting the Americans that are paying the bill. I think that is wrong.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I was just going to point out that, as I understand it, the debate that has gone on here, we are trying to stop the sins of the past. There is no question we asked for a huge amount of information from school districts today, school lunch programs and others. We are also working overtime with school districts to try to reduce that paperwork, to reduce those costs so we can take that money and put it into lunches or services or teaching.

We cannot just say, because we are already doing that, we can just add a little bit more. I think that is the purpose of the debate that is going on here.

From this reauthorization, which has been 5 years since we have done it, if Members do not want unfunded mandates, then they have to come up with ways to provide that funding. We cannot just say this is additive. We are asking the questions anyway. This is an entirely different set of questions about citizenship than about whether the school lunch applies to a person or not.

I just say, let us cure the sin here, if that is what we are serious about doing.

The CHAIRMAN pro tempore (Mr. SHARP). The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. Mr. Chairman, Governor Wilson, to whom the gentleman alluded a few minutes ago, has talked about the tremendous burden that has been placed upon him and his State, the State of California, the gentleman's State, in taking care of illegal aliens in every single area: health care, education, and so forth.

I submit to my colleagues that one of the ways to get to the bottom of the problem is to find out how many illegal aliens are in the schools and being taught. If we found that out, then they could find a way to address this problem through the educational system as well as health care, welfare, and everything else.

Mr. MILLER of California. Mr. Chairman, if the gentleman will continue to yield, apparently Governor Wilson knows, because he keeps sending us the bill here.

Mr. BURTON of Indiana. And he keeps complaining, and I think with justification. This Congress needs to take responsibility for not dealing with the illegal alien problem.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Part of my problem is, I agree in large part with the side on the committee and part of me agrees with the problem that we have in illegal immigration in the State of California.

I took a look at this thing on both sides of it, and I still do not know, although I am in support of the amendment of the gentleman from California [Mr. ROHRABACHER]. I do not know if it is going to do any good. I do not know what it is going to cost.

I have those same concerns on the other side. I also feel that the real problem needs to be solved at the border, not in the field of education.

I have a real hard time with it. But as was discussed a minute ago, Governor Wilson has asked for $3.7 billion because of the illegal immigration impact. It is a Federal mandate. We mandate on the States that they pay for it, just like we are trying to legislate that we mandate a payment to cover the cost of this paperwork.

The problem is, $3.7 billion a year, if we can stop illegal immigration, we do not have to worry about doing it here in the field of education. We can take $3.7 billion and apply it to those areas into education and law enforcement and the rest of it by stopping it at the border.

I think that is the real area that we need to take a look at. I want to stop all illegal immigration coming in, whether it is the Chinese boat people, whether it is the Irish, which I am a member of, or whether it is across the border of Mexico. The only way to do that, I think, is to stop totally those services, but that should not rest in the education field.

However, all the other areas, law enforcement, where we have, as the gentleman from Indiana [Mr. BURTON] said, about 25 percent, it is actually about 132 percent of our felons are illegal aliens, but we do not fund that. We know that number. It is a hard number. And we can ask the Government for funds.

In the field of AFDC, we know that number. And we can do it.

But in the field of education, when the State asks for help because of the impact, just like impact aid in military, when the State asks for the numbers of illegals so that we can get the funding out of the Federal Government for that impact on the States, we cannot give them an accurate number.

My problem with the Rohrabacher amendment, one, it is an unfunded mandate, which I would like to see it funded. But we cannot appropriate it unless we authorize it first, or they will call for a point of order later on. So it is "darned if you do and darned if you don't."

The whole point is, my wife is a principal. We take a birth certificate. We take an address, and we take a phone number. And we do not ask the kids. The parents fill that out.

□ 1450

When the parent fills that out, you put block No. 4 on there, "Are you a legal resident of the United States?" That does not take a whole lot of paperwork or a whole lot of dollars to do. You cannot use that information by law with the INS, so you cannot verify it. I do not know if it is going to do any good or not.

That is what my problem is on both sides of this, trying to weigh in my own mind whether it is a good thing to do. I do not know if we are going to get accurate funds, but I think we need to stand up in all the committees and make a point. First of all, we are dealing with illegal immigration—illegal immigration that impacts us, $27 billion across the United States. We can do a lot with that money. If we stop that type of immigration, we are going to not only help taxpayers, but we are going to help the programs that we are so deficient in the money, in education, in law enforcement, in health care, and the rest of it.

The perfecting amendment I would hope that the Members would support. The gentleman from California [Mr. HUNTER] has 600 new border patrolmen at the border. They have lights, they have roads. That is where we need to stop illegal immigration.

My friend, the gentleman from California [Mr. BECERRA] and I will sit down and talk. They will support those kinds of initiatives. Do we do it in education?

The second amendment of the gentleman from California [Mr. ROHRABACHER] I oppose. Why? Because he is going to ask that the Federal Government not give the schools money, but yet, the school counts it by the number of faces there, and if they do not get the number of faces there, they cannot get the money. Again, Governor Wilson is going to have to pay for it, and he does not have the money to do that, so I would oppose the second amendment of the gentleman from California [Mr. ROHRABACHER].

This amendment in essence, I think the point is just trying to identify the numbers. I think my friend, the gentleman from California [Mr. BECERRA] would agree. We need to identify the numbers so we can get the money for it. I do not know if this is going to do it. I hope it does. That is one of the reasons I would support it.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have represented an awful lot of migrant workers in the 24 years I have served in this House. I just have this observation. Local school districts do not set immigration policy, the Federal Government does. Local school districts do not have the responsibility to police America's borders, the Federal Government does.

National politicians for years have expressed concerns about the inability of local school districts to produce quality education. How many speeches have we heard from national politicians bemoaning the fact that schools spend so much on administration in comparison to how much they actually deliver in the classroom. Yet this amendment would add to the very problem those people bemoan. It tells local educational institutions that they ought to take precious resources which ought to be focused on educating children and instead divert those resources to producing more paper which they can send to the Federal Government and other administrative agencies of Government.

This amendment will not do anything to stop illegal immigration. It will simply impose added data-gathering burdens to no real positive purpose. It will probably discourage some immigrants from sending their kids to school out of fear of being reported.

Let me tell you what I resent as much as anything. In my home town, I have thousands of refugees. They place a great new burden on the local school district in my home county, but my home city and my home county did not establish the immigration policy under which they came to the United States, the Federal Government did. Yet the local districts are being left holding the bag in terms of costs. The Federal Government has welshed on its responsibility to provide support for those immigrants, and the Federal Government is certainly not meeting its responsibilities to local districts if they are asking local districts to turn schools into policing agencies because a Federal agency has not done its own job.

To me, the only real result of this amendment will be that it diverts needed resources from the classroom to administrative procedures, and it will, in the process, I think, help to increase polarization in local communities. I do not think either one of those developments would be constructive.

I would ask, what is the purpose of this amendment. Because if the purpose is today to provide data on the number of children in those districts, what is the next step going to be? Is the next step then going to be to withdraw Federal support from the school districts who happen to be teaching these kids. Is that going to be the next step? Does that not in turn leave the local district holding the bag?

It just seems to me that if we want to deal with immigration policy, do it on an immigration bill, do not do it on an education bill. We already demand far too much of our schools, besides providing an education. This is just another one of those demands. I do not believe it is constructive. I think Members ought to vote the amendment down.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are hearing all kinds of arguments coming at this issue from all kinds of different directions. First we hear people say how terrible it is we are going to divert all sorts of resources at the local level away from education. Then we have people on the other side who are trying their darndest to prevent us from authorizing, which is exactly what we are trying to do with the so-called Roberts amendment, the money that is necessary to pay for this added cost, which is a minimal, minimal cost of people asking two more questions. Of all the other questions that they ask when a student has to register for class, we just ask two more questions.

As far as I am concerned, we have to be really up front right now about what we are talking about. We are talking about, in this language, the Roberts language, an authorization of the money. We just hear people on the floor saying that they are concerned that the local governments will have to spend. That is what this is, an authorization.

We also hear that we cannot, for example, by authorizing this money really be assured that the money is going to get there, because it is not appropriated. Come on. That means nothing in this bill has any meaning at all, because we do rely on the appropriators to appropriate the money. This is exactly where this kind of stand should be made. This is exactly where the policy is made. We are stating the policy. We are making the authorization.

As I say, Mr. Chairman, the end cost is minimal, even to the Federal Government. I think the public, when they are listening to this debate, will understand we are being told, "You cannot do anything about the illegal immigration problem. Leave it to the Immigration and Naturalization Service." In my State, we know by providing tens of thousands of dollars worth of benefits, education, health benefits, housing benefits to illegal aliens, what we have done is enticed a flood of illegal immigration from all over the world into California, and it is breaking our bank.

Again, if Members defeat my amendment and this amendment, no one from California, from the Southwest, should come back to this body and say, "We need money to help take care of the education or health needs of illegal immigrants," because they have refused to permit us to set up a system where we can quantify the problem.

By the way, leaving it up to Immigration, we know it has not worked in California. We know it has not worked. They can build a wall 10 feet high, dig a trench 20 feet deep, and if we are giving a package of benefits to people to come here illegally, especially if it is aimed at helping their families, and these are good and decent people, we are not saying that the people who are coming here illegally, whether it is from Canada, as was suggested, in Michigan, or whether it is from Mexico, as many of the people from California are from Mexico, or from Asia, or from Europe, or from Ireland, these are not bad people coming here. We just cannot afford to spend tens of millions, hundreds of millions, billions of dollars educating people from other countries who are here illegally.

The bottom line is when we hear the other side of this argument, talking with all sorts of compassion about "we cannot waste the money to even determine the problem," the American people can understand what is going on. The American people are going to see that what we are being told is we cannot do anything about a problem that is draining billions of dollars out of our system, draining billions of dollars that should be going to provide education for our own kids, meaning kids of legal residents and U.S. citizens, and giving this money to provide benefits for the children of illegal aliens.

That is not to say that we do not like these children or that they are bad people. We have to care about our own people first.

Now, you can talk about all kinds of parliamentary maneuvers and things of why it cannot be done and use all of these words. The people back home will just know that what is happening is an attempt to prevent at least a first step of coming to grips with this problem. And that is, we have got to take down the welcome sign that says, "If you can get across this border, we are going to give you all kinds of benefits, the same benefits package that any American has," because we are inviting people to come, and the Immigration Service that you are talking about, you are saying let the Immigration Service do it. I will tell Members, if we are providing this benefit, they are never going to be able to do that job, and you know they will never be able to do that job because we are giving people an incentive to break the law and come here.

I have supported legal immigration. This is not an anti-immigrant bill. This is an anti-illegal-alien move to try to stem this flow that is coming into our country and dissipating all of the funds that our people have saved up, whether it is retirement or whether it is health care, those people who come from our own country who have been here for a long time, legal residents and U.S. citizens and have contributed to the pot. We are about them. It is not that we are heartless.

For us to hear these words, "Nazi Germany," the American people do not buy that kind of name-calling anymore. They know it is a serious problem. It deserves serious discussion, and that is what this is all about.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Missouri [Mr. GEPHARDT], the majority leader.

Mr. GEPHARDT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I urge Members to vote against this amendment, and I say that with an understanding of the gravity and importance of this problem.

The first duty of Government is to protect the safety of its citizens, and probably right along with that is the duty to protect the borders of the United States and to see that illegal immigration does not take place.

Like many of my colleagues in the chamber, I have been on the border many times, the Canadian border, and I have been to places like Miami, where illegal immigration occurs, and I have been on the border with Mexico. The truth is that we are not making a sufficient effort with the Immigration Service to make sure that illegal immigration does not take place.

Perhaps we need to bring the Immigration Service bill back up on this floor. Hopefully, it will come later in the year and we can have this discussion. I am prepared, and I think a lot of Members are prepared, to appropriate additional moneys to make sure that our borders are secure. I am convinced that we can do a far better job than we are doing.

I stood at the border at Tiajuana not long ago, and I watched illegal immigration take place. I talked to the immigration officers who were there, and they said, "Yes, we could do a much better job, but we are not prepared today to do it because we do not have the commitment of the U.S. Congress through funding sources to make possible what needs to be done."

I think this amendment is ill-advised. We are seeing this kind of amendment on a whole series of bills before this House. Let us check on people that want to get into a training program, let us check on people that want to get into a school, let us check on people who want to do all manner of things that Government agencies that are outside the Immigration Service are not prepared to do. It does not make sense to turn every school and every school official in the country into an immigration officer. That is not their job. They are not prepared to do it. They do not have the equipment to do it, they do not have the personnel to do it, they do not have the time to do it, they do not have the ability to do it correctly? So let us please not burden every piece of legislation that comes through here with an added responsibility to enforce the immigration laws of this country. Let us get the immigration laws enforced by the Immigration Service and by the Border Patrol.

I was told by our immigration officers that earlier last year, when the Mexican Government and our Government got more serious about illegal immigration for about a 2-month period, illegal immigration dropped precipitously. It can be done. But let us do it in the right place, and let us have this discussion on an immigration bill that comes before this House, and let us keep the responsibility where it belongs, not in the schools and not in the training programs of this country, but in the Immigration Service, which has that responsibility.

I urge Members to vote against this amendment.

Ms. ROS-LEHTINEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the Roberts amendment because it really does not solve the problem of unfunded Federal mandates. It is merely a cosmetic cover.

There are presently not enough Federal funds to cover all of the programs that are being implemented.

Now, the Rohrabacher amendment creates a further requirement, and the Roberts amendment says, "Well, don't worry about it; the Feds will cover the cost." Oh, yeah, and the check is in the mail.

But, Mr. Chairman, I rise today mainly in opposition to the two Rohrabacher amendments which would require schools to identify and collect data on the residency status of students, and would withhold Federal funds for any district which does not comply with this bureaucracy.

As a certified teacher, I am sensitive to the education ramifications of such a damaging amendment, and as someone who came to the United States at an early age and learned English through a bilingual program, I cannot stress to my colleagues enough that we cannot allow this and other harmful amendments to pass today.

I am extremely concerned over the constitutional question raised by these amendments, which violate the Supreme Court mandate that public schools must provide education to all children regardless of their immigration status. The sponsors believe that the constitutional questions have been resolved. But I do not believe that this is so.

In addition to my opposition from a legal standpoint, I am also worried about the implications to blameless children and families who are citizens of the United States but who do not look like an antiquated version of what an "average American" may be, and who, therefore, may be susceptible to discrimination.

This amendment would cause an enormous paperwork burden for teachers and would require them to determine the INS status of their students. The administrative costs of this needless bureaucracy could very well be high.

Additionally, this notification serves no immigration policy because restricting students from education will not prevent illegal immigration. This amendment would provide bilingual programs in some districts which have proven to be powerful tools in helping limited-English-proficient students learn English. This increases the danger of students dropping out and not graduating. Hispanics have one of the highest drop-out rates in this country, and this legislation would only worsen the problem. We should not critically restrict the schools' capability to provide services to limited-English-proficient students to areas such as Miami, with a great number of such students.

The U.S. Department of Education and the U.S. Immigration and Naturalization Services also oppose these amendments, and I urge my colleagues to do the same.

Mr. ROBERTS. Mr. Chairman, will the gentlewoman yield?

Ms. ROS-LEHTINEN. I am happy to yield to the gentlewoman from Kansas.

Mr. ROBERTS. Mr. Chairman, I appreciate the gentlewoman's cosmetic reference to my amendment. However, I think the cosmetics are in error as far as my personal intent.

The gentlewoman indicated the check is not in the mail, and that is precisely the reason that I introduced this amendment. On behalf of the unfunded mandates caucus, it was determined when Mr. FORD went to Mr. CONDIT and said will you please help us here because the Rohrabacher amendment has an unfunded mandate, as to why he is on the floor is because it is precisely because Mr. ROHRABACHER came to me and said it might be an unfunded mandate, would you come to the floor. I have not really indicated my prejudice for or against the Rohrabacher amendment. I appreciate what he is trying to do, but the fact the check is not in the mail is the reason why I introduced this amendment.

It is not cosmetic, and the intent of the amendment is to solve the unfunded mandate problem. We are going to come every time there is an unfunded mandate, and Members may want to vote for it or against it. They may want to make a speech for or against whatever bill. But if it does saddle our local governments and our States and others with costs, our Members will hear about it.

Ms. ROS-LEHTINEN. Reclaiming my time, the gentleman must understand that all the amendment says is that the Federal Government will cover these costs. There are countless programs that are now on the books, they sound really great, and all we say is, and, gee, local government, local school district, if you do not have enough money, do not worry, we will cover those costs. And it is not happening. The check is not in the mail, and merely saying that the Federal Government will pick up the costs will not make it happen.

My children believe in the Easter Bunny, but I, I say to the gentleman from Kansas [Mr. ROBERTS] do not.

Mr. ROBERTS. Mr. Chairman, will the gentlewoman continue to yield?

Ms. ROS-LEHTINEN. I yield to the gentleman from Kansas.

Mr. ROBERTS. Mr. Chairman, we will hop down the Easter trail together opposed to unfunded mandates. The point I am trying to make is the gentleman from California will soon try to ask consent to change the amendment, saying if there is no money, then of course there is no requirement.

□ 1510

We are on the same side. It was just that the gentlewoman tried to change my intent.

Ms. ROS-LEHTINEN. Reclaiming my time, the gentleman must know that there is no money. It is not if there is no money or if there is no Easter Bunny. There is no money, and there is no Easter Bunny.

Mr. ROBERTS. Then vote against the gentleman from California [Mr. ROHRABACHER] and quit picking on me.

Ms. ROS-LEHTINEN. I plan on voting against it. I do not think your amendment is going to satisfy the concerns, if they truly are serious concerns about unfunded mandates. This does not cover it. Do not fool the people into thinking that it does.

Mr. CONDIT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like unanimous consent, if I could, to add language——

Mr. SERRANO. Mr. Chairman, I object.

The CHAIRMAN pro tempore (Mr. VALENTINE). The Chair hears an objection.

Would you like to hear what the proposition is, or do you just object, period?

Mr. SERRANO. I object, and in anticipation——

The CHAIRMAN pro tempore. The objection is heard.

Mr. CONDIT. Mr. Chairman, may I make my point on what I would have done had there not been an objection?

The CHAIRMAN pro tempore. Well, the gentleman is recognized for 5 minutes, and the gentleman may propound his request for the record.

Mr. CONDIT. Mr. Chairman and Members, the amendment offered by the gentleman from Kansas [Mr. ROBERTS] is an honorable amendment. His intentions were clearly to deal with the unfunded-mandate issue.

We did not want to get into the debate of my colleague from California. We clearly wanted to talk about unfunded mandates, and we have a consistent position on this, and that is that if the Federal Government requires local governments, States, and counties and school districts to do something that they think is a good idea, we are asking the Federal Government to reimburse them for those good ideas, because it costs them money.

This amendment from my colleague, the gentleman from California, by my colleague from California, will cost somebody some money. Make no mistake about it, it will cost somebody some money. Somebody will have to pay to calculate those numbers and take the time to take the surveys. There will be personnel costs and so on and so forth.

We clearly wanted to simply ask that if you are going to mandate this on schools, please, reimburse them for the costs. We did not take a position on the amendment. That was not our intent. Our intent was to say it is unfunded mandate, and, please, recognize that and pay for it.

What I wanted to do to the amendment offered by the gentleman from Kansas [Mr. ROBERTS] was just add language that the requirement of this title shall, however, be suspended if such reimbursement is not authorized by Congress. That is real clear, real clear. If you do not give them money for this mandate, then it is voluntary.

In my opinion, that is the way mandates here ought to be. It ought to be simply if you believe in something enough around here and it costs money, you ought to believe in it enough that you are willing to pay for it, and this is what the gentleman from Kansas [Mr. ROBERTS] was trying to do with his amendment.

It is an honorable amendment, and his intentions were right. I am sorry that we were not able to add this language that we think would have improved his amendment.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. CONDIT. I am happy to yield to the gentleman from California.

Mr. ROHRABACHER. Let the American people who are watching this debate fully understand exactly what maneuvers are going on here. An attempt is being made to authorize money.

The cochairman of the Unfunded Mandates Caucus, and I am a founding member of the Unfunded Mandates Caucus, are doing everything that they can to find language that will in some way be acceptable to people who are claiming that this is an unfunded mandate. That was the purpose of the original Roberts language.

Now we have an amendment to that trying to bend over backward to find the language in which the whole argument that this is an unfunded mandate can actually be addressed. Instead, what we have are the people who are using that argument against us to try to defeat this bill are defeating the attempt to make it or to address the problem, and the reason why this is happening is because they do not want the Federal Government to address the issue.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CONDIT. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, the gentleman pointed over here and said that people are making the unfunded argument, but you have not heard that from the committee. No one on the committee has said anything about that. No one on the committee has made an argument against this amendment because of who is going to pay for it or not. We do not believe it is right to have little children in public schools enlisted to be spies against other members of their families, no matter who pays for it. We do not care whether it is funded or unfunded. It is immoral. It is wrong.

Mr. ROHRABACHER. I am glad the gentleman made that point. He does not care either way whether it is funded or unfunded.

Mr. CONDIT. Reclaiming my time, I will simply say there have been a number of Members in this House on both sides of the aisle that have approached members of the Unfunded Mandates Caucus and pointed out that this is an unfunded mandate. We tried real hard to accommodate them. We tried to come up with language that was fair, and I want to commend the gentleman from Kansas [Mr. ROBERTS] for his honorable efforts to try to do that.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words. I wanted to first of all comment on the good intentions of the Unfunded Mandates Caucus. I understand, in our discussion, what they are trying to do to not place a burden on local school systems.

However, I have a concern that if we were to vote and accept that particular amendment which says that there is no mandate, that we do not have to go along with this recording program, that, therefore, the program does not exist. This makes it more palatable perhaps in the minds of some people, and I, quite frankly, think that we should just vote down the Rohrabacher amendment on its own lack of merits and not because it is not something that is funded.

Mr. Chairman, I believe that we, in Congress, must be committed to the education of all of our children. For this reason, I rise in opposition to the Rohrabacher amendment, which would require the more than 14,000 school districts across the country to report the number of undocumented students in their school systems. This amendment also would prohibit funds under the Elementary and Secondary Education Act to serve students who are not lawfully in the United States. The Rohrabacher provisions are unwise, unworkable, and unfair for a number of reasons.

Keeping track of undocumented students would create a paper nightmare for school districts. The public schools in our country are not equipped to handle the enormous burden of gathering data regarding which students are not lawfully in the United States. The Rohrabacher amendment would turn local school districts into mini-immigration services, and every teacher, school principal, and school administrator would be an agent of the Immigration and Naturalization Service [INS]. These school officials would have to determine the citizenship status of every student and their parents.

If the purpose of the Rohrabacher amendment is to address the problem of illegal immigration, there is no evidence that links illegal immigration to the right of public schooling. The Rohrabacher amendment simply would not work. Moreover, further inspection of the amendment raises concerns that, besides denying Federal funds for services to undocumented children, the provisions also would deny federally funded services to children who are in the United States legally.

Most immigrants, whether or not they are documented, most likely will remain in the United States. The Rohrabacher amendment would create a subclass of uneducated individuals who most likely would end up on the streets. Instead of contributing to the tax base of our society, these children would only add to the long-term problems of homelessness and crime.

The Rohrabacher amendment is punitive, mean-spirited, and unconstitutional. Why should we punish children for the actions of their parents? Our students represent the future of our Nation. We must educate all of our children, for they are the citizens of tomorrow and our future workers. In 1982, the Supreme Court handed down a decision that all undocumented children have a right to a public education in the case, Plyler versus Doe. The Rohrabacher amendment clearly contradicts this Supreme Court decision which affirms that basic education cannot be denied to any child.

Mr. Chairman, I recognize and uphold the right of the United States to protect its borders and regulate immigration. The Rohrabacher amendment would do nothing to address concerns regarding illegal immigration. Instead, it would have a detrimental effect on children, and ultimately on the future of our Nation. I urge my colleagues not to allow immigration concerns to permeate education by voting against the Rohrabacher amendment.

Mr. BAKER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Roberts amendment.

We should begin paying for these things. That is what the debate on the balanced budget amendment was, and this is going to be one of those small items that we are asking local governments to fulfill that ought to be paid for.

Now, should we ask schools to ask their students, "Are you a citizen?" There is tremendous cost involved here.

Second question: "Are either of your parents a U.S. citizen?" Tremendous expense here. People come here to have their babies, it is charged. We give free hospitalization, we print in Medicare—Medical, in California—in several languages, "We won't turn you in. We will give you free service if you want to have your baby here. We will pay for it." Where would you, if you lived in Latin America, want to have your child? Free delivery, free health care, free schooling on the U.S. taxpayer.

Folks, enough is enough. It is time we not only pay for the government we are having today, it is time to say we limit that service to the U.S. citizens and to those aliens who have waited patiently for 5 years to become citizens of the United States.

Instead, we say to anybody that can hobble, crawl, or swim or get over the border, "We will open up the treasury for you." And then we go home and talk how conservative we are and how we are going to balance the budget.

Who are we fooling?

Free education. UNESCO just said we spend more on education than any other country in the world. That was printed in USA Today.

Where would you go to have your child if you knew those facts? Right here. And they are doing it by the tens of thousands.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BAKER of California. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

I would just like to say: In 1992 we spent $13.2 billion, that is 13,200 million dollars, on primary and secondary education for illegal aliens; $8.5 billion in Medicaid; $7.8 billion for local health and welfare services; $2.9 billion for bilingual education; and $2.8 billion for AFDC, and over the next 10 years it is going to cost at least another 225,000 million dollars—that is $225 billion.

Now, the majority leader said on this floor a little bit ago if we are going to deal with the illegal aliens problem, we ought to appropriate more money for the Immigration Service. And I agree with that. But that alone will not solve the problem. We need a full court press.

From Mexico alone we are getting a new 1.3 million illegal aliens staying in this country every single year. That is just Mexico. That is not coming across the Canadian border or through Miami or anyplace else. We have a virtual tidal wave of illegal aliens. We need a full court press through the health agencies, education agencies, and everything else to deal with this problem; otherwise we are going to be drowning in a sea of red ink caused, in large part, by illegal aliens coming into this country.

Mr. ROHRABACHER's amendment may not be the panacea for the problem, but it is a step in the right direction. I urge my colleagues to support it.

Mr. BAKER of California. Mr. Chairman, two last points on my time. We are asking, through this act, 900 pages of regulations on the local school district. We say, "If you ask them if they are citizens," that is going to overburden the school districts. We have nationalized, in this act, the school system with Goals 2000.

Twenty percent of our prison population in California is illegal aliens. We say America is for opportunity; some come here for crime, free medical care, free education. Let us draw the line, let us accept the Rohrabacher amendment now.

The CHAIRMAN pro tempore (Mr. VALENTINE). The question is on the amendment offered by the gentleman from Kansas [Mr. ROBERTS] to the amendment offered by the gentleman from California [Mr. ROHRABACHER].

The amendment to the amendment was rejected.

Mr. RICHARDSON. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, first let me say that I am very proud of Chairman FORD, the gentleman from Michigan, and the Representative from Florida; the opposition to this legislation, along with the Representative from Maryland, is bipartisan, and it is heartening to see that the House of Representatives is reacting negatively to an assault that seems to be taking place not just on undocumented workers but on legal immigrants and later, next week, on eliminating bilingual education programs that benefit Hispanic children, Asian children, and native American children.

While the debate on the restriction is an unfunded mandate debate, I want to speak here briefly on behalf of people who are part of the American dream. What I am pleased with is that it is not just members of the Congressional Hispanic Caucus, all of whom are opposed to the Rohrabacher amendment on a bipartisan basis, but it is Americans who, for whatever their ethnicity or ancestry, are strongly opposed to what is happening here.

Forget the fact that this amendment turns every educator in this country into an INS agent. Schools would have to determine the citizenship status of every student and every parent. Talk about paperwork on teachers, on administrators. First of all, this does not sound like a Republican amendment: more paperwork, more cost, unfunded mandates; with all due respect, the rhetoric we have heard over the years.

Our schools are overburdened with costs and redtape. We would be adding another layer.

This amendment would also cause discrimination against all nonwhite students and their parents. Why? Do you know why? Do you know who would be asked to produce their little card or would be asked to register and come to the principal's office? It is not going to be the American who looks like Robert Redford or Mr. ROHRABACHER; it is going to be the Hispanic, it is going to be the Asian, it is going to be the native American, the doesn't-look-quite-like-an-American. That is not right to do that to students and to parents.

Families are going to be wrongly identified, and irreparable damage is going to be done to American citizens and other people who are legally entitled to be in this country, not to mention the fact that you are going to make thousands of kids and parents feel not like Americans. They, their families, may have served in every war, they may have given blood for this country; but somehow because they do not look American, they re going to be unfairly singled out.

This is not the proper context to discuss this issue. Let us have a national immigration bill, a new one which deals with the issues of undocumented workers, of legal immigrants, that deals with the issue of the earthquake. But as immigrants, that deals with the issue of the earthquake. But as somebody of Hispanic ancestry, I cannot help but see that every bill—and now I understand that in the budget resolution there is another amendment that singles out a group of people. We know who it is, we know who you are talking about. That is not what America is all about.

So, I say let us start today with a rejection of the Rohrabacher amendment. Let us go next week also and say "no" to two amendments that deal with bilingual education. In other words, they eliminate bilingual education, which, in districts all around this country, affect not just Hispanics, not just native American children, but affect children who are perhaps not that typical American.

So, once again to my colleagues, reach down and do the right thing. And the right thing is, yes, to cast a vote against unfunded mandates, which this bill does; yes, vote against more paperwork and more bureaucracy, which this amendment does; but also in terms of the humanity of this House, so that every American who is legally here—a nation of immigrants—can feel that they are not unfairly treated. This is what this amendment will do, and I ask for a "no" vote on the Rohrabacher amendment.

Mr. Chairman, I rise today to express my strong opposition to the Rohrabacher amendment. This amendment, not only discriminates against innocent children, but it also adds an overwhelming burden on our own local schools which will effect the education of all children nationwide. The amendment is an unfunded Federal mandate which requires local schools to report on the immigration status of innocent children and their parents without giving any money to help schools with the enormous costs of conducting these investigations.

Under this amendment, school administrators and teachers who are already overwhelmed with the educational system would have to enforce complex immigration laws. Those in favor of the amendment may try to argue that its passage will prevent illegal immigration. Mr. Chairman, that is simply untrue. Instead, if this amendment passes, teachers will be overwhelmed with administrative burdens and costs and will be unable to give their full attention to educating our children. The result will be poorly educated individuals unable to contribute to the future work force of our country.

The Rohrabacher amendment would also expose innocent individuals who are U.S. citizens or otherwise legally admitted into this country to widespread discrimination. By requiring untrained State and local officials to make complex determinations on immigration status, it is likely that only those who appear foreign will be asked to produce proof of citizenship when they are detained or questioned. In fact, innocent individuals have been mistakenly deported, and under this amendment, cases of mistaken identity will be enormously increased. Mr. Chairman, this amendment will force teachers to single out and discriminate against students in order to receive the funds they desperately need. Such an idea is unthinkable and unfair to every child in this country.

This amendment also undercuts the Supreme Court decision mandating that States provide a public education to all children by potentially discouraging children from attending school. Without a good education, these individuals will be unable to contribute to the progress of our Nation.

Mr. Chairman, school boards as well as the immigration and naturalization service oppose this amendment. They do so because they understand that our focus needs to be on the enhancement of our educational system for all children. By discriminating against our children and by adding more burdens and costs to our local schools, we would be harming all Americans. The education of innocent children is at stake, and education is essential for all children in order to keep our Nation strong. I therefore urge my colleagues to vote "no" on the Rohrabacher amendment.

OPPONENTS OF THE ROHRABACHER AND ROTH AMENDMENTS

Department of Education.
Immigration and Naturalization Service.
Office of Management and Budget.
Asian Law Caucus.
ASPIRA Association, Inc.
American Association of School Administrators.
American Federation of Teachers.
Asian-Pacific American Labor Alliance, AFL–CIO.
Chinese for Affirmative Action.
Council of Chief State School Officers.
Council of Great City Schools.
California School Boards Association.
California State Department of Education.
Cuban-American National Council.
Hispanic Association of Colleges and Universities.
International Reading Association.
Japanese American Citizens League.
Mexican American Legal Defense and Educational Fund.
Multicultural Education, Training and Advocacy.
National Association for Bilingual Education.
National Association of Elementary School Principals.
National Association of Federally Impacted Schools.
National Association of State Boards of Education.
National Conference of State Legislatures.
National Education Association.
National HEP–CAMP Association.
National Hispanic Leadership Agenda.
National School Boards Association.
National Council of Educational Opportunity Associations.
National Council of La Raza.
National Council of Social Studies.
National Council of Teachers of English.
National Council of Teachers of Mathematics.
National Parent Teacher Association.
National Puerto Rican Coalition.
The Navajo Nation.
Organization of Chinese Americans.
Puerto Rican Legal Defense and Educational Fund.
State of New York.
Texas Education Agency.
U.S. Catholic Conference.
U.S. Conference of Mayors.

[From the Executive Office of the President, Office of Management and Budget, Mar. 1, 1994]

STATEMENT OF ADMINISTRATION POLICY

H.R. 6—IMPROVING AMERICA'S SCHOOLS ACT OF 1993

The Administration supports House passage of H.R. 6. The bill would: (1) reauthorize and restructure the elementary and secondary education programs of the Department of Education to make them better vehicles for helping all children achieve high standards; (2) direct greater Federal resources to the poorest schools and communities; (3) support education reforms under way in the States; (4) support sustained intensive professional development in the core academic subjects for educators; (5) assist efforts to make our schools safe and drug-free; and (6) provide increased State and local administrative flexibility, in return for greater accountability for successful education results.

Although H.R. 6 contains provisions that the Administration does not support, it is consistent with Administration objectives and, in most respects, would substantially improve current law. The Administration looks forward to working with Congress to strengthen the bill further as it moves through the legislative process.

Of the amendments that may be offered on the House floor, the Administration strongly opposes the following:

(1) The Rohrabacher amendments that would affect undocumented students and children of undocumented parents. These amendments would impose an enormous data-gathering burden on schools and conflict with the Administration's goal of holding all children to the same challenging standards. States and local school systems would continue to have the constitutional responsibility to educate undocumented children, but public schools would be denied the Federal resources available to assist them in meeting their responsibility. Finally, these amendments would likely subject citizen and legal resident children of certain ethnic backgrounds to discrimination and humiliation.

(2) Any amendments that would restrict the ability of local communities to make their own decision about school-based health education and health services programs compatible with the needs of their children.

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, DC, February 28, 1994.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to express the strong opposition of the Immigration and Naturalization Service (INS) to the amendments to H.R. 6, the "Improving America's Schools Act of 1994," which have been proposed by Congressman Dana Rohrabacher. The first amendment would require local school districts to provide annually to the Department of Education the number of students who are not lawfully in the United States, and the number unlawfully here who do not have at least one parent or legal guardian who is lawfully in the United States. The second amendment would bar the use of Federal funds for assistance to any individual who was not a citizen or national of the United States, a permanent resident alien, or an alien who is a parolee, asylee or refugee.

As a practical matter, school districts cannot by themselves make immigration status determinations about students or their parents and therefore would have to work with INS to implement these amendments, which would be extremely difficult and enormously burdensome for the INS. INS would have to divert scarce resources from other enforcement priorities, including border enforcement and the removal of criminal aliens, to check both our automated and other records of aliens in the United States. The local educational authorities could not be directly linked to our automated databases without creating vast opportunity for privacy violations. Finally, the labor-intensive requirements contemplated by these amendments could not be assumed without extensive new resources.

In addition, the first amendment would require the local educational agency to count students who are not lawfully in the United States, which is a category that does not correlate with the one used in the second amendment to define alien students who could benefit from the Federal funds—"permanent resident aliens, parolees, asylees, and refugees." Certain other aliens are deemed by statute, regulation and court decision to be "lawfully in the United States."

I urge you and your colleagues to oppose this amendment. We share a concern that illegal aliens not be allowed to remain in the United States, but INS believes that these amendments will not further that end.

Thank you for your consideration of our views. The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

DORIS MEISSNER,
Commissioner.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

□ 1530

Mr. Chairman, representing the districts I do, it would be very simple to get up and say I support the amendment. I do not support the amendment. I do not support the amendment for numerous reasons. But, No. 1, I do not support the amendment simply because I agree with what the majority leader says, which I will summarize in just one or two sentences. I think what the majority leader said was that he would hope that we would look at the issue, which certainly needs fixing. I do not think there is anyone in here who does not believe it needs fixing. But let us let the committees of jurisdiction act, and act promptly, so that we have a cohesive approach, rather than a piecemeal approach, which is what we will do if we keep adding pieces of other legislation that is before us.

I have a second concern. Every youngster that is born in this country is a citizen in this country. I have said over and over again that, if we are ever going to make the grade in dealing with illiteracy in the country and helping all people become productive citizens, there has to be a family effort to do that. So, Mr. Chairman, we cannot say on one hand that we support a family approach to the literacy problem and on the other hand say, "Well, the child was born here, so you can deal with him, but you can't deal with the parent." It would be my hope that we do have this comprehensive approach that will come later.

I do have to just jab a little at the Californians however. We lost two seats in Pennsylvania. We did not lose two seats in Pennsylvania because we lost population in Pennsylvania. We lost two seats in Pennsylvania because we did not have any illegal aliens to count, and we are allowed to do that when we are talking about redistricting. So, I have to jab just a little at the Californians who are up here crying.

But again we need a comprehensive approach. That should come from the committees of jurisdiction. The youngsters that are here should be educated, and we should, in turn, make sure that their parents can become their first and most important teacher.

Mr. CONDIT. Mr. Chairman, today we are considering an amendment offered by my colleague, Congressman ROHRABACHER, that would require school districts receiving funds under the Elementary and Secondary Education Act to survey and report to the Department of Education the number of children in their schools who are undocumented residents or are the children of undocumented residents. Many Members have observed that this amendment is an unfunded Federal mandate because it would impose requirements on local school districts without providing them the funds necessary to implement the mandate. My colleagues who have labeled the amendment as an unfunded Federal mandate are correct. The Rohrabacher amendment, as drafted, would require local school districts to use their own resources in order to meet its requirements. Thus, it is an unfunded mandate.

As the cochair of the congressional caucus on unfunded mandates and as the primary sponsor of legislation addressing unfunded mandates, I am adamantly opposed to enacting further unfunded mandates. I have taken it as a personal responsibility to amend bills or amendments that impose unfunded mandates so that our local jurisdictions will not be saddled with financing further Federal dictates. Therefore, I, along with Congressman ROBERTS, attempted to amend Mr. ROHRABACHER's amendment so that it would not result in an unfunded mandate. That was our sole purpose—to prevent another unfunded Federal mandate from being passed onto our local governments. It should be understood that by attempting to amend Mr. ROHRABACHER's amendment we were in no way endorsing his proposal. In fact, I believe that the reauthorization of the Elementary and Secondary Education Act is the wrong forum to address our Nation's immigration policy. I say that even though I believe that our immigration policy is failing and States, such as California, are being made to suffer because of our inadequate immigration policy.

The Roberts amendment to the Rohrabacher amendment was defeated by the House. So the Rohrabacher amendment remains an unfunded mandate. Because it imposes costs on local schools without Federal reimbursement and because I believe that H.R. 6 is the wrong vehicle in which to address the shortcomings of our immigration policy, I will be opposing the amendment offered by Mr. ROHRABACHER.

Mr. LEWIS of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to state my strong opposition to this amendment. This amendment is a bad idea whose time should never come.

Have we come to a time in our history when we want our school children spying on their mothers and fathers. Is it the role of our schools to teach our children to be spies and informants. Does this amendment foster trust—trust between parents and their children, trust between teachers and their students. I say the answer is "no."

Rather than nurturing an atmosphere of trust, the Rohrabacher amendment would breed an atmosphere of suspicion and division.

Do we really want our little boys and girls to become little CIA agents or, in this case, INS agents. This is not what our schools are for. Our schools are for teaching and for learning.

This amendment was conceived in darkness and born of intolerance and division. It should not be the law of the land. I say let us defeat it now.

Mr. ABERCROMBIE. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN pro tempore (Mr. VALENTINE). The Chair recognizes the gentleman from Hawaii [Mr. ABERCROMBIE] for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. BAKER of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. VALENTINE). The gentleman will state his parliamentary inquiry.

Mr. BAKER of California. Mr. Chairman, pardon me, but do we go back and forth?

The CHAIRMAN pro tempore. The Chair will say that the gentleman from California [Mr. BAKER] has already spoken on this amendment.

Mr. BAKER of California. On the Roberts amendment, Mr. Chairman, I have not spoken on this, and there are two others waiting behind me, so we are not short of Republicans here.

The CHAIRMAN pro tempore. If it is satisfactory, the Chair will recognize the gentleman next.

The Chair recognizes the gentleman from Hawaii [Mr. ABERCROMBIE] for 5 minutes.

Mr. ABERCROMBIE. Mr. Chairman, I consider the gentleman from California [Mr. ROHRABACHER] to be my good friend. Now that is said on this floor probably more often than not, and maybe it is thought to be a rhetorical flourish, but in this instance I think the gentleman from California [Mr. ROHRABACHER] would agree that indeed we are friends and that I urged him today, again and again as a friend, because I know him as someone who has stood up for civil rights, as someone who has stood up for human rights and someone who values a single standard of conduct across this world where human rights are concerned, but I urged him to withdraw this amendment because it is not worthy of the person that I know as DANA ROHRABACHER.

This is not the time to start a contemporary Schindler's List, and that is what this amendment is. This says, "Is your mother or father Jewish? Is your mother or father a Bohunk?"

Mr. Chairman, when I grew up in Buffalo, NY, I knew what that was:

"Are you a Dutchie?"

"Are they a Wop?"

"Are they a Dego?"

"Are they a Kike?"

"Are they a Spic?"

And, my colleagues, do not think that is not what people think it is, and do not think we are going to get away with it, and do not sit there and frown on the other side while saying, "Oh, no."

And do not think it does not shame me to stand here with the countenance that I have, elected from a district that is three-quarters different color than I am, knowing that my ancestors were Scottish and driven out of Scotland by people who enclosed their land and said they were sheep thieves. I ask, "starting down this trail of telling people that how they look, and where they come from, and who they are is going to determine whether they can learn, whether they can pick up a school book?"

Mr. Chairman, a child is to be treasured, and a child is innocent.

Now I have heard words on this floor about building walls 20 feet high and digging ditches 20 feet deep. Well, if that is what it takes for human beings or adults in this world to address their problems with one another, then I say, "Go to it, but do not take their children and cause them to be the foundation of this kind of sin against their innocence."

Mr. Chairman, I say, "Vote down this amendment, and vote down all similar amendments. If we cannot have a world such as I come from, where I have the honor to be able to hold up my hand, as virtually everybody else has had that opportunity, to say that we honor a man like Mr. NATCHER today for voting for 40 years, to say that we hold up and defend the Constitution of the United States, to come from a place that is multiracial, multicultural, multiethnic, and we believe in having a rainbow of people in the United States of America, and to say to them, 'I'm sorry your parents are not legal, you're not allowed in this school, you have to prove whether you have a chance to be here to pick up that book to learn?'"

Mr. Chairman, people were put in detention camps in this country less than half a century ago because they were Japanese-Americans, and they were Americans. They were already citizens, and they were put into detention camps because of who they were. I ask my colleagues, "Do you think that this kind of mentality is any less than that mentality?"

I thought we learned something. This Congress actually compensated those people for that wrong that was committed, and yet today we stand here and say we are going to do it.

I say to my colleague, DANA, my friend, please withdraw this amendment. If you want to bring up the other, we can debate it about whether to mandate it or not mandate it. If you want to talk about bilingual education, we can discuss that. That's a matter of policy. That's a matter of philosophy. But this is a fundamental matter of humanity. DANA, please withdraw this amendment.

Mr. BAKER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know this is boring, but I would like to get back to the amendment.

This bill says that H.R. 6 funds cannot be used by any agency unless they report the number of students enrolled who are not lawfully in the United States. Has nothing to do with bilingual education. Has nothing to do with anything we have just heard. It has to do with how many people are being subsidized by the U.S. taxpayers who are not here legally.

I tried to make this point when we created the new National Standards Act and we had 4 hours of debate just like this. It was emotional, heart-wrenching, but not to the point.

The taxpayers are fed up because we will not balance our budget, they are fed up because we are living and rolling in debt, and they are fed up because more and more people are coming here illegally. We already accept more people legally each year than the rest of the world combined, and now we say, "Come have your child. We'll pay for the delivery. We'll pay the medical costs. We won't turn you in to INS."

I ask, "What if you're an employer? What has this same Congress said? What have the people that have been making these heart-wrenching speeches said to the employers who feed these families?"

"If you don't ask, if you don't fill out your forms correctly, we will fine you $5,000, and if you don't report every illegal alien, we will put you out of business."

□ 1540

That is what we tell employers. What do we tell government agents? It is discriminatory if they ask if they are here legally. That is a burden in costs. It is going to destroy public education. It is going to punish children. Yet we flog employers in the United States if they do not ask.

Where do the INS agents go? Do they patrol the border? They try. They go to the farms, they go to the restaurants, they go out and find the people who are productive. Do they go to the welfare offices? Do they go to the unemployment offices? Do they go to the schools? No. They flog those people who come here for opportunity.

If we want to balance this budget, we should send the INS agents to the prisons and take all the 20 percent of California, 16,000 strong, and return them to sender.

Let us not be emotional. Let us read the amendment. No school district receives funds unless they report the number of students enrolled who are not lawfully in the United States.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. BAKER of California. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I think it is important for us to describe to the people who are watching and listening to this debate exactly what has happened in the debate so far.

There was an attempt to authorize the funds, which I would say would be a minimal cost, of just asking those two questions about whether someone was here legally or was a U.S. citizen, and that was voted down by Members who are now opposed to those claiming it is an unfunded mandate. We have a quote from Chairman FORD, who suggested he does not care if it is funded or not, he would be opposed to it whether or not it was funded.

So if the public is listening or if the public who are reading the transcript will understand, that is where it is really at. This whole argument about whether it is funded or not funded is kind of a vehicle to oppose the substance of the amendment. The substance we are talking about is an attempt to get control of a flood of illegal aliens who are coming into our country and basically taking resources that they, as illegal aliens from whatever country they come from, should not be entitled to because we do not have enough money to provide medical care and education and housing benefits and all the other benefits for everyone in the world who can get here illegally.

I have been in favor of legal immigration. I voted for the last immigration bill, which was a very substantial and positive bill, and I am in favor of legal immigration. But if we just say that anyone who comes here illegally can get the same benefits package and is indeed entitled to the same benefits package as Americans, we are condemning our own people, our seniors, and our younger people, to basically a breakdown in the social services and a breakdown in their educational system.

I know that people are trying to say that those of us on this side are in some way mean spirited, or at least they imply it. We do not have to be mean-spirited to say that we cannot take care of everybody in the world and we have a limited pot to draw from. But that money should be spent for people who are here legally and who are U.S. citizens. That is not mean spirited. I think that is a caring attitude, because if the system breaks down, nobody is going to be helped.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take all of my time. For once it is good to be a member of the committee and be able to be recognized ahead of others who are waiting in line.

Let me talk about something a little bit away from the amendment itself, and then I will come back to it in very succinct words.

The majority leader stood up and said he would work in the direction that we need to stop illegal immigration with an immigration bill, and I would ask my colleagues to support that because I think that is the direction all of us want to go instead of attacking each and every one of the bills that come up with different items. The reason is that if we can stop and have the means of stopping illegal immigration into our country from whatever direction, then we would not have two-thirds of our children in Los Angeles who are born to illegals going down and collecting AFDC. There will still be some, but that number will dwindle. And we will not have these same problems with the States not being funded to provide the schools, because those students will not end up in the schools because they are illegal and they are stopped at the border. I think that is the general direction my colleagues on both sides of the aisle would like to go. I think that is what they would like to support. I do not think it is healthy for us to fight on every one of these bills, although I understand the desire to fight on this issue.

Let us take a look at what we can do to stop the illegal immigration in our country. One of the problems we have, especially in the State of California is that a school district that does not get its Federal money does not really cry at not getting the money from the Federal Government for illegal immigrants. They get it from the State. The Federal Government covers only about 5 percent of the total education dollars, a very small portion. So the school district goes to the State budget and says, "We have these many faces sitting in chairs, and we need the money," and they get the money for those students. There is no problem there.

Where the problem exists is when they go back to the Governor or the budget committee at the State level and hey ask for dollars for their normal programs and the Governor says, "Sorry, we have no more money. We will have to cut your education programs. It is not fair because we haven't divvied up with the Federal dollars."

I understand the amendment offered by the gentleman from California [Mr. ROHRABACHER]. We need to identify the numbers. I question whether this is the right area to do it. I think if we can get an immigration bill and if our colleagues will support our getting an immigration bill on the floor out of the Committee on the Judiciary, which has been a black hole for this subject for a long time, then I think both sides of the aisle can come to some agreement, and maybe we can stop the rhetoric on both sides.

Mr. TAYLOR of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. Mr. Chairman, let me ask the gentleman from California [Mr. CUNNINGHAM], for the benefit of our fellow Members, which State is the gentleman from?

Mr. CUNNINGHAM. California.

Mr. TAYLOR of Mississippi. And Mr. ROHRABACHER?

Mr. CUNNINGHAM. California.

Mr. TAYLOR of Mississippi. The State of California. I guess most of the proponents of this measure are from the State of California?

Mr. CUNNINGHAM. I think primarily the border States of Texas, Arizona, California, and any other States that have been affected.

Mr. TAYLOR of Mississippi. Mr. Chairman, I think the gentleman did an excellent job of explaining to the taxpaying citizens the responsibilities of running a school system and it is pretty much the same throughout our country. The locals pay for the buildings and the administration, and the States pay for the classroom teachers. What this bill does is put a burden on little towns like Kiln, MS, Bay St. Louis, MS, and Biloxi, MS, that do not have immigration problems, requiring them to fill out more forms. They do not have immigration problems. In fact, let us face it, out of 50 States, how many States really have immigration problems? It is mainly California. If California has a problem, would not that problem be best addressed in the California Legislature rather than the U.S. Congress? I do not solve all of Mississippi's problems here in Congress. They have a wonderful legislature that takes care of Mississippi's problems.

Mr. CUNNINGHAM. Mr. Chairman, reclaiming my time, let me say that I understand what the gentleman is saying. One of the problems is that the taxpayers in California then have to foot the bill for the other States for the education portion, because it is costing us $3.7 billion a year that we do not have. And it is a national problem. The gentleman from Mississippi said we do not have individual problems, but we do have a problem, and all we are asking is that when it comes time to come on the floor with a bill out of the Committee on the Judiciary on illegal aliens and legal aliens, the gentlemen support us on the House floor. I think in answer to the gentleman's question, speaking to Members on both sides of the aisle, that it would be much better for all concerned if we would focus on that area.

□ 1550

Mr. SERRANO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, during the last few months, we have come to the floor to discuss this issue in a different form almost on a weekly basis, and during that time and each one of those times, the debate has been very emotional, as in fact it has been today. And I have been part of that very emotional debate.

Today I decided I was going to try something new, that I was going to come to the floor and only discuss the numbers and only discuss the issue, and try to stay away from the emotion of this issue, only to realize that I was fooling myself, that indeed this is not a debate about numbers, it is a debate about a cheap political style. And that is to take the suffering of a people and to use it for those people to feel that we in Congress are helping them by turning them against another group of suffering people.

So it is true, as it has been said on this floor, that the American people are complaining about how many dollars they pay in taxes. And it is true, also, as has been said on this floor, that the American people are complaining in many cases about their condition.

What is not true, however, and we have to be clear on it, is that the American people were the ones who thought up this idea of turning on permanent residents, on illegal immigrants, and the children who may be here undocumented. That is not true, and the record should show it is not true. It wasn't the people that started discussing that subject. It was talk show hosts and some elected officials in this country who decided that it was easier to come up with an easy target, rather than to sit down and really try to solve the problem of the economy, of housing, of jobs, of social services.

So now we stand up here and we say that if we really turn on these little children, and we make them spy on their parents, and we try to document every one who is not documented as an undocumented person, that somehow we will be servicing the American people. We are mistaken.

The gentleman from California [Mr. ROHRABACHER] has said that some people have implied that this amendment is mean spirited. I want to be clear in this, one of my two languages. I am not implying. I am stating that it is mean spirited, it is misguided, it is foolish, and it divides our community.

Now, a lot of the people that got up to speak also have no understanding of what a school district goes by. Well, in my other life, before the State legislature and before the Congress, I was a district school administrator. And we had at that time 33,000 students from all over the United States and, for that matter, from all over the world.

What I would have to do today under this amendment, to go and ask every single child to bring proof—to bring proof—that he and his parents are documented, is beyond anything that anyone can imagine here. It would be a burden that I could not carry.

There is the additional problem which I continue to bring up, and I will continue to bring it up all the time, which seems to score no points with very few people who propose these amendments, and it is the fact that there are people in this country who were born citizens, whose ancestors have been born citizens for hundreds of years, but who continue to look different from what Hollywood and other places think Americans should look like, and only they will be asked to produce papers.

Let us face it. A child with my name, looking somewhat un-American, quote-unquote, would be asked to produce papers. I have done it a hundred times and I will do it again.

You see, I carry no proof that I am an American citizen. I was born in Puerto Rico a citizen. I have no proof. Incidentally, if you come up with another amendment to make me carry papers, I will never carry papers to prove I am an American citizen.

Let us understand that this is not a good idea. Let us understand that this is not supported by people who work in the field.

I have and I will submit for the RECORD the names of 40 organizations who have written to you, people like the Department of Education, the INS, the Office of Management and Budget, the School Boards Association, the Elementary School Principals, the Federally Impacted Schools, the Bar Association, all throughout this Nation, saying you cannot do this. Please, let us defeat this amendment.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. SERRANO] has expired.

(At the request of Mr. BURTON of Indiana and by unanimous consent, Mr. SERRANO was allowed to proceed for an additional 30 seconds.)

Mr. SERRANO. I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. As a school administrator, I would like to ask the gentleman, in your school, did the students have to have it certified that they had their measles shots and other shots?

Mr. SERRANO. Unfortunately, when I was an administrator, we did not pass that law yet. They did not have to verify that.

Mr. BURTON of Indiana. That is unusual. Most of the country does.

Mr. GALLEGLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not going to speak on this issue today, but I have been sitting and listening to a lot of the debate, a lot of the rhetoric. I would like to respond to a couple of the comments that have been made and I think that we really need to focus on, which is something that we have not addressed today.

Americans come in all colors. So do illegal aliens. This is not an issue of color. It is not an issue of ethnic background. It is an issue of the law.

In California, and in other States, this is not a small problem, Mr. Chairman. We are not talking about a few hundred or a few thousand. We are talking about several hundred thousand individuals that are in our public schools that have no legal right to be in the United States. That is the issue. It is an issue of the law.

Mr. Chairman, when I was a student in elementary school, I remember that it was a requirement for me when I enrolled in school to present my birth certificate. Somewhere along the line these things have changed. I have raised four children in the public school system, and I can tell you that my children, and hopefully some day grandchildren, when they apply to school, I would have no problem at all if the administrators asked for my children's proof of residency, and I do not think that anybody that is intellectually honest on this would object either.

Mr. Chairman, the folks that are hurt the most by this issue of illegal immigration are those that can afford to be hurt the least, and we do have an obligation to those that have a lawful right to be in this country first.

Mr. Chairman, I would yield the remainder of my time to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, I would congratulate the gentleman for underscoring a point that needs to be made, and that is this is not an issue of race. This is an issue of economics and legality. I have had a great outpouring of support from Americans of Mexican descent in California who support this proposal and my basic fundamental position, which is that public services should not be provided for illegal aliens.

Mr. Chairman, they support this position because they themselves depend on many of these government services, and see that the quality of the services are being diluted as they are being stretched to the breaking point. We have to make a choice with limited resources between people who are here legally, whether they are citizens or legal residents, and people who are here illegally, because so many people have come here from other countries it is beginning to break down the public services in many of our urban areas, especially in California.

Mr. Chairman, those on the floor saying this is a matter of race, because it is so terrible they are going to be asked, and obviously they will only be asking people who look like they are Mexican Americans, or Hispanic-American, will probably be the only ones asked, that is what is being implied, that is not the case at all.

This legislation would require people to present their birth certificate to prove legal status. Everybody. Every child.

By the way, those who are complaining the most about this, and I would hope to be corrected if I am wrong, are the ones who would absolutely mandate this on employers, and not think anything of requiring this horrible, horrible mandate on people, to do what they consider to be something racist. But the fact is, if it was so racist, they would not want to put this on the employers.

What we are doing now basically by the policies we are stating today, is we are making it a crime for an illegal alien to work, but we are giving an incentive for people to come here illegally and to consume government benefits, and many of the times those government benefits are being stretched to the breaking point, to the point our own people who paid for them, of every race and ethnic background, are getting shortchanged.

That is not what this Government is supposed to be about. It is not that we do not care about those people coming here. We have to care about our own people more, because that is the wonderful thing about America.

□ 1600

We come from everywhere. We are part of the great American family, but we cannot just dissipate all the funds on people who come here illegally. The Immigration Service cannot do it on their own.

We have Members saying, "Just let the Immigration Service do it." If we are providing benefits, who is kidding who here? The American people understand that if we are providing huge cash incentives and benefit packages to people who come here illegally, the Immigration Service is never going to be able to get control of the situation.

We are trying an honest, good-faith effort of good will to come to grips with the problem that affects the lives of our people. The people who are watching and reading this RECORD will understand who is thwarting what and who is trying to correct the problem.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

I would like to build a little bit on what the gentleman from New York said. In this country, I have noticed in the last 30 years we have to have someone to bash.

I remember at one time it was the truckers. If a person was a trucker, we had to bash them. We were popular, if we could be against the truckers.

Then it was the doctors, the doctors were the bad people in this country.

And for a couple of years that was the popular thing to do.

This seems to have started a year ago. I know thee are a lot of illegal aliens. We do not know how many. We have tried to count them. I have been down there on the border. I have talked to a number of them that came across.

Some of them come across five times a year. They come over here for one purpose. It is to earn some money to go back home and feed their family.

We ought to be paying attention to the real problem here instead of bashing people all the time and trying to find some way to offset the deficiency in California's State laws.

If California has got deficiencies in their laws, correct them. But do not come down here to the Congress and try to hook something onto every bill.

Last year we had it on an appropriations bill, the one I handled. I opposed it. We defeated it. We finally defeated it.

This year it started right out, the first bill out of the box. Bash the aliens. We will have this all year. This is not the end. If we pass this, we will have it next year. It just whets the appetite.

Let us sit down and be reasonable, try to figure out what some of the problems are, relieve some of the pressures. There are pressures within Mexico. We know that. There are pressures down there. They come over here to get a job. That is what they come for, for no other reason.

We do not know how many there are, but let us try to relieve the problem by getting at the real problem and not bashing somebody on every bill that comes up this year. We are going to have 13 appropriations bills. We are going to have this 13 times, if we do not stop it.

Mr. HORN. Mr. Chairman, I move to strike the requisite number of words.

I am for dealing with the illegal alien problem. I have been for doing something about it since 1975, when I was vice chairman of the U.S. Commission on Civil Rights and became deeply involved in this subject.

I regret to say, however, that I am opposed to this amendment. I think this amendment is wrongly drafted. I will get into that.

I do not think this is the way to go about solving the illegal alien problem. And my good friend and colleague [Mr. ROHRABACHER], and he is that, I appreciate the interest and the effort, because this is of concern, not only in California but throughout America. And it ought to be.

The gentleman from Pennsylvania [Mr. GOODLING] mentioned that he is well aware of the advantages of illegal aliens in California, because Pennsylvania lost two seats. He is correct. I went around the House, when we secured the additional money for the Border Patrol, and told a number of my colleagues that their State will again lose additional seats after the next national census in the year 2000.

We need your help or you will lose a lot more seats to California. And you should lose seats to California and the Southwest as well as the Southeast if you do not help us.

I regret that until recently, when President Clinton advocated the counterfeit-proof Social Security card, that is the first time I have seen a President of the United States want to do something about this problem. Since 1975 and in 1980, two of us on the Commission on Civil Rights raised the issue and sought Federal action in doing something about the problem.

What Congress did do has not worked.

I am angered that no President in either party has seen fit to do something about illegal aliens for almost two decades. I hope President Clinton sticks with the promise of a counterfeit-proof Social Security card. That would truly help to implement the Simpson-Mazzoli act.

As a Californian and a native son, I can recall the 1930's and the 1940's rather well. I can recall the time the teacher went around the room and asked us in what country our parents were born. My father happened to be a legal German immigrant in 1903 and had long been an American citizen. Hitler was at his prime in the late 1930's. I knew that if I answered "Germany", I would have a little trouble on the playground. I was not completely stupid.

He was born in Bavaria, and so I answered "Bavaria." Nobody had ever heard of Bavaria.

I remember rather well early 1942, when one-third of my classmates disappeared from the fifth grade. The shame of America, the shame of California, when Japanese-Americans, most of them citizens of the United States, were forcibly removed from their California homes and put in relocation camps. I still remember the Christmas present that little Eddie Kamomoto had left for me in the fifth grade class exchange. He was not there to finish the year or to graduate from elementary school with his class in 1945—the year that the Second World War ended. I think we all agree that the discrimination against those citizens and legally admitted aliens was shameful. Reparations were made by preceding Congresses. Those monetary awards do not bring back the last years to a generation of children. The actions that were taken were clearly unconstitutional.

There are actions we could take that would be constitutional, and we should take them.

I can also recall 1949, when I was called into the office of the superintendent of the high school. And he said, "I am sorry. You can't win the statewide prize of this nonprofit association because you have to have both of your parents born in America."

My father, a German immigrant and an American citizen, had worked in the United States Patent Office on chemical patents in the First World War. He and other American citizens of German ancestry were hounded by many. Most Americans of German ancestry have heard those experiences, whether they occurred in Nebraska or in California or in Washington, DC.

Now, if the school district would mail the certification to the parents, I would not have a problem with that. But I will tell Members what the school district will do. It will give the form to little Susie and little Johnny or little whoever and ask the child to take home the certification form in order to save the postage out of the school budget. And it will be the talk of this or that child on the playground. Many of these children do not know that they are children of illegal alien parents.

I just do not think that is the way to go about it. If we should do something like this, let us provide the money. Let us make sure the school districts have to mail the forms. And let us also do what counts first, which is learn to control our borders.

We have not done it on the Canadian border. Nobody talks about that. We certainly have not done it on the southern border or on the east coast and the west coast, as we have seen the Chinese loaded ships headed in our direction.

We have a problem. Anybody that had a semialert brain knew we had a problem 20 years ago.

It is about time we quit burying this in committees and get to work on solving the problem.

I shall vote against this amendment. But I am sure for doing something about it. If the Congress does not act responsibly and has more procrastination, Members will find me at the head of the line supporting an amendment like this next time.

In the meantime, let us straighten it out and do it rationally and let us do it constitutionally.

Mr. PASTOR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I agree with my colleague from California that we cannot solve all of our immigration problems by adding these types of amendments on the bills that come before us either in authorization or appropriation.

Earlier colleagues, as I got to the floor, talked about obeying the law. I wonder if they understand that the reason that we do not ask for birth certificates, and we have not since 1982, has been that the Supreme Court, in the decision of Plyer versus Doe, they said that all children have the right to a public education regardless of the status of their parents. So that is the law of the land today.

I think the Supreme Court, in their judgment, looked at that law for social reasons. They knew that throughout the years, in the past and in the future, we are going to have immigrants, legal and unlegal, in this country. And rather than have an underclass of uneducated residents, that it was in good social policy that we educate them, because they will become, whether we like it or not, the work force of the future. We would want them to be competitive in this country.

So we are obeying the law, Mr. Chairman. We are obeying the law of 1982, as set down by the Supreme Court.

I agree with my colleague, the gentleman from California [Mr. HORN], that we are going to have to solve our immigration problem.

Mr. MENENDEZ. Mr. Chairman, will the gentleman yield?

Mr. PASTOR. I yield to the gentleman from New Jersey.

Mr. MENENDEZ. Mr. Chairman, I thank the gentleman for yielding to me.

There is only one person in this entire Congress that may be pure, and that is Senator CAMPBELL on the other side. No one else is really pure here.

☐ 1610

You know, it is the vehicle, not the question of controlling our borders, it is the vehicle that is being proposed.

As a former school board member and the chief financial officer of a school district, it would be impossible to bring in all of the thousands of children in that district one by one, and say to little Jose, "Jose, are you a legal citizen of the United States?" Where do we start? Does it start with everybody? Imagine the cost, imagine the time.

In reality, when school administrators are forced to do this, does it start with, "Anybody who is a Smith is okay," but does my son Bobby at 8 years old, who happens to have the last name Menendez, does he get called in and say, "Bobby, are you a citizen? Are your parents citizens?" Or does his mother, who is Norwegian, Irish, and German, then is she a citizen? Where does it start and where does it end? Or is anyone who is black, is it believed that maybe they might be African, so therefore they are called in; or anyone who is Asian, it is believed that they are not American, so they are called in; or anyone who has a brogue, and in fact maybe they are an illegal person here from Ireland? Where does it begin and where does it end?

It seems to me that many of the names that appear on this board when we vote on this amendment, if this same issue had been here at a different time, we might not be speaking about Menendez and Torres and others, and Serranos, we would be speaking about many other different names, the very names of the proponents of this legislation, this amendment.

The fact of the matter is this is not how to spend our tax dollars on a witch hunt. It is not to ask children, "Your mother and father, are they U.S. Citizens?" We are going to make them experts in immigration, something I practiced law in when I used to practice law. It is simply ridiculous.

The tone and tenor of those who propose these amendments, the venom that you can hear, it just, to me, is not what America is all about. Yes, let us control our borders, but let us not use children against their parents in a Gestapo-like attitude as our police arm of this Congress. What a failure, that we would have to use children against their parents to accomplish this goal.

The CHAIRMAN pro tempore (Mr. VALENTINE). The time of the gentleman from Arizona [Mr. PASTOR] has expired.

(By unanimous consent, Mr. PASTOR was allowed to proceed for 3 additional minutes.)

Mr. PASTOR. I yield to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, the Nazis have invaded Denmark. It is World War II. They have taken the whole place over. The people are very concerned. They were looking for certain people and they could not really identify them. Some of them they could, some of them maybe did not look like they were Danes. It was kind of hard to identify some of the Jews, so the Nazis said, "This is the order. Tomorrow morning every Jew must wear a gold badge saying, "Jude," "I am a Jew," and if anybody knew one who was not wearing it, they were to be turned in.

When the sun rose over Copenhagen that next morning, we found a very Christian King walking the streets wearing one of those yellow labels, saying that he was a Jew. As people woke up realizing what had happened, they came out of their homes, not just the Jews but everybody in Denmark, wearing yellow badges, saying, "I am a Jew," so that the Nazis could not tell one from the other.

Let us, Mr. Chairman, not hang labels on each other. Let us not divide our society. Let us not turn each other in. Let us address the issues that we as a civilized people should be addressing here in the proper legislation. Do not make piranhas out of each of us. This is not the American way. It is not the human way. Please do not vote for this kind of absurdity in this great Nation of ours.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this has been a very emotional debate. I am sorry for some of what has been said, because a few minutes ago, as I was watching the debate, I heard one of our colleagues come to the floor and utter some despicable racial slurs and names in defense of his own policy. I think that that really does not help us here, and I do not think we ought to debate these kinds of things with the kind of hate and venom that I have heard from some people.

I have also noticed that one group that has not been mentioned very much in the course of the debate is the American middle class, who ends up, regardless of what we do, having to pay the bills, and is quite concerned about the direction in which their country is going, too. They have to pay the bills for whatever we decide to do in this regard, and they do so in many cases by working 40, 50, 60 hours a week, sometimes two members of the family working hard to eke out a living for themselves and their children, and hope a little bit about the future.

What they also are concerned about, Mr. Chairman, is the fact that the law does not seem to mean much anymore. Most of them, whether they be black or white, whether they be Hispanic or oriental, regardless of race, creed, or color, work every day and do so in a way that obeys the law. One of the things they are most concerned about is the fact that somehow this Congress does not seem to recognize that that is a sacrifice on their part. There are lots of people around who like to evade the law, who like to find some way to explain away the law, because it gives them some comfort in order to do so.

The vast American middle class suggests that obeying the law is in fact a positive public good, and they think it is important for them to do. Even at a penalty to themselves and their families, they obey the law. They are very confused, then, when their government comes along and suggests that people who do not obey the law ought to be treated in special ways.

As I read the Rohrabacher amendment, the fundamental part of this amendment says obeying the law is a necessity. I do not understand why we would have such an emotional debate on the issue of whether or not the law should be obeyed. This Congress is sending some very bad signals. We sent some very bad signals yesterday when we voted on resolutions which suggested that our own rules were not important, that investigation of unethical conduct was not important. The American people and particularly the American middle class is sitting out there saying, "They expect me to obey the laws that they pass, and yet they say to others, 'Go ahead and break the law and we will look the other way.'"

I am real concerned about that and I think Americans are concerned. If we wonder why there is disrespect for that which we do, it is because they think we disrespect the law. In my view, if we do not approve something, and I do not know whether this is the most artfully drafted language, but we ought to approve something that suggests that the law is important, and that people who do not obey the law will in fact be punished in our society.

I am hopeful that as we go about debating this issue further, that we will not suggest that somehow the law is something that we can put aside without any consideration at all.

☐ 1620

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Rohrabacher amendment. And, frankly, I agree with one statement by the gentleman from Pennsylvania [Mr. WALKER], who preceded me. The law must be obeyed, and the law, as the gentleman from Arizona [Mr. PASTOR] pointed out, says that all children in America have a right to be educated without regard to the status of their parents.

I rise in opposition to this amendment for three reasons as a parent and as a legislator. First of all, the provisions would impose an unaffordable cost on the school systems in our country, and I do not think any parents in America want that.

Second of all, it would have a chilling effect on the education of many undocumented children, all of whom have the right to be educated in our country, as the law indicates, as the gentleman from Arizona pointed out. Children denied an education are not likely to grow up as productive members of our society.

The Rohrabacher amendment would have a negative and costly impact on our entire society. I do not think the parents of this country who want the best for their children want their children in a society where other children are deprived of an education.

Third, I believe that this amendment would serve no legitimate immigration policy purpose. Determining citizenship status of schoolchildren and their parents will not deter undocumented immigrants from entering the country. Indeed, it would impose a burden on teachers and administrators and children to check up on the legal status of parents, and that is a waste of energy and counterproductive to the goal of decreasing the number of illegal immigrants in this country.

Therefore, Mr. Chairman, I believe that this particular provision has no place in the laws which guide and authorize funding for the education of our children. I urge my colleagues to join in casting a no vote against the Rohrabacher amendment.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to my colleague, the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. Mr. Chairman, I thank the gentlewoman for yielding, and I want to assert my very strong opposition to the Rohrabacher amendment. There have been some very eloquent statements made here today citing the history of this country and the responsibilities that we have as a nation for the children who live here, not to establish punitive measures against them or to place onerous obligations and burdens upon the school systems.

We have been importuned this afternoon to obey the law, and I think each and every one of us stands before this body with a commitment, a sworn commitment to abide by the law. It is this amendment that is an infraction upon what has already been established not only as the philosophy, as the policy, but as the law of this land, and that is we must not discriminate in the education of our children. There have been Supreme Court decisions, lower court decisions. This has been the established policy of this country.

In looking at this amendment one would have to ask what is the purpose of it? The purpose is to try to invoke the other laws that are in effect with reference to immigration and to make it part of the policy of our public school system. This is to impose a new duty upon our schools that have no part whatsoever in the educational improvement or enhancement of the quality of education in our school systems. And, in fact, it is an abrogation of the Supreme Court decisions which say we must educate all of our children.

So without the purpose of this amendment to enhance public education but to force our schools and our teachers and our families to police ourselves in the school systems, I believe it is not only a tragic abrogation of what the policy of this country has been over the years, but should be absolutely turned down by this body.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have been told here this afternoon by our friend, for example, from New Jersey that we are all a nation of immigrants, and of course no one would deny that, because we all are a nation of immigrants. But that is not the issue here. The issue here is one of illegal versus legal.

Yes, no one likes to be pointed out as a group, and I think no one wants to do that. The United States is a nation of individuals, not a nation of groups. And it seems to me we got into this hassle in this country when we began looking at ourselves, as groups rather than as individuals. And, as Woodrow Wilson said, as long as you consider yourself a part of a group rather than a individual, you are not really assimilating into American society.

We have heard a lot of red herrings today, a lot of issues very emotional that have nothing to do with this particular amendment as I see it. You know, if we give additional dollars to illegal aliens, are we not taking money away from the people who are the citizens of this country? And where does our first obligation lie? With the citizens of this country. I think so. And that is why I think that this particular amendment makes a lot of sense.

We do have problems with illegal aliens. OK. If you do not like the solution, what are your solutions, how would you address the issue? Just to come to the floor here and make a lot of emotional statements is not going to resolve the issue, is not going to get at the problem. What are your solutions?

This Nation of America has been good to all of us. We are all Americans in this Chamber. This Nation has been good to you; this Nation has been good to me. We have an obligation to this country, you and I, and if we have a problem with illegal aliens, then by golly we have to ask ourselves how are we going to address this problem. And just a lot of hot, emotional rhetoric is not going to solve this problem.

I have heard a lot of rhetoric here on the floor this afternoon, but I have not heard any solutions. The only solution we have so far is the Rohrabacher solution. So if you have a better solution, let us hear it. But just to get up and make a lot of emotional statements is not going to get the issue resolved.

Mr. KOPETSKI. Mr. Chairman, I move to strike the requisite number of words.

Before I proceed in my opposition to the Rohrabacher amendment, I yield to the distinguished gentleman from California [Mr. EDWARDS], chairman of the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman from Oregon for yielding. I am sorry I was not here earlier. We are working on the crime bill which everybody is looking forward to anxiously I am sure. Week after next, folks.

Mr. Chairman, I have examined this and members of my subcommittee have examined the amendment offered by the gentleman from California [Mr. ROHRABACHER], and it just invites racial discrimination. It is almost frightening what would happen to the children and the parents of the children if this became law.

My colleagues, we cannot turn schoolteachers into Border Patrol agents and have these children harassed by standing up and saying, "What are you? What are you?"

And of course, the cost of all of these statistics is going to be enormous, and especially in my State of California where unfortunately so many of the undocumented persons end up.

Also, these schools are stuck, happily, with a Supreme Court decision which says that they have to be educated no matter who they are, that they are entitled by law to an education.

So Mr. Chairman, I urge a resounding no vote, and again thank the gentleman very much for yielding.

Mr. KOPETSKI. I thank the distinguished gentleman for his comments. I think it is important for Members to look at some of the legal liability issues involved in the Rohrabacher amendment.

Clearly what it says is that school districts are in danger and could lose all of their Federal funding if they adopt as a policy or de facto not enforce the policy enunciated in the Rohrabacher amendment.

Second, they do face losing all of their Federal funds if either a teacher or the district fails to follow up on an accusation made by either a student or a parent that a child in the district is here illegally in this country.

Finally, I think the chairman of the Committee on the Judiciary's subcommittee alluded to this, but it is a question of how quickly will the ACLU or some other group bring a lawsuit against a school district or a teacher where there is a false accusation of a child being illegally in this country or where they are illegally here and dismissed from the school for that reason. This just invites very expensive lawsuits against the school district, and I think it is important just to get to the basic policy. We are not saying here that the respect for law is not important. We are saying here the issue before us is who is to enforce the law.

□ 1630

We have the INS; we have local sheriffs that deal with this. That is where the solution lies. It is not with the children of America.

It is not unfair, inaccurate, or just rhetoric to say that this is modeling the practices of Germany in the 1930's. We are not saying this just for scare tactics. It is a historical comparison as fact and as a comparison that is necessary to be made.

And so I ask my distinguished friends on both sides of the aisle to think through this amendment. We do not want our children to grow up in an atmosphere where they are expected in a learning environment especially to act as police officers. They are not trained, they are not mature enough. And it is not their job in the school building to be acting as police officers. Their job there is to learn to socialize, to learn how to think for themselves, to learn the respect for law in this society, and that is why we must resoundingly defeat the Rohrabacher amendment.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hold in my hand a piece of information that is given out by the Medi-Cal organization. It is the Medicaid of California. It says, "Medi-Cal has good news for pregnant women." This is printed in both Spanish and English, and passed out down along the Mexican-American border in this form. I want to read to my colleagues what it says: "Even if you applied for amnesty or are in this country illegally, you can now receive a special kind of Medi-Cal or Medicaid for your health care purposes." It says, "If I am here illegally, will it be reported to Immigration?" And the answer is, "No. Under the new law, Medi-Cal cannot report you to Immigration for applying for or receiving Medi-Cal while you are pregnant."

Federal taxpayers' dollars are being encouraged to be used for the delivery of children by pregnant women in California.

Now, we brought this issue to the floor of the House before, and no action was taken. This body took no action on dealing with the advertising, the advertising of bringing Mexican-Americans across the border to have their babies, and it even goes so far as to say, "We will not report you to Immigration if you applied for these benefits."

Now, today we have got this education bill that deals with reporting whether or not a child is here illegally or legally. Every single time we try to close the loophole that allows illegal aliens into this country, we receive the same argument from the liberals in this body, "Oh, my gosh, that is not humanitarian, it is Nazistic," it is whatever.

My question is: "Who speaks for the American taxpayer? Who speaks for the people who are paying these bills?" As the gentleman from Pennsylvania [Mr. WALKER] said a few moments ago, who speaks for the middle class in this country, the American taxpayer who is paying for all of this? Every single time a measure is brought to this body to deal with the illegal immigration problem, some spurious argument is raised, and it is dealt with in the wrong way. We kill it; no positive things are being done to deal with the illegal immigration problem, and as a result, from Mexico alone, we are getting 1.3 million illegal aliens staying in this country every single year. That does not include those coming from Canada or the east coast or the west coast or through Miami and the Caribbean.

Mr. Chairman, we are being inundated with these people, and every single thing that comes up like the amendment offered by the gentleman from California [Mr. ROHRABACHER] goes right down the toilet, because we do not want to deal with it.

The American taxpayer sits at home and watches us on television and says, "Why in the world are they wasting our taxpayer dollars? Why are we not dealing with this problem?"

I say that if you do not like the Rohrabacher amendment, then come up with something else. We have got to deal with this. There is a virtual tidal wave of illegal aliens coming into this country that the taxpayers are paying for, and we are not doing a darn thing about it.

Now, go home and ask your constituents. Do not listen to me. Ask your constituents what they think about it. They are going to tell you they do not want this thing going on. They do not want their taxpayers' dollars being wasted for this, and they do not want that deficit to increase, because they know down the road we are going to face severe economic problems if we do not deal with it.

I would just like to say to my colleagues, you know, every single time this issue comes up, back home on television and throughout this country people hear us, some of us, making these comments about Nazis, about bigotry, about racism. This is not about any of those things. It is about the law. We are a nation of laws and not of men, and if we wink at the law and let illegal immigration continue unabated, then we are not doing our jobs.

So I say to my colleagues, think about that when you cast votes on these issues. If you do not like this amendment, then come up with ideas of your own to deal with this. Let us deal with it, because the American people demand it.

Mr. COLEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is fairly interesting to note that the gentleman from Pennsylvania stood up here and said, "Well, maybe this is not the most artfully crafted amendment." But what he meant to tell you was the amendment says that we are going to have the middle class, probably the way upper class, lower middle class, lower who or whatever class we want to refer to paying for local educational agencies to determine the number of students enrolled who are not lawfully in the United States. I am quoting from the Rohrabacher amendment.

How do they propose to do that? Well, they do not tell us that, not in this amendment. What do you reckon that your local school district is going to have to do? Well, they are going to have to assign some people, I suppose, to holding due-process hearings to determine the resident legal status of children that attend that school. The child may not even be sure that the child himself or herself is foreign born, may not be, and does not necessarily mean that that individual is a legal resident of the United States.

I suggest to you that it is not only not crafted artfully, as the gentleman from Pennsylvania [Mr. WALKER] put it, I think the amendment is a disaster.

I say to my colleague, the gentleman from Indiana, who says that we need to get away from all of the other kinds of issues and look at the amendment and talk about who pays, that he is right in the sense that we ought to be talking about who pays. We will all pay.

This amendment is not well thought out. It is exactly the kind of amendment that I think is intended to make headlines. It is intended to say you are either for stopping illegal immigration or you are against it, and we are going to put it on the schools this time, or we will put it, as the majority leader pointed out in his earlier statements this afternoon, or we will put it on some agency who is providing assistance or help to the most impoverished and perhaps the least wealthy and the least able to take care of themselves in our society and America.

So I suggest to all of my colleagues that you read the amendment. When you read the amendment, you will know the correct vote is "no."

I know that there will be those that think they have got to worry about the headline back home. Remember what the majority leader said earlier this afternoon; the majority leader said if we want to deal with the immigration issue, let us deal with it through the Immigration Service.

When was the last time a Member on the other side of the aisle, and I am pointing to the Republican Party in this case, came up with an amendment that increased the funding for the INS?

I think that is a part of the problem, because they say, "Well, we are conservative. We do not want to spend money." They also do not want to go back and tell the voters it is going to cost more money, and the truth of the matter is if you are going to enforce the immigration policy in this country, it is going to cost money. It is not free.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. The gentleman from California [Mr. HUNTER] last year offered an amendment to increase the amount of money for the INS. How many of you voted for it?

Mr. COLEMAN. I did, and it passed you may remember.

Mr. WALKER. Well, you asked the question, and I am giving you the answer. That was a Republican who sponsored it. It was a Republican who brought it on the floor.

Mr. COLEMAN. That was for more Border Patrol men; that was for more Border Patrol men. I will say to you that what is important here is if you keep on that tack, let us see if you vote for this one this time. We are going to have another amendment out here when we bring the appropriations bill on Justice, Commerce, and State, and we will see if you vote for the amendment and for the appropriations bill; instead of offering a 1 percent across-the-board cut this time, why do you not put your money where your mouth is?

The CHAIRMAN pro tempore (Mr. VALENTINE). The time of the gentleman from Texas has expired.

Mr. PACKARD. Mr. Chairman, I move to strike the requisite number of words and yield all my time for closing arguments to the maker of the amendment, the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. I thank the gentleman for yielding to me.

Mr. Chairman, this has been a very valuable debate today. I am sorry that every time we discuss an issue that I believe is really important to our country—and I know the people who are watching on C-SPAN and reading the CONGRESSIONAL RECORD, they too know trying to get control of the flow of illegal aliens in to our country is vital to the well-being of themselves and their families.

As far as these people are concerned, they are not racists. I am sorry that every time we discuss this we have to be basically called a bunch of names and implied we are the same as the Nazis and everything like that. The American people have a good spirit, and they are very generous people. They do not mind helping. We provide basically a generous, a very generous immigration law so that people can come here legally from all countries of the world, from all races. And I think it is a wonderful thing. And I voted for the last immigration bill, which was a very generous immigration bill. But the idea that they do not want the millions of people who are coming here illegally to receive the same benefits and thus encouraging even more people to come here and dilute those funds, and that makes them some kind of Nazis or Fascists, this is a disservice to the American people and it is a disservice to the debate on this vital issue.

I believe people of good will can disagree on things like this, and they should disagree in good will and realize that you can talk about a problem that concerns us, that deals with legality—we have heard it constantly said, we have been told that the Supreme Court said that we have to fund education for illegal aliens. The Supreme Court does not say that we cannot count illegal aliens to find out how many illegal aliens are in our schools so we can figure out the cost. The Supreme Court does not say that.

What I need to ask—when people are up there talking about basically implying that we are a bunch of Nazis and Fascists, we are trying to get control of the illegal alien situation, does that mean that no immigration laws are going to be enforced? Is that what you want? Does that mean, for example, that all children of illegal aliens, illegal immigrant children who come here, that they should not be deported with their families? Is that what we are saying, that the immigration law is right out the window? And if you believe in enforcing them, you are some kind of a Nazi? That is obviously not going to help the situation get any better.

By the way, we are making immigration policy here. When we say we are going to provide a benefit package for people who come here from another country illegally and they are going to get so much money, we are giving them an incentive to come here, that is immigration policy because we are giving them the incentive to come here. It is not a hard thing to understand that concept and who we are supposed to be representing.

This amendment, by the way, just to note for the last gentleman who talked, we did try to authorize the funds that were necessary to implement this, as I repeat again, inconsequential, minimum funds. We already ask kids their health, the history of their health situation, we ask kids about the residency of their parents, we ask kids about the income of their parents. Just to add to that list two questions at minimal cost, yet the bottom line is if we—two of the questions are minimal cost. But if we tried to handle that objection and the other side voted it down, they would not even let us authorize the money if there was not money.

Let me just end with this: The American people are watching, and they are listening. They understand people of good will can be concerned about this, we are not a bunch of racists because we want to control our borders, we want to get control of our borders. And people do not come here and consume the benefit package that they worked their lives to build. Anyone from the southwestern States, especially, where we suffer so much under this, no one who votes against this bill says we cannot even count the number of illegal aliens in our system, no one should come back here and say, "Oh, the Federal Government has to pick up a share of the cost because it is overwhelming our systems." Do not come back—because a vote like that will be betraying the citizens in our part of the country because now we cannot quantify the problem. Thus the Federal Government can never come back and help us.

So, a vote against the Rohrabacher amendment is a vote saying the Federal Government is never going to help us out in the Western and Southwestern States to help pick up the funds.

My own solution is different. My own solution would be that illegal aliens should not be given benefit packages at all. But whether you are for the Federal Government providing some help for the States inundated by illegal aliens, or whether you say that nobody, or the Federal Government should be providing those services, you should be supporting this amendment which will help us come to grips with this problem that threatens the well-being of our people.

Mr. BONIOR. Mr. Chairman, we expect a lot out of our teachers in America today.

We expect them to be educators and role models.

Counselors and motivators.

Babysitters and disciplinarians.

And we ask them to do all that in the face of:

Budget cuts and metal detectors.

Turf wars and teenage angst.

Decreasing resources, and increasing diversity.

And even with all that, most of them do a wonderful job.

But the gentleman from California feels like our teachers don't do enough.

That they don't have enough responsibility.

So he wants teachers and school districts to get into the Perry Mason business.

He doesn't just want them to be trained in reading, writing, and arithmetic.

He wants them to be trained as agents of the INS.

Instead of spending money on computers and books, he wants to require schools to set up INS offices next to the lunchroom.

And instead of just checking hall passes, he wants every last teacher to spend their days checking immigration papers.

Make no mistake about it, that's what this amendment does.

It not only requires schools to conduct investigations of their own students to make sure they're legal. It requires schools to investigate whether or not their parents are legal as well.

Mr. Chairman, this is not what schools are for.

This amendment not only turns teachers into INS agents. It does so without providing so much as a dime of Federal money to do it.

Let me say that one more time, Mr. Chairman. This amendment requires all of this—the investigations, the background checks, the constant monitoring by teachers—without providing so much as a dime of Federal money to help.

Mr. Chairman, talk about double standards.

Talk about red tape.

Talk about unfunded mandates.

This amendment is the mother load of all unfunded mandates.

But above everything else, this amendment does one substantial, unforgivable thing.

One thing that no government should ever be a party to:

This amendment codifies discrimination.

Ask yourself this: how are teachers supposed to decide who is legal and who isn't?

How are they supposed to decide who to check and who not to check?

Will it be based strictly on appearances?

Will every student who doesn't have blond hair and blue eyes be forced to line up in the gym and flash their papers?

Will every student who speaks with an accent be forced to go before a review board?

Or will teachers just randomly pick students out of study halls and recess lines who don't look quite right?

Is that how it works?

Mr. Chairman, what kind of message does that send to the other students?

That it's OK to discriminate?

That it's OK to suspect somebody's guilty of wrongdoing just because they look different or sound different?

That it's OK to presume that others are guilty until proven innocent?

Mr. Chairman, maybe I come from the old school.

I believe teachers should focus on report cards, not green cards.

I believe they should prepare all of our students for the future, not just a select few.

Let's be honest: This amendment won't improve our schools or increase our test scores.

It won't drive out the gangs or confiscate the guns.

And it will do nothing to reduce the flow of illegal immigration.

All this amendment will do is divert our teachers away for teaching.

And burden State and local budgets.

With more redtape.

More bureaucracy.

More reports.

And more unfunded mandates that they can't afford.

Above all, it unleashes a kind of scholastic McCarthyism that allows our students to be investigated any time, any place, and anywhere.

Mr. Chairman, a first grade classroom is not the place to interrogate students and enforce immigration laws.

We have other agencies to do that.

We need realistic approaches to solve our immigration problems.

But this amendment is nothing but a cost-shifting, teacher-exploiting, student discriminating amendment, and I urge my colleagues to vote "no."

Mr. TORRES. Mr. Chairman, I rise in strong opposition to the Rohrabacher and Roth amendments to H.R. 6, "Improving America's Schools Act."

None of these proposed amendments would be anything to improve America's schools. In fact, these proposals would impose huge, unfunded Federal mandates on States and local school districts. These amendments would deprive thousands of educationally disadvantaged children of the services they so desperately need.

The first Rohrabacher amendment would require every school, in order to be eligible for Federal education funding, to identify and collect data on the citizenship status of every student and his or her parents. This would not improve our schools. To the contrary it would only impose an unworkable, administrative nightmare on already overburdened school districts.

The second Rohrabacher amendment goes even further by seeking to undermine constitutional principles. The amendment would undercut the 1982 Supreme Court decision in Plyler versus Doe, mandating States to provide public education to all children. The amendment would deny Federal funds to States, but still require States to provide all children with an education.

The Roth amendments seek to severely weaken, and ultimately eliminate the title VII programs, which were passed by the bipartisan leadership of the Education and Labor Committee. These title VII programs are proven to be the best way to teach children with limited English proficiency English language skills.

Every major educational organization in this Nation is opposed to these senseless and unconstitutional amendments.

The Clinton administration and Secretary of Education Richard Riley have stated that these amendments are unfair, unworkable and unwise, and strongly urge us to reject them.

We must remember the most important point of this debate. We are talking about children. Children who want to learn, learn about American history, learn about English, learn about math, about science, about art—all that we can teach them.

We have a chance before us to do the right thing: To ensure that every child in this country is treated fairly and with compassion; to encourage them to grow into productive American citizens that will lead our Nation into the next century; to be competitive global leaders in an increasingly complex global marketplace. By voting against both the Rohrabacher and Roth amendments, we ensure that America will continue to be the leader and that our children, all our children, will be educated to the best of their and our ability.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in opposition to the Rohrabacher amendment.

The Elementary and Secondary Education Act has been a vital source of Federal funding for our public school systems, particularly for disadvantaged youth.

This politically motivated amendment would effectively defeat the true purpose of the act and impose additional and unnecessary administrative burdens. It is an unfunded Federal mandate that will neither improve our schools nor address Federal immigration policies.

There are those who have argued that a census count of undocumented students is a minor administrative duty. I assure you, however, that in communities such as Los Angeles, it will be very difficult, if not impossible, to verify the immigration status of all students and their parents. Our school districts already lack sufficient resources to meet the educational needs of our children. They are not in a position, nor should they be placed in a position, to do the work of the INS.

The anti-immigrant climate apparently has no boundaries within reason or humanity. This amendment will only harm our schools and should be defeated.

Ms. VELÁZQUEZ. Mr. Chairman, I rise in strong opposition to the Rohrabacher amendment. Let's be clear about what we are doing here. This is not a simple effort to account for native born and immigrant children in our schools, as supporters suggest. This is not a benign attempt to count children's heads. No, this is a shameful and mean-spirited attempt to single out and penalize the innocent children of immigrants.

With this amendment, we will transform our Nation's educators into immigration police. We would tell our Nation's teachers, principals, and counselors to put aside their books, their training, and put on a badge. Put aside your commitment to education, and start enforcing our immigration laws.

Mr. Chairman, let's also be clear about who will become suspect. As my friend from Colorado has suggested, it wouldn't be children like those of the sponsor of this amendment who would come under scrutiny. The fair haired and fair skinned could go on with their studies without fear of retribution. For kids who look like me, kids who speak with an accent, as I do, our schools would become something else altogether. This amendment will make suspect Latino, African-American, and Asian American children, and no others. For them, our schools would become a fearful place indeed.

In coming into this Chamber today, I thought that we were here to discuss the improvement of our schools. I thought that we were voting on the hard work and commitment of my colleagues on the Education and Labor Committee. Instead, this amendment drags us through yet another ugly debate on immigration. Here we are again being forced to respond to misperceptions, half truths, and crude generalizations. When will this stop? When will we stop singling out immigrants for all the ills of our Nation? When will we again appreciate the blood, sweat, and tears that immigrants contribute to this country? When will that beautiful statue in the New York harbor again be a source of pride, and not a reminder of how far we have fallen?

This amendment is not only immoral, it directly contradicts one of the most enlightened and humane decisions of the Supreme Court. In Plyler versus Doe, the Court concluded that it was abhorrent to our great Constitution to deny an education to innocent children because of their immigration status. All students are entitled to a public education. The Court was right then and it is still right today.

The kids in our schools, immigrant and native born alike, are our future. Denying some immigrant children an education outright, or creating a fearful atmosphere that would keep them from coming to the classroom, denies them their future and in turn denies this country its future. By depriving them of an education, these immigrants will never be able to become tomorrow's hardworking citizens and taxpayers. Instead, they would become tomorrow's unemployed and destitute.

We as a nation cannot afford to squander our human resources. We cannot throw away our immigrant children. I ask my colleagues to defeat this shameful amendment.

Ms. WATERS. Mr. Chairman, I am here today to speak in opposition to the Rohrabacher amendment.

It is interesting that my colleague who often times bemoans Federal mandates as burdensome and intrusive, would create a huge bureaucracy for our Nations schools. Rather than focusing energy and resources for title I programs, my colleague asks school districts to become Federal immigration investigators and data collectors.

It would be wrong to use our school systems as immigration police for the Federal Government. Equally important, we must remember that the U.S. Supreme Court has ruled that school districts may not gather citizenship information from their student population.

I can't imagine that parents and teachers want to divert school districts' resources from students to downtown bureaucracies. In southern California, which has a large title I population, our school districts are working valiantly to get their students, teachers, classrooms, and schools back together following our devastating earthquake. They need support as educators, not as investigators and bureaucrats.

Please allow public schools to do the huge task that is before them: provide education that is challenging and enriching to all of our children. Vote "no" on the Rohrabacher amendment.

Mr. UNDERWOOD. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from California requiring the reporting of the residency/citizenship status of children and their parents by school districts before receiving title I funds. This new bureaucratic requirement and unfunded mandate would, in effect deputize our schools and educational professionals into service for the Immigration and Naturalization Service. We cannot afford to spend the already scarce resources for education on the enforcement of immigration law.

I've been an educator for most of my life and I can tell you from personal experience that school personnel do not need another Federal mandate taking them away from their primary duty of teaching our children, particularly one which in effect makes them law enforcers. But this amendment not only requires that the legal status of each student be assessed, it also requires a report on the status of their parents. The question is why do we want to continue to overburden the schools with additional activities that are not directly connected to the welfare of children.

And where do we stop with the enforcement of law and policy; do we want to use children and their need to learn and the natural parental desire for educational advancement as the basis for the enforcement of other laws; do we want to start questioning kindergarterners about what their parents do or own in the hope of catching adults in an illegal activity; do we want to use the schoolhouse as the basis for the investigation of crimes and the implementation of policies for which enforcement agencies already exist?

Most ominously, this amendment could lead to witch hunts, as schools single out children who do not look typically American, even if they do not require documentation. Such children might include the people I represent and Puerto Ricans and others who are native-born U.S. citizens. It may also single out Hispanics and Asians who have been here for generations. One of the possible effects of this amendment might be that all of us non-typical American looking types may be forced to carry documentation so as not to be misidentified by educational personnel as illegal immigrants.

This is nothing more than lashing our at a population of foreigner; this is allowing emotion to reign in what is a very serious debate; and you know what is most bothersome—is that this is not in the best tradition of what makes America great.

When you look at this debate, you see two great forces which make America stand out among the nations of the world—an immigration history which has been open and welcoming and which has provided opportunities to some Members of this body who are themselves first generation immigrants and to the sons and daughters, grandsons and granddaughters of immigrants who I'm sure make up the majority of the membership of this body.

That legacy in combination with the quest for educational opportunity and the historical record of providing common schooling for children of whatever origin has accounted for much of America's present greatness. Educational opportunity and its expansion for immigrants and the children of immigrants as well as native-born have been the engines of progress in American history.

In seeking to amend an educational opportunity bill for these purposes, we see the two great forces for American progress—immigration and the expansion of educational opportunity—blunted, used and abused, perverted to block the very things which has made America the Nation that it is today.

Clearly what America is today and its historical experiences to date are being ignored and discarded by these amendments.

We need to talk about immigration policy and we need to deal with the issue of controlling the borders, but to use schools as the vehicles and children as the pawns in the process is not right and we know it.

Vote down the Rohrabacher amendment.

Mr. SWETT. Mr. Chairman, I rise today in strong support of the small State title I funding provisions of Mr. Kildee's en bloc amendment to H.R. 6, and I offer my sincere thanks to Chairman FORD, Mr. KILDEE, and Mr. GOODLING for their help in reaching a compromise on this issue. This provision is about equity. Without it, the five smallest States in this country would suffer great losses in crucial title I, funding. While most States receive far more than one-quarter of 1 percent under title I, New Hampshire, Delaware, Vermont, Alaska, and Wyoming do not receive even close to one-quarter of 1 percent to operate the largest Federal program for elementary and secondary education.

This provision will not have a noticeable effect on any of the other States—approximately .11 percent or $5.8 million of the $7 billion program—but will mean a great deal to the disadvantaged students in each of these smaller States. This provision will make it possible for these States to continue to offer effective programs for their title I children.

In many States, 1990 census numbers do not accurately reflect the number of disadvantaged students that need to be served under title I. Because of these census figures, New Hampshire and many other States stand to lose title I dollars in the next fiscal year, with further and greater losses in subsequent years. These losses will be completely devastating to title I programs in such States.

The small States provisions of the en bloc amendment will not impact the funding reduction these States will suffer next year, but it will improve their situation in subsequent years. Title I is designed to help economically and scholastically disadvantaged students in poor areas. This modest provision maintains the critical mass of funds necessary if title I is to make a difference in our States. Without it, small States will be unable to carry out the intent of title I programs. This change to H.R. 6 will not equitably distribute moneys to the areas in these small States that so desperately need it.

Mr. Speaker, every student deserves an equal opportunity to learn. I commend Mr. KILDEE, Mr. GOODLING, and Chairman FORD for helping to ensure an equal opportunity to learn for the children in my State. It was a pleasure working with them on this provision, and I thank them for their support.

Ms. LAMBERT. Mr. Chairman, I rise today in strong support of ensuring that parental involvement is a No. 1 priority in all areas of education reform. As we consider H.R. 6, Improving America's Schools Act of 1994, I urge each and every one of you to vote in favor of amendments that promote parental involvement in the education of their children.

Education is the building block for continued success in our Nation. And that education begins at home. With the support, encouragement, discipline, and love of involved parents, children will easily reach the first national education goal of the administration's Goals 2000 Act, that "all children in America will start school ready to learn."

Today, Congressman ALAN WHEAT is offering an amendment that would give local education agencies the option to use funds, from the 1 percent set-aside of title 1 funds for parental involvement, for the Parents as Teachers Program. In my own First District of Arkansas, we have three parents as teachers programs which, through the instructional materials, group meetings, and home visits provided by this program, have made a great difference in these children's lives. A national 1985 independent evaluation of Parents as Teachers found that participating children were significantly more advanced than other 3-year-olds in language and social development, problem-solving and other intellectual skills. A 1989 follow-up study of these same children found that they were still ahead in first grade, as measured by teacher reports and standardized tests.

Programs such as Parents as Teachers are based on the belief that parents are children's first and most important teachers. Because we must ensure that our children are ready to learn when they enter school, I urge my colleagues to support truly worthwhile programs such as this one which promote the importance of parental involvement in their children's education.

Ms. DUNN. Mr. Chairman, on behalf of the more than 2,000 constituents who took the time to write or place phone calls to my office, I rise in strong support of the Armey amendment to protect home schoolers and private schools. The Armey amendment eliminates any certification requirement for private, religious and home schools. In addition, it precludes interference with continued Catholic and parochial school participation in Elementary and Secondary Education Act programs.

As both President Clinton and Dr. William Bennett have observed, "Governments don't raise children, parents do."

I firmly believe in and support the right of parents to determine the best schooling option for their children, whether that choice be private, religious, home or public school. Thousands of families today have opted out of public schools. Some sought relief from the mandates placed on public education by the Federal Government. Some sought refuge from increasing violence in public schools. All have made the decision that the quality of education they wish to provide for their children cannot be found in the public school system. Such parents are simply exercising their appropriate freedoms in making choices that are rightly reserved for them. This Congress must protect the right of parents to enroll their children in private schools or educate their children in a home school. These parents have the constitutional right as Americans to educate their children in the manner they choose because they are in a better position to know the needs of their children than are any bureaucrats here in Washington, DC.

As every Member of this body knows, parents are rightly demanding reforms in our education system. Among those reforms are parental choice, local control, better schools, safer schools, and freedom from Federal regulations and Federal money with strings attached. Mr. Chairman, I believe adequate regulations are already in place on the State and local level for private schools and home schools. Parents who care enough to pay the added cost of a private school, or expend countless hours educating their children at home, do not need the Federal Government second-guessing their every move.

While I supported the Ford amendment, it did not go far enough to affirm the rights of parents. The Armey amendment is needed to protect all home schoolers, including those in the 17 States where home schooling is proscribed by State law and defined as private schooling.

I urge my colleagues to ensure the rights of parents, to ensure the rightful independence of home schools and private schools, and to make the record absolutely clear by passing the Armey amendment.

Mr. PACKARD. Mr. Speaker, the children of this country should be a priority. No one in this body would argue against this.

A solid education is a fundamental tool that our children take with them into adulthood, moving into the work force and leading our society.

The amendment before us in no way jeopardizes or undermines the goal of providing a good education to the children of this Nation. Mr. ROHRABACHER's amendment simply seeks to restrict Federal aid from going to those who are in our country illegally.

This is simply an amendment about priorities. Specifically, economic priorities.

The taxpayers already pay for a host of social services available to those who break our laws to enter our country. This is a drain on finite resources that should be spent on the taxpaying citizens and legal residents of this country who live within the boundaries of the law.

The Rohrabacher amendment will simply prevent finite Federal resources from going to those who have chosen to live outside of the boundaries of these laws. The Federal Government should not be in the business of educating children who not only are here illegally, but cannot ever work in this country legally.

Ms. LONG. Mr. Chairman, as chair of the Congressional Rural Caucus, I am opposed to the Boehner amendment which would eliminate much needed assistance for rural schools.

Approximately 60 percent of our country's public school districts are rural. Rural schools face unique challenges to providing adequate educational services including poverty, geographic isolation, and teacher recruitment.

In fact, the General Accounting Office recently reported that the rural school-age poverty rate rose to 20.4 percent in 1990, well above the 1990 urban rate of 16 percent. Rural schools also face logistical difficulties due to geographic isolation. More often than not, rural schools cannot offer the variety and depth of courses commonly available in metropolitan areas, or target programs to specific groups, furthermore, rural schools have difficulty recruiting and retaining qualified teachers.

However, these problems are not insurmountable; the difficulties rural schools face, can be remedied through additional attention and funding. The Rural and Urban Education Assistance Program would assist rural school districts in undertaking genuine school reform, preparing more rural graduates for higher education and vocational training, and training and recruiting teachers. It would also enable rural school districts to use the most advanced telecommunications technologies for learning.

Title 12 of H.R. 6 is an important and essential step in addressing the education needs of rural America and rural children. For these reasons, I am opposed to the Boehner amendment to strike this program.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Michigan rise?

Mr. KILDEE. Mr. Chairman, I rise just to announce we will probably have three more amendments after this for which there will be no rollcall requested.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. ROHRABACHER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROHRABACHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 78, noes 329, not voting 31, as follows:

[Roll No. 41]

AYES—78

Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Bartlett
Bereuter
Boehner
Bunning
Burton
Buyer
Callahan
Coble
Collins (GA)
Combest
Cox
Crapo
Cunningham
Deal
DeLay
Doolittle
Dornan
Dreier
Duncan
Dunn
Everett
Fawell
Fields (TX)
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gingrich
Goodlatte
Goss
Grams
Hancock
Hastert
Herger
Hunter
Istook
Johnson, Sam
Kim
Kingston
Linder
McCandless
McCollum
McHugh
McInnis
Meyers
Mica
Michel
Miller (FL)
Molinari
Myers
Oxley
Packard
Paxon
Petri
Pombo
Ravenel
Rogers
Rohrabacher
Roth
Royce
Schaefer
Sensenbrenner
Shaw
Shuster
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Walker
Zeliff
Zimmer

NOES—329

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Bacchus (FL)
Bachus (AL)
Baesler
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Barton
Becerra
Beilenson
Bentley
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Blute
Boehlert
Bonilla
Bonior
Borski
Boucher
Brewster

Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Crane
Danner
Darden
de Lugo (VI)
DeFazio
DeLauro
Derrick
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Ewing
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hansen
Hayes
Hefley
Hefner
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Jacobs
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
King
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McHale
McKeon
McKinney
McMillan
Meek
Menendez
Mfume
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Romero-Barceló (PR)
Ros-Lehtinen
Rose
Roukema
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shays
Shepherd
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Snowe
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Tejeda
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—31

Andrews (TX)
Applegate
Bateman
Bliley
Clinger
Collins (IL)
de la Garza
Dellums
Dicks
Furse
Gallo
Grandy
Green
Greenwood
Harman
Hastings
Jefferson
Johnson (CT)
Laughlin
McDade
McNulty
Meehan
Miller (CA)
Natcher
Quillen
Rostenkowski
Schiff
Taylor (NC)
Thomas (CA)
Vucanovich
Washington

□ 1709

The Clerk announced the following pairs:

On this vote:

Mr. Taylor of North Carolina for, with Mr. Miller against.

Mr. Thomas of California for, with Mr. Gene Green of Texas against.

Ms. CANTWELL and Messrs. WALSH, CHAPMAN, and THOMAS of Wyoming changed their vote from "aye" to "no."

Mr. MILLER of Florida changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1710

LEGISLATIVE PROGRAM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Chairman, I would like to just address the gentleman from Missouri [Mr. GEPHARDT] for the purpose of dealing with the schedule for next week and for a colloquy with the distinguished majority leader.

If I might have the Members' attention, there has been at least one change in the schedule, and the error was on my part. I apologize to all the Members, so they will not be mad at the majority.

Mr. GEPHARDT. Will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, there will not be further votes this evening. Votes are finished for today. There will be a discussion of a few other amendments, but there will not be votes.

There will not be votes on Friday, and on Monday, March 7, the House will meet at noon. There will be no Morning Business, no legislative business.

On Tuesday, March 8, the House will meet at 10:30 a.m. for Morning Business. It is my understanding that there will then be a recess, and there will then be one bill on suspension. The recorded vote on that bill, which is the Federal Work Force Restructuring Act of 1993, H.R. 3345, will not be held on Tuesday but will be derailed until Wednesday. However, it is my understanding there may be the possibility of a procedural vote or votes later in the day on Tuesday.

Mr. FROST. Will the gentleman yield, Mr. Chairman?

Mr. GINGRICH. I yield to the gentleman from Texas.

Mr. FROST. Mr. Chairman, Tuesday is the date of the Texas primary. There are 30 Members of Congress from Texas, both Democrats and Republicans. In the past, it has been customary, when there is a large State primary, and this is just the first of many large State primaries this year, for the leadership on both sides to attempt to accommodate those Members and not have votes of any kind on those days.

I would ask the gentleman, do I understand that will not be the case this time?

Mr. GEPHARDT. If the gentleman will continue to yield, obviously, that is our attempt. We do not always accomplish that, and we have attempted to accommodate every primary. It is impossible to do all of them. Obviously, there is not the ability, without a complete agreement, to save people from every possible procedural vote or quorum call. I can assure the Members that there will not be a legislative day on that day. There may be a quorum call. There may be an adjournment vote. We can never guarantee Members that that will not happen.

Mr. FROST. If the gentleman will continue to yield, do I understand, and I am trying to make sure that I have a clear picture, that our side of the aisle, the Democratic side of the aisle, is not going to ask for any votes, even procedural votes, on Tuesday?

Mr. GEPHARDT. That is correct.

Mr. FROST. If there are any votes, the request would be made on the other side, on the Republican side?

Mr. GINGRICH. I might say to my friend, the gentleman from Texas [Mr. FROST], I tried to make that clear when I said there had been a miscommunication earlier about this particular day, and that I take the responsibility for having made an error. I apologize to those Members who I have made an error. I apologize to those Members who I have miscommunicated with.

I would also point out there are many States that have primaries. All those States are as important as Texas to themselves, hard to believe, and on a number of occasions we actually have votes on days we have primaries, but we are agreeable to meeting late and trying to have any votes which do occur as late in the day as possible for those Members who do have to come back from Texas and are inconvenienced.

Mr. SAM JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to my friend, the other gentleman from Texas [Mr. SAM JOHNSON], who also wants to express umbrage, I believe.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Texas [Mr. FROST] and tell the Members that I am not happy with this decision, either. I thought that we always protected the rights of our individuals in this Chamber when it was voting day. I would hope that we could continue to do it in the future. I am disappointed if we cannot do it in the case of Texas.

Mr. GEPHARDT. If the gentleman will continue to yield, on Wednesday, March 9, we will meet at 2 p.m. We will be taking up H.R. 3345, the Federal Work Force Restructuring Act of 1993, the vote on that, although it will be debated on Tuesday.

We will be taking up again H.R. 6, the Elementary and Secondary Education Amendments of 1993, to complete consideration; S. 636, the motion to go to conference on Freedom of Access to Clinic Entrances Act, subject to a rule; and the resolution on the budget for fiscal year 1995, subject to a rule. Conference reports can be brought up at any time.

It is our hope that we will not need to be here or have votes on Friday, but I cannot give an iron-clad assurance, because we do want to get these matters finished.

Mr. GINGRICH. If I might, just to remind Members, as I understand it, we would go in on Tuesday at 10:30, have the morning hour, recess, and probably come back in at about 3 o'clock for the legislative business, and any procedural votes that might occur would probably be rolled until after that 3 o'clock coming back in?

Mr. GEPHARDT. I would say to the gentleman, if there is a procedural or a quorum call vote, it would be in the 4 to 5 o'clock period before it would start.

Mr. GINGRICH. I thank the majority leader.

AMENDMENT OFFERED BY MR. HOAGLAND

Mr. HOAGLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOAGLAND:

Page 49, line 24, strike "and".

Page 50, line 12, strike the period and insert "; and".

Page 50, line 13, strike "Notwithstanding" and insert "notwithstanding".

Page 50, line 19, strike the period and insert; and" and add after that line the following:

"(4) to the extent feasible, use funds received under this part to serve educationally deprived children who reside in school attendance areas having high concentrations of children from low-income families or who are under a school desegregation plan and who otherwise meet the eligibility requirements of this part and who attend schools in noneligible attendance areas.

Mr. HOAGLAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

MODIFICATION TO AMENDMENT OFFERED BY MR. HOAGLAND

Mr. HOAGLAND. Mr. Chairman, I ask unanimous consent that the amendment be modified.

The CHAIRMAN. The Clerk will report the amendment, as modified.

The Clerk read as follows:

Amendment, as modified, offered by Mr. HOAGLAND:

Page 50, after line 19, insert:

"(4) use funds received under this part to serve eligible children who reside in school attendance areas served under the part and who attend schools in other school attendance areas in accordance with a court-ordered school desegregation plan or a plan which continues to be implemented in accordance with a district-wide, court-ordered desegregation plan."

Mr. HOAGLAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modification?

There was no objection.

Mr. HOAGLAND. Mr. Chairman, the amendment I am offering today is intended to correct an important flaw in the new approach to distributing chapter 1 funds that is provided for in H.R. 6, the elementary and secondary education amendments.

The administration has decided on a policy change to concentrate chapter 1 funding to those schools with the most deserving and needy students. But the administration's bill fails to give any consideration to school districts operating under a school desegregation plan, and the result is that the proposal will penalize the very students chapter 1 is designed to help.

In Omaha, NB, there will be 1,000 public school students and 350 private school students—currently receiving chapter 1 services—who will no longer receive assistance because these students are attending a noneligible chapter 1 school because of a desegregation plan.

This is simply not fair.

In Omaha, students from low-income areas of the city who attend Dundee Elementary School or Washington Elementary School or Belle Ryan or Western Hills Elementary School may very well need the extra boost a remedial reading program would provide them. They should not get left behind just because the school districts in their city operate under a desegregation plan and so do not fit into the administration's criteria for concentrated help.

I think we should not prejudice those students.

Last, if we do not correct this policy in the bill, it may discourage further integration of our schools, and that would not make any sense. Our community has made great strides toward integration and we are quite proud of our efforts. It does not make any sense to penalize school districts and students in their efforts to integrate our schools.

In closing, I want to reiterate my concern for the 1,350 students in my congressional district who would not receive chapter 1 services without the adoption of this amendment. I think it is essential that it be adopted for the sake of those students and their families.

☐ 1720

Mr. GOODLING. Mr. Chairman, if the gentleman will yield, we accept the amendment.

The CHAIRMAN pro tempore (Mr. VALENTINE). The question is on the amendment offered by the gentleman from Nebraska [Mr. HOAGLAND], as modifed.

The amendment, as modified, was agreed to.

The text of the amendment, as modified, is as follows:

Amendment, as modified, offered by Mr. HOAGLAND:

Page 49, line 24, strike "and".

Page 50, line 12, strike the period and insert "and".

Page 50 line 13, strike "Notwithstanding" and insert "notwithstanding".

Page 50, after line 19, insert:

"(4) use funds received under this part to serve eligible children who reside in school attendance areas served under the part and who attend schools in other school attendance areas in accordance with a court-ordered school desegregation plan or a plan which continues to be implemented in accordance with a district-wide, court-ordered desegregation plan."

AMENDMENT OFFERED BY MR. ACKERMAN

Mr. ACKERMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ACKERMAN:

Page 49, line 24, strike "and".

Page 50, line 12, strike the period and insert "; and".

Page 50, line 13, strike "Notwithstanding" and insert "notwithstanding".

Page 50, line 19, strike the period and insert "; and" and add after that line the following:

"(4) to the extent feasible, use funds received under this part to serve educationally deprived children who reside in school attendance areas having high concentrations of children from low-income families and who otherwise meet the eligibility requirements of this part and who attend schools in noneligible attendance areas.

Mr. ACKERMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

MODIFICATION TO AMENDMENT OFFERED BY MR. ACKERMAN

Mr. ACKERMAN. Mr. Chairman, I ask unanimous consent to modify the amendment with the language at the desk.

The CHAIRMAN pro tempore. The Clerk will report the amendment, as modified.

The Clerk read as follows:

Amendment, as modified, offered by Mr. ACKERMAN: Page 49, line 24, strike "and".

Page 50, line 12, strike the period and insert "; and".

Page 50, line 13, strike "Notwithstanding" and insert "notwithstanding".

Page 50, line 19, strike the period and insert "; and" and add after that line the following:

"(4) in LEA's that have over 900,000 students, to the extent feasible, use funds received under this part to serve educationally deprived children who reside in school attendance areas having high concentrations of children from low-income families and who otherwise meet the eligibility requirements of this part and who attend schools in noneligible attendance areas.

Mr. ACKERMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modification?

There was no objection.

Mr. ACKERMAN. Mr. Chairman, this amendment further modifies the bill to accommodate some of the inequities that some of us feel are in the bill, and I believe that we have the cooperation of the majority and the minority.

Mr. KILDEE. Mr. Chairman, if the gentleman will yield, the gentleman from Pennsylvania [Mr. GOODLING] and I have looked at this amendment and we have no problem with it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. ACKERMAN], as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. WHEAT

Mr. WHEAT. Mr. Chairman, I offer an amendment, and I ask unanimous consent for its immediate consideration.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WHEAT:

Page 406, after line 18, insert the following:

"PART J—PARENTS AS TEACHERS

"SEC. 3941. SHORT TITLE.

"This part may be cited as the 'Parents as Teachers: the Family Involvement in Education Act of 1994'.

"SEC. 3942. FINDINGS.

"The Congress finds—

"(1) increased parental involvement in the education of their children appears to be the key to long-term gains for youngsters;

"(2) providing seed money is an appropriate role for the Federal Government to play in education;

"(3) children participating in the parents as teachers program in Missouri are found to have increased cognitive or intellectual skills, language ability, social skills and other predictors of school success;

"(4) most early childhood programs begin at age 3 or 4 when remediation may already be necessary; and

"(5) many children receive no health screening between birth and the time they enter school, thus such children miss the opportunity of having developmental delays detected early.

"SEC. 3943. STATEMENT OF PURPOSE.

"It is the purpose of this part to encourage States to develop and expand parent and early childhood education programs in an effort to—

"(1) increase parents' knowledge of and confidence in child-rearing activities, such as teaching and nurturing their young children;

"(2) strengthen partnerships between parents and schools; and

"(3) enhance the developmental progress of participating children.

"SEC. 3944. DEFINITIONS.

"For the purposes of this part—

"(1) the term 'developmental screening' means the process of measuring the progress of children to determine if there are problems or potential problems or advanced abilities in the areas of understanding and use of language, perception through sight, perception through hearing, motor development and hand-eye coordination, health, and physical development;

"(2) the term 'eligible family' means any parent with one or more children between birth and 3 years of age, or any parent expecting a child;

"(3) the term 'lead agency' means the office or agency in a State designated by the Governor to administer the parents as teachers program authorized by this part;

"(4) the term 'parent education' includes parent support activities, the provision of resource materials on child development and parent-child learning activities, private and group educational guidance, individual and group learning experiences for the parent and child, and other activities that enable the parent to improve learning in the home;

"(5) the term 'parent educator' means a person hired by the lead agency of a State or designated by local entities who administers group meetings, home visits and developmental screening for eligible families, and is trained by the Parents As Teachers National Center established under section 3948; and

"(6) the term 'Secretary' means the Secretary of Education.

"SEC. 3945. PROGRAM ESTABLISHED.

"(a) IN GENERAL.—

"(1) The Secretary is authorized to make grants to States to pay the Federal share of the cost of establishing, expanding, and operating parents as teachers programs.

"(2) In awarding grants under paragraph (1), the Secretary shall give special consideration to applicants whose programs primarily serve hard-to-serve populations, including—

"(A) teenaged parents,

"(B) illiterate parents,

"(C) economically disadvantaged parents,

"(D) offenders and their families,

"(E) unemployed parents,

"(F) learning disabled parents, and

"(G) non-English speaking parents.

"(3) In determining the amount of a grant under paragraph (1), the Secretary shall take into consideration the size of the population to be served, the size of the area to be served, and the financial resources of such population and area.

"(b) SPECIAL RULE.—Any State operating a parents as teachers program which is associated with the Parents As Teachers National Center located in St. Louis, Missouri, shall be eligible to receive a grant under this part.

"SEC. 3946. PROGRAM REQUIREMENTS.

"(a) IN GENERAL.—(1) Each State receiving a grant under section 3945(a) shall conduct a parents as teachers program which—

"(A) establishes and operates parent education programs including programs of developmental screening of children; and

"(B) designates a lead State agency which shall—

"(i) hire parent educators who have had supervised experience in the care and education of children;

"(ii) establish the number of group meetings and home visits required to be provided each year for each participating family, with a minimum of 4 group meetings and 8 home visits for each participating family;

"(iii) be responsible for administering the periodic screening of participating children's educational, hearing and visual development, using the Denver Developmental Test, Zimmerman Preschool Language Scale, or other approved screening instruments; and

"(iv) develop recruitment and retention programs for hard-to-reach populations.

"(2) Grants awarded section 3945(a) shall only be used for parents as teachers programs which serve families during the period of time beginning with the last 3 months of a mother's pregnancy and ending when a child attains the age of 3.

"SEC. 3947. PARENTS AS TEACHERS NATIONAL CENTER.

"The Secretary shall establish a Parents As Teachers National Center to disseminate information to, and provide technical and training assistance to, States establishing and operating parents as teachers programs.

"SEC. 3948. EVALUATIONS.

"The Secretary shall complete an evaluation of the State parents as teachers programs within 4 years from the date of enactment of this part.

"SEC. 3949. APPLICATION.

"Each State desiring a grant under section 3945(a) shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. Each such application shall describe the activities and services for which assistance is sought.

"SEC 3950. PAYMENTS AND FEDERAL SHARE.

"(a) PAYMENTS.—The Secretary shall pay to each State having an application approved under section 3949 the Federal share of the cost of the activities described in the application.

"(b) FEDERAL SHARE.—(1) The Federal share—

"(A) for the first year for which a State receives assistance under this part shall be 100 percent;

"(B) for the second such year shall be 100 percent;

"(C) for the third such year shall be 75 percent;

"(D) for the fourth such year shall be 50 percent; and

"(E) for the fifth such year 25 percent.

"(2) The non-Federal share of payments under this part may be in cash or in kind fairly evaluated, including planned equipment or services.

"SEC. 3951. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $20,000,000 for each of the fiscal years 1995, 1996, 1997, 1998, and 1999 to carry out this part.".

Mr. WHEAT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MODIFICATION TO AMENDMENT OFFERED BY MR. WHEAT

Mr. WHEAT. Mr. Chairman, I ask unanimous consent to modify the amendment with an amendment at the desk.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modifications to amendment offered by Mr. WHEAT: Page 81, line 7, after "Even Start," insert "Parents As Teachers,"

Page 85, line 16, strike "and"

Page 85, line 19, after "systems;" insert "and"

Page 85, line 20, insert new subparagraph:

"(C) in the case of a school using funds under this part to operate a preschool program, opportunities for parents to learn about child development and child rearing issues beginning at birth."

Page 87, line 5, after "Even Start," insert "Parents As Teachers,"

Mr. WHEAT (during the reading). Mr. Chairman, I ask unanimous consent that the modifications be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modifications?

There was no objection.

Mr. WHEAT. Mr. Chairman, very briefly, I would like to thank Chairman FORD and Chairman KILDEE and Ranking Member GOODLING for their commitment to improving the quality of education in this country and for their hard work in crafting this landmark bill, and I think them for their support on this amendment.

This is the Parents as Teachers amendment that allows title I funds to be used for the very positive Parents as Teachers Programs that assist parents in teaching their children skills that are useful in improving their educational abilities in early childhood.

Mr. KILDEE. If the gentleman will yield, the gentleman from Pennsylvania [Mr. GOODLING] and I have looked at this amendment and we find it acceptable.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Missouri [Mr. WHEAT], as modified.

The amendment, as modified, was agreed to.

Mr. THOMAS of Wyoming. Mr. Chairman, I move to strike the last word.

First of all, Mr. Chairman, I want to thank my ranking member and the chairman for this opportunity. I had an amendment, but I am going to withdraw the amendment. It had to do with modifying the opportunities for schools to move to schoolwide programs with Chapter One funds.

Under the present circumstances I understand that it takes a school that has 75 percent of their students in the low income category. This bill moves it to 60 percent, and I would by my amendment have moved it to 50 percent. I think that is the proper thing to do.

It seems to me that the biggest step we could take to improve student performance would be to give schools flexibility. The present stratification of Federal money is cumbersome and inefficient. In Wyoming we had a number of meetings with educators to discuss the Chapter One Program and how to improve it for student benefits, and their basic feeling was shared in this statement:

> Many factors now used to define and monitor Chapter 1 schools fall short of helping children succeed. Whether the Chapter 1 teacher spends one period a day or two periods a day teaching non-Chapter 1 kids is arbitrary and irrelevant. If Chapter 1 children do well and other children happen to benefit, why place parameters on who teaches whom, when and how? Schools forced by perceived regulatory requirements to use only pull-out models may deny Chapter 1 students the full benefit of the regular school program.

I have been to some schools in Wyoming where chapter 1 facilities, chapter 1 teachers' times and so on were not used to their full benefit because of this restriction. However, I do have assurances from the chairman of the subcommittee, the gentleman from Michigan, [Mr. KILDEE], and I appreciate it, that there would be some consideration, that this revised Chapter Two Program will not be attacked, and so I do believe perhaps I will withdraw the amendment in the hopes that the Senate will take a look at this opportunity to change it.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Wyoming. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding. I want to say that I had an amendment, as the gentleman knows, very similar to his which I have discussed with the committee, and which I have discussed with the gentleman from Pennsylvania [Mr. GOODLING] as well. Like the gentleman from Wyoming, I will not offer that amendment, but like him, I believe we have to look at this alternative.

Mr. Chairman, this amendment deals with an enormously important issue: namely, expanding eligibility for a whole-school program under title I. Many of us believe that overall school improvement is the single best way to improve achievement by disadvantaged students. An enhanced, challenging curriculum taught by well-prepared teachers is, in fact, the goal of the school reform efforts all over the country. Given that, I think we have to ask ourselves why we continue to rely on pull-out programs as the backbone of the Title I Program.

Although this amendment only drops the percentage of disadvantaged children required for a schoolwide program to 50 percent from 60 percent, it is a key step in the right direction for title I. If a school and a school district are willing to go through the planning process and meet the performance standards—for all children—that are required of a schoolwide program, I say we should encourage them. This is one of the most powerful ways in which Federal funds can encourage school improvement all over the country. I think we should take this opportunity and expand title I schoolwide eligibility, provided it is accompanied by the kind of performance standards and accountability contained in H.R. 6.

As the chairmen and ranking member know, I think we should be offering schools even more flexibility in their use of Federal funds than we do in H.R. 6 overall. This bill's framework for schoolwide title I shows us how this could be done, and I hope by the time the ESEA reauthorization is signed into law, we will have expanded eligibility to all schools that are eager to participate. This amendment takes us toward that goal.

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If a school and a school district are willing to go through the planning process and meet the performance standards for all children that are required of the schoolwide program, I say we should encourage that acceptance of responsibility for all of the children in the school no matter what the percentage of poor children or disadvantaged children in that particular school.

This is one of the most powerful ways in which Federal funds can encourage school improvement all over the country. I think we should take this opportunity and expand title I schoolwide eligibility. It is controversial.

I know the committee has worked hard, and I am not going to offer my amendment. And I understand the gentleman himself is not going to offer it. But I look forward to working with him as this bill passes from here, and I am going to support this bill as it goes to the Senate. I am going to be an advocate of moving in the direction of making sure we utilize these funds for a broader schoolwide improvement which I think inevitably is the answer to making sure all children are lifted with the expectations and the standards that we expect of our school system dollars that we pay, not mandate. If they do not want to take our dollars, they do not have to do it, but if they take it, then meet those standards for all children.

I thank the gentleman for his efforts, thank him for yielding, and look forward to working with him and with the gentleman from Michigan [Mr. KILDEE], the gentleman from Michigan [Mr. FORD], and the gentleman from Pennsylvania [Mr. GOODLING] on this issue.

I think we have a tremendous opportunity this year to make a dramatic difference. I think the committee has gone in the right direction, and I congratulate them for it.

Mr. THOMAS of Wyoming. Mr. Chairman, I thank the gentleman, and let me get one final shot in for flexibility, making decisions where they count on the ground. Further, it is not often that I agree with the administration, and I did on this one to go to 50, so I appreciate it very much.

Mr. Chairman, I withdraw the amendment.

The CHAIRMAN pro tempore (Mr. VALENTINE). If there are no further amendments to title I, the Clerk will designate title II of the proposed Elementary and Secondary Education Act.

The text of title II is as follows:

"TITLE II—IMPROVING TEACHING AND LEARNING

"PART A—DWIGHT D. EISENHOWER PROFESSIONAL DEVELOPMENT PROGRAM

"SEC. 2101. FINDINGS.

"The Congress finds that—

"(1) reaching the National Education Goals requires a comprehensive educational reform strategy that involves parents, schools, government, communities, and other public and private organizations at all levels;

"(2) a crucial component of the strategy for achieving these goals is ensuring, through sustained and intensive high-quality professional development, and through the development and adoption of high quality curriculum, that all teachers are capable of providing challenging learning experiences in the core academic subjects for their students;

"(3) decisionmaking as to what activities a State or local educational agency should undertake to improve teaching and learning are best made by individuals in the schools closest to the classroom and most knowledgeable about the needs of schools and students;

"(4) the potential positive impact of high-quality professional development is underscored by recent research findings that—

"(A) professional development must be focused on teaching and learning in order to change the opportunities of all students to achieve higher standards; and

"(B) effective professional development focuses on discipline-based knowledge and subject-specific pedagogical skills, involves teams of teachers and administrators in a school and, through professional networks of teachers and administrators, is interactive and collaborative, motivates by its intrinsic content and relationship to practice, builds on experience and learning-by-doing, and becomes incorporated into the everyday life of the school;

"(5) engaging teachers in the development of high quality curricula is a powerful professional development activity that improves teaching and learning;

"(6) special attention must be given in professional development activities to ensure that education professionals are knowledgeable of, and make use of, strategies for serving populations that historically have lacked access to equal opportunities for advanced learning and career advancement;

"(7) States and local educational agencies also need to engage teachers in the development of high quality curricula that are aligned with State or local content and performance standards in order to improve teaching and learning and ensure that students achieve the State standards;

"(8) professional development is often a victim of budget reductions in fiscally difficult times and curricula development is almost nonexistent in many State and local school systems; and

"(9) the Federal Government has a vital role in helping States and local educational agencies to make sustained and intensive high-quality professional development in the core academic subjects become an integral part of the elementary and secondary education system and in providing assistance to such agencies to engage teachers in the development of high quality curricula that are aligned with State or local content and performance standards.

"SEC. 2102. PURPOSES.

"The purposes of this part are to provide assistance to States and local educational agencies and to institutions of higher education with teacher education programs so that such agencies can determine how best to improve the teaching and learning of all students through—

"(1) helping to ensure that teachers, other staff, and administrators have access to sustained and intensive high-quality professional development that is aligned to challenging State content and performance standards in the care academic subjects and that—

"(A) is tied to challenging State and local curriculum content and student performance standards;

"(B) reflects recent research on teaching and learning;

"(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards;

"(D) includes strong academic content and pedagogical components;

"(E) is of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom; and

"(F) is part of the everyday life of the school and creates an orientation toward continuous improvement throughout the school; and

"(2) assisting States and local educational agencies to engage teachers in the development of high quality curriculum that is aligned with State or local content and performance standards.

"SEC. 2103. AUTHORIZATION OF APPROPRIATIONS; ALLOCATION BETWEEN SUBPARTS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated $800,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996, 1997, 1998, and 1999.

"(b) ALLOCATION BETWEEN SUBPARTS.—Of the funds appropriated to carry out this part for a fiscal year, the Secretary shall use—

"(1) 5 percent to carry out subpart 1; and

"(2) 95 percent to carry out subpart 2.

"Subpart 1—Federal Activities

"SEC. 2111. PROGRAM AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, local educational agencies, State educational agencies, State agencies for higher education, educational service agencies, institutions of higher education, and other public and private agencies, other organizations, and institutions to—

"(1) support activities of national significance that will contribute to the development and implementation of high-quality professional development activities in the core academic subject areas;

"(2) support the development of challenging curriculum that is aligned with State or local content and performance standards; and

"(3) evaluate activities carried out under this subpart and under subpart 2.

"(b) COORDINATION WITH OTHER AGENCIES.—In carrying out this program, the Secretary shall consult and coordinate with the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, and other appropriate Federal agencies and entities.

"SEC. 2112. AUTHORIZED ACTIVITIES.

"(a) The Secretary shall use funds available to carry out this subpart—

"(1) to provide seed money to eligible entities to develop their capacity to offer sustained and intensive high-quality professional development;

"(2) for the development and maintenance of a national clearinghouse for science, mathematics, and technology education materials which shall be administered as an adjunct clearinghouse of the ERIC system of clearinghouses supported by the Office of Educational Research and Improvement;

"(3) to support consortia of educational agencies and organizations in disseminating information and providing assistance regarding curricula, teaching methods, and assessment tools that support national or State content standards in mathematics and science; and

"(4) the evaluation of programs under this subpart and under subpart 2.

"(b) The Secretary may use funds available to carry out this subpart—

"(1) for the development and maintenance of national clearinghouses for core academic subjects as the Secretary determines are needed and which shall be administered as adjunct clearinghouses of the ERIC system of clearinghouses supported by the Office of Educational Research and Improvement;

"(2) to provide grants to entities to develop high quality curricula that are aligned with voluntary national or State content standards;

"(3) to sponsor institutes that provide teachers and administrators with professional development that is based on strong and integrated disciplinary content and pedagogical components;

"(4) for efforts to train teachers in the innovative uses and applications of technology to enhance student learning;

"(5) to encourage the development of local and national professional networks of educators;

"(6) to disseminate standards in the core academic subjects, including information on voluntary national content and performance standards and related models of high-quality professional development;

"(7) for efforts to train teachers in innovative uses of applied learning strategies such as service learning;

"(8) to disseminate models of high-quality professional development activities that train educators in strategies, techniques, methods, and practices for meeting the educational needs of historically underserved populations, including

females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards;

"(9) to promote the transferability of licensure and certification of teachers and administrators among State and local jurisdictions; and

"(10) to support the National Board for Professional Teaching Standards.

"(c) In carrying out subsection (a), the Secretary shall ensure that each program, project, and activity contained in such subsection receives an allocation that is no less than the amount that each such program, project, or activity received in fiscal year 1994.

"Subpart 2—State and Local Activities

"SEC. 2121. PROGRAM AUTHORIZED.

"The Secretary is authorized to make grants to State educational agencies for the improvement of teaching and learning through sustained and intensive high-quality professional development activities in the core academic subjects at the State and local levels and the development by teachers and others of high-quality curricula that are aligned with State or local content and performance standards.

"SEC. 2122. ALLOCATION OF FUNDS.

"(a) RESERVATION OF FUNDS.—From the amount made available to carry out this subpart for any fiscal year, the Secretary shall—

"(1) reserve one half of one percent for the outlying areas, to be distributed among them on the basis of relative need, as determined by the Secretary in light of the purposes of this part; and

"(2) reserve one half of one percent for the Secretary of the Interior for programs under this subpart for professional development activities for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

"(b) STATE ALLOTMENTS.—The Secretary shall allocate the remaining amount to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico as follows, except that no State shall receive less than one-half of one percent of such remaining amount:

"(1) 50 percent shall be allocated among such jurisdictions on the basis of their relative populations of individuals aged 5 through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

"(2) 50 percent shall be allocated among such jurisdictions in accordance with the relative amounts such jurisdictions received under part A of title I of this Act for the preceding fiscal year.

"(c) REALLOCATION.—If any jurisdiction does not apply for its allotment under subsection (b) for any fiscal year, the Secretary shall reallocate such amount to the remaining jurisdictions in accordance with such subsection.

"SEC. 2123. WITHIN-STATE ALLOCATIONS.

"(a) RESERVATIONS.—Of the amounts received by a State under this subpart for a fiscal year—

"(1) not more than 5 percent shall be used for the administrative costs of programs carried out by the State educational agency and the State agency for higher education;

"(2) not more than 5 percent may be used for State-level activities, as described in section 2125; and

"(3) of the remaining amount—

"(A) 87 percent shall be distributed to local educational agencies, to be used in accordance with section 2129, as follows:

"(i) 50 percent of such amount shall be distributed in accordance with the relative enrollments in public and private nonprofit schools within their boundaries.

"(ii) 50 percent of such amount shall be distributed in accordance with the relative amount such agencies received under part A of title I of this Act for the preceding fiscal year; and

"(B) 13 percent shall be used for competitive grants to institutions of higher education as described in section 2129.

"(b) LIMITATION.—

"(1) GENERAL RULE.—Except as provided in paragraph (2), any local educational agency that receives an allocation of less than $10,000 under subsection (a) shall, for the purpose of providing services under this subpart, form a consortium with at least 1 other local educational agency or institution of higher education receiving assistance under this section.

"(2) WAIVER.—The State educational agency shall waive the application of paragraph (1) in the case of any local educational agency that demonstrates that the amount of its allocation is sufficient to provide a program of sufficient size, scope, and quality to be effective. In granting waivers under the preceding sentence, the State educational agency shall—

"(A) give special consideration to local educational agencies serving rural areas; and

"(B) consider cash or in-kind contributions provided from State or local sources that may be combined with the local educational agency's allocation for the purpose of providing services under this part.

"SEC. 2124. STATE APPLICATIONS.

"(a) APPLICATIONS REQUIRED.—Each State educational agency that wishes to receive its allotment under this subpart for any fiscal year shall submit an application to the Secretary at such time and in such form as the Secretary may require.

"(b) STATE PLAN TO IMPROVE TEACHING AND LEARNING—(1) Each application under this section shall include a State plan that—

"(A) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that State plan; or

"(B) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan, is integrated with other State plans under this Act and satisfies the requirements of this section.

"(2) Each such plan shall also—

"(A) be developed in conjunction with the State agency for higher education, institutions of higher education, schools of education, and with the extensive participation of teachers and administrators and members of the public who are interested in improving education in the State and show the role of each in implementation;

"(B) be designed to give teachers and administrators in the State the knowledge and skills to provide all students the opportunity to meet challenging State performance standards;

"(C) include an assessment of State and local needs for professional development and for the development of curricula that are aligned with State or local content and performance standards;

"(D) include a description of how the plan has assessed the needs of local education agencies serving rural areas, and what actions are planned to meet those needs;

"(E) include a description of how the plan has maintained funding for professional development activities in mathematics and science education;

"(F) include a description of how the activities funded under this subpart will address the needs of teachers in schools receiving assistance under part A of title I of this Act;

"(G) a description of how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the disabled, by incorporating pedagogical strategies and techniques which meet their educational need;

"(H) if the State's needs assessment under subsection (C) demonstrates a need for professional development, describe how the State will—

"(i) work with teachers, including teachers in schools receiving assistance under part A of title I of this Act, administrators, local educational agencies, schools, and institutions of higher education to ensure that they develop the capacity to support sustained and intensive, high-quality professional development programs in all the core academic subject areas, but especially in mathematics and science;

"(ii) take specific steps to review and, if necessary, reform State requirements for licensure of teachers and administrators, including certification and recertification, to align such requirements with challenging State content and performance standards; and

"(iii) address the need for improving teaching and learning through teacher development beginning with recruitment, pre-service, and induction, and continuing throughout the professional teaching career; and

"(I) if the State's needs assessment under subparagraph (C) demonstrates a need for curricula development, describe—

"(i) a strategy for engaging teachers in the development of curricula that are aligned with State or local content and performance standards; and

"(ii) how the State will also work with administrators, parents, school board members, and other members of the community in developing high quality curricula that are aligned with State or local content and performance standards.

"(c) ADDITIONAL MATERIAL.—Each State application shall also include—

"(1) a description of how the activities funded under this subpart will be coordinated, as appropriate, with—

"(A) other activities conducted with Federal funds, especially activities supported under part A of title I of this Act;

"(B) State and local funds;

"(C) resources from business and industry; and

"(D) funds from other Federal agencies, such as the National Science Foundation, the Departments of Commerce, Energy, and Health and Human Services, the National Endowment for the Arts, and the National Endowment for the Humanities; and

"(2) a description of the activities to be sponsored under the State-level activities and the higher education components of its program under this subpart.

"(d) PEER REVIEW AND SECRETARIAL APPROVAL.—(1) The Secretary shall approve the application of a State educational agency if it meets the requirements of this section and holds reasonable promise of achieving the purposes of this part.

"(2) In reviewing applications, the Secretary shall obtain the advice of non-Federal experts on education in the core academic subjects and on teacher education, including teachers and administrators.

"(e) ASSURANCE.—Each State applying for funds under this title shall provide the Secretary with the assurance that after July 1, 1998, it will require each local educational agency within the State to certify that each full time teacher in schools under the jurisdiction of the agency is certified to teach in the subject area to which he or she is assigned. Nothing in this subsection shall be construed to prevent a State

from implementing alternative methods of teacher certification.

"SEC. 2125. STATE-LEVEL ACTIVITIES.

"Each State may use funds reserved under section 2123(a)(2) to carry out activities referred to in section 2124(b), such as—

"(1) reviewing and reforming State requirements for teacher and administrator licensure, including certification and recertification, to align such requirements with the State's content standards and ensure that teachers and administrators have the knowledge and skills necessary to help students meet challenging State performance standards;

"(2) developing performance assessments and peer review procedures, as well as other methods, for licensing teachers and administrators;

"(3) providing technical assistance to schools and local educational agencies especially schools and local educational agencies that receive assistance under part A of title I of this Act, to help such schools and agencies provide effective professional development in the core academic subjects and develop high quality curricula;

"(4) developing or supporting professional development networks, either within a State or in a regional consortium of States, that provide a forum for interaction among teachers and that allow exchange of information on advances in content assessment and pedagogy;

"(5) supporting partnerships between schools, consortia of schools, or local education agencies and institutions of higher education, including but not limited to schools of education, which would encourage teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education, and to encourage students at institutions of higher education studying to become teachers to have direct, practical experience at the schools;

"(6) enhancing the effective use of educational technology as an instructional tool for increasing student understanding of the core academic subject areas including—

"(A) efforts to train teachers in the innovative uses and application of instructional technology;

"(B) utilizing and strengthening existing telecommunications infrastructure dedicated to educational purposes; and

"(C) efforts to train teachers in methods for achieving gender equity both in access to and teaching practices used in the application of educational technology;

"(7) providing incentives for teachers to be involved in curriculum development and technical assistance processes for teachers and students;

"(8) professional development enabling teachers and other school staff to ensure that girls, young women, minorities, limited English proficient students, individuals with disabilities, and economically disadvantaged individuals have the opportunity to achieve challenging State performance standards in the core academic subjects by, for example, encouraging girls, young women, and minorities to pursue advanced courses in mathematics and science;

"(9) designing professional development activities that increase the numbers of members of minority and other underrepresented groups in the teaching force in the core subjects;

"(10) developing high quality curriculum that is aligned with State or local content and performance standards; and

"(11) providing financial or other incentives for teachers to become certified by the National Board for Professional Teaching Standards.

"SEC. 2126. LOCAL PLAN AND APPLICATION FOR IMPROVING TEACHING AND LEARNING.

"(a) LOCAL APPLICATION.—(1) Each local educational agency that wishes to receive a subgrant under this subpart shall submit an application (singly or as a consortia as described in section 2123(b)) to the State educational agency at such time as the State educational agency shall require, but not less frequently than every 3rd year.

"(2) If the local educational agency has an application approved by the State under title III of the Goals 2000: Educate America Act, the application required by this section shall be a component of (or, if necessary, an addendum to) its Goals 2000 application.

"(3) A local education agency shall set specific performance indicators for improving teaching and learning through professional development and curriculum development.

"(4) A local educational agency shall submit, as part of its application, the results of the needs assessment conducted under subsection (b), and the local educational agency plan developed in accordance with subsection (c).

"(b) NEEDS ASSESSMENT.—(1) A local educational agency that wishes to receive a subgrant under this subpart shall include in its application an assessment of such agency's need for professional development, for the development of high quality curricula that are aligned with State or local content and performance standards.

"(2) Such needs assessment shall be carried out with the involvement of teachers, including teachers in schools receiving assistance under part A of title I of this Act, and shall take into account what activities need to be conducted in order to give teachers and administrators the means, including the knowledge and skills, to provide students with the opportunity to meet challenging State or local performance standards.

"(c) PLAN DEVELOPMENT.—(1) The plan required under this subsection shall be developed jointly by the local educational agency and by teachers from the core academic disciplines.

"(2) Such teachers shall also be representative of the grade spans within schools to be served and of schools which receive assistance under part A of title I of this Act.

"(3) Based on the needs assessment required under subsection (b), the local educational agency's plan shall include the following—

"(A) a description of the local educational agency's strategy to improve teaching and learning in every school;

"(B) a description of how the plan contributes to the local educational agency's overall efforts for school reform and educational improvement;

"(C) a description of the activities the local educational agency intends to undertake under this subpart consistent with such agency's needs assessment conducted under subsection (b);

"(D) a description of how the plan has maintained funding for professional development activities in mathematics and science education;

"(E) a description of how the activities funded under this section will address the needs of teachers in schools receiving assistance under part A of title I of this Act;

"(F) a description of how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the disabled, by incorporating pedagogical strategies and techniques which meet their educational need;

"(G) an assurance that the activities conducted with funds received under this program will be assessed at least every 3 years using the performance indicators; and

"(H) a description of how the program funded under this subpart will be coordinated, as appropriate, with—

"(i) activities conducted under section 2130 and other services of institutions of higher education;

"(ii) similar State and local activities;

"(iii) resources provided under part A of title I and other parts of this Act, particularly part B of title II;

"(iv) resources from business, industry, private nonprofit organizations (including museums, libraries, educational television stations, community-based organizations, professional organizations and associations specializing in, or with a demonstrated expertise in the core academic disciplines);

"(v) funds or programming from other Federal agencies, such as the National Science Foundation, the Department of Energy, the Department of Health and Human Services, the National Endowment for the Humanities, and the National Endowment for the Arts; and

"(vi) an identification of funding that will provide the local educational agency's contribution under section 2127.

"SEC. 2127. LOCAL COST SHARING.

"(a) IN GENERAL.—Each local educational agency shall bear not less than 33 percent of the cost of any program carried out under this subpart, but not including the cost of services provided to private schoolteachers.

"(b) AVAILABLE RESOURCES FOR COST-SHARING.—A local educational agency may meet the requirements of subsection (a) through one or more of the following:

"(1) Cash expenditures from non-Federal sources, including private contributions, directed toward professional development and curriculum development activities.

"(2) Release time for teachers participating in professional development or curricula development funded under this subpart.

"(3) Funds received under one or more of the following programs, if used for professional development or curricula development activities consistent with this subpart and consistent with the statutes under which such funds are provided, then such funds must be used for the benefit of students and teachers in the schools that would otherwise have been served with such funds:

"(A) Part A of title I of this Act.

"(B) The Safe and Drug Free Schools program under title IV of this Act.

"(C) The bilingual education program under title VII of this Act.

"(D) The Women's Educational Equity Program under title III of this Act.

"(E) Title III of the Goals 2000: Educate America Act.

"(F) Programs that are related to the purposes of this Act that are administered by other agencies, including the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, and the Department of Energy.

"(c) WAIVER.—The State educational agency may approve an application which has not fully met the requirements of subsection (a) and waive the requirements of subsection (a) if a local educational agency can demonstrate that it is unable to meet the requirements of subsection (a) due to economic hardship and that compliance with such requirements would preclude its participation in the program.

"SEC. 2128. LOCAL ALLOCATION OF FUNDS AND ALLOWABLE ACTIVITIES.

"(a) LOCAL ALLOCATION OF FUNDS.—Each local educational agency that receives funds under this subpart for any fiscal year—

"(1) shall use not less than 80 percent of such funds for—

"(A) professional development of teachers, principals, and other instructional staff who work directly with children; and

"(B) engaging teachers and other staff in the development of high quality curricula aligned

with State and local content and performance standards, in a manner that is determined by such teachers and staff and is consistent with the provisions of such local educational agency's application under section 2126, any school plan under part A of title I of this Act, and any other plan for professional development or curricula development carried out with Federal, State, or local funds; and

"(2) may use not more than 20 percent of such funds for district-level professional or curricula development activities, which may include the participation of administrators and policymakers if such activities directly support instructional personnel.

"(b) AUTHORIZED ACTIVITIES.—Each local educational agency and school that receives funds under this subpart shall use such funds for activities that give teachers and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local content and performance standards. Funds received by local educational agencies under this subpart only shall be used for the activities specified under subsections (c) and (d). No less than 80 percent of those funds shall be used for activities under subsection (c) and not more than 20 percent for activities under subsection (d).

"(c) PROFESSIONAL DEVELOPMENT.—If a needs assessment conducted under section 2126(b) determines that funds under this subpart should be used to provide professional development in the core academic subjects for teachers and other school staff, the local educational agency shall use such funds for professional development for teachers and other staff to support teaching consistent with State, or local content standards, and shall, to the extent practicable, coordinate such activities with institutions of higher education and activities under section 2129:

"(1) Professional development activities funded under this subpart shall—

"(A) be tied to challenging State or local content and student performance standards;

"(B) reflect recent research on teaching and learning;

"(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards;

"(D) include strong academic content and pedagogical components;

"(E) be of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom; and

"(F) be part of the everyday life of the school and create an orientation toward continuous improvement throughout the school.

"(2) Funds under this subpart may be used for professional development activities such as—

"(A) professional development for teams of teachers, administrators, or other staff from individual schools, to support teaching consistent with State or local content standards;

"(B) support and time for teachers and other school staff to participate in professional development in the core subjects offered through professional associations, universities, community-based organizations, and other providers including museums and educational partnership organizations;

"(C) activities that provide followup for teachers who have participated in professional development activities that are designed to ensure that knowledge and skills learned by the teacher are implemented in the classroom;

"(D) support for partnerships between schools, consortia of schools, or local education agencies and institutions of higher education, including but not limited to schools of education, which would encourage teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education, and to encourage students at institutions of higher education studying to become teachers to have direct, practical experience at the schools;

"(E) the establishment and maintenance of local professional networks that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

"(F) activities to prepare teachers in the effective use of educational technology as an instructional tool for increasing student understanding of the core academic subject areas;

"(G) activities to enable teachers to ensure that girls, young women, minorities, limited-English proficient students, individuals with disabilities, and economically disadvantaged individuals the opportunity to achieve the challenging State performance standards in the core academic subjects;

"(H) professional development and recruitment activities designed to increase the number of minorities, individuals with disabilities, and females teaching in the core academic subject in which they are underrepresented;

"(I) the development of incentive strategies for rewarding schools where a substantial portion of the teachers achieve certification by the National Board for Professional Teaching Standards; and

"(J) other sustained and intensive high-quality professional development activities in the core academic subjects.

"(d) CURRICULUM DEVELOPMENT.—(1) If the needs assessment of a local educational agency determines that funds under this subpart should be used for curriculum development, such agency shall use the funds provided to develop high quality curricula that is aligned with State or local content and performance standards.

"(2) Funds may be used to purchase the curriculum materials to the extent such materials are essential components of the local educational agency's plan to improve teaching and learning in the core academic subjects.

"SEC. 2129. HIGHER EDUCATION ACTIVITIES.

"(a) GENERAL.—(1) The State agency for higher education, working in conjunction with the State educational agency (if it is a separate agency), shall make grants to, or enter into contracts or cooperative agreements with, institutions of higher education and nonprofit organizations including museums and educational partnership organizations, which demonstrate consultation and cooperation with a local education agency, consortium of local education agencies, or schools, for—

"(A) professional development activities in the core academic subject areas that contribute to the State plan for professional development;

"(B) engaging teachers in the development of high-quality curricula that are aligned with State or local content and performance standards;

"(C) developing and providing assistance to local education agencies, and the teachers and staff of each such agency, for sustained, high-quality professional development activities; and

"(D) improving teacher education programs in order to promote further innovation in teacher education programs within an institution of higher education and to better meet the needs of the local education agencies for well-prepared teachers;

"(2) All such awards shall be made on a competitive basis.

"(3) No institution of higher education may receive assistance under subsection (a)(1) of this subsection unless the institution enters into an agreement with a local education agency, or consortium of such agencies, to provide sustained, high-quality professional development for the elementary and secondary school teachers in the schools of each such agency.

"(4) Each project funded under this section shall involve a joint effort of the recipient's school or department of education and the schools or departments in the specific disciplines in which assistance may be provided.

"(b) ALLOWABLE ACTIVITIES.—A recipient of funds under this section shall use those funds for—

"(1) sustained and intensive high-quality professional development for teams of teachers, or teachers and administrators from individual schools or districts;

"(2) other sustained and intensive professional development activities related to achievement of the State plan for professional development such as—

"(A) establishment and maintenance of professional networks of teachers that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

"(B) programs that prepare teachers to be effective users of information technology, able to integrate technology into their pedagogy and their instructional practices, and able to enhance their curricular offerings by appropriate applications of technology;

"(C) programs that utilize information technology to deliver sustained and intensive high quality professional development activities for teachers;

"(D) activities to enable teachers to ensure that girls, young women, minorities, limited-English proficient students, individuals with disabilities, and economically disadvantaged individuals have the opportunity to achieve the challenging State performance standards in the core academic subjects;

"(E) professional development and recruitment activities designed to increase the number of minorities, individuals with disabilities, and other underrepresented groups teaching in the core academic subjects, particularly in mathematics and science;

"(F) establishment of professional development academies operated as partnerships between one or more elementary or secondary schools and one or more institutions of higher education to provide school-based teacher training that provides prospective, novice, and experienced teachers with an opportunity to work under the guidance of master teachers and college faculty members; and

"(G) technical assistance to local educational agencies in providing sustained and intensive high quality professional development activities for teachers.

"Subpart 3—General Provisions

"SEC. 2131. REPORTING AND ACCOUNTABILITY.

"(a) STATES.—Each State that receives funds under this part shall submit a report to the Secretary every 3 years on the State's progress toward the performance indicator identified in its State plan, as well as on the effectiveness of State and local activities under this part.

"(b) LOCAL EDUCATIONAL AGENCIES.—Each local educational agency that receives funds under this part shall submit a report to the State every 3 years on its progress toward the outcome performance indicators in its plan.

"(c) FEDERAL EVALUATION.—The Secretary shall report to the President and Congress on the effectiveness of programs and activities funded under this part.

"(d) PROHIBITION ON FUNDS BEING USED FOR CONSTRUCTION OR RENOVATION.—Funds received under this part shall not be used for construction or renovation of buildings, rooms, or any other facilities.

“SEC. 2132. DEFINITIONS.

“As used in this part, the following terms have the following meanings:

“(1) The term ‘core academic subjects’ means those subjects listed in the State plan under title III of the Goals 2000: Educate America Act or under National Education Goal Three as set out in section 102(3) of such Act.

“(2) The term ‘performance indicators’ means measures of specific outcomes that the State or local educational agency identifies as assessing progress toward the goal of ensuring that all teachers have the knowledge and skills to assist their students to meet challenging State standards in the core academic subject areas. Examples of such indicators include—

“(A) the degree to which licensure requirements are tied to State standards;

“(B) specific increases in the number of elementary and secondary teachers with strong content backgrounds in the core academic subjects;

“(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards; and

“(D) specific increases in the number of Board certified teachers licensed in each core subject.

“(3) The term ‘sustained and intensive high-quality professional development’ means professional development activities that—

“(A) are tied to challenging State or voluntary national content and performance standards;

“(B) reflect up-to-date research in teaching and learning and include integrated content and pedagogical components;

“(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals, in order to assure that all students have the opportunity to achieve challenging performance standards;

“(D) are of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom or the administrator's performance on the job; and

“(E) recognize teachers as an important source of knowledge that should inform and help shape professional development.

“(4) The term ‘local standard’ means challenging content and performance standards in the core subjects (in addition to State content and performance standards approved by the State for title I).

“PART B—TECHNOLOGY EDUCATION ASSISTANCE

“Subpart 1—Assistance to State and Local Educational Agencies

“SEC. 2201. SHORT TITLE.

“This title may be cited as the ‘Technology Education Assistance Act of 1994’.

“SEC. 2202. FINDINGS.

“The Congress finds that—

“(1) technology can produce far greater opportunities for all students to learn to high standards and promote efficiency and effectiveness in education;

“(2) the use of technology as a tool in the teaching and learning process is essential to the development and maintenance of a technologically literate citizenry and an internationally competitive workforce;

“(3) the acquisition and use of technology in education throughout the United States has been inhibited by the absence of Federal leadership, the inability of many State and local educational agencies to invest in and support needed technologies, and the limited availability of appropriate technology-enhanced curriculum, instruction, teacher training, and administrative support resources and services in the educational marketplace;

“(4) educational equalization concerns and school restructuring needs can be addressed through educational telecommunications and technology by offering universal access to high-quality teaching and programs, particularly in urban and rural areas;

“(5) in the absence of appropriate educational technology policies, the disparity between rich and poor students will become even greater in a world where technology and telecommunications increasingly have become an integral part of many households;

“(6) the increasing use of new technologies and telecommunications systems in business and industry has furthered the gap between schooling and work force preparation;

“(7) telecommunications can be a conduit for ongoing teacher training and improved professional development by providing to teachers constant access to updated research in teaching and learning;

“(8) research consistently shows that the planned use of technology combined with teachers who are adequately trained in its use can increase opportunities for more students to develop higher order thinking and technical skills than is possible with traditional instruction;

“(9) technology can engage students in learning through media with which they are comfortable, and prove to be an effective learning tool, particularly when correlated with State and national curriculum standards;

“(10) schools need new ways of financing the acquisition and maintenance of educational technology; and

“(11) the needs for educational technology differ from State to State.

“SEC. 2203. STATEMENT OF PURPOSE.

“The purpose of this Act is to support a comprehensive system for the acquisition and use by elementary and secondary schools in the United States of technology and technology-enhanced curricula, instruction, and administrative support resources and services to improve the delivery of educational services, such system shall include—

“(1) national leadership with respect to the need for, and the provision of, appropriate technology-enhanced curriculum, instruction and administrative programs to improve learning in the United States;

“(2) funding mechanisms which will support the development, interconnection, implementation, improvement and maintenance of an effective educational technology infrastructure;

“(3) information dissemination networks to facilitate access to information on effective learning programs, assessment and evaluation of such programs, research findings, and supporting resources (including instructionally based, technology-enhanced programs, research and resources) by educators throughout the United States;

“(4) an extensive variety of opportunities for teacher, inservice training, and administrative training and technical assistance with respect to effective uses of technologies in education;

“(5) utilizing and strengthening, not duplicating, existing telecommunications infrastructures dedicated to educational purposes;

“(6) development and evaluation of new and emerging educational technologies and telecommunications networks;

“(7) assessment data regarding state-of-the-art uses of technologies in United States education upon which commercial and noncommercial telecommunications entities, and governments can rely on for decisionmaking about the need for, and provision of, appropriate technologies for education in the United States; and

“(8) authorize grants to States that—

“(A) improve the academic performance of students through technology;

“(B) strengthen the skills of teachers in effectively utilizing technology for student learning;

“(C) promote the planned application of technology in education by those who will use the technology; and

“(D) encourage collaborative relationships between the State agency for higher education, the State library administrative agency and the State telecommunications agency for education and the State educational agency in the area of technology support to strengthen the system of education.

“SEC. 2204. DEFINITIONS.

“For purposes of this title—

“(1) the terms ‘library’ and ‘State library administrative agency’ shall have the same meaning given to such terms in section 3 of the Library Services and Construction Act (Public Law 84–579);

“(2) the term ‘Regional Education Laboratory’ shall have the same meaning given to such term in section 405 of the Department of Education Organization Act (Public Law 96–88);

“(3) the term ‘technology’ includes closed circuit television systems, public telecommunications entities, cable television, satellite, copper and fiber optic transmission, computer, video and audio laser and CD ROM disc, video and audio tapes or other technologies;

“(4) the term ‘credit enhancement’ means a financial arrangement that enhances the credit quality of the issuer or the financial instrument being used; and

“(5) the term ‘interoperability’ means the ability to communicate with operating systems developed nationally and internationally using multiple network media.

“SEC. 2205. IN-STATE APPORTIONMENT.

“(a) AUTHORIZATIONS.—The Secretary is authorized to make grants to States in accordance with the provisions of this title to strengthen the skills of educators and improve learning through the use of technology.

“(b) ELEMENTARY, SECONDARY EDUCATION PROGRAMS.—(1) For each fiscal year, an amount equal to 70 percent of each State's allotment under section 2212(a)(2) shall be used for elementary and secondary education programs by the State educational agency in accordance with section 2206.

“(2) Not less than 90 percent of a State's allotment under this subsection shall be available to local educational agencies including services to adults and families of which not more than 5 percent of the funds available to the local educational agency for any fiscal year may be used for local administration.

“(3) Not more than 10 percent of the amount allocated under subsection (a) may be used by the State educational agency for technical assistance and administrative costs of which not less than 50 percent shall be used for technical assistance.

“(c) HIGHER EDUCATION PROGRAMS.—(1) For each fiscal year 20 percent of each State's allotment under section 2212(a)(2) shall be used by the State higher education agency designated in the State plan for partnership programs between local educational agencies, including educational services to adults and families and higher education institutions in accordance with section 2207.

“(2) Not less than 90 percent of the amount available for this subsection shall be used by the State for grants to institutions of higher education for partnership programs in accordance with the provisions of section 2207.

“(3) Not more than 10 percent of the amount allocated to the State's higher education part-

nership program under this section, may be used for the costs incurred for the evaluation of programs assisted under section 2207; and for administrative costs of the State's higher education agency designated in the State plan.

"(d) LIBRARY AND LITERACY PROGRAMS.—(1) For each fiscal year 10 percent of each State's allocation under section 2212(a)(2) shall be used by the State library administrative agency to support collaborative activities among libraries, literacy programs, and local educational agencies in accordance with section 2208.

"(2) Not less than 90 percent of the amount available for this section shall be used by the State for grants to local public libraries and literacy programs in accordance with the provisions of section 2208.

"(3) Not more than 10 percent of the amount available under this section may be used by the State for the costs incurred for evaluation of programs assisted under section 2208 and for administrative costs of the State library administrative agency.

"SEC. 2206. ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

"(a) IN GENERAL.—The amount apportioned under section 2205(b) from each State's allotment shall be used by the State educational agency to strengthen elementary and secondary education programs in accordance with the provisions of this section.

"(b) LOCAL EDUCATIONAL AGENCIES.—(1) Each local educational agency, including educational services for adults and families, shall use the educational technology funds available under section 2205(b)(2) for—

"(A) developing, adapting, or expanding existing and new applications of technology to support the school reform effort; and

"(B) funding projects of sufficient size and scope to improve student learning and, as appropriate, support professional development, and provide administrative support.

"(2) To be eligible to receive educational technology funds under this section for school or other school managed alternative learning environment, a local educational agency must submit an application to the State educational agency. If the local educational agency has an application approved by the State under title III of the Goals 2000: Educate America Act, the application required by this section shall be a component of (or if necessary an addendum to) its Goals 2000 application. The local educational agency must also receive State approval of a technology use plan which includes—

"(A) a description of how the local educational agency plans to use the financial assistance received under section 2205(b)(2) to improve the use of technology in instruction, professional development and administration;

"(B) a description of how funds under section 2205(b)(2) will be coordinated with other State, local and Federal resources;

"(C) a description of how the school programs will use other resources of the community and involve public agencies, private industry, institutions of higher education, public and private nonprofit organizations, and other appropriate institutions;

"(D) assurances that the programs will be evaluated and outcomes reported in terms of the level of implementation of the technology-based resources funded by this title, the impact on teaching and learning, the changes in the school program, and the extent to which the school will sustain the project after funding is terminated;

"(E) a description of how the plan will support State and local content and performance standards;

"(F) provisions to support, as needed, individual teachers to develop and implement technology-based intervention projects, including those which respond to the needs of students with disabilities;

"(G) a description of how the financial assistance will be used as appropriate for the expansion and improvement of professional development of teachers and other appropriate personnel regarding the use of technology, including the educational use of computers, videos, and telecommunications to enhance learning such training and instruction may be carried out through agreements with public agencies, private industry, institutions of higher education, regional educational laboratories and national research centers, nonprofit organizations, (including museums) libraries, educational television stations;

"(H) a description of a strategy for the enhanced involvement of parents through the use of technology; and

"(I) a description of how the plan will address the needs of students with disabilities.

"(3) A local educational agency for any fiscal year may apply for financial assistance as part of a consortium with other local educational agencies, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide local programs. The State educational agency may assist in the formation of consortia between local educational agencies, providers of educational services for adults and families, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide services for the teachers and students in a local educational agency at the request of such local educational agency.

"SEC. 2207. HIGHER EDUCATION PROGRAMS.

"(a) IN GENERAL.—The amount apportioned under section 2205(c) from each State's allotment shall be used by the State for education programs in accordance with the provisions of this section.

"(b) GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.—(1) The State agency for higher education, in accordance with the State educational technology plan filed under section 2209, shall make grants available on a competitive basis to institutions of higher education in the State which form partnerships with one or more local educational agencies.

"(2) The amount available under section 2205(c)(2) shall be used for—

"(A) professional development for new teachers in the use of technology as an educational tool;

"(B) professional development for elementary, secondary, adult and family, and vocational school teachers and training for other appropriate school personnel to improve their ability to use educational technology in their teaching; and

"(C) programs to improve student performance in academic and work skill areas through the use of technology.

"(3) No institution of higher education may receive assistance under paragraph (2)(A), (B), and (C) unless the institution enters into an agreement with a local educational agency, or consortium of such agencies, to provide professional development for the elementary and secondary school teachers in the public and private schools of the school district of each agency.

"(c) COOPERATIVE PROGRAM.—The State higher education agency may use funds described in section 2205(c)(2) to achieve the objectives of section 2207 by establishing cooperative programs among institutions of higher education, private industry, and non-profit organizations, that include one or more local education agencies, for the development and dissemination of projects to improve student performance in academic or work skill areas.

"(d) REPORTING.—In accordance with section 2205(c), 5 percent of the funding available for higher education partnerships may be used by the agency for higher education for evaluating the programs funded under this section. Reports on the progress of programs shall be provided to the State educational agency annually.

"SEC. 2208. LIBRARY AND LITERACY PROGRAMS.

"(a) IN GENERAL.—Except as provided in paragraph (2), the amount apportioned under section 2205(d) from each State's allotment under this section shall be used by the State to assist literacy and education programs in accordance with the provisions of this section.

"(b) GRANTS TO LOCAL PUBLIC LIBRARIES.—(1) In accordance with the State education technology plan filed under section 2209, the State library administrative agency shall make grants available on a competitive basis to local public libraries in the State which demonstrate involvement of one or more local educational agencies and literacy programs or organizations in their activities.

"(2) The amount available under section 2205(d)(2) shall be used for—

"(A) developing programs that help libraries, local educational agencies, and literacy programs use technology to share services and resources and develop collaborative activities that improve their performance and that of the students in academic and work skill areas; and

"(B) professional development for library, literacy, and other appropriate personnel to improve their skills in the use of educational technology and telecommunications.

"(c) COOPERATIVE PROGRAM.—The State library administration agency may use funds described in section 2205(d)(2) to achieve the objectives of section 2208 by establishing cooperative programs among public libraries, literacy organizations, private industries, and nonprofit education organizations, if such programs include one or more local educational agencies.

"(d) REPORTING.—In accordance with section 2205(d), funding available for library and literacy programs may be used by the library administrative agency for reporting and evaluating the programs funded under this section. Reports on the progress of programs shall be provided to the State educational agency annually.

"SEC. 2209. STATE EDUCATIONAL TECHNOLOGY PLAN.

"(a) APPLICATION.—(1) Each State educational agency which desires to receive a grant under this title shall, in consultation with the State agency for higher education and the State library administrative agency, file a single educational technology plan with the Secretary of Education which covers a period of 5 fiscal years. The State educational agency shall be responsible for funding, supervising, and coordinating programs described under this title and shall file the educational technology plan at such time, in such manner, and containing or accompanied by such financial, educational and technological information as this section requires or as the Secretary may reasonably require.

"(2) Such plan shall be—

"(A) integrated with the State's plan either approved or being developed under the Goals 2000: Educate America Act, and shall satisfy the requirements of this section that are not already addressed by that State plan; or

"(B) if the State does not have an approved plan under the Goals 2000: Educate America Act and is not developing such a plan, integrated with other State plans under this Act and satisfy the requirements of this section.

"(b) CONTENTS OF THE PLAN.—Each such plan shall—

"(1) designate the State agency or agencies responsible for administering the elementary and secondary adult and family programs under section 2206, and the higher education programs under section 2207 and designate the State li-

brary administrative agency to administer the library and literacy programs under section 2208 in support of improved student learning;

"(2) describe a financial plan developed by the State educational agency, which shall describe—

"(A) financial assistance mechanisms to best fit the technology needs of the State. Such mechanisms, which must be included in the plan, may include, but not be limited to—

"(i) grants;

"(ii) matching grants;

"(iii) loans;

"(iv) loan guarantees; and

"(v) other credit enhancements.

"(B) describe criteria and approving procedures for submitting applications for programs described in sections 2206, 2207, and 2208 for funding assistance under section 2205 within the State;

"(C) delineate processes for auditing and monitoring the use of funds by recipients;

"(D) describe priorities for awarding funds under various funding mechanisms; and

"(E) construe nothing in subsection (b)(2) to implicitly or explicitly imply that the funds made available under this subsection, through whatever mechanism is chosen by the State agency, and recommended for approval to the Secretary are backed by the full faith and credit of the Federal Government;

"(3) designate the State education agency or another single agency to carry out the financial plan developed by the State education agency and to allocate funds received under sections 2205 and 2212(a)(2). Such designated agency shall be responsible for—

"(A) maintaining appropriate records of allocation of funds, and, in the case of loans, adequate collection procedures and records;

"(B) reporting annually to the Secretary on the use of funds received under section 2212(a)(2);

"(4) describe an implementation strategy to coordinate the expenditure of financial assistance paid under sections 2205 and 2212(a)(2) with other State and local funds, other Federal funds and resources;

"(5) provide assurances that financial assistance provided under section 2205 shall supplement, not supplant, State and local funds;

"(6) describe how business, industry, and other public and private agencies, including libraries, literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan;

"(7) delineate educational problems and needs in the State, describe all learning environments supported by the State plan, and specify how the application of technology will address those and other needs including but not limited to the special needs of—

"(A) urban and rural schools;

"(B) students with disabilities; and

"(C) disadvantaged students;

"(8) provide assurances that—

"(A) during the 5-year period of the plan, the State shall evaluate its standards for teacher preparation in the use of technology; and

"(B) programs conducted with State funds available under this title shall be evaluated and an evaluation report shall be submitted to the Secretary at the close of the third year of funding;

"(9) describe how the State educational agency will promote the purchase of equipment by local school districts and schools that, when placed in operation, will provide the greatest accessibility and equity for students and meet the highest level of interoperability and open system design within the emerging broad-based electronic information highway that includes schools within the State;

"(10) describe the State's strategy for ensuring that teachers, administrators and other education personnel have access to the necessary staff development and technical assistance to improve teaching and learning, school administration, and the electronic transfer of, and access to, information;

"(11) establish a method for continuously gathering and disseminating current and emerging information on all aspects of educational technology to all educators within the State;

"(12) describe how the State's planned use of technology is supportive of the national education goals;

"(13) provide performance indicators and an evaluation method for the State plan; and

"(14) create a planning process through which such plan is reviewed and updated periodically.

"(c) APPROVAL OF PLANS.—(1) The State educational agency shall submit a plan for approval to the Secretary who shall expeditiously review such State plan.

"(2) Any State that submits a plan that is not approved shall receive assistance from the Secretary to improve its plan.

"SEC. 2210. LOCAL EDUCATIONAL TECHNOLOGY PLAN.

"(a) APPLICATION.—A local educational agency that desires to receive financial assistance under section 2205, shall submit to the State educational agency (singly or in conjunction with other local educational agencies, institutions of higher education, or an intermediate educational unit) a plan which covers a 3-year period.

"(b) CONTENTS OF THE PLAN.—A local educational agency plan shall—

"(1) assure that the programs will be evaluated, and outcomes reported in terms of —

"(A) the level of implementation of the technology-based resources funded by this title;

"(B) the impact on teaching and learning; and

"(C) the extent to which the school or other appropriate learning environments will sustain the project after funding is terminated;

"(2) be consistent with district level planning for educational technology, and shall support the local and State's curriculum frameworks;

"(3) make provision for technical support and professional development as needed for individual teachers to develop and implement technology-assisted instruction; and

"(4) provide a strategy for the enhanced involvement of parents through the use of technology.

"SEC. 2211. FEDERAL ADMINISTRATION.

"(a) EVALUATION PROCEDURES.—The Secretary shall, with State and local representatives, develop procedures for State and local evaluations of the programs under this title.

"(b) EVALUATION SUMMARY.—The Secretary shall submit to the Congress 4 years after the enactment of this bill a summary of the State evaluations of programs under this subpart.

"SEC. 2212. ALLOCATION OF FUNDS.

"(a) IN GENERAL.—(1) From the amount appropriated under section 2213 for any fiscal year, the Secretary shall reserve—

"(A) not more than one half of one percent for allocation among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this subpart; and

"(B) one half of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior consistent with the purposes of this subpart;

"(2) The remainder of the amount so appropriated after meeting the requirements of paragraph (1) shall be allocated among the States (for purposes of this section, the District of Columbia and Puerto Rico shall be considered as States) with approved State plans under section 2209 as follows—

"(A) ½ of such remainder shall be allocated among the States by allocating to each State an amount which bears the same ratio to such ½ of such remainder as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all States;

"(B) ½ of such remainder shall be allocated among the States according to each State's share of allocations under part A of title I of the Elementary and Secondary Education Act of 1965, except that no State shall receive less than ½ of 1 percent of the amount available under this subsection in any fiscal year or less than the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act;

"(C) for the purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands; and

"(D) the number of children aged 5 to 17, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

"(3) The Secretary shall make payments under paragraphs (1)(A) and (1)(B) on whatever terms the Secretary determines will best carry out the purposes of title I of this Act.

"(b) REALLOTMENT OF UNUSED FUNDS.—(1) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year to carry out part B of title II shall be available for reallotment from time to time, on such dates during such year as the Secretary may determine, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year.

"(2) The total of reductions under paragraph (1) shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a subpart of its allotment under subsection (a) for such year.

"SEC. 2213. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $300,000,000 for this subpart for 1995 and such sums as may be necessary for each of the fiscal years 1996 through 1999.

"Subpart 2—Research, Development, and Demonstration of Educational Technology

"SEC. 2214. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds that—

"(1) technology has the potential to assist and support the improvement of teaching and learning in schools and other settings;

"(2) technology can provide students, parents, teachers, and other education professionals with increased access to information, instruction, and educational services in schools and other settings, including homes, libraries, preschool and child-care facilities, and postsecondary institutions;

"(3) technology can produce far greater opportunities for all students to learn to high standards and to promote efficiency and effectiveness in education; and

"(4) the rapidly changing nature of technology requires coordination and flexibility in Federal leadership.

"(b) PURPOSES.—The purposes of this subpart are to promote achievement of the National Education Goals and to increase the opportunity for all students to achieve to challenging State standards by—

"(1) promoting awareness of the potential of technology for improving teaching and learning;

"(2) supporting State and local efforts to increase the effective use of technology for education;

"(3) demonstrating ways in which technology can be used to improve teaching and learning, and to help ensure that all students have an equal opportunity to meet challenging State education standards;

"(4) ensuring the availability of knowledge drawn from research and experience that can form the basis for sound State and local decisions about investment in, and effective uses of, educational technology;

"(5) promoting high-quality professional development opportunities for teachers and administrators on the integration of technology into instruction and administration;

"(6) ensuring that Federal technology-related policies and programs facilitate the use of technology in education; and

"(7) ensuring that, as technological advances are made, the educational uses of these advances are considered and their applications are developed.

"SEC. 2215. OFFICE OF EDUCATIONAL TECHNOLOGY.

"There is established in the Department an Office of Educational Technology, which shall be administered by a Director of Educational Technology appointed by the Secretary. The Office of Educational Technology, in consultation with other appropriate agencies, shall provide leadership to the Nation in the use of technology to promote achievement of the National Education Goals and to increase opportunities for all students to achieve to challenging State standards, and shall perform such additional functions as the Secretary may require.

"SEC. 2216. NATIONAL LONG-RANGE PLAN.

"(a) IN GENERAL.—(1) The Secretary shall develop and publish by September 30, 1995, and update when appropriate, a national long-range plan to carry out the purposes of this subpart.

"(2) The Secretary shall—

"(A) develop the plan in consultation with other Federal agencies, State and local education practitioners and policy-makers, experts in technology and the educational applications of technology, and providers of technology services and products;

"(B) transmit the plan to the President and to the appropriate committees of the Congress; and

"(C) publish the plan in a form that is readily accessible to the public.

"(b) CONTENTS OF THE PLAN.—The national long-range plan shall describe the Secretary's activities to promote the purposes of this subpart, including—

"(1) how the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve to challenging State standards, especially through programs administered by the Department;

"(2) joint activities with other Federal agencies, such as the National Endowment for the Humanities, the National Endowment for the Arts, the National Aeronautics and Space Administration, the National Science Foundation, and the Departments of Commerce, Energy, Health and Human Services, and Labor, to promote the use of technology in education, and training and lifelong learning, including plans for the educational uses of a national information infrastructure, and to ensure that the policies and programs of such agencies facilitate the use of technology for educational purposes to the extent feasible;

"(3) how the Secretary will work with educators, State and local educational agencies, and appropriate representatives of the private sector to facilitate the effective use of technology in education;

"(4) how the Secretary will promote—

"(A) increased access to the benefits of technology for teaching and learning for schools with high concentrations of children from low-income families;

"(B) the use of technology to assist in the implementation of State systemic reform strategies;

"(C) the application of technological advances to use in education; and

"(D) increased opportunities for the professional development of teachers in the use of new technologies;

"(5) how the Secretary will determine, in consultation with appropriate individuals, organizations, and agencies, the feasibility and desirability of establishing guidelines and protocols to facilitate effective use of technology in education; and

"(6) the Secretary's long-range measurable goals and objectives relating to the purposes of this subpart.

"SEC. 2217. FEDERAL LEADERSHIP.

"(a) PROGRAM AUTHORIZED.—(1) In order to provide Federal leadership in promoting the use of technology in education, the Secretary, in consultation with the National Science Foundation, the Department of Commerce, and other appropriate Federal agencies, may carry out activities designed to achieve the purposes of this subpart directly or by awarding grants (pursuant to a peer review process) to, or entering into contracts with, State educational agencies, local educational agencies, institutions of higher education, or other public and private nonprofit or for-profit agencies and organizations.

"(2) For the purpose of carrying out coordinated or joint activities consistent with the purposes of this subpart, the Secretary may accept funds from, and transfer funds to, other Federal agencies.

"(b) USES OF FUNDS.—The Secretary may use funds appropriated under this subpart for activities designed to carry out the purpose of this subpart, and to meet the goals and objectives of the national long-range plan under section 2216, including—

"(1) planning grants to States and local education agencies, to enable such entities to examine and develop strategies for the effective use of technology to help achieve the objectives of the Goals 2000: Educate America Act and the School-to-Work Opportunities Act of 1993;

"(2) development grants to technical assistance providers, to enable them to improve substantially the services they offer to educators on the educational uses of technology, including professional development;

"(3) consulting with representatives of industry, elementary and secondary education, higher education, and appropriate experts in technology and its educational applications in carrying out activities under this subpart;

"(4) research on, and the development of, guidelines and protocols to facilitate efficient and effective use of technology in education;

"(5) research on, and the development of, educational applications of the most advanced and newly emerging technologies;

"(6) the development, demonstration, and evaluation of applications of existing technology in preschool education, elementary and secondary education, training and lifelong learning, and professional development of educational personnel;

"(7) the development and evaluation of software and other products, including television programming, that incorporate advances in technology and help achieve the National Education Goals and challenging State standards;

"(8) the development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning;

"(9) the development of model programs to demonstrate the educational effectiveness of technology in urban and rural areas and economically-distressed communities;

"(10) research on, and the evaluation of, the effectiveness and benefits of technology in education;

"(11) conferences on, and dissemination of information about, the uses of technology in education;

"(12) the development of model strategies to promote gender equity concerning access to, and the use of, technology in the classroom; and

"(13) such other activities as the Secretary determines would meet the purposes of this subpart.

"(c) NON-FEDERAL SHARE.—(1) Subject to paragraph (2), the Secretary is authorized to require any recipient of a grant or contract under this subpart to share in the cost of its project, which share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

"(2) The Secretary may increase the non-Federal share required of such recipient after the first year of the recipient's project, except that such share may not exceed 50 percent at any time during the recipient's project.

"SEC. 2218. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1999.

"Subpart 3—Star Schools Program

"SEC. 2219. FINDINGS.

"SEC. 3121. The Congress finds that—

"(1) the Star Schools program has helped to encourage the use of distance learning strategies to serve multi-State regions primarily by means of satellite and broadcast television;

"(2) in general, distance learning programs have been used effectively to provide students in small, rural, and isolated schools with courses and instruction, such as science and foreign language instruction, that the local educational agency would not otherwise have been able to provide; and

"(3) distance learning programs could also be used to—

"(A) provide students in all types of schools and local educational agencies with greater access to high-quality instruction in the full range of core academic subjects that would enable them to meet challenging, internationally competitive, educational standards;

"(B) expand professional development opportunities for teachers;

"(C) contribute to achievement of the National Education Goals; and

"(D) expand learning opportunities for everyone.

"SEC. 2220. STATEMENT OF PURPOSE.

"The purpose of this subpart is to encourage the expansion and use of distance learning programs and technologies to help—

"(1) improve teaching and learning;

"(2) achieve the National Education Goals;

"(3) all students learn to challenging State content standards; and

"(4) increase participation in State and local educational reform.

"SEC. 2221. PROGRAM AUTHORIZED.

"(a) STAR SCHOOL AWARDS.—The Secretary is authorized, in accordance with this subpart, to make grants to eligible entities for the Federal share of the cost of providing distance learning programs, including—

"(1) developing, constructing, and acquiring telecommunications facilities and equipment;

"(2) developing and acquiring instructional programming; and

"(3) providing technical assistance regarding the use of such facilities and instructional programming.

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1999.

"(c) LIMITATIONS.—(1) A grant under this section shall not exceed—

"(A) five years in duration; and

"(B) $10,000,000 in any one fiscal year.

"(2) Not less than 25 percent of the funds available to the Secretary for any fiscal year under this subpart shall be used for the cost of instructional programming.

"(3) Not less than 50 percent of the funds available to the Secretary for any fiscal year under this subpart shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies that are eligible to receive assistance under part A of title I of this Act.

"(d) FEDERAL SHARE.—(1) The Federal share of the cost of projects funded under this section shall not exceed 75 percent for the first and second years of the award, 60 percent for the third and fourth years, and 50 percent for the fifth year.

"(2) The Secretary may reduce or waive the requirement of the non-Federal share under paragraph (1) upon a showing of financial hardship.

"(e) AUTHORITY TO ACCEPT FUNDS FROM OTHER AGENCIES.—The Secretary is authorized to accept funds from other agencies to carry out the purposes of this section, including funds for the purchase of equipment.

"SEC. 2222. ELIGIBLE ENTITIES.

"(a) ELIGIBLE ENTITIES.—(1) The Secretary may make a grant under section 2221 to any eligible entity, provided that at least one local educational agency is participating in the proposed project.

"(2) An eligible entity may include—

"(A) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary and secondary schools that are eligible to participate in the program under part A of title I of this Act; or

"(B) any two or more of the following, which will provide a telecommunications network:

"(i) a local educational agency that has a significant number of elementary and secondary schools that are eligible for assistance under part A of title I of this Act, or elementary and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(b)(1) of this Act;

"(ii) a State educational agency;

"(iii) an institution of higher education or a State higher education agency;

"(iv) a teacher training center or academy that—

"(I) provides teacher pre-service and in-service training; and

"(II) receives Federal financial assistance or has been approved by a State agency;

"(v)(I) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone, or computer; or

"(II) a public broadcasting entity with such experience; or

"(vi) a public or private elementary or secondary school.

"SEC. 2223. APPLICATIONS.

"(a) GENERAL REQUIREMENT.—Each eligible entity that desires to receive a grant under this subpart shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

"(b) STAR SCHOOL AWARD APPLICATIONS.—Each application for a grant authorized under section 2221 shall—

"(1) describe—

"(A) how the proposed project will assist in achieving the National Education Goals set out in title I of the Goals 2000: Educate America Act, how it will assist all students to have an opportunity to learn to challenging State standards, and how it will assist State and local educational reform efforts;

"(B) the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

"(i) the design, development, construction, and acquisition of district, multidistrict, State, or multistate educational telecommunications networks and technology resource centers;

"(ii) microwave, fiber optics, cable, and satellite transmission equipment, or any combination thereof;

"(iii) reception facilities, satellite time, production facilities, and other telecommunications equipment capable of serving the intended geographic area;

"(iv) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought in using such facilities and equipment, and in integrating programs into the class curriculum; and

"(v) the development of educational and related programming for use on a telecommunications network;

"(C) the types of programming that will be developed to enhance instruction and training, including an assurance that such programming will be designed in consultation with professionals who are experts in the applicable subject matter and grade level;

"(D) how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will increase the availability of courses of instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines;

"(E) the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

"(F) the manner in which historically underserved students (such as students from low-income families, limited English proficient students, disabled students, or students who have low literacy skills) and their families will participate in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this subpart;

"(G) how existing telecommunications equipment, facilities, and services, where available, will be used;

"(H) the activities or services for which assistance is sought, such as—

"(i) providing facilities, equipment, training services, and technical assistance;

"(ii) making programs accessible to individuals with disabilities through mechanisms such as closed captioning and descriptive video services;

"(iii) linking networks around issues of national importance (such as elections) or to provide information about employment opportunities, job training, or student and other social service programs;

"(iv) sharing curriculum materials between networks;

"(v) providing teacher and student support services;

"(vi) incorporating community resources such as libraries and museums into instructional programs;

"(vii) providing professional development for teachers, including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff; and

"(viii) providing programs for adults at times other than the regular school day in order to maximize the use of telecommunications facilities and equipment; and

"(I) how the proposed project as a whole will be financed and how arrangements for future financing will be developed before the project expires;

"(2) provide an assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I of this Act; and

"(3) provide an assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this subpart.

"(c) PRIORITIES.—The Secretary shall, in approving applications for grants authorized under section 2221, give priority to applications that—

"(1) propose high-quality plans to assist in achieving one or more of the National Education Goals as set out in title I of the Goals 2000: Educate America Act, would provide instruction consistent with State content standards, or would otherwise provide significant and specific assistance to States and local educational agencies undertaking systemic education reform under title III of the Goals 2000: Educate America Act; and

"(2) would serve schools with significant numbers of children counted for the purposes of part A of title I of this Act.

"(d) GEOGRAPHIC DISTRIBUTION.—In approving applications for grants authorized under section 2221, the Secretary shall, to the extent feasible, ensure an equitable geographic distribution of services.

"SEC. 2224. LEADERSHIP AND EVALUATION ACTIVITIES.

"(a) SET-ASIDE.—From amounts appropriated under section 2221(b), the Secretary may reserve up to 10 percent for national leadership, evaluation, and peer review activities.

"(b) METHOD OF FUNDING.—The Secretary may fund the activities described in subsection (a) directly or through grants, contracts, and cooperative agreements.

"(c) USES OF FUNDS.—(1) Funds reserved for leadership activities may be used for—

"(A) disseminating information, including lists and descriptions of services available from recipients; and

"(B) other activities designed to enhance the quality of distance learning activities nationwide.

"(2) Funds reserved for evaluation activities shall be used to conduct independent evaluations of the Star Schools program under this subpart and of distance learning in general, including—

"(A) analyses of distance learning efforts, including both Star Schools projects and efforts not funded by the program under this subpart; and

"(B) comparisons of the effects, including student outcomes, of different technologies in distance learning efforts.

"(3) Funds reserved for peer review activities may be used for peer review of both proposals and funded projects.

"SEC. 2225. DEFINITIONS.

"For the purpose of this subpart, the following terms have the following meanings:

"(1) The term 'educational institution' means an institution of higher education, a local educational agency, or a State educational agency.

"(2) The term 'instructional programming' means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in audio and visual form on tape, disc, film, or live, and presented by means of telecommunications devices.

"(3) The term 'public broadcasting entity' has the same meaning given that term in section 397 of the Communications Act of 1934.

"Subpart 4—Development of Educational Technology Products

"SEC. 2226. EDUCATIONAL TECHNOLOGY PRODUCT DEVELOPMENT.

"(a) PURPOSE.—It is the purpose of this section to support the development of curriculum-based learning resources and systems using state-of-the-art technologies and techniques designed to improve student learning.

"(b) FEDERAL ASSISTANCE AUTHORIZED.—

"(1) IN GENERAL.—The Secretary shall provide assistance, on a competitive basis, to eligible consortia to enable such entities to develop, produce, and distribute state-of-the-art technology-enhanced instructional resources and programming for use in the classroom or to support professional development for teachers.

"(2) GRANTS AND LOANS AUTHORIZED.—In carrying out the purposes of this section, the Secretary is authorized to pay the Federal share of the cost of the development, production, and distribution of state-of-the-art technology enhanced instructional resources and programming—

"(A) by awarding grants to, or entering into contracts or cooperative agreements with eligible consortia; or

"(B) by awarding loans to eligible consortia which—

"(i) shall be secured in such manner and be repaid within such period, not exceeding 20 years, as may be determined by the Secretary;

"(ii) shall bear interest at a rate determined by the Secretary which shall be not more than the total of one-quarter of 1 percent per annum added to the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury;

"(iii) may be forgiven by the Secretary, in an amount not to exceed 25 percent of the total loan, under such terms and conditions as the Secretary may consider appropriate.

"(3) FEDERAL SHARE.—The Secretary shall require any recipient of a grant, contract, or loan under this section to share in the cost of the activities supported with such assistance.

"(4) ELIGIBLE CONSORTIUM.—For the purpose of this section, the term 'eligible consortium' means a consortium consisting of—

"(A) State or local educational agencies in partnership with business, industry, or telecommunications entity;

"(B) a business, industry, or telecommunications entity;

"(C) a public or private nonprofit organization; or

"(D) an institution of higher education.

"(5) PRIVATE SECTOR ADVISORY BOARD.—The Secretary shall establish an advisory board which shall provide advice and counsel to the Secretary concerning the most effective means of implementing the provisions of this section. Such board shall—

"(A) include educators, school administrators, and policymakers knowledgeable about the technology and curriculum needs of State and local education agencies;

"(B) include representatives of private for-profit and nonprofit entities engaged in the production and development of educational software and other technology-based learning resources;

"(C) make recommendations to the Secretary concerning the types and terms of Federal financial assistance which promise to be most effective in advancing the purposes of this section;

"(D) regularly evaluate the implementation of this section.

"(6) PRIORITIES.—In awarding assistance under this section, the Secretary shall give priority to applications describing programs or systems that—

"(A) promote the acquisition of higher-order thinking skills and promise to raise the achievement levels of all students, particularly disadvantaged students who are not realizing their potential;

"(B) are aligned with challenging content standards and State and local curriculum frameworks;

"(C) may be adapted and applied nationally at a reasonable cost;

"(D) covert technology resources developed with support from the Department of Defense and other Federal agencies for effective use in the classroom;

"(E) promise to reduce the costs of providing high-quality instruction;

"(F) promise to expand access to high-quality instruction in content areas which would otherwise not be available to students in rural and urban communities or who attend other educational agencies with limited financial resources.

"(7) REQUIREMENTS FOR FEDERAL ASSISTANCE.—Each eligible consortium desiring Federal assistance under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe. Each application shall include—

"(A) a description of how the program or system shall improve the achievement levels of students;

"(B) a description of how teachers associated with the program will be trained to integrate technology in the classroom;

"(C) a description of how the design, development, piloting, field testing, and distribution of the program or system will be carried out;

"(D) an assurance that the program or system shall effectively serve a large number or percentage of economically disadvantaged students;

"(E) plans for dissemination to a wide audience of learners; and

"(F) provisions for closed captioning or descriptive video where appropriate.

"(c) EVALUATION.—The Secretary shall provide for the independent evaluation of programs or systems developed with assistance under this section and shall regularly collect and disseminate to State and local educational agencies and to the public information about the usefulness and effectiveness of such programs or systems.

"(d) ROYALTIES.—Notwithstanding any other provision of law, the Secretary is authorized to require that a portion of any royalty paid as a result of assistance provided under this section be deposited in a central fund for the purposes of—

"(1) recovering all or part of the Federal share of the costs of developing, producing, and distributing the product for which such royalty is paid; and

"(2) carrying out the provisions of this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996, 1997, 1998, and 1999.

"PART C—LIBRARY MEDIA PROGRAM

"SEC. 2231. ESTABLISHMENT OF PROGRAM.

"The Secretary shall award grants from allocations under section 2232 to States for the acquisition of school library media resources for the use of students, library media specialists, and teachers in elementary and secondary schools.

"SEC. 2232. ALLOCATION TO STATES.

"From the amount appropriated pursuant to section 2205 in each fiscal year, the Secretary shall allocate to each State having an approved plan under section 2233 as follows:

"(1) For appropriations below $50,000,000, at the discretion of the Secretary, taking into account such factors as the age and condition of the State's existing library media collections.

"(2) For appropriations of $50,000,000 and above to each State an amount which bears the same ratio to such funds as the amount such State received under section 1122 of title I bears to the amount all States received under section 1122 in such year; except that no State shall receive less than one-half of one percent of such funds.

"SEC. 2233. STATE PLANS.

"(a) IN GENERAL.—In order for a State to receive an allocation of funds under section 2232 for any fiscal year, such State shall have in effect for such fiscal year a State plan. Such plan shall—

"(1) designate the State educational agency as the State agency responsible for the administration of the program described in this part;

"(2) set forth a program under which funds paid to the State from its allocation under section 2202 will be expended solely for—

"(A) acquisition of school library media resources, including foreign language resources, for the use of students, school library media specialists, and teachers in elementary and secondary schools in the United States; and

"(B) administration of the State plan, including development and revision of standards, relating to school library media resources; except that the amount used for administration of the State plan in any fiscal year shall not exceed 5 percent of the amount allocated to such State under section 2232 for such fiscal year; and

"(3) set forth the criteria to be used in allotting funds for school library media resources among the local educational agencies of the State, which allotment shall take into consideration the relative need of the students, school media specialists, and teachers to be served.

"(b) PLAN SUBMISSION.—The State plan may be submitted as part of a consolidated application under section 9302.

"SEC. 2234. DISTRIBUTION OF ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

"From the funds allocated to a State under section 2202 in each fiscal year, such State shall distribute not less than 99 percent of such funds in such year to local educational agencies within such State according to the relative enrollment of students in elementary and secondary schools within the school districts of such State, adjusted to provide higher per-pupil allotments to local educational agencies that have the greatest number or percentages of students whose education imposes a higher than average cost per child, such as those students—

"(1) living in areas with high concentrations of low-income families;

"(2) from low-income families; and

"(3) living in sparsely populated areas.

"SEC. 2235. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $200,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART D—SUPPORT AND ASSISTANCE FOR ESEA PROGRAMS

"SEC. 2341. FINDINGS.

"The Congress finds that—

"(1) high-quality technical assistance can enhance the improvements in teaching and learning achieved through the implementation of programs under this Act;

"(2) comprehensive technical assistance and effective program dissemination are essential ingredients of the overall strategy of the reauthorization of this Act to improve programs and to provide all children opportunities to meet challenging State performance standards;

"(3) States, local educational agencies, tribes, and schools serving students with special needs, such as students with limited English proficiency, have great need for comprehensive technical assistance in order to use funds under this Act to provide such students with opportunities to learn to challenging State standards;

"(4) current technical assistance and dissemination efforts are fragmented and categorical in nature, and thus fail to address adequately the needs of States and local educational agencies and tribes for help in integrating into a coherent strategy for improving teaching and learning the various programs under this Act with State and local programs and other education reform efforts;

"(5) too little creative use is made of technology as a means of providing information and assistance in a cost-effective way;

"(6) comprehensive technical assistance can help schools and school systems focus on improving opportunities for all children to reach challenging State performance standards, as they implement programs under this Act;

"(7) comprehensive technical assistance would provide coordinated assistance to help States, local educational agencies, tribes, participating colleges and universities, and schools integrate Federal, State, and local education programs in ways that contribute to improving schools and entire school systems;

"(8) technical assistance in support of programs under this Act should be coordinated with the Department's regional offices, the regional educational laboratories, State Literacy Resource Centers, vocational resource centers, and other technical assistance efforts supported by the Department;

"(9) technical assistance providers should prioritize assistance to local educational agencies and schools; and

"(10) technical assistance should both encourage the integration of categorical programs and ensure that students with special needs, such as limited English proficiency students, are served fully.

"SEC. 2342. PURPOSE.

"The purpose of this part is to create a national technical assistance and dissemination system to make available to States, local educational agencies, tribes, schools, and other recipients of funds under this Act technical assistance in—

"(1) implementing programs authorized by this Act in a manner that improves teaching and learning for all students;

"(2) coordinating those programs with other Federal, State, and local education plans and activities, so that all students are provided opportunities to meet challenging State performance standards, in particular students at risk of educational failure; and

"(3) adopting, adapting, and implementing promising and proven practices for improving teaching and learning.

"SEC. 2343. PROGRAMS AUTHORIZED.

"(a) COMPREHENSIVE ASSISTANCE CENTERS.—The Secretary is authorized to award grants or enter into contracts with public or private nonprofit entities or consortia to establish a networked system of 15 centers to provide comprehensive research-based training and technical assistance to States, local educational agencies, schools, tribes, community-based organizations, and other recipients of funds under this Act in their administration and implementation of programs authorized by this Act. In establishing centers and allocating resources among the centers, the Secretary shall consider the geographic distribution of title I students; the geographic and linguistic distribution of students of limited English proficiency; the geographic distribution of Indian students; the special needs of students living in rural areas; and the special needs of States and territories in geographic isolation.

"(b) STATE-BASED ASSISTANCE.—The Secretary is authorized to award grants or enter into contracts with public and private nonprofit entities to establish an assistance agency in each State and territory and in the Bureau of Indian Affairs. This program shall be called the National Diffusion Network and will assist States, local educational agencies, and schools in identifying and securing appropriate, high-quality technical assistance, provide information on and assistance in adopting effective programs and practices, and work cooperatively with the Comprehensive Assistance Centers to improve teaching and learning and raise standards for all students.

"(c) ACCOUNTABILITY.—To ensure the quality and effectiveness of the comprehensive assistance centers supported under this part, the Secretary shall—

"(1) provide for an external peer review (including representatives of the populations served under this Act) of the centers under this part every 2 years;

"(2) develop, in consultation with the Assistant Secretary for Elementary and Secondary Education, the Director of Bilingual Education and Minority Languages Affairs, and the Assistant Secretary for Educational Research and Improvement, a set of performance indicators, for use during the peer reviews required by paragraph (1), that assesses whether the work of the centers assists in improving teaching and learning under this Act for all children, in particular children at risk of educational failure;

"(3) require each center to publish, and disseminate widely throughout its region, an annual report on its services and accomplishments and how those services and accomplishments relate to the performance indicators developed under paragraph (2);

"(4) conduct periodic surveys of users of the centers' services to determine if users are satisfied with the access to and quality of such services;

"(5) collect, as part of the Department's reviews of programs under this Act, information about the availability and quality of services provided by the centers, and share that information with the centers;

"(6) take whatever steps are reasonable and necessary to ensure that each center performs its responsibilities in a satisfactory manner, which may include termination of an award under this part (if the Secretary concludes that performance has been unsatisfactory) and the selection of a new center, as well as whatever interim arrangements the Secretary determines are necessary to ensure the satisfactory delivery of services under this part to the affected region; and

"(7) provide for an independent evaluation of the system of technical assistance centers authorized by this part and report the results of that evaluation to Congress prior to the next reauthorization of this Act.

"(c) CONTRACT PERIOD.—Grants or contracts awarded under this section shall be awarded for a period of 5 years following the extension of contracts and grants under section 2206(c).

"SEC. 2344. REQUIREMENTS OF COMPREHENSIVE ASSISTANCE CENTERS.

"Each comprehensive assistance center established under section 2343(a)—

"(1) shall maintain staff expertise in at least all of the following areas:

"(A) Instruction, curriculum improvement, assessment, school reform, and other aspects of title I of this Act.

"(B) Meeting the needs of children served under this Act, including children in high-poverty areas, migratory children, immigrant children, children with limited English proficiency, neglected or delinquent children, homeless children and youth, Indian children, and children with disabilities and where applicable, Alaskan Native children and Native Hawaiian children.

"(C) Professional development for teachers, other school staff, and administrators to help students meet challenging State performance standards.

"(D) Bilingual education, including programs that emphasize English and native language proficiency and promote multicultural understanding.

"(E) Safe and drug-free schools.

"(F) Educational applications of technology.

"(G) Parent involvement and participation.

"(H) The reform of schools and school systems.

"(I) Program evaluation.

"(J) Coordination of services.

"(K) School governance and management.

"(L) Partnerships between the public and private sector, including the formation of partnerships between schools and businesses.

"(2) shall ensure, where appropriate, staff expertise in the special needs of students living in rural areas and in the special needs of local education agencies serving rural areas;

"(3) shall ensure that technical assistance staff have sufficient training, knowledge, and expertise in how to integrate and coordinate programs under this Act with each other, as well as with other Federal, State, and local programs and reforms, and reflect the diverse linguistic and cultural expertise appropriate to the region served;

"(4) shall provide technical assistance using the highest quality and most cost-effective strategies possible;

"(5) shall coordinate services, work cooperatively, and regularly share information with the regional education laboratories, the Eisenhower Regional Math and Science consortia, research and development centers, and other entities engaged in research, development, dissemination, and technical assistance activities which are supported by the Department of Education as part of a Federal technical assistance system, to provide a broad range of support services to schools in the region while minimizing the duplication of such services; and

"(6) shall provide services to States, local educational agencies, tribes, and schools through or in coordination with the State Facilitators of the National Diffusion Network as authorized in section 2343(b) in order to better implement the purposes of this section and provide the support and assistance diffusion agents need to carry out their mission effectively.

"SEC. 2345. DUTIES OF COMPREHENSIVE ASSISTANCE CENTERS.

"(a) IN GENERAL.—Each center established under section 2303(a) shall provide comprehensive, integrated technical assistance services focused on improving teaching and learning.

"(b) SUPPORT AND ASSISTANCE.—Comprehensive centers shall provide support and assistance to State educational agencies, tribal divisions of education, local educational agencies, schools, and other grant recipients under this Act in—

"(1) the development of plans for integrating programs under this Act with other Federal pro-

grams and with State, local and tribal reform efforts;

"(2) the development, selection, and use of challenging, high-quality curricula aligned with high standards and assessments;

"(3) the identification, adaptation, or development of instructional strategies and materials which meet the needs of children receiving assistance under this Act;

"(4) the development of valid, reliable, and nondiscriminatory systems of assessment which reflect recent advances in the field of education assessment;

"(5) the development, selection, and implementation of effective schoolwide projects;

"(6) improving the capacity of educators, school administrators, counselors, and other school personnel to assist students to reach challenging standards, especially those students furthest from such standards, through the expansion and strengthening of professional development activities;

"(7) expanding and improving opportunities for parents to participate in the education of their children at home and at school;

"(8) creating safe and drug-free environments, especially in areas experiencing high levels of drug use and violence in the community and schools;

"(9) the coordination of services and programs to meet the needs of students so that they can fully participate in the educational program of the school;

"(10) the evaluation of educational programs;

"(11) educational applications of technology, when appropriate, in coordination with the regional mathematics and science education consortia;

"(12) reforming the governance and management of schools; and

"(13) establishing public/private education partnerships, including school/business partnerships.

"(c) ADDITIONAL DUTIES.—Additional duties include—

"(1) assisting States, local educational agencies, tribal divisions of education, and schools in replicating and adapting exemplary and promising educational programs, policies, and practices through or in coordination with the National Diffusion Network State Facilitator;

"(2) assisting State educational agencies and local educational agencies to develop school support teams to work with schoolwide programs under title I of this Act; and

"(3) assisting State educational agencies, local educational agencies, and the National Diffusion Network State Facilitators to increase their capacity to provide high-quality technical assistance in support of programs under this Act.

"SEC. 2346. MAINTENANCE OF SERVICE.

"(a) MAINTENANCE OF EFFORT.—The Secretary shall ensure that the comprehensive assistance centers funded under this part provide technical assistance services that address the needs of bilingual, migrant, immigrant, and Indian students that are at least comparable to the level of such technical assistance services provided under programs administered by the Secretary prior to the date of the enactment of the Improving America's Schools Act of 1994.

"(b) MINIMUM FUNDS.—

"(1) MAINTENANCE OF EFFORT.—In awarding grants or contracts for comprehensive assistance centers, the Secretary shall ensure that the proportion of funds used to provide services that address the needs of limited-English-proficient, immigrant, and migrant students shall be no less than the proportion of funds expended under grants or contracts expiring in fiscal year 1995 for categorical technical assistance centers serving limited-English-proficient and migrant students.

"(2) INDIAN STUDENTS.—In awarding grants or contracts for comprehensive assistance centers, the Secretary shall ensure that the proportion of funds used to provide services that address the need of Indian students through the comprehensive centers established in section 2343(a) shall be no less than the proportion of funds expended under grants or contracts expiring in fiscal year 1995 for technical assistance centers serving Indian students.

"(c) APPLICATION.—Applications for funds under subsection (a)(2) shall include how centers will—

"(1) provide expertise in the areas listed in section 2344(l);

"(2) work with the National Diffusion Network authorized in section 2343(b) to conduct outreach to local educational agencies prioritized in section 2348;

"(3) demonstrate support from States and local educational agencies and tribes in the area to be served;

"(4) ensure a fair distribution of services to urban and rural areas;

"(5) utilize technology to provide technical assistance; and

"(6) provide other information the Secretary may require.

In approving applications to comprehensive centers serving Indian students, the Secretary shall give priority to applications from consortia that include Indian educational agencies, organizations, or institutions.

"(d) TRANSITION.—The Secretary shall, notwithstanding any other provision of law, use funds appropriated under section 2351 to extend or continue existing contracts and grants for categorical technical assistance centers and for National Diffusion Network State Facilitator and Developer Demonstrators through fiscal year 1995 and take other necessary steps to ensure a smooth transition of this part.

"SEC. 2347. STATE-BASED ACTIVITIES.

"(a) PURPOSES.—The Secretary shall establish a State-based outreach, dissemination, training, and consultation component of the National Technical Assistance and Dissemination System through the National Diffusion Network and its State Facilitators.

"(b) IN GENERAL.—The Department of Education, through the Office of Educational Research and Improvement shall award grants or enter into contracts with public or private nonprofit educational organizations or institutions in each State with demonstrated experience, expertise, and commitment in the areas of applied education research and program dissemination to carry out activities described in subsection (c).

"(c) NATIONAL DIFFUSION NETWORK STATE FACILITATOR.—National Diffusion Network State Facilitators shall work in coordination with the comprehensive assistance centers to assist State educational agencies, local educational agencies, tribal divisions of education, and schools to—

"(1) define their technical assistance needs and align them with school reform, professional development, and technology plans;

"(2) secure the technical assistance services that can best fulfill their needs by utilizing Department of Education technical assistance centers, regional education laboratories, Eisenhower Regional consortia, State Literacy Resource Centers, and other technical assistance providers including local providers of professional development services;

"(3) identify educational technology needs and secure the necessary technical assistance to address them;

"(4) prepare for on-site, intensive technical assistance provided by the comprehensive centers, labs, or other service providers;

"(5) utilize technology, including regional and national electronic networks, to increase their access to technical assistance, professional development services, and dissemination of exemplary practices and materials;

"(6) deliver high-quality professional development services to their school-based educators; and

"(7) provide organizational development services to facilitate school-based change.

"(d) ADDITIONAL DUTIES.—In addition, National Diffusion Network State Facilitators shall—

"(1) disseminate information about school reform and effective and promising practices and help local educational agencies and schools adapt them to their needs;

"(2) facilitate communications between educators to assist the sharing of promising practices and to foster school reform and professional development;

"(3) coordinate their activities with school support teams and distinguished educators in their State;

"(4) coordinate, work cooperatively with, and regularly share information with the comprehensive centers, the Regional Education Laboratories, and other entities engaged in research, development, dissemination, and technical assistance activities which are supported by the Department of Education;

"(5) develop and implement an aggressive outreach plan for reaching the local educational agencies and schools identified as priorities in section 2308; and

"(6) provide technical, dissemination, and support assistance to States, local educational agencies, and schools using the highest quality and most cost-effective methods available.

"(e) NATIONAL DIFFUSION NETWORK EFFECTIVE PRACTICES.—The Secretary shall develop a system of validating effective programs and promising practices for dissemination through the National Diffusion Network. Such programs may include exemplary programs funded through any office of the Department of Education, the National Science Foundation, or other Federal agencies. Such a system should be coordinated, aligned with, and administered by the Office of Educational Research and Improvement Office of Reform Assistance and Dissemination. The Secretary shall give priority to identifying, validating, and disseminating effective schoolwide projects, programs addressing the needs of high poverty schools, and programs with the capacity to offer high-quality, sustained technical assistance. The Office of Educational Research and Improvement Office of Reform Assistance and Dissemination shall also administer a grants program to such validated Effective Practices for the purpose of dissemination and the provision of technical assistance.

"SEC. 2348. PROGRAM PRIORITIES.

"Both the comprehensive centers and the National Diffusion Network shall give priority service to schoolwide projects, local educational agencies, and Bureau of Indian Affairs schools with the highest percentage or numbers of poor children.

"SEC. 2349. TECHNOLOGY-BASED TECHNICAL ASSISTANCE.

"The Secretary is also authorized to provide a technology-based technical assistance service that will—

"(1) support the administration and implementation of programs authorized by this Act by providing information, including legal and regulatory information, and technical guidance and information about best practices; and

"(2) be accessible to all States, local educational agencies, schools, and others who are recipients of funds under this Act.

"SEC. 2350. ADMINISTRATION.

"The program authorized by this part shall be jointly administered by the Assistant Secretary for Elementary and Secondary Education, the Director of Bilingual Education and Minority

Languages Affairs, and the Assistant Secretary for Educational Research and Improvement.

"SEC. 2351. AUTHORIZATION OF APPROPRIATIONS.

"For the purposes of carrying out this part, there are authorized to be appropriated $70,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999. Of the funds appropriated under this part, not less than $25,000,000 shall be made available to support activities of the National Diffusion Network authorized in section 2343(b).

"PART E—EDUCATION PROGRAM STRATEGIES

"SEC. 2401. FINDINGS AND STATEMENT OF PURPOSE.

"(a) FINDINGS.—The Congress finds that chapter 2 of the Education Consolidation and Improvement Act of 1981 has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to the improvement of elementary and secondary educational programs.

"(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this part:

"(1) To support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000.

"(2) To support State and local efforts to accomplish the National Education Goals.

"(3) To provide funding to enable State and local educational agencies to implement promising educational reform programs that can be supported by State and local sources of funding after such programs are demonstrated to be effective.

"(4) To provide a continuing source of innovation, educational improvement, and support for library services and instructional materials, including media materials and,

"(5) To meet the special educational needs of at risk and high cost students.

"(c) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this part is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this part will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own districts.

"SEC. 2402. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

"(a) AUTHORIZATION.—To carry out the purposes of this part, there are authorized to be appropriated $435,000,000 for fiscal year 1995 and such sums in each of the fiscal years 1996 through 1999.

"(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 1994, and ending September 30, 1999, the Secretary shall, in accordance with the provisions of this part, make payments to State educational agencies for the purpose of this section.

"Subpart 1—State and Local Programs

"SEC. 2411. ALLOTMENT TO STATES.

"(a) RESERVATIONS.—From the sums appropriated to carry out this subpart in any fiscal year, the Secretary shall reserve not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

"(b) ALLOTMENT.—From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such remainder.

"(c) DEFINITIONS.—For purposes of this subpart—

"(1) The term 'school-age population' means the population aged 5 through 17.

"(2) The term 'States' includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 2412. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

"(a) DISTRIBUTION RULE.—From the sums made available each year to carry out this part, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and private, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

"(1) children living in areas with high concentrations of low-income families,

"(2) children from low-income families, and

"(3) children living in sparsely populated areas.

"(b) CALCULATION OF ENROLLMENTS.—(1) The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

"(A) the number of children enrolled in public schools, and

"(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this part, for the fiscal year preceding the fiscal year in which the determination is made. Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this part.

"(2)(A) Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

"(i) children living in areas with high concentrations of low-income families,

"(ii) children from low-income families, or

"(iii) children living in sparsely populated areas.

"(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

"(c) PAYMENT OF ALLOCATIONS.—

"(1) From the funds paid to it pursuant to section 2402 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 2423 the amount of its allocation as determined under subsection (a).

"(2)(A) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

"(B) In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

"(C) The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

"Subpart 2—State Programs

"SEC. 2421. STATE USES OF FUNDS.

"(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds reserved for State use under this section only for—

"(1) State administration of programs under this section including—

"(A) supervision of the allocation of funds to local educational agencies;

"(B) planning, supervision, and processing of State funds; and

"(C) monitoring and evaluation of programs and activities under this part; and

"(2) technical assistance and direct grants to local educational agencies and statewide education reform activities which assist local educational agencies to provide targeted assistance.

"(b) LIMITATIONS AND REQUIREMENTS.—Not more than 25 percent of funds available for State programs under this part in any fiscal year may be used for State administration under subsection (a)(1).

"SEC. 2423. STATE APPLICATIONS.

"(a) APPLICATION REQUIREMENTS.—Any State which desires to receive a grant under this subpart shall submit to the Secretary an application which—

"(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this part;

"(2)(A) provides for an annual submission of data on the use of funds, the types of services furnished, and the students served under this section; and

"(B) in fiscal year 1998 provides for an evaluation of the effectiveness of programs assisted under this subpart;

"(3) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

"(4) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this part, the State educational agency has not exercised and will not exercise any influence in the decision making processes of local educational agencies as to the expenditure made pursuant to an application under section 2433; and

"(5) contain assurances that there is compliance with the specific requirements of this chapter.

"(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

"(c) AUDIT RULE.—Notwithstanding section 1745 of the Omnibus Budget Reconciliation Act of 1981, local educational agencies receiving less than an average of $5,000 each under this section need not be audited more frequently than once every 5 years.

"Subpart 3—Local Targeted Assistance Programs

"SEC. 2431. TARGETED USE OF FUNDS.

"(a) GENERAL RULE.—Funds allocated for use under this subpart shall be used by local educational agencies for targeted assistance described in subsection (b).

"(b) TARGETED ASSISTANCE.—The targeted assistance programs referred to in subsection (a) include—

"(1) technology related to the implementation of school-based reform programs, including professional development to assist teachers and other school officials regarding how to use effectively such equipment and software;

"(2) instructional and educational materials, assessments, and library services and materials (including media materials) tied to high academic standards and which are part of an overall education reform program;

"(3) promising education reform projects, including 21st Century Learning Center school projects in accordance with subpart 4; and

"(4) computer hardware and software purchased under this section should be used only for instructional purposes.

"SEC. 2432. ADMINISTRATIVE AUTHORITY.

"In order to conduct the activities authorized by this part, each State or local educational agency may use funds reserved for this part to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

"SEC. 2433. LOCAL APPLICATIONS.

"(a) CONTENTS OF APPLICATION.—A local educational agency or consortia of local educational agencies may receive an allocation of funds under this subpart for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

"(1) sets forth the planned allocation of funds among targeted assistance programs described in section 2431 of this part and describes the programs, projects and activities designed to carry out such targeted assistance which it intends to support, together with the reasons for selection of such programs, projects and activities; and

"(2) describes how assistance under this section will contribute to meeting the National Education Goals and improving student achievement or improving the quality of education for students;

"(3) agrees to keep such records, and provide such information to the State educational agency as may reasonably be required for fiscal audit and program evaluation, concession with the responsibilities of the State agency under this part; and

"(4) provides in the allocation of funds for the assistance authorized by this part, and in the design, planning and implementation of such programs, for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this section (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

"(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed 3 fiscal years, may provide for the allocation of funds to programs for a period of 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

"(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this part, a local educational agency shall have complete discretion in determining how funds under this subpart shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this subpart and are used to meet the educational needs within the schools of such local educational agency.

"Subpart 4—21st Century Community Learning Centers

"SEC. 2441. FINDINGS.

"The Congress finds that—

"(1) there are influences outside of school which affect the ability of a child to achieve academically and schools are in a unique position to identify student and family needs to coordinate programs;

"(2) access to health and social service programs can assist children and their families to improve the ability of the family to take an active role in their child's education;

"(3) coordination of health and social service programs with education can help the Nation meet the National Education Goals and ensure better outcomes for children;

"(4) the high technology, global economy of the 21st century will require lifelong learning to keep America's workforce competitive and successful;

"(5) 21st Century Community Learning Centers enable the entire community to develop an education strategy that addresses the educational needs of all members of local communities; and

"(6) local public schools should provide centers for lifelong learning and educational opportunities for individuals of all ages.

"SEC. 2442. FUNDS FOR COMMUNITY LEARNING CENTERS.

"(a) IN GENERAL.—Local educational agencies may use funds provided under section 2412 to pay the Federal share of the cost for enabling schools to serve as centers for the delivery of education and human services for members of a community.

"(b) USES OF FUNDS.—Local educational agencies may use funds provided under section 2412 for projects described under this subpart.

"SEC. 2443. PROGRAMS.

"Local educational agencies that receive funds under this subpart may develop programs that include—

"(1) literacy education programs;

"(2) senior citizen programs;

"(3) children's day care services;

"(4) integrated education, health, social service, recreational, or cultural programs;

"(5) summer and weekend school programs in conjunction with summer recreation programs;

"(6) nutrition programs;

"(7) expanded library service hours to serve community needs;

"(8) telecommunications and technology education programs for all ages;

"(9) parenting skills education programs;

"(10) support and training for child day care providers;

"(11) employment counseling, training, and placement;

"(12) services for students who withdraw from school before graduating high school, regardless of age; and

"(13) services for individuals who are either physically or mentally challenged.

"SEC. 2444. REQUIREMENTS.

"A local educational agency that uses funds to develop programs under this subpart shall, at the end of the first year for which funds are used for this purpose, provide information to the State educational agency which describes the activities and projects established with funds under this subpart and includes—

"(1) information on the comprehensive local plan that enables such school to serve as a center for the delivery of education and human services for members of a community; and

"(2) information on the initial evaluation of needs, available resources, and goals and objectives for the proposed community education program and how such evaluation was used to determine the program developed to address such needs; including—

"(A) the mechanism used to disseminate information in a manner understandable and accessible to the community;

"(B) identification of Federal, State, and local programs merged or coordinated so that public resources could be maximized;

"(C) a description of the collaborative efforts of community-based organizations, related public agencies, businesses, or other appropriate organizations;

"(D) a description of how the school will assist as a delivery center for existing and new services; and

"(E) the establishment of the facility utilization policy that specifically states rules and regulations for building and equipment use and supervision guidelines.

"SEC. 2445. DEFINITION.

"For purposes of this subpart, the term 'Community Learning Center' means the provision of educational, recreational, health, and social service programs for residents of all ages of a local community in public school buildings, primarily in rural and inner city areas, operated by the local educational agency in conjunction with local governmental agencies, businesses, vocational education programs, community colleges, universities, cultural, recreational, and other community and human service entities.

Mr. KILDEE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. RANGEL) having assumed the chair, Mr. VALENTINE, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 6, the bill just considered.

The SPEAKER pro tempore (Mr. RANGEL). Is there objection to the request of the gentleman from Michigan?

There was no objection.

ANNOUNCEMENT BY THE COMMITTEE ON RULES OF PLANS FOR CONSIDERATION OF FISCAL YEAR 1995 BUDGET RESOLUTION

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, I rise today to notify Members about the Rules

Committee's plans for the fiscal year 1995 budget resolution.

The Budget Committee hopes to complete its markup tonight and, allowing 3 days for additional views, will file early next week.

It is my understanding, Mr. Speaker, that text will be available at the committee offices tomorrow.

The Rules Committee will meet next week to grant a rule for consideration of the budget resolution.

In order to provide for fair and timely consideration, the committee may grant a rule that structures the offering of amendments.

Any Member contemplating an amendment to the measure should submit 55 copies of the amendment and a brief explanation by 12 noon on Tuesday, March 8, Mr. Speaker. The committee offices are upstairs in room H-312 in the Capitol.

Mr. Speaker, I would like to make two points about budget amendments. First, Members will find it helpful to work with the Congressional Budget Office as they draft their amendments.

Also, as in the past, the committee looks more favorably on substitutes than on cut-and-bite amendments. Cut-and-bite amendments only raise the same issues that will have to be decided again in the authorization and appropriation process.

We appreciate the cooperation of all Members.

Mr. Speaker, I have sent a "Dear Colleague" letter to all offices explaining our intentions on the measure.

FURTHER MESSAGE FROM THE PRESIDENT

A further message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

ADJOURNMENT FROM THURSDAY, MARCH 3, 1994 TO MONDAY, MARCH 7, 1994

Mr. DARDEN. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DARDEN. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday Rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

GENERAL LEAVE

Mr. DARDEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Washington [Mr. SWIFT].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENDING GSP BENEFITS TO UKRAINE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I am writing to inform you of my intent to add Ukraine to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, and particularly Ukraine's level of development and initiation of economic reforms, I have determined that it is appropriate to extend GSP benefits to Ukraine.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 3, 1994.*

TRIBUTE TO THE LATE JAMES NORMAN HALL

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FALEOMAVAEGA. Mr. Speaker, today I am introducing a House concurrent resolution to pay a special tribute to one of the outstanding citizens of our country, who was not only a highly decorated war hero but an author who produced classics in American literature—such books as "Mutiny on the Bounty," "Pitcairn's Island," and "Hurricanes."

A native son of the State of Iowa, the late James Norman Hall is highly revered among the island peoples of the Pacific.

Mr. Speaker, next month April 22 will commemorate 107 years of James Norman Hall's life. I am especially pleased and honored to have the entire membership of the Iowa delegation to be original cosponsors of this resolution—Mr. SMITH, Mr. LEACH, Mr. GRANDY, Mr. NUSSLE, and Mr. LIGHTFOOT.

I ask my colleagues to support me for the passage of this resolution in the Congress of the United States.

I want to express my appreciation especially to Mr. and Mrs. Nick Rutgers of Tahiti for their efforts to renovate and establish James Norman Hall's residence in Tahiti as a national historic site for visitors from all over the world to see, and especially for the Polynesian Tahitians whom he loved so much in the remaining years of his life.

H. CON. RES. —

Whereas James Norman Hall, a native son of the State of Iowa born in Colfax in 1887, and a graduate of Grinnell College, was a decorated war hero, noted adventurer, and acclaimed author, who was revered and loved in France and Tahiti, and throughout the South Pacific;

Whereas James Norman Hall exhibited an unwavering commitment to freedom and democracy by volunteering for military service early in World War I and by fighting alongside British forces in the worst of trench warfare, including the Battle of Loos, where he was one of few survivors;

Whereas James Norman Hall continued his fight for liberty by becoming a pilot in the Lafayette Escadrille, an American pursuit squadron of the French Air Service, and his courageous and daring feats in air battles earned him France's highest medals, including the Legion d'Honneur, Medaille Militaire, and Croix de Guerre with 5 Palms;

Whereas James Norman Hall was commissioned as a Captain in the United States Army Air Service when the United States entered World War I, continued his legendary exploits as an ace pilot, acted as wing commander and mentor for then-Lieutenant Eddie Rickenbacker, and was awarded the Distinguished Service Cross medal, for gallantry and bravery in battle, by General Pershing;

Whereas James Norman Hall sought serenity after the destructiveness of World War I, moved to the South Pacific in 1920, married a Tahitian woman and lived in Tahiti for over 3 decades, and wrote a prodigious number of articles and books in the library of his home in Arue, Tahiti;

Whereas much of James Norman Hall's writing enriched the world's understanding of Tahiti and the South Pacific;

Whereas James Norman Hall coauthored, with Charles Nordhoff, classic masterpieces that have come to epitomize the tropics, including "Mutiny on the Bounty", "Pitcairn's Island", and "Hurricane";

Whereas, despite James Norman Hall's achievements as a decorated war hero and famed literary figure, he remained to his death a humble, self-effacing man who endeared himself to the people of Tahiti with his keen sense of generosity, kindness, and real concern for others, prompting James Michener to state that James Norman Hall was "the most loved American who ever came to the tropics" and that when "he died, on every island in the Pacific where even no man could read, there was sorrow"; and

Whereas the home and library of James Normal Hall, in Arue, Tahiti, are being restored as a museum to honor this son of the State of Iowa and hero of the United States, England, France, and French Polynesia: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) honors James Norman Hall and recognizes his outstanding contributions to the United States, France, Tahiti, and the South Pacific, including his extraordinary service rendered in wartime for the defense of freedom, his outstanding achievements in the literary field, and his lifework that has enriched the world's understanding of the people of the South Pacific; and

(2) requests the President of the United States to provide for the presentation of a copy of this concurrent resolution by appropriate officials of the United States Government to the President of Tahiti Nui (French Polynesia), so that it may be publicly displayed at the James Norman Hall Museum in Tahiti, where it will express the appreciation of the people and government of the United States for the contributions of James Norman Hall and will show recognition of the achievements of this great son of the State of Iowa.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and under a previous order of the House, the gentleman from Colorado [Mr. SCHAEFER] is recognized for 5 minutes.

INTRODUCTION OF THE FISCAL RESPONSIBILITY ACT

Mr. SCHAEFER. Mr. Speaker, later this month, the House will debate and vote on a balanced budget amendment to the U.S. Constitution. I have long supported a balanced budget amendment, because I believe that, unless we control the deficit, our Nation will soon face a fiscal crisis of unimaginable proportions.

The Clinton administration has recently been crowing because the deficit will be only $171 billion next year. But as this chart shows, any benefit we gained from the Clinton tax increase will be very short-lived. Within only a few years, the deficit will pass its current level, and skyrocket on to new record highs.

Well, those annual deficits mount year after year, adding to the public debt—which is simply all the deficits over the years added together. As everybody knows, if you borrow money, you have to pay interest. And the more you borrow, the more substantial the interest burden becomes.

This chart illustrates just how vicious that cycle has become for our Federal Government. In 1970, about 16 cents of every dollar of personal income taxes went to servicing the national debt. Today, 40 cents out of every income tax dollar goes solely to pay interest on that debt. Every year that we run a budget deficit, the debt will continue to grow. And, as the debt itself continues to expand, interest charges servicing it will inevitably swallow the Federal budget.

If we want to stop this fiscal insanity, there are many hard choices to be made, and passing a balanced budget amendment is only the first step. We still need to make the tough spending choices to actually balance the budget.

Many Members of Congress and outside groups have advanced partial and comprehensive plans to reduce the deficit. Some simply call for across-the-board spending reductions and set lower spending caps, without spelling out the policy changes necessary to achieve those lower caps. A few have made wish lists of preferred spending cuts, but then leave it at that.

What no one, in or out of Congress, has ever done before is conduct a comprehensive survey of all those specific spending cut ideas, find those that are workable, and then draft them into a legislative package that actually approaches achieving a balanced budget.

I am proud to announce today that Congressman TIM PENNY and I have done just that. We have just introduced an actual bill that lays out, program-by-program, line-by-line, how to all but eliminate the deficit. The Fiscal Responsibility Act, the product of nearly a year's work, contains over 150 specific, narrowly defined, spending cuts. This legislation will reduce the deficit by over $550 billion over the next 5 years—without raising taxes.

Mr. Speaker, no one is spared in this package—from agricultural subsidies, to transportation, to defense, to Congress and, yes, even sensitive entitlement programs and COLA's. Everybody is asked to sacrifice a little today to avoid the inevitable need to inflict much more severe financial pain tomorrow if we do not solve this crisis.

I am the first to say that there are, indeed, many hard choices in this package. Faced with an up or down vote on many of the specific provisions, Congressman PENNY and I might very well oppose them. But, as a package, the Fiscal Responsibility Act is a true deficit solution, fairly and honestly achieved. I encourage my colleagues to take the first step toward a balanced budget by cosponsoring the Fiscal Responsibility Act.

□ 1740

Mr. Speaker, I yield to the gentleman from Minnesota [Mr. Penny].

Mr. PENNY. I thank the gentleman for yielding.

Mr. Speaker, I compliment the gentleman from Colorado for his work in developing this package of spending cuts. As he just described, this proposal represents 550 billion dollar's worth of spending reductions over the next 5 years. That gets us much the way toward a balanced budget, and that certainly ought to be our goal here as national policymakers.

I also want to agree with his observation that in order to come up with the spending cuts required to balance this budget, we all have to swallow hard because there is no easy package.

In this instance, there are individual items in this package that may not be terribly popular in Colorado or in Minnesota, but we have to challenge our constituents to look at the larger needs, reducing the deficit by $550 billion, even though it includes some sacrifice on the part of the constituents of the gentleman from Colorado and on the part of my constituents in Minnesota, that is what we have to be willing to endorse if we want to ultimately solve this problem.

We discovered that last fall as we developed the Penny-Kasich spending reduction plan, including $90 billion in spending cuts over a 5-year period. That package of cuts might have been hard for Members to vote for if they had to cast a vote individually on the 90 separate cuts within that package. But by putting it together, people could say, "Most of these cuts are required. I am willing to swallow hard on the few that hurt my own back yard." That is the way you have to solve this problem, and that is what we tried to demonstrate with this plan, and we urge our colleagues to cosponsor this effort.

Mr. SCHAEFER. I thank the gentleman for his comments.

WASTE EXPORT AND IMPORT CONTROL ACT OF 1994

The SPEAKER pro tempore (Mr. RANGEL). Under a previous order of the House, the gentleman from Washington [Mr. SWIFT] is recognized for 5 minutes.

Mr. SWIFT. Mr. Speaker, I am pleased to join with my distinguished colleague from Oklahoma, Mr. SYNAR, in introducing today the Waste Export and Import Control Act of 1994. On March 22, 1989, the United States joined with 103 other concerned nations to sign the Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and Their Disposal. The signatory nations recognized the need for an international agreement addressing the risks to health and the environment posed by the improper management of exported wastes. Since that time, still more nations have added their names to the list of signatories, and over 60 nations have become full voting parties to the convention.

In the 102d Congress, the Senate voted favorably to give its advice and consent to ratification. With a positive policy toward the environment from this administration, we are now ready to pass implementing legislation. Implementing legislation will allow us to become a full voting party. We remain one of the world's leading exporters of wastes; we should be a leader in ensuring that those wastes are managed properly.

The Waste Export and Import Control Act of 1994 addresses both of these concerns. First, it provides the Environmental Protection Agency with the needed authority to implement the Basel Convention. Second, and more significantly, it demonstrates to the world that America takes responsibility for the proper management of the wastes we export.

This legislation bans waste trade between the United States and other nations absent a bilateral or multilateral agreement governing this trade. Further, the bill establishes a set of criteria by which the Environmental Protection Agency will make a finding that the party to receive an exported waste can handle the waste in an environmentally sound manner.

Mr. Speaker, this legislation is the product of consultations over the last 3 years with stakeholders from industry, the environmental community, and representatives of other interested nations. It is my firm belief that the objectives of this legislation are shared by the administration, and I look forward to working with the administration to resolve differences of approach. Toward that end, I wish to thank my colleague, MIKE SYNAR, for this tireless efforts on this issue and to ask him to continue the very productive relationship we have shared in the past.

Mr. PORTER. Mr. Speaker, I am honored to join Congressman SYNAR and Congressman SWIFT in introducing the Waste Export and Import Control Act of 1994. The United States joined with over 100 nations in signing the Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and Their Disposal nearly 4 years ago. U.S. implementation of this agreement is long overdue and will allow us to join with over 60 other nations in becoming full voting parties to the convention.

Mr. Speaker, I joined with Congressmen SYNAR, CONYERS, and Wolpe in introducing similar legislation over 3 years ago. This bill goes even further in ensuring that illegal and dangerous shipments of hazardous and nonhazardous waste across national borders will come to an end. Specifically, our bill calls for an immediate ban on the export of waste except where a bilateral or multilateral agreement governing waste trade between the countries exists. In order to enter into such an agreement, the Environmental Protection Agency must find that the importing country or countries have the capacity and enforcement mechanisms to handle the waste in the most environmentally sound manner. Currently, the United States has bilateral agreements for waste exports for disposal with Canada, and on waste exports for recycling with Mexico and the OECD nations.

The bill also calls for joint inspections of receiving facilities in cases where the EPA Administrator suspects that U.S. waste is being handled in a way that threatens public health or the environment. Furthermore, under this legislation, the EPA is authorized to halt or recall shipments from facilities that the EPA believes are unable to handle U.S. waste properly.

Mr. Speaker, the administration has recently released its set of principles for implementing the Basel Convention. There are a few minor differences between our proposals, but I am hopeful that this bill will serve as a starting point on reaching consensus on this important issue. Our objectives are the same—to minimize the export of waste and to ensure that all waste is treated in a way that protects human health and the environment.

Mr. SYNAR. Mr. Speaker, today I am pleased to join with my good friend and colleague, Representative AL SWIFT, to introduce the Waste Export and Import Control Act of 1994. Passage of this bill will enable the United States to eliminate exports of hazardous and nonhazardous waste to nations unable to manage the waste in an environmentally sound manner and will finally allow the United States to ratify the Basel Convention on the Transboundary Movements of Hazardous Wastes and Their Disposal, which we signed in 1989.

I first became involved with this issue in 1988, when the Subcommittee on Environment, Energy and Natural Resources, which I chair, held oversight hearings on the U.S. Environmental Protection Agency's efforts to monitor and control hazardous waste exports.

Although current U.S. law requires EPA to obtain the prior informed consent of the nation receiving the waste, we were appalled to find out that under the law EPA could not refuse to allow waste shipments in cases where the Agency knew or suspected that the waste would not be handled properly. The hearings also revealed an exponential increase since 1980 in the number of export proposals to EPA from companies wishing to export hazardous waste to developing nations with lax or nonexistent environmental regulations or to nations that clearly were unable to manage the waste in an environmentally sound manner. EPA attributed this increase to simple economics. As domestic waste disposal choices in the United States became more limited and costly, some companies found it cheaper and easier to export their waste to foreign countries, often countries with shoddy environmental practices.

Finally, we discovered that U.S. law applies only to hazardous waste, and that other so-called nonhazardous waste was left entirely unregulated. Failure to regulate these nonhazardous wastes led to embarrassing international incidents where U.S. barges filled with municipal garbage and incinerator ash traveled from port to port in search of a dumping ground. While private companies were the ones to initiate these shipments, the United States received the black eye and suffered the international stigma of trying to pass off our waste problems onto poor underdeveloped nations.

In 1989, the United States and 115 other nations participated in and signed the U.N.-sponsored Basel Convention on the Transboundary Movements of Hazardous Wastes and Their Disposal. The Basel Convention established an international framework for regulating waste trade. Its goals are threefold: First, to ensure that party nations work to prevent pollution before it is generated wherever possible; second, to encourage party nations to manage and dispose of their own wastes to the maximum extent possible; and third, to ensure that any waste that is exported to foreign nations is treated in an environmentally sound manner.

The Convention entered into effect on May 5, 1992, following ratification by 20 nations. Currently, 54 nations have ratified the Convention. Regrettably, the United States has not yet ratified the Convention because implementing legislation has not been passed.

In May 1989, I introduced, along with Congressmen Howard Wolpe, JOHN PORTER, and JOHN CONYERS, the Waste Export Control Act. That legislation allowed exports only to foreign facilities that would treat the waste in a manner no less strict than would be required in the United States. The legislation spelled out basic requirements that EPA should look for in determining whether a facility treated waste in a manner no less strict than is required by the United States

I believed than, as I believe now, that there are probably situations where it is cheaper and where it makes more sense to export waste than to find a place to dispose of waste domestically. In addition, as a strong supporter of free trade, I did not believe that an outright ban on exports was appropriate for facilities in countries that could show that they could meet or beat U.S. standards. Others didn't exactly share my views. At one end of the spectrum our legislation was criticized by Greenpeace as being too conservative—they wanted a total ban. At the other end of the spectrum, the Bush administration's EPA and State Department criticized the bill as too liberal.

Over the past 2 years, I have been working closely with Representative SWIFT, chairman of the Transportation and Hazardous Materials Subcommittee, to address this important issue. We have crafted what I believe is a strong piece of legislation. Our bill would ban all exports of hazardous waste except to those countries where a bilateral or multilateral agreement exists to ensure proper handling and environmentally sound disposal of such wastes. The United States currently has bilateral agreements on waste exports for disposal with Canada, and on waste exports for recycling purposes with Mexico and the OECD nations.

The bill sets up high hurdles that nations must meet under the bilateral or multilateral agreements. For example, the bill requires that, prior to entering into a bilateral agreement with a receiving nation, EPA made a finding that the receiving country has enacted, and can reasonably be expected to maintain and enforce, a strong environmental regulatory program.

The bill also provides for joint inspections of receiving facilities in cases where the Administrator suspects that U.S. waste is not being managed properly. The bill also authorizes EPA to halt shipments to or recall shipments from facilities that EPA believes would handle the U.S. waste improperly.

I believe this implementing legislation will eliminate unsound waste export proposals and will enhance the protection of human health and the environment globally. All countries are treated equally under this legislation—we do not distinguish between developing countries and industrialized countries. However, as has been the case from the beginning, we support banning waste exports to nations which ban waste imports. Most importantly for swift U.S. ratification of the Convention, we believe this bill can achieve political consensus relatively quickly.

The Clinton administration has just announced its own set of principles for Basel legislation, which takes a slightly different approach in restricting waste exports. President Clinton would like to see a ban on waste exports except to North America, and would phase out exports for recyclable wastes to OECD countries over the next 5 years. The administration's principles also provide for exceptions and re-openers, which would allow exports despite the ban in instances where an economically and environmentally superior disposal or treatment technology is available in a foreign nation.

I want to make one thing perfectly clear: We all share a common goal of minimizing waste exports, and of ensuring that any U.S. waste that is exported is managed properly in the receiving country. The bill Chairman SWIFT and I introduce today is a good starting point that will, hopefully, facilitate fruitful discussions on how best to address this issue. I look forward to working with the administration, other Members of Congress, environmental groups and industry to achieve speedy action on Basel implementing legislation.

REVOLVING DOOR JUSTICE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Georgia [Mr. COLLINS] is recognized for 45 minutes as the designee of the minority leader.

Mr. COLLINS of Georgia. Mr. Speaker, I rise today to commend Judge Kenneth Kilpatrick, a superior court judge from Jonesboro, GA. Judge Kilpatrick recently shared with me a packet which he sent to Georgia Governor Zell Miller. These materials are a testament to the challenges and frustrations facing our Nation's judges as they attempt to carry out their work.

The most frustrating thing that good judges like Mr. Kilpatrick face is the ridiculous practice by parole boards of paroling convicted criminals early. Judge Kilpatrick has no political agenda, he simply is asking Federal, State, and local officials to support him in his efforts to keep criminals behind bars and require them to serve their sentences.

We have criminals in Georgia getting out of the penitentiary before they have served one-third of their sentence. Is it any wonder that the American people are concerned about crime?

Our prison system is more of a rest stop for a lot of criminals—it gives them a little time to rest and relax while they plan for future crimes and gain insights from their fellow inmates.

We need to go back to the days when going to the penitentiary meant you served hard time and repaid society for your crimes.

We must ensure that criminals serve their sentences. Many Americans consider the criminal justice system a joke because early paroles make our judges appear as if they do not mean what they say. The people have no confidence in a system that says a criminal is sentenced to 20 years in prison but requires him to serve only 2.

Currently, Judge Kilpatrick is leading a charge by superior court judges in the State of Georgia to encourage the State Board of Pardons and Paroles to stop the practice of early release of convicted criminals.

It is utterly outrageous for Members of Congress and the President to talk tough about crime while pardon and parole boards are allowing criminals to serve minimal portions of their sentences. Not only do early pardons and paroles endanger law-abiding citizens, they also demoralize the brave men and women of law enforcement and diligent judges who deliver appropriate sentences.

Part of the problem is the lack of prison space, and I believe the Federal Government should assist States and localities in the construction of new penitentiaries without burdensome Federal mandates attached.

Judge Kilpatrick cited 40 examples of convicted Georgia criminals he sentenced who were subsequently released early by the pardons and paroles boards. I will highlight a few of these criminals:

John Michael Conn: Convicted of vehicular homicide in the first degree on July 25, 1991. He was drunk—.16—when he hit and killed a 13-year-old boy riding his bike on Thomas Road in Clayton County. He received a split sentence totaling 15 years—serve 8 years and 7 years probation. Mr. Conn was paroled on December 9, 1993, after serving less than 18 months of his sentence. This was only 13.7 percent of the 8-year penitentiary sentence he received.

John Fredrick Freeman: Convicted of possession with the intent to distribute cocaine on September 29, 1992. The pardons and paroles board says that Mr. Freeman will be released in March 1994 after serving 18 months of his 10-year sentence. This will be only 15 percent of his 10-year sentence.

Shane Dolan Knight: Convicted of at least 18 counts of burglary and forgery in the first degree. He was given a sentence of 10 years, but the pardons and paroles board says that Mr. Knight will be released in December 1994 after serving only 22 months, or 18 percent of his 10-year sentence.

Karlston R. Blackstock: Convicted of three counts of burglary, he was sentenced to 15 years. The pardons and paroles board says that he will be released in September 1996 after serving only 48 months of his sentence. This is less than 27 percent of his sentence.

In many States this has become an epidemic and recent polls show that there are few matters which rate as a higher public concern than the revolving door criminal justice system.

Law-abiding citizens are losing faith in the justice system's ability to exact penalties for crimes and protect them from victimization.

Dedicated judges and police officers are frustrated by the fact that their arrests and convictions are overturned by pardons and paroles boards.

Criminals—I repeat—criminals know the criminal justice system better than anyone, and you can be sure they are pleased with the way the justice system is working today. Sometimes I wonder if we have some program that allows criminals to design their pardon and parole policies—I doubt they could have created more lenient policies.

Recent polls show that the No. 1 issue in the minds of most Americans is crime. It ranks ahead of health care, welfare reform, even economic issues.

A recent Newsweek-Child Defense Fund poll shows that the threat of violent crime was the No. 1 concern among parents and children alike. This issue has garnered the interest of the American public, State legislatures, including the Georgia State Legislature, the media, and Congress. Working together, we can begin to address violent crime.

Let's look at the FBI statistics. They report that violent crimes went from 161 per 100,000 persons in 1960 to 758 per 100,000 in 1992. This is 371-percent increase.

The fear of many Americans is justified because all you have to do is read the newspaper to know the reality of escalating crime in the United States. We can no longer take for granted the basic ideas of safety and security within our own communities.

There are three things the Federal Government needs to do to help States fight crime.

First, the Federal Government should provide assistance for the construction of State and local prisons. The amount of funds allocated to each State should be based on need as shown through early pardons and paroles and percentage of prison overcrowding.

Some Members of Congress want to tie prison construction money to a set of initiatives that States must adopt in order to receive funds. These are what I refer to as blackmail provisions—do what I say and I will give you money.

Many of these initiatives could create expensive unfunded mandates on States, and even more importantly they will create a costly delay in the construction of new penitentiaries. These delays come from waiting for legislatures to act on blackmail requirements.

It is time for Congress to stop grandstanding and trying to push States around. We need to help States keep criminals off the streets. Our State Governors and legislators are at the ground level and they see the effects of crime every day. Let's give them support instead of redtape.

We cannot afford to wait—the crime problem must be addressed immediately. In Georgia we have tough laws on the books. We should enforce the laws that already exist. What Georgia needs is money for new prison space, not Federal legislative dictates.

The best way to fund these prisons would be to transfer money being used for construction of new Federal prisons. In Georgia our prisons have been overcrowded at approximately 104 percent of capacity.

In 1988 Georgia initiated one of the most aggressive prison construction programs in the Nation building 11 new facilities which provided approximately 15,000 new bed spaces.

According to Georgia Department of Corrections projections—Georgia will be out of bed space by 1996. Georgia will have 32,946 inmate beds by the end of fiscal year 1996. The prison population in 1996 is projected to be 35,932 persons. By the year 2003 the population will more than double to a size of 52,976 persons.

Clearly the States need help in the construction of new prison space. If they don't have prison space they will be forced to release convicts early to make room.

Only around 5 percent of all crimes are Federal crimes and prison funds could be better spent at the State level. Instead of federalizing more crimes, we should help States keep more of their prisoners behind bars.

Second, we should limit Federal appeals on death penalty cases to one. We must eliminate the unjust and costly delay in imposition of death penalties. The endless appeals now allowed in death penalty cases have virtually caused capital punishment to become obsolete.

And the costs associated with these endless appeals are unbelievable. A limit on habeas corpus appeals would allow a quicker imposition of sentences and a reduction in costs being passed on to taxpayers.

The third way the Federal Government can help is by making changes in the juvenile justice system to allow for information sharing between agencies on a juvenile's prior criminal record.

The Office of Juvenile Justice and Delinquency Prevention reported that arrests for violent crimes by juveniles increased 91 percent between 1970 and 1992. They also report that between 1987 and 1991, the number of violent crime arrests of juveniles increased by 50 percent—double the increase in arrests of those 18 and older.

Young people are committing more crimes. In 1991, juveniles accounted for 17 percent of all violent crime arrests.

The young are more often the target of crime as well. The Federal Bureau of Investigation says that children under 18 are 244 percent more likely to be killed than they were in 1986.

The Office of Juvenile Justice and Delinquency Prevention records show that between 1985 and 1988, 67 out of 1,000 teenagers were victims of violent crime compared with 26 out of 1,000 persons age 20 or older.

And the Washington Post, recently reported that violence took the lives of 2,428 children in 1992, an increase of 67 percent in just 6 years.

The statistics are alarming, and the continued increase in juvenile crime shows something must be done to stem this tide. And the increase in juvenile criminals is clogging the juvenile courts as well as increasing the number of young people in prisons.

If agencies are allowed to share information on young people who are in danger of becoming delinquents we may be able to reach them and avoid them becoming another adult criminal.

There has been a lot of tough talk coming from President Clinton and Congress on the issue of crime. It is time for action.

As we take action on crime, we must avoid having the Federal Government step in where State and local governments have constitutional authority. The Federal Government must support States in their efforts to keep violent criminals off the streets not usurp them.

We do not need a new litany of Federal mandates on States or the creation of a longer list of Federal crimes.

We should help States with the money they need to construct prisons as long as States provide funding for prison operations, limit the appeals process and allow agencies to share information on juveniles who commit crimes.

Working together we can reduce crime, get criminals off the streets and keep them behind bars.

The law abiding citizens of this country deserve to be protected from convicted criminals.

The dedicated judges who provide just sentences deserve our support.

And the dedicated law enforcement officers who risk their lives to arrest criminals deserve the assurance that criminals will serve their sentences.

I want to thank Judge Kenneth Kilpatrick and the judges like him throughout Georgia and across this Nation who are trying to improve the criminal justice system. Congress should focus on substance not politics and do our part to keep criminals off our streets.

The people have heard enough rhetoric—it is time for action. Let's shut the door on early paroles once and for all.

In closing, I want to refer to the pledge we so graciously render to our flag and Nation.

> I pledge allegiance to the flag of the United States of America and to the Republic for which it stands—

The Republic for which it stands. The people. The people make up the Republic. Our pledge is to the people. We as Members of Congress make this pledge every day as we convene this House.

> one nation, under God, indivisible, with liberty and justice for all.

Yes, "under God," we have united as a nation. We have been granted a Government which allows us to protect our liberty and render justice to all.

We as a nation protect our liberty through faith, patriotism, and a strong defense. We as a nation are often called upon to protect our nations' liberty because of our faith and strength. Why? Because aggressors of liberty are fearful of our strength and respect our values.

However, our most threatening aggressor walks among us, dividing us from within—the criminal. Yes, the criminal is the aggressor we fear most today.

"Justice for all." We must make the criminal as fearful of us as any aggressor we have faced or will face. Only justice will render such fear to the criminal aggressor.

We as dutiful officers of this republic must harness the criminal element which is threatening our liberty from within our own boundaries. Justice will only prevail when we as a Congress swallow our thirst for power here in Washington and assist our local and State governments in stopping the criminal threat to our liberty.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McNULTY (at the request of Mr. GEPHARDT) for today after 3 p.m., on account of personal business.

Mr. McDADE (at the request of Mr. MICHEL) for today, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHAEFER) to revise and extend their remarks and include extraneous material:)

Mr. SCHAEFER, for 5 minutes, today.

(The following Members (at the request of Mr. DARDEN) to revise and extend their remarks and include extraneous material:)

Mr. SWIFT, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. RICHARDSON, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SCHAEFER) and to include extraneous matter:)

Mr. HORN in two instances.

Mr. PETRI.

Mrs. JOHNSON of Connecticut.

Mr. BEREUTER in two instances.

Mr. BILIRAKIS.

Mr. QUILLEN.

Mr. WALSH.

Mr. COBLE.

Ms. MOLINARI.

Mr. SMITH of New Jersey.

(The following Members (at the request of Mr. DARDEN) and to include extraneous matter:)

Mr. FROST.

Mr. DIXON.

Mr. HAMILTON in two instances.

Mr. RICHARDSON.

Mr. BLACKWELL.

Mr. COSTELLO.

Mr. THOMPSON of Mississippi in three instances.

Mr. MEEHAN.

Ms. KAPTUR.

Mr. CARDIN.

Mr. JOHNSON of South Dakota.

Mr. WAXMAN.

Mr. PICKLE.

Mr. FOGLIETTA.

Mr. DURBIN.

Mr. SCHUMER.

Mr. HOCHBRUECKNER.

Mr. TORRES.

(The following Members (at the request of Mr. COLLINS of Georgia) and to include extraneous matter:)

Mr. MENENDEZ.

Mr. WYNN.

Mr. KILDEE in three instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1789. An act to amend title 23, United States Code, to permit the use of funds under the highway bridge replacement and rehabilitation program for seismic retrofit of bridges, and for other purposes.

ADJOURNMENT

Mr. COLLINS of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p.m.) under its previous order, the House adjourned until Monday, March 7, 1994, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2695. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled, "Federal Crop Insurance Reform Act of 1994"; to the Committee on Agriculture.

2696. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-204, "Board of Education of the Baltimore Annual Conference of the United Methodist Church, Inc., Equitable Real Property Tax Relief Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2697. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-205, "Financial Administration Revision and Clarification Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2698. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2699. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2700. A letter from the Chair, Federal Energy Regulatory Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2701. A letter from the Acting Director of Communications and Legislative Affairs, U.S. Equal Employment Opportunity Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. LAMBERT (for herself, Mr. SLATTERY, Mr. BROWN of Ohio, Mr. BACHUS of Alabama, and Mr. KENNEDY):

H.R. 3947. A bill to amend title XIX of the Social Security Act to treat certain clinics operated by children's hospitals as federally qualified health centers under the Medicaid Program; to the Committee on Energy and Commerce.

By Mr. MINETA (for himself and Mr. BOEHLERT):

H.R. 3948. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. BATEMAN:

H.R. 3949. A bill entitled "The Firefighter and Rescue Squad Worker Act"; to the Committee on Education and Labor.

By Mr. GEPHARDT (for himself, Mr. FORD of Michigan, Mr. LEWIS of Georgia, Mr. WASHINGTON, Mr. GLICKMAN, Mr. MILLER of California, Mr. OWENS, Mr. JOHNSTON of Florida, Mr. PAYNE of New Jersey, Ms. DELAURO, Ms. NORTON, Mr. TUCKER, Ms. VELÁZQUEZ, Mr. TOWNS, Mr. RUSH, Mrs. SCHROEDER, Mr. RANGEL, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. REYNOLDS, Mr. NADLER, Mr. SCHUMER, Mr. MARTINEZ, and Mr. WHEAT):

H.R. 3950. A bill to provide grants to local entities to improve the academic performance and social development of at-risk children; to the Committee on Education and Labor.

By Mr. CAMP (for himself, Mr. BREWSTER, Mr. ARCHER, Mr. GRANDY, Mr. HOAGLAND, Mr. SUNDQUIST, Mr. PAYNE of Virginia, Mr. DOOLITTLE, Mr. BOEHNER, Mr. QUILLEN, Mr. HANSEN, Mr. CANADY, Mr. BARLOW, Mr. BARCIA of Michigan, Mr. BUNNING, Mr. HANCOCK, Mr. SLATTERY, Mr. MCCRERY, Mr. THOMAS of California, Mr. HOUGHTON, Mr. EDWARDS of Texas, Mr. SHAW, Mr. HERGER, Mr. PETE GEREN of Texas, Mr. LEWIS of California, Mr. BONILLA, Mr. LIGHTFOOT, Mr. GORDON, and Mr. FIELDS of Texas):

H.R. 3951. A bill to amend the Interval Revenue Code of 1986 to prevent the reclassification of certain dues paid to tax-exempt agricultural or horticultural organizations; to the Committee on Ways and Means.

By Mr. CARDIN (for himself and Mr. SHAW):

H.R. 3952. A bill to amend the Internal Revenue Code of 1986 to alleviate the inequitable tax treatment of individuals operating small, expanding publishing businesses as S corporations or partnerships, thereby encouraging the growth and development of such businesses; to the Committee on Ways and Means.

By Mr. HUTTO:

H.R. 3953. A bill to authorize Escambia County, FL, to convey certain lands in Florida to a political subdivision of the State of Florida; to the Committee on Natural Resources.

By Mr. JOHNSON of South Dakota:

H.R. 3954. A bill to expand the Mni Wiconi rural water supply project, and for other purposes; to the Committee on Natural Resources.

By Mr. ROWLAND (for himself, Mr. BILIRAKIS, Mr. SPRATT, Mr. BLILEY, Mr. TAUZIN, Mr. DUNCAN, Mr. PARKER, Mr. HASTERT, Mr. MONTGOMERY, Mr. BARTON of Texas, Mr. PETE GEREN of Texas, Mr. UPTON, Mr. SISISKY, Mr. MOORHEAD, Mr. TANNER, Mrs. VUCANOVICH, Mr. LAUGHLIN, Mr. GOSS, Mr. PICKETT, Mr. CRAPO, Mr. LANCASTER, Mr. GOODLATTE, Mr. HAYES, Mr. ZELIFF, Mrs. LLOYD, Mr. LINDER, Mr. BROWDER, Mr. CASTLE, Mr. ORTON, and Mr. YOUNG of Florida):

H.R. 3955. A bill to increase the availability and continuity of health coverage for employees and their families, to prevent fraud and abuse in the health care delivery system, to reform medical malpractice liability standards, to reduce paperwork and simplify administration of health care claims, to promote preventive care, and for other purposes; jointly, to the Committees on Energy and Commerce, Education and Labor, the Judiciary, and Ways and Means.

By Mr. LEWIS of Georgia (for himself, Mr. LINDER, Mr. DARDEN, and Mr. GINGRICH):

H.R. 3956. A bill to establish the Freedom National Park in the State of Georgia, and for other purposes; to the Committee on Natural Resources.

By Mr. PETRI (for himself, Mr. OBEY, Mr. SENSENBRENNER, Mr. ROTH, Mr. GUNDERSON, Mr. KLECZKA, Mr. KLUG, Mr. BARRETT of Wisconsin, and Mr. BARCA of Wisconsin):

H.R. 3957. A bill to amend the Federal Water Pollution Control Act to reserve a portion of the funds made available for capitalization grants for water pollution control revolving funds for the purpose of making grants to States that set aside amounts of State funds for water pollution control in excess of the amounts required under such act, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SCHAEFER (for himself and Mr. Penny):

H.R. 3958. A bill to reduce the budget deficit of the United States, and for other purposes; jointly, to the committees on Agriculture, Armed Services, Banking, Finance and Urban Affairs, Education and Labor, Energy and Commerce, Foreign Affairs, Government Operations, House Administration, the Judiciary, Merchant Marine and Fisheries, Natural Resources, Post Office and Civil Service, Public Works and Transportation, Rules, Science, Space, and Technology, Small Business, Veterans' Affairs, Ways and Means, and Intelligence (Permanent Select).

By Mr. THOMPSON:

H.R. 3959. A bill to extend the effectiveness of an exemption from the requirements of the Depository Institution Management Interlocks Act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MILLER of California (for himself, Mr. McDermott, Mr. Becerra, Mr. Clay, Mr. de Lugo, Mr. Engel, Mr. Faleomavaega, Mrs. Mink of Hawaii, Mr. Murphy, Mr. Owens, Mr. Payne of New Jersey, Mr. Romero-Barceló, Mr. Scott, and Ms. Woolsey):

H.R. 3960. A bill to provide for health care for every American and to control the cost and enhance the quality of the health care system; jointly, to the Committees on Energy and Commerce, Ways and Means, Armed Services, Post Office and Civil Service, Natural Resources, and Education and Labor.

By Mr. THOMPSON:

H.R. 3961. A bill to amend the Act known as the Miller Act to raise the value of contracts for which performance bonds and payment bonds are required under that act; to the Committee on the Judiciary.

H.R. 3962. A bill to direct the Secretary of the Interior and the Secretary of Energy to undertake initiatives to address certain needs in the Lower Mississippi Delta Region, and for other purposes; jointly, to the Committees on Education and Labor, Natural Resources, Energy and Commerce, and Science, Space, and Technology.

By Mr. GEPHARDT (for himself and Mr. Gingrich):

H.J. Res. 329. Joint resolution designating March 23, 1994, as "Education and Sharing Day, U.S.A."; to the Committee on Post Office and Civil Service.

By Mr. DOOLITTLE:

H.J. Res. 330. Joint resolution designating May 1994 as "National Community Residential Care Month"; to the Committee on Post Office and Civil Service.

By Mr. ANDREWS of New Jersey:

H. Con. Res. 214. Concurrent resolution urging the President to promote political stability in Tajikistan through efforts to encourage political resolution of the conflict and respect for human rights and through the provision of humanitarian assistance and (subject to certain conditions) economic assistance to the Committee on Foreign Affairs.

By Mr. FALEOMAVAEGA (for himself, Mr. Smith of Iowa, Mr. Leach, Mr. Grandy, Mr. Nussle, and Mr. Lightfoot):

H. Con. Res. 215. Concurrent resolution honoring James Norman Hall and recognizing his outstanding contributions to the United States and the South Pacific; to the Committee on Post Office and Civil Service.

By Mr. GOSS (for himself and Mr. Hyde):

H. Res. 378. Resolution amending the Rules of the House of Representatives to require Members to sign an oath of secrecy before receiving access to classified information; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 173: Mr. DeLay.

H.R. 291: Mr. Serrano, Mr. Costello, Mr. Swett, Mr. Stupak, Mr. Calvert, and Mr. Crane.

H.R. 300: Mr. Borski and Mr. Callahan.

H.R. 411: Mr. Emerson.

H.R. 417: Mr. Brewster, Mr. McCurdy, Mr. Livingston, and Mr. Bereuter.

H.R. 427: Mr. Slattery.

H.R. 479: Mr. Hamburg.

H.R. 630: Mr. Frost, Mr. Poshard, and Mr. Jefferson.

H.R. 799: Mr. Baker of Louisiana.

H.R. 840: Mr. Moakley.

H.R. 886: Mr. Rogers.

H.R. 1155: Mr. Rose and Mr. Emerson.

H.R. 1164: Ms. Shepherd.

H.R. 1171: Mr. DeFazio.

H.R. 1176: Mr. Inslee and Mr. Sanders.

H.R. 1349: Mr. Ewing.

H.R. 1490: Mr. Zeliff, Mr. Everett, Mr. Gekas, Mr. Kim, Mrs. Bentley, and Mr. Ballenger.

H.R. 1718: Mr. Bishop, Mr. Blackwell, Mr. Manzullo, and Ms. Norton.

H.R. 1719: Mr. DeLay.

H.R. 1736: Mr. Richardson, Mr. Klug, Mr. Inhofe, and Mr. Gingrich.

H.R. 1801: Mr. Hinchey.

H.R. 1883: Mr. Young of Alaska, Mr. Ravenel, Mr. Frost, Mr. Torricelli, Mr. Owens, and Mr. Thompson.

H.R. 1886: Mr. Blackwell.

H.R. 1897: Mr. Lowey and Mr. Fields of Louisiana.

H.R. 1928: Mr. Weldon.

H.R. 1980: Mr. Peterson of Minnesota.

H.R. 2292: Mr. Waxman, Mr. Evans, and Mrs. Thurman.

H.R. 2340: Mr. Shays.

H.R. 2355: Mr. Hoke.

H.R. 2396: Ms. Eshoo.

H.R. 2443: Ms. Lambert and Mr. Portman.

H.R. 2460: Mr. Bachus of Alabama and Ms. Long.

H.R. 2467: Mr. Burton of Indiana, Mr. Greenwood, Mr. Hinchey, Mr. Hobson, Ms. Eddie Bernice Johnson of Texas, Mr. King, Mr. LaFalce, Mr. Pastor, Mr. Peterson of Minnesota, Mr. Roberts, Mr. Spratt, Mr. Stump, Mr. Tauzin, and Mr. Walsh.

H.R. 2474: Mr. Baker of Louisiana, Mr. Darden, Mr. Schiff, and Mr. Frost.

H.R. 2580: Mr. Foglietta.

H.R. 2767: Mr. Martinez, Mr. Faleomavaega, Mr. Ewing, Ms. Eddie Bernice Johnson of Texas, Mr. King, Mr. Gonzalez, Mr. Clyburn, and Mr. Owens.

H.R. 2803: Mr. Neal of North Carolina.

H.R. 2937: Mr. Upton.

H.R. 3023: Mr. Kyl, Mr. Hinchey, Mr. Boucher, Mr. Cunningham, Ms. Schenk, Mr. Petri, Mr. Pete Geren of Texas, and Mr. Crane.

H.R. 3064: Mr. Inslee.

H.R. 3182: Mr. Abercrombie and Miss Collins of Michigan.

H.R. 3203: Mrs. Clayton, Mr. Romero-Barcelo, and Mr. Dixon.

H.R. 3213: Mr. Gallegly.

H.R. 3231: Mr. Dixon.

H.R. 3235: Mr. Klein.

H.R. 3246: Mr. Bereuter, Mr. Blute, Mr. Bonior, Mr. Brewster, Mr. Brown of California, Mr. Doolittle, Mr. Dicks, Ms. Lambert, Mrs. Morella, Mr. Oxley, Mr. Penny, Mr. Rogers, Mr. Strickland, Mr. Lightfoot, Mr. Pastor, Mr. Inslee, and Ms. Kaptur.

H.R. 3261: Mr. Murphy, Mr. Talent, Mr. Stearns, Mr. Herger, Mr. Manzullo, Mr. Sanders, Mr. Smith of Oregon, and Mr. Gunderson.

H.R. 3293: Ms. Furse and Mr. Andrews of New Jersey.

H.R. 3367: Mr. Blute, Mr. Volkmer, and Mr. Gallegly.

H.R. 3392: Mr. Cunningham and Mr. McCandless.

H.R. 3434: Ms. Eshoo, Ms. Eddie Bernice Johnson of Texas, Mrs. Morella, and Mr. Orton.

H.R. 3472: Mr. Frost, Mr. Jefferson, Mr. Klink, and Mr. Hochbrueckner.

H.R. 3513: Mr. Shays.

H.R. 3523: Ms. Eshoo, Mr. Moran, Mr. Bonilla, Mr. Linder, Mr. Young of Alaska, and Mr. Knollenberg.

H.R. 3527: Mr. Waxman, Ms. Eshoo, and Mr. Deutsch.

H.R. 3538: Mr. Abercrombie, Mr. Kopetski, Mr. Dellums, Mr. Sanders, Mr. Penny, Mr. Serrano, Mr. Markey, Mr. Payne of New Jersey, Mr. Olver, Mr. Kreidler, Mr. Ford of Tennessee, Mr. Stark, Mr. Johnson of South Dakota, Mr. Minge, Mrs. Maloney, Mr. Blackwell, Mr. Wynn, Mrs. Mink of Hawaii, Mr. Jacobs, Mr. Wyden, Mr. Meehan, Mr. Rangel, Ms. Norton, Mr. Durbin, Mr. Faleomavaega, and Mr. Clay.

H.R. 3546: Mr. Ravenel, Mr. Frost, Mr. Johnson of Georgia, and Mr. Derrick.

H.R. 3573: Mr. Tauzin, Mr. Parker, Mr. Montgomery, Mr. Pete Geren of Texas, Mr. Sisisky, Mr. Tanner, Mr. Laughlin, Mr. Pickett, Mr. Lancaster, Mr. Hayes, Mrs. Lloyd, Mr. Browder, Mr. Orton, Mr. Bishop, Mr. Johnson of Georgia, Mr. Taylor of Mississippi, and Mr. Neal of North Carolina.

H.R. 3584: Ms. Lowey, Mrs. Meyers of Kansas, Mr. Pombo, and Ms. Pryce of Ohio.

H.R. 3614: Mr. DeFazio, Mr. Evans, Mr. Farr, Mr. Meehan, and Mr. Visclosky.

H.R. 3636: Mr. Lazio, Mr. Engel, Ms. Lowey, Mr. Solomon, Mr. King, and Ms. Molinari.

H.R. 3642: Mr. Berman, Mr. Castle, Mr. Fazio, Mr. Hoke, Mr. Knollenberg, Mr. Levy, Ms. Lowey, Mr. Swett, and Mr. Thomas of Wyoming.

H.R. 3720: Mr. Nadler.

H.R. 3787: Mr. Zimmer and Mr. Saxton.

H.R. 3797: Mr. Baker of Louisiana, Mr. Calvert, Mr. Doolittle, Mr. Hansen, Mr. Hefley, Mr. Young of Alaska, Mr. Duncan, and Mr. Allard.

H.R. 3808: Mr. Sangmeister.

H.R. 3810: Mr. Johnson of South Dakota, Mr. Bateman, and Mr. Rogers.

H.R. 3840: Mr. Gonzalez, Mr. Wilson, Mr. Pete Geren of Texas, Mr. Hall of Texas, Ms. Eddie Bernice Johnson of Texas, Mr. Smith of Iowa, Mr. Bryant, Mr. Sarpalius, Mr. Frost, Mr. Stenholm, Mr. Coleman, Mr. Tejeda, Mr. Montgomery, Mr. Archer, Mr. Brooks, and Mr. Barton of Texas.

H.R. 3862: Mr. Crane and Mr. Wilson.

H.R. 3866: Mr. Washington, Mr. Kennedy, Mr. Swett, and Mr. Andrews of Maine.

H.R. 3875: Mr. Combest, Mr. Oxley, Mr. Hefley, Mr. McCrery, Mr. Doolittle, Mr. Hansen, Mr. Dornan, and Mr. Parker.

H.R. 3878: Mr. Shays.

H.R. 3912: Ms. Lowey, Mr. McCollum and Mr. Torkildsen.

H.R. 3925: Mr. Ravenel, Ms. Eddie Bernice Johnson of Texas, Mr. Conyers, Mr. Clay, Ms. Waters, Mrs. Collins of Illinois, Mrs. Meek of Florida, Ms. Brown of Florida, Mr. Stokes, Mrs. Clayton, Mr. Thompson, Mr. Flake, Mr. Fields of Louisiana, Mr. Dellums, Mr. Mfume, Mr. Rush, Ms. Norton, Mr. Franks of Connecticut, Mr. Lewis of Georgia, Mr. Rangel, Mr. Wynn, Mr. Ford of Tennessee, Mr. Hilliard, Mr. Watt, Mr. Owens, Mr. Scott, Mr. Jefferson, Mr. Payne of New Jersey, and Mr. Bishop.

H.J. Res. 9: Mr. Thomas of Wyoming and Mr. Huffington.

H.J. Res. 113: Mr. Gekas.

H.J. Res. 209: Ms. Eshoo.

H.J. Res. 286: Mr. Abercrombie, Mr. Borski, Ms. Cantwell, Mr. Costello, Ms. DeLauro, Mr. Evans, Mr. Franks of Connecticut, Mr. Hochbrueckner, Mr. Hutto, Mr. Hyde, Mr. Kennedy, Mr. Lightfoot, Ms. Lowey, Mr. Markey, Mr. Obey, Mr. Sabo, Mr. Stark, and Mr. Walsh.

H.J. Res. 297: Mr. Bevill.

H.J. Res. 302: Mr. Wise, Mr. Kreidler, Mr. Stokes, Mr. Evans, Mr. Payne of New Jersey, Mr. Johnson of South Dakota, Mr. Laughlin, Mrs. Maloney, Mr. Carr, Mr. Stark, Mr. Inslee, Mr. Jacobs, Mr. Markey, Mr. Dixon, Mr. Sabo, Mr. Johnston of Florida, Mr. de la Garza, Mr. Lantos, and Mr. Levin.

H.J. Res. 304: Mr. McCloskey, Ms. McKinney, and Mr. Waxman.

H.J. Res. 305: Mr. Waxman, Mr. Meehan, Mr. Olver, Mr. Schumer, Mr. Markey, Mr. Blute, Mr. Baesler, Mr. Torkildsen, Mr. Spratt, Mr. Hinchey, and Mr. Blackwell.

H.J. Res. 310: Mr. Kennedy, Mr. Cardin, Mr. Menendez, Mr. de Lugo, Mr. Moakley, Mr. Matsui, and Mr. Dornan.

H.J. Res. 314: Mr. McDade, Ms. Eddie Bernice Johnson of Texas, Mr. Kasich, and Mr. Frost.

H.J. Res. 318: Mr. Frost, Mr. Lipinski, Mr. Sundquist, Mr. Evans, Mr. Hughes, Mr. Faleomavaega, Mr. Torkildsen, Mr. Volkmer, Mr. Martinez, Mr. Ravenel, Mr. Spence, Mr. Spratt, and Mr. Quillen.

H. Con. Res. 3: Mr. Cunningham.

H. Con. Res. 35: Mr. McHale, Mr. Borski, Mr. Pallone, Mr. Hughes, Mr. Andrews of New Jersey, Mr. Swett, Mr. Roemer, Mr. Kildee, Mr. Neal of North Carolina, Mr. Volkmer, Ms. Kaptur, Mr. Menendez, Mr. Hinchey, Mr. Deutsch, Mrs. Maloney, Mr. Cramer, Mr. Chapman, Mr. Saxton, Mr. Tucker, Mrs. Clayton, Mr. Gejdenson, Ms. Woolsey, Mr. Rush, Ms. McKinney, Mr. Wynn, Mr. Frank of Massachusetts, Mr. Berman, Ms. Norton, Mr. Hamburg, Mrs. Morella, Mr. Brown of Ohio, Ms. Roybal-Allard, Mrs. Kennelly, Mr. Romero-Barcelo, Mr. Brewster, and Ms. Danner.

H. Con. Res. 166: Mr. Boehlert and Mr. Bachus of Alabama.

H. Con. Res. 177: Mr. Smith of New Jersey, Mrs. Unsoeld, Mr. Brown of California, Mrs. Roukema, Mr. de Lugo, and Mr. Brown of Ohio.

H. Con. Res. 179: Mr. Archer and Mr. McNulty.

H. Con. Res. 184: Mr. Skelton, Mr. Ewing, Mr. Machtley, Mr. Burton of Indiana, Mr. Ramstad, Mr. McHugh, Mr. Torkildsen, Mr. Baker of Louisiana, Mr. Combest, Mr. Manzullo, Mr. Bateman, Mr. Torres, Mr. Wyden, Mr. Frost, and Mr. Zeliff.

H. Res. 38: Mr. Abercrombie.

H. Res. 236: Mr. Stupak, Mr. Olver, Mr. Borski, Mr. Lantos, Mr. Rangel, Mr. Poshard, Mr. Dixon, Mr. Watt, Mr. Hoyer, Mr. Klein, Mrs. Thurman, Mr. DeLay, Mr. Levy, Mr. Gekas, Mr. Pallone, Mr. Clay, MR. Pickle, Mrs. Vucanovich, Mr. Peterson of Florida, Mr. Gordon, Ms. Eddie Bernice Johnson of Texas, Mr. Tauzin, and Mr. Gingrich.

H. Res. 365: Mr. Ballenger, Mr. Goss, and Mr. Gilchrest.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petition:

Petition 9 by Mr. WELDON on House Resolution 227: William H. Zeliff, Jr.

Petition 10 by Mr. McCOLLUM on House Resolution 295: Curt Weldon and Christopher Cox.

Petition 11 by Mr. RAMSTAD on House Resolution 247: Bill McCollum, Bill Barrett, Peter G. Torkildsen, Jim Bunning, Amo Houghton, Charles T. Canady, Wayne Allard, Michael Huffington, Vernon J. Ehlers, Henry Bonilla, Wally Herger, Pat Roberts, Tillie K. Fowler, John M. McHugh, Jay Kim, Peter T. King, Jennifer Dunn, Curt Weldon, W.J. (Billy) Tauzin, Joe Knollenberg, William H. Zeliff, Jr., James V. Hansen, Dan Burton, Thomas J. Ridge, Henry J. Hyde, Jon Kyl, James H. (Jimmy) Quillen, Deborah Pryce, E. Clay Shaw, Jr., David L. Hobson, Christopher Cox, Gary A. Franks, Jim Kolbe, Jim Saxton, Dan Miller, and James A. Traficant, Jr.

Petition 12 by Mr. TRAFICANT on H.R. 3261: Christopher Cox, Douglas Applegate, Stephen Horn, and Jim Ramstad.

Petition 13 by Mr. SMITH of New Jersey on House Resolution 281: Bill McCollum, Jack Quinn, Ralph M. Hall, Lamar S. Smith, Joel Hefley, Peter G. Torkildsen, Thomas W. Ewing, Mike Parker, Jim Bunning, Jan Meyers, James C. Greenwood, Michael Huffington, Tim Holden, Collin C. Peterson, Henry Bonilla, Pat Roberts, John M. McHugh, Peter T. King, Jennifer Dunn, Curt Weldon, Charles W. Stenholm, Thomas J. Ridge, Joe Barton, Dan Burton, James V. Hansen, Henry J. Hyde, Jon Kyl, James H. (Jimmy) Quillen, Joe Skeen, Deborah Pryce, E. Clay Shaw, Jr., Gary A. Franks, Bill Paxon, Christopher Cox, Gerald Soiomon, Sherwood L. Boehlert, Stephen Horn, Dan Miller, Ileana Ros-Lehtinen, Robert H. Michel, John L. Mica, and Earl Hutto.

EXTENSIONS OF REMARKS

PROJECT CHILDREN

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. WALSH. Mr. Speaker, 20 years ago this summer Project Children was established. It's a program bringing children from tough neighborhoods in Northern Ireland to American neighborhoods for the summer. The results are impressive, the impact undeniably positive.

As I salute the organization begun by Denis Mulcahy of Greenwood Lake, NY, himself a native of the Republic of Ireland in County Cork, I recall dozens of scrubbed but drowsy faces at the Syracuse airport just a few short years ago. They were the faces of pre-teens getting off a long flight from home, arriving with their chaperones in my hometown—just as other groups had arrived over the lifetime of Project Children in Syracuse. But this time one of them would come to our home where he would spend the summer getting a look at a different way of life. And letting us get to know him.

He is Michael Lyons. An excellent soccer player, he was typically reticent about the violence in his hometown, Belfast, Northern Ireland. Our kids were polite enough not to bother him with questions about the troubles. Instead, they traded stories about families and friends, watched television and laughed together, went to picnics and baseball games, stopped for pizza and french fries, and celebrated the quintessential American party, the backyard barbecue. It was obvious Michael gained, but our kids did, too. They saw—in fact we all saw, through new eyes—what we often take for granted. Basic freedom and safety. America is indeed the land of plenty.

I would not presume to call Michael one of our family after one short summer of knowing him. But it is surprising how quickly a young person can find his way into an adult's concern.

My concern flares when I read the news about continuing violence in Northern Ireland. Clearly, hatred and prejudice have survived the best efforts of the good people behind Project Children. In the Divis Flats of Belfast and in the Bogside of Derry, poverty persists, men of violence recruit, and guerilla war goes on—and mothers still pray for help, near despair. The seed of economic development, sponsored by sensible people who see jobs as the answer, is not allowed to mature in the grip of an ageless class struggle. How sad.

But, of course, we cannot give up nor can we ignore the goodwill inspired by groups such as Project Children. Over 20 years, thousands have been temporarily lifted out of neighborhoods in which people typically live their entire lives. They have been received warmly in places such as Syracuse where they learn there is another way to live. In the end, I believe, it will be this sort of realization that creates the foundation for peace in Ireland.

Ireland's troubles should be a concern to all of us. The United States is too big a country not to have an impact, whether by our action or inaction. The time for addressing Northern Ireland on the world's center stage is here. We in the Irish Caucus of the House will do everything we can to insure this.

In the meantime, Project Children remains committed to the young people, irrespective of political decisions, disabused of unrealistic notions, yet full of idealism and hope. As the veterans of Project Children grow up, so too does the project. The network grows and the commitment strengthens while supporters and administrators alike remain guided by trust in a principle older than even the ancient animosity itself. Where there are young people there are still dreams. Where there are still dreams there is a way.

I know my colleagues join me in saluting this humanitarian organization and in particular Kathleen Kelly of Syracuse who has so tirelessly worked for this cause. Congratulations on two decades of creating intercultural awareness and nurturing hope. You have our prayers and our firm support.

BALANCED BUDGET AMENDMENT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. BEREUTER. Mr. Speaker, I commend to my colleagues an editorial which appeared in the Norfolk Daily News on February 22, 1994. This editorial echoes the sentiments of this Member and many Americans across the country that a balanced budget amendment to the Constitution is necessary in order to avoid deficit spending. We cannot responsibly leave this legacy of debt for future generations.

NO OTHER RECOURSE

Scare tactics are being used to oppose a constitutional amendment requiring a balanced federal budget. Invoking such a mandate would boost individual taxes by "hundreds of dollars and force deep slashes in Social Security and other popular programs," it is alleged.

The "deep slashes" said to be required, however, would amount to no more than keeping the regular, automatic increases in Social Security and other entitlement benefits at a percentage rate slightly less than the cost of living. And the "hundreds of dollars" in tax increases would not be necessary at all were all federal spending programs similarly restricted in their growth.

Granting that tax increases might be necessary, however, so many people are concerned about thousands, rather than hundreds of dollars, that most would find that an acceptable price to pay for avoiding further indebtedness to be paid by future generations.

A constitutional requirement for presenting balanced budgets, and even more importantly, achieving them, should not be necessary.

But the experience of a half-century and the massive buildup of debt in the last decade, despite good intentions on the part of many on Capitol Hill and in the executive departments, proves there is no other recourse.

CONGRESSMAN KILDEE SALUTES JOHN H. DECARLO

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. KILDEE. Mr. Speaker, it is with great pride that I rise before you today to pay tribute to John H. DeCarlo. Mr. DeCarlo is leaving Oakland University after 24 years of service to the university and its staff. On January 21, 1994, there was a dinner held in his honor at the residence of Sandra Packard, president of Oakland University.

Mr. DeCarlo was born and raised in Michigan. After graduating from high school, he attended Wayne State University in Detroit, MI, earning a bachelors degree in prelaw and speech. Mr. DeCarlo has earned his law degree from Wayne State University Law School in 1951. He completed the required courses and received his master's in 1957.

John DeCarlo was employed at the law firm of Weisenfeld, Letzer, and Thumin in Detroit, MI, until May of 1952. From 1952 until 1954 Mr. DeCarlo was a staff judge advocate with the U.S. Air Force, representing Mallory Air Depot, in Memphis, TN. Upon his discharge from the Air Force, John was hired by the Chrysler Corp. as an attorney in its insurance section, later becoming a governmental affairs specialist. Mr. DeCarlo stayed with the Chrysler Corp. until September of 1966.

In 1966, Mr. DeCarlo became vice president for public services and secretary to the board of trustees at Central Michigan University in Mt. Pleasant, MI. After leaving the staff of Central Michigan University, Mr. DeCarlo joined Oakland University as assistant chancellor for the professional performing arts.

During Mr. DeCarlo's 24 years of service at Oakland University, he served as secretary to the board of trustees, vice president for public affairs, general counsel, and senior vice president for Governmental Affairs. Mr. DeCarlo also served as interim president of Oakland University from 1991 to 1992.

Mr. Speaker, John DeCarlo has worked tirelessly to make a brighter future for Oakland University and its students. I know that his retirement recognition dinner did not mark his departure from the public light, rather, the din-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ner was a symbol of the love and respect the board of trustees, the president and the university community, holds for John DeCarlo. I ask you and my fellow Members of the 103d Congress to join me in paying tribute to a dedicated public servant, Mr. John DeCarlo.

TRIBUTE TO UNITA BLACKWELL

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. THOMPSON of Mississippi. Mr. Speaker, I stand today to pay tribute to Ms. Unita Blackwell of Issaquena County, MS. Ms. Blackwell is a former elected official, business person, activist, and mother. Ms. Blackwell, who earned a master's degree in regional planning from the University of Massachusetts, became the first black female mayor in Mississippi in 1976.

Ms. Blackwell made history that day but her journey began over a decade before. Ms. Blackwell was one of the key organizers of the Mississippi Freedom Democratic Party. The Mississippi Freedom Democratic Party was the organization that challenged the seating of the all-white delegation from Mississippi at the Democratic National Convention in Atlantic City, NJ, in 1964.

In 1973, Ms. Blackwell was a part of this country's effort to normalize relationships with the People's Republic of China. In 1977, she became the national president of the United States-China People's Friendship Association where she served until 1983. During her tenure, she led over 15 missions that included approximately 7,000 other Americans traveling to China.

While serving on boards and commissions Ms. Blackwell has influenced national public opinion on issues that affect the quality of life for rural America. In addition, she was a chief plaintiff in lawsuits to end discrimination against blacks seeking housing loans with the Farmers Home Administration and was instrumental in desegregating the Mississippi Highway Safety Patrol.

In 1990, Ms. Blackwell was elected the first woman president of the National Conference of Black Mayors, which is comprised of approximately 400 members. She was also instrumental in the development of the Women Caucus of Black Mayors while serving as conference president.

Ms. Blackwell continues her plea for equality and in 1992 her hard work and dedication was recognized by being selected as a MacArthur Fellow by the John D. and Catherine T. MacArthur Foundation. The unrestricted $350,000 fellowship for creativity in public affairs allows Ms. Blackwell to continue her commitment to improving life for others.

A STORY OF AMERICA

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. BILIRAKIS. Mr. Speaker, I rise today to pay tribute to a woman, a Greek immigrant, one who came to our shores from abroad like so many others and made this Nation her own. Though she may not have been regarded by others as great—she was a part of what makes America great.

Elleni Brazas Rigas, 91 years old when she died, mother of my good friend, John Rigas, never was elected to high office, never had a parade in her honor, never had a speech made about her accomplishments.

However, she arose every day and lived her life honorably and with dignity. She was, in short, what has been the strength of America since its founding: a good citizen. She was a thread in the strong fabric of our Nation. She saw this country plainly—and she told her story.

Months before her death, she was asked by her family to share the wisdom gained in nearly a century of life. She left this story in the form of a poem, written in Greek as a message to her grandchildren.

Mr. Speaker, I offer it here, translated into English: A story of a family, but also a story of America from one who obviously knew her well.

We came to America
Because our country was poor.
It was not only we who came to live here all by ourselves.
All the Greeks and all the other nationalities that came here
Came to live
And to help the people back in their homelands
Because they were poor.
And that's why we came here.
And we said that this country is better to live in
But we did not forget our village
We did not forget our church
We did not forget our own people.
We have lived here many years
And still
We have not forgotten our own people.
Where we walked
We remember every step.
We love America
And so we have two countries.
We love America.
We got our citizenship papers
And we became part of the American family.
We raised a family in America
An outstanding family.
Our children were so good in school and everywhere.
And that's why we are proud.
That's why.
Here where we came
We found very good people.
Very good people.
We found good Americans and good Greeks.
We found families
Very good families.
And we saw their goodness
And we grew up together.
And we bless and praise God.
And all we wish
Is that they may always be blessed.
I had good children
Good daughters-in-law
Good sons-in-law
The finest of grandchildren.
Our children were outstanding.
They went to good schools
And had the best of reputations.
And we are proud
And very fulfilled
And very blessed.

HONORING ESTEBAN "STEVE" C. QUIROZ

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. TORRES. Mr. Speaker, tonight the Pico Rivera Lions Club will give the Melvin Jones Fellowship Award posthumously to Esteban "Steve" C. Quiroz. Named after the founder of the Lions Club, the Melvin Jones Fellowship is the highest award given by the Lions Club International to an individual.

The fellowship recognizes those attributes and characteristics of individuals who are dedicated to humanitarian service; attributes and characteristics like generosity, compassion, and concern for others as well as a commitment to the ideals of Lionism.

Steve joined the Lions in 1979, when Lion Louis Galindo sponsored his membership. For 13 years, he maintained a perfect attendance record. Throughout his membership, Steve held numerous offices in the Lions, having been elected president on July 1, 1982 and selected as Lion of the Year on July 1, 1986. In 1984, Steve sponsored Jack Thomas, and in 1985 he sponsored Jess Zapien for membership in the Pico Rivera Lions Club.

Mr. Speaker, last July, Steve died. Residents throughout the greater Pico Rivera community were shocked to learn of his death. Steve truly loved his community and combined his efforts as a Lion with his position as a member of the Pico Rivera Planning Commission, to work hard at improving the livelihood of his beloved Pico Rivera.

Few would argue that Steve was one of Pico Rivera's true community gems. He contributed to his community and he made a difference.

Tonight when the Melvin Jones Fellowship Award is presented to Steve's wife, Aida, it serves to recognize Steve's life-long commitment to helping others. Mr. Speaker, I ask my colleagues to join me in saluting my tacayo, Esteban "Steve" C. Quiroz.

IN COMMEMORATION OF BAYONNE'S 125TH ANNIVERSARY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. MENENDEZ. Mr. Speaker, I rise today to acknowledge a very important birthday—the 125th anniversary of the founding of the great city of Bayonne.

For 200 years, the area known today as Bayonne was actually the southern part of the township of Bergen. During that time separate and distinct villages had sprung up.

On April 8, 1861, these villages were unified by the New Jersey State Legislature. They were given a common name, the "Township of Bayonne" and residents were finally given the right to govern themselves.

Within a few short years, however, the population of the township increased so rapidly that by 1869 it had nearly tripled. The need for a city charter became self-evident.

On March 10, 1869, the legislature passed a law establishing the city of Bayonne. On April 13, 1869, the first city election was held and a mayor and common council were chosen.

During the 12-month period which began this past Tuesday, the citizens of this great city will take part in festivities marking this important milestone in the history of a vibrant community.

Bayonne is still fortunate enough to share that sense of community which has been lost in so many cities across America. It rests on a peninsula at the southern end of Hudson County, which has enabled it to remain a quiet and close-knit community. While it enjoys the vibrancy and the strong, active commerce of a city, it has resisted the decay which afflicts so many others.

Bayonne is able to celebrate a wondrous diversity, without suffering division. It's neighborhoods are able to grow, without growing apart. And today, it is able to celebrate a promising future, without forgetting its rich past.

So often, we lament the decline of the American city. And so it is with great pride that I ask my colleagues to join me in saluting the 125th anniversary of the city of Bayonne, NJ, an American city that still makes a great hometown.

CONGRATULATING WTOP-AM AND REPORTER DAVE McCONNELL FOR 25 YEARS OF SERVICE TO THE WASHINGTON AREA

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. WYNN. Mr. Speaker, I would like to commend WTOP-AM for a quarter of a decade of public affairs broadcasting to the Washington metropolitan area. Since 1969, WTOP-AM, located at 1500 on the dial, has been airing news 24 hours a day. WTOP has actually been on the air since 1929, and has come a long ways since switching to an all-news format 40 years later. The station has received many commendations, including the eminent Edward R. Murrow Award.

The station has the largest radio news team in the area, with 23 news anchors, 11 reporters, 12 editors, and 2 writers. Among those reporters is Capitol Hill correspondent Dave McConnell, who has covered the Hill for 18 years and has been with the station since 1969. Dave is a familiar face in the Capitol. I have talked to him times, including after President Clinton's State of the Union Addresses, during debate on important issues, and following close House floor votes. Dave is an easy fellow to spot, because of his height, his shock of silver hair and his distinctive voice. That has helped me many a time locate him in a crowd. But more importantly, I want to salute Dave for his dedication to covering Capitol Hill and his crisp analysis of complex issues. I salute Dave's 25th year anniversary with WTOP-AM and I congratulate the entire WTOP staff for a job well done.

ON EACH SIDE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. BEREUTER. Mr. Speaker, I commend to my colleagues two editorials regarding health care reform which appeared in the Norfolk Daily News on February 23, 1994, and February 26, 1994. These are thoughtful commentaries as Congress considers the important issue of health care reform.

[From the Norfolk (NE) Daily News, Feb. 23, 1994]

ON EACH SIDE

Does anyone happen to remember who sat on both sides of Hillary Clinton in the U.S. House of Representatives Gallery while President Clinton gave his recent State of the Union message? Jack Faris, president of the National Federation of Independent Business does.

Mr. Faris knows all too well that Mrs. Clinton's invited guests were Lane Kirkland, president of the AFL-CIO, and Jack Smith, chairman of General Motors. It was reported that the invitations were intended as a gesture to heal organized labor's wounds inflicted by the president's support of the North American Free Trade Agreement.

Mr. Faris sees it as a gesture of something entirely different. To him, their presence was a sign of discouragement and concern on behalf of small-business owners throughout the nation.

Why is that?

"General Motors, under the president's health care reform act, will enjoy a huge windfall because its health payments for retirees, who have gold-plated coverage under union-negotiated plans, will be paid for by—you guessed it—small businesses and other taxpayers," Mr. Faris said recently. "Some estimates claim the book value of General Motors alone will leap more than $28 billion when it sheds the health insurance burden."

Even more irritating to small-business owners, according to Mr. Faris, is that the government tax code still treats them shibbily. "While GM and other corporations can deduct 100 percent of their health costs, the self-employed, if Congress is in a good mood, are allowed to write off only one-fourth of their health bills," he said.

We have to share his concern as to whether President Clinton will ignore the economic contributions of small business and instead cater too much to big business and big labor.

The seating arrangement at the State of the Union address may have been only symbolic of the problem, but there's no doubt that the concerns small-business owners have are real.

[From the Norfolk (NE) Daily News, Feb. 26, 1994]

BIG BUCKS COMMITTED

Organized labor has now committed at least $10 million to promote President Clinton's health-care plan. One union official, Gerald Shea, head of the AFL-CIO health care team, says it could eventually be double that.

If lobbying and public relations efforts rather than logic will rule, the unions could help carry the day with such a commitment. Most union members are already covered by health plans that have been negotiated between unions and employers. So the Clinton plan is embraced because it offers an opportunity for others to help foot the bills.

Unions have important allies in this cause. They are the employers who represent several major industries. The chance to shift a portion of the health-care premiums from the biggest employers to other Americans and to pick up more of the payments for early retirees, creates an unusual alliance. It consists of a few of the largest employers who see an advantage in getting their own health care costs lowered, and the unions which are focused not on small employers and individual small business owners but on what is least costly for that elite which they represent.

President Clinton now indicates he is willing to compromise on any features of his complicated plan, except that the ultimate legislation must provide "universal coverage."

So the union's millions are committed not so much to a well-defined and fully understandable plan, but to whatever Mr. Clinton and his principal health care advisers will eventually agree to embrace.

Union members ought to question such an open-ended commitment.

CONGRESSMAN KILDEE HONORS CHARLES H. HARRELL

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. KILDEE. Mr. Speaker, I rise before you today to pay tribute to a man that has distinguished himself as a leading entrepreneur as well as a mentor for disenfranchised and disadvantaged students, Charles H. Harrell. It is only fitting that Pontiac Michigan's Mark Twain Elementary School and its principal, Dr. Broadus Mayfield, will honor Mr. Harrell during the school's Brotherhood Week celebration on Friday, February 24, 1994.

Born in 1945, Charles Harrell completed his secondary education at Attucks High School in Hollywood, FL. After graduation, Charles moved to Wilberforce, OH, where he attended Central State University. Charles completed his studies in 1969, obtaining a bachelor of science degree in business administration.

Upon graduation Charles worked as a district manager of sales for the Oldsmobile Division of General Motors for 13 years. At present, Charles is the owner and president of Detroit's leading Chevrolet dealership, Harrell Chevrolet.

A leader in his field, Charles serves as the chairman of the National Automobile Minority Dealers Association [NAMDA] and also chairs GMMDA, the General Motors Minority Dealers Association. He is a Golden Life Member of the NAACP, the immediate past president of the Civic Citizen's Association, a life member of the Alpha Phi Alpha Fraternity, the immediate past president of the Detroit Rotary Club, a member of the board of directors for Travelers' Aid, a member of the Detroit Optimist Club and a trustee at Hartford Memorial Baptist Church.

During his distinguished career Charles Harrell has received numerous awards including:

Central Michigan University 1993 Alumnus of the Year, 1993 National Alumnus of the Year of Black Universities and Colleges, the 1993 Central Michigan University Hall of Achievement Award, and the 1984 Citizen of the Year Award from Hartford Memorial Baptist Church. Charles was adopted by Jones and McKinney Elementary Schools and received the Unsung Hero award from the Hope and Magnolia Churches.

Mr. Speaker, it is a privilege for me to stand before you today to pay tribute to a true community leader. Charles Harrell's professionalism and community spirit should serve as an example for all people. I urge you and my fellow Members of the 103d Congress to join me in honoring Charles H. Harrell, a truly great American.

MISSISSIPPI FREEDOM DEMOCRATIC PARTY

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. THOMPSON of Mississippi. Mr. Speaker, I come today to salute the Mississippi Freedom Democratic Party [MFDP]. The MFDP was established in 1964 to organize disenfranchised citizens. MFDP provided citizens with a vehicle through which they could learn about the political process and examine how political decisions affected them. The party's primary goal was to challenge the exclusion of African-Americans in the Mississippi Democratic Party.

The fight to include African-Americans in the Regular Democratic Party took the State by storm. MFDP organizers recruited participants from 35 counties which totalled 3,500 people. These organizers became known as the Freedom Democrats.

Adhering to the process of the Mississippi Democratic Party, the Freedom Democrats utilized the party's regulations of precinct, county, and State caucuses to govern their delegate selection process. After months of organizing and training, the MFDP concluded their caucus by selecting 68 delegates and alternates to attend the 1964 Democratic National Convention in Atlantic City, NJ. This biracial, educationally, and socially diverse group was more representative of the State's population than the all-white delegation selected by the Regular Democratic Party.

The Freedom Democrats were not seated at the 1964 Democratic Convention but their cause had been heard throughout the Nation. This national exposure allowed delegates to discuss heart-wrenching tales of racism, brutal beatings, and the total exclusion of African-Americans from the Mississippi Democratic Party. This courageous act was the beginning of a new era in the civil rights movement.

The Mississippi Freedom Democratic Party continues to serve as an organizing tool and as an avenue for collective action.

INTERNATIONAL CONFERENCE ON PEACE AND TOLERANCE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. HAMILTON. Mr. Speaker, yesterday, I inserted into the RECORD the "Bosphorus Declaration" of a conference of leaders of various religious faiths held in early February 1994 in Istanbul, Turkey.

Today, I would like to bring to the attention of my colleagues a resolution and statement made at the conference.

Among the participants in the conference was our distinguished former colleague, Dr. John Brademas, president emeritus of New York University, who is also chairman of the National Endowment for Democracy. Dr. Brademas chaired a working group in Istanbul that dealt with the situation in the Balkans and made a significant contribution to the final document of the conference.

The resolution adopted by the working group chaired by Dr. Brademas and the statement with which he opened its discussion follow:

THE APPEAL OF CONSCIENCE BERNE DECLARATION WORKING GROUP RESOLUTION, FEBRUARY 9, 1994

The mortar shell that killed 68 persons in the marketplace of Sarajevo only days ago dramatizes anew the horror of the continuing war in the former Yugoslavia.

As men and women of different religious faiths—Christian Orthodox, Protestant and Roman Catholic; Jewish and Muslim—we are united in our call for an end to the slaughter and the suffering.

We realize that as religious leaders, we do not have the power to stop the war. But we cannot be spectators only, leaving the field solely to military and political leaders. We have a responsibility not to remain silent when, in the last years of the twentieth century, such terrible devastation is carried out by man against man.

WE CONDEMN USE OF RELIGION AS INSTRUMENT OF CONFLICT

We strongly condemn the use of religion as an instrument of the conflict.

The war in Yugoslavia is not a religious war, and appeal to religion and the exploitation of religious symbols to further the cause of aggressive nationalism are a betrayal of the universality of religious faith.

We echo here the words of the Appeal of Conscience Berne Declaration of November 1992: "Crime in the name of religion is the greatest crime against religion."

We call on the representatives of the religious communities of the countries of former Yugoslavia to urge an end to hatred and a beginning of the process of healing and reconciliation. Indeed, we call on men and women of religious conviction in all lands everywhere to raise their voices against the fires of rampant nationalism. For if these fires are not now curbed, they will spread elsewhere in this tormented part of the world, bringing still further fratricide and suffering.

FIRES OF NATIONALISM NOT CONFINED TO BALKANS

And we warn that the fires of nationalism are not confined to the Balkans, but smoulder elsewhere as well, in Central Asia and the Caucasus.

We observe that for many years people of different religions—Muslim, Orthodox, Roman Catholic and Jew—lived side by side in former Yugoslavia, and without civil war.

We pray for a renewal of respect for the rights of all, particularly for minorities—ethnic, national and religious. We emphasize the imperative of freedom of conscience of every person and of freedom of religion of every minority in every country.

We call for an end to the confiscation, desecration and destruction of houses of worship and of holy and sacred places, of whatever religious tradition.

WE CONDEMN "ETHNIC CLEANSING"

We especially condemn the practice of "ethnic cleansing" and the rape and murder of women and children.

We urge the removal of obstacles that prevent humanitarian assistance from reaching the suffering—the sick and wounded, the elderly, the very young—for whom it is intended. Specifically, we call upon religious leaders in areas of conflict to press political and military authorities to facilitate access of relief supplies to besieged populations.

As leaders of our several religious faiths, we call upon Christians, Jews and Muslims to encourage respect for one another, for the universal power of religion must not be a force for hatred, division and violence but for tolerance and peace among peoples and nations.

AN APPEAL OF CONSCIENCE CONFLICT RESOLUTION TASK FORCE

Specifically, we demand the intensification of negotiations to resolve the conflict in former Yugoslavia and to advance the cause of peace and justice there.

Finally, we propose the creation of an "Appeal of Conscience Conflict Resolution Task Force" to monitor conflicts, ethnic or national; to sensitize world opinion to them; and to be a moral force for conciliation and peace.

OPENING STATEMENT BY JOHN BRADEMAS

I am pleased to have been invited to participate in this International Conference on Peace and Tolerance here in the great city of Istanbul * * * and I want to pay tribute to the co-hosts of our gathering—His All Holiness, Bartholomew I, the Ecumenical Patriarch, and Rabbi Arthur Schneier, the Founder and President of the Appeal of Conscience Foundation.

I had the privilege of meeting His All Holiness when he visited the United States with his beloved predecessor, Dimitrios I, in 1990 and I am honored now to be here at a conference inspired by Patriarch Bartholomew. His All Holiness knows the high regard and great esteem in which I hold him.

I am glad, too, to be in Istanbul with my friend and fellow New Yorker, Rabbi Schneier, who works tirelessly to encourage respect for men and women of different faiths and national backgrounds.

This is not my first visit to Turkey. I came here over 30 years ago when, as a young Member of the Congress of the United States, I visited Phanar and had the privilege of being received by another great Ecumenical Patriarch, His All Holiness Athenagoras I.

Because this is a conference devoted to promoting tolerance—I prefer the word "respect"!—for people of differing religious convictions, I take the liberty of telling you of my own religious background.

AN ECUMENICAL BACKGROUND

My late father was born in Kalamata, Greece, and was Greek Orthodox while my mother, now 92, of Anglo-Saxon descent, is a Protestant, a member of the Disciples of Christ Church.

My two brothers and sister and I grew up in what is now called the United Methodist Church, also Protestant.

I was for a brief time a professor at a Roman Catholic college, and I sit today on the Board of trustees of the University of Notre Dame, one of America's most important Roman Catholic institutions of higher learning.

While serving in Congress, I was for several years a member of the Central Committee of the World Council of Churches.

Then for 11 years, I was president of a university with the largest number of Jewish students in the world and largest number of Roman Catholic students in the United States.

You can see, therefore, that I have a very ecumenical background.

But I would be less than candid if I did not tell you that a number of my fellow Americans of Greek origin are not at all happy about my being with you in Istanbul for this conference.

SOME RESERVATIONS ABOUT THIS CONFERENCE

And as an American politician for many years and a person still active in the political life of my country, I think you should know why some of my friends have expressed reservations about this meeting.

First, in order that you have as clear an understanding as possible, I should remind you that I was the first native-born American of Greek origin elected to the Congress of the United States.

Second, you should know that I was strongly and openly opposed to the military junta that ruled Greece for seven years and that because the Greek Government at that time was not freely and democratically elected, I publicly spoke against U.S. military aid to Greece.

Third, you should be aware that while serving in Congress, I led the effort 20 years ago this summer, following the fall of the junta after the abortive coup against President Makarios of Cyprus, and the subsequent invasion and occupation of that independent republic by Turkish troops, equipped with weapons supplied by the United States, to impose an arms embargo on Turkey.

For American law mandated an immediate termination of further American arms to any country using them for other than defensive purposes.

And I continue to be distressed by the occupation of Cyprus by Turkish military forces and regard that occupation as a major obstacle to stability in this part of the world.

In like fashion, I have on a number of occasions echoed the concern that many Christians all over the world—and not Christians only—have voiced about what they believe has been unjust treatment of the Ecumenical and Armenian Patriarchates and of Christians living in Turkey.

So I do not come to Istanbul without a considerable degree of skepticism.

But I am, nonetheless, here.

WHY DO I COME TO ISTANBUL?

Why do I come?

I take part in this conference because I believe that men and women of differing values and traditions, even on matters so fundamental as religion, can, if they are true to the best in their religious heritage, whether Christian, Jewish or Muslim, find enough common ground to make cooperation rather than conflict in the best interest of the people whom they serve and, ultimately, in the best interest of humankind.

I voice this view in no sentimental, romantic way but rather because I believe it to be true. That Israelis and Palestinians are now taking concrete steps towards some viable peace with each other is a concrete manifestation of the validity of my assertion.

So what is the situation in the world as we meet in Istanbul in February 1994? I cite only a few obvious illustrations.

In the former Soviet Union, the cascade of events has been dizzying—the crumbling of the Communist system, the disintegration of seventy years of totalitarian governments and command economies and the beginnings, fitful and uneven, of reform of the old, inhumane and ultimately unworkable structures. The Damoclean sword of potential war between the Western Alliance and the Soviet empire has for all intents and purposes been removed.

In the Middle East, as I have said, ancient enemies are engaged in a genuine dialogue about how to find a lasting peace.

In the Union of South Africa, after decades of cruelty and oppression under apartheid, the people of that country will be engaged in democratic elections in April.

In Central and Eastern Europe, nations formerly under Communist rule have elected governments that are working to strengthen democratic processes and develop mixed economies.

Indeed, as Chairman of the National Endowment for Democracy in the United States, I lead a bipartisan, nongovernmental organization devoted to promoting democratic institutions in parts of the world where they do not exist or are just emerging.

Despite these signs of hope, as everyone in this room knows, the planet Earth is still full of serious conflicts. These conflicts are born not only of economic and political differences but, increasingly, are of ethnic, national, racial and religious origin. And the conflicts are not confined to any one country—they are to be found on every continent.

Discrimination against racial minorities continues in many parts of the world including Britain, France, Germany and the United States.

So, too, can one observe almost everywhere prejudice on the basis of differences of religion, ethnic origin or nationality. Anti-Semitism is a continuing menace in Western and Eastern Europe and the former Soviet Union.

And you all know how Turks in Germany have been the victims of xenophobic, and sometimes murderous, attacks.

THE TRAGEDY OF FORMER YUGOSLAVIA

Of course, the most dramatic, urgent and contemporary of these national, ethnic and religious conflicts is in the former Yugoslavia. Croatian Catholics, Serbian Orthodox and Bosnian Muslims are every day more deeply engaged in a bloody and terrible war, with Western Europe and the United States seemingly unable to help bring about a just and peaceful resolution.

Last Saturday's attack on Sarajevo, which caused 68 deaths, can only deepen our concern.

Indeed, it is the hope of the organizers of this week's conference in Istanbul that we can here renew the call voiced by Jewish, Muslim, Orthodox and Roman Catholic leaders in Berne in November 1992, under the sponsorship of the Appeal of Conscience Foundation, that the forces of religion, demanding an end to the hostilities and human suffering, will at last be heard and heeded.

Once again, I speak to you with total candor. Even as I have over the years been highly critical of Turkish persecution of the Christian Orthodox community in this country, I am highly critical of the policy of Serbia of "ethnic cleansing" in Bosnia.

And while I am well aware of the Serbian argument that all are equally guilty—Bosnians, Croats and Serbs—I can tell you that public opinion in the United States certainly assigns greatest culpability for the tragedy to the Serbs.

Here I must observe to those who insist that it is impossible for peoples of different ethnic backgrounds to live together that, as the highly regarded American writer, William Pfaff, said recently: "* * * [C]o-existence was the reality of Yugoslavia from 1917 until 1991, with the exception of the four Second World War years, which saw a genocidal assault upon the Serbs by Croatia's fascist collaborationist wartime government—one cause of the atrocities practiced by Serbs in recent months. * * *"[1]

PUTTING FORWARD THE BEST VALUES OF MANKIND

Let me summarize what I have tried to say. I have indicated to you my own general views on the kinds of problems that bring us together in Istanbul—questions of tolerance and peace, or, if you like, intolerance and war. You are, of course, free to disagree with me, as I am sure many of you will!

I am not, however, so much anxious that the members of this group debate my views with me as that, working together, we ask ourselves:

First, what are the matters on which we, as men and women of religious conviction, can agree to encourage respect for each other's religion? * * * and

Second, with regard to the current crisis in the Balkans, what can we say to encourage an end to the fighting and a settlement of the war that will bring peace and a tolerable justice to this tormented part of the world?

I conclude these remarks by reminding you what our eminent co-host, His All Holiness, the Ecumenical Patriarch, said in London last November. Speaking of attacks upon both those of Christian Orthodox faith and, in the Patriarch's words, "our Muslim neighbors," Patriarch Bartholomew declared: "We hope to put behind what is unpleasant while putting forward the best values of mankind. * * * As leaders [His All Holiness concluded], we must stand prophetically, and work for brotherly and sisterly co-existence among those of different faiths, for the benefit of all. We must set aside our differences and, learn to "speak the truth in love" as persons created in the image of the one, true God."[2]

In this spirit, let us begin our discussion.

TRIBUTE TO DAVY CROCKETT

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. QUILLEN. Mr. Speaker, one of the most colorful Members of this body in its 205-year history was undoubtedly David Crockett, the legendary frontiersman. Davy Crockett was born in what is now Greene County, TN, which is in my district, in 1786. He was a

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[1] William Pfaff, "Invitation to War," Foreign Affairs, Summer 1993, page 104.

[2] "Mnemosyne and the Children of Memory." Address by His All Holiness Ecumenical Patriarch Bartholomew I. British Museum, London, 12 November 1993.

Member of the House from 1827 to 1831, and again from 1833 to 1835. In 1836 he went to Texas to join in its struggle for independence from Mexico, and he died defending the Alamo on March 6 of that year.

During his service in the House, Davy Crockett was a paragon of fiscal restraint and public responsibility. Recently, my constituent, Thelma Cutshall, sent me an excerpt from a biography of Crockett entitled "A Humbling Lesson—Congressman Davy Crockett Learns About Limited Government." I have not heard the story before, and it hit me right between the eyes. I am certain that these words will provide guidance to my colleagues as well, so I am happy to include them here.

A Humbling Lesson—Congressman Davy Crockett Learns About Limited Government

(In the following, excerpted from the book, The Life of Colonel David Crockett (1884), compiled by Edward S. Ellis, the famous American frontiersman, war hero and congressman from Tennessee, relates how he learned—from one of his own backwoods constituents—the vital importance of heeding the Constitution and the dangers of disregarding its restraints.)

Crockett was then the lion of Washington. I was a great admirer of his character; and, having several friends who were intimate with him, I found no difficulty in making his acquaintance. I was fascinated with him, and he seemed to take a fancy to me.

I was one day in the lobby of the House of Representatives when a bill was taken up appropriating money for the benefit of a widow of a distinguished naval officer. Several beautiful speeches had been made in its support, rather, as I thought, because it afforded the speakers a fine opportunity for display than from the necessity of convincing anybody, for it seemed to me that everybody favored it.

The Speaker was just about to put the question when Crockett arose. Everybody expected, of course, that he was going to make one of his characteristic speeches in support of the bill. He commenced:

"Mr. Speaker—I have as much respect for the memory of the deceased and as much sympathy for the sufferings of the living—if suffering there be—as any man in this House, but we must not permit our respect for the dead or our sympathy for a part of the living to lead us into an act of injustice to the balance of the living.

"I will not go into an argument to prove that Congress has no power to appropriate this money as an act of charity. Every member upon this floor knows it. We have the right as individuals to give away as much of our own money as we please in charity; but as members of Congress, we have no right so to appropriate a dollar of the public money.

"Some eloquent appeals have been made to us upon the ground that it is a debt due the deceased. Mr. Speaker, the deceased lived long after the close of the war; he was in office to the day of his death, and I have never heard that the government was in arrears to him. This government can owe no debts but for services rendered, and at a stipulated price. If it is a debt, how much is it? Has it been audited, and the amount due ascertained? If it is a debt, this is not the place to present it for payment, or to have its merits examined. If it is a debt, we owe more than we can ever hope to pay, for we owe the widow of every soldier who fought in the War of 1812 precisely the same amount.

"There is a woman in my neighborhood, the widow of as gallant a man as ever shouldered a musket. He fell in battle. She is as good in every respect as this lady—and is as poor. She is earning her daily bread by her daily labor. But if I were to introduce a bill to appropriate five or ten thousand dollars for her benefit, I should be laughed at, and my bill would not get five votes in this House. There are thousands of widows in the country just such as the one I have spoken of, but we never hear of any of these large debts to them.

"Sir, this is no debt. The government did not owe it to the deceased when he was alive; it could not contract it after he died. I do not wish to be rude, but I must be plain. Every man in this House knows it is not a debt. We cannot, without the grossest corruption, appropriate this money as the payment of a debt. We have not the semblance of authority to appropriate it as a charity.

"Mr. Speaker, I have said we have the right to give as much of our own money as we please. I am the poorest man on this floor. I cannot vote for this bill, but I will give one week's pay to the object, and if every member of Congress will do the same, it will amount to more than the bill asks."

He took his seat. Nobody replied. The bill was put upon its passage and, instead of passing unanimously, as was generally supposed and as, no doubt, it would but for that speech, it received but few votes and, of course, was lost.

Like many other young men—and old ones too for that matter—who had not thought upon the subject, I desired the passage of the bill and felt outraged at its defeat. I determined that I would persuade my friend Crockett to move a reconsideration the next day.

Previous engagements preventing me from seeing Crockett that night, I went early to his room the next morning and found him engaged in addressing and franking letters, a large pile of which lay upon his table.

I broke in upon him rather abruptly by asking him what devil had possessed him to make that speech and defeat that bill yesterday. Without turning his head or looking up from his work, he replied:

"You see that I am very busy now; take a seat and cool yourself. I will be through in a few minutes; then I will tell you all about it."

He continued his employment for about ten minutes, and when he had finished he turned to me and said:

"Now, Sir, I will answer your question. But thereby hangs a tale, and one of considerable length, to which you will have to listen."

I listened, and this is the tale which I heard:

"Several years ago I was one evening standing on the steps of the Capitol with some other members of Congress, when our attention was attracted by a great light over in Georgetown, evidently a large fire. We jumped into a hack and drove over as fast as we could. When we got there, I went to work, and I never worked as hard in my life as I did there for several hours. But, in spite of all that could be done, many houses were burned and many families made houseless. Besides, some of them had lost all but the clothes they had on. The weather was very cold; and when I saw so many women and children suffering, I felt that something ought to be done for them. Everybody else seemed to feel the same way.

"The next morning a bill was introduced appropriating $20,000 for their relief. We put aside all other business and rushed it through as soon as it could be done.

"I said everybody felt as I did. That was not quite so; for, though they perhaps sympathized as deeply with the sufferers as I did, there were a few of the members who did not think we had the right to indulge our sympathy or excite our charity at the expense of anybody but ourselves. They opposed the bill and, upon its passage, demanded the yeas and nays. There were not enough of them to sustain the call. Many of us wanted our names to appear in favor of what we considered a praiseworthy measure, so we voted with them to sustain it. They yeas and nays were recorded, and my name appeared on the journals in favor of the bill.

"The next summer, when it began to be time to think about the election, I concluded I would take a scout around among the boys of my district. I had no opposition there, but, as the election was some time off, I did not know what might turn up, and I though it was best to let the boys know that I had not forgot them, and that going to Congress had not made me too proud to go to see them.

"So I put a couple of shirts and a few twists of tobacco into my saddlebags and put out. I had been out about a week and had found things going very smoothly, when, riding one day in a part of my district in which I was more of a stranger than any other, I saw a man in a field plowing and coming toward the road. I gauged my gait so that we should meet as he came to the fence.

"As he came up I spoke to the man. He replied politely but, as I thought, rather coldly, and was about turning his horse for another furrow when I said to him, 'Don't be in such a hurry, my friend; I want to have a little talk with you and get better acquainted.'

"He replied, 'I am very busy, and have but little time to talk, but if it does not take too long, I will listen to what you have to say.'

"I began: 'Well, friend, I am one of those unfortunate beings called candidates, and—'

"'Yes, I know you; you are Colonel Crockett. I have seen you once before, and voted for you the last time you were elected. I suppose you are out electioneering now, but you had better not waste your time or mine. I shall not vote for you again.'

"This was a sockdolager * * *. I begged him to tell me what was the matter.

"'Well, Colonel, it is hardly worthwhile to waste time or words upon it. I do not see how it can be mended, but you gave a vote last winter which shows that either you have not capacity to understand the Constitution, or that you are wanting in the honesty and firmness to be guided by it. In either case, you are not the man to represent me.

"'But I beg your pardon for expressing it in that way. I did not intend to avail myself of the privilege of the constituent to speak plainly to a candidate for the purpose of insulting or wounding you. I intend by it only to say that your understanding of the Constitution is very different from mine; and I will say to you what, but for my rudeness, I should not have said, that I believe you to be honest * * *. But an understanding of the Constitution different from mine I cannot overlook, because the Constitution, to be worth anything, must be held sacred, and rigidly observed in all its provisions. The man who wields power and misinterprets it is the more dangerous the more honest he is.'

"'I admit the truth of all you say, but there must be some mistake about it, for I do not remember that I gave any vote last winter upon any constitutional question.'

"'No, Colonel, there's no mistake. Though I live here in the backwoods and seldom go from home, I take the papers from Washington and read very carefully all the proceedings of Congress. My papers say that last winter you voted for a bill to appropriate $20,000 to some sufferers by a fire in Georgetown. Is that true?'

"'Certainly it is, and I thought that was the last vote which anybody in the world would have found fault with.'

"'Well, Colonel, where do you find in the Constitution any authority to give away the public money in charity?'

"Here was another sockdolager; for, when I began to think about it, I could not remember a thing in the Constitution that authorized it. I found I must take another tack, so I said:

"'Well, my friend; I may as well own up. You have got me there. But certainly nobody will complain that a great and rich country like ours should give the insignificant sum of $20,000 to relieve its suffering women and children, particularly with a full and overflowing Treasury. And I am sure, if you had been there, you would have done just as I did.'

"'It is not the amount, Colonel, that I complain of; it is the principle. In the first place the government ought to have in the Treasury no more than enough for its legitimate purposes. But that has nothing to do with the question. The power of collecting and disbursing money at pleasure is the most dangerous power that can be entrusted to man, particularly under our system of collecting revenue by a tariff, which reaches every man in the country, no matter how poor he may be; and the poorer he is the more he pays in proportion to his means.

"'What is worse, it presses upon him without his knowledge where the weight centers, for there is not a man in the United States who can ever guess how much he pays to the government. So you see, that while you are contributing to relieve one, you are drawing it from thousands who are even worse off than he. If you had the right to give anything, the amount was simply a matter of discretion with you, and you had as much right to give $20,000,000 as $20,000. If you have the right to give to one, you have the right to give to all; and, as the Constitution neither defines charity nor stipulates the amount, you are at liberty to give to any and everything which you may believe, or profess to believe, is a charity, and to any amount you may think proper. You will very easily perceive what a wide door this would open for fraud and corruption and favoritism, on the one hand, and for robbing the people on the other.

"'No, Colonel, Congress has no right to give charity. Individual members may give as much of their own money as the please, but they have no right to touch a dollar of the public money for that purpose. If twice as many houses had been burned in this county as in Georgetown, neither you not any other member of Congress would have though of appropriating a dollar for our relief.

"'There are about two hundred and forty members of Congress. If they had shown their sympathy for the sufferers by contributing each one week's pay, it would have made over $13,000. There are plenty of wealthy men in and around Washington who could have given $20,000 without depriving themselves of even a luxury of life. The Congressmen chose to keep their own money, which, if reports be true, some of them spend not very creditably; and the people about Washington, no doubt, applauded you for relieving them from the necessity of giving by giving what was not yours to give.

"'The people have delegated to Congress, by the Constitution, the power to do certain things. To do these, it is authorized to collect and pay moneys, and for nothing else. Everything beyond this is usurpation and a violation of the Constitution.'"

"I have given you," continued Crockett, "an imperfect account of what he said. Long before he was through, I was convinced that I had done wrong. He wound up by saying:

"'So you see, Colonel, you have violated the Constitution in what I consider a vital point. It is a precedent fraught with danger to the country; for when Congress once begins to stretch its power beyond the limits of the Constitution, there is no limit to it and no security for the people. I have no doubt you acted honestly, but that does not make it any better, except as far as you are personally concerned, and you see that I cannot vote for you.'

"I tell you, I felt streaked. I saw if I should have opposition, and this man should go to talking, he would set others to talking, and in that district I was a gone fawn-skin. I could not answer him, and the fact is, I was so fully convinced that he was right, I did not want to. But I must satisfy him, and I said to him:

"'Well, my friend, you hit the nail upon the head when you said I had not sense enough to understand the Constitution. I intended to be guided by it, and thought I had studied it fully. I have heard many speeches in Congress about the powers of Congress, but what you have said there at your plow has got more hard, sound sense in it than all the fine speeches I ever heard. If I had ever taken the view of it that you have, I would have put my head into the fire before I would have given that vote; and if you will forgive me and vote for me again, if I ever vote for another unconstitutional law I wish I may be shot.'

"He laughingly replied: 'Yes, Colonel, you have sworn to that once before, but I will trust you again upon one condition. You say that you are convinced that your vote was wrong. Your acknowledgment of it will do more good than beating you for it. If, as you go around the district, you will tell people about this vote, and that you are satisfied it was wrong, I will not only vote for you, but will do what I can to keep down opposition; and, perhaps, I may exert some little influence in that way.'

"'If I don't,' said I, 'I wish I may be shot; and to convince you that I am in earnest in what I say, I will come back this way in a week or ten days; and if you will get up a gathering of the people, I will make a speech to them. Get up a barbecue, and I will pay for it.'

"'No, Colonel, we are not rich people in this section, but we have plenty of provisions to contribute for a barbecue, and some to spare for those who have none. The push of crops will be over in a few days, and we can then afford a day for a barbecue.

"'This is Thursday; I will see to getting it up on Saturday week. Come to my house on Friday, and we will go together, and I promise you a very respectable crowd to see and hear you.'

"'Well, I will be here. But one thing more before I say good-by. I must know your name.'

"'My name is Bunce.'

"'Not Horatio Bunce?'

"'Yes.'

"'Well, Mr. Bunce, I never saw you before, though you say you have seen me, but I know you very well. I am glad I have met you, and very proud that I may hope to have you for my friend. You must let me shake your hand before I go.'

"We shook hands and parted.

"It was one of the luckiest hits of my life that I met him. He mingled but little with the public, but was widely known for his remarkable intelligence and incorruptible integrity, and for a heart brimful and running over with kindness and benevolence, which showed themselves not only in words but in acts. He was the oracle of the whole country around him, and his fame had extended far beyond the circle of his immediate acquaintance. Though I had never met him before, I had heard much of him; and but for this meeting it is very likely I should have had opposition, and had been beaten. One thing is very certain, no man could now stand up in that district under such a vote.

"At the appointed time I was at his house, having told our conversation to every crowd I had met, and to every man I stayed all night with. I found that it gave the people an interest and a confidence in me stronger than I had ever seen manifested before.

"Though I was considerably fatigued when I reached his house and, under ordinary circumstances, should have gone early to bed, I kept him up until midnight talking about the principles and affairs of government; and I got more real, true knowledge of them than I had got all my life before.

"I have told you Mr. Bunce converted me politically. He came nearer converting me religiously than I had ever been before. He did not make a very good Christian of me, as you know; but he has wrought upon my mind a conviction of the truth of Christianity, and upon my feelings a reverence for its purifying and elevating power such as I had never felt before.

"I have known and seen much of him since, for I respect him—no, that is not the word—I reverence and love him more than any living man. I go to see him two or three times every year. I will tell you, Sir, if every one who professes to be a Christian lived and acted and enjoyed it as he does, the religion of Christ would take the world by storm.

"But to return to my story. The next morning we went to the barbecue and, to my surprise, found about a thousand men there. I met a good many whom I had not known before. They and my friend introduced me around until I had got pretty well acquainted—at least, they all knew me.

"In due time notice was given that I would speak to them. They gathered up around a stand that had been erected. I opened my speech by saying:

"'Fellow-citizens—I present myself before you today feeling like a new man. My eyes have lately been opened to truths which ignorance or prejudice, or both, had heretofore hidden from my view. I feel that I can today offer you the ability to render you more valuable service than I have ever been able to render before. I am here today more for the purpose of acknowledging my error than to seek your votes. That I should make this acknowledgment is due to myself as well as to you. Whether you will vote for me is a matter for your consideration only.'

"I went on to tell them about the fire and my vote for the appropriation as I have told it to you, and then told them why I was satisfied it was wrong. I closed by saying:

"'And now, fellow-citizens, it remains only for me to tell you that the most of the speech you have listened to with so much interest was simply a repetition of the arguments by which your neighbor, Mr. Bunce, convinced me of my error.

"'It is the best speech I ever made in my life, but he is entitled to the credit of it. And now I hope he is satisfied with his convert and that he will get up here and tell you so.'

"He came upon the stand and said:

"'Fellow-citizens—It affords me great pleasure to comply with the request of Colonel Crockett. I have always considered him a thoroughly honest man, and I am satisfied that he will faithfully perform all that he has promised me today.'

"He went down, and there went up from that crowd such a shout for Davy Crockett as his name never called forth before.

"I am not much given to tears, but I was taken with a choking then and felt some big drops rolling down my cheeks. And I tell you now that the remembrance of those few words spoken by such a man, and the honest, hearty shout they produced, is worth more to me than all the honors I have received and all the reputation I have ever made, or ever shall make, as a member of Congress."

"Now, Sir," concluded Crockett, "you know why I made that speech yesterday. I have had several thousand copies of it printed and was directing them to my constituents when you came in.

"There is one thing now to which I will call your attention. You remember that I proposed to give a week's pay. There are in that House many very wealthy men—men who think nothing of spending a week's pay, or a dozen of them, for a dinner or a wine party when they have something to accomplish by it. Some of those same men made beautiful speeches upon the great debt of gratitude which the country owed the deceased—a debt which could not be paid by money—and the insignificance and worthlessness of money, particularly so insignificant a sum as $10,000, when weighted against the honor of the nation. Yet not one of them responded to my proposition. Money with them is nothing but trash when it is to come out of the people. But it is the one great thing for which most of them are striving, and many of them sacrifice honor, integrity, and justice to obtain it."

JEWISH NATIONAL FUND PAYS TRIBUTE TO RAY MEDLIN AND ED REITER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Ms. KAPTUR. Mr. Speaker, on March 9 the Jewish National Fund will honor two outstanding members of our community with their highest honor: The Tree of Life Award. I cannot think of two more deserving individuals to receive this year's award than the selected recipients Ray Medlin and Ed Reiter.

They exemplify the values we will cherish: family, community, country, commitment, hard work, and that personal responsibility and loyalty still mean something in northwest Ohio.

Ray Medlin has made his mark in northwest Ohio's labor movement. He has been a tireless advocate for working men and women in our community. He currently serves as president of Northwest Ohio Building and Construction Trades Unions and is executive secretary-treasurer/business manager of Northwest Ohio District Council of Carpenters. For most people that would be enough. But Ray devotes his "free" time to many other organizations to make life better for all in our community. Everyone who knows him would agree that he is a remarkable human being.

Ed Reiter is a lifelong Toledoan and is living proof of the saying: "Hometown Boy Makes Good." For the past 6 years he has served as chairman and chief executive officer of Mid-Am Bank. Ed's tremendous energy has also benefited many charitable causes in our community and he has been honored by numerous organizations for his philanthropic efforts. Our community will be eternally grateful for Ed's tireless efforts to make northwest Ohio a better place for us all.

I would also like to commend the Jewish National Fund for honoring these two outstanding individuals. Too often we don't take the time to say "Thank You" but by awarding the Tree of Life Award to Ray Medlin and Ed Reiter, the Jewish National Fund has said "Thank You" on behalf of our entire community.

TRIBUTE TO AMY T. AMORELLO

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Ms. MOLINARI. Mr. Speaker, I want to take a moment on behalf of myself and my staff to pay tribute to a special young woman, Amy T. Amorello, who recently passed away.

Amy had interned in my Washington office in the spring of 1993. As a high school senior at Phillips Exeter Academy, she came to my office through her school's Washington Intern Program. From her first day in my office, we all knew Amy was special. She was a bright and articulate young woman, who brought with her enthusiasm, a positive attitude, and a wonderful sense of humor. She earned our respect and more importantly our affection.

Mr. Speaker, Amy Amorello not only left behind the memory of a delightful young woman, but left behind those who must continue on without her; her parents, Mark and Sandra and her family. The Amorello family and all of us here in Washington have suffered a great loss. Amy Amorello was a remarkable young woman. Although we are overwhelmed with sadness, we must remember to be thankful that Amy Amorello graced us, if only for too short a time.

CONGRESSMAN KILDEE HONORS ELIZABETH ROSS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. KILDEE. Mr. Speaker, it is an honor for me to stand before you today to pay tribute to Mrs. Elizabeth Ross of Pontiac MI, and her family. As we celebrate the International Year of the Family, 1994, we must not forget those heroes who continue so given to much of themselves to the community. Elizabeth Ross is one of Pontiac, Michigan's silent heroes.

To understand the true greatness of Elizabeth Ross, you must examine the history of her family over the past three generations. This history was complied by Elizabeth's niece, Susan Banks, Ph.D., the first member of her family to earn a doctorate. I will share with you some highlights from the Ross family history.

Albert and Hattie Ross, Elizabeth's parents, moved to Pontiac in the mid-1920's from their home in Anderson, IN. They came hoping to take full advantage of the opportunity for economic advancement offered by the up-and-coming automobile industry. The automobile industry had become big business in Detroit, MI by 1916 and by 1920, Pontiac Motors had built two facilities in the city of Pontiac. Many white workers left their original jobs upon being hired by the automobile industry and blacks moved north to fill the vacancies. By the 1930's, blacks, including Albert Ross, were able to work in these factories.

Although they barely completed the eighth grade, Elizabeth's parents, Albert and Hattie, established a strong respect for education in all of the future generations of their family. One quarter of their children, along with sons and daughters-in-law, have bachelors degrees and Elizabeth is no exception. Elizabeth attended Tennessee Agriculture and Industry College, known today as Tennessee State University, received a bachelors degree in food and nutrition and became a registered dietitian.

After graduation Elizabeth traveled to Daytona beach, FL to visit a classmate attending Bethune-Cookman college. Her friend, Sara Davis had become Dean of Women under the college's president, Mary McLeod Bethune. Elizabeth Ross considers her subsequent meeting with Ms. Bethune to be a shining moment in her life. A photograph was taken of the three women during this visit. Over the years it has become a family heirloom and major topic of discussions at family reunions.

Elizabeth continues to be active in her community. On Saturday in the warmer months, you can find her serving pancakes in downtown Pontiac for the benefit of local charities. She recently organized the reunion of three generations of the Ross family. Elizabeth was recently recognized on the front page of the Pontiac-Auburn Citizens Post for her life time achievements and commitment to her family.

Mr. Speaker, I ask you and my fellow Members of the 103d Congress to join me in celebrating the International Year of the Family and in recognizing the priceless contributions of the Ross family and one of its most outstanding members, Elizabeth Ross.

CONGRATULATIONS TO WESTINGHOUSE FINALISTS

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. HOCHBRUECKNER. Mr. Speaker, it is my pleasure to take this opportunity to recognize two outstanding young students from Ward Melville High School in East Setauket, Long Island. Both Todd Hod and Job Rijssenbeek were recently named as finalists of the 53d Annual Westinghouse Science Talent Search. These young men were 2 of only 40 students to be honored by Westinghouse after an extensive national search was conducted to find the most talented high school seniors in the fields of science, mathematics, and engineering.

The competition's finalists will receive Westinghouse science scholarships ranging from $1,000 to $40,000. In addition, these 40 young men and women have been awarded an all-expenses-paid trip to Washington, DC, to attend the Science Talent Institute from March 9 through March 14.

Todd Hod, from Stony Brook, NY, submitted a report to the talent search entitled "Structural Analysis of an RNA-Protein Complex." Todd concluded that the prediction of RNA structure is more complex than earlier studies imply. Furthermore, his study suggests that more research could lead to better methods of managing blood glucose in diabetics.

Todd's talent are not limited to biochemistry. He also participates in football, basketball, track, and the computer club at Ward Melville High School. Moreover, Todd finished first in a Suffolk County math competition that included over 8,000 students. In the future, Todd plans to focus his efforts on a career in computer science.

Job Rijssenbeek is also a resident of Stony Brook, NY. Job grew a tin sulfide crystal with a zeotype for his Westinghouse project. He than analyzed the crystal and its ion-exchange properties. Job was rewarded for his analytical skills when he placed second in the New York State Science Olympics. In addition to his extracurricular scientific activities, Job is also a member of the track team and the history club.

Mr. Speaker, it is my pleasure to join the Long Island community in saluting two brilliant young men, Job Rijssenbeek and Todd Hod. I am proud to represent these outstanding Ward Melville students and I wish them continued success as they further their education.

CARNEGIE GROUP URGES CONGRESS TO RESTRUCTURE THE WAY IT HANDLES SCIENCE AND TECHNOLOGY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. HAMILTON. Mr. Speaker, as the former cochairman of the Joint Committee on the Organization of Congress, I draw to the attention of my colleagues a report issued a few days ago warning that overlapping congressional responsibilities and barriers to multiyear funding are limiting the ability of American science and technology to solve the Nation's problems.

In the report, which was released on February 14, 1994, the Carnegie Commission on Science, Technology and Government proposes a set of procedural and organizational changes to make congressional action on science and technology policy more effective.

The report, entitled "Science, Technology, and Congress: Organizational and Procedural Reforms," is the work of the Carnegie Commission's Committee on Science, Technology and Congress, chaired by our distinguished former colleague, Dr. John Brademas, president emeritus of New York University, who for 22 years—1959–81—served in the House of Representatives.

In discussing the report, Dr. Brademas said,

> Addressing the challenges that face this country—from school failure and AIDS to economic competitiveness and nuclear terrorism—will demand the wise use of science and technology. Differences between House and Senate jurisdictions have often diluted responsibility for science and technology policy. The reforms we urge could enable Congress to set intelligent priorities in a time of severe fiscal constraint.

Alluding to the work of the Joint Committee on the Organization of Congress, the Carnegie report asserts that "the time is right for reform," and notes that with the responsibility for science and technology policy in Congress divided among 18 committees and dozens of subcommittees, it is very difficult to consider the Nation's scientific and technological endeavor as a whole. Policymaking, therefore, suffers.

The fragmentation also, says the report, makes it difficult for the executive branch and the scientific and technical community to form productive partnerships with Congress.

RECOMMENDATIONS OF THE CARNEGIE COMMISSION ON SCIENCE, TECHNOLOGY AND CONGRESS

Mr. Speaker, among the chief recommendations of the Carnegie Commission on Science, Technology and Congress are that Congress:

Establish a National Forum on Science and Technology Goals that can put these goals in the context of national and international objectives;

Reform the committee structure to permit more consistent implementation and oversight of scientific and technical programs;

Modify appropriations committee jurisdiction to reduce the number of subcommittees responsible for funding S&T activities;

Enforce existing rules on the division of committee responsibility, especially with respect to authorizing and appropriations committees;

Extend funding cycles for S&T programs through the use of multiyear funding mechanisms, such as multiyear appropriations, advanced or forward funding, and up-front funding of major construction projects;

Test the effectiveness of 2-year congressional budget cycle;

Adopt, with the executive branch, an accurate and consistent set of funding categories that would carry through the budget process.

The report also includes a case study of congressional academic earmarking

Dr. Brademas said:

> Science and technology support, rather than complete with, the missions of Government departments and agencies.
>
> This report suggests ways of organizing and using that support more wisely. It is not a plea for more S&T funding from Congress.

"By choosing reform," the report says, "Congress can help ensure that the United States will enter the 21st century using to the fullest one of our greatest assets, the strength of American science and technology."

TWO OTHER REPORTS

Mr. Speaker, the Carnegie Commission on Science, Technology and Government was established in 1988 by the Carnegie Corp. of New York, whose president, Dr. David A. Hamburg, initiated the effort. The Commission has published a series of reports on how the Federal Government and the States can better integrate scientific and technical knowledge into the public policymaking process.

"Science, Technology, and Congress: Organizational and Procedural Reforms" is the third and last in the series of reports by the Carnegie Commission's Committee on Science, Technology and Congress. In addition to Dr. Brademas, the Committee consists of former President Jimmy Carter; Florida Governor and former Senator Lawton Chiles; former Washington Governor and Senator Daniel J. Evans; former Maryland Senator Charles McC. Mathias, Jr.; and H. Guyford Stever, former science advisor to Presidents Nixon and Ford.

The first report dealing with Congress, "Science, Technology and Congress: Expert Advice on the Decision-Making Process," issued in February 1991, discussed how Congress obtains advice on science and technology from outside government—from industry, academia, and other institutions.

The second report, "Science, Technology and Congress: An Analysis and Advice From the Congressional Support Agencies," issued in October 1991, dealt with how Congress obtains such advice from the four congressional support agencies: The Office of Technology Assessment [OTA], the Congressional Research Service [CRS] of the Library of Congress, the General Accounting Office [GAO], and the Congressional Budget Office [CBO].

I note finally, Mr. Speaker, that the deliberations of the committee chaired by Dr. Brademas were also informed by a congressional advisory council, of which I was privileged to be one, a bipartisan group of 40 Senators and Representatives.

TRIBUTE TO ROBERT G. CLARK

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. THOMPSON of Mississippi. Mr. Speaker, I stand today to pay tribute to Mr. Robert G. Clark of Holmes County, MS. Mr. Clark is an elected official, educator, farmer, businessman, and father. Mr. Clark is a graduate of Jackson State University, Michigan State University, and was a teaching fellow at the John F. Kennedy School of Government at Harvard University. On January 2, 1968, Mr. Clark became the first black State legislator in Mississippi since the Reconstruction era.

Clark was one of the few candidates elected out of the 32 independent candidates sponsored by the Mississippi Freedom Democratic Party in 1967. Prior to Mr. Clark's election to the Mississippi House of Representatives, he was an educator. One of his initial reasons for running for office was the fact that a local literacy program was denied a work experience component by the local board of education. This new program had the potential of assisting 240 poor families in the area. He decided to run and change those laws that gave local authorities control over poverty programs.

In 1977, Mr. Clark became the first black committee chairman in the House, where he served as chairman of the House Education Committee for 10 years. True to his commitment to education, the Education Reform Act of 1982 was passed under Mr. Clark's leadership. One of the major accomplishments of this act was to mandate public kindergartens in every school system in the State.

He was also the first black candidate to win a congressional primary in Mississippi since Reconstruction. His Democratic primary victories in 1982 and 1984 helped lay the foundation for the election of the State's first black Congressman from Mississippi in the 20th century.

Mr. Clark continues to make history in Mississippi. In 1992, he became the first black speaker pro tempore of the Mississippi House of Representatives. This elected position by peers is an acknowledgment of the significant political and social contributions made by this quiet, genteel warrior.

CLEAN WATER LEVEL OF EFFORT GRANTS

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. PETRI. Mr. Speaker, today, along with the other members of the Wisconsin delegation, I am introducing the Level of Effort Clean Water Bonus Fund Act of 1994. This bill would amend the Clean Water Act to set aside 20 percent of the amount provided annually for Federal capitalization grants under the State Revolving Loan Fund [SRF] Program and use those funds to provide grants to States that have devoted financial resources to the SRF or other wastewater treatment grant programs beyond the minimum required under the program.

States which have made clean water a top priority and have invested resources toward wastewater treatment beyond what is required under the Clean Water Act naturally have seen significant improvements in their water quality. Unfortunately, since Federal funds are distributed through a formula which is based in large part on needs, these States find that the Federal response to their hard efforts is to reduce their Federal funds. States which have not devoted the resources necessary to make real improvements in their water quality, for lack of effort or other reasons, will receive an increase in Federal funding.

This is an approach which does not make sense to me. Too many of our Federal programs contain disincentives for States to invest their own funds beyond the minimum required. An incentive grant program would recognize the hard budget choices and efforts made by States which overmatch the required SRF contribution and it would encourage other States to invest greater resources in this program in the future. I believe this is a more rational policy than rewarding States which do less by giving them more Federal money.

As Congress begins the Clean Water Act reauthorization process, I hope that we will take a look at how we spend our Federal dollars and use those dollars to provide incentives to States so that overall spending on clean water will increase—and our water quality will improve as well.

75TH DIAMOND JUBILEE BIRTHDAY PARTY FOR THE LEGIONNAIRES, GEORGE E. HILGARD AMERICAN LEGION POST 58, BELLEVILLE, IL

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. COSTELLO. Mr. Speaker, I rise today to ask that my colleagues join me in recognizing the 75th diamond jubilee birthday party for the Legionnaires of the George E. Hilgard American Legion Post 58 in Belleville, IL. It gives me great pleasure to wish this post and the more than 15,500 other American Legion posts across the Nation a very happy 75th birthday.

After 75 years of service, the American Legion, with its 3.1 million members, continues its long tradition of working to ensure an adequate defense establishment capable of protecting the security of the United States. With the evolution of space technology and scientific advancement of both conventional and nuclear weapons, the Legion continues to support a suitable arsenal and a properly trained fighting force as prime deterrents to aggression.

In addition to the significant national defense measures, the American Legion has also long played a very important and visible role in the education and growth of millions of young men and women throughout the past 75 years. The American Legion's interest in young people historically goes back to the Legion's founding at the end of World War I. Today the American Legion sponsors and actively participates in events such as the American Legion National High School Oratorical Contest, the American Legion Baseball Program, the American Legion Child Welfare Foundation, and the American Legion Boys State Program, which helps young people gain a better understanding of the U.S. Constitution and the prerequisites of good citizenship and civic responsibilities.

Mr. Speaker, I ask that you and every Member of this body join me to express our sincere gratitude and appreciation for the many wonderful contributions the American Legion has made throughout our many neighborhoods and communities in the last three-quarters of a century. I certainly look forward to celebrating many more future milestones with the dedicated Legionnaires of Belleville, IL.

IN HONOR OF PROJECT CHILDREN

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. FROST. Mr. Speaker, I would like to recognize the commendable efforts of Denis Mulcahy, the founder of Project Children.

Project Children is a program that brings children from Northern Ireland to the United States for a 6-week vacation from the turbulence and violence now plaguing their home country. The Irish children stay with American host families and, for the first time, experience the kind of carefree, playful life that we naively assume all children enjoy.

Mr. Mulcahy, a member of the New York City Police Department, had witnessed first hand the effect of violence on children. He recognized the importance of providing the children of Northern Ireland with some hope, some joy in their lives.

A constituent of mine, Crystal Grose, volunteered to host one of these children. I know that she, like the other host families, deeply influenced the life of the Irish child she cared for.

Furthermore, Project Children provides all of us with an awareness and understanding of the suffering that children all over the world experience and gives us the opportunity to get involved, to relieve some of that pain.

Again, I commend the sincere dedication of Mr. Mulcahy. He has deeply touched the lives of these children as well as the lives of Americans who have participated in the program. In fact, he has reminded us all of our responsibility to work to improving our communities.

CONSUMPTION OF ANTIOXIDANT VITAMINS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. RICHARDSON. Mr. Speaker, a panel of America's leading scientists have given up on the Food and Drug Administration and issued their own recommendations for the consumption of antioxidant vitamins. A growing volume of scientific studies indicate that daily ingestion of vitamins C, E and beta carotene—a form of vitamin A—can dramatically reduce the incidence of cancer, heart disease, cataracts, and other conditions associated with aging.

Under the Nutrition Education and Labeling Act of 1990, this type of simple but effective nutrition information was supposed to flow to consumers after review by the FDA. Unfortunately, the anticipated flow has amounted to little more than a trickle. Only two health claims have been authorized by the FDA since the law was enacted and one, which informs women of child-bearing age that a modest amount of folic acid can significantly reduce birth defects, was finally allowed well over a year after the U.S. Public Health Service had issued its own recommendation on the need to consume folic acid.

The 1990 act directed the agency to review 10 specific health claims, including 1 on antioxidants. In preliminary and final rulemakings, the FDA has rejected an antioxidant health claim three times. As a result, supplement manufacturers, wholesalers, and retailers are denied the ability to provide truthful and nonmisleading information about the increasingly apparent benefits of antioxidant vitamins to tens of millions of American consumers. And all this is done in the name of protecting the public.

When America's leading scientists have to call a press conference to inform people of information that could save their lives and will certainly save health care dollars because the Federal agency responsible for protecting the public health refuses to let the private sector provide such information at no expense to the taxpayer, something is seriously wrong. This is why over 230 of my colleagues have joined me as cosponsors to H.R. 1709, the Dietary Supplement Health and Education Act, and why we must enact legislation in this Congress to correct the FDA's senseless overregulation of the dietary supplement industry.

TRIBUTE TO JUDGE CHARLES R. SCARLETT

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. DIXON. Mr. Speaker, it is a personal honor to pay tribute to the Hon. Charles R. Scarlett, who recently retired as a judge of the Los Angeles Superior Court. On January 29, 1994, in Los Angeles, Judge Scarlett was feted at a testimonial dinner acknowledging over four decades of legal and judicial excellence to the community. In celebration of his distinguished career, I too am pleased to share just a few of his accomplishments with my colleagues.

Charles Redmond Scarlett was born in 1924 in Greensboro, NC, to Dr. Henry Scarlett and Dr. Donnie Redmond Scarlett. He attended Morehouse College in Atlanta, GA, Lincoln University in Missouri, and received his undergraduate degree from Howard University, the historic training ground for many of our nation's African-American trailblazers.

Following his graduation from Howard University, Judge Scarlett deferred his plan to attend law school and enlisted in the U.S. Marine Corps. He served in the Pacific during World War II and was honorably discharged in 1945.

Judge Scarlett was the first African-American admitted to law school at Washington University in St. Louis, MO. He was a contributor to the law review and a member of the Nu Beta Epsilon legal fraternity. He graduated from law school in June, 1952, and was admitted to the Missouri Bar that same year. He passed the California Bar in 1953, and set course on a legal career as one of Los Angeles' first African-American attorneys.

As an attorney in private practice, Judge Scarlett handled hundreds of cases, both civil and criminal, developing a reputation as an outstanding litigator and negotiator. Some of his more renowned clients included entertainers James Brown and Little Richard. Two of his partners were former Los Angeles Superior Court Judge Earl C. Broady, Sr.—deceased—and Judge Robert L. Roberson, Jr. The law firm of Scarlett and Roberson was one of the first minority firms to handle personal injury defense work for the then-Southern California Rapid Transit District; the Los Angeles County Unified School District, and other private and public entities.

In 1980, then-California Governor Edmund G. Brown, Jr., appointed Scarlett to the Los Angeles County Superior Court bench. As a jurist, he has received the admiration and respect of both prosecutors and criminal defense attorneys for his intellect, judicial temperament, and his fairness. At retirement, he was assigned to the Inglewood Juvenile Court.

Throughout his brilliant legal career, Judge Scarlett has consistently and willingly served as a role model for many young adults, including numerous aspiring attorneys. His door was always open to the many young lawyers who sought his advice and guidance. He established standards of excellence, followed them, and earned the high esteem of all who have had the privilege of knowing and working with him.

Mr. Speaker, I am pleased to have this opportunity to further acknowledge the exemplary legal and judicial career of Judge Charles R. Scarlett. I congratulate him on his numerous contributions to the citizens of Los Angels, and ask my colleagues to join me in extending best wishes for continued success and happiness to him and his wife of 41 years, Charmaine, and their family.

IT'S GOTTA BE THE HAIR

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. COBLE. Mr. Speaker, there is a basketball shoe commercial on television these days which has the punch line, "It's gotta be the shoes." In Davie County, NC, these days, everyone is celebrating a State high school wrestling championship by saying, "It's gotta be the hair."

Mr. Speaker, the Sixth District of North Carolina is proud to say that we are home to the North Carolina High School Athletic Association class 4-A wrestling champions. The Davie County High School War Eagles captured the State's wrestling championship on February 5 with a 31 to 28 victory over top-ranked Durham Riverside. It was the first State sports championship for Davie County High School.

The reason people in Davie County are commenting on the State of the wrestling team's hair care is that just prior to the championship meet, the entire squad decided to shave its collective heads. These days they are known as the Bald Eagles as much as the War Eagles. After defeating South Rowan High School in the semifinals, the team held a cut-a-thon. When it was over, every member of the squad emerged shorn of hair but full of desire to complete a mission. Not only were the wrestlers representing Davie County, but they were competing for one member of the squad who was there in spirit if not in person. Jeremy Cook was a Davie High wrestler to whom in December the team dedicated its season. Jeremy's parents, Larry and Cherie Cook, were in attendance at the championship meet cheering as enthusiastically as anyone. I don't think it was the haircuts which put Davie County over the top. It was the drive and determination to win which displayed itself all season and culminated in the State title.

Congratulations go to head wrestling coach Buddy Lowery and assistant coach Matt Wilson. Every member of the squad can share in this crowning achievement. The team members are Billy Allen, Michael Anthony, Daniel Baity, Jason Boger, Clint Boggs, Eric Bracken, Bobby Brown, Justin Carter, Kevin Caudle, Adam Connor, Neil Cornatzer, Don Callahar, David Hall, Michael Hunter, Justin Jenne, Will Johnson, Curtis Johnson, Jansen Keene, Paul Keeton, Shane Laws, Jake Marion, Mark Mason, Mark McKnight, Chad Nichols, Bill Overcash, David Potts, Jason Robertson, Matt Sain, Scotty Spry, and Jeff Wilson.

Davie County High School actually has two State champions this year. The school's competition cheerleaders, 14 girls and 1 boy, captured the State's 4-A competition cheerleading championship. Competition cheerleading differs from the cheerleading squad which attends Davie High sporting events. Their title-winning routine consisted of cheering, stunts, tumbling, and dancing which set them apart from all the rest. In fact, Davie was the only squad which had tumbling as part of its performance. So you could say, "It's gotta be the tumbles."

Congratulations are in order for head coach Tanya Cline and assistant Coach LuAnn Browder. The members of the championship squad include Melissa Agrillo, Sarah Bahnson, Crystal Bonds, Allison Buckner, Carmen Cornatzer, Jill Everhardt, Cara Hansen, Heather Henderson, Carrie Johnson, Amy Newsome, Matt Osborne, Beth Phillips, Katie Riddle, Jennifer Schmitt, and Melissa Woolridge.

On behalf of the citizens of the Sixth District of North Carolina, we extend our best wishes to principal W. G. Potts, assistant principals Linda Bost, Danny Cartner, and Linda Freeze, the faculty, staff, students, and families of Davie County High School for capturing two State crowns. To the wrestlers we say, "It's gotta be the hair" and to the competition cheerleaders we say, "It's gotta be the tumbles." To all of them we say, "Thanks for a job well done."

NATIONAL RETIREMENT INCOME POLICY

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise today to call attention to a forward-thinking report compiled by my constituent, Michael Callahan, and his colleagues at the American Society of Pension Actuaries [ASPA], a professional association based in Arlington, VA. Given the declining coverage of Americans under qualified pension plans during the 1980's, a substantially lower ratio of workers to retirees in the 21st century than today, Americans' low rate of personal savings, and a host of other factors, our Nation is at risk of being financially unprepared to support future generations of retirees. I therefore urge my colleagues to consider the provisions recommended in this proposed National Retirement Income Policy prepared by ASPA.

THE NEED FOR A NATIONAL RETIREMENT INCOME POLICY

Some will argue that the United States already has a national retirement income policy. That policy is to raise current revenue by reducing incentives for qualified plans, IRAs and personal savings. It encourages continuing changes in pension law and regulation without regard to the effect on the formation and continuation of retirement plans. That is the problem!

A national retirement income policy aimed at solving the growing retirement income crisis is needed. Four elements are converging to create this crisis:

1. A "baby boomer" population bubble that is moving inexorably toward retirement age.
2. The low savings rate in the U.S. during the 1980s and into the 1990s.
3. Substantial and continuing decrease in coverage of workers by private pension plans.
4. The increasing pressure on our Social Security system.

The post-World War II "baby boomers" will retire between 2011 and 2030. Because of the reduction in birth rates and the increase in longevity, the ratio of workers to retirees will drop from the present ratio of 3.2-to-1 to a ratio of 2.1-to-1, by 2030. This means that there will be far fewer working age people to support many more retirees. This fact alone underscores the need to fund sufficient pension income in order to limit the burden on our younger generations.

The problem has been exacerbated by the devastation Congress and other regulators have visited upon the private pension system during the 1980s. Coverage of employees has dropped about 4 percent during this decade. Coverage of employees of small businesses (fewer than 100 employees) has dropped even more.

We must have a coordinated national retirement income policy to meet this crisis. If we do not start now, the task will become impossible.

Our recommendations require a coordinated overhaul of this nation's entire pension system. The changes that we suggest are mutually dependent upon each other. When all concepts are viewed together, each change falls into its logical position.

For a quick overview of our recommendations, please refer to the chart on the next page. It shows expected sources of pension income to meet the "national pension target" (recommended replacement ratio of final pay in retirement). The chart also illustrates the interdependence of suggested pension income sources in our national retirement income policy proposal.

NATIONAL PENSION TARGET [NPT]

[Recommended replacement ratio of final pay in retirement, in percent]

Final pay	Replacement ratio (based on final pay)[1]	Personal savings	Social Security[2]	Mandatory minimum pension	Private plan (to attain 100% NPT)
$20,000	85.0	6.2	34.5	15.0	29.3
$24,000	82.8	6.8	28.8	15.0	32.2
$29,000	80.6	7.4	23.8	15.0	34.4
$35,000	78.8	8.2	19.7	15.0	35.8
$42,000	77.3	9.1	16.4	15.0	36.8
$50,000	76.1	10.0	13.8	15.0	37.3
$60,000	75.1	11.0	11.5	15.0	37.6
$72,000	74.3	12.1	9.6	15.0	37.6
$86,000	73.6	13.4	8.0	15.0	37.2
$103,000	73.0	14.8	6.7	14.6	36.9

[1] Replacement ratio derived from algorithm in our Income Replacement research paper and on page 6 of this Executive Summary.

[2] Assuming our recommended Social Security changes have been fully implemented.

INCOME REPLACEMENT IN RETIREMENT

What should be the goal of a national retirement income policy? The Income Replacement in Retirement paper centers on quantifying the goal; determining how much income retirees are likely to need. In general, other industrialized countries have replacement ratios of from 60 percent to 85 percent of final pay. These countries also have a higher replacement ratio for lower paid workers than for highly paid workers.

Looking at studies done on the subject in the United States, one finds that the Carter administration reported in its 1981 President's Commission on Pension Policy study that retirees need from 85 percent at lower pay levels down to 50 percent at higher pay levels of preretirement income in order to maintain a reasonable standard of living. Colin B. England, FSA, published a study (1987) that took the approach of updating the President's Commission on Pension Policy report to reflect the many tax law changes that occurred in the 1980s. More recently, Georgia State University, in conjunction with the consulting firm Alexander and Alexander, produced a comprehensive study on the subject. Their approach was to utilize Department of Labor statistics on geographical preretirement expense patterns to project postretirement income needs patterns. This study produced tables showing retirement income replacement needs as high as 90 percent at a $15,000 per year preretirement income level to a low of 66 percent at a $90,000 annual preretirement level.

The ASPA NRIP Committee believes that statistics from tracking and comparing actual pre- and postretirement spending patterns are needed to more accurately measure appropriate retirement income replacement needs. Also, we need to get reasonably accurate estimates of postretirement medical expense funding requirements to factor them into the retirement income policy.

A comprehensive retirement replacement ratio study should also include the projected effects of—

Federal, state and local tax rates (as the Georgia State study does).

Various levels of taxation on Social Security benefits.

Offsets in Social Security benefits by postretirement earned income.

Factors that cause changes in spending patterns postretirement.

Until the suggested comprehensive study is done and validated statistics are available, we suggest a "national pension target" be established based on an algorithm which ties into the recommendations in our Social Security, Personal Savings, Working Beyond Retirement and Private Plans research papers.

The NRIP Committee's consistent concept is to use poverty level income as a baseline for desired economic need and living pattern change.

Our suggested national pension target algorithm is as follows:

85% of final pay not exceeding three times the poverty level, plus 70% of any additional final pay: *1993 poverty level=$6,810.*

Annual updates of the comprehensive retirement income ratio study will be needed to measure the ongoing reasonableness of the NPT formula. It would not be surprising to find the need to periodically adjust the NPT algorithm. We have developed NRIP research papers whose recommendations interrelate in such a way that our NRIP objectives can be met by working Americans.

Using the above suggested algorithm would result in a comparable table of retirement income replacement ratios as follows:

REPLACEMENT RATIOS

[In percent]

Preretirement earnings	1981 PCPP study (married couples)	Georgia State (1987 study)	Georgia State (1991 study)	Colin England study	Algorithm
$6,500	86			88	85
$10,000	78			85	85
$15,000	71	82	90	78	85
$20,000	66	75	85	74	85
$25,000		71	82		82
$30,000	60			68	80
$40,000		68	77		78
$50,000	50	66	73	73	76
$60,000		66	71		75
$70,000		66	70		74
$75,000				74	74
$80,000		68	68		74
$90,000		68	66		73
$100,000				74	73

SOCIAL SECURITY

We recommend significant changes to the existing Social Security system, to be phased in over a 50-year period. The 50-year phase-in gives everyone time to adjust. It avoids taking anything away from current and near-term retirees. Benefits already earned will be fully protected. We suggest these changes as part of a comprehensive national retirement income policy, driven by social and need and practical economics. We cannot continue to mortgage future generations by expecting them to financially carry the entire retirement income burden via increasing payroll taxes. Social Security must be returned to its original purpose—to prevent poverty for U.S. citizens during their retirement years.

Benefits should not be related to the level of preretirement wages. All U.S. citizens must be covered, not just wage earners; and all U.S. citizens should receive the same base level pension income protection. This means spouses who raised children and ran households would have their own full retirement benefit. It will make no difference whether individuals living together are married or not. They each would get full benefits. We suggest that a standard benefit be provided equal to the poverty level ($6,810 in 1993) which is indexed for inflation and reduced proportionally for less than approximately 45 years of citizenship or residency.

These recommended Social Security system changes cannot occur in a vacuum. They must be accompanied by the rest of our suggestions, in particular:

Revamp the private plan system and coordinate it with the new Social Security system.

Provide incentives for elective work after retirement.

Provide incentives for personal savings.

Establish a national retirement income policy.

As the new Social Security system is phased in, funding be gradually transferred from the existing payroll tax to general revenue. The existing separate Social Security trust fund would, upon exhaustion, cease to exist. This eliminates any expectation that taxes paid should equal benefits received. It substitutes a progressive funding arrangement for the existing regressive one.

A "standard retirement age" would be created that would automatically change to reflect current life expectancy. This encourages working longer and controls the retirement benefit liability. It also uncouples the progress of the standard retirement age from political and revenue considerations. Benefits would begin at the standard retirement age regardless of when active work ceases. There should be no gain by deferring retirement and no subsidy for early retirement.

We suggest retaining the existing tax treatment. Benefits are tax free for individuals with adjusted gross incomes below certain thresholds. They are partially to fully taxable for individuals with higher levels of income. Thus Social Security pension benefits are maximized for those who have the greatest economic need. Also, we suggest Social Security survivor, disability and Medicare benefits remain the same. These are health and welfare benefits that need to be addressed within the context.

The table shows how our recommended transition will affect benefits provided to citizens born 1930 through 1979. Citizens born after 1979 would be 100 percent under the new system.

TRANSITIONAL BENEFITS

[Under current and proposed laws for the average worker]

Year of birth	Current law	Proposed	Proposed (as percent of current law)
1930	$11,051	$10,981	99.4
1935	14,309	13,692	95.7
1940	18,521	16,901	91.3
1945	25,090	21,579	86.0
1950	32,480	26,053	80.2
1955	42,049	31,051	73.8
1960	57,035	38,068	66.7
1965	73,844	45,863	62.1
1970	95,592	51,499	53.9
1975	123,758	55,991	45.2
1979	153,947	57,940	37.6

Benefits are stated in current dollars as of each year. Thus, all benefit amounts fully reflect expected inflation at an assumed long-term rate of 4.0 percent. The average worker is a long-term employee assumed to be employed at the economy-wide average wage throughout a working career. Wages are assumed to increase in the future at an average rate of 5.3 percent.

WORKING BEYOND RETIREMENT AGE

Traditionally, there have been three sources of retirement income: Social Security benefits, personal savings and private retirement plans (qualified plans). The ASPA NRIP Committee suggests working after attaining retirement age as an optional fourth source of retirement income. Adding work after retirement fulfills several objectives. First, it makes sense to encourage and utilize the experience, skills and vitality of our older citizens. This is a valuable national resource. Second, we must recognize that 65 is not "old age" anymore. Life expectancy has been significantly advanced due to medical breakthroughs. Moreover, there is hard evidence that continued work improves the quality of life.

Of critical importance is the practical problem that traditional pension income sources will be insufficient for future generations. The option to continue productive employment can help fill the unfunded income need.

But, we also suggest a life planning option. Why not leave it up to the individual to choose between saving more before retirement (so continued work won't be needed) or saving less while expecting to work, at least part time, after retirement age?

We suggest social and legislative changes that will foster these options and will capitalize on the valuable experience of our older population. Such changes include the following:

Offer income tax credits for expenses incurred for career changing education for older citizens.

Provide tax credits to businesses that employ older workers.

Eliminate current law requirements of coverage for workers already beyond retirement age on health and pension plans. The extreme cost to employers is a great disincentive to hiring older workers. Let benefits beyond retirement age be optional so older workers can negotiate their own pay package.

Repeal the "excess earnings" test so that people who are otherwise eligible may draw full Social Security benefits. Reducing Social Security benefits by income earned from employment is a major barrier for retirees to stay in the work force.

Provide public education on the business value of tapping the knowledge and vitality of our long-lived citizens.

PERSONAL SAVINGS

A SPA's National Retirement Income Policy Committee suggests that pension income be provided by four sources—Social Security, personal savings, work after retirement and private plans. This paper addresses changes needed to aid and encourage personal savings so people can attain accumulation levels described in the Targets for Personal Savings research paper.

We must begin with the recognition that savings in the U.S. generally has been declining. There are many ways to measure savings. It makes no difference which approach you choose, savings on a relative basis has declined and lags many other industrialized nations. A critical fact is that without the savings created by qualified retirement plans. IRAs and tax sheltered annuities, the rate at which U.S. citizens save has been negative for many years. Of even more concern, because of the avalanche of adverse legislation and regulations, pension plan funding and coverage have been declining since the mid-1980s.

What do we do to increase savings? How can we aid and provide incentive to individuals to reach reasonable retirement savings levels and, thus, fulfill the personal savings portion of the national pension target? We suggest the following:

Legislate universal 401(k) plans which are available to all employees who want them. All nonhighly compensated workers should have access to tax deductible retirement savings via payroll deduction.

Simplify 401(k) plan rules, so highly compensated employees can easily participate at reasonable levels. Our suggested personal savings goals requirements are greater for higher paid people. Our suggested changes in the Social Security system reduced benefits for higher paid people.

Educate the public on retirement savings and income sources, such as annuities and reverse mortgages.

Require standard information disclosures for annuities to help the public understand and effectively utilize them.

Develop guarantees for home equity conversions to avoid the risks of value depreciation, outliving the arrangement, or experiencing adverse taxation.

Permit tax deferred transfers from 401(k)s and IRAs to purchase homes. And, permit tax deferred transfers of home sale proceeds into 401(k)s or IRAs.

Personal savings is a vital element in meeting the national pension target goal and provides needed capital to fund national economic growth. It makes good sense to include personal savings in our national retirement income policy.

TARGETS FOR PERSONAL SAVINGS

We introduced the concept of work after reaching retirement age as a fourth source of retirement income in the Work After Retirement paper. This concept encompasses various alternatives including:

Gradual reduction in work.

Cliff retirement.

New careers.

Personal savings to eliminate the need to work after retirement.

People should be able to decide on their own retirement scenario. But they need to be able to appropriately plan to carry it off successfully. The preretirement personal savings or postretirement work trade-off can be viewed in terms of how much savings is needed to reduce or avoid postretirement work.

The Targets for Personal Savings research paper includes calculations that relate to the amount of preretirement savings that would be needed to offset income available from various postretirement work patterns. A general conclusion is that the postretirement work leg can be avoided or fully funded by preretirement savings of 4 percent of pay per year from ages 40 through 49, followed by a 5 percent per year increase in the savings rate from age 50 through age 64. For example, the savings rate at age 50 would be 4.2 percent of pay (4 percent x 1.05).

This certainly raises the question of whether the underlying 4 percent of pay savings rate assumption is reasonable. Our committee felt the need to present a beginning point for discussion. Our reasoning behind the 4 percent assumption is as follows:

Citizens under age 40 are forming families, buying homes and beginning their careers and have a very low propensity to save. They are primarily driven by the need to attain a reasonable standard of living.

Most people ages 40 through 49 are supporting families, expanding careers and planning for their future. If they know what a 4 percent savings rate will accomplish, they will be encouraged to save at that level.

Beginning at age 50, most citizens have founded their children's education, have easily manageable mortgage payments and have an increasing savings capacity.

In no way do we believe these assumptions are absolute or applicable to every citizen. They are a base point from which to work. With this information, citizens can plan their own savings or work after retirement pattern. They can adjust the pattern over time to meet their own personal goals and abilities to save. This knowledge gives people the opportunity to provide their part in the national retirement income policy goals.

PRIVATE PLANS

Private retirement plans have evolved since the early 1900s as voluntary employer sponsored programs. Tax incentives, labor negotiations and good business practices fostered rapid growth of IRS qualified pension plans, whose own success created the need for regulation in the 1970s. Unfortunately, this was followed by unbridled, piecemeal legislation and regulation during the 1980s which, in turn, stopped private plan growth entirely.

We need to start anew and discard almost all of the existing framework governing the private plan system. The sole purpose of private plans should be to attain the national pension target (NPT). Instead of dwelling on preventing discrimination in favor of the highly compensated, we should focus on preventing discrimination against lower paid people. Our major concern should be providing coverage for all employees.

The responsibility of private plans should be to fill the gap between the national pension target and pension income provided by Social Security, personal savings and work after retirement. Regulation of private plans should become need driven and benefit design driven. There should be a requirement for all employers to provide a base level of benefits. Incentives for employers to go beyond the base level and fill in the gap to reach the full NPT should be included. There should be no incentive to exceed the NPT. Here are our specific suggestions:

Do away with all existing qualified plan rules and regulations except valuable nonplan design rules, such as fiduciary responsibility, asset management responsibility and participant protection.

Require all employers to provide base level pension benefits. (Remember that Social Security taxes will be phased out for employers and employees). These minimum benefits can be funded via simplified defined benefit or defined contribution plans. Flexibility must be built in to accommodate inherent differences in the needs and resources of employers.

Remove all existing benefit and contribution limits in favor of limitations which relate to obtaining the NPT.

Eliminate Social Security integration rules; NPT goals will dictate benefit structures.

Change multiple government agency regulatory control over private pension plans to a single government agency responsible for attaining NPT goals.

Inflation-protect all private pension benefits.

Keep private pension funding reserves in the private sector as a vital source of national savings and investment capital.

Simplify and coordinate rules regarding funding and plan solvency. Actuarial factors for the Pension Benefit Guaranty Corporation, minimum funding, termination liability and full funding limits must be consistent.

The Private Plans paper fully develops how to establish and manage private plans under NPT concepts. It includes simplification to make retirement plans "user friendly" and provides credit for the value of existing retirement plans. Suggestions on vesting and full portability are included.

There are innovative incentives for employers to provide greater-than-minimum benefits that include built in design-directed controls over benefits for higher paid employees. For instance, the benefit levels available to higher paid individuals increase as rank and file benefits increase. But, there are tax benefit losses if benefits exceed the NPT. Overfunding and excess benefits become a business judgment decision, because any excess tax benefits (including use of money) are measurable and are required to be returned to the government. A "make sense" formula is suggested to calculate such excess tax benefits.

Models for various approaches to provide the minimum required benefits are provided. Employers can use defined benefit or defined contribution approaches, whichever works best.

CONCLUSION

By weaving together gradual change in Social Security, incentives for personal savings, facilitation of optional work after retirement and a new needs and design driven approach to private plans, attainment of the suggested NPT can be accomplished. If we begin now, the rapidly emerging retirement bubble of post-World War II baby boomers can look forward to their retirement years. Retirement funding can provide vital capital for our economy. Our younger generations can look forward to investing and saving for their own retirement, instead of having to sacrifice for those already retired ahead of them.

CONGRESSMAN HORN HONORS PARAMOUNT HEALTHY START COLLABORATIVE, AN INTEGRATED CHILDREN AND FAMILY SERVICE

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. HORN. Mr. Speaker, I rise today to pay tribute to Paramount Healthy Start Collaborative, a program that provides an invaluable service to the Paramount Unified School District and embodies the spirit of cooperation for which we all strive.

Paramount Unified School District is located north of Long Beach and is one of the lowest wealth districts in Los Angeles County. In recent times, this district has had to severely limit noninstructional services while also being ravaged by the scourge of violent crime and heavy gang activity.

Results of extensive assessment revealed a dramatic need for access to services and treatment for the following: health problems, including prenatal care, sexually transmitted disease, education, and mental health. Additionally, there exists a need for counseling in substance abuse intervention and prevention, alternatives to gangs, family financial support, parent education, nutrition counseling, and services for pregnant minors and teenage mothers. Currently, the number of children considered at risk far outweighs the district's capacity to provide services to meet their noninstructional needs.

To address these urgent needs, Paramount quickly embraced the concept of coordinated, integrated social services and reached out to city, county, private, and other agencies to join in a collaborative effort. Responding to the needs of their community, nine agencies committed themselves to develop a Health Start grant to integrate school and community services for the children and families of Paramount.

Following this response, a Family Service Center was opened on the Wirtz Elementary school site which provides services to students and their families attending Paramount High School, Clearwater Intermediate School, and Wirtz Elementary School. Students and families are referred by the school staff or come directly to the Family Service Center. Treatment plans are developed for the students and their families with input from each participating agency. Services include assessment, counseling, parent education, and referrals for substance abuse, child abuse and neglect, health, mental health crises, and alternatives to gangs.

As a result of the success of the Paramount Healthy Start Collaborative, the circle of sponsors has grown rapidly. Lending their support to the program are the following: Bellflower YMCA; The School of Social Work at California State University, Long Beach; City of Paramount; County Office of Education, Department of Children's Services; Department of Health Services; Department of Mental Health; Department of Probation; Department of Public Health; Department of Public Social Services, El Nido; International Institute of Los Angeles; New Beginnings; Southern California Alcohol and Drug Program; Southwest Regional Laboratories; United Way; and the Women Infant Children Program. In the first year of Paramount Healthy Start Collaborative, over one thousand children and adults have benefited from its services.

This impressive outpouring of concern and support in Paramount is tribute to the spirit of community involvement that will help us all overcome the troubles afflicting cities across the United States.

AMERICAN AIRLINES AND UNITED AIRLINES PROHIBIT SMOKING ON SOME FLIGHTS

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. DURBIN. Mr. Speaker, I rise to call my colleagues' attention to the recent actions taken by American Airlines and United Airlines to prohibit smoking on some of their overseas flights. This is a great step forward for all of those associated with the ongoing struggle to protect nonsmokers from the dangers of secondhand smoke.

In 1987, this body adopted my amendment to ban smoking on short domestic flights. In 1989, we expanded that ban to cover virtually all domestic flights. We took this action because smoke-free flights are healthier and safer for passengers and crew alike. The dangers of secondhand smoke are equally present on international flights.

In 1992, a campaign to establish smoke-free skies worldwide was initiated by the American Lung Association, the American Heart Association, and the American Cancer Society, united as the Coalition on Smoking or Health. The member nations of the International Civil Aviation Organization have adopted a resolution calling for a smoke-free travel environment on all international flights by July of 1996. This action taken by United and American Airlines is an important move, and a victory for the thousands of international travelers who will be able to fly free from the risks associated with secondhand smoke.

Mr. Speaker, I applaud the recent efforts of United and American Airlines in joining this battle. I would strongly encourage other airlines to do the same and to extend the smoking ban to all flights.

TRIBUTE TO ROBERT C. "DOC" McANESPIE

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. MEEHAN. Mr. Speaker, thousands of residents of Dracut, MA, are paying final tribute to a man who dedicated his life to his community—Robert C. "Doc" McAnespie

As a young man Doc McAnespie served with distinction aboard the U.S.S. *Turner* during the Korean war.

When he returned home, Doc began his career as an active participant in local politics. He understood his community's needs, and he knew the value of loyalty and honesty. Doc was one of a vanishing breed of politicians whose word is their bond.

He has been praised and recognized by many local groups, and he was often called "Mr. Democrat" or Dracut's Tip O'Neill.

Former State Senator. Phil Shea summed up Doc's unique commitment when he said, "If there is one word Webster did not put in the dictionary, it was 'loyalty,' because Doc put that word in there."

I join my friends across Massachusetts today in their sorrow at the loss of a great role model, leader, and loyal friend. I also share their pride and their respect for a man who epitomized what public service is all about.

A TRIBUTE TO THE PENNSYLVANIA CHAPTER OF THE NATIONAL COALITION OF 100 BLACK WOMEN

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. BLACKWELL. Mr. Speaker, it is with the greatest sense of pride that I rise today to pay tribute to an organization in the great city of Philadelphia, which has distinguished itself as one of the Nation's premier nonprofit organizations. As the Pennsylvania Chapter of the National Coalition of 100 Black Women convenes this weekend to celebrate the annual Madam C.J. Walker Awards Luncheon, I would like to take a moment to pay tribute to this outstanding organization, and the remarkable accomplishments which they have achieved.

The National Coalition of 100 Black Women is a national nonprofit organization with a membership of more than 80,000 African-American women, representing more than 250,000 African-American women throughout the Nation. The coalition serves as an advocate for women and children in the areas of education, economic development, arts and culture, world affairs, health, and politics. Their voice is a powerful one, which plays an essential role in policy debates in Washington, on a wide range of issues.

Mr. Speaker, the Pennsylvania Chapter of the National Coalition of 100 Black Women has without a doubt been one of the strongest chapters of this vital organization. They have been at the forefront of such programs as the Women in Partnership Mentoring Program, and the Rites of Passage Program for teen girls, the first of its kind in the Nation, having already served 150 girls in its first year of operation. They have conducted their nationally respected Women in Business training seminars, and have taken an active role in international affairs, including projects for survival for women and children in Liberia, Gambia, South Africa, Haiti, and Somalia. Furthermore, Mr. Speaker, the Pennsylvania chapter has been extremely active in the establishment of the coalition's educational scholarship fund, a most important endeavor which will ensure the education of future generations of African-American women and children for years to come.

Mr. Speaker, this annual luncheon is named in celebration of Madam C.J. Walker, America's first self-made woman millionaire, philanthropist, and patron of education and the arts. Madam Walker's granddaughter, Ms. A'Lelia Bundles will present a prestigious award in her grandmother's name. The theme of the luncheon is the very worthy promotion of achievement of African-American women in economic development and business. In conjunction with other women's groups throughout Philadelphia and the Nation, the coalition will also unveil their plans to establish a national research document entitled the "State of Women Report." This crucial study will focus on the presence, progress, and patterns of women in all areas of the social structure, and will assess the need for and direction of necessary changes.

Mr. Speaker, in a day and age when we constantly seek to identify positive role models for young people throughout the Nation, I can hardly think of a better organization that embodies all of the characteristics which we should want to pass on to the next generation. Mr. Speaker, for this reason, and for all of their substantial achievements over the years, I would like to ask my colleagues to rise and join me in paying tribute to the Pennsylvania Chapter of the National Coalition of 100 Black Women. I wish them a wonderful event in Philadelphia this weekend, and continued success as they chart a course of progress for the future.

WESTSIDE JEWISH COMMUNITY CENTER'S 40TH ANNIVERSARY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. WAXMAN. Mr. Speaker, I ask my colleagues to join me in paying tribute to the Westside Jewish Community Center of Los Angeles on its 40th anniversary.

As a longtime honorary member of the Westside Jewish Community Center, I feel especially strongly about the magnificent work of this pluralistic, nonsectarian organization. Center services range from nursery school to senior citizen programs to English language classes for Russian emigres to a unique swimming program to aid arthritics.

The Westside Jewish Community Center has been the focal point of a dramatic stabilization of a racially integrated neighborhood. Both the neighborhood and the center's membership reflect the harmony among ethnic groups that has prevailed largely through the efforts of the center.

I ask my colleagues to join me in congratulating the Westside Jewish Community Center on its 40th anniversary and extend best wishes of continued success to its officers, directors, members, and participants.

A NEW ROLE FOR URBAN HEALTH CARE

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise today to call attention to a recent editorial in the Philadelphia Inquirer. This very insightful editorial written by my friend Iqbal Paroo, president of Hahnemann University, articulates the mission that all urban health care professionals must promote—efficient, accessible, and affordable health care delivery to adequately serve the needs of their urban neighbors. As we debate the reform of our health care system, we must work together to change the traditional roles of urban health care professionals. We must move health care delivery, research, and education out of institutions and into our neighborhoods and communities to truly benefit residents of urban America. I wish to enter this article in the CONGRESSIONAL RECORD so that others may be made aware of the ever-changing roles our health care system must play in serving our communities.

[From the Philadelphia Inquirer]

PHILADELPHIA HAS LOTS OF DOCTORS, BUT FAR TOO MANY INFANT DEATHS

(By Iqbal F. Paroo)

This is a time of unprecedented change in the health-care market, as medical institutions merge and Congress debates plans for national health insurance. For many individuals and groups, the changes are discomfiting—especially in Philadelphia, where health care is a highly sophisticated cornerstone for the region's economy.

We have six medical schools, 37 hospitals, more than 7,000 physicians, 49,000 nurses and thousands of associated health-care professionals within our city limits—a greater concentration than most places in the United States. And there are 4,260 medical students and 2,400 nursing students in training in Philadelphia and the five-county surrounding area.

It is understandable, then, that one of the recent themes in public discussions on health care in Philadelphia is a fear of change and a preoccupation with hospital mergers, downsizing and closings. Rather than focus on how health-care institutions are configured, we should ask whether they respond to community needs. Responsiveness and relevance to the community should be the true test of viability.

To be responsive, Philadelphia's health-care institutions must help make health care more efficient and less expensive—and more accessible. That will require caring for people outside traditional hospital settings, as well as a greater appropriate reliance on well-trained allied health-care professionals.

Today, Philadelphia has 450 doctors per 100,000 people, almost double the national average, and about 300 acute hospital beds per 100,000 people, though many health-care analysts believe only 200 are needed.

The obvious implication? Philadelphia needs fewer inpatient hospital beds, and may require fewer medical schools and fewer training programs for specialists and subspecialists.

Clearly then, change will occur. Some institutions will merge or refocus their energies and others will downsize or close. Our choice is whether that change will be chaotic or orderly. Will we let the marketplace arbitrarily decide which institutions live and die, regardless of the impact on the surrounding community? Or will we accept responsibility for carefully planning the changes and for assuring that the community's health needs are efficiently met?

Several area institutions have taken the latter course. Thomas Jefferson and Pennsylvania hospitals in Center City; Sacred Heart and Suburban General hospitals in Norristown; and my own institution, Hahnemann University, and the Allegheny Health, Education and Research Foundation have all decided to consolidate operations, to one degree or another. Most recently, the Graduate Health System and Independence Blue Cross announced a planned merger.

These "partnerships" should reduce costly duplication in health-care delivery, medical and health-care education, and research. They should also create new opportunities for community education and for neighborhood-based clinical programs.

Hahnemann's relationship with Alleghany will enable us to pursue two of our longstanding goals. The first is establishment of a Philadelphia-based School of Public Health. This school, the only one in the region, would provide Philadelphia with centralized educational, clinical and research leadership in the field of urban health, an aspect of our health-care delivery system that is sorely lacking. The second goal is creation of formal relationships with the businesses and schools in our communities, enabling us to be more directly involved in our communities' economic, cultural and educational programs.

Make no mistake, structural change of our health-care institutions cannot be an end unto itself. It is justified only if Philadelphians receive better health care as a result. Unfortunately, there is plenty of room for improvement there. According to the most recent statistics, Philadelphians die at a rate of 727 per 100,000 people compared to the national rate of 523. And our infant mortality rate is double that in the nation as a whole.

Why? Cities complicate illness and complicate care, and too few health-care professionals fully understand how to deal with complications unique to urban settings. Urban health-care requires insights and skills beyond those taught during most health professionals' training.

The emergence and spread of disease in cities often does not follow textbook descriptions. In urban areas, a "manageable" illness quickly becomes serious and, too frequently, leads to death. For example, asthma—theoretically easy to treat—causes more hospitalization than any other common medical problem among urban children, because it is virtually impossible to separate the children from exposure to conditions that trigger asthmatic attacks.

To address urban needs effectively, we must fundamentally change the way we educate the professionals providing health care to urban residents. If we do not, we may find our health-care practitioners in the next decade still lacking the knowledge necessary to improve our city's health.

Philadelphia and the nation need a new generation of health-care professionals prepared to work with urban residents and to address environmental and cultural factors as elements of total patient care.

To be able to relate most effectively to their patients, these urban health professionals should reflect and respond to the diversity of our city's population. To understand their patients' environment, they should be educated primarily where health care need first arises—in homes, elementary schools, inner city and neighborhood clinics, and emergency rooms. To assure that their patients receive comprehensive and appropriate care, they must study and work in teams that include physicians, nurses, social workers, physician assistants, counselors, linguists, nutritionists and ethicists.

Clearly, urban health is no longer simply a function of how many hospitals and medical schools there are and who runs them. On their own, traditionally-configured institutions cannot meet the extensive training needs of future health-care professionals—especially the urban health professional. We are entering an era when health-care delivery, research and education increasingly must move out of the institution and into the community.

PROMISES, PROMISES CHINA'S WORD TO SUBSTITUTE FOR SIGNIFICANT PROGRESS?

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. SMITH of New Jersey. Mr. Speaker, today's Washington Post and news wire services reporting on Assistant Secretary of State John Shattuck's meetings with Chinese officials indicate that the administration may be backtracking on its commitment to human rights in China.

Instead of talking about significant progress in human rights, United States officials now seem to be hoping that China will make a grand gesture which would allow the administration to say that China has finally joined the rest of the world in respecting the human rights of its citizens. Some seem to feel that the release of a few dissidents from prison would prove China's willingness to meet the conditions.

Mr. Speaker, this is business as usual. This is the same grand gesture that China has used year after year without having to make any significant progress in human rights. It is the reason why we find ourselves each year discussing the same issue.

Some seem to think that China's pledge to make human rights improvements could substitute for significant progress as well. Mr. Speaker, a few weeks ago when I was in China, government officials gave their word to me that there was complete religious freedom and that there were no religious prisoners. Since then we have learned of new arrests of religious believers and of the promulgation of new draconian laws designed to crush religious expression. Their words and their promises are as empty as their actions.

Faced with ever growing evidence that China is regressing rather than improving in the area of human rights, the administration now appears to be trying to whitewash China's record. Since MFN was extended last year—with conditions for renewal—the Chinese Government has refused to meet any of the conditions. They have even detained U.S. citizens, refusing to allow them to contact the Embassy.

Mr. Speaker, thousands of Chinese citizens daily risk their lives to practice their religion, to protect their cultural heritage, to decide for themselves the number of children they want to have, to strive for the freedoms and rights which we take for granted. They do not count the cost—and the cost for them is quite high. We should not betray the courage that these brave people have demonstrated by capitulating to the blustering and the threats of China's repressive leaders.

If we backtrack now, Mr. Speaker, if we settle for promises rather than action, for one-time grand gestures rather than seeking long-lasting significant progress the cost for us will be high, too. We may have trade with China, but we will have lost our integrity. What good is our word if it is not backed up by action? No better than the promises that the Chinese Government gives us.

TRIBUTE TO THE CENTURY COUNCIL

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Ms. MOLINARI. Mr. Speaker, I am pleased to take this opportunity to recognize the accomplishments of the Century Council in reducing alcohol abuse across the United States, and specifically for their commendable efforts in the formation of Project Long Island: A Century Council Coalition.

Since its creation in 1991, this nonprofit organization has focused its attention on drunken driving and underage drinking. These are serious problems that do not confine themselves to certain geographic areas or demographic groups—they plague every community. Fortunately, the Century Council has been very successful in obtaining the support of the licensed beverage industry. Originally founded by 17 members, the Council now receives support from over 450 brewers, vintners, distillers, and wholesalers.

The Council's work includes such activities as support for tougher laws on drunken driving, national point-of-sale messages for use by retailers, and a statewide model Hispanic program. In addition, grassroots laboratories called Century Cities have been established to test community coalition strategies and determine the effectiveness of model programs. The Century Cities program has proven successful at numerous sites throughout the United States.

One important reason for the success of the Century Council is their 3 year commitment to each city. This commitment, combined with the gradual decrease in the annual level of Council funding, ensures stability while allowing the community to take a more active role in maintaining the program long term.

Mr. Speaker, alcohol abuse is the cause of so many tragedies in our society, but with the continued support of organizations like the Century Council, the number of tragedies can be reduced. It is an honor for me to commend the Century Council on its outstanding contribution to the United States, and most recently to the Long Island community. Furthermore, I hope my colleagues will pass legislation to expand the program to include other communities throughout New York State and the country.

TRIBUTE TO BONNIE BLAIR

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. EWING. Mr. Speaker, I rise today to praise and honor the greatest career of any American winter Olympic games athlete and any U.S. woman Olympian ever—Champaign, Illinois' own Bonnie Blair. On Wednesday, in Lillehammer, Norway, Bonnie skated to victory in the 1,000-meter speedskating event—for her second gold medal in Lillehammer and a recordbreaking fifth gold medal overall. She has one bronze medal to go with her five golds—and she twice finished fourth, just missing two other Olympic medal opportunities.

On her most recent visit to the medals podium, Bonnie proudly sang the "Star Spangled Banner" and skated her victory lap waving the American flag. I do not think it would be inaccurate to say that Bonnie Blair is truly an all-American athlete.

But there is another story behind Bonnie Blair and her Olympic triumphs—and that is the story of Bonnie Blair 12 years ago when she fought and scratched for local financial support to further her speedskating career. The story of her family who never doubted Bonnie and her dreams to be an Olympic champion. And the story of a young lady who has stolen the hearts of not only those in central Illinois—but the entire world as well.

Bonnie Blair will be remembered as the greatest women's speedskater ever, perhaps one of America's finest athletes ever. But most importantly, Bonnie Blair represents the hopes and dreams of every American, because she overcame countless obstacles—including injuries, financial hardships, and worldwide competition—to become the best ever in her field.

That is what America is all about—hard work, commitment, sense of purpose, and discipline. That is the formula Bonnie Blair used. I salute her for the honor and glory she has brought herself, her family, her hometown of Champaign, IL, and America.

INTRODUCTION OF THE MNI WICONI ACT AMENDMENTS OF 1994

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. JOHNSON of South Dakota. Mr. Speaker, today, I am introducing legislation to expand the Mni Wiconi Rural Water Supply Project. The Mni Wiconi Project is a critically important drinking water project for the western half of South Dakota, and I am proud to introduce this legislation which will bring a clean and dependable source of life's basic necessity—water—to even more people than was originally envisioned in the authorizing legislation of 1988. The legislation I am introducing today will give the Mni Wiconi Project the opportunity to serve more people and a larger geographical area, including the Rosebud Sioux Tribe on the Rosebud Indian Reservation and Lower Brule Sioux Tribe on the Lower Brule Indian Reservation. Also, additional people in the originally authorized service territory, which includes the Oglala Sioux Tribe of the pine Ridge Indian Reservation and the West River/Lyman-Jones Rural Water System service areas, will have access to safe drinking water.

Mr. Speaker, Congress has become familiar with the Mni Wiconi Rural Water Supply Project in recent years, after passing authorizing legislation in 1988, Public Law 100–516, and providing almost $20 million in appropriations through fiscal year 1994. But I want to once again emphasize the importance of this project. A large number of South Dakotans are forced to subsist on water of awfully poor quality. This water exceeds Safe Drinking Water Act standards in a number of areas and the current delivery systems are often either insufficient or nonexistent. Most water sources in this part of South Dakota, whether community water supplies or personal wells, do not meet standards set by the Safe Drinking Water Act due to high levels of total dissolved solids, sodium, sulfates, chlorides, iron, and even radium. Many reservation water sources are increasingly polluted with biological contaminants and some residents currently must drive or walk for miles to a community pump, filing up buckets and barrels for their daily water needs.

Obviously, the poor water throughout the project area contributes to the health problems in the region. Diabetes, kidney disease, hypertension and a high infant mortality are particularly prevalent on the reservation. On average across the project area, drinking 2½ quarts of water per day for a year is equivalent to drinking 2 pounds of rock. On top of the poor quality, drilling a well in this region can cost up to $50,000.

In addition to improving the health of residents in the region, I strongly believe that this water delivery project will stabilize the rural economy. Water is a basic commodity and is essential if we are to ever foster new rural development. Several communities have lost new businesses because of questions over water quality. Water development and economic development are especially important in helping the residents of the Indian Reservations break the cycle of poverty. Several of the counties in this part of South Dakota are among the poorest in the Nation. I am confident that by providing one of life's key commodities to this region, Congress will take a fundamental step in meeting its trust responsibility to these Indian communities.

The Mni Wiconi Rural Water Supply Project will deliver reliable, good quality drinking water from a dependable source, the Missouri River, and will result in an improved quality of life, as well as economic development and job creation. The five project sponsors, the Oglala Sioux Tribe, the West River Rural Water System, the Lyman-Jones Rural Water System, the Rosebud Sioux Tribe and the Lower Brule Sioux Tribe, have done an excellent job in working together, and I commend them for the level of cooperation and understanding they have all demonstrated.

Mr. Speaker, I also want to thank Chairman MILLER of the Committee on Natural Resources and Chairman BEVILL of the Appropriations Subcommittee on Energy and Water Development for the continued support they have demonstrated over the years for the Mni Wiconi Project and water development efforts in South Dakota.

The current administration and the Bureau of Reclamation have also demonstrated their support for this critically important project by including funding in the budget requests made by the Bureau of Reclamation. Commissioner Beard and the many Bureau of Reclamation officials who have worked on this project should be commended for their diligent efforts in working with the project sponsors and helping to make Mni Wiconi a reality.

I do not believe our needs get any more basic than good quality, reliable drinking water, and I appreciate the fact that Congress has shown support for the Mni Wiconi Project over the past few years. I look forward to continuing work with my colleagues and to the continued support of Congress for the Mni Wiconi Rural Water Supply Project.

TRIBUTE TO THE HONORABLE WILLIAM NATCHER

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1994

Mr. PICKLE. Mr. Speaker, it is now history—BILL NATCHER's voting record has been ended. The record looms unparalled and we will never see the likes of it again.

What I admire most about BILL NATCHER is not his voting record alone, but his magnificent presence as Acting Speaker. He is the most knowledgeable, firm and effective Acting Speaker that we have ever had. He knows the rules and the principles of democracy, he follows the debate and keeps the House in control. Yet all the while, he is courteous and kind—the epitome of the southern gentleman.

Mr. Speaker, we sometimes get bogged down in the various issues and heated debates of the moment, and we lose sight of what this wonderful body is about. Fortunately, we have been blessed for some four decades now with a calm, soothing voice of reason—a voice that in its own inimitable, drawling way never fails to call us back to the true aims, purposes and spirit of the U.S. House of Representatives, the greatest legislative body on Earth.

Mr. Speaker, I'm sure all my other colleagues join me in saluting the Honorable WILLIAM NATCHER and wishing him Godspeed in his recovery. Get well and come on back, BILL. Your country needs you.

LEGISLATION TO CORRECT TAX CODE

HON. BENJAMIN L. CARDIN
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 3, 1994

Mr. CARDIN. Mr. Speaker, today I am introducing legislation that would correct a fundamental inequity in the Tax Code. The change I propose affects the alternative minimum tax [AMT] treatment of circulation expenditures made by taxpayers operating small, expanding publishing companies. The AMT rules presently impose AMT burden on small publishing businesses that frequently exceeds the net income of the business, forcing the owner to borrow money just to pay the taxes. The tax treatment does not affect large, established publishing houses, leaving small, growing companies at a competitive disadvantage.

Enactment of this legislation would encourage increased growth and investment by small publishing companies while ensuring that these businesses pay their fair share of taxes. Their owners would still be subject to appropriate regular or AMT taxation. In addition, the bill would provide relief only to owners who are actively involved in the operation of the business, thereby denying any opportunity for tax avoidance through the use of tax shelters.

Under present law, individuals, either directly or through partnerships or S corporations, are permitted to deduct circulation expenses currently for regular tax purposes. For small, expanding companies, circulation expenses are crucial to the effort to develop, increase, and maintain subscription levels of magazines and other periodicals. Under the AMT, however, taxpayers must amortize circulation expenditures over a 3-year period.

For a small, expanding publishing business, circulation expenditures can consume up to 40 percent of gross revenues. Because these expenditures must be amortized for AMT purposes but can be deducted immediately for regular purposes, these companies face larger AMT liability and are trapped in the AMT as long as they continue to expand. Furthermore, since AMT credits cannot be used to offset AMT liabilities, these companies accrue tax credits they can't use. The effect is to create a disincentive to grow.

By contrast, large, established publishing houses with stable circulations do not spend as large a proportion of their revenues on developing and expanding their circulation base. As a result, they are not forced indefinitely into the AMT, and do not build up unusable AMT credits.

In 1989, Congress amended the Internal Revenue Code to permit individuals operating a business as a partnership or S corporation to currently deduct research and experimental [R&E] expenditures for AMT purposes, provided the individuals materially participate in the operation of the business. The material participation requirement was designed to ensure that taxpayers would not use this provision to create abusive tax shelters. In permitting the deduction of R&E expenditures, Congress recognized the need to eliminate an AMT advantage that had been bestowed on C corporations at the expense of individuals operating S corporations and partnerships. Given the similar fundamental nature of R&E expenditures and circulation expenditures to a growing business, we should provide the same AMT tax treatment for taxpayers who materially participate in operating the business.

This bill will extend immediate deductibility to circulation expenditures, thereby removing a serious inequity from the law. By limiting this treatment to individuals who materially participate in operating the business, the bill avoids the creation of shelter opportunities. By providing rational treatment of circulation and R&E expenditures, the bill removes from the Tax Code a disincentive to expansion for small publishing companies, which will help in the creation of jobs and economic growth.

HOUSE OF REPRESENTATIVES—*Monday, March 7, 1994*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, O Gracious God, to put aside any bigotry that would divide us, all that separates one faith or one people from another, any cry that clouds the unity that You have given us at creation. May we take our good traditions, our visions and our values, and share them one with another, so we better reflect the wonder of Your gifts to us and the bonds of unity that we share with every person. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Arizona [Mr. PASTOR] come forward and lead the House in the Pledge of Allegiance.

Mr. PASTOR led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

APPOINTMENT AS MEMBER OF GLASS CEILING COMMISSION

The SPEAKER. Pursuant to the provisions of section 203(b)(1) of Public Law 102–166 the Speaker and the Senate majority leader jointly appoint Mr. John T. Jenkins, of Lewiston, ME, to the Glass Ceiling Commission to fill the existing vacancy thereon.

WHITEWATER INVESTIGATION

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous matter.)

Mr. GINGRICH. Mr. Speaker, I rise today to put in the RECORD three letters. One is a letter to Attorney General Janet Reno concerning Associate Attorney General Webster Hubbell, suggesting that given all of the recent allegations that he be suspended pending a thorough investigation, since he is currently the acting No. 2 person in the Justice Department.

The other two letters are letters to yourself and the majority leader, Mr. GEPHARDT, simply suggesting that on a bipartisan basis, with all of the events of the last week about Whitewater and about various concerns potentially involving obstruction of justice and subpoenas being delivered to the White House and the Treasury Department, that it be useful on a bipartisan basis to try to sort out what hearings need to be held, what subpoena powers need to be created for the committees, and also to report to you and to Mr. GEPHARDT on certain problems that involve getting information from the General Accounting Office and in other areas.

☐ 1210

It does seem to me there is a legitimate public interest in our exploring in a formal, official way in the legislative branch the recent allegations, and so I simply am submitting these letters as a first step toward having a bipartisan effort to hold fair hearings in a fair way.

The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, OFFICE OF THE REPUBLICAN WHIP,
Washington, DC, March 4, 1994.

Hon. JANET RENO,
Attorney General of the United States,
Washington, DC.

DEAR ATTORNEY GENERAL RENO: I am becoming increasingly concerned about recent media reports regarding Associate Attorney General Webster Hubbell which allege that he was involved in the situation relating to Whitewater.

With the vacancy created by the resignation of Deputy General Philip Heymann, Mr. Hubbell has become the second highest ranking official in the Department of Justice. Given the growing swirl of accusations surrounding Mr. Hubbell's involvement in the Whitewater matter, I believe it is best for all parties involved, including Mr. Hubbell, that his involvement in all operational responsibilities in the Justice Department be suspended until such time as those allegations are resolved.

Thank you very much.

Sincerely,

NEWT GINGRICH.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, OFFICE OF THE REPUBLICAN WHIP,
Washington, DC, March 4, 1994.

Hon. RICHARD GEPHARDT,
Majority Leader, House of Representatives,
Washington, DC.

DEAR DICK. I am becoming increasingly troubled about the growing swirl of media reports surrounding the events related to the Whitewater investigation and the involvement of key Administration officials in them. Events are unfolding at a pace which makes it all the more imperative that the Congress carry out its Congressional oversight function. It is a matter of great concern to me that, despite repeated requests, no hearings have been held in the House of Representatives relating to the events surrounding the Whitewater situation.

The time for us to begin to rectify this situation and exercise our responsibility is long overdue. I respectfully request that you convene a bipartisan Congressional leadership meeting as soon as possible early next week so that we can begin discussing how best we can fulfill our Constitutional obligations.

Thank you very much. I look forward to your expeditious response.

Sincerely,

NEWT GINGRICH.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, OFFICE OF THE REPUBLICAN WHIP,
Washington, DC, March 4, 1994.

Hon. THOMAS FOLEY,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I am becoming increasingly troubled about the growing swirl of media reports surrounding the events related to the Whitewater investigation and the involvement of key Administration officials in them. Events are unfolding at a pace which makes it all the more imperative that the Congress carry out its Congressional oversight function. It is a matter of great concern to me that, despite repeated requests, no hearings have been held in the House of Representatives relating to the events surrounding the Whitewater situation.

The time for us to begin to rectify this situation and exercise our responsibility is long overdue. I respectfully request that you convene a bipartisan Congressional leadership meeting as soon as possible early next week so that we can begin discussing how best we can fulfill our Constitutional obligations.

Thank you very much. I look forward to your expeditious response.

Sincerely,

NEWT GINGRICH.

THE BALANCED BUDGET AMENDMENT

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, a couple of weeks ago over in the other body, after a lot of arm-twisting by the White House, the other body failed to pass something the American people have been asking for, for weeks and years and months, and that is a balanced budget amendment so the States would have the opportunity to ratify it. At that time there was a lot of rhetoric that we do not need a balanced-budget amendment, what we need is a Congress with the guts to balance the budget.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Well, ladies and gentlemen, on Wednesday of this week a bipartisan group of us will be offering this body as well as the other body a balanced budget for the first time in the history of this Congress since we got onto these unbalanced budgets back in the late 1940's and early 1950's. We are doing so without touching the Social Security trust funds. We are doing so without touching the earned veterans' benefits which are a contractual agreement to the people that have served in our armed services.

I hope you will all pay attention to it. It is a budget that is fiscally responsible. It will lower the interest rate debt service by $80 billion over that 5-year period.

I would invite all of you to cosponsor that substitute balanced budget which I will be offering in the Committee on Rules on Tuesday.

SUPPORT THE BALANCED BUDGET AMENDMENT

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute.)

Mr. THOMAS of Wyoming. Mr. Speaker, I was disappointed to see that the other body failed to pass an amendment concerning one of the most pressing issues facing the future of our Nation—the growing national debt. It troubles me that the majority party continues to sweep this issue into a corner and hope it will solve itself as they continue to tax and spend. The American people believe the time is long overdue to pass the balanced-budget amendment.

This amendment speaks of pure reason. It is not too much to ask that when the Government spends a dollar, the Government actually has that dollar to spend. The Government must begin to do its business on a pay-as-you go basis rather than the borrow-if-you-want-it premise. The pundits around town, of course, who go on TV shows or write columns and have no responsibility say, "Oh, it is just a gimmick. It will not work." It does work. It works in my State. They say that no one has the details. Not true. My friend who was just here has the details. Furthermore, it provides a constitutional discipline so this Congress will, indeed, have the details.

Our national debt and its ever-increasing interest will continue into the future—burdening generations to come with today's ever increasing debt. It has become obvious, Mr. Speaker, that the financial choices of the past are not working—they only continue to contribute to the problem. Congress simply cannot keep doing the same thing and expect different results.

The majority in Congress must regain that sense of responsibility that slipped from this body's mindset years ago. The past 25 years have shown all of us that Congress will not assume that sense of responsibility without the help of this amendment, and so I urge everyone of my colleagues to support the balanced budget amendment. Listen to the American people—they are right.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PASTOR). Under the Speaker's announced policy of February 11, 1994, and under a previous order of the House, the following Members are recognized for 5 minutes each: the gentleman from New York [Mr. OWENS], the gentleman from Iowa [Mr. LEACH], and the gentleman from Texas [Mr. GONZALEZ].

FEDERAL RESERVE IS RUN BY THE BANKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Federal Reserve says it is a first-rate bank regulator and its turf should be not just protected but expanded. But the Federal Reserve is run by the bankers. The 12 Federal Reserve Banks are organized as private corporations in which private banks that are members of the Federal Reserve are the stockowners. These stockowners elect 6 of the 9 directors in each of the 12 Federal Reserve Banks. The Presidents of each Federal Reserve Bank are elected by these stockowners subject to the approval of the Board of Governors. There is no doubt the private bankers in the district, not the general public, are the Federal Reserve Presidents' preferred constituency.

Is this the picture of a firm, independent regulator? No; it is the portrait of a self-perpetuating society with good friends who help and protect each other. This incestuous relationship, which allows bankers to regulate themselves, causes flagrant violations of the ethics that should be present in bank regulation, violations that would be illegal for any other regulator.

Last year, I found out that these violations are occurring at the New York Federal Reserve Bank. The New York Federal Reserve Bank buys and sells securities for the entire Federal Reserve System. These purchases and sales determine the size of the U.S. money supply. The New York Federal Reserve Bank also handles billions of dollars of special transactions when the Federal Reserve intervenes in foreign exchange transactions. The New York Federal Reserve Bank acts as the agent for the investment of billions of dollars of funds for foreign governments. The Federal Reserve Bulletin shows that nearly $4 trillion in sales and purchases of securities pass through this bank each year.

And, the New York Federal Reserve Bank has regulatory authority over some of the largest banks in the United States as well as regulatory authority over the large number of foreign banking concerns in the New York Federal Reserve District.

Is there an arms-length relationship with the private banks regulated by the New York Federal Reserve Bank? Absolutely not. Last April, I wrote E. Gerald Corrigan, former president of the New York Federal Reserve Bank and said:

> I have recently received reports that both lower and higher level employees of the New York Federal Reserve Bank have engaged in the following activities with officials of private banks. The practice reported includes socializing with foreign and domestic bankers, accepting meals from bankers at expensive restaurants and accepting gifts from bankers.

Mr. Corrigan replied to me [May 18, 1993]:

> Our review indicates that in the limited number of instances where Bank officers have been guests at meals hosted by regulated institutions at what would be considered an expensive restaurant, they have been acting within guidelines and their conduct does not call into question the ethical standards of the Federal Reserve Bank of New York. [* * *] There were a literal handful of instances involving attendance at sporting events in which bank officers were guests of acquaintances who work at regulated institutions.

When the current president of the Federal Reserve Bank of New York, William McDonough, testified before the Banking Committee on October 27, 1994, he could not say how much this hospitality was worth:

> The Chairman asked a question regarding the cost of meals at expensive restaurants hosted by regulated institutions [* * *] Because others paid for these approximately two dozen meals that were identified as having occurred over a year-and-a-half, we do not have that cost information.

President McDonough added:

> New York City is an area which, as you know, the cost of living is quite high and so we are very much pointing the people away from restaurants that would appear not to be the kind of place that Federal Reserve officials ought to be appearing, especially as the guests of regulated institutions.

But that misses the point. No other bank regulator permits its employees to accept anything from banks. I was told by a large New York Bank that they routinely buy meals for Federal Reserve examiners when their institution is being examined. Not only that—Federal Reserve examiners can send job resumes to the institutions they are currently examining.

Federal Reserve Chairman Alan Greenspan is aware of these practices and the number of examiners who move through a revolving door between the Federal Reserve and the institutions that are being examined. But apparently the Fed is undisturbed, certainly not moved to adopt rules to ensure its regulatory integrity.

It is clear from my correspondence and the testimony of officials of the New York Federal Reserve Bank that the information I initially received about an environment in which Federal Reserve officials being given gifts by the institutions they regulate was not only true, it is applauded.

You would think Federal Reserve officials would have a hard time looking someone in the eye when they say they dispassionately regulate the same banks which elect their boards of directors. But no—their motivation to guard their turf at any cost overwhelms their judgment. The violations of ethical practices are so flagrant that even their intense lobbying campaigns should not blind the public to the hypocrisy of their role in banking regulation.

□ 1220

ANNUAL RUSH TO THE BUDGET CONSIDERATION

The SPEAKER pro tempore (Mr. PASTOR). Under the Speaker's announced policy of February 11, 1994, and because there is no designee of the majority leader, the gentleman from New York [Mr. SOLOMON] is recognized for 60 minutes as the designee of the minority leader.

Mr. SOLOMON. Mr. Speaker and my colleagues, I want to welcome you to our annual rush to budget. You would not know that the congressional budget is one of the most important decisions that we are called upon to make around here, given the haste with which it is rushed through the House. The Budget Committee rushed through its markup last Thursday after barely a week's notice. This is the entire Federal budget for the coming year.

That same day, the Committee on Rules notified Members to submit their amendments by noontime. That was my good friend, the gentleman from Massachusetts [Mr. MOAKLEY] on whose committee I serve as the ranking Republican.

In his letter to the membership last week, he said that the text of the budget would be available on Friday, March 4, at the Budget Committee's office in House Annex No. 1, the O'Neill House Office Building, Room 214.

Mr. Speaker, I went there at noontime on Friday because I have a substitute budget myself, along with 25 other colleagues, which will present to this body a balanced budget for the first time in over 40 years.

Mr. Speaker, the budget text was not available.

I went back there at 5 on Friday, and it still was not available. I decided not to go home this weekend up to Adirondacks, where I live, and decided to stay here and see if I could get my hands on a copy of that budget. It was not available all weekend long. Ladies and gentlemen, it is not available to you right now as of 12:25 on this Monday, March 7.

Now here we are, we are going to be expected to take up this budget on this floor with general debate on Wednesday.

He also assured Members, Mr. MOAKLEY did in this letter, that the Budget Committee text would be available to Members in the committee offices today. It is not there. Unfortunately, that text was not available at noon today, it was not available last Friday, and yet that noon deadline of Tuesday is still on.

Mr. Speaker, under the Budget Act, we are not even supposed to take up the budget resolution until the 5th day of the availability of the report. But the leadership has scheduled action for this Thursday, only the second day, at best, on which the report will be available.

Mr. Speaker, I would appeal to the Democrat leadership to take up our budget responsibilities under the Constitution a little more seriously and give Members of this body time to obtain the document, digest it, to formulate and submit amendments to it. Let us restore a little deliberative democracy around here.

Again, let me just repeat because Members are going to come on this floor on Wednesday and they are going to be outraged because they will have no idea what is in this massive document that takes $1.5 trillion of taxpayers' money and spends it without any kind of legitimate debate and ability to look at it in advance.

Let me repeat that: Under the Budget Act, which is not only House rules but it is the law of the land, we are supposed to take up the budget resolution only after each Member has had an opportunity to have it in his office 5 days before that debate takes place. Now I am just informed today that there may be a Committee on Rules meeting tomorrow to consider general debate on Wednesday. Now, of course, the excuse is that we do not want to be here on Friday. And that means that the Committee on Rules is going to put out a rule, we are going to then come to this floor on Wednesday and have 9 hours of general debate on this budget which no Member has even had a chance to look through. Then we are going to have the votes on any substitutes, like my balanced budget substitute, on Thursday.

Mr. Speaker, that just is not right. Let me just for 1 minute talk about the plight of this country and the deficits that we have today. You know we are drowning in a sea of red ink and it is true because this body just does not seem to have the guts, the courage to vote for a balanced budget. We are going to have that opportunity on Thursday because a number of us from all sides, moderates to conservatives, in both parties, have spent almost 6 months trying to put together a budget that would once and for all be balanced and not increase these huge deficits that are just bankrupting this Nation and ruining the economy of our country.

This budget is going to do so without touching the Social Security trust funds, which are not the Government's money in the first place. You know, when Franklin Roosevelt set up the Social Security supplemental retirement income trust fund back in the early thirties, it was simply a forced savings account so that American citizens would be forced to put away a little bit every single working day of their lives so they would not become wards of the State when they did reach retirement age; they would have supplemental income, not a retirement income but some supplemental income to help them through those retirement years.

That money, again, is not the Government's money; it is supposed to be put in a trust fund all these years and then paid back to the recipients.

The other area that we do not touch is earned benefits for veterans of the Armed Forces of the United States.

Ladies and gentlemen, as you know, for the last 12, 15 years we have been depending on an all-voluntary military. In doing so, we make certain commitments to those veterans. We not only make the peacetime Montgomery GI bill available to them but we guarantee them certain salaries, such as benefits, such as housing allowances, including medical benefits for later on in life; those are earned benefits and they are contractual obligations and they should not be touched in any kind of budget belt-tightening as well. There is nothing wrong with limiting the number of employees in the Social Security Administration.

□ 1230

There is nothing wrong with limiting the number of employees in the Veterans' Administration, and all across the board, throughout all of the various departments of Government, but we balance this budget without touching those two critical areas, and I just hope that Members are going to have the opportunity to be able to read my budget substitute, which cannot be available until we have actually seen the text of the Committee on the Budget, of their bill. Hopefully, we are going to have that available to us later today so that we can put the final touches on our substitute balanced budget, and again we will make that available to the Members as soon as possible.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RULES,
Washington, DC, March 3, 1994.

NOTICE OF POSSIBLE RESTRICTIONS ON AMENDMENTS TO THE BUDGET RESOLUTION FOR FY 1995

DEAR COLLEAGUE: I am writing to inform you of the Rules Committee's plans with regard to the budget resolution for fiscal year 1995. The Budget Committee hopes to complete its markup of the resolution this evening, March 3, 1994 and will most likely file its report early next week. Text will be available on Friday, March 4, at the Budget Committee's offices in House Annex 1, the O'Neill House Office Building, Room 214.

The Rules Committee will meet next week on the budget resolution. In order to assure timely and fair consideration, the committee is considering a rule that may structure the offering of amendments. As in the past, the Committee looks more favorably on amendments in the nature of a substitute than on cut-and-bite amendments which raise issues that must be decided again in the authorization and appropriations process. Any Member who is contemplating an amendment to the budget resolution should submit 55 copies and a brief explanation by 12 noon, Tuesday, March 8, 1994. The Committee on Rules is located in Room H-312 in the Capitol. It may prove helpful to consult with CBO while drafting your amendments.

Please contact David Pomerantz of the Rules Committee staff if you have any questions regarding this procedure. We appreciate the cooperation of all Members in this effort to be fair and orderly in granting a rule on the budget resolution.

Sincerely,

JOHN JOSEPH MOAKLEY,
Chairman.

Mr. Speaker, I yield to the gentleman from Iowa [Mr. LEACH].

WHITEWATER: THE DISJUNCTION OF PUBLIC POLICY AND PRIVATE ETHICS

Mr. LEACH. Mr. Speaker, I would like to take this opportunity to talk not of the issues of the day, but rather of the ethics of our time. In so doing, I would like to take as a starting point a scandal that has come to be dubbed "Whitewater" and suggest it is a central issue not because it is big, but precisely because it is small.

In its very smallness Whitewater evidences the shortcomings of public leadership in America today.

The Dutch architect, Mies Van Der Rohe, once suggested that "less is more." The simplicity of design that hallmarked his buildings revealed great esthetic character. Analogously, for individuals truth of character is more generally revealed in small acts than large gestures.

Recently a colleague came up to me on the House floor and exclaimed: "Jim, what is Whitewater? My stomach tells me something's wrong, but I've got no idea what you're talking about. Can you describe it in plain English so a plain American can understand?"

In a nutshell, Whitewater is about the arrogance of power—political conflicts of interest that are self-evidently unseemly. It all began in the late 1970's when an S&L owner named James McDougal formed a 50-50 real estate venture with a young politician, the then attorney general of Arkansas, Bill Clinton. In this venture called Whitewater, the S&L owner and S&L subsidiaries provided virtually all, perhaps all, the money; the Governor-in-the-making provided his name.

Over the years, the company received infusions of cash from the S&L as well as from a small business investment corporation which diverted, allegedly at the Governor's request, federally guaranteed funds from a program designed for socially and economically disadvantaged people to the Governor's partners and thence, in part, to Whitewater.

Some of these funds were used to pay off personal and campaign liabilities of the Governor; some to purchase a tract of land from a company to which the State had just given a significant tax break. Whitewater records have apparently been largely lost. A review of the numerous land transactions, however, raises questions of what happened to the money that came into the company, and a review of the President's tax records raises questions about tax deductions that were taken on income that may not have been declared.

Under the governorship of Bill Clinton, the first lady of Arkansas was hired to represent the S&L before State regulators, the president of the S&L was placed on the State S&L commission, an attorney who represented the S&L was named the State S&L regulator, and the S&L was allowed to operate, despite being insolvent for an extended period, providing millions in loans and investment dollars to insiders and the Arkansas political establishment.

Under the governorship of Bill Clinton, the S&L was allowed to grow 25-fold until Federal regulators forced its closing, at which time taxpayers picked up the tab for losses that amounted to approximately 50 percent of the institutions's deposit base.

The story of Whitewater is thus part and parcel the story of the greatest domestic policy mistake of the century—the quarter trillion dollar S&L debacle.

In the largest series of bank robberies in history, which precipitated an industry bailout larger than the taxpayers provided Lockheed, Chrysler, and New York City times a factor of 10, it is fair to ask: "What happened? Who is responsible?"

An answer to these inquiries requires an understanding that those accountable are not only a few negligent and corrupt S&L owners, but attorneys, accountants, State and Federal legislators, regulators, and assorted public officials. As wide-ranging as the responsibility is, however, it is a mistake to be so glassy-eyed as not to seek lessons for the future through a demand for individual accountability for breaches of law and ethics in the past.

Macroeconomics aside, public responsibility for the S&L debacle is of a tripod nature, involving: first, the conflict-ridden role of Congress in passing loose laws; second, the ideological mistake of the Reagan administration in urging deregulation in an industry which requires responsible standards; and third, the culpability of a small number of State governments, such as in California, Texas, Louisiana, and Arkansas, which failed to rein in high-flying, state-chartered, State-regulated institutions, which because of the Federal nature of deposit insurance, precipitated a massive transfer of wealth from States with responsible governments to those without.

In Arkansas it is impressive how the Federal Government was obligated to close more than 80 percent of State-chartered S&L's in the 1980's and how large taxpayer losses were in relation to the State's S&L deposit base. The failure of the Clinton administration in Little Rock to fulfill its responsibility to police State financial institutions had the effect of increasing tax burdens on citizens of Arkansas as well as other States.

While taxpayers at the national level were forced to pick up the tab for the mistakes of politicians in whose elections they could not vote, citizens in States like Arkansas were doubly shortchanged. Not only did they have to share in eventual bailout costs, but when their home-based financial institutions frittered away the hard-earned deposit savings of their State to insiders, fewer resources were made available to potential homeowners and minority entrepreneurs.

What the Keating Five scandal was all about was the attempt of an S&L owner to compromise through political contributions significant political players, in this case five Senators, to influence regulators to keep an insolvent, corruptly run institution from being closed. What makes Governor Clinton's involvement with a breaching of the vaults of an Arkansas S&L philosophically at least equal to, but in reality more troubling than the Keating model is that not only did the institution's management organize conflict-ridden fundraising endeavors for the key politician in the State, but through Whitewater it put the Governor in a compromising personal finance position as well.

What is remarkable is the hypocrisy of the circumstance. Time after time in the 1980's, alleged defenders of the little guy in American politics found themselves advancing the interests of a small number of owners of financial institutions which were run as private piggy banks for insiders. The intertwining of greed and ambition turned democratic values upside down.

In our kind of democracy ends simply do not justify means. Just as a conservative, who may despise government, has no ethical right not to pay taxes, a liberal has no ethical basis to put the public's money in his own or his campaign's pocket just because he may have the arrogance to believe he is advancing a political creed that is in the public's interest.

Why does all this matter?

Here, it would perhaps be appropriate to paraphrase a great Senator, Ev Dirksen: A few thousand here and a few thousand there and pretty soon it adds up to a real scandal. Put another way, an ethical lapse here and an ethical lapse there and pretty soon it adds up to a real character deficit.

I have never known anyone in public life better able to put embarrassing episodes behind him than Bill Clinton. Accordingly, I could not have been more surprised by the discombobulation of the administration at the minority's restrained request last November for hearings and full disclosure.

As in most serious public scandals, coverups can prove as troubling as the crime.

The revelations of the past few days that officials of the Department of the Treasury and Resolution Trust Corporation briefed key White House aides on potential legal actions which independent regulatory agencies might be obligated to take against the President and First Lady subvert one of the fundamental premises of American democracy—that this is a country of laws and not men.

In America, process is our most important product. No individual, whatever his or her rank, is privileged in the eyes of the law. No public official has the right to influence possible legal actions against him or herself. For this reason agencies of the Government, as well as the White House, have precise rules that govern their employees. Prohibitions against giving preferential treatment to any individual, losing independence or impartiality, making decisions outside official channels are standard and have patently been violated.

Seldom have the public and private ethics of lawyers in the White House and executive branch departments and agencies been so thoroughly devalued.

It is no surprise the special counsel initiated today a series of subpoenas reaching into the White House. What these subpoenas indicate is the movement of an investigation from possible illegal acts committed by a President prior to taking office to possible illegal actions committed in office. Obstruction of justice is now clearly at issue.

It is also no surprise the special counsel has reopened the investigation of the Foster suicide. There are simply too many questions with too few answers.

The point of all this is that there is a disjunction in this administration between public policy and private ethics. Americans abhor privilege; hypocrisy gnaws at the American soul; it leaves a dispiriting residue of resentment.

Can, for instance, a President credibly rail against Michael Milken values if he has himself benefited from Milkenesque dealmaking?

Can a President credibly ask the people to pay taxes, let alone raise them, if he refuses to pay his own fair share?

□ 1240

Can a President credibly espouse open government if he applies a hide-and-seek standard to his own actions?

Can a President credibly ask others to play by the rules—that is, obey the law—if he does not play by them himself?

Can a President credibly ask teenagers to take responsibility for their own lives if he refuses as an adult to discipline his own?

Can a President credibly advance an ethic of national service if his own model is one of self-service?

Can a President credibly advocate campaign reform if his own campaign has been sullied by illegal contributions from a S&L, which, with its failure, had the effect of causing deferred Federal financing of a gubernatorial election?

Can a President credibly lead an ethical society if he does not set an ethical standard?

Can, in short, a servant of the people put himself above the people in personal and public ethics?

This is not to say the President is wrong on all issues; nor that the Democratic Party does not have some thoughtful models of integrity—Senators Bill Bradley, Dale Bumpers, Paul Simon, and Daniel Patrick Moynihan leap to mind, as do so many of our colleagues in the House—Don Edwards, Sid Yates, Neal Smith, Ron Dellums, Henry Gonzalez, Tony Beilenson, Dan Glickman, Bill Richardson, Tim Penny, John Lewis, and Floyd Flake, to name a few.

But it is to suggest that it is no coincidence that the word "trust" appears in the Nation's motto as well as in the names of so many financial institutions. Both our political and financial systems depend on the trust of those whom they serve. The American people need to be able to count on the integrity of the institutions and processes that structure their lives, just as they need to have confidence in the probity of the individuals who lead and control these institutions and processes.

While government derives its original legitimacy from the consent of the governed, it can maintain that legitimacy only if the governors operate under the same ethics and rules of conduct as the governed.

Finally, a personal note. Some have asked why a mainstream Republican like myself would lead an investigation so awkward for the President. All I can say is that ethics is not an issue of the left, right, or center. It is an American concern relating to the fabric and foundation of our society. As for motivation, I would simply paraphrase a great American who once carried the Republican banner, not to victory, but nonetheless with honor and integrity: Moderation in the pursuit of truth is no virtue; vigilance in the defense of public ethics no vice.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Gallo (at the request of Mr. Michel), for the week, on account of hip surgery.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. Solomon) to revise and extend their remarks and include extraneous material:

Mr. Bereuter for 5 minutes on March 8.

Mr. Leach for 5 minutes today.

The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:

Mr. Owens for 5 minutes today.

Mr. Gonzalez for 5 minutes today.

Mr. Gonzalez for 5 minutes each day on March 8, 9, 10, and 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Mr. Solomon) and to include extraneous matter:

Mr. Boehlert.

Mr. Solomon in 4 instances.

The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:

Mr. Swett.

Mr. Traficant.

Mr. Coyne.

Mr. Mineta.

Mr. Richardson.

Mr. Hamilton.

Mr. Gonzalez.

The following Member (at the request of Mr. Leach) and to include extraneous matter:

Mr. Hoyer.

ADJOURNMENT

Mr. LEACH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; (accordingly at 12 o'clock and 47 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, March 8, 1994, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2702. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred in the Department of the Air Force, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

2703. A letter from the General Counsel, Department of Defense, transmitting a copy of Executive Order No. 12888 which updates the Manual for Courts-Martial, United States, 1984, pursuant to 10 U.S.C. 836(b); to the Committee on Armed Services.

2704. A letter from the President and Chairman, Export-Import Bank, transmitting their approval supporting the sale of certain jet aircraft to Australia and to China; to the Committee on Banking, Finance and Urban Affairs.

2705. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-206, "General Obligation Bond Act of 1994," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

2706. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-193, "Displaced Workers Protection Act of 1994," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

2707. A letter from the Administrator, National Aeronautics and Space Administration, transmitting its annual report on the progress on Superfund implementation in fiscal year 1993, pursuant to 45 U.S.C. 9651; to the Committee on Energy and Commerce.

2708. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, transmitting a report on economic conditions prevailing in Egypt that may affect its ability to meet international debt obligations and stabilize its economy, pursuant to 22 U.S.C. 2346 note; to the Committee on Foreign Affairs.

2709. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, transmitting a report on economic conditions prevailing in Israel that may affect its ability to meet its international debt obligations and to stabilize its economy, pursuant to 22 U.S.C. 2346 note; to the Committee on Foreign affairs.

2710. A letter from the Deputy Assistant for Public Affairs, Department of Defense, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2711. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the annual report on the Foreign Service Retirement and Disability System and the Foreign Service Pension System, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2712. A letter from the Director of the Office of Administration, Executive Office of the President, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2713. A letter from the Chairman, Federal Mine Safety and Health Review Commission, transmitting the annual report on the activities of the inspector general for fiscal year 1993, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2714. A letter from the Secretary, Federal Trade Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2715. A letter from the Executive Director, Japan-United States Friendship Commission, transmitting the annual report on the activities of the inspector general for fiscal year 1993, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2716. A letter from the Chairman, National Credit Union Administration, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2717. A letter from the Executive Director, Pennsylvania Avenue Development Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2718. A letter from the Secretary, Resolution Trust Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2719. A letter from the Special Counsel, U.S. Office of Special Counsel, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2720. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting a report on five compensatory royalty agreements relating to oil or gas which were entered into during fiscal year 1993 involving unleased government lands, pursuant to 30 U.S.C. 226(g); to the Committee on Natural Resources.

2721. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Natural Resources.

2722. A letter from the Administrator, Environmental Protection Agency, transmitting a report entitled "A Review of Federal Authorities for Hazardous Materials Accident Safety"; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

2723. A letter from the Secretary of Defense, transmitting a second DOD fiscal year 1994 report on proposed obligations for facilitating weapons destruction and nonproliferation in the former Soviet Union, pursuant to Public Law 103-160, section 1206; jointly, to the Committees on Foreign Affairs and Armed Services.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUGHES:

H.R. 3963. A bill to amend title 18 to provide grants to States to assist in the incarceration of violent repeat offenders and to manage the problems associated with overcapacity in correctional facilities and programs and to support comprehensive programs that will reduce the rate of recidivism; to the Committee on the Judiciary.

By Mr. RICHARDSON:

H.R. 3964. A bill to expand the boundary of the Santa Fe National Forest, and for other purposes; to the Committee on Natural Resources.

By Mr. SWIFT (for himself, Mr. SYNAR, and Mr. PORTER):

H.R. 3965. A bill to amend the Solid Waste Disposal Act to implement the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, and for other purposes; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

By Mr. TRAFICANT:

H.R. 3966. A bill to amend the Fair Labor Standards Act of 1938 to clarify that individuals with impaired vision or blindness are not to be covered by special certificates for employment under section 14(c) of such act; to the Committee on Education and Labor.

By Mr. GLICKMAN (for himself and Mr. HANSEN):

H. Res. 379. Resolution providing for consideration of the bill (H.R. 3087) to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

293. The Speaker presented a memorial of the House of Representatives of the Commonwealth of Puerto Rico, relative to the transfer of lands controlled by the U.S. Navy in Vieques to the municipal government of Vieques; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of the rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1517: Mr. QUILLEN.

H.R. 1961: Mr. PARKER and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 1980: Mr. DEFAZIO.

H.R. 2623: Mr. ROEMER, Mr. RAMSTAD, Mr. FINGERHUT, and Mr. HOUGHTON.

H.R. 3132: Mr. ABERCROMBIE.

H.R. 3333: Mr. BACHUS of Alabama.

H.R. 3359: Mr. HINCHEY.

H.R. 3413: Mr. BURTON of Indiana.

H.R. 3458: Mr. FOGLIETTA, Mr. EWING, and Mr. BARRETT of Nebraska.

H.R. 3513: Mr. FINGERHUT.

H.R. 3660: Mr. FROST, Mrs. FOWLER, Mr. SHAW, and Mr. GILMAN.

H.R. 3769: Mr. NADLER.

H.R. 3905: Ms. FURSE, Mr. WALSH, Mr. FARR, Mr. BARRETT of Wisconsin, Mr. COPPERSMITH, Mr. KANJORSKI, Mr. BRYANT, Mr. STARK, Mr. BACCHUS of Florida, Mr. BOUCHER, Mr. WAXMAN, Mr. GIBBONS, Mr. RICHARDSON, Mr. ORTIZ, Mr. MCDERMOTT, Mr. SERRANO, Mr. ABERCROMBIE, Mr. STRICKLAND, Mr. SPRATT, Mr. MENENDEZ, Ms. VELAZQUEZ, Mr. GORDON, Mr. HEFNER, Mr. DERRICK, Mr. KREIDLER, Mr. LAROCCO, Ms. MCKINNEY, Ms. PELOSI, Ms. ROYBAL-ALLARD, Mr. WATT, and Mr. HAMBURG.

H.J. Res. 138: Mrs. MORELLA, Mr. CALLAHAN, Mr. BEVILL, Mr. CRAMER, Mr. BACHUS of Alabama, Mr. COPPERSMITH, Mr. STUMP, Mr. KYL, Mr. KOLBE, Ms. ENGLISH of Arizona, Ms. LAMBERT, Mr. THORNTON, Mr. HUTCHINSON, Mr. DICKEY, Mr. HAMBURG, Mr. HERGER, Mr. FAZIO, Mr. DOOLITTLE, Mr. MATSUI, Ms. WOOLSEY, Ms. PELOSI, Mr. DELLUMS, Mr. BAKER of California, Mr. CONDIT, Mr. LEHMAN, Mr. BEILENSON, Mr. BERMAN, Mr. MOORHEAD, Mr. WAXMAN, Mr. MARTINEZ, Mr. SLATTERY, Mr. GLICKMAN, Mr. RUSH, Mr. LIPINSKI, Miss COLLINS of Michigan, Mr. HASTERT, Mr. EVANS, Mr. SHARP, Mrs. MEEK of Florida, Mr. JOHNSTON of Florida, Mr. DIAZ-BALART, Mr.

HASTINGS, Mr. BISHOP, Mr. DARDEN, Mr. JOHNSON of Georgia, Ms. MCKINNEY, Mr. ABERCROMBIE, Mrs. MINK of Hawaii, Mr. LAROCCO, Mrs. KENNELLY, Mr. GEJDENSON, Ms. DELAURO, Mr. SHAYS, Mr. FRANKS of Connecticut, Mr. HUTTO, Mr. MICA, Mr. MCCOLLUM, Mr. BILIRAKIS, Mr. BACCHUS of Florida, Mr. DIXON, Ms. ROYBAL-ALLARD, Mr. TORRES, Ms. HARMAN, Mr. HORN, Mr. LEWIS of California, Mr. ROHRABACHER, Mr. DORNAN, Mr. HUNTER, Mrs. SCHROEDER, Mr. MCINNIS, Mr. SCHAEFER, Mr. BURTON of Indiana, Mr. HAMILTON, Mr. JACOBS, Mr. LEACH, Mr. NUSSLE, Mr. SMITH of Iowa, Mr. GRANDY, Mr. PETE GEREN of Texas, Mrs. MEYERS of Kansas, Mr. JEFFERSON, Mr. TAUZIN, Mr. FIELDS of Louisiana, Mr. HAYES, Mr. ANDREWS of Maine, Mrs. BENTLEY, Mr. CARDIN, Mr. OLVER, Mr. NEAL of Massachusetts, Mr. FRANK of Massachusetts, Mr. MEEHAN, Mr. TORKILDSEN, Mr. KENNEDY, Mr. MOAKLEY, Mr. STUDDS, Mr. CARR, Mr. LEVIN, Mr. FORD of Michigan, Mr. CONYERS, Mr. STARK, Mr. DINGELL, Mr. MINGE, Mr. VENTO, Mr. SABO, Mr. PETERSON of Minnesota, Mr. MONTGOMERY, Mr. PARKER, Mr. TAYLOR of Mississippi, Mr. CLAY, Mr. GEPHARDT, Mr. SKELTON, Mr. WHEAT, Mr. EMERSON, Mr. BEREUTER, Mr. HOAGLAND, Mr. BILBRAY, Mrs. VUCANOVICH, Mr. PAYNE of New Jersey, Mr. RICHARDSON, Mr. HOCHBRUECKNER, Mr. ACKERMAN, Mr. MANTON, Mr. TOWNS, Mr. OWENS, Mrs. MALONEY, Mr. RANGEL, Mr. GILMAN, Mr. BOEHLERT, Mr. WALSH, Mr. HINCHEY, Mrs. CLAYTON, Mr. VALENTINE, Mr. LANCASTER, Mr. PRICE of North Carolina, Mr. NEAL of North Carolina, Mr. COBLE, Mr. ROSE, Mr. HEFNER, Mr. BALLENGER, Mr. WATT, Mr. OXLEY, Mr. STOKES, Ms. PRYCE of Ohio, Mr. TRAFICANT, Mr. SYNAR, Mr. BREWSTER, Mr. WYDEN, Mr. KOPETSKI, Mr. FOGLIETTA, Mr. BORSKI, Mr. KANJORSKI, Mr. MURTHA, Ms. MARGOLIES-MEZVINSKY, Mr. COYNE, Mr. MCHALE, Mr. SANTORUM, Mr. MURPHY, Mr. RAVENEL, Mr. SPENCE, Mr. DERRICK, Mr. INGLIS of South Carolina, Mr. SPRATT, Mr. CLYBURN, Mrs. LLOYD, Mr. CLEMENT, Mr. GORDON, Mr. TANNER, Mr. FORD of Tennessee, Mr. HALL of Texas, Mr. BRYANT, Mr. PICKLE, Mr. EDWARDS of Texas, Mr. SARPALIUS, Mr. COLEMAN, Mr. STENHOLM, Mr. GONZALEZ, Mr. BONILLA, Mr. FROST, Mr. ORTIZ, Mr. GENE GREEN of Texas, Mr. HANSEN, Ms. SHEPHERD, Mr. ORTON, Mr. BATEMAN, Mr. BLILEY, Mr. MORAN, Mr. BOUCHER, Mr. WOLF, Mrs. BYRNE, Ms. CANTWELL, Mr. SWIFT, Mr. FOLEY, Mr. DICKS, Mr. MCDERMOTT, Mr. WISE, Mr. CASTLE, Mr. FALEOMAVAEGA, Ms. NORTON, Ms. KAPTUR, Mrs. THURMAN, Mr. CRAPO, Ms. BROWN of Florida, Mr. TUCKER, Mr. KLECZKA, Mr. DREIER, Mr. MCNULTY, Mr. STEARNS, Mr. YOUNG of Florida, Mr. HILLIARD, Mr. FIELDS of Texas, Mr. PALLONE, Mr. BARRETT of Nebraska, Mr. PETERSON of Florida, Mr. DEUTSCH, Mr. BLUTE, Mr. BLACKWELL, Mr. JOHNSON of South Dakota, Mr. KREIDLER, Mr. HALL of Ohio, Mr. MINETA, Mr. STUPAK, Mr. CALVERT, Ms. SCHENK, and Mr. DE LA GARZA.

H.J. Res. 253: Mr. FALEOMAVAEGA, Mr. ANDREWS of Maine, Mr. MARTINEZ, and Mr. FOGLIETTA.

H.J. Res. 325: Mr. EVANS, Mr. CALVERT, Mr. TUCKER, Mr. EDWARDS of California, Mr. FALEOMAVAEGA, Mr. BEILENSON, Mr. LANTOS, Mr. MATSUI, Mr. VISCLOSKY, Mr. SABO, Mr. DURBIN, Mr. HORN, and Mr. TANNER.

H.J. Res. 326: Mr. LIPINSKI and Mr. MCCLOSKEY.

H. Con. Res. 110: Mr. MONTGOMERY and Mrs. LLOYD.

SENATE—*Monday, March 7, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 12:30 p.m., on the expiration of the recess, and was called to order by the Honorable DONALD W. RIEGLE, Jr., a Senator from the State of Michigan.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

The Lord shall preserve thy going out and thy coming in from this time forth, and even for evermore.—Psalm 121:8.

Sovereign God, Lord of the universe, Ruler of the nations, we are speechless when we hear this remarkable promise from the Psalms. To know that the sovereign Lord takes a loving, caring interest in each of us is very difficult to accept. But Your Word declares it to be so, and we take You at Your Word.

Gracious Father, may this confidence be in each of us, that "* * * our steps are ordered by the Lord, and he delights in our way." (Psalm 37:23) Through difficulties, through the inordinate pressure of critical legislation, in trials as well as in triumphs, give us grace to live, moment by moment, in the light of this truth, that God "preserves our going out and our coming in."

In the name of Jesus, incarnate Truth and Love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 7, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DONALD W. RIEGLE, Jr., a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. RIEGLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, there will be a period for morning business which will extend until 1:30 p.m. today during which Senators will be able to speak for up to 10 minutes each. At 1:30 the Senate will proceed to the consideration of S. 4, the competitiveness bill. The bill will be managed by Senator HOLLINGS, the chairman of the Commerce Committee.

It is my hope that we can complete action on this bill promptly this week. The legislation will promote economic growth and competitiveness and job creation by increasing and strengthening Federal support of civilian technology and manufacturing. It will expand Federal support for research and development on the application of high performance computing and high-speed networking. It will expand State-led efforts to help the 38 million Americans who work in jobs related to manufacturing. And it will assist the Nation's 350,000 small and medium-sized manufacturing firms.

I hope very much the Senate will be able to complete action on this measure promptly because of its importance to continued economic growth and job creation.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I yield the floor.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

Mr. DOLE. Mr. President, like all Members of this Chamber, I was surprised last Friday by the announcement that the distinguished majority leader had decided not to seek reelection.

I have said many times before that the U.S. Senate could not operate effectively if the majority leader and the minority leader did not trust each other.

And while the majority leader and I may not share a political philosophy or a voting record, one thing we have shared these past 5 years is a friendship based on complete respect and trust.

For some, politics is a game of secret strategies and attempting to confuse and surprise your opponents.

For GEORGE MITCHELL, however, politics and public service are not games—they are opportunities to make a difference in the life of our Nation and her people.

As we sought to make that difference, GEORGE MITCHELL never told me anything but the truth. I may have disagreed, but I knew that his word was his absolute bond.

The values exhibited by GEORGE MITCHELL every day—values of honesty, decency, and civility—are values he learned from his father, an orphan who worked as a janitor at Maine's Colby College, and his mother, a Lebanese immigrant.

I was privileged to deliver the commencement address at Colby College last year, and I can say with confidence that the respect in which Senator MITCHELL is held in this Chamber is matched by the respect in which he is held by the people of Maine.

As executive assistant to former Senator Ed Muskie, as a U.S. attorney, as a U.S. district judge, and as a U.S. Senator, GEORGE MITCHELL has given his best for the people of Maine and America.

And no doubt about it, when the majority leader retires from the Senate, his record of service will be far from complete.

Whether he becomes baseball commissioner, a Supreme Court Justice, or something else, I am confident that GEORGE MITCHELL will continue to make a difference.

The Senate has some big issues ahead of it in the coming months, and I look forward to working with the majority leader in reaching solutions that will move America forward.

I suspect that our votes will often cancel each other's out, but I know that my trust, respect, and admiration for a man I am proud to call my colleague and friend will only get stronger and stronger.

RESERVATION OF LEADER TIME

Mr. DOLE. Mr. President, I reserve the remainder of my leader time.

The ACTING PRESIDENT pro tempore. The remainder of the Republican leader's leadership time is also reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for morning business which will extend until 1:30 p.m. The Senator from Alabama is recognized to speak for up to 10 minutes. If that is the Senator's desire, he is recognized.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

The Senator from Alabama.

Mr. HEFLIN. I thank the Chair.

(The remarks of Mr. HEFLIN pertaining to the introduction of S. 1890 are located in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

GEORGE MITCHELL—AN IMPECCABLE ETHICAL LEADER

Mr. HEFLIN. Mr. President, the announcement by the majority leader, GEORGE MITCHELL, that he will not seek reelection came as a surprise to all of us. The Senate will certainly be losing an impeccable ethical leader who is greatly respected by Democrats and Republicans alike. The Democrats in the Senate will lose a unifying force that has brought our many and varied elements together.

Several years ago, when ROBERT BYRD was thinking about not running for majority leader, I went to him and told him that I thought he was the sole and only unifying force that could bring all of the elements of the Democratic Party together—the conservatives, the liberals, and the moderates. I had my doubts when GEORGE MITCHELL took over as majority leader whether he would have that ability. But I soon found that to be one of his many strengths. His unifying ability to bring all of the elements of the Democratic Party together have been tremendous.

He has other tremendous strengths. He has great traits of intelligence, industry, and integrity. He has a reputation as being a superb debater, and he is a great orator. Later, I will speak further on Senator MITCHELL's announcement, but I would like to state at this particular time that America will lose a great Senate leader. We will lose in the Senate a person who is highly respected for his ethical background and for his true leadership. The Democratic Party will lose a great leader, but we are still very fortunate to have him continue with us during the remainder of this year when many important pieces of legislation will be considered. He will leave a tremendous mark of distinction on the U.S. Senate, and certainly will rank among the giants that history has given to the leadership of the Senate.

I will want to speak on this further at a later time.

At this time, I yield the floor.

Mr. COATS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

TRIBUTE TO SENATOR GEORGE MITCHELL

Mr. COATS. Mr. President, I want to add my voice to the others relative to Senator MITCHELL's announcement over the weekend about his retiring from the Senate after this session.

I first came here in 1988 as an appointed Senator, something that I shared in common with Senator MITCHELL and a few others in this body. Because of the resignation by then Senator Dan Quayle, who had just been elected to the Vice Presidency, an opening was created in Indiana and I was fortunate enough to be selected by the Governor of the State to fill that opening.

When I arrived, Senator MITCHELL was one of the first, if not the first, to greet me and he publicly, on the floor, indicated that there is a special understanding that exists between those of us who have arrived here initially through appointment rather than through election. We jokingly talked about forming a caucus, but what I learned early on is probably what Senator MITCHELL learned, and that is you need to earn your place here, and earning your place is securing not just the support of the Governor who selected you to fill a vacancy, but earning the support of the people that you represent in your particular State.

I was fortunate enough to do that through both a special election in 1990 and a general election in 1992. Senator MITCHELL, however, has more than earned his place, not only gaining the support of the people of Maine, but rising in a very short period of time to the highest position in this Senate, that position of majority leader.

I was surprised, as many were, by Senator MITCHELL's announcement but, in another sense, not surprised. This is a difficult business. It requires some extraordinary sacrifices, but it requires of none of us as much as it requires of the majority leader.

We have essentially 100 independent contractors here, all with our own egos and own agendas. Pulling those 100 together in some semblance of unity and teamwork and managing those 100 individuals is what most would describe as an impossible job. Yet, GEORGE MITCHELL, through patience, perseverance, tenacity, and, most of all, through his personal integrity has managed to somehow keep this ship moving forward to get the Nation's business accomplished, all as I said under extraordinarily difficult circumstances.

GEORGE MITCHELL's word was good every time, whether it was his word to Members of his own party or word to Members of the opposition. On a number of occasions, Senator MITCHELL made commitments to me and never waivered from those commitments despite pressure from those who opposed what I was attempting to do, and I respect that and I respect him.

He has been extraordinarily effective. I like to describe him as dangerously effective because his agenda often is different from my agenda. I respect the way in which he approaches, however, his business and his colleagues, and I know that will not slacken in the last several months of his tenure here as majority leader.

I have to acknowledge that when I first heard the news that Senator MITCHELL was retiring at the end of this term and would be in line for Baseball Commissioner—at least that is how it was reported in the wires that came across on Friday—my first reaction was, "Gosh, why couldn't that be me." GEORGE MITCHELL is getting to leave an extraordinarily difficult situation for what many describe and what I think is the best job in America, although on further reflection, the job of Baseball Commissioner, while glamorous on the outside, may have many of the same difficulties and problems as the job of majority leader. You are not dealing with 100 egos, but you are dealing with 28 zillionaire owners, each of whom has a substantial opinion of himself or herself. And bringing those 28 together may be as difficult, if not more difficult, than bringing 100 Senators together. So I am not sure that Senator MITCHELL is going to necessarily, if he chooses that opportunity if available to him, find himself free from the extraordinary management problems of running the Senate.

I was asked over the weekend on one of the talk shows whether or not Senator MITCHELL's announced retirement would jeopardize the President's health care plan. And certainly Senator MITCHELL has proven extraordinarily effective in handling the agenda of the White House. But my answer was, "Well, not necessarily," because I would guess that Senator MITCHELL will devote a great deal of his energy and considerable skills to leaving as perhaps his last accomplishment in the Senate a major piece of health care reform legislation.

From that standpoint, he is going to bring his skilled tactician qualities and attributes to this process. And again, we do not see eye to eye on the form in which this reform should take, but he is going to be a worthy adversary as we deal with this issue.

HEALTH CARE REFORM

Mr. COATS. Mr. President, the Republicans met in Annapolis late last week in a conference to discuss health care and where we were going as a party. I thought I would report briefly on that. I certainly was not the one in charge, nor did I lead the effort. But as someone who was there, I have some observations.

I went with a considerable amount of skepticism about our ability to pull our disparate views together and unite around any consensus as to where we ought to go on this subject. But I was very pleasantly surprised that through some vigorous debate and discussion, through a working dinner, a working breakfast, a working lunch, listening to the experts, talking to ourselves, and through three private sessions with Members only, at Senator GREGG's suggestion, which proved extraordinarily effective, we hammered out some unity on a number of issues relative to the health care issue, and I think all of us came away with a feeling that we had made some very substantial progress in dealing with an extraordinarily complex issue.

Thirty-seven Senators, 37 of the 44 Republican Senators, were in Annapolis. You do not get 37 Senators together ever unless there is a free lunch involved, and we had to pay for this. Six House Members joined us, all key members of either leadership or committees which deal with the health care issue. We had three Republican Governors. So we had, along with experts that we invited in to speak to us, a broad array of opinions and diversity there on the particular issue.

I think the Republicans are much closer to a unified position than the Democrats, who seem to be all over the lot in terms of where they want to go with this. But we did come away with some conclusions. Again, I do not speak for the group; these are my own observations. But I think conclusion number one is it was clear that Republicans agree with the concerns of many Americans relative to their ability to find accessible health care at a cost that they can afford; that those concerns are real. Those are concerns that we identify with, and those are concerns that we want to address. We agree that we do need to make some changes and some reforms in our health care system so that health care is available and is affordable for every American.

But what we also agree on is that the Clinton plan will not accomplish that. The Clinton plan is so appropriately diagramed by Senator SPECTER's Clinton health care chart of the new bureaucracy that will result if that plan were enacted, and so ably demonstrated by our leader, Senator DOLE, in his response to the President that our conclusion is it is dead, and we are glad it is dead. It appears that it is dead not just on the basis of Republicans saying so but, frankly, many Democrats, many of them key leaders in the health care debate, have pretty much declared the Clinton proposal as a nonstarter. It is far too complex. It is far too bureaucratic. It is far too heavy-handed Government control.

The idea that you could take one-seventh of our economy and put it into one neat plan is preposterous, and it is almost arrogant to think that any individual or group of individuals could come together and tie this all into one neat little package and say Government can run this more effectively and more efficiently than it is currently being run. It does not mean that we do not need reform. It simply means that what we have been presented by the Clinton administration is a bureaucratic nightmare and the more the American people know about it, the less they like it.

So they can take out all the ads they want at the White House. We think more disclosure of what is in this plan clearly dooms it to failure. Any plan that makes Government the solution, any plan that is mandate driven is bound for failure.

Why? Because the American people instinctively know, through years and years of experience, that it is based on false assumptions. The Clinton plan is based on the assumption—and many of the Democrat plans are based on the assumption—that Government is more efficient than the private sector. Anyone who has dealt with any agency of Government knows that is not true. If you absolutely have to get the package there the next morning, do you take it to the Post Office or do you take it to the private sector, to UPS or Airborne or American Express? If you absolutely have to get something done, you do not give it to a Government agency to get it done.

Second, it is based on the assumption that Government is more cost effective in delivering services than the private sector. We can stand here all day and talk about the cost effectiveness of Government programs. All we know is that whatever program is enacted, whatever Congress says it is going to cost you, you can multiply that by a factor of 5, 7, 9, or 15 because Government cannot control costs. Bureaucracy cannot control costs. There is no competition in the system. When there is no competition, you get a substandard product at a higher price.

The Clinton plan is based on the assumption that Government knows best, that Government can make a better choice of a health care provider when you are sick, when your family is sick or your loved ones are sick; Government can make a better choice for you than you can; and that a Government gatekeeper, a Government bureaucrat will be the first person you will call to determine what kind of medicine you receive, what kind of treatment you receive, which hospital you go into, and which services you are going to get.

It is just so ironic to me that virtually every other nation's health system in the world is trying to privatize their system because they have learned that they cannot afford Government medicine, that the people do not want Government medicine because it does not work. Yet, while every other health care system in the world is trying to privatize, along comes the administration and many of the Democrat plans with an attempt to bureaucratize, turn the process over to Government. So if Republicans are united, we are united around the principle that Government is not the solution to the problem.

The Clinton plan is also based on the assumption that they can keep politics out of this plan, that politics will not rear its ugly head and inject a political decision rather than an objective decision, so that the components of the basic health plan will not be influenced by Members of Congress up for reelection trying to add new benefits regardless of the cost or that different schemes will not be maneuvered around to favor one particular area, perhaps the area of a chairman of an important committee. I think we know that politics injects its head into about every process that we have, and you cannot have a Government-run plan without a political component, and that political component can potentially skew any kind of objectivity you would have in putting it together.

Mr. President, we also, I think, acknowledge that there is a lot of good things about our health care system that ought to be preserved.

The ACTING PRESIDENT pro tempore. If the Senator will suspend for a moment, he has used his time. I know the Senator from Kansas is there. I do not know whether she is waiting to speak or not. But, in any event, I want to call the Senator's attention to the fact that his 10 minutes has expired.

Mrs. KASSEBAUM. Mr. President, I am going to speak but I am happy to yield any time to the Senator from Indiana that he would like. I do not think anyone else wants to speak right now.

Thank you.

Mr. COATS. I would ask for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 2 additional minutes.

Mr. COATS. Mr. President, I think the Republicans also understand that there is a lot about our health care system that is worth preserving. We acknowledge that there are things that need fixing. But we want to fix what is broken. We do not want to redo the whole system. Like your car is not quite running properly, and you take it in. The mechanic says, "Well, I think it needs a tuneup here, we need a new part there, and perhaps we need a new set of tires." Someone else rushes out, and says, "The way to fix that is to reinvent a whole new car. We are not going to fix what is broken. Let us just throw the whole thing out and we will reinvent a new car for you."

Well, the Clintons reinvented a new car. That is kind of what the blueprint looks like. That staggers the imagination. Clearly, I think it dooms the plan to failure because it is a State-run, Government-run system that Senator DOLE says we are somewhere down here and we are going to work through this maze in order to get our health care provided to us.

We have a ways to go. We clearly do not have all the answers yet. We do not have a one package tied up with a bow on it saying here is the answer. But we know that there are some basic principles upon which any changes in the health care system ought to be rested, that they ought to be the foundation for change, and that those principles are important when we consider the various plans and the various components of those plans.

We stand ready as a party, as Senator DOLE said, to get together again and again and again, and no matter how long it takes, to fix what is broken in the system and preserve what is right about this system. We are going to base our reform proposals on solutions that work and solutions that target the problems and fix the problems.

We invite, obviously, Democrats, and those from across the aisle, who I think if they will go home and listen to their people, which I know they have been doing, will come back saying no to one-size-fits-all, Government-run plan, this is not the answer, and who will come across the aisle and say we agree with those principles, and the people we represent agree with those principles. And let us work to fashion a plan and fashion a reform that will accomplish those ends.

So, in conclusion, we had a very productive 24 hours with almost all work and very little sleep. But it was very effective in getting our ideas on the table. Not everyone agreed. There may be some people who want to go in a different direction, though the vast majority of us, including the Governors, including Members of the House of Representatives, share a lot of common ground. And we look forward to making a very substantial contribution to this debate on health care.

With that, Mr. President, I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Kansas.

TRIBUTE TO SENATOR GEORGE MITCHELL, THE MAJORITY LEADER

Mrs. KASSEBAUM. Mr. President, I would first like to add to what the Senator from Indiana said regarding the majority leader, Senator MITCHELL. In his leadership he has always been fair, always patient, and always intellectually challenging. I am sure when he decides to step down he will have 99 Senators who wish him well. I think he has provided extraordinary leadership for us through some difficult issues, and, as the minority leader said, his word is his bond.

(The remarks of Mrs. KASSEBAUM pertaining to the introduction of S. 1891 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. KASSEBAUM. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, may I ask that I be recognized for morning business?

The ACTING PRESIDENT pro tempore. The Senator from California is recognized.

Mrs. FEINSTEIN. Thank you very much.

A TRIBUTE TO SENATOR MITCHELL

Mrs. FEINSTEIN. Mr. President, I speak as a freshman Member of this body and I know I speak on behalf of Senator BOXER as well. We will both be forever grateful to the majority leader for all of the help and assistance we have received.

I might say, Mr. President, that in the last 15 months I cannot think of any one incident that has taken me more by surprise than the announcement by our majority leader that he will not run for reelection.

GEORGE MITCHELL is respected. I have known a lot of public leaders during my day. I have never known one with more credibility, more integrity, and certainly more perseverance than Senator MITCHELL. And I want to say that I believe he will be sorely missed.

It is difficult for me to really believe that he wants to be baseball commissioner. I have worked with National Football League owners and baseball owners, and they too are rugged individualists and often difficult to work with.

But I want him to know how much this freshman has respected his counsel, his advice, and, most importantly, his leadership.

Last year was an important one in the U.S. Senate, and our majority leader saw this body pass an unprecedented amount of legislation, much of it major in scope—the crime bill, family leave, and national service to name a few.

GEORGE MITCHELL has been a very special majority leader because he is good on his feet on the floor and good in his chair at the conference table. In my experience this does not happen often when someone has both qualities.

I have heard him sound with anger. I have heard his humor. And I have watched his leadership. I have seen those frustrating moments in the caucus. I must say he is an unparalled leader. He leaves very big shoes that will be very hard to fill.

I just want to say I am so looking forward to working with him on health care reform, welfare reform, and other issues this year. I only wish there was something I could do to change his mind because when he leaves this body he will be very sorely missed.

Thank you very much, Mr. President, and I yield the floor.

The PRESIDING OFFICER (Mr. DORGAN). The Chair recognizes the Senator from Minnesota.

A TRIBUTE TO SENATOR MITCHELL

Mr. DURENBERGER. Mr. President, I rise, too, to add my sense of the passing leadership in this organization, that GEORGE MITCHELL's decision not to run for reelection makes me feel like I have been here a long time because I was here when he came and we will both be leaving at about the same time.

I heard the wonderful statement made by our colleague from California, Senator FEINSTEIN, and I must disagree with just one part of it. I would not do anything to persuade him to stay. I am pleased with GEORGE'S decision. I think it is the best decision for GEORGE MITCHELL. It may not be the best decision for us or for the people that will be here and need that kind of leadership in the future. I think that is probably what she was expressing, that GEORGE'S kind of leadership, whether to the Democratic side or Senate as a whole, is invaluable. But from the standpoint of a leader making a decision to use his talents in a variety of other ways, I would say GEORGE made the right decision for GEORGE MITCHELL. He made the right decision for a lot of other people that I am sure will be obvious to a lot of us as time goes on.

HONORING BOB BERGLAND

Mr. DURENBERGER. Mr. President, I rise today to commemorate the career of Bob Bergland, one of Minnesota's favorite sons. Bob has served as manager of the National Rural Electric Cooperative Association since 1983. He retired March 4, and with his wife Helen, will return home to Roseau, MN.

Bob Bergland has had a long and distinguished career representing the people of Minnesota and rural America. He was elected in 1970 to represent Minnesota's old Seventh Congressional District. He was returned to office four times, the last time garnering over 70 percent of the votes cast.

In 1977, President Jimmy Carter appointed Bob Bergland to be Secretary of Agriculture. He was the first farmer to hold this prestigious post since 1940. Bob served his country as Secretary until early 1981, when he was named president of Farmland World Trade.

Bob's stewardship of the interests of the nearly 1,000 rural electric cooperatives, including the 55 which serve our home State, has been quite rightly heralded. Bob's legacy went beyond his impressive representation of the co-ops' interest before Congress. He successfully encouraged the electric cooperatives to broaden their agenda, and provide even more services for their communities.

Because of Bob's keen interest in the rural agenda, thousands of well-paying rural jobs have been created by the member-owned electric cooperatives. Bob's 11-year tenure saw electric cooperatives provide rural television, because cable companies saw no profit in serving the backroads of rural America.

He promoted programs at REA designed to provide better educational opportunities for rural young people and to improve health care for rural residents. And he successfully ensured that electric cooperatives were positioned to provide water and waste water projects to unserved areas of our country.

Bob Bergland's efforts did more than keep the lights of rural America burning—he made our future brighter as well.

Bob and Helen Bergland are going home. I ask my colleagues to join me in wishing all the best to this terrific couple—and expressing our thanks to a man who did so much to make our rural homes a better place to live.

HONORING DR. WALTER H. JUDD

Mr. DURENBERGER. Mr. President, I rise today to commemorate the passing of one of the greatest statesmen of the American century, my former Congressman and dear friend Dr. Walter H. Judd. Last month, Walter Judd died of cancer at the Collington Life Care Community in Mitchellville, MD.

It was my great honor and privilege to know this truly historic Minnesotan. He represented the Fifth Congressional District of Minnesota in the U.S. House of Representatives from 1943 to 1963, and he performed very ably the daily tasks of a Member of Congress.

But the importance of Walter Judd extends far beyond the boundaries of the Fifth Congressional District, indeed far beyond the borders of the United States. Because Walter Judd was a key voice for human liberty at a time when America was most in need of that kind of moral leadership.

In the late 1930's, when a surprisingly large number of Americans chose to remain blind to the threat of Japanese militarism, Walter Judd made literally over a thousand speeches to wake up the American people. His alarm about that danger proved to be well-founded.

Equally well-founded was his concern about the expansion of global communism in the post-World War II era. Because of the truly immoral excesses of some notorious anti-Communists of that era, it has become very common to dismiss 1950's anticommunism as a hysterical descent into national paranoia. But the anticommunism of Walter Judd was not the anticommunism of Joseph McCarthy.

His anticommunism was not a partisan posture, or what our spin doctors of today would call a wedge issue. He did not attack communism as just another way to beat up Democrats. He attacked communism with every fiber of his being, because he saw that millions of people around the globe were being deprived of their chance for liberty by this seemingly unstoppable ideological force.

He was against communism because he cared about people. Verne Johnson, his one-time administrative assistant, said that Walter was a "preacher—and his gospel was the menace of communism." He was a man of "integrity * * * he never asked 'what's in it for me?'"

Indeed, his whole career is cut from the same cloth. He started out as a medical missionary in China in 1925—serving for roughly 10 years in that turbulent posting.

He was a doctor because he cared about people. And that level of human concern never deserted him—whether he was in China, or at the Mayo Clinic in Rochester, MN, or at his Minneapolis practice at the corner of Lake and Hennepin, or in the halls of the U.S. Congress.

Walter was born and raised in Nebraska, 1 of 7 children of a lumberman. It was a tough place, and taught Walter about the need for self-reliance and the importance of family. Three of his brothers failed to reach the age of 20.

In 1981, President Reagan conferred on Dr. Judd the highest civilian honor of the United States—the Presidential Medal of Freedom. Reagan pointed out that Judd was—and I quote Reagan's remarks at that ceremony:

> An articulate spokesman for all those who cherish liberty and a model for all Americans who aspire to serve mankind as physicians, spiritual leaders, and statesmen.

That is the Walter Judd that so many of us back home in Minnesota knew, loved, and admired.

Norm Carpenter, who married Walter's daughter Mary Lou, observed that while Walter was not a soundbite politician, his speeches succeeded nonetheless in inspiring generations of Americans. "People used to say of Adlai Stevenson, 'what a wonderful speech!' Of Hubert Humphrey, 'Where do I sign up?' Walter Judd combined both. He moved people—inspired them to action."

And the same Walter Judd was named by his congressional colleagues in 1962 as one of the five most admired and influential Members of Congress. His voice on foreign policy issues was one of the most respected of his time—and his reputation was well-deserved.

A statesman of the order of Minnesota Congressman Bill Frenzel referred to Walter as a truly "senior mentor * * * you could always call him (for advice)."

Walter Judd proves that if you care enough about people—and tell the truth about how human happiness can be protected and increased—you can make a huge difference for the better on this planet. I ask my colleagues to join me in mourning the passing of this great American, and in extending our sincerest condolences to his widow, Miriam, to whom he was married for 62 years—a remarkable woman who—in Verne Johnson's words—was the glue of the family when Walter was out leading his national crusade.

We also send warmest condolences to Walter's daughters Mary Lou Carpenter of Minneapolis, Carolyn Judd of Los Angeles, and Eleanor Quinn in Hartford; seven grandchildren, and one great-grandchild.

I ask unanimous consent that Dr. Judd's historic keynote address, delivered to the 1960 Republican National Convention on July 25, 1960, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WE MUST DEVELOP A STRATEGY FOR VICTORY * * * TO SAVE FREEDOM! FREEDOM EVERYWHERE[1]

As we meet tonight in this Republican National Convention of 1960 I do not believe you want me to indulge in the traditional keynote speech, blaming the other party for everything that is bad, taking credit to ourselves for everything that is good, and promising that if you voters will just elect us to office this fall, we will solve every problem, increase every benefit, expand every existing program, start a whole flock of new ones, give everyone everything he wants—and reduce the national debt at the same time!

The times in which we meet are too serious for that.

The problems we face are too disturbing.

Our country's safety—your safety and mine—are too gravely endangered.

What the American people want to know as they watch us here tonight is: which party has the greatest capacity to keep this country safe and sound!

Which party is the most alert to and best understands the powerful forces against us, abroad and at home?

Which party has the ablest, the most experienced, the best qualified and the finest men to lead our country through the perilous months and years ahead?

We do not pretend that our party is always right and the Democratic Party is always wrong.

We know, as do you who are listening, that both Democrats and Republicans want a strong, free and prosperous America in a peaceful and secure world. The difference between the two parties is not over those good objectives, but over the best way to achieve those good objectives—and keep them.

Some Democrats have regularly tried to make it appear that Republicans are opposed to various good ends—such as security for old age, adequate medical care, better education, better housing, protection of the rights of labor, aid to agriculture—just because we do not agree with the solutions they advocate, believing they are not the right way to get what we all want. But it is not because we are against the good ends; it is precisely because we are for them that we oppose measures we believe are unsound.

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[1] Keynote Address to the 1960 Republican National Convention, July 25, 1960, Chicago, Illinois.

It is the obligation of the Republican Party and its members to show that loose fiscal policies, while temporarily gratifying, in the end inhibit growth rather than expand it.

Sometimes we are told that to win elections, we Republicans should make more grandiose promises, like those the opposition party made at its Convention. Maybe that is a way to win elections; but we repudiate it, first because it would not be shooting square with you, the voters; and second, it would not succeed. For there is no chance of our out-promising the Democrats.

Overshadowing everything else as we meet is the hard fact that a powerful enemy threatens us on every front. It is the most dangerous assault upon us in our history, in part because it is so different from any previous threat.

And without victory in this struggle, there will be no survival of freedom for any of us—Democrats or Republicans.

The Republican Party was born in a time of crisis. It was brought into being by the strong free spirits of a century ago, to deal with the gravest issue of the nineteenth century—Human Slavery.

In 1860 in this city the Republican Party nominated as its candidate for the Presidency of the United States a man who had risen from the humblest beginnings to become a leader in the effort to end human slavery without destroying the Union.

He led the party to victory, the nation to salvation, and the people to a rededication to the sound principles on which the country had been founded and had grown great.

We want tonight, both to honor Abraham Lincoln and to learn from him.

Please God, we may do as well with our divided world as he did with his divided nation.

For the gravest issue of our century is also Human Slavery—this time not men enslaved by other men; but far more complex and dangerous, masses of men enslaved by governments.

More human beings are in bondage tonight than ever before in human history.

Nine hundred million abroad are denied by their government the right to worship, to speak, to assemble, to join, to own; the right of a man to choose or to change his work and to live his own life with his family and friends—in freedom.

In this total situation, the Republican Party stands today as it has from the beginning—for freedom and against slavery.

You will judge both parties not by promises but by performance. And it is on the basis of our record of solid performance that we proudly present to you in this convention, an honest accounting of our stewardship during these eight years—and a look at the future.

How well have we done what we said we would do when you elected us?

How do we propose to deal with the challenges we face now, at home and abroad?

Why do we believe our principles and proposals offer greatest hope for accomplishing the greatest good and the greatest growth for America in the next four years?

Let us deal first with our international relations.

We said in 1952 we believed we could get and maintain peace with honor. We have done it.

We brought to an end the fighting in the Korean War which the Truman Administration would not win and could not stop.

It did not make sense to continue to enlist American youth and exhort them to fight well in the noblest tradition of America's greatest heroes—but not to fight too well because then they might win, and that might provoke the enemy. They should give all they had, their lives—and over 33,000 did—but they must not win! It was the first war ever fought—so far as I am aware—in terms of trying to please the enemy! To continue that war was madness.

Then President Eisenhower took charge. It took time and patience and skill, but within nine months, the fighting was brought to a close—without dishonor, without sacrificing the interests of any ally, or weakening our security position in the Pacific. We Republicans are proud of that accomplishment.

In addition, this Administration has prevented a half dozen other threats from developing into war—Trieste, the Mossadegh uprising in Iran, Guatemala, Formosa, Suez, Lebanon, Quemoy, West Berlin.

How was it done? Not by sacrificing our principles in secret deals under the table; but by steady, patient firmness and strength in support of principles.

What principles? First, our own historic principles; human freedom; keeping our word; steadfast support of friends and allies. And, second, wholehearted support of the United Nations.

In short, our efforts everywhere have been to help build free nations up; the efforts of the Communists everywhere are to pull free governments down.

It does not avail, however, to be firm in support of principles unless we have the strength to back it up. This Administration has built up gigantic strength in our own armed forces and given vital assistance in building up the strength of other nations standing with us against the common threat.

Ours is a balanced power, not all our eggs in one basket, whether it be a bomber basket, missile, submarine, or any other basket.

President Eisenhower will perhaps have something to say on this subject tomorrow night. I hope those who have thought they knew more about our armed strength than he and our Joint Chiefs of Staff, will listen in too.

But I am compelled to take notice here of certain charges made by the opposition party.

It is claimed that this Administration allowed a missile gap to develop. No, it found a missile gap and has managed to get it almost closed.

When President Eisenhower took office in 1953, the preceding administration had actually retarded work in this field, even though it knew that the Soviet Union was making tremendous efforts.

The Truman Administration in eight years had spent seventeen times more for price supports for peanuts than for long range missiles.

The Eisenhower Administration is today putting forty times as much into such missiles each month as the previous Administration did in eight years.

It took the Soviet Union twelve years to develop its long range missiles. It took the Administration six years to get ours operational. Anything wrong with that?

Senator Kennedy was reported by the Press to have said on February 21st of this year, "We have the greatest deterrent force in history and thank God for that." He was right!

But it is not enough to have such vast overall power. Our primary desire in building such striking force is not to fight a war, but to deter one.

It is not just the strength that we have, it is the strength that our enemies, our allies and our own people know that we have, which is our hope of deterring war.

What kind of reckless and irresponsible action is it for anyone to misrepresent the United States as a second-class power, as was done in the Democratic Convention, and thereby encourage the very attacks which all Americans profoundly hope and pray can be prevented?

Did you see the movie shown at the Democratic National Convention two weeks ago, dredging up scenes of hunger, squalor, and misery in the United States as if they were typical of America? What kind of salesmanship for their country is that?

Can our nation's prestige be raised by tearing it down?

It is devoutly to be hoped—because it offers our best chance of avoiding war—that Mr. Khrushchev, in making up his mind about our actual military, economic, and moral strength, will depend a lot more on the reports of his own agents than on the shameful misstatements made in the heat of the Los Angeles convention.

It is claimed that this Administration has not taken the initiative in the cold war, that we have allowed things to drift. Yet the orators condemn the Republican Administration for brilliant examples of successful initiative. For example, the U-2 flights. If we had not developed U-2 and had not been using it to keep up to date on military preparations within the Soviet Union, we could properly have been charged with inviting another Pearl Harbor. The fact that our U-2 operations were so outstandingly successful for four years should be a source of intense pride to all Americans. The U-2's were not provoking war, they were helping to prevent war.

Again, it has been suggested that the president should have done something different or better about Mr. Khrushchev's breakup of the Paris conference. Will they please tell you what they think the American people wanted their president to do? Apologize, and hand over West Berlin? Blow up and start a war? Of course not!

The facts are that it has been the president himself and secretaries of state Dulles and Herter who on innumerable occasions have warned the American people against optimism regarding any conference with Communists at the summit in the absence of any evidence of change in their objectives and methods.

Just as Prime Minister Macmillan said a year ago that he thought he ought to go to Moscow to find out if possible just what the Soviets had in mind, so the president invited Mr. Khrushchev to this country, and agreed to go to the Soviet Union; and the Big Three agreed to meet with Khrushchev in Paris—all in the hope of finding ways to get a settlement that might end the cold war without betrayal of our principles, our commitments, or our allies.

At the Paris conference, everybody hoped that the miracle might take place and Mr. Khrushchev would abandon his avowed purpose to bring bury us—one way or another. Tragically, there was no miracle. Mr. Khrushchev killed the hope.

But his ruthless torpedoing of the Paris meeting was evidence of the failure of his foreign policy, not ours. His strategy for at least two years had been the old one of trying to conquer the West by dividing it. He tried his best to set our allies against each other and against us. He came to our country and talked about peace and friendship, trying to whittle down our resolution and soothe us into relaxed slumber. He did not succeed.

When Mr. Khrushchev knew before the Paris conference convened that he had failed to divide, deceive or soften up the free powers, he had no choice but to break up the conference. Otherwise, he would either have had to back down on West Berlin, or actually start a war. Either would have been fatal to him. His scuttling of the Paris conference and his grotesque efforts to pin the blame on us were proof positive, not of our weakness, but of our strength.

With the bold deception of Khrushchev's false peace posture exposed at Paris by himself, he had to change his tactics and make a different effort to divide and conquer. He is now moving heaven and earth to achieve by subversion among the newer or more vulnerable nations of the free world coalition what he could not achieve by division of the western powers. He is trying to upset free governments, one by one, by ordering into action the apparatus the Communists have been systematically building and training in other countries for decades, for the very purpose now revealed so plainly in Japan and Cuba.

Why did the Communists have to cancel President Eisenhower's visit to Russia and resort to such violent measures in Japan to prevent his visit there? Not because of the ineffectiveness of the President's visits abroad, but because of their demonstrated effectiveness. The Red leaders saw the vast difference between Eisenhower's reception in India, for example, and the receptions given Khrushchev and Chou En-Lai. They didn't dare let Ike chalk up still another tremendous triumph with millions of people in Mother Russia itself, and in a key country like Japan.

It has been charged that no previous presidents or vice presidents ever suffered such insults abroad—as if somehow that is their fault. There are two inescapable answers. One is that as long as two previous American Presidents were willing to give in to Soviet leaders, they got along famously with them. Why should the Communists insult them as long as they were getting what they wanted?

Naturally Khrushchev would prefer not to negotiate with a Republican president who he has learned will not be taken in or intimidated or tricked into any concessions, no matter how innocent looking, that would weaken the free world.

The second answer is that no previous president has faced a Communist conspiracy that was strong and arrogant enough to take such action as Mr. Khrushchev took.

And how did the Communist conspiracy get so strong and arrogant? That cannot be laid at the door of the Republicans. Look again at the record.

I would rather not go over the mistakes of the past; there's more than enough to talk about regarding the future. But if Republicans are to be charged with inability to deal with the focus of aggression which those who make the charges helped to build up, then we owe it to the truth to set the record straight.

The trouble we are in with the Communists is exactly the trouble that Republicans warned for years before 1952 would develop if we followed the courses that were followed.

Was it Republicans who recognized the Soviet Union in 1933 and gave it acceptance into our country and world society as if it were a respectable and dependable member thereof?

Was it Republicans who, at Tehran, against the urgent advice of Mr. Churchill, agreed to give the Russians a free hand in the Balkans?

Was it Republicans who secretly divided Poland and gave half of it to the Soviet Union?

Was it Republicans who agreed to the Communist takeover of a hundred million people in East Europe who are not Russian?

Was it a Republican Administration which at Potsdam gave the Soviet Union East Germany and left West Berlin cut off from the rest of the free world?

Was it a Republican Administration that publicly promised that Manchuria would go back to its rightful owners, the Chinese, and then secretly at Yalta gave control of Manchuria to the Russians?

Was it a Republican Administration that divided Korea and gave control of North Korea to the Communists?

Was it a Republican Administration that gave to the Soviet Union the Kurile Islands which had never been anybody's except Japan's, thereby endangering both Japan's and our own security in the North Pacific?

Was it a Republican Administration that rightly put its hand to the plow in Korea, and then when victory was in sight turned back, allowing the Reds to recover so they can make still more trouble in the future?

Was it a Republican Administration that fell for the Communist offer of a truce in Korea without requiring that the North Korean aggressors lay down their arms and the Chinese Communists get out of Korea where they had no business to be? You know it wasn't.

In summary, it wasn't under Republicans that 600,000,000 human beings disappeared behind the Iron Curtain in the first five years after World War II.

In fact, the record will show that Republicans opposed these steps every time they were taken.

What our Republican Administration has done in these eight years is, with initiative and imagination, to stop the process of retreat before the Frankenstein monster that its predecessors did so much to build up.

We have resolutely opposed anything anywhere that would make Communist regimes stronger and we shall continue to do so.

That is why, for example, we have opposed and must oppose official recognition of Communist China or its admission into the United Nations, unless or until it will give up in a dependable way its aggressive acts and threats against other countries; that is, give up Communism! Recognition and admission would needlessly present it with smashing victories. Does it make sense to build up an avowed enemy?

But our refusal to give Red China the tremendous boost of official recognition does not mean—as has been asserted by people who ought to know better—that this Administration has been hiding its head in the sand, or pretending Red China does not exist, or trying to ignore 600 million Chinese. The exact reverse is the truth. This Administration is acutely aware of Red China's existence and the threat it constitutes to freedom, not only in Asia, but everywhere. It was not this Administration which indulged in the illusion that Communists in China are democratic agrarian reformers!

We are not ignoring Red China. We have been negotiating with its official representatives for five years. The ninety-ninth such negotiation, unfortunately still fruitless, took place just last week.

Surely it is now plain to all that since the Communist world conspiracy remains the same, and since America does not intend to surrender, and since nobody wants a hot war, there is only one alternative left. We must win this cold war.

To do this we must have leaders who understand this enemy and its tactics, and will mobilize all our resources for the struggle.

We must use more effectively our strongest weapons, the values and virtues of a system of government which has given freedom and dignity and better living standards to human beings than any other system ever has.

How many of us understand our own system well enough to sell it to others with contagious enthusiasm, as the Communists are so well trained to sell theirs?

We must let loose in the world the dynamic forces of freedom in our day as our forefathers did in theirs, causing people everywhere to look toward the American dream.

Men have always found ways to bring down tyrants in the past; men will find ways to bring down today's tyrants, if only we don't build up the tyrants!

In short, we have a good strategy for holding. But we cannot hope it win in the end just by holding. We must develop a strategy for victory!

A new chapter has now been opened by Khrushchev. The Soviet Union stands naked before the world today, self-exposed, its objectives and its unchanging methods of deception and trickery revealed by its own acts.

It is going to require stronger approaches, different strategies, new tactics by someone who has proved he understands Communism.

America has the brains, she has the wealth, she has the weapons. Who can best harden into rocklike firmness her will?

I am confident that the nearer our people come to Election Day next November, the more they will become convinced that the course of wisdom and sureness for America is to continue to entrust the destiny of our Nation to steady, competent, experienced, principled Republican hands.

The man who will be nominated in this convention as our candidate will be incomparably the best qualified to deal with the relentless cold war which we have tried our best to avoid, but which we now have no choice except to win.

It has been said by Mr. Kennedy that the most important issue in his campaign is foreign policy. We agree and welcome the test.

Now let us take a our record on the domestic front. Undeniably this has been overall the best seven-year period in the history of the United States.

What did we say in 1952 that we would do? First, we said we would be a middle-of-the-road government. We believe that middle-of-the-road government is, in the long run, the best kind of government for everyone. For when anybody or any group, whether at one extreme or the other, gets all it wants, it is at the expense of the people as a whole.

We promised we would clean out the corruption that was a scandal under the previous Administration and led to more than twenty convictions of high officials. I am proud of the fact that there has not been a single conviction for malfeasance in office of any high official in this Administration. That does not mean everything has been perfect. It does mean that whenever and wherever there was any slightest suspicion of impropriety, this Republican Administration has not tried to cover up; it has cleaned up. That is what you wanted it to do.

We said we were convinced we could bring prosperity without war—something our predecessors had never been able to do in this century. We succeeded.

The first requirement was to stabilize our economy and slow down the inflation. It was stealing the people's substance—and was especially cruel in its eating away of the value of the pensions and social security benefits which millions of older persons were counting on for the security and serenity they so richly deserve in their years of retirement.

How could inflation best be checked?

The Democrats clamored for more controls.

President Eisenhower announced he would take off the controls.

You will recall how some screamed that the Republicans were yielding to the profiteers, big business, money interests; prices for common people would now go sky high, and so on.

But did they? No. The prices which had been rising alarmingly—48 percent in the seven Truman years—promptly leveled off and stayed practically stable for four years. The total rise in prices in these eight Republican years is less than 10%.

We achieved this stability not by changing our free system, but by using it. It works better than those of little faith in the American people give it credit for.

We said in 1952 that if the Federal Government would stick to its proper function of running the business of the nation, and get out of trying to manage the affairs of our people, the creative energies of the American people and their millions of individual enterprises would create a vaster expansion of production and trade, with correspondingly greater expansion of jobs than the Government itself could do. We were right or wrong? Well, there were sixty-one million jobs when we took over in 1953. There are sixty-eight million jobs tonight.

And jobs at higher wages. Wages up 39 percent in these seven years! Do you recall the seven consecutive cost-of-living increases that labor had to fight for, just to keep up with inflation under Truman? In contrast, real wages, actual purchasing power, have gone up 20 percent under this Administration.

To buy a standard market basket of groceries in 1945 under the Roosevelt Administration cost the average worker thirteen hours of labor. To buy the same market basket in 1952 under the Truman Administration cost 13.7 hours of labor. To buy it in 1959 under the Eisenhower Administration cost ten hours.

This is the measure of how much better off rank and file people are today. Does this sound like a party of big business?

Our workers have better food and clothing for themselves and their families, more homes, more automobiles, more refrigerators, more TVs, more free time for study, for recreation, for sports, for travel, for whatever. The record is clear that labor has done better under this Republican Administration than in all its previous history.

Personal income, the money that goes into your pockets, has gone up a whopping 33 percent—from $301 billion in 1952 to $420 billion in 1960—and in constant dollars.

Furthermore, a larger share of that higher income than ever before, more than 4 percent larger, goes now into the pay envelopes of workers. Anything wrong with workers getting a bigger share of the national income under the Republicans than they ever got under the Democrats?

Isn't it plain horse sense to trust for the next four years the leadership which has enabled you to do so well for yourself in the last eight years?

While the Republican 83rd Congress was in power to cooperate with the Eisenhower Administration during its first two years, we gave the American people the biggest single tax cut in their history—and at the same time expanded the benefits to people; more social security benefits, more for highways, hospitals, health, housing.

And you still have that tax cut. If I may borrow a phrase that you perhaps remember: Don't let them take it away!

The Republican record in the area of meeting human needs has been one of remarkable action and progress on all fronts. Contrary to the image promoted by the opposition that they alone are the party of the people.

Under Social Security 7½ million more persons are now covered than before. The number receiving benefits has increased from five to more than fourteen million persons.

Under the Vocational Rehabilitation program as strengthened by Republicans in 1954, some 400,000 disabled men and women have been returned to active, self-respecting employment and have earned almost $2 billion. This is the true American system of enabling people to do things for themselves.

Deeply concerned with the increasing complexity of the problems of senior citizens, this Administration has established a staff for research into their problems and how to use their valuable experience and talents. It has called the first White House Conference on the Aging in our nation's history for next January.

Bold and dramatic steps have been taken to expand medical research in cancer, heart disease, mental illnesses, and other crippling and killing maladies.

In the seven years prior to 1953, the value of surplus agricultural products distributed in the school lunch program and to needy persons, institutions, schools and Indian reservations totalled $263 million. In the seven years since 1953 the total distributed is $960 million worth—3½ times as much. Anything wrong with that record?

In short, we have moved vigorously whenever and wherever action by the Federal Government is the proper and best way to deal with any problem affecting public safety and the people's welfare.

When before did any government ever take less from the people in taxes and give them more in return?

How was it done? Not by government orders, edicts or controls; and not by government handouts.

It was done not by changing our principles of freedom of enterprise, but by sticking to them.

It was done by good Republican management of the government, not management of the people.

Obviously I cannot try here to outline our detailed proposals for the years ahead. I have not even mentioned vitally important areas like education, health, agriculture, conservation, taxation, and a dozen other issues which would require almost a separate speech each. They will be covered, however, before this Convention is over.

I want to turn, finally, to some basic principles, tested principles of freedom—which we believe it is necessary for us to understand and follow, if we are to meet successfully the challenges of the future.

Many Americans have come to think that our two major parties are, after all, just about the same. But it is not so. The main difference between them, as I said in the beginning, is not over good ends. The difference, and it is a profound one, is over means. Which are the right ways to get the good ends?

We Republicans deeply believe that the first function of a good government is to protect the liberty of the individual citizen, not to take it away.

There have never been but two basic philosophies of government—government from the bottom up, and government from the top down. Our fathers believed, and so do we Republicans, that most problems can best be solved by the people themselves.

One philosophy puts its primary faith in government officials. The other puts its primary faith in the good sense and the capabilities of our people.

One group begins with the assumption that the more complex and complicated a society becomes, the more its control and management must be centralized in an increasingly powerful government.

We Republicans begin with the same premises and come to exactly the opposite conclusion; namely, that the more complex and complicated a society, the more impossible it is for any centrally located group of men—no matter how able or devoted or sincere—even to grasp all the details of the complicated problems to say nothing of handling those details from Washington.

We are not against adequate Federal Government. There must be such government to prevent abuses of power. We merely want to keep it limited to its proper fields, so that the liberty of individuals will be protected. The Republican Party stands for liberty.

In the Democratic Convention you heard a lot about Woodrow Wilson. What did he, a real student of government, think on this issue? In a speech in New York in 1912 he said, "Liberty has never come from the government. Liberty has always come from the subjects of the government. The history of liberty is a history of resistance. The history of liberty is a history of the limitation of governmental power, not the increase of it."

Nobody has said it better than that. Yet we now see those who claim to be the followers of Wilson insisting that the way to expand liberty is to increase the powers of government.

How did our forefathers seek to limit government to its essential functions? By putting the government under a Constitution. Many regard that Constitution as the means by which the government regulates the people. No, it is the magnificent means our forefathers devised by which the people can regulate their government.

Why did they insist on having a bill of rights in that Constitution? In order to be sure that their government would take care of them? No, in order to be sure that their government could not interfere in their taking care of themselves.

Rights are not what our government must do for us; rights are what our government cannot do to us.

We believe also that all men are created equal. In support of this fundamental faith, Republicans work for government that will provide equality under the law for all citizens, and equality of opportunity for all citizens. We believe this is the best way to get the fullest possible rewards for all citizens.

It is because of this Republican emphasis on equal opportunity that the Republican Party is the party to which youth will naturally gravitate, if we make our principles clear to them. For what does youth want most of all? Youth wants to get ahead. The Republican Party stands always for maximum freedom and opportunity—for every man to improve his condition.

That is why it is possible in America for the son of a rich man, like Jack Kennedy, to become President.

That is why it is possible in America for the son of a poor man, like Dick Nixon, to become President.

Republicans believe that that government is best, not which does most for its citizens directly, but which makes it possible for most citizens to do most for themselves—and then assists with those who, for whatever reason, cannot provide the basic necessities for themselves.

I do not say these things because I am a Republican; I am a Republican because these are the things I believe.

I think we can state it as a law, that whenever a government does for its citizens that which they have the capacity to do for themselves, individually and in groups, it begins to destroy both their capacity and their incentive to do for themselves. It begins to weaken rather than to strengthen the foundations of freedom and the means of progress.

I can work my girl's arithmetic problem better for her than she can work it for herself. I can get the right answer almost every time. And she would like to have me do it for her. She'd even vote for me if I would. But I don't. Not because I don't love her or want her to succeed—but because I do.

Abraham Lincoln at Gettysburg said, "Now we are engaged in a great civil war testing"—testing, among other things, whether Government of the people, by the people, and for the people can long endure.

Lincoln and the Republican Party led our country through that crisis of 100 years ago. Now we are engaged in a greater conflict—the whole planet is in the throes of the mightiest conflict in all history. It is a world civil war. What is it about? It is about exactly the same thing as then: Is Government of the people, by the people, and therefore, for the people to perish, literally, from the earth?

During the fiery trial of Lincoln's day he warned solemnly that this nation could not exist half slave, half free. He and his party succeeded in restoring unity and freedom to the nation.

Can this whole wide world of our day go on indefinitely half slave, half free? Deep down in our hearts, we know the answer, No.

The reason why it has not proved possible to get any real agreement with the Communist world all these years is because the Communists are not pursuing the same objectives as we are pursuing. And why are they not pursuing the same objectives? Because they do not believe the same things we believe—about man, about the universe, about God.

If we in America, of whatever political opinion at the moment, are to prove worthy of this most terrible testing in our Nation's life, we too must resolve with Lincoln, "that, under God, this Nation shall have a new birth of freedom."

It was under God that our freedom was born. Only under God can there be a rebirth.

What then is our role to be? Listen again to Lincoln in his message to the Congress in 1862, "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew, and act anew. We must disenthrall ourselves, and then we shall save our country."

There it is:

Under God, a new birth of freedom;

A new understanding of it;

A new and deeper dedication to it.

With such a rebirth within you and me, and within our beloved Party, we shall deserve to be entrusted by the people with the awful responsibilities of governing this great land. And they will turn to us and our country will be saved.

And now let us get to work!

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I might proceed for 2 additional minutes, although I see the managers of another bill on the floor.

The PRESIDING OFFICER. The Chair would advise the Senator from Minnesota that, under the unanimous consent agreement, the Senate is scheduled, at the hour of 1:30, to proceed to the consideration of S. 4.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I might proceed for 2 additional minutes, as though in morning business.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

JOHN RILEY

Mr. DURENBERGER. Mr. President, last night, at about 8:30, quite a number of us lost a very dear friend to cancer. He was just 47 years of age. He was my friend John Riley, and he was a friend of many of the rest of us here.

The members of the Commerce Committee, some of whom are on the floor now, will remember John well as the Federal Railway Administrator, beginning, as I recall, late in 1983, quite a number of years ago.

He left that post in April 1989. The next day he was at Arlington Hospital with a brain tumor, of which, by some miraculous positive bent that is John's only, he was cured. But it followed with another one and another one and the third one finally killed him here 5 years after the first was discovered.

John was an incredible human being. He was, above all, an optimist. He was a character to many people, but he was a person with whom, if you were lucky enough to have a relationship, you found that relationship a treasure beyond any value, because it is so hard sometimes to discover in the relationships we develop in this body or in a political sense, people whose characters we look up to and whose persona is something to be emulated, and we would like to see our children, our friends, and our constituents.

I give notice to my colleagues that there will be a memorial service for John by his family and friends and others in Ardmore, PA, on Friday, at noon, I believe it is, of this week.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas.

Mr. DOLE. Do I have any leader time remaining?

The PRESIDING OFFICER. The Senator has 10 minutes leader time.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Senator is recognized.

WHITE HOUSE POLITICS

Mr. DOLE. Mr. President, as the Whitewater controversy grows, it is not surprising that the political charges are heating up as well.

Last week, President Clinton himself made the unfortunate claim that Republicans are somehow responsible for the latest Whitewater woes, stating that we have acted in a "fairly blatant, bald, and totally political way." And yesterday, White House aide George Stephanopolous forgot the presidential campaign was over, suggesting on national television that Republicans are somehow ginning up Whitewater for our own political advantage.

Mr. President, notwithstanding these charges, which I reject, it is the Democrat Congress that continues to block Whitewater hearings. It was the chairman of the Democratic National Committee who played "political tough guy" when he tried to intimidate Senator D'AMATO with a threatening letter notable only for its clumsiness. It was not a Republican National Committee newsletter that ran editorials with titles like "Slovenly White House Ethics," "White House Ethics Meltdown," and "Mr. Nussbaum Goes—Not the Mess." That is the New York Times and the Washington Post.

And, Mr. President, the biggest political players in town are apparently in the White House itself: In travelgate, and now in Whitewater, White House staff have played with fire, showing a brazen willingness to mix politics with law enforcement.

The bottom line is: Whitewater is a case study in self-immolation—omissions, misstatements of fact, negotiated subpoenas, behind-the-scenes meetings—have all created the impression that there is something to hide, that there is something unseemly lurking in the Whitewater bog.

I may be wrong, and I hope I am wrong.

Mr. President, last week, 43 Senate Republicans sent a letter to the distinguished majority leader stating that we will hold up the nomination of Ricki Tigert, President Clinton's nominee to head the FDIC, unless the Senate Banking Committee has the opportunity to thoroughly examine the recently revealed White House-RTC-Treasury meetings. It is my hope that the Democrat leadership in Congress will work with Republicans to schedule these hearings so that the American people can get a full accounting of the Whitewater mess.

Again: if there has been no wrongdoing, there should be nothing to hide. As I pointed out last week, the Congressional Research Service has prepared a memorandum listing more than 20 congressional hearings and investigations into alleged executive branch wrongdoing during the Reagan and Bush administrations. The Democrat-controlled Congress has never been shy about exercising its oversight responsibilities—and there is no reason to make an exception for Whitewater.

If Congress fails to exercise its oversight responsibilities, if we do not hold hearings, then we expose ourselves to the charge of being willing accomplices to whatever wrongdoing may have occurred.

Mr. President, I ask unanimous consent that editorials from yesterday's New York Times and Washington Post be printed in the RECORD. I also ask unanimous consent that the memorandum from the Congressional Research Service be printed in the RECORD, as well.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 6, 1994]

REPAIRING THE WHITE HOUSE MESS

Robert Fiske has stepped into the Whitewater mess with precisely the authority and integrity that the White House, particularly in the person of Bernard Nussbaum, has so conspicuously failed to exhibit over the last few months.

By serving subpoenas on 10 senior White House and Treasury Department officials, Mr. Fiske, the special counsel appointed to look into the Whitewater case, has also served notice that he is expanding his inquiry to include the three extraordinary White House meetings at which the Resolution Trust Corporation's probe of a failed savings and loan association with close ties to the President and Mrs. Clinton was discussed.

The members of the Congressional banking committees, including reluctant Democrats, clearly have an interest in this matter. There are, for example, numerous regulatory issues involving the failed Arkansas savings and loan, Madison Guaranty. Moreover, senior officials at the agencies for which the committees have oversight responsibility have behaved improperly—notably Roger Altman, the Deputy Treasury Secretary, and Jean Hanson, Treasury counsel. They gave private briefings at the White House to keep Mr. Nussbaum, the White House counsel, and others posted on the R.T.C.'s investigation into Madison and the bank's dealings with the Clintons and their friends.

There is certainly a public value in having Congress conduct a carefully targeted examination of the incestuous relationships between the White House and Federal investigatory bodies. Nevertheless, Congress should think twice before launching a parallel investigation of the whole history of Madison and the Whitewater development deal back in Arkansas. Such an inquiry, especially in the current partisan environment, could easily turn into an unpending political circus, and even worse, jeopardize Mr. Fiske's independent inquiry and his ability to bring prosecutions, if warranted.

As for President Clinton, he has finally moved to repair the damage by his amateurish White House operation by persuading Mr. Nussbaum to return to private life. Mr. Nussbaum played a prominent part in other White House embarrassments, including the misuse of the F.B.I. in the Travelgate affair, the failure to properly vet various Presidential nominees and the apparent interference with the Park Service's investigation of the suicide of Vincent Foster, the deputy White House counsel. Given those past indiscretions, it was not surprising that Mr. Nussbaum was a central figure at all three of the improper White House meetings on Whitewater. It remains to be learned whether he was acting at Mr. Clinton's request.

There are two immediate lessons here. One is that Mr. Clinton desperately needs to get some good strong people around him to provide the White House with sound management and an ethical compass. The second is that the special prosecutor, Mr. Fiske, may have an even more challenging job than he, or anyone else, originally imagined.

[From the Washington Post, Mar. 6, 1994]

MR. NUSSBAUM GOES—NOT THE MESS

Neither Bernard Nussbaum, who resigned yesterday as White House counsel, nor Treasury Deputy Secretary Roger Altman and seven other senior White House and Treasury Department officials will be spending March 10 in their offices engaged in the duties that brought them to town. Mr. Nussbaum and the others will be queued up before a federal grand jury in Washington, compelled by subpoena to testify under oath about the circumstances under which they discussed the status of a federal probe of the Madison Guaranty Savings & Loan, a failed Arkansas institution with ties to the Clintons. That date with the grand jury will be a day of public disgrace for the administration.

But more than humiliation is involved in this case. Since the Madison failure and the abortive Whitewater land venture erupted as issues, White House staff have been nothing but a problem. Their clumsy and sophomoric attempts at political damage control have only added to the impression that there is something not quite right about the Clintons' Arkansas political and business dealings and that the First Family has something to hide. That may turn out not to be true—the president says not—but his staff haven't helped him with his case at all.

They are giving the grand jury much to sort out. We especially have in mind the September get-together between Mr. Nussbaum and Treasury General Counsel Jean Hanson. In that meeting, Ms. Hanson reportedly disclosed that the Resolution Trust Corp. was poised to ask the Justice Department to conduct a criminal probe into Madison, and that the Clintons were named as possible beneficiaries of the S&L's illegal activities. The grand jury will undoubtedly want to know whether Mr. Nussbaum or any other White House staff members with knowledge of the coming RTC action shared that information with the Clintons. (If so, Mr. Clinton's criticism of the Treasury-White House meetings will ring a little hollow.) But in either case, with questions like this staring at the president, and with Republicans accusing the administration of trying to manipulate an independent regulatory agency, it's hard to imagine a worse way for staff to protect the boss's interests.

That explains the anger many of the more seasoned figures in the administration have for Mr. Nussbaum. Though the president accepted Mr. Nussbaum's resignation "with deep regret," many of Mr. Nussbaum's senior associates apparently aren't shedding many tears. They see him as having allowed the White House to slip and slide into improprieties that a child of 4 could have figured out. Mr. Nussbaum said he was taking his leave because of the "controversy generated by those who do not understand, or wish to understand, the role and obligations of a lawyer." We offer another possibility. Mr. Nussbaum not only failed to keep his principal client out of trouble; he also generated much of the controversy and troubles himself. Going back to Travelgate, when Mr. Nussbaum saw nothing wrong in having the FBI announce there was evidence of criminal wrongdoing—in violation of bureau policy—to his mishandling of key nominations and the aftermath of Vincent Foster's suicide, to the current White House-Treasury encounters, this has been the case. Whatever he thinks of himself as a lawyer, Mr. Nussbaum was truly miscast as White House counsel.

[From the Congressional Research Service, Washington, DC, Jan. 26, 1994]

MEMORANDUM

Subject: Published Hearings and Reports Concerning Congressional Investigations of Alleged Improprieties by Administration Officials or Their Family Members, 1981–1992

Author: George Mangan, Paralegal Specialist

In response to Congressional requests on the subject, the following list has been prepared. It was assembled by consulting indexes of Congressional documents compiled by Congressional Information Service [CIS], Inc., a private company which reproduces Congressional publications on microfilm. CIS produces an annual index of Congressional documents and a companion volume of brief abstracts of each document, in the case of hearings giving a citation, dates, witnesses, and a brief summary of the subject matter covered.

Index entries checked for this survey were: Conflict of Interests, Corruption and Bribery, Ethics in Government Act, Financial Disclosure, Iran-Contra Affair, Lobbying, and Political Ethics.

In cases in which a large number of hearings were held on the same matter, only one report or hearing has been listed. Documents appear in chronological order by year of publication, not necessarily the year hearings were held or investigations conducted. When discussion of allegations of improper or unethical behavior occurred on only one day in a series of hearings, only that date has been given. Descriptive summaries are quoted in relevant part from the CIS abstracts of the publications.

1981

Report of the Senate Select Committee on Intelligence on the Casey Inquiry. December, 1981. S. Rpt. 97–1. Staff investigation of allegations concerning CIA Director William J. Casey, ". . . including the propriety of his private business dealings and previous Government service and circumstances surrounding the appointment of Max Hugel as Deputy Director of Operations, CIA."

1982

Environmental Protection Agency: Private Meetings and Water Protection Programs. House Government Operations Committee Subcommittee on Environment, Energy, and Natural Resources. Hearing. October 21, 1981. Concerned, in part, ". . . 1981 EPA private meetings with chemical industry representatives to discuss pending regulation. . . ."

EPA Enforcement and Administration of Superfund. House Energy and Commerce Committee Subcommittee on Oversight and Investigations. Hearing. April 2, 1982.

". . . [A]llegations of White House interference with EPA enforcement programs."

1983

Office of Management and Budget Control of OSHA Rulemaking. House Government Operations Committee Subcommittee on Manpower and Housing. Hearing. March 19, 1982. ". . . [C]harged improper intervention by Office of the Vice President. . . ."

Southland Corporation Investigation. Senate Committee on Banking, Housing, and Urban Affairs Subcommittee on Securities. Hearing. June 28, 1983. "Hearing . . . to investigate the conduct of John M. Fedders (Dir, Enforcement Div, SEC) while employed as a legal counsel by the Southland Corp. to assist in a 1977–78 internal business ethics investigation into alleged company illegal payments."

1984

Nonconsensual Recording of Certain Telephone Conversations by USIA Director Charles Z. Wick. Senate Foreign Relations Committee. Report. February, 1984. S. Prt. 98-147. "Staff report examining the purpose, extent, and legality of unauthorized 1981–83 recording of telephone conversations by U.S. Information Agency Director Charles Z. Wick."

Recording of Telephone Conversations by Charles Z. Wick, Director, USIA. House Foreign Affairs Committee. Report. February 3, 1984. "Staff report examining the purpose, extent, and legality of unauthorized 1981–83 recording of telephone conversations by U.S. Information Agency Director Charles Z. Wick."

Oversight on the National Labor Relations Board. House Education and Labor Committee. Joint hearings before the Subcommittee on Labor-Management Relations and the House Government Operations Committee Subcommittee on Manpower and Housing. June 29, 1983. Involvement of witness, Hugh L. Reilly (Solicitor, NLRB) ". . . in private labor relations litigation after entering Government service; implications for Solicitor's Office of NLRB enforcement proposals."

1985

Oversight of the U.S. Information Agency. House Foreign Affairs Committee Subcommittee on International Operations. Hearings. May 10, 15, 1984. ". . . [A]lleged maintenance of a so-called 'blacklist' of persons not desired for overseas speaking engagements, and Director Charles Z. Wick unauthorized recording of telephone conversations."

Synthetic Fuels Corporation. House Energy and Commerce Committee Subcommittee on Oversight and Investigations. Hearings. April 3, June 27, 1984. ". . . [A]lleged improprieties involving SFC officials."

Synthetic Fuels Corporation Oversight. House Government Operations Committee Subcommittee on Environment, Energy, and Natural Resources. Hearing. May 16, 1984. "Examination of SFC Board actions and perceptions regarding alleged conflict of interests and eventual resignation of former SFC Board Member and President Victor M. Thompson, Jr. . . ."

1986

Management of Livestock Grazing on Federal Lands by the Bureau of Land Management and the Forest Service. House Government Operations Committee Subcommittee on Environment, Energy, and Natural Resources. Hearing. December 13, 1985. Robert F. Burford, Director, Bureau of Land Management, responded to ". . . questions regarding conflict of interests issues relating to Burford family ownership of grazing permits."

Textile Imports and Investigation Into Activities of Former Textile Official. House Government Operations Committee Subcommittee on Commerce, Consumer, and Monetary Affairs. Hearing. July 31, 1986. Investigation of Walter C. Lenahan, former Deputy Assistant Secretary, Textiles and Apparel, Department of Commerce, ". . . regarding compliance . . . with conflict of interest, postemployment, and foreign agent registration laws . . ."

Investigation of the Role of the Department of Justice in the Withholding of Environmental Protection Agency Documents From Congress in 1982–83. House Judiciary Committee. 4 vols. Report. December 11, 1985. "Report examining Justice Dept. role in 1982–83 confrontation between Congress and EPA regarding disclosure of documents subpoenaed by the House Energy and Commerce Committee Subcommittee on Oversight and Investigations and the House Public Works and Transportation Committee Subcommittee on Investigations and Oversight in connection with oversight EPA alleged mismanagement of Hazardous Substance Response Trust Fund (Superfund) program for financial cleanup of uncontrolled hazardous waste sites." Report discusses actions of EPA Administrator Anne M. Burford (formerly Anne M. Gorsuch), EPA Assistant Administrator Rita M. Lavelle, and Theodore B. Olson of the Justice Department.

HUD Inspector General Report. House Committee on Banking, Finance and Urban Affairs Subcommittee on Housing and Community Development. Hearing. February 4, 1986. Hearing concerned, in part, ". . . alleged influence peddling by former HUD officials . . ."

1987

Document Related to the Subcommittee Investigation of the Activities of Michael K. Deaver and Associates. House Energy and Commerce Committee Subcommittee on Oversight and Investigations. Committee Print. June 1987. "Compliance of . . . notes on interviews with various individuals relating to May 16, 1986 subcommittee hearing and investigation into the activities of Michael K. Deaver and Associates."

Additional Documents Related to the Subcommittee Investigation of the Activities of Michael K. Deaver and Associates. House Energy and Commerce Committee Subcommittee on Oversight and Investigations. July 1987. See above.

Matters Relating to Joseph R. Wright, Jr., Deputy Director of the Office of Management and Budget. Senate Governmental Affairs Committee, Hearings, May 13, November 5, 6, 1985. "Hearing to examine the background and propriety of telephone contact between Joseph R. Wright, Jr. (Dep Dir OMB) and the Economic Regulatory Administration (ERA) relating to proceedings involving charges of oil price control violations by two Wright family-owned firms. . . ."

Report of the Congressional Committees Investigating the Iran-Contra Affair. House Select Committee to Investigate Covert Arms Transactions with Iran and Senate Select Committee On Secret Military Assistance to Iran and the Nicaraguan Opposition. H. Rpt. 100-433, S. Rpt. 100-216. November 1987. A number of preliminary hearings and investigations culminated in this report issued jointly by the House and Senate Iran-Contra Select Committees.

1988

Investigation of the U.S. Ambassador to Switzerland. House Foreign Affairs Committee Subcommittee on International Operations. Hearing. March 10, 1987. Hearing ". . . to investigate allegations that U.S. Ambassador to Switzerland Faith R. Whittlesey misused a gift fund and implemented inappropriate personnel policies. . . ."

Filing and Review of Attorney General Edwin Meese's Financial Disclosures. House Post Office and Civil Service Committee Subcommittee on Human Resources. Hearing. August 5, 1987. "Hearing . . . to examine irregularities in the preparation and filing of 1985 personal financial disclosure reports by Attorney General Edwin Meese III. . . ."

Office of Government Ethics' Review of the Attorney General's Financial Disclosure. Senate Governmental Affairs Committee Subcommittee on Oversight of Government Management. Hearing. July 9, 1987. "Hearing . . . to consider the adequacy of Attorney General Edwin Meese III compliance . . . regarding financial disclosure reports of executive personnel."

1989

Trading on Position and Conflict of Interest by Former HUD Official. House Government Operations Committee Subcommittee on Employment and Housing. Hearing. April 26, 1989. Examination of possible violations of conflict of interest provisions of Ethics in Government Act by former HUD Assistant Secretary June Koch, specifically relating to ". . . her establishment of a consulting firm to represent U.S. business in the Soviet Union while acting as a consultant to HUD on U.S.-Soviet housing and construction trade."

Trading on Position and Conflict of Interest by Former HUD Assistant Secretary June Koch. House Government Operations Committee Subcommittee on Employment and Housing. ". . . [R]eport, based on April 26, 1989 hearing and GAO investigation." November 17, 1989. See above.

1990

Department of Justice Oversight Hearing. Senate Judiciary Committee. Hearing. July 26, 1988. "Hearing to review the Mar. 29, 1988 resignations of two senior Department of Justice officials during the independent counsel investigation of Attorney General Edwin Meese III." Testimony and exhibits concerned ". . . [d]etails of Meese relationship with Attorney E. Robert Wallach, including possible role of Meese in securing Government contracts for Wedtech Corp. . . ."

Silverado Banking, Savings and Loan Association, Part 1. House Banking, Finance and Urban Affairs Committee. Hearing. May 23, 1990. "Perspectives on Silverado failure; clarification of Neil Bush business relations with real estate developers . . . focusing on possible conflict of interest problems. . . ."

1991

No relevant items found.

1992

"October Surprise" Allegations and the Circumstances Surrounding the Release of the American Hostages Held in Iran. Senate Foreign Relations Committee. Report. November 19, 1992. ". . . [F]indings of investigation of 'October Surprise' allegations that Ronald Reagan campaign aides negotiated an Oct. 1980 secret agreement with the Iranian Government assuring Iran of future arms sales by the Reagan administration if Iran would delay the release of U.S. hostages held in Iran until after the Nov. 1980 Presidential election in order to assist in Reagan defeat of incumbent President Jimmy Carter."

Joint Report of the Task Force to Investigate Certain Allegations Concerning the

Holding of American Hostages by Iran in 1980 ("October Surprise Task Force"). House Report. January 3, 1993. Same subject as above.

Clean Air Act Implementation (Part 2). House Energy and Commerce Committee Subcommittee on Health and the Environment. Hearings. November 14, December 10, 1991, February 7, 1992. "This volume focuses on allegations of interference in the rulemaking process by the Council on Competitiveness chaired by Vice President Dan Quayle."

Review Allegations of Misconduct or Wrongdoing on the Part of Certain Individuals Associated With the Christopher Columbus Quincentenary Commission. House Post Office and Civil Service Committee Subcommittee on Census and Population. Hearings. November 20, 21, 1991. Investigation and review of a range of alleged ethical transgressions by officials of the Quincentenary Commission.

Mr. DOLE. Mr. President, I know there is talk about, "Well, we can't do this because of Iran-Contra," but there were a lot of speeches made on this floor in 1991, one by now Vice President, then Senator, AL GORE, who said, with reference to the 1980 October Surprise:

> The evidence which has thus far trickled into the public domain is still fragmentary. Much of it is circumstantial, but it is compelling. If the allegations are not true, the country needs to know they are not true. If they are true, the country needs to know that as well. * * *
>
> I believe the air needs to be cleared. * * * So, I am today calling for a formal investigation of these charges and allegations without prejudging what that investigation might find, but believing deeply that it needs to take place in order to establish the truth or falsehood of the allegations that have been made.

That was all about a bunch of rumors and some guy named Gary Sick who came down here and convinced Democrats that we ought to have a hearing on whether or not President Reagan was engaged in some kind of conspiracy back in 1980 with reference to hostages.

We had hearings on that. Nobody said, "Oh, we can't do that because of Iran Contra," or whatever, because of what Mr. Fiske or Mr. Walsh may have said.

So, we can all be quoted. I notice that the Democrat National Committee said in 1973, I believe, that I wanted to stop the Watergate hearing. Well, I dug out that speech. We were not trying to stop the hearings. In fact, I think we were suggesting that they were probably a good thing to have. We were just trying to stop the live coverage so we could do other things. We are not asking for live coverage. We were not trying to keep out the press. We just thought live coverage day after day after day was not necessary.

So we think a case will be made, and I hope that we could have some response soon.

I reserve the remainder of my time.

RESOLUTION HONORING WILLIS VINCENT BELL

Mr. HEFLIN. Mr. President, Mr. Willis Vincent Bell, a valued long-time employee of Alabama's Legislative Reference Service, passed away on December 28, 1993. Mr. Bell was probably the leading authority on the Code of Alabama 1975, having been the reporter on the initial compilation and the person responsible for the annual codification of the acts of the State legislature since that time. Willis was a classmate of mine at the University of Alabama School of Law.

On January 24, the Alabama legislature adopted a resolution mourning Willis Bell's death. I ask unanimous consent that a copy of that most-deserved and fitting tribute be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE JOINT RESOLUTION 19

Whereas, it is in profound, personal sorrow that the Legislature of Alabama records the death of Willis Vincent Bell of Montgomery, Alabama, on December 28, 1993, at the age of 74 years; and

Whereas, a Montgomery County native, Willis Bell was a distinguished United States Navy veteran of World War II, and a 1949 graduate of the University of Alabama School of Law where he was a member of Farrah Law Society, ODK, and Order of Jurisprudence, and was Comment Editor of the Alabama Law Review; and

Whereas, Mr. Bell, after receiving his Juris Doctor degree from the University, was engaged in the private practice of Law in Montgomery from 1949 until 1953 and, in a continuation of his accomplished legal career, was an attorney with the Alabama Power Company in Birmingham for twenty years, before returning to Montgomery to join the legal staff of the Legislative Reference Service; and

Whereas, it was in this capacity, and for his many contributions to the Legislative process, that we came to know Willis Bell as a valued friend; to greatly appreciate his legal astuteness; and to rely greatly upon his advice and counsel as an acknowledged authority on the Code of Alabama; and

Whereas, shortly after joining the Legislative Reference Service staff, Mr. Bell was designated Reporter to the Code Revision Subcommittee, which had been appointed by the Legislative Council to supervise the editing of the State's new Code of Laws, and it was in this highly responsible position that he still served at the time of his lamentable death; and

Whereas, Mr. Bell, a senior analyst with the Legislative Reference Service, also served as the agency's Revisor of Statutes, working closely with the editor and publisher of the Code to provide for a cumulative supplement, and any replacement volumes, after each Legislative session; additionally, he drafted the legislation necessary to codify the laws contained in each supplement, as well as legislation, as requested, in order to prepare the bill for submission to the Legislature; and

Whereas, the death of Willis V. Bell has indeed left an unfathomable void in the life of the community, and in the heart of his beloved wife of 40 years, Bertha R. Bell, with whom he reared four fine children in the nurture and admonition of the Lord, and as faithful members of the Vaughn Park Church of Christ, now therefore

Be it resolved by the legislature of Alabama, both houses thereof concurring, That we are deeply saddened by the death of Willis Vincent Bell of Montgomery, Alabama, and extend our most heartfelt sympathy to his wife and their daughter, Mary Jane Bell Slaughter; sons, Willis V. Bell, III, James R. Bell, and Robert I. Bell; five grandsons; and other family members, with whom we share a grievous burden, and for whom copies of this resolution shall be provided.

10TH ANNIVERSARY OF MAYNARD, COOPER & GALE, P.C.

Mr. HEFLIN. Mr. President, the Birmingham, AL law firm of Maynard, Cooper & Gale is celebrating its 10th anniversary this year. A full-service law firm, it has more than doubled in size from 26 attorneys at its founding in 1984 to 65 today. Its clients include such prominent corporate clients as AmSouth Bank, Sonat, Drummond Coal Co., Phillips Petroleum, Dean Witter Reynolds, and Arthur Anderson. The firm also serves the Birmingham Airport Authority.

I am proud to congratulate Maynard, Cooper & Gale on its outstanding accomplishments in such a short time span. Its dedication to the principles of the law, as well as its dedication to fulfilling broad civic and social responsibilities is commendable.

I ask unanimous consent that the Maynard, Cooper & Gale firm résumé be printed at this point in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

1993 FIRM RÉSUMÉ

Maynard, Cooper & Gale was founded in 1984 by 26 lawyers, all of whom had formerly practiced together at another Birmingham firm.

As a relatively new firm, we share common goals. We are dedicated first and foremost to professional excellence in the service of our clients. At the same time, we are committed to the personal happiness and professional development of our lawyers. We are also mindful of our broader civic and social responsibilities. We seek to combine these goals to provide our lawyers with challenge and fulfillment in the practice of law.

We currently have 65 lawyers. Although most of our lawyers received their law degrees from Harvard, Yale, Virginia, Vanderbilt or Alabama, we plan to conduct on-campus interviews not only at these schools, but also at Duke, Texas, North Carolina, Wake Forest, Cumberland, Tulane and Washington & Lee. We encourage interested students attending other schools to contact us to arrange an interview in Birmingham.

Ours is a full-service law firm, providing a broad range of services for a variety of local, national and international business entities, as well as many charities and individuals. Our work encompasses virtually all aspects of legal practice, including litigation, corporate law, banking and commercial law, real estate law, antitrust, municipal and industrial financing, estates and trusts, taxation, securities law, labor law, environmental law and bankruptcy law. Our clients include AmSouth Bank N.A. and its holding company, AmSouth Bancorporation; Sonat Inc; National Bank of Commerce of Birmingham; Protective Life Insurance Company; McWane, Inc.; Drummond Coal Company; Royal Cup Inc.; Exxon; Philip Morris, Inc.; BellSouth Mobility; Miller Brewing Company; Phillips Petroleum Company; the City of Birmingham; MacMillan Bloedel; International Paper; Scott Paper Company; The Mead Corporation; the Business Council of Alabama; Rust International; General Electric (RCA); Metropolitan Life Insurance Company; Merrill, Lynch, Pierce, Fenner & Smith, Inc.; Dean Witter Reynolds, Inc.; Shearson Lehman Hutton, Inc.; Birmingham Airport Authority; Taurus Exploration Company; R.J. Reynolds Industries; Northwestern Mutual Life Insurance Company; Baxter Healthcare Corporation; Chemical Waste Management, Inc.; Arthur Andersen & Company; Molton, Allen & Williams; Blue Cross and Blue Shield of Alabama; U.S. Pipe & Foundry Company; Jim Walter Resources, Inc.; and Weil Brothers-Cotton, Inc.

We expect that our firm will experience steady growth in all areas of its practice. Because we highly value the intangible qualities of internal harmony and camaraderie, we do not intend to grow merely for growth's sake. Instead, we will strive to hire lawyers who not only have demonstrated that they have the aptitude and dedication to excel as lawyers, but who also will contribute to making our firm an enjoyable place to work.

A hallmark of our firm's internal operations is the significant role played by all our lawyers in firm management and decision-making. All lawyers attend and participate in firm meetings, and all have a voice in policy and hiring decisions.

Our lawyers have always participated in civic, charitable, cultural, religious and social activities as their individual interests dictate. We welcome and encourage active involvement in these activities and in governmental and political affairs. The firm also strongly supports participation in bar activities. A member of the firm recently served as Chairman of the American Bar House of Delegates and as a member of the Board of Directors of the American Bar Endowment; another served on the Board of Directors of the American Judicature Society. In the recent past, two of our lawyers also have served as Chairmen of the Litigation Section of the American Bar Association; another has served as President of the Birmingham Bar Association; three others have served as Presidents of the Young Lawyer's Section of the Alabama Bar Association. Currently one member of the firm serves as a director of Lex Mundi, Ltd.; three others serve as members of the American Law Institute; three others are active members of the American College of Trial Lawyers or the American College of Trust and Estate Counsel. In 1990, we were especially pleased to welcome into the firm the former Chief Justice of the Alabama Supreme Court who, after a twelve-year term as Chief Justice, became resident in our Montgomery office. In 1991, we were equally fortunate to welcome a former senior litigation partner of Debevoise & Plimpton, a large New York law firm, who, among other accomplishments, was a founder of the ABA's Litigation Section and later its Chairman.

Our summer program is the hiring ground for the bulk of our new lawyers. The program is designed to provide an in-depth insight into the firm, its lawyers and its role in the community. An effort is made to familiarize summer associates with all areas of our practice, both through weekly seminars conducted by our lawyers and by exposing them to client conferences, depositions, closings and court appearances. The summer program also includes a number of social and athletic events that enable the summer associates and lawyers to become better acquainted. We are flexible concerning the length of summer employment and have no objection to a student's splitting the summer with a firm in another city.

Birmingham is a vibrant and growing Sun Belt community with a metropolitan population of nearly a million. In recognition of the City's prosperity and appealing lifestyle, the U.S. Conference of Mayors recently selected Birmingham as "the most livable city" in America. Similarly, *Newsweek Magazine* recently designated Birmingham as one of the Nation's ten "most livable" cities for the 1990's.

We are extremely proud of our firm and our City and believe that new lawyers who choose to work at Maynard, Cooper will have an opportunity to find a rare blend of personal and professional satisfaction.

THE REVEREND ADDIE L. WYATT CELEBRATES HER 70TH BIRTHDAY

Ms. MOSELEY-BRAUN. Mr. President, the Reverend Addie L. Wyatt—my own reverend, I like to think—celebrated her 70th birthday on Sunday, March 6. Reverend Wyatt is a copastor of the Vernon Park Church of God, and I have for a long time considered her my spiritual adviser. But that does not begin to measure the impact she has had on my life, and the lives of so many, many others.

The fact is that Rev. Addie Wyatt helped make me a U.S. Senator. She is a real mentor and a role model. She was—and is—a continuing source of inspiration for me. She has been a strong part of my life, and has made a major difference in my life.

And not just for me. The Reverend Wyatt has made it her special mission to help children throughout her ministry. Her accomplishments in that area alone—her leadership, her commitment, her dedication, her hard work—make her a very special woman.

But she has also found time to be one of the real founders of the women's movement, to be an activist for her community and for those whose voices are all too often ignored in the corridors of power, to be a major force in the civil rights movement, to be a nationally recognized labor organizer, and more. Rev. Addie Wyatt has always been a powerful fighter for people's rights, for people's opportunities, for people's souls, and for people's dreams.

At 70 years of age, most people are content to look back on what they have done, and to start to take it a little easier. But not Reverend Wyatt. She's working harder than ever; she is always moving forward, always seeking to do more. Her drive and energy, if applied to any Olympic sport, would make her a gold medal winner, and a world record holder. In fact, Addie Wyatt is the equivalent of Michael Jordan, Ernie Banks, and Walter Payton all rolled up into one—with Arthur Ashe and Lee Elder thrown in for good measure. The only difference is that her kind of accomplishments, her kind of caring, her kind of energy, and her kind of commitment unfortunately do not command network television contracts or major product endorsements. But I know she is in line for the endorsement that counts. Her work is nothing less than God's work on this Earth, and she is an example of what His saints can do in this life.

Mr. President, I very much wanted to be with Reverend Wyatt to celebrate her 70th birthday, but since I could not be there, I want to take this opportunity to wish her a happy birthday, and to tell her how much I love her, how important she is to me, and to everyone whose life she has touched.

A 70th birthday is a real landmark. But knowing Reverend Wyatt, it is only a beginning. As long as there are battles to fight—and people to help—I expect to see the Reverend Addie Wyatt leading, and pushing, and struggling.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt stood at $4,546,834,147,895.68 as of the close of business on Friday, March 4. Averaged out, every man, woman and child in America owes a part of this massive debt, and that per capita share is $17,440.13.

HONORING CATHY TURNER

Mr. D'AMATO. Mr. President, I am proud to have this opportunity today to pay tribute to Cathy Turner for her many achievements, but most especially for her most recent accomplishments at the 1994 winter Olympics. Cathy has had the distinct honor to represent the United States in these games.

Each Olympics finds a myriad of contenders from many nations coming together to compete for the gold. This year, one of our own, a New Yorker from Clarkson, came home with the gold. It is a great honor to represent such a fine competitor. I am proud that Cathy Turner was part of the relay team that won the bronze medal for the 3,000-meter short track, and won the gold medal in the 500 meters. In the 1992 games, Turner left Albertville with both gold and silver medals.

Cathy Turner was born and raised in Rochester, NY. She began skating and competing at the age of 5. She went on to win the North American Championship. At one point, Cathy Turner "retired" from skating and took up singing and writing, she worked for HBO and also wrote jingles for an advertising company. Presently, Cathy owns her own fitness center in the Rochester area and resides in the town of Clarkson, NY.

The style of Cathy Turner is electric and exciting with great depth; her brand of skating is very exciting to watch. It is with great pride that I say congratulations and thank you to Cathy Turner for all of her contributions and most especially for representing the United States so well in the 1994 winter Olympics. It is my hope that my colleagues in the Senate had the opportunity to see Cathy in her greatest moments of athletic prowess and national pride. I wish Cathy Turner much happiness in her future no matter which path she chooses to travel along.

LITHUANIAN INDEPENDENCE DAY

Mr. RIEGLE. Mr. President, I rise today to commemorate the 76th anniversary of Lithuania's declaration of independence, celebrated on February 16, 1994. Once again we are reminded of the difficulties the Lithuanian people have faced throughout their history, and the resilience with which they have confronted them. Their fortitude is even more pronounced now as they struggle to rebuild their country following Soviet rule. I am proud to celebrate this day with the people of Lithuania and the Lithuanian-American community, and I offer my continued support as they face the numerous and formidable challenges of the future.

On February 16, 1918, the Lithuanian National Council first declared its independence from czarist Russia, ending 300 years of foreign domination. Their new-found liberty lasted only until 1940, however, when Stalinist Russian troops invaded and annexed Lithuania, along with neighboring Latvia and Estonia. The Lithuanian people suffered under a brutal Soviet regime, yet they never gave up hope for freedom, independence, and self-determination. Lithuanians once again declared independence from the Soviet Union on March 11, 1990.

Lithuanian Independence Day is important not only as a remembrance of the many years Lithuania has spent under oppressive foreign rule, but also as an acknowledgment of the obstacles to Lithuania's continued autonomy. Freedom never came easily for the Lithuanian people—the Soviet Union at first refused to recognize the independence claim and in January 1991, 14 Lithuanians were killed and more than 500 injured by Soviet troops while defending the radio and TV tower in Vilnius. Even after the total collapse of the Soviet Union and the establishment of Lithuania as an independent nation, Lithuanians continue to face a precarious situation militarily, economically, and environmentally.

Clearly one of the most serious problems in Lithuania today is the shortage of energy. Lithuania is heavily dependent on Russian oil and natural gas, yet the Russian gas company GASPROM has repeatedly threatened to shut off the supply unless Lithuania pays off a $30 million debt. The only domestic source of energy is an aging nuclear powerplant in Ignalina which has been subject to several emergency shutdowns in recent years due to its outdated and inadequate safety systems. The state of this powerplant highlights the danger of an environmental catastrophe that would compound the damage already done by 50 years of Soviet occupation.

Lithuania is plagued by economic and military problems as well. The transition to a free market economy has created numerous problems for the Lithuanian economy—inflation remains extremely high, there is a shortage of raw materials, and industrial production has fallen sharply in recent years. Finally, although all Russian troops have been removed from Lithuanian soil, thousands still occupy Latvia and Estonia and maintain a threatening pose.

The struggle of the Lithuanian people is far from over. The international community must continue to support Lithuania and its Baltic neighbors as they strive to build free societies, stable democracies, and market economies. As we celebrate with the people of Lithuania and the Lithuanian-American community here in the United States, let us recognize the challenges they face, and remember our commitment to support the new independent nations of the former Soviet Union.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Chair would announce that morning business is closed.

NATIONAL COMPETITIVENESS ACT

The PRESIDING OFFICER. Under the previous order, the hour of 1:30 p.m. having arrived, the Senate will now proceed to the consideration of S. 4, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 4) to promote the industrial competitiveness and economic growth of the United States by strengthening and expanding the civilian technology programs of the Department of Commerce, amending the Stevenson-Wydler Technology Innovation Act of 1980 to enhance the development and nationwide deployment of manufacturing technologies, and authorizing appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Competitiveness Act of 1993".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—GENERAL PROVISIONS

Sec. 101. Findings.
Sec. 102. Purposes.
Sec. 103. Definitions.

TITLE II—MANUFACTURING

Sec. 201. Short title.

Subtitle A—Manufacturing Technology and Extension

Sec. 211. Findings and purpose.
Sec. 212. Manufacturing technology and extension amendments to the Stevenson-Wydler Act.
Sec. 213. Miscellaneous and conforming amendments.
Sec. 214. Manufacturing Technology Centers.
Sec. 215. State Technology Extension Program.
Sec. 216. American workforce quality.
Sec. 217. Report on options for accelerating the adoption of new manufacturing equipment.

Subtitle B—National Science Foundation Manufacturing Programs

Sec. 221. National Science Foundation manufacturing activities.

TITLE III—CRITICAL TECHNOLOGIES

Sec. 301. Findings.
Sec. 302. Development of plan for the Advanced Technology Program.
Sec. 303. Advanced Technology Program support of large-scale joint ventures.
Sec. 304. Technical amendments.
Sec. 305. Technology financing pilot program.
Sec. 306. Technology monitoring and competitiveness assessment.
Sec. 307. Commerce Technology Advisory Board.
Sec. 308. Study of semiconductor lithography technologies.

TITLE IV—ADDITIONAL COMMERCE DEPARTMENT PROVISIONS

Sec. 401. International standardization.
Sec. 402. Malcolm Baldrige Award.
Sec. 403. Cooperative research and development agreements.
Sec. 404. Clearinghouse on State and Local Initiatives.
Sec. 405. Use of domestic products.
Sec. 406. Severability.
Sec. 407. Wind engineering research program.

TITLE V—AUTHORIZATIONS OF APPROPRIATIONS

Sec. 501. Technology Administration.
Sec. 502. National Institute of Standards and Technology.
Sec. 503. Additional activities of the Technology Administration.
Sec. 504. National Science Foundation.
Sec. 505. Availability of appropriations.

TITLE VI—INFORMATION TECHNOLOGY APPLICATIONS RESEARCH PROGRAM

Sec. 601. Short title.
Sec. 602. Findings and purpose.
Sec. 603. Information technology applications research program.
Sec. 604. Network access.
Sec. 605. Applications for education.
Sec. 606. Applications for manufacturing.
Sec. 607. Applications for health care.
Sec. 608. Applications for libraries.
Sec. 609. Applications for government information.

Sec. 610. High-performance computing and applications advisory committee.
Sec. 611. National Research and Education Network amendments.
Sec. 612. Conforming amendments.

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.

Congress finds and declares the following:

(1) In an increasingly competitive world economy, the companies and nations which lead in the rapid development, commercialization, and application of new technologies, and in the low-priced, high-quality manufacture of products based on those technologies, will lead in economic growth, employment, and high living standards.

(2) While the United States remains the world leader in science and invention, it has not done as well as it should in commercializing and manufacturing new inventions. This lag and the unprecedented competitive challenge that the Nation has faced from abroad have contributed to a drop in real wages, living standards, and employment opportunities.

(3) While the private sector must take the lead in the development, application, and manufacture of new technologies, the Federal Government should—

(A) assist industry in the development of high-risk, long-term precommercial technologies which promise large economic benefits for the Nation;

(B) support industry-led efforts to develop and refine advanced manufacturing technologies, including technologies which improve productivity and quality and which build upon and enhance employee skills;

(C) work with States, the private sector, worker organizations, and technical and professional societies to help small- and medium-sized manufacturers throughout the Nation to adopt best current manufacturing technologies and practices, to improve worker skills, to establish high-performance work organizations, and to prepare, as appropriate, to adopt the advanced computer-controlled manufacturing technologies of the 21st century; and

(D) cooperate with industry and academia to help create an advanced information infrastructure for the United States.

(4) In working with industry to promote the technological leadership and economic growth of the United States, the Federal Government also has a responsibility to consult with business and labor leaders on industry's long-term technological and skill needs, to monitor technological trends, production process trends, and technology targeting efforts in other nations, and generally to ensure that Federal technology and industrial modernization programs help United States industry to remain competitive and create good domestic jobs.

(5) The Department of Commerce, and particularly its Technology Administration and National Institute of Standards and Technology, should continue to help commercial industry to speed the development and commercialization of new technologies, improve and modernize manufacturing, adopt new methods of production, and ensure a growing and healthy national industrial base and good manufacturing jobs. To promote the long-term economic growth of the Nation, these Department of Commerce programs should be strengthened and expanded.

SEC. 102. PURPOSES.

The purposes of this Act are to—

(1) strengthen and expand the ability of Federal technology programs, particularly those of the Department of Commerce, to support industry-led and State-supported efforts to improve the technological capabilities, manufacturing performance, information infrastructure, and employment opportunities of the United States;

(2) promote and facilitate, particularly through the Advanced Technology Program of the Department of Commerce, the creation, development, and adoption of technologies that will contribute significantly to United States economic competitiveness, employment, high quality jobs, and prosperity;

(3) develop a nationwide network of sources of technological and industrial modernization advice for manufacturers, particularly small- and medium-sized firms, and to provide high quality, current information to that network;

(4) encourage the development and rapid application of advanced manufacturing technologies and processes and of advanced workplace practices;

(5) encourage cooperation among Federal departments and agencies to help firms, managers, and workers, in a coordinated fashion, to take full advantage of manufacturing technology, to improve productivity and quality, and adopt high-performance work organizations which successfully integrate technology and employees;

(6) stimulate the flow of capital to business concerns engaged principally in development or utilization of critical civilian and other advanced technologies;

(7) ensure the widest possible application of high-performance computing and high-speed networking and to aid United States industry to develop an advanced national information infrastructure; and

(8) enhance and expand the core programs of the National Institute of Standards and Technology.

SEC 103. DEFINITIONS.

For purposes of this Act——

(1) the term "advanced manufacturing technologies" includes——

(A) numerically-controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving manufacturing and industrial production which advance the state-of-the-art and promote high-performance, high-skills systems; and

(B) equipment and processes designed to improve manufacturing quality, productivity, and practice, and to promote sustainable development, including engineering design, quality assurance, concurrent engineering, continuous process production technology, energy efficiency, waste minimization, design for recyclability or parts reuse, inventory management, and enhanced worker skills;

(2) the term "advanced workplace practices" means innovations in work organization and performance, including high-performance workplace systems, flexible production techniques, quality programs, continuous improvement, concurrent engineering, close relations between suppliers and customers, lean manufacturing systems, widely diffused decision-making and work teams, and effective integration of production technology, worker skills and training, and workplace organization;

(3) the term "Director" means the Director of the Institute;

(4) the term "Institute" means the National Institute of Standards and Technology;

(5) the term "Secretary" means the Secretary of Commerce;

(6) the term "source reduction" has the meaning given that term in section 6603 of the Pollution Prevention Act of 1990 (42 U.S.C. 13102); and

(7) the term "Under Secretary" means the Under Secretary of Commerce for Technology.

TITLE II—MANUFACTURING

SEC. 201. SHORT TITLE.

This title may be cited as the "Manufacturing Technology and Extension Act of 1993".

Subtitle A—Manufacturing Technology and Extension

SEC. 211. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds and declares the following:

(1) United States manufacturers, especially small businesses, require the adoption and implementation of both modern (that is, appropriate and currently available) technology and advanced manufacturing and process technologies to meet the challenge of foreign competition.

(2) The development and deployment of modern and advanced manufacturing technologies are vital to the economic growth, environmental sustainability, standard of living, competitiveness in world markets, and national security of the United States.

(3) New developments in flexible, computer-integrated manufacturing, electronic manufacturing communications networks, and other new technologies make possible dramatic improvements across all industrial sectors in productivity, quality, and the speed with which manufacturers can respond to changing market opportunities.

(4) The Department of Commerce's Technology Administration, in cooperation with other Federal departments and agencies, can continue to play an important role in assisting United States industry to develop, test, and deploy modern and advanced manufacturing technologies and advanced workplace practices.

(b) PURPOSE.—It is the purpose of this subtitle to help ensure the continued leadership of the United States in manufacturing by enhancing the Department of Commerce's technology programs to—

(1) provide domestic manufacturers, especially small- and medium-sized companies and their workforces, with ready access to high quality advice and assistance in the development, deployment, and improvement of modern manufacturing technology, and in solving their specific technology-based problems; and

(2) encourage, facilitate, and promote the development and adoption of advanced manufacturing technologies and advanced workplace practices by the private sector.

SEC. 212. MANUFACTURING TECHNOLOGY AND EXTENSION AMENDMENTS TO THE STEVENSON-WYDLER ACT.

The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended by adding at the end the following new title:

"TITLE II—MANUFACTURING TECHNOLOGY

"SEC. 301. STATEMENT OF POLICY.

"Congress declares that it is the policy of the United States that—

"(1) Federal agencies, particularly the Department of Commerce, shall work with industry and labor to ensure that within 10 years of the date of enactment of this title the United States is second to no other nation in the development, deployment, and use of advanced manufacturing technologies;

"(2) all the major Federal research and development agencies shall place a high priority on the development and deployment of skill-based and advanced manufacturing technologies, and shall work closely with United States industry and with the Nation's universities to develop and test those technologies;

"(3) since the development of new skills in the existing and entry workforce, and the development of new organizational and managerial approaches, are integral parts of successfully deploying advanced manufacturing and related technologies, advanced workplace practices should be developed and deployed simultaneously and in a coordinated fashion with the development and deployment of advanced manufacturing technologies; and

"(4) other Federal departments and agencies which work with civilian industry and labor may, as appropriate and consistent with applicable statutes and duties, work with the Department of Commerce.

"SEC. 302. ROLE OF THE DEPARTMENT OF COMMERCE.

"(a) In General.—The Department of Commerce shall, consistent with the policy declared in section 301, work with United States industry and labor and, as appropriate, other Federal departments and agencies to—

"(1) help develop new generic advanced manufacturing technologies, including advanced flexible computer-integrated manufacturing systems and electronic communications networks;

"(2) assist the States and the private sector to help United States manufacturers, especially small- and medium-sized manufacturing enterprises, to adopt the best current manufacturing technologies and workplace practices and, as appropriate, new advanced manufacturing equipment and techniques; and

"(3) work with the private sector, other Federal departments and agencies, State and local governments, and educational institutions as a catalyst to help develop new manufacturing business practices and arrangements, accounting standards, improved supplier-customer relations, manufacturing modernization and investment justification strategies, and other steps which would accelerate the development, deployment, and use of advanced manufacturing technologies by United States industry, as well as evaluate foreign programs to modernize manufacturing.

"(b) Twenty-First Century Manufacturing Infrastructure Program.—(1) As one important step to carry out the responsibilities of the Department of Commerce under subsection (a), there is established within the Institute a Twenty-First Century Manufacturing Infrastructure Program, which shall include—

"(A) the Advanced Manufacturing Technology Development Program established under section 303 of this Act; and

"(B) the Manufacturing Extension Partnership established under section 304 of this Act and the associated programs established under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l).

"(2) The Secretary, through the Under Secretary and the Director, may accept the transfer of funds from any other Federal agency and may use those funds to implement the Twenty-First Century Manufacturing Infrastructure Program and support its activities.

"SEC. 303. ADVANCED MANUFACTURING TECHNOLOGY DEVELOPMENT PROGRAM.

"(a) Program Direction.—The Secretary, through the Under Secretary and the Director, shall establish an Advanced Manufacturing Technology Development Program which shall include advanced manufacturing systems and networking projects.

"(b) Program Goal.—The goal of the Advanced Manufacturing Technology Development Program is to create collaborative multiyear technology development programs involving United States industry and, as appropriate, other Federal agencies, the States, worker organizations, universities, and other interested persons, in order to develop, refine, test, and transfer design and manufacturing technologies and associated applications, including advanced computer integration, skill-based manufacturing systems, networking, and electronic data exchange.

"(c) Program Components.—The Advanced Manufacturing Technology Development Program shall include—

"(1) the advanced manufacturing research and development activities of the Institute; and

"(2) one or more technology development testbeds within the United States, selected in accordance with procedures, including cost sharing, established for the Advanced Technology Program under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), whose purpose shall be to develop, refine, test, and transfer advanced manufacturing and networking technologies and associated applications through a direct manufacturing process.

"(d) Activities.—The Advanced Manufacturing Technology Development Program, under the coordination of the Secretary, through the Director and, as appropriate, in consultation with other Federal officials, shall—

"(1) test and, as appropriate, develop the equipment, computer software, and systems integration necessary for the successful operation within the United States of advanced design and manufacturing systems and associated electronic networks, with an emphasis on technologies which both promote United States economic competitiveness and build on and expand the skills of United States workers;

"(2) establish at the Institute and the technology development testbed or testbeds—

"(A) prototype advanced computer-integrated manufacturing systems; and

"(B) prototype electronic networks linking manufacturing systems, including networks linking customer firms and supplier firms;

"(3) assist industry to develop and implement voluntary consensus standards relevant to advanced computer-integrated manufacturing operations, including standards for networks, electronic data interchange, and digital product data specifications;

"(4) help to make high-performance computing and networking technologies an integral part of design and production processes where appropriate;

"(5) conduct research to identify and overcome technical barriers to the successful and cost-effective operation of advanced manufacturing systems and networks;

"(6) facilitate industry efforts to develop and test new applications for manufacturing systems and networks, including both highly flexible and low-pollution manufacturing technologies;

"(7) conduct research in advanced workplace practices related to and necessary for the successful deployment of advanced manufacturing technologies;

"(8) involve in the Advanced Manufacturing Technology Development Program, to the maximum extent practicable, both those United States companies which make manufacturing and computer equipment and a broad range of personnel from those companies which buy the equipment;

"(9) identify training needs, as appropriate, for company managers, engineers, and employees in the operation and applications of advanced manufacturing technologies and networks, with a particular emphasis on training for production workers in the effective use of new technologies;

"(10) work with private industry, worker organizations, the Department of Labor, technical and professional societies, universities, and other interested parties to develop standards for the use of advanced computer-based training systems, including multimedia and interactive learning technologies that assure that production workers effectively learn, adapt, and utilize advanced manufacturing technologies and workplace practices;

"(11) involve small- and medium-sized manufacturers in its activities;

"(12) exchange information and personnel, as appropriate, between the technology development testbeds and the electronic networks created under this section; and

"(13) incorporate and experiment with source reduction techniques and technologies at the testbed or testbeds, consulting, as appropriate, with other Federal officials.

"(e) Testbed Awards.—(1) In selecting applicants to receive awards under subsection (c)(2), the Secretary shall give particular consideration to applications that have existing computer expertise in the management of business, product, and process information such as digital data product and process technologies and customer-supplier information systems, and the ability to diffuse such expertise into industry, and that, in the case of joint research and development ventures, include both suppliers and users of advanced manufacturing and computer equipment or systems.

"(2) An industry-led joint research and development venture applying for an award under subsection (c)(2) may include one or more State research organizations, universities, independent research organizations, or Regional Centers for the Transfer of Manufacturing Technology, as created under section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k).

"(f) Advice and Assistance.—(1) Within 6 months after the date of enactment of this title, and before any request for proposals is issued, the Secretary shall hold one or more workshops to solicit advice from United States industry and worker organizations and from other Federal agencies, particularly the Departments of Defense and Labor, regarding the specific missions and activities of the testbeds.

"(2) The Secretary shall, to the greatest extent possible, coordinate activities under this section with activities of other Federal agencies and initiatives relating to Computer-Aided Acquisition and Logistics Support, electronic data interchange, flexible computer-integrated manufacturing, and enterprise integration.

"(3) The Secretary may request and accept funds, facilities, equipment, or personnel from other Federal agencies in order to carry out responsibilities under this section.

"(g) Application of Antitrust Laws.—Nothing in this section shall be construed to create any immunity to any civil or criminal action under any Federal or State antitrust law, or to alter or restrict in any manner the applicability of any Federal or State antitrust law.

"SEC. 304. MANUFACTURING EXTENSION PARTNERSHIP.

"(a) ESTABLISHMENT AND PURPOSE.—There is established a Manufacturing Extension Partnership (hereafter in this section referred to as the 'Partnership'). The Secretary, acting through the Under Secretary and the Director, shall implement and coordinate the Partnership in accordance with an initial plan that shall be prepared and submitted to Congress within 6 months after the date of enactment of this title and a 5-year plan for the Partnership that shall be submitted to Congress within 1 year after such date of enactment. The 5-year plan shall be updated and submitted to Congress annually. The purpose of the Partnership is to link and strengthen the Nation's manufacturing extension centers and activities in order to assist United States manufacturers, especially small- and medium-sized firms, to expand and accelerate the use of modern manufacturing practices, and to accelerate the development and use of advanced manufacturing technology and advanced workplace practices.

"(b) COMPONENTS.—The Partnership shall be a cooperative effort of the Department of Commerce, the States, industry and labor, nonprofit organizations, and, as appropriate, other Federal agencies to provide a national system of manufacturing extension centers and technical services to United States companies, particularly small- and medium-sized manufacturers. The Partnership shall include the following components:

"(1) Manufacturing Outreach Centers, as authorized under subsection (c);

"(2) Regional Centers for the Transfer of Manufacturing Technology, as established under section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k), and the State Technology Extension Program, as established under section 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278l);

"(3) an activity, coordinated and funded by the Institute, which links and supports Manufacturing Outreach Centers and Regional Centers for the Transfer of Manufacturing Technology, and which operates the information network provided for under subsection (d) and the clearinghouse system developed under subsection (e); and

"(4) such technology and manufacturing extension centers supported by other Federal departments and agencies, States, industry, and nonprofit organizations as the Secretary may deem appropriate for inclusion in the Partnership.

"(c) MANUFACTURING OUTREACH CENTERS.—(1) Government and private sector organizations, actively engaged in technology or manufacturing extension activities, may apply to the Secretary to be designated as Manufacturing Outreach Centers. Eligible organizations may include Federal, State, and local government agencies, their extension programs, and their laboratories; small business development centers; and appropriate programs run by professional and technical societies, worker organizations, industrial organizations, for-profit or nonprofit organizations, community development organizations, State universities and other universities, community colleges, and technical schools and colleges, including, where appropriate, vendor-supported demonstrations of production applications.

"(2) Any Regional Center for the Transfer of Manufacturing Technology may apply to the Secretary to establish a Manufacturing Outreach Center, managed by or in cooperation with such Regional Center, which extends the effective service area of such Regional Center. Funding for the establishment and management of such Outreach Center may be awarded to such Regional Center, notwithstanding the restrictions of paragraph (5).

"(3) The Secretary shall establish terms and conditions of participation and may provide financial assistance, on a cost-shared basis and through competitive, merit-based review processes, to nonprofit or government participants throughout the United States to enable them to—

"(A) join the Partnership and disseminate its technical and information services to United States manufacturing firms, particularly small- and medium-sized firms; and

"(B) strengthen their direct assistance to small- and medium-sized United States manufacturing firms to expand and accelerate the use of modern and advanced manufacturing practices.

"(4) If a State plan for technology extension exists in a State where an applicant for financial assistance under this subsection is operating or plans to operate, the applicant shall demonstrate in its application that its proposal is compatible with such State plan.

"(5) If a Manufacturing Outreach Center is in or near a State which has a Regional Center for the Transfer of Manufacturing Technology, the Director shall, as appropriate, encourage the Outreach Center to cooperate with the Regional Center in coordinating its proposals and ongoing programs to serve manufacturers in the region. Manufacturing Outreach Centers may not concurrently be designated as Regional Centers for the Transfer of Manufacturing Technology under section 25 of the National Institute of Standards and Technology Act.

"(6) Financial assistance may be awarded under this subsection for an initial period not to exceed 3 years and may, subject to successful evaluation by the Institute, be renewed for additional periods, not to exceed 3 years each. Such assistance may not at any time exceed 50 percent of the operating costs and in-kind contributions of the recipient.

"(d) MANUFACTURING EXTENSION INFORMATION NETWORK.—The Department of Commerce shall provide for an instantaneous, interactive information network to serve the Partnership, to facilitate interaction among Manufacturing Outreach Centers, Regional Centers for the Transfer of Manufacturing Technology, and Federal agencies, and to permit the collection and dissemination in electronic form, in a timely and accurate manner, of information described in subsection (e). Such information network shall, wherever practicable, make use of existing computer networks, data bases, and electronic bulletin boards. Information network arrangements, including user fees and appropriate electronic access for information suppliers and users, shall be addressed in the 5-year plan prepared under subsection (a). The Secretary shall, to the extent practicable, coordinate these information network activities with the relevant activities of other Federal agencies, particularly the advanced manufacturing and enterprise integration activities of the Department of Defense.

"(e) CLEARINGHOUSE.—(1) The Secretary shall develop a clearinghouse system, using the Institute, the National Technical Information Service, and private sector information providers and carriers, where appropriate, to—

"(A) identify expertise and acquire information, appropriate to the purpose of the Partnership stated in subsection (a), from all available Federal sources, and where appropriate from other sources, providing assistance where necessary in making such information electronically available and compatible with the information network established under subsection (d);

"(B) ensure ready access by United States manufacturers and other interested private sector parties to the most recent relevant available such information and expertise; and

"(C) to the extent practicable, inform such manufacturers of the availability of such information.

"(2) The clearinghouse shall include information available electronically regarding—

"(A) activities of Manufacturing Outreach Centers, Regional Centers for the Transfer of Manufacturing Technology, the State Technology Extension Program, and the users of the information network;

"(B) domestic and international standards from the Institute and private sector organizations and other export promotion information, including conformity assessment requirements and procedures;

"(C) the Malcolm Baldrige National Quality Award program, and quality principles and standards;

"(D) manufacturing processes that minimize waste and negative environmental impact;

"(E) advanced workplace practices that can improve quality, response time, and flexibility in manufacturing;

"(F) federally funded technology development and transfer programs;

"(G) responsibilities assigned to the Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation under section 102;

"(H) how to access data bases and services;

"(I) skills training, particularly for production workers, that is available through trade and professional organizations, federally supported programs, State resources, private industry, or other organizations; and

"(J) other subjects relevant to the ability of companies to manufacture and sell competitive products throughout the world.

"(f) PRINCIPLES.—In carrying out this section, the Department of Commerce shall take into consideration the following principles:

"(1) The Partnership and the information network provided for under subsection (d) shall be established and operated through cooperation and co-funding among Federal, State and local governments, other public and private contributors, and end users.

"(2) The Partnership and the information network shall utilize and leverage, to the extent practicable, existing organizations, data bases, electronic networks, facilities, and capabilities, and shall be designed to complement rather than supplant State and local programs.

"(3) The Partnership should, to the extent practicable, involve key stakeholders at all levels in the planning and governance of modernization strategies; concentrate on assisting local clusters of firms; assist rural as well as urban manufacturers; promote collaborative learning and cooperative action among manufacturers; link industrial modernization programs tightly to existing and future Federal training initiatives, including those for youth apprenticeship programs and for assisting other workers; encourage small firms to seek modernization services by working with major manufacturers to strengthen and coordinate their supplier assessment, certification, and development programs; encourage small firms, as appropriate, to select manufacturing equipment and practices which build upon and expand the skills of their employees; identify and honor best practices by firms and the programs that support them, including both technology and workplace practices; provide funding based on performance and ensure rigorous evaluation of extension services; as appropriate, coordinate Federal programs that support manufacturing modernization; work with Federal, State, local, and private organizations so that Manufacturing Outreach Centers and Regional Centers for the Transfer of Manufacturing Technology can provide referrals to other important business services, such as assistance with financing, training, and exporting, and contribute to local business climates supportive of high-performance manufacturing.

"(4) The Partnership and the information network provided for under subsection (d) shall be subject to all applicable provisions of law for the protection of trade secrets and business confidential information.

"(5) Local or regional needs should determine the management structure and staffing of the Manufacturing Outreach Centers. The Partnership shall strive for geographical balance and for balance between urban and rural recipients, with the ultimate goal of access for all United States manufacturers.

"(6) Manufacturing Outreach Centers should have the capability to deliver outreach services directly to manufacturers; actively work with, rather than supplant, the private sector; help firms assess needs regarding technology, workplace practices, and training; and to the extent practicable, maximize the exposure of manufacturers to demonstrations of modern technologies in use.

"(7) Manufacturing Outreach Centers shall focus, where possible, on the development and deployment of flexible manufacturing technologies and practices applicable to both defense and commercial applications and on opportunities to modernize operations in ways which improve productivity, reduce waste and pollution, and increase energy efficiency.

"(8) The Department of Commerce shall develop mechanisms for—

"(A) soliciting the perspectives of manufacturers using the services of the Manufacturing Outreach Centers and Regional Centers for the Transfer of Manufacturing Technology;

"(B) assisting in the training of technology extension agents and in helping them disseminate information on best available manufacturing technologies, including technologies for source reduction, and workplace practices; and

"(C) rigorously evaluating the effectiveness of the Manufacturing Outreach Centers and other Components of the Partnership.

"(9) Nothing in this section shall be construed as limiting or interfering with any collective bargaining agreement. Regional Centers for the Transfer of Manufacturing Technology and Manufacturing Outreach Centers shall, as practicable, respect any collective bargaining agreement which is in force at a client firm.

"(g) DISSEMINATION OF SOURCE REDUCTION AND ENERGY EFFICIENCY TECHNOLOGIES.—(1) The Regional Centers for the Transfer of Manufacturing Technology and Manufacturing Outreach Centers shall make available source reduction and energy efficiency assessments to their interested client companies. These assessments shall assist such interested client companies in identifying opportunities for energy conservation and source reduction, and thus reduce operating costs, through either improvement in manufacturing processes or the purchase of new equipment.

"(2) The Secretary is authorized to work with other appropriate Federal officials and other parties to provide employees of Regional Centers and Outreach Centers with the training needed to carry out the assessments specified in paragraph (1).

"SEC. 305. INDUSTRY-LED MANUFACTURING ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—The Director of the Office of Science and Technology Policy, after consultation with the Secretary and other appropriate Federal officials, shall establish a Manufacturing Advisory Committee (hereafter in this section referred to as the 'Committee'), led by United States industry officials, to provide to the Director of the Office of Science and Technology Policy advice and, as appropriate, guidance to Federal manufacturing programs.

"(b) FUNCTIONS.—The Committee shall—

"(1) collect and analyze information on the range of factors which determine the success of United States-based manufacturing industries, and particularly factors regarding the development and deployment of advanced manufacturing technologies and the application of best manufacturing practices;

"(2) identify areas where appropriate cooperation between the Federal Government and industry and labor, including Government support for industry-led joint research and development ventures and for manufacturing extension activities, would enhance United States industrial competitiveness, and provide advice and guidance for such cooperative efforts;

"(3) provide guidance on what Federal policies and practices are necessary to strengthen United States-based manufacturing, particularly Federal policies and practices regarding research budgets, interagency coordination and initiatives, technology transfer, regulation, and procurement; and

"(4) generally develop recommendations for guiding Federal agency and interagency activities related to United States-based manufacturing.

"(c) MEMBERSHIP AND PROCEDURES.—(1) The Committee shall be composed of 16 members, of whom—

"(A) 6 members shall be the Director of the Office of Science and Technology Policy, the Secretary, the Secretary of Defense, the Secretary of Energy, the Secretary of Labor, and the Director of the National Science Foundation, or their designees; and

"(B) 10 members shall, within 120 days after the date of enactment of this title, be appointed by the President, acting through the Director of the Office of Science and Technology Policy, from the private manufacturing industry, worker organizations, technical and professional societies, State technology agencies, and academia.

At least two of the members appointed under subparagraph (B) shall be from small business.

"(2) The Director of the Office of Science and Technology Policy or such Director's designee shall chair the Committee.

"(3) The chairman shall call the first meeting of the Committee within 30 days after the appointment of members is completed.

"(4) The Committee may use such personnel detailed from Federal agencies as may be necessary to enable it to perform its functions.

"(5) Nine members of the Committee shall constitute a quorum for the transaction of business.

"(6) Members of the Committee, other than full-time employees of the Federal Government, while attending meetings of the Committee or otherwise performing duties of the Committee while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

"(7) The Committee shall submit a report of its activities once every year after its establishment to the President, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Science, Space, and Technology of the House of Representatives.

"(8) The Committee, as appropriate, shall work with the Commerce Technology Advisory Board established under section 113 of this Act and with other appropriate Federal advisory mechanisms to ensure integrated Federal-private consideration of technology and manufacturing policies and programs.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal years 1994 and 1995.".

SEC. 213. MISCELLANEOUS AND CONFORMING AMENDMENTS.

(a) DEFINITIONS.—Section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703) is amended by adding at the end of the following new paragraphs:

"(14) 'Director' means the Director of the National Institute of Standards and Technology.

"(15) 'Institute' means the National Institute of Standards and Technology.

"(16) 'Assistant Secretary' means the Assistant Secretary of Commerce for Technology Policy.

"(17) 'Advanced manufacturing technology' includes—

"(A) numerically-controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving manufacturing and industrial production which advance the state-of-the-art; and

"(B) novel techniques and work organization processes designed to improve manufacturing quality, productivity, and practices, and to promote sustainable development, including engineering design, quality assurance, concurrent engineering, continuous process production technology, energy efficiency, waste minimization, design for recyclability or parts reuse, inventory management, upgraded worker skills, and communications with customers and suppliers.

"(18) 'Modern technology' means the best available proven technology, techniques, and processes appropriate to enhancing the productivity of manufacturers.".

(b) REDESIGNATIONS.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) by inserting immediately after section 4 the following new title heading:

"TITLE I—DEPARTMENT OF COMMERCE AND RELATED PROGRAMS";

(2) by redesignating sections 5 through 10 as sections 101 through 106, respectively;

(3) by striking section 21;

(4) by redesignating sections 16, 17, 18, 19, 20, and 22, as sections 107 through 112, respectively;

(5) by inserting immediately after section 113 (as redesignated by paragraph (4) of this subsection) the following new title heading:

"TITLE II—FEDERAL TECHNOLOGY TRANSFER";

(6) by redesignating sections 11 through 15 as sections 201 through 205, respectively;

(7) by redesignating section 23 as section 206;

(8) in section 4—

(A) by striking "section 5" and inserting in lieu thereof "section 101"; and by striking "section 5(b)(1)" and inserting in lieu thereof "section 101(b)(1)";

(B) in paragraphs (4) and (6), by striking "section 6" and "section 8" each place they appear and inserting in lieu thereof "section 102" and "section 104", respectively; and

(C) in paragraph (13), by striking "section 6" and inserting in lieu thereof "section 102";

(9) in section 105 (as redesignated by paragraph (2) of this subsection) by striking "section 6(a)" and inserting in lieu thereof "section 102(a)"; by striking "section 6(b)" and inserting in lieu thereof "section 102(b)"; and by striking "section 6(c)(3)" and inserting in lieu thereof "section 102(c)(3)";

(10) in section 106(d) (as redesignated by paragraph (2) of this subsection) by striking "7, 9, 11, 15, 17, or 20" and inserting in lieu thereof "103, 105, 108, 111, 201, or 205";

(11) in section 201(i) (as redesignated by paragraph (6) of this subsection)—

(A) by inserting "loan, lease, or" immediately after "may"; and

(B) by inserting "Actions taken under this subsection shall not be subject to Federal requirements on the disposal of property." immediately after "activities.";

(12) in section 202(b) (as redesignated by paragraph (6) of this subsection) by striking "section 14(a)(1)(B) (i), (ii), and (iv)" and inserting in lieu thereof "section 204(a)(1)(B) (i), (ii), and (iv)";

(13) in section 204(a)(1) (as redesignated by paragraph (6) of this subsection) by striking "section 12" and inserting in lieu thereof "section 202";

(14) in section 112 (as redesignated by paragraph (4) of this subsection) by striking "sections 11, 12, and 13" and inserting in lieu thereof "sections 201, 202, and 203";

(15) in section 206 (as redesignated by paragraph (7) of this subsection)—

(A) by striking "section 12(d)(2)" in the introductory matter of subsection (a) and inserting in lieu thereof "section 202(d)(2)";

(B) by striking "section 11(b)" in subsection (a)(2) and inserting in lieu thereof "section 201(b)"; and

(C) by striking "section 6(d)" in subsection (b) and inserting in lieu thereof "section 102(d)";

(16) by adding at the end of section 201 (as redesignated by paragraph (5) of this subsection) the following new subsection:

"(j) ADDITIONAL TECHNOLOGY TRANSFER MECHANISMS.—In addition to the technology transfer mechanisms set forth in this section and section 202, the heads of Federal departments and agencies also may transfer technologies through the technology transfer, extension, and deployment programs of the Department of Commerce and the Department of Defense."; and

(17) in section 101(c) (as redesignated by paragraph (2) of this subsection), by striking "and" at the end of paragraph (14); by striking the period at the end of paragraph (15) and inserting "; and"; and by adding at the end the following new paragraph:

"(16) engage in joint projects with any person or persons on matters within the authority of the Department of Commerce, accept 'partnership fellows' and receive cash donations in the course of such joint projects, and in conjunction with the planning and operation of such joint projects hold meetings of matters of mutual interest with groups of interested persons without regard to any other provision of law, in order to protect sensitive information about United States industry and to assure industry participation in such joint projects.".

SEC. 214. MANUFACTURING TECHNOLOGY CENTERS.

(a) AMENDMENTS.—(1) Section 25(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(a)) is amended by striking "and" at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting in lieu thereof a semicolon, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) the active dissemination of information on advanced workplace practices and available education and training programs, and the encouragement of companies to train workers in the effective use of modern and advanced manufacturing technologies; and

"(7) demonstration projects in which Centers work with States, local governments, community development organizations, worker and business organizations, and community banks to create a business climate supportive of high-performance manufacturing.".

(2) Section 25(b) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(b)) is amended by striking "and" at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting immediately after paragraph (2) the following new paragraph:

"(3) assessments of client firms' modernization needs, assistance in implementing quality processes, and, where needed, cooperation with training institutions to ensure that employees, particularly production workers, receive training in the most effective use of manufacturing technology and advanced workplace practices; and".

(3) Section 25(c)(5) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(c)(15)) is amended by striking "which are designed" and all that follows through the period at the end and inserting in lieu thereof "to a maximum of one-third Federal funding. Each Center which receives financial assistance under this section shall be evaluated during its sixth year of operation, and at such subsequent times as the Secretary considers appropriate, by an evaluation panel appointed by the Secretary in the same manner as was the evaluation panel previously appointed. The Secretary shall not provide funding for additional years of the Center's operation unless the evaluation is positive and the Secretary finds that continuation of funding furthers the goals of the Department. Such additional Federal funding shall not exceed one-third of the cost of the Center's operations.".

(4) Section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k et seq.) is amended by adding at the end the following new subsection:

"(e) If a Center receives a positive evaluation during its third year of operation, the Director may, any time after that evaluation, contract with the Center to provide additional technology extension or transfer services above and beyond the baseline activities of the Center. Such additional services may include, but are not necessarily limited to, the development and operation of the following:

"(1) Services focused on the testing, development, and application of manufacturing and process technologies within specific technical fields such as advanced materials or electronics fabrication for the purpose of assisting United States companies, both within the Center's original service region and in other regions, to improve manufacturing, product design, workforce training, and production in those specific technical fields.

"(2) Assistance to small- and medium-sized firms in fields of manufacturing other than the field or fields originally served by the Center.

"(3) Industrial service facilities which provide tools to help companies with the low-cost, low-volume, rapid prototyping of a range of new products and the refinement of the manufacturing and process technologies necessary to make such products.

"(4) Programs to assist small- and medium-sized manufacturers and their employees, particularly production workers, in the Center's region to learn and apply the technologies, techniques, and processes associated with systems management technology, electronic commerce, pollution minimization, or the improvement of manufacturing productivity.

"(5) Industry-led demonstration programs that explore the value of innovative nonprofit manufacturing technology consortia to provide ongoing research, technology transfer, and worker training assistance for industrial members. An award under this paragraph shall be for no more than $500,000 per year, and shall be subject to renewal after a 1-year demonstration period.".

(b) EFFECTIVE DATE.—The effective date of section 25(c)(5) of the National Institute of Standards and Technology Act, as amended by subsection (a) of this section, is August 23, 1988.

SEC. 215. STATE TECHNOLOGY EXTENSION PROGRAM.

(a) ESTABLISHMENT.—Section 26(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278l(a)) is amended—

(1) by inserting immediately after "(a)" the following new sentence: "There is established within the Institute a State Technology Extension Program."; and

(2) by inserting "through that Program" immediately after "technical assistance".

(b) ASSISTANCE PROVIDED BY PROGRAM.—Section 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278l) is amended by adding at the end the following new subsection:

"(c) In addition to the general authorities listed in subsection (b), the State Technology Extension Program also shall, through merit-based competitive review processes and as authorizations and appropriations permit—

"(1) make awards to States and conduct workshops, pursuant to section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 278l note) in order to help States improve their planning and coordination of technology extension activities;

"(2) assist States, particularly States which historically have had no manufacturing or technology extension programs or only small programs, to plan, develop, and coordinate such programs and to help bring those State programs to a level of performance where they can apply successfully for awards to establish Manufacturing Outreach Centers, Regional Centers for the Transfer of Manufacturing Technology, or both;

"(3) support industrial modernization demonstration projects to help States create networks among small manufacturers for the purpose of facilitating technical assistance, group services, and improved productivity and competitiveness;

"(4) support State efforts to develop and test innovative ways to help small- and medium-sized manufacturers improve their technical capabilities, including, as appropriate, State contracts with private-sector technology transfer companies to provide technology assistance and development services that are beyond the current capacity of a given State's industrial extension activities;

"(5) support State efforts designed to help small manufacturers in rural as well as urban areas improve and modernize their technical capabilities, including, as appropriate, interstate efforts to achieve such end;

"(6) support State efforts to assist interested small defense manufacturing firms to convert their production to nondefense or dual-use purposes;

"(7) support worker technology education programs in the States at institutions such as research universities, community colleges, technical and professional societies, labor education centers, labor-management committees, and worker organizations in production technologies critical to the Nation's future, with an emphasis on high-performance work systems, the skills necessary to use advanced manufacturing system well, and best production practice; and support on-the-job training programs in the States to build and enhance the skills of employees, particularly production workers, in small- and medium-sized companies; and

"(8) help States develop programs to train personnel who in turn can provide technical skills to managers and workers of manufacturing firms.".

SEC. 216. AMERICAN WORKFORCE QUALITY.

(a) WORKFORCE ACTIVITIES.—In addition to existing responsibilities and authorities prescribed by law, the Secretary, through the Director and after consultation with the Secretary of Labor, shall direct Regional Centers for the Transfer of Manufacturing Technology and Manufacturing Outreach Centers to utilize, when appropriate, their expertise and capability to assist managers and workers in United States manufacturing firms in effectively utilizing and operating advanced manufacturing technologies and modern technologies—

(1) by making available assessments of the needs of United States manufacturing firms for worker training in the effective utilization and operation of specific technologies the firms have adopted or are planning to adopt;

(2) by making available to United States manufacturing firms information on commercially and publicly provided worker training services, including those provided by United States sources of technologies, in the effective utilization and operation of specific technologies the firms have adopted or are planning to adopt; and

(3) by providing information to client firms and their workers to enable them effectively to utilize and operate specific technologies that the firms have adopted or plan to adopt.

(b) WORKFORCE ANALYSIS AND INFORMATION DISSEMINATION.—In addition to existing responsibilities and authorities prescribed by law, the Secretary, through the Director and in consultation with the Secretary of Labor and other appropriate Federal officials and with leaders of industry and labor, shall assist managers and other workers in United States manufacturing firms in effectively utilizing and operating advanced manufacturing technologies and modern technologies—

(1) by establishing and managing a clearinghouse for information, to be available through an appropriate entity to the Regional Centers for the Transfer of Manufacturing Technology, to the Manufacturing Outreach Centers when they are established, to other technology training entities, or directly to United States manufacturing firms, on the best available training material and services for the effective utilization and operation of specific advanced and modern technologies;

(2) by encouraging United States providers of advanced and modern technologies for manufacturing firms to develop training material specifically designed for the managers and other workers responsible for utilizing and operating such technologies; and

(3) by establishing as an important criterion in the assessment of advanced and modern technologies the availability of training material specifically designed for the managers and other workers responsible for utilizing and operating such technologies.

SEC. 217. REPORT ON OPTIONS FOR ACCELERATING THE ADOPTION OF NEW MANUFACTURING EQUIPMENT.

Within 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on—

(1) the degree to which manufacturing enterprises in the United States have difficulty obtaining financing for the purpose of purchasing new equipment and modernizing operations;

(2) the policies and practices followed in other industrialized countries to help manufacturing firms obtain financing for modernization; and

(3) the advantages, disadvantages, and costs of major options by which the Federal Government might help stimulate the flow of capital to manufacturers and thus accelerate industrial modernization, including—

(A) creation of a Government-sponsored enterprise to stimulate the flow of capital to manufacturing;

(B) increasing technical advice to banks and other financial institutions, perhaps through the National Manufacturing Outreach Program, in order to increase their ability to judge whether or not individual manufacturers have sound modernization plans;

(C) cooperation between extension activities supported under the Manufacturing Extension Partnership and manufacturing equipment leasing firms in order to provide manufacturers with additional information or equipment leasing options; and

(D) tax incentives.

Subtitle B—National Science Foundation Manufacturing Programs

SEC. 221. NATIONAL SCIENCE FOUNDATION MANUFACTURING ACTIVITIES.

(a) IN GENERAL.—The Director of the National Science Foundation, after, as appropriate, consultation with the Secretary, the Under Secretary, and the Director, shall—

(1) work with United States industry to identify areas of research in manufacturing technologies and practices that offer the potential to improve United States productivity, competitiveness, and employment;

(2) support research at United States universities to improve manufacturing technologies and practices; and

(3) work with the Technology Administration of the Department of Commerce and the Institute and, as appropriate, other Federal agencies to accelerate the transfer to United States industry of manufacturing research and innovations developed at universities.

(b) ENGINEERING RESEARCH CENTERS AND INDUSTRY/UNIVERSITY COOPERATIVE RESEARCH CENTERS.—The Director of the National Science Foundation shall strengthen and expand the number of Engineering Research Centers and strengthen and expand the Industry/University Cooperative Research Centers Program with the goals of increasing the engineering talent base versed in technologies and workplace practices critical to the Nation's future, with emphasis on advanced manufacturing, and of advancing fundamental engineering knowledge in these technologies. At least one Engineering Research Center shall have a research and education focus on the concerns of traditional manufacturers, including small- and medium-sized firms that are trying to modernize their operations. Awards under this subsection shall be made on a competitive, merit review basis. Such awards may include support for acquisition of instrumentation, equipment, and facilities related to the research and education activities of the Centers and support for undergraduate students to participate in the activities of the Centers.

(c) GRADUATE TRAINEESHIPS.—The Director of the National Science Foundation, in consultation with the Secretary, may establish a program to provide traineeships to graduate students at institutions of higher education within the United States who choose to pursue masters or doctoral degrees in manufacturing or industrial engineering.

(d) MANUFACTURING MANAGERS IN THE CLASSROOM PROGRAM.—The Director of the National Science Foundation, in consultation with the Secretary, may establish a program to provide fellowships, on a cost-shared basis, to individuals from industry with experience in manufacturing to serve for 1 or 2 years as instructors in manufacturing at 2-year community and technical colleges in the United States. In selecting fellows, the Director of the National Science Foundation shall place special emphasis on supporting individuals who not only have expertise and practical experience in manufacturing but who also will work to foster cooperation between 2-year colleges and nearby manufacturing firms.

(e) PROGRAMS TO TEACH TOTAL QUALITY MANAGEMENT.—The Director of the National Science Foundation, in consultation with the Secretary, the Under Secretary, and the Director, may establish a program to develop innovative curricula, courses, and materials for use by institutions of higher education for instruction in total quality management and related management practices, in order to help improve the productivity of United States industry.

TITLE III—CRITICAL TECHNOLOGIES

SEC. 301. FINDINGS.

The Congress finds that—

(1) the rapid, effective use of advanced technologies in the design and production of products is a key determinant of economic competitiveness;

(2) investment in the development and adoption of advanced technology contributes significantly to long-term economic growth and employment;

(3) the governments of our most successful competitor nations in the global marketplace have created supportive structures and programs that have been effective in helping their domestic industries increase their global market shares;

(4) agriculture and aerospace are two examples of industries that have achieved commercial success with strong support from the United States Government; and

(5) the United States Government must promote and facilitate the creation, development, and adoption of advanced technologies, including skills-based production technologies, to ensure long-term economic prosperity for the United States.

SEC. 302. DEVELOPMENT OF PLAN FOR THE ADVANCED TECHNOLOGY PROGRAM.

The Secretary, acting through the Under Secretary and the Director, shall, within 6 months after the date of enactment of this Act, submit to Congress a plan for the expansion of the Advanced Technology Program established under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), with specific consideration given to—

(1) closer coordination and cooperation with the Advanced Research Projects Agency and other Federal research and development agencies as appropriate;

(2) establishment of temporary staff positions that can be filled by industrial or technical experts for a period of 1 to 2 years;

(3) ensuring that the Program will have a meaningful impact on the commercialization of a broad range of new technologies and on the refinement of critical manufacturing technologies;

(4) changes that may be needed when annual funds available for grants under the Program reach levels of $200,000,000 and $500,000,000; and

(5) administrative steps necessary for Program support of large-scale industry-led consortia similar to, or possibly eventually including, the Semiconductor Manufacturing Technology Institute.

SEC. 303. ADVANCED TECHNOLOGY PROGRAM SUPPORT OF LARGE-SCALE JOINT VENTURES.

Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n) is amended by adding at the end the following new subsection:

"(k) In addition to the general authority under this section to provide financial assistance to joint ventures, the Secretary, through the Director, also may, as permitted by levels of authorizations and appropriations, provide financial support to large-scale joint ventures requesting $20 million or more a year in Department funds. Any such support shall be subject to the matching funds requirements of subsection (b)(1)(B)(ii), except that the Secretary may provide assistance to such large-scale joint ventures for up to 7 years. The Secretary may work with industrial groups to develop such proposed large-scale joint ventures and shall give preference to proposals which represent a broad spectrum of companies for a given industry and which focus either on speeding the commercialization of important new technologies or on accelerating the development, testing, and deployment of valuable new process technologies and workplace practices. The Secretary and Director, as appropriate, shall obtain independent technical review of industry proposals submitted under this subsection.".

SEC. 304. TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT.—Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), as amended by section 303 of this Act, is further amended—

(1) in subsection (b)—

(A) in paragraph (1)(B), by striking "or contracts" and inserting in lieu thereof "contracts, and other transactions";

(B) in paragraph (1)(B)(ii), by striking "provision of a minority share of the cost of such joint ventures for up to 5 years" and inserting in lieu thereof "the option of providing either a minority share of the total cost of such joint ventures for up to 5 years, or only direct costs (and not indirect costs, profits, or management fees), for up to 5 years";

(C) in paragraph (2), by striking "and cooperative agreements" and inserting in lieu thereof "cooperative agreements, and other transactions";

(D) by striking "and" at the end of paragraph (3);

(E) by striking the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(F) by adding at the end the following new paragraph:

"(5) use other transactions authority under this subsection only when the Secretary, acting through the Director, determines that standard contracts, grants, or cooperative agreements are not feasible or appropriate, and only when other transaction instruments incorporate terms and conditions that reflect the use of generally accepted commercial accounting and auditing practices."; and

(2) by adding at the end the following new subsections:

"(l) Notwithstanding subsections (b)(1)(B)(ii) and (d)(3), the Director may grant an extension of not to exceed 6 months beyond the deadlines established under those subsections for joint venture and single applicant awardees to expend Federal funds to complete their projects, if such extension may be granted with no additional cost to the Federal Government.

"(m) The Secretary, Under Secretary, and Director may organize or attend workshops or use other mechanisms to encourage the leaders of specific United States industrial sectors to—

"(1) identify which precompetitive, generic technologies will be most critical in the future to each such sector and, as appropriate, encourage the formation of broad-based industry-led joint ventures which seek to develop those technologies; and

"(2) analyze which additional steps may be necessary to enable each sector to acquire, deploy, and finance needed technologies in a timely fashion.".

(b) AMENDMENT TO AMERICAN TECHNOLOGY PREEMINENCE ACT OF 1991.—Section 201(d) of the American Technology Preeminence Act of 1991 (Public Law 102-245; 106 Stat. 19) is amended by inserting ", except in the case of the amendment made by subsection (c)(6)(A)" immediately after "enactment of this Act".

SEC. 305. TECHNOLOGY FINANCING PILOT PROGRAM.

(a) FINDINGS.—Congress finds and declares the following:

(1) In recent years, United States technology firms appear to have had increasing difficulty financing the development and early-stage commercialization of important new critical civilian technologies. Venture capital is less available than in past years, banks appear less willing to provide loans, and medium-sized as well as small companies often have difficulty under current capital market conditions financing promising long-term technology projects.

(2) Difficulties in obtaining financing particularly hurts those technology firms which face foreign competitors which have received substantial direct or indirect financial help from their governments.

(3) The Nation would benefit from a technology financing pilot program to experiment with assisting private-sector venture capital entities which in turn can select and support the most promising and valuable long-term United States technology projects.

(b) IN GENERAL.—(1) As a pilot program, the Secretary, through the Under Secretary and in consultation with the Administrator of the Small Business Administration (hereafter in this section referred to as the "Administrator"), may license and, to the extent provided in advance in appropriations Acts and in accordance with the plan developed under subsection (e), financially assist private-sector entities to be known as civilian technology investment companies, for the purpose of stimulating and expanding the flow of private capital to eligible technology firms and joint ventures of eligible technology firms.

(2)(A) Each civilian technology investment company licensed under this section may provide venture capital and loans to eligible technology firms and joint ventures in such manner and under such terms as the licensee may fix in accordance with regulations of the Secretary. Civilian technology investment companies may provide venture capital and loans directly or in cooperation with other investors.

(B) Each civilian technology investment company shall have authority to borrow money and to issue its debenture bonds, promissory notes, or other obligations under such general conditions and subject to such limiations and regulations as the Secretary may prescribe.

(3) In order to encourage the formation and growth of civilian technology investment companies pursuant to this section, the Secretary is authorized, when funds are previously made available in appropriations Acts, to—

(A) purchase, or guarantee the timely payment of up to 100 percent of principal and interest as scheduled on, debentures issued by such companies, on such terms and conditions as the Secretary deems appropriate pursuant to regulations issued under subsection (e); and

(B) purchase nonparticipating or participating, nonvoting preferred securities and issue trust certificates representing ownership of all or part of such preferred securities.

(4) Guarantees and purchases of debentures and preferred securities under this subsection shall be made on such terms and conditions as are necessary to ensure that the cost of the program established under this section shall not exceed 15 percent of its corresponding credit authority in any fiscal year. For purposes of this paragraph, the term "cost" shall have the same meaning given such term in section 502(5) of the Federal Credit Reform Act of 1990, and the term "credit authority" shall have the same meaning given such term in section 3(10) of the Congressional Budget Act of 1974.

(c) PURPOSES.—The Secretary shall require that any civilian technology investment company licensed and assisted under this section shall—

(1) focus primarily on providing patient early-stage capital, either loans or equity investments, to eligible technology firms in the United States, including joint ventures of eligible firms, in order to help those firms finance and accelerate the development and early-stage commercialization of critical civilian technologies;

(2) support critical civilian technology projects, particularly those undertaken by eligible technology firms whose net worth is $50,000,000 or less;

(3) demonstrate to the Secretary credible procedures for ensuring that investments are made in critical technology projects for which eligible firms cannot obtain necessary financing solely through commercial capital markets; and

(4) demonstrate to the Secretary working relationships with either the Institute, uni-

versities, research bodies, technology transfer centers, or other organizations that can assist such licensee to identify and evaluate projects to be supported under this section.

(d) PAYMENTS.—Amounts received by the Secretary from the payment of dividends, any profit allocation, and the redemption of securities pursuant to this section, and fees paid to the United States by a civilian technology investment company licensed pursuant to this section, shall be deposited in an account established by the Secretary and shall be available solely for carrying out this section, to the extent provided in advance in appropriations Acts.

(e) OPERATING PLAN; EFFECTIVE DATE; AND EVALUATION.—(1) The Secretary, acting through the Under Secretary and in coordination with the Administrator, and in consultation with other appropriate Federal officials, the States, industry, the financial community, and other appropriate parties, shall prepare and submit to Congress on or before January 1, 1994, an operating plan to carry out this section. In preparing such plan, the Secretary shall consider and evaluate approaches to achieving the purposes of this section and shall develop recommendations, as appropriate, to fulfill this section's objective to help technology firms in the United States to develop and commercialize critical civilian technologies. Such evaluations and recommendations shall be included in the plan submitted to Congress under this subsection.

(2) The Secretary, in consultation with the Administrator, shall promulgate such regulations as may be necessary to carry out the provisions of this section and may contract with other agencies for administrative services to help carry out this section.

(3) Except for the requirement set forth in paragraph (1), the provisions of this section shall not take effect until October 1, 1994.

(4) After appropriations are provided for the pilot project authorized under this section, the Secretary, after consultation with the Administrator, shall evaluate annually the effectiveness of the program and submit an annual report to appropriate committees of Congress on the findings resulting from such evaluation. Such report shall contain, on a confidential basis, appendices which include, but are not necessarily limited to, the type and amount of assistance provided to licensees under this section, key characteristics of licensees, the number and size in net worth of the technology firms and joint ventures assisted by each licensee, the amount of assistance provided to each technology firm or joint venture, and the types of technology each such technology firm or joint venture is developing and commercializing.

(f) DEFINITIONS.—As used in this section, the term—

(1) "critical civilian technology" means a technology not exclusively military which is identified in one or more of the biennial national critical technologies reports required under section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683); and

(2) "eligible technology firm" means a company—

(A) which meets the requirements of section 28(d)(9) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(9)); and

(B) whose principal business is the development of products and services based on critical civilian technologies.

SEC. 306. TECHNOLOGY MONITORING AND COMPETITIVENESS ASSESSMENT.

Section 101(e) of the Stevenson-Wydler Technology Innovation Act of 1980, as redesignated by section 213(b)(2) of this Act, is amended to read as follows:

"(e) OFFICE OF TECHNOLOGY MONITORING AND COMPETITIVENESS ASSESSMENT.—(1) The Secretary, through the Under Secretary, shall establish within the Technology Administration an Office of Technology Monitoring and Competitiveness Assessment, to collect, evaluate, assess, and disseminate information on—

"(A) foreign science and technology, specifically information assessing foreign capabilities relative to the United States;

"(B) policies and programs used by foreign governments and industries to develop and apply economically important critical technologies, how these policies and programs compare with public and private activities in the United States, and the effects that these foreign policies and programs have on the competitiveness of United States industry; and

"(C) the way in which the economic competitiveness of United States industry can be enhanced through Federal programs, including Department of Commerce programs, and evaluations of the effectiveness of Federal technology programs in helping to promote United States industrial competitiveness and economic growth.

"(2) Based on the information gathered under paragraph (1), the President, with the assistance of the Secretary, shall submit to Congress an annual report on United States technology and competitiveness analyzing the condition of United States technology relative to major trading partners, key trends in foreign technology and competitiveness policies and targeting, and the degree to which Federal programs are helping the United States to stay competitive with other countries and create domestic employment opportunities.

"(3) The Office of Technology Monitoring and Competitiveness Assessment, in cooperation with the National Technical Information Service, is authorized to—

"(A) act as a focal point within the Federal Government for the collection and dissemination, including electronic dissemination, of information on foreign process and product technologies, including information collected under the Japanese Technical Literature Program;

"(B) work and, as appropriate, enter into cooperative arrangements with sector-specific industry trade associations or consortia to define the information desired by industry;

"(C) compile and make available the extensive foreign technology monitoring and assessment information already collected and analyzed by the Federal Government;

"(D) as appropriate, enter into controlled access agreements with other Federal agencies to fill the industry's information needs;

"(E) act as an electronic clearinghouse for this information or otherwise provide for this function;

"(F) direct and fund the collection of additional information;

"(G) direct and fund analysis of foreign research and development activities, technical capabilities, workplace practices, particularly in technical areas where the United States is considered to be at par or lagging foreign capabilities;

"(H) establish a program to identify technical areas needing a full-scale technical evaluation, and provide, on a cost-shared basis to private sector or government-industry joint ventures, grants to conduct the evaluation;

"(I) establish and administer a fellowship program to support Technology Fellows in those countries that are major competitors of the United States in critical technologies to collect and provide initial analysis of information on foreign science and technology capabilities; and

"(J) work with the Department of State to place technical experts from the Institute and other Federal laboratories into United States embassies to serve as technology attaches and counselors.".

SEC. 307. COMMERCE TECHNOLOGY ADVISORY BOARD.

Title I of the Stevenson-Wydler Technology Innovation Act of 1980 (as amended by title II of this Act) is further amended by adding at the end the following new section:

"SEC. 113. COMMERCE TECHNOLOGY ADVISORY BOARD.

"(a) ESTABLISHMENT.—There is established a Commerce Technology Advisory Board (hereafter in this section referred to as the 'Advisory Board'), the purpose of which is to advise the Secretary, Under Secretary, and Director regarding ways in which to—

"(1) promote the development and rapid application of advanced commercial technologies, including advancedmanufacturing technologies such as skill-based production technologies;

"(2) strengthen the programs of the Technology Administration; and

"(3) generally improve the global competitiveness of industries within the United States.

"(b) COMPOSITION.—The Advisory Board shall be composed of at least 17 members, appointed by the Under Secretary from among individuals who, because of their experience and accomplishments in technology development, business development, or finance are exceptionally qualified to analyze and formulate policy that would improve the global competitiveness of industries in the United States. The Under Secretary shall designate one member to serve as chairman. Membership of the Advisory Board shall be composed of—

"(1) representatives of—

"(A) United States small businesses;

"(B) other United States businesses;

"(C) research universities and independent research institutes;

"(D) State and local government agencies involved in industrial extension;

"(E) national laboratories;

"(F) industrial, worker, and technical and professional organizations; and

"(G) financial organizations; and

"(2) other individuals that possess important sinsight to issues of national competitiveness.

"(c) MEETINGS.—(1) The chairman shall call the first meeting of the Advisory Board not later than 90 days after the date of enactment of this section.

"(2) The Advisory Board shall meet at least once every 6 months, and at the call of the Under Secretary.

"(d) TRAVEL EXPENSES.—Members of the Advisory Board, other than full-time employees of the United States, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United Stated Code, while engaged in the business of the Advisory Board.

"(e) CONSULTATION—In carrying out this section, the Under Secretary shall consult with other agencies, as appropriate. The Advisory Board, as appropriate, shall establish communication and coordination mechanisms with other Federal advisory committees to help ensure integrated Federal-private consideration of technology and manufacturing policies and programs.

"(f) TERMINATION.—Section 14 of the Federal Advisory Committee Act shall not apply to the Advisory Board.".

SEC. 308. STUDY OF SEMICONDUCTOR LITHOGRAPHY TECHNOLOGIES.

Within 9 months after the date of enactment of this Act, the Critical Technologies Institute (in this section referred to as the "Institute") established under section 822 of the National Defense Authorization Act for Fiscal Year 1991 (42 U.S.C. 6686) shall, after consultation with the private sector and appropriate officials from other Federal agencies, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report on advanced lithography technologies for the production of semiconductor devices. The report shall include the Institute's evaluation of the likely technical and economic advantages and disadvantages of each such technology, an analysis of current private and Government research to develop each such technology, and any recommendations the Institute may have regarding future Federal support for research and development in advanced lithography. To the extent appropriate, the Institute shall draw upon technical and business analyses of advanced lithography technologies prepared by or for major trade associations and professional and technical societies.

TITLE IV—ADDITIONAL COMMERCE DEPARTMENT PROVISIONS

SEC. 401. INTERNATIONAL STANDARDIZATION.

(a) FINDINGS.—Congress finds that—

(1) private sector consensus standards are essential to the timely development of competitive products;

(2) Federal Government contributions of resources and more active participation in the voluntary standards process in the United States can increase the quality of United States standards, increase their compatibility with the standards of other countries, and, where appropriate, through government-to-government negotiations, ease access of United States-made products to foreign markets; and

(3) the Federal Government, working in cooperation with private sector organizations including trade associations, engineering societies, and technical bodies, can effectively promote Federal Government use of United States consensus standards and, where appropriate, the adoption and Federal Government use of international standards.

(b) STANDARDS PILOT PROGRAM.—Section 104(e) of the American Technology Preeminence Act of 1991 (Public Law 102-245; 106 Stat. 10) is amended—

(1) by inserting "(1)" immediately before "Pursuant to the";

(2) by striking "matching funds" and inserting in lieu thereof "financial contributions deemed appropriate by the Secretary"; and

(3) by adding at the end the following new paragraph:

"(2) As necessary and appropriate, the Institute shall expand the program established under section 112 of the National Institute of Standards and Technology Authorization Act for Fiscal Year 1989 (15 U.S.C. 272 note) by extending the existing program to include other countries that prefer to discuss their standards-related activities with official representatives of the Federal Government. The Institute may enter into additional contracts with non-Federal organizations representing United States-owned companies, as such term is defined in section 28(j)(2) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(j)(2)). Such contracts shall require cost sharing between Federal and non-Federal sources for such purposes. In awarding such contracts, the Institute shall seek to promote and support the dissemination of United States technical standards to additional foreign countries and shall seek, as the Director deems appropriate, to promote the adoption of international standards supported by United States industry. The Institute and such contractors shall, in pursuing this mission, cooperate with governmental bodies, private organizations including standards-setting organizations and industry, and multinational institutions that promote economic development. The organizations receiving such contracts may establish training programs to bring to the United States foreign standards experts for the purpose of receiving in-depth training in the United States standards system.".

(c) REPORTS ON GLOBAL STANDARDS.—(1) Section 508(a) of the American Technology Preeminence Act of 1992 (15 U.S.C. 3701 note) is amended—

(A) by inserting "standards development and international" immediately after "a thorough review of international";

(B) by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively; and

(C) by inserting immediately before paragraph (2), as so redesignated, the following new paragraph:

"(1) Current and potential future roles of the Federal Government in the development and promulgation of domestic and global product and process standards.".

(2) The Secretary, in consultation with the Institute and the Commerce Technology Advisory Board established under section 113 of the Stevenson-Wydler Technology Innovation Act of 1980 (as added by section 307 of this Act) and with, as appropriate, the active participation of the private sector, shall submit to Congress a report describing the appropriate roles of the Department of Commerce in aid to United States companies in qualifying their products in foreign markets through the development and promulgation of domestic and global product and quality standards and through the implementation of conformity assessment and accreditation procedures based upon such standards, including a discussion of the extent to which each of the policy options provided in the March 1992 Office of Technology Assessment report on global standards, contributes to meeting the goals of—

(A) increasing the international adoption of standards beneficial to United States industries; and

(B) improving the coordination of United States representation at international standards-setting bodies.

SEC. 402. MALCOLM BALDRIGE AWARD.

(a) CATEGORIES IN WHICH AWARD MAY BE GIVEN.—(1) Section 108(c)(1) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(b)(3) of this Act, is amended by adding at the end the following new subparagraph:

"(D) Educational institutions.".

(2)(A) Within 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report containing—

(i) criteria for qualification for a Malcolm Baldrige National Quality Award by various classes of educational institutions;

(ii) criteria for the evaluation of applications for each such award under section 108(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated; and

(iii) a plan for funding such awards.

(B) In preparing the report required under subparagraph (A), the Secretary shall consult with the National Science Foundation and other public and private entities with appropriate expertise, and shall provide for public notice and comment.

(C) The Secretary shall not accept applications for awards described in subparagraph (A)(i) until after the report required under subparagraph (A) is submitted to Congress.

(b) RESTRICTION.—Section 108(c)(3) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated, is amended to read as follows:

"(3) No award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory.".

(c) QUALITY LABORATORY.—Section 108(g) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated, is amended to read as follows:

"(g) QUALITY LABORATORY.—A National Quality Laboratory is established within the Institute, the purpose of which is to perform research and outreach activities to assist private sector quality efforts and to serve as a mechanism by which United States companies, universities, and the Institute can work together to advance quality management programs and to share and, as appropriate, develop manufacturing best practices.".

SEC. 403. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS.

Section 202(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(b)(6) of this Act, is amended by inserting "(including both real and personal property)" immediately after "or other resources" both places it appears.

SEC. 404. CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES.

Section 102(a) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(b)(2) of this Act, is amended by striking "Office of Productivity, Technology, and Innovation" and inserting in lieu thereof "Institute".

SEC. 405. USE OF DOMESTIC PRODUCTS.

(a) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—(1) A person shall not intentionally affix a label bearing the inscription of "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under this Act and the amendments made by this Act, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations, or any successor procedures thereto.

(b) COMPLIANCE WITH BUY AMERICAN ACT.—(1) Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the "Buy American Act").

(2) This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this Act, and the amendments made by this Act, to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) The Secretary, before January 1, 1994, shall report to Congress on procurements

covered under this subsection of products that are not domestic products.

(c) DEFINITIONS.—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

SEC. 406. SEVERABILITY.

If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act and the application thereof to other persons or circumstances shall not be affected thereby.

SEC. 407. WIND ENGINEERING RESEARCH PROGRAM.

(a) SHORT TITLE.—This section may be cited as the "Wind Engineering Program Act of 1993".

(b) FINDINGS AND PURPOSES.—Congress finds and declares the following:

(1) Hurricanes and tornadoes kill more Americans and destroy more property than any other natural disaster.

(2) Each year, in the United States, extreme winds cause billions of dollars of damage to homes, schools, and other buildings, roads and bridges, electrical power distribution networks, and communications networks.

(3) Research on wind and wind engineering has resulted in improved methods for making buildings and other structures less vulnerable to extreme winds, but additional research funding is needed to develop new, improved, and more cost-effective methods of wind-resistant construction.

(4) Federal funding for wind engineering research has decreased drastically over the last 20 years.

(5) Wind research has been hampered by a lack of data on near-surface wind speed and distribution during hurricanes, tornadoes, and other severe storms.

(6) Many existing methods for wind-resistant construction are inexpensive and easy to implement but often they are not applied because the construction industry and the general public are unaware of such methods.

(7) Various Federal agencies have important roles to play in wind engineering research, but at present there is little interagency cooperation in this area.

(8) Establishment of a Federal Wind Engineering Program would result in new technologies for wind-resistant construction, broader application of such technologies in construction, and ultimately decreased loss of life and property due to extreme winds.

(c) PURPOSE.—The purpose of this section is to create a Wind Engineering Program within the National Institute of Standards and Technology, which would—

(1) provide for wind engineering research;

(2) serve as a clearinghouse for information on wind engineering; and

(3) improve interagency coordination on wind engineering research between the National Institute of Standards and Technology, the National Oceanic and Atmospheric Administration, the National Science Foundation, the Federal Aviation Administration, and other appropriate agencies.

(d) ESTABLISHMENT.—Within the National Institute of Standards and Technology, there shall be established a Wind Engineering Program which shall—

(1) conduct research and development, in cooperation with the private sector and academia, on new methods for mitigating wind damage due to tornadoes, hurricanes, and other severe storms;

(2) fund construction and maintenance of wind tunnels and other research facilities needed for wind engineering research;

(3) promote the application of existing methods for, and research results on, reducing wind damage to buildings that are usually incompletely- or non-engineered, such as single family dwellings, mobile homes, light industrial buildings, and small commercial structures;

(4) transfer technology developed in wind engineering research to the private sector so that it may be applied in building codes, design practice, and construction;

(5) conduct, in conjunction with the National Oceanic and Atmospheric Administration, post-disaster research following hurricanes, tornadoes, and other severe storms to evaluate the vulnerability of different types of buildings to extreme winds;

(6) serve as a point of contact for dissemination of research information on wind engineering and work with the private sector to develop education and training programs on construction techniques, developed from research results, for reducing wind damage;

(7) work with the National Oceanic and Atmospheric Administration, the Federal Aviation Administration, and other agencies as is appropriate, on meteorology programs to collect and disseminate more data on extreme wind events; and

(8) work with the National Science Foundation to support and expand basic research on wind engineering.

TITLE V—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 501. TECHNOLOGY ADMINISTRATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, to carry out the activities of the Under Secretary and the Assistant Secretary of Commerce for Technology Policy—

(1) for the Office of the Under Secretary, $5,000,000 for fiscal year 1994 and $8,000,000 for fiscal year 1995;

(2) for Technology Policy, $5,000,000 for fiscal year 1994 and $6,000,000 for fiscal years 1995;

(3) for Japanese Technical Literature, $2,000,000 for fiscal year 1994 and $3,000,000 for fiscal year 1995;

(4) for the Office of Technology Monitoring and Competitiveness Assessment, $3,000,000 for fiscal year 1994 and $5,000,000 for fiscal year 1995.

(b) TRANSFERS.—(1) Funds may be transferred among the line items listed in subsection (a), so long as—

(A) the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection;

(B) the aggregate amount authorized under subsection (a) is not changed; and

(C) the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(2) The Secretary may propose transfers to or from any line item listed in subsection (a) exceeding 10 percent of the amount authorized from such line item, but such proposed transfer may not be made unless—

(A) a full and complete explanation of any such proposed transfer and the reason therefor are transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate; and

(B) 30 days have passed following the transmission of such written explanation.

(c) NATIONAL TECHNICAL INFORMATION SERVICE FACILITIES STUDY.—As part of its modernization effort and before signing a new facility lease, the National Technical Information Service, in consultation with the General Services Administration, shall study and report to Congress on the feasibility of accomplishing all or part of its modernization by signing a long-term lease with an organization that agrees to supply a facility and supply and periodically upgrade modern equipment which permits the National Technical Information Service to receive, store, and manipulate in electronic form, and print, electronically-created documents and reports and to carry out the other functions assigned to the National Technical Information Service.

SEC. 502. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

(a) INTRAMURAL SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES.—(1) There are authorized to be appropriated to the Secretary, to carry out the intramural scientific and technical research and services activities of the Institute, $240,988,000 for fiscal year 1994 and $320,764,000 for fiscal year 1995.

(2) Of the amount authorized under paragraph (1)—

(A) $1,000,000 for fiscal year 1994 and $1,000,000 for fiscal year 1995 are authorized only for the evaluation of nonenergy-related inventions;

(B) $9,000,000 for fiscal year 1994 and $10,000,000 for fiscal year 1995 are authorized only for the technical competence fund; and

(C) $5,000,000 for fiscal year 1994 and $5,000,000 for fiscal year 1995 are authorized only for the standards pilot project established under section 104(e) of the American Technology Preeminence Act of 1991 (Public Law 102–245; 106 Stat. 10).

(b) FACILITIES.—In addition to the amounts authorized under subsection (a), there are authorized to the appropriated to the Secretary $105,000,000 for fiscal year 1993, $62,000,000 for fiscal year 1994, and $105,000,000 for fiscal year 1995 for the renovation and upgrading of the Institute's facilities. The Institute may enter into a contract for the design work for such purposes only if Federal Government payments under the contract are limited to amounts provided in advance in appropriations Acts.

(c) EXTRAMURAL INDUSTRIAL TECHNOLOGY SERVICES.—In addition to the amounts authorized under subsections (a) and (b), there are authorized to be appropriated to the Secretary, to carry out the extramural industrial technology services activities of the Institute—

(1) for the Manufacturing Extension Partnership, $120,000,000 for fiscal year 1994 and $220,000,000 for fiscal year 1995, of which—

(A) $40,000,000 for fiscal year 1994 and $60,000,000 for fiscal year 1995 are authorized only for the support of Regional Centers for the Transfer of Manufacturing Technology;

(B) $30,000,000 for fiscal year 1994 and $80,000,000 for fiscal year 1995 are authorized only for the support of Manufacturing Outreach Centers;

(C) $30,000,000 for fiscal year 1994 and $50,000,000 for fiscal year 1995 are authorized only for the State Technology Extension Program; and

(D) $20,000,000 for fiscal year 1994 and $30,000,000 for fiscal year 1995 are authorized only for the Institute activities in support of the Manufacturing Extension Partnership, including support of the technology extension communications network provided for, and the associated clearinghouse system developed, under section 304 of the Stevenson-

Wydler Technology Innovation Act of 1980 (as added by section 212 of this Act);

(2) for the Advanced Technology Program, $200,000,000 for fiscal year 1994 and $468,000,000 for fiscal year 1995, of which $30,000,000 for fiscal year 1994 and $50,000,000 for fiscal year 1995 are authorized only for support of the Advanced Manufacturing Technology Development Program established under section 303 of the Stevenson-Wydler Technology Innovation Act of 1980 (as added by section 212 of this Act); and

(3) for quality programs at the Institute, $2,000,000 for each of the fiscal years 1994 and 1995.

(d) WIND ENGINEERING.—(1) There are authorized to be appropriated to the Institute for the purposes of section 407 of this Act, $1,000,000 for fiscal year 1994 and $3,000,000 for fiscal year 1995.

(2) Of the amounts appropriated under paragraph (1), no less than 50 percent shall be used for cooperative agreements with the National Oceanic and Atmospheric Administration, the National Science Foundation, and the Federal Aviation Administration, or other agencies, for wind engineering research, development of improved practices for structures, and the collection and dissemination of meterological data needed for wind engineering.

SEC. 503. ADDITIONAL ACTIVITIES OF THE TECHNOLOGY ADMINISTRATION.

In addition to the amounts authorized under sections 501 and 502, there are authorized to be appropriated to the Secretary—

(1) for the establishment and management of a technology training clearinghouse, $2,000,000 for fiscal year 1994 and $3,000,000 for fiscal year 1995;

(2) for the support of policy experiments relating to intelligent manufacturing systems, $10,000,000 for fiscal year 1994; and

(3) for the purpose of carrying out the technology financing pilot program under section 305, $2,000,000 in fiscal year 1994 to prepare the operating plan and promulgate regulations required under subsection (c) of that section and $50,000,000 for each of fiscal years 1995 and 1996 to carry out the provisions of that section.

Amounts appropriated under paragraph (3) shall remain available for expenditure through September 30, 1996. Of the amounts made available under paragraph (3) for a fiscal year, not more than $5,000,000 or 10 percent, whichever is greater, shall be available for administrative expenses. The Secretary, through the Under Secretary and the Director, may accept the transfer of funding appropriated to any other agency for purposes similar or related to those of the programs established and carried out under title III of the Stevenson-Wydler Technology Innovation Act of 1980 (as added by section 212 of this Act), or the programs established and carried out under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l), and to use those funds to implement such programs as provided in those statutory provisions.

SEC. 504. NATIONAL SCIENCE FOUNDATION.

In addition to such other sums as may be authorized by other provisions of law to be appropriated to the Director of the National Science Foundation, there are authorized to be appropriated to that Director, to carry out the provisions of section 221, $50,000,000 for fiscal year 1994 and $75,000,000 for fiscal year 1995.

SEC. 505. AVAILABILITY OF APPROPRIATIONS.

Appropriations made under the authority provided in this title shall remain available for obligation, for expenditure, or for obligation and expenditure for periods specified in the Acts making such appropriations.

TITLE VI—INFORMATION TECHNOLOGY APPLICATIONS RESEARCH PROGRAM

SEC. 601. SHORT TITLE.

This title may be cited as the "Information Technology Applications Program Act of 1993".

SEC. 602. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds and declares the following:

(1) High-performance computing and high-speed networks have proven to be powerful tools for improving America's national security, industrial competitiveness, and research capabilities.

(2) Federal programs, like the High-Performance Computing Program established by Congress in 1991, have played a key role in maintaining United States leadership in high-performance computing, especially in the defense and research sectors.

(3) High-performance computing and high-speed networking have the potential to revolutionize many fields, including education, libraries, health care, and manufacturing, if adequate resources are invested in developing the technology needed to do so.

(4) The Federal Government should ensure that the technology developed under research and development programs like the High-Performance Computing Program can be widely applied for the benefit of all Americans, including Americans with disabilities .

(5) A coordinated, interagency program is needed to identify and promote the development of applications of high-performance computing and high-speed networking which will provide large economic and social benefits to the Nation. These so-called "National Challenges" should include tools for teaching, digital libraries of electronic information, computer systems to improve the delivery of health care, and computer and networking technology to promote United States competitiveness. To the extent practicable, these applications should be designed and operated in a manner consistent with copyright law.

(6) The Office of Science and Technology Policy is the appropriate office to coordinate such a program.

(b) PURPOSE.—It is the purpose of this Act to help ensure the widest possible application of high-performance computing and high-speed networking. This requires that the United States Government—

(1) expand Federal support for research and development on applications of high-performance computing and high-speed networks for—

(A) improving education at all levels, from preschool to adult education, by developing new educational technology;

(B) building digital libraries of electronic information accessible over computer networks like the National Research and Education Network;

(C) improving the provision of health care by furnishing health care providers and their patients with better, more accurate, and more timely information; and

(D) increasing the productivity of the Nation's workers, especially in the manufacturing sector; and

(2) improve coordination of Federal efforts to deploy these technologies in cooperation with the private sector as part of an advanced, national information infrastructure.

SEC. 603. INFORMATION TECHNOLOGY APPLICATIONS RESEARCH PROGRAM.

The High-Performance Computing Act of 1991 (15 U.S.C. 5501 et seq.) is amended by adding at the end the following new title:

"TITLE III—INFORMATION TECHNOLOGY APPLICATIONS RESEARCH PROGRAM

"SEC. 301. ESTABLISHMENT OF APPLICATIONS RESEARCH PROGRAM.

"The Director, through the Federal Coordinating Council for Science, Engineering, and Technology, shall, in accordance with this title—

"(1) establish a coordinated interagency applications research program to develop applications of computing and networking advances achieved under the Program described in section 101, that are designed (A) to be accessible and usable by all persons in the United States, in the fields of education, libraries, health care, the provision of government information, and other appropriate fields; and (B) to ensure privacy, security, and respect for copyrights; and

"(2) develop a Plan for Computing and Networking Applications (hereafter in this title referred to as the 'Plan') describing the goals and proposed activities of the applications research program established under paragraph (1), taking into consideration the recommendations of the advisory committee on high-performance computing and applications established under section 101(b).

The President shall designate the Federal agencies and departments which shall participate in the applications program established under paragraph (1).

"SEC. 302. PLAN FOR COMPUTING AND NETWORK APPLICATIONS.

"(a) REQUIREMENT.—The Plan shall contain recommendations for a 5-year national effort and shall be submitted to the Congress within 1 year after the date of enactment of this title. The Plan shall be resubmitted upon revision at least once every 2 years thereafter.

"(b) CONTENTS.—The Plan shall—

"(1) establish the goals and priorities for the Program for the fiscal year in which the Plan (or revised Plan) is submitted and the succeeding 4 fiscal years;

"(2) set forth the role of each Federal agency and department in implementing the Plan;

"(3) describe the levels of Federal funding for each agency and department, and specific activities, required to achieve the goals and priorities established under paragraph (1);

"(4) identify steps agencies will take in the applications research program to promote privacy, security, and respect for copyrights in Federal networks and computing applications; and

"(5) assign particular agencies primary responsibility for developing particular National Challenges of high-performance computing and high-speed networks.

"(c) ACCOMPANYING DOCUMENTS.—Accompanying the Plan shall be—

"(1) a summary of the achievements of Federal efforts during the preceding fiscal year to develop technologies needed for deployment and full utilization of an advanced information infrastructure;

"(2) an evaluation of the progress made toward achieving the goals and objectives of the Plan;

"(3) a summary of problems encountered in implementing the Plan; and

"(4) any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title.

"(d) AGENCIES AND DEPARTMENTS.—The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments:

"(1) The National Science Foundation.

"(2) The Department of Commerce, particularly the National Institute of Standards and Technology, the National Oceanic and Atmospheric Administration, and the National Telecommunications and Information Administration.

"(3) The National Aeronautics and Space Administration.

"(4) The Department of Defense, particularly the Advanced Research Projects Agency.

"(5) The Department of Energy.

"(6) The Department of Health and Human Services, particularly the National Institutes of Health and the National Library of Medicine.

"(7) The Department of the Interior, particularly the United States Geological Survey.

"(8) The Department of Education.

"(9) The Department of Agriculture, particularly the National Agricultural Library.

"(10) Such other agencies and departments as the President or the Chairman of the Council considers appropriate.

"(e) LIBRARY OF CONGRESS.—In addition, the Plan shall take into consideration the present and planned activities of the Library of Congress, as deemed appropriate by the Librarian of Congress.

"(f) COUNCIL.—The Council shall—

"(1) serve as lead entity responsible for development of the Plan and interagency coordination of the Program;

"(2) coordinate the high-performance computing research and development activities of Federal agencies and departments undertaken pursuant to the Plan and report at least annually to the President, through the Chairman of the Council, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

"(3) review, prior to the President's submission to the Congress of the annual budget estimate, each agency and departmental budget estimate in the context of the Plan and make the results of that review available to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget; and

"(4) consult and ensure communication between Federal agencies and research, educational, and industry groups and State agencies conducting research and development on and using high-performance computing.

"SEC. 303. DEFINITIONS.

"As used in this title, the term—

"(1) 'broadband' means a transmission rate for digital information on a communications network which exceeds the maximum rate possible for transmission of digital information on normal copper telephone wires;

"(2) 'information infrastructure' means a network of communications systems and computer systems designed to exchange information among all citizens and residents of the United States;

"(3) 'Internet' means the network of interoperable and interconnected packet-switched data networks, whether provided by the public or private sector; and

"(4) 'National Challenge' means an application of high-performance computing and high-speed networking that will provide large economic and social benefits to a broad segment of the Nation's populace.".

SEC. 604. NETWORK ACCESS.

(a) CONNECTIONS PROGRAM.—In accordance with the Plan developed under section 301 of the High-Performance Computing Act of 1991, as added by section 603 of this Act, the National Science Foundation and Department of Commerce shall—

(1) foster the creation of local networks in communities which will connect institutions of higher education, elementary and secondary schools, libraries, and State and local governments to each other; and

(2) provide for connection of such local networks to the Internet.

Such program shall include funding for the acquisition of required hardware and for the establishment of broadband connections to the Internet. In making awards under this subsection, the National Science Foundation and, as appropriate, the Department of Commerce shall ensure that not more than 75 percent of the cost of the project for which the award is made is provided under this section.

(b) TRAINING.—The Plan shall include programs administered by the National Science Foundation, Department of Commerce, and other appropriate agencies and departments to train teachers, students, librarians, and State and local government personnel in the use of computer networks and the Internet. Training programs for librarians shall be designed to provide skills and training materials needed by librarians to instruct the public in the use of hardware and software for accessing and using computer networks and the Internet.

(c) REPORT.—The Director of the Office of Science and Technology Policy shall, within 1 year after the date of enactment of this Act, submit a report to Congress which shall include—

(1) findings of an examination of the extent to which the education and library communities and State and local government have access to the Internet, including the numbers and the geographic distribution, by type, of institutions having access;

(2) a statement of the extent to which broadband connections to the Internet exist for the education and library communities and State and local governments, including the numbers and the geographic distribution, by type, of institutions having access;

(3) an assessment of the factors limiting access by schools, libraries, and State and local governments to the Internet and an estimate of the cost of providing universal broadband access for those institutions to the Internet; and

(4) recommendations for collaborative programs among Federal, State, and local governments and the private sector to expand connectivity to the Internet for educational institutions, libraries, and State and local governments.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation for the purposes of this section, $10,000,000 for fiscal year 1994 and $25,000,000 for fiscal year 1995.

SEC. 605. APPLICATIONS FOR EDUCATION.

(a) RESPONSIBILITIES OF NATIONAL SCIENCE FOUNDATION AND OTHER AGENCIES.—In accordance with the Plan developed under section 301 of the High-Performance Computing Act of 1991, as added by section 603 of this Act, the National Science Foundation, the Department of Commerce, and other appropriate agencies shall provide for the development of advanced computing and networking technology for use in education at all levels. Such applications shall include but not be limited to the following:

(1) Pilot projects, including support for acquisition of required computer hardware and software, that demonstrate the educational value of the Internet in providing for advances in distance learning and electronic classrooms, facilitating nationwide communication among educators and students, access to databases of information in digital format, and access to innovative curricular materials.

(2) Development, testing, and evaluation of computer systems, computer software, and computer networks for—

(A) teacher training; and

(B) informal education outside of school, including workforce training in mathematics, science, and technology and in specific job-related skills.

(3) Development, testing, and evaluation of advanced educational software and of network-based information resources, including software and information resources to assist students with disabilities.

(b) COOPERATION.—In carrying out activities under subsection (a), the National Science Foundation, the Department of Commerce, and other appropriate agencies shall work with the computer and communications industry, authors and publishers of educational materials, State education departments, local school districts, and the Department of Education, as appropriate.

(c) NATIONAL AERONAUTICS AND SPACE ADMINISTRATION PROJECTS.—The Administrator of the National Aeronautics and Space Administration (hereafter in this section referred to as the "Administrator") shall establish a Computer Technologies for K–12 Education Project (hereafter in this section referred to as the "Project") to test and demonstrate educational applications of advanced computer technologies in K–12 public school systems. The Project shall award, on a competitive basis, grants to plan, deploy, manage, and operate advanced educational applications of computer technologies in K–12 public school systems in the United States in response to proposals requested by the Administrator. Such proposals, at a minimum, shall provide for—

(1) placement and use of advanced computer hardware, software, and networking capabilities to benefit as broad a segment of the relevant public school system as possible;

(2) use of computer technology to provide audio-visual and interactive educational experiences for students and teachers;

(3) incorporation of computer technology in as many phases of the school system curricula as practicable and across all grade levels;

(4) connection of the school system to national, regional, and local computer networks which would enhance the educational capability and effectiveness of the system;

(5) access to national, regional, and local libraries and databases which would improve the educational process and enhance the educational experience within the school system; and

(6) matching non-Federal funds committed to support the proposal amounting to not less than 30 percent of the Federal grant from the Project.

(d) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the National Science Foundation for the purposes of subsections (a) and (b) $12,000,000 for fiscal year 1993, $24,000,000 for fiscal year 1994, and $40,000,000 for fiscal year 1995.

(2) There are authorized to be appropriated to the National Aeronautics and Space Administration $8,000,000 for each of the fiscal years 1994 and 1995, to carry out the provisions of subsection (c). No funds shall be awarded under the Project other than through the competitive process established by the Administrator pursuant to this section.

SEC. 606. APPLICATIONS FOR MANUFACTURING.

(a) ADVANCED MANUFACTURING SYSTEMS AND NETWORKING PROJECTS.—In accordance with the Plan developed under section 301 of the High-Performance Computing Act of 1991, as added by section 603 of this Act, the Institute shall, as provided under section 303 of the Stevenson-Wydler Technology Innovation Act (as added by section 212 of this Act), establish an Advanced Manufacturing Program, including advanced manufacturing systems and networking projects. Activities under the Advanced Manufacturing Program shall, as appropriate, be coordinated with the activities of the Advanced Research Projects Agency, the National Science Foundation, other Federal agencies, and the States to develop, refine, test, and transfer advanced computer-integrated electronically-networked manufacturing technologies and associated applications.

(b) Support From Other Federal Departments and Agencies.—The Director may request and accept funds, facilities, equipment, or personnel from other Federal departments and agencies in order to carry out responsibilities under this section.

(c) Authorization of Appropriations.—Of the amounts authorized under section 502(a) for the Institute's intramural scientific and technical research and services, $24,000,000 for fiscal year 1994 and $40,000,000 for fiscal year 1995 are authorized only for activities under this section.

SEC. 607. APPLICATIONS FOR HEALTH CARE.

(a) Development of Technologies by the Department of Health and Human Services.—In accordance with the Plan developed under section 301 of the High Performance Computing Act of 1991, as added by section 603 of this Act, the Department of Health and Human Services, through the National Institutes of Health, the National Library of Medicine, and the Centers for Disease Control and Prevention, in cooperation with the National Science Foundation and other appropriate agencies, shall develop and support the development of interoperable technologies for applications of high-performance computing and high-speed networking in the health care sector. In such development, emphasis shall be placed initially on applications that can produce significant savings in national health care costs. Such technologies shall, when feasible, build on existing Federal programs for developing information technology applications in the health care sector. Such applications shall include but not be limited to the following:

(1) Testbed networks for linking hospitals, clinics, doctor's offices, medical schools, medical libraries, and universities to enable health care providers and researchers to share medical data and imagery, including testbed projects involving rural providers and others.

(2) Software and visualization technology for visualizing the human anatomy and analyzing imagery from X-rays, CAT scans, PET scans, and other diagnostic tools.

(3) Virtual reality technology for simulating operations and other medical procedures.

(4) Collaborative technology to allow several health care providers in remote locations to provide real-time treatment to patients.

(5) Database technology to provide health care providers with access to relevant medical information and literature.

(6) Database technology for storing, accessing, and transmitting patients' medical records while protecting the accuracy and privacy of those records.

(7) Development, testing, and evaluation of database and network technologies for the storage of consumer-oriented, interactive, multimedia materials for health promotion, and for the distribution of such materials to public access points, such as community health and human service agencies, schools, and public libraries.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the National Library of Medicine for the purposes of this section, $9,000,000 for fiscal year 1993, $30,000,000 for fiscal year 1994, and $50,000,000 for fiscal year 1995.

SEC. 608. APPLICATIONS FOR LIBRARIES.

(a) Digital Libraries.—In accordance with the Plan developed under section 301 of the High-Performance Computing Act of 1991, as added by section 603 of this Act, the National Science Foundation, the National Aeronautics and Space Administration, the Advanced Research Projects Agency, and other appropriate agencies shall develop technologies for "digital libraries" of electronic information. Development of digital libraries shall include the following:

(1) Development of advanced data storage systems capable of storing hundreds of trillions of bits of data and giving thousands of users nearly instantaneous access to that information.

(2) Development of high-speed, highly accurate systems for converting printed text, page images, graphics, and photographic images into electronic form.

(3) Development of database software capable of quickly searching, filtering, and summarizing large volumes of text, imagery, data, and sound.

(4) Encouragement of development and adoption of common standards and, where appropriate, common formats, for electronic data.

(5) Development of computer technology to categorize and organize electronic information in a variety of formats.

(6) Training of database users and librarians in the use of and development of electronic databases.

(7) Development of technology for simplifying the utilization of networked databases distributed around the Nation and around the world.

(8) Development of visualization technology for quickly browsing large volumes of imagery.

(b) Development of Prototypes.—The National Science Foundation, working with the supercomputer centers it supports, shall develop prototype digital libraries of scientific data available over the Internet.

(c) Electronic Libraries in the States.—The National Science Foundation, in consultation with the Department of Education, the Department of Commerce, the Advanced Research Projects Agency, and the Library of Congress, is authorized to initiate a competitive, merit-based program to support the efforts of States and, as appropriate, libraries to develop electronic libraries. These electronic libraries shall provide delivery of and access to a variety of databases, computer programs and interactive multimedia presentations, including educational materials, research information, statistics and reports developed by Federal, State, and local governments, and other information and informational services which can be carried over the Internet.

(d) Development of Databases of Remote-Sensing Images.—The National Aeronautics and Space Administration shall develop databases of software and remote-sensing images to be made available over computer networks like the Internet.

(e) Authorization of Appropriations.—(1) There are authorized to be appropriated to the National Science Foundation for the purposes of this section, $10,000,000 for fiscal year 1993, $30,000,000 for fiscal year 1994, and $55,000,000 for fiscal year 1995.

(2) There are authorized to be appropriated to the National Aeronautics and Space Administration for the purposes of this section, $10,000,000 for fiscal year 1993, $20,000,000 for fiscal year 1994, and $30,000,000 for fiscal year 1995.

SEC. 609. APPLICATIONS FOR GOVERNMENT INFORMATION.

(a) In General.—In accordance with the Plan developed under section 301 of the High-Performance Computing Act of 1991, as added by section 603 of this Act, the Secretary and, as appropriate, other Federal officials shall identify projects to develop and apply high-performance computing and high-speed networking technologies to provide improved public access to information generated by Federal, State, and local governments.

(b) Projects.—In accordance with subsection (a), projects shall be undertaken which—

(1) connect depository libraries and other sources of government information to the Internet to enable—

(A) access to Federal Government information and databases in electronic formats;

(B) access to State or local government information;

(C) access to related resources which enhance the use of government information; and

(D) linkages with other libraries and institutions to enhance use of government information; and

(2) demonstrate, test, and evaluate technologies to increase access to and facilitate effective use of government information and databases for support of research and education, economic development, and an informed citizenry.

(c) Federal Information Locator.—In accordance with subsection (a), an information locator system shall be established which is accessible by the public via the Internet and which provides citations to Federal information and guidance on how to obtain such information.

(d) Earth Sciences Information.—In accordance with the Plan developed under section 301 of the High-Performance Computing Act of 1991, as added by section 603 of this Act, the National Oceanic and Atmospheric Administration and other appropriate agencies shall provide for the development and application of high-performance computing and high-speed networking technology for use in environmental monitoring, prediction, and assessment, including making environmental data and information more readily accessible. Such applications shall include but not be limited to the following:

(1) Development of advanced data acquisition systems for in situ and remotely sensed environmental data that are capable of making these data available to thousands of users.

(2) Development of advanced information systems to process these environmental data, including necessary quality control and interpretation using the most current scientific knowledge, so that the resulting environmental information is reliable, useful, and distributed widely over computer networks such as the National Research and Education Network in a timely manner.

(3) Development of advanced information systems to archive and disseminate this environmental data and information so that it can be readily used for environmental policymaking, research, and operational purposes.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for the purposes of this section, $14,000,000 for fiscal year 1994 and $36,000,000 for fiscal year 1995.

SEC. 610. HIGH-PERFORMANCE COMPUTING AND APPLICATIONS ADVISORY COMMITTEE.

Section 101(b) of the High-Performance Computing Act of 1991 (15 U.S.C. 5511(b)) is amended to read as follows:

"(b) HIGH-PERFORMANCE COMPUTING AND APPLICATIONS ADVISORY COMMITTEE.—The Director shall establish an advisory committee on high-performance computing and applications consisting of non-Federal members, including representatives of the research, elementary and secondary education, higher education, and library communities, consumer and public interest groups, network providers, and the computer, telecommunications, and information and publishing industries, who are specially qualified to provide the Director with advice and information on high-performance computing and on applications of computing and networking. The recommendations of the advisory committee shall be considered in reviewing and revising the Program, and the Plan required by section 301(2). The advisory committee shall provide the Director with an independent assessment of—

"(1) progress in implementing the Program and the Plan;

"(2) the need to revise the Program and the Plan;

"(3) the balance between the components of the activities undertaken pursuant to this Act;

"(4) whether the research, development, and demonstration projects undertaken pursuant to this Act are helping to maintain United States leadership in computing and networking technologies and in the application of those technologies;

"(5) whether the applications developed under title III are successfully addressing the needs of the targeted populations, including assessment of the number of users served by those applications; and

"(6) other issues identified by the Director.".

SEC. 611. NATIONAL RESEARCH AND EDUCATION NETWORK AMENDMENTS.

Section 102 of the High-Performance Computing Act of 1991 (15 U.S.C. 5512) is amended to read as follows:

"SEC. 102. NATIONAL RESEARCH AND EDUCATION NETWORK PROGRAM.

"(a) ESTABLISHMENT.—As part of the Program described in section 101, the National Science Foundation, the Department of Defense, the Department of Energy, the Department of Commerce, the National Aeronautics and Space Administration, and other agencies participating in the Program shall support the establishment of the National Research and Education Network Program. The Network Program shall consist of the following components:

"(1) Research and development of broadband networking software and hardware.

"(2) Experimental test bed networks for—

"(A) developing and demonstrating advanced networking technologies resulting from the activities described in paragraph (1); and

"(B) providing connections for purposes consistent with this Act which require levels of network capabilities not available from commercial networks operated by the private sector.

"(3) Provision of support directly to researchers, educators, and students to obtain access to and use of the Internet to allow for communication with other individuals in the research and education communities and to allow for access to high-performance computing systems, electronic information resources, other research facilities, and libraries.

"(b) TEST BED NETWORK CHARACTERISTICS.—The test bed networks shall—

"(1) be developed and deployed in coordination with the computer, telecommunications, and information industries;

"(2) be designed, developed, and operated in collaboration with potential users in government, industry, and research institutions and educational institutions;

"(3) be designed, developed, and operated in a manner which fosters and maintains competition and private sector investment in high-speed data networking within the telecommunications industry;

"(4) be designed and operated in a manner which promotes and encourages research and development leading to the creation of commercial data transmission standards, enabling the establishment of privately developed high-speed commercial networks;

"(5) support enough sites, users, and applications to provide a realistic test of new networking technologies;

"(6) be designed and operated so as to enable the application of laws that provide network and information resources security, including those that protect copyright and other intellectual property rights, and those that control access to databases and protect national security;

"(7) have accounting mechanisms which allow users or groups of users to be charged for their usage of copyrighted materials available over the test bed networks and, where appropriate and technically feasible, for their usage of the test bed networks;

"(8) be connected to and interoperable with Federal and non-Federal computer networks, to the extent appropriate, in a way that allows autonomy for each component network; and

"(9) be developed by purchasing standard commercial transmission and network services from vendors whenever feasible, and by contracting for customized services when not feasible, in order to minimize Federal investment in network hardware.

"(c) NETWORK ACCESS.—The Federal agencies and departments participating in activities under this section shall develop a plan with specific goals for implementing the requirements of subsection (a)(3), including provision for financial assistance to educational institutions, public libraries, and other appropriate entities. This plan shall be submitted to the Congress not later than one year after the date of enactment of the Information Technology Applications Program Act of 1993.

"(d) RESTRICTION ON USE OF TEST BED NETWORKS.—(1) The test bed networks shall not be used to provide commercial network services that are not related to experimental activity conducted under this section and that could otherwise be provided satisfactorily by using commercially available network services.

"(2) This subsection shall take effect 18 months after the date of enactment of the Information Technology Applications Program Act of 1993.

"(e) ADVANCED RESEARCH PROJECTS AGENCY RESPONSIBILITY.—As part of the Program, the Department of Defense, through the Advanced Research Projects Agency, shall support research and development of advanced fiber optics technology, switches, and protocols needed to develop the Network Program.

"(f) INFORMATION SERVICES.—The Director shall assist the President in coordinating the activities of appropriate agencies and departments to promote the development of information services that could be provided over the Internet consistent with the purposes of this Act. These services may include the provision of directories of the users and services on computer networks, databases of unclassified Federal scientific data, training of users of databases and computer networks, and technology to support computer-based collaboration that allows researchers and educators around the Nation to share information and instrumentation.

"(g) USE OF GRANT FUNDS.—All Federal agencies and departments are authorized to allow recipients of Federal research grants to use grant moneys to pay for computer networking expenses.".

SEC. 612. CONFORMING AMENDMENTS.

The High-Performance Computing Act of 1991 (15 U.S.C. 5501 et seq.) is amended—

(1) in section 3(1), by amending subparagraph (A) to read as follows:

"(A) accelerate the creation of a universally accessible broadband telecommunications network for the Nation;";

(2) in section 4(4), by inserting immediately before the semicolon the following: ", which consists of that portion of the Internet which receives direct Federal subsidy"; and

(3) in section 101(a)(2), by striking "and" at the end of subparagraph (H); by striking the period at the end of subparagraph (I) and inserting in lieu thereof "; and"; and by adding at the end the following new subparagraph:

"(J) not provide for the building, ownership, or operation of data communications networks by the Federal Government, or any State or local government, or any agency or instrumentality thereof, unless such networks are either (i) test bed networks or (ii) networks operated for government mission purposes, including military purposes.".

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina [Mr. HOLLINGS].

Mr. HOLLINGS. Mr. President, I am authorized by the Committee on Commerce, Science, and Transportation to offer a modification to the committee amendment in the nature of a substitute to S. 4. I offer this modification and send it to the desk.

The PRESIDING OFFICER. The Senator has a right to modify the amendment if authorized by the committee, and the amendment is so modified.

The amendment as modified is as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE I—GENERAL PROVISIONS

SEC. 101. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Competitiveness Act of 1994".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL PROVISIONS

Sec. 101. Short title and table of contents.
Sec. 102. Findings.
Sec. 103. Purposes.
Sec. 104. Definitions.

TITLE II—MANUFACTURING

Sec. 201. Short title.

Subtitle A—Manufacturing Technology and Extension

Sec. 211. Manufacturing amendments to the Stevenson-Wydler Technology Innovation Act.

Sec. 212. Manufacturing amendments to the National Institute of Standards and Technology Act.
Sec. 213. Additional amendments to the Stevenson-Wydler Technology Innovation Act.
Sec. 214. Manufacturing technology centers.
Sec. 215. State Technology Extension Program.
Sec. 216. Report on options for accelerating the adoption of new manufacturing equipment.

Subtitle B—National Science Foundation Manufacturing Programs

Sec. 221. National Science Foundation manufacturing programs.

TITLE III—CRITICAL TECHNOLOGIES

Sec. 301. Development of plan for Advanced Technology Program.
Sec. 302. Large scale research and development consortia.
Sec. 303. Technical amendments.
Sec. 304. Technology monitoring and competitiveness assessment.
Sec. 305. Recoupment.
Sec. 306. Technology financing pilot program.

TITLE IV—ADDITIONAL COMMERCE DEPARTMENT PROVISIONS

Sec. 401. Department of Commerce Technology Advisory Board.
Sec. 402. International standarization.
Sec. 403. Malcolm Baldrige award amendments.
Sec. 404. Cooperative research and development agreements.
Sec. 405. Program evaluations.
Sec. 406. Study of semiconductor lithography technologies.
Sec. 407. Clearinghouse on State and Local Initiatives.
Sec. 408. Wind engineering research program.
Sec. 409. Environmentally sensitive construction technologies.
Sec. 410. American workforce quality.
Sec. 411. Severability.
Sec. 412. Use of domestic products.
Sec. 413. Personnel.

TITLE V—AUTHORIZATION OF APPROPRIATIONS

Sec. 501. Technology Administration.
Sec. 502. National Institute of Standards and Technology.
Sec. 503. Additional activities of the Technology Administration.
Sec. 504. National Science Foundation.
Sec. 505. Availability of appropriations.

TITLE VI—INFORMATION TECHNOLOGY APPLICATIONS

Sec. 601. Short title.
Sec. 602. Findings and purpose.
Sec. 603. Information technology applications.
Sec. 604. Applications for education and libraries.
Sec. 605. Applications in manufacturing and information.
Sec. 606. Applications in energy and other areas.
Sec. 607. Applications for health care; access to networks.
Sec. 608. High-Performance Computing and Applications Advisory Committee.
Sec. 609. National Research and Education Network Program.
Sec. 610. Support computer education programs.
Sec. 611. Support for State-based digital libraries.
Sec. 612. Support for computing activities at tribal colleges.
Sec. 613. Department of Education support for computer education programs.

TITLE VII—FASTENER QUALITY ACT AMENDMENTS

Sec. 701. Fastener Quality Act amendments.

SEC. 102. FINDINGS.

Congress finds and declares the following:

(1) In an increasingly competitive world economy, the companies and nations which lead in the rapid development, adoption, and application of new technologies, and in the low-priced, high-quality manufacture of products based on those technologies, will lead in economic growth, employment, and high living standards.

(2) While the United States remains the world leader in science and invention, it has not done as well as it should in manufacturing new products based on these innovations. This lag and the unprecedented competitive challenge that the Nation has faced from abroad have contributed to a drop in real wages, living standards, and employment opportunities.

(3) There is general agreement on which fields of technology are critical for economic competitiveness through the first decade of the next century, but the United States Government must pursue a comprehensive strategy to ensure that the appropriate research, development, and applications activities and other reforms occur so these technologies are readily available to United States manufacturers for incorporation into products made in the United States.

(4) Maintaining a highly competitive manufacturing base in the United States is essential for economic prosperity and national welfare and requires continuous development and adoption of advanced manufacturing technologies that will enable United States manufacturers to develop innovative products rapidly and manufacture goods of the highest quality at competitive prices.

(5) While the private sector must take the lead in the development, application, and manufacture of new technologies, the Federal Government should—

(A) assist industry in the development of high-risk, long-term precommercial technologies which promise large economic benefits for the Nation;

(B) support industry-led efforts to develop and refine advanced manufacturing technologies, including technologies which improve productivity and quality and which build upon and enhance employee skills;

(C) work with States, the private sector, worker organizations, and technical and professional societies to help small- and medium-sized manufacturers throughout the Nation to adopt best current manufacturing technologies and practices, to improve worker skills, to establish high-performance work organizations, and to prepare, as appropriate, to adopt the advanced computer-controlled manufacturing technologies of the twenty-first century; and

(D) cooperate with industry and academia to help create an advanced information infrastructure for the United States.

(6) In working with industry to promote the technological leadership and economic growth of the United States, the Federal Government also has a responsibility to consult with business and labor leaders on industry's long-term technological and skill needs, to monitor technological trends, production process trends, and technology targeting efforts in other nations, and generally to ensure that Federal technology and industrial modernization programs help United States industry to remain competitive and create good domestic jobs.

(7) Technology-based products of the twenty-first century should be developed incorporating the values of sustainable development, including low material use, safety, recyclability, and minimal pollution.

(8) The Department of Commerce, and particularly its Technology Administration and National Institute of Standards and Technology, can effectively assist industry to speed the development and utilization of new technologies, improve and modernize manufacturing, adopt new methods of production, and ensure a growing and healthy national industrial base and good manufacturing jobs. To promote the long-term economic growth of the Nation, these Department of Commerce programs should be strengthened and expanded.

SEC. 103. PURPOSES.

The purposes of this Act are to—

(1) strengthen and expand the ability of Federal technology programs, particularly those of the Department of Commerce, to support industry-led and State-supported efforts to improve the technological capabilities, manufacturing performance, information infrastructure, and employment opportunities of the United States.

(2) promote and facilitate, particularly through the Advanced Technology Program of the Department of Commerce, the creation, development, and adoption of technologies that will contribute significantly to United States economic competitiveness, employment, high quality jobs, and prosperity;

(3) develop a nationwide network of sources of technological and industrial modernization advice for manufacturers, particularly small and medium-sized firms, and provide high quality, current information to that network;

(4) encourage cooperation among Federal departments and agencies to help companies, managers, and workers, in a coordinated fashion, to take full advantage of advanced manufacturing technologies, to improve productivity and quality, and adopt advanced workplace practices which successfully integrate technology and employees;

(5) stimulate the flow of capital to business concerns engaged principally in development or utilization of critical technologies and other manufacturing technologies;

(6) ensure the widest possible application of high-performance computing and high-speed networking and aid United States industry to develop an advanced national information infrastructure; and

(7) enhance and expand the core programs of the National Institute of Standards and Technology.

SEC. 104. DEFINITIONS.

For purposes of this Act—

(1) the terms "advanced manufacturing technology", "advanced workplace practices", "modern technology", and "sustainable economic growth" have the meanings given such terms, respectively, in section 4 of the Stevenson-Wydler Technology Innovation Act of 1980, as amended by section 211(b) of this Act;

(2) the term "critical technologies" means technologies identified as critical technologies pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d));

(3) the term "Director" means the Director of the Institute;

(4) the term "Institute" means the National Institute of Standards and Technology;

(5) the term "Secretary" means the Secretary of Commerce;

(6) the term "small business" has the meaning given such term in the Small Business Act;

(7) the term "source reduction" has the meaning given that term in section 6603 of the Pollution Prevention Act of 1990 (42 U.S.C. 13102);

(8) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States;

(9) the term "Under Secretary" means the Under Secretary of Commerce for Technology; and

(10) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

TITLE II—MANUFACTURING

SEC. 201. SHORT TITLE.

This title may be cited as the "Manufacturing Technology and Extension Act of 1994".

Subtitle A—Manuafacturing Technology and Extension

SEC. 211. MANUFACTURING AMENDMENTS TO THE STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT.

(a) AMENDMENTS.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), as amended by section 213 of this Act, is further amended by adding after section 101 (as so redesignated by section 213 of this Act) the following new sections:

"SEC. 102. MANUFACTURING TECHNOLOGY.

"(a) STATEMENT OF POLICY.—Congress declares that it is the policy of the United States that—

"(1) Federal agencies, particularly the Department of Commerce shall work with manufacturers in the United States and labor to ensure that within 10 years of the date of enactment of the National Competitiveness Act of 1994 the United States is second to no other nation in the development, deployment, and use of advanced manufacturing technologies;

"(2) all the major Federal research and development agencies shall place a high priority on the development and deployment of skill-based and advanced manufacturing technologies, and shall work closely with manufacturers in the United States and labor and with the Nation's universities to develop and test those technologies; and

"(3) since the development of new skills in the existing and entry workforce, and the development of new organizational and managerial approaches, are integral parts of successfully deploying advanced manufacturing technologies and related technologies, advanced workplace practices should be developed and deployed simultaneously and in a coordinated fashion with the development and deployment of advanced manufacturing technologies.

"(b) ROLE OF THE DEPARTMENT OF COMMERCE.—The Department of Commerce, consistent with the policy declared in subsection (a), shall have primary responsibility in the Federal Government for commercial and industrial civilian technology and shall—

"(1) through the activities of the Technology Administration, the Institute's laboratories, and the Advanced Technology Program created under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), work with manufacturers in the United States and labor and, as appropriate, with other Federal departments and agencies to help develop new generic advanced manufacturing technologies, including technologies which build upon and enhance employee skills and technologies which facilitate flexibility, agility, and electronic integration in manufacturing enterprises;

"(2) through the Manufacturing Extension Partnership established under section 24 of the National Institute of Standards and Technology Act and through other activities of the Department, assist the States and the private sector to help manufacturers in the United States, especially small and medium-sized manufacturing enterprises, to adopt modern technologies and advanced workplace practices and, as appropriate, advanced manufacturing technologies and equipment;

"(3) work with the private sector, other Federal departments and agencies, State and local governments, and educational institutions to—

"(A) help develop advanced workplace practices, improved supplier-customer relations, manufacturing modernization and investment justification strategies, and other steps which would accelerate the development, deployment, and use of advanced manufacturing technologies by United States companies; and

"(B) evaluate foreign programs to modernize manufacturing;

"(4) have primary responsibility in the Federal Government in working with industry and labor and the States to develop advanced manufacturing technologies and to promote and assist the adoption and use of modern technologies, advanced manufacturing technologies, and management techniques throughout the United States; and

"(5) through the Under Secretary, develop measurements and coordinate with appropriate Federal agencies to ensure that Federal research and development expenditures are linked to the economic needs of industry and the promotion of economic growth.

"SEC. 103. MANUFACTURING ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—Subject to subsection (d), the Secretary shall establish a Manufacturing Advisory Committee (in this section referred to as the 'Committee'), which shall be chaired by the Secretary and which shall provide advice to the Secretary and, as appropriate, to other Federal officials.

"(b) FUNCTIONS.—The Committee shall—

"(1) collect and analyze information on the range of factors which determine the success of United States-based manufacturing industries, and particularly factors regarding the development of advanced manufacturing technologies, the deployment of modern technologies, and the application of advanced workplace practices;

"(2) identify areas where appropriate cooperation between the Federal Government and industry and labor, including Government support for industry-led joint research and development ventures and for manufacturing extension activities, would enhance United States industrial competiveness, and provide advice and guidance for such cooperative efforts;

"(3) provide guidance on what Federal policies and practices are necessary to strengthen United States-based manufacturing, particularly Federal policies and practices regarding research budgets, interagency coordination and initiatives, and technology transfer; and

"(4) generally develop recommendations for guiding Federal agency and interagency activities related to United States-based manufacturing.

"(c) MEMBERSHIP AND PROCEDURES.—(1) The Committee shall be composed of 16 members, of whom—

"(A) 6 members shall be the Secretary, the Director of the Office of Science and Technology Policy, the Secretary of Defense, the Secretary of Energy, the Secretary of Labor, and the Director of the National Science Foundation, or their designees; and

"(B) 10 members shall, within 120 days after the date of enactment of the National Competitiveness Act of 1994, be appointed by the Secretary from the private manufacturing industry, worker organizations, technical and professional societies, State technology agencies, and academia.

At least two of the members appointed under subparagraph (B) shall be from small business.

"(2) The Secretary shall call the first meeting of the Committee within 30 days after the appointment of members is completed.

"(3) The Committee may use such personnel detailed from Federal agencies as may be necessary to enable it to perform its functions.

"(4) Nine members of the Committee shall constitute a quorum for the transaction of business.

"(5) Members of the Committee other than full-time employees of the Federal Government, while attending meetings of the Committee or otherwise performing duties of the Committee while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

"(6) The Committee, as appropriate, shall work with the Department of Commerce Technology Advisory Board and with other appropriate Federal advisory mechanisms to ensure integrated Federal-private consideration of technology and manufacturing policies and programs.

"(d) SECRETARIAL DISCRETION.—Notwithstanding any other provision of this section, the Secretary shall have the discretion of decide whether to establish the Committee or create a more cost-effective way to achieve the goal of closer cooperation with industry. If the Secretary exercises such discretion and establishes an alternative mechanism, the Under Secretary shall make an effort to ensure the participation of socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act, and including women) in the alternative mechanism.".

(b) ADDITIONAL DEFINITIONS.—Section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703) is amended by adding at the end the following new paragraphs:

"(14) 'Advanced manufacturing technology' means—

"(A) numerically-controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving manufacturing and industrial production of goods, including biotechnology products, which advance the state-of-the-art; or

"(B) novel manufacturing techniques and processes not previously generally available that improve manufacturing quality, productivity, that practices, including engineering design, quality assurance, concurrent engineering, continuous process production technology, inventory management, upgraded worker skills, communications with customers and suppliers, and promotion of sustainable economic growth.

"(15) 'Modern technology' means the best available proven technology, techniques, and processes appropriate to enhancing the productivity of manufacturers or to promoting sustainable economic growth.

"(16) 'Advanced workplace practices' means innovations in work organization and performance, including high-performance workplace systems, flexible production techniques, quality programs, continuous improvement, concurrent engineering, close relations between suppliers and customers, widely diffused decision-making and work teams, and effective integration of production technology, worker skills and training, and workplace organization.

"(17) 'Sustainable economic growth' means economic growth that enhances the national quality of life and preserves environmental integrity.".

SEC. 212. MANUFACTURING AMENDMENTS TO THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT.

(a) NATIONAL QUALITY LABORATORY; MANUFACTURING EXTENSION PARTNERSHIP.—The National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.) is amended—

(1) by redesignating sections 29 through 31 as sections 31 through 33, respectively;

(2) by redesignating sections 23 and 24 as sections 29 and 30, respectively; and

(3) by inserting after section 22 the following new sections:

"NATIONAL QUALITY LABORATORY

"SEC. 23. A National Quality Laboratory is established within the Institute, the purpose of which is to perform research and outreach activities to assist private sector quality efforts and to serve as a mechanism by which companies in the United States, universities and other interested parties, and the Institute and work together to advance quality management programs and to share and, a appropriate, develop manufacturing best practices.

"MANUFACTURING EXTENSION PARTNERSHIP

"SEC. 24. (a) There is established within the Institute a Manufacturing Extension Partnership (in this section referred to as the 'Partnership'). The Secretary, acting through the Under Secretary and the Director, shall implement and coordinate the Partnership in accordance with the initial and 5-year plans prepared under subsection (h). The purpose of the Partnership is to link electronically and strengthen the Nation's manufacturing extension centers and activities in order to assist manufacturers in the United States, especially small- and medium-sized companies, to extend and accelerate the use of modern technologies, and to accelerate the development and use of advanced manufacturing technologies and advanced workplace practices.

"(b) The Partnership shall be a cooperative effort of the Department of Commerce, the States, manufacturers in the United States, labor, nonprofit organizations, and, as appropriate, other Federal agencies to provide a national system of manufacturing extension centers and technical services to United States companies, particularly small- and medium-sized manufacturers. The Partnership shall include—

"(1) Manufacturing Outreach Centers, as authorized under subsection (c);

"(2) Regional Centers for the Transfer of Manufacturing Technology and Local Manufacturing Offices, as established under section 25, and the State Technology Extension Program, as established under section 26;

"(3) The outreach network provided for under subsection (d) and the clearinghouse system developed under subsection (e); and

"(4) such technology and manufacturing extension centers supported by other Federal departments and agencies, States, industry, and nonprofit organizations as the Secretary considers appropriate for inclusion in the Partnership

"(c)(1) Government and private sector organizations, actively engaged in technology or manufacturing extension activities, may apply to the Secretary to be designated as Manufacturing Outreach Centers. Eligible organizations may include Federal, State, and local government agencies, their extension programs, and their laboratories; small business development centers; and appropriate programs run by professional and technical societies worker organizations, industrial organizations, for-profit or nonprofit organizations, community development organizations, State universities and other universities, community colleges, and technical schools and colleges, including, where appropriate, vendor-supported demonstrations of production applications.

"(2) The purpose of such Manufacturing Outreach Centers shall be to—

"(A) disseminate technical and information services to manufacturers in the United States, particularly small-and medium-sized companies; and

"(B) strengthen direct assistance to small- and medium-sized manufacturers in the United States to expand and accelerate the use of modern technologies and advanced workplace practices.

"(3) The Secretary shall establish terms and conditions of participation in a Manufacturing Outreach Center, including qualifications of start-up programs as Manufacturing Outreach Centers, and may provide financial assistance, on a cost-shared basis and through competitive, merit-based review processes, to nonprofit or government participants throughout the United States to enable them to establish a Manufacturing Outreach Center.

"(4) Any Regional Center for the Transfer of Manufacturing Technology may apply to the Secretary to establish a Manufacturing Outreach Center, managed by or in cooperation with such Regional Center, if the Manufacturing Outreach Center would be located outside and would primarily serve an area outside the effective service area of such Regional Center. Funding for the establishment and management of such Manufacturing Outreach Center may be awarded to such Regional Center under this subsection, notwithstanding the restrictions of paragraph (6).

"(5) If a State plan for technology extension exists in a State where an applicant for financial assistance under this subsection is operating or plans to operate, the applicant shall demonstrate in its application that its proposal is compatible with such State plan.

"(6) If a Manufacturing Outreach Center is in or near a State which has a Regional Center for the Transfer of Manufacturing Technology, the Director shall, as appropriate, encourage the Manufacturing Outreach Center to cooperate with the Regional Center in coordinating its proposals and ongoing programs to serve manufacturers in the region. Manufacturing Outreach Centers may not concurrently be designated as Regional Centers for the Transfer of Manufacturing Technology under section 25.

"(7) Financial assistance may be awarded under this subsection for an initial period not to exceed 3 years and may, subject to successful evaluation by the institute, be renewed for additional periods, not to exceed 3 years each. Such assistance may not at any time exceed 50 percent of the operating costs and other costs of the Manufacturing Outreach Center, as defined by regulation.

"(d)(1) The Department of Commerce shall provide for an instantaneous, interactive electronic communications network (in this section referred to as the 'outreach network') to serve the Partnership, to facilitate effective and efficient interaction within it, and to permit the collection and dissemination in electronic form, in a timely and accurate manner, of information described in subsection (e). The outreach network shall, wherever practicable, make use of existing public and private computer networks, data bases, and electronic bulletin boards. The design, configuration, acquisition plan, and operating policies, including user fees and appropriate electronic access for public and private information suppliers and users, of the outreach network shall be included in the 5-year plan prepared under subsection (h)(2).

"(2) Except as provided in this section, the outreach network established under paragraph (1) shall be designed and configured in a manner that will enable interoperability with networks and technologies developed under the National High-Performance Computing Program described in section 101 of the High-Performance Computing Act of 1991 (15 U.S.C. 5511). The Secretary shall also, as appropriate, coordinate activities under this subsection with the relevant activities of other Federal agencies, particularly the agile manufacturing/enterprise integration activities of the Department of Defense.

"(e)(1) The Secretary, acting through the Under Secretary, shall develop a clearinghouse system, using appropriate components of the Technology Administration and other public and private sector information providers and carriers, where appropriate, to—

"(A) identify expertise and acquire information, appropriate to the purpose of the Partnership stated in subsection (a), from all available Federal sources, and where appropriate from other sources, providing assistance where necessary in making such information electronically available and compatible with the outreach network established under subsection (d);

"(B) ensure ready access by manufacturers, governmental agencies, and nonprofit organizations in the United States to the most recent relevant available such information and expertise;

"(C) ensure that common standards of interconnection are utilized by the outreach network and the clearinghouse to allow maximum interoperability and usership; and

"(D) to the extent practicable, inform potential users of the availability of such information.

"(2) The clearinghouse shall include information available electronically regarding—

"(A) activities of Manufacturing Outreach Centers, Regional Centers for the Transfer of Manufacturing Technology, the State Technology Extension Program, and the users of the outreach network;

"(B) domestic and international standards from the Institute and private sector organizations and other export promotion information, including conformity assessment requirements and procedures;

"(C) the Malcolm Baldridge National Quality Award program, and quality principles and standards;

"(D) manufacturing processes that minimize waste and negative environmental impact;

"(E) advanced workplace practices;

"(F) federally funded technology development and transfer programs;

"(G) responsibilities assigned to the Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation;

"(H) how to access data bases and services;

"(I) skills training, particularly for production workers, that is available through trade and professional organizations, federally supported programs, State resources, private industry, or other organizations; and

"(J) other subjects relevant to the ability of companies to manufacture and sell competitive products throughout the world.

"(f) In carrying out this section, the Department of Commerce shall take into consideration on the following principles:

"(1) The Partnership and the outreach network provided for under subsection (d) shall be established and operated through cooperation and co-funding among Federal, State, and local governments, other public and private contributors, and end users.

"(2) The Partnership and the outreach network shall utilize and leverage, to the extent practicable, existing organizations, data bases, electronic networks, facilities, and capabilities, and shall be designed to complement rather than supplant State and local programs.

"(3) The Partnership should, to the extent practicable, involve key stakeholders at all levels in the planning and governance of modernization strategies; concentrate on assisting local clusters of firms; assist rural as well as urban manufacturers; promote collaborative learning and cooperative action among manufacturers; link industrial modernization programs tightly to existing and future Federal training initiatives, including those for youth apprenticeship programs and for assisting other workers; encourage small firms to seek modernization services by working with major manufacturers; encourage small firms, as appropriate, to select manufacturing equipment and practices which build upon and expand the skills of their employees; identify and honor best practices by firms and the programs that support them, including both technology and workplace practices; provide funding based on performance and ensure rigorous evaluation of extension services; as appropriate, coordinate Federal programs that support manufacturing modernization; work with Federal, State, local, and private organizations so that Manufacturing Outreach Centers and Regional Centers for the Transfer of Manufacturing Technology can provide referrals to other important business services, such as assistance with financing, training, and exporting, and contribute to local business climates supportive of high-performance manufacturing.

"(4) The Partnership and the outreach network provided for under subsection (d) shall be subject to all applicable provisions of law for the protection of trade secrets and business confidential information.

"(5) Local or regional needs should determine the management structure and staffing of the Manufacturing Outreach Centers. The Partnership shall strive for geographical balance and for balance between urban and rural recipients, with the ultimate goal of access for all United States manufacturers.

"(6) Manufacturing Outreach Centers should have the capability to deliver outreach services directly to manufacturers; actively work with, rather than supplant, the private sector; help firms assess needs regarding technology, workplace practices, and training; and to the extent practicable, maximize the exposure of United States manufacturers to demonstrations of modern technologies in use.

"(7) Manufacturing Outreach Centers shall focus, where possible, on the deployment of flexible manufacturing technologies and practices applicable to both defense and commercial applications and on opportunities to modernize operations in ways which improve productivity, reduce waste and pollution, and increase energy efficiency.

"(8) The Department of Commerce shall develop mechanisms for—

"(A) soliciting the perspectives of manufacturers using the services of the Manufacturing Outreach Centers and Regional Centers for the Transfer of Manufacturing Technology;

"(B) assisting in the training of technology extension agents and in helping them disseminate information on modern manufacturing technologies, including technologies for source reduction, and advance workplace practices; and

"(C) rigorously evaluating the effectiveness of the Manufacturing Outreach Centers and other components of the Partnership.

"(9) This Act does not supersede, modify, or otherwise alter the rights and obligations of employers, employees, and labor organizations as set forth in the National Labor Relations Act and the Railway Labor Act or in any collective bargaining agreement entered into by parties covered by those Acts.

"(g)(1) The Regional Centers for the Transfer of Manufacturing Technology and Manufacturing Outreach Centers shall, as appropriate, make available source reduction and energy conservation assessments to interested manufacturers in the United States. These assessments shall assist such interested manufacturers in identifying opportunities for energy conservation and source reduction, and thus reduce operating costs, through either improvement in manufacturing processes or the purchase of new equipment.

"(2) The Secretary is authorized to work with other appropriate Federal officials and other parties to provide employees of Regional Centers for the Transfer of Manufacturing Technology and Manufacturing Outreach Centers with the training needed to carry out the assessments specified in paragraph (1).

"(h)(1) Within 6 months after the date of enactment of the National Competitiveness Act of 1994, the Secretary, through the Under Secretary and Director and after consulting with the private sector, shall submit an initial plan for the implementation of this section to Congress—

"(A) describing how the Secretary will carry out the responsibility to create, operate, and support the Partnership and the outreach network;

"(B) establishing criteria and procedures, consistent with the requirements of this section, for—

"(i) the selection of organizations to receive Department of Commerce services or financial assistance as part of the Partnership, including qualifications and training of technology extension agents;

"(ii) access to services provided by participants in the Partnership and to information available through the outreach network servicing the Partnership; and

"(iii) the annual evaluation of the Partnership in achieving the purposes of this section; and

"(C) evaluating the need for and the benefits of a National Conference of States on Technology Extension, similar in structure to the National Conference on Weights and Measures, and, if the Secretary determines that such a Conference is advisable, developing, in consultation with the States and other interested parties, a plan for the establishment, operation, funding, and evaluation of such a Conference.

"(2)(A) within 1 year after the date of enactment of the National Competitiveness Act of 1994, the Secretary, through the Under Secretary and Director, shall prepare and submit to the Congress a 5-year plan for implementing the Partnership and the outreach network and clearinghouse established under subsections (d) and (e), respectively, of this section.

"(B) Such 5-year plan shall address—

"(i) effective mechanisms for providing operating funds for the maintenance and use of the outreach network established under subsection (d), including user fees, industry support, and continued Federal investment;

"(ii) the future operation and evolution of the outreach network, including its relationship with other public or private information services;

"(iii) how to protect the copyrights of material distributed over the outreach network; and

"(iv) appropriate policies to ensure the security of proprietary information that might be available on the outreach network and to protect the privacy of users of the outreach network.

"(C) Such 5-year plan shall identify appropriate methods for expanding the Partnership in a geographically balanced manner. Such 5-year plan shall include a detailed implementation plan and cost estimates and shall take into consideration and build on the report submitted under paragraph (1). In the preparation of such 5-year plan, the Secretary shall provide an opportunity for public comment, and the plan submitted to Congress shall include a summary of comments received. Any new types of activities proposed by such plan may not be implemented until 90 days after its submission to the Congress.

"(3) Beginning with the first year after submission of the 5-year plan under paragraph (2), the Secretary shall annually report to the Congress, at the time of the President's annual budget request to Congress, on—

"(A) progress made in achieving the purposes of the Partnership described in subsection (a), using criteria and procedures established under paragraph (1)(B)(iii) of this subsection;

"(B) changes proposed to the 5-year plan;

"(C) performance in adhering to schedules; and

"(D) any recommendations for legislative changes necessary to enhance the Partnership.

The report under this paragraph submitted at the end of the fourth year of operation of the Partnership shall include recommendations on whether to terminate the Partnership or extend it for an additional period not to exceed 5 years.".

(b) DEFINITIONS.—The National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.) is amended by inserting after section 1 the following new section:

"SEC. 1A. As used in this Act—

"(1) the terms 'advanced manufacturing technology', 'modern technology', 'advanced workplace practices', and 'sustainable economic growth' have the meanings given such terms in section 4 of the Stevenson Wydler Technology Innovation Act;

"(2) the term 'independent research organizations' means nonprofit organizations organized primarily for the purpose of conducting or managing research activities;

"(3) the term 'source reduction' has the meaning given that term in section 6603 of the Pollution Prevention Act of 1990 (42 U.S.C. 13102);

"(4) the term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States; and

"(5) the term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.".

SEC. 213. ADDITIONAL AMENDMENTS TO THE STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT.

The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) by inserting after section 4 the following new title heading:

"TITLE I—DEPARTMENT OF COMMERCE AND RELATED PROGRAMS";

(2) by redesignating section 5 as section 101;

(3) by redesignating sections 6 through 10 as sections 105 through 109, respectively;

(4) by striking section 21;

(5) by redesignating sections 16, 17, 18, 19, 20, and 22 as sections 110 through 115, respectively;

(6) by inserting after section 115 (as redesignated by paragraph (5) of this subsection) the following new title heading:

"TITLE II—FEDERAL TECHNOLOGY TRANSFER";

(7) by redesignating sections 11 through 15 as sections 201 through 205, respectively;

(8) by redesignating section 23 as section 206;

(9) in section 4—

(A) by striking "section 5" and inserting in lieu thereof "section 101";

(B) by striking "section 5(b)(1)" and inserting in lieu thereof "section 101(b)(1)";

(C) in paragraphs (4) and (6), by striking "section 6" and "section 8" each place they appear and inserting in lieu thereof "section 105" and "section 107", respectively; and

(D) in paragraph (13), by striking "section 6" and inserting in lieu thereof "section 105";

(10) in section 108 (as redesignated by paragraph (3) of this subsection) by striking "section 6(a)" and inserting in lieu thereof "section 106(a)"; by striking "section 6(b)" and inserting in lieu thereof "section 106(b)"; and by striking "section 6(c)(3)" and inserting in lieu thereof "section 106(c)(3)";

(11) in section 109(d) (as redesignated by paragraph (2) of this subsection) by striking "section 7, 9, 11, 15, 17, or 20 of";

(12) in section 201(i) (as redesignated by paragraph (7) of this subsection) by inserting "loan, lease, or" after "may"; and by inserting "Actions taken under this subsection shall not be subject to Federal requirements on the disposal of property." after "activities.";

(13) in section 202(b) (as redesignated by paragraph (7) of this subsection) by striking "section 14(a)(1)(B) (i), (ii), and (iv)" and inserting in lieu thereof "section 204(a)(1)(B) (i), (ii), and (iv)";

(14) in section 204(a)(1) (as redesignated by paragraph (7) of this subsection) by striking "section 12" and inserting in lieu thereof "section 202";

(15) in section 115 (as redesignated by paragraph (5) of this subsection) by striking "Act (other than sections 11, 12, and 13)" and inserting in lieu thereof "title";

(16) in section 206 (as redesignated by paragraph (7) of this subsection)—

(A) by striking "section 12(d)(2)" in the introductory matter of subsection (a) and inserting in lieu thereof "section 202(d)(2)";

(B) by striking "section 11(b)" in subsection (a)(2) and inserting in lieu thereof "section 201(b)"; and

(C) by striking "section 6(d)" in subsection (b) and inserting in lieu thereof "section 105(d)";

(17) in section 112 (as redesignated by paragraph (5) of this subsection)—

(A) in the section heading, by striking "CONFERENCE" and inserting in lieu thereof "CONFERENCES";

(B) by striking "Not later than" through "shall convene a conference" and inserting in lieu thereof "The Secretary, through the Under Secretary, in consultation with other appropriate officials, may convene conferences"; and

(C) by striking "such conference shall" and in insert in lieu thereof "any such conferences shall, whenever appropriate,";

(18) by adding at the end of section 201 (as redesignated by paragraph (7) of this subsection) the following new subsection:

"(j) ADDITIONAL TECHNOLOGY TRANSFER MECHANISMS.—In addition to the technology transfer mechanisms set forth in this section and section 202, the heads of Federal departments and agencies also may transfer technologies through the technology transfer, extension, and deployment programs of the Department of Commerce and the Department of Defense."; and

(19) in section 101(c) (as redesignated by paragraph (2) of this subsection)—

(A) by striking "and" at the end of paragraph (14);

(B) by striking the period at the end of paragraph (15) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following new paragraph:

"(16) engage in joint projects with any person or persons on matters within the authority of the Department of Commerce, accept temporary personnel from industrial partners, and receive cash donations in the course of such joint projects, and in conjunction with the planning and operation of such joint projects hold private meetings of matters of mutual interest with groups of interested persons, in order to protect sensitive information about United States industry and to ensure industry participation in such joint projects.".

SEC. 214. MANUFACTURING TECHNOLOGY CENTERS.

(a) AMENDMENTS.—(1) Section 25(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(a)) is amended by striking "and" at the end of paragraph (4); by striking the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and by inserting after paragraph (5) the following new paragraphs:

"(6) the active dissemination of information on advanced workplace practices and available education and training programs, and the encouragement of companies to train workers in the effective use of modern technologies and advanced manufacturing technologies; and

"(7) demonstration projects in which Centers work with States, local governments, community development organizations, worker and business organizations, and community banks to create a business climate supportive of high-performance manufacturing.".

(2) Section 25(b) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(b)) is amended by striking "and" at the end of paragraph (2); by redesignating paragraph (3) as paragraph (4); and by inserting after paragraph (2) the following new paragraph:

"(3) assessments of client companies' modernization needs, assistance in implementing quality processes, advice on pollution minimization and source reduction, and, where needed, cooperation with training institutions to ensure that employees, particularly production workers, receive training in the most effective use of modern technologies and advanced workplace practices; and".

(3) Section 25(c) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(c)) is amended—

(A) in paragraph (1) by striking "for a period not to exceed six years"; and

(B) in paragraph (5) by striking "which are designed" and all that follows through the period at the end of the paragraph and inserting in lieu thereof "to a maximum of one-third Federal funding. Each Center which receives financial assistance under this section shall be evaluated during its sixth year of operation, and at least triennially thereafter as the Secretary considers appropriate, by an evaluation panel appointed by the Secretary in the same manner as was the evaluation panel previously appointed. The Secretary shall not provide funding for additional years of the Center's operation unless the most recent evaluation is positive and the Secretary finds that continuation of funding furthers the purposes of this section.".

(4) Section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k) is amended by adding at the end the following new subsections:

"(e) In addition to any assistance provided or contracts entered into with a Center under this section, the Director is authorized to make separate and smaller awards, through a competitive process, to nonprofit organizations which wish to work with a Center. Such awards shall be for the purpose of enabling those organizations to provide outreach services, in collaboration with the Center, to manufacturers located in parts of the region served by the Center which are not easily accessible to the Center and which are not served by any other manufacturing outreach center. Organizations which receive such awards shall be known as Local Manufacturing Offices. In reviewing applications, the Director shall consider the needs of rural as well as urban manufacturers. No single award for a Local Manufacturing Office shall be for more than 3 years, awards shall be renewable through the competitive awards process, and no award shall be made unless the applicant provides matching funds at least equal to the amount received under this subsection.

"(f) In carrying out this section, the Director shall coordinate his efforts with the plans for the Manufacturing Extension Partnership established under section 24.".

SEC. 215. STATE TECHNOLOGY EXTENSION PROGRAM.

(a) ESTABLISHMENT.—Section 26(a) of the National Institute of Standards and Technology Act (15 U.S.C. 2781(a)) is amended—

(1) by inserting after "(a)" the following new sentence: "There is established within the Institute a State Technology Extension Program."; and

(2) by inserting "through that Program" after "technical assistance".

(b) ASSISTANCE PROVIDED BY PROGRAM.—Section 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278*l*) is amended by adding at the end the following new subsection:

"(c) In addition to the general authorities listed in subsection (b), the State Technology Extension Program also shall, through merit-based competitive review processes and to the extent provided in advance in appropriations Acts—

"(1) make awards to States and conduct workshops, pursuant to section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 278*l* note) in order to help States improve their planning and coordination of technology extension activities;

"(2) assist States, including States which historically have had no manufacturing or technology extension programs or only small programs, to plan, develop, and coordinate such programs and to help bring those State programs to a level of performance where they can provide the full range of manufacturing extension services required by their manufacturers or, as appropriate, apply successfully for awards to establish Manufacturing Outreach Centers, Regional Centers for the Transfer of Manufacturing Technology, or both;

"(3) support industrial modernization demonstration projects to help States create networks among small manufacturers for the purpose of facilitating technical assistance, group services, and improved productivity and competitiveness;

"(4) support State efforts to develop and test innovative ways to help small- and medium-sized manufacturers in the United States improve their technical capabilities, including, as appropriate, State contracts with private-sector technology transfer companies to provide technology assistance and development services that are beyond the current capacity of a given State's industrial extension activities;

"(5) support State efforts designed to help small- and medium-sized manufacturers in rural as well as urban areas improve and modernize their technical capabilities, including, as appropriate, interstate efforts to achieve such end;

"(6) support State efforts to assist interested small defense manufacturing firms to convert their production to nondefense or dual-use purposes;

"(7) support planning for worker technology education programs in the States at institutions such as research universities, community colleges, technical and professional societies, labor education centers, labor-management committees, and worker organizations in production technologies critical to the Nation's future, with an emphasis on high-performance work systems, the skills necessary to use advanced manufacturing system well, and best production practice; and support on-the-job training programs in the States to build and enhance the skills of employees, particularly production workers, in small- and medium-sized manufacturers; and

"(8) help States develop programs to train personnel who in turn can provide technical skills to managers and workers of manufacturing firms.".

SEC. 216. REPORT ON OPTIONS FOR ACCELERATING THE ADOPTION OF NEW MANUFACTURING EQUIPMENT.

Within 1 year after the date of enactment of this Act, the Secretary, acting through the Under Secretary, shall submit to Congress a report on—

(1) the degree to which United States manufacturers have difficulty obtaining financing for the purpose of purchasing equipment needed to implement advanced manufacturing technology and modernize operations;

(2) the policies and practices followed in other industrialized countries to help manufacturers obtain financing for modernization; and

(3) the advantages, disadvantages, and costs of major options by which the Federal Government might help stimulate the flow of capital to manufacturers and thus accelerate industrial modernization, including—

(A) creation of a Government-sponsored enterprise to stimulate the flow of capital to manufacturing;

(B) increasing technical advice to banks and other financial institutions, perhaps through the Manufacturing Extension Partnership in order to increase their ability to judge whether or not individual manufacturers have sound modernization plans;

(C) cooperation between extension activities supported under the Manufacturing Extension Partnership and manufacturing equipment leasing firms in order to provide manufacturers with additional information or equipment leasing options; and

(D) tax incentives.

Subtitle B—National Science Foundation Manufacturing Programs

SEC. 221. NATIONAL SCIENCE FOUNDATION MANUFACTURING PROGRAMS.

(a) IN GENERAL.—The Director of the National Science Foundation, after, as appropriate, consultation with the Secretary, the Under Secretary, and the Director, shall—

(1) work with United States companies to identify areas of research in advanced manufacturing technologies and advanced workplace practices that offer the potential to improve United States productivity, competitiveness, and employment;

(2) support research at United States universities to improve advanced manufacturing technologies and advanced workplace practices; and

(3) work with the Technology Administration of the Department of Commerce and the Institute and, as appropriate, other Federal agencies to accelerate the transfer to United States companies of manufacturing research and innovations developed at universities.

(b) ENGINEERING RESEARCH CENTERS AND INDUSTRY/UNIVERSITY COOPERATIVE RESEARCH CENTERS.—The Director of the National Science Foundation shall strengthen and expand the number of Engineering Research Centers and strengthen and expand the Industry/University Cooperative Research Centers Program with the goals of increasing the engineering talent base versed in technologies and workplace practices critical to the Nation's future, with emphasis on advanced manufacturing technologies, and of advancing fundamental engineering knowledge in these technologies. At least one Engineering Research Center shall have a research and education focus on the concerns of United States manufacturers, including small- and medium-sized manufacturers that are trying to modernize their operations. Awards under this subsection shall be made on a competitive, merit review basis. Such awards may include support for acquisition of instrumentation, equipment, and facilities related to the research and education activities of the Engineering Research Centers and support for undergraduate students to participate in the activities of the Engineering Research Centers.

(c) GRADUATE TRAINEESHIPS.—The Director of the National Science Foundation, in consultation with the Secretary, may establish a program to provide traineeships to United States citizens or permanent resident aliens who are graduate students at institutions of higher education within the United States who choose to pursue masters or doctoral degrees in manufacturing or industrial engineering. The Director of the National Science Foundation shall make an effort to ensure the provision of traineeships under this subsection to socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act, and including women).

(d) MANUFACTURING MANAGERS IN THE CLASSROOM PROGRAM.—The Director of the National Science Foundation, in consultation with the Secretary, may establish a program to provide fellowships, on a cost-shared basis, to individuals from industry with experience in manufacturing to serve for 1 or 2 years as instructors in manufacturing at 2-year community and technical colleges in the United States. In selecting fellows, the Director of the National Science Foundation shall place special emphasis on supporting individuals who not only have expertise and practical experience in manufacturing but who also will work to foster cooperation between 2-year colleges and nearby manufacturing firms.

(e) PROGRAMS TO TEACH TOTAL QUALITY MANAGEMENT.—The Director of the National Science Foundation, in consultation with the Secretary, the Under Secretary, and the Director, may establish a program to develop innovative curricula, courses, and materials for use by institutions of higher education for instruction in total quality management and related management practices, in order to help improve the productivity of United States companies.

(f) SMALL MANUFACTURERS RENEWAL AND TRAINING.—(1) The Director of the National Science Foundation, acting in cooperation with the Director, shall establish and carry out a pilot program, know as the Small Manufacturers Renewal and Training Program in this subsection referred to as the "Program"), to award grants to eligible partnerships for internship activities under this section. Partnerships between engineering colleges and manufacturing extension centers are eligible to apply for grants under the Program and be designated as SMaRT Partnerships. The Director of the National Science Foundation shall establish requirements for proposals for funding under the Program, for activities undertaken by SMaRT Partnerships with such funding, and for reporting by SMaRT Partnerships and other persons participating in the Program, and criteria for selecting proposals, including economic need.

(2) Each SMaRT Partnership receiving a grant under the Program shall use such grant funds to sponsor qualified engineering students to work as interns with eligible small manufacturers, especially very small manufacturers, by paying the host company the Federal share of the intern's wages, not to exceed the Federal minimum wage.

(3) A small manufacturer shall be eligible to host interns under the Program only for manufacturing operations in the United States, shall provide adequate supervision to each intern, and shall use funds provided under the Program only to pay wages to the intern that supplement the host company share of the intern's wages, not be less than the Federal minimum wage. No company shall be eligible to receive funding in excess

of 2 years' wages at the Federal minimum wage.

TITLE III—CRITICAL TECHNOLOGIES

SEC. 301. DEVELOPMENT OF PLAN FOR THE ADVANCED TECHNOLOGY PROGRAM.

The Secretary, acting through the Under Secretary and the Director, shall, within 6 months after the date of enactment of this Act, submit to Congress a plan for the expansion of the Advanced Technology Program established under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), with specific consideration given to—

(1) closer coordination and cooperation with the Advanced Research Projects Agency and other Federal research and development agencies as appropriate;

(2) establishment of temporary staff positions that can be filled by industrial or technical experts for a period of 1 to 2 years;

(3) ensuring that the Advanced Technology Program will have a meaningful impact on the utilization of a broad range of critical technologies and on the refinement of advanced manufacturing technologies;

(4) changes that may be needed when annual funds available for grants under the Advanced Technology Program reach levels of $200,000,000 and $500,000,000; and

(5) any additional administrative steps that may be necessary for the Advanced Technology Program to support large-scale joint research and development ventures.

SEC. 302. LARGE-SCALE RESEARCH AND DEVELOPMENT CONSORTIA.

Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n) is amended by adding at the end the following new subsection:

"(k) In addition to the general authority under this section to provide financial assistance to joint ventures, the Secretary, through the Director, also may, as permitted by levels of authorizations and appropriations, provide financial support for up to 7 years to large-scale joint ventures requesting $20,000,000 or more a year in Department of Commerce funds. The Secretary may work with industrial groups to develop such proposed large-scale joint ventures and shall give preference to proposals which represent a broad spectrum of companies for a given industry and which focus either on speeding the commercialization of important new technologies or on accelerating the development, testing, and deployment of valuable new process technologies and workplace practices. The Secretary and Director, as appropriate, shall obtain independent technical review of industry proposals submitted under this section.".

SEC. 303. TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT.—Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), as amended by section 302 of this Act, is further amended—

(1) by adding at the end of subsection (a), the following new sentence: "The Secretary, acting through the Director, shall ensure that the principal economic benefits of the Program accrue to the economy of the United States.";

(2) in subsection (b)—

(A) in paragraph (1)(B), by striking "or contracts" and inserting in lieu thereof "contracts, and, subject to the last sentence of this subsection, other transactions";

(B) in paragraph (1)(B)(ii), by striking "provision of a minority share of the cost of such joint ventures for up to 5 years" and inserting in lieu thereof "the option of providing either a minority share of the total cost of such joint ventures for up to 5 years, or only direct costs (and not indirect costs, profits, or management fees), for up to 5 years";

(C) in paragraph (2)—

(i) by striking "and cooperative agreements" and inserting in lieu thereof "cooperative agreements, and, subject to the last sentence of this subsection, other transactions"; and

(ii) by inserting ", and independent research organizations" after "especially small businesses"; and

(D) by adding after paragraph (4) the following:

"The authority under paragraph (1)(B) and paragraph (2) to enter into other transactions shall apply only if the Secretary, acting through the Director, determines that standard contracts, grants, or cooperative agreements are not feasible or appropriate, and only when other transaction instruments incorporate terms and conditions that reflect the use of generally accepted commercial accounting and auditing practices.";

(3) in subsection (d)(3), by striking "exceed $2,000,000 over 3 years, or";

(4) in subsection (j)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(B) by inserting before paragraph (2), as so redesignated, the following new paragraph:

"(1) the term 'independent research organizations' means nonprofit organizations organized primarily for the purpose of conducting or managing research activities;"; and

(5) by adding at the end the following new subsection:

"(1) Notwithstanding subsection (b)(1)(B)(ii) and (d)(3), the Director may grant an extension beyond the deadlines established under those subsections for joint venture and single applicant awardees to expend Federal funds to complete their projects, if such extension may be granted with no additional cost to the Federal Government.".

(b) UNITED STATES JOINT VENTURES.—(1) Section 28(d)(11)(A) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(11)(A)) is amended by striking the periods at the end of the first sentence and inserting in lieu thereof the following: "or any other person otherwise eligible to participate in an eligible joint venture, as agreed by the parties receiving funding under any particular award, notwithstanding the requirements of section 202(a) and (b) of title 35, United States Code.".

(2) The amendment made by paragraph (1) shall be effective only with respect to assistance for which solicitations for proposals are made after the date of enactment of this Act.

(c) AMENDMENTS TO THE AMERICAN TECHNOLOGY PREEMINENCE ACT OF 1991.—Section 201(d) of the American Technology Preeminence Act of 1991 (15 U.S.C. 278n note) is amended by adding at the end the following new sentence: "In the case of the amendment made by subparagraph (A) of subsection (c)(6), such amendment shall be effective as of the date of enactment of the paragraph stricken by such paragraph.".

(2) Section 507 of the American Technology Preeminence Act of 1991 (15 U.S.C. 3717) is repealed.

(d) AMENDMENTS TO THE NATIONAL SCIENCE AND TECHNOLOGY POLICY, ORGANIZATION, AND PRIORITIES ACT.—(1) Title IV of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.c. 6651) is amended to read as follows:

"TITLE IV—NATIONAL SCIENCE AND TECHNOLOGY COUNCIL

"SEC. 401. There is established a National Science and Technology Council (hereafter in this title referred to as the 'Council').

"SEC. 402. Within 30 days after the date of enactment of the National Competitiveness Act of 1994, the President shall submit to Congress a report that outlines the composition and functions of the Council.

"SEC. 403. (a) The Council shall assume the responsibilities and authorities of the Federal Coordinating Council for Science, Engineering, and Technology, the National Space Council, and the National Critical Materials Council.

"(b) Executive departments and agencies shall make resources, including, but not limited to, personnel, office support, and printing, available to the Council.

"(c) The Council is authorized to establish such committees and working groups as it may require.".

(2) The Federal Coordinating Council for Science, Engineering, and Technology established by Public Law 94-282 and by Executive Order 12039, the National Space Council established by Public Law 100-685 and Executive Order 12675, and the National Critical Materials Council established by Public Law 98-373 are hereby abolished.

(3) Section 207(c) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6616(c)) is amended—

(A) by amending paragraph (1) to read as follows:

"(1) appoint such officers and employees as deemed necessary to perform the functions now or hereafter vested in the Director without regard to any provision of law regulating the employment or compensation of persons in the Government service, at rates not to exceed the rate of pay for level VI of the Senior Executive schedule as provided pursuant to section 5382 of title 5, the United States Code, and to prescribe their duties;"; and

(B) by striking "and" at the end of paragraph (2); by striking the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and by adding at the end the following new paragraph:

"(4) accept voluntary and uncompensated services, notwithstanding the provisions of section 1342, title 31, United States Code.".

SEC. 304. TECHNOLOGY MONITORING AND COMPETITIVENESS ASSESSMENT.

Section 101 of the Stevenson-Wydler Technology Innovation Act of 1980, as redesignated by section 213(2) of this Act, is amended by striking subsection (e) and inserting in lieu thereof the following new subsections:

"(e) OFFICE OF TECHNOLOGY MONITORING AND COMPETITIVENESS ASSESSMENT.—(1) The Secretary, through the Under Secretary, shall establish within the Technology Administration an Office of Technology Monitoring and Competitiveness Assessment, to collect, evaluate, assess, and disseminate to United States industry, State and local governments, nonprofit organizations, and other interested parties information on—

"(A) foreign science and technology, specifically information assessing foreign capabilities relative to the United States;

"(B) policies and programs used by foreign governments and industries to develop and apply economically important critical technologies, how these policies and programs compare with public and private activities in the United States, and the effects that these foreign policies and programs have on the competitiveness of United States industry; and

"(C) the way in which the economic competitiveness of United States industry can be enhanced through Federal programs, including Department of Commerce programs, and evaluations of the effectiveness of Federal technology programs in helping to promote United States industrial competitiveness and economic growth.

"(2) Based on the information gathered under paragraph (1), the President, with the assistance of the Secretary, shall submit to Congress an annual report on United States technology and competitiveness analyzing the condition of United States technology relative to major trading partners, key trends in foreign technology and competitiveness policies and targeting, and the degree to which Federal programs are helping the United States to stay competitive with other countries and create domestic employment opportunities.

"(3) The Office of Technology Monitoring and Competitiveness Assessment is authorized to—

"(A) act as a focal point within the Federal Government for the collection and dissemination, including electronic dissemination, of information on foreign process and product technologies, including information collected under the Japanese Technical Literature Program;

"(B) work and, as appropriate, entered into cooperative arrangement with sector-specific industry trade associations or consortia to define the information desire by industry;

"(C) compile and make available the extensive foreign technology monitoring and assessment information already collected and analyzed by the Federal Government;

"(D) as appropriate, enter into controlled access agreements with other Federal agencies to fill the industry's information needs;

"(E) act as an electronic clearinghouse for such information or otherwise provide for such a clearinghouse;

"(F) direct and fund the collection of additional related information;

"(G) direct and fund analysis of foreign research and development activities, technical capabilities, workplace practices, particularly in technical areas where the United States is considered to be at par or lagging foreign capabilities;

"(H) establish a program to identify technical areas needing a full-scale technical evaluation, and provide, on a cost-shared basis to private sector or government-industry joint ventures, grants to conduct the evaluation; and

"(I) work with the Department of State to place technical experts from the Institute and other Federal laboratories into United States embassies to serve as technology attaches and counselors.

"(f) FELLOWSHIP PROGRAM.—(1) The Secretary, acting through the Under Secretary, shall establish and administer a fellowship program to support Technology Fellows to assist the Under Secretary in carrying out activities under subsection (e) relating to those countries that are major competitors of the United States in critical technologies, and to identify opportunities for technology transfer to the United States or technological collaboration for United States industries.

"(2) Technology Fellows shall—

"(A) regularly report to the Department of Commerce on work planned, in progress, and accomplished; and

"(B) provide support to the Department of Commerce as requested by that Department.

"(3) Fellowships awarded under the program established under this subsection shall—

"(A) be awarded for a period of 2 years;

"(B) be reasonable and appropriate; and

"(C) include provisions for living and office arrangements in the host country.

"(4) Only individuals who—

"(A) have at least a bachelors degree in engineering or science; and

"(B) have at least 5 years of work experience in manufacturing or technology development,

shall be eligible for a fellowship under this program.".

SEC. 305. RECOUPMENT.

Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), as amended by this Act, is further amended by adding at the end the following new subsection:

"(n)(1) Any transaction providing assistance under this section may include a clause that requires the recipient to make payments to the Department of Commerce as a condition of receiving such assistance.

"(2) There is established on the books of the Treasury a separate account for the Advanced Technology Program established under this section. Amounts received by the United States pursuant to a requirement imposed under paragraph (1) may be credited to the extent authorized by the Secretary, to the account established under this paragraph. Amounts so credited shall be merged with other funds in the account and shall be available, to the extent provided in advance in appropriations Acts, for the same purposes and the same period for which other funds in such account are available.".

SEC. 306. TECHNOLOGY FINANCING PILOT PROGRAM.

The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), as amended by title II of this Act, is further amended by adding at the end the following new title:

"TITLE III—ADDITIONAL ASSISTANCE TO INDUSTRY

"SEC. 301. FINDING AND STATEMENT OF POLICY.

"Congress finds and declares the following:

"(1) In recent years, United States technology firms appear to have had increasing difficulty financing the development and early-stage commercialization of important new critical civilian technologies. Venture capital is less available than in past years; banks appear less willing to provide loans; and medium-sized as well as small companies often have problems financing long-term technology projects.

"(2) This difficulty in obtaining financing particularly hurts those technology firms which face foreign competitors which have received substantial direct or indirect financial help from their respective governments.

"(4) The Nation would benefit from a technology financing pilot program designed to assist, on an experimental basis, private-sector venture capital entities which, in turn, can select and support the most promising and valuable long-term United States technology projects.

"SEC. 302. TECHNOLOGY FINANCING PILOT PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—(1) There is established a Department of Commerce-Small Business Administration Pilot Technology Financing Partnership Program (in this section referred to as the 'Pilot Program').

"(2) The Pilot Program shall be operated under the direction of a Department of Commerce-Small Business Administration Venture Capital Licensing Committee (in this section referred to as the 'Licensing Committee'), which shall consist of—

"(A) three Department of Commerce designees appointed by the Secretary, one of whom shall be the Under Secretary for Technology and shall serve as chair of the Licensing Committee, and the other two of whom shall be technology experts, at least one of whom shall also be a finance and investment expert; and

"(B) two Small Business Administration designees who are appointed by the Administrator of the Small Business Administration (in this section referred to as the 'Administrator') who shall be finance and investment experts.

"(3) Under the Pilot Program, for the purpose of stimulating and expanding the flow of private capital to eligible technology firms and eligible joint ventures—

"(A) the Licensing Committee may license, pursuant to joint regulations promulgated under paragraph (4), private sector entities, to be known as 'civilian technology investment companies'; and

"(B) to the extent directed by the Secretary and the Administrator and provided in advance in appropriations Acts, and in accordance with the operating plan developed under subsection (f), the Licensing Committee may authorize the Small Business Administration to assist financially such civilian technology investment companies.

"(4) The Secretary and the Administrator, acting through the Licensing Committee, shall promulgate such regulations (in this section referred to as the 'joint regulations') as shall be necessary to carry out the Pilot Program. Such joint regulations shall reflect that the Administrator will have primary responsibility for executing the Pilot Program, using Small Business Administration personnel and the programmatic authority provided in this section, and applicable law. In accordance with the operating plan developed by the Licensing Committee under subsection (f), the Administrator may issue regulations modifying and augmenting existing Small Business Administration authority or program criteria, as necessary, to accommodate the special needs of the Pilot Program. Those Small Business Administration regulations which are modified or adopted to facilitate the Pilot Program shall also be reviewed by the Licensing Committee and, if approved by the Licensing Committee, shall become part of the joint regulations.

"(5) The Secretary shall, utilizing Department of Commerce technology personnel and the programmatic authority provided in this section and under applicable law, institute and implement a complementary information and technical assistance pilot program designed to facilities matches between high-technology companies seeking financing and venture capitalists looking for meritorious early-stage critical technology investments.

"(6) Such funds as may be appropriated through this Act or any other Act to the Department of Commerce to implement the Pilot Program may be transferred by the Secretary to the Small Business Administration, as necessary to carry out the purposes of this section, in accordance with subsection (c)(1).

"(b) ACTIVITIES OF LICENSEES.—(1) Each civilian technology investment company licensed under this section may provide venture capital and loans to eligible technology firms and eligible joint ventures in such manner and under such terms as the licensee may fix in accordance with the joint regulations. Civilian technology investment companies may provide venture capital and loan directly or in coinvestments with other investors. The type of financing to be provide shall be determined by the Licensing Committee, and shall include but shall not be limited to that provided by the Small Business Act or the Small Business Investment Act of 1958, or any regulation promulgated thereunder.

"(2) Each civilian technology investment company shall have authority to borrow money and to issue its debentures, promissory notes, securities, or other obligations under such general conditions and subject to such limitations and regulations as prescribed in the joint regulations.

"(c) ASSISTANCE TO LICENSEES.—(1) In order to encourage the formation and growth of civilian technology investment companies, the Licensing Committee is authorized, to the extent that funds are made available to the Department of Commerce in appropriations Acts, to transfer such funds as may be necessary to the Small Business Administration to purchase (or guarantee the timely payment of all principal, interest, and dividends, as scheduled, on) debentures or participating, nonvoting preferred securities issued by such companies, on such terms and conditions as are appropriate pursuant to the joint regulations to carry out the purposes of this section. The Small Business Administration is also authorized, in accordance with sections 321 and 322 of the Small Business Investment Act of 1958, and regulations promulgated thereunder, to issue and guarantee such trust certificates as are necessary and appropriate to provide funding for qualified civilian technology investment companies. Such issuance and funding shall take place in the manner and on the terms and conditions as the Licensing Committee directs and shall not be limited to the terms and conditions that the Small Business Administration utilities for funding of small business investment companies under the Small Business Investment Act of 1958.

"(2) Guarantees and purchases of debentures and equity securities under this subsection shall be made on such terms and conditions as are necessary to ensure that the cost of the program established under this section shall not exceed 15 percent of its corresponding credit authority in any fiscal year. For the purposes of this subsection, the term 'cost' shall have the same meaning given such term in section 502(5) of the Federal Credit Reform Act of 1990, and the term 'credit authority' shall have the same meaning given such term in section 3 (10) of the Congressional Budget Act of 1974.

"(d) PURPOSES AND REQUIREMENTS.—The Licensing Committee shall require that any civilian technology investment company licensed and assisted under this section shall—

"(1) focus primarily on providing patient early-stage capital, either loans or equity investments, to eligible technology firms and eligible joint ventures in the United States in order to help those firms and joint ventures finance and accelerate the development and early-stage commercialization of critical civilian technologies;

"(2) provide financial assistance to critical civilian technology projects at eligible technology firms and eligible joint ventures; provided, however, that the Department of Commerce members of the Licensing Committee shall determine whether the products, processes, and service provided by firms assisted by a licensee in fact will assist in developing United States critical technologies;

"(3) demonstrate to the Licensing Committee credible procedures for ensuring that investments are made in critical technology projects for which eligible technology firms cannot obtain necessary financing solely through commercial capital markets; and

"(4) work with the Licensing Committee to establish methods to identify and evaluate projects to be assisted by the licensee, using, as appropriate, the existing expertise of the National Institute of Standards and Technology, and other organizations, including Regional Centers for the Transfer of Manufacturing Technology, universities, and other research institutions.

"(e) PAYMENTS.—All amounts received by the Small Business Administration from the payment of dividends, any profit allocation, the redemption of securities pursuant to this section, and any fees paid to the United States by a civilian technology investment company licensed pursuant to this section, shall be deposited in the Treasury, in accordance with the joint regulations and the requirements of the Federal Credit Reform Act of 1990.

"(f) OPERATING PLAN EFFECTIVE DATE; AND EVALUATION.—(1) The Secretary and the Administrator, acting through the Licensing Committee, shall jointly and in consultation with State and local governments, industry, and the financial community, prepare and submit to Congress within one year after the date of enactment of this title, an operating plan and draft joint regulations to carry out this section. In preparing such a plan, the Secretary and Administrator shall consider and evaluate alternative approaches to help technology firms and joint ventures in the United States develop and commercialize critical civilian technologies. As part of their report, they shall make recommendations to Congress as they deem appropriate.

"(2) Except for the requirements set forth in subsection (a) and paragraph (1) of this subsection, the provisions of this section shall not take effect until 6 months after the date of the issuance of the report required in paragraph (1).

"(3) After appropriations are provided for the Pilot Program authorized under this section, the Licensing Committee, in consultation with industry and the financial community, shall evaluate annually the effectiveness of the Program and submit an annual report to appropriate committees of Congress on the findings resulting from such evaluation. Such report shall contain, on a confidential basis, appendices which include, but are not necessarily limited to, the type and amount of assistance provided to licensees under this section, key characteristics of such licensees, the number and size in net worth of the technology firms and joint ventures (and the participants comprising them) assisted by each licensee, the amount of assistance provided to each eligible technology firm or eligible joint venture, and the types of technology each eligible technology firm or joint venture is developing and commercializing. Such report also shall contain an analysis of the Pilot Program's impact on the Small Business Administration's Small Business Investment Company program.

"(4) Five years after appropriations have been provided for the Pilot Program authorized under this section, the General Accounting Office, in consultation with industry and the financial community, shall evaluate the effectiveness of the Program and submit a report to appropriate committees of Congress on the findings resulting from such evaluation. Such evaluation shall include an analysis of the Pilot Program's impact on the Small Business Administration's Small Business Investment Company program.

"(g) DEFINITIONS.—As used in this section, the term—

"(1) 'appropriate committees of Congress' means the Committee on Science, Technology, and Space and Committee on Small Business of the House of Representatives and the Committee on Commerce, Science, and Transportation and Committee on Small Business of the Senate;

"(2) 'critical civilian technology' means a technology not exclusively military which is identified in one or more of the biennial national critical technologies reports required under section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683);

"(3) 'eligible joint venture' means a joint research and development venture or joint production venture, as defined in section 2 of the National Cooperative Research Act of 1984 (5 U.S.C. 4301)—

"(A) which meets the requirements of section 28(d)(9) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(9));

"(B) whose purpose in seeking financing is the development of products, processes, and services based on critical civilian technologies; and

"(C) which meets size standards set by the Licensing Committee, which size standards need not comply with the Small Business Act or the Small Business Investment Act of 1958, or any regulation promulgated thereunder of interpretation thereof;

"(4) 'eligible technology firm' means a company—

"(A) which meets the requirements of section 28(d)(9) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(9));

"(B) whose purposes in seeking financing is the development of products, processes, and services based on critical civilian technologies; and

"(C) which meets size standards set by the Administrator;

"(4) 'finance and investment expert' means an individual who has administered or participated in a venture capital or similar financing program, or has operated a venture capital company; and

"(5) 'licensee' means a civilian technology investment company licensed by the Licensing Committee pursuant to this section.".

TITLE IV—ADDITIONAL COMMERCE DEPARTMENT PROVISIONS

SEC. 401. DEPARTMENT OF COMMERCE TECHNOLOGY ADVISORY BOARD.

The Stevenson-Wydler Technology Innovation Act of 1980 (as amended by sections 211 and 213 or this Act) is further amended by inserting after section 103 (as added by section 211 of this Act) the following new section:

"SEC. 104. DEPARTMENT OF COMMERCE TECHNOLOGY ADVISORY BOARD.

"(a) ESTABLISHMENT.—There is established a Department of Commerce Technology Advisory Board (in this section referred to as the 'Advisory Board'), the purpose of which is to advise the Secretary, Under Secretary, and Director on the plans, programs, and policies of the Technology Administration, including ways in which to—

"(1) promote the development and rapid application of advanced commercial technologies, including advanced manufacturing technologies such as skill-based production technologies;

"(2) strengthen the programs of the Technology Administration; and

"(3) generally improve the global competitiveness of industries within the United States.

"(b) COMPOSITION.—The Advisory Board shall be composed of at least 17 members, appointed by the Under Secretary from among individuals who, because of their experience and accomplishments in technology development, business development, or finance are exceptionally qualified to analyze and formulate policy that would improve the global competitiveness of industries in the United States. The Under Secretary shall designate one member to serve as chairman. Membership of the Advisory Board shall be composed of—

"(1) representatives of—

"(A) United States small businesses;

"(B) United States manufacturers;

"(C) research universities and independent research institutes;

"(D) State and local government agencies involved in industrial extension;

"(E) national laboratories;

"(F) industrial, worker, and technical and professional organization; and

"(G) financial organization; and

"(2) other individuals that possess important insight to issues of national competitiveness.

The Under Secretary shall make an effort to ensure the appointment of socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act, and including women) to the Advisory Board.

"(c) Meetings.—(1) The chairman shall call the first meeting of the Advisory Board not later than 90 days after the date of enactment of this section.

"(2) The Advisory Board shall meet at least once every 6 months, and at the call of the Under Secretary.

"(d) Travel Expenses.—Members of the Advisory Board, other than full-time employees of the United States, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code, while engaged in the business of the Advisory Board.

"(e) Consultation.—In carrying out this section, the Under Secretary shall consult with other agencies, as appropriate. The Advisory Board, as appropriate, shall establish communication and coordination mechanisms with other Federal advisory committees to help ensure integrated Federal private consideration of technology and manufacturing policies and programs.

"(f) Termination.—Section 14 of the Federal Advisory Committee Act shall not apply to the Advisory Board.

"(g) Secretarial Discretion.—Notwithstanding any other provision of this section, the Secretary shall have the discretion to decide whether to establish the Advisory Board or create a more cost-effective way to achieve the goal of closer cooperation with industry. If the Secretary exercises such discretion and establishes an alternative mechanism, the Under Secretary shall make an effort to ensure the participation of socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act, and including women) in the alternative mechanism.".

SEC. 402. INTERNATIONAL STANDARDIZATION.

(a) Findings.—The Congress finds that—

(1) private sector consensus standards are essential to the timely development of competitive products;

(2) Federal Government contribution of resources and more active participation in the voluntary standards process in the United States can increase the quality of United States standards, increase their compatibility with the standards of other countries, and ease access of products manufactured by United States manufacturers to foreign markets; and

(3) the Federal Government, working in cooperation with private sector organizations including trade associations, engineering societies, technical organizations, and other standards-setting bodies can effectively promote Federal Government use of United States consensus standards and, where appropriate, the adoption and Federal Government use of international standards.

(b) Standards Pilot Program.—Section 104(e) of the American Technology Preeminence Act of 1991 (Public Law 102-245; 106 Stat. 10) is amended—

(1) by inserting "(1)" before "Pursuant to the";

(2) By striking "matching funds" and inserting in lieu thereof "financial contributions deemed appropriate by the Secretary"; and

(3) by adding at the end the following new paragraph:

"(2) As necessary and appropriate, the Institute shall expand the program established under section 112 of the National Institute of Standards and Technology Authorization Act for Fiscal Year 1989 (15 U.S.C. 272 note) by extending the existing program to include other countries that request assistance with standards-related activities from official representatives of the United States Government. The Institute may enter into additional contracts with non-Federal organizations representing United States companies described in section 28(d)(9)(B) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(9)(B)) or with United States-based professional societies and other standards-setting bodies that participate in the development of standards. Such contracts shall require cost sharing between Federal and non-Federal sources for such purposes. In awarding such contracts, the Institute shall seek to promote and support the dissemination of United States technical standards to additional foreign countries and shall seek, as the Director deems appropriate, to promote the adoption of international standards supported by United States industry, and shall seek to assist private sector developers of standards, including engineering societies which participate in the development of standards in expediting the development of domestic and other standards which enable the introduction of technologies, products, or technology-based services which are being delayed due to the lack of available standards. The Institute and such contractors shall, in carrying out the preceding sentence, cooperate with governmental bodies, private organizations (including standards setting organizations and industry), and multinational institutions that promote economic development. The organizations receiving such contracts may establish training programs to bring to the United States foreign standards experts for the purpose of receiving in-depth training in the United States standards system.".

(c) Report on Global Standards.—(1) Section 508(a) of the American Technology Preeminence Act of 1991 (15 U.S.C. 3701 note) is amended—

(A) by inserting "standards development and international" after "a thorough review of international";

(B) by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively; and

(C) by inserting before paragraph (2), as so redesignated, the following new paragraph:

"(1) Current and potential future roles of the Federal Government in the development and promulgation of domestic and global product and process standards.".

(2) The Secretary, in consultation with the Institute and the Department of Commerce Technology Advisory Board established under section 104 of the Stevenson-Wydler Technology Innovation Act of 1980 (as added by section 401 of this Act) and with, as appropriate, the active participation of the private sector, shall submit to the Congress a report describing the appropriate roles of the Department of Commerce in aid to United States companies in achieving conformity assessment and accreditation and otherwise qualifying their products in foreign markets, through the development and promulgation of domestic and global product and quality standards, and through Department of Commerce programs related to conformity assessment and accreditation procedures based upon such standards, including a discussion of the extent to which each of the policy options provided in the March 1992 Office of Technology Assessment report on global standards, contributes to meeting the goals of—

(A) increasing the international adoption of standards beneficial to United States industries; and

(B) improving the coordination of United States representation at international standards setting bodies.

SEC. 403. MALCOLM BALDRIGE AWARD AMENDMENTS.

(a) Restriction.—Section 111(c)(3) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(5) of this Act, is amended to read as follows:

"(3) No award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory.".

(b) Categories in Which Award May Be Given.—(1) Section 111(c)(1) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(5) of this Act, is amended by adding at the end the following new subparagraph:

"(D) Educational institutions.".

(2)(A) Within 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report containing—

(i) criteria for qualification for a Malcolm Baldrige National Quality Award by various classes of educational institutions;

(ii) criteria for the evaluation of applications for such awards under section 111(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(5) of this Act; and

(iii) a plan for funding awards described in clause (i).

(B) In preparing the report required under subparagraph (A), the Secretary shall consult with the National Science Foundation and other public and private entities with appropriate expertise, and shall provide for public notice and comment.

(C) The Secretary shall not accept applications for awards described in subparagraph (A)(i) until after the report required under subparagraph (A) is submitted to Congress.

SEC. 404. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS.

Section 202(d)(2)(A) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(7) of this Act, by inserting "including Federal test and evaluation facilities," after "by a Federal agency,".

SEC. 405. PROGRAM EVALUATIONS.

Section 101 of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(2) of this Act and as amended by this Act, is further amended by adding at the end the following new subsection:

"(g) PROGRAM EVALUATIONS.—(1) The Secretary, through the Under Secretary, shall—

"(A) provide for the conduct of research and analyses to advance knowledge of the ways in which the economic competitiveness of United States companies can be enhanced through Federal programs established under the National Competitiveness Act of 1994 or the amendments made by that Act; and

"(B) as appropriate, provide for evaluations of Federal technology programs established or expanded under the National Competitiveness Act of 1994 or the amendments made by that Act in order to judge their effectiveness and make recommendations to improve their contribution to United States competitiveness.

"(2) All executive departments and agencies shall assist the Secretary in carrying out this subsection as appropriate.

"(3) Nothing in this subsection shall authorize the release of information to, or the use of information by, the Secretary or Under Secretary in a manner inconsistent with law or any procedure established pursuant thereto.

"(4) The head of any Federal agency may detail such personnel and may provide such services, with or without reimbursement, as the Secretary may request to assist in carrying out the activities required under this subsection.".

SEC. 406. STUDY OF SEMICONDUCTOR LITHOGRAPHY TECHNOLOGIES.

Within 9 months after the date of enactment of this Act, the Critical Technologies Institute established under section 822 of the National Defense Authorization Act for Fiscal Year 1991 (42 U.S.C. 6686) shall, after consultation with the private sector and appropriate officials from other Federal agencies, submit to Congress a report on advanced lithography technologies for the production of semiconductor devices. The report shall include the Critical Technologies Institute's evaluation of the likely technical and economic advantages and disadvantages of each such technology, an analysis of current private and Government research to develop each such technology, and any recommendations the Critical Technologies Institute may have regarding future Federal support for research and development in advanced lithography.

SEC. 407. CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES

Section 105(a) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 213(5) of this Act, is amended by striking "Office of Productivity, Technology, and Innovation" and inserting in lieu thereof "Technology Administration".

SEC. 408. WIND ENGINEERING RESEARCH PROGRAM.

(a) SHORT TITLE.—This section may be cited as the "Wind Engineering Program Act of 1994".

(b) FINDINGS.—Congress finds and declares the following:

(1) Hurricanes and tornadoes kill more Americans and destroy more property than any other natural disaster.

(2) Each year, in the United States, extreme winds cause billions of dollars of damage to homes, schools, and other buildings, roads and bridges, electrical power distribution networks, and communications networks.

(3) Research on wind and wind engineering has resulted in improved methods for making buildings and other structures less vulnerable to extreme winds, but additional research funding is needed to develop new, improved, and more cost-effective methods of wind-resistant construction.

(4) Federal funding for wind engineering research has decreased drastically over the last 20 years.

(5) Wind research has been hampered by a lack of data on near-surface wind speed and distribution during hurricanes, tornadoes, and other severe storms.

(6) Many existing methods for wind-resistant construction are inexpensive and easy to implement but often they are not applied because the construction industry and the general public are unaware of such methods.

(7) Various Federal agencies have important roles to play in wind engineering research, but at present there is little interagency cooperation in this area.

(8) Establishment of a Federal Wind Engineering Program would result in new technologies for wind-resistant construction, broader application of such technologies in construction, and ultimately decreased loss of life and property due to extreme winds.

(c) PURPOSE.—The purpose of this section is to create a Wind Engineering Program within the National Institute of Standards and Technology, which would—

(1) provide for wind engineering research;

(2) serve as a clearinghouse for information on wind engineering; and

(3) improve interagency coordination on wind engineering research between the National Institute of Standards and Technology, the National Oceanic and Atmospheric Administration, the National Science Foundation, the Federal Aviation Administration, and other appropriate agencies.

(d) ESTABLISHMENT.—Within the National Institute of Standards and Technology, there shall be established a Wind Engineering Program which shall—

(1) conduct research and development, in cooperation with the private sector and academia, on new methods for mitigating wind damage due to tornadoes, hurricanes, and other severe storms;

(2) fund construction and maintenance of wind tunnels and other research facilities needed for wind engineering research;

(3) promote the application of existing methods for, and research results on, reducing wind damage to buildings that are usually incompletely- or non-engineered, such as single family dwellings, mobile homes, light industrial buildings, and small commercial structures;

(4) transfer technology developed in wind engineering research to the private sector so that it may be applied in building codes, design practice, and construction;

(5) conduct, in conjunction with the National Oceanic and Atmospheric Administration, post-disaster research following hurricanes, tornadoes, and other severe storms to evaluate the vulnerability of different types of buildings to extreme winds;

(6) serve as a point of contact for dissemination of research information on wind engineering and work with the private sector to develop education and training programs on construction techniques, developed from research results, for reducing wind damage;

(7) work with the National Oceanic and Atmospheric Administration, the Federal Aviation Administration, and other agencies as is appropriate, on meteorology programs to collect and disseminate more data on extreme wind events; and

(8) work with the National Science Foundation to support and expand basic research on wind engineering.

SEC. 409. ENVIRONMENTALLY SENSITIVE CONSTRUCTION TECHNOLOGIES.

(a) SHORT TITLE.—This section may be cited as the "Environmentally Sensitive Construction Act of 1994".

(b) FINDINGS AND PURPOSE.—Congress finds the following:

(1) As the world economy develops, environmental concerns are becoming increasingly critical.

(2) Developing the world economy through the use of environmentally sound technologies will pay dividends for years to come.

(3) The United States should be a leader in developing environmentally sound technologies.

(4) As shelter is a basic human need, the development of environmentally sound construction techniques should be a priority area.

(5) Establishment of a Federal Environmentally Sensitive Construction Program within the Institute would result in new technologies for environmentally sensitive construction, broader application of such technologies in construction, and an improved world economy and environment.

(c) ESTABLISHMENT.—Within the Institute, there shall be established a Federal Environmentally Sensitive Construction Program which shall—

(1) conduct research and development, in cooperation with the private sector and academia, on construction materials and techniques which result in structures which pose low environmental and health risks for their occupants and minimize waste generation and other environmental problems;

(2) as appropriate and permitted by appropriations, support academic research projects in regions around the Nation to develop and demonstrate environmentally sensitive construction; and

(3) disseminate information on environmentally sensitive construction technology.

SEC. 410. AMERICAN WORKFORCE QUALITY.

(a) WORKFORCE ACTIVITIES.—In addition to existing responsibilities and authorities prescribed by law, the Secretary, through the Director and after consultation with the Secretary of Labor, shall ensure that Regional Centers for the Transfer of Manufacturing Technology and Manufacturing Outreach Centers utilize, when appropriate, their expertise and capability to assist managers and workers of manufacturers in the United States in effectively utilizing and operating advanced manufacturing technologies and modern technologies—

(1) by making available assessments of the needs of manufacturers in the United States for worker training in the effective utilization and operation of specific technologies the manufacturers have adopted or are planning to adopt;

(2) by making available to manufacturers in the United States information on commercially and publicly provided worker training services, including those provided by United States sources of technologies, in the effective utilization and operation of specific technologies the manufacturers have adopted or are planning to adopt; and

(3) by providing information to client firms and their workers to enable them effectively to utilize and operate specific technologies that the firms have adopted or plan to adopt.

(b) WORKFORCE ANALYSIS AND INFORMATION DISSEMINATION.—In addition to existing responsibilities and authorities prescribed by law, the Secretary, through the Director and in consultation with the Secretary of Labor and other appropriate Federal officials and with leaders of industry and labor, shall assist managers and other workers of manufacturers in the United States in effectively utilizing and operating advanced manufacturing technologies and modern technologies—

(1) by establishing and managing a clearinghouse for information, to be available through an appropriate entity to the Regional Centers for the Transfer of Manufacturing Technology, to the Manufacturing Outreach Centers when they are established, to other technology training entities, or directly to manufacturers, on the best available training material and services for the effective utilization and operation of specific advanced manufacturing technologies and modern technologies;

(2) by encouraging United States providers of advanced manufacturing technologies and modern technologies for manufacturers to develop training material specifically designed for the managers and other workers responsible for utilizing and operating such technologies; and

(3) by establishing as an important criterion in the assessment of advanced manufacturing technologies and modern technologies the availability of training material specifically designed for the managers and other workers responsible for utilizing and operating such technologies.

SEC. 411. SEVERABILITY.

If any provision of this Act or the amendments made by this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act and the amendments made by this Act, and the application thereof to other persons or circumstances, shall not be affected thereby.

SEC. 412. USE OF DOMESTIC PRODUCTS.

(a) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—(1) A person shall not intentionally affix a label bearing the inscription of "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under this Act, or under any amendment made by this Act, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, CFR, or any successor procedures thereto.

(b) COMPLIANCE WITH BUY AMERICAN ACT.—(1) Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the "Buy American Act").

(2) This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this Act, or by any amendment made by this Act, to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) The Secretary, before January 1, 1995, shall report to the Congress on procurements covered under this subsection of products that are not domestic products.

(c) PURCHASE OF AMERICAN MADE EQUIPMENT AND PRODUCTS.—(1) It is the sense of Congress that any recipient of a grant under this Act, or under any amendment made by this Act, should, when practical, purchase only American made equipment and products when expending grant monies.

(2) In allocating grants under this Act, or under any amendment made by this Act, the Secretary shall provide to each recipient a notice describing the statement made in paragraph (1) by the Congress.

(d) DEFINITION.—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

SEC. 413. PERSONNEL.

Notwithstanding any other provision of law, the personnel management demonstration project, established under section 10 of the National Bureau of Standards Authorization Act for Fiscal Year 1987 (15 U.S.C. 275 note), is extended until December 31, 1998.

TITLE V—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 501. TECHNOLOGY ADMINISTRATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, to carry out the activities of the under Secretary and the Assistant Secretary of Commerce for Technology Policy, in addition to any other amounts authorized for such purposes, for the Office of the Under Secretary—

(1) $6,000,000 for fiscal year 1994;

(2) $11,300,000 for fiscal year 1995, of which $2,000,000 are authorized for program evaluations under section 101(g) of the Stevenson-Wydler Technology Innovation Act of 1980, as added by section 405 of this Act; and

(3) $14,000,000 for fiscal year 1996.

(b) NATIONAL TECHNICAL INFORMATION SERVICE FACILITIES STUDY.—As part of its modernization effort and before signing any lease for a new facility, the National Technical Information Service, in consultation with the General Services Administration, shall study and report to Congress on the feasibility of accomplishing all or part of its modernization by signing a long-term lease with an organization that agrees to supply a facility and supply and periodically upgrade modern equipment which permits the National Technical Information Service to receive, store, and manipulate in electronic form, and print, electronically-created documents and reports and to carry out the other functions assigned to the National Technical Information Service.

SEC. 502. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

(a) INTRAMURAL SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES.—(1) There are authorized to be appropriated to the Secretary, to carry out the intramural scientific and technical research and services activities of the Institute, $240,988,000 for fiscal year 1994, $320,000,000 for fiscal year 1995, and $350,000,000 for fiscal year 1996.

(2) Of the amounts authorized under paragraph (1)—

(A) $1,000,000 for each of the fiscal years 1994, 1995, and 1996 are authorized only for the evaluation of nonenergy-related inventions;

(B) $8,054,000 for fiscal year 1994 and $8,113,000 for each of the fiscal years 1995 and 1996 are authorized only for the technical competence fund; and

(C) $5,000,000 for each of the fiscal years 1994, 1995, and 1996 are authorized only for the standards pilot project established under section 104(e) of the American Technology Preeminence Act of 1991 (Public Law 102-245; 106 Stat. 10).

(b) FACILITIES.—In addition to the amounts authorized under subsection (a), there are authorized to be appropriated to the Secretary $62,000,000 for fiscal year 1994, $110,392,000 for fiscal year 1995, and $112,000,000 for fiscal year 1996, for the renovation and upgrading of the Institute's facilities. The Institute may enter into a contract for the design work for such purposes only if Federal Government payments under the contract are limited to amounts provided in advance in appropriations Acts.

(c) EXTRAMURAL INDUSTRIAL TECHNOLOGY SERVICES.—(1) In addition to the amounts authorized under subsections (a) and (b), there are authorized to be appropriated to the Secretary, to carry out the extramural industrial technology services activities of the Institute—

(A) for the Manufacturing Extension Partnership, $40,000,000 for fiscal year 1994, $70,000,000 for fiscal year 1995, and $100,000,000 for fiscal year 1996;

(B) for the Advanced Technology Program, $200,000,000 for fiscal year 1994, $475,000,000 for fiscal year 1995, and $575,000,000 for fiscal year 1996; and

(C) for quality programs at the Institute, $2,800,000 for fiscal year 1994, $10,000,000 for fiscal year 1995, and $10,000,000 for fiscal year 1996.

(2) The Secretary shall ensure that audits are performed by outside auditors on the programs for which funds are appropriated pursuant to this subsection. The summary results of such audits shall be submitted to Congress by the end of each of the fiscal years 1994 and 1995, and not more than $2,000,000, or 2 percent of the aggregate amount made available under this subsection, whichever is greater, shall be used in each such fiscal year for performing the audits.

(d) TRANSFERS.—(1) Funds may be transferred among the line items listed in subsection (a) and among the line items listed in subsection (c) so long as—

(A) the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection;

(B) the aggregate amount authorized under subsection (a) is not changed; and

(C) the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(2) The Secretary may propose transfers to or from any line item listed in subsection (a) exceeding 10 percent of the amount authorized from such line item, but such proposed transfer may not be made unless—

(A) a full and complete explanation of any such proposed transfer and the reason therefor are transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate; and

(B) 30 days have passed following the transmission of such written explanation.

(e) WIND ENGINEERING.—(1) There are authorized to be appropriated to the Institute for the purposes of section 408 of this Act, $1,000,000 for fiscal year 1994 and $3,000,000 for each of the fiscal years 1995 and 1996.

(2) Of the amounts appropriated under paragraph (1), no less than 50 percent shall be used for cooperative agreements with the National Oceanic and Atmospheric Administration, the National Science Foundation, and the Federal Aviation Administration, or other agencies, for wind engineering research, development of improved practices for structures, and the collection and dissemination of meteorological data needed for wind engineering.

(4) ENVIRONMENTALLY SENSITIVE CONSTRUCTION PROGRAM.—There are authorized to be appropriated to the Institute for the purposes of section 409, $1,000,000 for fiscal year 1994 and $3,000,000 for fiscal year 1995.

SEC. 503. ADDITIONAL ACTIVITIES OF THE TECHNOLOGY ADMINISTRATION.

In addition to the amounts authorized under sections 501 and 502, there are authorized to be appropriated to the Secretary to carry out additional duties of the Under Secretary—

(1) for the establishment and management of a technology training clearinghouse, $2,000,000 for each of the fiscal years 1994 and 1995 and $3,000,000 for fiscal year 1996;

(2) for the support of policy experiments relating to intelligent manufacturing systems, $2,000,000 for fiscal year 1995 and $4,000,000 for fiscal year 1996;

(3) for carrying out responsibilities for technology monitoring and competitiveness assessment, $10,000,000 for each of the fiscal years 1994 and 1995 and $12,000,000 for fiscal year 1996;

(4) for the National Technical Information Service revolving fund, $20,000,000 for each of the fiscal years 1995 and 1996; and

(5) for the purpose of carrying out the technology financing pilot program under section 306, $2,000,000 for fiscal year 1994 to prepare the operating plan and promulgate regulations required under that section and $50,000,000 for each of the fiscal years 1995 and 1996 to carry out the provisions of that section.

SEC. 504. NATIONAL SCIENCE FOUNDATION.

In addition to such other sums as may be authorized by other provisions of law to be appropriated to the Director of the National Science Foundation, there are authorized to be appropriated to that Director, to carry out the provisions of section 221, $50,000,000 for fiscal year 1994 and $75,000,000 for each of the fiscal years 1995 and 1996.

SEC. 505. AVAILABILITY OF APPROPRIATIONS.

Appropriations made under the authority provided in this title shall remain available for obligation, for expenditure, or for obligation and expenditure for periods specified in the Acts making such appropriations.

TITLE VI—INFORMATION TECHNOLOGY APPLICATIONS

SEC. 601. SHORT TITLE.

This title may be cited as the "Information Technology Applications Act of 1994".

SEC. 602. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds and declares the following:

(1) High-performance computing and high-speed networks have proven to be powerful tools for improving America's national security, industrial competitiveness, and research capabilities.

(2) Federal programs, such as the National High-Performance Computing Program established by Congress in 1991, have played a key role in maintaining United States leadership in high-performance computing, especially in the defense and research sectors.

(3) High-performance computing and high-speed networking have the potential to revolutionize many fields, including education, libraries, health care, and manufacturing, if adequate resources are invested in developing the technology needed to do so.

(4) The Federal Government should ensure that the technology developed under research and development programs such as the National High-Performance Computing Program can be widely applied for the benefit of all Americans, including Americans with disabilities.

(5) The Federal Government, in cooperation with computer users, private industry, and others, should support research and development projects which will provide large economic and social benefits. These projects, designed to address major National Challenges, should include the development of computing tools for teaching, digital libraries of electronic information, computer systems to improve the delivery of health care, and computer and networking technology to promote United States competitiveness. These applications should be designed and operated in ways which protect privacy and intellectual property rights.

(b) PURPOSE.—It is the purpose of this title to expand the scope of the National High-Performance Computing Program to identify and promote the development of applications of high-performance computing and high-speed networking which will provide large economic and social benefits to the Nation.

SEC. 603. INFORMATION TECHNOLOGY APPLICATIONS.

(a) FINDINGS, PURPOSE, AND DEFINITIONS OF HIGH-PERFORMANCE COMPUTING ACT.—The High-Performance Computing Act of 1991 (15 U.S.C. 5501 et seq.) is amended—

(1) in section 2, by amending paragraph (4) to read as follows:

"(4) High-capacity and high-speed computer networks would provide researchers and educators with access to computer and information resources and act as test beds for further research and development.";

(2) in section 3—

(A) by amending paragraph (1)(A) to read as follows:

"(A) accelerate the creation of a universally accessible communications network for the Nation;";

(B) in paragraph (1)(C), by striking "available for use through the Network";

(C) in paragraph (1)(G), by inserting "and National Challenges" after "Grand Challenges"; and

(D) by striking "and" at the end of paragraph (1)(I); by striking the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and by adding after paragraph (2) the following new paragraph:

"(3) promoting the widest possible application of high-performance computing and high-speed networking by—

"(A) identifying and addressing specific National Challenges, and generally expanding Federal support for research and development of high-performance computing and high-speed networking, in order to—

"(i) improve education at all levels, from preschool to adult education, including the development of new educational technologies;

"(ii) build digital libraries of electronic information accessible over computer networks;

"(iii) improve the provision of health care, including furnishing health care providers and their patients with better, more accurate, and more timely information; and

"(iv) increase the productivity of the Nation's industry, especially in the manufacturing sector; and

"(B) improving coordination of Federal efforts to deploy these technologies in cooperation with the private sector as part of an advanced national information infrastructure.";

(3) in section 4, by striking paragraph (4); by redesignating paragraph (5) as paragraph (7); and by inserting after paragraph (3) the following new paragraphs:

"(4) 'information infrastructure' means a network of communications systems and computer systems designed to exchange information among all citizens and residents of the United States;

"(5) 'National Challenge' means a technical or operational difficulty or problem which, if successfully solved, will result in an application of high-performance computing or high-speed networking that will provide large economic and social benefits to a broad segment of the Nation's populace;

"(6) 'Network Program' means the National Research and Education Network Program established under section 102; and".

(b) NATIONAL HIGH-PERFORMANCE COMPUTING PROGRAM.—Section 101 of the High-Performance Computing Act of 1991 is amended—

(1) in subsection (a)(2)—

(A) by amending subparagraphs (A) and (B) to read as follows:

"(A) foster and encourage competition and private-sector investment in networking within the telecommunications industry;

"(B) encourage—

"(i) a diversity of public and private sources for information products and services based on government information; and

"(ii) the dissemination of government information to the public on a timely, equitable, and affordable basis and in a manner that will promote the usefulness of the information to the public;"; and

(B) by striking "and" at the end of subparagraph (H); by striking the period at the end of subparagraph (I) and inserting in lieu thereof a semicolon; and by inserting after subparagraph (I) the following new subparagraphs:

"(J) provide for the development and, as appropriate, implementation of applications of high-performance computing and high-speed networking, through projects which address National Challenges in the fields of education, library science, health care, manufacturing, provision of government information, and other appropriate fields;

"(K) identify each Program agency's responsibility for addressing National Challenges in high-performance computing and high-speed networking; and

"(L) provide for the development, to the extent technologically feasible, of technology to protect privacy, security, and intellectual property rights (including copyrights).";

(2) in subsection (a)(4)C), by inserting "development of applications technology," after "development,"; and by inserting "Program established in section 102" after "Network"; and

(3) in subsection (a)(4), by striking "and" at the end of subparagraph (D); by striking the period at the end of subparagraph (E) and inserting in lieu thereof a semicolon; and by adding at the end the following new subparagraphs:

"(F) include a summary of the achievements of Federal efforts during the preceding fiscal year to develop technologies needed for an advanced information infrastructure;

"(G) identify steps agencies are taking to develop technology to protect privacy, security, and intellectual property rights (including copyrights) for computer networks; and

"(H) provide any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title."; and

(4) by inserting after subsection (c) the following new subsection:

"(d) COPYRIGHT LAW.—Nothing in this Act shall be construed to modify or otherwise change any provision of title 17, United States Code.".

SEC. 604. APPLICATIONS FOR EDUCATION AND LIBRARIES.

(a) NATIONAL SCIENCE FOUNDATION ACTIVITIES.—Section 201 of the High-Performance

Computing Act of 1991 (15 U.S.C. 5521) is amended—

(1) in subsection (a), by striking "and" at the end of paragraph (3); by striking the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and by adding at the end the following new paragraphs:

"(5) the National Science Foundation and the Department of Education, in cooperation with other appropriate agencies, shall provide for the development of advanced computing and networking technology for use in education at all levels; and

"(6) the National Science Foundation, the Department of Education, and other appropriate agencies shall provide for the development and use of technologies needed for digital libraries of computerized data and information and, as appropriate, may work with private and nonprofit institutions to develop prototype digital libraries to serve as test beds for advanced computing systems, software, standards, and methods."; and

(2) in subsection (b), by striking "$305,000,000" and inserting in lieu thereof "$339,000,000"; and by striking "$354,000,000" and inserting in lieu thereof "$404,000,000".

(b) NATIONAL AERONAUTICS AND SPACE ADMINISTRATION ACTIVITIES.—(1) Section 202(a) of the High-Performance Computing Act of 1991 (15 U.S.C. 5522(a)) is amended to read as follows:

"(a) GENERAL RESPONSIBILITIES.—As part of the Program described in title I, the National Aeronautics and Space Administration shall—

"(1) conduct basic and applied research in high-performance computing, particularly in the field of computational science, with emphasis on aerospace sciences, earth and space sciences, and remote exploration and experimentation; and

"(2) provide for the development of technologies needed for digital libraries and electronic information.".

(2) Section 202(b) of the High-Performance Computing Act of 1991 (15 U.S.C. 5522(b)) is amended by striking "$134,000,000" and inserting in lieu thereof "$154,000,000"; and by striking "$151,000,000" and inserting in lieu thereof "$181,000,000".

(c) ROLE OF DEPARTMENT OF EDUCATION.—Section 206 of the High-Performance Computing Act of 1991 (15 U.S.C. 5526) is amended to read as follows:

"SEC. 206. ROLE OF THE DEPARTMENT OF EDUCATION.

"(a) GENERAL RESPONSIBILITIES.—As part of the Program described in title I—

"(1) the Secretary of Education is authorized to conduct basic and applied research in computational research with the emphasis on the coordination of activities with libraries, school facilities, and educational research groups with respect to the advancement and dissemination of computer science and the development, evaluation, and application of software capabilities; and

"(2) the Department of Education, in cooperation with the National Science Foundation and other agencies as appropriate, shall provide for the development of advanced computing and networking technology at all educational levels; the development and use of technologies needed for digital libraries of computerized data and information; and the development and implementation of training programs for teachers, students, and librarians in the use of local and national computer networks.

"(b) AUTHORIZATIONS OF APPROPRIATIONS.—From sums otherwise authorized to be appropriated to the Department of Education, there are authorized to be appropriated for the purposes of carrying out responsibilities under subsection (a) of this section, $11,900,000 for fiscal year 1994; $22,100,000 for fiscal year 1995; and $2,300,000 for fiscal year 1996.".

SEC. 605. APPLICATIONS FOR MANUFACTURING AND INFORMATION.

Section 204 of the High-Performance Computing Act of 1991 (15 U.S.C. 5524) is amended—

(1) in subsection (a)(1), by striking "and" at the end of a subparagraph (B), and by inserting after subparagraph (C) the following new subparagraph:

"(D) develop, refine, test, and transfer, in coordination with other agencies when appropriate, advanced computer-integrated, electronically-networked manufacturing technologies and associated applications; and";

(2) in subsection (a), by striking the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and by adding at the end the following new paragraph:

"(3) the Secretary of Commerce and, as appropriate, other Federal officials shall, in consultation with the Superintendent of Documents, identify and support projects to develop and apply high-performance computing and high-speed networking technologies to provide improved public access to information generated by Federal, State, and local governments, including environmental monitoring information."; and

(3) in subsection (d)—

(A) in paragraph (1), by inserting "(other than Advanced Manufacturing Program activities)" after "Program" and by striking "and" at the end of the paragraph;

(B) by striking the period at the end of paragraph

(2) and inserting in lieu thereof "; and;" and

(C) by adding at the end the following new paragraph:

"(3) to the Secretary of Commerce to carry out Program activities under subsection (a)(3), $30,000,000 for fiscal year 1994 and $50,000,000 for fiscal year 1995.".

SEC. 606. APPLICATIONS IN ENERGY AND OTHER AREAS.

Section 203 of the High-Performance Computing Act of 1991 (15 U.S.C. 5523) is amended by adding at the end the following new subsection:

"(f) APPLICATIONS.—(1) The Secretary of Energy shall, consistent with the Program, develop, test, and apply high-performance computing and high-speed networking technologies in areas within the Department's missions, including—

"(A) energy demand management and control, including vehicle efficiency and utilization, energy efficiency in commercial and residential buildings, and industry energy use and practices;

"(B) environmental monitoring, modeling, and remediation;

"(C) manufacturing;

"(D) materials;

"(E) the generation of electricity and the production and consumption of oil, natural gas, and coal; and

"(F) other areas in which the Department's computing expertise may assist industry and others, including applications in health care, education and training, financial services, and law enforcement.

"(2) The Secretary of Energy shall provide for cooperative projects involving the Department of Energy and one or more Department of Energy laboratories and appropriate non-Federal entities in carrying out this subsection.

"(3) In carrying out projects under paragraph (2), the Secretary of Energy shall, where appropriate, seek to address the technical and other considerations critical to further development of the technologies and applications useful for a national information infrastructure.

"(4) There is authorized to be appropriated to the Secretary of Energy for purposes of this subsection, $50,000,000 for fiscal year 1994, $100,000,000 for fiscal year 1995, and $150,000,000 for fiscal year 1996.".

SEC. 607. APPLICATIONS FOR HEALTH CARE; ACCESS TO NETWORKS.

The High-Performance Computing Act of 1991 (15 U.S.C. 5501 et seq.) is amended—

(1) by redesignating sections 207 and 208 as sections 209 and 210, respectively; and

(2) by adding after section 206 the following new sections:

"SEC. 207. ROLE OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

"(a) GENERAL RESPONSIBILITIES.—As part of the Program described in title I, the Secretary of Health and Human Services shall, through the Public Health Service, the National Institutes of Health, the National Library of Medicine, and the Centers for Disease Control and Prevention, in cooperation with the National Science Foundation and other appropriate agencies, develop and support the development of interoperable technologies for applications of high-performance computing and high-speed networking in the health care sector. In developing these technologies, emphasis shall be placed on applications that can produce significant savings in national health care costs. Such technologies shall, when feasible, build on existing Federal programs for developing information technology applications in the health care sector.

"(b) AUTHORIZATION OF APPROPRIATIONS.—From sums otherwise authorized to be appropriated, there are authorized to be appropriated to the Department of Health and Human Services for the purposes of this section, $9,000,000 for fiscal year 1993, $30,000,000 for fiscal year 1994, and $50,000,000 for fiscal year 1995.

"SEC. 208. ACCESS TO NETWORKS.

"(a) CONNECTIONS PROGRAM.—The National Science Foundation, the Department of Education, Department of Commerce, particularly the National Telecommunications and Information Administration, and other appropriate agencies shall—

"(1) foster the creation of computer networks, including but not limited to high-performance computer networks, in geographical areas which will connect institutions of higher education, elementary and secondary schools, libraries and depositary libraries, and Federal, State, and local governments to each other; and

"(2) provide for connection of such networks to other networks.

"(b) TRAINING.—The National Science Foundation, the Department of Education, the Department of Commerce, particularly the National Telecommunications and Information Administration, and other appropriate agencies shall provide for programs to train teachers, students, librarians, and Federal, State, and local government personnel in the use of local and national computer networks. Training programs for librarians shall be designed to provide skills and training materials needed by librarians to instruct the public in the use of hardware and software for accessing and using local and national computer networks.

"(c) REPORT.—The Director shall, within 1 year after the date of enactment of the Information Technology Applications Act of 1994, submit a report to Congress which shall include—

"(1) findings of an examination of the extent to which the education and library communities and State and local governments have access to local and national networks;

"(2) a statement of the extent to which connections to local and national networks exist for the education and library communities and State and local governments;

"(3) an assessment of the factors limiting access by schools, libraries, and State and local governments to local and national networks and an estimate of the cost of providing universal access for those institutions to those networks; and

"(4) recommendations for collaborative programs among Federal, State, and local governments and the private sector to expand connectivity to local and national computer networks for educational institutions, libraries, and Federal, State, and local governments.

"(d) AUTHORIZATION OF APPROPRIATIONS.—To carry out the purposes of this section, there are authorized to be appropriated—

"(1) to the National Science Foundation, $5,000,000 for fiscal year 1994 and $12,500,000 for fiscal year 1995; and

"(2) to the Department of Education, $5,000,000 for fiscal year 1994 and $12,500,000 for fiscal year 1995.".

SEC. 608. HIGH-PERFORMANCE COMPUTING AND APPLICATIONS ADVISORY COMMITTEE.

Section 101(b) of the High-Performance Computing Act of 1991 (15 U.S.C. 5511(b)) is amended to read as follows:

"(b) HIGH-PERFORMANCE COMPUTING AND APPLICATIONS ADVISORY COMMITTEE.—The Director shall establish an advisory committee on high-performance computing and applications consisting of non-Federal members, including representatives of the research, elementary and secondary education, higher education, and library communities, consumer and public interest groups, network providers, and the computer, telecommunications, information and publishing industries, and other groups who use networks, who are specially qualified to provide the Director with advice and information on high-performance computing and on applications of computing and networking. The Director shall consider the recommendations of the advisory committee in reviewing and revising the Program. The advisory committee shall provide the Director with an independent assessment of—

"(1) progress in implementing the Program;

"(2) the need to revise the Program;

"(3) the balance between the components of the activities undertaken pursuant to this Act;

"(4) whether the research, development, and demonstration projects undertaken pursuant to this Act are helping to maintain United States leadership in computing and networking technologies and in the application of those technologies;

"(5) whether the applications and technologies developed under the Program are successfully addressing the needs of targeted populations, including assessment of the number of users served by those applications; and

"(6) other issues identified by the Director.".

SEC. 609. NATIONAL RESEARCH AND EDUCATION NETWORK PROGRAM.

Section 102 of the High-Performance Computing Act of 1991 (15 U.S.C. 5512) is amended to read as follows:

"SEC. 102. NATIONAL RESEARCH AND EDUCATION NETWORK PROGRAM.

"(a) ESTABLISHMENT.—As part of the Program described in section 101, the National Science Foundation, the Department of Defense, the Department of Energy, the Department of Commerce, the National Aeronautics and Space Administration, the Department of Education, and other agencies participating in the Program shall, in consultation with the Superintendent of Documents, support the establishment of the National Research and Education Network Program. The Network Program shall consist of the following components:

"(1) Research and development of software and hardware for high-performance computing and high-speed networks.

"(2) Support of experimental test bed networks for—

"(A) developing and demonstrating advanced networking technologies resulting from the activities described in paragraph (1); and

"(B) providing connections and associated network services for purposes consistent with this Act.

"(3) Provision of support for researchers, educators, students, libraries, and other appropriate institutions in order to ensure their access and use of networks.

"(4) Federal networks for linking Federal agency facilities and personnel to each other and to non-Federal networks.

"(b) PROGRAM REQUIREMENTS.—The Network Program shall—

"(1) be closely coordinated with the computer hardware, computer software, telecommunications, and information industries, and network users in government, industry, and research and educational institutions;

"(2) foster and encourage competition and private sector investment in networking within the telecommunications industry;

"(3) promote and encourage research and development leading to the creation of data transmission standards, enabling the establishment of privately developed high-speed commercial networks;

"(4) provide for the appropriate application of Federal laws that provide network and information resources security, including those that protect intellectual property rights, control access to data bases, and protect national security;

"(5) enable interoperability of Federal and non-Federal computer networks, to the extend appropriate, in a way that allows autonomy for each component network;

"(6) promote the research and development of high-capacity and high-speed computing networks, including related applications; and

"(7) demonstrate, in cooperation with users and others in the private sector, how advanced computers, high-capacity and high-speed computing networks, and data bases can contribute to the national information infrastructure.

"(c) NETWORK ACCESS PLAN.—The Federal agencies participating in activities under this section shall develop a plan with specific goals for implementing the requirements to subsection (a)(3), including provision for financial assistance to educational institutions, public libraries, and other appropriate entities. This plan shall be submitted to the Congress not later than one year after the date of enactment of the Information Technology Applications Act of 1994. Each year thereafter, the Director shall report to Congress on progress in implementing subsection (a)(3).

"(d) DEPARTMENT OF DEFENSE RESPONSIBILITIES.—As part of the Program, the Department of Defense, through the Advanced Research Projects Agency, shall support research and development of advanced fiber optics technology, switches, and protocols.

"(e) INFORMATION SERVICES.—The Director shall assist the President in coordinating the activities of appropriate agencies to promote the development of information services that could be provided over computer networks consistent with the purposes of this Act. These services may include the provision of directories of the users and services on computer networks, data bases of unclassified Federal data, training of users of data bases and computer networks, and technology to support computer-based collaboration that facilitates research and education. In carrying out this section, the Director shall consult with the Superintendent of Documents in order to facilitate compatibility of information systems and eliminate unnecessary redundancy.

"(f) USE OF GRANT FUNDS.—All Federal agencies and departments are authorized to allow recipients of Federal research grants to use grant funds to pay for computer networking expenses.

"(g) USE OF PROGRAM FUNDS.—(1) Each agency in the Program, when using Program funds for the procurements of communications networking services for Program activities, shall develop, provide access to, or use communications networks through the acquisition of commercially available network services or through contracting for customized services when such acquisition cannot satisfy agency requirements. Nothing in this section shall be construed to modify or otherwise change the Federal Property and Administrative Services Act of 1949.

"(2) In using Program funds to provide grants or assistance to non-Federal entities for the support of communications networking services, the head of each agency in the Program shall provide funding only to non-Federal entities which agree to develop, provide access to, or use communications networks—

"(A) through the acquisition of commercially available communications networking services; or

"(B) if no such services are satisfactorily available, through contracting for customized services, with the determination of satisfactory availability including consideration of geographic access to and affordability of service, and timeliness and technical performance standards in providing services.

In neither subparagraph (A) or (B) may the grantee use Federal funds for purposes other than the purposes for which they are awarded.

"(3) The provisions of this subsection shall apply only to procurements, grants, or agreements for assistance entered into by Program agencies for Program activities after the date of enactment of the Information Technology Applications Act of 1994.".

SEC. 610. SUPPORT FOR COMPUTER EDUCATION PROGRAMS.

(a) EDUCATION PROJECT.—The Administrator of the National Aeronautics and Space Administration (hereafter in this section referred to as the 'Administrator') shall establish a Computer Technologies for K–12 Education Project (hereafter in this section referred to as the 'Project') to test and demonstrate educational applications of advanced computer technologies, including but not limited to high-performance computing technologies, in public school systems providing precollege education. The Project shall award, on a competitive basis, grants to plan, deploy, manage, and operate advanced educational applications of computer technologies in K-12 public school systems in the United States in response to proposals requested by the Administrator. The Administrator shall ensure that non-Federal funds committed to support such proposals shall amount to not less than 30 percent of the Federal grant from the Project.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Aeronautics and Space Administration $8,000,000 for each for the fiscal years 1994 and 1995, to carry out the provisions of paragraph (1). No funds shall be awarded under the Project other than through the competitive process established by the Administrator pursuant to this section.

SEC. 611. SUPPORT FOR STATE-BASED DIGITAL LIBRARIES.

(a) PROGRAM TO SUPPORT DIGITAL LIBRARIES.—The National Science Foundation, in consultation with the Department of Education, the Department of Commerce, the Advanced Research Projects Agency, the Library of Congress, the Superintendent of Documents, and other appropriate agencies, is authorized to initiate a competitive, merit-based program to support the efforts of States and, as appropriate, libraries to develop electronic libraries. In carrying out this section, the National Science Foundation shall consult with the Superintendent of Documents in order to facilitate compatibility for Federal information systems and eliminate unnecessary redundancy. These libraries shall provide delivery of and access to a variety of databases, computer programs, and interactive multimedia presentations, including educational materials, research information, statistics and reports developed by Federal, State, and local governments, and other information and informational services which can be carried over computer networks.

(b) AUTHORIZATION OF APPROPRIATIONS.—To carry out the provisions of this section, there are authorized to the Director of the National Science Foundation $10,000,000 for fiscal year 1994, and $25,000,000 for fiscal year 1995.

(c) COPYRIGHT LAW.—Nothing in this section shall be construed to modify or otherwise change any provision of title 17, United States Code.

SEC. 612. SUPPORT FOR COMPUTING ACTIVITIES AT TRIBAL COLLEGES.

The Director of the National Science Foundation shall design and implement a pilot program to provide financial assistance, through competitive selection processes, to States in which are located two or more tribally-controlled community colleges. The objective of the pilot program shall be to institute interactive telecommunications systems among such tribally controlled community colleges in such States, so as to assist the tribal community in education, job training, and other appropriate activities.

SEC. 613. DEPARTMENT OF EDUCATION SUPPORT FOR COMPUTER EDUCATION PROGRAMS.

(a) EDUCATION PROJECT.—In addition to the general responsibilities set forth in section 206 of the High-Performance Computing Act of 1991 (15 U.S.C. 5526), the Department of Education, in cooperation as appropriate with other Federal agencies, shall establish a project to test and demonstrate educational applications of advanced computer technologies, including but not limited to high-performance computing and networking technologies, in school systems providing precollege education. This project shall award, on a competitive basis, grants to plan, deploy, manage, and operate advanced educational applications of computer technologies in response to proposals requested by the Secretary of Education. The Secretary of Education shall ensure that non-Federal funds committed to such proposals shall amount to not less than 30 percent of the Federal grant.

(b) AUTHORIZATION OF APPROPRIATIONS.—From sums otherwise authorized to be appropriated to the Department of Education, there are authorized to be appropriated to carry out the provisions of this section, $8,000,000 for each of the fiscal years 1994 and 1995. No funds shall be awarded under the provisions of subsection (a) other than through the competitive process established by the Secretary of Education pursuant to this section.

TITLE VII—FASTENER QUALITY ACT AMENDMENTS

SEC. 701. FASTENER QUALITY ACT AMENDMENTS.

(a) TECHNICAL AMENDMENTS.—(1) Section 3 of the Fastener Quality Act (15 U.S.C. 5402) is amended—

(A) in paragraph (8), by striking "Standard" and inserting in lieu thereof "Standards"; and

(B) in paragraph (14), by striking "which defines or describes" and all that follows through "of any fastener".

(2) Section 5(b)(1) of the Fastener Quality Act (15 U.S.C. 5404(B)(1)) is amended by striking "section 6; unless" and inserting in lieu thereof "section 6, unless".

(3) Section 7(c)(2) of the Fastener Quality Act (15 U.S.C. 5406(c)(2)) is amended by inserting "to the same" before "extent".

(b) CLARIFYING AMENDMENTS.—(1) Section 5(a)(1)(B) of the Fastener Quality Act (15 U.S.C. 5404(a)(1)(B)) is amended by striking "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)".

(2) Section 5(a)(2)(A)(i) of the Fastener Quality Act (15 U.S.C. 5404(a)(2)(A)(i)) is amended by striking "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)".

(3) Section 5(c)(4) of the Fastener Quality Act (15 U.S.C. 5404(c)(4)) is amended by inserting "except as provided in subsection (d)," before "state".

(4) Section 5 of the Fastener Quality Act (15 U.S.C. 5404) is amended by adding at the end the following new subparagraph:

"(d) ALTERNATIVE PROCEDURE FOR CHEMICAL CHARACTERISTICS.—Notwithstanding the requirements of subsections (b) and (c), a manufacturer shall be deemed to have demonstrated, for purposes of subsection (a)(1), that the chemical characteristics of a lot conform to the standards and specifications to which the manufacturer represents such lot has been manufactured if the following requirements are met:

"(1) The coil or heat number of metal from which such lot was fabricated has been inspected and tested with respect to its chemical charactistics by a laboratory accredited in accordance with the procedures and conditions specified by the Secretary under section 6.

"(2) Such laboratory has provided to the manufacturer, either directly or through the metal manufacturer, a written inspection and testing report, which shall be in a form prescribed by the Secretary by regulation, listing the chemical characteristics of such coil or heat number.

"(3) The report described in paragraph (2) indicates that the chemical characteristics of such coil or heat number conform to those required by the standards and specifications to which the manufacturer represents such lot has been manufactured.

"(4) The manufacturer demonstrates that such lot has been fabricated from the coil or heat number of metal to which the report described in paragraphs (2) and (3) relates. In prescribing the form of report required by subsection (c), the Secretary shall provide for an alternative to the statement required by subsection (c)(4), insofar as such statement pertains to chemical characteristics, for cases in which a manufacturer elects to use the procedure permitted by this subsection.".

(c) SALE OF FASTENERS SUBSEQUENT TO MANUFACTURE.—Section 7 of the Fastener Quality Act (15 U.S.C. 5406) is amended—

(1) in subsection (e)(1)—

(A) by striking "or any person who purchases any quantity of fasteners for resale at wholesale" and inserting in lieu thereof ", importer, or private label distributor"; and

(B) by striking "or such person" and inserting in lieu thereof ", importer, or private label distributor";

(2) by adding at the end of subsection (e) the following new paragraph:

"(3) Notwithstanding paragraph (1), fasteners may be sold to an end user in commingled lots if—

"(A) any packaging of such fastener includes a conspicuous disclaimer message indicating that the fasteners are manufactured and tested in compliance with this Act but have been commingled with like items from different lots; and

"(B) the person selling such fasteners has a written statement from the end user purchasing such fasteners granting permission to the seller to provide commingled lots. A written statement described in subparagraph (B) shall be kept on file for at least 10 years for any later review or audit."; and

(3) by amending subsection (f) to read as follows:

"(f) SUBSEQUENT PURCHASER.—It shall be unlawful for any person to sell fasteners, of any quantity, to any end user who requests lot traceability, unless the container of fasteners sold is conspicuously marked with the number of the lot from which such fasteners were taken.".

Mr. HOLLINGS. Mr. President, I am pleased that the Senate today is considering a substitute amendment which I am offering to S. 4, the National Competitiveness Act of 1993. This important bill has a single purpose: To help industry to promote American economic growth and jobs. The bill accomplishes this goal by strengthening the technology and manufacturing assistance programs of the Department of Commerce [DOC], by furthering manufacturing research and education at the National Science Foundation [NSF], and by authorizing research in new applications of high-performance computing. I introduced S. 4 last year with the support of both the distinguished majority leader and several of our colleagues, and last May the Commerce Committee approved it without objection.

BACKGROUND

There are many important reasons to pass this bill. S. 4 is important because technology is important. Technology is the engine of economic growth. In an increasingly competitive world economy, American industry appropriately views technology as a strategic advantage. Professors Roger Noll of Stanford and Linda Cohen of the University of California recently summarized, in a 1991 book, the evidence on this point when they wrote that the consensus among economists is that improvement in knowledge, including technological change, is:

> probably the most important source of growth in per capita national income. Moreover, societies with high wages can continue to experience high rates of growth only if they are continuously on the edge of the technical frontier. If know-how is roughly the same everywhere, rapid growth in a high-wage society is unlikely to be sustained in competition with a low-wage society. As an empirical matter, the most economically advanced nations tend to be the principal producers and exporters of the most technically sophisticated products.

Since technology is vital to economic growth, and since the Federal Government spends $70 billion a year on research and development, it stands to reason that the Government should make its research and development programs as useful as possible to industry.

S. 4 reflects this awareness by reauthorizing and strengthening existing programs which fall within a bipartisan technology policy tradition that dates back to at least 1980. The Reagan administration proposed the Federal Technology Transfer Act, and the Bush administration requested funds for the DOC programs reauthorized in S. 4. President Bush's administration summed up the consensus well in its September 1990 statement on U.S. technology policy, when it said that the Federal Government has a responsibility to participate:

> with the private sector in precompetitive research on generic, enabling technologies that have the potential to contribute to a broad range of government and commercial applications. In many cases these technologies have evolved from government-funded basic research, but technical uncertainties are not sufficiently reduced to permit assessment of full commercial potential.

Furthermore, early last year President Clinton announced a major technology policy initiative, and his commitment to furthering this policy is reflected in his recent fiscal year 1995 budget request.

This bipartisan policy calls for research cooperation between industry on the one hand and universities, Federal agencies, and Government laboratories on the other hand, and has been promoted by many specific laws and programs in addition to DOC technology programs, which have received bipartisan support. These include the Bayh-Dole Act of 1980, which encourages university-industry cooperation; the Federal Technology Transfer Act of 1986, which facilitates cooperation between Federal laboratories and industry; continued support for aeronautical research at the National Aeronautics and Space Administration [NASA]; NSF-sponsored engineering research centers; and dual-use Department of Defense initiatives such as Sematech and the technology reinvestment project. These laws and programs have certain common features: Federal research programs that are more useful to companies; competitive, peer-reviewed selection processes for technology grants; and a focus on precompetitive research on high-risk but valuable technologies, coupled with a strict prohibition against using Federal money to help companies to develop or make commercial products.

The bipartisan interest in these programs also is reflected in general congressional action over the years to aid industry. For 200 years, ever since Treasury Secretary Alexander Hamilton wrote his famous "Report on Manufactures," bipartisan majorities of Congress have passed bills to promote industry. Earlier Congresses have approved agricultural research and extension; the research and development tax credit; Export-Import Bank loans, aeronautical research; programs at the National Institutes of Health; funding for Sematech; university research; and Federal laboratory technology transfer, to name a few. Congress has long supported industry, realizing the importance of these programs in helping industry to increase profits and create jobs. S. 4 continues in that bipartisan tradition. It is a bill to promote industrial development and economic growth, and its bipartisan support indicates the continuing interest in these programs. In the last Congress, S. 1330—a precursor to S. 4—passed the Senate by unanimous consent, and last year the Senate Commerce Committee reported S. 4 without a dissenting vote.

S. 4 promotes these bipartisan proposals without adding to the deficit. The administration is proposing a fiscal year 1995 budget for S. 4's technology programs within the tough new budget cap that freezes discretionary spending. Funds are being reallocated within the research and development budget to make that budget more useful in an era with the cold war over and economic growth now the Nation's highest priority.

Some might argue that S. 4 is industrial policy. Critics of Federal technology programs often imply that these programs provide, or will provide, massive subsidies to prop up individual companies and help them to make products. This argument is nonsense. All of these programs prohibit the use of Federal money to develop or make commercial products—we are not picking winners and losers, or anything of that sort.

The need for S. 4 is clear. According to a 1990 report by the Department of Commerce during the Bush administration, America is losing, or losing badly, relative to Japan and Europe in many of the key new emerging technologies. By the year 2000, world markets for products based on these technologies could total $1 trillion annually. The United States also lags in the deployment of new manufacturing technologies. The United States has 350,000 small manufacturing firms with 500 or fewer employees; yet the Nation ranks far below other industrialized nations in the adoption of advanced machine tools and other technologies.

Up to now, the U.S. Government's research and development budget has reflected the priorities of the cold war. According to official NSF statistics, as recently as 1992 the Federal Government spent 59 percent of its research and development on defense and only 0.3 percent for the direct support of industrial development. Our major economic competitors, however, have chosen to emphasize the support of the new basic industrial technology. Their percentages of government research and development money used to support industry are impressive: in Germany, 13.3 percent; in France, 12.6 percent; in Italy, 14.3 percent. Other nations also provide major assistance to help their small manufacturers—Japan funds 170 assistance centers, for example. Today, with the cold war over and economic growth a higher priority than ever, it is appropriate—indeed imperative—that we use some of the Federal Government's $70 billion annual research budget to support the development of the new basic technologies and manufacturing practices that are absolutely central to national prosperity.

S. 4's programs also are of the highest quality. I am proud of the programs that S. 4 reauthorizes and strengthens. The DOC programs are industry-led, cost-shared, and peer-reviewed. There is no pork, and these activities enjoy a stellar reputation. Moreover, these programs have the right focus. They support industry's efforts to perfect important new high-risk technologies and to improve basic manufacturing. However, they never subsidize the development or production of commercial products, which is appropriately left to the private sector.

In a world in which wealth and jobs go to those countries that can commercialize new inventions most quickly, and improve manufacturing most rapidly, these programs are major investments in our Nation's economic future. Given their clear value and high quality, they have broad support from major industry coalitions and engineering groups, such as the National Association of Manufacturers, American Electronics Association, and Computer Systems Policy Project, to name a few. The support for S. 4 shows its importance to the Nation's future.

MAJOR PROVISIONS

At the heart of S. 4 are, first, a clear restatement of DOC's mission in support of U.S. manufacturing and, second, reauthorizations for the three main activities of DOC's National Institute of Standards and Technology [NIST]. These three activities are the Advanced Technology Program [ATP], which aids industry-led efforts to speed the development of new technologies; the manufacturing extension partnership [MEP], in which NIST supports State efforts to help small and medium-sized manufacturers to improve performance, save jobs, and boost profits; and the research and technical service programs at NIST's laboratories, which since 1901 have given U.S. industry the precise measurement and process control technologies necessary to make products quickly, precisely, and cost effectively. S. 4 also authorizes expanded activities at the National Science Foundation [NSF] in support of manufacturing education and research. All of the grant programs which I have mentioned—the ATP, the MEP, and NSF's support for manufacturing—are competitive, merit-reviewed programs. They enjoy a strong reputation for quality, careful evaluation, and fairness.

In addition, title VI of S. 4 authorizes a computer applications research program, originally proposed by Vice President GORE when he chaired the Commerce Committee's Science Subcommittee. This initiative, which also emphasizes competitive grant procedures, will support innovative demonstration projects run by computer users and vendors to develop and test new applications of high-performance computing. An emphasis is placed on research that contributes to the Nation in areas of particular public concern, including education, health care, manufacturing, and libraries. This initiative will help to ensure that the fundamental computing research that the Government is already supporting will be applied effectively in these key areas, helping to deliver better services to the public as well as boost the competitiveness of the U.S. computer industry.

THE SUBSTITUTE AMENDMENT

The text now before the Senate is a substitute amendment. It follows the reported version of S. 4 closely, and incorporates refinements that resulted from our conversations with interested Members and the administration. There are several important features of the substitute.

First, the essence of the original NIST and NSF provisions has been kept. The substitute reauthorizes NIST programs, expands the ATP to the point where it can make significant contributions to industry's technology efforts, makes needed technical amendments to NIST programs, and expands NIST's existing, and proven, manufacturing extension programs. S. 4 as amended still will enable NIST to expand its support for U.S. technology and manufacturing.

For example, NIST currently supports seven State-sponsored manufacturing technology centers [MTC's] around the country. Roughly analogous to agricultural extensions, these centers provide valuable advice to interested small manufacturers. Early evaluations show that the assistance provided by these centers has helped small manufacturers to improve technology and work practices, boost sales and exports, and increase jobs. Japan operates over 170 such centers, with apparent great success. The President has proposed to increase the number of MTC's and create a new generation of smaller manufacturing outreach centers [MOC's], which will be based at junior colleges and other local groups around the country. S. 4 as amended authorizes that expansion. When properly funded, the legislation will create a national network of State and local-led centers that can assist all interested small manufacturers. That network will be an important step in trying to save small American firms—and small-firm jobs—that are now facing intense foreign competition.

The NSF portions of the substitute are the same as the reported version, with the addition of a provision allowing for one new activity to support student internships at small manufacturing companies. The substitute, like the reported bill, contains a pilot program to support venture capital firms which help to support new technology ventures. This provision has been modified, however, as the result of discussions between DOC and the Small Business Administration and among Senators ROCKEFELLER, BUMPERS, and PRESSLER.

The revised S. 4 computer title contains the same basic provisions as before, and also includes clarifying language on one key provision—the section ensuring that Federal support for computer networks does not create unfair competition to commerical phone companies, while still providing that Federal agencies remain free to operate their own internal mission networks.

CONCLUSION

Mr. President, I want to thank the many individuals and groups which helped us to craft this legislation. I thank in particular our ranking member, Senator DANFORTH, for his leadership on his side of the aisle; Senator MITCHELL, our principal cosponsor, and Senator ROCKEFELLER, our Science Subcommittee chairman. In the House, Chairman GEORGE BROWN and his colleagues on the Science Committee have worked closely with us on this bill for over 2 years. In addition, JOHN DINGELL. We have had the support and apparent guidance of our distinguished Vice President and Secretary of Commerce Ron Brown with respect to all Commerce matters. We worked closely with him and with the administration on information and communication. All of these Members and their staffs have contributed greatly to this legislation and deserve much credit.

From the beginning, S. 4 was written not only to support industry but also in close cooperation with industry and worker organizations. In this regard, special thanks goes to several groups. The National Coalition for Advanced Manufacturing, the National Association of Manufacturers, the Modernization Forum, the Work and Technology Institute, the American Society for Training and Development, the Engineering Societies, and, very importantly, the Advanced Technology Coalition, let by the American Electronics Association, Honeywell Corp., and others, have contributed greatly to this product.

In preparing the computer title, the Computer Systems Policy Project, the American Electronics Association, and a range of educational groups and telecommunications companies, as well as the Vice President's office and the Office of Science and Technology Policy [OSTP], worked with us to perfect legislative language. The Secretary of Commerce and DOC technology officials, as well as officials from OSTP, the National Economic Council, and the Office of Management and Budget have worked hard to make this a sound bill and to ensure that the programs authorized in the legislation will be of the highest quality.

For over 40 years after World War II, the Federal Government's large budget focused on the needs of the cold war and a few other specific Government missions. Even though our trading partners focused most of their research and development funding on industrial development, we assumed the burden of world leadership in confronting communism and devoted very little of our research and development resources directly to helping our civilian manufacturing industries and workers to succeed in an increasingly competitive world economy. As recently as only a few years ago, less than 1 percent of the U.S. Government research and development budget went to support the technology efforts of general civilian industry. Our economic competitors have pursued very different priorities.

Now the United States faces a new era—one of diminished military threat and greatly increased economic competition. The economic challenge has become relentless. Despite leading the world in science and new inventions, our country faces major trade deficits, factories all too often moved overseas, workers face wrenching changes, and we continue to see other countries commercialize American inventions. If the United States is to obtain jobs and profits from the industries of the future, and if we are to help small as well as large manufacturers across the land to restore competitiveness, we must act now.

The President and Members on both sides of the aisle are committed to investing in long-term economic growth. As one vital step in this effort, we must strengthen Federal civilian technology and manufacturing programs and, even more importantly, we must shift budget resources away from old research and development priorities to the urgent needs of today. Technology programs, properly designed and funded, can strengthen the U.S. economy, and S. 4 is a major building block in the new American national technology policy. This new technology policy—combined with stronger trade policies, improved training and education, and long-term deficit reduction—can help to make the difference in determining whether this Nation and our people prosper or decline in this harsh world economy.

I thank my colleagues for their contributions and support, and urge the Senate to pass S. 4 as amended.

The PRESIDING OFFICER (Mrs. MURRAY). The Senator from Missouri.

Mr. DANFORTH. Madam President, my hope is that for the next day or so while S. 4 is considered in this Chamber we as a Senate will have the opportunity to address fundamental questions about the relationship between the Federal Government and the private sector. I really believe that Senator HOLLINGS, with his very strong leadership, has brought before the Senate a very important question.

I must say to my chairman that while I was not terribly enthusiastic about S. 4 as it winded its way through the Commerce Committee, I viewed it at the time as somewhat more innocuous than I view it now. I think now particularly, given the status of the GATT agreement that has been negotiated by our country and other countries of the world, the issue that has been raised in S. 4 is one that is of really tremendous significance to our country. I believe it is one that should be debated on the floor of the Senate.

So my hope is that for the next couple of days—I do not think this is going to be on the floor of the Senate for a very long time, but my hope is that for the next couple of days Senators will focus on the question that is raised by this legislation. The question really is summed up in the words "industrial policy."

I hope Members of the Senate will ask themselves what should be the appropriate relationship between the Federal Government and the private sector of America. To what degree should the Federal Government be weighing in with particular industries, to what extent should the Government of the United States be subsidizing particular industries, particularly high-technology industries, deciding those industries that have promise and putting Federal resources behind those industries.

Now, all of us believe in science. All of us are very proud of the technological abilities of Americans. All of us believe that the future of our country and the future of our economy is related to the ability of Americans to produce new kinds of products and to bring those products to the market.

So the question that will be before us for the next day or so has nothing to do with whether we believe in science. We do believe in science. It has nothing to do with whether we believe in advanced technology. We do believe in advanced technology. The only issue is what is the Federal Government supposed to do about it? How does the Government relate to the private sector? Does the Government weigh in? Does the Government attempt to help out, to identify those industries that are promising and to help those industries, or instead is the better approach of the Federal Government, frankly, to get out of the way?

We have addressed this question in the Commerce Committee in connection with telecommunications; the so-called infrastructure issue in telecommunications has been before us for a number of years. I think it was back in 1991 that then Senator, now Vice President, GORE introduced a bill, and the bill was the telecommunications infrastructure bill. The basic approach of that bill was that the Federal Government should spend money in creating a telecommunications infrastructure for America.

That idea has changed, and it has changed very dramatically. Right now, the Commerce Committee has before it, under the leadership of our chairman, a bill which does not have the Government in the business of developing infrastructure but, rather, the Government is getting out of the way. The Government under our legislation would deregulate telecommunications. It would allow the telephone companies to get into the cable business and the cable companies to get into the telephone business. Government would say we are not going to regulate so heavily. We are going to get out of the way, and we are going to let the private sector do its job.

It is a major shift in philosophy between then Senator GORE's infrastructure idea of 3 years ago and the infrastructure concept that is now before the Commerce Committee. It is a difference between a very involved and directive Federal Government and a Federal Government that allows the private sector to function. Now we have before us legislation which creates new expansions of the Federal Government's relationship with the private sector, significant increases in funding so that the Federal Government can pick favored industries and the Federal Government can subsidize those industries, particularly with respect to the doing of research.

I believe that before we do this, we should debate it so that this greatest of all deliberative bodies can reach a decision on the basis of due deliberation. Do we really believe in Government subsidies for research? Do we really believe that the Government subsidization of research is the way to move the country forward, the private sector forward toward the future? Or do we believe that the Government and its subsidies is not the best approach?

All of us have supported governmental subsidies for research. The Federal Government does research. The Federal Government does research through grants to universities. The Federal Government does research through the National Institutes of Health and through the Defense Department. The Federal Government buys research into weapons systems and supports general research on matters of health.

But the kind of research that is advanced by this legislation is a different sword. This is targeted research. It is research designed to affect specific industries and to bring about results within those specific industries. And, therefore, there is a fundamental difference between basic research or defense research designed for a purpose and the sort of industrial policy, product-oriented research, sector-oriented research that is so much a part of this legislation.

I would like to say to the Senate that my own interest in this issue, which as I indicated earlier was mild until very recently, accelerated very dramatically as I focused on what the administration brought about in the negotiation of the GATT agreement; what the administration brought about in negotiating the GATT agreement last winter, after the Congress adjourned after the last session of Congress.

Without advance knowledge, I think, on the part of any of us, the administration altered a longstanding position of past administrations with respect to permissible subsidies that governments can put in place around the world for favored industries.

And the administration, at its insistence in the trade negotiations, the GATT negotiations, brought about the so-called "green lighting" of research and development subsidies. Heretofore the kinds of specific product-oriented subsidies that we are talking about were subject to countervailing duty. Under the subsidies code as it has existed and as it currently exists, if a country subsidizes research and subsidizes development, those subsidies are subject to countervailing duty. Injured countries, countries whose products have been injured and whose economy has been injured by the subsidies granted by other governments, can impose countervailing duties in order to offset or to penalize the subsidy. That practice, that subsidies code, is being dramatically altered as a result of the GATT agreement, and it is being dramatically altered under the leadership and at the insistence of the Clinton administration.

So if the GATT agreement is agreed to, if it actually comes into being, henceforth research subsidies up to 75 percent of their cost and development subsidies up to 50 percent of their cost can be subsidized by governments without any countervailing duties being possible.

This is a major change and it is a change that was insisted upon by the Clinton administration. And the rationale for the change is set forth in a memorandum dated November 27, 1993.

I ask unanimous consent that the memorandum be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GATT AND DEVELOPMENT SUBSIDIES

The following addresses the question of reducing GATT disciplines on development subsidies in light of the known positions of U.S. industry and the possible economic effects of this action. Annex I briefly describes the current treatment of development subsidies under the 1979 GATT Subsidies Code, the U.S. countervailing duty (CVD) law, and the Dunkel Draft Subsidies Code.

INDUSTRY PERSPECTIVES ON "DEVELOPMENT"

Going into the Uruguay Round, only the aerospace and consumer electronics industries provided specific advice on how government subsidies to research and development should be treated. The table below compares the position of those industries with the results of the draft Uruguay Round subsidies text.

	Industry position	Draft text
Basic research	100 percent green	50 percent green.
Applied research	100 percent yellow	25 percent green.
Development	100 percent red	100 percent yellow.

Since the draft text was issued, many advisory groups have reiterated or refined their advice on R&D. The ACTPN Industrial Subsidy Task Force issued guidance last December which recommended collapsing basic and applied research under a new, single "research" definition, for which 100 percent of government assistance would be made non-actionable. However, the ACTPN also recommended that the term "development" be defined—so as to make clear what activity was not exempted from subsidy disciplines—and that the language make clear that the creation of prototypes was to be considered a development activity.

Over the past year, U.S. Trade and technology officials also consulted with a number of industries which participate in technology partnerships with federal agencies. Some of those partnership activities probably involve "development," such as the advanced battery consortium with U.S. automakers. Although these groups expressed concern about the impact of subsidy rules on their partnership activities, their concern extended as much to the manner in which research was greenlighted as to the manner in which development was not. Moreover, the aircraft industry's preoccupation with the treatment of development arises out of concrete experience with the Airbus consortium, whereas the anxiety of other industries about coverage of R&D probably is more reflective of a "fear of the unknown" than a studied assessment of how their international competitive position would be affected if assistance for development were exempted from subsidies disciplines.

HOW COULD ONE "GREENLIGHT" DEVELOPMENT?

The easiest way to "greenlight" development is to indicate that 100 percent of government assistance for research and development is non-actionable. The only logistical problems posed by this option are how to distinguish R&D from other production activities and discern which operating costs are related or allocable to R&D. However, this approach would overlook the fact that assistance for product development is apt to be far more distortive of the conditions of competition than most government subsidies. If the United States is considering such a step, it should first rethink its overall policy objective of disciplining government subsidies.

Short of a total greenlight, one must weigh the benefits and risks of moving both horizontally (i.e., broadening the non-actionable definitions) and vertically (i.e., raising the permitted level for non-actionable assistance). First, we could consider including a reference to prototype creation in the applied research definition. This would have the advantage of giving the EC part of what it wants (the EC's own R&D rules are expressed in this way) without establishing a formal precedent that development is non-actionable. On the down side, it would make prototype creation 100 percent non-actionable (based on last week's decision to raise the levels for two research categories to 100 percent).

Alternatively, we could establish a definition for development and make government assistance for such activity non-actionable up to a negotiated level. This would allow us to discourage government development subsidies beyond a given level, but it would reintroduce many of the problems we have just decided to avoid by raising the research ceilings to 100 percent. That is, the notification and administration of subsidy programs is made much more difficult as soon as one limits to a specific percentage the amount and kinds of costs that may safely be subsidized.

ECONOMIC AFFECTS

Analysis of the economic effects of removing subsidies disciplines on development assistance depends on two things:

Whether subsidies (i.e. targeted government support) are or are not effective and efficient methods of industrial development which help to confer a real competitive advantage.

The relative abilities and willingness of the U.S. and foreign governments to provide subsidies in a thoughtful and effective manner.

The first item is assumed to be true; otherwise we would not wish to use subsidies ourselves, or be concerned about their use by others.

If the green category of the Dunkel Draft Subsidies Code is expanded to include development subsidies, the USC will ostensibly choose between matching or exceeding foreign subsidies or accepting the reduced competitiveness of U.S. manufacturers. If the first choice is made, budget resources will have to be made available or the choice is illusory, and the reduction of subsidies discipline would create a net loss to the U.S. economy, as others could subsidize and we would not.

The overall effect on the economy can be positive only as long as we remain willing and able to exceed foreign subsidies, and to be selective in the particular areas subsidized. If we simply match others' subsidies the economic effect will be neutral, unless the lag time involved in following the lead of others actually places us in a slightly disadvantageous position. In any case, we should not allow foreigners to influence, by their choices, which sectors we subsidize. We will need to get out in front so that our choices are directed by our priorities, and not through reaction to particular U.S. industries seeking subsidies equivalent to those of their foreign competitors. Thus, a decision to reduce subsidies disciplines requires a commitment to be subsidy leaders, both in choosing beneficiary sectors and amounts given, if we are to ensure positive economic effects for the United States. Because the Code will be in effect for many years, the commitment must also be long-term.

Choosing to decrease disciplines but not match foreign subsidies is not a real choice at all. If we could not or would not match foreign subsidies, there would be no reason to give "green-light" status to development subsidies, unless we were certain that subsidies do not work, and that, in any event, their use by others could not harm us. The latter conclusion would be inconsistent with our position on agricultural subsidies and countervailing duties. If we believe that subsidies do work, but we do not have the resources to play, or do not wish to engage in a subsidies war, we would maintain GATT disciplines on subsidies.

ANNEX I—DOMESTIC AND INTERNATIONAL TREATMEMT OF DEVELOPMENT SUBSIDIES

1979 CODE

The 1979 Code grants no special status to development subsidies. While it prohibits export subsidies by developed countries (except for agriculture), all other subsidies are "actionable". That means that an aggrieved party may refer a subsidy to a GATT panel to determine if the subsidy is causing adverse effects to its interests. However, since the Code does not contain definitions of "subsidy" or "adverse effects" and provides no guidance as to what should be done if both are found, it in fact provides little meaningful discipline on development or any other types of subsidies, other than those granted for export. It is not surprising that there have been no successful challenges of development or other actionable subsidies on industrial products. The process has been used only on prohibited subsidies, and there, the ability of losers to block adoption of panel reports makes even a victory problematic.

U.S. LAW

The U.S. countervailing duty law provides that if subsidized imports into the United States cause injury, a duty equal to the subsidy shall be imposed. This law has been used effectively many times by domestic industry and is extremely useful at offsetting subsidies on imports. Development subsidies have not been frequent targets however. Most cases have related to general assistance, such as grants, low interest loans, equity infusions, and special tax treatment for exports or other export subsidies. However, since U.S. law is limited to imposing duty on imports, it is of no help to domestic industry facing subsidized competition in export markets.

THE DUNKEL DRAFT SUBSIDIES CODE

Recognizing the impotence of the GATT Subsidies Code disciplines and the limited reach of U.S. CVD law, the U.S. negotiation goals were to strengthen the former and

> avoid weakening the latter. The negotiations resulted in the "stop-light" approach. Subsidies were divided into three categories: Prohibited (Red), Actionable (Yellow) and Non-Actionable (Green). Development subsidies are Yellow in the current draft. While this is the same status they had in the 1979 Code, the Dunkel Draft, by defining subsidy and adverse effects, and requiring removal of the subsidy or its adverse effects if the panel agrees, and making panel reports binding on parties, makes subsidies disciplines real rather than theoretical. Subsidies in the green category are non-actionable, i.e., they are not subject to investigation by GATT panels or national CVD laws. The green category currently includes research and subsidies and regional development subsidies.

Mr. DANFORTH. Madam President, I would like to read from page 4 of the memorandum. U.S. Trade Representative Mickey Kantor tells me that this memorandum came out of the U.S. Commerce Department. It says as follows:

> If the green category—

That is, the permissible subsidy—

> of the Dunkel Draft Subsidies Code is expanded to include development subsidies, the ISG—

Which is the U.S. Government—

> will ostensibly choose between matching or exceeding foreign subsidies or accepting the reduced competitiveness of U.S. manufacturers. If the first choice is made, budget resources will have to be made available or the choice is illusory, and the reduction of subsidies discipline would create a net loss to the U.S. economy, as others could subsidize and we would not.
>
> The overall effect on the economy can be positive only as long as we remain willing and able to exceed foreign subsidies, and to be selective in the particular areas subsidized. If we simply match others' subsidies the economic effect will be neutral, unless the lag time involved in following the lead of others actually places us in a slightly disadvantageous position. In any case, we should not allow foreigners to influence, by their choices, which sectors we subsidize. We will need to get out in front so that our choices are directed by our priorities, and not through reaction to particular U.S. industries seeking subsidies equivalent to those of their foreign competitors. Thus, a decision to reduce subsidies disciplines requires a commitment to be subsidy leaders, both in choosing beneficiary sectors and amounts given, if we are to ensure positive economic effects for the United States. Because the Code will be in effect for many years, the commitment must also be long-term.

Madam President, this was the position taken by somebody in the Commerce Department at the time that the GATT agreement was being negotiated. It talks about the necessity, if we are to green light the subsidies, of the United States being a subsidy leader. We are to lead the way in this new world of subsidies. And if we are going to have international subsidies, we had better lead the way or else Airbus is going to be replicated over and over again. What happened with Airbus was that our aircraft manufacturers, for one reason or another, did not want to press the issue of countervailing duty.

The Europeans were able to subsidize research and development of Airbus to the tune of over $26 billion, so that Airbus has never made any money, and Airbus has now about one-third of the international market on commercial aircraft. I think this is likely to happen over and over again.

What I want to do in this debate is to try my best to focus our attention on the issue. If we are going to get into the business of outsubsidizing the Europeans or the Japanese or whoever else, let us at least do so with our eyes open to reality. It is the judgment of this Senator that governmental subsidies will never work as well as the marketplace.

It is the judgment of this Senator that governmental officials will never be the shrewd venture capitalists that we will find in the marketplace. Why is that? It is because, first of all, I do not believe there is any special genius that resides in Washington, DC. I do not think people who work for the Federal Government in Washington necessarily have a wisdom that is special to Washington. I do not believe we have a wisdom that exceeds the wisdom of the marketplace.

Beyond that, Madam President, we are politicians, and politicians apply grease to the squeaky wheel. We are less likely to make decisions on the basis of merit than on the basis of political considerations, such as: In what district does the company seeking the subsidy reside? In which State does it reside? We have seen this with respect to Government subsidies for education, Government grants for research and education. We have told ourselves in legislative language that we are going to do it by peer review. But when it comes down to it, we do not do it by peer review.

I am concerned that Government subsidies for research and development in the private sector are going to gravitate toward those parts of the private sector with the most political clout. Oftentimes, those are not going to be the small varying operators but increasingly are going to be those entrenched operations where, in a particular congressional district, the demise of that operation would be viewed as politically and economically a terrible thing.

Venture capitalists make decisions on the basis of the merits. If a program is not panning out, a venture capitalist will just stop it, cut the losses. I have not noticed our ability to cut losses around here. We do not get rid of programs. We are notorious for not getting rid of programs. We keep them going year after year. Inertia. One of the major forces that exists in Washington, DC, is inertia. In a world of high technology and rapid change, inertia is exactly what we cannot stand. Inertia is what is going to be created if we rely on Government to pick what is going to be subsidized and what is not going to be subsidized.

I have to say that I am especially concerned about the GATT agreement. I am especially concerned, because I believe that this green lighting of subsidies, this permitting of subsidies, has created for us and will create for us in the future the horns of a dilemma. Either we are not going to keep up with the rest of the world and we are going to see Airbus repeated over and over again in all kinds of different industries, or we are going to get in a subsidies war and who knows where the money is going to come from, and all of the problems that I have attempted to outline are going to come about.

I hope we can do something about this GATT agreement. With respect to S. 4, Madam President, it is industrial policy. There is no other way to express it. It is the picking of winners and losers. It is creating a fund of money with which somebody in Washington is going to be able to say to industry "A": You were favored. And to industry "B": You were not favored.

I do not think that we in Washington are particularly adept at making those decisions. Therefore, I think that we should recognize the issue and we should defeat this bill.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, that is an astounding conclusion, that we should defeat the bill, particularly in light of the statement just made about peer review.

This bill was commenced 6 years ago, when I included as an amendment on the Trade Act the provisions for the restructuring of the National Bureau of Standards into the National Institute of Standards and Technology, instituting the advance technology program, the regional manufacturing technology centers, modeled on the hugely successful agriculture programs, whereby we have the land grant colleges, the regional research centers, the extension service, the experimental stations.

If I wanted to plant a victory garden at my home on McComb Street here in Washington, I could call the farm extension agent this afternoon, and he would have somebody there at 8 o'clock in the morning to give me a soil test. It is that detailed and that responsive and that successful. That was 6 years ago.

The distinguished Senator from Missouri and I did have discussions relative to this particular measure, beginning in detail, some 4 years ago, when we both agreed that this should not be a porkbarrel program, we should not politically make the decisions in Washington, as the Senator has referred to. We wanted to make absolutely sure this would not end up in earmarking in subcommittees—I pick one and you pick one and so on—that we would insist on peer review, and that we include, and still have included in the measure before us, the National Academy of Engineering.

We are not talking about politicians picking winners, Madam President. We are talking about industy picking winners. Private industry must come forward with at least half a pocket full of money, at least 50 percent. In general now, through experience, that equates on their part to about 70 to 75 percent. The Government's contribution in that research cannot exceed, under the law, 50 percent, and generally speaking will be a mere 25 percent. This will be an industry initiative, with merit review by the National Academy of Engineering. And the bill itself passed the Commerce Committee, of which the Senator was chairman and now is ranking member, passed the House of Representatives, and in June 1992, 2 years ago, we had met in conference and had conferenced the disputed portions between the House and the Senate, and had a bill ready on the floor that last month for again a unanimous consent with no objection.

But the other side of the aisle, and the best I can tell—and this is my reasoning, because I had to do the shepherding as chairman of the committee—was that the campaign committee on the other side of the aisle determined that I was running for reelection and in no sense did they want me to have this as a fine issue to run upon. We were not going to pass any Hollings bill. There is only a month. So they went from pillar to post, from post to pillar, from pillar to post, and they kept me running around, and they said: "I do not really have a hold on it, Fritz. Maybe you ought to talk to so-and-so." And then I talked to so-and-so.

Anyway, we did not get any bill passed, but it was unanimous in the committee, on the floor of the Senate, and ready to be reported again; and again, in May of last year, it was unanimous out of the Commerce Committee, and has been on the calendar all that time.

Yes, the Senator wants to get into a GATT argument. This is not GATT. He is on the Finance Committee.

I happen to oppose GATT for different reasons. One particularly about the sovereignty and how we are going to control our own affairs. Article I, section 8 of the Constitution says the Congress of the United States shall regulate foreign commerce—not the World Trade Organization; not this group nor that group nor the next group; not GATT.

So I have similar arguments about GATT. But this is not the time for GATT. But this should not be permitted to hold up this measure.

We have dutifully gone, as I enunciated here in my opening comments to everyone, to the House colleagues who were interested in it, in giving leadership; to the Senate colleagues, the leadership not only in our committee, but in the Finance Committee, the Small Business Committee, the Subcommitee on Labor, Health and Human Services, and Education, and we have worked this out. We have a bill that should not even be debated. It ought to be passed by consent.

But if they want to argue trade philosophy and how we are changing it, then you are on to one of my favorite subjects: the philosophy of the Founding Fathers on trade.

It has been a rather uphill battle for this particular Senator to get this crowd sobered up on the matter of picking winners and losers. That is all we have been doing when you get industrial policy.

When I say you are going to have a minimum wage, I am not letting the market forces determine the minimum wage. I am saying the people's representatives in Washington will determine that minimum wage. When I say we are going to have to have Social Security, I am not letting the market forces, who are so wise, determine it. I am letting the people's representatives in Washington determine the pensions and Social Security of this particular society.

When I set up Medicare and Medicaid, another industrial policy, I am not letting market forces for the particular manufacturing industry determine that particular policy and whether the venture capital can support it or not, and we are cutting losses and not cutting losses. Oh, no. We are saying let the people's representatives in Washington decide with respect to Medicare and with respect to Medicaid.

When I say that you ought to have a safe workplace, oh, no, do not let the market forces decide what is safe. Society got sick and tired of workers being cut up and injured and the market forces turning a blind eye to it. So America demanded the industrial policy of the people's representatives in Washington deciding that we are going to have a safe working place. Then they also decided we were not going to have the market forces decide with respect to safe machinery. They constantly had to get safeguards, we thought, because the market would not do it. So we let the people's representatives in Washington, with the Occupational Safety and Health Act, determine safe machinery in having inspections under the Department of Labor.

We have seen unfettered market forces at work. I have an old-time picture of little 11- and 12-year-olds tied to looms in the textile industry, as dictated by market forces. We said: No, we were not going to let the market forces do it. We wanted a humane industrial policy relative to child employment where we were not going to have them tied to that loom.

You ought to be a Governor of one of the States and go over to the adult education center. We had, in my time, 378,000 functional illiterates, adults who could not read and write, and I would go to the program we put in, and give a high school diploma, finally, or an elementary school diploma, finally, to a 78-year-old with tears streaming down her cheeks, saying, "Thank you, Governor. For the first time, I can read the newspapers. I worked 50 years in the mill, and all I got was a gold watch and I still could not read. But now I can read the newspaper."

Why? Because this society, we as a people, in order to form a more perfect Union, said: To heck with the worst abuses of market forces; we are going to have the people's representatives in Washington determine the industrial policy with respect to child labor.

When it came to the matter of plant closing notices, well, plants would just pick up and go off to Mexico with no notice at all. And they said we were not going to let the market do it because we know what happens. They pick up and go and just leave everybody high and dry after working 30 years and 40 years, with health care gone and everything else. So we said: Wait a minute. You have to have plant closing notice. We are not going to let the market forces do that, and the venture capital to decide the right and wrong. We want the people's representatives to determine that particular industrial policy.

Back in the first days of our Republic we were told just exactly what the distinguished Senator is saying, only in a different way. We were told, in a sort of economist's jargon—David Ricardo, Economics 101, "The Doctrine of Comparative Advantage." The Brits corresponded with Alexander Hamilton, and they told Mr. Hamilton: "Now, you fledgling country, you have your freedom. You are a nation state now. And what you should do is trade with us what you produce best and we will trade back with you what we produce best." Free trade, free trade; market forces; no industrial policy.

In response, Alexander Hamilton wrote the book, "Report on Manufacturers," and there is one copy left over here at the Library of Congress. In a line—I wish I had time to read that booklet to this august body—Hamilton said, "Bug off." He said, "we're not going to remain Britain's colony."

And the second bill—the first had to do with the oath of office—the second bill that passed this Congress on July 4, 1789, was a trade bill, a tariff bill, a tariff of 50 percent on 30 articles, beginning with iron, textiles, going right on down the list. The Congress said, "We are going to build our own productive capacity. We are not going to remain your colony and ship to you the timber and the coal and the iron ore and the wheat and the foodstuff and you furnish us the finished products. No way. No way."

Lincoln did the same thing with the transcontinental railroad opening up the West. And it was told then to Lincoln, "Now, we ought to get that steel from the factories in Great Britain." He said, "No. We are going to build our own steel plants and when we get through we will not only have the railroad, we will have our own steel production, too."

The best example, of course, is the protective quotas on agriculture and wheat, oats, barley, and the other things under Franklin Delano Roosevelt, where we put in price supports—subsidies, if you please—not relying on the marketplace. If you leave it to the marketplace, with Mother Nature coming in with floods, hurricanes, earthquakes, storms, and droughts, and everything like that, you would have no agricultural production. No one, no venture capital, as the Senator said, would ever invest in it. Yes, that is right. Venture capital would cut all its losses and cut out agricultural production.

So, instead, we said we are going to have support prices and we are going to have import quotas to protect those supports. We are going to have an industrial policy in agriculture and not leave it to the market. The politicians in Washington support it 100 percent now. Look at their votes, Republican and Democrat.

And when it came to oil in 1954, under Eisenhower, he said, "Look, we will not have sufficient capacity." He was much like Winston Churchill in World War I. "By way of national security, we have to have a capacity for oil to get our Navy to sea and protect the security of this country." And so, under Eisenhower, in 1954–55, we passed protective oil quotas, industrial policy by politicians in Washington and not, my dear friends, not the market forces, because politicians will only react, as they say, with political considerations.

You bet your boots we are swayed by political considerations. That is the body politic. I am proud to be here. I know the populist tactic of demeaning the Congress and demeaning the Government, and riding politicians on a rail outside—term limitations and all that nonsense.

But I can tell you, yes, "We the people, in order to form a more perfect union," we got together. This is the one gift we have given free man the world around, democratic self-rule. And those considerations by politicians here have been made by both parties, by Republican Presidents, by Democratic Presidents, down the line since the beginning. We built this industrial empire with protectionism.

They do not want to listen to that. They do not want to hear it because these global multinationals and big banks and retailers are calling the shots. We currently have some $70 billion in research. Much of that $70 billion, I would say a majority, is in the aeronautics industry. The majority of it has been used by Lockheed, Boeing, McDonnell Douglas, and the aircraft business.

We are trying to meet competition, and the competition is helping its industry. And that is what Roosevelt did in the days of the Depression. In order to keep the banks open, he closed the doors. In order to save the farms, he planted under the crops. And today, in order to remove a subsidy or barrier, you have to raise a subsidy or barrier and then remove them both. That is the proper governmental role.

We have not been able to do away with Japan's governmental involvement with industry. We talk about managed competition. The Japanese have been the masters of it. It has worked. They are richer than you and me.

They were totally distraught. We had the only industry, the only wealth at the end of World War II. We taxed ourselves to rebuild that Pacific rim with the Marshall plan, and it worked. We sent over our technology, and it worked.

But they did not put in—oh, no—they did not put in antitrust policies. In America, we said, "Wait a minute. These big combines will come and have predatory pricing and monopolistic practices." So here we put in the Sherman Antitrust Act and we put in the other antitrust provisions.

In contrast, Japan put in protrust—protrust. They said, "Oh, no. Here is how we are going to finance it, through the Ministry of Finance. Here is how we are going to direct it, through the Ministry of International Trade & Industry [MITI]. And they have been doing the financing and they keep you off Main Street. You do not open a door on that Main Street unless the other people in the block vote for you to do it.

We cannot break into the Japanese market because we go whining, "We saved you and rebuilt you from World War II. Now, why don't you be nice to us? Be fair. Be fair."

Whoever heard anybody in business being fair? Business' job is to make a profit. If I can take this pad of paper here and charge you 5 cents for it and you buy it, fine. If I can charge you $5 and get it, that is the market forces.

And the market forces today include Government participation in the particular policies that have market force.

The Senator says this bill represents a major shift in philosophy. But what we have here is what we have always had and what he has voted for and what we have continued to have. He was a leader on Sematech. He had been a leader over in the Finance Committee on trade matters.

But I would implore the colleagues, let us not muck up this bill with Finance Committee problems and GATT. I am going to be ready to debate that at the appropriate time. But do not come now, after we have a unanimous vote and have it all worked out on both sides of the aisle with all Senators of good will to get a technology authorization that is less than 2 percent of the $70 billion in this Government's investment total.

Agriculture has far more; $40 billion over in Defense; Energy has way more in research. We found out when we invented VCR's that we did not commercialize our technologies. Our scientists won the Nobel Prize but the Japanese correlated 22 entities and they won the profits. They learned how to commercialize.

We see they are doing as we have done over 100-and-some years now in agriculture with the land grant colleges, America's success story. We still outproduce the world on that particular score.

Now, despite the fact that the distinguished Senator has made up his mind, having voted for it twice, let it go by on unanimous consent over a 2-year period, he says that something happened in GATT to change things. The Senator says, "I want to do something about this GATT agreement." Let us do that on the GATT agreement and not this bill. I plead with him to let this measure go forward now so we can. I do not know of any amendments. But what we ought to be doing now is not starting a GATT debate, unless we are going to bring GATT out here and bring out the attendance sheets and bring out the letters that apparently the Senator has and whatever it is. In that instance I think we are going to agree right quickly.

My particular economy, the economy that I represent in the State of South Carolina, the textile industry, was a donor industry. We did not get a foot in the door. We had letters. We will show the letters promising a 10-year phaseout of the multifiber arrangement. We did not get that. We did not get any entry in. We got them coming in and cleaning our clock. We were not to get into their markets. They did not strengthen the dumping provisions we wanted and those kinds of things.

On the sovereignty question, we are ready to debate GATT when that comes. But this is a technology bill. It is ongoing now. It is a slight increase. It still does not come up to near the research moneys we have at all these other divisions of Government. It is not a major shift in philosophy. Heavens above. We have never left matters strictly to market forces. We already have an industrial policy, and always have.

That was the hue and cry of the previous administration in 1988. Instead, the Congress almost overwhelmingly, by 93 votes, passed these measures—bipartisan—in this, saying it was not industrial policy. That question was raised when we debated it on the trade bill. Since that time the Bush administration changed its mind and requested funds for it because they reviewed it and saw we had peer review in there, that it was industry-initiated; not Government or politicians picking and choosing, but rather the industry was doing it.

So, I hope we can move forward. If we are going to debate that, I hope we will hold that up until the GATT treaty comes, which has to be submitted sometime this year. The distinguished Senator is a leader on the Finance Committee. As a leader on that Finance Committee, I am sure his views are going to be respected, as they have been before. Then they will report out something and we will have some of those recommendations, perhaps. And that can be included in the documents when we adopt or reject GATT, whatever it is.

But this technology policy is for the Government to move forward now and help us commercialize our technology, help small industries that cannot afford Price Waterhouse or Booz, Allen, or another study group. If you are General Electric and you think of a particular initiative and you go to the board, the board can say, "Yes, we ought to look at that. We will hire such-and-such a research firm, $5 million, and give them 6 months and tell them to report back here by January 1." Small business cannot do that. It has to look to the Government. And we look to see whether that is sound public policy.

That does not interfere. This could not make a beep in the market as compared to the influence of market forces, but it makes all the difference in the world with respect to the competitiveness of our industry in this country and the retention of our work force.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Madam President, I do not think this is as small an issue as my chairman has led us to believe it is. I think this is more than a "beep." I think this is a very big question and that it is a question in the minds of many people in our country and many Members of the Senate that is in flux.

I spoke a few weeks ago with a very thoughtful Member of the Senate from the other side of the aisle. I was talking to this individual about the basic question of the Government's participation in business research and development. This person said to me, very frankly, "Honestly, I just have not thought it out." I think that is true with a lot of people in the Senate. We have not really thought it out. I believe we should think it out. Because if we do not think it out then incrementally we will move in the direction of accepting Government subsidies for research and development as being the way we function.

I am concerned that other Members of the Senate will, in years to come, be in exactly the same position that my chairman has so ably explained that I am in. Over a period of years, saying either openly or tacitly, "This is all right. This is the kind of legislation we should pass." And then having it hit you between the eyes at some future date, as it did when I reflected on the Uruguay Round, the GATT agreement, that things I went along with tacitly without really thinking out were just plain wrong. It was a mistake. It was not the direction we should move in.

So my hope in this debate is to try to keep other Senators from the same mistakes that I made and to try to ask ourselves, as a Senate and as a country, how do we really feel about the Government subsidizing business research and development? That is the issue.

Is it a good idea or is it not a good idea? Does it help the country for the Government to get into the business of picking those industries which should be subsidized and saying you are the future and we in Government are going to put our thumb on the scale in favor of your industry? Is that a good approach? Or is it not a good approach?

I can understand the Senator saying research is so important, Government has to help; technology is so important, that Government has to help. I understand that. I think it is even a commendable sentiment, to say if something good is out there or something promising is out there, surely we in Government should nurture it and support it with our dollars. That is a position to take. If we are going to take that position let us do so recognizing the consequences.

I do not mean, as my chairman has suggested, to in any way demean politicians. I spend a fair amount of my time going around to various groups saying that in my opinion the bashing of politicians is totally overdone and misplaced. Some of the best people I have ever known in my life have served in Government and in politics and in the United States Senate. I do not demean them. All I am saying is to have a very high regard for politicians is not necessarily the same as saying that, therefore, politicians should take the place of the market.

To have the highest regard for Members of the Senate, to have the highest regard for those who are in nonelective parts of our Government is not the same as entrusting those people with the decisionmaking power that should be in the marketplace.

The question is not whether you like politicians or do not like politicians; the question is: What kinds of decisions are marketplace decisions and what kinds of decisions are governmental decisions or political decisions? That is the issue now before the U.S. Senate. That is the issue raised very ably by the chairman of the Commerce Committee and by the supporters of S. 4.

Some would say, well, Japan does it. Japan recognizes the close relationship between Government and business. Japan recognizes that there should be great coordination and identity of interests between Government and business, and Japan has done very well. So maybe we should be like Japan. I think that is an argument that my chairman has made. MITI has done it. We should be like MITI. This bill has, in fact, programs for our Commerce Department to spend money to help industries, high-technology industries, in research and development. Let us turn the U.S. Department of Commerce into MITI USA. Why not? Let us be like Japan.

I think there are two arguments. The first is that I am not sure MITI is all that great. It has made mistakes. MITI tried to keep Sony out of the electronics market. It tried to keep Honda and Mazda out of the automobile business. It picked the wrong technology for high-definition television. Governmental decisionmakers can make mistakes. So can private decisionmakers. The problem is that it is often harder for Government to extricate itself from bad mistakes than it is for the private sector to extricate itself from bad mistakes.

So one argument against trying to be like Japan is that MITI is hardly a model of perfection. And the second argument is, this is not Japan. This is not Japan. We are not the same homogenous, regimented country that Japan is. Maybe some people lament that fact, but most of us do not. Most of us say, let us be American, and the strength of America is that market forces work.

The United States of America still is the most admired country in the world. For all of our self-criticism, we are, not because we have the biggest Government or the wisest bureaucracy or governments that are best able to make the fine-tuning decisions for our economy that might be made, but because the American people out there doing the job, spending the dollars, making the decisions, do operate as the invisible hand which directs the course of the economy. So I do not think we should try to be like MITI.

Does all this mean that the Government of the United States should be passive; that S. 4 is nothing? Is it my argument that Government does nothing at all or should do nothing at all, totally laissez-faire? I do not make that argument. I make the argument that we should not weigh in with specific grants to specific high-technology industries to try to foster those industries.

But there are other, more generic ways that Government can help the economy without being so directive. How can we do that? One we mentioned earlier. Basically, it is the approach of deregulation, and it is the approach that we are taking with respect to telecommunications, where Government acts as an impediment to what should be happening out there in the marketplace. Let Government clear away the impediment. That is one approach.

Another is to look at our Tax Code, to look at our Tax Code with respect to whether we are doing what we should be doing in order to foster the economy. I am one of the parents—and it is a good idea so I guess a lot of people claim parenthood—I am one of the parents of the research and development tax credit. We have been debating for a long time whether to make it permanent. Of course the research and development tax credit should be a permanent tax credit. It should not be extended for a year or 2 or 3 at a time. Why is that? Because the testimony that has come before the Finance Committee is that businesses make research decisions on about an 8-year cycle, not a 1- or 2- or 3-year cycle. We can make other improvements in the R&D credit. There is a bipartisan group of Senators who have introduced legislation to do just that.

So there are things that we can do to help research and to help development. But to help research generically, as with the R&D tax credit, is not the same as weighing in on behalf of specific and chosen industries in the detailed way that is envisioned by S. 4. It is just an entirely different kind of approach.

One final point, and it is whether somehow I am jumping the gun on the GATT debate. I believe that the issues raised by the proposed changes in the subsidies code in the GATT agreement are precisely the same as the issues raised by S. 4. I believe that the time has come to focus on how to address those issues. Every Republican Senator signed a letter to Mickey Kantor, the U.S. Trade Representative, asking the administration what the administration's intentions are with respect to how we can handle the new world of green-lighted subsidies; what is our administration's intention with respect to Government subsidies? And Mickey Kantor answered that no decisions had been made; there are not any intentions. That is really flying blind. If we insist on provisions in the GATT agreement which allow for R&D subsidies and then we do not say, "Well, here is our intention with respect to subsidies," that is just operating with our eyes closed.

Then we have S. 4, which is specifically a program to create and expand Government subsidies for businesses doing research and development.

I believe that just as there is a state of flux that exists in the Senate, there is a state of flux that exists within the administration. I believe there are people within the administration, and probably the President himself, who believes that the Government should invest—and that is the word people use now with respect to spending—that Government should be investing in the future.

I also believe that there are people within the administration who are not yet sold on the idea of Government investing in private sector research and development. I believe—although I am not sure, but just sort of on the basis of scuttlebutt—with respect to the subsidies code provisions that were insisted on by the administration, there were differences within the administration on that.

What I am suggesting is we are now involved in a national consideration on this whole question of subsidies. Better to be involved in that consideration in a very direct and open way than to do it by stumbling along, by accident. So I think that exactly the issues that we are going face on the GATT agreement and should be faced before April 15, when the signing deadline comes, I believe these are exactly the same issues that should be debated in this Chamber. That is what this body is for. It is a major question for the future of the country, and it involves the relationship between the Federal Government and the private sector. It is about as fundamental as questions of taxing and spending. What do we think about the Federal Government? How confident are we in the Federal Government? Do we believe that this is where the money is and this is where the genius is and this is where the decisions should be made?

If we decide that we should be subsidizing business research and development by a total of $2.8 billion over 2 years, there is no way that that is not going to manipulate decisions in the private sector. It is the purpose of doing it. There is no way we can spend that kind of money without manipulating decisions that are made out there in the private sector.

How do we feel about that? Is that the way we want it? Do we really believe that that is Government at its best, that the role of Government is to make these kinds of decisions? Do we really believe that we have that kind of genius, that we can create that kind of leadership? Or do we believe that the leadership exists out there in the country and all kinds of entrepreneurs and inventors and scientists and people out there trying to get the venture capital and people who are supplying the venture capital, do we believe that is where the basic strength and the genius of the country is?

That is an important debate, and it is not jumping the gun. It is just saying let us open our eyes right now in connection with this bill, and not blunder along month after month, decision after decision and, before you know it, we have embarked upon a course which seems to be the permanent course for the country.

If we want industrial policy, then let us decide it on this bill. If we do not want industrial policy, let us decide that in voting on this bill.

So I think it is an important issue. I do compliment my chairman for bringing it to the Senate. It has been a great, great privilege for me to work with Senator HOLLINGS over so many years, 2 years of which I was the chairman of the Commerce Committee, the golden age of the committee, and now 8 years or so since Senator HOLLINGS has been the chairman. It has just been a wonderful relationship and still is. But I think within wonderful relationships you can have wonderful debates, and I believe this is an opportunity for a very important debate.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Senator from South Carolina.

Mr. HOLLINGS. The distinguished Senator is correct. They were the golden years, and we continued the golden years. And that is what sort of nonpluses the Senator from South Carolina in that I remember even in that committee, working on the Chrysler bailout, he and I supported it. There have been other bailouts, subsidies for industry. In fact, I will have to look at the record, but I am sure he had a bill called the Aeronautical Technology Consortium Act. He and others cosponsored that and likened it to Sematech, and on down the line.

That is what gets me, because all of a sudden, having supported what he is now so severely characterizing in the harshest and most lurid terms—calling industrial policy a new departure, a new philosophy. Nothing new about it. It is a necessity here in the fierce global competition.

I think they ought to explain how they can support aerospace research, but not research for anyone else. The truth of the matter is S. 4 is not for a particular industry. It is peer review research by the National Academy of Engineering, research that would go to all of industry. It is not in the sense, as characterized by the Senator, that it is for this particular industry, we are going to pick this winner or pick this loser. We are looking.

Let me give a good example. It disappointed me in a way because my textile friends came in a couple of years ago, and they were looking under the Advanced Technology Program for a consortium of what they characterized as advanced technology. The asked the Advanced Technology Administration over in the Commerce Department for a grant, or at least a joint effort of research. It was reviewed by the National Academy of Engineering and found wanting. They did not qualify. It had mainly to do with the refinement of computerization but not advanced technology. Did not qualify.

Madam President, they turned around and went out to California to

Livermore, and when they ended up they announced a $350 million research program. That is bigger than the Advanced Technology Program for all of industry. But here, the crowd from my own backyard, they know how to go where the money is, and they went out there and they got it and they got the program going. They announced it down in Raleigh, NC, had a big press conference and everything else and it is ongoing.

We did not talk then about this being a new philosophy. But I wish to emphasize that this is not, as has been described, a new departure here where we are going to pick winners and losers constituting industrial policy. It is in line with other major programs we have passed on a bipartisan basis.

Consider the basic list of these programs passed by overwhelming bipartisan votes: The Agricultural Research and Extension Program, the aerospace research at NASA, the nuclear energy projects including last year's vote on the integral fast reactor, the Department of Energy's $8.5 billion budget for civilian energy research, cost-shared cooperative agreements between industry and Federal laboratories, notably the Department of Energy, the National Institutes of Health, the National Institute of Standards and Technology; DOD, Department of Defense cost-shared programs to create dual-use technologies including the technology reinvestment project, Sematech, the National Institutes of Health's biomedical research which helped create the American biotechnology industry, the National Science Foundation's cost-shared Engineering Research Centers, small business innovation research grants, a major program just reauthorized last year.

These programs are standard operating procedure of the Federal Government supported overwhelmingly by both parties.

Do not come now, when you get a little technology bill to try to bolster the information highway, to bolster advanced research, to try to bolster commercialization of technology, to try to help small industry, and all of a sudden say, "Wait a minute now; this is a radical new departure." It is nothing of the kind.

It is not a new departure, Madam President, when they support agricultural price supports and other financial aid to farmers. Export-Import Bank loans to finance exports of aircraft, a billion there, right there in the Senator's own backyard, McDonnell Douglas, right there in St. Louis, the research and experimentation tax credit and, as the distinguished Senator said, investment tax credit, the research and development tax credit, the full range of SBA programs; the Lockheed bailout, the Chrysler bailout.

Madam President, when it comes to these things, look at the industries themselves, representing 329,000 engineers, 3,500 electronic firms, 13,500 companies, and 5 million workers. This bill is supported by the American Electronics Association; the National Association of Manufacturers; the Modernization Forum; the Microelectronics and Computer Technology Corp.; Honeywell, Inc.; the National Society of Professional Engineers; Business Executives for National Security; IEEE USA; Semiconductor Equipment Materials International; Institute for Interconnecting and Packaging Electronic Circuits; Wilson and Wilson; American Society for Training and Development; Catapult Communications Corp.; Dover Technologies; Texas Instruments, Inc.; Columbia University; Motorola; Intel Corp.; Cray Research; Electron Transfer Technologies; Electronic Data Systems; American Society of Engineering Education; U.S. Western, Inc.; Electronic Industries Association; Carrier Computer Co.; Southeast Manufacturing Technology Center; Convex Computer Corp.; Association for Manufacturing Technologies; Semiconductor Research Corp.; American Society of Engineering; AT&T.

Madam President, I could go on and on. I worked on measures before, but I have never enjoyed such overwhelmingly broad support from so many business groups. They know and they deal in this global competition, these entities that we are talking about, and they know the realities of the day. They have no use for further contemplation and study. They have thought and worked and worked and thought and competed and invested.

With respect to debt, I have a letter from the White House, Dr. John H. Gibbons, assistant to the President for science and technology. I happen to know Jack Gibbons because I have been on the Technology Assessment Board since its beginning. There has been no more distinguished director—totally bipartisan, unanimous votes, Republicans and Democrats, for his confirmation. When either party changed the chairmanship, they maintained Jack.

Of course, Jack Gibbons was unanimously endorsed by the Congress itself. Here is what he writes to our distinguished majority leader on March 7.

Dear Senator MITCHELL: I am writing to express my full support for the GATT agreement that has emerged from 8 years of international negotiations of the Uruguay Round. It is an excellent document that will promote freer and fairer trade and enrich the nations of the world, including our own.

I am particularly pleased with the outcome of the Subsidies Code in the GATT agreement. It puts real teeth in the disciplining of unfair, trade-distorting production and export subsidies. At the same time, it protects economically desirable U.S. Government investment in research and development from potential challenge by foreign countries.

I applaud the successful efforts by our trade negotiators in Geneva to improve the language in the Subsidies Code relating to Government research and development investments. The agreement, as negotiated, protects challenge by threats to U.S. Government programs that have long had widespread bipartisan support. Among them are, one: Research for the National Institutes of Health that leads to commercial pharmaceutical or biotechnology products; two, support for aeronautical and space research dating back to 1915 for aeronautics from NASA; three, Sematech, the Government-industry consortium to improve semiconductor manufacturing technology that is widely credited with helping to restore the U.S. industry's position as world leader; four, the Technology Reinvestment Program, a cornerstone of our defense conversion program; five, the Commerce Department's advanced technology program designed to promote the growth of knowledge-intensive, wealth-creating industries that generate good, new jobs; six, the thousands of cooperative research and development agreements that industry has signed with our national laboratories to turn Government research into technologically advanced commercial products.

We must not put these excellent programs in jeopardy. I am proud and grateful that our trade negotiators achieved an agreement that reflects American values and an American approach to R&D partnerships between industry and Government while putting the brakes on free-for-all subsidies.

With kindest regards,

JOHN H. GIBBONS,
Assistant to the President for Science and Technology.

Madam President, I do not have the GATT agreement. I have not yet studied it in full depth. I have followed along, and with misgivings. But we do not have the GATT agreement here today to debate. The Senator from Missouri says that is a debate. Now we have to stop and think. He has found a Senator that has not stopped to think. He says: Yes, maybe I have not thought of that. And fine business. Let us think of it. Let us testify and listen to the testimony before the Finance Committee of which the distinguished Senator is a member. Let us see what his committee recommends, and then let us treat with it when it comes to the floor with the GATT debate.

Heavens, now. Do not take a bill that we worked on for 3 years, a bill that passed unanimously 2 years ago in this body without a dissenting vote, and over on the House side in a similar fashion. We conferenced the bill and had it signed by all the conferees. Republicans and Democrats had signed off on it and were ready to have it enacted. But it got caught up in some party politics. Thereby we put it again before the committee last year, reported it out in May of last year unanimously, Republicans and Democrats, from the Commerce, Science, and Transportation Committee, and now we come to the floor and say: Wait a minute, GATT. I have changed my mind. This is a new philosophy. We had not thought of it. This is industrial policy. There is no peer review to this thing. It is just giving industry what they want. We will sit around as politicians and pick winners and losers.

Not so. Not at all. We would not put our names on that kind of legislation. We refused to do it when we enacted it in the first authorization just a year before; just the year before last, the authorization for the National Institute of Standards and Technology, the Advanced Technology Program, the manufacturing research centers, and these other things that are all included in this particular bill.

The Senator has something in mind, I understand, maybe a sense-of-the-Senate resolution. I am ready to vote on it. Nobody is going to delay votes. In fact, I hope that we can go ahead—I know there are not any votes today—but lay down what they have and any other amendments, so tomorrow we can vote and get this measure over to the House of Representatives.

It is too bad that, when it comes time to do our jobs on technology, on competitiveness, on research, on a program all agreed to by the National Science Foundation and all of industry, then one particular Member says: I do not like what they agreed to on GATT.

That is the debate and we are all going to argue GATT. If there is an amendment on GATT, pull it up and vote on it, or whatever. But let us try not to misrepresent this particular measure as a harem-scarem political industrial policy where we are going to sit around as Senators and pick winners and losers. The President will never sign such a thing. The distinguished Presiding Officer would never vote for such a thing. I would not either. It is not that at all.

We have been judiciously trying to make sure it did not happen that way. In the markup—and I can tell a true story with respect to the markup of the Appropriations Subcommittee for this particular endeavor. There was a suggestion made that we ought to write it in. I said, "Oh, no, we are not going to set any precedent and write in anybody's pet program in this appropriations bill. Otherwise, I am not taking it back to the Senate." So this Senator has had to confront just exactly one particular initiative and faced it down. We have never had in the advance technology program the picking of a winner or loser. It is private industry that says: On behalf of all industry similarly situated, we think this is a program to be funded. We are willing to pay 50 percent or more. We want it reviewed by the National Academy of Engineering and if we pass muster, let us go to work together for all of industry.

There is no better, well thought-out approach than that. It really is way off base to try to put this into that shibboleth of "industrial policy" that ran its course back in the 1980's when the political rule was: When in doubt, do nothing, and stay in doubt all the time.

Mr. DANFORTH. Madam President, just a few comments in response.

First, I am not sure that it is accurate to say that this is simply what has been voted out of the Commerce Committee. As I understand it, there is a substitute. I do not know if it is before us or will be brought before us. But it provides for $644 million in additional funding over and above the bill reported out of the Commerce Committee.

Does the chairman want to respond to that? I do not know the status of this substitute, whether it has been offered or will be offered.

Mr. HOLLINGS. The substitute is—of course, we could not have it unless we had a majority of the committee. We asked that it be reported. That is what we laid down. I was authorized by a majority of the committee to put this modification in the committee amendment in the nature of a substitute. And then we had OMB go down, and when that particular matter became an issue, to make sure we were within all the caps. It may be in one particular instance as reported out of the committee—in the first instance—but it is reported out by a majority of the committee right now. I am sure the Senator has a schedule of this summary of the authorizations because it is a 2-year bill.

Mr. DANFORTH. Yes, I do. Madam President, it is my understanding that this version before us is $644 million higher than what we reported out of the Commerce Committee.

Mr. HOLLINGS. Madam President, this is a 2-year authorization. It is 1995 and 1996. Let me give you the entire authorization. It is $696 million. Let us get the bill. For 1995, it is $1.37 billion. That is one-sixth of agriculture subsidies right this minute.

In 1996, it goes to $1.478 billion. I am not able to respond to the exact amount because I do not know what figure the distinguished Senator is using when he says $696 million. This is the committee bill, and those are the figures, and that is less than 2 percent of the research budget of the U.S. Government. The U.S. Government puts up a grand total of $70 billion for research. We have $40 billion in defense. We have about $7.8 billion in energy. We have nearly $2 billion in agriculture, and going down the list. So we have yet—manufacturing accounts for over 15 percent of the employment in this country, even up to that. I do not know about the $670 million, because it is double that overall, $1.37 billion for 1994 and $1.478 billion for the National Science Foundation, for the Department of Commerce program, for the NIST funding, and you can go right down. Advance technology programs, extension services, and so on. There was an intern program by the distinguished Senator from Montana [Mr. BURNS], of our committee. He got his little intern program also included in there.

Mr. DANFORTH. Parliamentary inquiry. Has there been a committee substitute that has been offered?

The PRESIDING OFFICER. I am informed the bill was reported out of committee with an amendment in the form of a substitute. Since then, the chairman has modified the committee substitute, which he has a right to do.

Mr. DANFORTH. Madam President, so is the modification of the committee substitute now before the Senate?

The PRESIDING OFFICER. That is correct.

Mr. DANFORTH. Is this presented to the Senate in the form of an amendment to an underlying bill, or is this the bill as it now appears before the Senate and, therefore, open to amendments in the first and second degree?

The PRESIDING OFFICER. The answer to the Senator's question is, yes, it is open to amendment in the first and second degree and, say, an amendment to a complete substitute.

Mr. DANFORTH. Madam President, I just wanted to make a couple of comments in response to the points made by Chairman HOLLINGS. The first point is that the chairman referred to the research and development tax credit. I know I am repeating myself because just a little while ago in debating, I stated that one of the things we could do in order to help American business in research is to make permanent the R&D tax credit. The R&D tax credit—which could be made permanent and which could be improved and should be improved —is very different from an industry specific grant of funds, because it is generic. It applies to all industries, and it keeps at risk dollars that are invested by the private sector. So I do not view it as the kind of industry-specific approach that is taken in this legislation.

With respect to the so-called Aerotech proposal, the chairman is correct. In response to the agreement that was reached by the prior administration with Airbus, it was the position of this Senator that that agreement adopted the position that certain subsidies for the aerospace industry would henceforth be permitted, very much the same as the green-lighting and the subsidies code that has been agreed to in the GATT would permit certain subsidies.

It was my position then and is my position now that, if the U.S. Government is going to agree that subsidies are going to be permitted, then we better figure out where we go from here. The position that I took—I think it was last year, maybe the year before—was to introduce two bills which were in the alternative. One bill would have mandated a countervailing duty case against Airbus, and the other bill would have said, if we are not going to have a countervailing duty bill, then we are going to have to match them with subsidies. In other words, if you have every country in the world functioning on the basis of subsidies, yes, we are going to have to match them.

That is why it is important for this administration to be very open about telling us what its proposal is with respect to future subsidies.

The worst thing that can happen to American business is if we permit other countries to subsidize and we do not do it ourselves. That is part of the overall debate, I believe. I think the best approach to take is not to greenlight subsidies, not to authorize subsidies, and to file countervailing duty cases. But if we are not going to file countervailing duty cases, then the only alternative to our getting into this subsidy chase is to concede markets, whether it is in aerospace or high-definition television or pharmaceuticals, or anything else, to other countries. It is a totally unworkable situation.

So I think what this administration has done in the GATT negotiations is to put us on the horns of a dilemma. The dilemma is either we do not subsidize and we give up market after market, depending on what country in the world wants to subsidize, that we will not keep up with it and we cannot countervail; or, on the other hand, we get into the S. 4 business of trying to get into the subsidies chase.

I would rather vote for S. 4 if we are not going to countervail. If the only choice is Aerotech and S. 4 and subsidies, we better be prepared for subsidies in a big way or we are going to see catastrophe in the American economy. That is not to say I like S. 4. That is not to say I like industrial policy. It is just to say that we are entering into a brave new world now in which subsidies are going to be the accepted fact and there is not any possibility to do anything about them.

The final point that I make is with respect to the long list of industry endorsements. Yes, that is true, and it is not surprising. I will tell you how to get industry endorsements. Promise money. If we have $2.8 billion dangling before the industries of America saying this is a plum and you can pluck the plum, of course they are going to gather around to pluck the plum. I mean this is real money. It is borrowed, and we do not have a lot of money in our Treasury now to offer up to all these industries. So it is borrowed money. But I guess we have accepted that funny money. We have accepted that.

I am not even making the budget argument. Maybe other Senators will want to make it. I am not even making it. All I am saying is even if it is funny money, $2.8 billion dangled before the outstretched arms of American industry gets an awful lot of endorsements.

I would certainly agree that it is passing strange that business people who are constantly complaining about Government and the excesses of Government and the terrible problems of the Federal deficit are the ones that say, yes, please pass this bill authorizing an additional $2.3 billion so that we can get to the public trough, the sooner the better. It is strange, but it is really not very surprising.

However, there are those who see the problem. For example, Mr. Don Valentine, who is a director of Apple Computer and a venture capitalist, was quoted as saying:

> To Washington I say, please do not help us. The world of technology is complex, fast changing, unstructured, and thrives best when individuals are left alone to be different, creative, and disobedient * * *

Well, that is one venture capitalist saying to Washington "Do not help us. Let us do our thing." I hope there are more like that. But I can understand when there is money to be had, there are endorsements to be given.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from South Carolina.

Mr. HOLLINGS. Madam President, the Senator says dangle money. We have been dangling it—defense $38.1 billion, up to $40 billion; NASA $8.5 billion—dangling money—civilian energy and research and development, $6 billion. You could go right on down about how you get people—you dangle money.

Emerges the 2-year—it is a 1-year, $1.3 billion and the next year $1.4 billion. And the reason for that change, a minute ago asking about it, was $474 billion difference because the original bill had 1994 and 1995. This bill now has 1995 and 1996.

So, it is very, very modest, but it is not dangling little plums. It says we are opening the door and we are opening that door of opportunity by saying to you with the tough financing now and the venture capital shortage and otherwise that if you come with a majority of the money—and they have—if you are willing to go through peer review where it is not just for your particular little industry but for all of industry, we want to back you up in that kind of research. It is in the public interest to do so.

That is what we determined, and that is why many, many businesses without the contacts, and so forth, in Washington, generally speaking, say: "Out of here. We do not want to have anything to do with it."

I have made the talk before myself many times and people being different and everything else.

But I hope it was not the former head of Apple Computer now, who seems to have gone broke, that he is reading from who wants to be different. He is not different at all. We have had a lot of bankruptcies, and he is not different if that is the kind of difference he wants.

The Senator from Missouri asks that we get President Clinton to go to other countries and say, "Drop your research programs." That is exactly what he says. He says now all other countries should abandon their research programs.

How can the Clinton administration ask the other countries to do that? Where they find it is in their self-interest and working, that is what is done.

There is an old saying in equity that he who seeks equity must do equity; he who comes in must come with clean hands.

How do we welcome Airbus and not make any complaint? They have just got more of it.

For years on end every time we got the NASA space program, I know at least for the past almost 27 years, any time that subject has come up on the floor of this Senate we immediately talk about the spinoff and how our aircraft industry is doing so well.

Now, apparently it is not doing as good as Airbus or whatever it is because they are just paying it out at a total loss. Ours was DOD research, Department of Defense research, and all that technology, all that National Aeronautical and Space Administration research, all that technology was going into the private Lockheeds, Boeings, McDonnell Douglass. In addition to that, it was not helping exports. It was to subsidize the Export-Import Bank to a tune at least of $1 billion, the last figure I saw, and that was a debate several years ago. It was to subsidize the exported sales of those aircraft.

So we pay for the research and we pay for the sales here as politicians, and then we want to get sanctimonious about an alleged new philosophy here, that this is a dangerous new departure, and we had better ask the Senate to think about it. Nonsense.

Regarding GATT, again, I say to the Senator, I do not see what section of the bill is in conflict. Regarding the underlying philosophy of the bill, I would like to see the amendment to what section it is that he dislikes, because I know he went over it the year before last and approved it. I know he went over it last year and approved it and supported it. I know he helped me clear the floor in order to try to get it to the conference 2 years ago. And I know he has helped clear it to get it up for consideration right now.

There was no question until this GATT measure came up. Now we do not have the GATT papers before us.

But I put in the best provisions I can obtain at this particular time in consultation with the gentleman in charge of technology, and he says that the Clinton administration went about it in the appropriate fashion. Trying to protect what? To protect the aircraft subsidies, as he characterized it; to protect NIH, National Institutes of Health subsidies; agriculture subsidies. All countries have such subsidies for agriculture.

Now to get up and say we are just not going to play the game—this do-nothing approach has been America's problem for the past 45 years. We have not put in a competitive industrial policy. We intentionally did not put it in at the end of World War II. We had the only industry. We said, "Heavens above, how do you expect these other economies in Europe and Asia to revive?"

"Let them make the textiles," they told me. "Let them make the shoes. We will make the computers and the airplanes."

Now they are making the airplanes and the computers, and the argument comes to the floor, "Well, let's not do anything about it," because certainly it is not going to change these other countries around. We did not enforce any of our trade bills until the current administration came into office.

So I hoped we could move on here and try to deal with what amendments we have. If an individual Senator has an individual problem on GATT, then that is most appropriately addressed later, when we consider GATT. But do not bring it up here in the middle, in the first part of March, when we are trying to get out this legislation that has been agreed to. This bill has been agreed to, just waiting its turn. This is not the time to bring up the GATT agreement. GATT is going to come before us sometime later this summer.

I yield the floor.

The PRESIDING OFFICER. Who yields time? Who seeks recognition?

Mr. HOLLINGS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Madam President, I have before me a release today from the National Association of Manufacturers, entitled "NAM Says S. 4, National Competitiveness Act Will Help Small, Medium-Sized Manufacturers Modernize." Let me quote from the press release:

> "Legislation almost exactly the same as S. 4, the National Competitiveness Act, has been before the Congress during the past two sessions. The National Association of Manufacturers supported the basic purpose of this legislation when it was introduced, and we continue to support it today," Howard Lewis, vice president, international and economic affairs at the National Association of Manufacturers, said Monday.
>
> "As we have made clear over the past several years, our support for the National Competitiveness Act centers largely on Titles II and VI, which deal with manufacturing extensions programs (Title II) and high performance computing and networking (Title VI)," he said.
>
> "The NAM believes that a more coordinated manufacturing extension program, building on current efforts in this area, would help U.S. manufacturers, especially small- and medium-sized firms, learn about and adopt new manufacturing technologies," Lewis added.
>
> "The ultimate responsibility for adopting these new technologies and techniques lies with the private sector. The NAM has long recognized, however, that there is an appropriate role at all levels: Federal, State, and local," he emphasized.
>
> "We believe title II of the National Competitiveness Act would help strengthen and coordinate current manufacturing extension programs.
>
> "If we are to speed the development and deployment of modern manufacturing processes to a broad cross-section of American industry, and not just to several hundred big companies, we need to learn from and build on our current efforts. Title II in S. 4 would help achieve this goal," said Lewis.
>
> "S. 4 also builds on bipartisan efforts to maintain the U.S. lead in high-performance computing and networking. It provides a good framework for areas of mutual benefit to industry and Government research and development efforts," Lewis concluded.

Madam President, I think that is an outstanding statement as to the context of this particular measure. It is just a matter of politicians plucking plums, as has been described, but rather it is a matter of lending a hand to small business, to boost the competitiveness of small business.

We have talked and talked and talked. The U.S. industrial worker is the most productive in the world. Japan is No. 8, the Netherlands is No. 2, and Germany, No. 3.

You get the U.S. Department of Labor and the U.N. data, and they both agree on the productivity per manhour. But we burden industry with minimum wage, Medicare, Medicaid, Social Security, unemployment compensation, clean air, clean water, plant-closing notice, parental leave, all of these things go in.

Before I open up my Hollings Manufacturing, I have to comply with all of those things. That is a cost of doing business. It requires more bureaucracy, employees to keep the records, a safety director. This is at the heart of the great American standard of living—but it comes at a cost in terms of competitiveness.

Now without that standard, Japan and others have come along with a government orchestrated assault to seize market share. They do not care about short-term profit. They want market share.

I have asked the Secretary of Commerce to please get in and bring a dumping case on behalf of the U.S. automobile industry. The Toyota Cressida sells right now for approximately $21,800 in the United States. It sells for $29,300 in downtown Tokyo. That is an $8,500 difference; it is dumping, pure and simple.

We had the figures the year before last where Japan had lost some $3.2 billion by dumping automobiles, whereby, they made it up with over $11.1 billion in domestic profits due to the way they orchestrate and control their home market. So they highball it there, and they make up those amounts otherwise, and they are trust procedures.

So we could well bring a dumping case. We could do a lot of these other things. But for right now, recognizing small business and the research needed, and the suggestions made and studies, consulting for the commercialization of this technology—this is the particular measure we have all voted for and all supported.

I yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Madam President, as the Senate considers S. 4, the National Competitiveness Act, I would like to address an issue I have been working on for over a year. As the ranking member on the Small Business Committee, I would like to make clear for the record the chronology of events surrounding this controversy.

While I am troubled by a variety of provisions contained in S. 4, one has troubled me greatly from the very start. Specifically, it is the provision in the original bill that would have created a Civilian Technology Investment Companies [CTIC's] Pilot Program within the Department of Commerce. CTIC's would invest Government money in high-risk, long-term, advanced technology projects. They would provide venture capital to private businesses.

The problems with this pilot program are twofold. First, it would create a new Federal program that nearly duplicates a program already in operation at the Small Business Administration [SBA]. The SBA Small Business Investment Company [SBIC] Program has been successfully financing technology ventures for more than 35 years. In fact, in 1992, 25 percent of SBIC financing went directly to high-technology ventures. SBIC success stories include Apple Computers, Cray Research, Intel Corp., and Compaq Computers. The SBIC Program clearly has the experience necessary to make venture capital investment work—experience the Department of Commerce would have to build from the bottom up. The SBA has the structure and the know-how to implement the program immediately and efficiently.

Second, project funds may not go to the firms most in need of such help—small- and medium-sized companies. S. 4 contains no limit on the size of recipient companies and it specifically authorized joint ventures. This would open the door to channeling Federal funds to Fortune 500 companies. Are these large companies in need of taxpayer dollars? Certainly not. Unlike big business, smaller companies are often shut out of traditional capital markets and cannot take on the risks of technology development alone. Scarce Government resources should not go toward putting big businesses on the Government gravy train. If a large company has an advanced technology product that is just around the corner, such a company can raise capital in private financial markets without a Government handout. If Government is going to play the role of venture capitalist, the funds should be awarded only to the smaller technology firms that truly need assistance.

In February 1993, I questioned Commerce Secretary Ron Brown about CTIC's during a Commerce Committee hearing. In a written response he asserted that, "The CTIC proposal attempts to channel funding to smaller high-technology companies needing less than $2 million and that may be years away from payoff." Secretary Brown also agreed that the program should be targeted toward small business.

In March of last year, I was joined by eight of my Small Business Committee colleagues, from both sides of the aisle, in contacting Chairman HOLLINGS to express our reservations concerning S. 4's CTIC provision. We all believed strongly that the SBIC Program is a more appropriate delivery mechanism for the type of assistance envisioned by the CTIC pilot program. These same concerns were expressed to Secretary Brown, Budget Director Leon Panetta, Acting SBA Administrator Dayton Watkins, and White House Aide Bob Rubin. I ask unanimous consent that a copy of the letter sent to Secretary Brown be included in the RECORD immediately following my remarks. As the letters were identical, I will not ask for the others to be printed.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

(See exhibit 1.)

Mr. PRESSLER. At his nomination hearing on May 6, 1993, SBA Administrator Erskine Bowles responded to my questions about the capability of the SBIC Program to take on the CTIC Program. He pointed to recent legislation reforming the SBIC Program and to SBIC's increasing emphasis on technology development. He also stated that "SBA could easily modify the existing SBIC Program to establish a dedicated CTIC Program . . . such a program could be operational within 1 year of the enactment of the enabling legislation and program funding." Administrator Bowles estimated it would take at least 4 years for another agency to start such a program from scratch.

S. 4 was passed out of the Commerce Committee on May 25, 1993, with the CTIC Program under the jurisdiction of the Department of Commerce. I then filed a floor amendment to remedy the problems in the committee version by moving the CTIC Program from the Department of Commerce to the SBA.

The Small Business Committee held a hearing on the promotion of critical civilian technology on June 9, 1993. The testimony of the SBIC Program in fostering the development of high technology. One witness testified that the May 24, 1993, issue of Business Week listed the 100 best small companies and at least 10 of these firms were financed by SBIC's; 7 of the 10 are technology-based companies.

This issue has attracted Nationwide attention. George Will and the Wall Street Journal have written about the limited role Government should play in high-technology ventures. Mr. President, I ask unanimous consent that these two articles be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. PRESSLER. The National Venture Capital Association, the National Association of Manufacturers, the National Association of Small Business Investment Companies, Project Services International, and Pennsylvania Small Business United all have expressed support for housing the CTIC Program at the SBA.

I am pleased that the distinguished chairman of the Small Business Committee, Senator BUMPERS, and the Senator from West Virginia, Senator ROCKEFELLER, have worked with me to achieve major adjustments to the CTIC provisions of S. 4. While certainly not perfect, this section of the bill has been improved. The revised language creates a CTIC pilot program jointly run by the SBA and the Department of Commerce. The Licensing Committee created by the legislation would be made up of representatives from both the SBA and the Department of Commerce. I hope the vision of helping small businesses, expressed to me by Secretary Brown in February 1993 is not lost.

Now that the CTIC Program is a joint project of the SBA and the Department of Commerce, the Senate Small Business Committee would have oversight authority over the program. My colleagues can be assured that Chairman BUMPERS and I will exercise that authority to ensure small businesses are helped, not harmed, by this new program. In addition, the bill has been modified to authorize CTIC's to share their revenue with the Federal Government once they become profitable. The legislation also no longer contains an open ended funding authorization and it would require one Commerce Department member of the Licensing Committee to have financing expertise.

I am proud to have fought this battle for small business. I also would like to thank my good friend and chairman of the Small Business Committee, Senator BUMPERS, and Senator ROCKEFELLER. This should not be seen as a committee turf battle. It has been a healthy and worthwhile debate over the proper role for the Federal Government in financing startup critical technology. I want the record to be clear that I will continue to fight to eliminate Government waste and to see that taxpayer dollars are directed to their most efficient and equitable purposes.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, April 16, 1993.

Hon. RONALD H. BROWN,
Secretary, U.S. Department of Commerce, Washington, DC.

DEAR MR. SECRETARY: As members of the Senate Business Committee, we are concerned about the proposal to create Critical Technology Investment Companies (CTICs) which is contained in S. 4, the "National Competitiveness Act of 1993."

We commend and support the goal of maintaining the United States' advantage in developing and marketing critical technologies. Much of the success of American companies can be attributed to utilizing advanced technology that is properly integrated with highly trained labor. However, we disagree that the establishment of CTICs, which duplicates the Small Business Administration's (SBA) well-established Small Business Investment Company (SBIC) program, is necessary to accomplishing that goal.

As you may know, the advanced technology industry has been significantly boosted by the SBIC program administered by the SBA. The SBIC program provides almost $200 million each year in government financing for small businesses—17 percent of which goes to small businesses in the technology industry. This government leverage allows for hundreds of millions of dollars of additional private capital to be used for small business financing. Successful companies helped by the program include Intel Corporation, Apple Computer, Cray Research and Compaq. A major three-year effort to reform and improve the SBIC program resulted in legislation which was enacted in September 1992. Once the changes are implemented, the popularity of the program is expected to increase, likely providing even more money for investment in high technology companies.

Sections 322 and 323 of S. 4 would create CTICs which seems to virtually duplicate the SBIC program and the financing services it provides. In fact, the House companion legislation to S. 4 incorporates much of the 1993 SBIC legislation by reference. Also, S. 4 would require the U.S. Department of Commerce to create a managerial apparatus parallel to that of the SBA to administer the CTICs.

We believe the SBIC program is an appropriate delivery mechanism for the type of assistance envisioned by the CTIC provisions of S. 4. It is in the nation's best interest to promote the development of advanced technology while reducing government waste and duplicative spending. Focusing resources on proven programs would increase the effectiveness of federal dollars and lead to improved development of advanced technologies in the United States.

We look forward to working with you to promote advanced technologies effectively and efficiently. Improved utilization of technology will help small business grow and create more jobs for American workers.

Sincerely,

DALE BUMPERS,
DIRK KEMPTHORNE,
PAUL WELLSTONE,
CARL LEVIN,
LARRY PRESSLER,
HOWELL HEFLIN,
ROBERT F. BENNETT,
MALCOLM WALLOP.

EXHIBIT 2

[From the Wall Street Journal, June 9, 1993]

SBA, COMMERCE SQUARE OFF ON HIGH TECH FINANCING

(By Jeanne Saddler)

WASHINGTON.—The Small Business Administration and the Commerce Department are heading for a showdown over which agency will take the lead in developing new high technology companies.

Officials at both agencies want to head up a new government venture-capital program for small and midsize high technology companies that Congress may create as early as this month. The outcome of the fight could heavily determine what size and type of companies get funding through the new program—and at what stage of their development. The fight could also shed light on how much power the SBA will have in the Clinton era.

The Senate Small Business Committee is scheduled to hold hearings on the issue this morning. The Commerce Department would be the winner under the proposed legislation, which the full Senate is scheduled to take up this month and which the House already has passed.

But the SBA and its backers in the Senate argue that the new effort would be almost an exact duplication of the SBA's small-business investment company program and are pressing to wrap it into the agency's existing effort. Like the SBA program, the new plan calls for venture capital firms to obtain a government license and then add federal funds to their own to boost investments in emerging companies.

The administration still hasn't decided which agency it wants to run the new financing program. A White House official said the administration clearly wants to expand the Commerce Department's role in advancing high technology, but said it is uncertain whether the department will have a role in financing it.

The SBA knows exactly how it stands on the issue. "I feel very strongly the program should be here," says Erskine Bowles, the new SBA administrator who previously headed his own investment banking firm in North Carolina. "You don't have to be a high tech guru to decide which venture capitalists you should deal with. I have more experience dealing with venture capital than anyone in this government."

Mr. Bowles is pitted against Commerce Secretary Ronald Brown, who has embraced the administration's effort to advance critical technologies. Commerce officials say the agency is studying how the program would fit in with its "leadership role" on civilian technology programs.

The SBA's investment-company program was started 35 years ago, after the Russian Sputnik rocket was launched, to fund high technology start-up businesses. But beginning in 1986, many of the investment companies that the program sponsored ran into serious financial trouble. The SBA had to liquidate the assets of 191 of these concerns. Investigators blamed the problems on the recession and poor SBA oversight. Currently about 300 of the investment companies are operating.

The program was overhauled last year to make it focus more on equity investments rather than loans. But Barbara Plantholt, president and chief executive officer of Triad Investors Corp., of Baltimore, Md., says she "gave up on the SBA program last fall." She said her venture-capital firm had considered joining the SBA program, but decided against it because, under the rules, the federal government must be the first investor to get its share of the profit from an investment. She says that rule would force the private partners to wait even longer for a return, a prospect they didn't like. But Ms. Plantholt said versions of the Commerce program she's seen are too complicated.

Sen. Jay Rockefeller, one of the main proponents of putting the new investment program in the Commerce Department, says the SBA's program doesn't address the decline in venture capital for early-stage investments in critical technologies. "Only 19% of SBIC funds go to anything within the broadest definition of technology," the West Virginia Democrat says. "Further, the SBA focuses . . . only on small businesses. But critical technology isn't found solely in small companies." (Most discussions of the Commerce program have focused on small and midsize companies, however.)

The new program would provide early-stage investment money, or seed capital, for companies in industries such as advanced electronics, new industrial materials and biotechnology, says an aid to the senator. The Senate bill provides $100 million over a two-year period for the effort, beginning in fiscal year 1995. The SBIC program provided about $396 million in financing last year, including about $70 million for technology companies.

Venture capitalists have lined up on both sides of the emotional dispute. Patricia Cloherty, president of Paricof & Co., a New York venture-capital fund who wrote the reforms for the SBA program that Congress later adopted, is particularly incensed. She says the proposed Commerce Department program would favor large businesses and would offer them funding more cheaply, without safeguarding the government's money.

"It giver money away with no strings attached. This is destructive and a sure money-loser," says Ms. Cloherty, who is also vice president-elect of the National Venture Capital Association. She believes two separate government-sponsored venture programs would invite abuse.

With the Senate scheduled to vote soon, several members of the Small Business Committee are lobbying their colleagues to simply broaden the mandate of the SBA's existing program instead of creating a new one. Committee Chairman Dale Bumpers (D., Ark.) and Sen. Larry Pressler (R., S.D.) say the Commerce Department program would serve only big companies that could get bank financing. "I'm really upset about this. To build a whole new program is silly; it's an example of what's wrong with government," Sen. Bumpers says.

[From the Washington Post, June 10, 1993]

GOVERNMENT AS VENTURE CAPITALIST

(By George F. Will)

At the Cato Institute, a libertarian think tank here, a recent lecturer drolly introduced himself in language fashionable in Clinton's Washington: "I am an excess of the 1980s."

He is T.J. Rodgers, president and CEO of Cypress Semiconductor, which he founded 10 years ago with one used computer and no other employee. He is one of those who, in Clinton's words, "profited most from the uneven prosperity of the last decade." (A question: What would "even" prosperity look like?)

Today he is wealthy. But forgive him that sin. His company, which has paid $60 million in taxes, has created 1,500 jobs for employees who have paid $150 million in taxes. They all own Cypress stock, which has generated today's market value of $500 million for shareholders.

"Venture experts," he says, "are wrong more often than they are right. But surely they are right more often than Washington would be." If that thought is sensible, the proposed National Competitiveness Act (H.R. 820) is not.

It would get government deeply into business as a venture capitalist, providing loans to, and buying preferred stock in, venture companies. This capital allocation would be done by the Commerce Department, currently run by Ron Brown, the former lobbyist and head of the Democratic National Committee. H.R. 820 could be a political slush fund for compliant companies.

If so, it might achieve the near impossible—making the Commerce Department's record even worse than it is. More than half the almost $1.2 billion lent by Commerce in the last two decades is in default. In the 1970s the Economic Development Administration at Commerce lent $471 million, of which just $60 million has been recovered. And what is the penalty for such failure in Washington? A reward, such as H.R. 820's fresh infusion of taxpayers' dollars. Do you wonder why there is so much failure in Washington?

Rep. Chris Cox (R-Calif.) notes that H.R. 820 would add more than $1 billion to the deficit in 1995. It would do so by authorizing the government to buy 20 percent of the equity capital in venture firms and to guarantee the dividends on preferred stock. "I suppose, therefore," Cox says with tart irony, "it is fitting that this bill is called the National Competitiveness Act, because it will give most private firms the opportunity to compete with government-subsidized securities."

Or perhaps H.R. 820 should be titled The Wesley Mouch Memorial Bill. "This whole plan," says Cox, "reeks of special interest favoritism and make-work waste for bureaucrats. Anyone who has read Ayn Rand's 'Atlas Shrugged' will see frightening similarities between this statist scheme and the disastrous projects of the novel's arch bureaucrat, Wesley Mouch."

But Cox's preferred title for H.R. 820 is The Jurassic Park Act because it will squander money cloning "new industrial dinosaurs." The bill's premise is that Commerce bureaucrats and political operatives make better investment decisions than do authentic venture capitalists and authentic investors when putting their own money at risk.

But when private investors guess wrong, the market liquidates their mistakes. When government capital-allocators guess wrong (as they are bound to do much more often than private investors, whose calculations are not colored by politics), the government just re-labels its mistakes as "jobs programs" and pours in more money to keep them afloat.

Cox quotes Don Valentine, a venture capitalist who helped launch a number of venture companies, including Apple Computer: "To Washington I say, please do not help us.

The world of technology is complex, fast-changing and unstructured. It thrives best when individuals are left alone to be different, creative and disobedient. Go help all the people who know how pork works and who want to be taken care of. But please do not help us."

Of course Cox and others have argued in vain. The Democratic-controlled House passed H.R. 820, not to enhance competitiveness but to concentrate yet more power in Washington, further permeating American economic life with the inefficiencies of politics.

Consider. Clinton wants to raise the top tax rate on the wealthy who do a disproportionate share of the nation's investing; and he wants to impose a 10 percent surcharge on those who have the most to invest; and he wants to increase the corporate rate; and he wants to keep high the capital gains tax rate that punishes people who increase the value of an enterprise. And yet he has the brass to say H.R. 820 is "wise," presumably because venture capital formation is inadequate. H.R. 820 is a paradigm of government fattening itself by pretending to cure problems it causes.

So, which do you prefer, T.J. Rodgers, the self-described "excess of the 1980s," or H.R. 820, a sample of the excesses of the 1990s?

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I am confident the Senator from South Dakota signed off on this bill. In the new section 302, under subsection 4(C), eligible technology firm means a company "which meets size standards set by the Administrator."

That is the language we got from the distinguished Senator in the Small Business Committee. It should be noted not only they all signed off, but of course this Senator, as chairman, is just as vitally concerned about the SBA and its programs and success as any. It was only last week we had Erskine Bowles, the Administrator of the Small Business Administration, before the Appropriations Subcommittee, which I chair, for Small Business Administration. So we look not just at authorizing legislation and programs from time to time, but every dollar spent and the success of those dollars expended, and where we might improve on the administration.

I might also add, we have one of the most outstanding Administrators we have ever had in the Small Business Administration in Erskine Bowles. So, yes, this bill is signed off by SBA. They have worked and helped fashion the particular language.

So, as I understand it, there might be some other comments coming, but if there are any amendments, I hope they will come to the floor. I do not know what the strategy is here, being a Monday and not full attendance, of course, where they say there are not to be any rollcalls.

But tomorrow we will be courteous, we will be considerate and any amendment that comes up we will give time for those to be heard on their amendment but not just to prolong debate, just to stretch out the final approval of this particular measure because this measure has been waiting its turn long and long enough. I hope it is not being used as an instrument to debate foreign or alien considerations, such as the GATT agreement and what they did in December over in Geneva.

I know some have misgivings about GATT. That is fine business. I do, too. Let us take that up when the GATT agreement is presented before the Finance Committee and later on before the Senate itself.

Mr. President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, might I ask, what is the pending business?

The PRESIDING OFFICER. We are working on S. 4, a modified committee amendment to S. 4.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 5 minutes.

TRIBUTE TO SENATOR GEORGE MITCHELL

Mr. BAUCUS. Mr. President, I rise today to express the deepest respect for our distinguished majority leader, Senator MITCHELL. When Senator MITCHELL was appointed to this body, the conventional wisdom around this town was that he was going to be a short-timer. The word had spread inside the beltway that GEORGE MITCHELL, with his reserved and judicious manner, would never make it in the rough and tumble world of elected politics.

But those people did not know GEORGE MITCHELL. With his landslide election in 1982, he and the voters of Maine proved the Washington pundits wrong. And just a little more than 4 years later, Senator MITCHELL became our majority leader.

I was among the first in this body to support GEORGE MITCHELL, support him in his race for majority leader against two other outstanding Senators. While every Senator sometimes questions decisions he or she makes over the course of a career, I will never regret my support for GEORGE MITCHELL.

Like Montana's Mike Mansfield, GEORGE MITCHELL has set the highest standards of ethics and public service. At a time when this institution faces much criticism, there can be no better role model or spokesman for the Senate than GEORGE MITCHELL.

While much of his success as a majority leader can be attributed to the skills of a great diplomat and smart negotiator, he is also a fighter—a fighter for the principles and ideals that I personally believe personify the Democratic Party. Whether the issue is jobs, the environment, tax fairness, trade policy—whatever it may be—GEORGE MITCHELL always states his views with force, conviction, logic, perception, wisdom, and decency.

Beyond this, he is also a fighter for the State of Maine. His constituents could ask for no greater friend or a more tireless advocate. Through his almost weekly trips home and hundreds of town meetings around Maine, GEORGE MITCHELL never lost touch with his people, the people who sent him to Washington.

I might say, Mr. President, I was struck when, in the election before last, only one county in the State of Maine did not vote for GEORGE MITCHELL. What did he do? He sent letters to every voter in that county. He went back immediately and scheduled a visit with that county and asked them what he did wrong; what could he do to better represent them—the people in the one county he did not carry in the State of Maine.

In this last election, he carried that county. I think there were one or two precincts in the entire State of Maine that did not support him. Every precinct in the State of Maine voted for GEORGE MITCHELL in his last election but for two or three. Knowing GEORGE, had he run again for reelection, I know he would have worked hard to carry those remaining two or three precincts and every precinct in the State of Maine would have supported GEORGE MITCHELL. That is evidence of his dedication to his State.

Just outside this Chamber lies the Senate Reception Room which we all know about. It is a place where Senators step off the floor to meet with constituents, reporters and friends. It also might be considered our Senate's Hall of Fame.

In the 1950's, a young Senator named John F. Kennedy headed a special committee that voted to commission the painting of five portraits of outstanding Senators on the walls of our reception room. They chose Daniel Webster of New Hampshire; Henry Clay of Kentucky; John C. Calhoun of South Carolina; Robert La Follett of Wisconsin; and Robert Taft of Ohio.

While I believe Senator MITCHELL will want to achieve greatness outside the Senate, I also believe that his service to the Senate and to the United States ranks with those great persons whose faces now watch over the Senate Reception Room. For his successors as Senator from Maine and majority leader, he is going to be one tough act to follow.

To sum it up, Mr. President, I can think of no one that I have had the privilege to know in my life who is more intelligent, who is more articulate, who is wiser, who is more perceptive and, above all, more decent than GEORGE MITCHELL. He is one of the truly great Americans that I have had the privilege to know.

I say that also in part because as he once said—and I believe it to be true—there is no more noble human endeavor than public service, service generally, whether it is service to family, service to friends, service to community—service, there is no more noble human endeavor than service. And GEORGE MITCHELL serves this body and has served his people in Maine and the Senate and the country in many capacities. Whether it was as a judge or working on the staff in the Senate for Senator Muskie, whatever he did, he always served; he served people.

I feel confident, I know he will continue to serve in some other capacity. I do not know what it will be. But I deeply hope that whoever succeeds him in representing Maine and whoever succeeds him as majority leader looks back and follows that model and serves his people and his Nation as much as GEORGE MITCHELL.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me commend the Senator from Montana. I was committed to the distinguished Senator from Louisiana, Senator BENNETT JOHNSTON. I voted for him and I did not vote for Senator MITCHELL. But I certainly join in what the Senator from Montana is saying.

Ten years ago, I got to watch Senator MITCHELL in his own home State. I knew at the particular time that he was a disciple of Senator Muskie, like myself. I was a follower in much of Senator Muskie's footsteps. The fact of the matter is, when President Eisenhower appointed an intergovernmental relations advisory commission, Senator Muskie was a Senator appointee as a Democrat and I was a gubernatorial appointee back in the fifties at that time and later reappointed by President Kennedy.

Senator Muskie was a mentor to Senator MITCHELL. GEORGE MITCHELL was the hardest working fellow anyone could ever find. He had worked his way back in Maine and into law school here in Washington, DC, and, upon graduation, Senator Muskie had him appointed as a Federal judge. You know these Federal judges. That is the nearest thing to immortality on Earth. You are not going to get rid of them. They are never going to resign. Whatever they say or whatever they do, they have lifetime health care, lifetime pay and everything else of that kind.

Here was a gentleman, GEORGE MITCHELL, who really yearned so much for public service that he gave up the emoluments and lifetime guarantee of an income.

On that score, Senator BAUCUS has really touched on the matter of public service. Here in a day and age when all you can hear is the derision and the ridicule of those in public office and the general approach that no one should be trusted beyond two terms—somehow whenever you get in it you are bound to be corrupted, so the law should be that no one should serve more than two terms, term limitations and that fever and everything else—what Senator BAUCUS has taken as a point is well stated.

There is no greater opportunity to do more for people than in public office, period. Yes, the minister does well, the teacher in the classroom does well, but for even more people, for people generally of all ages and across a broad spectrum, if you look at public service, that is the great pay, because you have a wonderful opportunity to do so many things for so many people.

And with that yearn, GEORGE MITCHELL gave up that lifetime guarantee and got into hurly-burly politics and, in what is generally considered to be a Republican State, got elected as a Democrat.

I remember when he was so far behind people were even laughing at that particular time, but just through his hard work and determination, I say to the Senator from Montana, he really worked his way into the hearts of all Mainers.

I have campaigned in that State from Madawaska up in the north down to Kennebunkport, to Portland and Bangor, and I have been in little Waterville where the Mitchell family was raised, where his mother could not exactly speak the English language, working in the textile plant, and little GEORGE as a youngster was taken down to her at lunch time and everything else of that kind, very humble beginnings and all the brothers working and what have you. And here for him to take on the responsibility as majority leader and perform as he has is just astounding. I have not seen anyone better. I watched as a Governor and worked with Lyndon Johnson, and I watched the other majority leaders come along since that time, all outstanding.

The leadership post today is far and away the most complex role and mission in Congress. One of the things, for example, is that you are looked upon to make the case for the President's policies on the various Sunday news interview programs. GEORGE MITCHELL's measured tone of settling arguments here on the floor, summing up in very cogent, succinct, meaningful, understandable terms, has been remarkable. But even more remarkable has been his performance on these Sunday shows.

It made me proud to see GEORGE on these Sunday programs. Even when he was articulating a position that I was in opposition to, I had to credit him with the outstanding talent of an analytical mind, a lawyer and a judge's mind. He went about his particular task of persuading and never raised his voice. Senator Muskie and I used to talk about righteous indignation, and Senator Muskie would get a little heated and I would get a little heated but not GEORGE MITCHELL. He did it in very strong terms—as Senator BAUCUS said, a great fighter—but he did it in even stronger terms by his understanding and cogency, in the way he expressed his particular thought, most persuasive. He has been very, very considerate.

I guess if I had one little suggestion I have ever made is that he probably was too indulgent and too considerate of us as Senators. We all come filing in now saying I have to go to a meeting; please give me a window. I have a fundraiser; I have to go there. Can we not have any votes, and what have you.

Maybe that is the fault of all of us and not GEORGE's in that respect, because when I was first here we met every Monday morning and voted in the mornings and then in the afternoon had our hearings. And now with the television, of course, we have it reversed so everybody can get their releases out and make their press conference appearances and then come to the committees and make sure that questions are asked that are going to be on the 7 o'clock news. Maybe if we could do all that debating between 9 o'clock or 8 o'clock in the morning and 2 o'clock in the afternoon, then we would know there would only be a window for a TV appearance between 2 and 4 because the press crowd would not even cover you thereafter and that would limit a lot of these hearings and I think expedite things.

But that has just been a private view of my own, trying to get things moving and trying to help majority leader MITCHELL.

I guess at another time I will go get that record and make a more studied presentation, but I cannot let the moment pass with the comments made about GEORGE MITCHELL without me joining in. I have seen them all. He is the best. He has worked hard. He has worked with a rather cantankerous opposition. Ye, gads.

When Senator Mansfield was here, he called up a bill. Republicans will not let poor Senator MITCHELL call up a bill. They have to debate whether to even call it up, then ask about that. And then when you get on the subject, we used to sort of try to adhere to a germaneness rule. Now we are on the GATT when I am trying to get the technology bill. They are off and running on the tangent of international trade. And these are the monkey shines that go on. They know every way. They will not confirm.

I have a lawyer for the committee, the Senator's committee. He voted to approve her. I voted to approve her. We have all voted to approve her. We cannot bring nomination up. Why? Because they tell us they want to know what another appointment is going to be on the commission before we take up this one.

These are the kinds of shenanigans that Senator MITCHELL has had to put up with and still try to make progress, and everybody says, "Why don't we work harder? Why don't we do this? Why don't we do that."

The distinguished majority leader has had a more difficult time working out agreements around here than any other majority leader ever had in the history of government, and he has done it in an outstanding fashion.

So I commend the Senator from Montana in noting the shocking news that our GEORGE MITCHELL is going to leave. It is, as CARL LEVIN said, the worst thing that could possibly happen to the Senate at this particular time.

It is going to be very, very difficult to get someone with GEORGE's understanding, his brilliance, his humor, his sensitivity, and his consideration. So I will just rest my case there for the moment and thank the Senator from Montana for interrupting these proceedings.

Mr. PRESSLER. Madam President, in good humor, I might say that I have served in the Senate with the distinguished Senator from South Carolina under some Republican majority leaders, ROBERT DOLE and Howard Baker, and probably I could list some shenanigans from the other side. But I will not do that in good humor. But I just could not resist responding a little bit.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I rise with some reluctance to oppose the proposed amendment which I believe may be offered by the Senator from Missouri [Mr. DANFORTH].

I am in this position reluctantly because I have the highest regard for Senator DANFORTH as a leader on international trade issues. He and I have worked together, for example, to extend Super 301, win passage of NAFTA, win passage of the 1988 trade act, and win trade negotiating authority for at least two administrations.

I have the deepest admiration for his contributions to trade policy, and I see him as one of my most valued friends and allies in the Senate.

I also share his concerns regarding the impact of the new GATT agreement on our countervailing duty or antisubsidy laws. The fact is that our trade laws, that is, our American trade laws, counterveiling, antidumping, section 301, are critical to American trade policy.

These laws have taken us further in the direction of a genuinely free-trade provision than any other trade agreements. They are the backbone of American trade policy, and they cannot be traded away from any trade agreement. But I think with all respect to my friend from Missouri, before the Senate puts itself on record on this issue, we should at least listen and listen carefully to the administration's case. The administration has a number of arguments to make with regard to provisions of the Uruguay round which this resolution addresses. The administration's first chance to explain its views is a hearing being held by the Senate Finance Committee this Wednesday at 10 o'clock.

Further, I am disturbed by this resolution's suggestion that the GATT agreement be renegotiated. Frankly, it is just not realistic to renegotiate the Uruguay round. It took almost 7 years of painful negotiations between 107 nations to conclude the round. We are not about to go back and ask each of those 107 countries to come back and renegotiate another agreement. We cannot at this point go back to the table and demand specific changes without endangering the entire agreement, which on balance will mean tens of billions of dollars in additional economic growth and hundreds of thousands of new jobs.

I might also point out that other countries have plenty of provisions they also dislike, and they will certainly demand changes in exchange for the changes we want. The entire agreement could easily break down.

Senator DANFORTH may be entirely right about the subsidy issue. It may be right for the Senate to take the step. But we should not do it hastily, and we should consider what is at stake. The round is projected to raise world economic production by $270 billion a year, and it could raise American GDP by $65 billion a year. It means hundreds of thousands or even millions of high-paying export jobs for the United States.

This round has been a consensus goal of American trade policy since the mid-1980's. It is the product of three administrations. It is the perfect example of bipartisan cooperation. And, before we destroy it, let us at least look carefully and think hard. We should weigh the pros and cons of hearings and have this debate, but we should get the facts on the table first.

I have been working with Senator DANFORTH's staff on provisions for the Uruguay round implementing language that I think will protect our trade laws. It may be that we could address the problem he raises in implementing legislation. We may be able to create a special procedure that balances foreign research subsidization with counter subsidies on our side. We may be able to limit the scope of this provision and provide a congressional check on its extension beyond the 5 years agreed to in the GATT.

None of these options is perfect, but I am confident that we can protect section 301, and even strengthen it, in the implementing language. I am confident that we can protect our dumping laws, and even strengthen them, in the implementing language. I want to work with Senator DANFORTH to see if we can do the same to protect our countervailing duty law.

At this point, I consider a vote on this resolution unwise. It would be premature. I urge my friend from Missouri to work with us to find other solutions. If in the end we cannot find them, I may well be back working with him on this resolution at a future date, but not here today. For today is too early for this resolution, and I urge my friend to withdraw it—at least not offer it—and, if he does offer it, to then withdraw it so the administration can make its case and work with the rest of us in this Senate to find a solution that does not threaten this round.

I urge my friend, therefore, not to call up this amendment.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I am pleased to rise in support of S. 4, the National Competitiveness Act of 1994. Among other things, S. 4 creates a Civilian Technology Investment Company [CTIC] program aimed at fostering the development of critical technologies by small- and medium-sized businesses. In large part, the program is modeled after the Small Business Administration's [SBA's] successful Small Business Investment Company [SBIC] program which has helped develop such business superstars as Federal Express, Cray Research, and Apple Computer.

When S. 4 was reported by the Senate Committee on Commerce, Science, and Transportation, I could not have supported the CTIC program it contained. That version would have established a duplicative bureaucracy within the Department of Commerce to administer the program, which in many respects was identical to SBA's SBIC program. Further, that version would have permitted the CTIC program to use nonparticipating equity securities, thus permitting investment companies to circumvent sharing some of their federally sponsored profit with the Federal Government.

Happily, today S. 4 contains an improved CTIC program, thanks to the dedicated efforts of my colleagues, Chairman HOLLINGS and Senator ROCKEFELLER, their staffs, the Department of Commerce, the Small Business Administration, and my staff on the Senate Small Business Committee. Like the SBIC program, the CTIC program will license investment companies which will provide financing through debt securities and participating equity securities, which parallel the recently created participating security created to finance SBIC's.

In a few key respects, however, the CTIC program is different from the SBIC program. First, the CTIC program will require that the licensed investment companies make investments exclusively in critical technology ventures. Recognizing that technology investments are often riskier than other types of investments and that the budget of the Federal Government is tight, S. 4 strictly limits to 15 percent the cost of the CTIC program under credit reform. This will allow for the subsidy cost of the CTIC security to exceed the currently estimated cost of SBIC's participating securities by more than 4 percentage points, yet it will ensure the costs of this program remain within reason.

Second, S. 4 establishes a Licensing Committee which will be responsible for granting licenses to CTIC's and for developing the operating plan and implementing regulations. The five-member Licensing Committee will have three members from the Department of Commerce, all of whom are well-versed in technology and one of whom is a finance and investment expert. The committee will also have two members from the SBA, both of whom shall be finance and investment experts. It is expected that all committee members will use their expertise to license only the most promising applicants which are financially sound and likely to succeed. After the licensing stage, the SBA will be responsible for administering and overseeing the program.

Third, CTIC's will provide financial assistance to small businesses, as defined by the SBA, and to joint ventures, as defined by the Licensing Committee. As chairman of the Committee on Small Business, I encourage the Licensing Committee to not use the resources of this program exclusively to finance joint ventures. As evidenced by some of the successes of the SBIC program, some small businesses are very bit as innovative and may be more deserving of Federal investment than their more substantial joint venture competitors, who may be able to draw on the resources of some of America's wealthiest corporations.

The issue of appropriations is a difficult one when joint programs are involved. S. 4 handles the issue by authorizing appropriations for the program to the Department of Commerce and directing that a portion of the appropriation be transferred to the Small Business Administration in proportion to its share of the program's administration. This is necessary to ensure that SBA has adequate salary and expense funds to administer the program responsibly.

From the Licensing Committee to the program's funding, cooperation is the key to success of this new CTIC program. It, like the technologies it seeks to encourage, is an innovation. Although Federal agencies often do not work well together, I have confidence that this program will be different, because the common goal of providing investment capital for the development of technology will overcome parochial concerns. I look forward to the progress of this program as it is jointly developed by the Department of Commerce and the Small Business Administration.

I can assure my colleagues that the Senate Small Business Committee will maintain rigorous oversight of this new program.

Mr. JOHNSTON. Mr. President, I rise to speak in support of title VI of S. 4, the National Competitiveness Act of 1994. Title VI establishes the Information Technology Applications Act of 1994. This act amends and builds on the High-Performance Computing Act of 1991.

The Committee on Energy and Natural Resources, which I chair, and the Committee on Commerce, Science, and Transportation, chaired by my distinguished colleague from South Carolina, Mr. HOLLINGS, worked together in crafting the 1991 act. Again, our committees have worked together and developed the Information Technology Application Act of 1994.

The program established by the administration pursuant to the High-Performance Computing Act of 1991, the High-Performance Computing and Communications Program or the HPCC Program, is an important Federal investment in high-performance computing and communications technologies, which are critical to the competitiveness and national security of the United States.

The HPCC Program has been universally proclaimed as a success, both in the results achieved and in the manner in which agencies have coordinated their programs together. Similar research and development programs have been initiated following the model of the HPCC Program in advanced materials, biotechnology, and manufacturing.

Since the establishment of the High-Performance Computing Act, however, the administration has proposed to expend the scope of the HPCC Program. The administration seeks to establish a new component of the program—the Information Infrastructure Technologies and Applications or the IITA. This effort will lead to the development of applications in high-performance computing and high-speed networking technologies for use in the fields of health care, energy, the environment, education, libraries, materials, and manufacturing. The Information Technology Applications Act of 1994 authorizes the IITA and provides direction to the administration in carrying it out.

I would like to take a moment to clarify the intent and purpose of several sections of the Information Technology Applications Act of 1994. The act makes no change to the management structure called for in the High-Performance Computing Act of 1991. The management and coordinating mechanisms in place today have produced remarkable interagency cooperation. There is no reason to change that structure and the IITA makes no changes. The main purpose of the Information Technology Applications Act is to call for, as part of the program created by the High-Performance Computing Act, the research and development of applications in high-performance computing and high-speed networking technologies.

Section 609 of the Information Technology Applications Act of 1994 restructures section 102 of the High-Performance Computing Act. Currently, the High-Performance Computing Act calls for the creation of the National Research and Education Network. The High-Performance Computing Act envisions a national network that is accessible to researchers and educators throughout the country. The High-Performance Computing Act does not direct any one entity, including the Federal Government, to build and operate such a network. The High-Performance Computing Act directs the agencies of the Federal Government to ensure that agency networking activities are coordinated with each other and with the private sector with the goal that computer networks throughout the Nation can be connected together. This, in fact, has happened.

Today, there are thousands of computer networks connected together allowing millions of researchers throughout the world to communicate with each other. Not one entity, however, has built or operates this national network. This national network has been created largely through the voluntary cooperation of those who build and operate networks. By agreeing on the same standards and protocols, computer networks can now be linked together and be operated as one national network. The role of the Federal Government in this effort has been to act as a central coordinating point and as a catalyst for creating this national network.

The Information Technology Applications Act would change the High-performance Computing Act by eliminating the creation of the National Research and Education Network. Instead a National Research and Education Network Program is created. As no one entity is creating a national network and the focus of the High-Performance Computing Act has always been on the Federal Government's contribution, the creation of a program is a much better description of the Federal Government's efforts. The goal, however, has not changed—a national computer network accessible to researchers throughout the country. The Federal Government will continue to act as a catalyst and central coordinating point for connecting together the Nation's computer networks. The restructured section also calls for a much stronger effort in the research and development of applications technologies that may be used on computer networks.

To help catalyze the effort to establish a system of interconnected networks, the High-Performance Computing Act of 1991 calls for the Federal Government to carry out research and development of high-performance computing and high-speed networking technologies. This research has centered around the development of faster and more powerful supercomputers and networks, but has not focused on new uses or applications for high-speed computers and networks. The Information Technology Applications Act calls for a much stronger research program in the applications area for developing new uses for high-speed computers and networks in such fields as health care, energy, the environment, education, libraries, materials, and manufacturing. Applications in these areas are now possible because so much of the Nation has access to a national system of interconnected computer networks. For example, it is now possible for a doctor to communicate the results of a CAT scan as they are occurring to a colleague across country. The two can talk and look at the same time at the results of the CAT scan. A few years ago this would not have been possible. Additional research and development will lead to new applications in many other areas.

The Information Technology Applications Act would add a new section 102(g)(1) to the High-Performance Computing Act. This new section requires a point of clarification. This section calls for each agency to procure communications networking services through commercially available network services, or if these cannot satisfy agency requirements, then through contracting for customized services. This is a restatement of current law and of current practices. This language is not intended to change how agencies procure network services, but simply restates current agency practices to make clear that Federal agencies are to continue to competitively procure as much of their networking services as possible from the private sector as they do today. As agencies already do this, this section makes no change in current law.

The final point I would like to make relates to section 606 of the Information Technology Applications Act. This section amends the High-Performance Computing Act to direct the Secretary of Energy to develop, test, and apply high-performance computing and high-speed networking technologies in areas within the Department's missions such as energy, the environment, manufacturing, materials, health care, education and training, financial services, and law enforcement.

Historically, the Department has been the lead Federal agency in the development and use of high-performance computing technologies. The Department operates more unclassified supercomputers than any other entity in the world and has working relationships between its national laboratories and most of the high-performance computing vendors. The Department connects its laboratories and researchers located throughout the world together through one of the Federal Government's largest computer networks. Some of the Nation's premier high-performance computing systems, applications, and networking capabilities have been developed, perfected, and routinely utilized by the Department's scientists and engineers in pursuit of the Department's missions. the Department has unique and extensive capabilities that could provide major contributions to the administration's Information Infrastructure and Technology Applications or the IITA Program. Considering the Department's expertise in high-performance computing, the Department should have at least an equal, if not larger, role in the administration's IITA, than the other agencies.

Thus, I was disappointed that a role for the Department was not specified when the administration first proposed the IITA. The administration maintained that the Department had not established what role it could play in the IITA. The Department of Energy subsequently identified the potential applications and technology contributions it could make to the IITA. Section 606 would establish the Department of Energy's role in the administration's IITA.

Information is one of the Nation's most critical economic resources. I welcome the administration's efforts to improve on the High-Performance Computing Act by developing a program to develop new ways for this country to benefit from this resource. With the authorization and guidance provided by the Information Technology Applications Act, the administration can move forward with this most important initiative.

I urge my colleagues to support passage of the Information Technology Applications Act.

MORNING BUSINESS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of January 5, 1993, the Secretary of the Senate on March 4, 1994, received a message from the President of the United States submitting a nomination which was referred to the appropriate committee.

The nomination received on March 4, 1994, is shown in today's RECORD at the end of the Senate proceedings.

EXTENSION OF GSP BENEFITS TO UKRAINE—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 94

Under the authority of the order of the Senate of January 5, 1993, the Secretary of the Senate, on March 7, 1994, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

I am writing to inform you of my intent to add Ukraine to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, and particularly Ukraine's level of development and initiation of economic reforms, I have determined that it is appropriate to extend GSP benefits to Ukraine.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 3, 1994.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1597. A bill to amend the Public Health Service Act to revise certain organ procurement and transplantation programs, and for other purposes (Rept. No. 103-233).

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2257. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to the programs of assistance for the destruction of weapons, demilitarization and nonproliferation in the former Soviet Union; to the Committee on Armed Services.

EC-2258. A communication from the Principal Deputy Under Secretary of Defense, transmitting, pursuant to law, a notice of the completion of a review of the officer personnel management system and the impending submission of a report; to the Committee on Armed Services.

EC-2259. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction with the Phillipines; to the Committee on Banking, Housing and Urban Affairs.

EC-2260. A communication from the Chairman of the National Commission on Manufactured Housing, transmitting, pursuant to law, the interim report of the Commission, dated March 1, 1994; to the Committee on Banking, Housing and Urban Affairs.

EC-2261. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, a report relative to the Traffic Alert and Collision Avoidance System; to the Committee on Commerce, Science and Transportation.

EC-2262. A communication from the Assistant Secretary of Interior (Land Management), transmitting, pursuant to law, a notice on leasing systems for the Central Gulf of Mexico; to the Committee on Energy and Natural Resources.

EC-2263. A communication from the Chairman of the Prospective Payment Assessment Commission, transmitting, pursuant to law, the annual report of the Commission; to the Committee on Finance.

EC-2264. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled, "Review of Various Opportunities That Allow Customers to Receive Water and Sewer at a Reduced Rate"; to the Committee on Governmental Affairs.

EC-2265. A communication from the Inspector General of the Department of Commerce, transmitting, pursuant to law, the Inspector General's report relative to the Byrd amendment for fiscal year 1993; to the Committee on Governmental Affairs.

EC-2266. A communication from the Director of the Woodrow Wilson Center, transmitting, pursuant to law, the Inspector General's report for the Center for fiscal year 1993; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CHAFEE (for himself and Mr. BOREN):

S. 1889. A bill to amend title XIX of the Social Security Act to make certain technical corrections relating to physicians' services; to the Committee on Finance.

By Mr. HEFLIN:

S. 1890. A bill to require certain disclosures of financial information to expose espionage activities by foreign agents in the United States; to the Select Committee on Intelligence.

By Mrs. KASSEBAUM (for herself, Mr. BENNETT, Mr. BROWN, Mr. CRAIG, and Mr. DANFORTH):

S. 1891. A bill to shift financial responsibility for providing welfare assistance to the States and shift financial responsibility for providing medical assistance under title XIX of the Social Security Act to the Federal Government, and for other purposes; to the Committee on Finance.

By Mr. MCCAIN:

S. 1892. A bill to amend title II of the Social Security Act to phase out the earnings test over a 10-year period for individuals who have attained retirement age, and for other purposes; to the Committee on Finance.

S. 1893. A bill to amend title II of the Social Security Act to impose the social security earnings test on the retirement annuities of Members of Congress; to the Committee on Governmental Affairs.

S. 1894. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide that the cost-of-living adjustment of the annuities of Members of Congress may not exceed the cost-of-living adjustment of certain social security benefits, and for other purposes; to the Committee on Governmental Affairs.

By Mr. RIEGLE (by request):

S. 1895. A bill to consolidate under a new Federal Banking Commission the supervision of all depository institutions insured under the Federal Deposit Insurance Act, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. D'AMATO:

S. 1896. A bill to suspend temporarily the duty on certain PVC rain slickers; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 1897. A bill to expand the boundary of the Santa Fe National Forest, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SPECTER (for himself, Mr. LEVIN, Mrs. MURRAY, and Mr. METZENBAUM):

S.J. Res. 166. Joint resolution to designate the week of May 29, 1994, through June 4, 1994, as "Pediatric and Adolescent AIDS Awareness Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 1889. A bill to amend title XIX of the Social Security Act to make certain technical corrections relating to physicians' services; to the Committee on Finance.

MEDICAID PATIENTS' ACCESS TO OSTEOPATHIC PHYSICIANS

Mr. CHAFEE. Mr. President, today I am introducing legislation to make a technical correction in the Omnibus Budget Reconciliation Act of 1990 [OBRA 1990], which allow pregnant women and children enrolled in the Medicaid Program to continue receiving services from osteopathic physicians.

As my colleagues will recall, in an effort to prevent unqualified doctors from providing specialized treatment to Medicaid patients, Congress enacted a provision in OBRA 1990 which required that physicians serving this population be certified in family practice, pediatrics, or obstetrics by the applicable medical specialty board recognized by the American Board of Medical Specialities [ABMS]. Unfortunately, the language of this provision inadvertently shut out a group of doctors who are critically important to the Medicaid population—osteopathic physicians.

There are two types of physicians permitted to practice medicine and surgery, and recognized as such by the Federal Government and State governments—allopathic physicians, to whom M.D. degrees are conferred, and osteopathic physicians, who receive D.O. degrees. Each of these professions has its own certifying body. Allopathic physicians are certified by the ABMS. Osteopathic physicians, however, are certified by the American Osteopathic Association [AOA]. Since the OBRA 1990 provision mentions the ABMS, but not the AOA, its effect is to prevent osteopathic physicians from serving Medicaid patients.

This is a serious mistake. For more than a century, osteopathic physicians have been filling a unique and vital niche in the delivery of health care in the United States. Though they constitute only 5.5 percent of the Nation's physicians, they serve approximately one of every four Medicaid recipients. By failing to recognize osteopathic certification, we risk denying a quarter of our Nation's most vulnerable population the health care they deserve.

The legislation I introduce today will correct the OBRA 1990 provision to ensure that the vital services provided by osteopathic physicians will remain available to our Nation's Medicaid patients. I urge my colleagues to join me in this effort, and look forward to working with them toward the bill's enactment.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TECHNICAL CORRECTIONS RELATING TO PHYSICIANS' SERVICES.

(a) IN GENERAL.—

(1) UNIQUE IDENTIFIERS.—Paragraph (59) of section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended by striking "subsection (v)" and inserting "subsection (x)".

(2) EXPENDITURES FOR PHYSICIANS' SERVICES.—Section 1903(i)(12) of the Social Security Act (42 U.S.C. 1396b(i)(12)) is amended—

(A) by amending clause (i) of subparagraph (A) to read as follows:

"(i) is certified in family practice or pediatrics by the medical specialty board recognized by the American Board of Medical Specialties for family practice or pediatrics or is certified in family practice or pediatrics by the medical specialty board recognized by the American Osteopathic Association,";

(B) by amending clause (i) of subparagraph (B) to read as follows:

"(i) is certified in family practice or obstetrics by the medical specialty board recognized by the American Board of Medical Specialties for family practice or obstetrics or is certified in family practice or obstetrics by the medical specialty board recognized by the American Osteopathic Association,"; and

(C) in subparagraphs (A) and (B)—

(i) by striking "or" at the end of clause (v);

(ii) by redesignating clause (vi) as clause (vii); and

(iii) by inserting after clause (v) the following new clause:

"(vi) delivers such services in the emergency department of a hospital participating in the State plan approved under this title, or".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1990.

By Mr. HEFLIN:

S. 1890. A bill to require certain disclosures of financial information to expose espionage activities by foreign agents in the United States; to the Select Committee on Intelligence.

FINANCIAL DISCLOSURE FROM INTELLIGENCE OFFICIALS

Mr. HEFLIN. Mr. President. The Nation was shocked by the recent revelation that a 31-year employee of the Central Intelligence Agency, a man whose duties and responsibilities carried with them a solemn trust, would choose to betray that trust to a foreign government—for money.

Calls for action came swiftly. Many condemned the activities of the Russian Government. Some professed a degree of surprise that espionage continues in the wake of the end of the cold war. Others questioned whether this country should reevaluate its growing relationship with Russia, and some feel that our financial and diplomatic efforts to assist the Russian Government should be immediately terminated.

I believe, however, that the administration has reacted in a calm and reasonable manner by expelling a Russian diplomat from Washington and calling upon the Russian Government to enter into negotiations designed to reduce espionage activities by both countries.

The cold war may be over, but it is clear that intelligence gathering agencies have not been put out of business. The collapse of the Soviet Union has not eliminated intelligence gathering by the United States or Russia. Obviously, it will continue. There are still many potential dangers which threaten the future security of the United States. This administration recognizes that national security is contingent upon military, political, and economic security. Because there are those who would seek to disrupt our domestic and international relations, compromise our economic security, or revive the old cold war tensions, the need for experienced, trusted intelligence personnel will continue.

The Aldrich Ames case has demonstrated that the safety mechanisms in place are not adequate to prevent espionage activities. It is clear we must take action to assist our intelligence agencies in identifying potential problems within the ranks of those trusted with this awesome responsibility.

It is my understanding that one of the reasons it took so long to catch Mr. Ames is that the CIA and FBI did not have access to his personal financial records. I was shocked to learn that the financial records of many who have access to the most sensitive of national security information are not subject to any formal or informal review. Though extensive background checks and character references are obtained before access to sensitive information is granted, financial records are not included in this process.

Often, however, the danger comes after the security clearance is granted. This is when these individuals can become the target of foreign powers who would attempt to corrupt them through financial rewards. The more senior the person, the greater their value to our enemies and the greater the temptations that will be offered them.

In 1978, Congress passed the Ethics in Government Act which required the President, Senators, Congressmen, and other senior Government officials to file annual financial disclosure statements. These documents are made available to the general public. At the same time, we recognized the need to have the many Government employees who are out of the public eye but who are involved in contracting file a similar, though confidential, report. As Mr. Ames was not in senior management and was not involved in contracting, he did not have to file a financial disclosure. Had he been required to, it is very possible he would have soon been caught.

I am, therefore, introducing legislation today that would serve to expose sudden, unexplained, or incongruent financial gain or holding to Agency review. The filing of such an annual disclosure statement would be conditional for the granting of initial and continued access to the most sensitive information. Further, the bill allows the FBI to have access information from consumer reporting agencies, including, but not limited to credit bureau information, of those who are suspects in counterintelligence investigations, once specific facts justify this access.

If this authority had been in effect the FBI and the CIA could have been aware of Mr. Ames' extraordinarily increased credit card spending as well as his newly acquired lavish lifestyle. Certainly flags of suspicion requiring further investigation would have been raised if these investigators had known of the purchase of expensive art work, the cash purchase of a $540,000 home, acquiring an expensive Jaguar, and credit card purchases totaling $450,000 over an 8-year period. If the investigators had had such information, they certainly would have wondered where the money came from.

Some of my colleagues might have questions about civil liberties violations resulting from such a law. I would answer that the yielding of some personal liberties has been a keystone in public service and national defense since this Nation was founded. Those who serve in our Armed Forces surrender many individual rights. Those who are civil service employees are restricted from some political activities guaranteed to private citizens. Those of us elected to public office—from the President and the Congress to the State and local level—are compelled to make public personal and financial information considered confidential by private citizens. This is one of the prices we pay for the privilege of serving, a price paid to maintain a sense of honesty and integrity in Government.

I state categorically that I believe in the courage and patriotism of those in the intelligence community. The vast majority of those who serve in this vital, and frequently unheralded, area of national service, are both honorable and faithful. This is a reasonable, sound, and entirely constitutional approach to begin addressing the problems in our current system. This is a way to help to protect the more than 99.9 percent of the intelligence community who would have nothing to fear from this legislation.

I ask my colleagues to join me in supporting this important legislation aimed at ensuring the continued integrity of our Nation's intelligence community.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1890

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINANCIAL DISCLOSURE STATEMENTS REQUIRED BY CERTAIN INTELLIGENCE COMMUNITY EMPLOYEES.

(a) IN GENERAL.—(1) The head of each component of the intelligence community of the United States shall submit to the President and the intelligence committees of Congress a report containing a list of all positions under the component that are classified at or below a position of GS–15 of the General Schedule and that require the individuals occupying the positions to have access to information critical to the national security interests of the United States.

(2) The reports required by paragraph (1) shall be submitted not later than 90 days after the date of enactment of this Act.

(3) The President shall submit a report described in paragraph (1) to the intelligence committees of Congress with respect to staff positions on the National Security Council.

(b) Disclosure Statements.—Any individual occupying a position described in subsection (a) during any calendar year who performs the duties of his position or office for a period in excess of 60 days in that calendar year shall file with the head of the appropriate agency or component on or before May 15 of the succeeding year a report containing the information described in section 102(a) of the Ethics in Government Act of 1978.

(c) Regulations Required.—The President shall prescribe such regulations as may be necessary to carry out this section.

(d) Definitions.—For purposes of this section—

(1) the term "intelligence committees of Congress" means the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate; and

(2) the term "intelligence community" has the meaning given to that term by section 3(4) of the National Security Act of 1947.

SEC. 2. FBI COUNTERINTELLIGENCE ACCESS TO CONSUMER CREDIT RECORDS.

Section 608 of the Fair Credit Reporting Act (15 U.S.C. 1681f) is amended—

(1) by striking "Notwithstanding" and inserting "(a) Disclosure of Certain Identifying Information.—Notwithstanding"; and

(2) by adding at the end the following new subsection:

"(b) Disclosures to the FBI for Counterintelligence Purposes.—

"(1) Consumer reports.—Notwithstanding section 604, a consumer reporting agency shall furnish a consumer report to the Federal Bureau of Investigation when presented with a written request for a consumer report, signed by the Director of the Federal Bureau of Investigation or the Director's designee (hereafter in this section referred to as the 'Director'), which certifies compliance with this subsection. The Director's designee may make such a certification only if the Director has determined in writing that—

"(A) such records are necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(B) there are specific and articulable facts giving reason to believe that the consumer whose consumer report is sought is a foreign power or an agent of a foreign power, as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978.

"(2) Identifying information.—Notwithstanding section 604, a consumer reporting agency shall furnish information respecting a consumer which shall include, but shall not be limited to, name, address, former addresses, places of employment, or former places of employment, to the Federal Bureau of Investigation when presented with a written request, signed by the Director, which certifies compliance with this subsection. The Director may make such a certification only if the Director has determined in writing that—

"(A) such information is necessary to the conduct of an authorized foreign counterintelligence investigation; and

"(B) there is information giving reason to believe that the consumer has been, or is about to be, in contact with a foreign power or an agent of a foreign power, as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978.

"(3) Confidentiality.—A consumer reporting agency, or officer, employee, or agent of such consumer reporting agency shall not—

"(A) disclose to any person, other than those officers, employees, or agents of such agency necessary to fulfill the requirement to disclose information to the Federal Bureau of Investigation under this subsection, that the Federal Bureau of Investigation has sought or obtained a consumer report or identifying information respecting any consumer under paragraph (1) or (2), or

"(B) include in any consumer report any information that would indicate that the Federal Bureau of Investigation has sought or obtained such a consumer report or identifying information.

"(4) Payment of fees.—The Federal Bureau of Investigation shall, subject to the availability of appropriations, pay to the consumer reporting agency assembling or providing credit reports or identifying information in accordance with procedures established under this title, a fee for reimbursement for such costs as are reasonably necessary and which have been directly incurred in searching, reproducing, or transporting books, papers, records, or other data required or requested to be produced under this subsection.

"(5) Limit on dissemination.—The Federal Bureau of Investigation may not disseminate information obtained pursuant to this subsection outside of the Federal Bureau of Investigation, except to the Department of Justice as may be necessary for the approval or conduct of a foreign counterintelligence investigation.

"(6) Rules of construction.—Nothing in this subsection shall be construed to prohibit information from being furnished by the Federal Bureau of Investigation pursuant to a subpoena or court order, or in connection with a judicial or administrative proceeding to enforce the provisions of this title. Nothing in this subsection shall be construed to authorize or permit the withholding of information from the Congress.

"(7) Reports to the congress.—On a semiannual basis, the Attorney General of the United States shall fully inform the Permanent Select Committee on Intelligence and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Select Committee on Intelligence and the Committee on Banking, Housing, and Urban Affairs of the Senate concerning all requests made pursuant to paragraphs (1) and (2).

"(8) Damages.—Any agency or department of the United States obtaining or disclosing credit reports, records, or information contained therein in violation of this subsection is liable to the consumer to whom such records relate in an amount equal to this sum of—

"(A) $100, without regard to the volume of records involved;

"(B) any actual damages sustained by the consumer as a result of the disclosure;

"(C) such punitive damages as a court may allow, where the violation is found to have been willful or intentional; and

"(D) in the case of any successful action to enforce liability under this subsection, the costs of the action, together with reasonable attorney's fees, as determined by the court.

"(9) Disciplinary actions for violations.—If a court determines that any agency or department of the United States has violated any provision of this subsection and the court finds that the circumstances surrounding the violation raise questions of whether or not an officer or employee of the agency or department acted willfully or intentionally with respect to the violation, the agency or department shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee who was responsible for the violation.

"(10) Good-faith exception.—Any credit reporting agency, or agent or employee thereof, making a disclosure of credit reports or identifying information pursuant to this subsection in good-faith reliance upon a certification by the Federal Bureau of Investigation pursuant to this subsection shall not be liable to any person for such disclosure under this title, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.

"(11) Limitation of remedies.—The remedies and sanctions set forth in this subsection shall be the only judicial remedies and sanctions for violations of this subsection.

"(12) Injunctive relief.—In addition to any other remedy contained in this subsection, injunctive relief shall be available to require compliance with this subsection. In the event of any successful action under this subsection, costs, together with reasonable attorney's fees, as determined by the court, may be recovered.".

By Mrs. KASSEBAUM (for herself, Mr. Bennett, Mr. Brown, Mr. Craig, and Mr. Danforth):

S. 1891. A bill to shift financial responsibility for providing welfare assistance to the States and shift financial responsibility for providing medical assistance under title XIX of the Social Security Act to the Federal Government, and for other purposes; to the Committee on Finance.

WELFARE AND MEDICAID RESPONSIBILITY EXCHANGE OF 1994

Mrs. KASSEBAUM. Mr. President, later this year, the Senate will take up the issue of welfare reform. I know this is a high priority to the chairman of the Finance Committee, Senator Moynihan, who has long been a leader on the question of welfare and delivering support system to those in need. It is also something that is of great concern to Members on both sides of the aisle. Senator Coats was talking about the health care.

I believe that welfare reform really is very much a part and just as important as health care reform. I think they go hand in hand in many ways, and I believe the need to act on this issue is at least as important and as urgent as health care reform in and of itself.

Today, I am introducing legislation along with Senators Bennett, Brown, Craig, and Danforth to help address this concern.

Without question, the current welfare system has helped feed, clothe, house, and educate millions of children through the AFDC program, and our children's nutritional program. it also is without question that we have done so at an enormous price, not only in terms of money, but in terms of creating a dependency that has led us in the wrong direction. With the best of intentions, we have tried to protect children from material poverty. In the process we have helped trap too many children in a different kind of poverty—where personal responsibility, individual initiative, and a sense of belonging to community have no real meaning.

The real tragedy of our present welfare system is not the questions that it constantly raises about the misuse of taxpayers' money—important as that concern is—but that the present system is failing children and families. Welfare was never intended to become a way of life. But in many cases that is the reality we now face. And I would say, Mr. President, that unless we are willing to step forward, be innovative, creative, and take some risks, we are going to be failing the children of the coming generation.

After 60 years—and next year is the anniversary of the creation of the AFDC Program—and hundreds of billions of dollars, Federal welfare efforts still have not won the war on poverty. Today, one out of five children live in poverty. Five million families with 10 million children receive welfare assistance. Each year, half a million children are born to unwed mothers, the vast majority of whom will end up on welfare.

The trends are clear, and they are not good. They suggest that we already have lost a large part of the present generation, and we will lose even more of the next.

That is our challenge, Mr. President. That is why I believe the stakes in welfare reform are extremely high. Our failure or success will determine to a large extent whether millions of children get a fighting chance to lead healthy, responsible, productive lives or not.

Unfortunately, the history of our repeated attempts to reform welfare demonstrates that good intentions never guarantee success.

For me, the first basic question to be addressed is not how to reform welfare, but who should do the reforming. I believe a critical flaw in the present system is not only a lack of personal responsibility—it is a lack of responsibility at every level of government.

Our largest welfare programs today are hybrids of State and Federal funding and management. The States do most of the administration, within a basic framework of Federal regulation, while the Federal Government provides most of the money. The result is a hodgepodge of State and Federal rules and regulations, conflicting eligibility and benefit standards, and constant push-and-pull between State and Federal bureaucracies.

This may suit the needs of government bureaucracy. It clearly is not meeting the needs of children in poverty.

The first step toward real welfare reform, I believe, is to make a clearcut decision about who will run the plan, who will have the power to make key decisions, and who will be held responsible for the outcome.

I believe that if we redesign it in a different way, then we will see that the needs of families and children that have to be met will become a part of designing the program that will help the best.

The legislation we are introducing answers that question: It would give the States complete control and responsibility for Aid to Families With Dependent Children, the Food Stamp Program, and the Women, Infants and Children Nutrition Program. In order to free State funding to operate these programs, I would have the Federal Government assume a greater share—in some cases the States' full share—of the Medicaid program.

In budget terms, I am proposing a straight swap. The States assume all funding for welfare and the nutrition programs and pay for it with money they now send to Washington for the Medicaid Program. The Federal Government keeps funding it and now provides to the States for welfare and food programs and uses it to further reduce the State share for Medicaid. No State would lose money and neither would the Federal Government.

This is not designed to be a budget deficit issue. It is designed to make it more effective, more accountable, and really help the States to address the issues of support that are important for that State. It may be different for Michigan or for Kansas or Utah or California.

For example, in my State of Kansas, the State share of Medicaid this year will total almost $390 million. Federal spending for AFDC, food stamps and WIC will total about $267 million. Under this legislation, the State share of Medicaid would be reduced to about $123 million. That would free up the $267 million in State funds to take over the entire Federal share of AFDC, food stamps, and WIC.

Nationwide, State payments for Medicaid that now total about $62.3 billion would be reduced to about $21 billion. The balance would be kept by the States to take over the roughly $41 billion that the Federal Government spends for welfare and the nutrition programs.

In terms of Government responsibility, this approach would for the first time draw a clear line between the States and Washington. It would fix responsibility for welfare at the State level—with no Federal strings attached.

It also would begin the process of making the Federal Government responsible for Medicaid—an issue we already must address in health care reform. The explosive growth in Medicaid costs is a major cause of budget problems at both the Federal and State level. Clearly, we must overhaul this program, and I plan to introduce legislation soon to lay out my own views on Medicaid reform.

I believe the exchange of responsibilities proposed in this bill makes sense for two reasons.

First, giving States both the power and the responsibility for welfare—with their own money at stake—would create powerful incentives for finding more effective ways to assist families in need. Nearly half the States already are experimenting with welfare reforms. This would give them broad freedom to test new ideas.

Second, I do not think Washington can reform welfare in any meaningful, lasting way. The reality is that we cannot write a single welfare plan that makes sense for 5 million families in 50 different and very diverse States.

Washington does not have a magic answer to the welfare problem. The governors and State legislatures have no magic solutions either, but they have the potentially critical advantage of being closer to the people involved, closer to the problems, and closer to the day-to-day realities of making welfare work.

In this case, I believe proximity does matter, perhaps powerfully so. One of the most important factors in whether families succeed or fail is their connection to a community, to a network of support.

For some families, this is found in relatives or friends. For others it might be a caring caseworker, a teacher or principal, a local church, a city, or county official. These human connections are not something we can legislate, and they are not something that money can buy.

True welfare reform will require a renewal of local and State responsibilities for children and families in need. I believe that can only happen if the Federal Government steps aside and allows the States to get on with this work.

Mr. President, I ask unanimous consent that a summary of the bill and the text of the bill be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare and Medicaid Responsibility Exchange Act of 1994".

SEC. 2. EXCHANGE OF FINANCIAL RESPONSIBILITIES FOR CERTAIN WELFARE PROGRAMS AND THE MEDICAID PROGRAM.

(a) IN GENERAL.—In exchange for the Federal funds received by a State under section

3 for fiscal years 1996, 1997, 1998, 1999, and 2000 such State shall provide cash and non-cash assistance to low income individuals in accordance with subsection (b).

(b) REQUIREMENT TO PROVIDE A CERTAIN LEVEL OF LOW INCOME ASSISTANCE.—

(1) IN GENERAL.—The amount of cash and non-cash assistance provided to low income individuals by a State for any quarter during fiscal years 1996, 1997, 1998, 1999, and 2000 shall not be less than the sum of—

(A) the amount determined under paragraph (2); and

(B) the amount determined under paragraph (3).

(2) MAINTENANCE OF EFFORT WITH RESPECT TO FEDERAL PROGRAMS TERMINATED.—

(A) QUARTER BEGINNING OCTOBER 1, 1995.—The amount determined under this paragraph for the quarter beginning October 1, 1995, is an amount equal to the sum of—

(i) one-quarter of the base expenditures determined under subparagraph (C) for the State,

(ii) the product of the amount determined under clause (i) and the estimated increase in the consumer price index (for all urban consumers, United States city average) for the preceding quarter, and

(iii) the amount that the Federal Government and the State would have expended in the State in the quarter under the programs terminated under section 4 solely by reason of the increase in recipients which the Secretary of Health and Human Services and the Secretary of Agriculture estimate would have occurred if such programs had not been terminated.

(B) SUCCEEDING QUARTERS.—The amount determined under this paragraph for any quarter beginning on or after January 1, 1996, is an amount equal to the sum of—

(i) the amount expended by the State under subsection (a) in the preceding quarter,

(ii) the product of the amount determined under clause (i) and the estimated increase in the consumer price index (for all urban consumers, United States city average) for the preceding quarter, and

(iii) the amount that the Federal Government and the State would have expended in the State in the quarter under the programs terminated under section 4 solely by reason of the increase in recipients which the Secretary of Health and Human Services and the Secretary of Agriculture estimate would have occurred if such programs had not been terminated.

(C) DETERMINATION OF BASE AMOUNT.—The Secretary of Health and Human Services, in cooperation with the Secretary of Agriculture, shall calculate for each State an amount equal to the total Federal and State expenditures for administering and providing—

(i) aid to families with dependent children under a State plan under title IV of the Social Security Act (42 U.S.C. 601 et seq.),

(ii) benefits under the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including benefits provided under section 19 of such Act (7 U.S.C. 2028), and

(iii) benefits under the special supplemental program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786),

for the State during the 12-month period beginning on July 1, 1994.

(3) MAINTENANCE OF EFFORT WITH RESPECT TO STATE PROGRAMS.—The amount determined under this paragraph for a quarter is the amount of State expenditures for such quarter required to maintain State programs providing cash and non-cash assistance to low income individuals as such programs were in effect during the 12-month period beginning on July 1, 1994.

SEC. 3. PAYMENTS TO STATES.

(a) IN GENERAL.—The Secretary of Health and Human Services shall make quarterly payments to each State during fiscal years 1996, 1997, 1998, 1999, and 2000 in an amount equal to one-quarter of the amount determined under subsection (b) for the applicable fiscal year and such amount shall be used for the purposes described in subsection (c).

(b) PAYMENT EQUIVALENT TO FEDERAL WELFARE SAVINGS.—

(1) IN GENERAL.—The amount available to be paid to a State for a fiscal year shall be an amount equal to the amount calculated under paragraph (2) for the State.

(2) AMOUNTS AVAILABLE.—

(A) FISCAL YEAR 1996.—In fiscal year 1996, the amount available under this subsection for a State is equal to the sum of—

(i) the base amount determined under paragraph (3) for the State,

(ii) the product of the amount determined under clause (i) and the increase in the consumer price index (for all urban consumers, United States city average) for the 12-month period described in paragraph (3), and

(iii) the amount that the Federal Government and the State would have expended in the State in fiscal year 1996 under the programs terminated under section 4 solely by reason of the increase in recipients which the Secretary of Health and Human Services and the Secretary of Agriculture estimate would have occurred if such programs had not been terminated.

(B) SUCCEEDING FISCAL YEARS.—In any succeeding fiscal year, the amount available under this subsection for a State is equal to the sum of—

(i) the amount determined under this paragraph for the State in the previous fiscal year,

(ii) the product of the amount determined under clause (i) and the estimated increase in the consumer price index (for all urban consumers, United States city average) during the previous fiscal year, and

(iii) the amount that the Federal Government and the State would have expended in the State in the fiscal year under the programs terminated under section 4 solely by reason of the increase in recipients which the Secretary of Health and Human Services and the Secretary of Agriculture estimate would have occurred if such programs had not been terminated.

(3) DETERMINATION OF BASE AMOUNT.—The Secretary of Health and Human Services, in cooperation with the Secretary of Agriculture, shall calculate the amount that the Federal Government expended for administering and providing—

(A) aid to families with dependent children under a State plan under title IV of the Social Security Act (42 U.S.C. 601 et seq.),

(B) benefits under the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including benefits provided under section 19 of such Act (7 U.S.C. 2028), and

(C) benefits under the special supplemental program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786),

in each State during the 12-month period beginning on July 1, 1994.

(c) PURPOSES FOR WHICH AMOUNTS MAY BE EXPENDED.—

(1) MEDICAID PROGRAM.—

(A) IN GENERAL.—Notwithstanding any other provision of law, during fiscal years 1996, 1997, 1998, 1999, and 2000 a State shall—

(i) except as provided in subparagraph (B), provide medical assistance under title XIX of the Social Security Act in accordance with the terms of the State's plan in effect on January 1, 1994, and

(ii) use the funds it receives under this section toward the State's financial participation for expenditures made under the plan.

(B) CHANGES IN ELIGIBILITY DURING FISCAL YEARS 1998, 1999, AND 2000.—During fiscal years 1998, 1999, and 2000, a State may change State plan requirements relating to eligibility for medical assistance under title XIX of the Social Security Act if the aggregate expenditures under such State plan for the fiscal year do not exceed the amount that would have been spent if a State plan described in subparagraph (A)(i) had been in effect during such fiscal year.

(C) WAIVER OF REQUIREMENTS.—The Secretary of Health and Human Services may grant a waiver of the requirements under subparagraphs (A)(i) and (B) if a State makes an adequate showing of need in a waiver application submitted in such manner as the Secretary determines appropriate.

(2) EXCESS.—A State that receives funds under this section that are in excess of the State's financial participation for expenditures made under the State plan for medical assistance under title XIX of the Social Security Act shall use such excess funds to provide cash and non-cash assistance for low income families.

(d) DENIAL OF PAYMENTS FOR FAILURE TO MAINTAIN EFFORT.—No payment shall be made under subsection (a) for a quarter if a State fails to comply with the requirements of section 2(b) for the preceding quarter.

(e) ENTITLEMENT.—This section constitutes budget authority in advance of appropriations Acts, and represents the obligation of the Federal Government to provide the payments described in subsection (a).

SEC. 4. TERMINATION OF CERTAIN FEDERAL WELFARE PROGRAMS.

(a) TERMINATION.—

(1) AFDC.—Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended by adding at the end the following new section:

"TERMINATION OF AUTHORITY

"SEC. 418. The authority provided by this part shall terminate on October 1, 1995.".

(2) JOBS.—Part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.) is amended by adding at the end the following new section:

"TERMINATION OF AUTHORITY

"SEC. 488. The authority provided by this part shall terminate on October 1, 1995.".

(3) SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC).—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by adding at the end the following new subsection:

"(q) The authority provided by this section shall terminate on October 1, 1995.".

(4) FOOD STAMP PROGRAM.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following new section:

"SEC. 24. TERMINATION OF AUTHORITY.

"The authority provided by this Act shall terminate on October 1, 1995.".

(b) REFERENCES IN OTHER LAWS.—

(1) IN GENERAL.—Any reference in any law, regulation, document, paper, or other record of the United States to any provision that has been terminated by reason of the amend-

ments made in subsection (a) shall, unless the context otherwise requires, be considered to be a reference to such provision, as in effect immediately before the date of the enactment of this Act.

(2) STATE PLANS.—Any reference in any law, regulation, document, paper, or other record of the United States to a State plan that has been terminated by reason of the amendments made in subsection (a), shall, unless the context otherwise requires, be considered to be a reference to such plan as in effect immediately before the date of the enactment of this Act.

SEC. 5. FEDERALIZATION OF THE MEDICAID PROGRAM.

Beginning on October 1, 2000—

(1) each State with a State plan approved under title XIX of the Social Security Act shall be relieved of administrative or financial responsibility for the medicaid program under such title of such Act,

(2) the Secretary of Health and Human Services shall assume such responsibilities and continue to conduct such program in a State in any manner determined appropriate by the Secretary that is in accordance with the provisions of title XIX of the Social Security Act, and

(3) all expenditures for the program as conducted by the Secretary shall be paid by Federal funds.

SEC. 6. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

The Secretary of Health and Human Services shall, within 90 days after the date of enactment of this Act, submit to the appropriate committees of Congress, a legislative proposal providing for such technical and conforming amendments in the law as are required by the provisions of this Act.

BASIC INFORMATION ABOUT THE KASSEBAUM SWAP PROPOSAL

What is being "swapped:"

The basic purpose of the "swap" proposal is to transfer responsibility for welfare assistance programs to the States, while beginning the process of shifting responsibility for Medicaid to the Federal Government.

Why the swap is the best approach to welfare reform:

States are in a much better position than the Federal Government to make determinations about programs providing cash and noncash assistance for low-income individuals and families. In the past decade, most, if not all, of the innovation in the area of welfare reform has originated at the State and local levels. The number of waivers of federal mandates, regulations and rules being requested by States demonstrates a number of significant things:

There is a need to change the currently federally mandated system of welfare assistance because it is not working well.

Federal rules, regulations, and mandates have become a barrier to operating effective welfare assistance programs.

In the past decade, the momentum for restructuring the welfare system has been generated by the States—the innovations that are being discussed in Congress and by the administration are the result of State efforts to devise and operate more effective welfare systems.

States need the flexibility to adapt their basic assistance programs to better meet the needs of individuals and families in need of welfare assistance.

Economic conditions, employment, educational and training opportunities, and available support services vary widely among States—a "one-size-fits-all" federal welfare assistance program is not able to adapt readily either to this diversity of situations or changing conditions.

In contrast, the Federal Government is in a better position the devise and administer basic health care services for low-income individuals and families. As the health care reform debate has demonstrated, there is a need for the development of a broader view of health care financing and service provision—an appropriate role for the Federal Government.

Key provisions of the "swap" proposal:

The States will assume full fiscal and administrative responsibility for the Aid to Families with Dependent Children (AFDC), food stamp, and Nutritional Assistance for Women, Infants, and Children (WIC) programs.

For 5 years, there will be a maintenance-of-effort requirement that funds currently obligated by States and the Federal Government for these programs be used to provide cash and noncash assistance for low-income individuals and families. States will have the responsibility and flexibility to design and operate assistance programs without federal rules, regulations, and mandates.

In return, the States will receive a federal supplement to the state share of Medicaid expenditures equal to the amount currently spent by the federal government in a given state for AFDC, food stamps, and WIC (adjusted annually to account for changes in population and inflation).

State Medicaid benefits and plan options will be frozen at the January 1, 1994, levels. In the process of redesigning State welfare systems, States may change Medicaid eligibility as long as the aggregate expenditures for the state do not grow faster than the projected costs for Medicaid under the current law.

After five years, the federal government will assume responsibility for Medicaid (or its equivalent under a new national health care plan).

Mr. BROWN. Mr. President, today, Senator KASSEBAUM and I are introducing a bill to give States the ultimate flexibility to reform our welfare system. You have heard of the "uncola"—well, this is the "unmandate" bill.

In exchange for the Federal Government ultimately taking over the Medicaid program, States would be freed from all Federal mandates in the operation of the three primary welfare programs—Aid for Families with Dependent Children [AFDC], food stamps and the Women, Infants, and Children [WIC] supplemental food program. State responsibility for Medicaid would be swapped for State autonomy in AFDC, food stamps and WIC.

Under this bill, States can design their own programs to help low-income people out of poverty and off of welfare. States can develop programs to stem rising illegitimacy and encourage parental responsibility. They can set eligibility criteria to meet the needs of their State and its citizens. They can strengthen work or education requirements in their programs without having to come to the Federal Government for a waiver.

The welfare system as it exists today imposes stringent Federal mandates on the States. Currently, we require States to go through a complex and lengthy process to get out from under these Federal requirements. With this bill, States no longer have to come begging to Washington for a welfare waiver. Instead, States can be the crucibles for welfare reform that they seek to be—to meet the needs of their citizens, not the Federal bureaucracy.

My own State of Colorado has been fortunate to get one of these welfare waivers. The process took almost a year. Colorado's waiver: limits welfare benefits for able-bodied adults after 2 years unless they are employed or participating in the JOBS program; provides incentives for welfare recipients to get a high school diploma; requires AFDC parents to have their toddlers immunized against childhood diseases; and eliminates earned income and asset restrictions which have hampered AFDC recipients ability to become self-sufficient.

Other States have been given waivers to reform their welfare programs. are identical, but each addresses the particular concerns of that State in a way the State legislature and Governor have devised. With these waivers, States have been doing what President Clinton has been talking about—"ending welfare as we know it" and requiring work for benefits after a certain time. With this bill, we can allow States to continue what they've already started—actually reforming welfare.

By Mr. McCAIN:

S. 1892. A bill to amend title II of the Social Security Act to phase out the earnings test over a 10-year period for individuals who have attained retirement age, and for other purposes; to the Committee on Finance.

S. 1893. A bill to amend title II of the Social Security Act to impose the Social Security earnings test on the retirement annuities of Members of Congress; to the Committee on Governmental Affairs.

S. 1894. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide that the cost-of-living adjustment of the annuities of Members of Congress may not exceed the cost-of-living adjustment of certain Social Security benefits, and for other purposes; to the Committee on Governmental Affairs.

EARNINGS TEST LEGISLATION

Mr. McCAIN. Mr. President, today I am introducing three bills regarding Social Security and the earnings test.

The first bill would gradually phase out the earnings test over a 10-year period. I have sponsored S. 30 which seeks a full and immediate repeal of the earnings test. I strongly favor this approach to the earnings test. I see no need to gradually phase out this discriminatory test, but I appreciate the views of others who claim that a gradual phase out would be simpler to implement and may result in less cost to the Government and less confusion among our senior citizens. Thus, today I am introducing a bill calling for a gradual phase out of the earnings test to serve as a basis for discussion.

The second would require that the congressional pensions of Members of Congress be subjected to the earnings test. This bill mandates that the retirement annuities of Members of Congress be subject to the provisions of section 203(b) of the Social Security Act in the same manner as if such annuity was a benefit of such an individual under such act. The bill would not effect Members of Congress who have already left the body and retired.

Social Security is a Pension Program. It is not an entitlement. It is a Government operated Pension Program which in reality is no different from the pension offered to Members of Congress. Therefore, I strongly believe that if we fail to repeal the earnings test, then we should subject Members to its onerous provisions.

The third bill would mandate that the cost-of-living adjustment for the pensions of Members of Congress could not exceed the cost-of-living adjustment for Social Security recipients.

Mr. President, last week during debate on the Social Security as an independent agency bill, the chairman of the Finance Committee and I discussed the Social Security earnings test. At that time we came to an agreement that instead of my offering an amendment on the issue, the distinguished chairman of the Finance Committee suggested these hearings occur in May.

I applaud the chairman for his commitment to this issue and I look forward to the May hearings. I would hope that the Social Security legislation I am introducing today will be considered along with S. 30, a bill to fully repeal the earnings test, when the Finance Committee holds hearings on the earnings test.

Mr. President, again, I thank Senator MOYNIHAN for his commitment to hold hearings on the Social Security earnings test. I also want to extend my appreciation to Senator PACKWOOD for his support of my efforts.

I ask unanimous consent that the text of the three bills I have introduced appear in the RECORD at the end of my remarks.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1892

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Americans' Freedom to Work Act of 1994".

SEC. 2. PHASE OUT OF THE EARNINGS TEST OVER A 10-YEAR PERIOD FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) LIBERALIZATION OF EARNINGS TEST OVER THE PERIOD 1995-2004 for Individuals Who Have Attained Retirement Age.—Effective with respect to taxable years ending after 1994, subparagraph (D) of section 203(f)(8) of the Social Security Act is amended to read as follows:

"(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be increased by $12,000 in each taxable year over the exempt amount for the previous taxable year, beginning with any taxable year ending after 1994 and before 2005.".

(b) REPEAL OF EARNINGS TEST IN 2005 FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.—Effective with respect to taxable years ending after 2004—

(1) clause (B) in the third sentence of section 203(f)(1) of the Social Security Act is amended by striking out "age seventy" and inserting in lieu thereof "retirement age (as defined in section 216(l))"; and

(2) section 203(f)(3) of such Act is amended—

(A) by striking out "33½ percent" and all that follows through "other individual" and inserting in lieu thereof "50 percent of his earnings for such year in excess of the product of the applicable exempt amount as determined under paragraph (8)", and

(B) by striking out "age 70" and inserting in lieu thereof "retirement age (as defined in section 216(l))".

(c) CONFORMING AND RELATED AMENDMENTS.—Effective with respect to taxable years ending after 2004—

(1) section 203(c)(1) of the Social Security Act is amended by striking out "is under the age of seventy" and inserting in lieu thereof "is under retirement age (as defined in section 216(l))";

(2) the last sentence of subsection (c) of section 203 of such Act is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.";

(3) paragraphs (1)(A) and (2) of section 203(d) of such Act are each amended by striking out "under the age of seventy" and inserting in lieu thereof "under retirement age (as defined in section 216(l))";

(4) section 203(f)(1) of such Act is amended by striking out clause (D) and inserting in lieu thereof the following: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60, or";

(5) subparagraph (D) of section 203(f)(5) of such Act is amended—

(A) by striking out "(D) In the case of" and all that follows down through "(ii) an individual" and inserting in lieu thereof the following:

"(D) An individual";

(B) by striking out "became entitled to such benefits" and all that follows and inserting in lieu thereof "became entitled to such benefits, there shall be excluded from gross income any such other income."; and

(C) by shifting such subparagraph as so amended to the left to the extent necessary to align its left margin with that of subparagraphs (A) through (C) of such section;

(6) section 203(f)(8)(A) of such Act is amended by striking out "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting in lieu thereof "the new exempt amount which is to be applicable";

(7) section 203(f)(8)(B) of such Act is amended—

(A) by striking out all that precedes clause (i) and inserting in lieu thereof the following:

"(B) The exempt amount which is applicable for each month of a particular taxable year shall be whichever of the following is the larger—";

(B) by striking out "corresponding" in clause (i); and

(C) by striking out "an exempt amount" in the matter following clause (ii) and inserting in lieu thereof "the exempt amount";

(8) section 203(f)(8)(D) of such Act (as amended by subsection (a) of this Act) is repealed;

(9) section 203(f)(9) of such Act is repealed;

(10) section 203(h)(1)(A) of such Act is amended by striking out "age 70" each place it appears and inserting in lieu thereof "retirement age (as defined in section 216(l))";

(11) section 203(j) of such Act is amended to read as follows:

"Attainment of Retirement Age

"(j) For purposes of this section—

"(1) an individual shall be considered as having attained retirement age (as defined in section 216(l)) during the entire month in which he attains such age; and

"(2) the term 'retirement age (as defined in section 216(l))', with respect to any individual entitled to monthly insurance benefits under section 202, means the retirement age (as so defined) which is applicable in the case of old-age insurance benefits, regardless of whether or not the particular benefits to which the individual is entitled (or the only such benefits) are old-age insurance benefits.";

(12) section 202(w)(2)(B)(ii) of such Act is amended—

(A) by striking out "either"; and

(B) by striking out "or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit"; and

(13) the second sentence of section 223(d)(4) of such Act is amended by inserting "(or would be applicable to such individuals but for the amendments made by the Older Americans' Freedom to Work Act of 1994)" after "subparagraph (D) thereof" the first place it appears.

S. 1893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL ANNUITIES SUBJECT TO SOCIAL SECURITY EARNINGS TEST.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) IN GENERAL.—Chapter 83 of title 5, United States Code, is amended by inserting after section 8339 the following new section:

"§ 8339a. Limitation on annuities of Members of Congress

"(a) Notwithstanding any other provision of this chapter, the annuity of any individual described in subsection (b) shall be subject to the provisions of section 203(b) of the Social Security Act in the same manner as if such annuity was a benefit of such individual under section 202 of such Act.

"(b) An individual is described in this subsection if—

"(1) such individual has attained the age of 62 years, and

"(2) the computation of the annuity of such individual is based in whole or in part on the service of such individual as a Member of Congress on or after the date of the enactment of this section.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 83 of title 5, United States Code, is amended by inserting after the item relating to section 8339 the following new item:

"8339a. Limitation on annuities of Members of Congress.".

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

(1) IN GENERAL.—Chapter 84 of title 5, United States Code, is amended by inserting after section 8415 the following new section:

"§ 8415a. Limitation on annuities of Members of Congress

"(a) Notwithstanding any other provision of this chapter, the annuity of any individual described in subsection (b) shall be subject to the provisions of section 203(b) of the Social Security Act in the same manner as if such annuity was a benefit of such individual under section 202 of such Act.

"(b) An individual is described in this subsection if—

"(1) such individual has attained the age of 62 years, and

"(2) the computation of the annuity of such individual is based in whole or in part on the service of such individual as a Member of Congress on or after the date of the enactment of this section.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 84 of title 5, United States Code, is amended by adding after the item relating to section 8415 the following new item:

"8415a. Limitation on annuities of Members of Congress.".

S. 1894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATION ON COST-OF-LIVING ADJUSTMENTS FOR ANNUITIES OF MEMBERS OF CONGRESS.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8340 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h)(1) Notwithstanding any other provision of this section, the adjustment under this section for an annuity which is based on creditable service, any part of which is service as a Member, shall be the lesser of—

"(A) the percentage adjustment which would be applicable under this section if the provisions of this subsection had not been enacted; or

"(B) the maximum percentage increase determined under section 215(i) of the Social Security Act (42 U.S.C. 459(i)) for the applicable year.

"(2) The provisions of this subsection shall apply only to the annuity of an individual who is a Member of Congress on or after the date of the enactment of this subsection.".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8462 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) Notwithstanding any other provision of this section, the adjustment under this section for an annuity which is based on creditable service, any part of which is service as a Member, shall be the lesser of—

"(A) the percentage adjustment which would be applicable under this section if the provisions of this subsection had not been enacted; or

"(B) the maximum percentage increase determined under section 215(i) of the Social Security Act (42 U.S.C. 459(i)) for the applicable year.

"(2) The provisions of this subsection shall apply only to the annuity of an individual who is a Member of Congress on or after the date of the enactment of this subsection.".

By Mr. RIEGLE (by request):

S. 1895. A bill to consolidate under a new Federal Banking Commission the supervision of all depository institutions insured under the Federal Deposit Insurance Act, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

REGULATORY CONSOLIDATION ACT OF 1994

Mr. RIEGLE. Mr. President, I am pleased to introduce, by request, the administration's legislative proposal to consolidate under a new Federal Banking Commission the supervision of all depository institutions insured under the Federal Deposit Insurance Act.

I ask unanimous consent that the letter of transmittal to the committee from Treasury-Secretary Lloyd Bentsen be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, DC, March 3, 1994.

Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing and Urban Affairs, United States Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am pleased to transmit the Administration's legislative proposal to consolidate within a new independent agency—the Federal Banking Commission—the bank and thrift regulatory functions currently fragmented among four different agencies. The need to restructure the federal bank and thrift regulatory system has steadily increased over the past several decades, as distinctions among depository institutions have blurred, the financial services industry has grown more complex, and the regulatory system has become increasingly costly and antiquated.

The Administration's proposal will benefit the economy, consumers, business, and depository institutions themselves. Consolidation will reduce the regulatory burden on depository institutions which will allow them to compete more effectively with other providers of financial services and free up funds for loans to businesses and consumers. And customers will no longer have to guess which agency is responsible for supervising their bank or thrift, or fight their way through a maze of overlapping federal bureaucracies to file complaints or comments about a depository institution's performance.

Under the current federal regulatory structure, supervision of banks and thrifts is needlessly fragmented, convoluted, and in some cases contradictory. The Office of the Comptroller of the Currency (OCC) charters and regulates national banks and federal branches and agencies of foreign banks. The Federal Reserve Board, in addition to conducting monetary policy and managing the payments system, regulates bank holding companies (i.e., companies that control banks) and state-chartered banks that are members of the Federal Reserve System. The Federal Reserve Board also has overlapping responsibilities with the OCC for regulating foreign banks' U.S. operations and U.S. banks' foreign operations. The Federal Deposit Insurance Corporation (FDIC), in addition to insuring deposits, regulates state-chartered banks that are not members of the Federal Reserve System. The Office of Thrift Supervision (OTS) charters and regulates federal savings associations, and also regulates savings and loan holding companies (i.e., companies that control savings associations) and state-chartered savings associations. In addition, the FDIC has back-up authority to stop unsafe practices at any FDIC-insured institution if the institution's primary federal regulator fails to do so.

Under this structure, a company that owns both federally and state-chartered institutions may find itself subject to overlapping and sometimes conflicting supervision by four different agencies. The administration's proposal will end this needless confusion and conflict by consolidating supervisory functions of the OCC, the OTS, the FDIC, and the Federal Reserve into the Federal Banking Commission.

The Administration's proposal leaves the core functions of the FDIC and the Federal Reserve undisturbed. It realigns the responsibilities of the FDIC, the Federal Reserve, and the Federal Banking Commission according to their fundamental responsibilities: deposit insurance, central banking, and safety and soundness supervision. The FDIC will continue to insure deposits. The Federal Reserve Board will continue to conduct monetary policy, administer the payment system, and provide liquidity through the discount window. The new Federal Banking Commission will supervise all FDIC-insured depository institutions.

The Administration's proposal also preserves the integrity and benefits of the dual banking system. The states will remain the primary regulators of the banks they charter. Moreover, the Federal Banking Commission will place increased reliance on examinations by certified state banking departments.

Reforming our nation's bank regulatory structure will help assure the strength of insured depository institutions and their ability to support continued growth, and eliminate waste and duplication in the regulatory system. The Administration's proposal is a significant step toward making government work better and cost less.

Sincerely,

LLOYD BENTSEN

By Mr. D'AMATO:

S. 1896. A bill to suspend temporarily the duty on certain PVC rain slickers; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN PVC RAIN SLICKERS

• Mr. D'AMATO. Mr. President, today I am introducing a duty suspension bill for certain PVC rain slickers, valued at under $10 upon importation. The purpose of this legislation is to allow for consideration of this duty suspension in the Uruguay round negotiations which are ongoing.

In order to be considered in the round, legislation must first be introduced. It must then be cleared through the Industry Sector Advisory Committee on Textiles and Apparel and undergo a separate investigation by the administration.

According to the small and medium sized New York companies who requested this legislation and consideration in the Uruguay round, no U.S. firms or workers would be injured by this proposal change because the rain slickers are not manufactured in the United States, nor are they subject to any additional import restrictions. In addition, they claim removal of the 5-percent tariff would allow them to reduce prices to consumers, sell more merchandise nationwide and increase employment in New York.

It is my hope that the Advisory Committee on Textiles and Apparel and the administration will move swiftly in their review. I thank them for their cooperation.

Mr. President, I ask unanimous consent that the bill and my statement be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1896

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SUSPENSION OF DUTY ON CERTAIN PVC RAIN SLICKERS.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new subheading:

"9902.39.20	Plastic rainwear, including jackets, coats, ponchos, parkas, and slickers; featuring an outer shell of polyvinyl chloride plastic with or without attached hoods, valued not over $10 per unit (provided for in subheading 3926.20.50)	Free	No change	No change	On or before 12/31/98".

(b) EFFECTIVE DATE.—The amendment made by this section applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 1897. A bill to expand the boundary of the Santa Fe National Forest, and for other purposes; to the Committee on Energy and Natural Resources.

SANTA FE NATIONAL FOREST BOUNDARY ADJUSTMENT ACT OF 1994

● Mr. BINGAMAN. Mr. President, I rise today to introduce legislation on behalf of myself and Senator DOMENICI to authorize the Forest Service to acquire land and easements adjacent to the Santa Fe National Forest in New Mexico. The purpose of this legislation is to preserve the Atalaya Mountain area, east of the city of Santa Fe, NM. The tracts of land in question comprise a portion of the eastern scenic backdrop of Santa Fe which provides the physical and visual edge of the city. They are logical additions to the Santa Fe Forest.

The expanded boundary will adjoin existing city-owned lands, and will connect with and contribute to the city's open space plan. This boundary adjustment will provide a more logical exterior boundary for the Santa Fe National Forest, thereby also facilitating management and administration of these Federal lands.

This property possesses outstanding scenic qualities that are presently enjoyed by the general public traveling in the vicinity. In addition, these lands are crossed by historic wood gathering trails, used by Santa Fe residents for over 300 years, and could provide permanently protected public access corridors.

Over the last several months, broad community concern has been expressed over the prospect of development of the west face of Atalaya Mountain. There is strong public support for preserving this property in an undeveloped state for public use and enjoyment. The purpose of this legislation is to protect Atalaya Mountain through acquisition of land and conservation easements by the Forest Service, thus returning the land to the public as open space. This legislation specifically prohibits the Forest Service from selling this land and endangering it to development in the future. It is our intent that this legislation spur Forest Service acquisition and provide the extra protection that the mountain so richly deserves.

This effort represents a high level of cooperation and compromise among several parties—the current owners of the land in question, Santa Feans concerned about the preservation of open space, and local and Federal governments. I am pleased to support this effort through introduction of this legislation, which will ensure that Atalaya Mountain, one of Santa Fe's natural treasures, will be protected. Let me take this opportunity to thank my colleague, Senator DOMENICI, for his cosponsorship of this legislation. Congressman RICHARDSON is introducing companion legislation in the House of Representatives. It is my hope that we will be able to move swiftly to pass this legislation, and I urge my colleagues to support this bill.

I ask that the full text of my remarks and this legislation be printed in the RECORD.

S. 1897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Santa Fe National Forest Boundary Adjustment Act of 1994".

SEC. 2. BOUNDARY ADJUSTMENT.

(a) EXPANSION.—The Secretary of Agriculture shall modify the boundary of the Santa Fe National Forest as depicted on the map entitled "Santa Fe National Forest Boundary Expansion—1994".

(b) MAP.—The map referred to in subsection (a) shall be on file and available for public inspection in the Office of the Chief Forester, National Forest Service, Washington, D.C.

(c) ACQUISITION.—The Secretary of Agriculture is authorized to acquire land depicted on the map described in subsection (a) by exchange with the Bureau of Land Management of the Department of the Interior.

(d) DISPOSAL.—The Secretary of Agriculture is authorized to transfer land within the Santa Fe National Forest to the Bureau of Land Management of the Department of the Interior, to offset the value of land acquired by the Secretary of Agriculture pursuant to subsection (c).

(e) EFFECTIVE DATE.—For purposes of section 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9(a)(1)), the boundary of the Santa Fe National Forest, as modified pursuant to subsection (a), shall be treated as if it were the boundary as of January 1, 1965.

SEC. 3. MANAGEMENT.

(a) IN GENERAL.—Subject to subsection (b)(1), the Secretary of Agriculture shall not transfer by exchange, sale, or otherwise, any land or interest in land within the boundary of the Santa Fe National Forest that is acquired pursuant to the boundary expansion authorized in section 2(a).

(b) EASEMENTS.—

(1) CONVEYANCE.—The Secretary may convey to the State of New Mexico easements donated to, and accepted by, the United States.

(2) MANAGEMENT.—Land or interest in land acquired pursuant to the boundary expansion authorized in section 2(a) shall be managed consistent with the terms and conditions of any easement donated to, and accepted by, the United States with respect to such land or interest in land.●

● Mr. DOMENICI. Mr. President, I am pleased to join my colleague from New Mexico [Mr. BINGAMAN] in the introduction of this legislation that will help preserve the scenic beauty of Santa Fe, the capital of our enchanted State. By adjusting the boundary of the Santa Fe National Forest, we will ensure that Atalaya Mountain will continue to stand as a majestic backdrop to the city, free from the clutter of inappropriate development.

This legislation represents a significant effort on the part of a number of people in the Santa Fe area. I appreciate the hard work on the part of all those responsible, including Santa Fe area residents Frank Bond, David Aubin, Valantin Valdez, and Irene VonHorvath, Santa Fe City Council member Ouida MacGregor, Bill deBuys of the Conservation Fund, Dale Ball of the Santa Fe conservation trust, and the Forest Service and Bureau of Land Management personnel who were very helpful. I especially want to thank the generous landowners themselves, as without their cooperation, this preservation effort would not be possible.

I am delighted that this boundary expansion will be accomplished through land donations and exchanges. This will require no purchases of land by the Federal Government. This is an excellent example of how the Federal Government and dedicated local citizens can work together for the betterment of the community.

I believe that through these efforts, residents and visitors to the city will be able to enjoy not only the scenic beauty of the mountain, but continued easy access to the Santa Fe National Forest. I also anticipate that the expanded straight boundary line will help facilitate management functions, and provide added recreational opportunities in the Santa Fe National Forest.●

By Mr. SPECTER (for himself, Mr. LEVIN, Mrs. MURRAY, and Mr. METZENBAUM):

S.J. Res. 166. Joint resolution to designate the week of May 29, 1994, through June 4, 1994, as "Pediatric and Adolescent AIDS Awareness Week"; to the Committee on the Judiciary.

PEDIATRIC AND ADOLESCENT AIDS AWARENESS WEEK

Mr. SPECTER. Mr. President, today I am introducing, along with my colleagues Senator LEVIN, Senator MURRAY, and Senator METZENBAUM, a joint resolution to designate the week of May 29, 1994 through June 4, 1994, as "Pediatric and Adolescent AIDS Awareness Week." This joint resolution is introduced as a companion to identical legislation introduced by Congressman JOSÉ SERRANO of the 16th District in New York.

Pediatric and Adolescent AIDS Awareness Week provides us an opportunity to expand a national prevention effort aimed at the reduction in the incidence of AIDS in children and adolescents. Adolescent and young adult HIV transmission guarantees the continuation of the spread of AIDS/HIV epidemic, if we do not increase our counseling and educational efforts.

As my colleagues may know, AIDS is a leading cause of death for children ages 1 through 4. By October 1993, the Centers for Disease Control and Prevention has reported 4,906 cases of pediatric AIDS and 1,412 cases of adolescent AIDS throughout the United States. Pediatric AIDS is most often contracted from the mother by the newborn child in utero. If the incidence of AIDS continues to increase at this rate, AIDS will become the fifth leading cause of death among children of all ages in the United States.

I have been involved in legislation which would increase the awareness of pediatric AIDS since 1987 when I first introduced the Pediatric AIDS Resource Centers Act to address the problem of providing care for children and youth suffering from AIDS. In addition, I am an original cosponsor of the Ryan White Comprehensive AIDS Resources Emergency Act which became law in August 1990. This bill amended the Public Health Service Act to provide grants for improving the quality and availability of care to individuals and families that are tested to be HIV positive.

As ranking minority member of the Appropriations Subcommittee on Labor, Health and Human Services and Education, I have been involved in working toward providing sufficient resources to fund AIDS research, education, prevention, and services. In 1989, the Public Health Service [PHS] received a total of $95,977 million for all pediatric AIDS research and demonstration projects, by 1992 the PHS received $189,703 million. This amount is a 49.4 percent increase in the funding level. Therefore, for the benefit of all American citizens, Pediatric and Adolescent AIDS Awareness Week would provide a forum for education and promotion to broaden awareness of the course of AIDS in America today.

Mr. President, in light of our desire to begin the debate on health care reform, this joint resolution would be an important step in relieving the growing burden on our health care system of the costs associated with AIDS through education and prevention.

Accordingly, I urge my colleagues to join me in support of the children and adolescents currently infected with AIDS and in support of their families and caretakers.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution ordered to be printed in the RECORD, as follows:

S.J. RES. 166

Whereas more than 339,250 individuals in the United States have been diagnosed with acquired immune deficiency syndrome (commonly known as AIDS) and 204,390 have died from the disease; and

Whereas the Public Health Service has estimated that there are currently between 1,000,000 and 1,500,000 persons in the United States infected with AIDS; and

Whereas the Centers for Disease Control and Prevention has reported 4,906 cases of pediatric AIDS and 1,412 cases of adolescent AIDS as of October, 1993; and

Whereas 1 in 5 of all reported AIDS cases is diagnosed in the 20–29 year old age group, and the median incubation period between human immuno-deficiency virus (HIV) infection and AIDS diagnosis is nearly 10 years, most of those people in their 20's who are diagnosed with AIDS were adolescents when they became infected; and

Whereas AIDS was the eighth leading cause of death for children aged 1–4 in 1990. If the incidence of AIDS continues to increase, within the next 10 years AIDS may become the fifth leading cause of death among children of all ages in the United States; and

Whereas by the end of 1995, maternal deaths caused by the HIV/AIDS epidemic will have orphaned an estimated 24,600 children (under age 13) and 21,000 adolescents (aged 13–17) in the United States. Unless the course of the epidemic changes dramatically, by the year 2000 the overall number of motherless children and adolescents will exceed 80,000; and

Whereas in 1992 reported AIDS cases among women continued to grow at a faster rate than among men, and for the first time, more than half the number of women's cases were the result of heterosexual transmission, not intravenous drug use; and

Whereas the Centers for Disease Control and Prevention estimates that approximately 110,000 women in the United States are infected with HIV. An estimated 6,000 are expected to give birth to children each year; approximately 1,500–2,000 of these children will be infected with HIV; and

Whereas more than 88 percent of children with AIDS have a parent with, or at risk for, HIV infection; and

Whereas 24 percent of reported pediatric AIDS cases in the United States have occurred in New York City and the South Bronx has the highest HIV seroprevalence rate among newborns in the United States; and

Whereas Philadelphia ranks among American cities most impacted by reported AIDS cases among children age 0–13, and these children belong to an estimated 1,400 HIV affected families; and

Whereas 74 percent of women with AIDS and 79 percent of children with AIDS are African-American or Hispanic, many of whom are underprivileged and have experienced social discrimination; and

Whereas there have been 1,183 cases of pediatric AIDS reported to the Centers for Disease Control and Prevention in New York City; 260 cases in Miami, Florida; 184 cases in Newark, New Jersey; 168 cases in San Juan, Puerto Rico; 146 cases in Los Angeles, California; 138 cases in Washington, DC; 107 cases in West Palm Beach, Florida; 117 cases in Boston, Massachusetts; 125 cases in Chicago, Illinois; 113 cases in Baltimore, Maryland; 87 cases in Philadelphia, Pennsylvania; and 87 cases in Houston, Texas; and

Whereas instances of discrimination against children and youth with HIV occur in schools and other institutions; and

Whereas it is important that the people of the United States diligently seek preventative measures and better solutions to care for women and youth, including helping them gain access to HIV and other sexually transmitted disease clinical therapies; and

Whereas early intervention and educational resources must be made available to all citizens, especially youth and other high-risk groups, to make them more aware of AIDS and the risks associated with engaging in unprotected sexual activity or substance abuse; and

Whereas the Health Care Financing Administration and the Public Health Service should work with appropriate state officials to help design optimal care packages needed for children, youth and families with AIDS or HIV infection especially as health care reform is undertaken; and

Whereas states and localities should recognize relatives, extended family members and other non-biological relations as an appropriate source of foster care for children with AIDS whose parents can no longer care for them, subject to the same review and afforded the same benefits as other foster parents: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in the Congress assembled, That May 29 through June 4, 1994, is designated as "Pediatric and Adolescent AIDS Awareness Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 88

At the request of Mr. LUGAR, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 88, a bill to amend the National School Lunch Act to remove the requirement that schools participating in the school lunch program offer students specific types of fluid milk, and for other purposes.

S. 266

At the request of Mr. SIMON, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 266, a bill to provide for elementary and secondary school library media resources, technology enhancement, training and improvement.

S. 1495

At the request of Mr. INOUYE, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1495, a bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment.

S. 1687

At the request of Mr. BINGAMAN, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 1687, a bill to promote the effective and efficient use of Federal grant assistance provided to State governments to carry out certain environmental programs and activities, and for other purposes.

S. 1690

At the request of Mr. PRYOR, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1805

At the request of Mr. WARNER, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1805, a bill to amend title 10, United States Code, to eliminate the disparity between the periods of delay provided for civilian and military retiree cost-of-living adjustments in the Omnibus Budget Reconciliation Act of 1993.

S. 1839

At the request of Mr. BINGAMAN, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 1839, a bill to authorize the study of the equity of Forest Service regional funding allocations, and for other purposes.

S. 1841

At the request of Mr. WELLSTONE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1841, a bill to amend the Public Health Service Act to prohibit discrimination, on the basis of race, color, or national origin, in programs and activities relating to occupational and other exposure to hazardous substances.

S. 1884

At the request of Mr. SIMPSON, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1884, a bill to amend the Immigration and Nationality Act to reform asylum procedures, to strengthen criminal penalties for the smuggling of aliens, and to reform other procedures to control illegal immigration to the United States.

SENATE JOINT RESOLUTION 161

At the request of Mr. BUMPERS, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Utah [Mr. HATCH], the Senator from Maine [Mr. COHEN], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Joint Resolution 161, a joint resolution to designate April 1994, as "Civil War History Month."

SENATE RESOLUTION 64

At the request of Mr. LUGAR, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of Senate Resolution 64, a resolution expressing the sense of the Senate that increasing the effective rate of taxation by lowering the estate tax exemption would devastate homeowners, farmers, and small business owners, further hindering the creation of jobs and economic growth.

SENATE RESOLUTION 182

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Resolution 182, a resolution entitled "A Call for Humanitarian Assistance to the Pontian Greeks."

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the domestic and international implications of energy demand growth in China and the developing countries of the Pacific rim.

The hearing will take place on March 16, 1994, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Shirley Neff.

For further information, please contact Shirley Neff of the committee staff at 202–224–7865.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the operating and economic environment of the domestic natural gas and oil industry.

The hearing will take place on April 14, 1994, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Shirley Neff.

For further information, please contact Shirley Neff of the committee staff at 202–224–7865.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a hearing entitled the "Effect on Dairy Trade of the Self Help Proposal." The hearing will be held on Wednesday, March 16, 1994, at 9:30 a.m. in SR–332.

For further information, please contact Tom Cosgrove at 224–5207.

ADDITIONAL STATEMENTS

ON THE 20TH ANNIVERSARY OF PROJECT CHILDREN

• Mr. MOYNIHAN. Mr. President, this year marks the 20th anniversary of Project Children. This program, founded by Denis Mulcahy in Greenwood Lake, NY, brings together Protestant and Catholic children from Northern Ireland for a summer holiday in the United States.

The importance of such efforts to foster peace and reconciliation among those who live in a land wracked by violence cannot be underestimated. The contacts and experiences that Irish and American children share when they are brought together are invaluable in fostering understanding.

I applaud those on both sides of the Atlantic who work to better the lives of these children—our hope and future. We look forward to the day when all of the people of Northern Ireland will see an end to bloodshed in their homeland.•

SIEHL PRIZE FOR EXCELLENCE IN AGRICULTURE

• Mr. DURENBERGER. Mr. President, it is my privilege today to pay tribute to three heroes of Minnesota and American agriculture who are recipients today of the Siehl Prize of Excellence in Agriculture.

The awards ceremony is highlighted by the attendance of Nobel Peace Prize Laureate Norman Borlaug, University of Minnesota president Nils Hasselmo, and former Governor Elmer L. Andersen.

Mr. President, I want to take a special moment first to speak of Eldon Siehl, a businessman and philanthropist who loves farming. Before he died in 1982 he directed that a portion of his estate be given to the University of Minnesota Foundation to establish a prize to be awarded to individuals who have made extraordinary contributions to agriculture and the alleviation of world hunger. Bert Enestvedt, Al Bloomquist, and Bill Larson are the first recipients of the award.

Bert Enestvedt is a good friend of Minnesota farmers, whose 1,500-acre farm supplies them with certified high-quality seed, including hybrid seed corn, soybeans, wheat, and oats. The Enestvedt farm makes more than 60 percent of its sales to area farmers. The farm, founded in 1990 on the site where Bert's grandfather homesteaded in 1867, led the effort to increase use of new crop varieties, many of them produced by the University of Minnesota Experiment Station. The farm stands as the oldest family-owned and operated seed corn company in the State. The Enestvedts are also a Century Farm Family.

Bert graduated from the University of Minnesota, Morris, where he studies agriculture. He is an organizer of the Minnesota Soybean Growers Association, he was its director for 25 years. He also served for 11 years as director of the Minnesota Crop Improvement Association and for 10 years as director of the Minnesota Seed Producers and Promotion Association. Through his work with the latter organization, Enestvedt championed the use of publicly developed crop varieties. In addition, he was instrumental in getting a bill passed to allow blue directional signs pointing the way to rural Minnesota businesses that serve the public.

Among his honors are the Mr. Crop Improvement Award for Webb Publishing; an honorary life member award from the American Soybean Association; and the 50-Year Award from the Minnesota State Fair. In 1991, the University of Minnesota Agriculture Experiment Station released a soybean variety named "Bert" in his honor.

William E. Larson is known for his work in reducing soil erosion, particularly his championing of the techniques of conservation tillage. Conventional plowing turns over 6 to 10 inches of soil, but conservation tillage loosens the soil without inverting it. Also, conservation tillage allows crop residue to be left on the surface. On sloping land, such methods can reduce soil erosion by more than 50 percent. In recent years, Larson has been concerned with national databases and means for assessing soil quality. His work on developing measures of soil quality and degradation are helping in the worldwide fight to preserve soil. His work has influenced national policies in the use of crop residue to enhance soil conservation. A leading scientist has said, "The conservation tillage systems we see today stem from the early work of Bill Larson."

Bill has held several leadership positions in the USDA, and was professor and head of the University of Minnesota's soil science department from 1982 until his retirement in 1989.

Bill is a fellow of the American Society of Agronomy [ASA], the American Association for the Advancement of Science, the Soil Conservation Society America and the Soil Science Society of America [SSA]. He is past president of the ASA—1985—and the SSSA—1980. In 1975 he received the Superior Service Award in Science and Technology from the USDA.

Al Bloomquist can be credited with saving the sugarbeet industry in Minnesota's Red River Valley and helping Minnesota achieve the status as the largest producer of sugar in the United States.

Bloomquist's career in the sugarbeet industry began in 1955 when he was hired as a regional manager for Western Beet Sugar Producers. He became executive secretary of the Red River Valley Sugar Beet Growers Association in 1961 when the industry was thriving. By 1972, however, the American Crystal Sugar Co. was reducing sugar beet acres in northwestern Minnesota and wasn't maintaining its four processing factories. It would have eventually left the area had it not been for Al's proposal to have the valley's growers buy the company and run it as a cooperative.

Within the next 3 years, sales doubled, acreage more than doubled, a fifth processing factory was built and another factory was doubled in size. Today, American Crystal Sugar is the primary economic force in the valley, accounting for 11,000 jobs and an economic impact of about $1 billion annually. Al was the company's president from 1990 to 1992.

Among his honor, Al received the Dyer Memorial Award in 1977 as the "Sugar Man of the Year" for significant and meritorious service—the highest honor the sugar industry can bestow.

Mr. President, I would also like to note that these men and their families are active participants in increasing the quality of life in the communities where they live.

Mr. President, Al Bloomquist, Bill Larson, and Bert Enestvedt deserve the heartiest of congratulations and the sincere thanks of all Americans.●

PRESIDENT CLINTON'S JUDICIAL NOMINATIONS

● Mr. SIMON. Mr. President, during his first year in office, President Clinton took important steps toward changing the complexion of the Federal judiciary. According to a January 11, 1994, article in the Los Angeles Times, more than half of the President's judicial nominations so far have been women or members of racial or ethnic minorities. I applaud the President's commitment to diversifying the Federal judiciary.

From 1789 to 1934 our Federal courts were made up entirely of white males. Unfortunately, progress in expanding the membership of the Federal courts beyond their traditional composition has continued to lag even in recent years. The President's appointment of such outstanding and diverse judges can help establish a truly representative judicial branch of Government that is better able to understand the difficulties of all Americans.

In 1992, retired Judge A. Leon Higganbotham—the former chief judge of the U.S. Court of Appeals for the Third Circuit who is known to many of us as one of the pioneering African-American jurists on the Federal bench—eloquently stated the importance of the appointment of women and minorities to the bench when he wrote:

> Pluralism, more often than not, creates a milieu in which the judiciary, the litigants—indeed, our democratic system—benefit from the experience of those whose backgrounds reflect the breadth of the American experience.

I ask that the full Los Angeles Times article, "Women, Minorities Outpace White Men for Judgeships," be entered in the RECORD at this point.

The article follows:

[From the Los Angeles Times, Jan. 11, 1994]

WOMEN, MINORITIES OUTPACE WHITE MEN FOR JUDGESHIPS

(By David Savage and Ronald J. Ostrow)

WASHINGTON.—President Clinton literally is changing the look of the federal judiciary.

During his first year in office, more than half of Clinton's nominees for federal judgeships were women or members of racial and ethnic minorities, a proportion dramatically higher than during any previous Administration.

For example, Presidents Ronald Reagan and George Bush named white men to 82% of the available judgeships over their 12 years in office.

By contrast, only 39% of Clinton's first 48 nominees were white men. And Administration officials predict that pattern will continue throughout Clinton's term.

"This is the first President who will appoint a majority of his judges who are women or minorities," said Ronald Klain, the associate White House counsel in charge of screening candidates for the federal appeals court and the Supreme Court.

Unlike the elected branches of government, the federal judiciary has been slow to change and remains the province mostly of white men. Among the 837 judges who sit on the federal bench, 5% are black and about 10% are women.

Among Clinton's first judicial nominees, 23% are black, 35% are women and 6% are

Latinos. No Asian-Americans have been nominated

Besides the changing complexion of the judicial branch. Administration officials point with pride to individuals who have broke barriers.

Judith W. Rogers, the first black woman to graduate from the Harvard Law School and the well-regarded chief judge of the District of Columbia's highest non-federal court, has been nominated to the influential U.S. Court of Appeals in Washington. Rogers, 54, is only the second black woman ever chosen for a federal appeals court seat and the first since 1980, officials said.

Clinton selected Martha A. Vasquez, 40, as a U.S. district judge in New Mexico. She is the first Mexican-American woman to join the federal judiciary. Justice Department officials said. They also anticipate naming the first Native American judge this year.

Clinton's sole pick for the Supreme Court. Ruth Bader Ginsburg, is the second woman to serve there and the first Jewish member in the court since 1969.

This unprecedented push for diversity on the federal bench has won praise from liberal groups that monitor the judiciary.

Nan Aron, executive director of the Alliance for Justice, a liberal advocacy group that monitors court nominations, noted that more of Clinton's nominees have worked as public defenders and in providing legal aid to the poor than did the judges appointed by previous presidents.

The Clinton judges "will have a greater understanding of the problems confronting ordinary Americans." Aron said. She called his appointments "a welcome change from the wealthy corporate concerns of most of the Reagan-Bush judges."

But a conservative analyst decided Clinton for "catering to the bean counters." They are obviously taking the politically correct approach and trying to please the diversity crowd," said a legal analyst with Coalitions for America, a conservative group that monitors nominations to the judiciary.

Among previous presidents, only Jimmy Carter made a significant effort to increase the percentage of women and minorities on the bench. Even so, 66% of his nominees were white men.

Carter drew criticism for selecting some judges with relatively thin qualifications. Several of his appointees have been accused of moral and ethical violations on the bench.

But Clinton has won early plaudits for the high caliber of his selections.

"They appear to be extraordinary well qualified," said Sheldon Goldman of the University of Massachusetts at Amherst, who tracks judicial selections. "Their ABA ratings so far have been superior to Bush and Reagan [appointees]" He was referring to the evaluations of each nominee done by a committee of the American Bar Assn.

We have not seen a tension between excellence and diversity." said Assistant Atty. Gen Eleanor D. Acheson, who screens candidates for the district courts. Because of the growing number of women and minorities in the legal profession, "we have a very rich field to pick from," she said.

During the Reagan and Bush years, critics accused executive branch officials of imposing an ideological "litmus test" on potential judges. For example, those who supported abortion rights or affirmative action were vetoed, it was alleged. But Republican officials steadfastly denied the charge and insisted that they sought only talented lawyers who would follow a course of "judicial restraint."

Not surprisingly, Clinton's advisers say that ideology does not figure significantly in their selection process, although they readily note that nominees typically come recommended by Democratic officeholders.

"We are seeking people who have intellectual ability and energy, people who are interested in the law and have a good judicial temperament. There are no litmus tests," said Acheson, whose grandfather, Dean Acheson, served as secretary of state under President Harry S. Truman.

The "no litmus test" pledge is undergoing something of a test itself, as the Administration considers judicial vacancies in Wyoming and Missouri.

In those states, both U.S. senators are Republicans. As a result, the Administration received recommendations instead from two Democratic officeholders, Wyoming Gov. Mike Sullivan and House Majority Leader Richard A. Gephardt (D-Mo.). Both proposed local attorneys known as critics of legal abortion.

Reacting strongly, abortion rights leaders in Washington protested to the White House, insisting that Clinton not follow in the footsteps of Reagan and Bush by appointing more abortion opponents to the bench.

The issue has been debated hotly in the White House and Justice Department, but no decision has been announced.

Because of a slow start, Clinton has yet to put a real dent in Republican dominance of the federal judiciary.

He came to office facing a record number of judicial vacancies, attributable in part to a prolonged dispute between the Bush White House and the Democrat-dominated Senate Judiciary Committee. Angry that the FBI report involving sexual harassment charges against Supreme Court Justice Clarence Thomas had been leaked to the press. Bush blocked giving the committee further access to FBI reports on its judicial nominees. In response, the committee blocked approval of Bush's court nominees during much of 1992.

But Clinton's aides were unable to fill the vacancies quickly. Key Justice Department posts went unfilled for months last year. Another complication reflects a selection process that begins with recommendations from Democratic senators, some of whom, such as California Sens. Dianne Feinstein and Barbara Boxer, were newcomers.

By year's end, however, Clinton had nominated slightly more new judges during his first year than had either Reagan or Bush.

Nonetheless, a record 118 seats remained vacant as of Jan. 1. Reagan and Bush appointees still hold a clear majority in 11 of 13 federal appeals courts, according to the Alliance for Justice.

Clinton has yet to nominate anyone for vacancies in Southern California. There are four seats vacant in Los Angeles and two in San Diego. The U.S. 9th Circuit Court of Appeals also has two vacancies.

The first judicial confirmation fight of the Clinton era is likely to "come soon."

Conservative activists have targeted Florida Supreme Court Chief Justice Rosemay Barkett, a 54-year-old former nun and trial lawyer who has been nominated for a seat on the U.S. Court of Appeals based in Atlanta.

Jipping and other conservatives accuse her of being soft on crime and an opponent of the death penalty. In several murder cases. Barkett dissented from imposing a death sentence.

"She shows a special empathy for convicted murderers," he said.

But Acheson called these charges "ridiculous" and "overblown." She cited an analysis showing that Barkett cast votes more than 200 times to uphold death sentences.

"They think they have another Rose Bird on their hands don't," said another Adiau official, referring to former California Supreme Court Chief Justice Rose Bird, who was ousted by voters based on charges that she opposed the death penalty.

Though Barkett drew fire from conservatives in Florida, she won a statewide vote in 1992 and the endorsement of Republican Sen. Connie Mack of Florida. •

ILLINOIS HAZARDOUS WASTE RESEARCH INFORMATION CENTER

• Mr. SIMON. Mr. President, it is with great pride that I recognize the achievements of the Illinois Hazardous Waste Research Information Center [IHWRIC]. IHWRIC has recently been awarded a grant under the Environmental Protection Agency's Pollution Prevention Incentives for States [PPIS].

The PPIS grant will help the center in its mission to enhance Illinois' pollution abatement capability. IHWRIC is dedicated to fighting pollution and environmental conservation, and this proposal will allow IHWRIC to continue its work in these important areas.

I congratulate the Illinois Hazardous Waste Research Information Center for its commitment to a cleaner Illinois.•

NOMINATION OF PROF. BILL GOULD TO BE THE CHAIRMAN OF THE NATIONAL LABOR RELATIONS BOARD

• Mr. HARKIN. Mr. President, I rise to commend the Senate for confirming President Clinton's nominee to chair the National Labor Relations Board, Prof. Bill Gould.

Professor Gould's qualifications for this position are extensive. His experience, fairness, and integrity are well documented. As an arbitrator, he has been selected to arbitrate or mediate over 200 labor disputes. His fairness and integrity have been shown throughout his extensive career—his reputation as a fair and even-handed arbitrator is unrivaled. Many of his fellow legal scholars, arbitrators, and representatives of management and labor have expressed their wholehearted support for his nomination.

The trust placed in him by labor and management should stand as the strongest recommendation possible that Bill Gould will be an impartial Chairman and will enforce the National Labor Relations Act strictly within the framework of congressional intent and as it has been interpreted by the courts. These qualities, along with his extensive experience, make him an ideal nominee for this position.

The National Labor Relations Board needs a Chairman like Bill Gould. His impartiality will help alleviate the contentiousness that often pervades labor-management disputes. I look forward to an era where the board will be more adequately represented by thoughtful people from both labor and management backgrounds such as Bill Gould.

He has stated that one of his main objectives will be to eliminate the polarization of labor and management relations and to make the Board into an agency that has the full confidence of labor, management, and the Federal judiciary, as well as the general public. I applaud his commitment to keeping the Board an independent agency working in the public interest in enforcing Federal labor law.

Professor Gould has also stated that he will work to address the backlog and delays the Board has historically faced. He would consider firm timetables and encourage the other members to spend a larger part of their time on the business of the Board. Informal resolutions and more effective discovery and settlement efforts by the administrative law judges are also goals he has set to reduce delays.

If we are to remain competitive in the world economy we need to improve labor-management relations and the resolution of labor-management disputes. Bill Gould as Chairman of the National Labor Relations Board will facilitate that improvement. His fairness and integrity and his commitment to due process of law will serve our Nation's employees and employers exceedingly well.●

THE EFFECTIVENESS OF SELF-POLICING BY THE TELEVISION INDUSTRY

● Mr. SIMON. Mr. President, today I rise to commend DIC Entertainment, a leading producer of animated children's programming, for its efforts in developing a 12-point code of standards and guidelines for children's television programming. DIC produces over 200 television cartoons per year, including "Captain Planet," "Dennis the Menace," and "Sonic, the Hedgehog." Working in conjunction with the National Education Association, the University of California at Los Angeles, and members of the movie industry, DIC has made a good effort to address some of the harmful effects of violence on television.

These guidelines recognize the powerful impact of television, and seek to ensure that television plays a positive role in the lives of children. They encourage story lines that promote cooperative behavior in children, enhance self-esteem, and advocate positive reinforcement of conflict resolution techniques that avoid violence. Additionally, the guidelines seek to reduce the inappropriate use of gratuitous violence in children's programming.

These guidelines demonstrate the effectiveness of industry self-policing. I applaud the initiative taken by these educators and members of the industry, in responding to public concerns, and I encourage them to continue their efforts.●

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Chair, on behalf of the majority leader of the Senate and the Speaker of the House, pursuant to Public Law 102–166, appoints the following individual as a member of the Glass Ceiling Commission:

Mr. John Jenkins, of Maine, vice Marion O. Sandler, resigned.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR—S. 4

Mr. FORD. Madam President, on behalf of Senator JOHNSTON, I ask unanimous consent that Bob Simon, a fellow detailed to Senator JOHNSTON, be granted floor privileges for the pendency of S. 4.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, MARCH 8, 1994

Mr. FORD. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Tuesday, March 8; that following the prayer, the Journal of the proceedings be approved to date and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each, with Senator HATCH recognized for up to 10 minutes; that at 10:15 a.m., the Senate resume consideration of Calendar Order No. 165, S. 4, the National Competitiveness Act of 1993; and that on Tuesday, the Senate stand in recess from 12:30 p.m. until 2:15 p.m., in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. TOMORROW

Mr. FORD. Madam President, there is no further business to come before the Senate today and if no Senator is seeking recognition, I ask unanimous consent that the Senate stand in recess, as previously ordered.

There being no objection, the Senate, at 5:09 p.m., recessed until Tuesday, March 8, 1994, at 10 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate March 4, 1994, under authority of the order of the Senate of January 5, 1993:

DEPARTMENT OF JUSTICE

JAMIE S. GORELICK, OF MARYLAND, TO BE DEPUTY ATTORNEY GENERAL, VICE PHILIP BENJAMIN HEYMAN, RESIGNED.

Executive nominations received by the Senate March 7, 1994:

DEPARTMENT OF STATE

DAVID ELIAS BIRENBAUM, OF THE DISTRICT OF COLUMBIA, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS FOR U.N. MANAGEMENT AND REFORM, WITH THE RANK OF AMBASSADOR.

EDWARD WILLIAM GNEHM, JR., OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE THE DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER.)

LINE OF THE AIR FORCE

To be lieutenant colonel

MAJ. RUSSELL K. AMETER, [redacted] 10/2/93
MAJ. DENNIS J. ARTMAN, [redacted] 11/7/93
MAJ. TERENCE W. BARRETT, [redacted] 10/20/93
MAJ. RAYMOND M. BLUHM, [redacted] 11/9/93
MAJ. JOHN R. BUCKINGHAM, [redacted] 10/3/93
MAJ. CHARLES M. CAMPBELL, [redacted] 10/27/93
MAJ. JORGE R. CANTRES, [redacted] 10/8/93
MAJ. RUSSELL C. CASE III, [redacted] 11/7/93
MAJ. SCOTT A. COLE, [redacted] 11/19/93
MAJ. EARL L. COTTON, [redacted] 11/6/93
MAJ. BRUCE R. FREUND, [redacted] 9/18/93
MAJ. SCOTT B. HARRISON, [redacted] 11/7/93
MAJ. ULAY W. LITTLETON, JR. [redacted] 11/19/93
MAJ. ALEX D. ROBERTS, [redacted] 11/5/93
MAJ. GARRY C. SCOTT, [redacted] 11/3/93

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

MAJ. LEWIS A. BRANDES, [redacted] 11/7/93
MAJ. CYNTHIA A. RYAN, [redacted] 11/19/93

BIOMEDICAL SERVICES CORPS

To be lieutenant colonel

MAJ. WILLIAM D. TAYLOR, [redacted] 11/6/93

MEDICAL CORPS

To be lieutenant colonel

MAJ. SIDNEY B. JACKSON, [redacted] 9/11/93

DENTAL CORPS

To be lieutenant colonel

MAJ. KENNETH R. WEBB, [redacted] 11/4/93

IN THE NAVY

THE FOLLOWING-NAMED COMMANDERS OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF CAPTAIN IN THE LINE, IN THE COMPETITIVE CATEGORY AS INDICATED, PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE OFFICERS

To be captain

RONALD EUGENE ADAMS
ALAN BRENT AHLBERG
EDWARD MERLE ALDEN
ELAINE HANDSMAN ALLEN
FOLMER PETER ANDERSEN II
JAMES BRUTON AYRES, JR
LYNN DORN BAKER
VAUGHN EDWARD BATEMAN
BRUCE CHARLES BAUER

RONALD GLAFEY BELANGER
VAN LESLIE BENEDICT
WILLIAM JAMES BERES
LAWRENCE PAUL BERRY
GEORGE MARTIN BLACK
JAMES FIELDING BLACKSTOCK
MICHAEL JOSEPH BOWERS
DAVID ALMY BROWER
ROBERT MICHAEL BURNES
THOMAS LEE BYNUM
ALAN D. CAMERON II
RICHARD WILLARD CANTWELL II
RODNEY ANTHONY CARLONE
ROY MICHAEL CARR
LEONARD ROBERT CASELLA
PETER SARGENT CHMELIR
JAMES WILLIAM CLIFFORD
PAUL FREEMAN COCHRANE
HARRY HERBERT COLLIS
MARK GARLAND COOKSEY
PAUL JUSTUS CREAMER
JAMES MICHAEL CROWDER
GEORGE JOSEPH CRUMBIE, JR
STUART JAY CVRK
TERESA DAVIS
BRUCE EARL DEHNER
RICHARD PETER DELONG, JR
MARK EDWARD DENARI
STEPHEN POSTLEY DEXTER
STEPHEN WILLIAM DOLAT
PETER HILL DOUGLAS
STEVEN PAUL DREFAHL
BILLY WAYNE DUNLAP
GREGORY JOHN DURAS
JUANITA CURREY DURHAM
JAMES EDWARD DYER
GARY LEE ECKERT
SCOTT WILLIAM EDWARDS
ROBERT ANDREW FERGUSON
GREGORY ARTHUR FORBES
LARS FORSBERG
JEFFREY EDWARD FORT
DALE ALLYN FREY
JAMES LAWRENCE FRITSCH
SANDRA LYNNE GEISELMAN
GARY VANCE GEMOETS
TIMOTHY RAY GILBERT
JAMES WILSON GORDON
BRUCE RICHARD GOULDING
SCOTT EDWIN GRANGER
EDITH CLYNE GREENE
JAMES KING GREMMELL, JR
MARY LOUISE GRIFFIN
PAUL LAWRENCE HALEY
GUY DALE HALVERSON
STEVE RONALD HARKINS
JERRY MICHAEL HARRIS
STEPHEN EDWARD HAZLETT
JOHN THOMAS HELD
RAYMOND JOHN HERDA, JR
ARTHUR DAVID HOFFMANN, JR
JAMES EDWARD HOLZAPFEL
JOEL RALPH HORNING, JR
CHARLES EDWARD HUMPHREYS
DONALD STEVEN INGRAHAM
WILLIAM RICHARD ISENBARGER
FRANK DONALD JACKSON
NILS FREDERICK JANSON, JR
DAVID GEORGE JOHNSON
JAMES LOFTON JONES III
MARC SETTLE JONES
STEPHEN DETMA JONES
JOSEPH HENRY KANNAPELL
MARJORIE REIKO SUGA KATIN
KEVIN JOSEPH KELLEY
JOHN ANDREW KIRKLAND
DEEN MEARLE KNIGHT
JOHN GEORGE KOHUT
RAYMOND THOMAS J. KOZIKOWSKI
JEROME DEAN KULENKAMP
SAM HENRY KUPRESIN
MILTON DEAN LANE
RICHARD MANUEL LARRUMBIDE
WEBSTER RUNALDUE LAWLER, JR
ROBERT MICHAEL LAWN
JODY LOUISE LEES
EDWARD J. LEHRE
SPENCER KIRBY LESLIE
THOMAS GRASON LEVERAGE
DANIEL CLARK LIBERA
JOHN WILL LINDENBERGER, JR
ROBERT WILLIAM LINDNER
RONALD WILL LITZENBERGER
MARK ALLAN LOHSEN
LONNIE JOSEPH LOUVIERE
THOMAS MARVELL LOWE III
JEFFREY B. LUCAS
MICHAEL EUGENE U. LYON
JOSEPH SIMON MAHALEY
MILUTIN MARICH
PAULINE ANN MARLINSKI
KIRK DAVID MARSH
NANCY JEAN MARTINEZ
JOHN MANARD MATTHEWS, JR
KENNETH WILLIAM MAXWELL
ROBERT MICHAEL MCBRIDE
JOHN FRANCIS MCCANN
KATHLEEN MARIE MCCARTHY
DENNIS MICHAEL MCCARTY
ROSS RODES MCCLAVE
HARRY GEORGE MCCONNELL
HARRY STOWE MCGEE III
FOREST MCNEIR
CHARLES HENRY MEDD
ALBERT ANTHONY MELVIN
WILLIAM JOSEPH MEYER II
STANLEY HERBERT MEYERS, JR
DAVID ALPHONSO MILLER, JR
JAN SHERWOOD MILLIGAN
GEORGE MARCHANT MILLS
JOHN EDWARD MONEGHAN
HENRY JOSEPH MORALES II
ALLEN NELSON MORELL
DAVID ROBERT MORRIS
BARRY BYRON MORTON
ROBERT SIDNEY MULL, JR
PAUL MICHAEL MYERS
ROBERT ALAN NELSON
HENRY JOSEPH NETZER
CHRISTOPHER SCOTT NIGON
JAMES HASTINGS NILES
DOUGLAS RICHARD NORDELL
JOSEPH GREGORY NUTTALL
MYRA BETH ODEGARD
DAVID STRAUSS OPPENHEIM
DUDLEY MILLER OUTCALT
HEIN FRIEDRICH PAETZ
BENJAMIN FRANKLIN PARKS II
THOMAS KEITH PARKS
MARC PIERRE PEARSON
GERALD FRANCIS PECK
ROBERT ANDERSON PENNELL
WILLIAM JAMES PERLMUTTER
DAVID WALTER PHILLIPS
DANNY CARL PINKERTON
RICHARD HAMILTON PLUSH
WALLACE SCOTT POWELSON
MICHAEL COLLINS POWERS
DAVID CHARLES POYER
JOHN ALLISON PRIESTER
ROGER WILLIAM PRYOR
THOMAS MYERS RATHBONE
JAMES VINCENT RAY, JR
WILLIAM FRANCIS READDY
RICHARD CHARLES RIGAZIO
DONALD JOSEPH ROBERTSON
STEPHEN FRANCIS RODGERS
ELBERT RUDOLPH ROSS III
MARK CHARLES SCHARFE
WARREN MICHAEL SCHUR
ANTHONY FRANK SILAKOSKI
ROGER EDWARD SMITH
JAMES DOUGLAS SNYDER
LAIRD WILVIN STANTON
JEANE HOOVER STETSON
JAMES LAWRENCE STIRES
PHILIP JAY SWARTZ
DONALD NORRIS THACKERY, JR
MICHAEL HENRY TRENT
BRUCE E. TRUOG
PATRICK RICHARD VASICEK
JAMES JEFFERSON WADKINS
CHARLES EDWARD WAGNER
MARC DAYTON WALL
JAMES RANDOLPH WASHINGTON
DOUGLASS CLAY WATSON
RICHARD ALAN WEBB
DAVID KEARNS WEHE
EDWARD JOSEPH WEINKAM III
JOHN WESLEY WELDON, JR
ROBERT ALAN WESOLOWSKI
JOHN CARL WHITE
DOUGLAS EMIL WICKERT
RONALD JESSIE WILSON
MICHAEL RAYMOND WINTERS
THOMAS FRANZ WIRTZFELD
KRISTON PHILIP WOOLLEY

UNRESTRICTED LINE OFFICERS (TAR)

To be captain

WALTER LEWIS BAKER
VERNON ELDON BOTHWELL, JR
RONALD ROY BUCKLEY
FRED LESTER COHRS
CRAIG HAROLD FAUSNER
MICHAEL WILLIAM HEATH
MICHAEL KENT HORNE
JIMMY LEE MITCHELL
MAX BRADLEY NORGART
RICHARD L. OSTERLUND
JACK WAYNE PAGE
EARL ARTHUR PERRY, JR
THOMAS JOSEPH PLOWER
BRADFORD JAMES POELTLER
ROBERT S. RUSSELL
JAMES ERNEST THURMOND, JR
CHARLES REX WHITE, JR

ENGINEERING DUTY OFFICERS

To be captain

CHARLES ROY BOMBERGER
MICHAEL RICHARD DONOVAN
LEROY JOSEPH FOURNIER
GARY GERALD GARRETT
MICHAEL JOSEPH GOUGE
MICHAEL HAZZAN
RICHARD ALLEN HILL
ERIC JAMES HOTALING
WALTER GERARD KEATING
CHARLES DAVID MORGAN
JAMES C. NEWTON
RODERICK FALTER SMITH
DAN MICHAEL STOVER
GEORGE FRANCIS STRINGER III
WILLIAM MICHAEL WILDER

AEROSPACE ENGINEERING DUTY OFFICERS (ENGINEERING)

To be captain

DENNIS PAUL FEDISON
BENNETT ALLEN MORROW
ROBERT MICHAEL NORMAN
RICHARD ALLAN OTIS

AEROSPACE ENGINEERING DUTY OFFICERS (MAINTENANCE)

To be captain

JOHN MASON HARRELL
PHILIP LEWIS SCHWAB

AEROSPACE ENGINEERING DUTY OFFICERS (MAINTENANCE) (TAR)

To be captain

HERBERT P. BRASELMAN

SPECIAL DUTY OFFICERS (MERCHANT MARINE)

To be captain

VICTOR YEWDALL GOLDBERG
JOHN MICHAEL MCWILLIAMS
JOHN MARTIN NUNNENKAMP
PETER ROLF OHNSTAD

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

To be captain

HERBERT LEE BUCHANAN III
RICHARD JOHN CLAUSEN
PEARSON EMMANUEL DUBAR, JR
HOMER PATRICK FAUST
WILLIAM DAVID MASTERS, JR
JOHN HAROLD MCCOY
LEE PARSONS
DAVID F. SMITH

SPECIAL DUTY OFFICERS (INTELLIGENCE)

To be captain

VIRGIL JOSEPH AIELLO
BERNARD H. ARENDS, JR
MICHAEL ROBERT ARMSTRONG
RAY LELAND BABCOCK
JAMES ANDREW BAIRD
WILLIAM GEORGE BITTLE
JOHN HARRY DOUGLAS BLAKE, JR
LORRAINE CHERYL BOGGS
JAMES THOMAS BOYD
LAWRENCE GREGORY BROWN
LINDA SHIRLENE BURNS
STEVEN C. BYRAM
DAVID WARNER CHILSON
CHARLES LOUIS CHRISTOPH
ROBERT WAYNE CORDOVA
WILLIAM DEAN CRANDELL
CAROLEEN CHANG CULBERTSON
AUDREY RAIFORD DANIELS
DANIEL JOSEPH DRAKE
LESLIE EDWARD FRENSLEY, JR
GRANT REED FRY
DWIGHT LYMAN GERTZ
RONALD LEROY HANSEN
ROBERT BURNS HOLBROOK, JR
WILLIAM BARNARD HUNTER
WILLIAM ANDREW KEALY
THOMAS MICHAEL KELLERHALS
JOHN ROGERS KINCZEL
THOMAS C. KNICKERBOCKER
ANDREW NMN KOCZON
JAMES ALLEN LESLIE, JR
DAVID RALPH LIPINSKI
WILLIAM LEE MARTIN
DALE JEROME MIERISCH
CHARLES FRANK MONSON
ELIZABETH TURNER MORGAN
RANDALL WAYNE MYERS
MARSHALL NADEL
JOHN EDWARD PEDERSEN
CHARLES DOUGLAS ROCKWELL
JON ALAN SIEWERS
JOHN DAVID STACK
ORAL DEE STAMAN
RODNEY LEE STILING
DUANE LESTER STOBER
EDWARD A. STUDZINSKI
THEODORE ROBERT TJADER
BRIAN EUGENE TRHLIN
JOHN EDWARD TROJACK
MICHAEL JOHN TROWSE
EUGENE MICHAEL TUPACZ, JR
PETER CHARLES VANTRIGT
JOSEPH THOMAS VITANZA
KENT LEON WASHBURN
STEVEN ALLEN WEINER
MARILYN FRANCES WEISS
RICHARD MAHAFFEY WHITE
SCOTT DUANE WHITE

SPECIAL DUTY OFFICERS (INTELLIGENCE) (TAR)

To be captain

JOHN GLOVER CRAWFORD, JR

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS)

To be captain

CHERYL DIANE DUFT
NORRIS EDWARD JONES
GARY B. MOREY
STERLING NICHOLS, JR
JOHN C. ROACH
GREGORY JOSEPH SLAVONIC
DALE E. SMITH
JAMES DONALD TURK

SPECIAL DUTY OFFICERS (OCEANOGRAPHY)

To be captain

MARK JAMES GRUSSENDORF
STEPHEN WILLIAM HARNED
DANIEL WARD MERDES

EXTENSIONS OF REMARKS

THE WATER QUALITY ACT OF 1994

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. MINETA. Mr. Speaker, today my colleague SHERRY BOEHLERT, the ranking Republican on the subcommittee, and I are introducing the Water Quality Act of 1994.

A lot of work by a lot of people has gone into the writing of this bill. The bill reauthorizes, and substantially rewrites, the Federal Water Pollution Control Act Amendments of 1972, also known as the Clean Water Act, an enormously important and complex piece of legislation.

This is one of the bills President Clinton highlighted as must-pass legislation for 1994 in his State of the Union Address just a few weeks ago.

Water pollution is one of the most important issues in American life. It determines a large part of our quality of life, our health and well-being, our supply of drinking water, the kinds of recreational opportunities we have, a significant part of our food supply, where we can locate new businesses, whether we can accommodate growth, and what kind of a world our children will inherit from us.

Ninety-seven percent of all water on our planet is saline, and 2 percent is frozen. We depend on that last 1 percent to sustain all human life and economic activity on Earth. And that amount of fresh water available to us has not changed in the entire history of human beings on Earth. World population is 10 times today what it was 300 years ago, and we are now doubling the population every 40 years. Yet we have no more fresh water on this planet than we had when our ancestors still lived in caves.

The task of sustaining more and more of us, and at a higher and higher standard of living, on an unchanged amount of fresh water, is more and more of a challenge, and requires more and more effort on our part. There are more of us, creating more pollution at the same time we need more unpolluted water than ever before. And there is no substitute for water; there is no alternative to water.

This is a challenge which is central to our lives and to the lives of our children. In the United States our attempt to meet this challenge has centered on the Clean Water Act, which regulates the pollution of our Nation's waters so that we can all continue to be sustained by the water available to us. That act has been in place for over 20 years, and it has accomplished a great deal.

Lake Erie, which was once declared dead, today supports a thriving recreational fishing industry. There is no longer the fear of the Cuyahoga River catching fire. And in virtually any weather, people can be seen fishing in the Potomac River within a few miles of the Capitol, something that 25 years ago would have been unthinkable and foolhardy.

But despite these success, the water quality goals we set for ourselves in 1972 have not been reached.

Our efforts in the early years of the act focused on the worst problems of that time—point source pollution from factories and cities. And substantial progress has been made in two decades on the problems of point source pollution. But as a result, the nature of the pollution threat we face has changed. The Environmental Protection Agency's most recent report to Congress tells us that the largest single category of pollution into our Nation's waters is now nonpoint source pollution: the runoff which enters our waters following a rainstorm and brings with it pollution from our farmlands, forestry areas, urbanized areas, and so on.

We have done relatively little so far to deal with this type of pollution. While additional pollution reduction can be achieved from point sources, it is increasingly difficult and expensive to get substantial reductions in this area, since we have already removed most of the pollutants from the point sources. The fact is that if we are ever to reach our 1972 goals of fishable and swimmable water throughout our country, nonpoint source pollution must be addressed—and successfully.

The bill being introduced today has two central goals: to further reduce water pollution in this country, and to do it in a way which imposes the least possible burdens consistent with getting the job done. And we cannot accomplish both these goals without addressing nonpoint pollution, since this is the area where the most pollution reduction, at the least cost, can be achieved.

Our bill would require the States to have their own nonpoint source pollution plans, which they could tailor to fit their own needs and priorities, but which would have to be sufficient to enable us to meet water quality standards in our streams, rivers, and lakes. The States would be required to make these plans legally enforceable like other State laws or regulations. We would also substantially increase the funding available to States to help them do nonpoint pollution work, more than doubling the funding levels over the life of the authorization. We would also clarify that the nonpoint plans and programs were intended to cover both rural and urban watershed runoff problems.

Closely related to nonpoint pollution control is watershed planning. In many areas State and local governments lack the flexibility to achieve needed pollution reductions in the most cost-effective way, because they often cannot balance pollution reductions from one source against pollution reductions from another source. Watershed planning is designed to give them the tools they now lack. First of all, States would not be required to designate watersheds, but they would be authorized to do so where they believed it would be helpful. Second, once the watershed were designated, all point-source permits within that watershed, as well as the nonpoint source and watershed planning cycles in that watershed, would be made to coincide on the same 5-year intervals. In this way, the State would be able to make trade-offs between point sources, and between point and nonpoint sources, in order to achieve water quality standards in the watershed in the most efficient, least burdensome way. And third, we intend to provide a mechanism by which the various sources of pollution within a watershed could transfer between themselves some or all of the pollution they are allowed to discharge, so long as such transfers would be consistent with our water quality objectives throughout the watershed. We have not included this mechanism in the introduced bill, because we are still working on it to assure that it does what needs to be done. We expect to add this provision to the bill during markup.

Many of the features of the 1972 act affect municipalities as the operators of sewage treatment works. The cost of cleaning up municipal sewage discharges through improved and expanded treatment has been and will continue to be very great. Despite all the expenditures of the past two decades, EPA recently estimated total water pollution control needs at the local level to be in excess of $137 billion. The cost of doing that work has always been primarily a local responsibility, but the Federal Government has in past years been a significant contributor of the funding to do this federally required work. In the late 1970's the annual funding to this effort peaked at about $7 billion per year; it has been in decline ever since. The Reagan and Bush administrations cut this funding back to $2 billion per year, as well as converting it from a grant program to a loan program.

The Clinton administration came in on a wave of promises about increased environmental cleanup and increased infrastructure investment, but this key program has seen neither. The already slashed Reagan-Bush funding levels were further cut to $1.2 billion in fiscal year 1994. The administration recently proposed a level of $1.6 billion per year in fiscal year of 1995 and they propose phasing the program out entirely after the late 1990's. The reasoning given for the phase out is that by the late 1990's the loan funds in each of the States—State revolving funds—would be sufficiently capitalized to go on thereafter making loans at the $2 billion per year rate.

However, the reality here is that a $2 billion per year program will never make a dent in needs which are $137 billion and constantly growing. The fact is that the Federal Government has been reduced to being a very minor contributor to the solution to this very large pollution problem, and it is trying to become a noncontributor.

That is not right.

The Federal Government interest and role in cleaning up water pollution, which flows back and forth across State boundaries, is sufficient for the Federal Government to play a very substantial regulatory role through the Clean Water Act. And the Federal Government interest and role is sufficient for the Federal Government to contribute a meaningful part of the municipal costs of that cleanup.

Our bill therefore proposes a substantial increase in the Federal Government's contributions to the capitalization of the State revolving funds: to $3 billion in fiscal year 1995 and an increase of a half a billion dollars per year thereafter.

We would also allow State and local governments increased flexibility in utilizing the limited SRF dollars available to them. In particular, we would remove the existing 20 percent restriction on the use of SRF loans for combined sewer overflows and collector sewers. It makes no sense to tell a community whose greatest pollution problem is CSO's that it will be most restricted in the use of SRF money if it attempts to deal with its greatest problem.

Another flexibility feature which is perhaps one of the most important provisions of the bill is the new hardship communities provision.

At present, the SRF loan program works very well and gets multiple uses out of each Federal dollar contributed to the SRF's. However, the limitation of this approach has been that the communities with the greatest needs relative to their economic capability are precisely those communities least likely to be able to repay an SRF loan and therefore do not get the loan in the first place. This has denied SRF support to some of the communities which most need it.

We can preserve the benefits of the SRF mechanism while solving its limitations by giving the SRF special features which apply to hardship communities, and that is exactly what the bill would do. The bill provides that when a community's wastewater treatment costs exceed 1.25 percent of median family income in that community, special hardship features of the SRF come into play. These features are that the maximum allowed term of the loan would be extended from 20 to 30 years, and that interest rates, which now cannot be less than zero, would be allowed to be negative. The States would have the flexibility to use any combination of longer terms and lower rates necessary to get the cost burden as low as 1.25 percent of median family income.

While in some cases the beneficiaries of this hardship community provision might be large communities with unusually high costs to meet water quality goals, in most cases the beneficiaries will be smaller communities, for which the costs of compliance are often disproportionately high because the economies of scale work against them. This provision should be a significant help in bringing many smaller communities into compliance with water quality requirements.

Another provision designed to make the SRF work better—despite its limited resources—at meeting the water pollution needs all across our country would be to revise the allocation formula to better reflect current needs. The current formula is based on needs assessments and population data from the mid and late 1970's and no longer reflects the needs we know of today. We are still at work on that revised allocation formula, and so it is not included in the bill as introduced. However, we expect to add a new allocation formula to the bill in the near future.

Another issue with respect to getting the greatest possible benefits out of the SRF program is the encouragement of treatment technologies and designs which are more efficient and less costly. Our review of this issue showed that the greatest problem facing particularly smaller communities considering innovative or alternative technologies was lack of knowledge and certainty that these alternatives would meet pollution reduction requirements. The bill therefore would require EPA to publish a report, and update it annually, on innovative and alternative technologies. This should serve as a central clearinghouse for information about these technologies and about their performance where they have been constructed.

In recent years there has been a tendency to make site-specific funding available in a few chosen locations, while leaving the basic program to wither away. In some cases these site-specific actions were justified on the grounds that the basic program was not well-designed to accomplish that particular project. For example, for many CSO projects, often a key part of estuary cleanup and urban watershed problems, a key problem was the 20 percent limitation on the use of SRF's for CSO work. We are removing that limitation. Similarly, communities with very high treatment costs argued that the SRF loan program imposed unduly high cost burdenson their citizens. The hardship community provisions in this bill are designed to address that problem.

In short, our approach has been to solve the problems which have inclined some communities to seek funding separate from the program. We want the program itself to be the vehicle for addressing water pollution problems, and we want the program to be reinvigorated and expanded. Therefore, we are ending in this bill the practice of making site-specific funding for projects. This is being accomplished through a phaseout of existing funding for projects. The fiscal year 1994 appropriations bill has already appropriated $500 million, subject to the designation of the locations by this bill. We make those designations in this bill, and we have done so on the basis of funding the kinds of projects which have been getting funding in the past few years and which were therefore relying on it. However, as a general rule we will expect these projects in the future to participate in the basic SRF program and not to receive separate site-specific funding.

Projects receiving the fiscal year 1994 funding are, first, the coastal communities group, which are cities which face very high secondary treatment costs because they deferred secondary treatment while pursuing the secondary waiver option, ultimately did not obtain that waiver, and have not committed through consent agreements or similar means to achieve secondary treatment under relatively demanding schedules. Second, the Rough River Project in Michigan, which is primarily a CSO project and which has received separate funding in each of the past few years. And third is the establishment of a fund to help deal with the very serious problems of the Colonias.

One of the most important benefits of this bill, both to communities and to the environment, is in the flexibility the bill would create with respect to CSO's and stormwater. The administration estimates the cost savings of these two provisions at about $30 billion, yet neither would diminish our water quality goals.

Existing law will require stormwater drains in many instances to be dealt with through very expensive treatment systems designed to achieve numeric standards. However, it is not clear whether that degree of burden will prove necessary to deal with stormwater pollution, and the likelihood is for greater conflict than cleanup. This bill therefore requires larger communities to move ahead with management practices, rather than treatment facilities, to deal with stormwater pollution, and assures that the stormwater problems of smaller communities will be dealt with through the nonpoint source program. It would then be determined whether those measures were in fact sufficient to achieve water quality standards, and if so, treatment facilities would not be required.

Similarly, CSO needs facing some cities are enormous, EPA has identified needs of over $41 billion. Yet questions of how much storage capacity will really be needed to meet water quality objectives are often hotly debated. Consistent with EPA's new CSO policy, we would allow cities to move ahead with the portion of the work is clearly necessary, and then judge whether additional work is required to meet water quality.

An issue which has been of particular interest is the issue of chlorine. The administration recently proposed an in-house study of chlorine and the advisability of restricting or banning its use, and also proposed a broader National Academy of Sciences study. While the first of those two studies has been quite controversial, it does not require any legislative action and we have included none in this bill. We have authorized the NAS study, which would take a broader look at many different kinds of chemicals which may have certain specific health effects.

The bill contains a number of other important features, among them a general strengthening of enforcement of water pollution laws, changes in EPA's process for dealing with toxics to make that process less cumbersome, creation of pollution prevention plans at larger companies, and greater scrutiny of water pollution emanating from Federal facilities.

One issue the bill does not deal with at this point is wetlands. We are still considering how best to approach that issue.

Mr. Speaker, in sum, this bill will further reduce pollution and will accomplish that in a way that involves the least possible additional burden. While a great deal of work remains to be done, this bill is a major step forward.

We will not be holding any additional hearings, since the Water Resources and Environment Subcommittee held extensive hearings over the past 3 years. We will, however, allow a period of 2 weeks for written comment. So as not to lose momentum, I specifically request that any comments be submitted in writing to the Water Resources and Environment Subcommittee within 2 weeks.

CLEAN WATER ACT REAUTHORIZATION

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. BOEHLERT. Mr. Speaker, I rise this afternoon to express my strong support for the Water Quality Act of 1994.

Today we are taking a critical step toward meeting the clean water challenges now before our Nation. The Water Quality Act of 1994 sets out to improve the quality of our waters through placing greater emphasis and resources into the prevention of nonpoint sources of pollution, and by providing increased funding and greater flexibility for States working to improve their waters. When addressing America's clean water needs, estimated by EPA to be in the neighborhood of $137 billion, we must apply our limited resources where they will have the greatest positive impact. I believe the Water Quality Act of 1994 will effectively address our Nation's clean water needs and I am pleased to be the original cosponsor of this measure.

Over the past two decades the Clean Water Act has been the catalyst for significant improvements in the quality of our lakes, streams, and rivers. The wastewater treatment facilities that have been constructed with Clean Water Act funds are preventing tons of harmful pollutants from entering our waters every hour of every day. America's industries have also made enormous reductions in the quantity of toxics that are discharged into our waters, and their efforts should be recognized.

However, America's waters are now facing new and often more elusive threats. Recent studies indicate that nonpoint sources of pollution are now responsible for over half of all pollutants in the Nation's surface waters. The Water Quality Act of 1994 acknowledges this fact, and shifts the focus of the Clean Water Act to meet this challenge.

The measure introduced today established a new section of the Clean Water Act entitled "State Watershed Management Programs." Under this section of the bill States will be encouraged to use a watershed-holistic approach to managing their waters. The impacts of point and nonpoint sources of pollution will be looked at together—not as separate unrelated entities as is often the case today. Through this approach, resource application and pollution regulation can be better tuned to maximize water quality and minimize cost.

The authorized funding levels for State nonpoint source programs will be more than doubled and State revolving fund [SRF] moneys will also be eligible for nonpoint source initiatives within designated watersheds. Nonpoint sources of pollution are a significant part of the water quality equation and funding levels should reflect this reality.

The Water Quality Act of 1994 also provides States with the funding and flexibility required to achieve their clean water objectives. The funding levels authorized for the SRF will be increased to $3 billion in fiscal year 1995 and will increase by $500 million annually through the year 2000. The SRF approach to funding water infrastructure has been an invaluable tool in meeting clean water goals. Our bill continues to support the SRF with modifications designed to assure that small communities and poorer communities can participate in this loan program.

The clean water proposal being introduced today will also bring needed regulatory relief in the areas of storm water and combined sewer overflows. These changes reflect our concern that tax dollars be spent where they will achieve the greatest water quality improvement.

Arguably, no resource regulated by the Federal Government has a greater impact then water on the day-to-day lives of all Americans. Assuring that our Nation's surface waters are safe for human uses, commercial uses, and wildlife is a challenge that must be met.

Chairman MINETA has done an excellent job in crafting an effective Clean Water Act reauthorization package and I encourage all of my colleagues to join me in supporting this measure.

CHINA MFN

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. SOLOMON. Mr. Speaker, let the record show that the Clinton administration is already trying to wiggle out of its commitment to cut off MFN for China 3 months before the deadline. Already twice this week, the administration has signaled that it is willing to abandon its own conditions that it imposed on China last year.

First the administration said that it is willing to consider multiyear extensions of MFN if China meets the conditions. But as this Washington Post article shows, now the administration is willing to accept words, not deeds, from the Chinese Government. Unfortunately, this was predictable, and I did just that last year upon the issuance of the President's Executive order. The administration is obviously desperate to continue MFN.

Mr. Speaker, this administration's foreign policy has reached pathetic depths. Time and again, on issue after issue, we see that the Clinton administration simply does not have the will to stand up for American interests. They are simply terrified of ruffling even a single feather in any other nation.

This is not the kind of leadership that won the cold war, Mr. Speaker. And it is not the kind of solidarity that the slaves who are the Chinese people expect from America.

I would like to submit the Washington Post article for the RECORD.

U.S. SHIFTS BENCHMARKS FOR RIGHTS IN CHINA

(By Lena H. Sun)

BEIJING, March 2—The United States has told China that Beijing may be able to show some of the human rights progress needed to retain its nonrestrictive trading status with Washington through pledges rather than specific actions, a senior U.S. official said today.

The development comes as the annual debate over China's most-favored-nation trading status is beginning in Congress. Secretary of State Warren Christopher is to come here next week for further discussions.

In Washington, Christopher suggested that the United States might be willing to consider future multi-year extensions of trade benefits if Beijing improves human rights in the next few months.

Both sides are trying to find a way for Washington to renew Beijing's trading privileges critical for both countries, while promoting human rights in China. Most-favored-nation status grants a country trading privileges equal to those granted all other trade partners not being subjected to punitive treatment.

While John Shattuck, assistant secretary of state for human rights, was talking with Chinese officials, visiting Undersecretary of Commerce Jeffrey Garten told reporters that China is the world's biggest emerging market and that he has been lobbying on behalf of American companies for projects valued at about $6 billion.

Last year, President Clinton made extension of China's trade status conditional on "significant, overall progress" in several human rights areas. Administration officials have not disclosed how progress is to be measured, but in his two days of "very detailed and very precise" talks here, Shattuck said, he outlined a bottom line for his Chinese counterparts.

Shattuck, who is on his second trip here, declined to characterize China's position on further human rights gestures.

According to a senior U.S. official, the gestures the Americans are looking for include:

A public commitment by China to subscribe to the Universal Declaration of Human Rights;

A public commitment to ensure humane treatment of prisoners by allowing access to prisons by international humanitarian organizations such as the International Committee of the Red Cross. China is having discussions with the Red Cross about prison visits, but the U.S. official said it would be "unreasonable" to expect any visits to take place before June 3, when Clinton must make his trade-status decision;

A public commitment by Beijing for high-level discussions between Chinese authorities and the Dalai Lama, the spiritual leader of Tibet.

In addition, Washington also wants to see China take concrete steps to ban exports to the United States of goods made with prison labor; stop jamming Voice of America broadcasts; allow free emigration; account for more than 300 political and religious prisoners; and release an estimated 20 ill detainees whom the United States considers "priority cases."

STATEMENT IN SUPPORT OF HOUSE RESOLUTION 343 TO CONDEMN A SPEECH BY A SENIOR REPRESENTATIVE OF THE NATION OF ISLAM

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. SWETT. Mr. Speaker, I want to commend my colleague, the distinguished gentleman from California [Mr. LANTOS] for introducing House Resolution 343, which condemns a viciously anti-Semitic and racist speech recently given at Kean College in New

Jersey by Khalid Abdul Muhammad, who at the time was national spokesman for the Nation of Islam. This resolution also condemns all manifestations of racism, anti-Semitism, and bigotry. This resolution deals with an issue of grave importance for the Congress and for all of the American people.

It is essential, Mr. Speaker, that the House of Representatives condemn this anti-Semitic, anti-Catholic, and blatantly bigoted speech given by Mr. Muhammad. If we do not vote to denounce these repugnant remarks, we will be party to fostering the religious, ethnic, and racial intolerance that is incited by this speech and others like it.

Some have argued that we should not engage in the symbolic act of condemning this offensive speech because of its impact upon the first amendment to our Constitution. There is no question that symbols are important. On the one hand, we have a speech that symbolizes hatred, division, derision, violence, and disrespect for others. On the other hand, we have a resolution, which symbolically condemns such divisive and repulsive speech, and which we hope will bring our communities and our Nation together with greater respect and tolerance for the diversity that gives strength to our great Nation.

It is essential for this Congress to take upon itself the responsibility of bringing clearly to the public's attention the intolerance, anti-Semitism, anti-Catholic, antiwhite, and racist bigotry that oozes from Abdul Muhammad's speech. If we recognize his right under the first amendment of our Constitution to make such a vile and odious speech, we must also admit that we have the right—and the obligation—to condemn that speech.

We are not passing laws today to restrict the precious freedom of speech, and we are not taking action against the Nation of Islam or any of its members. We are not doing anything but making a statement that these symbols of hatred, division, and derision cannot be tolerated and must be condemned.

Mr. Speaker, we must remember that words lead to action—they are not spoken in a vacuum. Mr. Muhammad gave that speech to move his audience to action, to move that auditorium of young college students to make decisions and to take action. We need only look at what is happening in our Nation to see the consequences of such action, the consequences of bigoted, racist, hate-inciting speech.

Last year, in 1993, the Anti-Defamation League reported 1,867 incidents of anti-Semitism in 44 States and the District of Columbia—the second highest number reported in the 15 years that the ADL has kept records of such incidents. This represents an increase of 8 percent over the previous year. These incidents include verbal and physical harassment, desecration of holy places, Holocaust revisionism on college campuses, and even firebombings of Jewish day schools. Mr. Speaker, calling Jews "the bloodsuckers of the black people" only serves to inspire hatred and to encourage still more incidents of this type.

As long as these coals of hatred continue to burn, and as long as there are racists like Khalid Muhammad who are eager and willing to fan those coals of hatred into flames of violence and racist action, it is essential that we in the Congress speak out clearly and unequivocally in opposition. We are a nation of immigrants, many of whom came here to escape the religious, ethnic, or racial persecution of their homelands. We are a richly diverse country, and we must teach and live the message of tolerance if we are to enjoy domestic tranquility.

During World War II, the Nazi German leadership turned the Jews, Gypsies, homosexuals, the disabled, and other minority groups into scapegoats for uncertain economic, political, and social conditions in Germany. No one in this Chamber needs to be reminded of where that policy led. Given the serious economic and social problems afflicting many or our Nation's inner cities today, Mr. Muhammad's and Mr. Farrakhan's agenda of hate and blame and scapegoating can only increase the likelihood of violence and racial tensions.

In 1838 Abraham Lincoln spoke these words:

> All the armies of Europe, Asia and Africa combined, with all the treasure of the earth in the military chest, with a Bonaparte for a commander, could not by force take a drink from the Ohio or make a track on the Blue Ridge in a trial of a thousand years. * * * If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time, or die by suicide.

Mr. Speaker, if we do not stand up and condemn these kinds of statements, if we do not make a symbol of this speech and say, "We cannot tolerate this kind of speech in this country," we surely will bring about the suicide of our Nation.

I strongly support the resolution that was introduced and brought before the House of Representatives by my colleague, the distinguished gentleman from California [Mr. LANTOS].

KEY DOCUMENTS PROVE INNOCENCE OF JOSEPH OCCHIPINTI

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. TRAFICANT. Mr. Speaker, as part of my continuing efforts to bring to light all the facts in the case of former Immigration and Naturalization Service agent Joseph Occhipinti, I submit into the RECORD a copy of a letter that was written by John McAllister of the Organized Crime Drug Enforcement Task Force in New York City to Staten Island, NY, Borough president, Guy Molinari, regarding a key witness in the Federal Government's case against Mr. Occhipinti:

ORGANIZED CRIME DRUG
ENFORCEMENT TASK FORCE,
New York, NY.

MR. MOLINARI,
Staten Island Borough President, Borough Hall, Staten Island, NY.

DEAR SIR: As per our telephone conversation, these are the facts as I remember them pertaining to the conversations that I had with Special Agent Wai Ng and AUSA Steven Standeford concerning an incident at a Chinese massage parlor. I am not sure when this incident is supposed to have occurred, but it is my understanding that it was when S/A Wai Ng worked for me in the Special Operations section of investigations. But by the time that I received his phone call Ng no longer worked in my unit.

As I recall, I received a telephone call from S/A Ng sometime in mid June 1991. As soon as I answered the phone Ng said "I know that you don't remember, I know you don't remember, I know you don't remember but I told you about the incident that occurred during an investigation at a Chinese massage parlor with Occhipinti".

Ng went on to say "At one point during the raid Occhipinti wanted me to translate what he was saying to the madam of the parlor. Joe Occhipinti told me to tell the madam that if she did not allow us to search the parlor he would have Stafford Williams rape her". Ng said that he did not tell the woman what Occhipinti had said.

At this point in the telephone conversation I told Ng that he had never told me this story before, that this was the first time that I had ever heard of this happening. Ng stated again "I know that you don't remember but I told you about this".

Ng then told me that he had already testified in court that he has told me of the incident before.

I told Ng that if he had ever told me that story before, not only would I remember it, but that I would have had a few very strong words with both Joe Occhipinnti and Stafford Williams.

The next day I had a conversation with AUSA Steven Standeford and I told him that I had spoken to Agent Ng, that Ng kept repeating that "I know you don't remember". I also told Standeford that if I were called to testify that I would state in no uncertain terms that S/A Ng had never told me this story at any time in the past. And that if he had told me this story before it was not something that I would soon forget.

JOHN MCALLISTAR,
Assistant Director.

THE COLD WAR

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. SOLOMON. Mr. Speaker, I would like to call the House's attention to an article by Arnold Beichman in the March 1 issue of the Washington Times.

Mr. Beichman calls attention to the massive intellectual fraud being perpetrated in academia and the news media regarding the cold war. The dogmatic extremists who dominate these two debased institutions are engaged in a concerted campaign to rewrite the history of the cold war.

The campaign basically takes three tacks. The first is to deny that the Soviets were a real enemy. Another, while conceding the awful nature of Soviet communism, holds that Western policies, and especially those of Ronald Reagan, had nothing to do with the demise of the Soviet empire. And finally there is the notion, evinced by people like George Kennan, that we too, lost the cold war because we exhausted ourselves with too much defense spending.

Of course, the Kennan theory is easily dismissed. It is indeed laughable to anyone who has ever stepped foot in a Communist country. To counter the first two notions will require vigilance, however. The truth must be told, over and over again, about the evils of communism and the policies that helped contain and ultimately defeat this evil force.

Fortunately, Mr. Beichman has added truth to the debate by quoting some rather knowledgeable sources: Russian dissidents and reformers. It turns out, Mr. Speaker, that Alexandr Solzhenitsyn—and who understood the cold war better than him—gives Ronald Reagan direct credit for the end of the cold war. And then we have Russian reformers, like foreign minister Andrei Kozyrev and former Moscow police chief Arkady Murashev, both of whom fully concur with Ronald Reagan's apt description of the Soviet Union as an evil empire.

It turns out, Mr. Speaker, that Ronald Reagan, the actor from Eureka College, understood the fundamental nature of communism better than most American Ph.D's put together.

It is important to point all of this out, Mr. Speaker. For the Clinton administration is now deeply entrenched in a foreign policy of appeasement, the precise opposite of Ronald Reagan's successful approach. This is dangerous, and must be countered at every turn.

I insert the Beichman article for the RECORD.

[From the Washington Times, Mar. 1, 1994]

AN EXILE'S COLD WAR VERDICT

"The Cold War was essentially won by Ronald Reagan when he embarked on the 'star wars' program and the Soviet Union understood that it could not take this next step."

Guess who said it? A Republican admirer of the former president? No. An ultra-right wing columnist? No. George Bush? James A. Baker? Most assuredly, no. The man who uttered this formidable finding is Alexander Solzhenitsyn. The text is to be found in a profile by David Remnick of the great Russian writer published in the Feb. 14 issue of the New Yorker.

After residing in exile for 20 years, 18 of them in the United States, the world-renowned author who made the phrase "Gulag Archipelago" synonymous with the former Soviet Union is returning to Russia in May. Should anything happen to Russian President Boris Yeltsin, let us pray that Mr. Solzhenitsyn, even though he is 75 years of age, will consider running for that post against the inevitable candidacy of the barbarous Vladimir Zhirinovsky.

The significance of Mr. Solzhenitsyn's characterization of Mr. Reagan as the architect of victory in the Cold War is that since the fall of the Berlin War almost five years ago—Nov. 9, 1989—there has been a campaign of denigration among U.S. academicians in history and political science of the Reagan presidency. A school of mendacious historians has arisen who either claim that "nobody" won the Cold War or else that the United States "lost" it.

Among Russian spokesman, there is no question as to who won the Cold war and why. Arkady Murashev, onetime Moscow police chief and a leader of Democratic Russia, was quoted in New York Review as saying about Mr. Reagan: "He called us the 'Evil Empire'. So why did you in the West laugh at him? It's true." Andrei Kozyrev, Russia's foreign minister, was quoted in the Los Angeles Times as saying "the Soviet Union had really been an evil empire." He compared the "mass crimes" under the Soviet dictatorship to the revelations about the Nazis at the Nuremberg Trials. Sergei Khrushchev, son of Nikita S. Khrushchev, on the "Larry King Show" said with a rueful smile, "Sure, you win [sic] the Cold War." And now comes the verdict of Alexander Solzhenitsyn.

Will such a verdict still the voices of the social science faculties of American universities peopled by Marxist fantasists, like Wade Huntley, assistant professor of politics at Whitman College, Walla Walla, Wash.? He recently published an article in the Chronicle of Higher Education, the title of which tells all—"The United States Was the Loser in the Cold War."

Professor Fritz Stern, a distinguished Columbia historian, in a New York Times Op-Ed article derided claims that America won the Cold War:

"Without the thousands of dissidents in the Soviet Union and those in Poland, Hungary and Czechoslovakia who risked their lives to overthrow an ever-lying tyranny, we could not have prevailed and there would be no freedom in Eastern Europe. . . . [T]he final collapse of Soviet tyranny, unlike that of Nazism, was brought about by indigenous forces."

Professor Stern seemingly ignores 45 years of postwar history. It was American leadership—Harry Truman's—which organized the Berlin airlift in 1948 when Britain's Labor government was urging compromise with Josef Stalin, which pressed the United Nations to resist the communist invasion of South Korea, which initiated the Marshall Plan. It was American leadership—Dwight Eisenhower's—which strengthened NATO, which prodded hesitant allies in Western Europe to resist communism. And under President Reagan's leadership, America faced up to the peril of an imperialist Soviet Union by instituting an arms program, including SDI, which, as Russian commentators have now conceded, brought the former U.S.S.R. to its knees. Without the tough-minded "Reagan Doctrine," final collapse of Soviet tyranny might have been a long time coming.

For anyone not blinded by ideology, Ronald Reagan's role as architect of the bloodless victory over the former Soviet Union was luminously clear. Mr. Solzhenitsyn's verdict only confirmed what any student of contemporary history knew. So the question before us is what will the history books say in years to come about who won the Cold War and how it was done? Will the words of a Solzhenitsyn be included in the histories our children will be reading?

SANTA FE NATIONAL FOREST BOUNDARY ADJUSTMENT ACT OF 1994

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. RICHARDSON. Mr. Speaker, I am pleased today to introduce the Santa Fe National Forest Boundary Adjustment Act of 1994. This legislation, which is also being introduced today in the Senate by my colleague JEFF BINGAMAN, would modify the boundary of the Santa Fe National Forest in my district to include the entire area of the Atalaya Mountain. The mountain, a pristine, beautiful landmark east of Santa Fe, is uniquely deserving of inclusion in the National Forest System.

The rapid growth of New Mexico's capital city in recent years has led to overcrowding, increased pollution, explosive growth into the suburbs and other impacts on the excellent quality of life in Santa Fe. In fact, a recent poll by the Journal North found that a majority of Santa Fe residents believe their city is becoming a worse place to live. The number one reason cited by poll respondents was the city's growth and development.

In addition to these concerns, recent controversies about development of housing and increased land use on Atalaya Mountain have further underscored the need for this bill. Many Santa Feans and others concerned about maintaining a proper balance between housing and development and the preservation of open and urban space saw these controversies as a symptom of a greater problem. I share this concern.

We must ensure that careful thought about where new homes and buildings are placed is an essential part of land use management planning. The wilderness belongs to everyone and it should be the responsibility of the government to protect it from misuse and the threats of development. The time has come for responsible land use planning that does not sacrifice pristine wilderness in the name of development. Such an egregious lack of self-discipline is not only threatening to the natural beauty of northern New Mexico, but it says that we care more about reckless development than the future health and sanctity of our precious natural resources.

The Santa Fe National Forest Boundary Adjustment Act simply moves a boundary to accommodate more land in the national forest, but it also marks a significant turning point for the citizens of Santa Fe and for everyone who supports responsible environmental policy. As one of my constituents said in a commentary in the Santa Fe New Mexican last month, this issue is a wake-up call. It is also a statement about our values. Passage of this legislation will mean that we value our environment. It will mean that we believe that responsible land use management should not rely on the expedient desires of growth for growth's sake and indifference to the environment.

I look forward to working with my colleagues in the House to ensure passage of this legislation this year.

Text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Santa Fe National Forest Boundary Adjustment Act of 1994".

SEC. 2. BOUNDARY ADJUSTMENT.

(a) EXPANSION.—The Secretary of Agriculture shall modify the boundary of the Santa Fe National Forest as depicted on the map entitled "Santa Fe National Forest Boundary Expansion—1994".

(b) MAP.—The map referred to in subsection (a) shall be on file and available for public inspection in the Office of the Chief Forester, National Forest Service, Washington, D.C.

(c) ACQUISITION.—The Secretary of Agriculture is authorized to acquire land depicted on the map described in subsection (a) by exchange with the Bureau of Land Management of the Department of the Interior.

(d) EFFECTIVE DATE.—For purposes of section 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9(a)(1)), the boundary of the Santa Fe National Forest, as modified pursuant to subsection (a), shall be treated as if it were the boundary as of January 1, 1965.

SEC. 3. MANAGEMENT.

(a) IN GENERAL.—Subject to subsection (b)(1), the Secretary of Agriculture shall not transfer by exchange, sale, or otherwise, any land or interest in land within the boundary of the Santa Fe National Forest that is acquired pursuant to the boundary expansion authorized in section 2(a).

(b) EASEMENTS.—

(1) CONVEYANCE.—The Secretary may convey to the State of New Mexico easements donated to, and accepted by, the United States.

(2) MANAGEMENT.—Land or interest in land acquired pursuant to the boundary expansion authorized in section 2(a) shall be managed consistent with the terms and conditions of any easement donated to, and accepted by, the United States with respect to such land or interest in land.

STATE DEPARTMENT TERRORIST AWARDS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. SOLOMON. Mr. Speaker, the State Department has just produced a new advertisement for the new program of offering up to $2 million for information leading to the arrest of suspected terrorists.

I am proud to have successfully authored the legislation that brings this program to fruition, and I am proud that the State Department can now offer this top reward of $2 million for information on terrorist incidents committed against U.S. interests, regardless of where in the world that they are committed.

Let us hope that this new campaign will assist in bringing the barbarians who committed the World Trade Center bombing and other such heinous acts to justice.

Mr. Speaker, I am inserting into the RECORD the following text of the new ad:

WE WON'T STOP UNTIL THOSE RESPONSIBLE ARE BEHIND BARS

The terrorists who bombed the World Trade Center murdered six innocent people, injured over 1,000 others, and left terrified school children trapped for hours in an elevator. Some prime suspects have been tracked down and arrested but indicted terrorists Ramzi Ahmed Yousef and Abdul Rahman Yasin remain at large. As long as they are free, more innocent lives could be at risk.

The U.S. State Department is offering rewards of up to $2 million for information leading to their arrest.

Help us find the missing terrorists, before they find more innocent victims. If you have any information, please contact the police, the FBI, or call us at 1–800–HEROES–1. Overseas, contact the authorities or the nearest U.S. embassy. Or write: Heroes, P.O. Box 96781, Washington, DC 20090–6781, U.S.A.

CELEBRATING AFRICAN-AMERICAN HISTORY MONTH

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. COYNE. Mr. Speaker, I want to join in celebrating African-American History Month and express my support for the goal of empowering all members of the American community.

Today there is welcomed focus on efforts to provide all Americans with an ability to work and provide a better life for themselves and their families. The current campaign to enact health care reform addresses a basic human need for affordable health insurance. Our country is also seeking ways to ensure that families will be safe in their neighborhoods and that schools are improved so that every American can benefit from a quality education.

These goals of empowerment are especially important in the African-American community which has historically had to struggle to attain justice on a range of social and economic fronts. The history of the African-American community offers many examples of individuals and communities confronting oppression and overcoming the forces of prejudice and racial hatred.

The Pittsburgh Post-Gazette recently published an article in its Sunday magazine, The Gazette, which covered one chapter of this historic struggle for African-American empowerment. This article dealt with the history of free African-American living in the Pittsburgh area who made Pittsburgh a major stop on the Underground Railroad. These Pittsburgh African-American members of the abolitionist movement and supporters from the white community helped slaves escape to freedom in the North by way of Pittsburgh and western Pennsylvania.

The story of the Underground Railroad and the abolitionist work of individuals like the free African-Americans of Pittsburgh provides an excellent example of the struggle for empowerment. It is worthwhile to remember this story because it offers inspiration for those in our modern society who seek to empower all members of the American community. Mr. Speaker, I insert the following article to be printed in the CONGRESSIONAL RECORD.

ALONG THE FREEDOM TRAIL

(By Sally Kalson)

It was a dismal day in early October—damp and chilly, with low-hanging clouds that sucked the color from the foliage and left the hillsides looking gray as February. Not the greatest weather for a bus tour, perhaps, but appropriate for the subject, which was an abolitionist tour to four sites in Pittsburgh and Washington County.

A similar day 150 years ago would have provided good conditions for escape, if you were a fugitive slave on the uncertain tracks of the Underground Railroad. Dreary weather made for good cover and kept other people home, lessening the chances of discovery.

Quite a few runaway slaves made their escapes through Western Pennsylvania. The region was a hotbed of abolitionist activity. And the Monongahela River was a convenient escape route, being among the 10 percent of the world's rivers that flow north.

On this day in 1993, a group of time travelers tried to recapture some of that history, much of it demolished, neglected or forgotten. Their guide was John Burt, a thoughtful narrator and ardent student of the region's anti-slavery past.

Burt, 47, is a downtown lawyer and adjunct faculty member at Carlow College, where he teaches history and law in the sociology department. He has been studying 19th century reform movements all his adult life. For the past decade, he's concentrated on abolition from 1830 to the outbreak of the Civil War in 1861.

"Philadelphia gets all the credit for abolition," Burt said, "mostly because they had better historians, especially the Quakers. But Pittsburgh was just as important."

Bringing that past alive is Burt's idea of a good time. And realizing how much of it has been lost to the dual wrecking balls of demolition and indifference is his idea of a shame.

Renewed interest will surely be sparked by a new school curriculum, unveiled last month by the Western Pennsylvania Historical Society, exploring local black history, including some aspects of the Underground Railroad. The society's future museum on Smallman Street will have similar displays.

Recognition of the subject's importance is recent, and in many cases there is no tangible record of the freedom trail. Yet on Burt's tour, sponsored by the Pittsburgh Peace Institute, the history takes shape.

Burt paid homage to the late Rollo Turner, one of the original members of the black studies department at the University of Pittsburgh, who had died eight days earlier at age 50. Turner was the city's recognized expert on the Underground Railroad and often gave talks on the subject.

"Rollo told me that the anti-slavery movement had a rich history here, but few people seemed to care about it. He said if I studied it, I could become an expert pretty fast."

Most slaves who made it North, Burt said, were from the northern-most part of the South. Once caught, they would be resold into the deep South, where their chances of escape were nil—unless they went way south into the Everglades, where the Seminoles provided safe haven.

"Many people don't realize that resistance to slavery goes hand-in-hand with the beginning of slavery," Burt said. About the time railroad tracks were being laid for the first steam locomotives (around 1820), slaves were disappearing from Southern plantations almost as soon as they were brought over. That led slaveholders to posit that there must be an underground railroad assisting them.

The French sheltered fugitive slaves in this territory even before the British took control in 1758, according to Carter Woodson, a black historian of the Reconstructionist era. And Gen. John Forbes had blacks with him when he defeated the French and named the area Pittsburgh. These people, Burt said, formed the core of the first free black community in the nation.

This history made Pittsburgh a natural stop on the Underground Railroad, a self-help system developed largely among free blacks with the assistance of trustworthy whites.

The railroad was by necessity amorphous and secretive. Once a place developed a reputation as a safe house, it might not be safe anymore. Furthermore, a hand that offered help on Monday might take money for betrayal on Tuesday. Thus, much of the network was never documented. The history is no less real for that, but its mysterious nature has lent the Underground Railroad an aura of legend and myth.

The most prominent local abolitionist organization of free blacks was the Pittsburgh Vigilance Committee, which had among its members Lewis Woodson, Martin Delaney and John B. Vashon.

Lewis Woodson (no relation to the historian) was a minister, educator, businessman and abolitionist three decades before the Emancipation Proclamation. He saw to it that his 14 children were educated and learned a trade, and opened five barber shops in Pittsburgh, all run by his sons.

Woodson became minister of the Bethel AME Church on Wylie Avenue, a safe house on the Underground Railroad. He established the Pittsburgh African Educational Society, a critical institution because black children were barred from the Pittsburgh schools until the 1850s. And under the pen name Augustine, Woodson published abolitionist articles for The Colored American, a black newspaper, from 1837 to 1841. Some 75 to 100 Woodson descendants live in the Pittsburgh area today.

One of Woodson's students was Martin Delaney, who became a physician, writer, scientist, army officer and explorer. He found Pittsburgh's first black newspaper, The Mystery, published from 1843 to 1847, and became known as the father of black nationalism.

Born in 1812 to free parents in Virginia, Delaney was sought out by the great abolitionist Frederick Douglass, himself an ex-slave, to become a partner in editing his newspaper, the North Star.

Delaney became famous for several distinctions. As a doctor—he was one of the first blacks admitted to Harvard Medical School—he fought the 1854 cholera epidemic in Pittsburgh. During the Civil War, he was the first black major in the U.S. Army. And after leading an expedition of American-born blacks to the Niger River valley in 1859, Delaney tried to encourage black Americans to colonize West Africa.

A historical marker honoring Delaney is at Third Avenue and Market Street, believe to be near the site where The Mystery was published. It was erected in 1991 by the Pennsylvania Historical and Museum Commission.

The third prominent member of the Vigilance Committee was John B. Vashon, the richest black man in Pennsylvania. More about him later.

Burt noted that people in the anti-slavery movement used secret knocks, code words and signals, especially when communicating to and about fugitives. One such symbol was the jockey ornament, reviled today as a racist artifact but in its day a useful tool. When the lamp was lit, it meant the house was safe and the coast was clear. When the lamp was out, it meant stay away.

Messages were also passed along in spirituals. For example, Burt said, if a worker in the field started singing "Steal Away to Jesus," an escape attempt was probably coming. And songs about the promised land of Canaan were often cryptic references to Canada.

The abolitionist movement was the public arm of the anti-slavery struggle. At its head were committed people in positions of power or influence who denounced slavery as a blight, excoriated its proponents, and worked against it through political, religious, social and financial avenues.

The anti-slavery movement, Burt stressed, joined American blacks and whites together in a manner previously unknown. Fugitive slaves, free blacks, everyday people of conscience, clergymen and politicians and newspaper publishers who preached abolition from their bully pulpits, wealthy citizens who financed the fight, all were united in one belief: that no nation founded on the principle that all men were created equal could tolerate slavery without sacrificing its soul.

Think of rich Pittsburgh industrialists and you'll probably think of Carnegie, Frick, Phipps, Oliver, Thaw and Mellon. The alternative view, however, has Charles Avery, a pharmaceuticals tycoon who financed a great deal of abolitionist activity across the country.

Avery is buried at the crest of a hill in Allegheny Cemetery. His grave is marked by an enormous memorial, probably 35 feet high, including a large statute of the man.

"The struggle against slavery depended on rich people of good will to donate money for newspapers and brochures," Burst said at the foot of Avery's grave. "Pittsburgh had two such people, one black, one white."

The black man was the wealthy John B. Vashon.

Born of mixed race in Carlisle, Cumberland County, Vashon headed to the western frontier of Pittsburgh after serving in the U.S. Army and quickly made money as a land developer. He built the first public baths and a barber shop on Third Street, Downtown, that became a safe station (just one example of the many Underground Railroad sites in the region that have no marker commemorating their significance).

Vashon's barber shop was also a social center and gathering place for members of the movement, local and national. Vashon was instrumental in bringing Frederick Douglass to Pittsburgh. He also got Henry Lloyd Garrison, known as the conscience of the abolitionist movement, to come here. And when Garrison needed money to publish his newspaper, The Liberator, in 1831, Vashon came through for him.

The white man of good will was Avery. Born in Westchester, N.Y., he came here seeking his fortune and eventually prospered in pharmaceuticals, textiles, copper and iron ore.

As a young Methodist, Avery was influenced by the strong anti-slavery stand of John Wesley that eventually split the Methodists into Northern and Southern factions. At first, he shared the belief that slaves should be returned to Africa. But after coming in contact with blacks in Pittsburgh, he realized that they were now American and began to advocate an immediate end to slavery.

His first big plunge into abolitionist waters came in 1837, when he organized local rallies to support the widow and children of an Illinois editor who was murdered for publishing an anti-slavery newspaper.

But Avery's biggest involvement revolved around the 1839 incident of the Amistad, a Spanish slave ship. The slaves had rebelled, killing the captain and two crew members and seizing the ship. They were picked up in Northern waters and taken to Connecticut.

Hundreds of activists rallied around the Amistad. Southerners demanded the slaves be hung for murder and piracy, but abolitionists saw them as heroes. In order to raise funds for their defense, Avery and other evangelical Christian abolitionists formed the American Missionary Society (it still exists today).

The lawyer they hired was none other than John Quincy Adams, who argued for 10 hours before the U.S. Supreme Court. The court found for the slaves, ordering them set free and returned to West Africa. The decision fueled the abolitionist forces and established the AMS as a force to be reckoned with.

Avery took particular interest in a 10-year-old girl from the Amistad, later baptized as Sarah Kinsen. He kept in touch with her in Africa, and when she turned 18 he sent her to Oberlin College in Ohio, where she became the first international student in the history of American higher education.

Avery was also known to transport escapees personally from one site to the next. Once he dressed as his own carriageman, pulled up to a safe house, picked up some escapees and smuggled them to the next stop.

Like many abolitionists, Avery was interested in other reformist causes as well, including women's rights. As the owner of a textile plant, he employed mostly young women, ages 15 and 16. These workers became some of the earliest union agitators, but they struck Avery's plant only once. When his fellow plant-owners shut the women out, he met with them and negotiated salary increases.

When Avery died in 1856, his funeral was one of the largest the city had ever seen. The procession included huge numbers of working women and blacks, making it one of the first integrated demonstrations in Pittsburgh history.

On his grave are carvings, much the worse for age, depicting the Amistad, the old U.S. Supreme Court building, the fugitive slaves and John Quincy Adams.

"This next stop is for mental travelers," said Burt, standing in front of the old Blue Cross building on the corner of Smithfield Street and Fort Pitt Boulevard.

"A hundred and fifty years ago," Burt said, "this was the site of the Monongahela House, one of the finest hotels in Pittsburgh and a center of anti-slavery activity."

The Monongahela House was owned by whites, but the staff consisted of 300 free blacks. As a first-class hotel in an emerging center of commerce, it was visited by many Southern businessmen who arrived with their families and slaves—undoubtedly including cotton-growers who came to do business with Charles Avery.

While the slave-holders slept in first-class quarters upstairs, the slaves slept in the basement or the barns out back. What the whites didn't know was that three blocks away was John Vashon's barbershop. The hotel's free staff members would spirit the slaves away to Vashon's, where they received a new appearance—hairstyle, clothes, shoes—and a start on their journey to Canada.

"Rollo Turner was able to confirm that this was fact, not legend," Burt said. "Hotels used to list the names of their prominent visitors in the newspapers of the day. Rollo checked the lists against advertisements by people looking for escaped slaves. In many cases, there was a correlation."

Burt also related the delicious story of a maid who, after a visit to Vashon's barber shop, was dressed to look like a hotel staff member. She was then had through the dining room right past her owners on her way out of town. They never noticed.

The hotel's second-story balcony facing Smithfield Street made an excellent platform from which to address a large crowd, as President-elect Lincoln did in the spring of 1861. And its proximity to the river gave it strategic value on the Underground Railroad.

Between Trinity Cathedral and the First Presbyterian Church, Downtown, is the oldest graveyard in the city of Pittsburgh. And in it are the remains of Charles P. Shiras, a young abolitionist who died at the age of 30.

The Shiras family, Burt said, established the first brewery west of the Alleghenies, on the land that is now the Point. A child of some wealth, Charlie Shiras toured Europe and worked as a journalist for the Pittsburgh Commercial Journal. He was concerned with social issues, particularly slavery, and was outspoken on the subject—especially when it came to the Fugitive Slave Bill, which was part of the 1850 Compromise.

Escaped slaves who were caught in the North had always had a right to trial. But the Compromise changed that, not only suspending the right to trial but also giving slaveholders the cooperation of federal officers in the slaves' capture. The new law yanked the security out from under Pittsburgh's black community and sent 600 people fleeing to Canada.

When Daniel Webster spoke in favor of the Compromise, it prompted John G. Whittier to write a scathing poem about him. And when the Compromise became law, Charlie Shiras wrote his own scathing poem, "The Bloodhound Song," published in the Anti-Slavery Bugle in Ohio.

"Charlie Shiras was Pittsburgh's Whittier," Burt said.

Pittsburgh saw a series of public rallies against the Compromise. At one of them, Avery said ministers who supported it should be defrocked. Martin Delaney said he would shoot dead any slave catcher who entered his home.

Charlie Shiras was also a drinking buddy of the songwriter Stephen Collins Foster. And while Foster's lyrics about "darkies" seem condescending today, they were seen as tolerant in their time. Any compassion Foster felt for black people of the day was probably due to his friendship with Shiras.

While still in his 20s, Shiras founded The Albatross, an abolitionist newspaper that called slavery a condemnation around the neck of the American Republic, much as its namesake was around the neck of the ancient mariner in Samuel Coleridge's poem. But the paper lasted only three months and then folded for lack of money. Shiras never had time to resurrect it before his death.

Pittsburgh's other white-published abolitionist paper was the Pittsburgh Saturday Visitor, founded by Jane Grey Swisshelm, one of the earliest woman journalists. Swisshelm was the first woman to get a seat in the Congressional press gallery, where she covered the debate on the Compromise of 1850.

The Saturday Visitor entered the arena with a devastating denouncement of a notorious case involving fugitive slaves captured in Indiana, Pa., on the farm of a Dr. Mitchell before the Compromise was passed. The slaves were brought to Pittsburgh for trial and remanded to their owners by a judge named Greer, who also fined Mitchell $10,000 for harboring the runaways. Mitchell had to sell his farm to pay the fine, but Avery and others promptly bought it back for him.

When the first issue of the Saturday Visitor appeared, it bore a front-page editorial by Swisshelm attacking Judge Greer, calling him "a legal luminary now fallen 60 degrees below the moral horizon." The outraged Greer demanded an apology and threatened to jail her. On her next front page, Swisshelm published "An Apology by the Editor" that said, in essence, "I do not regret and I will not retract," and went on to berate the judge even more severely.

This running feud led to an incident related by Swisshelm in her autobiography, "Half A Century." She wrote that two lawyers were speaking about a case one of them had before Judge Greer. The other advised him to call Swisshelm as a witness, whether she know anything about the case, because "Greer is more afraid of her than the devil."

LeMoyne House in Washington County is one of Western Pennsylvania's best-preserved safe stations. From 1824 to 1879, it was occupied by Dr. F. Julius LeMoyne, a nationally known abolitionist and three-time candidate for governor of Pennsylvania.

"LeMoyne's political activities were very radical in his own time," Burt said.

LeMoyne financed many anti-slavery activities and corresponded with every major figure in the movement, both American and British.

The house was built in 1812 by his father, Dr. John LeMoyne, a physician who had fled the French Revolution.

He settled first in Ohio and then Washington, where he married. F. Julius, the couple's only child, followed his father into medicine.

LeMoyne ran for governor as the candidate of the Liberty Party, which advocated abolition and equal education for women. After the Civil War he became an advocate of cremation, and in 1876 he built the nation's first crematorium, almost getting himself expelled from the Presbyterian church in the process.

LaMoyne's house was both a safe station and a center of anti-slavery activity. Burt said that when authorities came looking for fugitive slaves who happened to be holed up in her home, LeMoyne's wife, Medelaine, would feign illness and take to her bed—under which she would hide the escapee in question. The authorities never dared disturb the lady of the house in her boudoir.

LeMoyne kept bees on a rooftop garden. One popular story has him stationing his young son on the roof with a long pole during an important abolitionist meeting. Given a threat that a pro-slavery mob would disrupt the gathering, LeMoyne instructed his son to topple the beehives into the group. Word apparently got out, because no one ever showed up.

A wealthy man, LeMoyne donated $10,000 toward the town hall on the condition that it include a public library for all races. The hall was razed in 1990 to make room for the Washington County Jail. He endowed LeMoyne College for free blacks in Memphis, Tenn, known today as LeMoyne-Owen College, as well as the Washington Female Seminary, which no longer exists.

LeMoyne House stayed in the family until the death of F. Julius' youngest daughter, Madeleine LeMoyne Reed, in 1943. She willed it to the Washington County Historical Society, which preserves the house much as it was when occupied by her father.

WAR CRIMES INDICTMENTS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. HOYER. Mr. Speaker, last November, I made an urgent plea in this room for the immediate investigation of those alleged war criminals in the former Yugoslavia about whom the most information has already been gathered. I named many of them, men whose names have been made infamous through the horrendous deeds they have committed, and I presented the pictures of this international most wanted list.

Unfortunately, efforts to hold such men personally accountable for their actions was slowed at the United Nations by the regrettable and untimely resignation of the Chief Prosecutor. Now, however, Graham Blewitt of Australia has been named to serve as Acting Deputy Prosecutor until the Chief Prosecutor can be replaced. In the meantime, Blewitt has the authority to proceed with indictments and trails.

I know that Mr. Blewitt has received, as I have, a copy of a model indictment prepared by Peter Thompson, working under the auspices of the Minnesota Advocates for Human Rights. It is an impressive document; I commend Mr. Thompson and the Advocates for their work on and commitment to this project, and I urge others to review their effort.

The model Mr. Thompson has drafted, which he calls a pattern indictment, draws on information already available about war crimes, crimes against humanity, and genocide in the Prijedor area of northwestern Bosnia. It specifies some 22 individuals, who are named by name, and it charges them with one count of conspiracy and 13 counts of committing specific crimes. It is, sadly, a gruesome bill of particulars. A number of those named, I might add, were among those whom I named in this room just a few months ago, including Simo Brljaca, Milan Kovacevic, Milomir Stakic, Zeljko Mejahic, Drazenko Predejevic, and Mladjo Krkan.

This pattern indictment for Prijedor takes the contributions of the nongovernmental community a step further: It takes the impressive information NGO's have been gathering for months and presents it in a form suitable for use in a court of law. Without a doubt, Mr. Speaker, there can be no possible excuse for the United Nation's war crimes tribunal not to proceed at this time.

There are, unfortunately, no shortage of suspects for the Acting Deputy Prosecutor to investigate. And it is certainly within his discretion to channel his energies on other cases first, if he believes that is merited. What I am most anxious to ensure is that he begin his investigations now, and issue indictments soon. Justice should be delayed no longer.

REFORM AND THE CONGRESSIONAL RESEARCH SERVICE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. HAMILTON. Mr. Speaker, on December 31, 1993, the Joint Committee on the Organization of Congress, which I cochaired, officially completed its work and formally expired under the terms of its authorizing resolution. All Members of Congress have received a copy of the joint committee's report, which was based on extensive hearings, roundtables, meetings, and informal discussions. My sense is that the joint committee has produced the most comprehensive and systematic study of Congress ever undertaken by Members of this institution. If accepted, the reform recommendations in our report would substantially improve the internal operations of the House and Senate.

An undertaking of this magnitude could not have been accomplished without the assistance of many organizations and knowledgeable individuals. This is especially the case for the joint committee because we deliberately employed a small staff and even turned back more than $300,000 from our allotted budget. People such as David Meade and Robert Weinhagen of the House Office of Legislative Counsel; James Blum, Paul Van de Water, James Horney, Glen Goodnow, and especially Phil Joyce of the Congressional Budget Office; and the House Parliamentarians—William Brown, Charles Johnson, Thomas Duncan, Muftiah McCartin, and John Sullivan—all provided exemplary advice and assistance to the joint committee.

But I particularly want to thank the Congressional Research Service for its extensive commitment of resources and talent to the joint committee. My sincere appreciation is extended to the leaders of CRS for ensuring that the joint committee received the comprehensive assistance it needed.

Most important, I thank CRS for loaning us the services of Dr. Walter Oleszek, Senior Specialist, who served as policy director for the joint committee. Walter Oleszek is well known to the Members of this body. For 25 years he has provided us with superb assistance on a wide range of procedural and organizational issues. His knowledge of the history of congressional reform is unsurpassed. As policy director for the joint committee, Walter Oleszek was involved in all facets of the joint committee's work, from assisting with efforts to create the committee to helping write our final report. His contribution was critical to the success of the joint committee.

Also detailed to the joint committee for an extended period were Carol Hardy-Vincent and Paul Rundquist. They both made outstanding contributions to the work of the committee, and to congressional reform more generally.

Special thanks also are due to the many additional CRS staffers who provided the joint committee with information and analytical support in the following areas:

Application of Laws of Congress. Charles Dale, Jay Shampansky, Vincent Treacy, and Leslie Gladstone.

Ethics Process. Jack Maskell, who worked closely with the joint committee throughout its existence, and Mildred Amer.

Committee System. Several analysts, particularly Judith Schneider and Frederick Pauls, prepared a series of committee reform plans under tight time constraints. The Government Division's support staff and the Library's graphics unit worked long hours to produce these plans and deserve our thanks. Richard Sachs, JoAnne O'Bryant, Robert Moon, Faye Bullock, Mary Tiemann, David Huckabee, and Betsy Cody also provided research advice and assistance in the committees area.

Floor Procedure and Scheduling. Rick Beth, Ilona Nickels, Stanley Bach, Stephen Stathis, Virginia McMurtry, Jon Simon, Sharon Gressle, and James Sayler.

Budget Process. James Saturno, who was detailed to the joint committee to assist on this topic, as well as Robert Keith, Sandy Davis, Sylvia Streeter, and Jean Knezo.

Staffing Congress. Paul Dwyer, John Pontius, Adele Faber, Lorraine Tong, Frederick Pauls, Robert Sutter, Sula Richardson, Judith Schneider, and Susan Finsen.

Legislative-Executive Relations. Louis Fisher, Ronald Moe, Harold Relyea, Frederick Kaiser, Ellen Collier, Morton Rosenberg, and Roger Garcia.

Legislative-Judicial Relations. Johnny Killian.

House-Senate Relations. Richard Sachs.

Information Technology for Congress. Jane Bortnick Griffith, Jeffrey Griffith, and John Kelley.

Public Understanding of Congress. Ilona Nickels, Denis Steven Rutkus, Robert Nickel, Michael Kolakowski, Liane White, and Nancy Davenport.

Clay Wellborn, the Acting Chief of the Government Division, exercised overall supervision and coordination of most of these projects.

In addition, Royce Crocker helped design and administered a survey of House and Senate Members about reform options. Karen Wirt provided editorial assistance to the committee. General reference support was provided by CRS's Ford Reference Center, Congressional Reference Division, and Library Services Division. Susan Greenwood, Barbara Schwemle, and Rick Greenwood prepared summaries of the many joint committee hearings. A useful training guide for congressional staff was prepared by Robert Newlen, Paul Boyd, Christina Noll, and Kathy Marshall.

In short, the Joint Committee on the Organization of Congress benefitted enormously from the assistance provided to it by the Congressional Research Service. The CRS's subject-matter experts and institutional memory about reform issues enabled the joint committee to review and analysis hundreds of reform proposals. I know I speak for all members of the joint committee on expressing our sincere appreciation to CRS for a job well done.

VFW HONORS TRUE PATRIOT, REPUBLICAN LEADER BOB MICHEL

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 7, 1994

Mr. SOLOMON. Mr. Speaker, never was a man more deserving of a particular award than Republican Leader BOB MICHEL of the VFW Congressional Award, the presentation of which I had the honor to witness on March 1.

The award is presented to someone with a proven record of "fostering of true patriotism, maintaining and extending the institutions of American freedom, and preserving and defending our country from all her enemies, at home and abroad."

That, Mr. Speaker, has guided BOB MICHEL since his first election to Congress in 1956. But BOB MICHEL's defense of freedom began long before that. As a combat infantryman in World War II, BOB MICHEL earned two Bronze Stars, the Purple Heart, and four Battle Stars in France, Belgium, and Germany.

He talked about those experiences in his acceptance speech, which I proudly place in today's RECORD, yielding to the distinguished gentleman from Peoria, IL, a true American hero, House Republican Leader BOB MICHEL.

REMARKS BY HOUSE REPUBLICAN LEADER ROBERT H. MICHEL, VFW, MARCH 1, 1994

I am glad we meet in the presence of the winners of the Voice of Democracy Contest. These wonderful young Americans remind us that great nations survive and prosper if they retain two qualities: Memory and hope.

If we do not remember what has made our country great, we will not be able to keep our country free. If we lose hope in a better future, we will lose the optimistic American spirit that has helped our country prosper. Those of us in the older generation are filled with memories; you of the younger generation are filled with hope. We have much to learn from each other. So I am highly honored to receive this award in the presence of the best of America's past and the best of America's future.

Tonight, I speak to you out of a mixture of memory and hope. Exactly fifty years ago today, March 1, 1944, I was in England, training to be part of the invasion of Europe. On that day the war news was fairly good for the allies: American troops landed in the Admiralty Islands in the Pacific, clearing a path for the retaking of the Philippine Islands; In Europe, the Red Army continued to advance in the Baltics; the American Eighth Air Force had clear weather for attacks on the Pas-de-Calais area in France, where rumor had it the Allied invasion would come.

Rumor, of course, was wrong as usual—but the Nazis didn't know that! In Italy, our troops, were being pounded, by German artillery on the Anzio beachhead. Not an extraordinary day in the war—except for those who were being killed, wounded or terrorized in combat.

I was with my Army buddies in England, getting ready for the invasion we knew would come—but we didn't know where or when. When the time came we dutifully followed orders hoping that our training, conditioning and the good Lord would sustain us. I was one of the very fortunate to survive it all from Normandy through France, Belgium and Germany up to the Battle of the Bulge when I was hit by machine gun fire and flown back to England. After my hospitalization I returned to the Continent landing at Le Havre on VE Day where there was so much shooting going on in celebration we thought the war had broken out all over again.

While we infantry dog faces were waiting to be redeployed back to the States, we had a lot of time to talk to pass the time and I remember so well our talking about keeping a strong presence in Europe to preserve the peace and guard against the next generation having to go through what we experienced. We weren't "interventionists". We weren't "internationalists". Most of us didn't know what those big words meant. All we knew was that we had seen so many of our buddies killed that we'd never let the folks back home forget.

I was fortunate for coming back, to finish college and they by chance get very actively in the political process where I could play an active role in pursuing the goals we veterans just talked about overseas.

We Veterans of Foreign Wars support a strong defense because we know freedom has to be defended anew by each generation. Although it took forty-five years, our determination to defend freedom in the Cold War period proved to be correct. It led to our victory over Soviet Communism because the American people, for more than a generation, were willing to sacrifice lives and treasure to support freedom and stop tyranny. It is the longest sustained struggle in our history.

Some folks say we spent too much for defense during those years. I strongly disagree and would simply ask those folks how much is the survival of American freedom worth to you? Think of what has happened: the Soviet Union no longer exists. Eastern Europe, long, enslaved to Communism, is free. The threat of nuclear annihilation has not passed—but it has been significantly diminished. But I am sad to say that many Americans just take our victory for granted.

It reminds me of an old saying about our country: In times of national threat, there is unity. In times of great victory, there is euphoria. And after the victory is won, there is amnesia. We just tend to forget how difficult it is to defend freedom. We get lazy. We find the support of our military to be too burdensome. Slash the military budget! Demean military virtues! Question the very need for military strength! It happened for World War One. It happened after World War Two, and just before the war in Korea. I fear it is happening again: our nation is forgetting. But I say to you this evening: we veterans of foreign wars cannot allow it to happen again.

We do remember. And we cannot allow others to forget. Let me put our current situation in historical context—another exercise in memory: The United States of America has gone through four great periods of transition, each beginning with the conclusion of a great war:

After the American Revolution our country was in a period of transition from the birth of a nation to the growth of a nation. Some said a young, small, democratic nation could never survive. But we fooled them. After the Civil War we were changing from a primarily agricultural nation to a great industrial giant. Some said a nation of so many poor immigrants could not build a great future. But we did. After World War Two we were between the end of a hot war and the beginning of The Cold War. Some feared we would never have the staying power to outlast Soviet Communism. Tell that to Lenin's statues! And now we are at the fourth great period of national transition, a time when the world of the Cold War is dying and a new world waits to be born.

The present time is one of conflict, and of rapid change, of great promise and great tragedy. As Vaclav Havel, President of the Czech Republic said to a joint session of the Congress when he was here: "In our time, things are happening so fast, we have no time to be astonished."

Bosnia, Haiti and Somalia remind us that trouble can erupt in the most unlikely places. Think of China: huge, ambitious, the nation that will shape much of the history of the first part of the 21st century—for good or for evil. Think of the former Soviet Union, with all its problems in throwing off the old system and their hopes for emulating ours. Think of Communist North Korea with it's present leadership and nuclear capability. Then there is international terrorism and the rise of militant anti-western Islamic groups.

I know there are those who say we can't afford to be prepared for these new challenges. But veterans of foreign wars can tell you that the only thing a free nation cannot afford is not to be prepared. We must remember that readiness means not only the capability of our armed forces to fight, but the determination of our people to sacrifice. We must remember that preparedness means not just technological superiority, but belief in our nation's high principles. And we must remember the litany of place-names that have helped to create and preserve this nation:

We must remember Valley Forge and Gettysburg. We must remember the trenches of France in 1918, D Day, and the Battle of the Bulge in 1944 and those fierce battles of Tarawa, Okinawa, Iwo Jima and the Coral Sea. We must remember the ice-covered hills of Korea, the steaming jungles of Vietnam, and the sands of Iraq during the Gulf War. In January of 1991, when we voted to authorize President Bush to use force in the Persian Gulf, I led the bi-partisan House coalition in supporting that resolution. And I can tell you it was a moment of great anguish for me personally as well as great pride.

I knew I was sending young men and women into combat and I remembered that I had nothing to say but to follow orders when I was a young man. Here I had come full circle, thrust now in the role of making the agonizing decision to send others to war with all the uncertainties of how many casualties would be on my conscience and how well or how badly our game plan would be executed. It was a wrenching experience, the single toughest decision I have ever had to make as a congressman. But it was the right decision.

Thanks to the American people, whose sacrifices gave us the technology and the arms and the best military in the world, we won that conflict. Now here we are facing a new world whose shape we cannot yet discern and whose challenges we cannot yet know. But tonight I have good reason to hope our country can master these challenges—and give shape to the world of the 21st century. And the reason that hope is so strong is the generation symbolized by our Voice of Democracy winners here tonight.

So in conclusion, let me say to our younger folks: You see before you a proud grandfather. The war I fought is so distant from your experiences. It was in another age, another world. So it may seem we have little in common. But fifty years ago tonight, as I lay on my cot in England, knowing we were preparing to invade Fortress Europe, I was barely out of my teens. I dreamed the same kind of dreams you dream—about the future, about hopes, about memories, about loved ones. And so did my buddies, but I must say our hopes and our dreams at the time were tethered by the fear, anxiety and apprehension of what the future held for each of us.

I had the good fortune to return and to try to make those hopes become reality. But so very many of my friends never got the chance. I have never forgotten them. And their great sacrifice reminds me: In every generation, young Americans have dreamed the dreams of youth and of hope. But when the time came to defend our nation, they have done their duty to protect freedom. I know in my heart your generation will continue that great tradition.

So as I accept this great honor tonight, I do so in memory of the fallen, of all our buddies who did not come back from all the wars—but I also receive it as a symbol of hope, of hope in the courage, the faith and the patriotism of a great new generation of Americans like all of you. Out of such memories, out of such hope, I am certain our nation will continue to be strong and proud and free.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 8, 1994, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 9

9:15 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to mark up proposed legislation to reorganize the Department of Agriculture.

SR-332

9:30 a.m.

Armed Services

To continue hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense plan, focusing on force structure levels in the Bottom Up Review; to be followed by a closed business meeting to discuss and consider certain nomination matters.

SR-222

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for conservation programs of the Department of Energy.

SD-138

Banking, Housing, and Urban Affairs

To resume hearings on proposed legislation to consolidate certain Federal agencies which regulate and supervise depository institutions insured by the Federal Deposit Insurance Corporation.

SD-538

Budget

To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1995 budget for the Federal Government, focusing on defense.

SD-608

Finance

To resume hearings to examine the results of the Uruguay Round trade negotiations, focusing on the Agreement on

Subsidies and Countervailing Measures.

SD-215

Judiciary

Patents, Copyrights and Trademarks Subcommittee

To hold oversight hearings on the operation of the Patent and Trademark Office, Department of Commerce.

SD-226

Labor and Human Resources

Aging Subcommittee

To hold hearings on the Administration's proposed Health Security Act, to establish comprehensive health care for every American, focusing on women's health care coverage.

SD-430

Indian Affairs

To hold hearings on the President's proposed budget request for fiscal year 1995 for Indian programs within the Departments of Housing and Urban Development, Education, and Labor, and the Administration of Native Americans.

SR-485

2:00 p.m.

Budget

To hold hearings to review the Department of Defense's roles and missions.

SD-608

Environment and Public Works

Clean Air and Nuclear Regulation Subcommittee

To hold hearings to examine Nuclear Regulatory Commission user fees.

SD-406

MARCH 10

9:30 a.m.

Armed Services

To hold hearings on the nomination of John M. Deutch, of Massachusetts, to be Deputy Secretary of Defense.

SR-222

Commerce, Science, and Transportation

To resume hearings on S. 1822, to safeguard and protect the public interest while permitting the growth and development of new communications technologies.

SR-253

Rules and Administration

To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing Rules of the Senate.

SR-301

Small Business

To hold hearings to examine the impact of health care reform on the small business sector.

SR-428A

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Navy and Marine Corps.

SD-192

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Highway Administration, Department of Transportation.

SD-138

Finance

To resume hearings to examine health care reform issues, focusing on health care cost containment.

SD-215

Foreign Relations

To hold open and closed hearings on the Administration's proposal to seek modification of the 1972 Anti-Ballistic Missile Treaty.

SD-419

Judiciary

To hold hearings on the nomination of Deval L. Patrick, of Massachusetts, to be an Assistant Attorney General.

SD-226

Commission on Security and Cooperation in Europe

To hold hearings to examine how the conflict in Bosnia-Herzegovina has affected the children of the region.

SD-562

11:00 a.m.

Labor and Human Resources

Employment and Productivity Subcommittee

To hold hearings to examine methods for improving job training, focusing on the creation of a national employment training system.

SD-430

2:00 p.m.

Armed Services

To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.

SD-G50

Governmental Affairs

To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.

SD-G50

Veterans' Affairs

To hold hearings on proposed budget requests for fiscal year 1995 for veterans' programs.

SR-418

2:30 p.m.

Labor and Human Resources

To hold hearings to examine the Employee Retirement Income Security Act's (ERISA) preemption of State prevailing wage laws.

SD-430

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

MARCH 11

9:30 a.m.

Governmental Affairs

To hold hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.

SD-342

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Indian Health Service, Department of Health and Human Services.

SD-138

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Secret Service and the Federal Law Enforcement Training Center, both of the Department of the Treasury, the Financial Crimes Enforcement Network, and the General Services Administration.

SD-116

MARCH 14

9:30 a.m.

Commerce, Science, and Transportation

To resume hearings on S. 1822, to safeguard and protect the public interest while permitting the growth and development of new communications technologies.

SR-253

MARCH 15

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Army.

SD-192

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Land Management, Department of the Interior.

SD-116

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of the Attorney General.

S-146, Capitol

Finance

To resume hearings to examine health care reform issues, focusing on premiums and subsidies.

SD-215

2:00 p.m.

Governmental Affairs

To resume hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.

SD-342

2:30 p.m.

Armed Services

To resume hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense program.

SR-222

MARCH 16

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine how proposals to improve the dairy program will affect dairy trade.

SR-332

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Health and Human Services.

SD-192

Energy and Natural Resources

To hold hearings on the domestic and international implications of energy demand growth in China and the developing countries of the Pacific Rim.

SD-366

10:00 a.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for Small Community and Rural Development,

Farmers Home Administration, and Rural Electrification Administration, all of the Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of State.
S–146, Capitol

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Internal Revenue Service, Department of the Treasury, and the Office of Personnel Management.
SD–116

2:00 p.m.
Armed Services
To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD–106

Governmental Affairs
To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD–106

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on competition in the U.S. biotechnology industry.
SR–253

MARCH 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Institutes of Health, Department of Health and Human Services.
SD–116

Governmental Affairs
To hold hearings to examine contract and financial management at the Department of Energy.
SD–342

Rules and Administration
To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing rules of the Senate.
SR–301

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Jewish War Veterans, the Blinded Veterans Association, and Non Commissioned Officers Association.
345 Cannon Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Air Force.
SD–192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Science Foundation, and the Office of Science Technology Policy.
SD–124

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Inspector General, Department of Transportation, and the Interstate Commerce Commission.
SD–138

Finance
To resume hearings to examine health care reform issues, focusing on premiums and subsidies.
SD–215

MARCH 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Education.
SD–138

Indian Affairs
To hold oversight hearings on water and sanitation issues in rural Alaska.
SR–485

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on manpower and personnel programs.
SD–116

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Commerce.
S–146, Capitol

MARCH 23

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD–366

2:00 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Forest Service, Department of Agriculture.
SD–138

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to examine science and technology policy issues.
SR–253

MARCH 24

9:00 a.m.
Office of Technology Assesment Board meeting, to consider pending business.
EF–100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Labor.
SD–138

Energy and Natural Resources
To hold hearings to examine the effect of the Administration's Superfund reauthorization proposals on the Department of Energy's Environmental Restoration and Waste Management Program.
SD–366

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Veterans of World War I, Association of the U.S. Army, The Retired Officers Association, and the Military Order of the Purple Heart.
345 Cannon Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for National Guard and Reserve programs, focusing on manpower and equipment requirements and the restructuring of brigades.
SD–116

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Emergency Management Agency.
SD–124

2:00 p.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD–138

MARCH 25

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Management and Budget, and the Executive Office of the President.
SD–116

APRIL 11

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Marketing and Inspection Services, Animal and Plant Health Inspection Service, Food Safety and Inspection Service, and Agricultural Marketing Service, all of the Department of Agriculture.
SD–138

APRIL 12

10:00 a.m.

Appropriations

Defense Subcommittee

To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on classified programs.

S-407, Capitol

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Oceanic and Atmospheric Administration, Department of Commerce.

S-146, Capitol

APRIL 13

9:30 a.m.

Indian Affairs

To hold hearings on the President's proposed budget request for fiscal year 1995 for the Bureau of Indian Affairs.

SR-485

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Energy, focusing on fossil energy and clean coal programs.

SD-116

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Coast Guard, Department of Transportation.

SD-138

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Postal Service.

SD-192

APRIL 14

9:30 a.m.

Energy and Natural Resources

To hold hearings on the operating and economic environment of the domestic natural gas and oil industry.

SD-366

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on health services and infrastructure.

SD-192

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Bureau of Investigation, and the Drug Enforcement Administration, both of the Department of Justice.

S-146, Capitol

APRIL 18

2:00 p.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for Science and Education, Agricultural Research Service, Cooperative State Research Service, Extension Service, and Alternative Agricultural Research and Commercialization, all of the Department of Agriculture.

SD-138

APRIL 19

9:30 a.m.

Rules and Administration

To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Subtitle A, Parts I and II of Title III, relating to Congressional biennial budgeting and additional budget process changes.

SR-301

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on strategic programs.

SD-192

APRIL 20

10:00 a.m.

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Treasury.

SD-116

APRIL 21

10:00 a.m.

Appropriations

Defense Subcommittee

To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on intelligence programs.

S-407, Capitol

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Housing and Urban Development.

SD-106

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Fish and Wildlife Service, Department of the Interior.

S-128, Capitol

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Securities and Exchange Commission, and the Federal Communications Commission.

S-146, Capitol

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Aviation Administration, Department of Transportation.

SD-138

APRIL 25

2:00 p.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for International Affairs and Commodity Programs, Natural Resources and Environment, Agricultural Stabilization and Conservation Service, Foreign Agriculture Service, Soil Conservation Service, and Federal Crop Insurance Corporation, all of the Department of Agriculture.

SD-138

APRIL 26

10:00 a.m.

Appropriations

Defense Subcommittee

To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on National Foreign Intelligence Programs (NFIP) and Tactical Intelligence and Related Activities (TIARA).

S-407, Capitol

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Justice Programs, and the Immigration and Naturalization Service, both of the Department of Justice.

S-146, Capitol

APRIL 27

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Transit Administration, Department of Transportation, and the Washington Metro Transit Authority.

SD-138

APRIL 28

9:30 a.m.

Rules and Administration

To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Subtitle A, Parts I and II of Title III, relating to Congressional biennial budgeting and additional budget process changes.

SR-301

10:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Environmental Protection Agency, and the Council on Environmental Quality.

SD-106

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Information Agency.

S-146, Capitol

2:30 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Indian Affairs, Department of the Interior.

SD-116

MAY 3

9:30 a.m.
Energy and Natural Resources
To hold hearings on Boron-Neutron Cancer Therapy.
SD-366

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Food and Consumer Services, Food and Nutrition Service, and Human Nutrition Information Service, all of the Department of Agriculture.
SD-138

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on defense conversion programs.
SD-192

MAY 5

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Legal Services Corporation.
S-146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Transportation Safety Board, and the National Highway Traffic Safety Administration, Department of Transportation.
SD-138

MAY 10

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Commodity Futures Trading Commission, the Farm Credit Administration, and the Food and Drug Administration, Department of Health and Human Services.
SD-138

MAY 11

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Park Service, Department of the Interior.
S-128, Capitol

MAY 12

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Corporation for National and Community Service.
SD-106

MAY 17

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on the Pacific Rim, NATO, and peacekeeping programs.
SD-192

MAY 19

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense.
SD-192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Veterans Affairs, and the Selective Service System.
SD-106

MAY 20

9:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Veterans Affairs and Housing and Urban Development, and independent agencies.
SD-138

MAY 25

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Interior.
S-128, Capitol

MAY 26

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Aeronautics and Space Administration.
SD-106

JUNE 8

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Energy.
S-128, Capitol

JULY 19

10:00 a.m.
Appropriations
Defense Subcommittee
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense.
SD-192

CANCELLATIONS

MARCH 16

9:30 a.m.
Indian Affairs
To hold hearings on S. 1876, to revise the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such Act.
SR-485

POSTPONEMENTS

MARCH 11

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation to reauthorize the Earthquake Assistance Program.
SR-253

HOUSE OF REPRESENTATIVES—*Tuesday, March 8, 1994*

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 8, 1994.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of Friday, February 11, 1994, the Chair will now recognize Members from lists submitted by the majority and minority leaders for "morning hour debates." The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leaders limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Kansas [Mr. GLICKMAN] for 5 minutes.

URGING A VOTE ON GENERAL AVIATION BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Kansas [Mr. GLICKMAN] is recognized during morning business for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, I rise today to alert my colleagues to a bill I have been working on for many years, a bill which deals with liability problems affecting small airplane manufacturers. I know that many of my colleagues are familiar with this legislation, not only because I have sponsored it in every Congress for the last 8 years, but because the current bill now has 280 sponsors, or nearly two-thirds of this House.

The bill creates a 15-year statute of repose for general aviation, which means that after 15 years after the date of manufacture, you could no longer sue the manufacturer of the airplane for problems that occur with respect to that airplane.

Similar legislation has twice been reported out of the Committee on Public Works and Transportation. Companion legislation has been reported out of the Senate Commerce Committee, but frankly, to date the House Committee on the Judiciary has not taken action on this legislation.

I am still working with the chairman, the gentleman from Texas [Mr. BROOKS] on this matter. But let me tell the Members this is an extremely frustrating matter to watch this bill languish while thousands of jobs have been lost in my district and across the country.

In the general aviation industry alone, 100,000 jobs have been lost since 1983. I would tell my colleagues that the chairman of Cessna Aircraft has related to me and related publicly that if this bill becomes law, almost immediately the assembly lines for single-engine airplanes would open again in Wichita and other places in this country, meaning thousands of new jobs would be created.

In my judgment, an extremely well-organized and well-financed coalition of trial lawyers have stopped this bill from being considered on the House floor. On many occasions I have supported the interests of trial lawyers, who are often on the side of consumers in their battles, but in this case they are wrong, and the consumers of airplanes, the buyers of airplanes, the pilots of small airplanes, are all in favor of this particular piece of legislation.

Mr. Speaker, I cannot sit by and watch this happen when passage of this bill would mean the immediate creation of new jobs in my district and around the country, jobs for Beech, for Cessna, for Piper, for all sorts of companies that manufacture small airplanes. Thousands of people would be put back to work without costing the Federal Government a single penny.

The impact of liability costs on the industry is best illustrated by the fact that in 1978—and listen to these statistics, in 1978—18,000 small planes were delivered in this country, single-engine airplanes, small twins. In 1993, 500 airplanes were delivered. Imagine, 1978, 18,000 planes made; in 1993, 500 small airplanes made.

Cessna Aircraft has not produced a piston engine airplane since 1986. Piper is in bankruptcy, and Beech is no longer producing light training aircraft.

Mr. Speaker, if I cannot work this problem out and bring the bill to the House floor for a vote, I will have no option but to take the opportunity to use the procedures the House passed last year to work this matter in a discharge petition. Why? Because it has been reported out of the Committee on Public Works and Transportation twice. I cannot seem to get it considered by the Committee on the Judiciary, and the legislation means thousands of jobs in my district, around the country.

More importantly, the future of aviation is at stake, because if we are not training pilots on small airplanes, if we are not building the infrastructure on a single-engine airplane so people will learn to fly and move up the ladder in terms of size of airplanes and move into commercial aviation, the ability of America to dominate the field of aviation is directly threatened.

Mr. Speaker, I encourage the leadership of the House to help me, to help the aerospace workers of America, and I might add that the International Association of Machinists is strongly in favor of this legislation, and to help pilots across the country who want to fly United States-built airplanes, not French-built, not Brazilian-built, not other countries, but American-built airplanes.

Help me bring this bill to the floor. It does not cost the Federal Government one dime. It creates thousands of jobs. It is good for aviation, and nearly two-thirds of the House support this bill. Mr. Speaker, that is all I ask, that we bring this bill to the floor for a vote and then let the merits of the bill speak for themselves.

URGING LEADERSHIP TO ABANDON SECRET HEALTH CARE PROCESS

The SPEAKER pro tempore (Ms. MARGOLIES-MEZVINSKY). Under the Speaker's announced policy of February 11, 1994, the gentleman from Georgia [Mr. GINGRICH] is recognized during morning business for 5 minutes.

Mr. GINGRICH. Madam Speaker, I rise today to urge the Democratic leadership here in the House to abandon the health care process that I believe has started this morning in the subcommittee of the gentleman from California [Mr. STARK].

Let me report to my colleagues that my understanding is that with the public Clinton plan now dead, because the public has rejected it so decisively, there is now a secret Clinton plan. Nobody knows what it is, including, I think, the Democratic leadership, but they have decided that they cannot pass anything out of the subcommittee of the Committee on Energy and Commerce, so they are going to try to go to the full Committee on Energy and Commerce.

They have decided that the bill they are going to mark up today in the Subcommittee on Health of the Committee on Ways and Means probably will not be the bill that they will mark up in the full Committee on Ways and Means. They have decided, according to some newspapers this weekend, that if they cannot get anything out of the Committee on Energy and Commerce, they will simply take the Committee on Ways and Means bill to the Committee on Rules, and sometime around May or June write another bill in the Committee on Rules, bring that to the floor, then they will try to get that bill to go to conference.

Then, with almost no time left at the end of the session in September or October, they will rush a thousand-page bill to the floor. They will attempt to pass a secret Clinton plan that nobody will have read, nobody will understand. It will be filled with massive mistakes, because just as the 500 people in the secret meetings in the White House were incapable of writing a health plan for 260 million Americans, we will discover that the 60 or 70 staff in secret meetings in the Congress are going to be incapable of writing a health plan for 260 million Americans.

We had a Republican retreat in Annapolis on Thursday and Friday of Senate Members, House Members, and Governors. I want to report to my colleagues that on the Republican side, we would like to reach out to write a bipartisan health bill in public, where people can see the product. We would like to use the normal committee and subcommittee process.

We would like to allow the American people to see the bill that we are drafting. We would like it to be done in an adult, orderly, commonsense manner, that people can see what the city of Washington is trying to do to their health and their health care, their choice of a doctor and their choice of a hospital, and their pocketbook.

I just want to report to every Democrat in this House, on the Republican side we are prepared to sit down this afternoon on a bipartisan basis to write a health bill. We think it is important for America that it not pass by 218 partisan votes, as the tax increase did last year. We think it is important for America that there be a broad, bipartisan coalition working together in public, with public accountability, so that together we can write a good bill.

□ 1040

We think it would start with things like medical savings accounts, with malpractice reform, with group insurance for small business. We think that it is possible to write a good bill. We think we can outlaw preconditions so every American can buy insurance. We believe we can guarantee portability so Americans can switch jobs without losing their insurance. But we believe public trust, particularly in the light of everything which has happened recently, that public trust can only be reestablished by a bipartisan effort in public to write a bill where the people have a chance to examine it, and I would beg the Democratic leadership, back off from this series of one-sided, one-party secret efforts leading to I think a bad bill with bad consequences.

WHITEWATER A BELTWAY ISSUE

The SPEAKER pro tempore (Ms. MARGOLIES-MEZVINSKY). Under the Speaker's announced policy of February 11, 1994, the gentleman from New Mexico [Mr. RICHARDSON] is recognized during morning business for 5 minutes.

Mr. RICHARDSON. Madam Speaker, I have just returned from New Mexico, where I literally met with thousands of my constituents at a wide array of events. Let me say that not one single constituent of mine raised the so-called Whitewater issue. What they wanted to talk about was crime and education and health care. The Whitewater issue appears to be a beltway issue.

A recent poll came out this morning—68 percent of the American people think that the other side, our friends on the Republican side, are unfairly piling it on the President.

Madam Speaker, middle America does not care about Whitewater, they care about health care, crime, the economy. The time has come for us to spend full time on these issues.

They sent us to deal with these issues.

Madam Speaker, despite the other side's efforts to try to embarrass the President, middle America knows the facts about Whitewater. Under no circumstances has there ever been any direct involvement or impropriety by the President or the First Lady. There has been no allegation that they have done anything wrong, let alone illegal or improper.

Madam Speaker, some are saying there is a similarity between Whitewater and Watergate. This is absurd. This is patently absurd.

Madam Speaker, there have been calls by the other side for hearings in the Congress. The special counsel, the special counsel of the Whitewater case, Mr. Robert Fiske has specifically asked Congress not to hold hearings, that this will "impede the investigation." The other side pushed very hard for the White House to appoint a special counsel. That happened. The special counsel is looking into this case and the best thing we can do is let that process continue and run its course.

Madam Speaker, we have a popular President who has attacked the problems of the economy, of trade, of health care, of crime. He is high in the polls and while he cannot be attacked on the issues, he is being attacked, baselessly, on his character. If there is something wrong, let the special counsel run its course and continue its investigation.

Madam Speaker, it is also unfair to attack the First Lady. This is a First Lady who has jumped into the issue of health care and many others. She has a record of probity and she has a record of integrity throughout her public career. It is wrong to attack her in this manner.

Madam Speaker, the White House has chosen as a new special counsel Lloyd Cutler, perhaps one of the best symbols of integrity in Washington, DC. He served as special counsel under President Carter and was a model of ethics and probity as well.

Madam Speaker, our constituents have spoken. Let us deal with the problems of the day. Whitewater is an issue of the beltway that should be investigated by the special counsel and not by the Congress.

WHITEWATER

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Georgia [Mr. LINDER] is recognized during morning business for 3 minutes.

Mr. LINDER. Madam Speaker, I rise today to respond to a charge by the President that Republicans are fomenting hysteria regarding the Whitewater affair.

That, of course, is ridiculous.

Sure, before the special counsel asked that we do not, we would have liked the committees of jurisdiction to hold hearings on the issues that spring from this whole affair.

We would have liked the Small Business Committee to investigate fully the charges that the Small Business Administration made a fraudulent loan to people attached to Madison Guaranty.

And we think it would have been important for the Banking Committee to investigate fully the activities of the Madison Guaranty Savings & Loan. After all, they did not hesitate to question Neil Bush for several weeks.

And I still believe that the Congress has a critical job to do here. That job is not to brush this sordid affair under the carpet.

After all, part of the job of the Congress is to investigate when there is the hint of scandal attached to public officials and public funds. This is called oversight.

The sum total of the Republican effort in the Whitewater affair has been to try to get the Congress to do its job.

No one in this body would accuse my friend from Iowa, JIM LEACH, of being a rabid partisan. He is one of the fairest, most respected Members of this institution, and his efforts have been beyond reproach. He is a genuine intellectual.

No one would accuse the Washington Post of being rabid Republicans, yet they have come out with a series of stories on this issue.

Mr. Speaker, I would submit to the President that if he has a beef, he should take it up with his staff.

After all, it is White House fumbling that has created this public perception of coverup. It is faulty advice that has caused embarrassment to the President.

It is not Republican attacks that have the White House in this curious state. As one Presidential adviser said, "the damage control team created a lot more damage than it controlled."

The President has misdirected his fire at the Republican Party.

The President seems to think that Republicans want to attack the administration with scandal, because we cannot beat them with actual policy.

I urge the American people to look at the facts. Look at our health care proposal and then at the Clinton proposal. It is the difference between enlightened realism and farfetched socialist fantasy.

Or look at the Republican crime proposal, which exists, and the Clinton crime proposal, which does not.

Or look at the Republican welfare proposal, which is an actual document, and the Clinton proposal, which is vague rhetoric.

Republicans would welcome an opportunity to get on with the issues that the American people really care about. And we are ready to do that today.

Madam Speaker, the President should not lash out at Republicans for trying to get to the bottom of the Whitewater affair.

He should look at his own operation, and see from where the smoke is coming.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

□ 1050

INTERNATIONAL WOMEN'S DAY 1994

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentlewoman from California [Ms. WATERS] is recognized during morning business for 5 minutes.

Ms. WATERS. Madam Speaker, today, March 8, is International Women's Day. This date is commemorated at the United Nations, and is designated by many countries as a national holiday.

Throughout the world on each March 8, we pay tribute to women for their past efforts, current work, and future actions. We salute those who fight to win equality and advance the health, education, and opportunities for women in all countries.

Beginning early in this century, observances were held in the United States and Europe to call attention to the fact that the overwhelming majority of women throughout the world lived in poverty, and lacked the right to vote and hold office. Over the last eight decades, women, along with their male supporters, have used March 8 as a time to call attention to the status of women.

The United Nations declared 1975 as International Women's Year and in 1976 inaugurated the United Nations Decade for Women. Since then, there have been U.N. initiatives to improve conditions for women which resulted in the creation of the first international legal framework for women. In addition, U.N. bodies are continually striving to bring about equality by raising public awareness and by a commitment to change long-ingrained traditions and attitudes which prolong discrimination.

There have been three global conferences to date focusing on women: at Mexico City in 1985. The Nairobi Conference issued strategies for proposed actions to be taken by governments and the international community in order to achieve gender equality by the end of the century. Now preparations are currently underway for the Fourth World Conference on Women to be held in Beijing, China, in 1995.

While there certainly has been more attention focused on the status of women during the last several years, the reality is that women still make up the majority of people living in poverty, worldwide and here in the United States. Women still face violence, poverty, and injustice, are paid significantly less than men, number two-thirds of the world's illiterate people, and constitute an average of only 11 percent of the members of national parliaments and legislatures.

Native Americans say, "women hold up half the sky," but we still do not hold the power or control the resources to determine our own destinys. Not in the world. Not in our Nation.

On this March 8, there are 48 women in the House of Representatives, representing 27 States and the District of Columbia; 6 women now serve in the U.S. Senate. There are more women representatives in our State houses and legislatures, city councils, and county boards than ever before.

All Americans should take pride in these achievements. But, at the same time, we need to recognize that the road to full equality for women is a long one. Our journey will continue at home in America and with our sisters throughout the world.

Madam Speaker, we must make every day International Women's Day by advancing policies and programs, whether in our domestic programs or as part of our foreign assistance, that empower women. The future of our Nation and the future of our world depend on recognizing the God-given energy and genius of women.

That is why I am proud to stand with millions of my sisters throughout the world—whether in Haiti or Helsinki, South Africa or South Central, Japan or Jamaica—in marking this very special day.

HEALTH CARE GRIDLOCK

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from California [Mr. HERGER] is recognized during morning business for 2 minutes.

Mr. HERGER. Madam Speaker, there is gridlock inside the beltway on the road to health care reform. The legislative highway is jammed with various plans which seek to cure the ills of our current system, but none of these plans can make it to their final destination because of a fatal accident that has shut down the entire process. The Clinton caravan skidded off the left side of the road, careened into our small businesses, sideswiped our health care quality, spun itself into confusion, and crashed into the face of logic.

I am sorry to report that the Clinton plan was dead on arrival, and its wreckage remains strewn in the House committees of jurisdiction. We need to haul off the remnants of the Clinton plan and allow the best plans to get through the legislative road reform.

The Michel plan is the clear choice to make it to the finish line. It cures the portability problem, solves the preexisting conditions riddle, increases access, and lowers costs, all without sacrificing quality.

Madam Speaker, let us clear the road of the Clinton plan accident and move on to real health care reform.

HEALTH CARE PROGRAM NEEDS CHANGE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Wyoming [Mr. THOMAS] is recognized during morning business for 3 minutes.

Mr. THOMAS of Wyoming. Madam Speaker, I wish to talk a little bit about health care. I think it is clear that the majority of the American people feel the health care program needs fundamental change; however, not the kind of an overhaul that would give us a Government-run bureaucratic system entirely different from the private delivery system that we now have, but, rather, to reform with practical solutions that will not add to the deficit.

They do not want the Government in charge. They already see what happens when the Federal Government calls the shots: Taxes go up, quality goes down, and choices are taken away.

There has been some talk about gradually enacting the unpopular components of the President's bill like employer mandates, mandatory health alliances, and price caps. But if these ideas are unpopular today and unworkable today, they will be no less unpopular, no less unworkable in the future.

In fact, that is one of the problems with this system that we have is if something does not seem to work, if something does not seem to be popular, we start it at a very low level and let it gradually ease in to end up with the thing nobody wanted in the beginning, because it was made relatively palatable at the start, then we move it on into something totally unpalatable without much chance to change. I hope that does not happen in this instance.

We ought to talk just a minute, it seems to me, about some of the really conceptual ideas that are here, in terms of what philosophy works in our country, in terms of the private-sector delivery system that worked so well for the things that we do in this country, financial responsibility, individual responsibility, and there is some of that involved here, problem solving.

We need to deal with solving the problems that are there. We do not need some sort of political theater with all kinds of perception twists, all kinds of sales programs with no real need or evidence that it will work.

For instance, employer mandates: employer mandates really cause an opportunity for a shift from problems in health care to problems in unemployment. In my State of Wyoming, the majority of jobs are small businesses, the kinds of small businesses that will not be able to exist under employer mandates. We will have traded off the health care problem for a job problem.

Alliances: The Medical Science Journal says it takes 800,000 people to put together an alliance that works. We do not have that kind of community in Wyoming. We have a State with 450,000 total population. We need the flexibility to have a different kind of private delivery system.

The idea of a bureaucracy, a total bureaucracy, running the health care program is simply not consistent.

I went to Canada last year to take a look at their program. Indeed, there are some good things about it. But they operate in a background and a culture and history quite different than ours, and the idea of single payer, the idea of lack of choice, the idea of putting everybody together in a very large mandatory alliance simply is not consistent with the things that we are accustomed to here.

Americans do not want to trade the problem of uninsurance for problems of unemployment. They want reforms.

There are things that we can do. There are plans before us that work that will solve the problem, and that is the direction that we should take.

□ 1100

CLINTON HEALTH CARE PLAN: TRUE UNIVERSAL COVERAGE

The SPEAKER pro tempore (Ms. MARGOLIES-MEZVINSKY). Under the Speaker's announced policy of February 11, 1994, the gentleman from Connecticut [Mr. GEJDENSON] is recognized during morning business for 5 minutes.

Mr. GEJDENSON. Madam Speaker, I watched this institution debate a number of issues in the years that I have been here, but never before have I seen such an incredible amount of money coming from special interest groups trying to defeat a piece of legislation. And in that way, health care is different from the battles we had in the past on civil rights or Social Security, even different from the battle we had in getting Medicare for our senior citizens.

Madam Speaker, Tip O'Neill used to talk about, when he came to this Congress, over half the senior citizens in this country lived in poverty; they were without medical coverage; they were the pity of the country.

We took action in this Congress in previous decades, first with Social Security and then with Medicare, and we made progress that now the entire country recognizes has made this a better place for our senior citizens to live.

Most of the people who oppose the President's plan today come from the political party that opposed social security and opposed Medicare as well. They made dire predictions about what would happen to America if we passed Social Security and Medicare. They were wrong then; they are wrong today.

We are losing choice today as Americans; if you have a child with juvenile diabetes, you have no choice, you cannot get coverage for that child as it reaches maturity. If you have to change jobs in this ever-evolving economy, where more and more of our citizens change their jobs on a regular basis, not returning to their old jobs, not having the resources to continue insurance on their own, you have no choice because you cannot get your family covered.

It seems to me there are wealthy special interests that want to stop the Congress and the American people from addressing the very fundamental issues in health care that we as a nation have to address. We need to make sure when that family with a child with juvenile diabetes or borne in a wheelchair because of multiple handicaps, that family can have health care. We can do that in this Congress if the American people will only speak out.

For all the money and all the special interests on the other side, the voice of the American people is stronger. They ought not to be confused by people who are more concerned with their own personal profits than with the health of this Nation or the health of our children and our families.

It is easy to stand on this floor and talk about family values, but what is stronger in helping a family than helping the family to keep its health care and hold itself together?

When I was a State representative, the first cruel thing I saw as a result of our present health care system was a mother told to go back to welfare because the new job she had finally gotten could not cover her child with a preexisting illness. As a Member of Congress, one of the first tragedies we faced was a family that first lost their jobs and then lost their father because of a traumatic brain injury and then lost their home because they had no health care coverage. This country can do better.

We can sit down and be rolled by the people with money, by those who want to profit off of the present system, or we can join together as a country and make sure that we cover all of our families and all of our children.

Small business in America, for the vast majority, provide health care for employees. But the competitive edge goes to the one side or the other of them; companies that are smaller that often provide no health care coverage end up living in the system by having their employees covered by our premiums. We pay higher premiums because of this some millions of people who are presently not covered when they end up in the hospital or getting health care benefits.

That medium- and small-size company today that provides health care also has another competition that has an advantage: the large company with thousands of employees which buys the very same coverage for a lot less money.

My fellow Americans, we are at a point in this country's history where we can take a step forward with a health care plan that will guarantee coverage for every American, coverage they cannot lose and coverage that keeps their choice.

But if we fail to act as a Congress and as a country, if we let those special interests who think profit is more important than the economic health and the physical health of this country, we have but ourselves as citizens to blame.

I would ask every citizen watching this House, this office, watching this House operate, this President fighting for health care reform, to write to their elected officials, to speak out and demand that we take action this year.

Call the plan what you like but it seems to me unless it had the fundamentals that mandate coverage for every American, that mandates coverage that you cannot lose when you lose your job, that mandates coverage that you can keep the coverage even when you change jobs, if we do not do that, we are not getting the job done.

We can do that with the help of my colleagues in this Chamber if they hear from their constituents.

Do not be frightened by rhetoric from those who benefit from the present system.

Every other civilized Western country is able to provide universal coverage, and we ought to be able to do it here as well if we band together and fight for what is right for the American people.

CLINTON HEALTH—RATIONED HEALTH

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Florida [Mr. GOSS] is recognized during morning business for 5 minutes.

Mr. GOSS. Madam Speaker, most Americans believe that the quality of care available in today's U.S. health care system is the best in the world, and it is. Eight of 10 Americans believe the quality of care will suffer significantly in the Clinton, Government-run health care system the President desperately wants to impose on all of us tomorrow. As details of the drastic health care restructuring advocated by President and Mrs. Clinton become clear, Americans are saying "no" in ever increasing numbers. The more they know, the less they like. In looking at one major group of health care consumers—our Nation's senior citizens—we find important reasons for the mounting opposition to the President's plan. In a recent Reader's Digest article, "The Adverse Impacts of Government-Run Health on Older People Are Explored." Quoting a civil law professor in Ohio, the article emphasizes that, "Rhetoric to the contrary, the Clintons must know this plan will result in rationing." Why? Under the Clinton's Government-run approach, price controls, global budgets, and heavy penalties for people seeking to secure extra health care will mean that health services Americans have immediate access to today will not be available to them in the Clinton-defined health care system of tomorrow. The evidence in support of this prediction is incontrovertible. In the Government-run health care systems of Canada and Great Britain we see waiting lines for medical services and desperate people leaving their country in search of care. The Reader's Digest asserts that:

> Canadians who need emergency treatment generally get it. But a large number face harrowing waits of many months for heart surgery and other procedures. Some patients with treatable tumors have seen their cancer progress to the incurable stage while awaiting radiation therapy. Others have died waiting.

In recent reports of a study of Government-run health care published in a journal called "Health Affairs," coauthor Danny Mendelson says:

> A few years down the line you first start to see what we call silent rationing, where the patients don't even know that they're not receiving the beneficial care that they need. Further down the line, I think it would become very clear that we were denying patients some of the latest technology in order to save money.

Columnist Nat Henhoff, in his recent piece entitled "Health Rationing: 'We can't spend this much on you'" notes "The Clinton Health Security Act is not all that universal on its application. Millions will be newly covered but they can't get too sick." In reports from Great Britain, we see just what the acceptable standards for Government-run health care are. Waits of longer than 2 years for an operation, 18 months for hip or cataract surgery, will not be acceptable to the Government. Would 2-year waits for such important, quality-of-life surgery ever be acceptable in the United States? Great Britain's labour health spokesman, David Blunkett, has said "Waiting lists continue to rise and the number of those waiting for more than a year is increasing even faster." The Daily Telegraph reported last fall that:

> "In Britain, the health budget needs to be increased by 2 percent a year just to keep pace with rising demand and cost. Of course, rationing has already arrived and goes under the heading of hospital waiting times."

Recent remarks by our own First Lady suggest rationing in this country under her plan may be more serious than long waits—and may mean denied access to care. As described in the New York Times last fall, Mrs. Clinton used the example of a 92-year-old man in need of a quadruple heart bypass operation, suggesting that if the system is changed, such surgery will not be performed. Seniors understand the serious threat the Clinton approach to Government-run health means for them. It is time we changed focus and looked toward real solutions to our current health care problems that will not threaten the quality and accessibility of care—for seniors and all Americans. The Honorable Mr. GINGRICH of Georgia has offered an invitation to sit down and write a bipartisan plan. I hope the Democrats will accept.

FAMILIES FIRST BUDGET ALTERNATIVE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Arizona [Mr. HUTCHINSON] is recognized for 5 minutes.

Mr. HUTCHINSON. Madam Speaker, I rise today in support of the "families first" budget alternative, a budget that will reduce the deficit more than the administration's budget and still provide progrowth incentives and, most importantly, middle-class tax relief.

The issue is, will we cut wasteful Government spending in order to provide relief to overtaxed American families?

Today, most American families pay more in Federal taxes than they spend for food, clothing, transportation, insurance and recreation combined.

□ 1110

This is a sharp and shameful contrast with the years after World War II, when Federal income and payroll taxes took only 2 percent of the income of a median family of four. Now that burden has increased to 24 percent.

During the past four decades, there has been a steady erosion in the value of the personal exemption for families with children. If the shelter of that exemption had kept pace with inflation and remained a fixed percentage of per capita income, it would now be over $8,000 instead of the current $2,300.

Recognizing that, the bipartisan National Commission on Children proposed, as its most important recommendation, a tax credit of $1,000 per child. And only last year, the Democrat nominee for the Presidency promised that "middle class taxpayers will have a choice between a children's tax credit or a significant reduction in their income tax rate." This budget plan provides an opportunity for the President to fulfill his promise.

The American family has been in a financial vise and it is time the Federal Government loosened the vise—a "families first" budget is a first step.

This budget alternative provides a $500 tax credit for dependent children. With three children, that is an additional $1,500 in purchasing power. Furthermore, 75 percent of this money would go to families with gross annual incomes below $60,000.

I think it is clear that our public policies have grown increasingly hostile to the family. These numbers reflect just that. Our Tax Code has, for whatever reason, been used as a weapon against the family. Put simply, the home front is crumbling.

The very first principle of public policy toward the family should be "do no harm."

But we have done harm.

The American dream is increasingly at risk. The Tax Foundation reports that the overall tax burden is at an all-time high. Hot dog and hamburger America is finding itself squeezed by higher and higher taxes.

We take their hard-earned money away on Friday in the form of taxes and give it back to them minus a beltway handling charge in the form of middle-class entitlements.

The "families first" budget believes parents are more capable of deciding where and how to spend their resources than the Federal Government is.

In most congressional districts, there are about 120,000 children eligible for the credit. That's $60,000,000 that would stay in the pockets of the working, tax-paying citizens. This would provide needed purchasing power for middle-class families to realize again the vanishing American dream.

Some will say we cannot afford this tax relief.

Well, it amounts to little more than 1 cent on the dollar over 5 years. If this Congress cannot find that for Mom and Pop America, we had better reexamine our priorities.

IT IS TIME TO BALANCE THE BUDGET

The SPEAKER pro tempore (Ms. MARGOLIES-MEZVINSKY). Under the Speaker's announced policy of February 11, 1994, the gentleman from Illinois [Mr. EWING] is recognized during morning business for 5 minutes.

Mr. EWING. Madam Speaker, I believe a little common sense would go a long way in our Nation's Capital if the Congress would just use it.

Madam Speaker, the people in the 15th District of Illinois, and, yes, I believe people throughout America overwhelmingly, believe it is time for this Government and this Congress to balance our budget. This week we may get a chance in this body to vote on a balanced budget amendment.

Madam Speaker, as my colleagues know, the average American has to balance his budget every week or every month, whenever he gets paid, and, as my colleagues know, it is no different for a farmer in Piatt County, IL. If he does not balance his budget, Madam Speaker, the next year he will be out of business. Or an auto worker in Bloomington, IL; he has to balance his budget or there will not be any money there to educate his children, to provide health care or recreation.

A balanced budget is just common sense, Madam Speaker. Here are some statistics about the debt we have piled up which should shock us all:

In 1994, Madam Speaker, our deficit will be, according to CBO, $223 billion. Now that is $600 million a day. In 1996, Madam Speaker, it is going to be lower, $166 billion according to the estimate. But that is still almost half a billion dollars a day. And in 1999, Madam Speaker it is going to start back up, and we will be over a half a billion dollars a day. The interest is soon going to be more than a billion dollars a day on the national debt.

It is clearly time that we start doing something real about balancing our budget. What happens if we fail? Well, those who want to spread misinformation and fear say, if we have the balanced budget amendment, then Social Security recipients will get cut or we will not have money for health care. There is nothing in the balanced budget proposal that would provide that. But I will say to my colleagues, Madam Speaker, that if we do not do something about the balanced budget, we will not have any of those social programs. We will not have the financial resources in this country necessary to provide the needed services or even our own national defense.

Madam Speaker, every time the balanced budget amendment comes up the opponents say, "We don't need it." The opponents say, "What we really need is to make those serious tough cuts when we do the budget." Last year we had the Penny-Kasich budget which would have cut at least $60 billion from our deficit. Those same people voted against it. So much for the tough choices.

There are so many issues that this Congress addresses that we seem to be out of touch on, and I think we are really out of touch on the balanced budget, and I think that is probably why our ratings are so low among the American people. When the House votes on the balanced budget amendment soon, I urge all of my colleagues to vote yes. If the House passes this amendment, we can send it back to the other body, who recently rejected the balanced budget amendment, and maybe we can start bringing some common sense to the way we operate in Washington.

A DIFFERENT PERSPECTIVE ON HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Madam Speaker, I would like to speak this morning, just briefly, with a different perspective on health care and some of the implications of the President's plan, some of the implications that have come about as a result of what has been a fundamental shift in the way that health care gets paid for in our country over the past 40 or so years. To illustrate that, Madam Speaker, I would like to point out first of all that in 1950 approximately 20 percent of all health care was paid for by third parties, and in 1950 "third parties" meant insurance companies for the most part. And 80 percent of health care was paid for by individuals. In 1994, Madam Speaker, that number gets flipped around, where 20 percent of health care gets paid for by individuals and 80 percent gets paid for by third parties; that is, insurance companies or the Government, and I want to share with my colleagues what I believe is probably the most profound ethical implication of that because it is, in fact, the issue of quality as opposed to cost which will ultimately be the issue that every single one of us as consumers of health care, as patients, as people who get into trouble with either diseases or accidents, that we will be concerned with because it is, in fact, the quality issue that will ultimately become the most important issue.

Madam Speaker, I want to share with my colleagues a quotation from a Swiss medical philosopher whose name is Ernest Truffer, admittedly not a household name, but he brings out this point in a way that is much better than I could.

> The increasing intrusion of third parties on the doctor-patient relationship amounts to a rejection of the medical ethic, the medical ethic which is to care for a patient according to that patient's specific medical requirements as opposed to the veterinary ethic which consists of caring for the sick animal, not in accordance with its specific medical needs, but according to the requirements of its master and owner; that is, the person who is responsible for paying the fee.

□ 1120

Herein is the rub with respect to managed care, with respect to Government-funded and Government-paid-for health care programs. That is that instead of having that relationship between the doctor and the patient upon which quality health care is built, upon which the entire Western medical model is built, instead we are building this model that is based not necessarily on what the doctor wants or what the patient wants but what the person who is paying for it is willing to pay, and that is the Government or the insurance company in the models we have created in the 1990's in the United States.

I commend to the attention of the Members two things: First, I would commend to their attention the book that was recently published, written by Robin Cook called "Fatal Cure." It describes very well how this works to a patient's detriment in managed care situations.

I would also commend to their attention a very, very careful consideration of the implications that third party payers have with respect to the actual quality of care that we receive as patients. It is, in fact, necessary to empower patients as consumers, patients as the ones making the decisions, putting the patients and the doctors back in the driver's seat, which will restore and insure quality care in the United States going into the 21st century.

THE REPUBLICAN BUDGET PROPOSAL FOR FISCAL YEAR 1995

The SPEAKER pro tempore (Ms. MARGOLIES-MEZVINSKY). Under the Speaker's announced policy of February 11, 1994, the gentleman from Ohio [Mr. BOEHNER] is recognized for 1 minute.

Mr. BOEHNER. Madam Speaker, I bring to the attention of the Members in the Chamber the fact that on Thursday the House will consider the budget resolution for fiscal year 1995.

During that debate on Thursday the Republican Members led by the gentleman from Ohio, Mr. JOHN KASICH, will present a Republican alternative to that budget. Over the last 2 years JOHN KASICH and the Republicans on the Committee on the Budget have done an outstanding job of putting together an alternative budget that in fact reduces the deficit further than the administration's proposal, and it does so by cutting spending and reforming the way Government works.

This year's budget resolution offered by the Republicans in the House includes a $500 per payer middle-class family tax credit. It fully funds our version of health care reform, crime initiatives, and welfare reform. It generates $278 billion in net deficit reduction, $152 billion more than that promised by the Clinton administration.

We do this through job creation and economic growth. We do this through welfare reform, crime control, and our health care proposal, but in addition we reform Government operations in a way that begins to make Government more effective, more responsive, and certainly less costly to the American people.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess until 12 noon.

Accordingly (at 11 o'clock and 23 minutes a.m.) the House stood in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 noon.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for friends who accept us, for colleagues who encourage us and for family whose love sustains us along life's way. We know, O gracious God, that alone we do what we can, but when friends and family and colleagues help point the way and challenge us to moments of courage and an abiding sense of value, then we can be what You call us to be and do those things that honor You and serve people everywhere. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. ALLARD. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ALLARD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 5, rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will ask the gentleman from Colorado [Mr. ALLARD] if he would kindly come forward and lead the membership in the Pledge of Allegiance.

Mr. ALLARD led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRAYER IN PUBLIC SCHOOLS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Governor Allen and the State of Virginia are pushing a bill to allow prayer in their public schools.

I commend Governor Allen. Many in this country continue to blast school prayer. They say it violates the principle of the separation of church and state.

Mr. Speaker, the Constitution may separate church and state, but it was never intended to separate God and the American people. Think about it.

Every morning we start out our session with a prayer. So does the other body. The roof has yet to cave in, and we have not seen a dictatorship start up yet.

Let us face it: The truth is the overwhelming majority of the American people believe in God, and this politically correct business has gone too far when the only time you hear God mentioned in our public schools is when someone takes God's name in vain.

Now, if that is politically incorrect to support school prayer, then, ladies and gentlemen, I am politically incorrect.

Mr. Speaker, one last thing. God and the American people have been together an awful long time. So has Congress and God. Think about it.

NATIONAL CANCER INSTITUTE SENDING CONFUSING MESSAGE TO WOMEN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today is International Women's Day. It is also National Women's History Week.

But we see the National Cancer Institute, which is fully funded by Federal taxpayers, one more time sending a terribly confusing message to women.

The women in this body have been trying very hard to get American women to, please, go for mammograms and cancer screening. We know that breast cancer is now an epidemic in America, killing one out of eight, up from one out of nine.

Mammograms and early detections can save lives. Nevertheless, the National Cancer Institute is now saying maybe it is not necessary under the age of 50. Well, there are cases all over the place. There are studies all over the place showing that it is necessary and that it will not save every life, but it will save a significant number of lives.

Many of us today are very angry that the National Cancer Institute continues to play so fast and loose with women's lives. They do this in no other area.

We will be having a press conference at 1 o'clock, and we thank the gentleman from New York [Mr. TOWNS] and also thank the gentlewoman from New York [Ms. SLAUGHTER], who have been leading the Congresswomen and men who are very concerned about this and are trying to get the National Cancer Institute to turn over their decision.

□ 1210

EPA OVERKILL

(Mr. ALLARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, this past weekend in my district, I was notified of the EPA's plan to slap the small city of Fort Morgan, CO, with a $44 million lawsuit for noncompliance with the Clean Water Act. It is absurd to penalize a city of 9,000 citizens for this exorbitant amount. This averages out to $5,000 per resident of this agricultural city. The EPA has even gone beyond this amount. A $25,000-per-day fine is going to be implemented until the issue is resolved. The sewage treatment plant in Fort Morgan has never discharged any harmful ingredients into the South Platte River. Nor has there been any harm done to the people or the environment by the alleged noncompliance actions of the plant. The only industry that is allegedly producing the waste in noncompliance is the Excel Corp. The violations, the EPA has stated, are for pretreatment occurrences which means they do not care what comes out of the plant, but what is going into it. What are their expectations and priorities? The EPA has stated the fines need to be large enough so it is not cheaper to ignore the violations rather than fix them. Well, the city of Fort Morgan is trying to rectify the problem. They are in the final planning stages to build a $13 million waste water facility to remedy the situation the EPA has inquired about. But what reasonable bond dealer will invest in a project that has a $44 million lawsuit against it? I am asking the EPA to help in the clean up. The place to start is to get this issue out of the lawyers hands and into the hands of officials who are willing to resolve this issue. The point is this, Is the EPA more interested in collecting fines, or is it interested in helping rural America solve their problems?

WHITEWATER IS AN INSIDE-THE-BELTWAY ISSUE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, how many people outside the beltway of Washington, DC, care about Whitewater? Zero. More and more, Whitewater becomes an inside-the-beltway issue raised by those who oppose the President but cannot criticize him on the substance of his policies.

Mr. Speaker, I was in New Mexico this weekend, and not one constituent in a variety of meetings—close to 2,000 constituents whom I was—raised the subject of Whitewater. But they did raise the subject of health care, the subject of crime, of education and the economy. That is what the American people elected us to work on, not worry about Whitewater, where a special counsel is already investigating.

In fact, a recent poll suggests that 68 percent of the American people think the Republicans are attacking the President and the First Lady unfairly.

What are the facts? First, nobody has suggested that the Clintons have done anything improper or illegal.

Second, special counsel Robert Fiske is doing his job. He has subpoenaed White House staff and is zealously pursuing the facts. The White House is fully complying.

Third, Mr. Fiske has stated that he does not want the Congress to interfere with his investigation. Mr. Fiske is a Republican.

Fourth, the President has reacted to the issue properly, appointing a special counsel to look into the matter. Any comparison between Whitewater and Watergate is irresponsible and politically motivated.

Mr. Speaker, let us get on with the problems of the day.

OATH OF SECRECY (H. RES. 378)

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, Americans are stunned by revelations about a high level mole in the CIA. Although damage assessments are far from complete, we already know that this modern day Benedict Arnold passed classified information to the Soviets and disclosed the names of clandestine operatives. People died and missions failed. Clearly, when classified information is compromised it is serious business. Representative HYDE and I have introduced legislation requiring Members of this body to sign an oath of secrecy if they wish to work with sensitive material. Many intelligence assessments made by the CIA eventually come to Congress and damaging leaks from sources on the Hill do happen—sometimes with tragic consequences. Members often talk of increasing congressional accountability—passing a simple oath of secrecy is action we should take now. I urge support for Hyde-Goss legislation.

LABELING MILK CONTAINING BGH

(Mr. SANDERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDERS. Mr. Speaker, imagine a group of family farmers or dairy companies or a grocery story being sued by a giant multinational drug company simply for putting a label on their milk saying that they do not use a new drug that causes illness in cows, a drug that, as it happens, is made by that same multinational corporation.

Sound like an Orwellian nightmare to you? Well, it is actually happening now here in America. Monsanto, the company that has used its massive influence to get the FDA to approve its bovine growth hormone drug, is now suing small cooperative dairies because they want to tell their customers that they do not use Monsanto's BGH.

Mr. Speaker, this is an outrage. Large majorities of the American people have said they want labeling of milk for BGH. But when small companies respond to consumers' needs, Monsanto tries to intimidate them with lawsuits.

And where is the FDA in all of this? Unfortunately, as in the past, the FDA has taken the corporation's side, not the side of the American people.

Mr. Speaker, let us remind the FDA they work for the American people and not for Monsanto.

DON'T BLAME REPUBLICANS

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, what is going on at the White House?

After a series of critical errors by the President's staff regarding the Whitewater affair, Mr. Clinton blamed Republicans for fomenting hysteria.

This is like blaming the other team when you fumble the football in the open field.

Mr. Speaker, Republicans simply want to get to the bottom of this whole affair. And we are not alone. So do the American people.

In fact, it is the media that has done most of the leg work to investigate what the White House, the Rose law firm and the Justice Department have been doing in regard to Whitewater.

If the President wants to blame someone for the media's feeding frenzy, I suggest he first look in his own shop. There he will find missteps, mistakes, fumbles, foibles, folly, and foolishness, all of which has contributed to the perception of a coverup. Mr. Speaker, the President should not blame Republicans for Whitewater. It is not our fault.

VOTE FOR TAX-LIMITATION BALANCED BUDGET AMENDMENT

(Mr. BAKER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER of California. Mr. Speaker, the American people have had enough of the bottomless pit of debt into which this country as plunged itself. They have seen their hard-earned money go to paying taxes, taxes which do nothing but pay the interest for Government that we have already consumed. They have heard enough rhetoric from both Congress and the administration when it comes to the deficit. They have tired of a Government that talks loud but says nothing, a Congress that cheers when a 1 percent bipartisan cut in spending is killed by 7 votes by the liberal majority.

I urge my colleagues to vote for the tax-limitation balanced budget amendment, to show the American people that we really do care about the deficit, about their children, about their grandchildren, and that we are willing to do something about it.

Our future is in the balance.

GATT TRADE PACT AND U.S. ANTIDUMPING AND SUBSIDY LAWS

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, this morning over 60 Members of the House, and corporate CEO's from California to New York, met in a working session regarding implementation of the recent GATT trade pact as it affects U.S. antidumping and subsidy laws. Secretary of Commerce Ron Brown also joined us to demonstrate his interest in this matter.

The message was simple and clear by all those who attended. Any final implementation bill must maintain strong and effective trade laws. Cosmetic changes to our laws that give the appearance of a broad based bill but do little to correct existing problems is unacceptable.

Ambassador Kantor and Secretary Brown fought hard and brought home a GATT agreement that is a historical achievement. Congress should now follow through on their leadership and pass strong implementing legislation.

The size of the dumping and subsidy sections of the upcoming trade bill, or whether its called a broad or minimalist bill, doesn't really matter as long as the basic needs of our manufacturers and work force are met.

The stakes are very high. What happens in this bill regarding these trade laws will significantly affect our domestic manufacturing industries far into the next century. So it is imperative that Congress continue to let those with the administration know of our specific concerns on this matter. To do less compromises the economic future of our Nation.

☐ 1220

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KLINK). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken on Wednesday, March 9, 1994.

FEDERAL WORKFORCE RESTRUCTURING ACT OF 1994

Mr. CLAY. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 380) providing for the concurrence by the House with an amendment to the amendment of the Senate to H.R. 3345.

The Clerk read as follows:

H. RES. 380

Resolved, That upon the adoption of this resolution, the bill (H.R. 3345) to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes, with the Senate amendment thereto, shall be considered to have been taken from the Speaker's table to the end that the Senate amendment thereto be, and the same is hereby, agreed to with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Workforce Restructuring Act of 1994".

SEC. 2. TRAINING.

(a) IN GENERAL.—Chapter 41 of title 5, United States Code, is amended—

(1) in section 4101(4) by striking "fields" and all that follows through the semicolon and inserting "fields which will improve individual and organizational performance and assist in achieving the agency's mission and performance goals;";

(2) in section 4103—

(A) in subsection (a)—

(i) by striking "In" and all that follows through "maintain" and inserting "In order to assist in achieving an agency's mission and performance goals by improving employee and organizational performance, the head of each agency, in conformity with this chapter, shall establish, operate, maintain, and evaluate";

(ii) by striking "and" at the end of paragraph (2);

(iii) by redesignating paragraph (3) as paragraph (4); and

(iv) by inserting after paragraph (2) the following:

"(3) provide that information concerning the selection and assignment of employees for training and the applicable training limitations and restrictions be made available to employees of the agency; and"; and

(B) in subsection (b)—

(i) in paragraph (1) by striking "determines" and all that follows through the period and inserting "determines that such training would be in the interests of the Government.";

(ii) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(iii) in subparagraph (C) of paragraph (2) (as so redesignated) by striking "retaining" and all that follows through the period and inserting "such training.";

(3) in section 4105—

(A) in subsection (a) by striking "(a)"; and

(B) by striking subsections (b) and (c);

(4) by repealing section 4106;

(5) in section 4107—

(A) by amending the catchline to read as follows:

"§ 4107. Restriction on degree training";

(B) by striking subsections (a) and (b) and redesignating subsections (c) and (d) as subsections (a) and (b), respectively;

(C) by amending subsection (a) (as so redesignated)—

(i) by striking "subsection (d)" and inserting "subsection (b)"; and

(ii) by striking "by, in, or through a non-Government facility"; and

(D) by amending paragraph (1) of subsection (b) (as so redesignated) by striking "subsection (c)" and inserting "subsection (a)";

(6) in section 4108(a) by striking "by, in, or through a non-Government facility under this chapter" and inserting "for more than a minimum period prescribed by the head of the agency";

(7) in section 4113(b)—

(A) in the first sentence by striking "annually to the Office," and inserting "to the Office, at least once every 3 years, and"; and

(B) by striking the matter following the first sentence and inserting the following: "The report shall set forth—

"(1) information needed to determine that training is being provided in a manner which is in compliance with applicable laws intended to protect or promote equal employment opportunity; and

"(2) information concerning the expenditures of the agency in connection with training and such other information as the Office considers appropriate.";

(8) by repealing section 4114; and

(9) in section 4118—

(A) in subsection (a)(7) by striking "by, in, and through non-Government facilities";

(B) by striking subsection (b); and

(C) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Title 5, United States Code, is amended—

(1) in section 3381(e) by striking "4105(a)," and inserting "4105,"; and

(2) in the analysis for chapter 41—

(A) by repealing the items relating to sections 4106 and 4114; and

(B) by amending the item relating to section 4107 to read as follows:

"4107. Restriction on degree training.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on the date of enactment of this Act.

SEC. 3. VOLUNTARY SEPARATION INCENTIVES.

(a) DEFINITIONS.—For the purpose of this section—

(1) the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), but does not include the Department of Defense, the Central Intelligence Agency, or the General Accounting Office; and

(2) the term "employee" means an employee (as defined by section 2105 of title 5, United States Code) who is employed by an agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 12 months; such term includes an individual employed by a county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)), but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government; or

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A).

(b) AUTHORITY.—

(1) IN GENERAL.—In order to avoid or minimize the need for involuntary separations due to a reduction in force, reorganization, transfer of function, or other similar action, and subject to paragraph (2), the head of an agency may pay, or authorize the payment of, voluntary separation incentive payments to agency employees—

(A) in any component of the agency;

(B) in any occupation;

(C) in any geographic location; or

(D) on the basis of any combination of factors under subparagraphs (A) through (C).

(2) CONDITION.—

(A) IN GENERAL.—In order to receive an incentive payment, an employee must separate from service with the agency (whether by retirement or resignation) before April 1, 1995.

(B) EXCEPTION.—An employee who does not separate from service before the date specified in subparagraph (A) shall be ineligible for an incentive payment under this section unless—

(i) the agency head determines that, in order to ensure the performance of the agency's mission, it is necessary to delay such employee's separation; and

(ii) the employee separates after completing any additional period of service required (but not later than March 31, 1997).

(c) Amount and Treatment of Payments.—A voluntary separation incentive payment—

(1) shall be paid in a lump sum after the employee's separation;

(2) shall be equal to the lesser of—

(A) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or

(B) $25,000;

(3) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit;

(4) shall not be taken into account in determining the amount of any severance pay to which an employee may be entitled under section 5595 of title 5, United States Code, based on any other separation; and

(5) shall be paid from appropriations or funds available for the payment of the basic pay of the employee.

(d) Effect of Subsequent Employment With the Government.—

(1) In general.—An employee who has received a voluntary separation incentive payment under this section and accepts employment with the Government of the United States within 5 years after the date of the separation on which the payment is based shall be required to repay the entire amount of the incentive payment to the agency that paid the incentive payment.

(2) Waiver authority.—

(A) Executive agency.—If the employment is with an Executive agency (as defined by section 105 of title 5, United States Code), the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(B) Legislative branch.—If the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(C) Judicial branch.—If the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(3) Definition.—For purposes of paragraph (1) (but not paragraph (2)), the term "employment" includes employment under a personal services contract with the United States.

(e) Regulations.—The Director of the Office of Personnel Management may prescribe any regulations necessary for the administration of subsections (a) through (d).

(f) Employees of the Judicial Branch.—The Director of the Administrative Office of the United States Courts may, by regulation, establish a program consistent with the program established by subsections (a) through (d) for individuals serving in the judicial branch.

SEC. 4. ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.

(a) Relating to Fiscal Years 1994 and 1995.—

(1) In general.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 9 percent of the final basic pay of each employee of the agency—

(A) who, on or after the date of the enactment of this Act and before October 1, 1995, retires under section 8336(d)(2) of such title; and

(B) to whom a voluntary separation incentive payment has been or is to be paid by such agency based on that retirement.

(2) Definitions.—For the purpose of this subsection—

(A) the term "final basic pay", with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor; and

(B) the term "voluntary separation incentive payment" means—

(i) a voluntary separation incentive payment under section 3 (including under any program established under section 3(f)); and

(ii) any separation pay under section 5597 of title 5, United States Code, or section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (Public Law 103-36; 107 Stat. 104).

(b) Relating to Fiscal Years 1995 Through 1998.—

(1) In general.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, in fiscal years 1995, 1996, 1997, and 1998 (and in addition to any amounts required under subsection (a)), each agency shall, before the end of each such fiscal year, remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to the product of—

(A) the number of employees of such agency who, as of March 31st of such fiscal year, are subject to subchapter III of chapter 83 or chapter 84 of such title; multiplied by

(B) $80.

(2) Definition.—For the purpose of this subsection, the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), but does not include the General Accounting Office.

(c) Regulations.—The Director of the Office of Personnel Management may prescribe any regulations necessary to carry out this section.

SEC. 5. REDUCTION OF FEDERAL FULL-TIME EQUIVALENT POSITIONS.

(a) Definition.—For the purpose of this section, the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), but does not include the General Accounting Office.

(b) Limitations on Full-Time Equivalent Positions.—The President, through the Office of Management and Budget (in consultation with the Office of Personnel Management), shall ensure that the total number of full-time equivalent positions in all agencies shall not exceed—

(1) 2,084,600 during fiscal year 1994;

(2) 2,043,300 during fiscal year 1995;

(3) 2,003,300 during fiscal year 1996;

(4) 1,963,300 during fiscal year 1997;

(5) 1,922,300 during fiscal year 1998; and

(6) 1,882,300 during fiscal year 1999.

(c) Monitoring and Notification.—The Office of Management and Budget, after consultation with the Office of Personnel Management, shall—

(1) continuously monitor all agencies and make a determination on the first date of each quarter of each applicable fiscal year of whether the requirements under subsection (b) are met; and

(2) notify the President and the Congress on the first date of each quarter of each applicable fiscal year of any determination that any requirement of subsection (b) is not met.

(d) Compliance.—If, at any time during a fiscal year, the Office of Management and Budget notifies the President and the Congress that any requirement under subsection (b) is not met, no agency may hire any employee for any position in such agency until the Office of Management and Budget notifies the President and the Congress that the total number of full-time equivalent positions for all agencies equals or is less than the applicable number required under subsection (b).

(e) Waiver.—

(1) Emergencies.—Any provision of this section may be waived upon a determination by the President that—

(A) the existence of a state of war or other national security concern so requires; or

(B) the existence of an extraordinary emergency threatening life, health, safety, property, or the environment so requires.

(2) Agency efficiency or critical mission.—

(A) Subsection (d) may be waived, in the case of a particular position or category of positions in an agency, upon a determination of the President that the efficiency of the agency or the performance of a critical agency mission so requires.

(B) Whenever the President grants a waiver pursuant to subparagraph (A), the President shall take all necessary actions to ensure that the overall limitations set forth in subsection (b) are not exceeded.

(f) Employment Backfill Prevention.—

(1) In general.—The total number of funded employee positions in all agencies (excluding the Department of Defense and the Central Intelligence Agency) shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under section 3 (a)-(e). For purposes of this subsection, positions and vacancies shall be counted on a full-time-equivalent basis.

(2) Related restriction.—No funds budgeted for and appropriated by any Act for salaries or expenses of positions eliminated under this subsection may be used for any purpose other than authorized separation costs.

(g) Limitation on Procurement of Service Contracts.—The President shall take appropriate action to ensure that there is no increase in the procurement of service contracts by reason of the enactment of this Act, except in cases in which a cost comparison demonstrates such contracts would be to the financial advantage of the Federal Government.

SEC. 6. SUBSEQUENT EMPLOYMENT AND REPAYMENT OF SEPARATION PAYMENT.

(a) Defense Agency Separation Pay.—Section 5597 of title 5, United States Code, is amended by adding at the end the following:

"(g)(1) An employee who receives separation pay under this section on the basis of a separation occurring on or after the date of the enactment of the Federal Workforce Restructuring Act of 1994 and accepts employment with the Government of the United States within 5 years after the date of the separation on which payment of the separation pay is based shall be required to repay the entire amount of the separation pay to the defense agency that paid the separation pay.

"(2) If the employment is with an Executive agency, the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

"(3) If the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

"(4) If the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.".

(b) CENTRAL INTELLIGENCE AGENCY SEPARATION PAYMENT.—Section 2(b) of the Central Intelligence Agency Voluntary Separation Pay Act (Public Law 103-36; 107 Stat. 104) is amended by adding at the end the following: "An employee who receives separation pay under this section on the basis of a separation occurring on or after the date of the enactment of the Federal Workforce Restructuring Act of 1994 and accepts employment with the Government of the United States within 5 years after the date of the separation on which payment of the separation pay is based shall be required to repay the entire amount of the separation pay to the Central Intelligence Agency. If the employment is with an Executive agency (as defined by section 105 of title 5, United States Code), the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position. If the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position. If the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.".

SEC. 7. STANDARDIZATION OF WITHDRAWAL OPTIONS FOR THRIFT SAVINGS PLAN PARTICIPANTS.

(a) PARTICIPATION IN THE THRIFT SAVINGS PLAN.—Section 8351(b) of title 5, United States Code, is amended—

(1) by amending paragraph (4) to read as follows:

"(4) Section 8433(b) of this title applies to any employee or Member who elects to make contributions to the Thrift Savings Fund under subsection (a) of this section and separates from Government employment.";

(2) by striking paragraphs (5), (6), and (8);

(3) by redesignating paragraphs (7), (9), and (10) as paragraphs (5), (6), and (7), respectively;

(4) in paragraph (5)(C) (as so redesignated by paragraph (3) of this subsection) by striking "or former spouse" each place it appears;

(5) by amending paragraph (6) (as so redesignated by paragraph (3) of this subsection) to read as follows:

"(6) Notwithstanding paragraph (4), if an employee or Member separates from Government employment and such employee's or Member's nonforfeitable account balance is $3,500 or less, the Executive Director shall pay the nonforfeitable account balance to the participant in a single payment unless the employee or Member elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b)."; and

(6) in paragraph (7) (as so redesignated by paragraph (3) of this subsection) by striking "nonforfeiture" and inserting "nonforfeitable".

(b) BENEFITS AND ELECTION OF BENEFITS.—Section 8433 of title 5, United States Code, is amended—

(1) in subsection (b) by striking the matter before paragraph (1) and inserting the following:

"(b) Subject to section 8435 of this title, any employee or Member who separates from Government employment is entitled and may elect—";

(2) by striking subsections (c) and (d) and redesignating subsections (e) through (i) as subsections (c) through (g), respectively;

(3) in subsection (c)(1) (as so redesignated by paragraph (2) of this subsection) by striking "or (c)(4) or required under subsection (d) directly to an eligible retirement plan or plans (as defined in section 402(a)(5)(E) of the Internal Revenue Code of 1954)" and inserting "directly to an eligible retirement plan or plans (as defined in section 402(c)(8) of the Internal Revenue Code of 1986)";

(4) in subsection (d)(2) (as so redesignated by paragraph (2) of this subsection) by striking "or (c)(2)"; and

(5) in subsection (f) (as so redesignated by paragraph (2) of this subsection)—

(A) by striking paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(B) in paragraph (1) (as so redesignated by subparagraph (A) of this paragraph)—

(i) by striking "Notwithstanding subsections (b) and (c), if an employee or Member separates from Government employment under circumstances making such employee or Member eligible to make an election under either of those subsections, and such employee's or Member's" and inserting "Notwithstanding subsection (b), if an employee or Member separates from Government employment, and such employee's or Member's"; and

(ii) by striking "or (c), as applicable"; and

(C) in paragraph (2) (as so redesignated by subparagraph (A) of this paragraph) by striking "paragraphs (1) and (2)" and inserting "paragraph (1)".

(c) ANNUITIES: METHODS OF PAYMENT; ELECTION; PURCHASE.—Section 8434(c) of title 5, United States Code, is amended to read as follows:

"(c) Notwithstanding the elimination of a method of payment by the Board, an employee, Member, former employee, or former Member may elect the eliminated method if the elimination of such method becomes effective less than 5 years before the date on which that individual's annuity commences.".

(d) PROTECTIONS FOR SPOUSES AND FORMER SPOUSES.—Section 8435 of title 5, United States Code, is amended—

(1) in subsection (a)(1)(A) by striking "subsection (b)(3), (b)(4), (c)(3), or (c)(4) of section 8433 of this title or change an election previously made under subsection (b)(1), (b)(2), (c)(1), or (c)(2)" and inserting "subsection (b)(3) or (b)(4) of section 8433 of this title or change an election previously made under subsection (b)(1) or (b)(2)";

(2) by striking subsection (b);

(3) by redesignating subsections (c) through (i) as subsections (b) through (h), respectively;

(4) in subsection (b) (as so redesignated by paragraph (3) of this subsection) by amending paragraph (2) to read as follows:

"(2) Paragraph (1) shall not apply if—

"(A) a joint waiver of such method is made, in writing, by the employee or Member and the spouse; or

"(B) the employee or Member waives such method, in writing, after establishing to the satisfaction of the Executive Director that circumstances described under subsection (a)(2) (A) or (B) make the requirement of a joint waiver inappropriate."; and

(5) in subsection (c)(1) (as so redesignated by paragraph (3) of this subsection) by striking "and a transfer may not be made under section 8433(d) of this title".

(e) JUSTICES AND JUDGES.—Section 8440a(b) of title 5, United States Code, is amended—

(1) in paragraph (5) by striking "Section 8433(d)" and inserting "Section 8433(b)"; and

(2) by striking paragraphs (7) and (8) and inserting the following:

"(7) Notwithstanding paragraphs (4) and (5), if any justice or judge retires under subsection (a) or (b) of section 371 or section 372(a) of title 28, or resigns without having met the age and service requirements set forth under section 371(c) of title 28, and such justice's or judge's nonforfeitable account balance is $3,500 or less, the Executive Director shall pay the nonforfeitable account balance to the participant in a single payment unless the justice or judge elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under section 8433(b).".

(f) BANKRUPTCY JUDGES AND MAGISTRATES.—Section 8440b of title 5, United States Code, is amended—

(1) in subsection (b)(4) by amending subparagraph (B) to read as follows:

"(B) Section 8433(b) of this title applies to any bankruptcy judge or magistrate who elects to make contributions to the Thrift Savings Fund under subsection (a) of this section and who retires before attaining age 65 but is entitled, upon attaining age 65, to an annuity under section 377 of title 28 or section 2(c) of the Retirement and Survivors Annuities for Bankruptcy Judges and Magistrates Act of 1988.";

(2) in subsection (b)(4)(C) by striking "Section 8433(d)" and inserting "Section 8433(b)";

(3) in subsection (b)(5) by striking "retirement under section 377 of title 28 is" and inserting "any of the actions described under paragraph (4) (A), (B), or (C) shall be considered";

(4) in subsection (b) by striking paragraph (8) and redesignating paragraph (9) as paragraph (8); and

(5) in paragraph (8) of subsection (b) (as so redesignated by paragraph (4) of this subsection)—

(A) by striking "Notwithstanding subparagraphs (A) and (B) of paragraph (4), if any bankruptcy judge or magistrate retires under circumstances making such bankruptcy judge or magistrate eligible to make an election under subsection (b) or (c)" and inserting "Notwithstanding paragraph (4), if any bankruptcy judge or magistrate retires under circumstances making such bankruptcy judge or magistrate eligible to make an election under subsection (b)"; and

(B) by striking "and (c), as applicable".

(g) CLAIMS COURT JUDGES.—Section 8440c of title 5, United States Code, is amended—

(1) in subsection (b)(4)(B) by striking "Section 8433(d)" and inserting "Section 8433(b)";

(2) in subsection (b)(5) by striking "retirement under section 178 of title 28 is" and inserting "any of the actions described in paragraph (4) (A) or (B) shall be considered";

(3) in subsection (b) by striking paragraph (8) and redesignating paragraph (9) as paragraph (8); and

(4) in paragraph (8) (as so redesignated by paragraph (3) of this subsection) by striking "Notwithstanding paragraph (4)(A)" and inserting "Notwithstanding paragraph (4)".

(h) JUDGES OF THE UNITED STATES COURT OF VETERANS APPEALS.—Section 8440d(b)(5) of title 5, United States Code, is amended by striking "A transfer shall be made as provided in section 8433(d) of this title" and inserting "Section 8433(b) of this title applies".

(i) TECHNICAL AND CONFORMING AMENDMENTS.—Title 5, United States Code, is amended—

(1) in section 8351(b)(5)(B) (as so redesignated by subsection (a)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(2) in section 8351(b)(5)(D) (as so redesignated by subsection (a)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(3) in section 8433(b)(4) by striking "subsection (e)" and inserting "subsection (c)";

(4) in section 8433(d)(1) (as so redesignated by subsection (b)(2) of this section) by striking "(d) of section 8435" and inserting "(c) of section 8435";

(5) in section 8433(d)(2) (as so redesignated by subsection (b)(2) of this section) by striking "section 8435(d)" and inserting "section 8435(c)";

(6) in section 8433(e) (as so redesignated by subsection (b)(2) of this section) by striking "section 8435(d)(2)" and inserting "section 8435(c)(2)";

(7) in section 8433(g)(5) (as so redesignated by subsection (b)(2) of this section) by striking "section 8435(f)" and inserting "section 8435(e)";

(8) in section 8434(b) by striking "section 8435(c)" and inserting "section 8435(b)";

(9) in section 8435(a)(1)(B) by striking "subsection (c)" and inserting "subsection (b)";

(10) in section 8435(d)(1)(B) (as so redesignated by subsection (d)(3) of this section) by striking "subsection (d)(2)" and inserting "subsection (c)(2)";

(11) in section 8435(d)(3)(A) (as so redesignated by subsection (d)(3) of this section) by striking "subsection (c)(1)" and inserting "subsection (b)(1)";

(12) in section 8435(d)(6) (as so redesignated by subsection (d)(3) of this section) by striking "or (c)(2)" and inserting "or (b)(2)";

(13) in section 8435(e)(1)(A) (as so redesignated by subsection (d)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(14) in section 8435(e)(2) (as so redesignated by subsection (d)(3) of this section) by striking "section 8433(i) of this title shall not be approved if approval would have the result described in subsection (d)(1)" and inserting "section 8433(g) of this title shall not be approved if approval would have the result described under subsection (c)(1)";

(15) in section 8435(g) (as so redesignated by subsection (d)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(16) in section 8437(c)(5) by striking "section 8433(i)" and inserting "section 8433(g)"; and

(17) in section 8440a(b)(6) by striking "section 8351(b)(7)" and inserting "section 8351(b)(5)".

(j) EFFECTIVE DATE.—This section shall take effect 1 year after the date of the enactment of this Act or on such earlier date as the Executive Director of the Federal Retirement Thrift Investment Board shall provide in regulation.

SEC. 8. AMENDMENTS TO ALASKA RAILROAD TRANSFER ACT OF 1982 REGARDING FORMER FEDERAL EMPLOYEES.

(a) APPLICABILITY OF VOLUNTARY SEPARATION INCENTIVES TO CERTAIN FORMER FEDERAL EMPLOYEES.—Section 607(a) of the Alaska Railroad Transfer Act of 1982 (45 U.S.C. 1206(a)) is amended by adding at the end the following:

"(4)(A) The State-owned railroad shall be included in the definition of 'agency' for purposes of section 3 (a), (b), (c), and (e) of the Federal Workforce Restructuring Act of 1994 and may elect to participate in the voluntary separation incentive program established under such Act. Any employee of the State-owned railroad who meets the qualifications as described under the first sentence of paragraph (1) shall be deemed an employee under such Act.

"(B) An employee who has received a voluntary separation incentive payment under this paragraph and accepts employment with the State-owned railroad within 5 years after the date of separation on which payment of the incentive is based shall be required to repay the entire amount of the incentive payment unless the head of the State-owned railroad determines that the individual involved possesses unique abilities and is the only qualified applicant available for the position.".

(b) LIFE AND HEALTH INSURANCE BENEFITS.—Section 607 of the Alaska Railroad Transfer Act of 1982 (45 U.S.C. 1206) is amended by striking subsection (e) and inserting the following:

"(e)(1) Any person described under the provisions of paragraph (2) may elect life insurance coverage under chapter 87 of title 5, United States Code, and enroll in a health benefits plan under chapter 89 of title 5, United States Code, in accordance with the provisions of this subsection.

"(2) The provisions of paragraph (1) shall apply to any person who—

"(A) on the date of the enactment of the Federal Workforce Restructuring Act of 1994, is an employee of the State-owned railroad;

"(B) has 20 years or more of service (in the civil service as a Federal employee or as an employee of the State-owned railroad, combined) on the date of retirement from the State-owned railroad; and

"(C)(i) was covered under a life insurance policy pursuant to chapter 87 of title 5, United States Code, on January 4, 1985, for the purpose of electing life insurance coverage under the provisions of paragraph (1); or

"(ii) was enrolled in a health benefits plan pursuant to chapter 89 of title 5, United States Code, on January 4, 1985, for the purpose of enrolling in a health benefits plan under the provisions of paragraph (1).

"(3) For purposes of this section, any person described under the provisions of paragraph (2) shall be deemed to have been covered under a life insurance policy under chapter 87 of title 5, United States Code, and to have been enrolled in a health benefits plan under chapter 89 of title 5, United States Code, during the period beginning on January 5, 1985, through the date of retirement of any such person.

"(4) The provisions of paragraph (1) shall not apply to any person described under paragraph (2) until the date such person retires from the State-owned railroad.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes, and the gentleman from Indiana [Mr. MYERS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on February 10, 1994, this body passed H.R. 3345, the Federal Workforce Restructuring Act, by a vote of 391 to 17. H.R. 3345 reduces overall Federal employment by 252,000 positions and authorizes Federal agencies to offer separation incentives to their employees of up to $25,000 in order to accomplish this reduction. As passed by the House, it created a short-term increase in direct spending by the Federal Government, but, over the long term it actually reduces direct spending and it reduces discretionary spending by over $22 billion. For this reason, the House waived points of order against the legislation and overwhelmingly passed the bill.

Regrettably, the other body disagreed with the legislation we passed and attached provisions which rendered the separation incentive program useless to Federal agencies. In fiscal year 1994, rather than promoting voluntary separations as intended by this legislation, the Senate amendment to H.R. 3345 effectively requires that agencies rely upon involuntary separations.

The amendment I am asking the House to adopt today addresses the direct spending concern of the Senate in a manner that will ensure agencies are not precluded from using separation incentives to encourage voluntary separations. Specifically, my amendment requires all agencies to pay 9 percent of the employee's salary to the civil service retirement fund in fiscal years 1994 and 1995 for each employee who accepts a buy-out and takes early retirement. The amendment further provides that in each of fiscal years 1995 through 1998, agencies shall pay into the retirement fund $80 times the number of active workers participating in the civil service or Federal Employees Retirement Systems. Over the 5-year period beginning in 1994, this formula will offset the entire direct spending costs associated with the separation incentive payments. It also guarantees that the costs to an agency of encouraging voluntary separations are comparable to the costs an agency otherwise would incur if it accomplished the same reductions through involuntary separations.

When the House initially considered H.R. 3345, it adopted an amendment offered by Mr. PENNY, Mr. BURTON, and Mr. SOLOMON. The amendment I am now offering includes provisions identical to the Penny-Burton-Solomon amendment. In addition to reducing overall Federal employment by 252,000 positions, the Penny-Burton-Solomon amendment required that agencies reduce their personnel on a one-for-one basis for every buyout offer that is accepted. The amendment presently before the House retains that exact language. The Penny-Burton-Solomon amendment also required that those who accept a buyout and return to Government service within a 5-year period must pay back the full incentive payment. This amendment contains identical language.

Mr. Speaker, it is imperative that we enact this legislation in the next few days so that Federal agencies may make maximum use of the buyout authority and avoid involuntary separations.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I rise in strong support of this legislation. It is critical that we pass it today, move it on and, hopefully, have the Senate pass it so we can avoid, if it all possible, involuntary separations which are costly for the Government and very unfair to our employees, and I want to congratulate the gentleman from Missouri [Mr. CLAY] for his leadership on this issue. He has worked, I know, he and his staff, very hard to get us to this point in time, and I also want to thank the ranking member, the gentleman from Indiana [Mr. MYERS], my good friend, who has also worked very hard and very constructively to get us to this point.

Mr. Speaker, I urge immediate passage of this legislation.

Mr. Speaker, I rise today to commend Chairman CLAY for his efforts to resolve the deadlock that has been reached regarding the buyout for Federal Employees.

There is no question that if we do not act today, and resolve this issue this week, that most Federal agencies will face the very wrenching and disruptive procedure of carrying out reductions in force to stay within their appropriated amounts for salaries and expenses.

The Senate version of this legislation had two key differences from the House passed version, which was adopted by a vote of 391 to 17 a few weeks ago. First, the Senate required the bill to be paid for within the 5-year timeframe scored by CBO. Chairman CLAY has met that test and developed a reasonable method for meeting the pay-go test. The Senate should accept this compromise.

Mr. Speaker, Chairman CLAY has fashioned a bill that meets the pay-go test in full; adopts germaine Senate amendments; and meets the test for the Government to act as a responsible employer.

This bill allows for targeted cuts—that can be selectively applied, to accomplish the maximum savings and efficiencies without jeopardizing the effective delivery of Government services.

I urge its adoption.

Mr. CLAY. Mr. Speaker, I reserve the balance of my time.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this compromise worked out by our chairman, the gentleman from Missouri [Mr. CLAY], with strong help from the gentleman from Maryland [Mr. HOYER], both of whom have worked very hard, not only recently trying to work out a compromise with the Senate, but also in developing this bill to the point where we are now.

Mr. Speaker, the gentleman from Missouri [Mr. CLAY] has very accurately described what is in this. The important thing is that this legislation, now offered as a compromise, provides all the protection for any possible abuse that might happen if employees took the $25,000, came back to work for the agency. They cannot do that. It protects the taxpayers in this respect. It also has the right of coming back in for contract. It also gives that protection, but it is a fair way to approach this.

Wearing my other hat on the Committee on Appropriations where I serve, Mr. Speaker, I asked a number of the Secretaries of the Departments coming before our Committee on Appropriations what impact, how this legislation would work, and all have testified exactly the same way with the same kind of testimony. They are faced with a situation of having to bring down their work force by 252,000 in the next 5 years. If they have to do it by RIF, it will be very unfair to the Federal employees. It also would be unfair to their agencies because they would probably take the key people from the top, some of whom had to be kept so this voluntary program of buyout is a more equitable way. But I also asked them about this more reasonable way of paying for those who are purchased, if I may use that. Their retirement is purchased for early retirement, so we give these employees up to $25,000 encouragement to retire. How are they going to pay for it? All have said the same thing.

The 9 percent would be a burden if it is not passed very, very quickly. Those retirements have to come very early in the fiscal year, or they are going to have difficulty paying for it by the 9 percent because the agencies are going to have to come up with a 9-percent payment. So, if they can have a savings early in the year, and it is getting very close right now to where it would probably—those agencies would have to come back in for a supplemental. So, if we do it right away, we can avoid the necessity of having a supplemental appropriation request from the various agencies who will have a number of employees that will take advantage.

They also say that expected retirements have been delayed. People they thought probably would retire are waiting to see what this program is going to do, so the consequences are they are carrying people on the payroll. They would not have to if we soon get this passed. So I think this is a very fair compromise. I hope the other body will accept this.

I think that we have to compliment a lot of people, but particularly the gentleman from Missouri [Mr. CLAY] and the gentleman from Maryland [Mr. HOYER]. We thank them for their help in working out this compromise and just hope it works.

Mr. CLAY. Mr. Speaker, I thank the gentleman from Indiana [Mr. MYERS] for his work on this measure. He has been very helpful to us.

Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Speaker, I rise in support of the compromise.

Mr. Speaker, total chaos will prevail in the Federal Government if the deadlock on the Federal Workforce Restructuring Act—H.R. 3345—is not broken. Last month, the House passed with bipartisan support H.R. 3345 to provide buyouts to Federal workers after a hearing on the restructuring of the Federal Government at which an unprecedented 15 Federal agencies testified about the dire need to approve separation incentive payments. The agencies all testified that without this legislation reductions in force [RIF] would occur in the Federal Government, and their effect would be devastating.

Following House action, the Senate passed a significantly different version of H.R. 3345. Since then, because of the deadlock between the House and Senate, agencies have already begun to announce that RIF's will occur. The Office of Personnel Management has sent out RIF notices to 523 employees, and it is possible that RIF's also will happen at NASA and in the Department of the Interior.

When the Senate passed H.R. 3345, their amendment rendered it useless for this fiscal year. The amendment also made it difficult in the future for agencies to offer the incentive by increasing the amount of the employee's salary agencies must pay into the retirement fund from 9 percent to 26 percent. Because of these changes, the Senate bill simply will not prevent RIF's in the Federal Government.

The Clay compromise is a well thought out bill that retains the original language requiring agencies to pay only 9 percent of the employee's salary into the civil service retirement fund. To fund the $519 million in direct spending cost that the Senate requires must be paid, the Clay compromise proposes all executive branch agencies pay $80 per year to the civil service retirement fund for each active employee who participates in FERS or CSRS for fiscal years 1995 through 1998.

Unlike the Senate bill which mandates the savings from reducing the size of the work force be used to fund the crime bill, the Clay bill does not specify how the bill's savings should be used. This should not be part of the buyout debate, and should be considered in the context of anticrime legislation. The Clay compromise allows the House to complete its consideration of the crime bill before any funding mechanisms are considered.

I want to stress again that without this legislation, RIF's will occur in the Federal Government and in many congressional districts. For those of my colleagues who are unclear about RIF's, RIF's are another term for layoffs, and are used to reduce Federal employment by allowing more senior employees to bump more junior employees from their positions. They are time consuming, costly, demoralizing to the work force, provide little benefit to an agency or an employee, hamper productivity, and wreak havoc on the diversity of the workplace.

I urge my colleagues to support this legislation. It will be a travesty to the American taxpayer if buyout authority fails.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

□ 1230

Ms. NORTON. Mr. Speaker, this is the second time on the floor for H.R. 3345, and we're coming in just under the wire if chaotic layoffs are not to replace planned buyouts. To their credit, the minority in this body understood that nothing should stand in the way of a $22 billion savings this buyout bill gives the Government. Imitating the private sector and adopting a cardinal market rule, we voted to invest $519 million up front to reap a dividend of $22 billion. Since there are no free lunches, the huge return on this investment seemed especially generous.

It took the other body longer to get it, but with the skilled leadership of Chairman CLAY, it looks as if we may finally have an irresistible deal. On buyouts, however, the chickens have tended to hatch prematurely, so all fingers are naturally crossed.

I certainly hope it will not be too late for 520 OPM employees who got layoff—reductions-in-force or RIF—notices 1 week ago. If OPM acts immediately with sufficient management skill, the agency can surely turn around at least some of those layoff notices.

The creative and uncomplicated Clay compromise has paved the way for resolution of a stalemate that has almost derailed buyout legislation. Without this bill, of course, all of the other savings—billions more than the buyout personnel savings—will be lost as well. This is because the NPR depends on a reduction of employees in order to accomplish the extensive revision and rearrangement of Government functions that is at the heart of the Gore proposals to reinvent Government itself. Finally, when H.R. 3345 travels to the Senate it must be allowed to stand on its own. Surely Federal employees deserve an up and down vote on buyouts alone. We have kept Federal workers waiting too long already.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. MORELLA], a very valued member of this committee who has worked very hard on this issue as well because she does have a great many Federal employees.

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I simply want to indicate that it is about time we make the kind of inroads necessary on this buyout bill. In the proposal before us for the budget, there is a reduction of Federal employees to the tune of 118,000 through 1995, and if we do not pass this bill, the Clay compromise, as we call it, then we are going to have to RIF—reduction in force—those people who were last hired. It is going to end up being women and minorities. They are not going to be the middle-management people, as the reinvent Government proposal had devised. So it is going to defeat the purpose completely.

Although the Clay compromise may not be perfect, it is the very best we can do at this time. I know that Chairman CLAY has worked very hard on it so we would have something in a timely manner. There is nothing else we can do, with the adamancy that we see on the other side, except to pass this bill.

Mr. Speaker, I want to congratulate Chairman CLAY and our ranking member, the gentleman from Indiana [Mr. MYERS]. We have all worked together on this in our committee to come up with something that would be workable. So I ask this House to approve the Clay compromise.

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentlewoman from Maryland [Mrs. MORELLA] for her comments and for her contribution in making this a reality today, and I yield back the balance of my time.

Mr. MFUME. Mr. Speaker, I rise today in strong support of the legislation before us and urge its immediate passage as well as its swift enactment into law.

As we all know, within the last month different versions of the bill before us have passed both the House and the Senate. Today we have yet a third version, a compromise version, which, like the other version that passed this House is a fiscally responsible and humane answer to a difficult question.

The fact of the matter is that both the administration and Congress have committed themselves to reducing the Federal work force by 252,000 people. The question we are, therefore, faced with is how to achieve this goal in a fiscally responsible manner that will enable the Federal agencies to downsize in a cohesive and efficient manner while, at the same time, being sensitive to the needs of Federal employees.

Like its predecessor the bill before us meets all of these goals and, for that reason that it has enjoyed strong bipartisan support in both bodies.

As we all know, the alternative to this legislation is reductions in force, or RIF's. RIF's are not only fiscally undesirable, but they also result in agencies being unable to reduce their personnel numbers in a cohesive and management-efficient manner. Furthermore, as illustrated by a recent report by the General Accounting Office, RIF's result in a disproportionate number of blacks and minorities being dismissed.

Mr. Speaker, colleagues, as I said earlier I strongly support this legislation and I urge its swift enactment. The longer we wait the more likely RIF's will be and the less money that is ultimately saved by the Federal Government. This legislation is not perfect, but it's a responsible answer to a difficult question.

Mr. MONTGOMERY. Mr. Speaker, as we move to impose reductions in the Federal work force, we must be careful not to require across-the-board reductions throughout the Government. As I said when I introduced a measure on Federal work force reductions last month, the policy of making the Veterans Health Administration subject to across-the-board cuts now being implemented by the administration does not make any sense.

The Department of Veterans Affairs employs approximately 11 percent of the Federal civilian work force. If you walk into a VA outpatient clinic today, VA officials will tell you that they have rationed care or told some veterans that they will have to get care elsewhere. Although the proposed Health Security Act (H.R. 3600) might resolve some of these problems, the demand for VA services today is far greater than the VA's capacity to provide them.

VA needs to have flexibility in meeting the future work force needs of its health care system. If this country is going to honor its commitment to provide health care to our Nation's veterans, we should take steps to increase the VA's ability to provide care to veterans who want it.

If VA were forced to reduce the number of its employees by 5,000 every year for the next 5 years, it would have to tell even more veterans to get their health care someplace else. I want the VA to be able to provide health care in the same manner as private health-care providers. But if we insist that the VA participate in these across-the-board cuts the same as every other Federal agency, the VA isn't going to make it.

Forcing the VA to begin shrinking services to veterans, when it should be making VA health care more accessible, is bad policy for veterans and for this Nation. The only reason for reducing the size of the VA work force is if veterans stop demanding care from the VA.

VA is a safety net for disabled and poor veterans. There is nothing in this bill that assures these veterans health care from other sources if the VA loses 25,000 employees. Therefore, I want to tell my colleagues that this work force reduction should not be implemented in an across-the-board fashion. As the GAO said:

> Across-the-board reductions that do not recognize the differing capacities of agencies to absorb such cuts could significantly exacerbate existing gaps in agencies' abilities to meet their missions. As the overall level of Federal employment is reduced, downsizing efforts need to allow for adding high quality staff to those agencies where shortages of properly skilled staff are hampering their effectiveness.

At a hearing held by our committee today, the representatives of almost 3 million veterans who depend on VA for their health care argued very vehemently against making VA subject to these across-the-board cuts in employment.

VA hospitals are not bloated bureaucracies. They are institutions which provide compassionate care to poor and disabled veterans. Many of these veterans are suffering from diseases such as mental illness, alcoholism, or other diseases which some community hospitals either disdain or find unprofitable. People are the lifeblood of a hospital. Eliminating staff from a hospital's workforce means shutting down the wards in which care is provided. We can't fool ourselves into thinking that because a profit-making multinational corporation can reduce its workforce and increase profits that we can streamline VA hospitals that serve as a safety net for our veterans.

As the Vice President's report on "Reinventing Government" noted:

> FTE ceilings are frequently arbitrary, rarely account for challenging circumstances, and are normally imposed as across-the-board percentage cuts in FTEs for all of an agency's units. . . . The President should direct OMB and agency heads to stop setting FTE ceilings in fiscal year 1995. . . . Instead of controlling the size of the federal workforce by employment ceilings—which cause inefficiencies and distortions in managers' personnel and resource allocation decisions—[the Executive branch should] control the federal workforce by dollars available in operating funds.

I agree with the Vice President's report, and would also note, as I did when I introduced H.R. 3808, that management flexibility is the key to reinventing the VA as an efficient health care provider in the future. Thus, as I have discussed with Chairman Clay, I plan to pursue House action on this measure to exempt VA from across-the-board cuts in the near future. To do otherwise is to breach the commitment that was made to veterans when we agreed to try to reform the VA health care system.

Mr. CLAY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KLINK). The question is on the motion offered by the gentleman from Missouri [Mr. CLAY] that the House suspend the rules and agree to the resolution, House Resolution 380.

The question was taken, and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just considered and agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

1994 TRADE POLICY AGENDA AND ANNUAL REPORT FOR 1993 ON THE TRADE AGREEMENTS PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means:

To the Congress of the United States:

As required by section 163 of the Trade Act of 1974, as amended (19 U.S.C. 2213), I transmit herewith the 1994 Trade Policy Agenda and 1993 Annual Report on the Trade Agreements Program.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 8, 1994.*

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

To the Congress of the United States:

As required by section 19(3) of Public Telecommunications Act of 1992 (Public Law 102–356), I transmit herewith the report of the Corporation for Public Broadcasting.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 8, 1994.*

WHITEWATER

(Mr. MICHEL asked and was given permission to address the House for 1 minute, and include extraneous matter.)

Mr. MICHEL. Mr. Speaker, until now I have not made any public comment on the growing Whitewater scandal except to ask the Speaker to hold hearings in the House.

I believe such hearings would carry out our constitutional duties of oversight and I still believe they would be useful.

But I feel it necessary today to address ill-advised allegations made by President Clinton yesterday that the Whitewater affair is somehow the product of what he calls hysteria generated by Republicans.

May I respectfully suggest that charges of hysteria by the President may be the only signs of hysteria this case has thus far generated.

Since he did not specifically identify any example of this alleged hysteria it is difficult to know to whom or what he was referring.

What I do know is that every major investigation made by the media—hardly known for their Republican sympathies—has uncovered many important questions about Whitewater.

There are also a growing number of questions that need to be answered about how the White House has dealt with the affair.

The President saw fit to chastise Republicans for what he terms "careless use of language and careless use of the facts." Those charges certainly cannot be directed at our colleague JIM LEACH of Iowa who has been very cautious and scrupulous about what he has said on the issue.

Perhaps it would be best for a bipartisan congressional hearing to look into the question of just who has been careless in language in facts and in other matters.

I do not believe such a request is hysterical. I believe it is, instead, a commonsense view that should be shared by both parties.

I realize that Special Counsel Robert B. Fiske does not favor congressional hearings into Whitewater and has set forth his reasons in a letter to our colleague, JIM LEACH of Iowa, ranking minority member of the House Banking Committee.

At this point I am inserting in the RECORD Mr. LEACH's reply to Mr. Fiske's request, as well as my letter of January 25, addressed to the Speaker, requesting hearings. I believe our colleagues will discover that there are very important reasons why a congressional hearing or hearings on Whitewater should be held:

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS,
Washington, DC, March 7, 1994.

ROBERT B. FISKE, Jr.,
Independent Counsel, Office of the Independent Counsel, Little Rock, AR.

DEAR MR. FISKE: Thank you for the courtesy of your call today alerting me to your letter urging no congressional hearings into Madison/Whitewater. As I indicated, your request that the Banking Committee not hold hearings in the areas covered by the grand jury's ongoing investigation would have a "chilling" effect on the role of congressional oversight.

I understand your concern for the integrity of the criminal justice process. However, the public's concerns, such as the integrity of the regulatory system, abuse of Executive Branch power, and the need for legislative remedies, are broader than just those issues and events which rise to the level of criminal wrongdoing. In addition, agencies of the government as well as the White House have precise rules that govern their employees. Prohibitions against giving preferential treatment to any individual, losing independence or impartiality, or making decisions outside official channels appear to have patently been violated in recent months. Few issues would be more appropriate for congressional review. The Banking Committee not only has the authority but the obligation to conduct investigatory hearings into Madison/Whitewater. The key is to ensure your ongoing investigation is assisted not undercut.

As for the contention that we should not subpoena people related to your investigation, the irony stands out: it was a congressional hearing on the Senate side that produced the acknowledgement that meetings took place between the Treasury and the White House concerning criminal referrals relating to Madison. If it had not been for the Senate hearing producing this troubling information, your office would have had no basis to issue the White House and Treasury subpoenas on Friday. Furthermore, from a historical perspective congressional committees met at the same time Archibald Cox investigated Watergate. It was Senator Sam Ervin's congressional investigation which brought out the existence of the Watergate tapes, an integral finding for the Watergate prosecutor.

The Constitution, numerous Supreme Court precedents, and statutes clearly establish Congress's investigatory power as an essential component of its legislative function.

To honor the request in your letter would be an abdication of Congress's investigative responsibility and be in direct contravention to precedent. The pendency or prospect of criminal litigation does not serve as a basis to decline congressional demands for information either in the form of document production or testimony. For instance, in addition to the congressional hearings concerning Iran-Contra and Watergate, the House Banking Committee recently conducted hearings on BNL, BCCI, Lincoln Savings, Silverado, and other failed financial institutions while the Executive Branch was pursuing law enforcement.

Inherently, Committee hearings do not necessarily pose a threat to the integrity of the grand jury process. In the Iran-Contra circumstance, Congress's granting of immunity to key witnesses was troublesome, but I see no reason the Banking Committee should consider offering any individuals immunity in this hearing. Furthermore, the Committee has hearing rules which allow for the protection of confidential and potentially defamatory material.

The establishment of the independent counsel office does not relieve the Congress of either its broad constitutional responsibility to provide oversight of the Executive Branch or its specific duties as prescribed by law. In balancing competing interests, the public's right to know should not be overwhelmed by your prosecutorial strategies. Indeed, I'd be surprised if a hearing process did not enhance your office's knowledge of the issues at stake. No credible possibility exists that any hearing the House Banking Committee holds would undercut your investigatory efforts or compromise your ability to pursue these matters with the utmost vigor.

Sincerely,

JAMES A. LEACH,
Ranking Member.

HOUSE OF REPRESENTATIVES,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, January 25, 1994.

Hon. THOMAS FOLEY,
Speaker, House of Representatives, The Capitol, Washington, DC.

DEAR MR. SPEAKER: As you know, Senator Dole and I requested on January 12, 1994 that a select committee be established to look into the Whitewater/Madison circumstances. Later that day, the White House announced that it would call for a special counsel on the matter. Accordingly, as a result of the Justice Department's willingness to pursue an investigation of Whitewater/Madison through a special counsel, on behalf of the Republican Leadership I have decided not to pursue the establishment of a select committee at this time. It remains the view of the Minority, however, that relevant committees of Congress would be abdicating their constitutional oversight obligation if they refuse to delve into and hold hearings on the issues surrounding the Whitewater/Madison affair.

From the Banking Committee's perspective, the issues surrounding the Madison case involve the possible malfeasance of state regulation of thrifts, public ethics, and accountability for the S&L debacle. Specifically, there are a number of legislative and regulatory aspects relating directly to the failure and resolution of Madison Guaranty that should be investigated. These inquiries include whether there were insider loan abuses, whether sound underwriting standards were followed and whether Madison made political contributions, gifts or improper personal loans with insured deposits. Other lines of inquiry include the timeliness of the actions of state and federal regulators and the extent to which breaches of professional responsibility and numerous conflicts of interest by accountants, law firms and federal regulators contributed to Madison Guaranty's failure. Most troubling is the abuse of a federally-insured institution by a state political system which, in the end, resulted in losses to all the taxpayers.

From the Small Business Committee's perspective, there appear to be numerous abuses of an SBA program and the misuse of SBA funds. The Committee should continue to look into the failure of Capitol Management Services, Inc. and the SBA's oversight of this specialized small business investment company (SSBIC). The Committee should investigate whether SSBIC loans, which are supposed to be targeted for socially and economically disadvantaged borrowers, were improperly granted. Further, claims that high government officials unduly pressured Capital Management into making improper loans should be investigated. Finally, it appears that a loan to a Madison related party was improperly used by the Whitewater Development Corporation. There appear to be numerous links between the now defunct Capital Management and the failed Madison Guaranty including several projects on which both Capital Management and Madison made loans which later defaulted.

From the Judiciary Committee's perspective, the Madison case provides a number of oversight issues, including the adequacy of the Justice Department's investigation of Madison Guaranty prior to the recusal of the U.S. Attorney in Little Rock; the Justice Department's overall record in handling criminal referrals from federal banking agencies; implications of the statute of limitations for S&L crimes; renewal of the Independent Counsel law and its implications on Special Counsel Fiske; and, finally, the conflicts that arise from the government's contracting out for legal services.

Finally, let me stress it has been the longstanding view of the Minority party that the committee with the largest oversight jurisdiction, the Government Operations Committee, should be the one committee in Congress controlled by the Minority party. This is particularly important for such circumstances as we find today where the Majority party is the same as that of the Administration and both desire to limit oversight because of concern for embarrassment to the leadership of that party.

The public's interest, above all circumstances of this matter, is for full disclosure. As you know, in oversight of a series of banking and savings and loan failures over the last decade, congressional hearings proceeded while Justice Department investigations were underway. For example, congressional hearings on Lincoln Savings and Loan and Silverado Savings ran concurrently with Justice Department investigations and did not impede or hinder prosecutorial efforts. The Minority would continue to be exceedingly sensitive to the problems attendant to the possibility of interfering with Justice Department inquiries in this matter.

Accordingly, I would urge you to direct the committees of jurisdiction to proceed in an orderly fashion with responsible oversight investigations and hearings on Whitewater/Madison.

Sincerely,

BOB MICHEL,
Republican Leader.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REDUCTION IN REGULATORY CONTROL OF FEDERAL RESERVE BOARD IS SUBJECT OF PROPOSED LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, through a combination of aggressive—and inappropriate—lobbying and strong-arm scare tactics, the Federal Reserve is engaging in an all-out crusade to sink the administration's plan to consolidate and modernize banking regulation. So far, few have been willing to challenge the Fed—particularly after a visit from their friendly local banker. The truth be known, the Fed is not worried about the continued existence of the dual banking system, or about being a less effective central banker. Rather, the Fed doesn't want to lose the Rasputin-like control it has over the banks it regulates.

The administration's Consolidation Act of 1994 makes banking more efficient and reduces the number of separate Government agencies necessary to examine each federally insured bank. In his effort to thwart this reform, Federal Reserve Chairman Alan Greenspan uncharacteristically wrote an editorial for the Wall Street Journal attacking the administration's plan. He talked about the need for "hands-on bank supervision," though Chairman Greenspan failed to tell us where the Fed really has its hands when it comes to supervising banking competition.

To understand what the Federal Reserve is really talking about, I ask you to consider the scope of regulation in

which the Federal Reserve is now embroiled. The Federal Reserve has complete authority to regulate bank holding companies, which are companies owning one or more commercial banks. This authority extends to banks with 93 percent of the assets in the private banking system, a statistic which may come as a surprise.

More than 6,000 bank holding companies control about 85,000 federally insured private commercial banks with approximately 93 percent of the assets of all insured commercial banks in the United States at the end of 1992, according to Federal Reserve records.

What does this kind of regulation involve? Take a large bank holding company seeking to buy a number of banks, for example. The holding company must first get permission from the Federal Reserve, then, the Federal Reserve must determine if these bank purchases will seriously reduce competition.

The Federal Reserve Bank overseeing the bank holding company makes this decision. Yet, indirectly, the banking industry ends up having a say in this decision. All actions of the Federal Reserve Bank, of which there are 12 around the country, must be approved by the nine members of the board of directors, six of whom are elected by the Federal Reserve member banks in the area. The president of the Federal Reserve Bank is also elected by this board of directors, which is top-heavy with bankers.

I have received reports of candidates campaigning for the position of president of a Federal Reserve Bank by visiting the private banks in the area to gain support. There is no doubt that the Federal Reserve Banks' favored constituents are the very banks they supervise. Clearly this gives rise to possible conflicts of interest.

CEO's of bank holding company officials must play the Federal Reserve game if they are to be successful in buying up competing institutions. They must get friendly people on the boards of directors of the regional Federal Reserve Banks. This is useful because when bank holding companies want to buy competitive banks, they have their people positioned inside the Federal Reserve and when they want to block competitors from buying up banks they also can rely on their representatives inside the Federal Reserve to represent their interests.

This Federal Reserve power to regulate holding companies has virtually nothing to do with the kind of bank examination Chairman Greenspan would lead us to believe he needs for hands-on regulatory authority. The Federal Reserve determines competition in the banking system. In such an incestuous relationship the Federal Reserve does not hesitate to call on many of its regulated banks to add to Chairman Greenspan's clamor to block a single, streamlined, independent banking commission of the type proposed by the administration and which I have advocated in my proposed legislation, H.R. 1214.

The only hands that should be on Federal bank regulation are those of neutral bank regulators. The Federal banking regulators should not have to campaign for the votes of the banks they are regulating, as is the case in our present Federal Reserve System. The Federal Reserve System is definitely broken and needs fixing and those who claim the present system is apolitical do not understand how it operates. I urge my colleagues to question the Fed's arguments and motives before throwing their hats into the Fed's exclusive ring.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess until 5 p.m. today.

Accordingly (at 12 o'clock and 43 minutes p.m.) the House stood in recess until 5 p.m.

□ 1703

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. FIELDS of Louisiana) at 5 o'clock and 3 minutes p.m.

REQUEST FOR COMMITTEE ON BUDGET TO FILE REPORT ON FISCAL YEAR 1995 BUDGET RESOLUTION

Mr. SABO. Mr. Speaker, I ask unanimous consent that the Committee on the Budget may have until midnight tonight to file its report on the fiscal year 1995 budget resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. ALLARD. Mr. Speaker, reserving the right to object, we would like to have a clarification on the request. I would ask if the gentleman would withdraw the request until we have an opportunity to take it under advisement.

Mr. SABO. Mr. Speaker, if the gentleman will yield, I have visited with the gentleman from Ohio [Mr. KASICH] about this. But I will withdraw the request temporarily.

Mr. ALLARD. If the gentleman will withdraw until we have had an opportunity to confer with the gentleman from Ohio [Mr. KASICH], then perhaps later on this evening the gentleman can make this request again.

Mr. SABO. Mr. Speaker, I withdraw the request temporarily.

The SPEAKER pro tempore. The request is withdrawn.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

Mr. ALLARD. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ALLARD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 211, nays 132, not voting 90, as follows:

[Roll No. 42]

YEAS—211

Abercrombie
Ackerman
Andrews (NJ)
Applegate
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Bateman
Beilenson
Bevill
Bilbray
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (FL)
Brown (OH)
Byrne
Callahan
Cantwell
Cardin
Carr
Chapman
Clayton
Clement
Clinger
Clyburn
Collins (IL)
Collins (MI)
Combest
Condit
Cooper
Coppersmith
Costello
Coyne
Danner
Darden
Deal
DeLauro
Deutsch
Dixon
Dooley
Durbin
Edwards (TX)
Engel
Eshoo
Evans
Everett
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Greenwood
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hayes
Hefner
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inglis
Inslee
Jefferson
Johnson (GA)
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kingston
Kleczka
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Livingston
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCurdy
McDermott
McHale
McInnis
McKinney
McNulty
Meek
Menendez
Mfume
Mineta
Minge
Mink
Mollohan
Montgomery
Moran
Myers
Neal (NC)
Nussle
Oberstar
Olver
Orton
Owens
Oxley
Pallone
Parker
Pastor
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reed
Richardson
Roemer
Rose
Rowland
Roybal-Allard
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Scott
Serrano
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter

Smith (IA)
Snowe
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swift
Synar
Tauzin
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Tucker
Unsoeld
Velazquez
Vento
Volkmer
Waters
Waxman
Wheat
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—132

Allard
Bachus (AL)
Baker (CA)
Ballenger
Barrett (NE)
Bartlett
Bentley
Bereuter
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Buyer
Calvert
Camp
Canady
Castle
Coble
Collins (GA)
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
Ewing
Fawell
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gingrich
Goodlatte
Goodling
Goss
Grams
Gunderson
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Hutchinson
Hyde
Inhofe
Istook
Johnson (CT)
Kim
King
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Manzullo
McCandless
McCollum
McDade
McHugh
McKeon
McMillan
Meyers
Mica
Michel
Miller (CA)
Miller (FL)
Molinari
Moorhead
Murphy
Packard
Paxon
Petri
Porter
Portman
Pryce (OH)
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Saxton
Schaefer
Schiff
Schroeder
Sensenbrenner
Shays
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Solomon
Spence
Stearns
Stump
Sundquist
Talent
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Walker
Walsh
Wolf
Young (AK)
Zeliff
Zimmer

NOT VOTING—90

Andrews (ME)
Andrews (TX)
Archer
Armey
Bacchus (FL)
Baker (LA)
Barton
Becerra
Berman
Bilirakis
Blackwell
Brooks
Brown (CA)
Bryant
Burton
Clay
Coleman
Conyers
Cox
Cramer
Crane
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dornan
Edwards (CA)
English
Fields (TX)
Flake
Foglietta
Ford (MI)
Ford (TN)
Gallo
Geren
Gibbons
Grandy
Green
Hall (TX)
Hastings
Hilliard
Houghton
Huffington
Hunter
Jacobs
Johnson, E. B.
Johnson, Sam
Klein
Lipinski
Lloyd
Machtley
McCloskey
McCrery
Meehan
Moakley
Morella
Murtha
Nadler
Natcher
Neal (MA)
Obey
Ortiz
Payne (NJ)
Quillen
Quinn
Reynolds
Rostenkowski
Roukema
Rush
Santorum
Schumer
Sharp
Shaw
Shuster
Smith (TX)
Swett
Tanner
Tejeda
Torricelli
Valentine
Visclosky
Vucanovich
Washington
Watt
Weldon
Whitten
Wilson
Young (FL)

☐ 1729

Mr. KREIDLER changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

LEGISLATIVE PROGRAM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I have asked for this 1 minute for the purpose of ascertaining the schedule.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Mr. Speaker, I yield to my good friend, the majority leader, to hear what the carefully-worked-out schedule will be.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Georgia [Mr. GINGRICH].

On tomorrow, on Wednesday, we will meet at noon. We will be taking up H.R. 6, amendments which we have worked on before on the elementary and secondary education bill. And there is also a plan to try to go forward with the rule to provide that the clinic access bill go to conference.

Mr. Speaker, there are numerous procedural votes possible. We will expect a late session tomorrow; I would say 7 or 8 o'clock would be a fair estimate.

On Thursday, Mr. Speaker, we will be taking up the budget resolution. We want to finish it on that day, if we possibly can. I think Members should expect a very late session that night to try to finish the budget.

On Friday, if we need more time on the budget, we will be here, and we will continue on H.R. 6 amendments. We will be out by 3 o'clock, no later than 3 o'clock.

Mr. GINGRICH. Mr. Speaker, if I could ask, on Thursday, as I understand it, will we take up the rule on the budget on Thursday also?

Mr. GEPHARDT. That is correct.

Mr. GINGRICH. So, we will take up the rule on the budget. We will then take up the Humphrey-Hawkins debate, which will be what; at least 3 hours?

Mr. GEPHARDT. We are negotiating that, I take it, in the Committee on Rules.

Mr. GINGRICH. I am just trying to get some sense.

As the gentleman knows, we think on our side that we have a pretty good alternative in the new Kasich budget, in the House budget, and we would hope that there is not going to be an effort to vote on that at midnight, or 1 or 2 in the morning, or something. Does the gentleman know, if we get to a reasonable hour, can we take up the Republican substitute and the final vote on Friday, if that is where we get to?

Mr. GEPHARDT. We are going to make every effort to finish this bill on Thursday and to shorten the debate so that it can be done at a reasonable hour. That is our great hope.

Obviously we want to get it done this week, and, if we have to be here on Friday, there are a number of Members who, I am sure, will have difficulty being here Friday. We would like to avoid having the vote on the budget on Friday. If we can possibly do it on Thursday, we are going to do it Thursday.

Mr. GINGRICH. I am just curious. Since apparently the Congressional Budget Office could never actually get this work out in terms of scoring everything satisfactorily, and since we are now 3 weeks ahead of the normal budget schedule, is there a reason we are trying to rush all this through rather than having a more reasonable debate over several days?

Mr. GEPHARDT. Mr. Speaker, if the gentleman would continue to yield, we have the crime bill we would like to finish which has a lot more to be done on it before the Easter district work period. We also have the balanced-budget amendment, which will be coming up next week, and a number of conference reports and other pieces of legislation.

Mr. GINGRICH. Mr. Speaker, I thank the gentleman from Missouri [Mr. GEPHARDT] very much.

HOUR OF MEETING ON TOMORROW

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on tomorrow.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON THE BUDGET TO FILE REPORT ON BUDGET RESOLUTION FOR FISCAL YEAR 1995

Mr. SABO. Mr. Speaker, I ask unanimous consent that the Committee on the Budget may have until midnight tonight to file its report on the budget resolution for fiscal year 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes.

Mr. OWENS, for 5 minutes.

(The following Members (at the request of Mr. HINCHEY) to revise and extend their remarks and include extraneous material:)

Mr. SANDERS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MORELLA) and to include extraneous matter:)

Mr. CALLAHAN.
Mr. GALLO.
Mr. SHAW.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. HAMILTON in two instances.
Mr. MATSUI.
Mr. MILLER of California.
Mr. LAMBERT.
Mr. BONIOR in two instances.
Mr. MAZZOLI.
Mr. CLYBURN in two instances.
Mr. DURBIN.
Mr. SISISKY.

(The following Members (at the request of Mr. ALLARD) and to include extraneous matter:)

Mr. HUNTER.
Ms. MOLINARI.
Mrs. ROUKEMA.
Mrs. VUCANOVICH.
Mr. COX.
Mr. LEACH.
Mr. GILMAN.

(The following Members (at the request of Mr. HINCHEY) and to include extraneous matter:)

Mr. LEHMAN.
Mr. DINGELL.
Mr. PICKETT.
Mr. TRAFICANT.
Mr. MORAN.
Mr. CARDIN.
Mr. LIPINSKI.
Mr. SABO.
Ms. NORTON.
Mr. HOYER.

ADJOURNMENT

Mr. MFUME. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 36 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, March 9, 1994, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2724. A letter from the Assistant Secretary of the Army (Installations, Logistics, and Environment), Department of Defense, transmitting notification of the recent discovery of one 2.36-inch suspected chemical rocket projectile on February 1, 1994, at Aberdeen Proving Ground, MD, pursuant to 50 U.S.C. 1518; to the Committee on Armed Services.

2725. A letter from the Assistant Secretary of the Army (Installations, Logistics, and Environment), Department of Defense, transmitting notification of the recent emergency destruction of two 4.2-inch chemical mortar projectiles at Dugway Proving Ground, UT, pursuant to 50 U.S.C. 1518; to the Committee on Armed Services.

2726. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Charles H. Twining, of Maryland, to be Ambassador to Cambodia, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2727. A letter from the Vice President and General Counsel, Overseas Private Investment Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2728. A letter from the Chairman, U.S. Securities and Exchange Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2729. A letter from the Secretary of Health and Human Services, transmitting the Department's report entitled "A Study of Payments for Ambulance Services under Medicare," pursuant to Public Law 101-239, section 6136(b) (103 State. 2223); jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABO: Committee on the Budget. House Concurrent Resolution 218. Resolution setting forth the congressional budget for the U.S. Government for fiscal years 1995, 1996, 1997, 1998, and 1999 (Rept. No. 103-428). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEHMAN (for himself, Mrs. VUCANOVICH, and Mr. MILLER of California):

H.R. 3967. A bill to amend the Helium Act to prohibit the Bureau of Mines from refining helium and selling refined helium, to dispose of the U.S. helium reserve, and for other purposes; to the Committee on Natural Resources.

By Mr. HUGHES:

H.R. 3968. A bill to provide grants to States to assist in the incarceration of violent repeat offenders and to manage the problems associated with overcapacity in correctional facilities and programs and to support comprehensive programs that will reduce the rate of recidivism; to the Committee on the Judiciary.

By Mr. BOEHNER (for himself, Mr. ROBERTS, Mr. STENHOLM, Mr. SMITH of Oregon, Mr. COMBEST, Mr. DARDEN, Mr. KINGSTON, Mr. EMERSON, Mr. BISHOP, Mr. DELAY, Mr. TEJEDA, Mr. MCCRERY, Mr. LIVINGSTON, Mr. BARLOW, Mr. LINDER, Mr. TAYLOR of North Carolina, Mr. PARKER, Mr. BAESLER, Mr. HANSEN, Ms. DANNER, Mr. POSHARD, Mr. LANCASTER, Mr. BONILLA, Mr. CRAPO, Mr. BUNNING, Mr. WILSON, Mr. DOOLITTLE, Mr. MINGE, Mr. EWING, Mr. HAYES, Mr. HOAGLAND, Mr. BAKER of Louisiana, Mr. OXLEY, and Ms. KAPTUR):

H.R. 3969. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide State, Federal, and Tribal agencies with sufficient time to implement certain pesticide safety training programs; to the Committee on Agriculture.

By Mr. CARDIN:

H.R. 3970. A bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. COX:

H.R. 3971. A bill to amend title 18, United States Code, to exempt qualified former agents of the Federal Bureau of Investigation from State laws prohibiting the carrying of concealed firearms; to the Committee on the Judiciary.

By Mr. HAMBURG:

H.R. 3972. A bill to designate the visitors center at Warm Springs Dam, CA, as the "Milt Brandt Visitors Center"; to the Committee on Public Works and Transportation.

By Mr. HOYER (for himself and Mr. MORAN):

H.R. 3973. A bill to expand the boundaries of the Piscataway National Park, and for other purposes; to the Committee on Natural Resources.

By Mr. LEACH:

H.R. 3974. A bill to provide for fair trade in insurance services, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. MCCLOSKEY:

H.R. 3975. A bill to establish temporary measures to facilitate the reemployment of Federal employees who are involuntarily separated from teaching positions abroad; to amend title 5, United States Code, with respect to continuing health benefits for such employees, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Education and Labor.

By Ms. MOLINARI:

H.R. 3976. A bill to amend the Act establishing the Gateway National Recreation Area to provide for the management of Fort Wadsworth by the Secretary of the Interior, and for other purposes; to the Committee on Natural Resources.

By Mr. PETERSON of Florida:

H.R. 3977. A bill to reform the grave marker allowance for veterans; to the Committee on Veterans' Affairs.

By Mr. POMBO:

H.R. 3978. A bill to amend the Endangered Species Act of 1973 to provide for the conservation of threatened species and endangered species, to assure balanced consideration of scientific, economic, and social factors in the implementation of the act, to provide for scientific peer review of determinations made under the act, to provide private property protections, to remove obsolete provisions, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SCHUMER (for himself and Mr. HYDE):

H.R. 3979. A bill to amend title 18, United States Code, with respect to certain mandatory minimum sentences; to the Committee on the Judiciary.

By Mr. SCHUMER (by request):

H.R. 3980. A bill to support and assist drug courts; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. SCHUMER (for himself (by request), Mr. Hoyer, Mr. Mazzoli, Mr. Glickman, Mr. Sangmeister, Mr. Mann, Mr. McCollum, Mr. Ramstad, Mr. Livingston, Mr. Royce, Mr. Manton, and Ms. Byrne):

H.R. 3981. A bill to provide mandatory life imprisonment for persons convicted of a third violent felony; to the Committee on the Judiciary.

By Mr. WELDON (for himself and Mr. Ortiz):

H.R. 3982. A bill entitled "The Ocean Radioactive Dumping Ban Act of 1994"; to the Committee on Merchant Marine and Fisheries.

By Mr. DOOLITTLE:

H.J. Res. 331. A joint resolution designating May 1994, as "National Community Residential Care Month"; to the Committee on Post Office and Civil Service.

By Mr. GILMAN:

H. Con. Res. 216. Concurrent resolution expressing the sense of the Congress regarding human rights in Vietnam; to the Committee on Foreign Affairs.

By Mr. NADLER:

H. Con. Res. 217. Concurrent resolution expressing the sense of the Congress that any comprehensive health care reform legislation that is enacted should ensure that women receive appropriate breast and cervical cancer screenings and general gynecological care consistent with current medical standards; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. CLAY:

H. Res. 380. Resolution providing for the concurrence by the House with an amendment to the amendment of the Senate to H.R. 3345; considered under suspension of the rules and agreed to.

By Mr. HEFLEY (for himself, Mr. Bachus of Alabama, Mr. Bunning, Mr. Burton of Indiana, Mr. Canady, Mr. Doolittle, Mr. Emerson, Mr. Gallegly, Mr. Gingrich, Mr. Hansen, Ms. Dunn, Mr. King, Mr. Lightfoot, Mr. Livingston, Mr. McHugh, Mr. Myers of Indiana, Mr. Portman, Mr. Ramstad, Mr. Stump, Mr. Sundquist, Mr. Torkildsen, and Mr. Linder):

H. Res. 381. Resolution amending the Rules of the House of Representatives to require a three-fifths majority vote to pass any bill, joint resolution, amendment, or conference report raising revenues; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

294. The SPEAKER presented a memorial of the House of Representatives of the State of Louisiana, relative to amending the Oil Pollution Act of 1990 with respect to the financial responsibility requirements for offshore exploration and production facilities; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HOYER introduced a bill (H.R. 3983) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Sunshine;* which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. Sanders.

H.R. 171: Mr. Fish.

H.R. 173: Mr. Baker of Louisiana.

H.R. 369: Mr. McMillan and Mr. Goodling.

H.R. 372: Mr. Allard, Mr. Cox, Mr. Upton, and Mr. Zeliff.

H.R. 702: Mr. Peterson of Minnesota, Mrs. Schroeder, Mr. Sarpalius, Mrs. Lloyd, and Mr. Owens.

H.R. 769: Mr. Rose.

H.R. 885: Mr. Stump and Mr. Barca of Wisconsin.

H.R. 1055: Mr. Baker of Louisiana.

H.R. 1181: Ms. Eshoo and Mr. Strickland.

H.R. 1517: Mr. Martinez, Mr. Strickland, Mr. Lipinski, and Mr. Filner.

H.R. 1551: Ms. Eddie Bernice Johnson of Texas, Mr. Myers of Indiana, Mr. Johnston of Florida, and Mr. Machtley.

H.R. 1671: Mr. Frank of Massachusetts.

H.R. 1712: Mr. Buyer, Mrs. Fowler, and Mr. Baker of Louisiana.

H.R. 1815: Mr. Pombo.

H.R. 1900: Mrs. Kennelly and Mr. Barca of Wisconsin.

H.R. 1968: Mr. Nadler and Mr. Horn.

H.R. 1981: Mr. Tauzin, Mr. Johnson of Georgia, and Mr. Kingston.

H.R. 1986: Mr. Gekas, Mr. Pastor, Mr. Dornan, Mr. Parker, Mr. Gallegly, Mr. Neal of North Carolina, and Mr. Fish.

H.R. 2135: Mr. Frank of Massachusetts and Mr. Bilbray.

H.R. 2159: Mr. Johnson of South Dakota.

H.R. 2207: Mr. Solomon.

H.R. 2479: Mr. Fish, Mr. Clay, Mr. Manton, Mrs. Roukema, Mr. Blackwell, Mr. Matsui, and Mr. Murtha.

H.R. 2623: Mr. Bachus of Alabama.

H.R. 2654: Mr. Doolittle and Mrs. Lloyd.

H.R. 2767: Mr. Montgomery.

H.R. 2866: Mr. Sarpalius and Mr. Jefferson.

H.R. 2910: Mr. Grams, Mr. Hastert, Mr. McMillan, Mr. Mica, Mr. Minge, Mr. Slattery, Mr. Stenholm, and Mr. Upton.

H.R. 3014: Ms. Danner and Mr. Gephardt.

H.R. 3097: Ms. McKinney.

H.R. 3136: Mr. Evans.

H.R. 3271: Mr. Solomon.

H.R. 3293: Mr. Owens and Mr. Callahan.

H.R. 3328: Mr. Fish.

H.R. 3333: Mr. Boehner.

H.R. 3363: Mr. Gingrich.

H.R. 3431: Ms. Furse.

H.R. 3455: Mr. Blute, Mr. Ewing, and Mr. Jacobs.

H.R. 3508: Mr. Oberstar.

H.R. 3513: Mr. Fish.

H.R. 3622: Mr. Baker of Louisiana.

H.R. 3656: Mr. Linder.

H.R. 3663: Mr. Thompson, Mr. Stark, Mr. Torres, and Ms. Ros-Lehtinen.

H.R. 3727: Mr. Boehner.

H.R. 3762: Mr. McKeon.

H.R. 3795: Mr. Klug, Mr. Buyer, and Mr. Stump.

H.R. 3796: Mr. Ballenger, Mr. Fish, and Ms. Pryce of Ohio.

H.R. 3830: Ms. Brown of Florida, Mr. Pastor, Mr. Skelton, and Mr. Smith of Iowa.

H.R. 3860: Mr. Wilson and Mr. Ballenger.

H.R. 3862: Mr. Hefley.

H.R. 3873: Mr. Borski, Mr. Engel, Mr. Klein, and Mr. McDermott.

H.R. 3878: Mr. Kreidler.

H.R. 3879: Mr. Fingerhut, Mr. Chapman, Ms. Brown of Florida, Mr. Klein, Mr. Frost, Mr. Martinez, Mr. Abercrombie, Mr. Reynolds, Mr. Owens, Mr. Moran, Mr. Sharp, Mr. Spence, Mr. Towns, Mr. Young of Alaska, Mr. Jacobs, Mr. Blute, Mr. Neal of North Carolina, Mr. Whitten, Mr. Yates, Mr. Wynn, Mr. Dixon, Mr. Hughes, Mr. Lantos, Mr. Kasich, Ms. Lambert, Mr. Meehan, Mr. Neal of Massachusetts, Mr. Ravenel, Mr. Hall of Ohio, Mrs. Mink of Hawaii, Mr. Synar, Mr. Tauzin, Mr. Underwood, Mr. LaFalce, Mr. Cardin, Mr. Jefferson, Mr. Schumer, Mr. Hayes, Mr. Wheat, and Mr. Fish.

H.R. 3900: Mr. Clay, Ms. Danner, Mr. Holden, Mr. Lipinski, Mr. Mann, Mr. Minge, and Mr. Visclosky.

H.R. 3923: Mr. Fish.

H.R. 3926: Mr. Hochbrueckner, Mrs. Maloney, Mr. Blute, and Mr. Fish.

H.R. 3932: Mr. Abercrombie.

H.R. 3939: Mr. Bereuter.

H.R. 3953: Mr. Peterson of Florida.

H.R. 3958: Mr. Inglis of South Carolina and Mr. Shays.

H.J. Res. 9: Mr. Levy.

H.J. Res. 21: Mr. Ewing.

H.J. Res. 44: Mrs. Bentley.

H.J. Res. 131: Mr. Condit and Mr. Cunningham.

H.J. Res. 276: Mr. de Lugo, Mr. Klein, Mr. McDade, Mr. Sarpalius, Mr. Sanders, Mr. Martinez, Mr. Traficant, Mr. Dixon, Mr. Sharp, Mr. Montgomery, Mr. Tauzin, Mr. Hyde, Mr. Jacobs, Mr. Holden, Mr. Spence, Mr. Slattery, and Mr. Peterson of Florida.

H.J. Res. 291: Mr. Minge, Mr. Farr, Mr. Gunderson, Mr. Ewing, Mrs. Meek of Florida, Ms. Pelosi, Mr. Schumer, Mr. Tucker, Mr. Scott, Mr. Owens, Mr. Fields of Louisiana, Mr. Flake, Mr. Payne of New Jersey, Mr. Thompson, Mr. Wynn, Mr. Ford of Tennessee, Mr. Rangel, Mr. Lewis of Georgia, Miss Collins of Michigan, Mr. Franks of Connecticut, Mr. Stokes, Mr. Richardson, Mr. Serrano, Mr. Menendez, Mrs. Schroeder, Mrs. Thurman, Mr. Nadler, Mr. Montgomery, Mr. Klein, Ms. Roybal-Allard, Mr. Kleczka, Mr. Hall of Ohio, Mr. Ford of Michigan, Mr. Durbin, and Mr. Bishop.

H.J. Res. 293: Mr. McDermott, Mr. Martinez, Mr. Pastor, and Mr. Tucker.

H.J. Res. 297: Mr. Ballenger and Mr. Blackwell.

H.J. Res. 303: Mr. Dixon, Mr. Faleomavaega, Mr. Torkildsen, Mr. McNulty, Mr. Menendez, Mr. Dicks, Mr. Portman, Mr. Wilson, Mr. Gunderson, Mr. Fish, and Mr. Solomon.

H.J. Res. 310: Mr. Reynolds, Mr. Dixon, Mr. Saxton, Ms. Norton, Mr. Regula, Mr. Scott, Mr. Serrano, Mr. Stupak, Mr. Boehlert, Ms. Woolsey, Mr. Peterson of Florida, Mr. Rowland, Mr. Murtha, Mr. Mineta, Mr. Orton, Mrs. Fowler, Mr. McHugh, and Mr. Hoyer.

H.J. Res. 316: Ms. Eshoo, Mr. Lantos, Ms. DeLauro, Ms. McKinney, Mr. Dixon, and Mr. Dingell.

H.J. Res. 317: Mr. Boehlert, Mr. LaRocco, Mrs. Meek of Florida, Mr. Walsh, Mr. Thompson, Mr. Lightfoot, Mr. Stokes, Mr. Rowland, Mr. Towns, Mr. Spratt, Mr. Gonzalez, Mr. Quillen, Mr. Romero-Barcelo, Mr. Spence, Mr. Kennedy, Mr. Sangmeister, Mr. Neal of Massachusetts, Mr. Fazio, Mr. Oberstar, Mr. Leach, Mr. Gillmor, Mr. Payne of New Jersey, Mr. Flake, Mr. Ja-

COBS, Mr. OXLEY, Mr. SOLOMON, Mr. HUTCHINSON, Mr. YOUNG of Alaska, Mr. TRAFICANT, Mrs. MORELLA, Mr. PALLONE, Mr. HOCHBRUECKNER, Mr. KLECZKA, Mr. TANNER, Mr. WHEAT, Mr. TAYLOR of Mississippi, Mr. WHITTEN, Mr. TORRICELLI, Mr. BEVILL, Mr. PASTOR, Mr. LAUGHLIN, Mr. FROST, Mr. EVANS, Mr. SMITH of Oregon, Mr. ROSE, Mr. GLICKMAN, Mr. STENHOLM, Mr. MARTINEZ, Mr. HILLIARD, Mr. BARLOW, Mr. POMEROY, Ms. MCKINNEY, Mr. BAESLER, Mr. DOOLEY, Mr. APPELGATE, Mr. BREWSTER, Mr. BROWN of Ohio, Mr. CALLAHAN, Mr. CALVERT, Mr. CLEMENT, Mr. CRAMER, Mr. DE LUGO, Mr. COLEMAN, Mr. HUGHES, Mr. FARR, Mr. GALLEGLY, Mr. MCDERMOTT, Mr. HAYES, Mr. PARKER, Mr. KLINK, Mr. GEKAS, Mr. MCCLOSKEY, Mr. ORTON, Ms. KAPTUR, Mrs. MALONEY, Mr. NEAL of North Carolina, Mr. MCCRERY, Mr. MORAN, Mr. MCCOLLUM, Mr. MCDADE, Mr. PETERSON of Florida, Mr. KOPETSKI, Mrs. CLAYTON, Mr. JOHNSON of South Dakota, Mrs. THURMAN, Mr. LEHMAN, Mr. KASICH, Mr. PAXON, Mr. COBLE, Mr. KINGSTON, Mr. ROTH, Mr. WILSON, Mr. DURBIN, Mr. SKEEN, Mr. CRAPO, Mr. GUNDERSON, Mr. COOPER, Mr. DOOLITTLE, Mr. HASTERT, Mrs. MEYERS of Kansas, Mr. EWING, Ms. DANNER, Mr. BISHOP, Mr. COSTELLO, Mr. BROWDER, Mr. EDWARDS of Texas, Mr. CAMP, Mr. HOLDEN, Mr. VOLKMER, Mr. SARPALIUS, Mr. SLATTERY, Mr. MONTGOMERY, Mr. WOLF, Mr. COMBEST, Mr. FALEOMAVAEGA, Mr. BEREUTER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MINGE, Mr. CHAPMAN, Mr. SMITH of Michigan, Ms. MOLINARI, Mr. POSHARD, Ms. BYRNE, Mr. HEFNER, Mr. CONYERS, Mr. LEWIS of California, Mr. CLYBURN, and Mr. DINGELL.

H.J. Res. 327: Mr. FROST, Mr. LIPINSKI. Mr. FALEOMAVAEGA, Mr. SABO, Mr. MOLLOHAN, and Mr. HINCHEY.

H. Con. Res. 48: Mr. SISISKY and Mr. SOLOMON.

H. Con. Res. 147: Mr. SYNAR.

H. Con. Res. 188: Mr. JOHNSTON of Florida, Mr. RICHARDSON, Ms. MARGOLIES-MEZVINSKY, Ms. SLAUGHTER, Mr. SKAGGS, Mr. RAMSTAD, Mr. CLAY, Mr. HAMBURG, Mr. HOCHBRUECKNER, Mr. YATES, Mr. FRANK of Massachusetts, Ms. FURSE, Mr. LEVIN, Mr. SLATTERY, Mr. STUDDS, Mr. GILCHREST, Mr. DEFAZIO, Mr. KOPETSKI, Mr. SHAYS, Mrs. SCHROEDER, Mr. KLECZKA, Mr. KILDEE, Mr. HUGHES, Mr. MORAN, Mr. FARR, Mr. MINGE, Mr. BILBRAY, Mr. SWIFT, Mr. EVANS, Mr. ANDREWS of Maine, Mr. LEWIS of Georgia, Mrs. MINK of Hawaii, Mr. CARDIN, Ms. PELOSI, Ms. SHEPHERD, Mr. BARCA of Wisconsin, Mrs. THURMAN, Mr. NADLER, Ms. WOOLSEY, Mr. BORSKI, and Mr. FISH.

H. Con. Res. 191: Mr. DARDEN and Mr. MACHTLEY.

H. Con. Res. 199: Mr. GALLO, Mr. STEARNS, Mr. ANDREWS of New Jersey, and Mr. HOCHBRUECKNER.

H. Con. Res. 212: Mr. FAWELL.

H. Res. 281: Mr. DE LA GARZA, Mr. GLICKMAN, Mr. STRICKLAND, and Mr. SANGMEISTER.

SENATE—*Tuesday, March 8, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 10:02 a.m., on the expiration of the recess, and was called to order by the Honorable CAROL MOSELEY-BRAUN, a Senator from the State of Illinois.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Behold, how good and how pleasant it is for brethren to dwell together in unity!—Psalm 133:1.

Eternal God, Ruler of the nations, recognizing the many political distinctions in the Senate—Democrat, Republican, conservative, moderate, liberal—we pray for the unity in diversity, characteristic of our Nation. Remembering the words engraved on the Dirksen Building, "The Senate is the living symbol of our union of states," and remembering "E pluribus unum," we pray that the Senate will realize its full potential in this crucial legislative year.

God our Father, we believe the Senate is infinitely greater than the sum of its parts. Remembering the words on the Archives building, "What is past is prologue," all its history is included—not only since the 18th century, but in antiquity as the fertile seedlings of representative government developed in ancient England, Greece, and Rome. Every person who has ever served as a Senator or worked on a staff, all the giants of the Senate, past and present, are part of its greatness.

Dear God, help us who labor here to appreciate the significance of the Senate.

In His name who is incarnate Truth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 8, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CAROL MOSELEY-BRAUN, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. MOSELEY-BRAUN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each.

Who seeks recognition?

The Senator from Utah.

THE DEPARTMENT OF JUSTICE MANDATORY MINIMUM STUDY

Mr. HATCH. Madam President, former Deputy Attorney General Philip Heymann has criticized the Senate-passed crime bill as largely irrelevant to any realistic law enforcement effort, disparaging, among other things, Republican proposals to increase Federal prison construction.

Mr. Heymann argues that the Federal Government does not need additional prison space because existing Federal prisons house so many nonviolent, low-level offenders who should not be in prison. He cites as evidence a recent Department of Justice study which finds that 21 percent—or 16,316—of all Federal offenders within the custody of the Bureau of Prisons are low-level drug offenders for whom there could be alternative punishments. This finding is questionable.

For example, the study suggests that each of these 16,316 low-level drug offenders within the Bureau of Prisons custody are actually imprisoned. In fact, the 21 percent figure includes many of the nearly 5,000 offenders who are not in prison but who are serving their sentences in halfway houses or in-home confinement.

When one digs deeper, one also finds that the study's definition of low-level offender is exceedingly broad. Low-level drug offenders are defined as persons who are not sophisticated criminals, meaning offenders who are not principal figures or prime motivators in the criminal organization or activity. In short, unless an offender is the leader or organizer of a drug enterprise, he or she is considered low level.

This broad definition fails to account adequately for mid-level conspirators and fails to take into account the quantity of drugs with which an offender may have been involved. For example, a mid-level drug cartel member involved in a conspiracy to smuggle several tons of cocaine could qualify under the Justice Department guidelines as a low-level drug offender. Couriers who, on several occasions, knowingly transport millions of dollars of narcotics into our States qualify as low-level offenders.

The study's 21 percent figure also includes drug offenders who have lengthy criminal records but who have avoided serving more than 60 days in prison. As well, this figure includes foreign drug smugglers who have never been convicted in the United States but may have lengthy criminal records in foreign countries. So too does this 21 percent figure include nonviolent drug offenders who may have threatened violence against others or whose associates used firearms.

The Senate-passed crime bill contains an amendment I offered with Senator PHIL GRAMM that gives Federal judges limited discretion to sentence below mandatory minimum sentences for those drug offenders who are truly first time, low-level, nonviolent offender.

I read Congressman EDWARDS' op-ed piece in the Washington Post this morning. He wants to do the same thing. Only I am sure he would make it even broader so that some would slip through. But we did it in the Senate. We really, basically have given judges limited discretion with regard to those who are truly first-time, low-level, nonviolent offenders.

Our provision, while needed, will affect less than 1 percent of the drug cases in Federal court. And we have given that provision because a number of judges have asked me personally to see what I could do to bring a little balance in that system. And we tried to do it.

According to figures provided by the U.S. Sentencing Commission, of the total 16,684 drug cases sentenced in Federal court in 1992, only 98—6 percent—of those sentenced to mandatory minimum sentences—were truly first-time offenders who had minimal involvement in the drug enterprise, did not carry a firearm, and did not cause death or serious injury to another.

The notion that our Federal prisons are filled with people who should not be there is wrong. And, with respect to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

State prisons, bear in mind that in 1991, the Department of Justice found that 94 percent of all State inmates were either violent or repeat offenders, and over one-third of all inmates have been incarcerated before. Moreover, two-thirds of the violent inmates in State prisons had killed, raped, or injured their victims. Over half of the remaining 6 percent of State inmates had been convicted of drug trafficking or burglary.

That is according to the Bureau of Justice Statistics survey of State prison inmates in 1991.

The problem facing our criminal justice system is not one of too much incarceration. Rather, the problem is too much crime, and the simple fact is that the best way to stop crime is to put criminals, drug offenders included, in prison.

The Senate-passed crime bill appropriately ensures that additional prison space will be constructed both at the State and Federal level. Yet, despite the obvious need for more prison space, the administration appears to be basing its decisions on its own questionable studies. That might explain the Department's decision to cut prison construction by nearly 30 percent. It is time for the administration to stop worrying so much about how it can curtail prison expansion and to focus on how it can more readily ensure that criminals are incarcerated.

Rather than curtail prison expansion, as the budget proposes, I believe we must continue aggressively to increase prison space.

Madam President, these are important issues. I think Professor Heymann, who happens to be a friend of mine, a person I really admire and like, is way off base in some of his criticisms. That is typical sometimes of people who are only looking at the liberal side of things instead of at the realistic side of things.

Frankly, it is sometimes typical of law school professors who really do not have to deal with the day-to-day heinous world of crime. I think we have to deal with that in the Senate, and I am happy to say that the Senate bill, which passed overwhelmingly, passed because the principles in it, by and large, are valid, good and will work.

I want to thank my colleagues in the Senate for being so strongly in favor of that bill. I hope our colleagues in the House will do an equivalent job rather than what they did in the prior Congress: Passing something that really is soft on crime rather than hard on crime. It is time we get tough on these criminals in this society. I, for one, am going to do everything I can to do so.

I yield back the remainder of my time.

Mrs. MURRAY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

MENTORS

Mrs. MURRAY. Madam President, I rise first today to pay tribute to our majority leader. I, like many of my colleagues, was stunned by his retirement announcement last Friday. His leadership in the Senate has been a source of pride for this body. When I arrived a little over a year ago, I was not sure what my reception would be. Senator MITCHELL quickly dispelled many of the myths that I had heard about the good old boys in the Senate. He treated everyone with dignity and respect. He provided opportunities for us as newcomers to grow and learn and be a part of the decisionmaking process.

Under his leadership, the Senate last year passed history-making legislation from the Family and Medical Leave Act and the budget deficit reduction package to the National Community Service Act and the Brady bill.

Senator MITCHELL's courage and determination are nationally recognized, but I also want to thank Senator MITCHELL personally for his willingness to be a coach and a mentor to me in my freshman years in the Senate. Senator MITCHELL, you have made me believe that this body can work for the good of all people. On behalf of thousands of families in my State, I thank you for your willingness to make a difference for our children, our families, and our communities. We will miss your leadership.

I would also like to thank you for assembling the best staff on the Hill. They are wonderful to work with and deserve our sincere appreciation.

But, Senator MITCHELL, I also want you to know I stand ready with you to fight the many battles that are yet to come this session, from health care to the budget. There is much to be done, and I look forward to working hard with you on these issues in your last year of tenure in the Senate.

Madam President, I want to talk about another mentor of mine, a longtime friend, a man who got me into politics and taught me the ropes many years ago: Former Washington State Senator Donn Charnley. Donn and his wife, Melinda Denton, were there to encourage me throughout the years, from running for the school board, to the State legislature, to the U.S. Senate. Donn and Melinda encouraged me, helped me and were always there for me.

Melinda was chair of the botany department at the University of Washington. She knew what it was like to be a woman pioneer in a man's field and a mother. We shared many stories.

Melinda was devoted to her work. She visited me here in Washington, DC, last summer to urge me to make sure we passed strong environmental legislation. She was worried because of the loss of so many plants in our country and around the world. As a botanist, she knew the value of plants for medical research, agricultural production, and many other purposes. Melinda was forever traveling and gathering plants to preserve and catalog them before, as she said, it was too late.

When Melinda visited me last summer, she complained of being tired. We joked about jet lag and the summer heat in this Washington. A few weeks later, Melinda went in for a checkup and was shocked to find out she had an ovarian tumor. She underwent surgery. Over the Christmas holidays, I visited with Donn and Melinda and was glad to hear they had gone on their usual skiing trip and were doing well.

But a few short weeks later, I got a call. Melinda was back in the hospital for more tests, chemotherapy, taxol treatments, and more surgery. A week ago, I talked to Melinda and she told me the fight was over. Early this Saturday morning, Melinda died.

The shock of her death holds me hostage. How could a vibrant woman in her forties, a mother, close to my own age, be gone so swiftly? Ovarian cancer: What is it? What causes it? How many women, like my friend Melinda, have died?

I immediately called to get statistics and answers to my questions. Shocks again. We really do not know much about ovarian cancer. The National Cancer Institute says for those under the age of 65, death rates for certain cancers have fallen substantially. But some researchers say there is no good screening tool for ovarian cancer. Consequently, the cancer is found in advanced stages and is difficult to treat.

Dr. Fred Appelbaum at the Fred Hutchinson Cancer Center in Seattle told me that in 1993, 17,000 new cases of ovarian cancer were diagnosed and 12,000 women died. Two out of three women diagnosed with ovarian cancer will die. This is the opposite of those women diagnosed with breast cancer today. Over a lifetime, every woman has a 1 out of 50 to 1 out of 100 chance of developing ovarian cancer.

I believe I speak today for many women my age who are confused by the word on the street about diseases affecting women. One year we are told to have a mammogram every year, and we faithfully comply. Next we are told to have a mammogram every 5 years. Then we are told, well, maybe mammograms really are not as reliable as we thought. We go in faithfully for our Pap smears, but does early detection really work? Is taking tests the only thing we can do? When ovarian cancer is found, often there is very little that can be done.

The Fred Hutchinson Cancer Center is getting close to identifying a gene that gives women a higher risk of developing ovarian and breast cancer. We need to support that kind of research. If we can discover that gene, then those women with that gene can regularly be screened.

Are more women dying of breast cancer today than when my mother was my age? It seems so, but the statistics in research are difficult to find. Is it caused by environment? Is it caused by food, medication? There are far more questions than answers.

The only solution, in my mind, is research. As we work on health care reform and the budget for the remainder of this year, we must make sure that women's health care concerns are not forgotten or swept under the rug. I assure all of my colleagues, I will be watching and working to make sure that this does not happen.

This is a very personal issue for me. Melinda left behind my friend Donn and an 8-year-old son. But Melinda's story is not unique. My colleague from the Highline School Board, Mary Louise Cline, 48 years old, died last week as well. The names are endless: My aunt Mary; my friend Kennie's sister, Carol Tyler; my friend Kate's mother, Ruth Cudlipp. It is too late for Melinda and the many others, but it is not too late for my daughter.

I urge my colleagues to help me fund research and education for women's health care issues and to include strong language in the health care reform bill to address the needs of millions of women. It is the very least we can do.

EXTENSION OF MORNING BUSINESS

Mr. GORTON. Madam President, I ask unanimous consent that morning business be extended.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

YOUTH VIOLENCE AMENDMENT

Mr. GORTON. Madam President, several weeks ago I worked with Senators DOLE and KENNEDY in pursuing a youth violence amendment to Goals 2000. This amendment empowers local school districts by allowing them to make their own decisions with regard to violent or criminal behavior. Today, I urge my colleagues on the conference committee to Goals 2000 to assure the youth violence in schools and communities amendment is included in the final report.

School safety is increasingly a concern for parents, teachers, and citizens throughout the country. As I noted a few weeks ago, more than two-thirds of all public school teachers have been verbally abused, threatened with injury, or physically attacked. Perhaps, more significantly, almost half of all of the people who leave the teaching profession, Madam President, do so citing discipline problems as one of the frustrations which cause them to abandon that noble profession. I cite these statistics once again because they prove it is time that we do something to empower our local communities in the fight against youth violence.

Madam President, I have three children who have gone through the public schools of Washington State, occasionally, with some problems, but never with a threat to their physical wellbeing. Today, my first grandchild is in kindergarten. And I will simply not rest until I know that she, and my other grandchildren, will grow up in a society in which it is safe to go to school.

My amendment simply states that no Federal law, except education and civil rights laws protecting individuals with disabilities, will restrict the ability of schools to implement their own disciplinary policies with regard to violent or criminal activity. Madam president, it would almost seem to go without saying that this kind of authority should exist. Yet, I found a common thread in frustrations expressed to me by local school authorities. These Washingtonians feel restricted by government laws and regulations in their authority to discipline violent or criminal activity.

A second substantive area of importance included in this amendment is the sharing of criminal information. We find that schools and, for that matter, enforcement authorities, are fearful of lawsuits if they do nothing but exchange information between one school district and another to follow a student who has a history of violent or criminal behavior. Law enforcement agencies are often reluctant to share such information with schools. This amendment states that no Federal law, except those disability laws, will restrict the sharing of that information.

Madam President, soon after the Senate accepted my youth violence amendment, I received a flood of letters thanking the Senate for empowering local school districts to deal with violent and criminal behavior in their schools. These letters of support came from rural educational service districts in eastern Washington, parent-teacher organizations throughout my State, and the National Association of School Principals. These groups represent the people who must deal with violence in our schools every single day. It is time we listen and give them the flexibility they need to stop violent and criminal activity.

Let me read a small excerpt from one of the letters:

> DEAR SENATOR GORTON: On behalf of the 43,000 members of the National Association of Secondary School Principals, I want to express our support for your Youth Violence Amendment to Goals 2000. This important amendment will assist principals and school leaders across the country in establishing firm disciplinary policies regarding violence in our schools.
>
> As you cited in your floor remarks, the sixth goal of the National Education Goals calls on schools to provide a learning environment free of drugs and violence, and this amendment will assist in that important effort. Our members believe it is virtually impossible to provide a safe haven of learning in their schools without a thorough understanding and record of incoming students' in school and out of school disciplinary record.
>
> The National Association of Secondary School Principals hopes that the Goals 2000 House-Senate Conference will adopt this important language.

My amendment is strongly supported in my State by the Washington State PTA, the Association of Washington School Principals, the Washington State School Directors' Association, the Washington State Educational Service Districts, and several individual schools and school districts.

The sentiments of these groups following our inclusion of the youth violence amendment includes:

> Thank you for taking a very practical, pragmatic approach in assisting schools and society in dealing with youth violence problems.
>
> [We] would support having the amendment become part of the law.
>
> We all need to support the flexibility of parents and educators to work with youth in developing solutions to violence at the local level. Your amendment addresses this issue specifically and is essential if we are to reduce and eliminate youth violence.
>
> Americans cherish the concept of local control in the decision-making process. While your amendment acknowledges that violence is a national problem, it also recognizes that precise remedies may vary from one locale to another. Your amendment upholds the right of local school districts to tailor strategies to their own specific needs.
>
> We are doing our best, but we are continually frustrated by threats of lawsuits, parental apathy, and student attitude of "anything goes". [We] wholeheartedly support your Youth Violence amendment to the Goals 2000 legislation.

Simply put, the American people are sick and tired of the rights of criminals outweighing the rights of law-abiding citizens. This amendment puts the rights of law-abiding citizens above those of violent or criminal students. This amendment enhances the rights of handicapped children by providing them with a safe learning environment. Finally, this amendment clearly states that local school districts are empowered to reduce violence and crime in their schools. A clear message will be sent: We will not tolerate violent or criminal behavior in our schools. Period.

The day after I offered my amendment, the Spokane School District called. That day a senior high student wielded a 12-inch bowie knife and threatened repeatedly to kill his teacher. Luckily, the teacher was an ex-prison guard, involved in several prison riots, and knew how to handle the situation. This instance highlights the need for this amendment. How much abuse must our teachers and principals take before we empower them to end violent and criminal activity?

Madam President, I want to thank my colleagues for their inclusion of this crucial youth violence amendment to the Senate version of Goals 2000. On behalf of schools across Washington State and across the Nation, I call on the House and Senate conferees to assure this amendment remains in the final conference report.

HONORING JOHN RILEY

Mr. DURENBERGER. Madam President, Sunday night at about 8:30, quite a number of us lost a very dear friend to cancer. He was my friend, and the friend of a great many of us in this Chamber.

Last Thursday, in one of those poignant ironies of which life seems to have so many, I found myself riding Amtrak to what turned out to be my final visit to my dear friend—the very Amtrak that John Riley had done so much to rebuild.

As I rode through the State of Maryland on the way to his Philadelphia hospital room, I thought about my very first meeting with John 16 years ago.

John came up to me after my underdog speech to the Hennepin County Independent Republican Convention and said, "I like what you said, and I'd like to help you get elected."

John celebrated his 47th birthday in January 1994. For the last 16 of those years he worked with me in campaigns and in Government—and he was a best friend as well.

There was even a time in the early 1980's—he was serving as my second legislative director—when many people were convinced that I was working for him.

Early in our friendship, John discovered that my grandfather Cebulla was a 50-year veteran with the Great Northern Railroad. John then launched both himself and me on an effort to save a small and dilapidated rail line in southern Minnesota—and John was the key to our success.

That led us into an effort to save the Milwaukee Road mainline. The Milwaukee Road was the lifeline for dozens of rural communities in western Minnesota, and it was about to go under. Once again—John Riley to the rescue.

Our next step was Japan and Europe, where we prospected for high-speed rail service for the United States. John created the Senate rail caucus, a U.S. International High Speed Rail Congress, and rail compacts with France and Japan.

In 1983, John moved on to serve as special assistant for rail policy to Transportation Secretary Elizabeth Dole. Later that year, he became Federal Railroad Administrator [FRA], serving with distinction until 1989.

His years as head of the FRA were a time of great achievement on John's part. He wrote—and managed through final passage—the Rail Safety Improvement Act of 1988. This was the most sweeping legislation in the history of the FRA.

He was an effective spokesman on rail issues, and had earned the respect and goodwill of the entire Washington community when—in 1989—his doctors told him he was suffering from cancer and had only a few months to live.

After experimental treatment by the wonderful medical staff at Johns Hopkins in Baltimore, it looked like John was on the road to recovery. In January 1991, he was prevailed upon to become Minnesota's transportation commissioner. He had served only 8 months in that post when Governor Carlson promoted him to chief of staff.

In 1992, doctors discovered a second tumor. After another operation, and returning to work part time for a few months in 1992, John resigned because he felt his course of medical treatment would keep him away from the Capitol too long—and thus impede his effectiveness as the Governor's chief of staff.

Last year, Governor Carlson appointed him to the chairmanship of the regional transit board, which coordinates transportation policy on the Twin Cities.

John left that job in December. And he left us on Sunday night.

How can I sum up the life of this outstanding person? His will to live was evident in the titanic fight he waged in what proved to be his final years. The day after he left the FRA post, he was at Arlington Hospital with a brain tumor, of which—thanks to some miraculous positive bent that was purely his own—he was cured. But another one followed, and a third. It was the third that killed him, 5 years after the first was discovered.

John was an incredible human being. Above all, he was an optimist. He was what most people would call a character—but if you were lucky enough to have a relationship with him, you knew that that relationship was a pearl of great price. It is so hard to find in the political life—indeed, in any walk of life—a friend whose character is of such a bright, lovable nature that you can look up to and emulate him, and pray that your children grow up to be like that person.

Madam President, that is the person whom the world lost on Sunday night. I ask my colleagues to join me in extending our warmest condolences to John's family and friends as they gather for a memorial service at noon Friday, in Ardmore, PA.

John Riley was a brief light that left us amazed. We will miss him deeply.

THE ADULT FRIENDS FOR YOUTH REDIRECTIONAL METHOD: AN EFFECTIVE THERAPEUTIC INTERVENTION MODEL FOR REDUCING AND ELIMINATING ADOLESCENT GANG BEHAVIOR

Mr. INOUYE. Madam President, the United States of America finds itself in the grip of a terror, called street violence, with which it feels powerless to cope. This feeling of powerlessness has resulted in frustration and helplessness turned to rage; a rage that is manifested in a national get tough policy that includes stricter enforcement of laws, tougher sentences, placing 100,000 police officers on the street, and establishing boot camps for youthful offenders. I believe such measures are an important step toward sending a clear message to criminals and would-be criminals that our society will not tolerate their behavior. That is why the Senate worked last year to pass a comprehensive anticrime package.

However, we must also begin to look beyond the criminal act itself and ask, "What are the conditions that turn a human being into a violent predator? It is time that we take a good hard look at ourselves, and start to find some answers to that question before we destroy our Nation's greatness.

In our present frame of mind, we look only at the act and respond by punishing it. Logically, if punishment was the answer then we should see crime and violence drying up. But that is not the case. It is time that we stop reacting only to acts of violence and begin to look at the humanity of the perpetrator. When we can do that we may begin to unlock the door that will help both perpetrators and their victims find a decent life that is free from fear.

There is a youth service agency, Adult Friends for Youth, in my State of Hawaii that has developed a unique gang intervention method, called the redirectional method, that looks beyond the criminal and violent acts of adolescent gang members, and interacts with them at the most human level. It demonstrates concern for their problems and needs, and does not simply demonstrate them for their behavior or give them advice.

At first glance, the redirectional method, created by Adult Friends for Youth, may appear to be spoiling gang members. However, the important questions are: Does the redirectional method reduce and/or eliminate gang violence? and; Does it reduce and/or eliminate gang behavior and the gang itself? The answers to these questions are a resounding, yes. In fact, the Honolulu Police Department acknowledges that gang activity in the underprivileged community where Adult Friends for Youth has focused its efforts is down by 50 percent, at the same time that it is up in other communities. Unfortunately, due to limited financial resources, Adult Friends for Youth cannot extend its program further. Too often I hear complaints that problems can't be solved for lack of an answer, but today I stand here to tell you that a new well of knowledge has been discovered, and we need only to start drawing from it.

A GROUP THEORY PERSPECTIVE OF THE GANG

The redirectional method takes the view that a gang is like any other group with the significant exception that it is perceived as, and often is, a threat to other people and institutions. Although gangs may vary in severity of behavior, it appears that they share fundamental commonalities. They are either a small friendship group, or consist of faction of a larger group with a core membership rarely exceeding 25 members, and often much smaller. Members frequently live in the same neighborhood and share common age, economic, ethnic, gender, experiential, and interests characteristics.

Many, if not most, gang youth believe that they are unacceptable in the mainstream because they look different from the racial or ethnic groups who appear to run things. This low self-esteem is enhanced by poverty, a lack of educated or occupationally successful role models, and often physical, emotional, or sexual abuse. Consequently, they believe that they have little worth, and since they are unloved that they are unlovable. They also feel powerless to change their lives, and often, even if they do want to change, don't know how to go about doing it. For these young people, the gang is the brotherhood, sometimes sisterhood, that provides security, a sense of belonging, affection, and value.

One myth about gangs is that they form with the intent to do harm. In fact, Adult Friends for Youth gang workers have found that many members regret having joined a gang and wish things were different. Few have said that they became members to cause trouble or joined with the intent to harm. Most have stated that they join for protection, that is, Your brothers protect your back. However, this doesn't cancel the view that sometimes the best defense is a strong offense.

Undeniably, the gang is a very powerful influence in the lives of its members. Therefore, if behaviors are to be redirected the group cannot be ignored as the context through which change can be achieved.

THE REDIRECTIONAL METHOD

The redirectional method, created by Adult Friends for Youth, contributes to the development of self-esteem, self-determination, and empowerment. It helps members of the gang to feel valued, and helps them to develop a sense of their potentialities and how to achieve them. The fundamental principles of the redirectional method are all critical to redirecting youth from gang to prosocial club behaviors. The goal of the method is not to control gang members, but rather to change their behaviors in order to integrate them into middle-class mainstream.

The redirectional method is also unique because it presumes that gang members ultimately have the ability to make decisions that are in their best interests, and that these decisions will also be best for the community. This is a clear contradiction to the common position that adults always know what is best for the child. The method also assumes that members have the capacity to join the mainstream, and provides frequent opportunities for participating in new experiences, including access to institutions of higher education. Many of these youth have no idea that they can go to college, because all too often they've heard that they are not college material. The mere action of exposing them to a university campus removes the mystique, and provided them with the sense that maybe it's possible after all.

The principles of the redirectional method are practical and easily understood, and can, with dedication, professional discipline, and financing, result in the positive outcomes experienced by Adult Friends for Youth. Results that include a high school graduation rate of 80 percent by gang members in 1992 and 1993, up from 20 percent in 1991, the elimination of fighting among groups, and the evolution of gangs into social clubs.

The redirectional method represents a new generation of knowledge to help adolescent gang members become part of America's mainstream. It is up to us to make use of this knowledge and turn back the tide of violence that is becoming increasingly pervasive and damaging to our way of life.

WHITEWATER SCANDAL

Mr. D'AMATO. Madam President, yesterday, President Clinton took part in an extraordinary press conference. At that press conference, in response to a question about his wife's involvement in the Whitewater scandal, the President defended Hillary Clinton by saying the following:

> I have never known a person with a stronger sense of right and wrong in my life—ever.

Well, Madam President, that seems to be the problem.

I would like to pose two questions to Hillary Clinton, the person that the President refers to as having the strongest sense of right and wrong of anyone he has ever met in his life:

Were you briefed by your friend, Chief of Staff Maggie Williams, about her meeting with Roger Altman? And did you know it was wrong?

Madam President, I yield the floor.

A.Z. YOUNG'S SPIRIT OF SERVICE ALIVE IN A NEW SCHOLARSHIP FUND

Mr. BREAUX. Madam President, Andrew Jackson once observed that "one man with courage makes a majority." That sentiment certainly applies to the late A.Z. Young, a great American and a great Louisianian whose life embodied the notion that certain principles are indeed worth risking your life or your livelihood.

A.Z., who died last year, was that kind of man. In 1968, as the leader of an historic civil rights march from Bogalusa to Baton Rouge, he put shoe leather to his belief that Thomas Jefferson was thinking of someone just like him when he wrote that, "All men are created equal."

And because of A.Z., and brave people like him, we are now raising a generation of young Americans—black and white—who can barely comprehend the stories their parents and grandparents tell them about the days of Jim Crow and segregation.

The advances in civil rights that began more than 25 years ago did not simply occur spontaneously. We know that great social changes—like civil rights—do not just happen. Brave, visionary men and women make them happen.

A.Z. Young made things happen.

He was honest, brave, and an inspiration to an entire generation of Louisianians. He was, quite simply, an indispensable man—someone who made a real difference in lives of hundreds of his fellow men, black and white.

I was honored last month to join with A.Z.'s wife, Dorothy, at Southern University in Baton Rouge to announce the creation of a scholarship fund in his memory. The A.Z. Young Memorial Scholarship has been established to identify and assist young people who wish to follow the example of his leadership and service to his community, State, and Nation.

Under its terms, students eligible for the $1,000 scholarship must be full-time students attending Southern University who are majoring in political science, history, journalism, communication, public administration, or public policy.

Last month's announcement marks the beginning of our efforts to endow this scholarship in the name of one of Louisiana's greatest citizens.

As someone who knew A.Z. and worked with him over the years, I am proud to be a part of the creation of this scholarship and look forward to helping raise the funds necessary to sustain it.

A.Z. would be quick to tell us, there is much work left to do in this life. We have passed the laws that guarantee all of us equal rights. But I know A.Z. would remind us that it is now time to ensure that every young person gets the chance to take advantage of the many opportunities guaranteed by law but often denied in reality.

After all, the young people of today are the ones who will do tomorrow's work. And so, A.Z. would be proud to know that his work did not end when he left this life.

His spirit will live and thrive for generations to come in the hearts and minds of the young people who will have a better chance in life because of this scholarship in his name.

A TRIBUTE TO TIP O'NEILL

Mr. DODD. Madam President, on January 10, 1994, I attended the funeral of the former Speaker of the House of Representatives and a great American, Thomas P. O'Neill, Jr. It was with a heavy heart that I said goodbye to a dear friend. Whether it was his aggressive and determined style of politics or his genuine sympathy for the people of Massachusetts, Tip was a role model to an entire era of Members of Congress.

I think those of us in attendance would have to agree that the service was both moving and beautiful. Each speaker brought back cheerful and heartwarming memories of Tip, and shared some new anecdotes, typifying the Speaker we all came to know. Mr. President, I would like to take this opportunity to cite two individuals whose extraordinary comments captured the spirit of Tip O'Neill and added comfort and grace to such a difficult day.

J. Donald Monan, S.J., is the president of Boston College in Chestnut Hill, MA. It was with great eloquence that Father Monan detailed Tip O'Neill's reverence for God and strong faith in mankind. His captivating retrospective of a loving husband and father will undoubtedly remain with those present at the service for years to come. Those of us who know Tip O'Neill understood how important his spiritual beliefs were to him. I commend Father Monan for capturing the essence of the great Speaker we all came to love.

In addition to Father Monan's touching speech, one of Tip's five children, Thomas P. O'Neill III, also provided a moving reflection of the special father-son relationship he cherished so much. His recitation of Charles Hanson Towne's poem, "Around the Corner," illustrated a side of Tip that perhaps many of his colleagues were never fortunate enough to witness.

Madam President, at this time I ask unanimous consent that both the address from J. Donald Monan, S.J., president of Boston College, as well as Charles Hanson Towne's poem, "Around the Corner," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FUNERAL MASS OF THOMAS P. O'NEILL, JR., JANUARY 10, 1994

(By J. Donald Monan, S.J.)

Your Eminence, Cardinal Law, President Ford, President Carter, Vice President Gore, and members of the Cabinet, Ambassador Flynn, Governor Weld, Members of the Congress and the Massachusetts Great and General Court, Mayor Menino, Mayor Reeves, Mrs. O'Neill (Millie), members of the O'Neill family, and my dear friends.

Our human family's loves and its losses have taught us many ways of expressing grief. In the clear, cold air of this weekend, flags flew at half-staff in the Nation's Capitol and here at home. The Speaker's Chair in the House of Representatives wore a mantle of black. Silent lines of people, plain and powerful, filed into the State House. If there are times when symbols and individual physical presence to each other are more expressive than words, surely this is such a time. Mrs. O'Neill (Millie), Susan and Rosemary, Tom and Michael and Kip, the presence of each person here this morning is an expression of deepest respect and esteem for Speaker O'Neill; but it is even more an effort to ease your grief because we respect you so much in your sorrow and because your grief is ours as well.

On Wednesday evening, the Speaker wearily told Tom of the irresistible tiredness over him and peacefully closed his eyes for the last time. His sleep awakened not only the brilliance of the nation's writers; they responded with their hearts as well. Every step along the upward route of his public career has been carefully retraced. But it was clearly the man himself—in his humor and his inexhaustible desire to help, his courage and his compassion and his sheer goodness—that came through to his chroniclers and inspired them to masterfully faithful portraits that those who loved him will always cherish.

Those portraits I will not attempt to recreate this morning. There is, however, one feature of the background in each of those portraits that perhaps could not have been painted in, until this morning—in this sacred place. Every captivating account of the Speaker's momentous achievements in public life, of his easy familiarity with the world's greatest leaders, remarked that he never lost touch with his roots. And this was no mere metaphor. Those roots remained the source of his lifeblood and his identity as a person to the very end. The friendships of Barry's Corner, his love for Boston College, the comfortable streets of North Cambridge were as much a part of him as were his Speaker's gavel and his intense loyalty to his staff and colleagues in the Congress. But perhaps older than any of these—this parish, to which he returned this morning, has been a figure in the background of every change in family and political fortunes. It is just not a matter of ritual that in this parish he received the name of Thomas Junior at baptism; before this altar as a young man he knelt with Millie to pronounce their marriage vows; and for 35 years in the Congress, he returned humbly to reaffirm his worship that God was his origin and his destiny and that what he did with his enormous talents and his opportunities mattered to God as well. The truth is that God was as real to Speaker O'Neill as were you or I.

The Role that faith plays in any of our lives is as elusive to describe as it can be powerful and pervasive. It was not something that Speaker O'Neill often put into language. (He was not a man given to self explanation, but to action.) And yet faith was a recognizable dimension of everything he did in public and in private life. It was never a badge or an ornament to make others uncomfortable, but always a star he checked before setting his own course. Nor was his understanding of faith ever woodenly fixed, incapable of growth and development. Those of us who have lived through the decades since the 30's of dramatic change in the moral dilemmas that modernity brings, in the crises of wars and threats of war, in more nuanced understanding of our own religious convictions—those of us who have lived through these changes realize that Speaker O'Neill's legendary sense of loyalty, either to old friends or to God, was no dull or wooden conformity. It has been a creative fidelity to values pledged in his youth that he kept relevant to a world of constant change by dint of effort and imagination and at the cost of personal sacrifice.

What did the Speaker gain from his faith? A vantage point that gave him lifelong perspective on himself and his relationship to the world around him.

One of the most important ingredients to a portrait or to a human life is perspective—a sense of priority and of proportion among the parts. Over the past several days, countless commentators have remarked upon the extraordinary balance Speaker O'Neill maintained within an almost limitless range of commitments. Indeed, his spontaneous enthusiasm could easily have swept away any sense of proportion or perspective. For Speaker O'Neill was large-hearted in his every approach to the world around him. He was large-hearted in his compassion and in his humor; large-hearted in his understanding of people; large-hearted in his love of all things human, from family and friends to work and politics and sports. To Speaker O'Neill everything was important—but nothing was so important that it was worth sacrificing fairness to one in need or a favor to a friend or the honor and integrity he owed God.

How many stories have been told and retold of Speaker O'Neill's walking with royalty but never losing perspective on himself or on every person he befriended. Each of those stories recognized that leadership in high public office invariably confers power and power has a potent magic twist perspective and turn the heads of those who hold it. Speaker O'Neill possessed the antidote to that powerful magic. He did not frame it in abstruse theological language, but in the simple realization in faith of who he was and where he came from. He lived it in his unwavering sense of gratitude for his roots—in his recognition that his most valuable traits were gifts from family and friends and teachers and fellow workers—and ultimately were gifts of God himself. And for the person who knows his roots, for the person who knows gratitude, power and high position and large-hearted love pose no dangers. They are, rather, even more effective instruments to be of service to the least.

The luminous sketches of the Speaker that have appeared this week are almost complete. In the foreground stands a grateful Commonwealth and a grateful Nation of countless individuals who owe their job, their education, their citizenship, indeed, their life to the friendship or the wisdom or the simple encouragement of this great man. In the background of the portrait stands the Christ, the measure of his own self-understanding and for his unabashed humility and the guarantor of the infinite importance of everything he did for the least of those he met.

But there is one more stroke of the brush that has been left unnoticed. If the Speaker's faith gave him perspective, the love of a great woman gave him the confidence that he could do whatever the Nation and whatever God asked. The pride of the Speaker's life was not the Medal of Freedom nor the Legion of Honor; it was the love of his beloved Millie who gave courage to his struggles and measure to his success and loving understanding through his illness.

Those of us who live among the terraces of mountains are too close to their grandeur to take an accurate measure of their height. And during these many years and you and I who have known him and all of the staff and colleagues he esteemed so highly, have been like those individuals so familiar with their landscape that we are unable to grasp its dramatic proportions.

But this morning, with the gavel finally silent, and the last story told, and the last anxious heart put at ease, we now know that his stature rose higher than all the rest. And we know the blessing of having known him as a friend and we ask only that his generous soul enjoy the presence of the Risen Lord, whom he worshipped.

POEM READ BY THOMAS P. O'NEILL III AT TIP O'NEILL'S FUNERAL

AROUND THE CORNER

(By Charles Hanson Towne)

Around the corner I have a friend,
 in this great city that has no end.
Yet days go by and weeks rush on
 and before I know it a year is gone.
And I never see my old friend's face,
 for life is a swift and terrible race.
He knows I like him just as well
 as in the days when I rang his bell
 and he rang mine. We were younger then
 and now we are busy, tired men.
 Tired with playing a foolish game,
 tired with trying to make a name.
Tomorrow, I say, I will call on Jim
 just to show that I'm thinking of him.
But tomorrow comes and tomorrow goes,
 and the distance between us grows and grows.
Around the corner yet miles away,
 here's a telegram sir, Jim died today.
And that's what we get and deserve in the end,
 around the corner a vanished friend.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. **HELMS**. Madam President, as of the close of business on Monday, March 7, the Federal debt stood at $4,547,792,538,698.51, meaning that on a per capita basis, every man, woman, and child in America owes $17,443.81 as his or her share of that debt.

BUDGET SCOREKEEPING REPORT

Mr. **SASSER**. Madam President, I ask unanimous consent to submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through March 4, 1994. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget (H. Con. Res. 287), show that current level spending is below the budget resolution by $4.4 billion in budget authority and $0.7 billion in outlays. Current level is $0.1 billion above the revenue floor in 1994 and below by $30.3 billion over the 5 years, 1994–98. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $312.1 billion, $0.7 billion below the maximum deficit amount for 1994 of $312.8 billion.

There has been no action that affects the current level of budget authority, outlays, or revenues since the last report, dated March 1, 1994.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, March 7, 1994.

Hon. JIM SASSER,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the 1994 budget and is current through March 4, 1994. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 64). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated February 28, 1994, there has been no action that affects the current level of budget authority, outlays, or revenues.

Sincerely,
ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, FISCAL YEAR 1994, 103D CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS MARCH 4, 1994

[In billions of dollars]

	Budget resolution ((H. Con. Res. 64)[1]	Current level[2]	Current level over/under resolution
ON-BUDGET			
Budget authority	1,223.2	1,218.9	−4.4
Outlays	1,218.1	1,217.5	−0.7
Revenues:			
1994	905.3	905.4	0.1
1994–98	5,153.1	5,122.8	−30.3
Maximum deficit amount	312.8	312.1	−0.7
Debt subject to limit	4,731.9	4,455.9	−276.0
OFF-BUDGET			
Social Security outlays			
1994	274.8	274.8	
1994–98	1,486.5	1,486.5	
Social Security revenues:			
1994	336.3	335.2	−1.1
1994–98	1,872.0	1,871.4	−0.6

[1] Reflects revised allocation under section 9(g) of H. Con. Res. 64 for the Deficit-Neutral reserve fund.

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full—year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information public debt transactions.

Note.—Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1994 AS OF CLOSE OF BUSINESS MARCH 4, 1994

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED PREVIOUS SESSIONS			
Revenues			905,429
Permanents and other spending legislation[1]	721,182	694,713	
Appropriation legislation	742,749	758,885	
Offsetting receipts	(237,226)	(237,226)	
Total previously enacted	1,226,705	1,216,372	905,429
ENACTED THIS SESSION			
Emergency supplemental appropriations, fiscal year 1994 (P.L. 103–211)	(2,286)	(248)	
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted[2]	(5,562)	1,326	
Total current level[3][4]	1,218,857	1,217,451	905,429
Total budget resolution	1,223,249	1,218,149	905,349
Amount remaining:			
Under budget resolution	4,392	698	
Over budget resolution			80

[1] Includes budget committee estimate of $2.4 billion in outlay savings for FCC spectrum license fees.

[2] Includes changes to baseline estimates of appropriated mandatories due to enactment of Public Law 103–66.

[3] In accordance with the Budget Enforcement Act, the total does not include $13,608 million in budget authority and $8,896 million in outlays in emergency funding.

[4] At the request of committee staff, current level does not include scoring of section 601 of Public Law 102–391.

Notes.—Numbers in parentheses are negative. Detail may not add due to rounding.

PEACEKEEPING AND THE U.S. NATIONAL INTEREST

Mrs. **KASSEBAUM**. Madam President, I recently cochaired a working group with Congressman LEE HAMILTON, sponsored by the Henry L. Stimson Center, on peacekeeping and the U.S. national interest.

Clearly peacekeeping is an issue which has generated much discussion and debate over the past year. Following the experiences of Somalia and Haiti, uneasiness about United States involvement in U.N. peacekeeping has grown. Some have called for the United States to abandon U.N. peacekeeping altogether and focus our efforts solely on unilateral U.S. action.

Madam President, the Stimson working group rejected this view. We believe that U.N. peacekeeping can serve U.S. interests. However, recognizing the failures of the past and growing financial constraints, we also believe that the United Nations needs a new approach to peacekeeping, with greater selectivity, tougher mandates, financial reforms, and better training, equipment, and support.

The working group also emphasized the importance of Congress and the Executive working together to form a more constructive and cooperative approach to U.N. peacekeeping. Recent experiences in Somalia, Haiti, and Bosnia underline the importance of close consultation with Congress on this issue.

I ask unanimous consent that a summary of the Stimson Center Report, "Peacekeeping and the U.S. National Interest" be printed in the RECORD. I hope our report will contribute to the important, ongoing discussion about the U.S. role in U.N. peacekeeping.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE STIMSON CENTER REPORT

"Peacekeeping and the US National Interest," a report from a bi-partisan group led by Senator Nancy Kassebaum (R–KS) and Representative Lee Hamilton (D–IN), makes far-reaching recommendations that would overhaul the UN's troubled operations. The group concludes that strengthening the United Nations' peacekeeping operations is both urgent and directly in America's national interests.

Hoping to forge a consensus between parties and between branches of the federal government, the group warns: "As the world's predominant power, the United States cannot disconnect itself from the international environment. . . But . . . the United States does not have to act alone. . . Effective United Nations peace operations offer an alternative for the United States to share the burden of world peace with like-minded nations."

The report notes that the UN's record in peace operations has been mixed, with a few clear successes, a few outright failures, and many uncertain outcomes. However, unlike those who urge the end of US participation, the Kassebaum/Hamilton group urges a series of reforms to make the UN more effective in its security role. The group concludes that strengthened UN capabilities "would provide a new security option to the United States, to be used at the US Government's discretion, permitting us to avoid the necessity of choosing between unilateral action and standing by helplessly when international atrocities occur."

In its deliberations, the group insisted that a strengthened UN must not in any way compromise the United States' rights to self-defense and to completely independent armed forces, nor diminish in any way the power of the United States to veto any UN operation of which it does not approve. If these principles are maintained, a stronger UN will serve American interests, as well as those of the international community.

The panel includes members of Congress, experienced diplomats and military officers, former UN officials, and experts. Kassebaum and Hamilton led the other members of the group in calling on the administration to begin urgent consultations on a reform package to be presented to the UN. Their report outlines a three-point plan to strengthen the United Nations' system, improve US participation, and create a role for Congress in US decision-making.

A STRENGTHENED UNITED NATIONS

With three former UN under-secretaries among its members, the group was in a unique position to understand the needs of UN reform. Among the reforms recommended by the group are cuts in the size of the UN bureaucracy and a consolidation of responsibilities among fewer under-secretaries, the appointment of deputy-secretary-general to coordinate the activities of the UN's agencies, the immediate appointment of an independent inspector general, and the installation of an experienced management team and professional personnel system.

With respect to UN peacekeeping, the report urges:

Greater selectivity: Members must be more selective in authorizing new peace operations, avoiding situations not ready for solution or not vital enough to warrant the resources necessary to achieve success.

Tougher mandates: More realistic mandates are essential, in the group's view, with realistic deadlines, clear assignments of authority and responsibility to commanders, and rules of engagement flexible enough to permit the troops to carry out their missions.

Financial reforms: The formula used to assess peacekeeping costs should be changed, in the group's view, so that the share paid by the U.S. and the other permanent members of the Security Council is reduced, and the burden shared more equitably by other wealthy nations. Member states should be assessed only once a year for an integrated peacekeeping budget, rather than the many times each year they are currently hit up for individual missions.

Training, equipment, and support: Nations should designate units for potential service in U.N. peace missions and provide them with specialized training and equipment so that they can operate effectively with the peace forces of other nations. The U.N. should be given sufficient funds to continue modernizing its command and communications capabilities, and to maintain the professional staff required to coordinate modern military operations.

U.S. PARTICIPATION IN U.N. PEACEKEEPING

The group recommends that American participation in peace operations concentrate on those unique capabilities, like airlift and specialized logistical capabilities, which the U.S. and very few other nations can provide. When U.S. interests are clearly engaged, however, the United States should be prepared to make available combat forces as well. At such times, the United States must ensure that command arrangements are clearly described in the mandate and are appropriate for the situation. Whenever U.S. troops are involved in a U.N. mission, moreover, appropriate U.S. military commands should maintain contact with U.S. units and be prepared to assist the mission in a timely fashion should events turn against it.

THE ROLE OF THE CONGRESS

The past year had witnessed rancorous debates over the Congress' role in decisions on U.N. peacekeeping and the introduction of legislative initiatives that would curb the president's freedom-of-action. According to Senator Nancy Kassebaum, co-chair of the group, these debates have underlined the importance of building a new, more constructive congressional-executive partnership on U.N. peacekeeping. "The president should consult closely with congressional leaders whenever a new U.N. peace operation is being considered, particularly one involving U.S. forces," she says. "Such a move would help build a consensus for the president's policy and greatly aid the sustainability of American efforts."

The report notes that no new legislation is required to implement such procedures, only a commitment by both branches to act together to ensure the success of U.N. peace operations and the defense of American security interests.

JOINT EXECUTIVE/CONGRESSIONAL ACTION

The group calls on the Administration and the Congress to work out a comprehensive package of initiatives to present to the U.N. Secretariat and to other member states. Working together in this way, co-chair Lee Hamilton observes, "the two branches of government can ensure that there is no question about the United States' commitment to U.N. peace operations, so long as necessary reforms are taken in the United Nations' own procedures." Senator Kassebaum joins Representative Hamilton and the other members of the group in calling on the administration to begin urgent consultations on the contents of a package of reforms which would make it possible for the United Nations to serve world peace and the security interests of all nations, as its founders intended.

The Working on Peacekeeping and the U.S. National Interest is a project of the Henry L. Stimson Center, a non-profit organization devoted to research and public education on issues of national and international security. The project is funded by the Henry L. Stimson Center.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

NATIONAL COMPETITIVENESS ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10:15 a.m. having arrived, the Senate will now resume consideration of S. 4, the National Competitiveness Act, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 4) to promote the industrial competitiveness and economic growth of the United States by strengthening and expanding the civilian technology programs in the Department of Commerce, and so forth, and for other purposes.

The Senate resumed consideration of the bill.

Mrs. KASSEBAUM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Kansas.

Mrs. KASSEBAUM. Madam President, I rise to offer an amendment to S. 4, the National Competitiveness Act, which would establish a 15-year statute of repose for general aviation aircraft. I am offering this amendment on behalf of myself and Senators DOLE, DANFORTH, GORTON, HATCH, and MCCAIN. I would also like to mention, Madam President, that the general aviation revitalization legislation has 50 cosponsors.

In some ways I suppose this seems like deja vu all over again. We have been trying for many years to get this particular piece of legislation to a vote on the Senate floor. This is identical to the legislation that was introduced earlier this year, which, as I mentioned, now has 50 cosponsors.

I believe this amendment is germane to the underlying bill because, if passed, it will create thousands of well-paying engineering and manufacturing jobs in the United States which is the very purpose of S. 4.

Madam President, if I may, I would just like to go through a bit of a history on why there are so many of us who feel so strongly that this legislation is important.

When I came to the Senate in 1979, the United States was a world leader in the production of piston-powered aircraft. At that time, the U.S. companies were selling 13,000 piston-powered airplanes annually. Today, U.S. companies deliver closer to 500 piston-powered planes per year. This reduction in sales has decimated employment in the industry. The President's Commission to Ensure a Strong Competitive Airline Industry estimates that more than 100,000 jobs have been lost in manufacture, sales, service, and related general aviation industries.

Madam President, when an industry that is important to our Nation's future collapses, we need to identify the cause of the collapse and develop a remedy. According to virtually every source familiar with general aviation, including an independent panel of experts assembled by the President, the industry's collapse is primarily the result of U.S. laws which, among other things, continue to hold domestic manufacturers liable for design and manufacture of planes that were built 30, 40, or 50 years ago.

Subjecting U.S. plane manufacturers to this indefinite liability significantly increases the cost of domestically produced planes and gives foreign manufacturers a competitive advantage over U.S. companies. I should like to suggest, Madam President, that we are losing what has been the cutting edge in many ways of our manufacturing sector in aviation, which is general aviation airplanes, to foreign development today simply because it has become so expensive for manufacturers to manufacture piston-powered airplanes and for most people to purchase them. Many first-time fliers learn to fly and have gone into the field over their lifetime to be contributors to aviation because they started with a piston-powered airplane they were able to afford.

Never-ending liability increases the cost of domestically produced planes by requiring manufacturers to pay the costs associated with insuring a very large fleet of older planes. As the cost of insuring the older planes increases, the only way to generate the money needed to cover that business expense is to increase the selling price of the newly manufactured planes. Industry surveys have shown that product liability costs paid by domestic manufacturers are approximately $70,000 per plane. That is as much as a piston-powered plane used to cost 20 years ago. Now just the insurance per plane is $70,000.

These high liability costs now make it virtually impossible for domestic manufacturers to produce airplanes that are affordable for flying clubs, aviation schools, and those, as I mentioned earlier, who are starting out and wishing to make a career in aviation or be able to just utilize a smaller, less expensive plane for communication. Many farmers, many people living in rural areas had these small piston-powered planes.

Foreign plane manufacturers, on the other hand, are not significantly burdened by high liability costs. These companies are relative newcomers to the general aviation industry so they do not have a large fleet of 20 to 50 airplanes to insure.

Consequently, the liability expenses they must build into the cost of their new plane is dramatically less than American companies. Foreign plane manufacturers enjoy an additional competitive advantage because the European Community and a number of other countries have established the 10-year statute of repose. Since foreign manufacturers sell a substantial portion of their planes outside of the United States, a large bulk of their aging fleet is shielded from indefinite liability expense. United States manufacturers are not so fortunate. Most of their planes are flown in the United States where the liability continues forever.

Even when U.S. planes were purchased and flown abroad, domestic manufacturers can often be sued in the United States under U.S. laws since this is where the plane was manufactured. Thus, domestically produced planes do not enjoy the full benefits of foreign statutes of repose.

Madam President, in case anyone is confused about what a statute of repose is, I would like to take a few minutes to explain it. For nonlawyers such as myself, it may be easiest to think of a statute of repose as essentially a statute of limitations. In effect, a statute of repose says that products which last a significant period of time prove themselves safe for their intended use. In other words, the product's durability proves the quality of its design and construction. Products with design or manufacturing flaws do not last long. Products without design or manufacturing flaws do.

A statute of repose says that once a product has proven itself over many years the company that produced it should not have to go bankrupt defending itself against charges that the product was poorly manufactured. The product may have been improperly maintained or improperly used. But when a product such as an airplane lasted for 15 years, it is not improperly designed or manufactured.

A statute of repose for general aviation aircraft that I am offering today would prevent lawsuits against general aviation airframes and component parts which are more than 15 years old. When a component part is replaced, the 15-year statute of repose must begin anew for that particular part. For example, a ball bearing on a piston engine airplane is replaced when the plane is 14 years old. Four years later, when the plane is 18, the plane crashes, and the ball bearing that was replaced is found to be the cause of the accident. In this situation, the company which manufactured the faulty ball bearing will be liable because it did not last for 15 years. However, companies which manufactured other parts on the airplane that have lasted for over 15 years cannot be sued by a plaintiff who is simply looking for deep pockets.

I cannot overstate the need for this legislation, Madam President. Lawsuits against manufacturers for planes that were built decades ago are killing the production of piston engine airplanes in the United States. Beech Aircraft has determined that it spends over $500,000 per case defending itself in lawsuits where the National Transportation Safety Board has already determined that its airframe was not the cause of the accident.

The amendment I am offering today, along with my cosponsors, who feel just as strongly and passionately about this issue as I do, is narrow in scope and would not change product liability laws related to the rules of evidence, joint and several liability, punitive damages, standards of care, or the allocation of damages according to comparative fault.

Instead, it would simply create a rolling 15-year statute of repose on civil actions brought against aircraft manufacturers or manufacturers of general aviation component parts. It is a very simple piece of legislation that will have enormous benefits for the public and for the general aviation industry.

It has been changed and revised through the years that we have attempted to offer it and get a vote on the Senate floor in ways that I think it has become a very precise and a simple piece of legislation; just a 15-year statute of repose.

U.S. airplane manufacturers should not be indefinitely held responsible for products that are operated, repaired, serviced, and modified by others. To do so is to punish domestic airplane manufacturers for the durability of their product. A 15-year statute of repose would limit the manufacturer's liability to a reasonable time period, reduce the cost of new planes, and create thousands of jobs. Cessna, the world's largest producer of piston airplanes, until liability exposure forced the company to cease its production in 1986, has already announced that it will hire 2,000 workers and immediately begin producing piston aircraft once a 15-year statute of repose is passed. Many other companies have expressed similar plans.

Madam President, just over a decade ago, U.S. manufacturers were the world's leaders in the production of piston airplanes, but as sales have decreased, tens of thousands of manufacturing jobs have been lost. The amendment now pending would add no cost to the Federal Government and would bring many of those jobs back.

The National Commission to Ensure a Strong Competitive Airline Industry calls the measure one of the most important jobs and international competitiveness issues in its entire report. John Peterpaul, of the International Association of Machinists and Aerospace Workers, has stated that this legislation "will restore our competitiveness at home and abroad. It will create thousands of new, high-paying jobs in the stable private sector without costing the U.S. Treasury a dime. It gives employment opportunities, without expensive retraining, to defense workers who are, or will be, seeking employment."

This amendment has the support of manufacturers, labor, and aviation consumer groups. This legislation is good for America, and I urge its adoption.

I yield the floor.

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Madam President, I want to compliment the distinguished Senator from Kansas for her leadership on this issue. This is an extremely important issue. It has to do with whether or not our piston aviation industry is going to survive; frankly, whether thousands and thousands of jobs will be permanently lost in our country. And without her leadership I do not think it would be this far along.

I understand that the Judiciary Committee, upon which I sit and am the ranking minority member, has asked for a sequential referral on this. Ordinarily, I would agree with that. But frankly, I do not think we should delay this bill or this amendment by waiting for a sequential referral. I think we ought to go forward with it and face the problems right now. These are not complicated problems, these are not incomprehensible problems, and these are not problems that really should wait for a solution. It is really kind of a simple, straightforward, yet effective amendment.

Madam President, I appreciate the opportunity to speak on this very important issue, and as an original cosponsor of the General Aviation Revitalization Act of 1993 with Senator KASSEBAUM, I offer my strong support for Senator KASSEBAUM's amendment.

Senator KASSEBAUM's efforts have been stellar over the years in attempting to secure congressional approval for product liability reform for the general aviation industry. I commend her again for her leadership on this issue here today.

Madam President, as we debate the Kassebaum amendment, let us not forget the broader issue that has brought all of us here today, competition, and the ability we have as a nation to be competitive in a global economy. We have to ask ourselves whether or not we think that passing a 15-year statute of repose will help to increase the competitiveness of our general aviation industry throughout the world.

I am here to tell you that not only will a 15-year statute of repose improve the industry's competitiveness in both domestic and global markets, but it will also mark the first step toward realizing the importance of establishing a reasonable liability standard that serves to balance the rights of consumers with the ability of our Nation's industries to grow and maintain growth.

Madam President, if we do not realize the dire importance of liability reform to our ability to be competitive, we risk driving our country into economic ruin. In a recent poll by the Aircraft Owners and Pilots Association of its members, product liability was identified overwhelmingly as the most distressing issue facing its members.

This fact is extremely significant when you consider that the AOPA membership is comprised of consumers who are the likely victims of accidents involving general aviation. Therefore, although AOPA maintains strong interests in providing an adequate and fair compensation system, it recognizes the need for reform in this area and has strongly endorsed the 15-year statute of repose.

There have been strong endorsements for reform in general aviation product liability from virtually all aviation-related industry groups, including the International Association of Machinists, the Airplane Pilots Association, and other labor groups. In addition, the President's Commission to Ensure a Strong Competitive Airline Industry recommended in its report to the President that a 15-year statute of repose for the general aviation industry be enacted.

Madam President, let us look at exactly why there is so much support for a statute of repose. Telling indicators of the exponential growth in product liability for the aviation industry include the fact that from 1979 to 1986, damages and litigation costs paid by manufacturers of Federal Aviation Administration-approved aircraft increased more than 800 percent, going from $24 million to $210 million in that period of time.

In 1986, Cessna Aircraft Corp. stopped all production of piston airplanes due to high liability costs. And Piper Aircraft, a great company, declared bankruptcy in 1990, citing liability costs as the primary factor.

Madam President, we all understand that economic factors play a role in every industry in the country, and we also understand that it is not feasible or desirable to attempt to rescue every industry that experiences some hard times due to economic cycles. Yes, there have been ups and downs in the general aviation industry over the past decade, and there will continue to be ups and downs. However, product liability costs have risen quickly and steadily over the past 10 to 15 years, and since 1978 shipments of general aviation aircraft have declined 95 percent.

Contrast this scenario with what is happening to foreign production of piston aircraft. Certainly, piston aircraft are not becoming obsolete. Rather, production is shifting to other countries due to the unrelenting liability suits and their attendant cost increases in the United States.

For example, in 1980 there were 29 domestic piston airplane manufacturers and 15 foreign manufacturers. Today, there are 29 foreign manufacturers and 9 domestic manufacturers. It is interesting to note that the European Community has enacted a 10-year statute of repose. This becomes a very significant factor when you consider that over 90 percent of the total world production of piston aircraft now comes from Europe.

I could go into much more detail regarding the plight of the general aviation industry over the past decade or so. However, in the interest of accommodating many of my colleagues, who I know want to speak in support of the Kassebaum amendment, I would like to limit my comments to two specific areas.

First, I have the feeling that many Members of Congress may be harboring fears that creating a statute of limitations in the area of general aviation product liability will be opening a Pandora's box. Therefore, I want to make it very clear what this amendment will and will not do.

Let me state for the RECORD that the Kassebaum amendment does not create a Federal standard of liability; it does not limit the jurisdiction of any State court; and it does not attempt to change existing State laws regarding joint and several liability, comparative fault, or punitive damages.

It is no secret that I would like to see reforms in all of these areas. In fact, I cosponsored, earlier in this session, a much more comprehensive piece of legislation that attempts to deal with these very issues on a broader scale. However, I recognize that there is significant reluctance among many of my colleagues to support more drastic reforms. Therefore, the statute of repose offers a more than reasonable compromise while creating a needed boost to the general aviation industry—an industry that has lost 50 percent of its employees over the past decade.

This brings me to my second and final point, which is jobs. This is an issue in which everybody in this body is extremely interested. Mr. Russ Meyer, chairman and CEO of Cessna, has recently indicated that if the statute of repose is passed, Cessna will increase production by 1,500 to 2,000 aircraft. This would mean the creation of several thousand jobs all across the Nation in the general aviation industry. That may not be counting the spinoffs that come from the manufacturing itself.

In my home State of Utah alone, it is estimated by one engine manufacturer that if the statute of repose legislation is passed, it will create at least 150 new jobs. And this is not to mention potential benefits at another Utah manufacturing facility and many other service-related facilities within Utah.

Madam President, in this time of increased business costs, increasing global competition, and general downsizing in many industries in this country—all resulting in job losses—I hope the Senate will realize the importance of supporting this amendment. It will not cost even a dime of the taxpayers' money. We do not have to struggle with offsets, or budget points of order.

It is time that we lift these barriers in our ability to compete, which is the very reason we are here today with this legislation.

I thank the Chair and yield the floor.

AMENDMENT NO. 1477

(Purpose: To add a title to the bill.)

Mrs. KASSEBAUM. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for herself, Mr. DOLE, Mr. DANFORTH, Mr. MCCAIN, Mr. GORTON, and Mr. HATCH proposes an amendment numbered 1477.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee substitute add the following:

TITLE VII—GENERAL AVIATION REVITALIZATION

SEC. 701. SHORT TITLE.

This title may be cited as the "General Aviation Revitalization Act of 1994".

SEC, 702. TIME LIMITATION ON CIVIL ACTIONS AGAINST AIRCRAFT MANUFACTURERS.

Title XI of the Federal Aviation Act of 1958 (49 U.S.C. App. 1510–1518) is amended by adding at the end the following new section:

"SEC. 1119. TIME LIMITATION ON CIVIL ACTIONS AGAINST AIRCRAFT MANUFACTURERS.

"(a) IN GENERAL.—No civil action for damages for death or injury to persons or damage to property arising out of an accident involving a general aviation aircraft may be brought against the manufacturer of the aircraft or the manufacturer of any component, system, subassembly, or other part of the aircraft, if the accident occurred—

"(1) more than 15 years after—

"(A) the date of delivery of the aircraft to its first purchaser or lessee, if delivered directly from the manufacturer; or

"(B) the date of first delivery of the aircraft to a person engaged in the business of selling or leasing such aircraft; or

"(2) with respect to any component, system, subassembly, or other part which replaced another product originally in, or which was added to, the aircraft, and which is alleged to have caused the claimant's damages, more than 15 years after the date of the replacement or addition.

"(b) GENERAL AVIATION AIRCRAFT DEFINED.—For the purposes of this section, the term 'general aviation aircraft' means any aircraft for which a type certificate or an airworthiness certificate has been issued by the Administrator, which, at the time such certificate was originally issued, had a maximum seating capacity of fewer than 20 passengers, and which was not, at the time of the accident, engaged in scheduled passenger carrying operations as defined under regulations issued under this Act.

"(c) RELATIONSHIP TO OTHER LAWS.—This section supersedes any Federal or State law to the extent that such law permits a civil action described in subsection (a) to be brought after the applicable deadline for such civil action established by subsection (a).".

Mr. GORTON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Washington is recognized.

Mr. GORTON. Madam President, perhaps this single amendment, more than any single other element in the wide-ranging debate over product liability and medical malpractice, illustrates better than any other the devastating impact that unlimited and unchecked litigation can have on an industry.

The general aviation industry—and particularly the industry which produces piston driven aircraft—has literally been destroyed by product liability litigation, litigation which often involves aircraft manufactured decades before that litigation has begun.

We have hurt our international competitiveness and our balance of trade. We have destroyed thousands of jobs, and we have almost destroyed a historic and important American industry by our inattention to this issue over the course of the last decade.

The amendment proposed by the distinguished Senator from Kansas will allow us to take a step in the right direction, a step which is backed not only by the business enterprises, the manufacturers, but by the labor unions and by the other people who work in this industry, and by the primary organization representing the owner's private aircraft.

Just look once again at some of the statistics. An industry which produced 18,000 aircraft in 1978 now produces roughly 900 aircraft—a tiny percentage; an industry which was faced with product liability costs of $24 million in the mid-1970's per year, 10 years later, had multiplied by almost 10 times that amount to $210 million.

One company is completely out of business. Another company is producing less than 20 percent of what it produced before. A third company is producing 2 percent of what it had produced before.

This is an interesting insight, Madam President. The National Transportation Safety Board, an organization we created to look into accidents, and in this case aircraft accidents, reported that in 203 accidents which resulted in litigation against the Beech Aircraft Co. between 1983 and 1986, design or manufacturing error was not a cause of any of the accidents. Yet the average cost of each one of those lawsuits to the manufacturer was $530,000—$530,000 multiplied by 203 lawsuits—in which the expert outside board determined that manufacturing and design defects were not the cause of the accident.

What do we have on the other hand, Madam President? Should we grant a 15-year statute of repose? One company says that within 5 years, more than 25,000 jobs would be created at no cost to the Government—25,000 jobs by this one piece of legislation. No wonder the labor unions who represent workers in that industry are in favor of it.

The members of President Clinton's Airline Commission last year unanimously supported the enactment of this legislation.

Manufacturers, labor, the primary use organizations all favor a reform of product liability in this field by a 15-year statute of repose. It is opposed only by one interest group, the Trial Lawyers Association, which has literally been the only group to profit from the kind of litigation with which we are faced.

This amendment in bill form is sponsored by exactly half of the Members of this body and by a majority of Members of the House of Representatives, including the committees which will be represented on any conference committee.

If this amendment is adopted by the Senate, the chances that it will be law are excellent.

But when we talk about a bill which will spend billions of dollars designed to increase American competitiveness, designed to see to it that we have good, skilled jobs in the future, let us take a step in connection with that bill that clearly will restore a dramatic and historic American industry that clearly will put people back to work and that clearly will reduce the trade deficit which has been created by this kind of litigation.

Let us give our private aircraft manufacturers a break. Let us let them get back into business. Let us create jobs for the American people. Let us pass the Kassebaum amendment.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. McCAIN. Madam President, I rise to speak in favor of the amendment proposed by the Senator from Kansas, and I would like to begin my remarks by congratulating her for her many years' effort. I believe it is going on 10 years now that the Senator from Kansas has been attempting to get legislation, this type of legislation, before the Senate and the Congress.

I would also like to thank the distinguished chairman of the Commerce Committee, who although he is very strong in his opposition to this legislation, has allowed it to be reported out from the Senate and to the floor. I appreciate that, and I believe that legislation and product liability, which he is also allowing to move through the committee, are very important.

I want to thank Senator DANFORTH also for his many years of effort on this issue.

As a result of a law passed by Congress, Public Law 103-13, on April 7, 1993, a National Commission to ensure a strong competitive airline industry was created.

Madam President, this Commission was created because of the ongoing problems that we have in the aviation industry ranging, of course, from the lack of ability for certain airlines to compete, the global nature of the airline industry—all kinds of difficulties and challenges that we see facing what many of us view as the major thrust of commerce in the world in the next century. And that, of course, is aviation.

This Commission's mandate by the Congress and signed by the President "was to investigate, study and make policy recommendations about the financial health and future competitiveness of the U.S. airline and aerospace industries." The report was due 90 days after the appointment of the Commission.

The Commission's membership consists of 15 voting and 11 nonvoting members. Five voting members were appointed by the President, five by the Senate leadership and five by the House leadership.

The point is the Commission was bipartisan, with members appointed from "among individuals who are experts in aviation economics, finance, international trade and related disciplines and who can represent airlines, passengers, shippers, airline employees, aircraft manufacturers, general aviation, and the financial community."

The chairman of the Commission is a voting member of the Commission.

At the opening session, President Clinton and Transportation Secretary Peña challenged the Commission to review all aspects of the airline and aerospace industries to develop recommendations to ensure their strength and competitiveness in the domestic and global marketplaces.

President Clinton said:

> I think there is a real consensus in America that the people who make airplanes and equipment and the people who run our airlines are critical to our economic future.

The Commission Chairman Gerald L. Baliles said the Commission "should be prepared to question some of the most basic assumptions that formed the foundation of policy toward this industry—and behavior within it—for the past half century."

Madam President, I ask unanimous consent that the complete names of the members of this Commission be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMBERS OF THE COMMISSION

VOTING MEMBERS

Gerald L. Baliles, Chairman.
Bette B. Anderson.
J. Randolph Babbitt.
Charles M. Barclay.
Robert F. Daniell.
Sylvia A. de Leon.
Daniel M. Kasper.
Herbert D. Kelleher.
Russell W. Meyer, Jr.
John F. Peterpaul.
Sandra Pianalto.
John E. Robson.
Felix G. Rohatyn.
Abraham D. Sofaer.
Gina F. Thomas.

NONVOTING MEMBERS

Senator John Danforth.
Senator J. James Exon.
Senator Slade Gorton.
Senator Ernest Hollings.
Senator Patty Murray.
Representative Robert Borski.
Representative Maria Cantwell.
Representative Richard Gephardt.
Representative Newt Gingrich.
Representative Bud Shuster.
Dr. Laura D'Andrea Tyson, Chair, Council of Economic Advisors.

Mr. MCCAIN. Madam President, in August 1993, this Commission published a report to the President and Congress from the National Commission to Ensure a Strong Competitiveness Airline Industry, titled "Change, Challenge, and Competition." On page 26, the recommendation reads as follows:

> The United States was once the world leader in the production of general aviation aircraft, those used other than by the military, the airlines, and the Government. Although the United States remains a world leader in production and sale of business jets, production of light piston aircraft have been reduced to a trickle by the enormous ongoing cost of open-ended product liability.

Madam President, this is not my view or opinion. This is the view and the opinion of the most distinguished people in America that we could find to come up with recommendations to ensure the viability of aviation, the future of U.S. general aviation in America.

I repeat:

> Although the United States remains a world leader in production and sale of business jets, production of light piston aircraft have been reduced to a trickle by the enormous ongoing cost of open-ended product liability. Annual piston aircraft sales, which averaged 30,000 per year from 1965 to 1982, have increased barely 500 per year. Many factors are at play. But the added cost of liability insurance forced prices up, causing sharply increased cost for personal and short-range business flying. More than 100,000 jobs have been lost in manufacturing, sales, service, and related industries.

I repeat, the Commission states their view, not mine:

> More than 100,000 jobs have been lost in manufacturing, sales, service, and related industries.

Historically, at least 30 percent of the general aviation aircraft produced in the United States have been exported. This country has lost this important contribution to its trade balance. The enactment of legislation limiting the liability of general aviation manufacturers to 15 years from the date of manufacture would help regenerate a once healthy industry and help re-create thousands of jobs.

We recommend enactment of a statute of repose for general aviation aircraft which would limit the liability of manufacturers for these aircraft to 15 years from the date of manufacture, exactly what Senator KASSEBAUM's legislation says today. This is the recommendation of a Commission which was appointed by the President and created by Congress, the members of which were appointed by the President and Members of both House and Senate in a bipartisan fashion, and their recommendation was enactment of a statute of repose for general aviation aircraft which would limit the liability of manufacturers of these aircraft to 15 years from the date of manufacture.

Madam President, it is hard for me to justify the appointment of a Commission of some of the best minds in America, who meet for months, who come up with a recommendation which is very—I might say pretty—documented here, which I am sure is an enormous expense to the taxpayers of America, and for us to completely ignore their recommendations.

I think it is also important to point out that following their August 1993 recommendations, there was a staff report which was presented and which, interestingly enough, on October 28, 1993, the staff proposals for civil aviation was sent to the President. Now, the National Airline Commission, taking exception to some of the staff proposals for civil aviation, stated as follows:

> The need for action on these issues—a 15-year statute of repose for general aviation aircraft and ratification of the Montreal Protocols—seems clear to the Commission.
>
> On the issue of a statute of repose, it is clear that this once competitive sector of our manufacturing industry cannot be revived unless this step is taken.

I repeat, the members of the Commission state:

> It is clear that this once competitive sector of our manufacturing industry cannot be revived unless this step is taken. This is one of the most important jobs and international competitive issues in our report. It is a limited and targeted response to a demonstrated problem. The Commission helped set the political stage for this issue to be viewed as

such, rather than just another tort reform issue. For the staff draft to remand it to an overall liability study with no ending date is unsatisfactory.

The President was quite interested in this issue during our meeting with him, and the statute of repose bill has attracted wide support on Capitol Hill. Since publication of our report, the House version has attracted such significant support that 255 Members of the House have now signed on as cosponsors. Several manufacturers have indicated they will start production and add jobs upon enactment. That is why this proposal has support from both manufacturers and labor. The time is right, right now.

I can only echo the words of the members of the Commission on airline competitiveness that said the time is right and it is right now. And that is why Senator KASSEBAUM's legislation needs to be approved.

I would like to also make mention of the comments of John Goglia, who is the president of the International Association of Machinists and Aerospace Workers, speaking for the IAM.

I have been asked by John Peterpaul, IAM general vice president for transportation, to represent the IAM at this morning's rally. . .

John Peterpaul and the IAM leadership wants Congress to know that the IAM enthusiastically supports legislation establishing a 15-year statute of repose for general and business aircraft and component parts manufacturers.

In the past, the IAM has been reluctant to support various measures which would amend manufacturers' legal responsibility for manufacturing defects. However, an extensive review of the general aviation industry and the work of the President's Airline Commission, of which Mr. Peterpaul was a member, has firmly established that a statute of repose will assist in revitalizing America's once great general aviation industry.

Equally important to the IAM, we believe that this legislation is fair to the aircraft users. Alleged claimants will always have an appropriate party to properly pursue their legal remedies. There are no caps on awards or attorney's fees. Everyone in the industry, including operators, support this bill.

I repeat:

Everyone in the industry, including operators, support this bill.

Obviously, this legislation is good for America. It will restore our competitiveness at home and abroad. It will create thousands of new, high-paying jobs in the stable private sector without costing the U.S. Treasury a dime. It gives employment opportunities, without expensive retraining, to defense workers who are, or will be, seeking employment as factories and military bases are reduced or closed in the wake of new national budgetary priorities. We can unshackle American technology and know-how and once again lead the world in aircraft and equipment innovation.

Today, the IAM is asking Congress to join with industry and labor to support this important legislative initiative to establish a 15-year statute of repose for general aviation and business aircraft and component parts manufacturers.

Now Madam President, I would just like to demonstrate one of the reasons why this issue is long overdue. In keeping with the remarks of the statement I just read from the International Aviation and Machinist Union and Aerospace Workers Union, this legislation of Senator KASSEBAUM's has been endorsed by the Airline Commission that I talked about, all general aviation consumer groups, the National Aviation Association Coalition, the national and local labor unions and a broad based coalition of Members of Congress. As I mentioned, 255 Members of the other body have already cosponsored this legislation.

Why are there so many in such support and why did the Airline Commission make this such a high priority? Because of the product liability's toll.

Over 100,000 jobs have been lost in general aviation over the past 10 years. As far as aircraft manufacturers are concerned, employment is down 46 percent; piston engine manufacturers, employment is down 74 percent; FBO's, the number is down 55 percent; and student pilot training is down 61 percent. There are no two-seat training aircraft being made in the United States.

Madam President, if 30 years ago we had said there are no two-seat training aircraft manufactured in the United States of America, they would have said you are crazy. And, of course, piston airline exports naturally are down 93 percent. Those that are concerned about the trade deficit we have with foreign countries should be interested in the fact that our piston airline exports is down 93 percent and the market has been taken over by foreign manufacturers.

I believe we have that chart.

In 1980, there were 29 U.S. piston airplane manufacturers, 15 foreign. Today, there is 29 foreign and 9 United States.

Airplane shipments are down 95 percent since 1978. This not only translates into hundreds of millions of dollars but thousands and thousands of jobs. And this is part of the reason of how you come up with a loss of 100,000 jobs in this industry.

I believe, Madam President, this amendment will restore some justice and it will restore jobs. I also would note that the dire consequences of this once healthy industry has other serious consequences and that is if we do not provide new training aircraft for our future pilots, what happens to our air transportation system?

There is no doubt in my mind, Madam President, that the commercial aviation will continue to grow and expand despite the difficulties and problems we see in the short term. We are in a global economy. The way that we will see goods and people transported from one place to another will be primarily through aviation. Sometime in the next century, an aircraft will take off at Tokyo Airport and 2½ hours later land in Los Angeles, Phoenix or even Washington, DC. Aircraft manufacturers are working on this very aircraft as we speak.

The president of Cessna has said the company would resume production of piston-powered aircraft and have manufacturing plants to immediately start production at a rate of 2,000 per year if this legislation is approved by Congress.

Madam President, there is one very powerful organization that opposes this legislation. We know who it is. It is the American Trial Lawyers Association.

I will never forget twice in hearings that we held in the Aviation Subcommittee when I asked the witness from the American Trial Lawyers Association if he would be willing to sit down and talk about how we could possibly reach a resolution of this issue, they refused to do so; one of the few times I have seen a witness before a congressional committee who has said they would not even talk about trying to do something together in order to alleviate this very serious situation.

Madam President, there are facts and there are anecdotes and I will probably indulge in both. Nearly half of the cases against the light aircraft manufacturers are brought by just 16 law firms that routinely employ the same 9 expert witnesses. These firms rake in huge dollars. Yet, I would note, only 14 cents out of every dollar goes to the accident victims or their families. It is a fact that only 14 cents out of every dollar goes to the accident victims or their families. Where does the settlement money go? I think we all know.

I am told that of one such attorney who recently won a plane crash judgment as high as $107.3 million.

I think all individuals in America ought to be compensated for damages caused by the wrongdoing of others and that is our system. But, sadly, the system is not about justice anymore. I do not believe it is justice when we are depriving people of work, depriving our economy of much-need revenue, and preventing people from receiving fair and honest adjudication of the results of an unnecessary or unpleasant accident.

The general aviation industry is caught in the crossfire between the business community and the trial lawyers. If we pass this legislation, which is endorsed by the President's airline commission, we will create a lot of jobs and we will enhance competitiveness. But if we allow the gridlock to continue, we will see the demise of the general aviation industry in the United States.

Madam President, several years ago before the Aviation Subcommittee, of which I am a member, of the Commerce Committee, Mr. Frank Borman testified, a man who is respected and revered by many of us. He is a former astronaut, former president of then Eastern Airlines, and a man admired by all us.

At the end of the hearing, Mr. Borman said, "I would like to make a few comments about an issue that is not related to this hearing." Of course we were always pleased to hear from Mr. Borman. He stated when he was a young man growing up in New Mexico, the way he had learned to fly was to go out to the local airport and bum rides, and through the generosity of others he had become trained as a pilot. He later entered the military and of course went on to fame as an astronaut.

He said the present generation of Americans have been deprived of that. The present generation of Americans are unable to take advantage of the opportunity to learn to fly because the costs are so high. They are prohibitively high for anyone but the richest in our society, generally speaking. He believed, and stated this as forthrightly as he could, that we have an obligation to provide this generation and future generations of Americans that opportunity to become aviators, pilots, both men and women, so they can have the same opportunities that he and, indeed, many of us—some of us in this body—also had.

I again thank Senator KASSEBAUM for her efforts on behalf of this legislation. I hope we will get a vote on it. I hope we will then move forward with this much-needed legislation. All the other aspects of product liability reform have been taken from this bill. There are some of us who would like to see a lot of other issues raised in order to enhance the competitiveness of the aircraft industry in America. But, frankly, we think this is so simple and so straightforward and so supported by business, labor, the airline commission, everybody, literally, who has been associated directly with general aviation in America with the exception of the American Trial Lawyers Association. I can only echo the words of the President's commission when they said: "It is right, and the time is now."

Madam President, I yield the floor.

Mrs. KASSEBAUM. Madam President, if I may just respond for a few moments, I would like to express appreciation for the comments of Senator HATCH, Senator GORTON, and particularly the Senator from Arizona, Senator MCCAIN, who himself is a pilot. He has spoken over the years on this issue with great dedication and has strongly held views about what would be best for the general aviation industry.

I think we speak more out of sorrow, to a certain extent, than anger—and frustration that we have not been able to get this issue to the floor for a vote. We have modified this over the years in such a way we feel it really is a piece of legislation that now has been honed to its most important point and one that, as I said earlier, speaks in very simple terms to something that will significantly revitalize the general aviation industry. It is an industry that is modified each step of the way with certification requirements by the Federal Government. For these reasons we feel this lends itself particularly to being addressed for general aviation product liability.

Mr. BURNS. Madam President, I rise today to voice my support for what I believe is one of the most important issues facing the general aviation industry in the United States today.

Over the past two decades, we have endured warning after dire warning that some American industry or another was about to be slaughtered by foreign competition. However, one industry, the general aviation industry, was not destroyed by foreign competition. Americans did this to Americans, using the power of the judicial system.

For most of this century, U.S. manufacturers dominated the world in small aircraft production. However, in the last decades, American's producers have all been ravaged by product liability law suits. Current product liability laws hold manufacturers liable for planes built years, even decades ago, and these laws pose bigger problems for American plane manufacturers than their foreign competition by driving up the price of American-made aircraft at an astronomical rate.

Even though the industry's safety record has improved steadily for four decades, and even though aircraft must meet the certification standards of the Federal Aviation Administration, product liability costs for airplane builders have soared in recent years—jumping from $24 million in 1977 to $210 million in less than a decade.

I commend my colleague Senator KASSEBAUM for recognizing the need to revitalize the all-but-dead general aviation industry in the United States, and I fully support her legislation to amend the Federal Aviation Act of 1958 to impose a 15-year statute of repose to block product liability suits in cases involving most existing general aviation aircraft. Such suits would be prohibited if an accident occurred more than 15 years after the aircraft was manufactured.

This is an important issue to our small pilots in Montana. If we cannot get the right small aircraft manufactured to meet our needs in Montana, then we cannot function in the vast distances of our State. If the general aviation industry suffers, small business suffers, agriculture suffers, and transportation suffers.

I think it is wrong for U.S. airplane manufacturers to be held responsible, indefinitely, for products that are operated, repaired, serviced, and modified by others. The 15-year statute of repose would limit the manufacturer's liability to a reasonable time frame, reduce the cost of new planes, and create thousands of jobs.

The absence of reform in this area is just another glaring example of who is running the show in Washington: lawyers. They, and the frivolous lawsuits that have made them rich, are hurting people like you and me. I want changes in these laws that are good for small business, good for Montana farmers, good for those of us who have to travel across our State.

Mrs. KASSEBAUM. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mrs. MURRAY). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mrs. KASSEBAUM. I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, our colleagues have spoken with distinction but with tremendous folly. What we have here is yet another exercise in lawyer-bashing. But to claim that the injured party, or the deceased party, gets only 14 cents on the dollar of the average verdict is pure nonsense.

We had hearings on this matter. We had the benefit of an expert study by the National Insurance Underwriters—which is included in the report of the Commerce Committee on product liability. That report concluded that the trial lawyers, with their contingent contracts—under which they are not paid at all if they do not win the case—are paid an average of one-third of the verdict award. They are not like this Washington lawyer crowd that gets paid by the hour just for sitting around.

The same National Insurance Underwriters report found that of the overall verdicts and costs, defense attorneys received the greatest amount. So this caricature of trial lawyers as predatory ambulance-chasers is way off base.

Now, this Washington lawyer crowd is a different matter. I have worked with them. They get fees not for knowing the law, but for knowing the right people in this town. Consider the extravagant fees charged by Washington lawyers for representation in recent ethics cases. Some of our colleagues have been charged and later vindicated, but they also found themselves devastated financially—one owing $600,000; another one owing almost $1 million.

I have always told my staff that politics is entirely different from business. Public office is a public trust. The records here are open to the public. Anybody who has any inquiry, just tell them, "There are the files." All I want is a record of the documents they have copied—that is the agreement.

But to come up with the figure of 100,000 jobs is absurd. We will give the hearing record on this matter. The 14 cents—that is how they get into extremes and bring unsupported charges.

Specifically, Madam President, on this particular initiative, I feel like Red Buttons: "Strange things are happening." Why do I say this? Because this amendment is not germane and the distinguished Senator from Kansas knows that. What we have is S. 4, a bill passed 2 years ago by unanimous consent without the objection of the Senator from Arizona, without the objection of the Senator from Kansas, without the objection of the Senator from Utah or the others. The bill was sent over to the House side and we worked out the differences. Then we had it here in the Senate during the closing weeks in 1992. But for certain partisan political reasons we never could get it to a vote. There was never any objection. We heard there was a hold.

I went around like a rat in a maze; running all over on the other side of the aisle, with each Senator putting me off to another Senator. It was quite obvious they just were playing a game of delay. You could not find out any objection to the bill. The objection was, perhaps, to the author, who was in the midst of a reelection campaign. They didn't want me to get credit in an election year for passing the bill.

So, again we took up this bill. At that particular time in 1992 there was not any general aviation product liability even under discussion. In fact, going right on back to 1988 when we started, in the 1988 trade bill—I authored it and put in the amendment for the advanced technology program, for the manufacturing centers, for the outreach and extension services to facilitate the commercialization of our technology. That was an amendment on the 1988 trade bill.

At that particular time, all the way back 6 years ago, there was never any discussion about this important bill and its being germane and we have to solve product liability. If they do, the bill, as they have indicated, has been reported out. It is on the calendar. I know I got a missive from the Senator from Delaware, the distinguished chairman of Judiciary, because it does go to tort, to product liability, a tort subject, not necessarily confined to commerce, and rightfully belonging in the Judiciary Committee. It never should have been reported to us.

But in any event, it is on the calendar now and the Judiciary Committee is interested in it, as they were before. It had a reference to the Judiciary Committee, but never on this particular bill.

Then again this past year in May we passed this technology bill out of the Commerce Committee and there was no mention of product liability or general aviation or charts by my distinguished colleague from Arizona about 100,000 jobs. None of that at all. It was not on any of those bills because it is not germane. You might as well try to amend welfare reform to this bill. Under the reform, in 2 years you are kicked off welfare, you are going to get retrained or get a new job, so welfare reform creates jobs so we better get our Finance Committee friends on down to the floor here if they want to move adroitly this month on welfare reform, because it is a jobs bill, like they say this is a jobs bill. Therefore, with that strained interpretation of what is germane, they know differently.

And I say, strange things are happening because first out of the box was an objection that this bill is related to GATT and international trade. That objection had nothing to do with the technology development, nothing to do with the commercialization of our technology, nothing to do with the manufacturing centers, expertise being furnished small business, or any of those things; rather, it was a nongermane amendment related to GATT.

Now, I argued against fast track consideration of the GATT accord. In fact, I said wait a minute here. Let us start first with fast track. I said fast track I am opposing because I think, yes, in the end we could look at GATT. Given that the Congress of the United States is designated under article I, section 8 of the Constitution with responsibility to regulate foreign commerce or international trade, it was our responsibility and not the U.S. Trade Representative's and not the White House's and the executive branch's, and I did not like that arrogation to the executive branch of our responsibility. I still think it is unconstitutional when you sign off on a trade agreement and you cannot even amend.

But at that time my distinguished colleague here, also the leader on our committee, was arguing for fast track to bar any amendments on GATT. By the same token, don't try to make GATT amendments to this bill. If there are related amendments, germane amendments, fine business. Let us bring them. That is what we are here for. We do not have a perfect bill. I do not know of any bill that is perfect that has ever been presented in my years here. So let us get those.

The rule is open sesame, sooey pig, everybody who has an idea, come forward and we will look and see and debate it appropriately. But therein is the frustration in trying to get things done here. There seems to be a good government award for not getting anything accomplished. And here we have been working for 3 years on a bill and we are working with all the relevant committees, Commerce, Labor and Human Resources, Education, the National Science Foundation, the NTIA over in the White House, the White House staff itself, the Vice President's staff because he has been a leader in championing our information superhighway, working there with him, working with the Small Business Administration, working with the House colleagues, working with everybody around the clock, and here we have a unanimous bill and now we start the monkeyshines of let us go to international trade and the GATT treaty. I do not like the way we concluded GATT in December. I am not particularly prepared, and none of us are, to debate that, but we tried our best on yesterday. I do not know what will occur on that issue. But now we have come with general aviation product liability.

Now, general aviation product liability, like all product liability, is working extremely well. You have to get a feel for what is really going on and what is at issue.

When I say that, I go back to a time when I introduced, oh, 25, 30 years ago, Scott Carpenter, the astronaut, at the beginning of the space program. I will never forget his being asked, "Mr. Carpenter, how does it feel being blasted off in space? Can you tell us?" And he said, "Well, how would you feel being blasted off 17,000 miles an hour, 100 miles up into space, laying on your backside with 22,000 moving parts beneath you, all 22,000 made by the lowest bidder?"

Well, we saw at Christmastime the parts made by the lowest bidder. It was a refreshing series on NBC because it was Christmastime and they were buying toys for the kiddies, and they devoted three mornings in a row—and we will have to get that when we want to debate product liability—three mornings in a row to the various unsafe, poorly produced products—all of them market oriented, backed by investor venture capital and everything else like that trying to make a quick profit. Likewise with the automobile industry. I could mention verdicts ensuing from the auto industry's penchant for cutting corners in production here, there, and yonder.

But as a result of the people's representatives here in the national Congress instituting the Consumer Product Safety Commission, as a result now coming along under the common law practice of product liability, we find lives are being saved, not 14 cents on the dollar for the injured party in a plane crash and all the money going to lawyers and that kind of crazy talk.

But, rather, let us see what they have just put out for 1993, they being the National Transportation Safety Board.

I am sure we cannot reproduce a chart in the CONGRESSIONAL RECORD. I wish we could. But it shows here in this chart from the National Transportation Safety Board that the fatal accident rate dropped to 1.67 per 100,000 hours from 1.87 in 1992. So it is a general decrease there, with less than 500 fatalities. The chart's headline reads, "General aviation sees safety improvement in 1993."

Now, that is in relation, of course, to automobile accidents, highway accidents, all the other things going up, serious crime in America, all the other things show an increase. But what happens in general aviation is that product liability is working.

The companies, Madam President, are not going broke. The industry is doing extremely well, and I only refer to my conversations. Also, we will use Russ Meyer, the president of Cessna, as a witness because the distinguished Senator from Kansas and I have been working on this for 10 years. Revenues were up some 16 percent to $2.1 billion in 1993 as compared to 1992. Cessna has been bought out by Textron. I remember the time they said, oh, Cessna was going broke, the whole thing. Like one of the Senators just said a minute ago, literally, the industry has been destroyed. There is no industry. Yet you have Cessna being bought for $600 million. The buyers thought it was worthwhile, and their profits are up.

Their sales are up—Cessna is the most profitable segment, I am told, of Textron—these are only 1991 figures—are up $100 million profit.

Beech Aircraft, Raytheon bought it, and that is $106 million on $1.1 billion in sales; another 1991 figure.

Others are entering the field. We know it well. I have had Avtech, a producer of small planes, come to me looking for a location. We are working on that in South Carolina right now.

We have American General Aircraft Corp. beginning production, Mooney Aircraft is boosting its production.

So we know, with the economy reviving, that the general aviation business now is beginning, as other industries, to come back. For heaven's sake, do not say since IBM lost all its money and the stock is down and those kinds of things, that we ought to get out of the computer industry or that IBM is in any wise a bad company. It is an outstanding corporation. We can mention all these others. There have been particular changes with respect to all of industry in the recession that we have experienced.

But Piper, I want to read here what the Aircraft Owners and Pilots Association wrote: Piper filed for bankruptcy because "* * * there were many questionable business decisions." I quote: "Overzealous production schedules,"—overzealous production schedules—"expensive experimental projects, some bizarre * * *"—that is not my word. That is the word of the Aircraft Owners and Pilots Association—"* * * bizarre management practices * * *"—and it went on to report that the company had significant orders when it shut down, but the aircraft were priced below cost.

That same periodical comes out, the Aircraft Owners and Pilots Association, and says now Piper is once again back in the business. They expect to build 120 planes this year, and they expect to introduce a new plane this year.

So the picture really is one of 6 to 8 years ago in the middle of the 1980's. It is the same talk that we heard at that particular time, 6 or 8 years ago in the hearings before, and the markup before this particular bill.

I want to show what really happens if we cut it, because we had that particular measure before the Commerce Committee on September 19, 1991. We had that hearing. We just turned to the witness, and said, "Suppose product liability costs are cut in half and the liability is reduced from $200 million to $100 million." And we use those figures because the industry liability figure was in the hearing record. The cost would be affected only 5 percent, Madam President. Even if the entire savings were passed on, sales would not jump from 1,000 to 10,000 planes.

Evidently, they have used these anecdotal figures out of the air—purely out of the air—on really trying to prove their case, and they get them from these downtown lawyers; not trial lawyers. They have not tried anything except a new restaurant. They will take you to a new place to eat. I can tell you that right now. That is what they try. They do not try cases. They find nice, wonderful places to eat, and beautiful warm spots to repair to at this particular hour.

Let us see what Russ Meyer and the General Association of Manufacturers in their article here back some time a couple of years ago—I am trying to get the exact date for the record—

> The American Owners and Pilots Association is closely studying a proposal by the General Aviation Manufacturers Association, and supported by the aircraft manufacturers that would require—

This is very important.

> numerous inspections at currently undetermined points in the light aircraft.
>
> Though few details of the proposed supplemental inspection documents have been released. The Aircraft Owners and Pilots Association President, John L. Baker, recently met with Cessna Chairman, Russell W. Meyer, Jr., and Beech Chairman, Max E. Bleck in Wichita—

That is in Kansas.

> to assure them that the American Owners and Pilots Association is interested in keeping the aging general aviation fleet safe, but at the same time the association will carefully monitor the program and resist any unnecessary burden on the owners.

You see, I will refer rather from the article to the point made that the average age is 27 years. They produce a good, sound product, and the average age of these small general aviation planes is 27 years now. This article reports it 21 years, it is a couple of years old. But the updated article says 27 years. And they want to cut it back to 15 years.

So back at the factory, if we pass this, they say, "Look. We don't have to make this part sound. We did buy this cheaper part because it will wear out. But who cares?" And everything else of that kind, and you start cutting corners.

Then some Congress will come up 10 years from now and say, "Look how many lives are getting lost," rather than as reported by the National Transportation Safety Board that the safety is improving by the hour. It is one of the few items you might say of concern in our society that has a favorable trend.

Going back to the particular article, Baker said:

> The problems facing aging airliners in no way equate to the situation with the vast majority of the general aviation fleet. We are anxious to see just what the SID's will encompass.

SID's, of course, being the supplemental inspection documents is what they are trying to go for.

> A statement released by Bleck, who also is Chairman of the General Airline Manufacturers Association noted that the average age of the 220,000 aircraft in the general aviation fleet is 21 years.
>
> One quarter of the fleet is more than 30 years old. According to Bleck, the light, single-engine aircraft were "overbuilt * * * and will not wear out in the lifetime of an owner—provided they are meticulously maintained and inspected."

Is that a problem? Maybe it is a problem of somebody making money, but it is not a problem for air travel safety. Heavens above, I hope that what we are here for is not, by gosh, to get a subsidy for the aircraft industry. They have all the subsidies you could possibly use coming out of the Pentagon, with billions spent to build up the finest industry in the world.

I have part of Lockheed in my backyard and am proud of it. I hope I can get some more. I went to the west coast as Governor 30 years ago. I can never forget the executives who showed me around in Sunnyvale. I got back to Charleston and I got another Lockheed facility up in Greenville, SC. We do not denigrate in any way McDonnell Douglas, or Boeing, or Lockheed, in the aircraft industry. But be that as it may, they say "overbuilt and will not wear out."

> Bleck noted that any inspection program will not succeed "without the cooperation of the owners and operators and the FAA."
>
> The General Aviation Manufacturer's Association is helping manufacturers develop supplemental inspection documents that will recommend increased inspection vigilance for older airplanes. "Supplemental inspection documents go well beyond the normal maintenance checklists and maintenance manuals provided by the manufacturers at the time of purchase. They are individualized by each company for a particular airplane," Bleck said. "By combining laboratory and field tests with detailed inspections * * * we are able to develop a specific set of inspections * * * and timetables for replacing specific parts," he continued. The Federal Aviation Administration will be considering the supplemental inspection documents for adoption through the air worthiness directive route.
>
> Pressurized and commuter aircraft will require more thorough inspections because of the effects of pressurization and the number of takeoffs and landings they are subjected to. Of greater concern for light aircraft are the effects of weather and aging, according to Bleck.

Cessna Chairman Meyer, meanwhile, has said that his company has completed a set of supplemental inspection documents for the 200 series of single-engine aircraft. "We intend to develop supplemental inspection documents for all models of aircraft, including the 150 and 170 series," Meyer said in a speech before the Society of Automotive Engineers. "Supplemental inspection documents must be a mandatory part of every annual inspection." Cessna has not yet released the supplemental insurance documents.

Meyer characterized a typical general aviation accident as one that "involves an aircraft that is at least 20 years old, which is flown infrequently, is probably not hangared, receives minimal maintenance, contains antiquated equipment, and is flown by a low-time pilot.

Let me quote him again:

> Meyer characterized a typical general aviation accident as one that "involves an aircraft that is at least 20 years old, which has flown infrequently, is probably not hangared, receives minimum maintenance, contains antiquated equipment, and is flown by a low time pilot."

If we pass a particular amendment, it is built to last 15 years. That is what they want the Congress of the United States to do on their own bill. We ought to be debating here in a separate bill. But if you go with the Kassebaum amendment, you are saying let us build the planes to last 15 years. Come, come, come. I do not know what chance the Congress is taking in this pell-mell rush to please the lawyers downtown here.

Let me go back to the article. This is a key point if they want to save money on product liability costs and hire thousands of jobs. This is a quote:

> With tougher airworthiness requirements, implemented aggressively by the FAA, and with type-specific flight standards, I believe it is realistic to reduce the level of accidents by at least 50 percent.

That reduction in accidents would reduce product liability costs by at least 50 percent.

> Meyer said, "a point at which production of new single-engine aircraft once again becomes economically feasible."

If you want to reduce the product liability costs, I use Russ Meyer as my witness. I like the gentleman because I think he talks sense. I have had him, incidentally; we met together. He would go along with a 20-year statute of repose. I talked to him at length. I can quote the gentleman. They got it down to 15 years. If you had to wait downtown with these Washington lawyers, they would have a 5-year or 6-year statute, like the regular statute of limitations. You would take this Senator and he would get out of general aviation and any kind of flight of that kind, because we are comforted in knowing if you can check out the pilot and maintenance, you do not have to worry about the equipment, because it is built to last—to use their words, "perhaps overbuilt." I am delighted that it is overbuilt. I will quote Russ Meyer again, and I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

G.A. MANUFACTURERS PROPOSE NEW INSPECTIONS—OWNERS SHOULD NOT BE UNNECESSARILY BURDENED, SAYS AOPA'S BAKER

(By Thomas B. Haines and Marc E. Cook)

AOPA is closely studying a proposal by the General Aviation Manufacturers Association (GAMA) and supported by aircraft manufacturers that would require numerous inspections at currently undetermined points in the life of aircraft.

Though few details of the proposed Supplemental Inspection Documents (SIDs) have been released, AOPA President John L. Baker recently met with Cessna Chairman Russell W. Meyer Jr. and Beach Chairman Max E. Bleck in Wichita to assure them that AOPA is interested in keeping the aging general aviation fleet safe, but, at the same time, the association will carefully monitor the program and resist any unnecessary burden on owners.

"The problems facing aging airliners in no way equate to the situation with the vast majority of the general aviation fleet," Baker said. "We are anxious to see just what the SIDs will encompass."

A statement released by Bleck, who also is chairman of GAMA, noted that the average age of the 220,000 aircraft in the general aviation fleet is 21 years. One quarter of the fleet is more than 30 years old. According to Bleck, the light single-engine aircraft were "overbuilt . . . [and] will not wear out in the lifetime of an owner—provided they are meticulously maintained and inspected." Bleck noted that any inspection program will not succeed "without the cooperation of the owners and operators and the FAA."

GAMA is helping manufacturers develop SIDs that will recommend increased inspection vigilance for older airplanes. "SIDs go well beyond the normal maintenance check lists and maintenance manuals provided by the manufacturers at the time of purchase. They are individualized by each company for a particular airplane," Bleck said. "By combining laboratory and field tests with detailed inspections . . . we are able to develop a specific set of inspections . . . and timetables for replacing specific parts," he continued. "The FAA will be considering the SIDs for adoption through the airworthiness directive routes."

Pressurized and commuter aircraft will require more thorough inspections because of the effects of pressurization and the number of takeoffs and landings they are subjected to. Of greater concern for light aircraft are the effects of weather and aging, according to Bleck.

Cessna Chairman Meyer, meanwhile, has said that his company has completed a set of SIDs for the 200 series of single-engine aircraft. "We intend to develop SIDs for all models of aircraft, including the 150 and 170 series," Meyer said in a speech before the Society of Automotive Engineers. "SIDs must be a mandatory part of every annual inspection." Cessna has not yet released the SIDs.

Meyer characterized a typical general aviation accident as one that "involves an aircraft that is at least 20 years old, which is flown infrequently, is probably not hangered, receives minimal maintenance, contains antiquated equipment, and is flown by a low-time pilot.

"With tougher airworthiness requirements, implemented aggressively by the FAA, and with type-specific flight standards, I believe it is realistic to reduce the level of accidents by at least 50 percent." That reduction in accidents would reduce product liability costs by at least 50 percent, Meyer said, "a point at which production of new single-engine aircraft once again becomes economically feasible."

Baker disagreed and challenged Meyer to support the statement with facts. Weather, not airframe or engine problems, contributes to more than 50 percent of accidents, and better pilot education and weather dissemination are the keys to reducing those accidents, Baker said. Further, he noted that the "concept of a 20-year-old airplane is a myth. As a result of annual inspections, 100-hour inspections, routine maintenance, service bulletins, and airworthiness directives, 20-year-old airplanes are actually a collection of parts which range in age from weeks to a few years, and frequently the only 20-year-old part is the overbuilt main spar."

Mr. HOLLINGS. Quoting Russ Meyer again: "With tougher airworthiness requirements"—that is not product liability—"implemented aggressively by the FAA, and with type-specific flight standards,"—that is not product liability —"I believe it is realistic to reduce the level of accidents by at least 50 percent." That is at least 50 percent, the gentleman says. "That reduction in accidents would reduce product liability costs by at least 50 percent," Meyer said, "a point at which production of new single-engine aircraft once again becomes economically feasible."

I am to understand that some of that is going on now. That is the reason the small engine or small plane production is strong and healthy in America. That is why it has come back. We have tried our best—you have to comment on this, and I am going to have to yield to our distinguished colleagues in the Judiciary Committee because they are more familiar with this problem than I. It goes to a tort problem and not to a technology problem.

S. 4 is a technology bill. It is not the GATT international trade treaty, not the general aviation product liability bill, which is on the calendar to be referred to the Judiciary Committee, or whatever differences they have to work it out or something, and let us vote on it up or down and debate it. One of the things—this goes to health care—is to find out the cost, Madam President, of the insurance and the payout. I organized an insurance company called General Guaranty and Insurance Trust—we call it GGIT. It was a wonderful little company that had the override on S&L contracts, savings and loan contracts.

It was a reinsurer, and I had to S. 1 that company, so I do not speak casually. I had to come up before the Securities and Exchange Commission, and Manny Cohen was the Chairman of the Securities and Exchange Commission back at that particular time, and we S. 1'd that corporation within 13 days. He told me it was a national record.

The reason we could do it was we did not have any water in there for the lawyers or water in the stock or fees for the lawyers.

I got together with some friends on the street down in my own hometown, and I could do the work and did not mind doing it and getting it organized. When they went through to find where the water was or the exorbitant fees or tricky language, there was none because you can make a profit in insurance. It is guaranteed.

Where they have lost, they got all bullish like you find right now these bail companies. They have so much money they are all running around trying to buy movie houses and everything else of that kind. They do not know what to do with their money. They are off in New Zealand, down in Buenos Aires, down in Mexico. They organized and made their profits on common carrier universal service. But that is not enough for them, and now they have to invest hither, tither and yon, and they had a problem.

But I know from insurance companies that you look at the actuary tables and you pull out your profits and the actuary tables will tell you when they are all going to die or the actuary tables will tell you when they all are going to pay and what the schedule is with respect to that and if there is any kind of fluctuation and our actuaries watch these things that affect the premiums, bam, you increase the premium. They cannot say anything about it. We all do it.

Insurance companies are organized and all you have to do is take care of the State insurance commissioner, and they are not the most astute group. I think mine is in South Carolina. I am sure yours is in the State of Washington.

But we found out when I came in as a Governor of the State that in order to really sell insurance you had to file certain securities. We went over and opened up a closet door and there were $332 million in securities filed that were thrown on the floor and the coupons had never been clipped or anything else of that kind. I had to clean out the commissioner and everything else in that, and they said I was worse but never worse than the State of Texas.

I say that advisedly, if they want to argue that point, and I am not trying to demean Texas. It is a wonderful State. Some of my best friends—in fact, the best friend that stood at my first wedding lives there right now. So Texas is wonderful.

But they were just like they operated S&L's. We lost the $500 billion, $250 billion in one State.

Yet they are running around on the Senate floor about how we should handle things, and we have the little Joe Six-Pack fellow.

But, in any event, if you take care of that little commissioner as they were doing at that particular time, they cannot hire the super-duper actuaries and watch the trends and all to the other things of that kind. They did, by the way, as members of legislature give us a tie for Christmas. I never forgot that. The commissioner did that. It was a nice thing.

The point is that the States do not have the capability to regulate insurance, period. But I say in the same breath the Congress of the United States does not have the ability to regulate insurance because we have tried. We have tried.

I can see the Rockefeller amendment. I suppose that the distinguished Senator from West Virginia will be coming forward because we kept bringing in the big insurance companies relative to product liability and say: Wait a minute. Now you tell us what your costs are, what the payout is, and everything, because we heard these wild figures being given by the trial lawyers who get lawsuits going. The injured party gets 14 cents and the trial lawyers are running away with all the money and everything else of that kind. We have yet to find the facts. We have asked them time and again.

Some of the documents that have been given to us are most totally worthless and would not give us the picture or anything else.

What we find, Madam President, is that what we really are going to do, and perhaps it will happen maybe in my day. I resisted it because I am a States' rights fellow and have been in charge of that primary responsibility within the committee. But maybe we have not been meeting up to our responsibility.

There was a bill put by the distinguished colleague here from Ohio to federalize parts of insurance. There were two bills over on the House side when they brought this forward to finally federalize interstate commerce. We are the Congress. Nothing is more in interstate commerce than the insurance industry.

Of course, that is the plea and argument that we can save 20 percent of the costs on health insurance by getting rid of 1,500 forms from 100 and some companies, and give you one form for all the companies to use and get rid of all that administrative bureaucracy going to all these different State insurance commissioners. We can do it with legislating reform. We can do it with product liability. We can do it with anything.

If you really want to get at it and know what we are legislating for federalizing insurance—and perhaps that is where it belongs because we do not know what we are talking about. No Senator does. I say that in a most respectful fashion because we have tried again and again, and we have asked in one product liability with the Rockefeller amendment that they file certain records or at least we have the Commerce Department trying to get them, but we have not been able to do that.

I could go on at length. I know that the so-called runaway verdicts they talk about are not the case at all. They never talk about business.

I never forgot it was Pennzoil that sued Texaco and got a $12 billion verdict down in Texas. Twelve billion dollars is more than all the product liability verdicts since the history of product liability since the history of man, add it all up. That was one business verdict. Time and again we see these folks suing each other and everything else.

That is where the lawyers come in and they got all the depositions and interrogatories in computers now and they get paid for not settling, not terminating a case.

The poor trial lawyers are the ones in there fighting, and they know they have to win that case or there is nothing. It is a contingency basis. There are IOU things or anything else. You are on your own and assuming all of those things.

It was a good thing for society because when we get to product liability we go down a group of cases because I represented the power company and I represented corporations and organized them. I have done it. When you go in a small town like my hometown of Charleston, SC, you practice general law. I know about crime, because I represented the murder. I never heard of this three strikes and you are out fever that you have. I told my client: Look, you better level with me and let us see what the truth is because if you lose, you are going to the electric chair.

We do not tell them back in South Carolina you got two more murders now under the Federal policy and the policy in the State of Washington I understand and the policy in the State of California. They think they are accomplishing something. You have to put fear in the body politic. There is no fear. There is no cost. Crime pays, and we will debate that sometime. Crime pays in America. That is the problem. I will be glad to debate that.

But when it comes to product liability and these casual figures thrown around, the truth of the matter is that the recent case I have just on Lexis basis tried to find out and there is one over in Pennsylvania here just the end of the year. This was a $107 million verdict, Continental Teledyne. There was a faulty engine in that particular aircraft. The presiding judge reduced that to $1.7 million.

That is exactly what will happen in the State of South Carolina.

I have been in the business of attracting industry. These talks about jobs and creating industry that has never been in the game. As Governor, I put in technical training. We got the AAA credit rating.

We got a little plane. In fact, it was from Mrs. Beech of Beechcraft. I bought her used plane for $25,000, and the reason I could get it she told me "Do not worry about this plane, Governor. It will fly you anywhere just like a brand new plane."

I said, "Thank you, ma'am."

She was here a couple years ago. She was a wonderful friend out in Kansas. She sold me that plane. It was a twin-engine Beech Bonanza. We would fly up to New York. It took us at that time with winds and everything with a light plane 4 hours or 4 hours and 45 minutes.

Now all my Governor friends have jets. I am envious of them because if I even ride in one I am considered not ethical, or something.

But I worked with corporations. They are close to me, and I am close to them. And in all the attraction of industry, and we have the blue chips, we have duPonts. I have five Westinghouse plants. I brought in four General Electric plants. We have the most productive General Electric plant in the entire system. It is making magnetic resonance images, MRI's, in Florence, SC, and the majority of production is shipped to Tokyo. So this crowd that bashes Japan—we are doing business with Japan because that is the most productive.

I could go right on down with the duPonts and all the other perfect circle, Timkin roller bearings. I can go with all the great names of American industry.

But I want to emphasize I have 47 Japanese industries and over 100 German industries, and I met with the head of BMW because that is another trade argument, incidentally, from this crowd that is talking now about a new philosophy about the old philosophy of comparative advantage.

David Ricardo, back in England in the earliest of days, said "Use your comparative advantage."

I went to the Renaissance Weekend, where they bring together, supposedly, the best minds of America, down at Hilton Head at the first of the year here only a couple months ago. I was astounded, Madam President, to hear two former members of the Economic Security Council talk in terms of the comparative advantage and we ought to make the things we can make best, talking totally of the manufacturing process and not the Government.

And I asked, I said, "How in the world do you think we got BMW? We have never produced an automobile in the State of South Carolina. How in the world do you think Alabama got Mercedes? They have never produced an automobile in the State of Alabama."

Under that particular rationale, you would have the automobile companies coming in from Europe, as they are, and they would be located in Detroit. They do not understand the Government and the participation thereof and the training that we provide and these various other things of that kind.

So we have never had, is my point, a meeting with the head of BMW, meeting with any corporate head. They say they all endorse, they will endorse, they all want to make profits, make more money. I have never had any of them say, "Wait a minute. What about product liability?"

In fact, in the product liability debate, they will use the European system. Until now, under the European Economic Community, they are adopting our system of strict liability. And we will get into that particular debate.

But product liability is not the productivity hurdle that they talk about in this land or the job creator that they talk about. It protects the American public. They like our product liability. Just like in Pennsylvania, we do not have these runaway juries or anything like that.

(Mr. BREAUX assumed the Chair.)

Mr. HOLLINGS. And as a result, they say no organizations, Mr. President, endorse it.

Well, I see other Members are ready here. My distinguished colleagues from Alabama and New York want to address this particular subject.

We have here the Consumer Federation of America is against this measure. They do not make a profit one way or the other. They are interested in the safety of the traveling public, you and me. Public Citizen, Citizen Action, and right on down the list.

So if you want to know who endorses this, the impartial groups who are interested only in individuals and individual traveling safety, they are the ones that say we oppose this particular measure. It is a tried and true measure, product liability, in America today. Admittedly, it does not work too well in some States.

And, in fact, in my solicitation as Governor and now as Senator, I said, "Well, you want to move that industry from State X because you know right now I can tell you, with product liability and all the other problems they have, you want to come down to my State of South Carolina, because we do not have problems like that."

Ask any Republican judge. And I can name names, as Martha Mitchell used to say. I have asked them all to a man, and that is most of them, because I only got, after 14 years, a chance to recommend a judge last week. So all of them are Republicans.

I said, "What about product liability. I hear all of this up in Washington." They said, "Oh, that is just the Washington crowd. They are paid to get that. If they can make money out of this, they will make money out of it."

But when if comes down to actual product liability, whether it is general aircraft or otherwise, it is working well. It produces safety. It is a very valid procedure and it is something in the interest of the general safety of the general public itself.

So with that in mind, Mr. President, I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama [Mr. HEFLIN] is recognized.

Mr. HEFLIN. Mr. President, I ask unanimous consent that, regardless of how many different speeches I may make on this amendment or bill, they be considered only as one speech.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, this amendment which follows the language of S. 1458 that was introduced, is a completely new bill on the issue of general aviation revitalization or product liability or whatever name it might be given.

This bill, as it is now framed, has never been referred to the Judiciary Committee. The Judiciary Committee has never held a hearing on the contents that are contained in this bill.

It is obviously a legal matter. This bill has one provision and that is, it creates a statute of repose. A statute of repose is a legal and judicial term. It does not deal with safety, where the Commerce Committee normally gets bills that are referred. This is strictly a judicial issue, a 15-year statute of repose. That is all that is in the bill as to what it might do or what effect it might have.

What is a statute of repose?

A statute of repose differs from a statute of limitations. A statute of repose says that, regardless of circumstances, regardless of whether a plaintiff is a minor where, in many States, there is a right for the minor to wait until he reaches an age of majority before he can bring suit, a statute of repose says you cannot, under any circumstances, bring a lawsuit or a claim for compensation regardless of how egregious may be the circumstances. It cuts off a cause of action where there is intentional fault. It says that under no circumstances can you bring a lawsuit.

The Judiciary Committee, in my judgment, ought to consider this and have an opportunity to review it. It ought to have been entitled, in my opinion, in the first instance to have it brought before the Judiciary Committee. But it was not. It should, however, be entitled to a sequential referral in order that the Judiciary Committee can hold hearings and do some of the things Senator HOLLINGS talked about that ought to have been done, and the Judiciary Committee ought to go into this in somewhat detail.

In the past, there have been general aviation bills that contained a great number of other provisions. But this bill contains only a statute of repose. Under no circumstances can you bring a lawsuit after 15 years. There was testimony in the Commerce Committee that 80 percent of all of the planes flying today that would fall under this category are 15 years or older. The average age, according to the Commerce Committee's report, in one place it says it is 27 years and in another place 26 years, or something like that, in regard to the average age of the general aviation plane that is flying today.

What is a general aviation plane? Under the definition, it is a plane that was built and designed, when it was manufactured, to hold less than 20 passengers. That means it is a plane—in fact, it cannot be more than 19 passengers. But it does not affect those that have more than a 19-person capacity. It does not affect the aviation planes that we know today that are jets that are flying around. For example, if a small plane is hit by a jet and it is the fault of the small plane, then the passengers on the large aircraft that he injured or killed can recover. But the people on the small plane cannot recover.

I think the Judiciary Committee needs to look at this.

We are hearing a lot about the need, because the general aviation industry is in bad shape and they need a shot in the arm to produce more planes and to have a healthier economy. I have before me the "Annual Industry Review: 1993 Outlook & Agenda." Presented by Edward W. Stimpson, President, General Aviation Manufacturers Association. Let me read the opening lines.

> As an industry that has been challenged in recent years we believe we have a reason for optimism. Today's manufacturers have learned to be profitable in spite of lean times. We have improved our product lines by focusing on stronger markets. We have expanded export marketing. We have successfully marketed our products to the military. We have expanded and improved our services for the 200,000 aircraft already in the U.S. fleet. Within the next 5 years, airframe manufacturers will spend more than $1 billion on R&D [research and development]. As the U.S. economy recovers, general aviation manufacturers are well positioned for growth.

In that speech, the President of the General Aviation Manufacturers Association also says:

> In 1992, despite a sluggish economy and poor business confidence, the general aviation industry managed to hold its own. Forecasts of an improving U.S. economy, increased capital spending, better U.S. corporate profits bodes well for our industry. These economic factors, combined with continuing exports, high customer interest and an aging aircraft fleet, leads us to conclude that 1993 will be a better year.

I have here in Aviation Week and Space Technology, dated March 15, 1993, by Michael A. Dornheim, entitled "Stable Growth Ahead for Business Aircraft," in which he says, "All business aircraft manufacturers agree that a healthy economy is a key to an improved market."

In this article of March 15, he states:

> "Beech predicts a 35 to 45 percent increase in the dollar volume of its sales over the next 5 years and had record dollar sales in 1992," C. Douglas Mayhein, Marketing Vice President of Beech Aircraft, is quoted as saying.

I will have more to say about some of this as we go along because I know we have a caucus coming up; I only have limited time, and I will stop very shortly.

But this has also another aspect. Military aircraft, helicopters, fixed wings—our generals are usually flying in what I would believe you would call a C-20 aircraft, which is a jet airplane. You know, I stop and I think there were significant factors in regards to how we have won wars.

I do not think there is any question that two events in the Pacific saved millions of lives and brought victory to the United States. Those two significant events were the decision by Harry Truman to use the atomic bomb—but before that, when we only had one aircraft carrier in the Pacific, the deciding factor, in my judgment, was the breaking of the Japanese code by which we were able to decipher transmissions, and the plane of the commander in chief of the Japanese forces in the Pacific was shot down, as a result of this code-breaking technology.

I do not know whether many military aircraft hold more than 20 or not, but I do know that the military security of the United States can be affected by the adoption of this amendment. The fact that you are in a situation where you only have to worry about 15 years, and knowing after that that you cannot be brought to the bar of justice, can affect the decisions that go into matters pertaining to the selection of metal, the matter pertaining to the strength of metal because many aircraft crashes have occurred because of metal stress. If you lower the bars of research and the bars of to what you have to build as to the future and the reason for you to comply with that, it means, in my judgment, you will have a less safe product and you will have a potential danger that can apply to the military leaders of this country as they fly around in airplanes that contain less than 20 passengers.

Now, what is the cost to the United States as a result of this bill as it would apply to the military? I do not know. I did not know this amendment was coming up, and I had not had the chance to research this particular aspect, but I just wonder how many helicopters are in the armed services fleet. I do not believe I have ever been on a helicopter where there were 20 passengers or 19 passengers. It may be that there are some that can carry that many. But the vast majority of helicopters hold far less than 19 passengers.

Maybe this bill ought to be referred to the Committee on Armed Services. But certainly it ought to be sent to the Judiciary Committee for its consideration of what happens and what effects it will have pertaining to the future safety standards.

There is a movement in my State already in which we have two cities where the Federal Aviation Administration is considering taking away their status as an essential air service, which means, therefore, they cannot receive subsidies under the aviation deregulation bill and that essential service will not be allowed. The Federal Aviation Administration say they are having to do this because of decreased appropriations to the Federal Aviation Administration and their various aspects.

If that occurs, then it means more and more people, if they are going to use airplanes, are going to have to fly in small chartered planes from various communities where essential air service has been previously provided.

This raises the issue of safety, and it raises the issue of what happens in regard to plane crashes.

If the testimony before the Commerce Committee was correct that 80 percent of the planes today are 15 years or older—and I assume that is correct—you are going to have a situation arise in which many, many people will be put at risk. Just stop and think about this. There are some people who carry, when they have to for some reason, a baby 18 months, or 2 years old in their lap. They may know or they may not know about this statute of repose. Maybe they made the decision knowingly to take the risk, but the child should not be caused to suffer as a result of a bad decision.

In my judgment, if this bill passes, when a person gets on a plane, he or she is not going to know how old the plane is. They expect, when they go to an air taxi service, rent a plane, or when they are getting on a plane, there are going to be safety requirements and that the engine has been built to last; and that the assemblies which involve various things such as raising and lowering wheels or other aspects of subassemblies and others have met safety requirements. They are not going to know—and the vast majority of American people will not know—of this law containing a statute of repose and therefore they cannot make a fully informed decision relative to this matter.

Now, I am going to speak further on this issue. I expect we will have a rather extended debate on it. But to me this amendment is a real mistake. At least it ought to be referred to Judiciary since it is clearly a Judiciary matter. I think it ought to be sequentially referred to, let us look at it, and I am willing to limit the referral to a very brief period of time, 30 days or whatever it might be, some reasonable period of time. I think we ought to have a hearing in order that we might know more about the legal consequences pertaining to such an amendment.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President I would like to respond just for a couple of moments to the distinguished Senator from Alabama. I am not a lawyer, and it is with some trepidation that I rise to respond to a Senator who is not only a distinguished lawyer but a jurist, who has served with great distinction in that capacity in the State of Alabama, and as chairman of the Judiciary Committee, of course, has been a part of the hearings that the Judiciary Committee has twice had on general aviation, pilot liability language.

But I would just like to respond, even though I am not a lawyer, to a couple of the egregious errors and perhaps to correct some misunderstanding.

First, as an example that was given by the Senator from Alabama, he mentioned the small plane that would crash into a jet, and it would be the small plane's fault; but they could not sue under this legislation. That is just not true, Mr. President. If it was the pilot's fault, if there were other errors of judgment, they certainly could be sued. The only thing here that is required in this legislation is the manufacturer not being sued when it has nothing to do with the accident. Far too often, as we all know, they are viewed as deep pockets.

This is only saying that a manufacturer cannot be sued when there has been a piston-powered aviation accident if the particular part that is at fault is 15 years or less; they cannot be sued if it is 15 years or less. That is why there has to be some limitation. This in no way applies to a small plane, that it would be at fault crashing into another plane.

Second, the statute repose language has been addressed by the Judiciary Committee. At the time that it was last before the Judiciary Committee in 1990, it also included joint and several liability; it also included Federal preemption of other State liability laws. These are all things that were of great concern to many who viewed the language at that time.

Mr. HEFLIN. If the Senator will yield?

Mrs. KASSEBAUM. I am happy to.

Mr. HEFLIN. I noticed the Senator from Kansas mentioned piston-operated airplanes. I do not discover that in the bill that came out of the committee. Does the amendment of the Senator from Kansas limit it to the pistons?

Mrs. KASSEBAUM. Yes; it is.

Mr. HEFLIN. Is this the same bill that was introduced——

Mrs. KASSEBAUM. Mr. President, I would like to respond. I am sorry; I am incorrect. It is not just limited to piston powered. But I would suggest that this is what general aviation is. When the Senator from South Carolina, as well as the Senator from Alabama, mentioned the success of the general aviation industry, it has been the jet-powered planes, the top-of-the-line executive planes that have been so successful. There is no piston-powered production today, to speak of. That is what really we are addressing.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Chair notes that the hour of 12:30 having arrived, under the previous order, the Senate is scheduled to recess.

Mr. HEFLIN. Mr. President, I ask unanimous consent to have a couple more questions, and I ask unanimous consent that we be able to continue for 3 or 4 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, if what the Senator said in regard to the analogy—I use it relative to a jet plane carrying more than 20 passengers, complying. I thought I made it clear. But if I did not make it clear, it would be where the fault was due to the manufacturer in regard to the large plane, and also it is the small planes. The causation would be because it was manufacturers' defects on both planes, the small plane or the large plane; therefore, you have a different situation.

I realize that you have the right, relative to pilots and other causes of actions, that you could sue. If I did not make it clear, I want to make it clear. The Senator from Kansas is correct on that.

Mrs. KASSEBAUM. Mr. President, I would like to make one other point that was raised principally by the chairman of the Commerce Committee, that this has been on the calendar. Indeed, it has been on the calendar. Unfortunately, it has not been able to be called up without objection.

So we have tried various avenues. As the Senator from Alabama has said, we will be back to revisit aspects of this at a later time.

Thank you, Mr. President. I thank the Senator from Alabama.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

ORDER OF PROCEDURE

Mr. KERRY. Mr. President, I ask unanimous consent that the time be extended prior to recess for such time as I may speak on the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, when we voted on NAFTA last November, we made a promise to the American worker.

Whether we voted for NAFTA or against it, virtually everyone of us pledged our concern about the plight of the American worker.

Well NAFTA has now been enacted and its short-term goals are being implemented. The pressures of competition continue to be felt. The interest in the American worker really seems to have ebbed and waned in the public discourse perhaps because the economy has improved. Perhaps because some felt that NAFTA resolved all the problems the debate addressed.

Mr. President, I think it is time to make good on our promise. It is really time to ensure that the American worker, buffeted by the winds of international competition, is given the tools he/she needs to compete.

I think we have to resurrect the urgency that surrounded the NAFTA debate. And we should begin by passing the National Competitiveness Act.

This bill is part of a strategy to create high wage jobs. It will help our Nation to follow the lead of certain companies in my home State of Massachusetts, who have proudly made technology work for them and for their workers. Through aggressive research and development, advanced manufacturing technology, and continuous worker training and input, they have maintained and often increased manufacturing jobs in Massachusetts, a State where many said manufacturing would soon be dead and buried. These include the Bose Corp., a major player in the Japanese hi-fi and automotive parts market; and Modicon Corp., which brought jobs back from Asia when it radically upgraded its technology and workplace organization. In my State, you simply cannot create new manufacturing jobs with a low-skill, low-wage strategy. You must go the high-tech, high-skill route, and you must export.

I believe we must follow the Massachusetts model—more companies should emulate Bose and Modicon.

Mr. President, just how do we accomplish this?

Well, it isn't easy and it isn't simple. We need to funnel more money into our education budget. We must quickly enact Secretary Reich's Comprehensive Worker Adjustment Program, so that displaced workers can find out where jobs are, what kinds of skills they require, and how they can obtain them.

Through these steps, we can help ensure that our workers are the most technically adept in the world.

But this is not enough, Mr. President. A well-trained work force without jobs is no better than a poorly trained work force without jobs.

So we must, right now, through S. 4 make available support for the Department of Commerce's technology development and diffusion programs. By improving U.S. companies' ability to use technology we can ensure that there are high-value added jobs to employ our workers at world-class wages.

The bill before us, S. 4, expands the acclaimed Advanced Technology Program. The ATP program lowers, shares, and spreads the risk of developing high-risk technologies—those technologies which will create the high-value industries of tomorrow. ATP offers cost-shared competitive grants to private firms. In other words, it uses market mechanisms to grow high-technology jobs.

S. 4 also expands the number of manufacturing extension centers—often referred to as Hollings centers for the distinguished chairman of the Commerce Committee. These centers work like the Agricultural Extension Program to bring technology out to small- and medium-sized companies who would not otherwise have access to new technologies. Many of these small companies are still using the manufacturing processes they first used when they opened their factories in the 1940's and 1950's. Sooner or later they will be driven out of business by companies who know how to use new discoveries to lower their costs or improve their products. The NIST extension centers try to bring them up-to-date before it is too late for them or their workers. It will help bring American companies up to world-class standards. And by doing so it will make American workers more competitive.

Similar extension centers have already helped companies in Massachusetts create more jobs.

In Massachusetts a hand tool plant could not manufacture enough product to keep up with demand and manufacturing costs exceeded profits until the local center helped them reorganize and boost production levels.

As a result of the help, the company decided not to move to the Sun Belt, as they had previously planned to do. In addition, they hired another 30 employees.

The advantages of this program are not abstract or distant. This program creates jobs right away, by helping small- and medium-sized companies do what they do better.

In addition to expanding the number of extension centers, this bill will add a new function to the centers: to help small- and medium-sized companies pollute less. It will do this by teaching these companies how to use innovative environmental technologies which promote "greener" manufacturing.

Studies have shown that businesses can eliminate at least one-third to one-half of their waste generation by implementing source reduction techniques. Further, one recent study showed that 25 percent of all source reduction activities require no capital investment for implementation and, of those that require capital, 50 percent of the investments are recouped in savings, on average, in less then 18 months.

This approach allows us to have our cake and eat it too. We will make our businesses more competitive by helping them reduce costs; We will make our environment cleaner by reducing the waste created in the manufacturing process; and we will create new markets for environmental technologies.

I applaud the chairman of the Commerce Committee for acting on the fact that lowering waste production and increasing energy efficiency is not just good for the environment. It is also good for competitiveness. Companies that adopt new technologies to save costs on waste disposal, regulatory compliance, raw material, and liability associated with transport and disposal will be better able to compete on the international market. I want to thank him for working with me and taking my suggestions in designing this provision of this bill.

I want to commend him as well for working tirelessly on these technology programs which will go a long toward making our Nation more competitive.

Some in the Senate proposed yesterday to correct some of the problems they see with the Uruguay round agreement on GATT on this bill.

They claimed yesterday that this agreement will force us to bankrupt ourselves matching foreign subsidies. There are a great many questions about the subsidies provisions of the agreement and I do not pretend to have all the answers.

I do know that one of the areas in which our Nation excels is basic research. We spend more on basic research than many of our major trading partners combined. But we need to do better at developing that research into commercial products. The GATT provisions on subsidies allow us to continue the research that we already do so well. And they allow us to expand programs like those included in S. 4 that will take that research out of the laboratory and into the marketplace. That is a noble goal.

It may be that we can accomplish it while closing more loopholes in the subsidies language, but S. 4 is not the place to do this. Nor to make a decision to renegotiate the GATT.

We will have plenty of opportunities to review the GATT provisions—which are scheduled for review after 18 months and then again after 5 years. And we should demand that the USTR monitor other countries practices and act aggressively to ensure that other countries to not take advantage of the new rules. Let us resolve to work hard on the implementing legislation to address the concerns Senator DANFORTH raises. But let us not damage our ability to respond now to the emergency facing the American worker.

Millions of Americans understand our stake in following the path of high-skill, high-wage jobs. By electing Bill Clinton, they indicated their belief that Government must play a role. We have the opportunity now to respond to the frustrations of the American worker. This bill will help put our economy back on the right track and restore the sense of economic opportunity on which the American dream was built.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me thank my distinguished colleague from Massachusetts for his very generous remarks and thank him, incidentally, for getting back on the subject of S. 4, namely, technology, its development, the commercialization of that particular technology, and making America more competitive.

Right to the point, the distinguished Senator from Massachusetts has been a leader. It is his backyard that had the technology. They have used it over the many years.

I know in our backyard we always had one misgiving. We did not have the skills and the technological capability, research, and everything else, that the State of Massachusetts and others in the northeast had had.

The Senator from Massachusetts is very familiar with it. He has worked with it closely and worked with us on the bill. I cannot thank him enough for his contribution and support.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I understand we are in morning business.

I ask unanimous consent that I may be allowed to speak for about 4 or 5 minutes on the Kassebaum amendment which I understand is pending and has been under discussion.

The PRESIDING OFFICER. The Chair will state that the Senate is not in morning business. We are proceeding under a unanimous-consent request to extend the recess time past 12:30.

Mr. DANFORTH. Mr. President, reserving the right to object, my understanding is the unanimous-consent request was it was an extension of 3 or 4 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. DANFORTH. It is now 12:55 p.m. I have no objection to Senators speaking between now and whenever they want to speak, provided that is all they do. Therefore, I will object to further speeches unless it is understood the floor will be open solely for the purpose of making speeches and not for the purpose of any substantive move on this bill or any motions pertaining to the bill or amendments to the bill.

The PRESIDING OFFICER. Does the Senator from Alaska have a unanimous-consent request?

Mr. MURKOWSKI. The Senator from Alaska asks unanimous consent that I be allowed to speak for 3½ minutes on the Kassebaum amendment.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

If not, without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, I am pleased to join my colleague, Senator KASSEBAUM, in cosponsoring this amendment which I think is going to breathe life into an industry that is almost dead, and that is the general aviation manufacturing industry.

This legislation creates a 15-year statute of repose limiting the time the general aviation manufacturer can be sued for a defective part, and it also applies to parts that are added or replaced later.

This is an important phase, and the reality is that the general aviation industry has been harmed dramatically as a consequence of no relief under the liability phase of the current interpretation. I am pleased to say that this statute does not apply to aircraft that are being used in scheduled, passenger-carrying operations no matter the size, type, or age.

This has a great impact in my State of Alaska which probably has 8 or 9 times as many pilots per capita and 15 times as many airplanes per capita as the rest of the United States.

Light airplanes provide the only means of transportation for approximately 70 percent of our communities bringing many of the necessities of life throughout my State. The type of aircraft we are talking about currently using are Cessna 185's, Otter 206's, Beaver 180's, and so forth, many of which are an average of 22 years in age. As a matter of fact, we are still utilizing the Grumman Goose, which is 51 years old now.

Design and manufacturing defects routinely show up in the first 7 years of an aircraft's use.

Therefore, this legislation more than doubles the timeframe where manufacturing defects would be imposed on the manufacturers' liability.

Innocent victims should not pay the price for defective aircraft. We all agree on that. But the manufacturers should not pay for defective maintenance, servicing, or operation or be permanently liable for planes that were never built to last forever.

This legislation has been endorsed by the airlines, pilots, manufacturers, and service providers. It was included in the President's Airline Commission initial report.

Unfortunately, the administration has backed off its support for this legislation at this time. It is my understanding that they are now proposing a whole products liability bill revision.

Obviously, the Trial Lawyers Association is opposed to this legislation. But it is really unfortunate because Americans are forced to buy planes from foreign manufacturers in South America and other areas.

Over a decade ago U.S. manufacturers were selling approximately 13,000 light planes a year manufactured in the United States. Today, they are barely selling 900. So I think those figures speak for themselves, Mr. President.

I urge my colleagues to support the amendment so we can again compete in an industry in which we were previously a world leader, and we can have the benefit of new safe single-engine aircraft in our general aviation industry.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

RECESS UNTIL 2:15 P.M.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Senate stand in recess until 2:15 p.m. today.

There being no objection, the Senate, at 12:57 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. CAMPBELL].

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Colorado, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

Mr. DANFORTH. Mr. President, I believe it was a year ago last January when we had on the floor of the Senate a bill to create a commission to study the state of the airline industry in the United States, and the aircraft manufacturing industry.

During that debate I brought to the floor of the Senate boxes of existing reports on the subject of the airline industry and the aircraft manufacturing industry. During my speech, I was standing at this desk, and I took out volume after volume of existing reports, all since the mid-1980's, from various parts of the Federal Government on the question of airlines and aircraft. Some of them were DOT studies, some of them were GAO studies, and some of them were committee reports from various committees in Congress.

It was a stack of reports that reached from this desk just about to my nose. So at the end of the speech it was as though Kilroy were making the speech.

The point that I was trying to make was that we have had report after report after report after report on the condition of the airline industry and on the condition of the aircraft manufacturing industry and that nothing has come of those reports. The problem has not been lack of analysis; the problem has been lack of action. All we do is have reports. All we do is have commissions. All we do is make studies. So I attempted to make the point during that debate that this Airline Commission will just be yet another study and nothing will come of it, that it will take more time, and that the time has come for action.

That argument got nowhere, and we proceeded to set up the Commission that was headed by former Governor Baliles of Virginia. That Commission dutifully met and had a report, and it issued that report. As I recall, it was sometime last summer when the report was issued. After that report was issued, exactly what I predicted came to pass. I predicted that when the report was issued, the administration would then say that it had to study the study, and that is precisely what the administration did.

So the administration began studying the study. And having studied the study, the administration said with respect to the product liability issue on general aviation—the question that is now before us in the form of the Kassebaum amendment—the administration said, well, this issue should now be referred to the Justice Department for study. So, in other words, we had a Commission which was established a year ago January for the purpose of studying these major parts of our economy—airlines and aircraft—and the Commission recommended that we move ahead with product liability legislation, statute of repose legislation, for the manufacture of general aviation aircraft. And then that Commission's report, or study, was studied, and the administration has proposed a study.

Some people have commented on deadlock in Government. This is not just deadlock, because something is happening; there is some motion. At least papers are flying around. It is more like wheelspinning, I think, than deadlock. It is just studying for the sake of studies.

Now we have an amendment before us, and I believe that on a couple of past occasions this same issue has been before the Judiciary Committee. But now we are told that this matter should be before more than the Senate Commerce Committee; it should be referred to the Judiciary Committee. And this morning, the Senator from Alabama informed us that perhaps it should not only be before the Judiciary Committee, it should be before the Armed Services Committee, because there was said to be national defense implications.

So it could be that we have had a matter that has been studied by the Airline Commission, studied by the administration, and will be studied by the Justice Department, and has been studied by the Commerce Committee, and will be studied by the Judiciary Committee, and studied further by the Armed Services Committee. There could be no end at all to the studies. So the lawyers that my chairman referred to today, during the lunches at all the restaurants they try, would have a lot to meet about. They could meet about who was going to conduct the next study of the same problem.

Mr. President, it seems to me that it is reasonable to assume that at some point in time, we in Government actually act, just every now and then. I am not asking us to do anything that would be viewed as precipitous, or going off halfcocked; just every now and then, after a few years of studying a subject, to actually do something.

Senator KASSEBAUM has offered an amendment to do something. I think that what she has asked us to do is very reasonable—a 15-year statute of repose. She has made a good argument for doing that. Shipments of new light-piston engine aircraft have declined from 17,000 in 1978 to 555 last year. The head of one company—Beechcraft, I believe, manufactures these planes—says that if we act and if this statute of repose problem is solved, 25,000 new jobs will be created. Those who argue for S. 4 say that it makes our economy more competitive. I do believe that it is germane to this legislation to try to make the economy more competitive by creating 25,000 additional jobs in the aircraft manufacturing industry, general aviation aircraft. It was an industry that has been in decline, and if a Commission appointed by the President has recommended how to fix the industry, I believe we should fix it.

So I understand the need to study things. But it really does get down to a point where the studies reach the state of being ridiculous, not to mention redundant. We have long passed that point.

I compliment Senator KASSEBAUM for offering the amendment. I especially want to pay my respects to Senator McCAIN, who really made an excellent speech and had some very good charts explaining the situation with respect to general aviation aircraft. Here is a sector of our economy that could be fixed, and I believe we should fix it.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina [Mr. HOLLINGS] is recognized.

Mr. HOLLINGS. Mr. President, I would like to respond to my distinguished colleague relative to the Airline Commission report, and his call to get something done. Right to the point, there was in the morning news mention of a proposal to create a private entity, a special commission. Just get rid of the Government in this.

In essence, if you can get that private commission, what you really can do is spend more money. If you think that politicians can spend, you ought to go to the private sector. I have worked with them.

I will never forget the role I had as Governor. We did not have those automatic signature machines back then, so I would spend Saturday mornings on the State bonds that we issued, whether for highways, colleges, universities, the public buildings, and so on.

I know the private lawyer group plus the aircraft lobby that made up this commission. Sure enough, one of the big recommendations, that incidentally they have accepted, is to create a private group empowered to issue bonds and spend more money.

That is repugnant to this Senator, who has been trying to pay the bill with spending freezes, with Gramm-Rudman-Hollings and, now, with a value-added tax to pay for health care. I have had a bill on file since January of last year, for a value-added tax to pay for health care, the deficit, and the debt.

I will never forget when the distinguished leader made such a good talk. I was voting on the other side. I did not want to disturb him. He said that none of those voting for the balanced budget amendment had proposed a way to pay for it. There is at least one exception, I can assure you, because I have voted and will continue to vote for spending cuts. I will vote against new initiatives such as the Community Service Program. And I will also champion new taxes because we are into that particular financial fix in this country.

You need to cut spending. You need to withhold otherwise well-considered programs but programs not needed at this time.

I helped start the Peace Corps—and we can go into that record—but a domestic Peace Corps. I will never forget. I regretted having to vote against President Clinton's Community Service Program. But the White House gentleman called me and with persuasion said, "Well, Senator, now we've got 2,000 people volunteering in this particular program."

This was during the terrible Midwest floods, so I said, "Son, you got 2 million volunteering not in your program."

I know from Hurricane Hugo in my own backyard that volunteers came from 38 different States, all down there to South Carolina to help us after Hugo.

Americans similarly volunteered when they had the earthquake out there in Oakland, after Hurricane Andrew, after the Los Angeles earthquake most recently. After Hurricane Andrew, South Carolinians were the first on the scene with the police force from my Charleston area. We did not need a special program to volunteer. The people of America know all about voluntarism.

We have to withhold programs that are popular but unaffordable. They never ask that in a poll "Do you want to pay for it?" They just ask whether you are for this or that. You can get a majority vote. Of course, in a poll you will never find the word "taxes" because the Reagan-Bush crowd made tax a poison word in politics.

That is finding its way down to my local level, which I regret. I find now that they are trying to cut the revenues, and when you ask how are they going to compensate for it down in South Carolina, they say growth, growth, growth—the same disease we had in 1981 and 1982 with Kemp-Roth. I can go back to where Senator DOLE even opposed that initially, and then came out leading it, calling it Reaganomics, and growth, growth. What grew, the growth we had and continue to have, is in the deficit, the debt, and the interest costs on that national debt.

I am ready to vote at any time, because I want to move this bill forward on those things related in the bill and not adopt every little nuance and interest that people have. General aviation does not even belong on this particular technology bill.

A more relevant issue is the abuse of the highway and airport trust funds. Moneys from these trust funds are allocated to the deficit and debt and not to the highways and airports of America.

If I bring the figures up to date, I would say that we might get about $19 billion from the Federal highway tax and we spend about $12 billion on the highways and the other $7 billion we spend on the deficit and the debt.

Similarly, with the airport and airways improvement fund. We spend less than $2 billion a year of what we need. I asked the FAA Administrator, after attesting to that fact. I said, "Give me your program and I will be glad to try, and we will get the money and let us go with it."

The White House never would let the FAA Administrator do it. But if you can at the White House now appoint a separate commission, you cannot only continue to spend the moneys but then you can go—now it becomes clear—you can issue bonds, you can really spend way more money than you ever spent before.

I held up out here the National Airport and Dulles that particular Commission for 4 years running because what we needed at the time was $250 million. Instead, with the Commission that we got, I had to finally yield because nothing was going to be done. They are going to spend anywhere from $750 million to $850 million issuing bonds.

So there is one thing to do, something that they recommended that I hope I can block because we do have an FAA Administrator. He is going into the records now and finding out the tremendous waste in the contracts that have been given out over there over the years during the past administration. He is cleaning up those contracts, and if we can take the tax revenues that the air travelers are being charged in air travel each day and allocate them to the airport airways and improvement, we do not need a commission and we can get the program. It is well conceived. But understand, these commissions do not give any sanctity because the private crowd they say, well, nothing is getting done. When we get it away from the Congress, we can issue bonds. When we issue bonds we can spend more money. That is exactly what has happened.

Another finding that they failed to make was that the problem was deregulation. Everyone knows deregulation is the culprit. The fetish and fever in this Congress has been for several years now competitiveness, competitiveness; competition, competition. You do not invent competition on the floor of the Senate or the House. You have it out there where you want to compete. I can tell you that right now.

And that was proved by the deregulation of airlines in America. Once we deregulated, yes, competition went in for the long hauls, and the short hauls and the connector routes were totally abandoned or priced out of the question.

And so it is that when I came here almost 27 years ago, I had three direct flights from my hometown Charleston to Washington National. It was $34 at that time, so it was $68, round trip.

I get a Government rate, but my wife, in order to travel coach class from Washington, DC, to Charleston, SC, and back, pays $698. Usually, instead, we get one flight coming up, rather than three flights, so usually we have to go through Charlotte. Maybe I ought to run for mayor of Charlotte, because I am in Charlotte more than the people down there, just sitting around waiting making that particular connection.

My point is, the long hauls pay the money and that is where the competition went. Yes, you can fly from here to Frankfurt, Germany, and back for $279. We will find you the ticket. We got hold of one of them and I kept it on my desk to show how you could do it for the long hauls.

But what really occurred, then, was 85 percent of America—small- and medium-sized communities—was subsidizing and financing the long hauls. Along with that long-haul competition went everything that you could think of, from movies, to chances for a bottle of champagne, to bigger and better meals, to bigger and newer equipment that they started ordering, and they all thought they had a wonderful idea. We are going to put all the new equipment in, and we have the clean planes and all the different services and the prizes you can win and the contests and the free flights that you can win, and they all just went overboard. We looked around, and the airlines are broke.

Do you know what, Mr. President? The regulated have taken over the deregulated. KLM is financing Northwest. British Air is financing U.S. Air. Here comes the regulated airlines out of Europe—this is meeting yourself coming around the corner now, and still you get 50 different commissions in Washington.

They do not want to speak the truth and have any hearings on really what is happening. But, they are trying their best to recover with the financing of the regulated. They went right back to where we were regulated. It was a wonderful situation. We had the local communities financing and building the air fields.

I know, I was a lawyer at that particular time. We would make appearances and help the communities get the service. So once we had the facilities built by the local community, we then went to an airline that was willing to provide the service. And on the basis of public convenience and necessity, on the basis of the public interest—not competition, competition, competition—on the basis of public convenience and necessity, we would come to the Civil Aeronautics Board and prove our case and say, "Here are the facilities. Here is the airline. Here are the services they are willing to provide for us."

That is how air travel developed in America. Generally speaking, the banks and insurance companies owned the equipment and good operators operated the thing in a very competitive way. We had hearings. You had competitive prices. They were all solvent, they were all strong, until the disease and virus started here up on the floor of the National Congress that somehow they were not competitive. If we could get competition into it instead of public convenience and necessity, we really could let those market forces and venture capitalists come in.

Now no venture capitalist wants to invest in the blooming thing and they are going to employees, saying, "Please, if you want to save your job, why don't you put up some money? Go to your little piggy banks, employees, and put up your money, because we have done it. We have cleaned their clock with so-called venture capitalists and market forces."

Now why did they not recommend this and why does the White House? Nothing happened because it should not happen. They did not have at this particular commission any testimony whatsoever from consumers. They had no testimony from those who handled or are involved in aircraft accidents.

They had the aircraft people there who were writing out their ticket. Of course, they wrote down this thing because, yes, in 1978, what was it, 17,000 planes. The 17,000 planes are still around. With prosperity and the way they built them, thank heavens, they are still here and they are all ready to fly. We just do not have the need.

Air travel has gone down with the recession. It is coming back now. It is back up from the 1993 figure given by the distinguished Senator from Missouri over 1992. We have given the facts on how they are all coming back, Beechcraft and Cessna and all the rest of them.

But that is not to say that we here are trying our best to produce airplanes. I think our primary responsibility—salus populi suprema lex—the safety of the people is the supreme law. That is old common law from Roman days.

Yes, we have made it safe with product liability, and product liability has worked. We have put in the facts and figures from the National Transportation Safety Board how they finished in accidents and got greater safety and greater confidence.

Now we are creating that and we have airlines that are trying to recover. Some have got the employees to come in. Like I say, some others have got the regulated Europeans financially to save them.

The one in my back yard is on the front page of the business section this morning, trying to regroup before British Air puts its money in. It was going to put in millions and millions more. They are holding up because my particular airline that serves my backyard did not retrench with respect to the employees. They made a representation, as I understand it, not to have any discharge or what they call downsizing, layoffs.

Downsizing is the polite word for firing the poor folks. But that is what is going on. Hundreds and hundreds and thousands and thousands of jobs. They are having to downsize on account of the monkeyshines of the National Government, namely deregulation.

That is what wrecked the airlines. I have been here. I have seen it. I have worked with the airlines. I have helped represent them. I have represented others. I know from hard experience, deregulation—and you will not find it in these nice pretty magazines or the glossy little charts that they use at the Airline Commission. They brought the glossy charts and the glossy pictures, but did not hear from anybody in the business that was really handling these accidents and saying we ought to do something about product liability. They sneaked in this particular endorsement.

Well, I am glad the White House has got better sense on this particular score. They met with the preordained conclusion. And one of the conclusions that upsets this particular Senator is a matter of begging the question when it comes to deregulation.

My distinguished friend, the former Governor who chaired the commission, Governor Baliles, wrote an op-ed piece for the Washington Post. When I read that, I said, "Katie bar the door. He has been taken over," because that is not the case at all.

They need money, and why they need money is that they went immediately for where the competition was, the long hauls, and they just had a free for all, like the Katzenjammer kids falling all over each other. Like you see the Bell companies doing right now, trying to invest hither and yon. They are saying, "We got to hurry up. We understand there are only going to be five of us left, and we want to be one of the five."

They keep putting in the money for the new equipment, and ordering the planes, and putting on the prizes, and putting on the free champagne and the free trips and everything else that they could think of. Now they look around and they are all broke. If we had kept the regulations on we would have a strong airline industry like they have had in other countries, and like we had in the United States of America. So as we are waiting for the negotiations, I do not mind discussing, at any time, the airline industry because I have been on this committee 20-some years. We have worked with them. We have heard; we have watched these reports.

The product liability has achieved at least that. We might not have all the equipment we want at the airfields; we might have a pilot—and this Senator fought alongside the distinguished Senator, side by side, to have random drug and alcohol testing in transportation: Railroad conductors, bus drivers, truck drivers; and, yes, airline pilots.

Yes, we fought and we fought and we fought, and we finally got random drug and alcohol testing. We had to pass it 11 times, over there, to the House side. Finally, we only got results when we put a rider under the appropriations bill.

But I worked with my colleague here and I admire him greatly. We have the safety with respect to the pilots. We definitely have safe equipment as a result of product liability. Now we need to go to work on the airports, which we are doing in Denver. We are behind the curve there on that particular billion-dollar development. I welcome it. But we need that. It is the first one in 20-some, 30 years, almost. We need, all over this country, new airport facilities of that kind. But it has not been because we just get something done. That is a pretty good plea, to get something done. That is what our plea is with respect to the subject of this bill. This bill has to do with the advanced technology program. It is peer reviewed; industry initiated; and, in the major part, industry financed.

We do not pick winners and losers. That industry has to come. It is not us picking anybody. Once they come with a particular idea, they have to say they are going to finance at least 50 percent. And the practice has been over 50 percent, over half of it. And we say, still, that is fine business, but we have to have the National Academy of Engineering peer review this thing. There is to be no political decision of winners and losers. And once that is done, it has been highly successful.

Similarly, with the regional research outreach of the manufacturing centers. Now we have seven; we hope to start catching up more with the Japanese. That is the global competition. They have 170. This administration talks about, by the end of the century, they hope to get 100. We do not know whether we are going to get the money. But we know, moneywise, this is less than 2 percent of what the Federal Government expends on research. Less than 2 percent of the $70 billion the Federal Government spends—$40-some billion over in Defense; so much over in Energy; so much in Agriculture, and so on. This is the least amount: Tested, tried, and true; checked off by the Small Business Administration; checked off by the National Science Foundation, and checked off by the National Academy of Engineering. And in a very deliberate, positive, tested way.

It passed unanimously the year before last. It went to the House. We had in the committee, Republicans and Democrats, signed off on the conference report. But it was held up politically here on the floor of the Senate.

We came back again in May of last year and it passed unanimously: Every Republican vote, every Democratic vote in the Commerce Committee. It was put on the floor. And now, when we should have passed this last night by unanimous consent, they have instead turned it into open sesame: Let us put everything and anything we can think of on this particular bill.

That would be most unfortunate. There has been a lot of reconciliation, giving and taking. There has been a lot of good study, and predominantly the overwhelming support of the business, science, and technology competitiveness community. I do not know of any who oppose it. They have all worked on this hard. Staff worked around the clock over here. Over the last several years, they have worked developing this.

Now, when we want to do something, they want to muck it up with any and every little pet bill they have in their minds. Whatever the dispute is with the Judiciary Committee—fine. Let them settle it. Whatever dispute they may have on their particular bill, they have a vote in our committee and it has been out for quite some time. Whatever dispute they might have on international trade and GATT—fine. Let them take that up. But I am getting reports through the staff that they have all kinds of amendments coming up here. That would be disastrous.

I am given a list. They tell me that they have—I do not know, but that is what we are talking about: A Danforth amendment on greenlighting subsidies on GATT; a Grassley amendment on product liability reform; a Cochran amendment on EPA regulations; a Wallop amendment on regulatory flexibility analysis; a Nickles amendment on transportation-related regulatory reform; a Kassebaum amendment on general aviation liability; and a Simpson substitute that is inclusive, all wrapped up in one. If you want to know why nothing gets done, here is where you can bet your boots nothing will happen on this bill, or it could go anywhere—Brown, Davis-Bacon and service contract repeal; Coverdell, U.S. Postal Service intrusion bill, Paperwork Reduction Act; Wallop-Boren, Rural Community Reinvestment Act; Kempthorne, Hero Act; Nickles-Reid, Economic and Employment Impact Act; Dole, Private Property Regulation Act; Hatch, Regulatory Accountability Act; Gramm, to be announced. And on down the list. On down the list.

I plead with the common sense and understanding and fraternity of the body that we just withhold these. Let them come up in their normal order, or whatever it is, because it is quite obvious, if that is the strategy—let us call it that—if that is the strategy, nothing is going to happen on this bill or any other bill.

If we passed all these measures and put it on the bill, that would never pass muster on the House side. It would kill the bill. I do not know if you would have a majority vote for this bill even though you had a unanimous vote for it on two occasions from this House and out of the committee and on a bipartisan basis.

Those who talked eloquently—and the reason I comment as I do is because I have not had any of my Republican colleagues who worked on this bill come forward and talk in favor of these bills. All we had was, "Hush, don't you say anything. We have all these other amendments, and that is what we will put up." That will destroy this bill; and if that is the argument of why we cannot do something, that is the best example. It is all political; not germane whatsoever. We considered everybody when we were within the committee, Republican and Democrat. They never mentioned GATT; they never mentioned regulatory reform; they never mentioned general liability on aircraft. They never mentioned any of these things.

So we know our bill. We know our measure. And we know also how nothing can get done if that is their wish.

Mrs. KASSEBAUM. Mr. President, I wonder if the Senator from South Carolina would allow me just a few comments to express——

The PRESIDING OFFICER. The Senator from Kansas [Mrs. KASSEBAUM], is recognized.

Mrs. KASSEBAUM. I am not part of any strategy. I have greatly respected the chairmanship of the Senator from South Carolina of the Commerce Committee. For a number of years, although I know he has not been a supporter of general aviation product liability——

Mr. HOLLINGS. Will the distinguished Senator yield?

Mrs. KASSEBAUM. He has tried to be accommodating to at least let me have a voice. I would be happy to yield.

Mr. HOLLINGS. What the Senator does is give prestige and dignity and credibility to the statute because she is known as one of the outstanding bipartisan Senators, ultimately fair. And when the Senator comes with her particular amendment, they all sort of join in and she gives credibility and dignity and prestige to the strategy. That is what is occurring.

Mrs. KASSEBAUM. Mr. President, I very much appreciate those comments. I would just like to say all I really want is a vote and for some time have tried to make the case why we do need to have general aviation product liability.

I would make the case also, Mr. President, it is germane to S. 4. S. 4 is an effort to speak to technology, to speak to the needs of competitiveness in this country in the future. The general aviation product liability bill speaks to the same means except it does something—it really will add production.

This morning there were comments made about how well the general aviation industry was doing, and it has had a rebound, Mr. President, that is true, but not in piston-powered planes. It has been the top-of-the-line jet planes that obviously have done well in recent years.

But that is not where we are losing the industry. Where we are losing the industry is most Americans really want to be able to buy the smaller, light planes. So I think it is germane. I think it speaks to jobs. I think it speaks to technology. I think it speaks to the ability of workers who may be dislocated for one reason or another, even those who may need retraining, to be able to find a number of jobs in an industry that has lost a lot through the years.

I believe the case can be made in fact that it has largely been lost because of cost, cost that is directly due to having to meet the high price that comes from settling a case, many times settled when it has not been the fault of the manufacturer but money having to be spent in order to address the issue that has been raised.

It has a logical place on this bill, Mr. President. I hope we can continue the debate. I think it has a great deal of merit. I would be the first to say, as would everyone else, that if there is defective manufacturing which has caused an accident, then those victims certainly should be compensated—if it is due to manufacturing within the 15 years. Any plane that has withstood for 15 years, solid design and manufacturing, is not going to face that kind of situation.

But I would also say manufacturers should not pay for pilot errors, and they should not pay for air traffic control errors. These are things over which they have no control. But because they have the deep pockets to pay, they are then sued. This is why I believe it is important for us to address this now. Manufacturers should not pay when their planes are improperly maintained or repaired or modified by others. There are strict standards that have to be met.

For those who are fliers and have not flown but kept a little plane in the hangar that has not been properly maintained, have not flown for a couple years and decide to take the plane up and because of their own errors have had a crash and lives have been lost or serious injury occurs, it is not the manufacturer's fault in that instance, and that is the difference. It is a difference which I think needs to be clearly understood and clearly made.

There should and would be just and fair compensation if it would be the manufacturer's fault within the framework of the limitations that would be imposed on a manufacturer. But where there is a faulty part, any good pilot is going to replace that part, and a whole new 15-year cycle starts once a part has been replaced.

So there are many just and fair reasons why this should be a part of this bill, S. 4. We have debated this many times.

I further add, Mr. President, only 1 percent of all general aviation accidents are caused by design or manufacturing defects, and almost all of those accidents occur within 8 years from the time the plane is built.

An analysis by the National Transportation Safety Board shows that from the years 1983 through 1990, 99.9 percent of all general aviation accidents were caused by something other than a design or manufacturing defect in a plane that is over 15 years old. Nevertheless, the manufacturers are constantly being sued for their older planes.

I feel very strongly, Mr. President, that we end up debating these points which I believe most of us would feel are very logical points, but there are those in the legal profession who view this as a camel's nose under the tent and see this as an opening in tort reform that they do not wish to address.

It is not that. I think we should take it for what it is. It is a fair way to address a problem that has existed for the manufacturing of light airplanes and, if we can pass this legislation, will mean exactly what the chairman of the Commerce Committee is trying to address with S. 4, stronger industry, advancing technology, jobs for those in a field that will again make the United States a leader in general aviation aircraft. I believe that in a very simple way we have answers here that will mean a great deal to the very issues the Senator from South Carolina has been addressing.

I yield the floor.

Mr. DANFORTH. Mr. President, will the Senator yield for a question?

Mrs. KASSEBAUM. I would be happy to do so.

Mr. DANFORTH. I ask the Senator to respond to a point that was made just before the break for lunch with respect to the effect that this amendment might have on safety in manufacturing general aviation aircraft. The point that was made by opponents was that this really is a safety issue and that somehow manufacturing would be less safe if this amendment were adopted.

But what I hear the Senator saying is that most accidents in general aviation are not related to the construction or the design of the aircraft, and that the overwhelming percentage of those accidents that are related to manufacturing/design occur in the first 8 years of the aircraft's operation, and that a tiny percentage have to do with anything that happens after 15 years.

So my question to the Senator is: In the real world of manufacturing and the exercise of care in putting a product on the market, is it the Senator's view that this amendment would have anything at all to do with the real world of safety?

Mrs. KASSEBAUM. Mr. President, I appreciate the question from the Senator from Missouri, the ranking member of the Commerce Committee.

It would not jeopardize safety at all. The aviation industry and general aviation is guided each step of the way from the beginning design to the completion of the plane by Federal safety guidelines. There are various steps of certification that have to be met. There are manuals that lay out exactly what needs to be done to maintain a plane, approval along each step of the way. In no way will safety be placed in jeopardy.

The Senator from Missouri is exactly correct when he said that 99.9 percent of all general aviation accidents were caused by something other than design or manufacturing defects. As you say, those would be with 8 years or less.

I think this is an industry that has to meet such stiff requirements for safety all along the manufacturing process that the safety will never be placed in jeopardy. One of the reasons that we have a higher safety record today is that we have imposed and continue to impose such high standards for safety.

We have lights on runways now, we have the ability to project with the highest technology from the air traffic control system—we are constantly seeking to improve that—plus pilot training.

Those are things that we can continue to do. Hearings have been held many times over the years in the Commerce Committee regarding aviation and the safety of aviation. Those are things that will not be affected at all by this legislation.

Mr. President, I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama [Mr. HEFLIN], is recognized.

Mr. HEFLIN. Mr. President, I am delighted to agree with Senator HOLLINGS on his evaluation of Senator KASSEBAUM. We all have the highest respect and regard for her.

She, of course, says that she is not a lawyer and does not have legal training. I think she does a great job of articulating her position. But she may not, therefore, be in a position to evaluate certain aspects of this bill.

It was interesting to me to see that she did admit that the general aviation industry is on the rebound and is doing well, but that the piston-powered aviation is in trouble. She recited the number of instances where there has been a reduction in the number of units that have been manufactured.

It would appear to me that this bill might not have as much opposition if it was limited to piston-powered aircraft. But included in it are jets, helicopters, military planes, Medivac. I do not believe you would have a choice if a Medivac plane came to you, and it had a big sign on it: "Enter at your own risk because this plane is 15 years old," and therefore no one can recover if there are manufacturer's or design defects.

This bill has been changed tremendously. That is one of the reasons why I think it ought to be referred to the Judiciary Committee for a sequential referral. Nothing really in previous bills is contained in this bill. It is entirely new. There was a previous bill with a much higher statute of repose. There is nothing in this bill to prevent frivolous lawsuits, as the argument has been made many, many times that we must stop these frivolous lawsuits.

There is nothing in this bill; only one thing: The statute of repose. If there is a frivolous lawsuit brought when there is a defect, a design or manufacturing defect, failure to warn defect, whatever it might be, if it is 10 years old, if it is a frivolous lawsuit, there is nothing in this bill that stops it.

We hear a lot about punitive damages; that they have gone out of control, and we have these punitive damages. I thought Senator HOLLINGS was very much on point when he pointed out that, not personal injury, business versus business is where most of the punitive damage lawsuits arise, and the big verdicts such as he cited in that case in Texas.

There are no caps on damages. We hear a lot about a need for caps on damages. There is nothing like that in this bill. We hear that there is a great danger today, and it is an injustice some people say in regard to joint and several liability—there is no joint and several liability limitation in this bill. It is still a 15-year statute of limitation.

We hear a lot about, there ought to be caps on noneconomic damages such as pain and suffering, and that therefore that is where a lot of the ills and product liability suits have occurred, and the juries have awarded money that causes noneconomic values. There is no effort made in this bill relative to that.

We hear a lot in regard to the English rule, that the loser ought to pay. There is nothing in regards to that.

You start tracing the history of the legislation that has been proposed, and the reasons that came out about it, and you have seen drastic changes take place.

Now we are down to just one issue, one issue, and that is the issue of the statute of repose, which is different from a statute of limitation. It says under no circumstances can you bring a lawsuit to recover for manufacturer's defects or manufacturer's design problems. Any of those things can occur.

Regardless of age, they are talking about the number of years. I am trying to remember. Maybe I have it somewhere. I think I have, and I will refer to it later. But it is something like this: That in 1958, a manufacturer of a small plane, which would have been under the classification of general aviation, had brought to its attention that the design of that plane could cause the plane to break apart. They did not do anything about it. They sat back, and they were willing to gamble rather than recall the planes that they made and change the design.

A jury case was brought, and the verdict was against the manufacturer for its failure to heed the warning of its own people that the airplane's design could cause it to break apart. They did not do anything about it. Finally, after a verdict, they did something about it. But it was, if I remember, something like 29 years after they had knowledge of it, before they did anything.

I want to get the facts of that case, and bring it up. When they did not do it, you have a situation where you are asking that, therefore, if we discover something that is in the design, or the way one part of it reacts with another, we are in a situation where you should have known and should have done something to correct it. And they did not do it. But they say, all right, after 15 years we just sit back and wait until the 15 years run, and we will not have any problems with it. We will not do it.

I listened to the colloquy, and I really think they are a little naive in regard to the fact that they would take out all safety and there will not be any problems in aviation. But there are many instances in the manufacture of others. I remember an automobile manufacturer in a case where it was brought to their attention that the gas tank was located in a certain locality and it would be very dangerous, particularly in a rear-end collision. The evidence was that there was a memorandum that: We can save money by going ahead and paying the costs of those who get injured or killed and who, therefore, sue us.

They calculated what the recovery would be, as opposed to what it would have to be to take the automobile off the market and make a redesign. And on a pure dollars-and-cents basis, they said: We will pay the damages, suffer the lawsuits, and it will come out a lot cheaper if we follow that. There was a complete disregard to the deaths, the injuries, the family suffering, and the consequences which could have occurred.

There are things that, as we think about this, cause us a lot of concern. I think that we are going to have to look sort of carefully as to what may happen in the military. I discussed this briefly before, but the helicopters, the fixed wings today that are being used—if you go to a military base and you see the planes that are generally being used, particularly the training planes, they are practically all over 15 years of age. We do not know what had gone on pertaining to the design; we do not know whether there is metal stress, which is a matter that occurs after years; it does not occur during the first 8 years or 10 years. Most of those planes are sold under the idea that they can be used for 30, 40 years. I wonder how many planes we could look at in the military today and find they are not at least 30 years old.

We have a situation in which you in effect are saying, all right, if you go into the service and get into this helicopter, then because of a defect that occurred in the design, or a manufacturing defect, or metal stress, or numerous other instances, a person is injured; but they do not have any right of recovery against the manufacturer who has designed it or whose manufacturing activities created the problem that caused the death. Those people usually will end up costing the Government money.

We are downsizing the military today, and I do not anticipate that we are going to be buying a great number of new planes. We are going to have to rely on the older ones. It seems to me that the safety of the various people in the service ought to be of paramount concern to the Members of this Congress.

I will have other things to say. There may be others who want to speak on it.

I yield the floor at this time.

Mrs. KASSEBAUM. Mr. President, to make a couple of points in answer to the Senator from Alabama when he asks whether or not there would perhaps be a separation, and does the 15-year statute of repose cover piston-powered planes, and not jet-powered.

I just suggest, Mr. President, that the 15 years, when you have gone without manufacturing or design defect, applies the same to piston-powered or jet-powered. I think that whether it is the military or civilian, if you have flown a plane for 15 years and there has not been a defect, then clearly the plane is going to survive. I grant that there would be an exception, but are we going to close down one aspect of an important industry that has always been at the cutting edge of aviation just because of those exceptions? There will be those and they will have to be answered.

I feel that we are missing the point here when we try to bring in all these other aspects. I am not quite sure about the military. I think the military is going to keep their planes in good repair. They are constantly being flown. During any stress tests, if they show a part needs to be replaced, it will be replaced, and a new 15-year statute of repose would go into effect. So it is a rolling sort of limitation.

I think just in answer to the sequential referral and the comments about the Judiciary Committee—and perhaps I mentioned this this morning, Mr. President, but I know what would happen in the Judiciary Committee. It has been there twice before, and both times it was reported out unfavorably. While the Senator from Alabama mentioned this is very different, the statute of repose has been addressed before in the Judiciary Committee. Yes, I think in 1990 it was a 20-year statute of repose. We have changed that to 15 years because we have given up a lot of other things that were in that bill at that time, such as joint and several liability and the ability to have Federal standards. These were things that we gave up.

We certainly did not address punitive damages because that was clearly objected to. That is why we decided to make it as narrow and specific and as reasonable as possible. That is what I think we have done, Mr. President. I do believe the Judiciary Committee certainly has addressed itself and has said in the past that statute of repose was not something that most of the Members of the Judiciary Committee could support in any form. So I know well what the views of the Judiciary Committee would be, and I think they have been expressed in the past.

That is why it seems to me the debate really comes down to the fact that a plane manufacturer, whether jet-powered or piston-powered, after 15 years, should be sued for a design or manufacturing defect. If it has been flying for 15 years, I think it is proven that there is not a manufacturing or design defect.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I will complete the record with respect to the cases that were cited by my distinguished colleague from Alabama, because these things continually occur. It has been my contention throughout that product liability is working, is necessary, and should not in anywise be weakened or diminished with respect to verdicts being had against clients.

I will elaborate on that, because that is not the case, and manufacturers should not be held responsible, as the distinguished Senator from Kansas points out, with respect to maintenance. But that is not the issue. The issue is about the manufacture itself. I read from an article December 8, 1992, of the Washington Post, and I ask unanimous consent that this article in its entirety be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 8, 1992]

INVESTIGATION OF GM TRUCKS

(By Warren Brown)

The government will open an investigation today into allegations that General Motors Corp. made pickup trucks with improperly positioned gas tanks that can rupture and burn in side-impact collisions, sources said yesterday.

At issue are GM's 1983–87 C/K model pickups, which some consumer and auto safety advocates say have caused 300 deaths in fiery crashes. An estimated 8.8 million of those trucks were made; some 5 million remain in service today.

The trucks in question, such as the GMC Sierra and Chevrolet C/K 1500 series, are equipped with "sidesaddle gas tanks," whose location on the trucks contribute to crash hazards, the safety groups claim. The tanks are positioned outside of heavy metal, ladder-frame rails, and those rails support the truck's cab and cargo bed. By locating gas tanks outside of the rails, GM made them more prone to explode when the trucks are struck from the side, the consumer groups contend.

Two of those groups, the Center for Auto Safety and Public Citizen, both based in Washington, have petitioned the National Highway Traffic Safety Administration (NHTSA) to open an investigation into the matter. Today, according to government and industry sources, NHTSA will announce the beginning of an engineering analysis, the first phase of a federal probe into potential auto defects.

GM has denied that its 1983–87 C/K pickups are defective and has issued detailed rebuttals of the consumer groups' charges, which have been aired on several network television news shows.

The opening of an engineering analysis does not mean NHTSA actually has reason to believe a defect exists. The agency opens up dozens of such investigations annually, sometimes in response to intense public pressure, as in this case. NHTSA has until next Monday to answer the consumer groups' petition and decide if it will proceed with a study of the C/K truck charges.

GM in 1988 changed the location of gas tanks on its pickups, placing them inside the ladder-frame rails. But GM officials said yesterday that the change had more to do with an overall redesign of the trucks than it had to do with safety.

GM's newer pickups have wider spaces between the frame rails, which allow for easier placement of gas tanks inside the rails, GM officials said. Also, the wider stance of the newer trucks helps them to ride and handle more like cars, a characteristic desired by consumers nowadays, GM officials said.

GM's older C/K trucks are safe, spokesman Ed Lechtzin said. "The chances of being involved in a fatal accident in that truck" in which a fuel tank explodes "are about the same as being in a fatal accident in any truck, which is pretty small," he said. The consumer groups' claims that C/K trucks caused 300 fire-crash deaths are "vastly exaggerated," he said.

NHTSA officials say there is no official confirmation of the cause or the number of deaths cited in the consumer groups' claims.

However, the consumer groups claim that much of the safety information regarding the C/K pickups is contained in volumes of court documents filed in conjunction with a 1990 product liability suit in Fort Worth, Tex.

The suit by Rose Zelenuk of Arlington, Tex., alleges that her husband burned to death in a 1989 accident in which his 1987 C/K truck was struck in the side.

NHTSA's safety investigation could lead to a court-ordered recall of GM's trucks. But such recalls are rare. More often, the investigations have been dropped for lack of evidence, or the agency and the automaker have agreed on a voluntary recall.

Mr. HOLLINGS. I read as follows:

The government will open an investigation today into allegations that General Motors Corp. made pickup trucks with improperly positioned gas tanks that can rupture and burn in side-impact collisions, sources said yesterday.

At issue are GM's 1983–87 C/K model pickups, which some consumer and auto safety advocates say have caused 300 deaths in fiery crashes. An estimated 8.8 million of those trucks were made; some 5 million remain in service today.

Then following that particular article, Mr. President, I ask unanimous consent that a November 5 article in the New York Times, be printed in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 5, 1993]

SETTLEMENT BACKED IN TEXAS ON G.M. PICKUPS

(By Barry Meier)

A Texas state judge approved a settlement on Tuesday under which the General Motors Corporation will give $1,000 coupons to 645,000 owners of older pickups that Federal safety officials say may pose a fire hazard.

The settlement resolves a class-action lawsuit bought in 1992 on behalf of Texas owners of full-sized G.M. pickups built between 1973 and 1987. The plaintiffs claimed that the fire risks posed by the vehicles' side-mounted fuel tanks had reduced their resale value. A similar case involving 5.7 million G.M. pickup owners nationwide is pending on Federal court in Philadelphia.

In April, the National Highway Traffic Safety Administration made a preliminary finding that G.M. pickups with side-mounted tanks were more prone to catch fire when hit in the side than competitor's pickups made in the same years. G.M., however, said the trucks were safe and rejected the agency's request to recall the pickups voluntarily and repair them.

$500 CERTIFICATES

Under the Texas settlement, the coupons can be used by owners of the pickups toward the purchase of a new G.M. pickup or light truck. The coupons can also be exchanged for $500 certifiicates that pickup owners can sell.

In approving the settlement, Judge Bonnie Leggat said she believes it was fair and reasonable. Pickup owners who accept the offer do not lose their right to sue G.M. in case of a product-related accident, nor are they prevented from taking part in any future recall to repair safety defects, should the Government eventually order one.

In Philadelphia last month, Judge William Yohn Jr. of Federal District Court heard arguments in support of the $1,000-coupon settlement from lawyers representing G.M. and pickup owners. Dozens of lawsuits from around the country were consolidated in the Philadelphia case.

Though some consumer groups oppose the coupon settlement, only 11,653 of the 5.7 million truck owners who were notified of the proposed settlement in the Philadelphia case have formally criticized or rejected it.

A formal investigation of G.M. pick-ups by Federal highway safety officials is continuing.

Mr. HOLLINGS. Mr. President, I cite from that:

A Texas state judge approved a settlement on Tuesday under which the General Motors Corporation will give $1,000 coupons to 645,000 owners of older pickups that Federal safety officials say may pose a fire hazard.

The settlement resolves a class-action lawsuit bought in 1992 on behalf of Texas owners of full-sized G.M. pickups built between 1973 and 1987. The plaintiffs claimed that the fire risks posed by the vehicles' side-mounted fuel tanks had reduced their resale value. A similar case involving 5.7 million G.M. pickup owners nationwide is pending in Federal court in Philadelphia.

Then, of course, Mr. President, these are cases that come down to the safety officials having to go into them that act like manufacturers are being found against and damages awarded.

There is the case, of course, very recently here in October, the fall of last year, where:

One of the world's largest health care products companies has pleaded guilty to violating federal statutes governing the safety of medical devices and agreed to pay a record $61 million fine, federal officials said yesterday.

C.R. Bard Inc. of Murray Hill, N.J., deliberately sold faulty surgical devices and used unsuspecting heart patients as "guinea pigs" to test new products, federal health and justice officials said.

I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the Washington Post, Oct. 18, 1993]

FIRM FINED FOR SELLING FAULTY SURGICAL DEVICES

(By John Schwartz)

One of the world's largest health care products companies has pleaded guilty to violating federal statutes governing the safety of medical devices and agreed to pay a record $61 million fine, federal officials said yesterday.

C.R. Bard Inc. of Murray Hill, N.J., deliberately sold faulty surgical devices and used unsuspecting heart patients as "guinea pigs" to test new products, federal health and justice officials said. According to federal grand jury indictments handed up late Thursday and announced yesterday in Boston, the products failed in about 50 operations, causing one heart attack and one death.

In one of the biggest health care fraud investigations in the history of the Food and Drug Administration and the Department of Justice, Bard agreed to plead guilty to 391 counts of conspiracy, mail fraud, lying to regulators and shipping "adulterated products" that were not approved by the FDA. The $61 million in criminal fines and federal civil claims is several times larger than any in the history of FDA enforcement cases.

The charges concern angioplasty catheters manufactured by Bard's Massachusetts-based USCI division. The devices use tiny balloons that are inflated to push open clogged arteries and then deflated before removal.

In the plea bargain, the company admitted that from 1987 to early 1990, it violated the Federal Food, Drug and Cosmetics Act and other statutes by distributing catheters that had not been properly tested or approved, and by routinely making changes in the materials and design without notifying the FDA, as required by law. The company admitted it did not tell doctors, their patients or the FDA about problems they encountered with the products.

The company covered up problems, including arterial damage and a tendency of the tips of some devices to fall off. The defects created a risk of heart attack and in 22 cases required emergency bypass surgery—the very procedure angioplasty is usually intended to avoid.

William G. Reilly Jr., a spokesman for Bard, said "The management of C.R. Bard Inc. sincerely regrets the activities that led to this plea agreement. . . . Bard and USCI products, including all angioplasty products, have received all necessary FDA approvals. All Bard products on the market today can be used with confidence." The company earned $75 million in 1992 on sales of $990 million.

As part of the plea bargain, the company has agreed to a series of stringent remedial measures, including scrutiny by an outside consultant who will report to the FDA. The company said it "reorganized and restructured its management team" in 1990, and withdrew all products deemed out of compliance.

U.S. Attorney A. John Pappalardo, who investigated the case with the FDA, said yesterday in Boston that "this extraordinary settlement with Bard is a reflection of both of the severity of the criminal conduct of [USCI] . . . and Bard's desire to assure that this unfortunate episode in its past is never repeated."

The Boston grand jury also handed up a 393-count indictment charging George T. Maloney, chief executive officer of Bard, and five other former officers of the company with violating federal laws. If convicted, the defendants face sentences totaling more than 1,000 years in prison and millions of dollars in fines. Maloney has left Bard "to help prepare his defense," the company said yesterday.

Balloon angioplasty is one of the medical success stories of the 1980s, allowing obstructed arteries to be treated without opening the chest. Making only a small incision in the groin area, a doctor snakes a catheter through a large blood vessel in the leg to the blocked artery. The balloon is then inflated, flattening the obstructing material on the artery walls and opening the passageway.

Between 1980 and 1990, the number of angioplasties increased ninefold, according to a report in the Journal of the American Medical Association. In 1991, doctors performed nearly 300,000 of the procedures, according to the National Heart Lung and Blood Institute.

Bard rode the angioplasty wave. From 1980 until 1985, it was the only U.S. company with FDA permission to market heart catheters. By the mid-1980s, however, other companies had jumped in; by 1988, Bard's share of the burgeoning market dropped to 50 percent.

The federal indictment alleges that from roughly 1987 to 1990, Bard began to "improve" its product—but without following the FDA's complicated procedures that are intended to ensure safety and effectiveness. The indictment alleges that by around 1988, the company had received at least 62 complaints that its balloons weren't deflating or were wrapping themselves around the catheter. The company changed the design, creating the "B Probe," and distributed about 30 of the new devices to hospitals and clinics around the country for evaluation, again without notifying the FDA. Meanwhile, the company had applied for FDA approval for the B Probe.

By December of 1988, complaints began to come in about the B Probe's tips breaking off, but the company again did not tell federal officials, the indictments said. In January 1989, the FDA approved the B Probe for human use. By May 1989, tips had broken off in about 50 procedures. By September of 1989, Bard had sold approximately 18,000 of the B Probe and newer devices.

The indictments also state that company officials hid the existence of an entire plant from the FDA, packaging and distributing catheters from a Haverhill, Mass., plant that had not been inspected or approved by the agency. The company told federal officials the devices were coming from an approved plant in Billerica, Mass., and labeled them accordingly, according to the indictment.

FDA Commissioner David A. Kessler said yesterday "for a company to engage in a pattern of using unsuspecting patients as guinea pigs and operating rooms as laboratories for unapproved products shows a blatant disregard for the health and safety of the patients who literally entrusted their lives to the company's products."

Mr. HOLLINGS. Mr. President, one other little one—I am just getting up to a recent one. We have a whole glossary of these. But here again in the midyear of last year a Wall Street Journal article entitled "Jury Awards $11.3 Million In Fatal GM Truck Fire," and I read the little article in its entirety.

A federal court jury took less than three hours to return an $11.3 million judgment against General Motors Corp. for a truck fire that killed a woman.

Jurors decided Friday that gasoline spilling from a defective fuel pump caused a 1985

Chevrolet S–10 Blazer to explode on Feb. 23, 1990. They also ruled that the explosion, not a preceding head-on collision, killed Beverly Sue Garner of Bevier.

The lawsuit filed against GM on behalf of Ms. Garner's two teenage sons claimed GM knew the fuel pump was defective.

For the first time in a case against GM, jurors were shown a 1973 company report that estimated that "for GM it would be worth approximately $2.20 per new model auto to prevent a fuel-fed fire in all accidents."

GM attorneys declined to comment after the verdict. They had argued that the fire was caused by fluids from the other car involved in the crash.

You see these show the jurors are looking at those facts and studying them very carefully.

I ask unanimous consent that a November 1993 article of Business Week be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Business Week, November 1993]

Should Business Be Afraid of Juries? The Stereotype of Out-of-Control Robin Hoods May Be Outdated

(By Linda Himelstein)

What do an investment bank, an auto maker, and a law firm have in common? The answer: They all suffer from some strain of juryphobia.

Salomon Brothers Inc. asks business partners to waive a jury trial should a disagreement arise—preferring instead to face only a judge. General Motors Corp. settles disputes with its Saturn dealers before an arbitration panel made up of Saturn employees and retailers. Its decisions are binding. And the New York law firm of Paul, Weiss, Rifkind, Wharton & Garrison paid $45 million in September to settle a civil case with the government—even though the firm's lawyer contends his client would have fought the charges had the government agreed to drop its demand for a jury trial. These companies and many others are working hard to sidestep juries—a legal vehicle considered by many to be too costly, too time-consuming, and just too risky. "It's like playing with loaded dice, and you're on the wrong side." says Jonathan A. Marshall, a New York patent attorney.

Much of the uneasiness has been fueled by megaverdicts and the publicity that follows. Remember the $1.2 billion award Litton Industries Inc. won in September from Honeywell Inc. in a patent case? Or when GM was hit in February with a $105 million verdict awarded to the parents of a teenager killed in one of its pickup trucks—of which $101 million was in punitive damages? Or the granddaddy of them all, the $10.5 billion awarded to Pennzoil Co. in 1985 in its fight with Texaco Inc.? "The jury is probably the No. 1 factor that swings all of the parties to look at alternative means of settling disputes," says Julie A. Welborn, litigation management director at Liberty Mutual Insurance Co.

Overblown? Corporate fears are explained by one viewpoint perennial in the business world: Juries are sympathetic to plaintiffs, and they distrust defendants. They maintain that jury trials too often are used to force monied defendants to redistribute the wealth. "A lot of people feel that if you can't win the lottery, maybe you can win a good lawsuit," observes Donald Vinson, chairman of Decision Quest, a consulting firm that helps lawyers analyze jury pools.

But Corporate America's fear of juries may be overblown. Three independent studies of jury verdicts and jurors' attitudes completed within the last year suggest that the litigation explosion is on the wane. In fact, the studies show that plaintiffs are actually losing a greater proportion of cases today than they have in many years. Plaintiffs won 63% of all personal injury claims against businesses in 1988; in 1992, they won only 54% of them, according to a study to be released in November by Jury Verdict Publications. In every category of personal injury litigation over the past five years, except those involving automobile accidents, the percentage of plaintiffs' victories have decreased.

Jury Verdict's study, which looks at everything from product liability to sexual harassment in the workplace, also refutes the popularly held notion that juries' monetary awards are increasingly out of control. On the contrary, awards have remained relatively constant in the past five years. The notion that juries are wild, unpredictable, and capricious is just not true," says Marc S. Galanter, a professor at the University of Wisconsin Law School. "People have very distorted views about what juries do."

In the area of product liability, the most controversial and high-profile legal arena, the data are even more startling. Defendants last year won 57% of those cases brought by individuals, compared with only 46% in 1989, the study shows. The number of product-liability suits filed is also down. Excluding asbestos matters, cases filed in federal court dropped to their 1985 level in 1991 with 12,413 filings, down from a high of 18,679, another study reveals. For many plaintiffs' lawyers, the news on juries merely supports what they have known all along. "Juries don't give away the kitchen sink," says Lee S. Kreindler, a New York plaintiffs lawyer. "Plaintiff bias has been overstated."

The apparent trend away from skyhigh verdicts and escalating litigation is so palpable that even tort reformers, whose arguments are undercut by evidence of sane juries, are acknowledging it. In fact, they are taking credit for it, pointing to their campaigns to educate the public about the economic consequences of excessive verdicts. But William D. Fay, executive director of the Product Liability Coordinating Committee, cautions his allies from getting too excited. "The trend we see can always reverse the other way," he says.

For now, it appears that jurors are indeed focusing more on the financial implications of their decisions. Valerie P. Hans, a professor of psychology at the University of Delaware, interviewed hundreds of jurors and concluded that they are generally probusiness. Hans says jurors are very concerned about what role plaintiffs may have had in contributing to their injuries as well as the economic impact of verdicts on the marketplace and their own wallets. "Jurors are not Robin Hoods," she says. "Americans generally believe that what's good for business is good for the country."

A third study dispels yet another widely held view—that judges are more prodefendant than juries. A Cornell Law Review study of verdicts in federal courts reveals that plaintiffs in product-liability cases win 48% of the time before judges, compared to only 28% with juries. The evidence is much the same in medical malpractice suits, with judges ruling half the time for plaintiffs, while juries find liability in only 29% of the cases. The study finds little difference between the outcomes of other types of cases tried before judges and juries. "I attribute the results to the fact that plaintiffs' lawyers have too much faith in juries and defendants' lawyers have too much fear," says Theodore Eisenberg, a Cornell Law School professor who cowrote the study.

Still, no academic endeavor can provide the definitive word on how fair—or unfair—juries are. They don't take into account suits that may be frivolous but are settled anyway by defendants to avoid costly and protracted litigation. They don't reflect the diverse attitudes of jurors from different geographical areas. And, as with any disputed theory, studies can be found to show that business is in as much legal trouble as ever. Vinson, the jury consultant, says his research indicates that more than half of all jurors hearing product-liability cases come into court believing manufacturers are guilty of wrongdoing. In employment litigation, the presumption of guilt is about 70%. "Having been in the line of fire, working with real litigants on real cases. I can tell you that Corporate America has a lot to be worried about "Vinson says.

Maybe so. But if these studies are any indication businesses are becoming more adept at overcoming many of the innate biases of juries. That's one sign that the system, flawed though it may be, is working—welcome news for anyone heading to court, no matter which side they're on.

Mr. HOLLINGS. Now, Mr. President, just not the entire article, but it is in the RECORD here:

Corporate fears are explained by one viewpoint perennial in the business world: Juries are sympathetic to plaintiffs, and they distrust defendants. They maintain that jury trials too often are used to force monied defendants to redistribute the wealth. "A lot of people feel that if you can't win the lottery, maybe you can win a good lawsuit," observes Donald Vinson, chairman of DecisionQuest, a consulting firm that helps lawyers analyze jury pools.

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Then going on, and we could use other quotes here:

> The apparent trend away from sky-high verdicts and escalating litigation is so palpable that even tort reformers, whose arguments are undercut by evidence of sane juries, are acknowledging it.

Going down further:

> Americans generally believe that what's good for business is good for the country.
>
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The reason I include those in the RECORD is I am in agreement with the statement made by the distinguished Senator from Kansas that manufacturers should not be held responsible— she is exactly right—for faulty maintenance or other cases that are not proved by the preponderance of the weight of the evidence to the satisfaction of all 12 jurors. They must allocate to the defense counsel in America the role of stupidity or morbidity, or whatever, because when you get a case the burden is on you with respect to it because you can bet your boots any lawyer worth his salt, and heaven's above, the manufacturers of aircraft are certainly astute as shown by the record of the life span now of these particular planes, which averages 27 years. They necessarily would have the best of the best attorneys. But the assumption is that all you have to do is bring the case and show the jury and walk away with the money.

I know with respect to one particular medical malpractice case in my own backyard they tried that for 3 weeks. It was a famous helmet injury case. The distinguished Senator from Missouri had an earlier debate relative to helmets, and they are still made. In fact, I once brought one here to the floor. But I remember that particular case where they tried to make a product liability case of a defective helmet and after 3 weeks the jury said, "No way, Jose." They found for the defendant.

So, I know how jurors work. You have to come in and prove by the greater weight of the preponderance of the evidence.

This is not a tie-tie case, where you put in enough proof to give them money for the injury, but you have got to prove it by the greater weight of the preponderance of the evidence to every one of those 12 jurors; not just to 9, or not just to 10, but to all 12 of the jurors' satisfaction.

So that is why I read these cases in there, because you can see they are egregious kinds of cases that could easily have been avoided by corporate America. Thank heavens, the general aviation industry is avoiding them. They are producing a sound, safe product.

Which brings me, Mr. President, to the statement made by our distinguished colleague from Kansas that this bill does exactly what the chairman of the Commerce Committee wants done; namely, this particular Senator. Not at all.

I know what we have now. I know what we have is the highest degree of care on a manufactured product technologically lasting 27 years. And the amendment of the Senator from Kansas says, go in the other direction and reduce the technological safety of that particular device; namely, here, an aircraft, to 15 years. It goes in the wrong direction.

What we are trying to do is get advanced technological programs—that is the name of it, ATP, advanced technological programs—to have greater safety, to have greater, higher quality. That is the global competition.

When we are talking about those products that we are in competition with in the global economy, in the global competition, we are always being told quality, quality, higher quality products. So the advanced technological program is to take regularly produced products and make them advanced technologically, not retrenched technologically from 27 years down to 15 years. That is not what this Senator or the chairman of the Commerce Committee wants at all.

No, this amendment is not germane, and if it were germane it puts us really in the wrong direction. Here we have come through with the National Science Foundation, we have come through with the best of the best of American industry, we have come through with all of the entities looking at the manufacturing processes and trying our best for improvement in quality, improvement in safety, and here comes an amendment that says, "Let's not improve. Let's retrench. Let's cut from 27 years to 15 years. Whoopee, after the 15 years, you can put in any kind of part. Don't worry about it lasting. You are home free." That is what this particular amendment says.

So it is not in consonance with the subject matter of the bill. This never was brought up in 1992 when we unanimously passed it out; never even considered; even though we considered separately general aviation liability, never a suggestion that it be on this bill.

Again, in 1993, when we discussed and went over everything in this particular bill, all Republicans, all Democrats, never a suggestion about general aviation liability, even though that very same committee, all Republicans and all Democrats, reported out the general aviation liability bill. But it was not on this one.

Now they come and say it is germane. And now they come and say it is in the direction of S. 4. Not so, Mr. President. Not at all. This is not germane. It is political strategy when you put it together with the rest.

They have to send the distinguished Senator from Kansas downfield blocking with her prestige. Yes, she has the prestige, but she does not have the bill. She does not have the amendment. It is not germane. This is not in the direction of advanced technology, whatever. It is a retrenchment, at best, and certainly a subject matter that ought to be treated separately, because it goes into fundamental tort law; namely, the statute of repose.

You can read this voluminous bill here and you cannot find anything that says "repose" or "statute" in this particular bill—121 pages. There is nothing that alludes to any kind of statute of repose or bringing tort action and so forth.

To come now and say this is germane is begging the question. They really ought to be ashamed to put these amendments up because they know that, but they just try to make the connection by using the word "jobs." As I stated earlier today, you might as well put in welfare reform, because we are going to give those on welfare jobs.

So, yes, we hope that this will have quality production and that we can begin to commercialize America's technology and thereby create jobs. Over here, we hope we get them off of welfare and get them onto a job. So let us bring up welfare reform.

I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I would like to compliment Senator KASSEBAUM for her persistence in attempting to get this general aviation product liability legislation enacted by the Congress of the United States, or even past the Senate.

It really has been a tremendous act. Like Sisyphus pushing the rock up the hill, she has pushed and pushed and pushed and she has never gotten it up the hill.

This is not a new idea which Senator KASSEBAUM has sprung on the U.S. Senate. This has not been a question of Senator KASSEBAUM stealthily lying in wait to pounce on the Commerce Committee when it least expected it.

Rather, this is legislation that goes back to the 99th Congress. This has been before us now five consecutive Congresses. This is not a matter that has not been studied. As I pointed out earlier, it was studied by the Presidential Commission on Airlines and on the aircraft manufacturing industry, and it was recommended by that Commission.

But leave aside the Presidential commission that recommended this, and leave aside the various supporters of it, various parts of the aircraft manufacturing industry, the Owners and Pilots

Association, the General Aviation Manufacturers Association, the International Association of Machinists—all of which support this legislation. Leave aside all of the groups that have studied it, and the commission that studied it. The U.S. Senate has studied this, now, ever since the 99th Congress.

In previous iterations, this statute of repose was incorporated in broader legislation dealing with various aspects of general aviation product liability. Senator KASSEBAUM has tried mightily to get the broader version of this legislation enacted into law. She has not succeeded.

So now she is making an effort to enact a stripped-down version of her previous legislation dealing only with one subject and that is the subject of the statute of repose. But this issue, the issue of the statute of repose, was also included in the legislation that was introduced in the 99th Congress, in the 100th Congress, in the 101st Congress and the 102d Congress, in addition to this 103d Congress, the only change being that the statute of repose was 20 years in the earlier versions. It is 15 years in this version. But the subject is the same. The issue has been before us repeatedly.

Now it is said we should not rush into this just on the basis of the Commerce Committee legislation. This should be a matter that has been before the Judiciary Committee. Let me describe the history of this legislation. In the 99th Congress, a hearing was held in the Commerce Committee and the bill was reported out of the Commerce Committee.

In the 100th Congress a hearing was held in the Commerce Committee and the bill was reported out of the Commerce Committee and the bill was referred to the Judiciary Committee. The 100th Congress, the Judiciary Committee got this issue, including the issue of the statute of repose. It was referred to the Judiciary Committee. What did the Judiciary Committee do with this in the 100th Congress? The answer to the question is it did not do anything. It did not report out anything, to the best of my knowledge. It did not vote on the subject.

Then came the 101st Congress. Again, it was a bill that was introduced. It was referred to the Commerce Committee, a hearing was held yet again in the Commerce Committee. The bill was reported out of the Commerce Committee and again it was sequentially referred to the Judiciary Committee. On this occasion, the Judiciary Committee was moved to action. It was not a positive action. Two votes were held in the Judiciary Committee in the 101st Congress. The first vote was on a motion to report the bill without recommendation. That lost 6 to 7. Then there was a vote to report the bill with a negative recommendation. That was agreed to by 10 to 2.

So it is not that the Judiciary Committee has not had opportunities to deal with this. The Judiciary Committee just does not agree with it. Fine.

Then in the 102d Congress the bill was introduced. It was referred to the Commerce Committee. A hearing was held and the bill was not reported.

And then in the 103d Congress, the bill was reported.

So I compliment Senator KASSEBAUM for her patience and for her persistence in repeatedly bringing this before the Congress, ever since the 99th Congress. What would that be, 10 years ago or so? She has been at this for a decade. And now it is said, oh, my gosh, what is this irrelevant matter doing on this bill? I think it is relevant to the whole question of how we do create jobs in this country. But beyond that, I think Senator KASSEBAUM is now in a position, having tried for over a decade to get her legislation passed, of attempting to put it on some bill that might have some prospect of going somewhere. That is precisely what she has done.

The Judiciary Committee has had its chance. It has had its chance, not in one Congress but in two Congresses. It has had its opportunity to deal with this issue. It does not like this issue. Fine. But that does not mean we keep on this endless process of wheel-spinning toward nowhere.

I know Senator HOLLINGS is attempting to pass his legislation and the chairman feels this is excess baggage as far as his bill is concerned. I have spoken with Senator KASSEBAUM about this issue. She would be willing, at least she has expressed it to me, and I certainly would be willing, to work out a time certain to vote on this amendment. Let us just vote on it at a time certain. Then we can get on with other amendments that other Senators might wish to offer.

So I simply make that suggestion to my chairman, that perhaps we can figure out some definite time to bring this up.

There are now 51 cosponsors of the bill that gave rise to the Kassebaum amendment—51 cosponsors of this legislation. So I think there is a pretty good chance it will be adopted. I hope it will be adopted. But as a matter of attempting to work this out with the chairman, maybe we can set a time certain and just vote on it.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. HEFLIN. Mr. President, I listened to the logic of arguments against the referral to the Judiciary Committee. It has long been a practice in the Senate when there are overlapping jurisdictions that you have sequential referrals to another committee. For some reason or another that tradition, that custom, that part of the Senate procedure just does not appeal to some of the proponents of this legislation. But it has been done historically. It is done because of the fact that a committee that has jurisdiction may not have all of the staff expertise to look into certain specialized areas. And the Commerce Committee, while it may have some lawyers, it is not like the Judiciary that looks into the legal aspects, the legal ramifications in regard to it.

This is a completely new bill. There never has been a 15-year statute of limitation, statute of repose, that has been in a bill that has been before the Judiciary Committee.

There have been statutes of repose but they have been different. This is much shorter. This would deprive a great number of people of the right to recover if they are injured negligently, or injured willfully or wantonly, or injured under any concept of recovery. It is entirely different and it is limited to that.

Other times when you had referrals, you had referrals that were over the overall bill. Most of the time it was spent on other issues, like punitive damages, caps, joint and several, and other things other than just the statute of repose.

I think a matter of referral does not have to take long on this. It is a narrow issue. You would have to have it considered by that. It seems to me that would be the proper situation to take place relative to the sequential referral of this bill to the Judiciary Committee.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, inadvertently, I believe, my distinguished counterpart, the Senator from Missouri, has complimented me because he has complimented Sisyphus. Let one Sisyphus meet another Sisyphus.

I have been on this from the 99th Congress, the 100th Congress, the 101st Congress, the 102d Congress and now the 103d Congress. I got it by way of an amendment on the trade bill.

Right to the point, I have been trying to get the updated authorization that everyone could agree with. When the Senator says excess baggage on his bill, it is excess baggage on our bill

Oh, the Senator would smile because this was his bill, my bill. I worked very closely with him. There is no mystery to this. But what you see is the political maneuver here. That does not have anything to do with this bill, because he said let us get a time.

I would like to hear them say that they are not going to come up with all of these amendments. The Senator from Kansas knows with all of these amendments that there will be no bill, that this bill is not going to go anywhere. If they can say let us get together with the Judiciary Committee on some agreement and then go ahead, pass general aviation product liability in due time, just like we have done it before—twice before, this particular bill, without any GATT amendment, without any general aviation amendment—but pass the Technological Competitiveness Act of 1994, if we could go ahead and do that, that would be something.

But we come in, like I say, with the downfield blocking of the prestigious Senator from Kansas. Of course, the general aviation amendment is not going anywhere. No amendment is going anywhere because the bill is not going anywhere. They must know that.

I see a distinguished colleague on the floor who has a very serious amendment that is germane. I have talked with those with respect to defense and the National Science Foundation and national education to hold off on that amendment, even though it is germane, because we know what can pass and not be controversial.

There has been one heck of a lot of work by staff and Senators conferencing, getting together with the Energy Committee, getting together with the Small Business Committee, getting together with the Labor, Health and Human Resources Committee and Education and all the other work we have done. There have been a lot of amendments held off on this side. But now comes the political shenanigans apparently of any and every amendment coming forward and trying to say, now, this has really been pushing and pushing and pushing. That is what happens to us.

Meet another Sisyphus. I have been working and have gotten unanimous consent on this side two Congresses in a row, and over there on the other side, the last Congress, with respect to even marking up the bill and have it reported and all signed in conference and ready to go. And then politics, unfortunately, added in, partisan politics. And now we hear about the Sisyphuses, which I compliment the distinguished Senator from Kansas on being one.

I know a Sisyphus when I see one because I am one. I have been doing the same thing. But then to come forward and say that we want to get something done and make that argument in light of the maneuvering to frustrate and thwart anything being done about competitiveness, about technology, about the advance technology or about the manufacturing, about the training, about helping small business, about the information superhighway, and those kinds of things.

Here we have a wonderful opportunity, and there is no objection, and there are no amendments to the real substance. But then they come on a well-considered, well-worked, well-heard bill, hearings and everything else in an orderly fashion as best that the body politic and the Congress itself can do, and then they start mucking it up with all of these amendments, just to come here and have an exercise in politics and show our strength of how we can really show that nothing can be done.

I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I really do not think that it is fair to the Senator from Kansas to represent that this is some kind of politics on her part or that it is some kind of plot or scheme on her part to affect the bill that has been brought to the floor by Chairman HOLLINGS.

I do not agree with S. 4 because I think that it is industrial policy. I believe that industrial policy is an issue which should be debated before our country, as well as before the Senate. I do not believe that the Department of Commerce should be operating what amounts to a slush fund of grants to specific businesses. I do not believe that the Federal Government should be in the business of picking winners and losers in the private sector. I think that the marketplace should function for that purpose, not the Federal Government. That to me is the big issue that is before us and should be before us and should be debated.

I have not asked Senator KASSEBAUM to bring her amendment before the Senate. This is her decision, not mine. It is not part of some scheme on the part of Republican Senators. It is not politics. I do not know of any Senator in the U.S. Senate who is better able to work with Members on both sides of the aisle than Senator KASSEBAUM. She is a person who is an established centrist in this body, a person who is respected on both sides of the aisle, a person who has worked very well and very effectively and very constructively with Senators on both sides of the aisle.

This was her decision. But I respect that decision because she has been working very, very hard on general aviation product liability. She believes this is real jobs. This is real jobs for her constituents. It is real jobs for people who work in her State. It is 25,000 additional jobs for our economy. These are not jobs created by Secretary Ron Brown, by grants doled out by the Commerce Department, and I have high regard for Secretary Brown. This is not the Government maintaining a fund to confer that fund on favored businesses. This is not industrial policy being advocated by Senator KASSEBAUM. This is real jobs by Government doing something that is constructive; not industrial policy, but simply shortening the statute of repose because Senator KASSEBAUM believes that the litigation explosion in this country has crippled an industry which was once one of the great industries in America.

I compliment her for it. But I do not think we should see in this some sort of political scheme. It is not politics.

I do believe that on the question of industrial policy there are political differences. I believe that they are bona fide political differences about the role of government. It is a matter of basic political philosophy as to the degree to which the Government should grant money to specific industries to weigh in on behalf of those industries. That is a bona fide political issue. It should be debated. It should be addressed in this deliberative body.

But I do not believe that the issue of general aviation is a political issue in that sense. I do not think that it is a matter of basic philosophy. I think that there are those who believe that the trial lawyers are correct. I think that there are those who believe that litigation is just hunky-dory. Let us file a lot of lawsuits. Maybe they make the world safer; maybe the lawyers really have the key to a safe and prosperous America.

There are people who believe that. But I do not think that is a matter of basic political philosophy, the kind of thing that defines people philosophically. The political question has to do with the role and the scope and the power of the Federal Government, whether we really have $2.8 billion of excess money to spend on favored industries. That is a political question. That is a philosophical question, not the one raised by Senator KASSEBAUM.

Senator KASSEBAUM simply wants to pass her bill. She sees a bill here which has already passed the House of Representatives. She respects the skills and the ability of the chairman of the Commerce Committee in getting legislation through, and she wants to put her bill on this bill. There is nothing novel about that. There is nothing novel or sinister about offering amendments in this Chamber. That is all Senator KASSEBAUM has done, and I respect her for it.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Right to the point, Mr. President. We have not said it was sinister. We said it was not germane. And the old saying is let the record speak.

Now, the record speaks with respect to general aviation liability. This measure was before the Committee of Commerce, and the record would show that it was reported out by an overwhelming vote as a separate bill. That is the fact; nothing sinister.

The record would also show with respect to the particular measure that the Senator from Missouri and I discussed all this before. We were absolutely admonishing, he to his group and me to my side of the aisle, that we were not going to have a slush fund, which he talks about now, the Secretary of Commerce slush fund. And it was at our insistence, the distinguished Senator and this particular Senator, that we included the peer review process of the National Academy of Engineering; that it was not picking winners or losers; that it had to be industry picked. And we included it, and that is in the particular bill.

That is what the record says. And the record would show that the Senator from Missouri did not object when the bill passed unanimously. All of a sudden he is talking about a new particular argument now with GATT and something that happened in December of just this past year, 1993, with an international trade agreement. That is something separate and apart. This has nothing to do with this particular bill. All of a sudden S. 4 becomes industrial policy, but the record would show it was not industrial policy in 1992 when it passed. It was not industrial policy when it passed out of the committee without the objection of the Senator from Missouri.

That is why we are talking now of what is politically going on. I am talking now not about my distinguished colleague from Kansas being sinister. I do not know where he gets all that. I just said it is not germane. It does not belong on this bill.

I have the highest respect for the Senator from Kansas. But in essence, what really happens is the Senator from Missouri now argues for industrial policy and against industrial policy all in the same breath because if there is industrial policy in this land of ours set by the National Government, it is one for the aircraft industry. We take all of the research from the Department of Defense, all of the research publicly financed by politicians—winners and losers, yes, we pick that—the aircraft industry in NASA, the aircraft industry with respect to the Department of Defense and finance it, and say you take all of that particular research and put it into your private production. And, by the way, general aviation, if you want to sell, as you do, overseas, the Export-Import Bank is there as a matter of industrial policy to finance you.

And the very amendment says for general aviation we are going to give you a special statute of repose. The amendment by the distinguished Senator from Kansas is industrial policy, yet the Senator from Missouri is against industrial policy, all in the same breath.

Let me yield to my distinguished colleague who seeks the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I was just reading about Sisyphus as the Senator was speaking. I heard references to it several times. As I was standing here, I was thinking about how I missed serving in the House of Representatives. In the other body, when a bill was considered on the floor, the rule provided 9 or 10 amendments and a time limit for general debate and on the amendments. There was some certainty about when the bill would be voted upon. I do not imagine that many people in the Senate miss the House, but there are certain aspects of service in the other body that I miss. Limited debate time is one of them.

I do not intend to discuss Sisyphus. Rather, I was thinking of C. Northcote Parkinson, who is a more contemporary reference who talked about time. Parkinson's law said that the time it takes to do things is generally equal to or exceeds the time available to do things. Since in the Senate we generally do not have time limits on anything, it is pretty hard to get things done.

It is interesting that for the very reason the Senator from Missouri said he is opposing this legislation, I am supporting it. I support this legislation precisely because I believe it does represent some kind of industrial policy. Is it massive new Government intervention in picking winners and losers? No, nothing of the kind. It does not even resemble that. But it does represent, finally, an understanding in our country that we ought to find out what is important to us and try to help it.

One of the things that has been so discouraging, I suspect, to everybody serving in the Senate is the adversarial relationship between the private and public sector. We seem to have all of these feuds back and forth between Government and business. The fact is that we are involved now in a much more intense international competition.

It did not used to be that way. When I was going to school in a small town in North Dakota, I walked to school in the morning knowing that we were the winners. We were not confronting a tough economic giant in Asia. We were not confronting a difficult challenge in Europe. We were No. 1. We were the biggest, the best, and the strongest. We outproduced everybody.

That is not true any longer. We have certain strengths but we now face shrewd, tough international economic competition. In most cases when we face that competition, our businesses try to sell their products produced in America by American labor.

The competition we face is often a combination of deliberate strategy by another government and their private sector working together hand in hand, cooperating to advance their economic interests.

Why should we not finally understand that we should work together as well? Why should not our Government and our private sector, instead of being adversaries, cooperate together because we are on the same team? We are in this together.

Does it mean that we develop some grand plan from Washington that represents what the private sector ought to do? No. I do not think so.

I asked former Trade Ambassador Carla Hills one day: "Is there anything in this economy the loss of which you would want to care about that you would move to try to stop? Are there any concentric economic activities in this country that are essential to the future of this country? If you saw certain sectors of our economy for various reasons being weakened, crushed and failing and falling, would you decide that there is some public policy reason to step in and help it because you cannot have a strong economy without that certain of a pillar? Is there anything that you feel that way about?"

"No. Not really. Let the private sector be the allocator of funds. Let the market system work." That was her reply.

I was asking Ambassador Hills about that because it seemed to me at the time that the market system was working. At the time we had old Milliken out there in Beverly Hills coordinating with New York City. He was pumping junk bonds out through every opening he could find in the financial scheme, loading up our financial institutions and investors with junk bonds. The fact is that this was not advancing this country's interest. It was weakening this country's interest.

My point is that we often get a lot of perverted results in the market system. What we ought to do is understand that market system is a good system but not a perfect system, and that we can help that system. That is what this legislation does.

It is why I support this legislation. This legislation says that the private sector is going to have to confront international competition. The question of who wins that competition provides the answer to who gets the jobs in the future of this world. Will we win or will we lose?

This legislation says let us help American industry win. Is it just big business, just the large manufacturing concerns that move out and confront competition? Not at all. Many of us serving in this Senate serve smaller, rural States. In my State of North Dakota we have over 200 manufacturers, many of which are small, employing, on average, about 50 employees each. They must meet international competition as much as any other manufacturer in the United States.

What this legislation does, and the reason I support it so strongly, is it says to small manufacturers, we want to provide a marketplace for new technologies. We want to develop manufacturing extension centers, based on the model of something that has been extraordinarily successful. Something the Senator from Kansas would understand and agree coming from a rural State. The model is the extension centers that 50 years ago moved knowledge and information to the rural areas of the country. The result was a virtual explosion of capability in rural America.

The Senator from South Carolina brings to the floor of this Senate a bill that says let us provide the same opportunity in manufacturing technology to assist small manufacturers in this country, to be better, to be better able to produce, better able to compete, more efficient, and more effective. That, in my judgment, is a good investment. That is sound policy. That is not saying let us interfere, or let us interrupt. That is saying let us offer a helping hand.

If we have technology that works, that can make a small manufacturer better able to compete in selling in the international marketplace, why on Earth would we not want to share that? Why would we not want to strengthen those economic interests in the private sector?

If you ask manufacturing firms—and I have in my State—what they think of this, do you think they think that this is interference? They will tell you this is good news. This makes a whole lot of sense. At a time when they are talking about all the burdens we impose, all the troubles the Federal Government provides for them, they say this is a ray of hope. This is a Government that wants to help, not hurt.

I have great respect for the Senator from Missouri. I have always thought he is one of the legislators that sets an example in this Chamber. But I must say for the very reason he opposes it I support it. It is at least in some semblance, some notion of a plan. I have never felt that for the last 14 years that I have served here in Washington that it ought to be a source of pride for some one to stand up and say "we have no plan."

"Let me brag about that. We have no plan. We do not want an industrial policy."

I have not heard some one say with pride: "That would be central planning. So let us be the first to proclaim we have none."

It is pretty self-evident by what has been happening to us in international trade that we can do a lot better in this country if we decide that we are going to confront competition, competition from the Pacific rim, from the European countries, and elsewhere where it has become sharper, tougher, and more aggressive.

We need to say that we are going to finally decide that we are part of the same team in this country—the private sector and the public sector. We want the same things and we want to be able to succeed. Instead of working against each other, we need to start working together.

That is what, in my judgment, this piece of legislation does, and why I am so pleased to be here on the floor of the Senate saying that I would like to, in any way that I can, advance its interests.

I have not spoken to the amendment offered by the Senator from Kansas, and shall not. But there are, I understand, many other amendments waiting in the wings, many of which probably have nothing at all to do with this legislation.

I guess everybody has a right to do that. I am not suggesting that is the case with the amendment of the Senator from Kansas.

But I would say this: Notwithstanding the amendments that might or might not be offered, I would very much hope that in the coming hours and coming days we will advance the interests that are central to this bill. Those interests, in my judgment, are interests that will advance the interests of our country, provide economic growth and hope and opportunity again.

I want to credit the Chairman of the Senate Commerce Committee, who I think has done a wonderful job on this bill. I hope that as we move forward in the coming hours or days that we can finally see this passed and help create a semblance of policy that I think will strengthen this country.

I yield the floor.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, Senator KASSEBAUM has introduced Senate bill 1458. In addition to Senator KASSEBAUM, there are 50 cosponsors to that legislation. That bill is the substance of the amendment that has now been offered by Senator KASSEBAUM, and I ask unanimous consent that a list of the cosponsors of S. 1458 be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COSPONSORS LIST, S. 1458

Senators Bennett, Bond, Brown, Burns, Coats, Danforth, Dole, Exon, Glenn, and Gorton.

Senators Grassley, Gregg, Hatch, Hutchinson, Jeffords, Kerrey, Kerry, Lott, Lugar, and Mack.

Senators McCain, Murkowski, Pressler, Rockefeller, Simpson, Smith, Thurmond, Warner, Boren, and Pell.

Senators Chafee, Mathews, Inouye, Nickles, Wallop, Faircloth, D'Amato, Lieberman, Durenberger, and Craig.

Senators Kempthorne, Gramm, Dodd, Cochran, Domenici, Helms, Hatfield, Coverdell, McConnell, and Stevens.

Total cosponsors: 50.

Mr. DANFORTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FEINGOLD). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I support the Kassebaum amendment. Yet I am also a member, or was a member, of the Wyoming Trial Lawyers' Association. In fact, I was one of the founding members of the Wyoming Trial Lawyers' Association. I am very proud of that. I do not think that group should be suspect in any way, when they enter the debate on issues.

I have a great respect for the Senator from South Carolina. Senator HOLLINGS and I have often joined—I joined with him—to oppose various efforts of broad-brush tort reform. I strongly believe the area of tort law should remain the exclusive jurisdiction of the State courts. However, there are always exceptions to a general rule and this is just such a case. I hope I can make that distinction.

I have listened to the debate. It has been a very good debate. I admire the two participants in the debate so personally, Senator HOLLINGS, and Senator KASSEBAUM—who came here when I did to the Senate. But certainly the United States has always been the leader in aircraft technology. In the field of general aviation, that of course being the aircraft manufactured for use by the citizen pilot, the United States has been the world leader.

It is important to emphasize I said the United States has been the world leader. We are in danger of losing that important industry.

Foreign manufacturers of small aircraft enjoy a phenomenal competitive advantage over American manufacturers. They are reaping large profits. Rather than compete with American technology, they are simply buying it up in some instances.

American general aviation companies are disappearing. They are losing their profitability not because they have an inferior product, obviously, but because they face excessively burdensome liability laws and other factors, too. But make no mistake about it, the continued threat of liability is resulting in some phenomenal costs that are passed right on to the consumers. It is the threat of liability, not actually liability resulting from negligence or any wrongful acts by the manufacturers.

I listened with great interest to my friend, Senator HOLLINGS, comment that in the area of product liability few Members of the Senate really do know what we are talking about. After being through the efforts with him, I believe it. We have been, sometimes, on the short end of a vote where people just did not care to educate themselves on the issue. But I understood him to mean in this context that we should pay very close attention to those who do work in this area of the law and heed their expert counsel on what we should do—if anything.

I agree with the Senator from South Carolina. I agree with him and I would also suggest we should heed the counsel of those in this body with special knowledge of specific matters. I remember so well our distinguished former colleague from Utah, Senator Jake Garn, who was a pilot, who spoke so clearly on the issue last session when he was a Member of our body. I recommend to my colleagues they have their staffs obtain a copy of Senator Garn's statement in the CONGRESSIONAL RECORD of last session before he left. He gave us a very real example of the costs—at least he attributed this to the costs of the current liability law.

He cited one which I thought was rather graphic. Most of us know what an oil dipstick is: A metal rod that dips into the oil reservoir of a piston engine. We pull it out and we check to see the oil level. It is a rather simple thing. It is just a stick, and it does not take a rocket scientist to use such a stick. A replacement dipstick in a high performance race car might cost you $10 or $15. I remember Senator Garn told us that in his small aircraft that same dipstick cost over $70.

If the dipstick can cost that much, how much for the oil filter or the spark plug? And we can also assume the costs have increased in the time since our colleague spoke to us on that issue.

So, clearly, if a company can be under the threat, just the threat of product liability to the point they have to pass along costs as absurd as that, something is wrong.

Senator KASSEBAUM has been working on this issue for many years. I have joined her each and every time. Each year this Congress has delayed in passing this legislation the United States has lost more of its competitive edge.

We are losing our competitive ability, not because American workers are producing an inferior product, but because some Americans see a very deep pocket out there to reach into when something goes wrong. That, too, is perfectly proper if there are reasonable protections against frivolous or stale claims. There are no such protections for this important American industry.

This legislation would provide a few sorely needed rules to even the playing field for general aviation manufacturers. It is not unreasonable to reduce the period to file a lawsuit. It is not unreasonable to say that there is some point in time, whether 10, 15, or 20 years, that a person must enforce their rights by litigating their own claim or that their claim is lost or expired.

In fact, I suggest that it is clearly very reasonable and I think quite correct to do that in light of the many hands that these products have passed through, over and through time. That, too, is what we are talking about, products that pass through many hands. Each time a modification is made or something is added that changes the very nature of the original product, if something goes wrong under the current system it is not the person who made the change who suffers the greatest threat of liability but the manufacturer of the original product, a product that has been modified and is totally outside the control of the manufacturer when these modifications are added.

I think that is unfair and it is wrong. It is not just. It is not what our system of justice was designed to do. You are dealing with a product that passes through various persons, people with various degrees of experience, expertise, mechanical ability. And of course all of that has been covered very thoroughly in the debate.

But as proof, I think, that the manufacturers of general aviation aircraft are doing a pretty good job, I refer to some of the comments that have been made by critics of the amendment. Each of our colleagues has pointed out the average age of a general aviation aircraft is nearly 20 years. That says something. That says that they make a pretty good product, and a pretty safe product. How many Members of the Senate or their staffs own a car that is over 20 years old? Many people do not even live in houses that are that old. Would we have an indefinite period to sue a homebuilder for something that happened to a home 20 years after it was built? I think clearly not.

Nor would we support a system that allowed a lawsuit over an alleged defect in a car that was over 20 years old, yet more people die in car wrecks with each passing year. In fact, thousands and thousands.

So, as I stated, I think if you stay in the legislative game long enough, you will come up with an exception to something you have held dear to in the past. I do not favor Federal legislation—that has been a consistency in my review—in the area of tort law, and product liability is part of that body of tort law. I think this is a unique situation. After thoughtful consideration when I originally supported Senator KASSEBAUM and, again, the same considerations now because of the unique nature, I again agreed to cosponsor the original bill offered by my friend from Kansas over, I think, 4 years ago.

I continue to support this legislation for the same reasons. It is fair, it is equitable, and it is crucial, I think, to protect the future of one of the remaining areas where the United States remains the world leader in technology and in safety, and we should not, in my mind, allow an unfair system of product liability laws to destroy this important and, again, as I say, uniquely American industry.

For those reasons I wanted to share with my colleagues and hope that there will be support for Senator KASSEBAUM's amendment. I thank the Chair.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Wyoming knows the tremendous professional respect and the personal affection that the Senator from South Carolina has for him. He is doing us a favor next week in coming down to speak to our friendly Sons of St. Patrick, the second oldest Hibernian in the United States after Boston. I was past president of that organization, and he really graces us by being willing to come down to our annual banquet and respond to the toast to the United States of America.

He and I have worked together on product liability. And listening to his delivery here, I want to try to update what is really occurring, because what the distinguished Senator is saying could perhaps have been pertinent or at least sustainable 5 or 6 years ago when we were arguing these things. But the recession is over and the industry is coming back.

We have citation after citation of the matter of the billings up over $2.1 billion now, an increase of 16 percent. We have Cessna that was taken over by Textron. They are making a great profit. The same with Raytheon. They bought out Beechcraft. They have $106 million in profits on $1.1 billion in sales. R Tech has come to South Carolina trying to locate the manufacture of small general aircraft. Mooney Aircraft is boosting its production. The American General Aircraft Corp. I caught the statement that the domestic manufacturers are drying up. I believe the record would show to the contrary.

With respect to the matter of the safety and the time period, I only suggest to my distinguished friend that that is not only necessary but wonderful. It is working. I look over here and I read the headlines every week now, one of these automobile manufacturers is having a recall, is recalling thousands of cars on account of a brake, or thousands of cars on account of the gear shift jumps into another gear and goes in the other direction, or thousands of cars more recalled for another reason. The reason for those recalls is product liability, and that is where, in general terms, the distinguished Senator from Wyoming and I agree. That is why they have been having those recalls, because they know they are going to, by gosh, get socked financially if they allow the defect to remain. And these recalls are saving many, many lives.

We are not afforded that luxury in general aircraft manufacturing. Yes, there should be a much, much higher degree of care and, yes, there is, fortunately. You do not hear them recalling planes. They manufacture those planes now so the average life is 27 years. That manufacture is strong. We are not talking about the maintenance, we are not talking about the engine parts and some of the verdicts that we can talk about here. We are talking about basic general aviation manufacturing. It has worked, and worked extremely well. That is why we are in opposition to going in the other direction.

The general aviation safety chart, as enunciated by our National Transportation Safety Board, shows a steady decline, I say to the Senator from Wyoming, coming right on down. This is one of the few charts where you see improvement. Smoking is up, drinking is up, crime is up. The one thing that is working is product liability and the safety caution used in the manufacture of aircraft. We put that in at the very incidence of this particular debate on the Kassebaum amendment.

I know the Senator is a distinguished member of the Judiciary Committee. I yield to him on that particular score because we have heard it and we have reported it from the Commerce Committee. It is our Judiciary Committee friends who have a very valid interest in this regard. I am sure we will hear from them.

But I am really a little concerned about the basis upon which now the distinguished Senator addresses the subject, because product liability is working and safety is out there and, yes, the dip stick is going to cost more. I remember that wonderful talk that our friend from Utah made, the former Senator Jake Garn. He knew aircraft. He was an astronaut as well as a pilot. But when it comes to manufacturing, let us not start with a 15-year statute of repose.

The Senator was concluding and saying we do not have it in the automobile industry, so we should not have it in aircraft manufacturing. I think the contrary is true. We do not have the luxury of recalling an unsafe plane. Somebody has gone to the far beyond when that occurs. That is the real concern the Senator from South Carolina has with the Kassebaum amendment.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas [Mrs. KASSEBAUM] is recognized.

Mrs. KASSEBAUM. Mr. President, if I may just respond a moment to the figures again on what has happened as far as the numbers in the general aviation industry. In 1979, there were 13,000 piston airplanes manufactured per year. Today, there are 500. That is where the decline has taken place.

Even more importantly, and this has been said several times, but in 1980, the United States had 29 percent of the world market for piston-powered airplanes, and foreign manufacturers had 15 percent. In 1992, the United States had 9 percent of that market and the rest had shifted to foreign manufacturers. That is the concern.

The distinguished Senator from South Carolina was talking about recall. The automobile industry does not have the FAA as their watchdog at the gate, and the FAA has been a powerful guardian of safety in the aviation industry.

So I just wanted to reiterate those figures because I think that shows what has happened to piston-powered manufacturing. It is that which we focused on in this debate.

I yield the floor, Mr. President.

Mr. WARNER. Mr. President, I rise today to strongly support the amendment introduced by Senator KASSEBAUM.

Mr. President, we cannot ignore the fact that product liability remains an extremely serious problem for many industries. I recently did some research with respect to the impact of product liability in general aviation. The information available reveals without a doubt that product liability has been the greatest single obstacle to the success and survival of the American light aircraft industry.

General aviation has been seriously impacted. Production of new aircraft has plummeted from 18,000 just a few years ago to around 1,021 last year. Industry employment has been cut in half. Cessna Aircraft, which used to produce nearly 9,000 aircraft a year, has not produced a single- or twin-engine piston powered airplane since 1986. Piper Aircraft is in bankruptcy, largely due to product liability costs.

The dire state of this previously healthy industry has serious consequences. If we do not provide new training aircraft for our future pilots, what will happen to our air transportation system? The average age of the single-engine aircraft is now 26 years. Increased foreign competition is targeting the U.S. marketplace with a number of general aviation airplanes.

Mr. President, the general aviation industry is intensely regulated by the Federal Government. Every stage of design, production, and testing is scrutinized by the Federal Aviation Administration. The general aviation industry is in dire need of a uniform Federal standard of liability to dovetail with the existing system of Federal regulation. Senator KASSEBAUM has been a longtime leader in supporting legislation to create a national product liability law for general aviation. Senator KASSEBAUM has introduced S. 1458, the General Aviation Revitalization Act, as an amendment to the pending legislation. The chairman of Cessna has publicly stated that the company would resume production of piston-powered aircraft if the legislation introduced by Senator KASSEBAUM was approved by the Congress.

Mr. President, I urge that action be taken by the Congress to help this important industry to resume production.

Mr. President, I ask unanimous consent that a few articles from various publications be printed in the RECORD for all Senators to review this important issue.

There being no objection, the articles were ordered to be printed in the RECORD as follows:

[From Barron's, Feb. 21, 1994]

FALLING FROM THE SKY—UNLIMITED LIABILITY CLAIMS DESTROY AN AMERICAN INDUSTRY

(By Thomas G. Donlan)

Over the past two decades, we have endured warning after dire warning that some American industry or another was about to be slaughtered by foreign competition.

To save them, the United States has strong-armed other countries into adopting "voluntary" export quotas on steel and cars. Trade bureaucrats imposed "market opening" obligations on reluctant foreign purchasers of computer chips and cellular telephones. Trade managers even now are swinging into action against Japan and the yen, hoping to reduce the Japanese trade surplus.

What we have not seen is the collapse of any of the industries that pleaded for special treatment. We have, however, in these two decades seen one major American industry, the unquestioned leader in the home market and in every export market, driven almost to extinction. Unit sales by American firms in this industry are down 95% since 1978. Dollar volume is down by nearly half, not counting the effect of inflation, and in the higher-volume, lower-cost segment of the market, the dollar volume is down 90%. An estimated 100,000 jobs have been lost.

Yet this industry, the general-aviation industry, was not destroyed by foreign competition. Americans did this to Americans, using the power of the judicial system.

LAWYERS IN A TAIL SPIN

Filing lawsuits against Cessna, Piper, Beech and the other small-plane manufacturers has become a lucrative vocation for a small coterie of lawyers. About 40% of all plaintiffs in general-aviation liability cases are represented by one of 16 law firms, who in turn employ fewer than a dozen expert witnesses.

Their theory is quite simple: Something bad happened, so the manufacturer of the plane was at fault. Thus, Cessna was recently sued over an accident involving a plane that was built in 1946 and has been out of production for 40 years. Among other things, the suit alleged that the gas tank was defective—the plane ran out of fuel.

Most pilots are grateful that planes are so well built that they last so long, but their next-of-kin are more interested in creating an inheritance. So claims against manufacturers are not uncommon, even when a plane was obviously misused.

The Supreme Court recently refused to review a case in which a pilot making a movie seated himself backwards into the back seat of his old plane and tried to film and fly at the same time. Attempting to take off, he ran into a van parked on the runway, and he was severely injured in the crash. His lawyer successfully argued that Piper made an unsafe aircraft because there was poor forward visibility from the back seat.

Liability suits helped drive Piper into bankruptcy in 1990, and potential buyers have shied away from reviving it unless they can jettison the old company's old liabilities. Cessna ceased production of piston-engine planes in 1986.

"Even though we have not produced a single-engine aircraft for more than seven years, we continue to be sued in almost every accident involving one of our aircraft, regardless of cause," says Russell W. Meyer Jr., chairman of Cessna and of the General Aviation Manufacturers Association, a trade group.

How much would cars cost if every fatal accident resulted in a suit against the manufacturer, the dealer and every mechanic who ever worked on the vehicle? How much would computers cost if every sap who typed "del C:*.*" sued IBM and Microsoft?

A small Beechcraft aimed at the private recreational market listed for $26,550 in 1974. today, Beech's smallest plane is a little bigger than the '74 model, but it lists for $255,800. Consumer prices about tripled in that period; car prices about quadrupled; the price of computers has fallen by about 99%.

The big difference between a plane and a car is that juries and judges drive cars, and take a lot more convincing before they will believe that an alleged defect caused an accident. And computer accidents don't scatter wreckage or leave dead bodies and grieving heirs.

THE COST OF CLAIMS

From 1978 to 1992, American general-aviation manufacturers spent as much to defend product liability suits as they had spent from 1945 to 1978 to develop new aircraft. The result has been the same as any other allocation of resources—aircraft manufacturers have become highly skilled at designing legal defense and lobbying, while they have ceased designing new aircraft.

The General Aviation Manufacturers Association and the Aircraft Owners and Pilots Association have rounded up a majority of the House of Representatives and a near majority of the Senate to co-sponsor a bill they label the General Aviation Revitalization Act. It would enact a statute of repose, to bar suits against manufacturers after their products are more than 15 years old. Most planes by that time have had several owners, at least three major overhauls and on average accumulated 6,000 hours of flying time. The theory of the statute of repose is that such use ought to demonstrate the safety of the basic design.

But any adjustment to the idea that victims have an unlimited right to sue anybody anytime for anything must go through the judiciary committees. In particular, the House Judiciary Committee has proven itself willing to sit on aviation reform forever. Fortunately, Rep. Jim Inhofe, an Oklahoma Republican, successfully campaigned last year to lift the secrecy of the discharge petition so that a majority of the House can be shamed into bringing a bill to the floor.

We wish the general-aviation lobby happy landings in their quest for a 15-year statute of repose, but the rest of us should dream bigger dreams. Even a Congress whose every other member is a lawyer should recognize that a court contest is not the best way to pay off the heirs of people who chose to have fun in a risky way.

There should be no unwritten warranty that guarantees planes, ski slopes, cars or sidewalks forever free of all danger, and it ought to be possible for people to accept risks and sign away their right to blame someone else. Pilots and skiers—and automobile drivers and pedestrians—are aware of the risks they run in the activities they choose, and they must accept the responsibility to insure themselves if their heirs are to be protected from unfortunate outcomes.

Let there be no more suing the aircraft manufacturer after crashing, or the ski area after running off the trail, or the car maker after hitting the accelerator instead of the brake, or the city streets department after slipping on ice. Only a lawyer can love a tort; the rest of us need tort reform.

[From Forbes, Mar. 14, 1994]

ENDING AIRBORNE AMBULANCE CHASING

Congress can create 25,000 good-paying, high-skill jobs by passing the General Aviation Revitalization Act. The bill would prohibit product liability lawsuits against airplanes that are 15 years old or older.

That companies can be sued for almost any accident involving a product regardless of cause or age is an example of how warped our justice system has become. A few weeks ago Cessna Aircraft was sued for an accident involving a 47-year-old plane, even though the model has been out of production for more than 40 years. The average age of airplanes in these suits is 22 years.

The light-aircraft industry has nearly been destroyed by unlimited exposure to product liability litigation. Over 100,000 industry and related jobs have been lost in the last decade. These suits forced Cessna to shut down its single-engine production lines.

Our balance of trade has been harmed: Almost a third of these aircraft had been sold outside the U.S. Our leadership in this field has been lost and taken up by foreign manufacturers. And the decimation of the light-aircraft industry is hurting our future supply of pilots. Many young people start out flying in these airplanes.

What is truly absurd is that almost half the cases against makers of small planes are brought by just 16 law firms that routinely use the same nine—yes, nine—"expert" witnesses. These firms rake in the money. Out of every dollar awarded only 17 cents goes to the accident victims or their families.

The bill is eminently reasonable. An aircraft that survives without a manufacturer-caused accident for 15 years has more than demonstrated its airworthiness. This country must once again value and encourage individual responsibility; we must stop blaming everything and everyone else for the woes that befall us. A nice start would be this legislation, which would revitalize a wonderful American industry and enormously benefit the economy as well.

[From the Christian Science Monitor, Jan. 25, 1994]

INJURY LAWSUITS SAID TO CAUSE FINANCIAL CRISIS FOR MANY U.S. COMPANIES—TORT TAX BURDENS SMALL-PLANE BUILDERS, BUT LITIGATION ADVOCATES CLAIM SAFETY GAINS

(By James H. Andrews)

As he lifts a document from his desk, T. W. Wakefield's voice has a "here we go again" tone.

"This case just came in," says the vice president and general counsel of Cessna Aircraft Company, an airplane builder in Wichita, Kan. "Farley v. Cessna, in Pennsylvania. The pilot and a passenger were killed last April when one of our single-engine Model 140s crashed. The plane was built in 1946—47 years old. Forty-seven years, and the next-of-kin say Cessna is still liable."

"In other words," Mr. Wakefield says, "Cessna has the deep pockets."

It needs those deep pockets. Since 1986, the company "has spent $20 million to $25 million each year to defend hundreds of product-liability cases," Russell Meyer Jr., Cessna chairman and chief executive officer, told a United States Senate subcommittee last fall.

"Crash cases are very expensive to defend," says Peter Puciloski, an aviation lawyer in Boston. "There are no fender-benders in this field. . . . A manufacturer can spend $1 million to defend a case, even if it wins. That's why the companies often settle, even when their liability is slim."

The general aviation industry (builders of all planes except commercial airliners and military aircraft) has a unique liability profile, since the longevity of airplanes gives the industry an unusually long "liability tail."

Still, executives and lawyers for companies all over America—manufacturers of everything from cars, heavy machinery, and power tools to ladders, sports equipment, and prescription drugs, as well as their suppliers and distributers—sympathize with Wakefield's frustration over a legal system that he contends is "unfair."

For many business-people, actual or potential exposure to personal-injury lawsuits imposes a heavy cost. Some companies have been driven out of business or into bankruptcy by litigation costs.

Piper Aircraft Corporation, a Cessna competitor, has been in Chapter 11 since 1991, owing to liability suits, it says. Last month, Keene Corporation became the 18th company to file for bankruptcy as a result of asbestos claims: Keene has paid out $450 million in litigation and settlement costs for an insulation subsidiary it purchased for $8 million in 1968—more than 20 years after most of the plaintiffs were exposed to asbestos in US shipyards during World War II.

Moreover, some executives and economists contend, the "tort tax"—the amount added to a product's price to cover liability costs and insurance—inhibits the competitiveness of American products international markets. And critics of the legal system argue that fear of lawsuits causes companies to discontinue products or deters product innovation.

The Product Liability Coordinating Committee, an industry group, cites recent effects of "the litigation climate existing in the United States";

Monsanto Company abandoned development of a safe substitute for asbestos.

Of the 20 makers of football helmets in 1975, only two companies still manufacture the product; one of them, Riddell Inc., says 50 percent of the price of a helmet is attributable to liability-related costs.

Liability concerns have had negative effects on research for an AIDS vaccine, Science magazine reported in 1992.

From such reports and the writings of researchers like Peter Huber and Walter Olson of the Manhattan Institute (a conservative think tank in New York), who popularized the notion of a "litigation explosion," one could infer that personal-injury lawsuits and other litigation have reached crisis proportions.

The issue is slippery, however. While tort-reform literature is rife with horror stories about "bet your company" lawsuits and entire industries awash in "frivolous" claims, hard numbers on the economic effects of litigation are elusive.

In a 1991 speech to the American Bar Association advocating tort reform, then-Vice

President Dan Quayle—drawing on the research of Mr. Huber and others—put the total tort bill at $300 billion a year, including direct and indirect costs. Some critics have deemed that number wildly inflated, however.

A 1992 study by Tillinghast, an insurance actuarial firm, estimated direct tort-insurance costs to be $130 billion a year, of which about $90 billion goes for motor-vehicle coverage. Citing these figures in an article last year, law professors Kenneth Abraham, Robert Rabin, and Paul Weiler wrote, "Only a minor share of the [accident-insurance] money is expended for the product and medical litigation that attracts most of the popular and political attention."

Also, amid the sound and fury over tort reform and all the lawyers jokes, one should not lose sight of the fact that thousands of people each year are killed, maimed, or injured by products that are, in legal terms, "defective," say consumer activists and plaintiffs' lawyers.

Moreover, many product-related deaths and injuries are not compensated through the legal system. According to Professors Abraham, Rabin, and Weiler, "the parties seeking cutbacks in tort litigation do not highlight the scholarly evidence that, relative to the number of potential 'high stakes' tort claims, only a minority of suits are actually filed."

"The only 'litigation explosion' is in lawsuits by businesses against other businesses," says Barry Nace, president of the Association of Trial Lawyers of America. "The number of product-liability and medical-malpractice suits has actually declined in recent years. The so-called litigation explosion is a figment either of poor research or of intentionally misleading reports by groups like the Manhattan Institute, which is funded and controlled by big business."

Whether or not the "litigation explosion" has been the subject of some hype and scaremongering by business groups, academics, and politicians, a consensus is growing among legal scholars that the tort system needs an overhaul to make it more efficient, predictable in its outcomes, and equitable in its allotment of risks and compensation. A number of reform proposals are under consideration in Congress and state legislatures.

But such bills do not redress firms' main liability problems, says James Seifert, senior attorney for Toro Company, a Minneapolis maker of lawn mowers, snow blowers, and other equipment.

First, he says, a manufacturer "can't be certain it's complying with the law at the design stage. You can hire the best engineers, have a very disciplined design process, try to foresee every possible use and misuse of the product, and you still don't know if a future jury may conclude that the product was defective."

To minimize the problem, Mr. Seifert says, he has "tried to create a liability prevention culture in the company. We map out how a product could be misused, then design around it or determine what warnings we must give to users."

The second major problem Seifert identifies is that "you never have issue finality. Even if a court in one state says a product is defect-free, another plaintiff in exactly the same circumstances can sue you in a different state and win a big judgment."

"Issue finality" is the legal reform the general aviation industry values most. It is lobbying for a bill in Congress that would create a "statute of repose," barring product-liability suits against the manufacturer of an airplane that has been in service more than 15 years.

Even though the industry's safety record has improved steadily for four decades (see chart for accident rates since 1972), and even though aircraft must meet the certification standards of the Federal Aviation Administration, product-liability costs for airplane builders have soared in recent years. They jumped from $24 million in 1977 to $210 million in 1985; per fatality, the cost rose from $17,000 to $223,600.

Litigation costs and the companies' related inability to obtain adequate insurance coverage are the main reasons that Piper is in bankruptcy and that Cessna stopped making single-engine piston aircraft in 1986, industry executives say.

Moreover, they say, the price increases necessary to cover litigation costs caused a 95 percent drop in factory shipments of general aviation aircraft between 1978 and 1992 (see chart). The tort tax represents 30 to 40 percent of the price of many US small planes today, according to the General Aviation Manufacturers Association.

But Lee Kreindler, a New York lawyer who represents plaintiffs in crash cases, says: "If litigation is the major cause of general aviation's problems—and I'm not sure that's true—that just shows the tort system is working. The system is weeding out marginal products. There are a lot of unsafe planes and components out there, and they're failing."

The proposed federal statute of repose strikes a fair balance between airplane users and the manufacturers, says E. Glenn Parr, Piper Aircraft's general counsel. "Most genuine design defects become evident within 15 years," he says. "And cutting off the liability tail for planes that have been in service longer than that will restore litigation predictability—so we can be an insurable risk again."

Wakefield, the Cessna lawyer, says the statute of repose also would reduce juries' ability to second-guess aviation designers. "Jurors listen to the plaintiffs' safety experts, and they retrospectively apply today's state of the art to design decisions made 30 to 40 years ago," he says.

But Mr. Kreindler says the statute strikes the wrong balance between manufacturers and the "innocent victims—especially surviving family members—of defective aircraft, whenever they are built."

With or without a statute of repose, aviation defense lawyers know they will always face uphill battles in courts of law. "Even when our planes aren't the cause of accidents," Wakefield says, "juries look at burn victims or grieving families, and a big sympathy factor comes into play."

[From the Wall Street Journal, Oct. 19, 1993]

SMALL-PLANE MAKERS MAY GET A BIG LIFT FROM CONGRESS

(By William M. Bulkeley)

Lawsuits helped send the small-plane business into a death spiral. Now Congress may pass a law that averts a crash.

Airplane makers have high hopes for a bill that would eliminate their crash liability for planes more than 15 years old. Under the bill, manufacturers of planes over 15 years old couldn't be sued if the planes crashed. "When an airplane is 15 years old, then you know it was designed properly and built properly. If it crashes, it's not the fault of the airplane at that point," says Robert Crowley, chief executive of American General Aircraft Corp. of Greenville, Miss., which builds about 80 planes a year.

Although there have been other legislative attempts to revive the small-plane business, this one has some heavyweight support. More than half the members of the House of Representatives have already signed on as co-sponsors. Labor, pilot groups and the industry all back it. However, trial lawyers could be major opponents, with hearings before the House Public Works Committee's Subcommittee on Aviation due to start Oct. 27.

"I'm more optimistic than I've been in the past," says U.S. Rep. Dan Glickman, one of the main sponsors of the bill. The Kansas Democrat comes from Wichita where market leaders Cessna and Beech make their planes.

The general-aviation industry has long been Exhibit A when people complain about the litigation explosion. A Brookings Institution study of litigation effects concluded that general aviation was the most severely affected of any industry studied. U.S. production of general-aviation aircraft fell to 880 planes last year from a peak of 17,811 in 1978, and some companies left the business complaining bitterly about litigation costs.

Arthur Alan Wolk, a lawyer from Philadelphia who has won several big judgments for crash victims, says the decline of the small-plane business reflects management errors, inflated costs, disappearing tax credits and the luxury tax that was repealed this year—not product-liability lawsuits. He says the bill would be "a ridiculous windfall for the industry."

Plane makers say the bill would allow the rebirth of a moribund industry. Cessna Aircraft, a Textron Inc. unit that stopped building piston-engine planes in 1986, says it would start production planning the day the bill passes and could hire 1,500 workers and build up to 2,000 small planes in 1996. Cessna once built as many as 9,000 piston-engine planes a year in Wichita. Now it makes just 130 business jets a year.

Piper Aircraft Corp., which once made as many as 5,200 planes a year, now is struggling to emerge from bankruptcy proceedings after making 113 small planes last year. Chuck Suma, president of Piper, which is in Vero Beach, Fla., believes that the bill's passage will cause insurance companies to eventually feel comfortable about insuring fleets under 15 years old. And when that happens, he says, "rates will come down, and we'll be able to spend the money on research and development."

The companies complain that they are automatically sued in every crash because they have deep pockets and build long-lived products. For example, Raytheon Corp.'s Beech Aircraft unit was sued in 1989 when a 19-year-old Beechcraft crashed into a tree. The pilot was flying into a small airport in Kentucky at dusk and ducked under clouds to view the field, despite warnings from the ground. Government investigators blamed pilot error. But Beech says it spent more than $100,000 in legal fees before the case was dismissed.

Privately held American General is one of the few remaining makers of planes that cost under $150,000. Mr. Crowley says liability insurance, at about $10,000 a plane, is "the second-most expensive component, after the engine."

Larger manufacturers are even more eager to have the law changed. Russ Meyer, president of Cessna, says, "A high percentage of the 120,000 planes we built in the last 60 years are still flying." As lawsuits are filed concerning old planes, the rising costs are tacked onto the liability insurance rates for new planes.

Beech's lawyers once analyzed lawsuits covering 203 crashes that occurred in the mid-1980s. Federal investigators blamed weather, faulty maintenance and air-control errors, but never Beech's design or manufacturing as the cause of the crash. But "plaintiffs' attorneys claimed 100% of those crashes were the fault of the manufacturer," says Robert Martin, a Wichita lawyer who frequently defends Beech. Each case cost Beech an average of $530,000. Even those that were dismissed cost $100,000 to $200,000 apiece to prepare, Mr. Martin says.

Mr. Wolk, the plaintiffs' attorney, who has won plane-crash judgments as high as $107.3 million, says the bill's passage may help manufacturers but will hurt pilots, flight schools, maintenance shops and airfields. "Pilots and ground operators should get significantly higher insurance limits because passengers and customers will be suing them for larger amounts of money," he says.

Nobody expects the small-plane business to bounce back to the level of 15 years ago when generous tax credits and a growing number of student pilots created a seemingly ever-expanding market. Most of the planes sold then were under $50,000 apiece. Today, the lowest priced plane from a major manufacturer is the Piper Cub, a cloth-covered two-seater that goes for $85,000. Mr. Suma of Piper says the change to 15-year liability "will allow us to stabilize pricing, but I don't see an industrywide reduction." Cessna indicates it hopes to have a base price under $100,000.

In fact, the days when Americans dreamed of learning to fly and buying a plane may be gone for good. Over the past four years, the number of new student pilots has steadily declined. Instructional hours flown have dropped. Getting a pilot's license now costs about $4,500, up from $1,500 15 years ago.

Among the few remaining manufacturers, demand already trails production capacity. Mooney Aircraft Corp., Kerrville, Texas, which makes high-performance 200-mile-per-hour planes costing $160,000 to $400,000, has seen declines in business for the past three years, says Jeffrey Dunbar, vice president, sales.

Pilots, plane owners and small manufacturers say that Cessna's return with spiffy new planes and a big promotional campaign should rekindle customer interest. "As we resume production, we'd be stimulating demand," says Philip M. Michel, Cessna's vice president, marketing. "I don't believe interest in flying can't be stimulated. It's as basic as a child watching a bird."

[From Forbes magazine, Nov. 8, 1993]

CRASH—THE ODD CASE OF THE MAN WHO TRIED TO FLY A PLANE FROM THE BACK SEAT SHOWS WHY AMERICAN COMPANIES DON'T SELL MANY PRIVATE AIRPLANES ANYMORE

(By David Frum)

Here's a distressing statistic: In 1979 American companies made and sold 17,000 private planes. In 1989 they made and sold only 1,535. This is one instance where you can't blame foreign competition. We can blame only ourselves for destruction of this once vibrant industry. The bizarre case of Piper Aircraft v. Cleveland shows why this wound is self-inflicted.

On July 7, 1983, just before dawn, a pilot named Edward Cleveland crashed his 13-year-old Piper Super Cub into a parked van at an airfield about 20 miles outside of Albuquerque, N.M. The van belonged to the owner of the airfield, who had placed it on the runway in order to block Cleveland from taking off.

Why? Cleveland and the company he worked for had a history of unsafe flying practices, and the owner didn't want him using the airfield. But a local savings and loan had hired Cleveland's company to film an ad with a sailplane gliding at dawn over the nearby Sandia Mountains, and Cleveland didn't want to lose the job.

Rather than take up two planes—one to launch the sailplane and one to film—Cleveland knocked out the front seat of his two-seater aircraft, and had his crew install a rear-facing camera. The cameraman squeezed in behind the camera with his back covering the instrument panel and front window. Cleveland would pilot from the rear seat.

To block the plane, the airfield owner parked his van a thousand feet down the runway. Day was breaking, and the van's lights were on.

Cleveland started down the runway anyway. Either he didn't see the van, or he just decided to push his luck. In any case, he didn't make it. He hit the van, smashing his face into the steel camera mount in front of him. Cleveland suffered severe brain damage.

His family sued the airfield owner, and won $300,000. Then their lawyer—Daniel Cathcart, whose expertise in suing aircraft manufacturers has bought him a Beverly Hills house adjacent to that formerly owned by Jean Harlow—decided to go for broke. He would sue Piper.

According to Cathcart, the Super Cub's design was defective: On the ground, it is impossible to see out the front from the rear seat. He also contends the plane should have been equipped with a rear shoulder harness. Never mind that the passenger sat in a way that blocked the pilot's view. A jury was convinced, and awarded $1,042,000 in damages.

That award gave liability lawyers a real chance to strut their stuff. In 1979 manufacturers of Federal Aviation Administration-approved aircraft paid out $24 million in damages and litigation costs. By 1989 they paid a total of $210 million.

Piper became a special target. Operators of corporate jets usually carry insurance. Lawyers can sue them when an accident occurs. But the operators of Piper's cheap planes don't usually buy much insurance. So the lawyers go after the manufacturer.

According to Piper's general counsel, Glenn Parr, the company paid $10 million a year from 1987 to 1991 to settle lawsuits on its FAA-approved aircraft. Piper stopped buying insurance in 1987. By then, insurance had become pointless anyway: The last policy the company owned had carried a $100 million deductible. In July 1991 Piper entered Chapter 11.

Now, if you aren't seething already, this will really make you grind your teeth: The design of the Super Cub, the most popular aircraft in history, had long been approved by the FAA. This included a 1977 ruling that only a front-seat shoulder harness was required. Thus, according to the relevant federal regulators, the Super Cub was a safe plane. The New Mexico legislature would not try to substitute its own safety standards for those of the federal government. Should a New Mexico jury be allowed to do so?

Despite this legal question and the economic carnage, the federal courts have so far refused to consider the argument that federal regulation should preempt juries from applying state law. Early last month the Supreme Court refused to hear the Cleveland case.

The Supreme Court's decision raises one especially troubling issue. For more than a decade the top court has avoided doing anything much about the tort explosion. But if the top court won't take action in a case as extreme as Piper Aircraft v. Cleveland, it's hard to imagine that it ever will. So a part of the legal profession flashes heavy gold watches, while a whole industry that once had great potential goes down the toilet.

Mr. DORGAN. Mr. President, I rise today to support S. 4, the National Competitiveness Act. This important legislation is an essential element of the Clinton administration's agenda to make American business more competitive and to reinvigorate our Nation's manufacturing base. In both sign and in substance, this legislation embodies a cooperative approach between business and Government that will achieve positive results, including more American jobs. Federal support for civilian technology and manufacturing is a positive industrial policy, necessary in a competitive global environment. I urge my colleagues to support this important bill.

The National Competitiveness Act embraces the best of the concept of a public-private partnership. This legislation expands Government support for industry-led projects to develop technology and cooperative efforts with States to help small- and medium-sized manufacturers. I believe that the approach we are taking with this legislation will lead us down the road to a more productive and highly competitive manufacturing base in the United States. American businesses want an activist Government, especially in the area of making our Nation's manufacturing base more competitive. U.S. investment in manufacturing is falling behind our competitors. Currently, United States investment in plant and equipment is half of Japan's and less than half of any other G–7 country.

In the past, business and Government have seemed at odds with each other. Businesses have felt overtaxed and burdened with endless Government mandates. Indeed, Government too often is in the position of laying heavier burdens on businesses as opposed to looking for ways to make them more competitive. This legislation signifies and demonstrates that Government and business can have a more positive, cooperative relationship. Under the many programs authorized in the National Competitiveness Act, the Government is providing assistance to help business become more competitive. The focus of this legislation is appropriately on manufacturing and technology development—an area where the United States is, unfortunately, falling behind. We, as a nation, need to be concerned. That is why this legislation is so important—it recognizes that our manufacturing base is critical to our economy and unless the Government and business work together to transform our manufacturing base into a globally competitive force, then our standing as an economic power will suffer.

Not only will this legislation benefit American manufacturers as a whole, but it will help stimulate economic development in rural areas by channeling badly needed assistance to small- and medium-sized manufacturers in rural areas. One of the most important provisions in the bill to rural areas is the Manufacturing Extension Partnership [MEP] Program. Under this program, the National Institute of Standards and Technology [NIST] would establish extension centers, designed to help small- and medium-sized manufacturers become more competitive through the implementation of advance technology and state-of-the-art manufacturing practices. President Clinton has set a goal of establishing a network of over 100 manufacturing extension centers. As a clear sign of the administration's support for the MEP Program, the fiscal year 1995 budget request would double funding for MEP: $61 million, up from $30 million in the current fiscal year. I support the President's goal and I further believe that this national network of manufacturing extension centers needs to include rural areas.

While it is clear that MEP programs will benefit many manufacturing sectors throughout the country, smaller manufacturers stand a great deal to gain under this program. S. 4 contains language that requires the Secretary of Commerce, when making awards under the MEP, to "strive for geographical balance and for balance between urban and rural recipients." The fact is that there is a tremendous amount of innovation and development occurring in rural areas by small manufacturers. These small manufacturers often are overlooked as a source of efficient, highly productive performance. The inclusion of rural areas within a national network of manufacturing extension centers will not only help hundreds—if not thousands—of small manufacturers, but it will lead to a national manufacturing base that employs the best our country has to offer.

In North Dakota, for example, there are over 200 small manufacturers, employing an average of about 50 workers. Almost 80 percent of these manufacturers in North Dakota export their products to other States and about one-fourth of the exporting manufacturing companies sell products outside the United States. There are several examples of large national cooperations looking to rural manufacturers and business as efficient, productive locations. Many rural States, like North Dakota, have seen modest growth in their manufacturing businesses. However, their future growth faces many challenges—from financing to technical assistance. MEP programs can provide some of the critical help that small manufacturers need to grow and become more competitive nationally and internationally.

Rural States like North Dakota stand to benefit from the programs authorized under this legislation. Throughout rural America are hundreds of small businesses that, with a little assistance, will shine as some of our Nation's finest and most competitive manufacturers. As we continue to shift our emphasis from defense-orientated technology research and development toward civilian technology, small- and medium-sized rural manufacturers need to be considered an essential element to our Nation's success.

Mr. President, I strongly urge my colleagues to support this legislation. The administration and the bill sponsors deserve commendation for their vision and leadership on this issue. America needs the kind of proactive and cooperative commitment at the Federal level that this legislation provides.

MORNING BUSINESS

Mr. HOLLINGS. Mr. President, I now ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO STACY HOFFHAUS

Mr. DOLE. Mr. President, we live in a time where everyone talks about nutrition. Carbohydrates, cholesterol, and fat grams are part of our national vocabulary.

And nutrition is more than just watching your weight. It is also ensuring that children and the less fortunate are receiving the food they need to grow or to stay healthy.

I am very proud of the involvement I have had in Federal nutrition issues in the Senate. And I have been very fortunate to have Stacy Hoffhaus—one of this city's leading experts on Federal nutrition—on my staff for the past 8½ years.

Through her work on legislation like the 1989 child nutrition reauthorization bill, and the 1990 farm bill, Stacy has called attention to the problem of proper access to school lunch programs for children with disabilities who have special dietary needs.

Stacy's commitment to Americans with disabilities also extends to the hearing impaired—and Stacy has worked for many years to increase the number of programs which are close captioned—including Senate proceedings.

Stacy has now joined the staff of the Senate Agriculture Committee, where she will continue her work on nutrition issues. She leaves my office with my thanks for a job well done, and my hope that we can continue to work together in the future.

Mr. President, I thank my colleagues.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. MIKULSKI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR GEORGE MITCHELL

Mr. CHAFEE. Madam President, last Friday, we all received the startling news that Senator GEORGE MITCHELL of Maine will not be seeking reelection. He, of course, as we all know, is the majority leader in the Senate.

I want to note that I consider this to be a tremendous loss to the Senate and to the Nation. GEORGE MITCHELL has clearly been a towering figure in this U.S. Senate. He is very, very bright and is very, very wise. Those are two completely separate qualifications.

I think we all know people who are very bright but they are not all that wise. But GEORGE MITCHELL combined intellectual brilliance with a wisdom that has given great benefit to this Nation of ours.

GEORGE MITCHELL further, in my judgment, is one of the best speakers in the U.S. Senate. When he comes on the floor to argue a point, few Senators can match his skill as a proponent of a measure.

Madam President, it has been my privilege to have served with GEORGE MITCHELL when he first came here, on three committees at the same time; the Intelligence Committee, the Environment Committee, and the Finance Committee. Then, of course, due to the changes that have to be made, we both moved off the Intelligence Committee. But ever since he came here, he and I have served on the Environment Committee and the Finance Committee.

I want to particularly discuss for a few minutes his role in connection with the environment and the protective measures that have been taken since he has been on that committee. Every single environmental measure that has come out of that committee has the hand of GEORGE MITCHELL upon it.

I particularly think of the major measures, such as the clean water bill and especially the clean air bill. We have a clean air bill now in the United States because of two Georges; George Bush, our President, who said he would sign such a measure, as opposed to his predecessor President Reagan, and GEORGE MITCHELL who brought that measure through the committee and on to the floor.

There is not a single Senator who was involved with that measure who does not recall the countless hours of meetings that we had in Senator MITCHELL's office with him there as frequently as he could be, and Senator BAUCUS there when Senator MITCHELL could not be. Senator BAUCUS was there all the time. But Senator MITCHELL was presiding when he could get free from his onerous duties as majority leader. We now have an excellent clean air bill, and that is because of GEORGE MITCHELL.

Madam President, I just want to say as a member of the Republican Party that I feel it has been a tremendous pleasure for me to have been associated during the years that GEORGE MITCHELL was here, and I look forward to the remaining months that he will be here. We have all been greatly touched by his presence.

So as he leaves—and, of course, we are fortunate he is going to be here for the remainder of this year—but when he does leave he can leave with a feeling that he has contributed in immeasurable ways to the benefit of our Nation, to the upholding of the standards of this Senate, and to the great good of so many causes with which he has been deeply involved.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR MITCHELL

Mr. HOLLINGS. Madam President, I join in the comments made by my distinguished colleague from Rhode Island.

I had the pleasure of also not just observing the outstanding performance of Senator MITCHELL here as a majority leader, but I have seen him in his own home State. That had come about in my endeavors in the Presidential campaign back in 1982, 1983 and 1984 when we traveled the vast State of Maine, which is certainly right in the league with Alaska and Texas with respect to travel and getting around, from Macwahoc all the way down to Portland and Blacktop, as he called it, even to east Millinocket.

We used to say the first prize was a weekend in east Millinocket, the second prize was two weekends in east Millinocket.

I traveled to the beautiful coastline around Camden, Bar Harbor, and the other beautiful tourist spots there, and then into some of the inner cities such as Waterville, the home of our distinguished majority leader. I got to know his family, his brothers and others.

There is no one held in higher regard than Senator GEORGE MITCHELL in his own home State. You do not have to take a poll for me because that was one thing that you could see uniformly traveling with the distinguished Senator, visiting at different meetings with him, and watching Republicans, Democrats and Independents as they responded to his presence, his dedication, his sensitivity, his just superior performance as a public servant.

The role itself as majority leader has changed measurably, Madam President. I cite our current experience with S.4. In earlier days under other leaders, one would not think of a nongermane matter coming up on a particular bill. Now, all Senators do that. It just would not be thought of. And that is one of the ways measures were expedited, because you knew what the order of business was, you knew your interest, you knew your position. You immediately checked with your staff, and the debate itself was limited, and the vote was had, and we moved along in expedited legislation.

You can just think mentally, if you were the majority leader, how you would possibly handle the current situation in the Senate, with all kinds of matters extraneous to the technology bill before the Senate, S. 4 being brought up as amendments. And handling that very toilsome task requires the best of humor and the best of attitude and the best of understanding of just the facts of life as is apparent now on both sides of the aisle. It is not just a partisan thing. It is a matter that occurs with Senators from both parties. You have to have a sense of indulgence and an understanding.

No one has a finer sensitivity in this regard than the distinguished majority leader, GEORGE MITCHELL.

I joined yesterday with the Senator from Montana. I wanted to join in his laudatory comments of Senator MITCHELL. I, perhaps, did not elaborate enough when he mentioned being up there in Maine and the tremendous respect and admiration for Senator MITCHELL there as a public servant.

Otherwise, here, having experienced leadership from both sides of the aisle, I know of no one who has operated under the trying circumstances that we have been engaged in here in the last several years. No one could have handled it nearly as well as Senator GEORGE MITCHELL of Maine.

So it is in that light that we all think seriously about a succession to him, not just the handling of matters here on the floor, with 100 of us prima donnas, as we are called, not just handling the opposition, the loyal opposition in their particular interests, but handling, of course, the program of the executive branch, the President's legislative program, handling all of that, and then the personal requirements that come about and demands upon the majority leader.

I think the majority leader now, in light of the changing rules of the game, is an extraordinarily demanding job. We need someone who is up to that job, and who can also perform creditably on the various interview shows, especially on Sunday morning. I think we have been blessed with the appearances of GEORGE MITCHELL, who is so cogent, who is so analytical, judicial, if you please—a talent that he learned as a presiding Federal district judge—judicial, if you please, in his analysis of the problems.

He sees clearly to the trial of the case and knows exactly what those on the jury, namely, the people, generally would be interested in, and what they would not be interested in, and what should be emphasized, and how to encapsulate in the 20-second bites afforded you on these interview shows.

Senator MITCHELL has done that in an outstanding way and we are looking now for someone to try to replace that talent. In truth, this uniquely talented man cannot be fully replaced. I know of no other Senator who combines so exquisitely the qualities demanded of an effective majority leader.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PEACEKEEPING IN GEORGIA

Mr. DOLE. Madam President, yesterday President Clinton announced that the United States will be inclined to support a United Nations peacekeeping operation in Georgia if a peace settlement is reached. Such an operation would—if it includes Russian forces as planned—be a major landmark in our national security policy.

It would be the first United Nations operation in the territory of the former Soviet Union. It would be the first United Nations approval for the Russians in a former colony. It would be the first direct American subsidy for such activity. And, thus, it would mark a dangerous new phase of United States acceptance of Russian neo-imperialism.

Some might say that President Shevardnadze supports this policy. But that overlooks what has happened to Georgia since its independence: the Russian military supported the separatist rebellion that the United Nations now seeks to monitor; the Russians pressured Georgia to allow Russian military forces to stay permanently, and to join the Commonwealth of Independent States. Only after the separatists scored major victories—and nearly killed President Shevardnadze—was he forced to accept Russian conditions, although he rightly pointed out his plight was due to Russian "reactionaries and militarists."

To say that President Shevardnadze supports any option now overlooks how little freedom of action he really has. Shevardnadze is in a straightjacket. Last September—when it could have made a difference—the United States was silent. Last October, Strobe Talbott denied Russian activities were designed to undermine Georgian sovereignty, and said Russia was not "conducting a mischievous policy towards Georgia." Maybe Ambassador Talbott got it right—the policy was not mischievous; it was malicious. Squeeze Georgia economically, support a separatist rebellion, and when Georgia's extinction is at hand, force the acceptance of Russian troops and welcome Georgia to the CIS. In the words of Gen. Bill Odom, "Thus, the Russian military has trapped the man they blame for destroying the Soviet position in Central Europe."

Under these circumstances, to say the Russians were invited into Georgia brings back memories of Russian "invitations" into Hungary in 1956, into Czechoslovakia in 1968, or into Afghanistan in 1979. Georgia is a test case of Russian pressure on the former Republics—and it worked. They got bases, they got a new CIS member, and now they are going to get American taxpayers to finance their troops.

Madam President, there is no reason that Russian troops need to be a part of any United Nations peacekeeping force. There is no reason American taxpayers should support such a force. And there is no reason to continue this administration's peacekeeping deficit spending—approving operation after operation with no idea how to pay for them.

The Clinton administration claims they want bipartisan support for their foreign policy—but this decision makes a mockery of their repeated promises to consult with Congress before supporting new U.N. peacekeeping operations. I did not receive a phone call until 3 hours after President Clinton's press conference—and that was just to let me know what the President announced.

The President may be able to get congressional support for this operation—but only if it is paid for up front, if there are no Russian troops in the United Nations contingent, and if there is some strategic focus on the importance of Georgia in the region.

First, there is plenty of money to pay for this operation. Congress appropriated $2.5 billion for the former Soviet Union—much of it is unspent, or planned to flow to overpriced United States consultants. These funds could easily be used to cover the reported $30–$60 million U.S. share of the operation.

Second, Russian troops cannot be more than a token presence in the force. It would be political folly to sanction the former colonial occupiers to reoccupy—this time, however, with blue helmets. And it would be fiscal folly to use American taxpayers' money to pay for the revival of Russian imperialism. According to the State Department last week, the Russians did not want to participate in a United Nations force. We should hold the Russians to that position this week.

Finally, the administration needs to use more creativity in our assistance to the entire Transcaucasus region. Georgia can be the key to unlocking the wealth of central Asia without dependence on Russia. Georgia is also the key to lifting the immoral and illegal blockade of Armenia. Yet, the administration is only contemplating humanitarian aid for Georgia. While important, it is not enough and reflects the short-term thinking of the administration.

In looking toward the longer term effects of United States policy toward Georgia, the administration should move immediately to establish a Transcaucasus enterprise fund, along the lines of funds already established for Eastern Europe and the rest of the former Soviet Union. The administration plans to spend more than a billion dollars through these funds to support investment and the development of free enterprise. Armenia and Georgia could benefit from such a fund in the very near future. And Azerbaijan could even someday benefit, if it ever lifts the blockade on Armenia, decides to make peace, and takes genuine steps to democracy and free market reform.

Madam President, I met with President Shevardnadze again earlier today. I doubt if he will complain if the Russian role in any United Nations operation is restricted. President Shevardnadze expressed strong support for the concept of a Transcaucasus enterprise fund. He believes efforts to aid the development of free enterprise in the Transcaucasus region are vital to its future. I hope this time, the administration will stand with President Shevardnadze.

Mr. HOLLINGS. Madam President, all of the following unanimous-consent items have been cleared on the Republican side.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. HOLLINGS. Madam President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar No. 703, Robert Jay Uram, to be the Director of the Office of Surface Mining Reclamation and Enforcement; calendar No. 715, Ann Brown, to be a Commissioner of the Consumer Product Safety Commission; calendar No. 716, Ann Brown, to be Chairman of the Consumer Product Safety Commission.

I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; that upon confirmation, the motions to reconsider be laid upon the table en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE INTERIOR

Robert Jay Uram, of California, to be Director of the Office of Surface Mining Reclamation and Enforcement.

CONSUMER PRODUCT SAFETY COMMISSION

Ann Brown, of Florida, to be a Commissioner of the Consumer Product Safety Commission for a term of seven years from October 27, 1992.

Ann Brown, of Florida, to be Chairman of the Consumer Product Safety Commission.

STATEMENT ON THE NOMINATION OF ANN BROWN

Mr. HOLLINGS. Madam President, today I urge my colleagues to support the nomination of Ann Brown to be Commissioner and Chairman of the Consumer Product Safety Commission [CPSC]. Her nomination was unanimously approved by the Committee on Commerce, Science, and Transportation at its executive session on February 24, 1994.

If confirmed as Chairman, Ms. Brown will have an important role in ensuring that the CPSC fulfills its mission to reduce the number of accidental deaths and injuries associated with consumer products each year. In the past, the leadership at the CPSC has been criticized for its perceived indifference to the issues facing the agency, and, at times, Congress has had to step in to address issues that more appropriately should have been handled by the agency itself. A new Chairman will have the important responsibility of ensuring that matters before the CPSC are undertaken in a timely and expeditious manner.

I am confident that Ms. Brown is prepared for this challenge. She comes to the position with an impressive background and a demonstrated commitment to product safety. Ms. Brown has been self-employed since 1970 as an unpaid consumer consultant. Over the past 20 years, she has served as the national and local chairperson of the Consumer Affairs Committee of Americans for Democratic Action. In this position, she directed the annual toy quality and safety report, which provided a national guide to the safety of toys on the market each Christmas. Ms. Brown also has been active in numerous consumer safety organizations.

This nominee deserves our support, and I urge my colleagues to join me in approving her nomination.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

Under the authority of the order of January 5, 1993, the Secretary of the Senate, on March 3, 1994, during the recess of the Senate, received a message from the House announcing that the Speaker has signed the following enrolled bill:

S. 1789. An act to amend title 23, United States Code, to permit the use of funds under the highway bridge replacement and rehabilitation program for seismic retrofit of bridges and for other purposes.

The enrolled bill was signed on today, March 8, 1994, by the President pro tempore [Mr. BYRD].

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

1994 TRADE POLICY AGENDA AND 1993 ANNUAL REPORT ON THE TRADE AGREEMENTS PROGRAM—MESSAGE FROM THE PRESIDENT—PM 95

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

As required by section 163 of the Trade Act of 1974, as amended (19 U.S.C. 2213), I transmit herewith the 1994 Trade Policy Agenda and 1993 Annual Report on the Trade Agreements Program.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 8, 1994*.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM 96

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

As required by section 19(3) of Public Telecommunications Act of 1992 (Public Law 102-356), I transmit herewith the report of the Corporation for Public Broadcasting.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 8, 1994*.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2267. A communication from the Director of Selective Service, transmitting, pursuant to law, a report relative to compliance with the Inspector General's Act for fiscal year 1993; to the Committee on Governmental Affairs.

EC-2268. A communication from the Secretary of Agriculture, transmitting, a draft of proposed legislation entitled "Federal Crop Insurance Reform Act of 1994"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2269. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-195 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2270. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-196 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2271. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-197 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2272. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-198 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2273. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-199 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2274. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-200 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2275. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-201 adopted by the Council on February 18, 1994; to the Committee on Governmental Affairs.

EC-2276. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-186 adopted by the Council on September 27, 1993; to the Committee on Governmental Affairs.

EC-2277. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-188 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2278. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-189 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2279. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-190 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2280. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-191 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2281. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-192 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2282. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-193 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2283. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-194 adopted by the Council on February 17, 1994; to the Committee on Governmental Affairs.

EC-2284. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-204 adopted by the Council on February 25, 1994; to the Committee on Governmental Affairs.

EC-2285. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-205 adopted by the Council on February 25, 1994; to the Committee on Governmental Affairs.

EC-2286. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 10-206 adopted by the Council on February 28, 1994; to the Committee on Governmental Affairs.

EC-2287. A communication from the Director of the Office of Public Affairs, Department of Agriculture, transmitting, pursuant to law, the annual report for calendar year 1993 with respect to the Freedom of Information Act; to the Committee on the Judiciary.

EC-2288. A communication from the Federal Housing Finance Board, transmitting, pursuant to law, the calendar year 1993 annual report with respect to the Board's compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC-2289. A communication from the Chairman of the Federal Labor Relations Authority, transmitting, pursuant to law, a report relative to public information requests for calendar year 1993; to the Committee on the Judiciary.

EC-2290. A communication from the Director of the Office of Personnel Management, Executive Office of the President, transmitting, pursuant to law, the Office's calendar year 1993 report relative to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2291. A communication from the Acting Archivist of the United States, transmitting, pursuant to law, the calendar year 1993 report with respect to the National Archives and Records Administration's compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2292. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the calendar year 1993 report of the Administration with respect to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2293. A communication from the Executive Director of the Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, the calendar year 1993 report of the Corporation with respect to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2294. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the annual report of the Administration for calendar year 1993 relative to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2295. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the calendar year 1993 report of the Commission relative to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2296. A communication from the Secretary of the Resolution Trust Corporation, transmitting, pursuant to law, the calendar year 1993 report of the Corporation relative to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2297. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the annual report for calendar year 1993 of the Commission with respect to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2298. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report of the Department with respect to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2299. A communication from the Special Assistant to the President for Management and Administration and Director of the Office of Administration, Executive Office of the President, transmitting, pursuant to law, the annual report for calendar year 1993 with respect to the Office of Administration's compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2300. A communication from the Executive Director of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the annual report for calendar year 1993 with respect to the Board's compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2301. A communication from the Executive Director of the Committee for Purchase from People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the calendar year 1993 annual report of the Committee with respect to compliance with the Freedom of Information Act; to the Committee on the Judiciary.

EC–2302. A communication from the Chair of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report for calendar year 1993 of the Commission with respect to compliance with the Freedom of Information Act; to the Commttee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE:

S. 1898. A bill to amend the Internal Revenue Code of 1986 to make permanent the section 170(e)(5) rules pertaining to gifts of publicly traded stock to certain private foundations, and for other purposes; to the Committee on Finance.

By Mr. COVERDELL:

S. 1899. A bill to establish the Augusta Canal National Heritage Area in the State of Georgia, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCAIN:

S. 1900. A bill to provide for the protection of books and materials from the Library of Congress, and for other purposes; to the Committee on Rules and Administration.

By Mr. HELMS (for himself, Mr. HARKIN, Mr. FAIRCLOTH, and Mr. GRASSLEY):

S. 1901. A bill to require the Secretary of Agriculture to issue regulations authorizing the purchase and eradication of swine infected with or exposed to brucellosis, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. RIEGLE (for himself and Mr. SASSER) (by request):

S. 1902. A bill to improve the administration of export controls, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BAUCUS (for himself, Mr. BURNS, and Mr. INOUYE):

S. 1903. A bill to ratify a compact between the Assiniboine and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana; to the Committee on Indian Affairs.

By Mr. ROCKEFELLER (for himself, Mr. MURKOWSKI, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, Mr. DASCHLE, and Mr. CAMPBELL):

S. 1904. A bill to amend title 38, United States Code, to improve the organization and procedures of the Board of Veterans' Appeals; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, Mr. DASCHLE, and Mr. CAMPBELL):

S. 1905. A bill to improve the processing of benefits claims by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 1906. A bill to provide that service connection for disabilities arising from exposure to ionizing radiation or dioxin may be established by direct evidence; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. GRAHAM, and Mr. DASCHLE):

S. 1907. A bill to require that the Department of Veterans Affairs adjudicate and resolve certain claims relating to medical malpractice in the health care services provided by the Department; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 1908. A bill to provide for a study of the processes and procedures of the Department of Veterans Affairs for the disposition of claims for veterans' benefits; to the Committee on Veterans' Affairs.

By Mr. BRYAN:

S. 1909. A bill to improve the interstate enforcement of child support and parentage court orders, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Res. 185. A resolution to congratulate Phil Rizutto on his induction into the Baseball Hall of Fame; to the Committee on the Judiciary.

By Mr. HOLLINGS (for Mr. MITCHELL (for himself and Mr. DOLE)):

S. Res. 186. A resolution to authorize testimony by and representation of Senate employees; considered and agreed to.

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 187. A resolution to authorize the production of records by the Select Committee on Intelligence; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIEGLE:

S. 1898. A bill to amend the Internal Revenue Code of 1986 to make permanent the section 170(e)(5) rules pertaining to gifts of publicly traded stock to certain private foundations, and for other purposes; to the Committee on Finance.

PERMANENT EXTENSION OF DEDUCTIONS FOR GIFTS OF CERTAIN STOCK

• Mr. RIEGLE. Mr. President, I introduce today legislation to permanently extend the tax deduction allowed for the full value of gifts of publicly traded stock to private foundations. Maintaining this strong incentive for gifts of such stock to private foundations will continue to encourage investment in the public interest. Many private foundations, which make grants to public-minded charities, rely on such gifts. Indeed, several foundations were created as a result of gifts made because of this deduction provision. Deductions for the full market value of stock contributed to private foundations have been in the Tax Code since 1984, but this deduction is due to expire at the end of this year. I ask my fellow colleagues to join me in making this useful tax provision a permanent fixture in the code.

Also included in this bill are two technical corrections to the tax law dealing with private foundations. The first will ease the restrictions on foundation grants to foreign charities. The second will align the timing of tax payments with the forms that track them.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1898

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GIFTS OF QUALIFIED APPRECIATED STOCK TO PRIVATE FOUNDATIONS.

(a) In General.—Paragraph (5) of section 170(e) of the Internal Revenue Code of 1986 is amended by striking subparagraph (D).

(b) Effective Date.—The amendment made by subsection (a) shall apply to contributions made after December 31, 1994.

SEC. 2. PRIVATE FOUNDATION GRANTS TO FOREIGN ORGANIZATIONS TREATED AS PRIVATE FOUNDATIONS.

(a) In General.—Paragraph (3) of section 4942(g) of the Internal Revenue Code of 1986 is amended to read as follows:

"(3) Certain contributions to section 501(c)(3) organizations.—For purposes of this section, the term 'qualifying distribution' includes a contribution to a section 501(c)(3) organization described in paragraph (1)(A)(i) or (ii) if—

"(A) not later than the close of the first taxable year after its taxable year in which such contribution is received—

"(i) such organization makes a distribution equal to the amount of such contribution and such distribution is a qualifying distribution (within the meaning of paragraph (1) or (2), without regard to this paragraph) which is treated under subsection (h) as a distribution out of corpus (or would be so treated if such section 501(c)(3) organization were a private foundation which is not an operating foundation), or

"(ii) in the case of a grant to a foreign organization that is not controlled (directly or indirectly) by the foundation or 1 or more disqualified persons (as defined in section 4946) with respect to the foundation, such organization makes expenditures equal to the amount of such contribution to accomplish 1 or more purposes described in section 170(c)(2)(B) and the grantor foundation exercises expenditure responsibility with respect to the grant (as defined in section 4945(h)), and

"(B) the private foundation making the contribution obtains adequate records or other sufficient evidence from such organization showing that the requirements of subparagraph (A) satisfied."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1992.

SEC. 3. CHANGING DUE DATE FOR FIRST QUARTER ESTIMATED TAX PAYMENTS BY PRIVATE FOUNDATIONS.

(a) In General.—Paragraph (3) of section 6655(g) of the Internal Revenue Code of 1986 is amended by inserting after subparagraph (C) the following new subparagraph:

"(D) In the case of any private foundation, subsection (c)(2) shall be applied by substituting 'May 15' for 'April 15'".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1993.•

By Mr. McCAIN:

S. 1900. A bill to provide for the protection of books and materials from the Library of Congress, and for other purposes; to the Committee on Rules and Administration.

LIBRARY OF CONGRESS BOOK PROTECTION ACT OF 1994

• Mr. McCAIN. Mr. President, I rise today to introduce legislation to help protect the valuable book resources of the Library of Congress. This bill, "The Library of Congress Book Protection Act", will help the Library of Congress stop abuses of its free book loan program by authorizing the Library to impose fines for books that are long overdue.

I am introducing this legislation to empower Library of Congress officials to crack down on individuals who seriously abuse their Library privileges, by keeping books too long or failing to return them. Library of Congress officials should not have to tolerate the fact that many individuals are apparently unconcerned about returning the books that taxpayers provide for them. Congress should not prevent the Library of Congress from instituting strengthened policies to hold severely delinquent borrowers responsible for their tardiness.

This legislation will enable the Library of Congress to implement a reasonable overdue book charge policy similar to those of most public libraries across America. By doing so, the many Members of Congress, congressional staffers, and executive branch employees who benefit from this magnificent institution will have an added incentive to comply with the generous loan policies of the Library of Congress.

The legislation I am proposing is very basic, but it will afford Library officials the leverage and flexibility they need to address this problem. This bill will help Library of Congress officials keep better track of their resources, and will spur many delinquent borrowers to return the books that taxpayers graciously provide for them.

"The Library of Congress Book Protection Act" would direct the Library to implement an overdue book charge policy for borrowers who have improperly held a book for over 70 days. These individuals or offices will have their privileges suspended until their fines are paid in full. Library of Congress officials will, however, be able to waive such penalties when appropriate. The Library will be authorized to retain the funds received from late book fines, as well. Finally, the offices of severely delinquent borrowers and the fines they owe will be published in the annual report submitted by the Library of Congress to its oversight committees.

Mr. President, like many of my colleagues, I was troubled by news reports of several weeks ago which stated that over 300,000 books are missing from the Library of Congress going back to 1978. Library officials say they don't know who took them. The estimated cost of these thefts from the Library to the taxpayers is $12 million. While certain allegations made about the theft of books from the Library by Members of Congress and congressional staff have been greatly exaggerated, a review of the facts about overdue books at the Library of Congress do give rise to legitimate concerns about their loan policies.

According to the latest figures available from Library officials, of the 20,000 books that are out on loan from the Library of Congress, over one-third are currently listed as overdue. Approximately one-half of the 4,200 books on loan to congressional staff and the media are listed as overdue, and one-in-five books out on loan to Members, committees, and congressional support agencies have been overdue for more than 2 months.

Library of Congress officials note that most of the books that are considered overdue are expected to be returned and can be recalled if necessary. I commend the efforts of Library officials over the past 5 years to implement a system of security procedures to stem the problem of stolen books. I firmly believe, however, that the legislation I am introducing is a reasonable and practical proposal that will assist the Library in protecting the books they provide for the Congress and numerous other entities.

I am concerned about the fact that it is all too easy for individuals to disregard their responsibility to return books to the Library of Congress in a timely manner. This negligence is not only unfair to the other users of the Library, but it also drains the Library's resources in chasing down overdue or missing books.

Indeed, the word privilege is right on the mark in any discussion of how congressional offices are served by this world-renowned institution. Members of the Senate and House of Representatives and our staffs are truly privileged to be able to borrow books and utilize the many other informational sources at the Library completely free of charge, and with few strings attached.

Regrettably, history tells us that no-cost privileges are quickly taken for granted, however. Therefore, it was not surprising for me to learn, Mr. President, that no matter when they were taken out, books loaned to Members of Congress are never considered overdue. Apparently, a loan to a Senator, Congressmen, or committee has become a virtual gift in perpetuity,

I fully recognize that Members and staffs may need to borrow books for extended periods of time, but this is a policy ripe for abuse. It also conjures up negative images in the public eye of yet another exclusive privilege we have awarded ourselves. This policy of interminable forbearance for Members only is similar to too many other dubious perks, and it should be ended.

In introducing this bill, Mr. President, I in no way mean to represent that I have not contributed to the problem myself. I have held on to books I have borrowed from the Library of Congress for too long, as has my staff. There is plenty of blame to go around. Nevertheless, we need to focus on practical remedies, and I feel this proposal will be a sound and productive first step. My legislation will encourage all of the 8,800 congressional offices with borrowing privileges at the Library of Congress to fulfill their responsibilities in an appropriate manner.

In additional to Members of Congress and congressional staff, the Library of Congress also makes loans to executive departments and agencies, the judiciary and diplomatic corps, the press, and other institutions. As I have mentioned, Mr. President, the Library of Congress is barred from charging late fees for overdue books, in contrast to virtually every other publicly funded library in America. In addition, the Library cannot retain any funds that might be collected due to the loss or damage of loaned books. It's clearly time to change these unwise restrictions and strengthen the Library's ability to protect its resources, and I hope Members of the Senate will support this legislation to do so.

Surely, it's not asking too much of the individuals and offices fortunate enough to use the Library of Congress to do so in a responsible manner. Even under the new borrowing guidelines that would be instituted by this legislation, there really is no reason for any well-intentioned borrower ever to have to pay late fines or have their privileges suspended. I'm optimistic that the mere specter of having to pay overdue book fines will coax delinquent borrowers into responsibly renewing their book loans or returning the books.

I hope that the Senate will adopt this legislation to implement prudent new guidelines in the book loan policies of the Library of Congress.•

By Mr. HELMS (for himself, Mr. HARKIN, Mr. FAIRCLOTH, and Mr. GRASSLEY):

S. 1901. A bill to require the Secretary of Agriculture to issue regulations authorizing the purchase and eradication of swine infected with or exposed to brucellosis, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

LEGISLATION FOR THE ERADICATION OF SWINE WITH BRUCELLOSIS

Mr. HELMS. Mr. President, legislation that I'm offering today—on behalf of Senator HARKIN, Senator FAIRCLOTH, Senator GRASSLEY, and myself—will help stem the spread of brucellosis, a disease carried by livestock which can be spread to humans who come in contact with infected blood in packing houses and elsewhere.

The bill (S. 1901) requires the Secretary of Agriculture, within 30 days of enactment, to purchase and eradicate all swine in the United States known to be infected with brucellosis.

The bottom line, Mr. President, is that this legislation will: First prevent more workers in meat-packing plants from contracting this disease from slaughtered swine; second, offer meatpacking plants the assurance of operating without the fear of their employees contracting this disease; and third, bolster the pork industry, which, as Senators know, is a vital component of this country's economy.

Some may ask: Precisely what is brucellosis? It's a good question. I first became aware of this disease while I was chairman of the Senate Agriculture Committee. This disease, if not checked, can—indeed, already has—caused illness in workers in meat-packing plants. It has afflicted a number of workers in my State and, unless the Secretary of Agriculture undertakes the action called for in this bill, could very well spread from State to State.

This disease is of particular interest to Senator FAIRCLOTH and me because of a recent outbreak of the disease at a packing house in North Carolina and because pork production is a large and important industry in my State. In fact, Mr. President, North Carolina is now the second highest pork producing State in the country, right behind No. 1 Iowa.

Part of the problem, Mr. President, is that under current USDA policy, the Government can purchase and destroy only the adult breeding stock—and not the piglets—USDA has identified as being infected with this disease. Since USDA officials cannot purchase and destroy infected piglets, eventually those animals make their way to packing houses where the disease can be passed on to humans.

A sensible solution to this problem, Mr. President—as North Carolina's Labor Commissioner, Harry Payne, wrote to Secretary Espy—and as the Sampson Independent of Clinton, NC, called for in its February 25, 1994, editorial, is for USDA to purchase and destroy entire herds, both young and old, which are known to be infected with brucellosis.

Mr. President, I ask unanimous consent that Commissioner Payne's letter to Secretary Espy, the editorial from the Sampson Independent, my letter to Secretary Espy of February 18, 1994, and the text of this bill be printed in the RECORD at the conclusion of my remarks.

Mr. President, I might add that the solution proposed by Commissioner Payne and the editors of the Sampson Independent is the solution contained in this legislation and is supported by the American Meat Institute, the National Pork Producers, and the U.S. Animal Health Association.

The USDA has already taken some preliminary steps in this direction. Its Animal and Plant Health Inspection Service [APHIS] has proposed an interim rule allowing Federal funding to be used for the purchase and destruction of both adult pigs and piglets. To ensure that the intent of this rule is implemented without the usual bureaucratic delay, and to minimize the number of humans who will be infected with this disease, my legislation allows Federal funds to be used to buy and destroy every animal in an infected herd of swine within 30 days of the bill's enactment.

This proposal requires no new appropriation inasmuch as the necessary funding will come out of the USDA's existing budget for the eradication of brucellosis in swine. Indeed, according to the experts at USDA, the cost of the approach in this legislation will be less than $350,000 of the $600,000 allocated in this budget.

Mr. President, this legislation is simple. It is sensible. It will change the Government's policy to allow all infected swine to be killed—and in doing so, it will limit the number of workers exposed to this disease. This bill will make for healthier workers in a vital American industry.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 1901

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURCHASE AND ERADICATION OF SWINE INFECTED WITH BRUCELLOSIS.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall issue regulations that authorize the Secretary to purchase and eradicate swine infected with or exposed to brucellosis in accordance with section 11 of the Act of May 29, 1884 (21 U.S.C. 114a).

(b) IMPLEMENTATION.—Section 102 of Public Law 99-198 shall apply to the issuance of regulations under subsection (a).

STATE OF NORTH CAROLINA,
DEPARTMENT OF LABOR,
Raleigh, NC, February 10, 1994.
Hon. MIKE ESPY,
U.S. Department of Agriculture, Washington, DC.

DEAR SECRETARY ESPY: Congratulations and thank you for signing the Memorandum of Agreement with U.S. OSHA regarding the use of USDA inspectors to serve as a sharper set of eyes in finding and reporting unsafe workplaces. Please know that those inspectors who are in North Carolina are welcome to participate in any training activity that we have.

I am writing to ask you to refocus your efforts on the eradication of brucellosis to include consideration of the consequences of human exposure to this disease during the slaughtering and packaging process. During our OSHA investigation of Lundy Packing Company, where there have been more than 53 reported cases of brucellosis in the last four years, we discovered that the transmission of this disease to humans poses a significant health risk that could lead to fatal heart disease if untreated. We were also unable to confirm that Lundy had ever knowingly purchased brucellosis contaminated hogs.

It is true that we are requiring of them significant and costly steps which we believe will lower substantially the probability that their employees will be exposed. Our belief is, however, that the only way to truly eliminate exposure is to eradicate the disease. This will inure to the benefit of the employees and employer from the point of view of health, and in the specific case of Lundy Packing, allow them to purchase hogs at the best price without worry of violation.

It is my understanding that your current eradication program is limited to the destruction of breeding stock and that contaminated piglets, which are supposed to be tagged, are allowed to be marketed and eventually slaughtered for processing. There does not appear to be an effective "cradle to grave" tracking system to insure that physically promising piglets are not diverted to breeding as they mature and possibly pass through numerous hands across state lines. It appears that the only truly effective means of eliminating brucellosis in domestic breeding stock is to destroy all members of identified contaminated herds. Since, as I understand, there are currently only 37 identified contaminated herds in the United States, it would not appear to be an overly burdensome task to make a Department priority the destruction of these herds.

I encourage you to take whatever steps are necessary to see that these entire herds are destroyed as quickly as possible. I realize that contaminated feral pigs may continue to pose a risk to domestic herds; however, a more aggressive posture of destroying an entire contaminated herd upon identification would appear to significantly reduce the potential risk of spreading this disease. I understand that this approach is supported by the American Meat Institute, the National Pork Producers, and the U.S. Animal Health Association.

I would be happy to talk with you about our concerns or make the information we found during our investigation available to you or your staff. In all of this, please know that we recognize you share our concern about the people of the pork industry as well as the industry in which they work.

Most sincerely,

HARRY E. PAYNE, Jr.

[From the Sampson Independent, Feb. 25, 1994]

STATE, FEDS HAD A ROLE—OTHERS SHARE RESPONSIBILITY FOR BRUCELLOSIS

The truth us beginning to come out about this brucellosis business at Lundy's, and if the company bears any blame for the outbreak, then state and federal bureaucracies must share equally in the blame.

First, the federal bureaucracy, which has identified as many as 37 brucellosis-infected herds, but perhaps as few as 17, according to Dr. Michael Staton of the Federal Veterinary Service.

The problems is, nobody has shared the identities of those herds with meat packers, be it Lundy's, Smithfield or any of them.

Oh, there's a process by which a paper trail is built from the herds to market, but Staton said that because of the marketing process that paper trail breaks down, either through deceit on the part those selling the infected hogs, or just because the process doesn't work very well.

That broken-down paper trail may seem like a cavalier way to address brucellosis but according to state veterinarian Dr. George Edwards, the reason is that the U.S. Department of Agriculture and others in the federal agriculture bureaucracy have just regarded brucellosis as a risk inherent to the livestock industry.

After all, there aren't that many brucellosis-infected herds left, it doesn't affect the edibility of the livestock, and, until the outbreak at Lundy's, there haven't been many, if any, reported cases among meat packing industry workers.

Just recently, attitudes at the federal level toward brucellosis have begun to change, primarily at the urging of the pork producing industry, but that's come a day late and a dollar short for Lundy's.

And then there's the State Labor Department. State Labor Department. State Labor Commissioner Harry Paine has communicated with Agriculture Secretary Mike Espy, suggesting that the USDA buy and kill brucellosis-infected livestock.

Good idea, and one that has already been applied in all but five states, but in this instance its a case of closing the barn door after the horse is already gone, because it comes after Lundy's has been fined, basically for allowing an outbreak of brucellosis at its plant, ordered to implement safety and educational procedures to prevent new outbreaks, and to test, on site, any hogs that don't come from brucellosis-free states.

Maybe Lundy's should have had the education and safety procedures in from the start, but remember, the brucellosis outbreak has attracted such attention only because it is so rare, and it seems a lot to ask a business to anticipate every remote eventuality.

But that's what Staton suggested when he pointed out that the penalties imposed against Lundy's by the Labor Department were not so much for buying infected hogs as they were for failing to implement adequate safety procedures.

How about this, though. Had somebody at the USDA written a letter, sent a fax or made a phone call and simply told Lundy's and other meat packing company officials, "Look here. These are the 37 herds we know are brucellosis-infected, so ya'll don't need to be buying any hogs from them," the issue of Lundy's safety precautions never would have come up.

Annabelle Fetterman, Lundy's CEO, has said that when herds were identified as brucellosis infected, the company didn't buy the hogs.

Of course they didn't. No business wants its employees to be sick. Any altruistic motivation aside, it's bad for business.

Why nobody wrote, faxed or called, Staton couldn't say, but don't taxpayer-funded state and federal bureaucracies have at least as much responsibility for health and well-being of the people they're designated to serve, as a private business that must rely on keeping overhead down and production up to turn a profit and continue to provide employment for its workers?

Think about who has the greatest responsibility and who has assumed the greatest portion of their responsibility, then look at who has been penalized in the whole brucellosis business.

It's not supposed to work that way.

U.S. SENATE,
Washington, DC, February 18, 1994.

Hon. MIKE ESPY,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, DC.

DEAR SECRETARY ESPY: The Animal Plant Health Inspection Service has wisely proposed an interim rule authorizing the USDA to destroy all herds of hogs found to be infected with brucellosis. I urge that you implement this rule promptly to eradicate this disease in a cost-effective manner, and protect the health of slaughterhouse employees and the public.

This proposed rule was brought to my attention by Mrs. Annabelle L. Fetterman, Chairman and CEO of The Lundy Packing Company in Clinton, N.C., who had contacted me about recent citations issued to The Lundy Packing Company by the N.C. Occupational Safety and Health Administration. The citations were related to Lundy employees who had contracted brucellosis.

Rapid implementation of the proposed interim rule will (1) allow the Lundy Packing Company to continue to operate its business, (2) eliminate the brucellosis disease from every state, and (3) bolster the pork industry, which, as you know, is so vital to the economy of this country.

You will be expressing good stewardship, Mr. Secretary, if you move quickly to implement this proposed interim road. The American people should applaud you for doing so.

Kindest regards.

Sincerely,

JESSE HELMS.

By Mr. RIEGLE (for himself and Mr. SASSER) (by request):

S. 1902. A bill to improve the administration of export controls, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EXPORT ADMINISTRATION ACT OF 1994

• Mr. RIEGLE. Mr. President, I rise today to introduce on behalf of the administration a bill titled the Export Administration Act of 1994. This bill is the administration's proposal to rewrite the current statutory authority governing exports of dual-use items and technology to reflect post-cold war realities.

Recently the Subcommittee on International Finance and Monetary Policy of the Senate Committee on Banking, Housing, and Urban Affairs held a hearing at which representatives of the Departments of Commerce, State, Defense, Energy, and the Arms Control and Disarmament Agency testified on this proposal. In contrast to past years the administration presented a unified position and I am hopeful that we will have a new Export Administration Act on the books before the old act expires on June 30 of this year.

One issue that must be reviewed carefully in our rewrite of the Export Administration Act is the issue of proliferation of chemical, biological, and nuclear weapons and the means to deliver them. We no longer have a monopoly on the manufacturing of key technologies that are useful in proliferation activities, and such technologies are falling into hands of rogue regimes, such as Iran, Iraq, Libya, and North Korea. We have made several amendments to the Export Administration Act in recent years to try to stem this growing problem, but more must be done on a multilateral basis to ensure that technologies useful in making weapons of mass destruction and the means to deliver them do not fall into the wrong hands.

In addition to rewriting the Export Administration Act in this Congress, we must also undertake an examination of how we can make our licensing system operate more efficiently and effectively. This is particularly important to our competitiveness. United States sales should not be lost simply because of interagency disputes that cause needless delays on licensing decisions. A more streamlined licensing system can help our firms become more competitive in export markets.

I very much look forward to working with the Clinton administration in this year's rewrite of the Export Administration Act.

I ask that a letter from Secretary Brown asking me to introduce the Export Administration Act of 1994 on behalf of the administration, a copy of the bill and a section by section of it be reprinted in the RECORD following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1902

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE.

This Act may be cited as the "Export Administration Act of 1994" and shall hereafter be referred to as the Act.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Export controls shall be a part of a comprehensive response to national security threats. United States exports should be restricted only for significant national security.

(2) The proliferation of weapons of mass destruction, their delivery systems, and other significant military capabilities has become one of the most serious threats to world peace and to our national security.

(3) Since growing exports are essential to future economic growth, restrictions on exports must be evaluated in terms of their effects on the United States economy. Economic interests must play a key role in decisions on export controls and the rigor of economic analysis and data available in the decision-making process must be enhanced.

(4) Exports of certain commodities, technology, and software may adversely affect the national security and foreign policy of the United States, by making a significant contribution to the military potential of individual countries or by disseminating the capability to design, develop, test, produce, stockpile, or use weapons of mass destruction, missile delivery systems, and other significant military capabilities. The administration of export controls should emphasize the control of exports that could make a significant contribution to the military potential of any country which would be detrimental to the national security and foreign policy of the United States and the control of items that could disseminate the capability to produce and use weapons of mass destruction, missile delivery systems, and other significant military capabilities.

(5) The acquisition of sensitive commodities, technology, and software by those countries and end users whose actions or policies run counter to United States national security or foreign policy interests may enhance the military-industrial capabilities of those countries, particularly their ability to design, develop, test, produce, stockpile, use, and deliver nuclear, chemical, and biological weapons, missile delivery systems, and other significant military capabilities. This enhancement threatens the security of the United States, its allies, and other friendly nations, and places additional demands on the defense budget of the United States. Availability to certain countries and end users of items that contribute to military capabilities or the proliferation of weapons of mass destruction is a fundamental concern of the United States and should be eliminated through negotiations and other appropriate means whenever possible.

(6) The national security of the United States depends not only on wise foreign policies and a strong defense, but also a vibrant national economy. To be truly effective, export controls should be applied uniformly by all suppliers.

(7) The United States export control system must not be overly restrictive or bureaucratic, or undermine the competitive position of American industry. The export control system must be efficient, responsive, transparent, and effective.

(8) Export controls should be focused on those items that materially contribute to a country's or end user's military or proliferation potential. The United States must pursue the maximum effectiveness of multilateral export control regimes, including comprehensive enforcement measures. The United States recognizes the importance of comprehensive enforcement measures to maximize the effectiveness of multilateral controls. Therefore, the United States must level the playing field for U.S. trade and enhance the effectiveness of controls by pursuing multilateral controls and harmonizing their implementation.

(9) Except in the event the United States is the sole source of critical supplies, unilateral export controls may not be truly effective in influencing the behavior of other governments and impeding access by target countries to controlled items. Unilateral controls may therefore impede access to United States sources of supply without affecting the ability of target countries to obtain controlled items elsewhere. Unilateral controls may therefore permit foreign competitors to serve markets the U.S. Government denies to American firms and workers and impair the reliability of United States suppliers in comparison with their foreign competitors.

(10) While the United States may at times have to act unilaterally, we should strive to avoid unilateral action if it damages U.S. commercial interests without effectively promoting our nonproliferation and other national security and foreign policy objectives. At the same time, the need to lead the international community or overriding national security or foreign policy interests may justify unilateral controls in specific cases.

(11) The multilateral export control system, which helped contain military threats posed by the former Soviet Bloc countries, should be replaced by an effective and efficient multilateral export control program furthering vital interests of the United States in the post-Cold War era.

(12) International treaties, such as the Chemical Weapons Convention, and international agreements and arrangements intended to control, lessen or eliminate weapons of mass destruction should be fully implemented by, *inter alia*, imposing restrictions on imports and exports of designated items, establishing, monitoring and transmitting reports on the production, processing, consumption, export and import of designated items, and complying with verification regimes mandated by such treaties, agreements, and arrangements.

(13) Restrictions that negatively affect the U.S. industrial base may ultimately weaken U.S. military capabilities and lead to dependencies on foreign sources for key components. The availability of certain items in the United States and from abroad may affect the welfare of the domestic economy.

(14) It is important that the administration of export controls imposed for foreign policy purposes give special emphasis to the need to control exports of items and substances hazardous to the public health and the environment which are banned or severely restricted for use in the United States, and which, if exported, could affect the international reputation of the United States as a responsible trading partner.

SEC. 3. POLICY STATEMENT.

It is the policy of the United States:

(1) To minimize uncertainties in export control policy and to encourage trade with all countries with which the United States has diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest.

(2) That the United States should not restrict export trade by its citizens except when necessary for significant national security, non-proliferation, foreign policy, or short supply objectives and such restrictions are administered consistent with basic standards of fairness, and are implemented only after full consideration of the impact on the economy of the United States and only to the extent necessary—

(A) to stem the proliferation of weapons of mass destruction and the means to deliver them by—

(i) leading international efforts to control the proliferation of chemical and biological weapons, nuclear explosive devices, missile delivery systems, and other significant military capabilities;

(ii) controlling involvement and contributions by U.S. persons to foreign programs intended to design, develop, test, produce, stockpile, or use chemical and biological weapons, nuclear explosive devices, missile delivery systems, and other significant military capabilities and the means to design, develop, test, produce, stockpile, or use them; and

(iii) implementing international agreements and arrangements that provide for controls on imports and exports of designated items, reports on the production, processing, consumption, exports and imports of such items, and compliance with verification programs;

(B) to restrict the export of items that would make a significant contribution to the military potential of countries that would prove detrimental to the national security and foreign policy of the United States;

(C) to restrict the export of items where necessary to significantly further the foreign policy of the United States or to fulfill its declared international commitments; and

(D) to restrict the export of items where necessary to protect the domestic economy from the excessive drain of scarce materials or to secure the removal by foreign countries of restrictions on access to supplies where such restrictions have or may have a serious inflationary impact, have caused or may cause a serious domestic shortage, or have been imposed for purposes of influencing the foreign policy of the United States.

(3) To further increase the reliance of the United States upon multilateral coordination of controls through effective control regimes that maintain lists of controlled items that are truly critical to the control objec-

tives, strive to increase membership to include all relevant countries, maintain common criteria and procedures for licensing, and harmonize member criteria and procedures for licensing, and harmonize member countries' licensing practices. It is the policy of the United States that multilateral controls are the best means of achieving the objectives of the United States.

(4) To encourage all countries that produce items that are controlled by multilateral regimes to adhere to the guidelines and controls of the regimes and to join the regime if they meet the relevant criteria for membership.

(5) To make every effort to achieve effective multilateral export controls in all cases where the United States imposes export controls.

(6) To avoid unilateral export controls and policies except when dictated by overriding national interests, to continue to work with other supplier nations to make export controls multilateral and to harmonize their implementation, and to avoid unilateral action if it damages U.S. commercial interests without effectively promoting our nonproliferation and other national security and foreign policy objectives. The United States will therefore impose unilateral export controls only when the following conditions are met:

(A) Diplomatic efforts have failed or clearly would be unsuccessful in establishing a multilateral regime; and

(B) The national security, nonproliferation, or foreign policy objectives expected to be achieved by the unilateral control justify any expected loss of sales, jobs, and reliability on the part of United States exporters.

(7) To eliminate unilateral dual-use export controls and policies unless their continuation in force is essential to U.S. national security, nonproliferation, or foreign policy interests.

(8) To eliminate unnecessary and ineffective export controls.

(9) To make all licensing decisions in a timely manner so undue delays in the licensing process will not cause a U.S. firm to lose an export sale.

(10) To ensure that control lists are periodically updated to reflect the changing proliferation threat, advances in technology, and a realistic appraisal of what is beyond the reach of effective control.

(11) To maintain a presumption of approval of applications for authority to export dual-use goods to civil end uses and end users under this Act, absent sound reasons for denial based on national security, nonproliferation and foreign policy grounds, based upon the commitment of the United States to an open international trading system and the need to ensure American competitiveness.

(12) To use export controls to encourage other countries to take immediate steps to prevent the use of their territories or resources to aid, encourage or give sanctuary to those persons directing, supporting or participating in acts of international terrorism. To achieve this objective, the President shall make reasonable and prompt efforts to secure the removal or reduction of such assistance to international terrorists through international cooperation and agreement before imposing export controls.

(13) To sustain vigorous scientific enterprise. To do so involves sustaining the ability of scientists and other scholars freely to communicate research findings, in accordance with the applicable provisions of law, by means of publication, teaching, conferences, and other forms of scholarly exchange.

(14)(A) To oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person; and

(B) To encourage and, in specified cases, require United States persons engaged in the export of commodities, software, technology and other information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against a country friendly to the United States or against any United States person.

(15) To ensure that U.S. economic interests play a key role in decisions on export controls and to take immediate action to increase the rigor of economic analysis and data available in the decision-making process.

(16) To streamline export licensing functions and thereby better serve the exporting public by reducing and eliminating overlapping, conflicting, and inconsistent regulatory burdens; and further, to create a more efficient, responsive, transparent, and effective export control process.

(17) To cooperate with other countries with which the United States has defense treaty commitments or common strategic objectives in restricting the export of goods and technology which would make a significant contribution to the military potential of any country or combination of countries which would prove detrimental to the national security of the United States and of those countries with which the United States has defense treaty commitments or common strategic objectives, and to encourage other friendly countries to cooperate in restricting the sale of goods and technology that can harm our mutual security.

(18) To promote the national security of the United States which requires that the nation's economy shall flourish, its geographic integrity is maintained, its political and foreign policy views are respected, the freedom and well being of its citizens are assured, and that American values are preserved. The United States as a world power must protect its national security against direct and indirect threats through the promotion of nonproliferation policies in all areas of the world.

(19) To implement export controls and diplomatic activity needed to sustain multilateral and bilateral activities and thereby complement and reinforce each other.

(20) To enhance the national security and nonproliferation interests of the United States. To this end and consistent with the other policies of this section and the criteria of section 5(b) of this Act, the United States will use multilateral and unilateral controls when necessary to ensure that access to weapons of mass destruction, missile delivery systems, and other significant military capabilities is restricted. While the multilateral nonproliferation regimes will be the primary instruments through which the United States will pursue its nonproliferation goals, it will also engage in bilateral agreements and, when consistent with the policies of this section and the criteria of section 5(b), take unilateral action.

(21) To defer and punish acts of international terrorism and to encourage other countries to take immediate steps to do so, or to terminate their support for, encouragement of, or use of their territories to aid or give sanctuary to, persons and groups involved in international terrorism. To this end and consistent with the policies of this section and the criteria of section 5(b) of this Act, the United Stats should distance itself from countries that have violated international norms of behavior by repeatedly supporting acts of international terrorism by restricting exports to those countries. The United States may establish such controls on exports as may be appropriate to induce such countries to change their unacceptable policies.

(22) To promote international peace, stability, and respect of fundamental human rights. The United States may establish controls on exports to countries that threaten regional stability, abuse of fundamental rights of their citizens, or to promote other important foreign policy objectives of the United States consistent with the policies of this section and the criteria of section 5(b) of this Act.

(23) In developing changes to multilateral control lists, to seek to focus controls on only that set of items that, if taken together and if denied to target countries, would carry out the policy of the United States to deny such countries the ability to design, develop, test, produce, stockpile, or use relevant conventional military capability, weapons of mass destruction, their delivery systems, or other capabilities the denial of which are the goals of United States export control policy.

SEC. 4. GENERAL PROVISIONS.

(a) TYPES OF LICENSES.—The Secretary may require any type of validated or general license under such terms and conditions as may be imposed by the Secretary for the effective and efficient implementation of this Act.

(b) CONTROL LIST.—In accordance with the procedures specified in sections 5 and 11 of this Act, the Secretary shall establish and maintain a list (hereinafter in this Act referred to as the "Commerce Control List" or "Control List") stating license requirements for exports of items under this Act.

(c) MILITARILY CRITICAL TECHNOLOGIES LIST.—The Secretary of Defense shall bear primary responsibility for establishing and maintaining the Militarily Critical Technologies List (hereinafter in the Act referred to as the MCTL) identifying equipment and technologies critical to the design, development, test, production, stockpiling, or use of weapons of mass destruction and other significant military capabilities, including nuclear, biological and chemical weapons, and manned and unmanned vehicles capable of delivering such weapons.

(d) RIGHT OF EXPORT.—No authority or permission to export may be required under this Act, or under regulations issued under this Act, except to carry out the policies set forth in section 3 of this Act.

(e) DELEGATION OF AUTHORITY.—The President may delegate the power, authority, and discretion conferred upon him by this Act to such departments, agencies, or officials of the Government as he may consider appropriate, except that no authority under this Act may be delegated to, or exercised by, any official of any department or agency the head of which is not appointed by the President, by and with the advice and consent of the Senate.

(f) NOTIFICATION OF THE PUBLIC; CONSULTATION WITH BUSINESS.—The Secretary shall keep the public fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging trade. The Secretary shall meet regularly with representatives of a broad spectrum of enterprises, labor organizations, and citizens interested in or affected by export controls, in order to obtain their views on United States export control policy and the foreign availability of items subject to controls.

(g) TECHNICAL ADVISORY COMMITTEES.—

(1) Upon his or her own initiative or upon written request by representatives of a substantial segment of any industry which produces any items subject to export controls under this Act or being considered for such controls, the Secretary shall appoint technical advisory committees. Such technical advisory committees shall advise the United States on all aspects of controls imposed or proposed under this Act. Each such committee shall consist of representatives of United States industry and Government, including the Department of Commerce and such other departments and agencies as appropriate. The Secretary shall permit the widest possible participation by the business community on the technical advisory committees.

(2) Technical advisory committees established under paragraph (1) shall advise and assist the Secretary and any other department, agency, or official of the Government of the United States to which the President delegates authority under this Act, on actions designed to carry out the policies of this Act. Such committees, where they have expertise in such matters, shall be consulted on questions involving (A) technical matters, (B) worldwide availability and actual utilization of production technology, (C) licensing procedures which affect the level of export controls applicable to any items, (D) revisions of the Control List (as provided in subsection (b), including proposed revisions of multilateral controls in which the United States participates), (E) the issuance of regulations, (F) the impact and interpretation of existing regulations, (G) processes and procedures for review of licenses and policy, and (H) any other questions relating to actions designed to carry out this Act. Nothing in this subsection shall prevent the United States Government from consulting, at any time, with any person representing industry or the general public, regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary, to present evidence to such committees.

(3) Upon request of any member of any such committee, the Secretary may, if the Secretary determines it appropriate, reimburse such member for travel, subsistence, and other necessary expenses incurred by such member in connection with the duties of such member.

(4) Each such committee shall elect a chairman, and shall meet at least every three months at the call of the chairman, unless the chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this subsection. Each such committee shall be terminated after a period of 2 years, unless extended by the Secretary for additional periods of 2 years. The Secretary shall consult each such committee on such termination or extension of that committee.

(5) To facilitate the work of the technical advisory committees, the Secretary, in conjunction with other departments and agencies participating in the administration of this Act, shall disclose to each such committee adequate information, consistent with national security, pertaining to the reasons for the export controls which are in effect or contemplated for the items or policies for which that committee furnishes advice. Information provided by the technical advisory committees shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed unless the Secretary determines that the withholding thereof is contrary to the national interest.

(h) FEES.—No fee may be charged in connection with the submission or processing of an export license application.

SEC. 5. NONPROLIFERATION, NATIONAL SECURITY, AND FOREIGN POLICY CONTROL AUTHORITIES.

(a) AUTHORITY.—

(1) In order to carry out the policies enumerated in section 3 of this Act, the President may, in accordance with the provisions of this section and section 15(e), prohibit or curtail the export of any item subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States. The President may regulate domestic and foreign conduct, consistent with the policies of this Act. Such authority shall include, but not be limited to, the authority to prohibit activity such as financing, contracting, servicing or employment, to deny access to items in the United States and abroad, to conduct audits of records and inspections of facilities, to compel reports, and to implement international commitments of the United States with respect to the control of exports.

(2) Except as otherwise specified in this Act, the authority contained in this Act shall be exercised by the Secretary, in consultation with appropriate departments and agencies.

(3) As directed by the President, annual policy guidance shall be issued to provide detailed implementing guidance to licensing officials in all appropriate departments and agencies.

(4) To develop the annual policy guidance, export controls and other regulations to implement policies contained in section 3 shall be reviewed annually. This annual policy review shall include an evaluation of benefits and costs, including economic impact, of export controls. The review should include:

(A) An assessment by the Secretary of Commerce at least 30 days in advance of determinations to extend controls describing the economic consequences of the controls during the preceding 12 months, including estimates of any lost United States exports and jobs;

(B) An assessment by the Secretary of State at least 30 days in advance of determinations to extend controls describing the objectives of the controls and the extent to which the controls have attained those objectives over the preceding 12 months;

(C) An assessment by the Secretary of Defense at least 30 days in advance of determinations to extend controls describing the impact export controls have had in the preceding 12 months on the national security of the United States;

(D) Solicitation of public comments for submission of such comments at least 60 days in advance of determinations to extend controls; and

(E) A systematic review by the Secretary of the above in consultation with appropriate departments and agencies.

(5) Based upon the review required by paragraph (4) above, the Secretary, in consultation with appropriate departments and agencies, shall determine at least annually whether the national interest requires that he or she terminate unilateral controls and regulations or maintain them for an additional 12 months. Unilateral controls imposed under (b)(1)(B) of this section shall expire by operation of law after one year from the most recent imposition or renewal of such controls unless extended by the Secretary based upon his or her findings consistent with the criteria and other requirements of this Act. Such findings shall be provided to the Congress pursuant to subsection (e)(2) of this section.

(b) CRITERIA.—

(1) Controls may be imposed, expanded or extended under this section only if the President determines that:

(A) The control is essential to advancing the nonproliferation, national security, or foreign policies of the United States provided in section 3 above; and like-minded states have agreed with the United States on the utility of such controls in obtaining a shared objective and procedures for implementing that objective; or

(B) The control is essential to advancing the nonproliferation, national security, or foreign policies of the United States provided in section 3 above; and the objective of the control is in the overall national interest of the United States and cannot be attained by means other than the control.

(2) The President should make the determination described in subparagraph (1)(B) above for the purpose of imposing or expanding a unilateral control, only if:

(A) Such controls are likely to have substantial progress toward achieving the intended purpose of:

(i) Changing, modifying or constraining the undesirable conduct or policies of the target country or countries;

(ii) Denying access by the target country to controlled items from all sources;

(iii) Establishing multilateral cooperation to deny the target country access to controlled items from all sources; or

(iv) Denying exports or assistance that significantly and directly contribute to the proliferation of weapons of mass destruction, terrorism, human rights abuses, or regional instability.

(B) The proposed controls are compatible with the foreign policy objectives of the United States and with overall United States policy toward the target country;

(C) The reaction of other countries to the imposition or expansion of such export controls by the United States is not likely to render the controls ineffective in achieving the intended purpose or to be counter-productive to United States policy interests;

(D) The effect of the proposed controls on the export performance of the United States, the competitive position of the United States as a supplier of items, or on the economic well-being of individual United States companies and their employees and communities does not exceed the benefit to the United States foreign policy, nonproliferation, or national security interests; and

(E) The United States has the ability to enforce the proposed controls effectively.

(3) The President should make the determination described in subparagraph (1)(B) above for the purpose of extending a control, only if:

(A) Such controls are likely to continue to make substantial progress toward achieving the intended purpose of:

(i) Changing, modifying or constraining the undesirable conduct or policies of the target country or countries;

(ii) Denying access by the target country to controlled items from all sources;

(iii) Establishing multilateral cooperation to deny the target country access to controlled items from all sources; or

(iv) Denying exports or assistance that significantly and directly contribute to the proliferation of weapons of mass destruction, terrorism, human rights abuses, or regional instability.

(B) The impact of the controls has been compatible with the foreign policy objectives of the United States and with overall United States policy toward the target country;

(C) The reaction of other countries to the imposition or expansion of such export controls by the United States has not rendered the controls ineffective in achieving the intended purpose and have not been counterproductive to United States policy interests;

(D) The effect of the proposed controls on the export performance of the United States, the competitive position of the United States as a supplier of items, and the economic well-being of individual United States companies and their employees and communities has not exceeded the benefit to the United States foreign policy, nonproliferation, or national security interests; and

(E) The United States has enforced the controls effectively.

(c) CONSULTATION WITH INDUSTRY.—The Secretary, in every possible instance, shall consult with and seek advice from affected United States public, industries, and technical advisory committees and seek public comment before the imposition, expansion, or extensions of any export control under this section. Such consultation shall include advice on the criteria set forth in subsection (b) and such other matters as the Secretary considers appropriate.

(d) CONSULTATION WITH OTHER COUNTRIES.—When imposing, expanding, or extending export controls under this section, the Secretary of State shall, in consultation with appropriate departments and agencies and at the earliest appropriate opportunity, consult with the countries with which the United States maintains export controls cooperatively and with such other countries as appropriate to advise them of the reasons for the action and to urge them to adopt similar controls.

(e) CONSULTATIONS WITH THE CONGRESS.—

(1) The Secretary, in consultation with appropriate departments and agencies, shall keep the Congress fully apprised of changes in export control policy and procedures pursuant to this Act. The Secretary or his designates, in consultation with representatives of other appropriate departments and agencies, shall consult with the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate on changes in export control policy, procedures, and other developments related to this Act.

(2) The Secretary may not impose, expand, or extend unilateral export controls under this section until the Secretary has submitted to the Congress a report—

(A) specifying the purpose of the controls;

(B) specifying the determination of the Secretary described in subsection (b), the bases for such determinations (or considerations), and any possible adverse foreign policy consequences of the controls;

(C) describing the nature, the subjects, and the results of, or the plans for, the consultation with industry and the interested public pursuant to subsection (c) and with other countries pursuant to subsection (d);

(D) specifying the nature and results of any alternative means attempted to achieve the objective of the control, or the reasons for imposing, expanding, or extending the controls without attempting any such alternative means; and

(E) describing the availability from other countries of items comparable to the items subject to the proposed export controls, and describing the nature and results of the efforts made to secure the cooperation of foreign governments in controlling the foreign availability of such comparable goods or technology.

Such report shall also indicate how such controls will further significantly the policies of the United States as set forth in section 3 or will further its declared international obligations.

(3) To the extent necessary to further the effectiveness of the export controls, portions of a report required by paragraph (2) may be submitted to the Congress on a classified basis, and shall be subject to the provisions of section 11(c) of this Act. Each such report shall, at the same time it is submitted to the Congress, also be submitted to the General Accounting Office for the purpose of assessing the report's full compliance with the intent of this subsection.

(f) MULTILATERAL CONTROL REGIMES.—

(1) POLICY.—In order to carry out the policies of section 3 and the criteria of section 5(b), the Secretary of State, in consultation with appropriate departments and agencies, should seek multilateral arrangements that are intended to secure effective achievement of these policies and criteria and in so doing also establish fairer and more predictable competitive opportunities for U.S. exporters.

(2) STANDARDS FOR NATIONAL SYSTEMS.—In the establishment and maintenance of multilateral regimes, the Secretary of State, in consultation with appropriate departments and agencies, shall take steps to attain the cooperation of members in the effective implementation of export control systems. Such systems should contain the following elements:

(A) National laws providing sufficient enforcement authorities, civil and criminal penalties, and statutes of limitations sufficient to deter potential violations and punish violators;

(B) A program to evaluate export license applications that includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end users;

(C) An enforcement mechanism that provides authority for trained enforcement officers to investigate and prevent illegal exports;

(D) A system of export control documentation to verify the movement of items;

(E) Procedures for the coordination and exchange of information concerning licensing, end users, and enforcement; and

(F) Adequate national resources devoted to subparagraphs (A) through (E) of this subsection.

(3) STANDARDS FOR MULTILATERAL REGIMES.—In the establishment and maintenance of multilateral regimes, the Secretary of State, in consultation with appropriate departments and agencies, shall seek, consistent with the policies of section 3 and the criteria of section 5(b), the following features for the multilateral control regimes in which the United States participates:

(A) FULL MEMBERSHIP.—Achieve membership of all supplier countries whose policies and activities are consistent with the objectives and membership criteria of the multilateral arrangement.

(B) EFFECTIVE ENFORCEMENT AND COMPLIANCE.—Promote enforcement and compliance with the rules and guidelines of the members of the regime through maintenance of an effective control list.

(C) PUBLIC UNDERSTANDING.—Enhance public understanding of each regime's purpose and procedures.

(D) EFFECTIVE IMPLEMENTATION PROCEDURES.—Achieve procedures for effective implementation of the regime rules and guidelines through uniform and consistent interpretations of export controls agreed to by the governments participating in the regime.

(E) ENHANCED COOPERATION AMONG REGIME MEMBERS.—Reach agreement to enhance cooperation among members of the regime in obtaining the agreement of governments outside the regime to restrict the export of items controlled by the regime, to establish an ongoing mechanism in the regime to coordinate planning and implementation of export control measures related to such agreements, and to remove items from the list if the control of such items no longer serves the objectives of the members of the regime.

(F) PERIODIC HIGH-LEVEL MEETINGS.—Conduct periodic meetings of high-level representatives of participating governments for the purpose of coordinating export control policies and issuing policy guidance to the regime members.

(G) COMMON LIST OF CONTROLLED ITEMS.—Reach agreement on a common list of items controlled by the regime.

(4) INCENTIVES FOR PARTNERSHIP.—Consistent with the policies of this Act and consistent with the objectives, rules and guidelines of the individual regime:

(A) The Secretary, in consultation with appropriate departments and agencies, may provide for exports free of validated license requirements to and among members of a multilateral regime for items subject to controls under such a multilateral regime; and

(B) The Secretary, in consultation with appropriate departments and agencies, may adjust licensing policies for access to items controlled pursuant to this Act depending on a country or other entity's degree of adherence to the export control policies of section 5.

(g) PUBLICATION OF ELEMENTS OF MULTILATERAL CONTROL REGIMES.—Consistent with arrangements in multilateral regimes, the United States shall publish the following information:

(1) Purpose(s) of the control regime;

(2) Member countries;

(3) Licensing policy;

(4) Items subject to controls together with all public notes, understandings, and other aspects of such agreement and all changes thereto;

(5) Target countries or regions (if any), target and uses, and target end users (including projects of concern);

(6) Rules of interpretation;

(7) Major policy actions; and

(8) The rules and procedures of the regime for establishing and modifying the above elements of the regime and for reviewing export license applications as provided for by the regime.

Subject to commitments required by multilateral regimes, within 6 months after the date of the enactment of this Act or thereafter within 2 months of joining or organizing a new multilateral regime, the Secretary, in consultation with appropriate departments and agencies, shall publish the above information. In addition, the Secretary shall publish changes in the above information within 2 months of adoption of such changes by a regime.

(h) SEEKING MULTILATERAL SUPPORT FOR UNILATERAL CONTROLS.—For all unilateral controls, the Secretary of State, in consultation with appropriate departments and agencies, shall have a continuing duty to seek support for such controls by other countries and by effective multilateral control regimes.

(i) Regulation Indicating Nature of Unilateral Controls.—Regardless of the reason for control, all unilateral controls shall be indicated as such by regulation.

(j) Implementation.—

(1) Nonproliferation.—

(A) Countries participating in certain agreements.—The Secretary of State, in consultation with appropriate departments and agencies, shall be responsible for conducting negotiations with those countries participating in the groups known as the Coordinating Committee, the Missile Technology Control Regime ("MTCR"), the Australia Group, the Nuclear Suppliers' Group, and other regimes that may be established, regarding their cooperation in restricting the export of items in order to carry out the policies set forth in section 3.

Such negotiations shall cover, among other issues, which items should be subject to multilaterally agreed export restrictions, and the implementation of the restrictions consistent with the principles in this Act.

(B) Other countries.—The Secretary of State, in consultation with appropriate departments and agencies, shall be responsible for conducting negotiations with countries and groups of countries not referred to in subparagraph (A) regarding their cooperation in restricting the export of items consistent with purposes set forth in this Act.

(2) Missile technology.—The Secretary, consistent with section 3, section 5(b), section 5(f), and in consultation with appropriate departments and agencies—

(A) shall, consistent with section 11(e), establish and maintain, as part of the Control List, dual-use items on the MTCR Annex;

(B) may include, as part of the Control List, items that would provide a material contribution to the design, development, test, production, stockpiling, or use of missile delivery systems, which items are not included in the MTCR Annex but which the United States proposes to the other MTCR adherents for inclusion in the MTCR Annex; and

(C) shall require an individual validated license, consistent with MTCR arrangements, for—

(i) any export of items on the list referred to under paragraph (2) to any country, except as provided for in subsection (f)(4) of this section; and

(ii) any export of items that the exporter knows is destined for a project or facility for the design, development, or manufacture of a missile in a country that is not an MTCR adherent.

(3) Chemical and Biological Weapons.—The Secretary, consistent with section 3, section 5(b), section 5(f), and in consultation with appropriate departments and agencies—

(A) shall, consistent with section 11(e), establish and maintain, as part of the Control List, dual-use items listed by the Australia Group or by the Chemical Weapons Convention;

(B) may include, as part of the Control List, items that would provide a material contribution to the design, development, test, production, stockpiling, or use of chemical or biological weapons, which items are not listed by the Australia Group but which the United States proposes to the other Australia Group adherents for inclusion in its list of controlled items; and

(C) shall require an individual validated license, consistent with the arrangements in the Australia Group and the Chemical Weapons Convention, for—

(i) any export of items on the list referred to under paragraph (3) to any country, except as provided for in subsection (f)(4) of this section; and

(ii) any export of items that the exporter knows is destined for a project or facility for the design, development, or manufacture of a chemical or biological weapon.

(4) International terrorism.—

(A) A validated license shall be required for the export of items to a country if the Secretary of State has made the following determinations:

(i) The government of such country has repeatedly provided support for acts of international terrorism; and

(ii) The export of such items could make a significant contribution to the military potential of such country, including its military logistics capability, or could enhance the ability of such country to support acts of international terrorism.

(B) The Secretary and the Secretary of State shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate at least 30 days before issuing any validated license required by paragraph (A).

(C) Each determination of the Secretary of State under paragraph (A)(i), including each determination in effect on the date of the enactment of the Antiterrorism and Arms Export Amendments Act of 1989 [December 12, 1989], shall be published in the Federal Register.

(D) A determination made by the Secretary of State under paragraph (A)(i) may not be rescinded unless the President submits to the Speaker of the House of Representatives and the chairman of the Committee on Banking, Housing, and Urban Affairs and the chairman of the Committee on Foreign Relations of the Senate—

(i) before the proposed rescission would take effect, a report certifying that—

(a) there has been a fundamental change in the leadership and policies of the government of the country concerned;

(b) that government is not supporting acts of international terrorism; and

(c) that government has provided assurances that it will not support acts of international terrorism in the future; or

(ii) at least 45 days before the proposed rescission would take effect, a report justifying the rescission and certifying that—

(a) the government concerned has not provided any support for international terrorism during the preceding 6-month period; and

(b) the government concerned has provided assurances that it will not support acts of international terrorism in the future.

(5) Human rights and crime control.—

(A) Crime control and detection instruments and equipment shall be approved for export by the Secretary only pursuant to a validated export license. Notwithstanding any other provision of the Act—

(i) any determination of the Secretary of what items shall be included on the Control List established pursuant to section 11(e) as a result of the export restriction imposed under this subsection shall be made with the concurrence of the Secretary of State; and

(ii) any determination of the Secretary to approve or deny an export license application to export crime control and detection instruments or equipment shall be made with the concurrence of the Secretary of State, except that, if the Secretary does not agree with the Secretary of State with respect to any determination under subparagraph (i) or (ii), the matter shall be referred to the President for resolution.

(B) The provisions of this subsection shall not apply to exports to Canada, countries which are members of the European Union, Norway, Iceland, Japan, Australia, or New Zealand, or to such countries as the President shall designate consistent with the purposes of this subsection and section 502B of the Foreign Assistance Act of 1961 [22 U.S.C. §2304].

(k) Unfair Impact on U.S. Exporter.—

(1) Policy.—It is the policy of the United States that no United States exporter should be placed at a competitive disadvantage vis-a-vis its commercial competitors because of export control policies or practices unless relief from such controls would create a significant risk to the foreign policy, nonproliferation, or national security interests of the United States.

(2) Relief from export controls.—A person may petition the Secretary for relief from current export control requirements on any one or more of the following grounds and the Secretary may conduct evaluations for relief on his or her own initiative based upon any one or more of the following grounds:

(A) Foreign availability.—The controlled item is available in fact in sufficient quantity and comparable quality to the proposed countries of export or end users from sources outside the United States so that the requirement for a validated license is or would be ineffective in achieving the purpose of the control.

(C) Competitive disadvantage.—

(i) Differences between the export control policies or procedures of the United States and that of governments of foreign suppliers effectively has placed or will place the United States exporter at a near-term commercial disadvantage vis-a-vis its competitors abroad; or

(ii) Changes to the domestic control lists of the United States and foreign governments result in similar items being controlled differently thus resulting in a competitive disadvantage.

(3) Provisions . for relief.—Consistent with multilateral arrangements, the Secretary, in consultation with appropriate departments and agencies, shall make determinations of facts under paragraph (2) and, subject to paragraph 4, provide the following relief to firms that meet the criteria in paragraph (2):

(A) Change the control status of all or some of the items in question so as to eliminate any significant competitive disadvantage;

(B) Selectively approve the sale of controlled goods so as to eliminate any significant competitive disadvantage; or

(C) Seek multilateral support to eliminate the source of foreign availability or to enhance a control to make it effective. If this relief is chosen and if such efforts fail to achieve multilateral support to eliminate the source of foreign availability or to make the control effective, then not later than 330 days from the date of the Secretary's initiation of an assessment, the Secretary shall provide other relief pursuant to (A) or (B) above or conclude pursuant to paragraph (4) that the granting of such relief would create a significant risk to U.S. nonproliferation, foreign policy or national security interests. Provided, however, if the Secretary of State, in consultation with appropriate departments and agencies, finds that substantial progress is being made to achieve multilateral support to eliminate the source of foreign availability or to make the control effective, then the Secretary shall provide other relief pursuant to (A) or (B) above or conclude pursuant to paragraph (4) that the granting of such relief would create a significant risk to U.S. nonproliferation, foreign policy or national security interests, and shall do so within an additional 180 days.

Except as provided in paragraph (5), a determination that a petitioner qualifies for relief under paragraph (2) above shall not compel the United States to decontrol an item taht remains subject to control by a multilateral regime in which the United States is a member or adherent.

(4) EXCEPTIONS FROM RELIEF.—The Secretary shall provide relief to a petitioner who qualifies for relief under paragraph (2) unless the Secretary concludes that the granting of such relief would create a significant risk to U.S. nonproliferation, foreign policy, or national security interests. In the event the Secretary determines to grant such relief, he or she may do so unless the President determines that such relief would create a significant risk to the foreign policy, nonproliferation, or national security interests of the United States.

(5) RELIEF FROM TRADITIONAL EAST WEST COCOM CONTROLS.—Relief under paragraph (2) shall compel either the elimination of the foreign availability or decontrol as provided in this paragraph for an item controlled by the united States based solely on its undertakings in the Coordinating Committee prior to October of 1993 so long as the Coordinating Committee shall continue in existence. For such an item, the Secretary may not, after the determination is made under paragraph (2), require a validated license for the export of such items during the period that such determination remains in effect, unless the President determines that the absence of export controls under this section on the items would prove detrimental to the national security of the United States.

(6) PROCEDURES.—In any case in which the President or the Secretary determines that export controls under this section must be maintained notwithstanding the existence of facts that constitute a basis for granting relief, the Secretary shall publish that determination, together with a concise statement of its basis and the estimated economic impact of the decision.

(A) NOTICE OF ASSESSMENTS.—Whenever the Secretary undertakes an assessment under paragraph (2), the Secretary shall publish notice of initiation of such assessment in the Federal Register.

(B) PROCEDURES FOR MAKING DETERMINATIONS.—During the conduct of an assessment under this subsection, the Secretary shall consult with other appropriate departments and agencies concerning the conduct of the assessment. The Secretary shall make a determination as to whether relief is required under paragraph (2) within 120 days of the date of the Secretary's initiation of an assessment and shall so notify the applicant. If the Secretary has determined that relief is appropriate, the Secretary shall, upon making such a determination, submit the determination for review to appropriate departments and agencies for consultations regarding the findings and selected relief. The Secretary's determination as to eligibility for relief and the nature of the relief to be granted does not require the concurrence or approval of any official, department, or agency to which such a determination is submitted. Not later than 150 days from the date of the Secretary's initiation of an assessment, the Secretary shall respond in writing to the petitioner and submit for publication in the Federal Register, that—

(i) relief is required and—

(a) the requirement of a validated license has been removed;

(b) the control status of all or some of the items in question has been changed so as to eliminate any significant competitive disadvantage;

(c) the sale of controlled items have been approved so as to eliminate any significant competitive disadvantage;

(d) pursuant to paragraph (5), export controls under this section must be maintained notwithstanding the finding under paragraph (2) and the applicable steps are being taken under subparagraph (C) this paragraph; or

(e) the United States recommendation to remove the validated license requirement or change the control status will be submitted to a relevant multilateral regime for consideration for a period not of not more than 180 days beginning on the date of the publication; or

(ii) a right to relief under paragraph (2) does not exist.

In any case in which the submission for publication is not made within 150 days of the date of the Secretary's initiation of an assessment, the Secretary may not thereafter require a license for the export of items that are the subject of the allegation under paragraph (2). In the case of a determination made under subsection (k)(6)(B)(1)(e) to refer a proposed relief to the relevant multilateral regime, no license for such export may be required after 330 days from the date of the Secretary's initiation of an assessment unless the Secretary shall make a finding under paragraph (4) or grant other relief under paragraph (3).

(c) NEGOTIATIONS TO ELIMINATE FOREIGN AVAILABILITY.—

(i) In any case in which export controls are maintained under this section pursuant to paragraph (4), the Secretary of State shall actively pursue negotiations with the governments of the appropriate foreign countries for the purpose of eliminating such foreign availability or competitive disadvantage. No later than the commencement of such negotiations, the Secretary of State shall notify in writing the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives that he has begun such negotiations and why he believes it is important that export controls on the items involved be maintained to avoid a significant risk to the foreign policy, nonproliferation, or national security interests of the United States.

(ii) Whenever the Secretary of State has reason to believe that items subject to export controls by the United States may become available from other countries to target countries and that such availability can be prevented or eliminated by means of negotiations with such other countries, the Secretary of State shall promptly initiate negotiations with the governments of such other countries to prevent such foreign availability.

(7) SHARING OF INFORMATION.—Each department or agency of the United States, including any intelligence agency, and all contractors with any such department or agency, shall, upon the request of the Secretary and consistent with the protection of intelligence sources and methods, furnish information to the Commerce Department concerning foreign availability of items subject to export controls under this section. Consistent with the protection of intelligence sources and methods and classification restrictions, each such department or agency shall allow the Commerce Department access to such information from a laboratory or other facility within such department or agency.

(8) AVAILABILITY DEFINED.—For the purposes of this subsection, the term "available in fact to target countries" includes production or availability of any item from any country—

(A) where the item is not restricted for export to any target country; or

(B) where the export restrictions are determined by the Secretary to be ineffective.

For purposes of subparagraph (B), the mere inclusion of items on a list of items subject to multilateral export controls shall not alone constitute credible evidence that a government of a country provides an effective means of controlling the export of such items to target countries.

(9) CONGRESSIONAL NOTIFICATION AND REPORTING REQUIREMENTS.—The Secretary shall each year notify the Committee on Foreign Relations of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of all petitions for relief and the status of all such petitions.

(l) UNILATERAL CONTROLS PROHIBITED.—

(1) Any export controls imposed unilaterally by the United States for purposes adopted by the group known as the Coordinating Committee shall expire six months after the date of enactment of this paragraph, or six months after the export control is imposed, whichever date is later, except that—

(A) any such export controls on those items for which a determination of the Secretary that there is no foreign availability has been made under this section before the end of the applicable six-month period and is in effect may be renewed for periods of not more than six months each; and

(B) any such export controls on those items with respect to which the President, by the end of the applicable six-month period, is actively pursuing negotiations with other countries to achieve multilateral export controls on those items may be renewed for two periods of not more than six months each.

(2) Export controls on items described in subparagraph (A) or (B) of paragraph (1) above may be renewed only if, before each renewal, the Secretary submits to the Congress a report setting forth all the controls being renewed and stating the specific reasons for such renewal.

(m) INTERNATIONAL OBLIGATIONS.—Notwithstanding other provisions of this Act containing limitations on authority to control imports and exports, pursuant to this paragraph and in order to fulfill obligations of the United States pursuant to resolutions of the United Nations, treaties, or other international agreements to which the United States is a party, the Secretary, in consultation with appropriate departments and agencies, may impose controls on exports and imports to and from a target country or region. The Secretary may regulate domestic and foreign conduct consistent with the policies of such United Nations resolutions, treaties, and international agreements. Such authority shall include, but not be limited to, the authority to prohibit activity such as financing, contracting, servicing or employment, to deny access to items in the U.S. and abroad, to conduct audits of records and inspections of facilities, to compel reports, and to curtail travel.

(n) INFORMATION SHARING.—The Secretary and appropriate officials of the intelligence community, as determined by the Director of Central Intelligence, and other appropriate Government agencies shall establish a procedure for information sharing.

(o) DENIED PARTIES, SANCTIONED PARTIES, SPECIALLY DESIGNATED NATIONAL, AND OTHER PARTIES PRESENTING UNACCEPTABLE RISKS OF DIVERSION.—

(1) DENIED PARTIES, SANCTIONED PARTIES, SPECIALLY DESIGNATED NATIONALS.—The Secretary shall publish parties denied export privileges under this Act, parties sanctioned for prohibited proliferation activity under this act or other statutes, and specially designated nationals named under the International Emergency Economic Powers Act, as amended, 50 U.C.S. 1701, et seq. (1988).

(2) OTHER PARTIES.—The Secretary shall maintain a list of parties for whom licenses will be presumptively denied.

(p) FREEDOM OF INFORMATION ACT EXEMPTION.—The identity of parties maintained or disclosed pursuant to subsection (o)(2) is not subject to disclosure under section 552 of Title 5, United States Code.

SEC. 6. SHORT SUPPLY CONTROLS.

(a) AUTHORITY.—

(1) In order to carry out the policy set forth in section 3(2)(D) of this Act, the President may prohibit or curtail the export of any items subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States. In curtailing exports to carry out the policy set forth in section 3(2)(D) of this Act, the President shall allocate a portion of export licenses on the basis of factors other than a prior history of exportation. Such factors shall include the extent to which a country engages in equitable trade practices for United States items and treats the United States equitably in times of short supply.

(2) Upon imposing quantitative restrictions on exports of any items to carry out the policy set forth in section 3(2)(D) of this Act, the Secretary shall include in a notice published in the Federal Register regarding such restrictions an invitation to all interested parties to submit written comments within 15 days from the date of publication on the impact of such restrictions and the method of licensing used to implement them.

(3) Notwithstanding subsection 4(h) of this Act, in imposing export controls under this section, the President's authority shall include, but not be limited to, the imposition of export license fees.

(b) MONITORING.—

(1) In order to carry out the policy set forth in section 3(2)(D) of this Act, the Secretary shall monitor exports, and contracts for exports, of any good (other than a commodity which is subject to the reporting requirements of section 182 of the Agricultural Act of 1970 [7 U.S.C. 612c–3] when the volume of such exports in relation to domestic supply contributes, or may contribute, to an increase in domestic prices or a domestic shortage, and such price increase or shortage has, or may have serious adverse impact on the economy or any sector thereof. Any such monitoring shall commence at a time adequate to assure that the monitoring will result in a data base sufficient to enable polices to be developed, in accordance with section 3(2)(D) of this Act, to mitigate a short supply situation or serious inflationary price rise or, if export controls are needed, to permit imposition of such controls in a timely manner. Information which the Secretary requires to be furnished in effecting such monitoring shall be confidential, except as provided in paragraph (2) of this subsection.

(2) The results of such monitoring shall, to the extent practicable, be aggregated and included in weekly reports setting forth, as to each item monitored, actual and anticipated exports, the destination by country, and the domestic and worldwide price, supply, and demand. Such reports may be made monthly if the Secretary determines that there is insufficient information to justify weekly reports.

(c) DOMESTICALLY-PRODUCED CRUDE OIL.—

(1) Notwithstanding any other provision of this Act and notwithstanding subsection (u) of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), no domestically-produced crude oil transported by pipeline over right-of-way granted pursuant to section 203 of the TransAlaska Pipeline Authorization Act (43 U.S.C. 1652) (except any such crude oil which: (A) is exported to an adjacent foreign country to be refined and consumed therein in exchange for the same quantity of crude oil being exported from that country to the United States, which exchange must result, through convenience or increased efficiency of transportation, in lower prices for consumers of petroleum products in the United States as described in paragraph (2)(A)(ii) of this subsection; (B) is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign country and reenters the United States; or (C) is transported to Canada, to be consumed therein, in amounts not to exceed an annual average of 50,000 barrels per day, in addition to exports under subparagraphs (2)(A) and (2)(B), except that any ocean transportation of such oil shall be by vessels documented under section 12106 of title 46, United States Code may be exported from the United States, or any of its territories and possessions, subject to paragraph (2) of this subsection.

(2) Crude oil subject to the prohibition contained in paragraph (1) may be exported only if—

(A) the President so recommends to the Congress after making and publishing express findings that exports of such crude oil, including exchanges—

(i) will not diminish the total quantity or quality of petroleum refined within, stored within, or legally committed to be transported to and sold within the United States;

(ii) will, within 3 months following the initiation of such exports or changes, result in (I) acquisition costs to the refiners which purchase the imported crude oil being lower than the acquisition costs such refiners would have to pay for the domestically-produced oil in the absence of such an export or exchange, and (II) not less than 75 percent of such savings in costs being reflected in wholesale and retail prices of products refined from such imported crude oil;

(iii) will be made only pursuant to contracts which may be terminated if the crude oil supplies of the United States are interrupted, threatened, or diminished;

(iv) are clearly necessary to protect the national interest; and

(v) are in accordance with the provisions of this Act; and

(B) the President includes such findings in his or her recommendation to the Congress and the Congress, within 60 days after receiving that recommendation, agrees to a joint resolution which approves such exports on the basis of those findings, and which is thereafter enacted into law.

(3) Notwithstanding any other provision of this section or any other provision of law, including subsection (u) of section 28 of the Mineral Leasing Act of 1920 [30 U.S.C. §185(u)], the President may export oil to any country pursuant to a bilateral international oil supply agreement entered into by the United States with such nation before June 25, 1979, or to any country pursuant to the International Emergency Oil Sharing Plan of the International Energy Agency.

(d) AGRICULTURE COMMODITIES.—

(1) The Authority conferred by this section shall not be exercised for any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority for any such commodity during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy except to the extent the President determines that such exercise of authority is required to carry out the policies set forth in subparagraph (B) or (C) of paragraph (2) of section 3 of this Act. The Secretary of Agriculture shall, by exercising the authority which the Secretary of Agriculture has under other applicable provisions of law, collect data on export sales of animal hides and skins.

(2) Upon approval of the Secretary, in consultation with the Secretary of Agriculture, agricultural commodities purchased by or for use in a foreign country may remain in the United States for export at a later date free from any quantitative limitations on export which may be imposed to carry out the policy set forth in section 3(2)(D) of this Act subsequent to such approval. The Secretary may not grant such approval unless the Secretary receives adequate assurance and, in conjunction with the Secretary of Agriculture, finds (A) that such commodities will eventually be exported, (B) that neither the sale nor export thereof will result in an excessive drain of scarce materials and have a serious domestic inflationary impact, (C) that storage of such commodities in the United States will not unduly limit the space available for storage of domestically-owned commodities, and (D) that the purpose of such storage is to establish a reserve of such commodities for later use, not including resale to or use by another country. The Secretary may issue such regulations as may be necessary to implement this paragraph.

(3)(A) If the President imposes export controls on any agricultural commodity in order to carry out the policy set forth in paragraph (2)(B), (2)(C), 2(D), or (12) of section 3 of this Act, the President shall immediately transmit a report on such action to the Congress, setting forth the reasons for the controls in detail and specifying the periods of time, which may not exceed 1 year, that the controls are proposed to be in effect. If the Congress, within 60 days after the date of its receipt of the report, adopts a joint resolution pursuant to paragraph (4) approving the imposition of the export controls, then such controls shall remain in effect for the period specified in the report, or until terminated by the President, whichever occurs first. If the Congress, within 60 days after the date of its receipt of such report, fails to adopt a joint resolution approving such controls, then such controls shall cease to be effective upon the expiration of that 60-day period.

(B) The provisions of subparagraph (A) and paragraph (4) shall not apply to export controls—

(i) which are extended under this Act if the controls, when imposed, were approved by the Congress under subparagraph (A) and paragraph (4); or

(ii) which are imposed on exports to a country as part of the prohibition or curtailment of all exports to that country.

(4)(A) For purposes of this paragraph, the term "joint resolution" means only a joint resolution the matter after the resolving clause of which is as follows: "That pursuant to section 6(d)(3) of the Export Administration Act of 1979, the President may impose export controls as specified in the report submitted to the Congress on   .", with the blank space being filled with the appropriate date.

(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (3), a joint resolution on the export controls specified in such report shall be introduced (by request) in the House by the chairman of the Committee on Foreign Affairs, for himself and the ranking minority member of the Committee, or by Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

(C) All joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee and all joint resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

(D) If the committee of either House to which a joint resolution has been referred has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the resolution or of any other joint resolution introduced on the same matter.

(E) A joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976 (22 U.S.C. §§2151 *et seq.*, Pub. L. 94-329, June 30, 1976). For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this paragraph, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this paragraph which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

(F) In the case of a joint resolution described in subparagraph (A), if, before the passage by one House of a joint resolution of that House, that House receives a resolution on the same matter from the other House, then—

(i) the procedure in the House shall be the same as if no joint resolution has been received from the other House; but

(ii) the vote on final passage shall be on the joint resolution of the other House.

(5) In the computation of the period of 60 days referred to in paragraph (3) and the period of 30 days referred to in subparagraph (D) of paragraph (4), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.

(e) BARTER AGREEMENTS.—

(1) The exportation pursuant to a barter agreement of any items which may lawfully be exported from the United States, for any items which may lawfully be imported into the United States, may be exempted, in accordance with paragraph (2) of this subsection, from any quantitative limitation on exports (other than any reporting requirement) imposed to carry out the policy set forth in section 3(2)(D) of this Act.

(2) The Secretary shall grant an exemption under paragraph (1) if the Secretary finds, after consultation with the appropriate department or agency of the United States, that—

(A) for the period during which the barter agreement is to be performed—

(i) the average annual quantity of the items to be exported pursuant to the barter agreement will not be required to satisfy the average amount of such items estimated to be required annually by the domestic economy and will be surplus thereto;

(ii) the average annual quantity of the items to be imported will be less than the average amount of such items estimated to be required annually to supplement domestic production; and

(B) the parties to such barter agreement have demonstrated adequately that they intend, and have the capacity, to perform such barter agreement.

(3) For purposes of this subsection, the term "barter agreement" means any agreement which is made for the exchange, without monetary consideration, of any items produced in the United States for any items produced outside of the United States.

(4) This subsection shall apply only to barter agreements entered into after September 30, 1979.

(f) UNPROCESSED RED CEDAR.—No unprocessed western red cedar logs (Thuja plicata) harvested from State or Federal lands may be exported from the United States.

(1) Unprocessed western red cedar logs shall not be considered to be an agricultural commodity for purposes of subsection (d) of this section.

(2) As used in this subsection, the term "unprocessed western red cedar" means red cedar timber which has not been processed into—

(A) lumber of American Lumber Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau Export R-List Grades of Number 3 common or better;

(B) chips, pulp, and pulp products;

(C) veneer and plywood;

(D) poles, posts, or pilings cut or treated with preservative for use as such and not intended to be further processed; or

(E) shakes and shingles.

(3) The State of Alaska is exempt from the provisions of this subsection (Pub. L. No. 96-126, 93 Stat. 954, section 308 (1979)).

(g) EFFECT OF CONTROLS ON EXISTING CONTRACTS.—The export restrictions contained in subsection (f) of this section and any export controls imposed under this section shall not affect any contract to harvest unprocessed western red cedar from State lands which was entered into before October 1, 1979, and the performance of which would make the red cedar available for export. Any export controls imposed under this section on any agricultural commodity (including fats, oils, and animal hides and skins) or on any forest product or fishery product, shall not affect any contract to export entered into before the date on which such controls are imposed. For purposes of this subsection, the term "contract to export" includes, but is not limited to, an export sales agreement and an agreement to invest in an enterprise which involves the export of goods or technology.

(h) OIL EXPORTS FOR USE BY UNITED STATES MILITARY FACILITIES.—For purposes of subsection (c) of this section, and for purposes of any export controls imposed under this Act, shipments of crude oil, refined petroleum products, or partially refined petroleum products from the United States for use by the Department of Defense or United States-supported installations or facilities shall not be considered to be exports.

SEC. 7. FOREIGN BOYCOTTS.

(a) PROHIBITIONS AND EXCEPTIONS.—

(1) For the purpose of implementing the policies set forth in subparagraph (A) and (B) of paragraph (14) of section 3 of this Act, the President shall issue regulations prohibiting any United States person, with respect to his or her activities in the interstate or foreign commerce of the United States, from taking or knowingly agreeing to take any of the following actions with the intent to comply with, further, or support any boycott fostered or imposed by a foreign country against a country which is friendly to the United States and which is not itself the object of any form of boycott pursuant to United States law or regulation:

(A) Refusing, or requiring any other person to refuse to do business with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person, pursuant to an agreement with, a requirement of, or a request from or on behalf of the boycotting country. The mere absence of a business relationship with or in the boycotted country with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person, does not indicate the existence of the intent required to establish a violation of regulations issued to carry out this subparagraph.

(B) Refusing, or requiring any other person to refuse, to employ or otherwise discriminating against any United States person on the basis of race, religion, sex, or national origin of that person or of any owner, officer, director, or employee of such person.

(C) Furnishing information with respect to the race, religion, sex, or national origin of any United States person or of any owner, officer, director, or employee of such person.

(D) Furnishing information about whether any person has, has had, or proposes to have any business relationship (including a relationship by way of sale, purchase, legal, or commercial representation, shipping or other transport, insurance, investment, or supply) with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person known or believed to be restricted from having any business relationship with or in the boycotted country. Nothing in this paragraph shall prohibit the furnishing of normal business information in a commercial context as defined by the Secretary.

(E) Furnishing information about whether any person is a member of, has made contribution to, or is otherwise associated with or involved in the activities of any charitable or fraternal organization which supports the boycotted country.

(F) Paying, honoring, confirming, or otherwise implementing a letter of credit which contains any condition or requirement compliance with which is prohibited by regulations issued pursuant to this paragraph, and no United States person shall, as a result of the application of this paragraph, be obligated to pay or otherwise honor or implement such letter of credit.

(2) Regulations issued pursuant to paragraph (1) shall provide exceptions for—

(A) complying or agreeing to comply with requirements (i) prohibiting the import of items or services from the boycotted country or items produced or services provided by any business concern organized under the laws of the boycotted country or by nationals or residents of the boycotted country, or (ii) prohibiting the shipment of items to the boycotted country on a carrier of the boycotted country, or by a route other than that prescribed by the boycotting country or the recipient of the shipment;

(B) complying or agreeing to comply with import and shipping document requirements with respect to the country of origin, the name of the carrier and route of shipment, the name of the supplier of the shipment or the name of the provider of other services, except that no information knowingly furnished or conveyed in response to such requirements may be stated in negative, blacklisting, or similar exclusionary terms, other than with respect to carriers or route of shipment as may be permitted by such regulations in order to comply with precautionary requirements protecting against war risks and confiscation;

(C) complying or agreeing to comply in the normal course of business with the unilateral and specific selection by a boycotting country, or national or resident thereof, of carriers, insurers, suppliers of services to be performed within the boycotting country or specific items which, in the normal course of business, are identifiable by source when imported into the boycotting country;

(D) complying or agreeing to comply with export requirements of the boycotting country relating to shipments or transshipment of exports to the boycotted country, to any business concern of or organized under the laws of the boycotted country, or to any national or resident of the boycotted country;

(E) compliance by an individual or agreement by an individual to comply with the immigration or passport requirements of any country with respect to such individual or any member of such individual's family or with requests for information regarding requirements of employment of such individual within the boycotting country; and

(F) compliance by a United States person resident in a foreign country or agreement by such person to comply with the laws of the country with respect to his or her activities exclusively therein, and such regulations may contain exceptions for such resident complying with the laws or regulations of the foreign country governing imports into such country of trademarked, trade named, or similarly specifically identifiable products, or components of products for his or her own use, including the performance of contractual services within that country, as may be defined by such regulations.

(3) Regulations issued pursuant to paragraphs (2)(C) and (2)(F) shall not provide exceptions from paragraphs (1)(B) and (1)(C).

(4) Nothing in this subsection may be construed to supersede or limit the operation of the antitrust or civil rights laws of the United States.

(5) This section shall apply to any transaction or activity undertaken, by or through a United States person or any other person, with intent to evade the provisions of this section as implemented by the regulations issued pursuant to this subsection, and such regulations shall expressly provide that the exceptions set forth in paragraph (2) shall not permit activities or agreements (expressed or implied by a course of conduct, including a pattern of responses) otherwise prohibited, which are not within the intent of such exceptions.

(b) REGULATIONS.—

(1) In addition to the regulations issued pursuant to subsection (a) of this section, regulations issued under this subsection of this Act shall implement the policies set forth in section 3(14).

(2) Such regulations shall require that any United States person receiving a request for the furnishing of information, the entering into or implementing of agreements, or the taking of any other action referred to in section 3(14) shall report that fact to the Secretary, together with such other information concerning such request as the Secretary may require for such action as the Secretary considers appropriate for carrying out the policies of that section. Such person shall also report to the Secretary whether such person intends to comply and whether such person has complied with such request. Any report filed pursuant to this paragraph shall be made available promptly for public inspection and copying, except that information regarding the quantity, description, and value of any items to which such report relates may be kept confidential if the Secretary determines that disclosure thereof would place the United States person involved at a competitive disadvantage. The Secretary shall periodically transmit summaries of the information contained in such reports to the Secretary of State for such action as the Secretary of State, in consultation with the Secretary, considers appropriate for carrying out the policies set forth in section 3(14) of this Act.

(c) PREEMPTION.—The provisions of this section and the regulations issued pursuant thereto shall preempt any law, rule, or regulation of any of the several States or the District of Columbia, or any of the territories or possessions of the United States, or of any governmental subdivision thereof, which law, rule, or regulation pertains to participation in, compliance with, implementation of, or the furnishing of information regarding restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries.

SEC. 8. PROCEDURES FOR PROCESSING EXPORT LICENSE APPLICATIONS; OTHER INQUIRES.

(a) PRIMARY RESPONSIBILITY OF THE SECRETARY.—

(1) All export license applications required under this Act shall be submitted by the applicant to the Secretary. All determinations on any such applications shall be made by the Secretary, subject to the procedures provided in this section.

(2) To the extent necessary, the Secretary shall seek information and recommendations from the Government departments and agencies concerned with factors having an important bearing on exports administered under this Act. Such departments and agencies shall cooperate fully and promptly in rendering information and recommendations.

(3) In regulations that implement this section, the Secretary shall describe the procedures required by this section, the responsibilities of the Secretary and of other departments and agencies in reviewing applications, the rights of the applicant, and the extent of any multilateral review of a given license application.

(4) In calculating the processing times set forth in this section, the Secretary shall use calendar days; provided that if the final day for a required action falls on a weekend or holiday, that action shall be taken no later than the following business day.

(5) In reviewing applications for validated export licenses, the Secretary may in each case consider the reliability of the parties to the proposed export. In making such an evaluation, the Secretary may consider all sources of information, including intelligence information. However, the consideration of intelligence information in connection with the evaluation of the reliability of parties shall not authorize the direct or indirect disclosure of classified information or sources and methods of gathering classified information.

(b) INITIAL SCREENING.—

(1) Upon receipt of any export license application, the Secretary shall include receipt and status information regarding the application in the records of the Department.

(2) Within nine days of receipt of any license application, the Secretary shall—

(A) Contact the applicant if the application is improperly completed or if additional information is required, and hold the application for a reasonable time while the applicant provides the necessary corrections or information. Such time shall not be counted in calculating the time periods prescribed in this section.

(B) Refer the application and all necessary recommendations and analyses by the Secretary to all other agencies, when such referral is requested, and forward to the agencies any relevant information submitted by the applicant that could not be reduced to electronic form.

(C) Assure the stated classification on the application is correct; return the application if a validated license is not required; and, if referral to other agencies is not requested, grant the application or notify the applicant of the Secretary's intent to deny the application.

(c) ACTION BY OTHER DEPARTMENTS AND AGENCIES.—

(1) At the direction of the President, the Secretary shall refer license applications to appropriate departments and agencies to make recommendations and provide information to the Secretary.

(2) Reviewing agencies shall organize their resources and units to plan for the prompt and expeditious internal dissemination of export license applications, if necessary, so as to avoid delays in responding to the Secretary's request for information and recommendations.

(3) Each referral agency or department shall specify to the Secretary any information that is not in the application that would be required to make a determination, and the Secretary shall promptly request such information from the applicant. The time that may elapse between the date the information is requested from the applicant and the date the information is received by the Secretary shall not be counted in calculating the time periods prescribed in this section.

(4) Within thirty days of receipt of a referral, the agency or department shall provide the Secretary with a recommendation either to approve the license or to deny the license. As appropriate, such recommendation shall be with the benefit of consultation and dis-

cussions in interagency groups established to provide expertise and coordinate interagency consultation. A recommendation that the Secretary deny a validated license shall include a statement of reasons that are consistent with the provisions of this Act, and shall cite both the statutory and the regulatory basis for the recommendation to deny. A department or agency that fails to provide a recommendation to deny. A department or agency that fails to provide a recommendation within thirty days with a statement of reasons and the statutory and regulatory basis shall be deemed to have no objection to the decision of the Secretary.

(5) An interagency committee shall be established by and the chairman selected by the Secretary to review initially all license applications on which the reviewing agencies are not in agreement. The chairman of such committee shall consider the recommendations of the reviewing agencies and inform them of his or her decision. Appeals from such decisions may be made in writing by an official of such department or agency who is appointed by the President by and with the advice and consent of the Senate, or an officer properly acting in such capacity, consistent with procedures established by the President in accordance with subsection (d).

(6) Upon receiving all comments from other departments and agencies regarding an application upon which there is no disagreement, or forty-nine days following receipt of a license application upon which there has been disagreement, whichever comes first, the Secretary shall either—

(A) Approve the application and issue the license; or

(B) Notify the applicant of the intent to deny the license; or

(C) Notify the applicant the application has been referred to a process established by the President to resolve matters in dispute.

(d) INTERAGENCY RESOLUTION.—The President may establish a process for the review and determination of export license applications as to which a reviewing agency has objected pursuant to subsection (c). Any such process shall: (1) be chaired by the Secretary or his designee; (2) insure that license applications are resolved or referred to the President no later than 90 days from the date of filing of the license application; and (3) provide that a department or agency that fails to take a timely position shall be deemed to have no objection to the pending decision.

(e) ACTIONS BY THE SECRETARY.—

(1) When no referral to other departments or agencies is required, the Secretary shall issue a license or notify the applicant of the intent to deny within nine days of receipt of the application.

(2) In cases where the Secretary has determined that an application should be denied, the applicant shall be informed in writing of—

(A) the determination to deny;

(B) the statutory and regulatory basis for the proposed denial;

(C) what, if any, modifications in or restrictions on the items for which the license was sought would allow such export to be compatible with export controls imposed under this Act, and which officer or employee of the Department of Commerce would be in a position to discuss modifications or restrictions with the applicant;

(D) to the extent consistent with the national security and foreign policy of the United States, the specific considerations that led to the determination to deny the application; and

(E) the availability of appeal procedures.

The Secretary shall allow the applicant 20 days to respond to the determination before the license application is denied.

(3) The Secretary and the applicant may, at any time, agree mutually to suspend the time periods prescribed by this section in order to negotiate modifications to the application and obtain agreement to such modifications from the foreign parties to the transaction.

(f) MULTILATERAL CONTROLS.—When an application recommended for approval must be submitted to a multilateral review process, pursuant to a multilateral regime, formal or informal, to which the United States is a party, the application shall be referred to the multilateral regime within five days of the decision to approve. Any such application shall be considered in accordance with the review procedures established by the relevant multilateral export control regime, and the license shall be issued or a notice of intent to deny issued within five days of receipt of a decision by the multilateral regime.

(g) EXCEPTIONS FROM REQUIRED TIME PERIODS.—All license applications shall be resolved or referred to the President no later than 90 days from the date of filing of the license application. The following actions related to processing an application shall not be counted in calculating the time periods prescribed in this section:

(1) AGREEMENT OF THE APPLICANT.—Delays in processing required by unusually complex technical review or by need to complete a high-level policy review, when the Secretary and the applicant mutually agree to the delay.

(2) PRELICENSE CHECKS.—Prelicense checks through government channels that may be required to establish the identity and reliability of the recipient of items controlled under this Act, provided—

(A) The need for such prelicense check is established by the Secretary, or by another department or agency, if the request for prelicense check is made by such department or agency;

(B) The request for such prelicense check is sent by the Secretary within five days for the determination that the prelicense check is required; and

(C) The analysis of the response to the request for prelicense check is completed by the Secretary within five days.

(3) REQUESTS FOR GOVERNMENT-TO-GOVERNMENT ASSURANCES.—Requests for government-to-government assurances of suitable end use of items approved for export, when failure to obtain such assurances would result in rejection of the application, provided that the request for such assurances is sent to the Secretary of State within five days of the determination that the assurances are required, provided the Secretary of State initiates the request of the relevant government within 10 days thereafter, and provided the license is issued within five days of receipt by the Secretary of the requested assurances.

Whenever such prelicense checks and assurances are not requested within the time periods set forth above, they must be accomplished within the time periods established by this section.

(4) MULTILATERAL REVIEW.—Multilateral review of a license application as provided for in subsection (f) so long as such multilateral review is required by the relevant multilateral regime.

(5) CONGRESSIONAL NOTIFICATION.—Such time as required for mandatory Congressional notifications under this Act.

(h) APPEALS.—

(1) The Secretary shall establish appropriate procedures for any applicant to appeal to the Secretary the denial of an export license application or other administrative action.

(2) In any case in which any action prescribed in this section is not taken on the license application within the time periods established by this section (except in the case of a time period extended under subsection (g)(4) of which the applicant is notified), the applicant may file a petition with the Secretary requesting compliance with the requirements of this section. When such petition is filed, the Secretary shall take immediate steps to correct the situation giving rise to the petition and shall immediately notify the applicant of such steps.

(3) If, within twenty days after a petition is filed under paragraph (2), the processing of the application has not been brought into conformity with the requirements of this section, or the application has been brought into conformity with such requirements but the Secretary has not so notified the applicant, the applicant may bring an action in an appropriate United States district court for an order requiring compliance with the temporal requirements of this section. The United States district courts shall have jurisdiction to provide such relief, as appropriate.

(i) CLASSIFICATION REQUESTS AND OTHER INQUIRIES.—

(1) In any case in which the Secretary receives a written request asking for the proper classification of an item on the Control List, the Secretary shall, within 14 days after receipt of the request, inform the person making the request of the proper classification.

(2) In any case in which the Secretary receives a written request for information about the applicability of export license requirements under this Act to a proposed export transaction or series of transactions, the Secretary shall, within 30 days after the receipt of the request, reply with that information to the person making the request.

SEC. 9. VIOLATIONS.

(a) CRIMINAL PENALTIES.—

(1) VIOLATIONS BY AN INDIVIDUAL.—Except as provided in paragraph (3) below, any individual who knowingly violates or conspires to or attempts to violate any provision of this Act or any regulation, license, or order issued thereunder shall be fined not more than five times the value of the exports involved or $500,000 per violation, whichever is greater, or imprisoned not more than 10 years, or both.

(2) VIOLATIONS BY A PERSON OTHER THAN AN INDIVIDUAL.—Except as provided in paragraph (3) below, any person other than an individual who knowingly violates or conspires to or attempts to violate any provision of this Act or any regulation, license or order issued thereunder shall be fined not more than 10 times the value of the exports involved or $1,000,000 per violation, whichever is greater.

(3) ANTIBOYCOTT VIOLATIONS.—Any individual who knowingly violates or conspires to or attempts to violate any provision of section 7 of this Act concerning foreign boycotts or any regulation or order issued thereunder shall be fined not more than five times the value of the exports involved or $250,000 per violation, whichever is greater, or imprisoned not more than 10 years, or both. Any person other than an individual who knowingly violates or conspires to or attempts to violate any provision of section 7

of this Act or any regulation or order issued thereunder shall be fined not more than five times the value of the exports involved or $500,000 per violation, whichever is greater.

(b) FORFEITURE OF PROPERTY INTEREST AND PROCEEDS.—

(1) Any person who is convicted under subsection (a)(1) or (2) shall, in addition to any other penalty, forfeit to the United States—

(A) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in the goods or tangible items that were the subject of the violation;

(B) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in tangible property that was used in the export or attempt to export that was the subject of the violation; and

(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

(2) The procedures in any forfeiture under this subsection, and the duties and authority of the courts of the United States and the Attorney General with respect to any forfeiture action under this subsection or with respect to any property that may be subject to forfeiture under this subsection, shall be governed by the provisions of chapter 46 of title 18, United States Code.

(c) CIVIL PENALTIES; ADMINISTRATIVE SANCTIONS.—

(1) The Secretary may impose a civil penalty not to exceed $250,000 for each violation of this Act or any regulation, license or order issued under this Act, either in addition to or in lieu of any other liability or penalty which may be imposed, except that the civil penalty for each such violation involving section 7 of this Act concerning foreign boycotts may not exceed $50,000.

(2) The Secretary may deny the export privileges of any person, including suspending or revoking the authority of any person to export or receive any item subject to this Act, for any violation of the provisions of this Act or any regulation, license or order issued under this Act.

(d) PROCEDURES RELATING TO CIVIL PENALTIES AND SANCTIONS.—

(1) Any administrative sanction imposed under subsection (c) above may be imposed only after notice and opportunity for an agency hearing on the record in accordance with sections 554 through 557 of title 5, United States Code. The imposition of any such administrative sanction shall be subject to judicial review in accordance with sections 701 through 706 of title 5, United States Code.

(2) Any charging letter or other document initiating administrative proceedings for the imposition of sanctions for violations of the regulations issued pursuant to section 7(a) of this Act shall be made available for public inspection and copying.

(e) PAYMENT OF CIVIL PENALTIES.—The payment of any civil penalty imposed pursuant to subsection (c) may be made a condition, for a period not exceeding one year after the penalty has become due but has not been paid, to the granting, restoration, or continuing validity of any export license, permission, or privilege granted or to be granted to the person upon whom such penalty is imposed. In addition, the payment of any civil penalty imposed under subsection (c) may be deferred or suspended in whole or in part for a period of time no longer than any probation period (which may exceed one year) that may be imposed upon such person. Such deferral or suspension shall not operate as a bar to the collection of the penalty in the event that the conditions of the suspension, deferral, or probation are not fulfilled.

(f) REFUNDS.—Any amount paid in satisfaction of any civil penalty imposed pursuant to subsection (c) shall be covered into the Treasury as a miscellaneous receipt. The head of the department or agency concerned may, in his discretion, refund any such civil penalty imposed pursuant to subsection (c), within two years after payment, on the ground of a material error of fact or law in the imposition of the penalty. Notwithstanding section 1346(a) of title 28, United States Code, no action for the refund of any such penalty may be maintained in any court.

(g) COLLECTION.—If any person fails to pay a civil penalty imposed pursuant to subsection (c) of this Act, the Secretary may ask the Attorney General to bring a civil action in an appropriate district court to recover the amount imposed (plus interest at currently prevailing rates from the date of the final order). Any such action must be commenced within five years after the order imposing the civil penalty becomes final. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

(h) PRIOR CONVICTIONS.—

(1) At the discretion of the Secretary, export privileges under this Act may be denied for a period of up to ten years from the date of conviction to any person convicted of a violation of: this Act or its predecessor statute, the Export Administration Act of 1979; the International Emergency Economic Powers Act, title 50, United States Code, sections 1701–1706; section 793, 794, 798, of Title 18, United States Code; section 4(b) of the Internal Security Act of 1950, title 50, United States Code, section 783(b); section 16 of the Trading with the Enemy Act, title 50, United States Code appendix, section 16; section 38 of the Arms Export Control Act, title 22, United States Code, section 2778; any regulation, license, or order issued under any of the above statutes; or sections 371 or 1001 of title 18, United States Code, if the conviction arises out of an activity subject to one or more of the statutes enumerated above. The Secretary may also revoke any export license under this Act in which such person had an interest at the time of the conviction.

(2) The Secretary may exercise the authority under paragraph (1) with respect to any person related, through affiliation, ownership, control, or position of responsibility, to any person convicted of any violation of a law set forth in paragraph (1), upon a showing of such relationship with the convicted person, after providing notice and opportunity for hearing.

(i) STATUTE OF LIMITATIONS.—Any case in which a civil penalty or other administrative sanction (other than a temporary denial order) is sought under section 9(c) of this Act must be instituted within five years of the date from the alleged violation, except that, in any case in which a criminal indictment alleging a violation of this Act is returned within the time limits prescribed by law for the institution of such action, the statue of limitations for bringing a proceeding to impose a civil penalty or other administrative sanction under this Act shall, upon the return of the criminal indictment, be tolled against all persons named as a defendant. The tolling of the statute of limitations shall continue for a period of not more than six months from the date a conviction is entered or the indictment is dismissed.

(j) IMPOSITION OF TEMPORARY DENIAL ORDERS.—

(1) In any case in which there is reasonable cause to believe that a person is engaged in or is about to engage in any act or practice which constitutes or would constitute a violation of the Act, or any regulation, order, or license issued under the Act, or in any case in which a criminal indictment has been returned against a person alleging a violation of the Act or any of the statutes listed in section 9(h) of the Act, the Secretary may, without a hearing, issue an order temporarily denying that person's United States export privileges (hereinafter in this subsection referred to as a "temporary denial order"). A temporary denial order may be effective for no longer than 180 days, but may be renewed by the Secretary, following notice and an opportunity for a hearing, for additional 180-day periods.

(2) The person or persons subject to the issuance or renewal of a temporary denial order may appeal the issuance or renewal of the temporary denial order, supported by briefs and other material, to an administrative law judge who shall, within 15 working days after the appeal is filed, issue a decision affirming, modifying, or vacating the temporary denial order. The temporary denial order shall be affirmed if it is shown that there is reasonable cause to believe that the person subject to the order is engaged in or is about to engage in any act or practice which constitutes or would constitute a violation of the Act, or any regulation, order, or license issued under the Act, or if it is shown that a criminal indictment has been returned against the person subject to the order alleging a violation of the Act or any of the statutes listed in section 9(h) of the Act. The decision of the administrative law judge shall be final unless, within 10 working days from the date of the administrative law judge's decision, an appeal is filed with the Secretary. On appeal, the Secretary shall either affirm, modify, reverse, or vacate the decision of the administrative law judge by written order within 10 working days after receiving the appeal. The written order of the Secretary shall be final and is not subject to judicial review except as provided in paragraph (3). The materials submitted to the administrative law judge and the Secretary shall constitute the administrative record for purposes of review by the court.

(3) An order of the Secretary affirming, in whole or in part, the issuance or renewal of a temporary denial order may, within 15 days after the order is issued, be appealed by a person subject to the order to the United States Court of Appeals for the District of Columbia Circuit, which shall have jurisdiction of the appeal. The court may review only those issues necessary to determine whether the issuance of the temporary denial order was based on reasonable cause to believe that the person subject to the order was engaged in or was about to engage in any act or practice which constitutes or would constitute a violation of the Act, or any regulation, order or license issued under the Act, or if a criminal indictment has been returned against the person subject to the order alleging a violation of the Act or any of the statutes listed in section 9(h) of the Act. The court shall vacate the Secretary's order if the court finds that the Secretary's order is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

(k) VIOLATIONS DEFINED BY REGULATION.—Nothing in this section shall limit the power of the Secretary to define by regulation violations under this Act.

(l) OTHER AUTHORITIES.—Nothing in subsection (c), (e), (f), (g), (h), or (i) limits—

(1) the availability of other administrative or judicial remedies with respect to violations of this Act, or any regulation, order, or license issued under this Act;

(2) the authority to compromise and settle administrative proceedings brought with respect to violations of this Act, or any regulation, order, or license issued under this Act; or

(3) the authority to compromise, remit, or mitigate seizures and forfeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917, title 22, United States Code, section 401(b).

SEC. 10. ENFORCEMENT.

(a) GENERAL AUTHORITY AND DESIGNATION.—

(1) The Secretary, in consultation with the Secretary of Treasury and the heads of other appropriate departments and agencies, shall be responsible for providing policy guidance on the enforcement of this Act.

(2) To the extent necessary or appropriate to the enforcement of this Act or to the imposition of any penalty, forfeiture, or liability arising under the Export Administration Act of 1979, as amended, officers or employees of the Department of Commerce designated by the Secretary and officers and employees of the United States Customs Service designated by the Commissioner may exercise the enforcement authorities described in paragraph (3). In carrying out these enforcement authorities—

(A) the Commissioner of Customs, and employees of the United States Customs Service designated by the Commissioner, may make investigations within or outside the United States and at those ports of entry or exit from the United States where officers of the United States Customs Service are authorized by law to carry out such enforcement responsibilities. Subject to paragraph (3), the United States Customs Service is authorized, in the enforcement of this Act, to search, detain (after search), and seize goods or technology at those ports of entry or exit from the United States where officers of the Customs Service are authorized by law to conduct such searches, detentions, and seizures, and at those places outside the United States where the Customs Service, pursuant to agreements or other arrangements with other countries, is authorized to perform enforcement activities;

(B) the Secretary, and officers and employees of the Department of Commerce designated by the Secretary, may make investigations within the United States, and shall conduct, outside the United States, pre-license and post-shipment verifications of items licensed for export and investigations in the enforcement of section 7 of this Act. The Secretary, and officers and employees of the Department of Commerce designated by the Secretary, are authorized to search, detain (after search), and seize items at those places within the United States other than those ports and borders specified in paragraph (2)(A) above. The search, detention (after search), or seizure of items at those ports and borders specified in paragraph (2)(A) may only be conducted by officers and employees of the Department of Commerce with the concurrence of the Commissioner of Customs or a person designated by the Commissioner; and

(C) The Secretary and the Commissioner of Customs may enter into agreements and arrangements for the enforcement of this Act, including foreign investigations and information exchange.

(3) Any officer or employee designated in accordance with paragraph (2) may do the following in carrying out the enforcement authority under this Act, except that the authorities enumerated in subparagraphs (F) and (G) below may be carried out only by officers and employees of the United States Customs Service designated by the Commissioner:

(A) Make investigations of, obtain information from, make inspection of any books, records, or reports, as well as any writings required to be kept by the Secretary, premises, or property of, and take the sworn testimony of, any person.

(B) Administer oaths or affirmations, and by subpoena require any person to appear and testify or to appear and produce books, records, and other writings, or both. In the case of contumacy by, or refusal to obey a subpoena issued to, any such person, a district court of the United States, after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(C) Execute any warrant or other process issued by a court or officer of competent jurisdiction with respect to the enforcement of the provisions of this Act.

(D) Make arrests without warrant for any violation of this Act committed in his or her presence or view, or if the officer or employee has probable cause to believe that the person to be arrested has committed, is committing, or is about to commit such a violation.

(E) Carry firearms.

(F) Stop, search, and examine a vehicle, vessel, aircraft, or person on which or whom the officer or employee has reasonable cause to suspect there is any item that has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(G) Detain and search any package or container in which the officer or employee has reasonable cause to suspect there is any item that has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(H) Detain (after search) or seize any item, for purposes of securing for trial or forfeiture to the United States, on or about such vehicle, vessel, aircraft, or person, or in such package or container, if the officer or employee has probable cause to believe the item has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(I) The authorities conferred by this section are in addition to any authorities conferred under other laws.

(b) FORFEITURE.—All goods or tangible items lawfully seized under subsection (a) of this section by designated officers or employees shall be forfeited to the United States. Those provisions of law relating to—

(1) the seizure, summary and judicial forfeiture, and condemnation of property for violations of the customs laws;

(2) the disposition of such property or the proceeds from the sale thereof;

(3) the remission or mitigation of such forfeitures; and

(4) the compromise of claims;

shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this subsection, insofar as applicable and not inconsistent with this Act, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws may be performed with respect to seizures and forfeitures of property under this subparagraph by the Secretary or such officers or employees of the Department of Commerce as may be authorized or designated for that purpose by the Secretary, or, upon the request of the Secretary, by any other agency that has authority to manage and dispose of seized property.

(c) UNDERCOVER INVESTIGATIVE OPERATIONS.—

(1) With respect to any undercover investigative operation conducted by the Office of Export Enforcement of the Department of Commerce (hereinafter in this subsection referred to as "OEE") necessary for the detection and prosecution of violations of this Act—

(A) funds made available for export enforcement under this Act may be used to purchase property, buildings, and other facilities, and to lease space within the United States, without regard to sections 1341 and 3324 of title 31, United States Code, the third undesignated paragraph under the heading "MISCELLANEOUS" of the Act of March 3, 1877, title 40, United States Code, section 34, sections 3732(a) and 3741 of the Revised Statutes of the United States, title 41, United States Code, sections 11(a) and 22, and subsections (a) and (c) of section 304, and section 305, of the Federal Property and Administrative Services Act of 1949 and title 41, United States Code, sections 254 (a) and (c) and 255;

(B) funds made available for export enforcement under this Act may be used to establish or to acquire proprietary corporations or business entities as part of an OEE undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31, United States Code;

(C) funds made available for export enforcement under this Act and the proceeds from OEE undercover operations may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18, United States Code, and section 3302 of title 31, United States Code; and

(D) the proceeds from OEE undercover operations may be used to offset necessary and reasonable expenses incurred in such operations without regard to the provisions of section 3302 of title 31, United States Code; if the Director of OEE (or an officer or employee designated by the Director) certifies, in writing, that any action authorized by clause (A), (B), (C), or (D) is necessary for the conduct of the undercover operation.

(2) If a corporation or business entity established or acquired as part of an OEE undercover operation with a net value of more than $50,000 is to be liquidated, sold, or otherwise disposed of, OEE shall report the circumstances to the Secretary and the Comptroller General, as much in advance of such disposition as the Director of OEE or his or her designee determines is practicable. The proceeds of the liquidation, sale, or other disposition, after obligations incurred by the corporation or business enterprise are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under this paragraph are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

(4) AUDIT AND REPORT.—

(A) The Director of OEE shall conduct a detailed financial audit of each undercover investigative operation which is closed and shall submit the results of the audit in writing to the Secretary. Not later than 180 days after an OEE undercover operation is closed, the Secretary shall submit to the Congress a report on the results of the audit.

(B) The Secretary shall submit a report annually to the Congress, which report may be included in the annual report under section 13, specifying the following information—

(i) the number of OEE undercover investigative operations pending as of the end of the period for which such report is submitted;

(ii) the number of OEE undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted; and

(iii) the number of OEE undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained and any civil claims made with respect thereto.

(5) FOR PURPOSES OF SUBPARAGRAPH (4)—

(A) the term "closed" refers to the earliest point in time at which all criminal proceedings (other than appeals) are concluded, or covert activities are concluded, whichever occurs later;

(B) the terms "undercover investigative operation" and "undercover operation" mean any undercover investigative operation conducted by OEE—

(i) in which the gross receipts (excluding interest earned) exceed $25,000, or expenditures (other than expenditures for salaries of employees) exceed $75,000; and

(ii) which is exempt from section 3302 or 9102 of title 31, United States Code, except that clauses (i) and (ii) shall not apply with respect to the report to the Congress required by paragraph (B) of subparagraph (4); and

(iii) the term "employees" means employees, as defined in section 2105 of title 5, United States Code, of the Department of Commerce.

(d) REFERENCE TO ENFORCEMENT.—For purposes of this section, a reference to the enforcement of this Act or to a violation of this Act includes a reference to the enforcement or a violation of any regulation, license, or order issued under this Act.

SEC. 11. AUTHORITY AND PROCEDURES.

(a) UNDER SECRETARY OF COMMERCE.—The President shall appoint, by and with the advice and consent of the Senate, an Under Secretary of Commerce for Export Administration who shall carry out all functions of the Secretary under this Act, under other statutes that relate to national security, and under such other statutes as the Secretary may delegate. The President shall appoint, by and with the advice and consent of the Senate, two Assistant Secretaries of Commerce to assist the Under Secretary in carrying out such functions.

(b) REGULATIONS.—The Secretary may issue such regulations as are necessary to carry out the provisions of this Act, and amend or revise them as necessary. Such regulations may apply to financing, transporting, or other servicing of exports subject to this Act and the participation therein by any person. The Secretary shall consult with the appropriate technical advisory committees authorized under this Act in formulating or amending regulations issued under this Act. Any regulations to carry out the provisions of section 5 may be issued only after the regulations are submitted for review to such departments or agencies as the Secretary considers appropriate. The requirement for prior agency review does not confer the right of concurrence or approval by any official, department, or agency to which such regulations are submitted.

(c) CONFIDENTIALITY OF INFORMATION.—

(1) EXEMPTIONS FROM DISCLOSURE.—

(A) Except as otherwise provided by the third sentence of section 7(b)(2) of this Act, information obtained under the Export Administration Act of 1979 and its predecessor statutes on or before June 30, 1980, which is deemed confidential, including Shipper's Export Declarations, or with reference to which a request for confidential treatment is made by the person furnishing such information, shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed unless the Secretary determines that the withholding thereof is contrary to the national interest.

(B) Except as otherwise provided by the third sentence of section 7(b)(2) of this Act, information obtained under this Act, under the Export Administration Act of 1979 after June 30, 1980, or under the Export Administration Regulations as maintained and amended under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1706) may be withheld only to the extent permitted by statute, except that information submitted, obtained or considered in connection with an application for an export license or other export authorization, including the export license or other export authorization itself, classification requests, information obtained during the course of a foreign availability assessment, information or evidence obtained in the course of any investigation, and information obtained or furnished in connection with multilateral agreements, treaties, or obligations under this Act, under the Export Administration Act of 1979 after June 30, 1980, or under the Export Administration Regulations as maintained and amended under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1706) shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed unless the Secretary determines that the withholding thereof is contrary to the national interest.

(2) INFORMATION TO CONGRESS AND GAO.—

(A) IN GENERAL.—Nothing in this Act shall be construed as authorizing the withholding of information from the Congress or from the General Accounting Office.

(B) AVAILABILITY TO THE CONGRESS.—

(i) IN GENERAL.—All information obtained at any time under this Act or previous Acts regarding the control of exports, including any report or license application required under this Act, shall upon request be made available to the Committee on Foreign Affairs and the Subcommittee on International Economic Policy and Trade of the House of Representatives and the Committee on Banking, Housing and Urban Affairs and the Subcommittee on International Finance and Monetary Policy of the Senate. Each of the above designated committees and subcommittees may provide other members of Congress information obtained under this authority provided that such information may not be further disclosed except upon a finding made under the following subparagraph.

(ii) PROHIBITION ON FURTHER DISCLOSURE.—No such committee or subcommittee, or member thereof, and no other committee, subcommittee, or member of Congress shall disclose any information obtained under this Act or previous Acts regarding the control of exports which is submitted pursuant to this subsection unless one of the above-described full committees determines that the withholding of that information is contrary to the national interest.

(c) AVAILABILITY TO THE GAO.—

(i) IN GENERAL.—Notwithstanding paragraph (1), information referred to in subparagraph (B) shall, consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, as determined by the agency that originally obtained the information, and consistent with the provisions of section 313 of the Budget and Accounting Act of 1921, be made available only by the agency, upon request, to the Comptroller General of the United States or to any officer or employee of the General Accounting Office authorized by the Controller General to have access to such information.

(ii) PROHIBITION ON FURTHER DISCLOSURES.—No officer or employee of the General Accounting Office shall disclose, except to the Congress in accordance with this paragraph, any such information which is submitted on a confidential basis and from which any individual can be identified.

(3) COMMERCE/CUSTOMS INFORMATION EXCHANGE.—Notwithstanding the provisions of section 11(c)(1), the Secretary and the Commissioner of Customs shall exchange any licensing and enforcement information with each other which is necessary to facilitate enforcement efforts and effective license decisions.

(4) PENALTIES FOR DISCLOSURE OF CONFIDENTIAL INFORMATION.—Any officer or employee of the United States, or any department or agency thereof, who publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information coming to him in the course of his or her employment or official duties or by reason of any examination or investigation made by, report or record made to or filed with, such department or agency, or officer or employee thereof, which information is exempt from disclosure under this subsection, shall be fined not more than $1,000, or imprisoned not more than one year, or both, and may be removed from office or employment and shall be subject to an administrative fine of not more than $1,000 to be enforced under the authorities and procedures of section 10 of this Act.

(d) PUBLIC PARTICIPATION.—It is the intent of the Congress that, to the extent practicable, all regulations imposing controls on exports under this Act be issued in proposed form with meaningful opportunity for public comment before taking effect. In cases where a regulation imposing controls under this Act is issued with immediate effect, it is the intent of the Congress that meaningful opportunity for public comment also be provided and that the regulation be reissued in final form after public comments have been fully considered.

(e) CONTROL LIST DEVELOPMENT AND REVIEW.—

(1) IN GENERAL.—The Secretary shall establish and maintain a Control List comprising all items requiring a validated license for export to designated countries under this Act. The Control List and other implementing regulations shall clearly identify the specific items controlled to each country. The Secretary shall establish validated license requirements on the Control List.

(2) DEVELOPMENT AND REVIEW OF THE CONTROL LIST.—The Secretary shall consult with appropriate departments and agencies regarding the addition, deletion, or maintenance of a license requirement for a given item. The Secretary of State, in consultation with appropriate departments and agencies, shall be responsible for conducting negotiations and developing negotiating positions with other countries regarding multilateral arrangements for restricting the export of items to carry out the policies of this Act. All appropriate departments and agencies shall consult to develop initial technical parameters and item definitions in connection with the development of proposals within the United States Government to be made to multilateral regimes in consultation with the Technical Advisory Committees as provided in paragraph (3) below.

For items controlled by a multilateral regime, the Secretary shall conduct periodic reviews scheduled sufficiently in advance of regime deliberations to permit the United States to present appropriate proposals after consultation with U.S. industry and the technical advisory committees. The Secretary shall seek the advice of U.S. industry and appropriate technical advisory committees as to the control of items subject to this Act. This review shall serve as a basis for United States proposals for revision of items subject to multilateral regimes. The Secretary of State shall seek to ensure that each multilateral regime in which the United States is a member shall review each item on its list of controlled items at least once very 2 years. In any case when such a multilateral regime fails to review an entry on its list of controlled items within 2 years of the prior review, the Secretary of State shall propose a review by the relevant multilateral regime of such an entry. Regardless of the frequency of list reviews by a given regime, the Secretary shall review each item controlled in cooperation with a multilateral regime at least once every two years.

(3) TECHNICAL ADVISORY COMMITTEES AND THE PUBLIC.—The appropriate technical advisory committee appointed under section 4(g) shall be consulted by the Secretary with respect to changes in the Control List established pursuant to this subsection, and such technical advisory committee may submit recommendations to the Secretary with respect to such changes. The Secretary shall consider the recommendations of the technical advisory committee and shall inform the committee of the disposition of its recommendations. The Secretary shall also seek comments and recommendations from the public in connection with changes in the Control List established pursuant to this subsection. To the maximum extent practicable and consistent with the conduct of international negotiations, in every possible instance, such comments and recommendations shall be taken into consideration in the development of United States Government proposals for all list revisions and positions to be taken in multilateral regimes.

(f) AUTHORITY FOR SEMINAR AND PUBLICATIONS FUND.—The Secretary is authorized to cooperate with public agencies, other governments, international organizations, private individuals, private associations, and other groups in connection with seminars, publications and related activities to carry out export activities, including educating the public or government officials in the application of this Act and the regulations issued under this Act. The Secretary is further authorized to accept contributions of funds, property, or services in connection with such activities to recover the cost of such programs and activities over time. Contributions shall include payments for materials or services provided as part of these activities. The contributions collected may be retained for use in covering the costs of these activities, and for supporting all outreach functions of the Department in connection with this Act and other export control programs of the United States and other governments.

(g) SUPPORT OF OTHER COUNTRIES' EXPORT CONTROL PROGRAM.—The Secretary may participate in the education and training of officials of other countries on the principles and procedures for the implementation of effective export controls.

(h) APPLICABILITY OF ADMINISTRATIVE PROCEDURES ACT.—

(1) EXEMPTION.—Except as provided in subsection (d) of section 9, the functions exercised under this Act are excluded from the operation of sections 551, 553 through 559, and 701 through 706 of title 5, United States Code.

(2) JUDICIAL REVIEW.—Except as provided by subsections (d), (g), and (j) of section 9, a final agency action under this Act may be reviewed by appeal to the United States Court of Appeals for the District of Columbia Circuit, to the extent provided in this paragraph. The court's review in any such appeal shall be limited to determining whether—

(A) a regulation—

(i) fails to take an action compelled by this Act;

(ii) takes an action prohibited by this Act; or

(iii) otherwise violates this Act;

(B) an agency action violates this Act;

(C) an agency action violates an agency regulation establishing time requirements or other procedural requirements of a non-discretionary nature;

(D) the issuance of regulations compelled by this Act compiles with time restrictions imposed by this Act;

(E) license decisions are made and appeals thereof are concluded in compliance with time restrictions imposed by this Act;

(F) classifications and advisory opinions are issued in compliance with time restrictions imposed by this Act;

(G) unfair impact determinations are in compliance with time restrictions imposed by this Act; or

(H) the United States has complied with the requirements of section 5(k) after an unfair impact determination has been rendered.

(i) INCORPORATED COMMODITIES TECHNOLOGY, AND SOFTWARE.—

(1) COMMODITIES CONTAINING CONTROLLED PARTS AND COMPONENTS.—Export licenses may not be required under this Act or any other provision of law for a commodity solely because the commodity contains parts or components subject to export control under this Act if such parts or components—

(A) are essential to the functioning of the good;

(B) are customarily included in sales of the item in countries other than target countries; and

(C) comprise 25 percent or less of the total value of the good, unless the good itself, if exported, would by virtue of the functional characteristics of the good as a whole make a significant contribution to the military or proliferation potential of a target country or end user which would prove detrimental to the national security of the United States.

(2) REEXPORTS OF FOREIGN-MADE ITEMS INCORPORATING U.S. ITEMS.—Except for countries embargoed under this Act, the International Emergency Economic Powers Act or the Trading with the Enemy Act, and except for countries named as terrorist-supporting countries under section 5(j)(4), no authority or permission may be required under this Act to—

(A) reexport a foreign-made commodity incorporating U.S. origin commodities valued at 25% or less of the total value of the foreign-made commodity;

(B) reexport foreign-made software incorporating U.S. origin software valued at 25% or less of the total value of the foreign-made software; or

(C) reexport foreign technology commingled with or drawn from U.S. origin technology valued at 25% or less of the total value of the foreign technology.

For countries embargoed under this Act, the International Emergency Economic Powers Act or the Trading with the Enemy Act, and except for countries named as terrorist-supporting countries under section 5(j)(4), no authority or permission may be required under this Act to—

(D) reexport a foreign-made commodity incorporating U.S. origin commodities valued at 10% or less of the total value of the foreign-made commodity;

(E) reexport foreign-made software incorporating U.S. origin software valued at 10% or less of the total value of the foreign-made software; or

(F) reexport foreign technology commingled with or drawn from U.S. origin technology valued at 10% or less of the total value of the foreign technology.

For purposes of this subsection, technology and source code used to design or produce foreign-made commodities or software are not incorporated into such foreign-made commodities or software. Notwithstanding the above provisions, the Secretary may require firms to report to the Department of Commerce their proposed calculations and underlying data sufficient for the Department of Commerce to evaluate the adequacy of those calculations and data related to commodities, technology, and software before a reexporter may rely upon this exclusion from controls.

(j) EXCEPTIONS FOR MEDICAL AND HUMANITARIAN PURPOSES.—This Act does not authorize controls on—

(1) medical instruments and equipment subject to the provisions of subsection (j)(1) of this section;

(2) medicine or medical supplies; or

(3) donations of items that are intended to meet basic human needs including food, educational materials, seeds, hand tools, water resources equipment, clothing and shelter materials, and basic household supplies.

(k) SANCTITY OF EXISTING CONTRACTS AND LICENSES.—

(1) IN GENERAL.—Under a unilateral control imposed under section 5 of this Act, the President may not prohibit the export or reexport of items—

(A) in performance of a contract, agreement, or other contractual commitment entered into before the effective date of any export controls mandated by this law, or the date on which the President reports to the Congress the President's intention to impose controls on the export or reexport of such items; or

(B) under a validated license issued under this Act before the effective date of any export controls mandated by this law, or the date on which the President reports to the Congress the President's intention to impose controls on the export or reexport of such items.

(2) EXCEPTION.—The prohibition in paragraph (1) shall not apply if the President determines and certifies to the Congress that—

(A) a breach of the peace poses a serious and direct threat to the strategic interest of the United States;

(B) the prohibition or curtailment of each such contract, agreement, commitment, license, or authorization to be controlled will be directly instrumental in remedying the situation posing the direct threat; and

(C) the emergency controls will continue only so long as the direct threat persists.

(3) The determination authority provided to the President in this subparagraph (2) may not be delegated.

(l) FACT-FINDING AUTHORITY.—

(1) To the extent necessary or appropriate to the administration of this Act or any multilateral regime in which the United States participates pursuant to this Act, the Secretary (and officers or employees of the Department of Commerce designated by the Secretary), the Commissioner of Customs, or the head of any other department or agency designated by the Secretary may exercise the authorities described in paragraph (2).

(2) Any officer or employee designated by the Secretary may do the following in carrying out the authority of this Act:

(A) Make investigations of, obtain information from, require reports or the keeping of such records by, make inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person.

(B) Administer oaths or affirmations, and by subpoena require any person to appear and testify or to appear and produce books, records, and other writings, or both. In the case of contumacy by, or refusal to obey a subpoena issued to, any such person, a district court of the United States, after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(m) MILITARY CRITICAL TECHNOLOGIES LIST DEVELOPMENT, REVIEW AND USE.—

(1) In developing the Militarily Critical Technologies List (MCTL), established pursuant to subsection 4(c) of this Act, primary emphasis shall be given to—

(A) development and production technology;

(B) test, inspection, and production equipment;

(C) advanced materials, chemicals, and biological agents;

(D) unique software; and

(E) systems, subsystems, assemblies and components.

(2) The list referred to in paragraph (1) shall be sufficiently specific to guide the determinations of any official exercising export licensing responsibilities under this Act. For purposes of completeness and cross-reference, the MCTL shall include both dual-use items controlled by this Act and other militarily critical items that may be controlled under other authorities, including the Arms Export Control Act (22 U.S.C. 2770 *et seq.*)

(3) Consistent with the policies of section 3 and the criteria of section 5, the Secretary and the Secretary of Defense shall propose integration of items on the list of militarily critical technologies into the Control List in accordance with the requirements of paragraph (1) of this subsection. Any disagreement between the Secretary and the Secretary of Defense regarding the integration of an item on the list of militarily critical technologies into the Control List shall be resolved by the President.

(4) The Secretary of Defense shall establish a procedure for reviewing the MCTL on an ongoing basis for the purpose of removing from the MCTL any items that are no longer militarily critical. The Secretary of Defense may add to the MCTL any item that the Secretary of Defense determines is militarily critical, consistent with the provisions of paragraph (1) of this subsection. If the Secretary and the Secretary of Defense disagree as to whether any change in the MCTL by the addition or removal of an item should also be made in the Control List, the President shall resolve the disagreement.

(5) The establishment of adequate export controls for militarily critical technology, equipment, and materials shall be accompanied by suitable reductions in the controls on the products of that technology, equipment, and materials.

SEC. 12A. SANCTIONS FOR PROLIFERATION ACTIVITY AND THE USE OF CHEMICAL AND BIOLOGICAL WEAPONS AND MISSILES.

(a) DETERMINATIONS.—

(1) DETERMINATION OF ACTIVITY SUPPORTING THE PROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS AND MISSILES.—The President shall determine whether any foreign person has, on or after the date of the enactment of this section, knowingly or with reason to know contributed materially to the efforts of any government, group, entity, or project to use, design, develop, produce, stockpile, or otherwise acquire chemical or biological weapons or missiles—

(A) through the export or transfer of—

(i) any item on the MTCR Annex whether or not of U.S.-origin; or

(ii) any chemicals, biological agents, or equipment which may contribute to a chemical or biological weapons program such as those listed by the Australia Group, whether or not of U.S.-origin.

(B) by participating in any financial transaction related to the activity described in paragraphs (1)(A) or (1)(B); or

(C) by facilitating the activity described in paragraphs (1)(A) or (1)(B).

(D) This subsection does not apply—

(i) under (a)(1)(A)(i) to an export or transfer that is authorized by the government of a country that is an adherent to the MTCR or is to a country that is an adherent to the MTCR; or

(ii) under (a)(1)(A)(ii) for an export or transfer that is to a country that is both authorized by a country that is an adherent to the Australia Group or a signatory to the Chemical Weapons Convention and is to a country that is an adherent to the Australia Group or a signatory to the Chemical Weapons Convention.

(2) DETERMINATION OF USE OF CHEMICAL OR BIOLOGICAL WEAPONS.—Whenever persuasive information becomes available to the executive branch indicating the substantial possibility that, on or after the date of enactment of this Act, the government of a foreign country has made substantial preparation to use chemical or biological weapons, the President shall, within 60 days after the receipt of such information by the executive branch, determine whether that government, on or after such date of enactment, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals.

(b) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—In the event of an affirmative determination under subsection (a)(1)(A)(i) or (a)(1)(A)(ii), the President shall impose sanctions described under subsection (c) on the foreign person that engaged in, facilitated, or solicited the conduct that is the subject of the determination, on other persons as the President determines should be subject to sanctions because they are related to that person, and on any successor of a sanctioned person.

(c) SANCTIONS.—

(1) MANDATORY SANCTIONS.—The following sanctions shall be imposed for a minimum of 2 years in the event the President makes a determination under subsections (a)(1)(A)(i) or (a)(1)(A)(ii):

(A) If the determination is for activity related to missile proliferation, validated licenses for items on the MTCR annex shall be denied under this Act and the Arms Export Control Act and imports of such items from such entities shall be prohibited.

(B) If the determination is for activity related to chemical or biological weapons proliferation, validated licenses for items listed by the Australia Group shall be denied under this Act and the Arms Export Control Act and imports of such items from such entities shall be prohibited.

(C) The United States Government shall not procure, or enter into any contract for the procurement of, any services, commodities, software, and technology, or other products from or produced by any entity described in subsection (a)(2).

(2) DISCRETIONARY SANCTIONS.—In addition to the sanctions described in paragraph (1), the President may also take any of the actions listed in paragraphs (3) and (5), if the President determines that such additional measures would further the objectives of this section. Such additional sanctions shall be proportionate to the harm the sanctioned behavior has caused or will cause the national security or nonproliferation interests of the United States.

(3) MANDATORY SANCTIONS FOR USE OF CHEMICAL OR BIOLOGICAL WEAPONS.—The following sanctions shall be imposed in the event the President makes a determination under subsection (a)(2):

(A) FOREIGN ASSISTANCE.—The United States Government shall terminate assistance to that country under the Foreign Assistance Act of 1961, except for urgent humanitarian assistance and food or other agricultural commodities or products.

(B) ARMS SALES.—The United States Government shall terminate—

(i) Sales to that country under the Arms Export Control Act of any defense articles, defense services, or design and construction services; and

(ii) licenses for the export to that country of any item on the United States Munitions List.

(C) ARMS SALES FINANCING.—The United States Government shall terminate all foreign military financing for that country under the Arms Export Control Act.

(D) DENIAL OF UNITED STATES GOVERNMENT CREDIT OR OTHER FINANCIAL ASSISTANCE.—The United States Government shall deny to that country any credit, credit guarantees, or other financial assistance by any department, agency, or instrumentality of the United States Government, including the Export-Import Bank of the United States.

(E) EXPORTS OF NATIONAL SECURITY-SENSITIVE ITEMS.—The authorities of this Act shall be used to prohibit the export to that country of any items controlled for non-proliferation, regional stability, or national security reasons.

(4) ADDITIONAL SANCTIONS IF CERTAIN CONDITIONS NOT MET.—Unless, within three (3) months after making a determination pursuant to subsection (a)(2) with respect to a foreign government, the President determines and certifies, in writing, to the Congress that—

(A) the government is no longer using chemicals or biological weapons in violation of international law or using lethal chemicals or biological weapons against its own nationals;

(B) the government has provided reliable assurances that it will not, in the future, engage in any such activities; and

(C) the government is willing to allow onsite inspections by United Nations observers or other internationally-recognized, impartial observers, or other reliable means exist, to ensure that government is not using chemical or biological weapons in violation of international law and is not using lethal chemical or biological weapons against its own nationals, then the President, after consultation with the Congress, shall impose on that country the sanctions set forth in at least three (3) of subparagraphs (A) through (F) of paragraph (5).

(5) ADDITIONAL SANCTIONS FOR USE OF CHEMICAL OR BIOLOGICAL WEAPONS.—The sanctions referred to in paragraph (4) are the following:

(A) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The United States Government shall oppose, in accordance with Section 701 of the International Financial Institutions Act (22 U.S.C. 262d), the extension of any loan or financial or technical assistance to that country by international financial institutions.

(B) BANK LOANS.—The United States Government shall prohibit any United States bank from making any loan or providing any credit to the government of that country, except for loans or credits for the purpose of purchasing food or other agricultural commodities or products.

(C) FURTHER EXPORT RESTRICTIONS.—The authorities of this Act may be used to prohibit exports to the country of all other items (excluding food and other agricultural commodities and products).

(D) IMPORT RESTRICTIONS.—Restriction shall be imposed on the importation into the United States of articles (which may include petroleum or any petroleum product) that are the growth, product, or manufacture of that country.

(E) DIPLOMATIC RELATIONS.—The President shall use constitutional authorities to downgrade or suspend diplomatic relations between the United States and the government of that country.

(F) PRESIDENTIAL ACTION REGARDING AVIATION.—

(i)(a) The President is authorized to notify the government of a country with respect to which the President has made a determination, pursuant to subsection 12(a), regarding intention to suspend the authority of foreign air carriers owned or controlled by the government of that country to engage in foreign air transportation to or from the United States.

(b) Within ten (10) days after the date of notification of a government under subclause (I), the Secretary of Transportation shall take all steps necessary to suspend at the earliest possible date the authority of any foreign air carrier owned or controlled, directly or indirectly, by that government to engage in foreign air transportation to or from the United States, notwithstanding any agreement relating to air services.

(ii) (a) The President may direct the Secretary of State to terminate any air service agreement between the United States and a country with respect to which the President has made a determination pursuant to subsection (a), in accordance with the provisions of that agreement.

(b) Upon termination of an agreement under this clause, the Secretary of Transportation shall take such steps as may be necessary to revoke at the earliest possible date the right of any foreign air carrier owned, or controlled, directly or indirectly, by the government of that country to engage in foreign air transportation to or from the United States.

(iii) The Secretary of Transportation may provide for such exceptions from clauses (i) and (ii) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers is threatened.

(iv) For purposes of this subparagraph, the terms "air transportation", "air carrier", "foreign air carrier", and "foreign air transportation" have the meanings such terms have under Section 101 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301).

(d) DEFERRAL AND LIMITATION.—

(1) The President may delay the making of a determination under subsection (a) or the imposition of sanctions in order to protect—

(A) ongoing criminal investigations; or

(B) sensitive intelligence sources and methods which are being used to acquire further information on the proliferation of weapons of mass destruction, their delivery systems, or advanced conventional weapons.

The President shall exercise this authority only when the President determines that nonproliferation objectives do not outweigh the need to delay the imposition of sanctions to avoid compromising the criminal investigation or intelligence sources and methods involved. The President shall proceed when the basis for the delay no longer exists.

(2) The President may delay the imposition of sanctions for up to 180 days if the United States is engaged in diplomatic efforts and consultations with the objective of——

(A) curtailing the policies and conduct of the government or person in the country of weapons activity determined to have engaged in the sanctioned conduct; or

(B) obtaining, from the government with effective jurisdiction over the sanctioned person appropriate sanctions against such person or the initiation of legal process to impose such sanctions.

If such diplomatic efforts and consultations succeed (i) in curtailing the conduct of the government or person engaged in the sanctioned conduct, or (ii) in obtaining enforcement action in accordance with subparagraph (B), the President shall not be required to apply or maintain sanctions under this section.

(3) The President should seek multilateral support for sanctions against activity covered by this section. If multilateral sanctions are achieved that the President determines will be more effective than unilateral sanctions in furthering the national security or nonproliferation objectives of the United States, the President shall not be required to exercise the authority in this section in a manner inconsistent with such multilateral sanctions.

(e) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(B) if the President determines that the person to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines that such articles or services are essential to the national security under defense co-production agreements;

(2) to the import of—

(A) products or services provided under contracts entered into before the date on which the President publishes notice of intention to impose sanctions; or

(B) (i) spare parts;

(ii) component parts, but not finished products, essential to United States products or production;

(iii) information and technology essential to United States products or production; or

(iv) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available.

(3) to medical or other humanitarian items; or

(4) to any transaction subject to the reporting requirements of Title V of the National Security Act of 1947.

(5) when the President determines, categorically or on a case-by-case basis, that the application of sanctions to bar performance of a contract or agreement entered into before the date of the imposition of sanctions is not necessary to achieve the national security or nonproliferation objectives of the United States and would be contrary to the national interest.

(f) TERMINATION OF SANCTIONS FOR USING CHEMICAL OR BIOLOGICAL WEAPONS.—During the minimum 2 years period of the mandatory sanctions imposed pursuant to a determination under subsection (a)(2), such sanctions may be removed if the President determines and so certifies to the Congress that—

(1) the government of that country has provided reliable assurances that it will not use chemical or biological weapons in violation of international law and will not use lethal chemical or biological weapons against its own nationals;

(2) that government is not making preparations to use chemical or biological weapons in violation of international law or to use lethal chemical or biological weapons against its own nationals;

(3) that government is willing to allow onsite inspections by United Nations observers or other internationally-recognized, impartial observers to verify that it is not making preparations to use chemical or biological weapons in violation of international law or to use lethal chemical or biological weapons against its own nationals, or other reliable means exist to verify that it is not making such preparations; and

(4) that government is making restitution to those affected by any use of chemical or biological weapons in violation of international law or by any use of lethal chemical or biological weapons against its own nationals.

(g) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive or partially waive the application of any sanction imposed on any entity pursuant to this section, if the President determines and certifies to Congress that such waiver is important to the national interests of the United States.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report stating the reasons for exercise of the waiver authority.

(h) REGULATORY IMPLEMENTATION OF SANCTIONS.—For items subject to the jurisdiction of the Secretary under this Act, sanctions shall be implemented in regulations issued by the Secretary and shall specify the scope of products and entities. For items subject to the jurisdiction of the Secretary of State under the Arms Export Control Act, sanctions shall be implemented in regulations issued by the Secretary State and shall specify the scope of products and entities.

SEC. 12B. SANCTIONS FOR PROLIFERATION ACTIVITY AND THE USE OF CHEMICAL AND BIOLOGICAL WEAPONS.

Section 72 of the Arms Export Control Act is amended to read as follows:

"SEC. 72. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS AND COUNTRIES.

"(a) DETERMINATIONS.—

"(1) DETERMINATION OF ACTIVITY SUPPORTING THE PROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS AND MISSILES.—The President shall determine whether any foreign person has, on or after the date of the enactment of this section, knowingly or with reason to know contributed materially to the efforts of any government, group, entity, or project to use, design, develop, produce, stockpile, or otherwise acquire chemical or biological weapons or missiles—

"(A) through the export or transfer of—

"(i) any item on the MTCR Annex whether or not of U.S.-origin;

"(ii) any chemicals, biological agents, or equipment which may contribute to a chemical or biological weapons program such as those listed by the Australia Group, whether or not of U.S.-origin;

"(B) by participating in any financial transaction related to the activity described in paragraphs (1)(A) or (1)(B); or

"(C) by facilitating or soliciting the activity described in paragraphs (1)(A) or (1)(B).

"(D) This subsection does not apply—

"(i) under (a)(1)(A)(i) to an export or transfer that is authorized by the government of a country that is an adherent to the MTCR or is to a country that is an adherent to the MTCR; or

"(ii) under (a)(1)(A)(ii) for an export or transfer that is to a country that is both authorized by a country that is an adherent to the Australia Group or a signatory to the Chemical Weapons Convention and is to a country that is an adherent to the Australia Group or a signatory to the Chemical Weapons Convention.

"(2) DETERMINATION OF USE OF CHEMICAL OR BIOLOGICAL WEAPONS.—Whenever persuasive information becomes available to the executive branch indicating the substantial possibility that, on or after the date of enactment of this Act, the government of a foreign country has made substantial preparation to use chemical or biological weapons, the President shall, within 60 days after the receipt of such information by the executive branch, determine whether that government, on or after such date of enactment, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals.

"(b) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—In the event of an affirmative determination under subsection (a)(1)(A)(i) or (a)(1)(A)(ii), the President shall impose sanctions described under subsection (c) on the foreign person that engaged in, facilitated, or solicited the conduct that is the subject of the determination, on other persons as the President determines should be subject to sanctions because they are related to that person, and on any successor of a sanctioned person.

"(c) SANCTIONS.—

"(1) MANDATORY SANCTIONS.—The following sanctions shall be imposed for a minimum of 2 years in the event the President makes a determination under subsections (a)(1)(A)(i) or (a)(1)(A)(ii):

"(A) If the determination is for activity related to missile proliferation, validated licenses for items on the MTCR annex shall be denied under this Act and the Export Administration Act and imports of such items for such entities shall be prohibited.

"(B) If the determination is for activity related to chemical or biological weapons proliferation, validated licenses for items listed by the Australia Group shall be denied under this Act and the Export Administration Act and imports of such items for such entities shall be prohibited.

"(C) The United States Government shall not procure, or enter into any contract for the procurement of, any services, commodities, software, and technology, or other products from or produced by any entity described in subsection (a)(2).

"(2) DISCRETIONARY SANCTIONS.—In addition to the sanctions described in paragraph (1), the President may also take any of the actions listed in paragraphs (3) and (5), if the President determines that such additional measures would further the objectives of this section. Such additional sanctions shall be proportionate to the harm the sanctioned behavior has caused or will cause the national security or nonproliferation interests of the United States.

"(3) MANDATORY SANCTIONS FOR USE OF CHEMICAL OR BIOLOGICAL WEAPONS.—The following sanctions shall be imposed in the event the President makes a determination under subsection (a)(2):

"(A) FOREIGN ASSISTANCE.—The United States Government shall terminate assistance to that country under the Foreign Assistance Act of 1961, except for urgent humanitarian assistance and food or other agricultural commodities or products.

"(B) ARMS SALES.—The United States Government shall terminate—

"(i) sales to that country under this Act of any defense articles, defense services, or design and construction services; and

"(ii) licenses for the export to that country of any item on the United States Munitions List.

"(C) ARMS SALES FINANCING.—The United States Government shall terminate all foreign military financing for that country under this Act.

"(D) DENIAL OF UNITED STATES GOVERNMENT CREDIT OR OTHER FINANCIAL ASSISTANCE.—The United States Government shall deny to that country any credit, credit guarantees, or other financial assistance by any department, agency, or instrumentality of the United States Government, including the Export-Import Bank of the United States.

"(E) EXPORTS OF NATIONAL SECURITY-SENSITIVE ITEMS.—The authorities of this Act shall be used to prohibit the export to that country of any items controlled for non-proliferation, regional stability, or national security reasons.

"(4) ADDITIONAL SANCTIONS IF CERTAIN CONDITIONS NOT MET.—Unless, within three (3) months after making a determination pursuant to subsection (a)(2) with respect to a foreign government, the President determines and certifies, in writing, to the Congress that—

"(A) the government is no longer using chemicals or biological weapons in violation of international law or using lethal chemicals or biological weapons against its own nationals;

"(B) the government has provided reliable assurances that it will not, in the future, engage in any such activities; and

"(C) the government is willing to allow on-site inspections by United Nations observers or other internationally-recognized, impartial observers, or other reliable means exist, to ensure that government is not using chemicals or biological weapons in violation of international law and is not using lethal chemical or biological weapons against its own nationals, then the President, after consultation with the Congress, shall impose on that country the sanctions set forth in at least three (3) of subparagraphs (A) through (F) of paragraph (5).

"(5) ADDITIONAL SANCTIONS FOR USE OF CHEMICAL OR BIOLOGICAL WEAPONS.—The sanctions referred to in paragraph (4) are the following:

"(A) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The United States Government shall oppose, in accordance with Section 701 of the International Financial Institutions Act (22 U.S.C. 262d), the extension of any loan or financial or technical assistance to that country by international financial institutions.

"(B) BANK LOANS.—The United States Government shall prohibit any United States bank from making any loan or providing any credit to the government of that country, except for loans or credits for the purpose of purchasing food or other agricultural commodities or products.

"(C) FURTHER EXPORT RESTRICTIONS.—The authorities of this Act may be used to prohibit exports to the country of all other items (excluding food and other agricultural commodities and products).

"(D) IMPORT RESTRICTIONS.—Restriction shall be imposed on the importation into the United States of articles (which may include petroleum or any petroleum product) that are the growth, product, or manufacture of that country.

"(E) DIPLOMATIC RELATIONS.—The President shall use constitutional authorities to downgrade or suspend diplomatic relations between the United States and the government of that country.

"(F) PRESIDENTIAL ACTION REGARDING AVIATION.—

"(i)(a) The President is authorized to notify the government of a country with respect to which the President has made a determination, pursuant to subsection 12(a), regarding intention to suspend the authority of foreign air carriers owned or controlled by the government of that country to engage in foreign air transportation to or from the United States.

"(b) Within ten (10) days after the date of notification of a government under subclause (I), the Secretary of Transportation shall take all steps necessary to suspend at the earliest possible date the authority of any foreign air carrier owned or controlled, directly or indirectly, by that government to engage in foreign air transportation to or from the United States, notwithstanding any agreement relating to air services.

"(ii)(a) The President may direct the Secretary of State to terminate any air service agreement between the United States and a country with respect to which the President has made a determination pursuant to subsection (a), in accordance with the provisions of that agreement.

"(b) Upon termination of an agreement under this clause, the Secretary of Transportation shall take such steps as may be necessary to revoke at the earliest possible date the right of any foreign air carrier owned, or controlled, directly or indirectly, by the government of that country to engage in foreign air transportation to or from the United States.

"(iii) The Secretary of Transportation may provide for such exceptions from clauses (i) and (ii) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers is threatened.

"(iv) for purposes of this subparagraph, the terms "air transportation", "air carrier", "foreign air carrier", and "foreign air transportation" have the meanings such terms have under Section 101 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301).

"(d) DEFERRAL AND LIMITATION.—

"(1) The President may delay the making of a determination under subsection (a) or the imposition of sanctions in order to protect—

"(A) ongoing criminal investigations; or

"(B) sensitive intelligence sources and methods which are being used to acquire further information on the proliferation of weapons of mass destruction, their delivery systems, or advanced conventional weapons.

"The President shall exercise this authority only when the President determines that nonproliferation objectives do not outweigh the need to delay the imposition of sanctions to avoid compromising the criminal investigation or intelligence sources and methods involved. The President shall proceed when the basis for the delay no longer exists.

"(2) The President may delay the imposition of sanctions for up to 180 days if the United States is engaged in diplomatic efforts and consultations with the objective of—

"(A) curtailing the policies and conduct of the government or person in the country of weapons activity determined to have engaged in the sanctioned conduct; or

"(B) obtaining, from the government with effective jurisdiction over the sanctioned person appropriate sanctions against such person or the initiation of legal process to impose such sanctions.

"If such diplomatic efforts and consultations succeed (i) in curtailing the conduct of the government or person engaged in the sanctioned conduct, or (ii) in obtaining enforcement action in accordance with subparagraph (B), the President shall not be required to apply or maintain sanctions under this section.

"(3) The President should seek multilateral support for sanctions against activity covered by this section. If multilateral sanctions are achieved that the President determines will be more effective than unilateral sanctions in furthering the national security or nonproliferation objectives of the United States, the President shall not be required to exercise the authority in this section in a manner inconsistent with such multilateral sanctions.

"(e) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contacts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense co-production agreements;

"(2) to the import of—

"(A) products or services provided under contracts entered into before the date on which the President publishes notice of intention to impose sanctions; or

"(B) (i) spare parts;

"(ii) component parts, but not finished products, essential to United States products or production;

"(iii) information and technology essential to United States products or production;

"(iv) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

"(3) to medical or other humanitarian items; or

"(4) to any transaction subject to the reporting requirements of Title V of the National Security Act of 1947.

"(5) when the President determines, categorically or on a case-by-case basis, that the application of sanctions to bar performance of a contract or agreement entered into before the date of the imposition of sanctions is not necessary to achieve the national security or nonproliferation objectives of the United States and would be contrary to the national interest.

"(f) TERMINATION OF SANCTIONS FOR USING CHEMICAL OR BIOLOGICAL WEAPONS.—During the minimum 2 years period of the mandatory sanctions imposed pursuant to a determination under subsection (a)(2), such sanctions may be removed if the President determines and so certifies to the Congress that—

"(1) the government of that country has provided reliable assurances that it will not use chemical or biological weapons in violation of international law and will not use lethal chemical or biological weapons against its own nationals;

"(2) that government is not making preparations to use chemical or biological weapons in violation of international law or to use lethal chemical or biological weapons against its own nationals;

"(3) that government is willing to allow on-site inspections by United Nations observers or other internationally-recognized, impartial observers to verify that it is not making preparations to use chemical or biological weapons in violation of international law or to use lethal chemical or biological weapons against its own nationals, or other reliable means exist to verify that it is not making such preparations; and

"(4) that government is making restitution to those affected by any use of chemical or biological weapons in violation of international law or by any use of lethal chemical or biological weapons against its own nationals.

"(g) WAIVER.—

"(1) CRITERION FOR WAIVER.—The President may waive or partially waive the application of any sanction imposed on any entity pursuant to this section, if the President determines and certifies to Congress that such waiver is important to the national interests of the United States.

"(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report stating the reasons for exercise of the waiver authority.

"(h) REGULATORY IMPLEMENTATION OF SANCTIONS.—For items subject to the jurisdiction of the Secretary of Commerce under the Export Administration Act, sanctions shall be implemented in regulations issued by the Secretary and shall specify the scope of products and entities. For items subject to the jurisdiction of the Secretary of State under this Act, sanctions shall be implemented in regulations issued by the Secretary of State and shall specify the scope of products and entities."

SEC. 13. ANNUAL REPORT.

(a) CONTENTS.—Not later than March 1 of each year, the Secretary shall submit to the Congress a report on the administration of this Act during the preceding calendar year. All agencies shall cooperate fully with the Secretary in providing information for such report. Such report shall include detailed information on—

(1) the implementation of the policies set forth in section 3, including delegations of authority by the President as provided in section 4(e), consultations with the technical advisory committees established pursuant to section 4(g), and any changes in the exercise of the authorities contained in section 5(a), 6(a), and 7(a);

(2) adjustments to multilateral export controls; activities involving the license free zones authorized by section 5(f)(4); and determinations under section 5(l), the criteria used to make such determinations, the removal of any export controls under such section, and any evidence demonstrating a need to maintain export controls notwithstanding foreign availability;

(3) the effectiveness of unilateral export controls imposed under section 5, and any adjustments thereto; and embargoes imposed, maintained, or removed in accordance with section 5, including descriptions of each embargo and the rationale for imposing, maintaining, or removing such embargoes;

(4) short supply controls and monitoring in accordance with section 6;

(5) organizational and procedural changes undertaken in furtherance of the policies set forth in this Act, including changes to increase the efficiency of the export licensing process and to fulfill the requirements of section 8, including an accounting of appeals received, and actions taken pursuant thereto under section 8(h).

(6) violations under section 9, enforcement activities under section 10, and any reviews undertaken in furtherance of the policies of this Act;

(7) the issuance of regulations under the authority of this Act;

(8) the results, in as much detail as may be included consistent with multilateral arrangements and the need to maintain the confidentiality of proprietary information and classified information, of the reviews of the Commerce Control List, and any revisions to the Commerce Control List resulting from such reviews, required by section 11; and

(9) the imposition or removal of sanctions against certain entities and foreign countries in accordance with section 12.

(b) REPORT ON CERTAIN EXPORT CONTROLS.—To the extent that the President determines that the policies set forth in section 3 require the control of the export of items other than those subject to multilateral controls, or require more stringent controls than the multilateral regimes, the President shall include in each annual report the reasons for the need to impose, or to continue to impose, such controls and the estimated domestic economic impact on the various industries affected by such controls.

SEC. 14. DEFINITIONS.

As used in this Act—

(1) Affiliates.—The term "affiliates" includes both governmental entities and commercial entities that are controlled in fact by target countries;

(2) Australia Group ("AG").—The term "Australia Group" or "AG" means the multilateral arrangement in which the United States participates that seeks to prevent the proliferation of chemical and biological weapons.

(3) Biological Weapons Convention.—The term "Biological Weapons Convention" refers to the "Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction of 1972";

(4) Chemical Weapons Convention.—The term "Chemical Weapons Convention" refers to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction of 1992;

(5) Commodity.—The term "commodity" means any article, natural or manmade substance, material, supply or manufactured product, including inspection of test equipment, and excluding technical data;

(6) Coordinating Committee ("COCOM").—The term "Coordinating Committee" or "COCOM" means the multilateral organization in which the United States participates that cooperates in restricting transfers of strategic items to certain countries;

(7) Export.—The term "export" means—

(A) an actual shipment, transfer, or transmission of items out of the United States; or

(B) a transfer to any person of items either within the United States or outside of the United States or to a end user, end use, or destination with the knowledge or intent that the items will be shipped, transferred, or transmitted outside the United States;

(C) unless otherwise clear from the context, the term "export" includes the term "reexport";

provided, the Secretary may further define the term by regulation to include, among other concepts, that a transfer of items in the United States to an embassy or affiliate of a country is an export to the country, that disclosure of technology to a foreign national is a deemed export to his or her home country, and that transfer of effective control from one country to another over a satellite above the earth is an export from one country to another;

(8) Facilitating the Activity.—The term "facilitating the activity" includes but is not limited to, acting as a freight forwarder, shipper, designated export or import agent, consignee, purchasing agent, marketing agent, manufacturer, assembler, designer, financier, or end user with respect to the services or items to be exported, transferred, or provided;

(9) Financial Transactions.—The term "financial transactions" means any transactions involving the exchange, transfer, crediting, debiting, deposit, withdrawal, or payment of currency, securities, debt, credit, checks, other monetary instruments, precious metals or minerals, or other items of value whether physically or by electronic means. The term is intended to be interpreted broadly to include such transactions as the opening or drawing down of letters of credit, the extension of a loan, the receipt of payment, or the use of credit cards;

(10) Item.—The term "item" means any commodity, technology, or software;

(11) Missile.—The term "missile" means any missile system or component listed in category I of the MTCR Annex, and any other unmanned delivery system or component of similar capability, as well as the specially designed production facilities for these systems;

(12) Missile Technology Control Regime ("MTCR").—The term "Missile Technology Control Regime" or "MTCR" means the policy statement and Guidelines between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-related transfers based on the MTCR Annex, and any amendments to the Annex or Guidelines;

(A) MTCR adherent.—The term "MTCR adherent" means a country that is a member of the MTCR or that, pursuant to an international understanding to which the United States is a party, controls MTCR equipment or technology in accordance with the criteria and standards set forth in the MTCR;

(B) MTCR annex.—The term "MTCR Annex" means the Equipment and Technology Annex of the MTCR and any amendments thereto;

(13) Multilateral control.—The term "multilateral control" means a licensing requirement exercised by the United States and at least one other nation;

(14) Nuclear Suppliers' Group ("NSG").—The term "Nuclear Suppliers' Group" or "NSG" means the multilateral arrangement in which the United States participates whose purpose is to restrict the transfers of items with relevance to the nuclear fuel cycle and/or nuclear explosive applications;

(15) Person.—The term "person" includes—

(A) the single and plural of any individual, corporation, partnership, business association, society, trust, organization, or other group created or organized under the laws of a country; or

(B) any government, governmental body, corporation, trust, agency, department, division, or group operating as a business enterprise;

(16) Protocol on Biological Warfare.—The term "Protocol on Biological Warfare" refers to the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare of 1925;

(17) Regime, Multilateral Export Control Regime, Multilateral Regime.—The terms "regime" and "multilateral export control regime" and "multilateral regime" each means an arrangement of two or more countries to which the United States is a party or which the United States would seek to create or join and brought together for the purpose of curtailing access to controlled items by target countries by means of cooperative export controls;

(18) Reexport.—The term "reexport" means the shipment, transfer, transhipment, or diversion of items from one foreign country to another;

(19) Secretary.—The term "Secretary" means the Secretary of Commerce;

(20) Target country.—The term "target country" means a country for which it is the objective under this Act to deny or attempt to deny access to controlled items or a country from which the United States distances itself by means of a unilateral export control adopted under this Act;

(21) Techology.—The term "technology" means specific information required for the "development", "production", or "use" of a product. The information takes the form of "technical data" or "technical assistance". Controlled "technology" is defined in the General Technology Note and in the Commerce Control List;

(22) Unilateral control.—The term "unilateral control" means a license requirement that is not multilaterally agreed to by two or more countries;

(23) United States.—The term "United States" means the States of the United States, the District of Columbia, and any commonwealth, territory, dependency, or possession of the United States, and includes the Outer Continental Shelf, as defined in Section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a));

(24) United States person.—The term "United States person" means any United States citizen, resident, national (other than an individual resident outside the United States and employed by other than a United States person), or person within the United States, any domestic concern (including any permanent domestic establishment of any foreign concern) and any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations of the President; and

(25) Weapons of mass destruction.—The term "weapons of mass destruction" means any chemical or biological weapons or nuclear explosive devices.

SEC. 15. EFFECTS ON OTHER ACTS.

(a) Commodity Jurisdiction.—

(1) Coordination of controls.—The authority granted under this Act and under section 38 of the Arms Export Control Act (22 U.S.C. 2778) shall be exercised by each licensing authority in such a manner as to achieve effective coordination between the dual use and munitions licensing systems and share information regarding the trustworthiness of parties.

(2) Elimination of overlapping controls.—No item may be included on both the Commerce Control List and the United States Munitions List after the effective date of this Act.

(3) Commodity jurisdiction dispute resolution.—Under procedures to be established by the President, disputes regarding conflicting claims of jurisdiction between the Commerce Control List and the United States Munitions List shall be resolved in a timely fashion by the Department of State, in consultation with other agencies. Consultations shall be carried out through committees chaired by representatives of the Department of State at the Assistant Secretary or Under Secretary level. The procedures of the committees shall allow the initiation of matters by either the State Department or other agencies including in response to requests to the Departments of State and Commerce. Consultation procedures within the committees shall provide for interagency meetings to permit the free exchange of views regarding jurisdictional issues. Disputes that cannot be resolved may be referred to the President by the Secretary of State, the Secretary of Defense, or the Secretary of Commerce.

(b) In General.—Except as otherwise provided in this Act, nothing contained in this

Act shall be construed to modify, repeal, supersede, or otherwise affect the provisions of any other laws authorizing control over exports of any commodity.

(c) Amendments to the International Emergency Economic Powers Act.—

(1) The International Emergency Economic Powers Act (50 U.S.C. 1707) is amended by adding after the last section the following section 208:

"Sec. 208. Confidentiality of Information.—

"(1) Exemptions from disclosure.—

"Information obtained under this Act may be withheld only to the extent permitted by statute, except that information submitted, obtained or considered in connection with an application for an export license or other export authorization under this Act, including the export license or other export authorization itself, classification requests, information obtained during the course of a foreign availability assessment, information or evidence obtained in the course of any investigation, and information obtained or furnished in connection with multilateral agreements, treaties, or obligations under this Act shall not be subject to disclosure under section 552 of Title 5, United States Code, and shall be withheld from public disclosure unless the release of such information is determined by the Secretary to be in the national interest.

"(2) Information to Congress and GAO.—

"(A) In general.—Nothing in this Act shall be construed as authorizing the withholding of information from the Congress or from the General Accounting Office.

"(B) Availability to the Congress.—

"(i) In general.—All information obtained at any time under this Act regarding the control of exports, including any report or license application required under this Act, shall upon request be made available to the Committee on Foreign Affairs and the Subcommittee on International Economic Policy and Trade of the House of Representatives and the Committee on Banking, Housing and Urban Affairs and the Subcommittee on International Finance and Monetary Policy of the Senate. Each of the above designated committees and subcommittees may provide other members of Congress information obtained under this authority provided that such information may not be further disclosed except upon a finding made under the following subparagraph.

"(ii) Prohibition on further disclosure.—No such committee or subcommittee, or member thereof, and no other committee, subcommittee, or member of Congress shall disclose any information obtained under this Act or previous Acts regarding the control of exports which is submitted pursuant to this subsection unless one of the above described full committees determines that the withholding of that information is contrary to the national interest.

"(C) Availability to the GAO.—

"(i) In general.—Notwithstanding paragraph (1), information referred to in subparagraph (B) shall, consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, as determined by the agency that originally obtained the information, and consistent with the provisions of section 313 of the Budget and Accounting Act of 1921, be made available only by the Agency, upon request, to the Comptroller General of the United States or to any officer or employee of the General Accounting Office authorized by the Controller General to have access to such information.

"(ii) Prohibition on further disclosures.—No officer or employee of the General Accounting Office shall disclose, except to the Congress in accordance with this paragraph, any such information which is submitted on a confidential basis and from which any individual can be identified.

"(3) Penalties for disclosure of confidential information.—Any officer or employee of the United States, or any department or agency thereof, who publishes, divulges, discloses, or makes know in any manner or to any extent not authorized by law any information coming to him in the course of his or her employment or official duties or by reason of any examination or investigation made by, report or record made to or filed with, such department or agency, or officer or employee thereof, which information is exempt from disclosure under this subsection, shall be fined not more than $1,000, or imprisoned not more than one year, or both, and may be removed from office or employment and shall be subject to a civil penalty of not more than $1000.".

(2) Section 205 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended by inserting "or attempts to violate," after "violates" in subsection (a); and by inserting "or willfully attempts to violate," after "violates" in subsection (b).

(d) Civil Aircraft Equipment.—Except as necessary to comply with international obligations under the International Emergency Economic Powers Act (Pub. L. 95–223) (50 U.S.C. 1701 *et seq.*) or the United Nations Participation Act of 1945, as amended (Pub. L. 79–264 (22 U.S.C. 287 *et. seq.*), notwithstanding any other provision of law, any product (1) which is standard equipment, certified by the Federal Aviation Administration, in civil aircraft and is an integral part of such aircraft, and (2) which is to be exported to a country other than a controlled country, shall be subject to export controls exclusively under this Act. Any such product shall not be subject to controls under section 38(b)(2) of the Arms Export Control Act (22 U.S.C. 2778(b)(2)).

(e) Nuclear Nonproliferation Controls.—

(1) Nothing in section 5 of this Act shall be construed to supersede the procedures published by the President pursuant to section 309(c) of the Nuclear Non-Proliferation Act of 1978 (42 U.S.C. 2139a(c)).

(2) The procedures published by the President pursuant to section 309(c) of the Nuclear Non-Proliferation Act of 1978 (42 U.S.C. 2139a(c)) shall be superseded to the extent they are inconsistent with the provisions of section 8 of this Act.

(f) Confroming Amendment to the Arms Export Control Act.—

(1) Section 73 of the Arms Export Control Act (Pub. L. 90–626), as amended by section 1703 of the National Defense Authorization Act of 1991 (Pub. L. 101–510) (22 U.S.C. 2797B), is hereby repealed.

(2) Section 81 of the Arms Export Control Act (Pub L. 90–626), as amended by section 305 of the Miscellaneous Foreign Affairs Act of 1991 (Pub. L. 102–182) (22 U.S.C. 2798, is hereby repealed.

(3) Sections 306, 307, 308, and 309(b) of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (Pub L. 102–182) (22 U.S.C. 5604, 5605, and 5606) are hereby repealed.

(4) Section 74 of the Arms Export Control Act (Pub. L. 90–626), as amended by section 1703 of the National Defense Authorization Act for Fiscal Year 1991 (Pub. L. 101–510) (22 U.S.C. 2797c) is amended by redesignating "Section 74" as "Section 73". It is further amended to read as follows:

"SEC. 73. DEFINITIONS.

"For purposes of this chapter— "

"(1) Australia group ('AG').—The term 'Australia Group' or 'AG' means the multilateral arrangement in which the United States participates that seeks to prevent the proliferation of chemical and biological weapons;

"(2) Biological weapons convention.—The term "Biological Weapons Convention" refers to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction of 1972";

"(3) Chemical weapons convention.—The term "Chemical Weapons Convention" refers to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction of 1992;

"(4) Facilitating the activity.—The term "facilitating the activity includes but is not limited to, acting as a freight forwarder, shipper, designated export or import agent, consignee, purchasing agent, marketing agent, manufacturer, assembler, designer, financier, or end use with respect to the services or items to be exported, transferred, or provided;

"(5) Financial transactions.—The term "financial transactions" means any transactions involving the exchange, transfer, crediting, debiting, deposit, withdrawal, or payment of currency, securities, debt, credit, checks, other monetary instruments, precious metals or minerals, or other items of value whether physically or by electronic means. The term is intended to be interpreted broadly to include such transactions as the opening or drawing down of letters of credit, the extension of a loan, the receipt of payment, or the use of credit cards;

"(6) Item.—The term "item" means any commodity, technology, or software;

"(7) Missile.—The term "missile" means any missile system or component listed in category I of the MTCR Annex, and any other unmanned delivery system or component of similar capability, as well as the specially designed production facilities for these systems;

"(8) Missile technology control regime ("MTCR").—The term "Missile Technology Control Regime" or "MTCR" means the policy statement and Guidelines between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-related transfers based on the MTCR Annex, and any amendments to the Annex or Regime;

"(A) MTCR adherent.—The term "MTCR adherent" means a country that is a member of the MTCR or that, pursuant to an international understanding to which the United States is a party, controls MTCR equipment or technology in accordance with the criteria and standards set forth in the MTCR;

"(B) MTCR annex.—The term "MTCR Annex" means the Equipment and Technology Annex of the MTCR and any amendments thereto;

"(9) Nuclear suppliers' group ("NSG").—The term "Nuclear Suppliers' Group" or "NSG" means the multilateral arrangement in which the United States participates whose purpose is to restrict transfers of items with sensitive nuclear applications;

"(10) Person.—The term "person" includes—

"(A) the single and plural of any individual, corporation, partnership, business association, society, trust, organization, or other group created or organized under the laws of a country; or

"(B) any government, governmental body, corporation, trust, agency, department, division, or group operating as a business enterprise;

"(11) PROTOCOL ON BIOLOGICAL WARFARE.—The term "Protocol on Biological Warfare" refers to the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare of 1925; and

"(12) WEAPONS OF MASS DESTRUCTION.—The term "weapons of mass destruction" means any chemical or biological weapons or nuclear explosive devices".

(5) Section 323 of the Foreign Relations Authorization Act for Fiscal Year 1992-93 (Pub. L. 102-138) is hereby repealed.

(g) EFFECT ON SECTION 38(E) OF THE ARMS EXPORT CONTROL ACT.—This Act modifies provisions of the Export Administration Act of 1979, as amended, which are incorporated by reference in section 38(e) of the Arms Export Control Act (22 U.S.C. 2778(e)). The changes made to such provisions shall have no effect on the administration and enforcement of section 38(e) of the Arms Export Control Act. The relevant provisions of the Export Administration Act of 1979, as amended, shall continue to have full force and effect for purposes of that Act.

[Add conforming amendments for the approximately 60 statutory references to the EAA in other Federal statutes.]

SEC. 16. AUTHORIZATION OF APPROPRIATIONS.

AUTHORIZATION.—There are authorized to be appropriated to the Department of Commerce to carry out the purposes of this Act—

(a) $43,372,000 for fiscal year 1995, and such amounts as may be necessary for fiscal year 1996; and

(b) such additional amounts for each of the fiscal years 1995 and 1996 as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other non-discretionary costs.

SEC. 17. EFFECTIVE DATE.

EFFECTIVE DATE.—This Act shall take effect upon the expiration of the Export Administration Act of 1979.

SEC. 18. SAVINGS PROVISION.

(A) IN GENERAL.—All delegations, rules, regulations, orders, determinations, licenses, sanctions, or other forms of administrative action which have been made, issued, conducted, or allowed to become effective under the Export Control Act of 1949, the Export Administration Act of 1969, the Export Administration Act of 1979, or the Arms Export Control Act and which are in effect at the time this Act or the Arms Export Control Act takes effect, shall continue in effect according to their terms until modified, superseded, set aside, or revoked under this Act or the Arms Export Control Act.

(b) REPEAL.—Title XVII of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) and sections 301-308 and 309(b) of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (Public Law 102-182) and amendments to these acts are hereby repealed.

(c) ADMINISTRATIVE PROCEEDINGS.—This Act shall not apply to any administrative proceedings commenced or any application for a license made, under the Export Administration Act of 1979, which is pending at the time this Act takes effect.

THE EXPORT ADMINISTRATION ACT OF 1994—SECTION-BY-SECTION ANALYSIS

SECTION 1. TITLE

Export Administration Act of 1994 ("the Act").

SECTION 2. FINDINGS

The findings acknowledge the value of exports and the need to control exports for significant national security, nonproliferation, and foreign policy reasons. The findings conclude that to be truly effective, export controls should be applied uniformly by all suppliers, yet we recognize that at times the United States may have to act unilaterally.

SECTION 3. POLICY STATEMENT

Export trade should not be restricted except to the extent necessary to further significant national security, nonproliferation, foreign policy, or short supply objectives. There is a strong preference for multilateral control regimes that include all sources of supply. Unilateral controls should be avoided except when dictated by overriding national interests. There is a presumption of approval of export license applications and opposition to boycotts imposed upon friendly countries by third countries. Economic interests should play a key role in export control decisions.

SECTION 4. GENERAL PROVISIONS

The Secretary of Commerce ("Secretary") may require an export license under any terms and conditions and shall establish a control list. No authority or permission to export may be required except to carry out the policies of the Act. Technical advisory committees are established and license fees are prohibited.

SECTION 5. NONPROLIFERATION, NATIONAL SECURITY, AND FOREIGN POLICY CONTROL AUTHORITIES

(a) Authority.—The President has authority to impose controls on exports and to regulate domestic and foreign conduct consistent with the policies of the Act. This authority is to be exercised by the Secretary, except as otherwise specified in this Act, in consultation with appropriate departments and agencies. There must be an annual review of all export controls based upon reports by: the Secretary, the Secretary of State, and the Secretary of Defense on the consequences of the controls. It shall also be based on public comments solicited by the Secretary. Following this annual review, the Secretary, in consultation with appropriate departments and agencies, shall determine whether unilateral controls should be terminated or extended for another year. Such controls shall expire unless extended.

(b) Criteria.—Export controls may be imposed or extended only if the President determines that: (a) they are essential to advancing the nonproliferation, national security, or foreign policies of the United States; and (b) they are multilateral or, if unilateral, the control objectives cannot be attained by any other means.

For unilateral control, this determination shall be made only if: (a) the controls are likely to achieve their intended purpose of changing, modifying, or constraining the undesirable conduct of the target countries, denying access by the target country to controlled goods from all sources, establishing multilateral cooperation to deny the target country access to controlled items from all sources, and denying exports or assistance that significantly and directly contribute to the proliferation of weapons of mass destruction, terrorism, human rights abuses, or regional instability; (b) the controls are compatible with U.S. foreign policy; (c) the reaction of other countries is not likely to render the controls ineffective; (d) the economic cost to the United States of the controls will not exceed their benefits; and (e) the controls are enforceable. To extend controls, the President must make similar determinations about how the controls have worked in practice.

(c) Consultation with Industry.—The Secretary shall, whenever possible, consult with industry before controls are imposed, expanded, or extended.

(d) Consultation with Other Countries.—The Secretary of State shall consult with cooperating countries regarding the imposition, expansion, or extension of controls.

(e) Consultation with the Congress.—The Secretary must apprise Congress on changes in export control policy and must submit a detailed report to Congress before imposing, expanding, or extending a unilateral control.

(f) Multilateral Control Regimes.—The Secretary of State, in consultation with appropriate departments and agencies, should seek to ensure that the export control systems of multilateral regime members meet certain standards. The Secretary of State shall also seek to ensure that all multilateral regimes have certain features including a common list of controlled items and uniform interpretations of agreed controls. Consistent with the rules and objectives of a multilateral regime, the Secretary, in consultation with appropriate departments and agencies, may provide for exports free of validated license requirements to and among members of the regime or otherwise adjust licensing policies.

(g) Publication of Elements of Multilateral Control Regimes.—Consistent with multilateral regime obligations, the United States shall publish for such regimes their: control purposes; member countries; licensing policies; control lists; target destinations, if any; rules of interpretation; major policy actions; and rules and procedures.

(h) Seeking Multilateral Support for Unilateral Controls.—The Secretary of State, in consultation with appropriate departments and agencies, shall have a duty to seek multilateral support for unilateral controls.

(i) Regulation Indicating Nature of Unilateral Controls.—All unilateral controls shall be so designated by regulation.

(j) Implementation.—

(1) Nonproliferation.—The Secretary of State shall be responsible for conducting negotiations with regime members and with other countries on export control cooperation.

(2) Missile Technology.—The Secretary, in consultation with appropriate departments and agencies, shall include on the Control List dual-use items on the Missile Technology Control Regime ("MTCR") Annex and may include items that the United States proposes for inclusion on the MTCR Annex. Consistent with the MTCR, the Secretary shall require a validated license for exports of items on the Control List pursuant to this subsection, and for any item when the exporter knows it is for the design, development or manufacture of missiles in countries that are not MTCR adherents.

(3) Chemical and Biological Weapons.—The Secretary, in consultation with appropriate departments and agencies, shall include on the Control List dual-use items listed by the Australia Group or the Chemical Weapons Convention, and may include items the United States proposes for inclusion on the Australia Group control list. Consistent with the Australia Group and the Chemical Weapons Convention, the Secretary shall require a validated license for any items on the Control List pursuant to this subsection, and for any item when the exporter knows it is for the design, development or manufacture of a chemical or biological weapon.

(4) International Terrorism.—Thirty (30) days prior notice must be provided to Congress before a validated license is issued for the export to a terrorist-supporting state of any item which the Secretary of State has determined could make a significant contribution to the military potential of such a country, including the military logistics capability or terrorist-supporting ability of that state.

(5) Human Rights and Crime Control.—A validated license shall be required for the export of crime control and detection equipment except to designated nations.

(k) Unfair Impact on U.S. Exporter.—

(1) Policy.—No U.S. exporter should be placed at a competitive disadvantage because of export control policies unless relief from such controls would create a significant risk to the foreign policy, nonproliferation, or national security interests of the U.S.

(2) Relief from Export Controls.—An exporter may petition, or the Secretary may conduct an evaluation on his or her own initiative, for relief from export controls on the grounds that: (A) the controlled item is available from foreign sources in "sufficient quantity" and "comparable quality" to render the controls ineffective; (B) the controlled item is so widely available in the United States that controls cannot be enforced effectively, unless the Secretary has reliable evidence that the controls have been effective in denying such target destination access to the controlled items originating in the United States; (C) differences between the export control policies of the U.S. and foreign supplier countries create a competitive disadvantage for U.S. exporters.

(3) Provisions for Relief.—Consistent with multilateral arrangements, the Secretary, in consultation with appropriate departments and agencies, shall determine whether the grounds for relief (set forth above) exist and, if so: change the control status of the items in question; selectively approve exports; or seek multilateral support to eliminate the foreign availability or to make the control effective. This provision shall not require the decontrol of an item that remains subject to control by a multilateral regime to which the U.S. belongs.

(4) Exceptions from Relief.—The Secretary need not provide relief under this section if he or she concludes that such relief would create a significant risk to U.S. nonproliferation, foreign policy, or national security interests. The Secretary shall not grant such relief if the President concludes that such relief would create a significant risk to U.S. nonproliferation, foreign policy, or national security interests.

(5) Relief from Traditional East West CoCom Controls.—After a determination of unfair impact, items may not be controlled unilaterally under this section for control purposes adopted by the Coordinating Committee unless the President determines that lack of controls on the items would be detrimental to U.S. national security.

(6) Procedures.—The Secretary, in consultation with appropriate departments and agencies, shall make a determination about whether relief is required within 120 days. No later than 30 thereafter, the Secretary shall decide whether to grant relief and notify the petitioner. The determinations made by the Secretary shall be published in the Federal Register. If a determination is not submitted for publication within 150 days, no validated license may thereafter be required for the items in question. Where controls are maintained to permit multilateral negotiations, the Secretary of State shall notify the Congress why the negotiations are necessary and when they have begun.

(7) Sharing of Information.—Consistent with protecting intelligence sources and methods, all departments or agencies and their contractors shall provide the Department of Commerce available information needed for determinations under this section.

(8) Availability Defined.—Available in fact means the item is available to a target country from a country where the item is not restricted for export of where the export controls are ineffective.

(9) Congressional Notification and Reporting Requirements.—The Secretary shall notify Congress annually on the status of all petitions.

(l) Unilateral Controls Prohibited.—Except for items for which there is no foreign availability or for which the President is actively seeking multilateral controls, any unilateral U.S. export controls for purposes adopted by CoCom shall expire the later of within six months of the Act or six months after the control is imposed.

(m) International Obligations.—This authorizes the implementation of U.N. resolutions and international agreements without regard to other limitations in the Act.

(n) Information Sharing.—The Secretary and other appropriate officials shall establish a procedure for information sharing.

(o) Denied Parties, sanctions parties, specially designated nationals, and other parties presenting unacceptable risks of diversion.—The Secretary shall publish the identities of those denied export privileges or sanctioned under the Act, and those who are specially designated nationals. The Secretary shall maintain a list of parties for whom licenses will presumptively be denied.

(p) FOIA Exemption.—The identity of parties for whom licenses will presumptively be denied shall not be subject to the Freedom of Information Act ("FOIA").

SECTION 6. SHORT SUPPLY CONTROLS

(a) Authority.—This provision authorizes the President to impose short supply controls.

(b) Monitoring.—This provision authorizes the Secretary to monitor exports for short supply reasons.

(c) Domestically Produced Crude Oil.—Subject to certain exceptions, this provision prohibits the export of specified domestic crude oil. The Administration has this provision under review and may propose changes in it later this year.

(d) Agricultural commodities.—This provision prohibits imposing short supply controls on agricultural commodities without the Secretary of Agriculture's approval.

(e) Barter Agreements.—This provision provides that exports bartered for items imported into the United States may be exempt from quantitative short supply limits.

(f) Unprocessed Red Cedar.—This provision prohibits the export of unprocessed western red cedar logs harvested from State or Federal lands everywhere but Alaska.

(g) Effect of Controls on Existing Contracts.—This provision allows the export of western red cedar subject to export contracts entered into before October 1, 1979. Any short supply controls imposed on agricultural commodities or forest or fishery products will not affect any contract entered into before the date the controls are imposed.

(h) Oil Exports for Use by United States Military Facilities.—Under this provision, shipments of crude oil, refined petroleum products, or partially refined petroleum products from the United States for use by the Department of Defense or U.S.-supported installations or facilities are not considered exports.

SECTION 7. FOREIGN BOYCOTTS

(a) Prohibitions and Exceptions.—This provision prohibits United States persons, acting in interstate or U.S. foreign commerce, from taking specified actions, in support of a foreign boycott of a country that is friendly to the U.S. and not subject to a U.S. boycott. There are certain exceptions to this prohibition.

(b) Regulations.—This provision requires U.S. persons to report receipt of boycott requests to the Secretary.

(c) Preemption.—This provision preempts non-Federal laws relating to foreign boycotts.

SECTION 8. PROCEDURES FOR PROCESSING EXPORT LICENSE APPLICATIONS; OTHER INQUIRIES

(a) Primary Responsibility of the Secretary.—This provision gives the Secretary the primary responsibility to make export license application determinations subject to the procedures provided in this section. The Secretary shall, to the extent necessary, request information and recommendations from other agencies. The implementing regulations shall describe the required procedures, the responsibilities of Commerce and other agencies in reviewing applications, the rights of the applicant, and the extent of any multilateral review of an application.

(b) Initial screening.—This provision requires the Secretary to refer, issue, or deny a license application within nine days of receipt.

(c) Action by other Departments and Agencies.—This provision requires the Secretary, at the President's direction, to refer license applications to other agencies for review. Reviewing agencies must promptly request additional information, if needed, and provide a recommendation, either to approve or deny, within 30 days of receipt of a referral. Such recommendations shall be with the benefit of consultation and discussions in interagency groups established to provide expertise and coordinate interagency consultation. Denial recommendations must include a statement of reasons consistent with the Act and cite the statutory and regulatory basis for the recommendation. Failure to provide a timely and reasoned recommendation is deemed "no objection" to the application.

The Secretary shall establish an interagency committee, and select its chairman, to review and decide initially all applications on which the reviewing agencies disagree. Agencies that disagree with the chairman's decision must appeal in writing by an appropriate level official. Upon receiving all comments from other agencies on an application on which there is no disagreement or 49 days after receiving an application on which there is interagency disagreement, the Secretary shall: (A) approve the application and issue the license; (B) notify the applicant of the application's referral to the interagency resolution process.

(d) Interagency Resolution.—The President is authorized to establish a process for resolving disagreements among the reviewing agencies on the disposition of applications subject to interagency review under paragraph (c). Any such process shall: (1) be chaired by Commerce; (2) resolve the disagreement or refer the application to the President within 90 days of the application's filing; and (3) deem failure to take a timely position to be no objection.

(e) Actions by the Secretary.—Under this provision, the Secretary shall issue a license or notify the applicant of the intent to deny within nine days of receipt of an application not requiring referral to other agencies. For denials, the Secretary must inform the applicant of: (A) the determination; (B) the statutory and regulatory basis; (C) possible modifications to allow approval; (D) specific considerations, as permitted by national security and foreign policy, that led to denial; and (E) appeal procedures. Applicants have 20 days to respond to an intent to deny notification although the Secretary and the applicant may mutually agree to suspend the time periods to obtain modifications.

(f) Multilateral Control Regimes.—This provision provides for referral of applications to the appropriate multilateral regime according to the terms of that regime. Applications submitted for multilateral review must be referred to the appropriate regime within five days of a decision to approve. Subsequent approval or notice of intent to deny must be made within five days of receipt of a decision by the reviewing regime.

(g) Exceptions from Required Time Periods.—This provision requires all applications to be resolved or referred to the President within 90 days of receipt. This time period does not include delays agreed to by the applicant, the time for pre-license checks (if requested within five days), the time to obtain government-to-government assurances, the time for required multilateral review, or the time required for mandatory Congressional notifications.

(h) Appeals.—This provision requires the Secretary to establish procedures for appeals of license denials and other administrative action. If action on an application is not taken within the specified times, the applicant may petition the Secretary for compliance with the time requirements. The Secretary shall immediately take action to correct the situation and notify the applicant. If the processing of the application does not conform to the time requirements within 20 days of the petition or it has but the applicant has not been notified, the applicant may seek judicial relief.

(i) Classification Requests and Other Inquiries.—This provision requires the Secretary to provide commodity classifications within 14 days, and advisory opinions within 30 days, of receipt of such requests.

SECTION 9. VIOLATIONS

(a) Criminal Penalties.—This provision establishes a maximum penalty for individuals of the greater of five times the value of the exports involved or $500,000 per violation and/or imprisonment for up to 10 years. The maximum penalty for persons other than individuals is the greater of 10 times the value of the export involved or $1,000,000 per violation. These penalties do not apply to antiboycott violations.

The maximum criminal penalty for antiboycott violations by individuals is the greater of five times the value of the exports or $250,000 per violation and/or imprisonment for up to 10 years. The maximum criminal penalty for antiboycott violations by entities is the greater of five times the value of the exports or $500,000 per violation.

(b) Forfeiture of Property Interest and Proceeds.—Persons convicted of violations other than antiboycott violations also forfeit to the U.S. any interest in: (A) the items that were the subject of the violation; (B) property used in the export that was the subject of the violations; and (C) property derived from proceeds obtained from the violation. Forfeiture proceedings shall be governed by 18 U.S.C. Chapter 46.

(c) Civil Penalties; Administrative Sanctions.—Under this provision, the maximum civil penalty for export control violations is $250,000 per violation and $50,000 per violation for antiboycott violations. In addition, the Secretary may deny the export privileges of any person for any violation of the Act or any regulation, license or order issued under the Act.

(d) Procedures Relating to Civil Penalties and Sanctions.—Under this provision, administrative sanctions can be imposed only after notice and an opportunity for a hearing on the record in accordance with the Administrative Procedure Act ("APA"). Any administrative sanction shall be subject to judicial review in accordance with the APA.

(e) Payment of Civil Penalties.—When a civil penalty imposed under the Act is due but unpaid, its payment may be made a condition of use or receipt of an export license. In addition, payments of civil penalties under the Act may be deferred or suspended for a probation period.

(f) Refunds.—Civil penalties shall be paid into the Treasury as miscellaneous receipts. Civil penalties may be refunded, within two years of payment, based on a material error of fact or law in the imposition of the penalty. No actions for refunds of penalties, however, may be maintained in any court.

(g) Collection.—This provision authorizes the Secretary to ask the Attorney General to bring civil actions in district courts to collect unpaid civil penalties. Any such collection must be initiated within five years of the date the order imposing the civil penalty becomes final. In such an action, the validity, amount, and appropriateness of the penalty are exempt from judicial review.

(h) Prior Convictions.—This provision authorizes the Secretary to deny export privileges to persons convicted of violating specified statutes.

(i) Statute of Limitations.—This provision provides that, generally, the statute of limitations for the initiation of administrative enforcement proceedings is five years from the date of the unlawful activity. The statute of limitations is tolled against all persons named in a criminal indictment alleging violations of the Act.

(j) Imposition of Temporary Denial Order.—This provision authorizes the Secretary to issue a temporary denial order when there is reasonable cause to believe that a person is engaging in or is about to engage in activities that constitute or may constitute a violation of the Act or other statutes enumerated in subsection 9(h). The subject of a temporary denial order may appeal to an administrative law judge. The Secretary shall review any appeal of the administrative law judge's decision. Any affirmation by the Secretary of the administrative law judge's decision may be appealed by the U.S. Court of Appeals for the District of Columbia.

(k) Violations Defined by Regulation.—This provision authorizes the Secretary to define violations of the Act by regulation.

(l) Other Authorities.—Under this provision, subsections (c), (e), (f), (g), (h), or (i) do not limit the availability of: (1) other administrative or judicial remedies for violations under the Act; (2) the authority to settle administrative proceedings for violations under the Act; or (3) the authority to adjust seizures and forfeitures under section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. §401(b)).

SECTION 10. ENFORCEMENT

(a) General Authority and Designation.—This provision makes the Secretary, in consultation with the Secretary of Treasury and other agency heads as appropriate, responsible for providing guidance on enforcement issues under the Act. To enforce the Act, the Commissioner of Customs may: (1) make investigations in and outside the U.S., including specified U.S. ports of entry and exit; and (2) search, detail, and seize goods at certain U.S. ports of entry and exit and certain places outside the United States. The Secretary: (1) may make investigations in the U.S.; (2) shall conduct pre-license and post-shipment verifications and antiboycott investigations outside the U.S.; (3) search, detain, and seize goods at U.S. places other than the specified U.S. ports of entry and exit; and (4) search, detain, and seize goods at specified U.S. ports of entry and exit with the concurrence of Customs.

This subsection also allows the Secretary and the Commissioner of Customs to enter into agreements and arrangements for the enforcement of the Act. In addition, Commerce and Customs can take specified action to carry out the enforcement authority under the Act.

(b) Forfeiture.—This provision requires goods seized under subsection 9(a) to be forfeited to the United States.

(c) Undercover Investigative Operations.—This provision exempts certain export enforcement funds from specified provisions of law. Proceeds from the liquidation of entities established as part of an undercover operation and the remaining balance of funds for closed undercover operations shall be deposited into the Treasury as miscellaneous receipts. Commerce shall audit closed undercover investigative operations. The Secretary shall provide annual reports to Congress on such operations.

(d) Reference to Enforcement.—This provision provides that a reference to enforcement or violation of the Act includes references to the enforcement or violation of any regulation, license, or order issued under the Act.

SECTION 11. AUTHORITY AND PROCEDURES

(a) Under Secretary of Commerce.—Under this provision, the President shall appoint, with the advice and consent of the Senate, an Under Secretary and two Assistant Secretaries.

(b) Regulations.—This provision authorizes the Secretary to issue implementing regulations. The Secretary shall consult with the technical advisory committees. Regulations issued to implement section 5 must be reviewed by the appropriate agencies. This required review does not, however, confer the right of concurrence or approval.

(c) Confidentiality of Information.—This provision provides that information obtained under the Export Administration Act of 1979, as amended and its predecessor statutes prior to 1980 shall not be subject to disclosure under the FOIA nor is it to be disclosed unless the Secretary determines that withholding it is contrary to the national interest. Information obtained under the Act, the Export Administration Act of 1979 after 1980, or the Export Administration Regulations, as maintained and amended by the International Emergency Economic Powers Act ("IEEPA"), may be withheld only as permitted by statute, except that information connected to an export license application under the Act, the Export Administration Act of 1979 after 1980, or the Export Administration Regulations, as maintained and amended by the International Emergency Economic Powers Act, including classification requests, information from foreign availability assessments, investigations, and information related to multilateral agreements, treaties, or obligations is not subject to disclosure under FOIA and may not be released unless the Secretary determines that its withholding is contrary to the national interest.

Commerce may not withhold information from the Congressional oversight committees or the General Accounting Office ("GAO"). Those specified committees and subcommittees may provide other members of Congress with information obtained under the Act. Such information may not be further disclosed unless one of the oversight committees determines that withholding the information is contrary to the national interest.

Information requested by GAO shall only be provided by the originating agency consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities. Information may be disclosed to Customs to facilitate licensing and enforcement efforts. Unauthorized disclosure of information covered by subsection 11(c) by U.S. employees is subject to a criminal fine of up to $1,000, imprisonment, removal from office, and an administrative penalty of up to $1,000.

(d) Public Participation.—This provision notes the intent of Congress to allow for public comment on regulations implementing the Act.

(e) Control List Development and Review.—This provision requires the Secretary, in consultation with appropriate departments and agencies, to establish and maintain a control list which specifies controlled items, destinations, and validated license requirements. The Secretary of State, in consultation with appropriate departments and agencies, shall be responsible for conducting negotiations and developing negotiating positions with other countries regarding multilateral regime control lists. It also requires periodic review of items controlled by multilateral regimes and consultation with the appropriate technical advisory committees regarding changes in the control list.

(f) Authority for Seminar and Publications Fund.—This provision authorizes the Secretary to cooperate with other entities in connection with seminars, publications, and related activities to carry out functions such as educating the public on the Act. The Secretary is also authorized to accept contributions to recover the costs of such activities.

(g) Support of Other Countries' Export Control Program.—This provision authorizes the Secretary to participate in the education and training of officials of other countries on export controls.

(h) Applicability of Administrative Procedure Act.—This provision exempts implementation of the Act from the APA except as specified in subsection 9(d). Final agency action under the Act may be appealed to the U.S. Court of Appeals for the District of Columbia, except as provided by subsections 9(d), 9(g), and 9(j). The scope of the court's review is limited as specified in this subsection.

(i) Incorporated Commodities, Technology, and Software.—This provision prohibits requiring a license for a commodity solely because the commodity contains parts or components subject to control if those parts or components: (A) are essential to the commodity's function; (B) are customarily included in sales of the commodity to non-target countries; and (C) comprise 25% or less of the total value of the commodity, unless the commodity itself would significantly contribute to the military or proliferation potential of a target country or end user to the detriment of U.S. national security.

It also prohibits imposing reexport controls on foreign-made items incorporating 25% or less U.S. content by value except for boycotted or terrorist-supporting countries. For those countries, a 10% standard applies.

(j) Exceptions for Medical and Humanitarian Purposes.—This provision prohibits imposing controls on medical equipment and for specified humanitarian purposes.

(k) Sanctity of Existing Contracts and Licenses.—This provision provides for contract and license sanctity for unilateral controls. It allows the President, however, to prohibit exports or reexports otherwise allowed under contract or license sanctity by certifying to Congress that: (i) a breach of the peace poses a threat to U.S. strategic interests; (ii) the prohibition will directly help remedy the threat; and (iii) the emergency controls will continue only while the threat persists.

(l) Fact Finding Authority.—This provision provides authority to compel testimony and document production in connection with the administration of the Act.

(m) Militarily Critical Technologies List Development, Review and Use.—This provision specifies the development and use of the Militarily Critical Technologies List to be established and maintained by the Secretary of Defense in accordance with subsection 4(c) of the Act.

SECTION 12A. SANCTIONS FOR PROLIFERATION ACTIVITY AND THE USE OF CHEMICAL AND BIOLOGICAL WEAPONS AND MISSILES

This section combines and harmonizes the existing missile and chemical and biological warfare sanction provisions. It also provides for sanctions against a country that uses such weapons.

(a) Determinations.—This provision requires the President to determine whether any foreign person knowingly and materially contributed to efforts to use, design, develop, produce, stockpile, or otherwise acquire chemical or biological weapons or missiles through exports of Missile Technology Control Regime (MTCR) Annex items or items which may contribute to a chemical or biological weapons program such as those listed by the Australia Group (AG). It also requires the President to determine whether a foreign government has used chemical or biological weapons in violation of international law or against its own nationals. These determinations apply to activities taken on or after the enactment of this section.

(b) Entities Against Which Sanctions Are to be Imposed.—Following an affirmative determination, this provision requires sanctions against the foreign person who engaged in, facilitated, or solicited the conduct determined to fall within subsection 12(a). The President has the discretion to sanction other parties based upon control relationships.

(c) Sanctions.—For nonproliferation violations, this provision provides a two-year ban on the export and import of items listed by the relevant regime and a ban on government procurement. Use of chemical or biological weapons draws a mandatory two-year denial of foreign assistance, arms sales, arms financing, government credit, and export of items controlled for national security reasons. If a country fails to stop the use of such weapons, additional mandatory sanctions include denial of multilateral bank support and commercial bank loans, restrictions on virtually all exports and imports, suspension of landing rights, and changes in diplomatic relations.

(d) Deferral and Limitation.—This provision allows the President to delay the imposition of sanctions to protect ongoing criminal investigations or intelligence sources and methods. It also authorizes delay for up to 180 days for negotiations with the country in question and allows multilateral sanctions instead of unilateral ones.

(e) Exceptions.—This provision provides certain exceptions to sanctions, including certain defense articles and medical or other humanitarian items.

(f) Termination of Sanctions for Using Chemical or Biological Weapons.—This provision authorizes removal of sanctions provided the sanctioned government takes several steps, including allowing on-site inspections and restitution.

(g) Waiver.—This provision authorizes the President to waive sanctions if he or she certifies to Congress that a waiver is important to the national interests of the United States.

(h) Regulatory Implementation of Sanctions.—This provision provides for implementing regulations specifying the scope of products and entities subject to the sanctions. The Secretary will issue regulations for items covered by the Act and the Secretary of State will issue regulations for items subject to the Arms Export Control Act.

SECTION 12B. SANCTIONS FOR PROLIFERATION ACTIVITY AND THE USE OF CHEMICAL AND BIOLOGICAL WEAPONS

This section amends Section 72 of the Arms Export Control Act (Sanctions Against Certain Foreign Persons and Countries) to conform to section 12 of the Act.

SECTION 13. ANNUAL REPORT

The section combines the current annual report and the annual foreign policy report (to be a report on unilateral controls). In addition, it puts reporting requirements into the annual report to the maximum extent possible.

SECTION 14. DEFINITIONS

This section provides definitions.

SECTION 15. EFFECTS ON OTHER ACTS

(a) Commodity Jurisdiction.—This provision prohibits overlapping control. Resolution of disputes regarding conflicting claims of jurisdiction between the Commerce Control List and the U.S. Munitions List shall be resolved by the Department of State in a timely fashion and in consultation with other agencies.

(b) In General.—This provision states that except as otherwise provided in the Act, nothing in it will affect other laws authorizing control over exports.

(c) Amendments to the International Emergency Economic Powers Act.—This provision provides for confidentiality consistent with subsection 11(c) of the Act. It also authorizes penalties for attempted violations, as well as violations, of IEEPA.

(d) Civil Aircraft Equipment.—With certain exceptions, this provision makes specified aircraft equipment exclusively subject to the Act.

(e) Nuclear Nonproliferation Controls.—This provision provides that nothing in section 5 of the Act supersedes procedures imposed under the Nuclear Non-Proliferation Act of 1978. It also provides that the procedures published pursuant to the Nuclear Non-Proliferation Act shall be superseded if they are inconsistent with the provisions of section 8 of the Act.

(f) Conforming Amendment to the Arms Export Control Act.—This provision repeals the Arms Export Control Act ("AECA") sections regarding sanctions.

(g) Effect on Section 38(e) of the Arms Export Control Act.—This provision modifies provisions of the Export Administration Act of 1979 which are incorporated by reference in section 38(e) of the AECA. The changes made to such provisions shall have no effect on the administration and enforcement of section 38(e). This provision will also contain conforming amendments for the approximately 60 statutory references to the Export Administration Act of 1979 in other Federal statutes.

SECTION 16. AUTHORIZATION OF APPROPRIATIONS

This section authorizes appropriations for fiscal years 1995 and 1996 to carry out the Act. This authorization includes additional amounts, if necessary, for non-discretionary costs.

SECTION 17. EFFECTIVE DATE

This section makes the Act effective upon expiration of the Export Administration Act of 1979.

SECTION 18. SAVINGS PROVISION

(a) In General.—This provision continues in effect all currently effective administrative actions taken under the Export Control Act of 1949, the Export Administration Act of 1969, the Export Administration Act of 1979, or the AECA except as affected by the Act or the AECA.

(b) Repeal.—This provision repeals title XVII of the National Defense Authorization Act for Fiscal Year 1991 (Pub. L. No. 101–510) and the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (Pub. L. No. 102–182) and amendments to those statutes.

(c) Administrative Proceedings.—Under this provision, the Act does not apply to administrative proceedings commenced or license applications made, under the Export Administration Act of 1979, pending when the Act takes effect.

SECRETARY OF COMMERCE,
Washington, DC, March 2, 1994.

Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR DON: The existing Export Administration Act (EAA) is a relic of the Cold War. The EAA which is needed for today and for the foreseeable future must address a complex and evolving mix of proliferation, security and foreign policy concerns. The legislation must take meaningful account of the legitimate need of American business to be free from unnecessary export controls, while assuring that legitimate nonproliferation and other concerns are met.

President Clinton has stated on many occasions that effective export controls are essential to preserving United States nonproliferation, national security and foreign policy interests, but that the current system is in dire need of reform. The bill I am sending to the Congress substantially rewrites the EAA. This bill strikes a proper balance between export promotion and effective implementation of export controls, it helps fulfill President Clinton's commitment to improve the export control system, and it reflects the realities of a changing world.

Of perhaps greatest significance, the new export control system that we are proposing no longer asks the business community to shoulder a disproportionate burden in responding to world conflicts. This bill recognizes that the most effective control regimes are multilateral, and that unilateral controls are appropriate only in very limited circumstances. This bill, therefore, emphasizes reliance on multilateral regimes in controlling exports rather than unilateral action by the United States

We also recognize that export controls must not undermine the competitive position of American business in the international marketplace, and that our licensing system must be more streamlined and timely for its users. This bill strips away many of the overly restrictive and bureaucratic provisions in existing law and provides for a more efficient, responsive and transparent export licensing system. An export control system reformed in this manner allows us to fix our attention on those truly sensitive items that must be the focus of export controls.

We recognize the importance of strong enforcement action against export control violations. This bill increases penalties substantially. It also provides important new tools to ensure that we are well-equipped to investigate and enforce the Act.

The bill I send to you is a continuation of the commitment to revamp and liberalize export controls as evidenced by the Administration's announcement in September 1993 reducing our barriers to exporting, consistent with national security and foreign policy interests. It is our belief that a reformed export control system will help American business become more competitive.

I have been advised by the Office of Management and Budget that enactment of this legislative proposal would be in accord with the President's program.

I would appreciate it if you would introduce this proposal on behalf of the Administration. I look forward to working with all Members of the Congress in enacting an export control law that meets the needs of our changing world.

Sincerely,

RONALD H. BROWN.●

● Mr. SASSER. Mr. President, I rise this morning, as chairman of the Subcommittee on International Finance and Monetary Policy, along with the chairman of the full Banking Committee, to introduce at the request of the administration its proposal to reauthorize the Export Administration Act [EAA]. The bill is being introduced as a courtesy to the administration.

I want to commend the administration for coming up with a unified position. Such unity within the executive branch has not been achieved in over a decade. This is a difficult issue, one that must be viewed from several critical perspectives. It involves several executive branch agencies. But in the end, a balance must be struck. The administration is to be commended for reaching an internal consensus.

This EAA proposal is yet another example of the ability of different parts of this administration to work together. We saw this cooperative approach on the export promotion side last year with the work of the Trade Promotion Coordinating Committee. Now we see this same approach on the export control side.

Following last year's simple extension, the Export Administration Act expires on June 30, 1994. The subcommittee is working in its traditional bipartisan manner to put a new EAA on the books.

The EAA has not been significantly changed since it was amended by the Omnibus Trade and Competitiveness Act of 1988. In both 1990 and 1992, the Senate passed on a bipartisan basis bills to amend the EAA. Neither, however, became law.

The administration recognizes that the EAA must be changed to reflect the changed world circumstance.

The Soviet Union has collapsed and the strategic military threat facing the United States has been dramatically reduced. Throughout the post World War II era, the Soviet Union had been the primary target of United States export control policy.

Another threat has not decreased, but increased. And that is the threat by the proliferation of weapons of mass destruction and their means of delivery. Several events have alerted the world to this growing danger. Two of the most troubling have been evidence of Iraq's program to build nuclear weapons and the recent controversy surrounding North Korea's nuclear program.

A new act must reflect these post cold war realities.

A new EAA must also fit today's technological context. That context is quite different from when this law's predecessor was originally put on the books back in 1949.

The United States then had a monopoly on many critical technologies. Today the production of sophisticated technology is diffuse; it has become globalized.

Product life cycles that once were measured in years, are now measured in months.

In this changed environment, unnecessary export controls and delays in license processing can unfairly hamstring American companies and put them at a competitive disadvantage.

The committee is working on coming up with a bipartisan bill that fits today's realities. The administration's proposal is an important step in this process. Again I commend the administration for coming up with a unified position.●

By Mr. BAUCUS (for himself, Mr. BURNS, and Mr. INOUYE):

S. 1903. A bill to ratify a compact between the Assiniboine and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana; to the Committee on Indian Affairs.

FORT PECK INDIAN TRIBES-MONTANA RESERVED WATER RIGHTS LEGISLATION

● Mr. BAUCUS. Mr. President, on behalf of myself and Senators BURNS and INOUYE I am introducing legislation to ratify the Fort Peck Indian Tribes-Montana Reserved Water Rights compact.

Identical legislation was reported out of the then-Select Committee on Indian Affairs in 1992, but proceeded no further because of concerns raised regarding certain provisions of this compact with respect to the impact it could have on water flows in the Missouri River. Let me clearly state that it is my intent to move this legislation forward.

Let me also clearly state that it is my intent to work closely with the Fort Peck Tribes, the distinguished chairman of the Indian Affairs Committee, the State of Montana and my distinguished colleagues from downstream States to address those concerns in a manner that is mutually satisfactory. I do not anticipate that this will be easy, but it is essential.

We have delayed the implementation of the Fort Peck Indian Tribe-Montana Compact for far too long. Although difficult issues remain, we cannot allow them to stand in the way of resolution. We must sit at the table together until we reach an accord. I am committed to that effort and look forward to the work that lies ahead.●

By Mr. ROCKEFELLER (for himself, Mr. MURKOWSKI, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, Mr. DASCHLE, and Mr. CAMPBELL):

S. 1904. A bill to amend title 38, United States Code, to improve the organization and procedures of the Board of Veterans' Appeals; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, Mr. DASCHLE, and Mr. CAMPBELL):

S. 1905. A bill to improve the processing of benefits claims by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 1906. A bill to provide that service connection for disabilities arising from exposure to ionizing radiation or dioxin may be established by direct evidence; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. GRAHAM, and Mr. DASCHLE):

S. 1907. A bill to require that the Department of Veterans Affairs adjudicate and resolve certain claims relating to medical malpractice in the health care services provided by the Department; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DECONCINI, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 1908. A bill to provide for a study of the processes and procedures of the Department of Veterans Affairs for the disposition of claims for veterans' benefits; to the Committee on Veterans' Affairs.

VA CLAIMS ADJUDICATION SYSTEMS ADJUSTMENTS

Mr. ROCKEFELLER. Mr. President, I am introducing today five bills, all of which—directly or indirectly—relate to the Department of Veterans Affairs [VA] system for adjudicating claims for benefits. As everyone familiar with VA knows, VA currently faces a tremendous, rapidly growing backlog of cases, both at the regional office level, where initial claims are made and considered, and at the Board of Veterans' Appeals level, where veterans take their appeals of regional office decisions. A number of factors have caused the present problems, and the system, which will only deteriorate further if the problems are not addressed, is in dire need of fundamental change. For those who look for guidance to the old adage—"Don't fix it if it ain't broke"—it is entirely accurate to say at this point that VA's adjudication system is completely broken and in clear need of repair.

Mr. President, more than 5 years ago, after a long difficult fight that spanned a decade, the 100th Congress finally provided veterans with the fundamental, due process, right to appeal decisions by VA on claims for benefits to an entity outside of and independent of VA. With the Veterans' Judicial Review Act of 1988 [VJRA], Public Law 100-687, Congress created the U.S. Court of Veterans Appeals, for the express purpose of reviewing the decisions of the Board of Veterans' Appeals [BVA]. Until 1988, the Board was the "court of last resort" for veterans.

Mr. President, judicial review of VA benefit decisions is a right veterans long deserved, and the VJRA is true landmark legislation. However, the enactment of judicial review was actually much more of a beginning than an ending. The decisions of the court have time and again clearly illustrated the necessity for judicial review by bringing to light the many deficiencies of the VA adjudication system—a unique system that had grown up and developed over the years and was not subject to court review. These decsions of the court also have made it evident that some changes will have to be made in order to achieve long-term improvements in the system. Judicial review was just one step in what is, in my view, an evolution of the VA system.

Before judicial review, VA created and developed a claims adjudication system that was designed to be informal and nonadversarial. Many aspects of this system were intended to be beneficial to veterans, such as procedures related to the development of claims and assistance to the claimant. However, as the court has recognized in numerous decisions, many of the elements were not being delivered as promised. For example, the court has repeatedly held that VA has not fulfilled its duty to assist the claimant in the development of the claim, has often failed to give the claimant the benefit of the doubt, and has failed to provide claimants with an adequate explanation for its denials.

"User-friendliness" has always been, and still is, a goal of this nonadversarial system. However, a user-friendly system must provide timely and efficient resolution of benefit claims. No matter how nonadversarial the process, if it takes months or years to resolve a claim, the individual claimant is not being treated properly.

Mr. President, my fundamental goal as chairman of the Committee on Veterans' Affairs is to ensure that any veteran or other beneficiary who seeks any VA benefit—compensation, pension, education benefits, health care or whatever—receives the quality services from VA that he or she deserves. VA's mission is to serve this Nation's veterans and their families. We must see to it that the Department can and will do just that.

A critical part of that mission—and one that is not being entirely fulfilled today—is to make sure veterans and their families receive fair, efficient, and timely adjudication of their benefit claims. Timeliness is simply vital. The benefits that veterans receive can make a profound difference in their lives. In the 9 years that I have served on the committee, I have heard repeatedly from angry veterans in my own State of West Virginia—and now from around the country—who are completely frustrated in dealing with VA. On the other side, I have heard from VA of its institutional frustration at having too many claims to adjudicate with an insufficient number of employees.

Mr. President, some within VA argue that the court is the sole source of the backlog problem. I wholeheartedly reject this argument. This point of view reflects a complete failure to accept responsibility for living up to existing statutory mandates—while simultaneously arguing that VA was fulfilling the requirements of governing law.

I have often heard it said that the court's decisions obligate VA to provide more detailed explanations for decisions than before. While this certainly is true, the obligation to inform claimants of the reason underlying a decision is not a new requirement. VA has always had that obligation and routinely asserted that it met this responsibility in the years leading up to judicial review. The court has merely enforced VA's responsibilities under the law. The court's decisions have forced VA to be accountable for its decisions.

VA must fulfill its obligation to assist the veteran in the development of the claim, must provide the veteran with the benefit of the doubt, and can no longer simply deny a case without an adequate explanation. The court's decision *Gilbert* v. *Derwinski*, 1 Vet. App. 49 (1990) provides one of the best illustrations of VA's failure to fulfill these mandates.

Gilbert was one of the earliest decisions of the court that addressed all of these basic obligations on the part of VA. For example, this case was the touchstone concerning the "duty to assist." The court stated in Gilbert, "Once a veteran's initial burden [of submitting a facially valid claim] is met, the Secretary is then obligated under [section 5107 of title 38] to 'assist such a claimant in developing the facts pertinent to the claim'" (1 Vet. App. at 55). Numerous subsequent cases have reiterated this fundamental responsibility.

It was Gilbert that also clearly defined the benefit of the doubt doctrine. In that case, the court noted the unique nature of the standard of proof applying to veterans' benefit claims. The court stated: "Unlike other claimants and litigants * * * a veteran is entitled to the 'benefit of the doubt' when there is an 'approximate balance of positive and negative evidence'" (1 Vet. App. at 53).

Finally, the Court set out in Gilbert VA's obligation to provide the claimant with an explanation for the decision. The Court said:

> [T]he Board must identify those findings it deems crucial to its decision and account for the evidence which it finds to be persuasive or unpersuasive. These decisions must contain clear analysis and succinct but complete explanations. A bare conclusory statement, without both supporting analysis and explanation, is neither helpful to the veteran, nor "clear enough to permit effective judicial review", nor in compliance with statutory requirements (1 Vet. App. at 57).

Naturally, meeting these obligations has resulted in more work for VA as it has realized that it cannot fulfill its obligations by proceeding in the way that it has for decades.

Mr. President, while the court's actions may have contributed to the backlog, it is only because the court has forced VA to examine the way it has operated for so long. That is precisely one of the reasons the court was created.

Despite the backlog, judicial review has brought about some extremely positive changes. VA has undertaken an effort to provide more detailed explanations for its denials, to assist veterans in developing claims, and to provide veterans the benefit of the doubt.

Mr. President, our present task is to take our collective experience with judicial review and determine how we might adjust VA's entire claims system to better achieve the full intent of judicial review.

If we fail to act, not only will the current backlog go unresolved, other factors will increase the pressure on the system. Our committee and the House Committee on Veterans' Affairs have been actively considering how it might be reformed. We all know the problems VA faces—large numbers of remands to the BVA and from the BVA to the regional offices, an enormous and growing backlog of pending claims, insufficient adjudication personnel, and inadequate funding, to name just the most apparent ones. While there are certain short-term actions we can take to facilitate a decrease in the claims backlog, a permanent solution to these problems requires more than stopgap measures. There must be fundamental change.

However, as I studied the situation in an effort to determine the best way to proceed with reform of the VA adjudication system, I realized that it is too early to propose dramatic changes to the status quo. We simply do not have enough hard data about how the system has operated over the past several years and how it currently operates, nor is there any consensus concerning what changes should be made. I have arrived at the conclusion that the system must be objectively evaluated by an outside, independent entity.

Mr. President, recognizing that some immediate changes are desperately needed, and acknowledging that it is too soon to pursue any comprehensive reform based on insufficient information, I am introducing today a number of legislative measures.

Mr. President, the first of these bills would institute some changes in the procedures of the BVA in an effort to begin reducing immediately the case backlog that exists at the Board. The second would make some fairly minor, but significant, changes in the procedures for developing the evidence in certain types of claims at the regional office level.

Two of the bills I am introducing respond to decisions of the Court of Veterans Appeals. One addresses the adjudication of claims filed for compensation based on injuries in VA facilities. This measure would ensure that VA is fulfilling its responsibility with respect to such claims. The other bill would overrule a decision of the court with respect to the meaning of Public Law 98-542, the Veterans' Dioxin and Radiation Exposure Compensation Standards Act.

The final bill I am introducing would mandate a comprehensive study of the VA adjudication system by the Administrative Conference of the United States.

Mr. President, I look forward to working with my colleagues on the committee, in the full Senate, and on the House committee, as well as the veterans service organizations, on this legislation specifically, and more generally, on reform of the VA adjudication system.

Mr. President, I will now describe each of the bills I am introducing.

S. 1904—AMENDMENTS TO THE PROCEDURES OF THE BOARD OF VETERANS' APPEALS

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am introducing today S. 1904, a bill to improve the organization and procedures of the Board of Veterans' Appeals [BVA]. I am enormously pleased that several of my colleagues on the committee have joined me as original cosponsors of this important measure, including ranking minority member FRANK MURKOWSKI and Senators DENNIS DECONCINI, BOB GRAHAM, DANIEL AKAKA, TOM DASCHLE, and BEN NIGHTHORSE CAMPBELL. This bill would amend certain provisions of title 38, United States Code, affecting the operation and procedures of the Board of Veterans' Appeals.

Mr. President, as I indicated earlier today, VA's claims adjudication system, including its appellate system at the Board of Veterans' Appeals, is in dire need of change. BVA's current problems will require long-term, fundamental changes, but there are certain immediate changes Congress could institute that would allow the Board to begin to reduce its present backlog of about 40,000 appeals. In fiscal year 1993, the average time it took BVA to render a decision on appeal was 466 days. Based on information in the first quarter of fiscal year 1994, the BVA currently estimates that by the end of this fiscal year, that time will increase to 1,843 days—5 years. This is completely unacceptable.

Mr. President, while we work on permanent solutions to the problems faced by BVA, I am proposing the measures in this bill, some of which have been requested by the Secretary of Veterans Affairs and the Chairman of BVA. VA indicated that these provisions will allow BVA to become more productive and thereby immediately assist in the reduction of the backlog at the Board.

Mr. President, section 1 of this bill would amend section 7101 of title 38, relating to the composition of the Board. This section would remove the 65-member limitation on the number of members that may be appointed to the Board; remove the current provision giving the Chairman of BVA authority to appoint temporary Board members; and move the authority to appoint acting members from current section 7102 to section 7101, while keeping intact the present limitation on the amount of time an individual can serve as an acting member. However, the provision would specifically allow acting members of the Board to complete work on any pending cases, notwithstanding that time limitation.

Section 2 of this legislation would amend section 7102 of title 38 to allow the Chairman of BVA to assign an appeal to a single member or to a panel of members consisting of at least three members. Under current law, appeals have to be assigned to a panel of at least three members. According to VA, this authorization of single-member decisions would significantly reduce the backlog at BVA. Amended section 7102 also would provide that reconsideration of a case must be assigned to a panel of members if the original appeal was decided by a single member, and to an enlarged panel of members if the original appeal was decided by a panel. In either case, the panel carrying out the reconsideration could not include any Board member who was involved in deciding the original appeal.

Section 3 would amend the provisions governing BVA hearings to allow the Board to conduct hearings through the use of voice, or voice and picture transmission, by electronic or other means. The measure also would require that before BVA conducts the hearing through use of voice, or voice and picture transmission, the appellant must be given the opportunity to appear at a personal hearing before a Board member, either in a regional office or in Washington, DC, if the appellant so desires. Section 3 also would provide that if an appellant is seriously ill or is under severe financial hardship, the hearing may be held earlier than it otherwise would be.

Mr. President, as I mentioned a moment ago, certain provisions in this bill would directly respond to a request I received from the Secretary of Veterans Affairs, Jesse Brown, dated February 10, 1994. Secretary Brown asked for my assistance in the enactment of legislation that would first, remove the limit on the number of Board members, second, allow the Chairman of BVA to assign appeals to one member of the Board for disposition, and third, remove the limitation on the time an acting member may serve. This bill includes the first two of the statutory provisions requested by the Secretary.

With reference to the acting member issue, Secretary Brown apparently seeks that provision in an effort to avoid a problem that may arise when the BVA Chairman appoints acting members, of the statutory time limitation expiring while appeals which the acting member considered are still pending. This bill addresses that concern by allowing acting members to complete all work on any pending cases, even if that would require them to work beyond the time limit.

Mr. President, these changes are important. My hope is that we can enact these measures quickly so that veterans may begin to feel the effects of an improved appeals system as soon as possible. Veterans deserve no less. They have a right to the efficient processing of their claims for the benefits they earned through their military service. We are working to ensure that they receive just that over the long term, but in the meantime, I strongly believe these provisions are a step in the right direction.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1904

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ORGANIZATION AND PROCEDURES OF BOARD OF VETERANS' APPEALS.

(a) NUMBER OF MEMBERS.—Subsection (a) of section 7101 of title 38, United States Code, is amended by striking out "(not more than 65)".

(b) ACTING AND TEMPORARY MEMBERS.—(1) Such section is further amended—

(1) in subsection (c)—

(A) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph (1):

"(1)(A) The Chairman may from time to time designate one or more employees of the Department to serve as acting members of the Board. Except as provided in subparagraph (B), any such designation shall be for a period not to exceed 90 days, as determined by the Chairman.

"(B) An individual designated as an acting member of the Board may continue to serve as an acting member of the Board in the making of any determination on a proceeding for which the individual was designated as an acting member of the Board, notwithstanding the termination of the period of designation of the individual as an acting member of the Board under subparagraph (A) or (C).

"(C) An individual may not serve as an acting member of the Board for more than 270 days during any 1-year period.";

(B) by striking out paragraph (2);

(C) by redesignating paragraph (3) as paragraph (2); and

(D) in paragraph (2), as so redesignated, by striking out "the number of temporary Board members" and all that follows though the period at the end and inserting in lieu thereof "the number of acting members of the Board designated under such paragraph (1) during the year for which the report is made."; and

(2) in subsection (e), by striking out "a temporary or" and inserting in lieu thereof "an".

(c) REPORT ON BOARD ACTIVITIES.—Subsection (d) of such section is amended—

(1) in paragraph (2)—

(A) by striking out "and" at the end of subparagraph (D);

(B) by striking out the period at the end of subparagraph (e) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following new subparagraph:

"(F) the number of employees of the Department designated under subsection (c)(1) of this section to serve as acting members of the Board during that year and the number of cases in which each such member participated during that year."; and

(2) in paragraph (3)(B), by striking out "as required by section 7103(d) of this title".

(d) APPEALS DECISIONS.—(1) Chapter 71 of such title is amended by striking out sections 7102 and 7103 and inserting in lieu thereof the following new sections 7102 and 7103:

§ 7102. Decisions by the Board

"A proceeding instituted before the Board may be assigned to one or more members of the Board. A proceeding assigned to more than one member shall be assigned to a panel of not less than three members of the Board. A member or panel assigned a proceeding shall make a determination thereon, including any motion filed in connection therewith. The member or panel, as the case may be, shall make a report under section 7104(d) of this title on any such determination, which report shall constitute the final disposition of the proceeding by the member or panel.

§ 7103. Reconsideration; correction of obvious errors

"(a) Subject to subsections (b) and (c) of this section, the decision of the Board determining a matter under section 7102 of this title is final.

"(b) The Chairman may order reconsideration of the decision in a case in accordance with subsection (c) of this section. Such an order may be made on the Chairman's initiative or upon motion of the claimant.

"(c)(1) Upon the order of the Chairman for reconsideration of a decision in a case, the case shall be referred—

"(A) in the case of a matter originally heard by a single member of the Board, to a panel of not less than three members of the Board.

"(B) in the case of a matter originally heard by a panel of members of the Board, to an enlarged panel of the Board.

"(2) A panel referred to in paragraph (1) of this subsection may not include the member or members who made the original decision subject to reconsideration.

"(3) A panel reconsidering a matter under this subsection shall render its decision after reviewing the entire record before the Board. The decision of a majority of the members of the panel shall be final.

"(d) The Board on its own motion may correct an obvious error in the record, without regard to whether there has been a motion or order for reconsideration.".

(2) The table of sections at the beginning of such chapter is amended by striking out the items relating to sections 7102 and 7103 and inserting in lieu thereof the following:

"7102. Decisions by the Board.

"7103. Reconsideration; correction of obvious errors.".

(e) PROCEDURES RELATING TO APPEALS.—(1)(A) Section 7107 of such title is amended to read as follows:

"§ 7107. Appeals: dockets; hearings

"(a)(1) All cases received pursuant to application for review on appeal shall be considered and decided in regular order according to their places upon the docket.

"(2) A case referred to in paragraph (1) of this subsection may, for cause shown, be advanced on motion for earlier consideration and determination. Any such motion shall set forth succinctly the grounds upon which it is based and may not be granted unless the case involves interpretation of law of general application affecting other claims, or for other sufficient cause shown.

"(b) The Board shall decide any appeal only after affording the appellant an opportunity for a hearing.

"(c) A hearing docket shall be maintained and formal recorded hearings shall be held by such member or members of the Board as the Chairman may designate. Such member or members designated by the Chairman to conduct the hearing shall participate in making the final determination of the claim.

"(d)(1) An appellant may request a hearing before the Board at its principal location or at a regional office of the Department.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, hearings shall be scheduled in the order in which requests for such hearings are received by the Department.

"(B) In a case in the which the Secretary is aware that the appellant is seriously ill or is under severe financial hardship, a hearing may be scheduled at a time earlier than would be provided for under subparagraph (A) of this paragraph.

"(e)(1) At the request of the Chairman, the Secretary may provide suitable facilities and equipment to the Board or other components of the Department to enable an appellant located at a facility within the area served by a regional office to participate, through voice transmission or through picture and voice transmission, by electronic or other means, in a hearing with a Board member or members sitting at the Board's principal location.

"(2) When such facilities and equipment are available, the Chairman may afford the appellant an opportunity to participate in a hearing before the Board through the use of such facilities and equipment in lieu of a hearing held by personally appearing before a Board member or panel as provided in subsection (d) of this section. Any such hearing shall be conducted in the same manner as, and shall be considered the equivalent of, a personal hearing. If the appellant declines to participate in a hearing through the use of such facilities and equipment, the opportunity of the appellant to a hearing as provided in such subsection (d) shall not be affected.".

(B) The item relating to section 7107 in the table of sections at the beginning of chapter 71 of such title is amended to read as follows:

"7107. Appeals: dockets; hearings.".

(2)(A) Section 7110 of such title is repealed.

(B) The table of sections at the beginning of chapter 71 of such title is amended by striking out the item relating to section 7110.

(f) TECHNICAL CORRECTION.—Section 7104(a) of such title is amended by striking out "211(a)" and inserting in lieu thereof "511(a)".

S. 1905: VA CLAIMS PROCEDURES

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am introducing S. 1905, a bill to improve the processing of benefits claims by the Department of Veterans Affairs [VA]. I am enormously pleased that several of my colleagues on the committee have joined me as original cosponsors of this important measure, including Senators DENNIS DECONCINI, BOB GRAHAM, DANIEL AKAKA, TOM DASCHLE, and BEN NIGHTHORSE CAMPBELL. This bill would amend title 38 to make some miscellaneous changes concerning claims development.

Mr. President, as I discussed more extensively earlier today, the VA system for claims adjudication is fraught with problems. Some short-term measures to change the way that VA processes claims are desperately needed, as are more long-term solutions. In an effort to achieve some immediate improvement in the system, I am introducing this bill today, with the hope that these various changes relating to the development of certain types of evidence will help streamline the process and thereby contribute to a decrease in the VA claims backlog.

Mr. President, this bill includes four provisions that would make specific changes in the procedures for development of evidence for purposes of VA claims. First, this measure would eliminate the statutory mandate under current section 1506 of title 38, United States code, that VA require pension recipients to file annual eligibility verification reports [EVR's]. This measure would instead give VA discretionary authority to require the submission of the questionnaires. The requirement in current law means that VA must devote significant personnel to the task of processing and handling the submitted forms. Because VA now has computer matching programs with the Internal Revenue Service and the Social Security Administration for income verification purposes, the EVR is no longer necessary in every case. As VA indicated in prepared testimony for the Subcommittee on Compensation, Pension, and Insurance of the House Committee on Veterans' Affairs:

> A large proportion of our [pension] beneficiaries * * * have either no income or only Social Security benefits as income. * * * We believe that much of the information gathered by these annual reports can be verified through other means, * * *

Mr. President, this measure would amend current law to allow VA to accept written statements or photocopies of documents as proof of relationships for purposes of VA benefits. Under current law, whenever a document is required to prove a relationship to a veteran, such as a birth of marriage certificate, the claimant must submit a certified copy of the document. This requirement arises primarily in connection with claims for benefits for or on behalf of dependents of veterans. If there is a question with respect to the validity of the statement or photocopy, the bill would allow VA to require the claimant to submit supporting documentation. My hope in introducing this measure is to relieve claimants of an unnecessary burden and expedite the decisionmaking process where evidence of this type is involved.

Mr. President, the third provision in this bill would allow VA to accept the medical examination report of a private physician as support of a diagnosis of a disability for purposes of either a compensation or pension claim. This would eliminate the current requirement that a veteran undergo an examination by a VA physician to confirm the diagnosis made by a veteran's private physician. Under this new authority, a private physician's report would be required to contain sufficient clinical data to support the diagnosis or provide a reliable basis for a disability rating.

Finally, this bill includes a provision that would require VA to report to the House and Senate Committees on Veterans' Affairs on the status of an agreement between the Department of Defense [DOD] and VA to provide for the immediate transfer of a servicemember's medical records upon discharge from the service. The report would be due to the committees within 90 days after enactment of the statute. This provision is intended to improve the transfer of military medical records from all branches of the military to VA through an agreement between the two Departments. Such an agreement currently exists between VA and the Army and according to reports, is working well. An agreement between DOD and VA covering all branches of the service would improve the amount of time it takes to process a VA claim because a significant amount of time is spent waiting for the transfer of medical records. VA stated in prepared testimony for the House Subcommittee on Compensation, Pension, and Insurance on draft legislation that contained a comparable provision: "We hope to be able to report complete success on this agreement because it is one of the ways VA can expedite claims adjudication."

Mr. President, all of the provisions in this bill would relieve VA of certain evidentiary requirements in the development of certain claims. These provisions are intended to assist in streamlining the claims process, at least with respect to these particular aspects of developing claims. In effect, these measures might even allow VA to devote personnel currently tasked with the processing and handling of these aspects of claims development to other, more crucial elements involved in the disposition of claims.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1905

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATION OF REQUIREMENT FOR ANNUAL INCOME QUESTIONNAIRES.

Section 1506 of title 38, United States Code, is amended—

(1) in paragraph (2), by striking out "shall" and inserting in lieu thereof "may"; and

(2) in paragraph (3), by striking out "file a revised report" and inserting in lieu thereof "notify the Secretary".

SEC. 2. STATEMENTS TO BE ACCEPTED AS PROOF OF RELATIONSHIPS.

Notwithstanding any other provision of law, the Secretary of Veterans Affairs shall accept the written statement of a claimant as proof of the existence of a marriage, the dissolution of a marriage, the birth of a child, or the death of any family member for the purpose of acting on such individual's claim for benefits under any law administered by the Secretary. The Secretary may require the submission of documentation in support of such statement if the statement on its face raises a question as to its validity.

SEC. 3. ACCEPTANCE OF PRIVATE PHYSICIAN EXAMINATIONS.

Notwithstanding any other provision of law, for purposes of establishing a claim for disability compensation under chapter 11 of title 38, United States Code, or a claim for pension under chapter 15 of such title, a medical examination report of a private physician provided by a claimant in support of a claim for benefits shall be accepted without confirmation by an examination by a physician employed by the Veterans Health Administration if such report contains sufficient clinical data to support the diagnosis of a disability or to provide a reliable basis for an evaluation of the degree of any such disability.

SEC. 4. TRANSFER OF MILITARY SERVICE MEDICAL RECORDS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report setting forth the status of an agreement between the Secretary and the Secretary of Defense to provide for the immediate transfer from the Department of Defense to the Department of Veterans Affairs of the medical records of members of the Armed Forces upon the separation of such members from active duty.

S. 1906: ADJUDICATION OF VA CLAIMS BASED ON EXPOSURE TO RADIATION

Mr. ROCKEFELLER. Mr. President, as Chairman of the Committee on Veterans' Affairs, I am introducing today S. 1906, a bill to provide that service connection for disabilities arising from exposure to ionizing radiation or dioxin may be established by direct evidence. I am enormously pleased that four of my colleagues on the Committee have joined me as original cosponsors of this important measure, including Senators DENNIS DECONCINI, BOB GRAHAM, DANIEL AKAKA, and TOM DASCHLE. This bill would amend Public Law 98–542 so as to overrule the decision of the U.S. Court of Veterans Appeals in *Combee* v. *Principi*, 4 Vet.App. 78 (1993).

Mr. President, the Court held in *Combee* that a veteran may not establish direct service connection for a condition based on radiation exposure unless the condition is on VA's regulatory list of radiogenic diseases. The essence of the Court's decision is that, by establishing a process in Public Law 98–542 relating to claims involving radiation exposure, Congress repealed the general compensation law as to such claims. Stated another way, the Court's decision stands for the proposition that the Congress, while providing an avenue by which veterans exposed to radiation might gain VA benefits, foreclosed these veterans from utilizing the route available to all other veterans seeking to establish service connection. This simply is not what happened and it must be reversed.

In *Combee*, there was no dispute that the veteran had taken part in a radiation-risk activity, as required under both section 1112 of title 38, United States Code, for purposes of presumptive service connection of the disease, and section 3.311b of title 38, Code of Federal Regulations, for purposes of proving direct service connection of the disease. However, he sought disability compensation for a condition that was neither on the list of conditions presumptively service-connected based on radiation exposure under section 1112 of title 38, nor on the list of diseases considered to be radiogenic by VA for purposes of direct service connection under 38 CFR 3.311b, implementing Public Law 98–542. Because the veteran's claim involved a condition that did not appear on either list, the Court held that he could not show direct service connection under general authorities available to all other veterans.

Mr. President, there is absolutely nothing in the legislative history of Public Law 98–542 that indicates that Congress intended that law to preclude veterans from using the usual means of proving direct service connection, if the veteran is able to do so, by submitting sufficient supporting evidence. Although I was not yet a Member of Congress at the time Public Law 98–542 was enacted, I am certain that the Court's decision does not accurately reflect the underlying congressional intent of this statute.

The basic theory of service connection, as set forth in sections 1110 and 1131 of title 38, United States Code, requires that a veteran be given an opportunity to submit evidence in support of his or her claim for service connection. This involves a fundamental principle that the veteran must not be summarily prohibited from attempting to prove that the condition is directly related to service. That principle must apply even if the veteran's condition is not a condition Congress or VA automatically recognizes as associated with exposure to an environmental hazard.

In the *Combee* case, the veteran had submitted evidence from two physicians who both stated that a reasonable relationship existed between the veteran's exposure to radiation in service and his disabilities. Yet he was foreclosed from even attempting to prove service connection under section 1110 because his disease was not on a list deemed exclusive by VA. The Court, incorrectly in my view, affirmed that result.

Mr. President, although *Combee* involved a radiation claim, it has serious, negative implications because it undermines the theory of direct service connection in other instances, for example, in cases involving conditions that can be presumptively service connected based on other factors, such as Agent Orange exposure or as a result of having been a prisoner of war.

Mr. President, this bill we are introducing would clarify Congress' intent in enacting Public Law 98–542 and ensure that the general provisions governing disability compensation with respect to claims based on exposure to Agent Orange or radiation remain intact and available to all veterans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1906

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SERVICE CONNECTION FOR CERTAIN DISABILITIES RELATING TO EXPOSURE TO IONIZING RADIATION OR DIOXIN.

Section 5 of the Veterans' Dioxin and Radiation Exposure Compensation Standards Act (Public Law 98–542; 98 Stat. 2725; 38 U.S.C. 1154 note) is amended by adding at the end the following new subsection:

"(d) The regulations prescribed under this section may not prohibit, or be construed to prohibit, a veteran from establishing pursuant to section 1110 of title 38, United States Code, service connection for a disease or disability that the veteran claims to be the result of the veteran's exposure to ionizing radiation or dioxin during a period of service referred to in subsection (a)(1), notwithstanding that such regulations do not specify that the disease or disability is a radiogenic disease or a disease or disability associated with dioxin.".

S.1907: CLAIMS FOR VA COMPENSATION UNDER SECTION 1151 OF TITLE 38, UNITED STATES CODE

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am introducing today S. 1907, a bill to require that the Department of Veterans Affairs [VA] adjudicate and resolve certain claims relating to medical malpractice in the health care services provided by the Department. I am enormously pleased that two of my colleagues on the committee, Senators BOB GRAHAM and TOM DASCHLE, have joined me as original cosponsors of this important measure. This bill would require VA to immediately adjudicate all claims that may be on hold pending final resolution of the issue decided by the United States Court of Veterans Appeals in *Gardner* v. *Derwinski*, 1 Vet.App. 584 (1991), *aff'd, sub nom. Gardner v. Brown*, 5 F.3d 1456 (Fed. Cir. 1993), and to grant those claims that could have been granted under the standard used by VA prior to the Gardner decision.

Mr. President, section 1151 of title 38, U.S. Code, governs claims for disability compensation or dependency and indemnity compensation [DIC] based on injury while receiving care in a VA medical facility or while pursuing a course of vocational rehabilitation. Under this provision, a veteran injured in a VA facility or in vocational rehabilitation can receive monthly disability compensation in the same manner as if he or she were injured during military service. A survivor of a veteran who dies as the result of such an injury can receive monthly DIC payments.

In Gardner, the Court of Veterans Appeals found that VA's regulations interpreting this provision were too restrictive and invalidated those regulations. Following the decision of the Court, VA placed a moratorium on all denials of claims filed under section 1151. VA appealed the decision to the U.S. Court of Appeals for the Federal

Circuit, which affirmed the lower court's decision. VA then filed a petition for certiorari with the U.S. Supreme Court which is now pending.

Mr. President, because the moratorium was placed only on denials, VA should continue to allow those claims that would have been granted under the restrictive, invalidated standard. However, the committee has received information from veterans indicating that VA has suspended all action on section 1151 claims. Therefore, claims that could be granted under the invalidated standard are not being granted.

Mr. President, this bill would require VA to adjudicate all claims filed under section 1151, using the standard under the law existing prior to the decision of the Court of Veterans Appeals in Gardner, and grant those claims that could have been allowed under the former VA standard. Those claims that would not have been granted under the prior regulation would continue to be held in abeyance.

Mr. President, I am introducing this bill in an effort to ensure that VA is fulfilling its responsibility to those veterans who have claims based on clear VA negligence, notwithstanding the Federal court decisions on this issue.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1907

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADJUDICATION AND RESOLUTION OF CERTAIN CLAIMS RELATING TO MEDICAL MALPRACTICE.

(a) ADJUDICATION AND RESOLUTION OF CLAIMS.—The Secretary of Veterans Affairs shall—

(1) take appropriate actions to determine whether the injury (or aggravation of an injury) of any veteran as the result of the treatment of the veteran was the result of medical malpractice on the part of the Department of Veterans Affairs (and not of the veteran's own willful misconduct); and

(2) in the case of any injury so determined, provide appropriate compensation to the veteran in accordance with section 1151 of title 38, United States Code.

(b) STATEMENT OF INTENT AND CONSTRUCTION.—Congress enacts the requirement set forth in subsection (a) in order to ensure the adjudication and resolution of certain claims following the decision in Gardner v. Derwinski, 1 Vet. App. 584 (1991), *aff'd, sub nom.* Gardner v. Brown, 5 F.3d 1456 (Fed. Cir. 1993). The requirement may not be construed as an expression of Congressional intent to limit the claims subject to adjudication under section 1151 of title 38, United States Code, to claims related to injuries resulting from medical malpractice.

(c) DEFINITIONS.—In this section—

(1) The term "treatment", in the case of a veteran, means any examination, hospitalization, medical or surgical treatment, or course of vocational rehabilitation under chapter 31 of title 38, United States Code, that is provided to the veteran by the Department of Veterans Affairs.

(2) The term "medical malpractice" means any carelessness, negligence, error in judgment, lack of proper medical skill, or similar instance of indicated fault in the treatment of a veteran.

S. 1908: STUDY OF VA CLAIMS PROCEDURES

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am introducing today S. 1908, a bill to provide for a study of the processes and procedures of the Department of Veterans Affairs for the disposition of claims for veterans benefits. I am enormously pleased that four of my colleagues on the committee have joined me as original cosponsors of this important measure, including Senators DENNIS DECONCINI, BOB GRAHAM, DANIEL AKAKA, and TOM DASCHLE.

Mr. President, this legislation would mandate a comprehensive, 18-month study of the VA adjudication and appeal systems by the Administrative Conference of the United States [ACUS].

As I discussed in more detail earlier today, veterans were finally provided judicial review in 1988, a change that inevitably has had a tremendous impact on the VA adjudication system. Certain aspects of that impact were anticipated. For example, the court's decisions have significantly improved the way VA makes decisions. Other aspects of the impact of judicial review never could have been precisely predicted. The collective effects of the court have been felt acutely in the past couple of years and it is now time to begin to define exactly where VA should go from here.

Mr. President, this bill would require a study and evaluation of the current VA adjudication and appeal system at all levels, from the initial claim at the VA regional office through the final decision by the Board of Veterans' Appeals. The study would involve review of how the system developed over the years, from the pre-judicial review era, and include consideration and evaluation of certain issues specified in the legislation.

The bill would require the involvement of and consultation with veterans service organizations and others who represent veterans before VA. For purposes of the study, the legislation would require VA to provide to ACUS and the Senate and House Committees on Veterans' Affairs within 90 days following enactment extensive information on claims processing for fiscal years 1989 through 1993.

Under this measure, ACUS would be required to submit the results of the study to VA and the two Committees on Veterans' Affairs within 1 year of the date of enactment. Within 18 months of the date of enactment, ACUS would be required to submit to VA and the committees a complete report on the study. The report would be required to include its findings and conclusions, as well as recommendations on how the system might be improved.

Finally, the bill would authorize an appropriation of $150,000 to the Department of Veterans Affairs, to be transferred to ACUS for the costs related to carrying out the study.

Mr. President, I believe that a comprehensive study as outlined in this measure is imperative to obtain an accurate and objective evaluation of the VA adjudication process, which is, without a doubt, broken. Before we can begin to determine the appropriate means for repairing the system, we must have sufficient information upon which we can base the fundamental changes that are inevitably necessary.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STUDY OF SYSTEM OF DEPARTMENT OF VETERANS AFFAIRS FOR DISPOSITION OF CLAIMS FOR VETERANS BENEFITS.

(a) IN GENERAL.—The Administrative Conference of the United States shall carry out a study of the Department of Veterans Affairs system for the disposition of claims for veterans benefits. The Administrative Conference shall carry out the study in accordance with this Act.

(b) PURPOSE OF STUDY.—The purpose of the study required under this Act shall be to evaluate the Department of Veterans Affairs system for the disposition of claims for veterans benefits in order to determine—

(1) the efficiency of processes and procedures under the system for the adjudication, resolution, review, and final disposition of claims for veterans benefits and means of increasing such efficiency, including the effect of judicial review on such system;

(2) means of reducing the number of claims under the system for which final disposition is pending; and

(3) means of enhancing the ability of the Department of Veterans Affairs to dispose of claims under the system in a prompt and appropriate manner.

(c) CONTENTS OF STUDY.—The study of the Department of Veterans Affairs system for the disposition of claims for veterans benefits under this Act shall include an evaluation and assessment of the following:

(1) The historical development of the system, including the effect on such development of the provision under the Veterans' Judicial Review Act (division A of Pulbic Law 100–687; 102 Stat. 4105) of authority for judicial review of claims disposed of under the system.

(2) The preparation and submittal of claims by veterans under the system.

(3) The processes and procedures under the system for the disposition of claims, including—

(A) the scope and nature of the responsibility of the Secretary to assist veterans in the development of claims;

(B) the scope and nature of the hearings provided for at each stage in the claims disposition process under the system (including hearings *de novo*, hearings before travelling members of the Board of Veterans' Appeals, hearings that are expedited for reason of illness or financial need, and hearings that permit the transmission of evidence or testimony by electronic means);

(C) the scope and nature of the review undertaken with respect to a claim at each stage in the claims disposition process;

(D) the number, Federal employment grade, and experience and qualifications required of the persons undertaking such review at each such stage;

(E) the effect on such review of the obligation of the Secretary to afford claimants with the benefit of the doubt when there is an approximate balance of positive and negative evidence with respect to a claim;

(F) opportunities for the submittal of new evidence; and

(G) the availability of alternative means of disposing of claims.

(4) The effect on the system of the participation of attorneys, members of veterans service organizations, and other advocates on behalf of veterans.

(5) The effect on the system of actions taken by the Secretary to modernize the information management system of the Department, including the utilization of electronic data management systems.

(6) The effect on the system of any work performance standards utilized by the Secretary at regional offices of the Department and at the Board of Veterans' Appeals.

(7) The extent of the implementation in the system of the recommendations of the Blue Ribbon Panel on Claims Processing submitted to the Committees on Veterans' Affairs of the Senate and House of Representatives on December 2, 1993, and the effect of such implementation on the system.

(8) The effectiveness in improving the system of any pilot programs carried out by the Secretary at regional offices of the Department and of efforts by the Secretary to implement such programs throughout the system.

(9) The effectiveness of the quality control practices and quality assurance practices under the system in achieving the goals of such practices.

(d) CONSULTATION WITH NON-DEPARTMENT ENTITIES.—Notwithstanding any other provision of law, the Administrative Conference of the United States shall, upon request, provide opportunities in the conduct of the study under this Act for consultation with appropriate representatives of veterans service organizations and of other organizations and entities that represent veterans before the Department of Veterans Affairs.

(e) COOPERATION OF SECRETARY.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Administrative Conference of the United States, and to the Committees on Veterans' Affairs of the Senate and House of Representatives, such information as the Chairman of the Administrative Conference shall determine necessary to carry out the study required under this Act.

(2) The information referred to in paragraph (1) shall include information on the claims disposed of by the Department of Veterans Affairs during the 5-year period ending on September 30, 1993, including the following:

(A) The total number of claims finally disposed of during that period.

(B) The number of claims finally disposed of during each fiscal year of that period.

(C) The number of claims referred to in subparagraph (A) that were allowed by the Secretary solely on the basis of information contained in the initial claim for benefits.

(D) The number of claims referred to in subparagraph (A) that were allowed by a regional office of the Department at each of the various stages in the claims disposition process.

(E) The number of claims referred to in subparagraph (A) that were allowed by the Board of Veterans' Appeals.

(F) The number of claims referred to in subparagraph (E) that were reopened after a final decision by the Board of Veterans' Appeals.

(f) REPORTS ON STUDY.—(1) Not later than 1 year after the date of the enactment of this Act, the Administrative Conference of the United States shall submit to the Secretary and to the Committees on Veterans' Affairs of the Senate and House of Representatives a preliminary report on the study required under subsection (c). The report shall contain the preliminary findings and conclusions of the Administrative Conference with respect to the evaluation and assessment required under the study.

(2) Not later than 18 months after such date, the Administrative Conference shall submit to the Secretary and to such committees a report on such study. The report shall include the following:

(A) The findings and conclusions of the Administrative Conference, including its findings and conclusions with respect to the matters referred to in subsection (c).

(B) The recommendations of the Administrative Conference for means of improving of the Department of Veterans Affairs system for the disposition of claims for veterans benefits.

(C) Such other information and recommendations with respect to the system as the Administrative Conference considers appropriate.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $150,000 to the Department of Veterans Affairs for payment to the Administrative Conference of the United States under section 1535 of title 31, United States Code, of the cost of carrying out the study and report required under this Act.

(h) DEFINITIONS.—For the purposes of this Act—

(1) The term "Administrative Conference of the United States" means the Administrative Conference provided for under subchapter V of chapter 5 of title 5, United States Code.

(2) The term "Department of Veterans Affairs system for the disposition of claims for veterans benefits" means the processes and procedures of the Department of Veterans Affairs for the adjudication, resolution, review, and final disposition of claims for benefits under the laws administered by the Secretary.

(3) The term "Secretary" means the Secretary of Veterans Affairs.

(4) The term "veterans service organizations" means any organization approved by the Secretary under section 5902(a) of title 38, United States Code.

By Mr. BRYAN:

S. 1909. A bill to improve the interstate enforcement of child support and parentage court orders, and for other purposes; to the Committee on Finance.

CHILD SUPPORT ENFORCEMENT ACT OF 1994

Mr. BRYAN. Mr. President, today I am introducing the Interstate Child Support Act of 1994. This legislation will strengthen our efforts to get "dead beat" parents to provide for their children.

There has been such discussion of late on the issue of family values. A child growing up in poverty and a mother put through needless financial stress by a father not living up to his responsibilities is without a doubt an issue worthy of much consideration.

The facts are that 1-in-4 children live in a single-parent household. Most of us know how difficult it is to make ends meet with a two-income family. It does not take much imagination to envision how hard it must be for a single parent trying to juggle a job and family.

One of the most startling statistics is that only half the single parents have sought out and obtained child support orders. That means that 50 percent of the single mothers either have been unable to track down the father or have not pursued or are unaware of their legal rights.

Of the parents who have sought out and obtained child support, only half receive the full amount they are entitled to. In other words, 50 percent of the mothers don't even have child support orders and of the 50 percent that do, only half of them are getting what their children are entitled to.

Approximately 25 percent of the single parents who have child support orders actually receive nothing at all. These are the worst offenders—the so-called dead beat dads. It is all too true that many single parents must seek public support. As the public is asked to lend a helping hand, we must ensure that the absent father is doing the best he can. Public assistance should not become an escape valve for those who want to evade their responsibility.

These facts should concern us all. When it comes to giving children of single parents a decent chance to make something of their lives, we should make every effort to see that they are not handicapped by delinquent parents.

Over the past several years, significant progress has been made to improve the collection of child support payments. In fact, starting the first of this year, employers are required to automatically withhold child support payments from paychecks.

We were also successful in enacting legislation, which I sponsored in the Senate, which requires credit bureaus to report on an individual's credit file when he or she is delinquent on their child support payments. This provides one more incentive for parents to stay current in their payments.

But more needs to be done. The legislation I am introducing today adds to the arsenal available to those trying to enforce child support orders and makes it more difficult for parents to hide assets in order to avoid making the appropriate child support payments.

First, this legislation authorizes the State and Federal Government to deny delinquent parents an array of benefits. A delinquent parent could be denied an occupational, professional, or business license, a Federal loan or guarantee, and could even have his or her passport revoked if the threat of fleeing the country was likely. The goal is not to drive those who want to meet their responsibilities away, but rather to make sure that those who are ignoring their children understand that society will not tolerate that behavior.

These provisions should be particularly effective in dealing with delinquent parents who are self-employed and, thereby, not effected by the mandatory employer withholding that went into effect earlier this year.

The bill also builds on our past efforts of using the credit reporting system. It permits State agencies to obtain credit files in order to track down delinquent parents, or to help determine the appropriate amount of child support.

Second, the bill improves the interstate enforcement process by establishing a jurisdictional basis for State courts recognition of child support orders of other States. The problems associated with collecting child support are magnified when parents live in different States. Part of the difficulty stems from differences in State laws, policies, and procedures.

I have heard numerous cases of frustrating experiences in attempts to serve process on out-of-State delinquent parents and to have certain evidence obtained in one State admitted at a hearing in another State. One in three child support orders involve parents in different States. On average, it takes 1 year to locate an absent parent, and 2 years to establish a court order if a parent has deserted a family.

Finally, the bill makes it more difficult for parents to hide assets in an attempt to avoid paying their fair share of child support. A difficult problem to resolve is when a delinquent parent transfers property to a friend or relative for little compensation to avoid child support payments.

I believe we must give our courts and law enforcement agencies the tools that they need to crack down on delinquent parents. The goal of this legislation is to help children receive adequate and consistent child support.

ADDITIONAL COSPONSORS

S. 455

At the request of Mr. HATFIELD, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 455, a bill to amend title 31, United States Code, to increase Federal payments to units of general local government for entitlement lands, and for other purposes.

S. 1458

At the request of Mrs. KASSEBAUM, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1458, a bill to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes.

S. 1485

At the request of Mr. DECONCINI, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1485, a bill to extend certain satellite carrier compulsory licenses, and for other purposes.

S. 1541

At the request of Mr. COVERDELL, the names of the Senator from Wyoming [Mr. WALLOP] and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1541, a bill to provide that a nongovernmental person may use a private express carriage of certain letters and packets without being penalized by the Postal Service, and for other purposes.

S. 1842

At the request of Mr. CAMPBELL, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Idaho [Mr. KEMPTHORNE] were added as cosponsors of S. 1842, a bill to amend title 23, United States Code, to exempt a State from certain penalties for failing to meet requirements relating to motorcycle helmet laws if the State has in effect a motorcycle safety program, and to delay the effective date of certain penalties for States that fail to meet certain requirements for motorcycle safety and passenger vehicle safety laws, and for other purposes.

S. 1860

At the request of Mr. DODD, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Iowa [Mr. HARKIN], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from New Jersey [Mr. BRADLEY], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Ohio [Mr. METZENBAUM], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Hawaii [Mr. INOUYE], the Senator from Oregon [Mr. HATFIELD], the Senator from Maryland [Ms. MIKULSKI], the Senator from Rhode Island [Mr. CHAFEE], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 1860, a bill to authorize the minting of coins to commemorate the 1995 Special Olympics World Games.

S. 1862

At the request of Mr. MCCONNELL, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1862, a bill to repeal the public financing of and spending limits on Presidential election campaigns.

SENATE JOINT RESOLUTION 146

At the request of Mr. WOFFORD, the names of the Senator from Nebraska [Mr. EXON], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 146, a joint resolution designating May 1, 1994, through May 7, 1994, as "National Walking Week."

SENATE JOINT RESOLUTION 163

At the request of Mr. LEAHY, the name of the Senator from Illinois (Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Joint Resolution 163, a joint resolution to proclaim March 20, 1994, as "National Agricultural Day."

SENATE RESOLUTION 182

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of Senate Resolution 182, a resolution entitled "A Call for Humanitarian Assistance to the Pontian Greeks."

SENATE RESOLUTION 185—RELATING TO PHIL RIZZUTO'S INDUCTION INTO THE BASEBALL HALL OF FAME

Mr. D'AMATO submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 185

Whereas Yankee shortstop Phil "Scooter" Rizzuto was born on September 25, 1917, in Brooklyn, New York;

Whereas the famous Casey Stengel, while manager of the Brooklyn Dodgers, looked at a young Phil Rizzuto and dismissed him saying: "Get yourself a shoe shine box, kid. You're too small";

Whereas the "Scooter" appeared in 5 All-Star Games, starred on 10 pennant winning teams, and in 9 World Series;

Whereas in the 1947 World Series Phil Rizzuto hit .308 and was a key player in the New York Yankees' memorable 7-game World Series win over the Brooklyn Dodgers;

Whereas in 1949 Phil Rizzuto hit .275 and fielded .971, leading the New York Yankees in games played, hits, runs, doubles, and total bases stolen, resulting in his being named Player of the Year by the baseball writers;

Whereas Phil Rizzuto, as an announcer, has endeared thousands of fans to the great game of baseball; and

Whereas Phil Rizzuto has waited 38 long, hopeful years to be inducted into the Baseball Hall of Fame in Cooperstown, New York, a dream which has finally been realized: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the outstanding contributions of Phil Rizzuto to the great game of baseball; and

(2) congratulates Phil Rizzuto on the occasion of his induction into the Baseball Hall of Fame.

SEC. 2. TRANSMITTAL OF COPY OF RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to Phil Rizzuto.

Mr. D'AMATO. Mr. President, I rise today to recognize one of the greatest shortstops to ever play the game of baseball—Phil Rizzuto. Phil Rizzuto was inducted into the Baseball Hall of Fame, in Cooperstown, NY, on Friday, February 25, 1994.

Phil Rizzuto will long be remembered for his days with the Yankees. His contributions to the club were instrumental in the great pennant race of 1947, leading the Yankees to a seven-game series win over the Brooklyn Dodgers.

Phil Rizzuto played in 5 All-Star Games, 9 World Series, and starred on 10 pennant-winning teams. In 1950, Phil Rizzuto was named the American League's Most Valuable Player, a rare honor for a shortstop who was told by baseball great, Casey Stengel, "Get yourself a shoeshine box, kid. You're too small." Mr. President, it is hard to even fathom the size of the salary that would be offered in today's market for a player like Phil Rizzuto.

The Scooter did not end his dedication to the game of baseball after retirement from the league. As an announcer, Phil Rizzuto endeared thousands of fans to the great game of baseball. His infamous "Holy Cow!" will live forever in the minds of fans of all ages.

It is only fitting that the U.S. Senate recognize the great contributions of Phil Rizzuto to the game of baseball. For that reason, Mr. President, I offer this resolution.

SENATE RESOLUTION 186—AUTHORIZING THE TESTIMONY BY AND REPRESENTATION OF SENATE EMPLOYEES

Mr. HOLLINGS (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 186

Whereas, in the case of *Haywood Galbreath v. Associated Press*, Case No. CV 933132, pending in the United States District Court for the Central District of California, the defendant Associated Press seeks the testimony of Maurice Johnson, an employee of the Senate who is the Superintendent of the Press Photographers's Gallery of the Senate;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2) (1988), the Senate may direct its counsel to represent committees, Members, officers and employees of the Senate with respect to testimony and documents provided in their official capacity: Now, therefore, be it

Resolved, That Maurice Johnson, and any other employee of the Senate from whom testimony or the production of documents is required, are authorized to testify and to produce documents in the case of *Haywood Galbreath v. Associated Press*, except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is directed to represent Maurice Johnson, and any other employee of the Senate whose testimony is required, in connection with the testimony and production of documents authorized under section 1.

SENATE RESOLUTION 187—AUTHORIZING THE PRODUCTION OF A CLOSED SESSION TRANSCRIPT

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 187

Whereas, the United States District Court for the Eastern District of Pennsylvania has requested, through the United States Attorney, that the Select Committee on Intelligence make available to the Court for in camera inspection a transcript of testimony received by the Committee in closed session, to determine the relevance of the transcript to the case of *United States* v. *Robert Clyde Ivy*, Cr. No. 91-602-04, pending in that court;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, are authorized to provide to the United States District Court for the Eastern District of Pennsylvania, in accordance with appropriate security procedures, the closed session transcript which the court has requested.

AMENDMENTS SUBMITTED

NATIONAL COMPETITIVENESS ACT OF 1993

KASSEBAUM (AND OTHERS) AMENDMENT NO. 1477

Mrs. KASSEBAUM (for herself, Mr. DOLE, Mr. DANFORTH, Mr. MCCAIN, Mr. GORTON, Mr. HATCH, and Mr. COVERDELL) proposed an amendment to the bill (S. 4) to promote the industrial competitiveness and economic growth of the United States by strengthening and expanding the civilian technology programs of the Department of Commerce, amending the Stevenson-Wydler Technology Innovation Act of 1980 to enhance the development and nationwide deployment of manufacturing technologies, and authorizing appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards Technology, and for other purposes; as follows:

At the end of the committee substitute, add the following:

TITLE VII—GENERAL AVIATION REVITALIZATION

SEC. 701. SHORT TITLE.

This title may be cited as the "General Aviation Revitalization Act of 1994".

SEC. 702. TIME LIMITATION ON CIVIL ACTIONS AGAINST AIRCRAFT MANUFACTURERS.

Title XI of the Federal Aviation Act of 1958 (49 U.S.C. App. 1510-1518) is amended by adding at the end the following new section:

"SEC. 1119. TIME LIMITATION ON CIVIL ACTIONS AGAINST AIRCRAFT MANUFACTURERS.

"(a) IN GENERAL.—No civil action for damages for death or injury to persons or damage to property arising out of an accident involving a general aviation aircraft may be brought against the manufacturer of the aircraft or the manufacturer of any component, system, subassembly, or other part of the aircraft, if the accident occurred—

"(1) more than 15 years after—

"(A) the date of delivery of the aircraft to its first purchaser or lessee, if delivered directly from the manufacturer; or

"(B) the date of first delivery of the aircraft to a person engaged in the business of selling or leasing such aircraft; or

"(2) with respect to any component, system, subassembly, or other part which replaced another product originally in, or which was added to, the aircraft, and which is alleged to have caused the claimant's damages, more than 15 years after the date of the replacement or addition.

"(b) GENERAL AVIATION AIRCRAFT DEFINED.—For the purposes of this section, the term 'general aviation aircraft' means any aircraft for which a type certificate or an airworthiness certificate has been issued by the Administrator, which, at the time such certificate was originally issued, had a maximum seating capacity of fewer than 20 passengers, and which was not, at the time of the accident, engaged in scheduled passenger carrying operations as defined under regulations issued under this Act.

"(c) RELATIONSHIP TO OTHER LAWS.—This section supersedes any Federal or State law to the extent that such law permits a civil action described in subsection (a) to be brought after the applicable deadline for such civil action established by subsection (a).".

NOTICE OF MOTION TO SUSPEND THE RULE TO PROPOSE AN AMENDMENT (NONGERMANE AMENDMENT TO AN APPROPRIATIONS BILL)

NATIONAL COMPETITIVENESS ACT OF 1993

AMENDMENT NO. 1478

(Ordered to lie on the table.)

Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 4 to promote the industrial competitiveness and economic growth of the United States by strengthening and expanding the civil-

ian technology programs of the Department of Commerce, amending the Stevenson-Wydler Technology Innovation Act of 1980 to enhance the development and nationwide deployment of manufacturing technologies, and authorizing appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards Technology, and for other purposes; as follows:

NOTICE TO SUSPEND RULE XVI

Mr. MCCAIN submitted the following notice in writing:

Mr. President, it is my intention to move to amend the Standing Rules of the Senate. An amendment to be proposed by myself would amend Rule XVI of the Standing Rules of the Senate by adding at the end thereof the following:

Resolved,

SECTION 1. RULES OF PROCEDURE OF THE SENATE.

(a) AMENDMENT TO THE STANDING RULES OF THE SENATE.—Rules XVI of the Standing Rules of the Senate is amended by adding at the end the following:

"(a) It is not in order to consider any appropriation bill, amendment to such bill or conference report on such bill containing any program, project, or activity for any fiscal year if such measure or matter contains appropriations not authorized by law. The Presiding Officer shall rule on appropriations in accordance with the preceding sentence upon a point of order being made by a Senator regarding such measure or matter. The first sentence may be waived with respect to an appropriation for a program, project, or activity for a fiscal year with the agreement of not less than 60 Senators.

(b) When the Senate is considering a conference report on, or an amendment between the Houses in relation to, an appropriations bill—

(1) a point of order being made by an Senator against unauthorized appropriations, and

(2) such point of order being sustained, such material contained in such conference report or amendment shall be deemed stricken, and the Senate shall proceed, without intervening action or motion, to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, as the case may be, which further amendment shall consist of only that portion of the Conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable for two hours. In any case in which such point of order is sustained against a conference report or Senate amendment derived from such conference report by operation of this subsection, no further amendment shall be in order.

(c) GENERAL POINT OF ORDER.—Notwithstanding any other law or rule of the Senate, it shall be in order for a Senator to raise a single point of order that several provisions of a bill, resolution, amendment, motion, or conference report violate this section. The Presiding Officer may sustain the point of order as to some or all of the provisions against which the Senator raised the point of order. If the Presiding Officer so sustains the point of order as to some of the provisions (including provisions of an amendment, motion, or conference report) against which the Senator raised the point of order, then only those provisions (including provisions of an amendment, motion or conference report) against which the Presiding Officer sustains the point of order shall be deemed stricken pursuant to this section. Before the Presiding Officer rules on such a point of order, any Senator may move to waive such a point of order as it applies to some or all of the provisions against which the point of order was raised. Such a motion to waive is amendable in accordance with the rules and precedents of the Senate. After the Presiding Officer rules on such a point of order, any Senator may appeal the ruling of the Presiding Officer on such a point of order as it applies to some or all of the provisions on which the Presiding Officer ruled.

COHEN AMENDMENT NO. 1479

(Ordered to lie on the table.)

Mr. COHEN submitted an amendment intended to be proposed by him to the bill S. 4, supra; as follows:

On page 167, between lines 18 and 19, insert the following:

SEC. 309. REPORTS ON FOREIGN INDUSTRIAL ESPIONAGE.

(a) IN GENERAL.—(1) In order to assist Congress in its oversight functions with respect to this Act and to improve the awareness of United States industry of foreign industrial espionage and the ability of such industry to protect against such espionage, the President shall submit to Congress a report that describes, as of the time of the report, the following:

(A) The respective policy functions and operational roles of the agencies of the executive branch of the Federal Government in identifying and countering threats to United States industry of foreign industrial espionage, including the manner in which such functions and roles are coordinated.

(B) The means by which the Federal Government communicates information on such threats, to United States industry in general and to United States companies known to be targets of foreign industrial espionage.

(C) The specific measures that are being or could be undertaken in order to improve the activities referred to in subparagraphs (A) and (B), including proposals for any modifications of law necessary to facilitate the undertaking of such activities.

(D) The threat to United States industry of foreign industrial espionage and any trends in that threat, including—

(i) the number and identity of the foreign governments conducting foreign industrial espionage;

(ii) the industrial sectors and types of information and technology targeted by such espionage; and

(iii) the methods used to conduct such espionage.

(2) The President shall submit the report required under this subsection not later than 6 months after the date of the enactment of this Act.

(b) ANNUAL UPDATE.—Not later than 1 year after the date referred to in paragraph (2) of subsection (a), and on the expiration of each year thereafter, the President shall submit to Congress a report updating the information referred to in paragraph (1)(D) of that subsection.

(c) FORM OF REPORTS.—To the maximum extent practicable, the reports referred to in subsections (a) and (b) shall be submitted in an unclassified form, but may be accompanied in an unclassified form, but may be accompanied by a classified appendix.

(d) REPORT UNDER DEFENSE PRODUCTION ACT.—Section 721(k)(1)(B) of the Defense Production Act of 1950 (50 U.S.C. App. 217(k)(1)(B)) is amended by inserting "or directly assisted" after "directed".

(e) DEFINITION.—For the purposes of this section, "foreign industrial espionage" means industrial espionage conducted by a foreign government or by a foreign company with direct assistance of a foreign government against a private United States company and aimed at obtaining commercial secrets.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., in S–301, Russell Senate Office Building, on Tuesday, April 19, and Thursday, April 28, 1994. The committee will hold hearings on the proposals for biennial budgeting and other budget process changes contained in S. 1824, the Legislative Reorganization Act of 1994. These provisions are included in subtitle A, parts I and II of title III of the bill.

Senators who wish to appear as a witness or to submit a statement for the record should have their staffs contact Jack Sousa of the Rules Committee staff. Individuals and organizations wishing to submit a statement for the record are requested to contact Mr. Sousa. He can be reached at 202–224–5648.

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding an Oversight Hearing on Wednesday, March 9, 1994, beginning at 10:00 a.m., in 485 Russell Senate Office Building on the President's budget request for fiscal year 1995 for the Indian programs within the Departments of Housing and Urban Development, Education, Labor, and the Administration for Native Americans.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

NOTICE OF JOINT HEARING

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION SUBCOMMITTEE ON PUBLIC LANDS, AND NATIONAL PARKS AND FORESTS

Mr. AKAKA. Mr. President, I would like to announce for my colleagues and the public that a joint hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production and the Subcommittee on Public Lands, National Parks and Forests.

The purpose of the hearing is to receive testimony on H.R. 1137, the Old Faithful Protection Act of 1993.

The hearing will take place on Wednesday, March 16, 1994 at 2:30 p.m. in room SD–366 of the Dirksen Senate

Office Building, First and C Streets, NE, Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for inclusion in the printed hearing record should send their comments to the Committee on Energy and Natural Resources. U.S. Senate, Washington, DC 20510.

For further information, please contract Lisa Vehmas at (202) 224-7555 or Kira Finkler (202) 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, March 8, 1994, at 2:30 p.m., in open session, to receive testimony on the Defense authorization request for fiscal year 1995 and the future years Defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATRUAL RESOURCES

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., March 8, 1994, to receive testimony on the Department of Energy's fiscal year 1995 budget on renewable energy programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Tuesday, March 8, beginning at 10:00 a.m. to conduct a hearing on the Environmental Protection Agency's fiscal year 1995 budget request.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10:00 a.m. to hear testimony on the subject of medical education.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Tuesday, March 8, 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on Mental Health and Substance Abuse: Coverage in Health Care Reform, during the session of the Senate on March, 8, 1994, at 10:00 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, March 8, 1994 at 2:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE TECHNOLOGY, ACQUISITION, AND INDUSTRIAL BASE

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Defense Technology, Acquisition, and Industrial Base of the Committee on Armed Services be authorized to meet on Tuesday, March 8, 1994, at 9:00 a.m., in open session to receive an overview of the Department of defense and military services technology base programs in review of the Defense authorization request for fiscal year 1995 and the future years Defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Tuesday, March 8, 1994 at 9 a.m. and 2 p.m. to hold hearings on United States policy toward Haiti.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE 1994 SAGARMATHA EXPEDITION

• Mr. GORTON. Mr. President, this Saturday, March 12, 1994, two Washington State residents will attempt to summit Mt. Everest without the use of oxygen and remove 2,000 pounds of trash from the peak's South Col route. Brent Bishop and Scott Fisher will make the climb as a part of the 1994 Sagarmatha Environmental Expedition.

Brent Bishop is the son of Dr. Barry Bishop, a member of the first U.S. expedition to reach the summit of Mt. Everest in 1963. It has been a lifelong dream of both climbers to reach the world's highest peak. Not only will the climbers be accomplishing an extraordinary feat by reaching the summit without oxygen, they will also be making an impact on the Mountain's environment by removing the trash.

I applaud the efforts of these young men and wish them the best of luck for this outstanding exhibition. If successful, Brent Bishop and Scott Fisher will be remembered for their contribution to the sport of mountain climbing and to the cause of the environment.•

PROSECUTING WAR CRIMES REQUIRES U.S. LEADERSHIP

• Mr. DECONCINI. Mr. President, developments over the past few weeks have given me some cause to believe that the long-overdue effort to hold war criminals from the former Yugoslavia personally accountable are finally beginning to take shape. In particular, the judges of the U.N. International Criminal Tribunal have now hammered out their draft rules of evidence and procedure and an acting deputy prosecutor has been named with the authority to proceed with investigations, indictments, and trials.

Most significant, however, are reports from Germany and Denmark that the Governments of those two countries have each separately arrested a suspect from the former Yugoslavia. In Germany, authorities have taken into custody a Bosnian Serb, Dusan "Dusko" Tadic, whom they plan to try for acts of genocide in the on-going war. In Demark, similar action has been initiated against a Bosnian Moslem accused of atrocities against Croats. Both suspects gained entry to those countries posing as refugees.

For the time being, both countries plan to proceed with trials under their national legislation against these two suspects. There are, however, provisions in the U.N. statute for the International Criminal Tribunal for the former Yugoslavia that would permit these cases to be transferred to that forum.

Mr. President, I raise these cases here because I believe they should give pause to us all regarding the obligations of the United States with respect to the International Criminal Tribunal. As it now stands, today, if an alleged criminal from the former Yugoslavia were to gain entry to the United States, we would have the legal grounds neither to try that person here for heinous acts nor to surrender him or her to The Hague for trial. Lest anyone think that the possibility of war criminals coming to the United States is too remote, we need only recall that this is exactly what happened when Radovan Karadic—a man named by Secretary of State Eagleburger as a war criminal—came to New York in 1993.

I understand that the Department of State has been working on a draft implementing legislation to enable the United States to fulfill our obligations with respect to the U.N. Tribunal. More to the point, the prompt passage of implementing legislation will enable the United States to play a much needed leadership role with respect to other countries which are more likely, in fact, to gain custody of war criminals. If the United States fails to become engaged and fails to play a strong and active leadership role, the prospects for accountability will diminish accordingly. We must not let that happen.•

HOMICIDES BY GUNSHOT IN NEW YORK CITY

• Mr. MOYNIHAN. Mr. President, as has become my practice during this session of the 103d Congress, I rise today to announce to the Senate that during this past week, 15 people were killed by gunshot in New York City.•

TRIBUTE TO DR. JOHN M. SMITH, JR.

• Mr. McCONNELL. Mr. President, I rise today to pay tribute to an outstanding Kentuckian who dedicated more than four decades of service to the people of rural Lee County, KY. Dr. John M. Smith, Jr., will be honored as the Beattyville Lee County Chamber of Commerce Citizen of the Year this weekend for his outstanding commitment to the community.

When Dr. Smith first practiced medicine in Lee County in 1951, he was obligated to stay 1 year. His first year of medical school at the University of Kentucky was funded with assistance from the rural medical fund of the Kentucky Medical Association. In exchange, Dr. Smith was required to serve 1 year in a county identified by the State as needing a doctor. He chose Lee County, in part because of his own roots in nearby Perry and Jackson counties. Now, 43 years later, he continues to serve the people of Beattyville and Lee County faithfully and compassionately from his own clinic.

John Smith returned to the eastern Kentucky mountains after a stint as a Navy physician. Although he grew up in the region, he surely was not fully prepared for the unique challenges which face a country doctor. In Beattyville circa 1952, no pharmacy or x-ray machine was available, the nearest hospital was about an hour away, and many homes could not be reached by car.

Legendary Kentucky writer Joe Creason once profiled Dr. Smith in the Louisville Courier-Journal. Mr. Creason wrote of Dr. Smith being transported by tractor and rowboat to reach patients and of his accepting almost any form of payment, including country hams, chickens, and farm produce. Ironically, Mr. Creason's article was published just 1 year after Dr. Smith began his practice in Lee County. I would suspect that he could now write a book on the unusual, yet rewarding experiences of this dedicated physician.

Dr. Smith's early years as a doctor were not the first time he gave selflessly to help others. Prior to medical school, he enlisted in the U.S. Navy as a line officer during World War II. A lieutenant on board the U.S.S. *Weeden*, Dr. Smith participated in the campaign to take back the Philippines and traveled to Nagasaki just after the bomb was dropped to pick up United States prisoners there. Dr. Smith also served during the Korean war, as a Navy physician at the Louisville recruiting station.

John Smith also continued his medical education after he established his practice in Beattyville. He attended the Armed Forces Institute of Pathology in Washington, DC, completed a residency in radiology at Memphis Methodist Hospital and the University of Kentucky, and gained experience as a staff radiologist in Morehead, at the Woodford County Hospital, and at the Lexington Clinic.

Clearly, Dr. Smith could have pursued countless opportunities to take his practice to a larger city or work in a hospital of national prestige. However, the seventh-generation Kentuckian returned to Lee County whether he has truly made a difference in the lives of thousands of rural citizens. His experience, dedication, and compassion make Dr. John Smith a role model for young Kentuckians who are considering a career in medicine.

Mr. President, I congratulate Dr. John Smith for his recognition as Beattyville-Lee County Chamber of Commerce Citizen of the Year and for the many years he has devoted to the people of Lee County and surrounding communities. Please include an October 26, 1952, article from the Courier-Journal in today's RECORD.

The article follows:

[From the Louisville Courier-Journal, Oct. 26, 1952]

BEYOND THE CALL OF DUTY

(By Joe Creason)

Here's an example of the success of the Medical Scholarship Fund, created to provide more doctors for the rural areas of the state.

John M. Smith, Jr., has a pretty good idea he'd be in for some unusual times when he hung up his shingle and started the practice of medicine in Beattyville, Ky.

After all, he knew beforehand that Lee County was one of some 40 in Kentucky that was critically short on doctors, having then—in 1951—only one for a population of more than 8,000 people.

And he knew six other neighboring counties of mountainous East Central Kentucky—Clay, Owsley, Jackson, Wolfe, Powell and Menifee—likewise were on short rations indeed, so far as doctors were concerned.

So he must have suspected he'd face a lot of situations and experiences not generally covered in medical textbooks.

But, even with all that forewarning, it's extremely doubtful if Dr. John M. Smith, Jr., expected the time would come when a tractor would be the only way he'd be able to get into a remote area to see a patient.

Or that he'd have to cross the rain-swollen Kentucky River in a rowboat in the dead of winter with a half-blind woman at the oars.

Or that he'd ever take country hams—at the exchange rate of $1 a pound—in line of payment for medical services.

Or that a dozen and one other unusual experiences would come his way in less than a year and a half.

For that's just the length of time Dr. John M. Smith, Jr., one of the first 12 products of the Rural Kentucky Medical Scholarship Fund, has been practicing in Beattyville.

The Rural Medical Fund, sponsored by the Kentucky State Medical Association in cooperation with the University of Louisville School of Medicine, was started in the 1946-47 school year. The purpose of the fund, raised by public subscription, was to provide better medical care for the people of rural Kentucky. Medical students needing financial help may borrow from the fund and make repayment on the basis of a year of practice in a doctor-short section for each year of aid.

To translate the intention of the fund into a real situation, John Smith received help from it for one year—1946-47. That was his first in medical school and the year the first of his two sons was born. Having very little he could use for money, he borrowed in order to get started in school. After that he needed no help.

In return for that year of financial assistance, he was obligated to devote one year's practice to a county approved by the State Board of Health as needing doctors. After looking over the field, he chose Lee County.

If John Smith is a fair sample, then the Rural Medical Fund can be pronounced quite a large success. He now has served his year of obligation, owns a home in town and shows no signs of leaving, which is exactly what sponsors of the fund were hoping for. They reasoned that if they could get young doctors into rural areas for a year or so, some of them, at least, would settle down to permanent practice.

During his year-plus in Lee County, Dr. John Smith has given medical help to hundreds of people from a rather populous and mountainous seven-county area who, conceivably, would have had none otherwise.

Moreover, the people he serves are the kind who don't go rushing off to the doctor with every stomach-ache, or some such.

"Most of these folks are stoic and will suffer a long time before coming in," he says.

"Why, I've had patients with pneumonia walk in to the office from seven or eight miles away.

"I do all I can for them and send them to the hospital—the nearest one is in Richmond, 52 miles away—only in emergencies," he adds. "After all, many of my patients can't afford to go to the hospital with every ache and pain like city folks."

Sponsors of the fund actually got a more than somewhat rare bargain in John Smith. They didn't get just one rural doctor—they got two. For his wife also is a doctor, a 1945 medical graduate of New York University, and she recently opened an office at Booneville, 12 miles south in adjoining Owsley County.

Although there were two doctors in Booneville, both were old. One had suffered a stroke. Smith was receiving so many patients from that area it seemed a perfect spot for his wife to open an office to relieve some of the strain.

Now that he's settled in Lee County, John Smith has become a family doctor in every sense of the word. He's known as "Doc" everywhere and can call most of the folks he passes on the road by their first names. He can point to children he brought into the world. He is taken into confidences, sought out for advice on every conceivable situation.

Since opening his office, he has been too busy even to attend a single movie. The only days he has been away from work was once during a medical meeting and the couple of days he was out last winter with the flu.

Incidentally, that case of the deep sniffles came in the line of duty. He was called to see a woman in the Oakdale section of the county who was sick with pneumonia. He had to follow a narrow path above an ice-laced creek in reaching the home.

As he inched along the bank, it suddenly caved in and he was dunked, bag, baggage and pill bottles, into waist-deep water. He went on and completed the call before changing clothes, something he'd raise Cain with a customer for doing, and the result was flu.

Smith keeps a pair of galoshes in the back of his car for hiking over terrain not suited even for the most sturdy horseless carriage. And it's quite often that a car can't make it back into a particularly rough, hilly section. As, for instance, when the husband of a sick woman had to ride him in and out on a tractor, the only transportation that could make the trip.

Then there was the boat ride last winter that he—a veteran of three years of destroyer-escort duty in the Navy—never will forget. He had gone to call on a patient who lived on the other side of the North Fork of the Kentucky River some distance above Beattyville. The only way across the river was by boat. The return was long after sundown and in inky darkness. The pilot was a partially blind woman.

"I crouched in the bottom of the boat," he recalls, "and wondered about my life insurance.

"How she hit the tiny landing on the other side of the river in that darkness and pulling into a swift current. I'll never know."

Numerous times he has been called to see patients in parts of the area he doesn't know. In such cases, the family of the sick person will more or less blaze a trail for him. They'll place a forked stick at the place he's supposed to turn off the main road and leave assorted other signs along the way.

He gets night calls, of course, but not as many as might be expected.

"These folks are sturdy, and they'll usually stick it out until morning," he says.

But the night calls do come. This spring he was roused at 1 a.m. He went with the caller to see the man's wife, gave her some pills and returned home to bed.

Less than 30 minutes later, he was brought out of bed again. It was the same man.

"Better come again, Doc," he urged, "she ain't a bit better."

Lots of patients have been unable to pay cash for doctor-work. So Smith has taken almost everything in payment. He keeps well supplied in ham, chicken and farm produce.

"At first my wife had a little trouble understanding what some patients were talking about," he says.

"Folks would come in and say, 'Take a look at this kid, Doc, he's been daunceyin' 'round,' and she'd have a hard time figuring what they meant.

"But since I was born in Perry County and grew up in Jackson County, I knew when they talked about 'daunceying 'round' or 'punying 'round,' another very descriptive bit of speech, they meant the child was sort of dragging around and showing little life."

Since he opened his office, another young doctor has come to Beattyville. Sam D. Taylor, born there, and also a U. of L. graduate, returned home in August to start practice. The two have worked out a scheme whereby one day a week they take the other's office calls. That allows them to get one day all to themselves.

Smith has his office in what was an old drugstore across the street from the Courthouse. He has divided the gunbarrel-shaped space into a reception room, office, drug room, examination room and delivery room. He delivers babies at homes, but prefers to have expectant mothers come to his office where he has all necessary equipment, including oxygen. He keeps them 10 to 12 hours after the delivery and sends them home in an ambulance.

Beattyville has no pharmacist, so Smith has to dispense his own pills and medicines. Neither is there an X-ray machine in town, although he hopes to install one soon.

Besides his unusual doctoring experiences, Smith has the rather unique distinction of having served as an officer in two different branches of the Navy within a five-year period.

After being graduated from the University of Kentucky in 1942, the 30-year-old Smith went into the Navy as a line office. Upon his discharge, he entered medical school and was graduated in 1949. Then, following his intern work, along came the war in Korea and he volunteered to go back into the Navy, this time as a medical officer. He served for more than a year in Louisville at the recruiting station.

His second discharge came July 6, 1951. He opened his office 10 days later.

In the nearly seven years since the Rural Medical Fund was set up, 64 students have received $100,450 in financial help. Twelve of those students, including Smith, have served at least one year in rural areas. Nine are still there. Of the three who left the rural field, one is in the Army, one is sick and one moved to another state.

Besides Smith, other fund-helped doctors with at least one year in rural practice are O. C. Cooper, Wickliffe; Carson E. Crabtree, Buffalo; Oscar A. Cull, Corinth; William G. Edds, Calhoun; Clyde J. Nichols, Clarkson; Benjamin C. Stigall, Livermore; William L. Taylor, Guthrie, and Loman C. Trover, Earlington.

Six other doctors who were helped by the fund completed their internship in July and now are practicing in the country.

"Rural practice gets next to a fellow," John Smith says. "You have to make a lot of changes from what they say in the books—you have to be down-to-earth and forget all about dignity and professional manners at times.

"But there's an awful lot of satisfaction in serving people who really need help."

Which pretty nearly describes the country doctor.•

MEDIA COVERAGE OF THE NAFTA DEBATE

• Mr. LEVIN. Mr. President, the battle over the ratification of the North American Free Trade Agreement last fall received extensive attention in the Nation's media, but a strong case can be made that the coverage was not very balanced. Our distinguished colleague, Senator BYRON DORGAN of North Dakota, has calculated that, for example, the Washington Post devoted some 756 column inches to pro-NAFTA editorials and columns, while anti-NAFTA op-ed pieces got only 132 inches. His thought-provoking critique of the media's handling of the NAFTA debate was published in the January/February, 1994 issue of the Columbia Journalism Review. Senator DORGAN forcefully criticizes the biases and premises of major media outlets and attacks their over-simplification and mischaracterization of NAFTA opponents' arguments against the Treaty. I commend Senator DORGAN's article to the attention of my colleagues. I ask that a copy of this article be printed in the RECORD following my remarks.

The article follows:

[From the Columbia Journalism Review, February 1994]

THE NAFTA DEBATE THAT NEVER WAS

(By Byron L. Dorgan)

At a forum on journalists and NAFTA last month, James Glassman, a regular contributor to The Washington Post business page, defended his paper's lopsided coverage of the recent trade debate. There are issues, Glassman said, on which to be fair to both sides is to do a "disservice to the debate." In other words, NAFTA opponents like myself just couldn't match his mental voltage, and to take us seriously was merely to propagate our ignorance.

"To me," Glassman said, "NAFTA never should have been this close."

That admission does not surprise me. Nor does it surprise me that, for all the ink that flowed on NAFTA, people still tell me they have only a vague notion of what the issues really were. For months, I and other members of Congress tried to engage a real public debate over the economics of NAFTA, and we just couldn't.

Instead, the media caricatured NAFTA opponents and created straw men: Pat Buchanan the nativist and primitive, Ross Perot the kook, plus a bunch of Smoot-Hawley retards, labor dupes, and backwoods isolationists. (Our opposition was based solely on "fear of change and fear of foreigners," asserted Anthony Lewis in The New York Times, expressing the condescension of the mainstream press.)

As the debate heated up, the media reduced it to the familiar horse race—how many more votes does the president need?—and gave short shrift to both the specifics of the treaty and its antiquated conceptual underpinnings. Throughout, the media showed great reverence for credentialed experts (in the Times, Sylvia Nasar cited economist Paul Samuelson's "legendary textbook") and an inability to consider the possibility that these experts were—gasp!—wrong. The phrase "economists say" became the end of the discussion, when it should have been the beginning.

As a result, we NAFTA opponents felt trapped in an Alice-in-Wonderland world in which things reported were the opposite of things that were. For example, we read that we were hysterical alarmists, while the mainstream media were the ones who were hyperventilating. If we sent NAFTA back for more work, Business Week warned in large ominous type, "the consequences for the world could be dire." We were lectured on the bracing rigors of competition by reporters and columnists whose own jobs were safe, by reason of language and caste, from the inroads of dollar-an-hour Mexican labor. Most of all, we kept hearing about an imposing anti-NAFTA juggernaut, while these same newspapers and magazines were in effect forming a pro-NAFTA juggernaut of their own.

The cheerleading became so loud that I decided to count copy. From January on, The Washington Post devoted some sixty-three feet to pro-NAFTA editorials and columns, while the anti-NAFTA side got only eleven feet. At other major papers, the ratio was about the same, or even more lopsided. The news pages, meanwhile, were implicitly conveying the same message: we opponents deserved no more than the obligatory balancing quote. Stories in The New York Times quoted three NAFTA supporters for every NAFTA opponent, according to FAIR, the media-watch group. At the Post, the tilt was more than four to one.

In other words, while the major papers preached free trade for the economic marketplace, they practiced intellectual protectionism—a kind of journalistic Smoot-Hawley—in the marketplace of ideas.

Meanwhile, the way the media dealt with NAFTA itself was grossly simplistic. Dismissing what they clearly considered petty details and focusing on "the big picture," reporters, columnists, and commentators almost uniformly played NAFTA as an abstract debate over "free trade" rather than as a specific trade agreement that is severely flawed in ways large and small. It was as though the media were debating the merits of medical insurance, as opposed to the specific proposals for providing it.

Most Americans never found out, for example, that, behind the veil of "free trade," NAFTA protects Mexican producers of everything from potatoes to beans. The U.S. agreed to phase out its tariffs on Mexican potatoes over five years, while Mexico will take ten years to eliminate its own tariffs. America opens the door to Mexican french fries immediately, while Mexico sets a quota for U.S. fries at less than the 1991 level and continues its current 15–20 percent tariff for ten years.

Free trade? Or just a great deal for corporate food processors who want to move to Mexico and to sell back into the U.S.? That kind of question—and potatoes and french fries are just two of thousands of such issues—rarely got asked.

The media were similarly myopic on the "big picture" itself—the economic premises on which the whole agreement was based. A piece by David Rosenbaum in the Times on September 19 was typical. Good Economics Meet Protective Politics was the headline, embracing two erroneous assumptions in just five words. In The New Yorker, Sidney Blumenthal quoted Mickey Kantor, the administration's trade rep, approvingly. The only obstacle to the agreement was dumb, benighted politics. Kantor said, "We have won the intellectual argument on this."

Just possibly they won because the media permitted only a straw man to get into the debate. The debate was not over fair and open trade. Of course, we need that. Rather, the debate was—or should have been—over the rules for such trade, and over the system of governance to enforce those rules. Ultimately, it was—or should have been—over whether NAFTA is based on the world economy that actually exists or the relic that inhabits economic theory.

"Since the time of Adam Smith more than 200 years ago," Rosenbaum wrote, "Western economists have been trained in the principle that unrestricted trade is the best policy." Great. But isn't that precisely the kind of conventional wisdom that reporters ought to be questioning? As James Fallows pointed out in The Atlantic last month, "Western" really means "Anglo-American." Much of the rest of the world simply doesn't follow the pronouncements that economists in Britain and America take as gospel. In addition, Rosenbaum typically didn't go on to ask the crucial question: Exactly how does the conventional Anglo-American belief apply in a world that is fundamentally different from the one in which Smith wrote?

The modern corporation, for example, the dominant part of our economic landscape, didn't even exist in Adam Smith's day. Back then, producers were rooted in locality and nation, and their interests could hardly be separated from the national interest. Today, by contrast, capital is "mobile," in the economists' phrase. It's a sort of international free agency, a ball game in which the major players can change sides in the middle of the game.

In this context, orthodox free trade becomes a contest to attract corporate producers. Rather than competing to sell products, nations compete to attract the corporate investment to make the products. The result is to intensify "smokestack chasing," the kind of bidding war that has driven states to offer massive taxpayer subsidies to private organizations and that, on the international level, can drag down safety and environmental standards.

In this sense, NAFTA was not so much wrong as half-baked. It frees capital investment, but lacks a system of governance to ensure that the resulting trade is fair and really works to the benefit of this nation. We could have drafted a better version that addressed this defect, but we didn't.

NAFTA does create a governance system. But it's one that enables corporations to challenge our environmental and other laws as "barriers to trade." My state has a law against corporate farming. Will that now be seen as a "barrier" to foreign investment that corporations can strike down? Rarely did the media explore the implications of the dispute process. Nor did reporters ask how it would work in practice. North Dakota has had sobering experience, under the Canadian Free Trade Agreement which was a kind of preview of NAFTA.

To make a long story short, Canadian farmers flooded the American market with subsidized durum wheat, the kind used in pasta. The price was so low that they displaced about a third of the durum acreage in my state. Yet the special panel created under the agreement decided that the Canadian subsidies didn't count. It turned out that the U.S. negotiators had made a secret deal to that effect. Are there any such secret deals in NAFTA? Do we have any reason to believe that the dispute process in the Mexican agreement will work out any better? Few reporters bothered to ask. Nor did the media explore such questions as how the IRS, with its outdated multinational tax enforcement methods, is going to stop corporations from juggling profits between their subsidiaries on both sides of the border.

Already, some 72 percent of foreign-controlled corporations (and more than half of U.S.-controlled multinationals) pay not a penny in federal income taxes, thanks largely to such juggling. If the IRS does not scrap its green-eyeshade-era methods, NAFTA will only make the problem worse.

On October 26, 1993, while the NAFTA fracas raged on, the New York Times ran a front-page analysis of the economics of medical care that challenged the textbook market model. The reporter, the same David Rosenbaum who didn't question NAFTA's gospel, showed why that premise just doesn't work in the medical industry as it exists today. That's the kind of thinking reporters should bring to the realm of trade. Watergate taught the media to be skeptical of elected officials. Now it's time for a similar skepticism regarding credentialed economic experts. The media also should practice what they preach. If they are going to lecture on the importance of free and open markets, then they should permit free and open debate in their own marketplace of ideas.•

A BILL TO MAKE SSA AN INDEPENDENT AGENCY

• Mr. PRYOR. Mr. President, I would like to speak on behalf of a bill that was approved by the Senate on March 2, 1994: The Social Security Administration Independence Act, S. 1560. While I was unable to participate in the Senate floor debate that day, I want to state my whole-hearted support for the bill, and to mark the importance of its approval by the Senate. This is legislation whose time has come. In fact, it is long overdue. This Senator introduced the first bill in the U.S. Senate to make SSA independent in 1984. Since that time, both Houses of Congress have stepped up to the plate on this issue numerous times, without ever scoring a run.

At this time, under the able leadership of the chairman of the Finance Committee, I truly believe we will accomplish our longstanding goal of making SSA independent. Chairman MOYNIHAN has been a tireless leader on this and all issues concerning Social Security. Due in large part to his leadership, March 2 will be remembered as a historic breakthough in the history of this critical agency.

Mr. President, SSA deserves to be independent. It affects virtually every household in America. Nearly one out of every six Americans receives direct benefits from Social Security or Supplemental Security Income. Over 130 million Americans pay Social Security taxes. To carry out these huge responsibilities, SSA is one of the largest agencies in the Federal Government, with 64,000 employees, a network of 1,300 field offices, and an annual budget of over $300 billion.

As an independent agency, SSA would be larger than most Federal departments. In fact, SSA currently has more employees than if you combined the staffs of the Department of State, the Department of Labor, the Department of Education, and the Department of Housing and Urban Development—SSA has more employees than all of these together.

We need to remember that SSA started in the 1930's as an independent agency. The bill before us would restore SSA to its original position. Given how much the agency has grown since then, it is more important now than ever that SSA be made independent.

The public demands and deserves the highest quality of service from SSA.

Unfortunately, they haven't been getting that kind of service lately. When someone calls with an inquiry or concern about an important Social Security benefit, they ought to be able to get a direct, clear, and accurate answer. They should not get a busy signal, have to wait in a long line, or be transferred to some distant office on an 800 number. They should not get wrong information or an incomplete response.

Until recent years, SSA was considered a flagship agency for quality service to the public. SSA, in my opinion, has lost that reputation for excellence. One way to turn this around is to make SSA independent, so it can more directly manage its own affairs, hire the people it needs, and get them out where they need to be in the field.

Another step that needs to be taken is to completely remove Social Security from the Federal budget, so that its funds are not used in the budget arithmetic for something unrelated to Social Security. Despite having taken Social Security off budget, games are still being played with SSA's administrative budget. I would like to work with the chairmen of the Finance and Budget Committees, who have led efforts to take SSA administrative expenses off budget, to get that accomplished.

This bill contains a number of key reforms, including its structure with a single administrator at the head of the Agency, overseen by a bipartisan advisory board. In 1989, I asked the National Academy of Public Administration to conduct a study as to the best governing structure for SSA. The study concluded, based on historical examples of problems faced by agencies that were run by boards, that the structure contained in this bill was the best model. The General Accounting Office reached the same conclusion.

The Social Security Administration is one of the few Government agencies that touches the life of every American citizen at one time or another. I congratulate the chairman of the Committee on Finance, Mr. MOYNIHAN, and my colleagues on the passage of this legislation, which will benefit the millions of Americans who participate in Social Security, and for those who will be participating for years to come.•

THE FCC'S ACTION ON CABLE RATES

• Mr. LIEBERMAN. Mr. President, 2 weeks ago, the Federal Communications Commission took a brave stand for America's consumers and against the well-heeled special interests when it announced new rate regulations for cable television. By its action, the FCC reaffirmed that Congress meant what it said when it passed the 1992 cable act—that it was to be the Cable Television Consumer Protection and Competition Act.

When we passed the 1992 Cable Act, we made a very simple pledge to consumers: You will no longer have to pay monopoly prices for cable television. Under that Act, the FCC and local franchising authorities were given the power and the responsibility to protect consumers against being charged more in monopoly systems than they would have to pay if there was real head-to-head competition. Where head-to-head competition exists, however, there is no rate regulation.

What the FCC did on Tuesday was to uphold Congress' promise to consumers. The initial 10 percent rate cut the Commission had ordered last year did not come close to bringing cable rates down to competitive levels. Even at that time, surveys had indicated that cable prices were nearly 30 percent lower in systems with head-to-head competition than in monopoly systems. With the additional rate cuts ordered on Tuesday, prices in monopoly systems will finally begin to approach those that would exist in a competitive marketplace.

Mr. President, we have all heard dire threats over the past 2 days that somehow the FCC's action will halt construction of the information superhighway. The critics argue that by taking away the money that would otherwise go to build new services. If these arguments sound familiar, it is because these are precisely the arguments that Congress considered and rejected when it passed the 1992 Cable Act. It is, once again, what Bush administration FCC Chairman Al Sikes once called "The Myth of 'Benevolent Monopoly.'"

The American people know better. They know that monopolies are rarely benevolent. They know that competition is their best protection. And they also know that they need to be protected against monopoly cable prices until competition actually comes. That is what the Cable Television Consumer Protection and Competition Act of 1992 does, and that is why it was the only bill passed over the President's veto during the entire Bush administration.

Over the last several months, Mr. President, I have received numerous letters from consumers complaining about rate increases under the FCC's previous rate regulations. In Connecticut, rates for one or more cable tiers actually increased in over half of the cable systems. To these consumers, those rate increases were signs of another broken promise by the Federal Government, one which many of them believed was the result of Washington paying more attention to the special interests than to them. Mr. President, it is my hope that the action the FCC took on Tuesday will show these consumers that we meant what we said when we passed a cable consumer protection act, and that the system can work for them.

Mr. President, I want to congratulate our new FCC Chairman Reed Hundt for the strong leadership he has shown on this matter. It was not easy to come into the Commission and pursue a reexamination of the rate regulations, and to withstand the pressure to maintain the status quo put on the Commission by the cable industry. I also want to congratulate and commend former acting Chairman James Quello and Commissioner Andrew Barrett for their willingness to reassess the rate benchmarks in light of additional information and analysis. They have all shown great dedication to the public interest in carrying out an extremely difficult task, one which will now mean many dollars in monthly savings for millions of American families.•

REGULATORY CONSOLIDATION ACT OF 1994

• Mr. RIEGLE. Mr. President, I ask unanimous consent that the full text of S. 1895, the Regulatory Consolidation Act of 1994, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Regulatory Consolidation Act of 1994".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Purposes.
Sec. 3. Definitions.

TITLE I—FEDERAL BANKING COMMISSION ESTABLISHED

Sec. 101. Establishment.
Sec. 102. Membership.
Sec. 103. Chairperson and vice chairperson.
Sec. 104. Appointed commissioners' terms.
Sec. 105. Political affiliation.
Sec. 106. Vacancies.
Sec. 107. Employment and other restrictions on commissioners.
Sec. 108. Appointed commissioners' compensation.

TITLE II—POWERS AND DUTIES TRANSFERRED TO FEDERAL BANKING COMMISSION

Sec. 201. Powers and duties transferred.
Sec. 202. Designated transfer date.
Sec. 203. Office of Comptroller of the Currency abolished.
Sec. 204. Office of Thrift Supervision abolished.
Sec. 205. Federal Financial Institutions Examination Council abolished.
Sec. 206. Savings provisions.

TITLE III—OPERATIONS OF FEDERAL BANKING COMMISSION

Sec. 301. Regulations and orders.
Sec. 302. Delegation of authority.
Sec. 303. Personnel.
Sec. 304. Litigation Authority.
Sec. 305. Funding.
Sec. 306. Contracting and leasing authority.
Sec. 307. Access to Commission's records.
Sec. 308. Federal Reserve's participation in examinations.
Sec. 309. Federal Reserve's authority to take enforcement action against largest banking organizations.

Sec. 310. Commission's supervision of certain State depository institutions.
Sec. 311. Advisory councils.
Sec. 312. Regulatory appeals process.
Sec. 313. Inspector General.
Sec. 314. Legislative and regulatory coordination.

TITLE IV—TRANSITIONAL PROVISIONS

Sec. 401. Commission's interim authority.
Sec. 402. Federal banking agencies' interim responsibilities.
Sec. 403. Employees transferred.
Sec. 404. Property transferred.
Sec. 405. Funds transferred.
Sec. 406. Disposition of affairs.
Sec. 407. Continuation of services.

TITLE V—CONFORMING AMENDMENTS TO FEDERAL DEPOSIT INSURANCE ACT

Sec. 501. Amendments to section 2.
Sec. 502. Amendments to section 3.
Sec. 503. Amendments to section 5.
Sec. 504. Amendments to section 7.
Sec. 505. Amendments to section 8.
Sec. 506. Amendments to section 10.
Sec. 507. Amendments to section 11.
Sec. 508. Amendment to section 12.
Sec. 509. Amendments to section 13.
Sec. 510. Amendment to section 14.
Sec. 511. Amendments to section 18.
Sec. 512. Amendment to section 20.
Sec. 513. Amendment to section 28.
Sec. 514. Amendment to section 30.
Sec. 515. Amendments to section 32.
Sec. 516. Amendment to section 33.
Sec. 517. Amendments to section 34.
Sec. 518. Amendments to section 35.
Sec. 519. Amendments to section 36.
Sec. 520. Amendments to section 37.
Sec. 521. Amendments to section 38.
Sec. 522. Amendments to section 39.
Sec. 523. Amendment to section 41.
Sec. 524. Amendment to section 42.

TITLE VI—CONFORMING AMENDMENTS TO OTHER BANKING STATUTES

Sec. 601. Amendments to the Act of June 30, 1876.
Sec. 602. Amendments to the Act of March 29, 1886.
Sec. 603. Amendments to the Act of May 1, 1886.
Sec. 604. Amendments to the Act of November 7, 1918.
Sec. 605. Amendments to the Act of February 25, 1930.
Sec. 606. Amendments to the Act of March 9, 1933.
Sec. 607. Amendments to the Act of August 17, 1950.
Sec. 608. Amendments to the Act of September 8, 1959.
Sec. 609. Amendments to the Act of September 28, 1962.
Sec. 610. Amendments to the Alternative Mortgage Transaction Parity Act of 1982.
Sec. 611. Amendments to the Bank Conservation Act.
Sec. 612. Amendments to the Bank Enterprise Act of 1991.
Sec. 613. Amendments to the Bank Holding Company Act of 1956.
Sec. 614. Amendments to the Bank Holding Company Act Amendments of 1970.
Sec. 615. Amendments to the Bank Protection Act of 1968.
Sec. 616. Amendments to the Bank Service Corporation Act.
Sec. 617. Amendments to the Banking Act of 1933.
Sec. 618. Amendments to the Banking Act of 1935.
Sec. 619. Amendments to the Community Reinvestment Act of 1977.
Sec. 620. Amendments to the Competitive Equality Banking Act of 1987.
Sec. 621. Amendments to the Depository Institutions Deregulation and Monetary Control Act of 1980.
Sec. 622. Amendments to the Depository Institutions Disaster Relief Act of 1992.
Sec. 623. Amendments to the Depository Institutions Disaster Relief Act of 1993.
Sec. 624. Amendments to the Depository Institution Management Interlocks Act.
Sec. 625. Amendments to the Electronic Fund Transfer Act.
Sec. 626. Amendments to the Emergency Homeowners' Relief Act.
Sec. 627. Amendments to the Equal Credit Opportunity Act.
Sec. 628. Amendments to the Expedited Funds Availability Act.
Sec. 629. Amendments to the Fair Credit Reporting Act.
Sec. 630. Amendments to the Fair Debt Collection Practices Act.
Sec. 631. Amendments to the Federal Credit Union Act.
Sec. 632. Amendments to the Federal Deposit Insurance Corporation Improvement Act of 1991.
Sec. 633. Amendments to the Federal Financial Institutions Examination Council Act of 1978.
Sec. 634. Amendments to the Federal Home Loan Bank Act.
Sec. 635. Amendments to the Federal Reserve Act.
Sec. 636. Amendments to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.
Sec. 637. Amendments to the Home Mortgage Disclosure Act of 1975.
Sec. 638. Amendments to the Home Owners' Loan Act.
Sec. 639. Amendments to the Housing Act of 1948.
Sec. 640. Amendments to the Housing and Community Development Act of 1992.
Sec. 641. Amendments to the Housing and Urban Rural Recovery Act of 1983.
Sec. 642. Amendments to the International Banking Act of 1978.
Sec. 643. Amendments to the International Lending Supervision Act of 1983.
Sec. 644. Amendments to the National Housing Act.
Sec. 645. Amendments to the Real Estate Settlement Procedures Act.
Sec. 646. Amendments to the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991.
Sec. 647. Amendments to the Revised Statutes.
Sec. 648. Amendments to the Right to Financial Privacy Act of 1978.
Sec. 649. Amendments to the Truth in Lending Act.
Sec. 650. Amendments to the Truth in Savings Act.
Sec. 651. Comptroller's currency-related functions repealed.

TITLE VII—CONFORMING AMENDMENTS TO OTHER STATUTES

Sec. 701. Amendments to the Balanced Budget and Emergency Deficit Control Act of 1985.
Sec. 702. Amendments to the Bankruptcy Code.
Sec. 703. Amendments to the Commodity Exchange Act.
Sec. 704. Amendments to the Crime Control Act of 1990.
Sec. 705. Amendments to the Energy Conservation and Production Act.
Sec. 706. Amendments to the Farm Credit Act of 1971.
Sec. 707. Amendments to the Federal Trade Commission Act.
Sec. 708. Amendments to the Financial Reports Act of 1988.
Sec. 709. Amendments to the Flood Disaster Protection Act of 1973.
Sec. 710. Amendments to the Internal Revenue Code of 1986.
Sec. 711. Amendments to the Investment Advisers Act of 1940.
Sec. 712. Amendments to the Investment Company Act of 1940.
Sec. 713. Amendments to the Neighborhood Reinvestment Corporation Act.
Sec. 714. Amendments to the Paperwork Reduction Act of 1980.
Sec. 715. Amendments to the Securities and Exchange Act of 1934.
Sec. 716. Amendments to the Small Business Investment Act of 1958.
Sec. 717. Amendments to the title 5, United States Code.
Sec. 718. Amendments to the title 18, United States Code.
Sec. 719. Amendments to the title 25, United States Code.
Sec. 720. Amendments to the title 28, United States Code.
Sec. 721. Amendments to the title 31, United States Code.
Sec. 722. Amendments to the title 44, United States Code.
Sec. 723. Amendments to the Trust Indenture Act of 1939.

SEC. 2. PURPOSES.

The purposes of this Act are as follows:

(1) To promote the safety and soundness of insured depository institutions.

(2) To protect the deposit insurance funds.

(3) To improve the supervision and examination of insured depository institutions and their affiliates.

(4) To preserve and enhance the dual banking system.

(5) To reduce the cost of regulating depository institutions and their affiliates.

(6) To eliminate needless regulatory burdens, thus allowing insured depository institutions to compete more effectively and better serve consumers.

(7) To eliminate overlap, confusion, and inconsistency in supervision and regulation of insured depository institutions and their affiliates.

(8) To take better account of diferences among insured depository institutions.

(9) To eliminate unwarranted impediments to credit availability for businesses (including small businesses) and consumers.

(10) To promote stable, predictable, and fair supervision of insured depository institutions and their affiliates.

SEC. 3. DEFINITIONS.

For purposes of titles I through IV of this Act, the following definitions shall apply:

(1) APPOINTED COMMISSIONER.—The term "appointed commissioner" or "appointed commissioners" means a commissioner or commissioners appointed by the President under section 102(3).

(2) BOARD OF GOVERNORS.—The term "Board of Governors" means the Board of Governors of the Federal Reserve System.

(3) CHAIRPERSON.—The term "Chairperson" means the Chairperson of the Federal Banking Commission.

(4) COMMISSION.—The term "Commission" means the Federal Banking Commission.

(5) DESIGNATED TRANSFER DATE.—The term "designated transfer date" means the date designated under section 202.

(6) SECRETARY.—The term "Secretary" means the Secretary of the Treasury.

(7) CERTAIN OTHER TERMS.—The terms "affiliate", "bank holding company", "control" (when used with respect to a depository institution), "depository institution", "including", "insured branch", "insured depository institution", "national member bank", "State bank supervisor", "State depository institution", "State member bank", "State nonmember bank", and "subsidiary" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

TITLE I—FEDERAL BANKING COMMISSION ESTABLISHED

SEC. 101. ESTABLISHMENT.

There is established the Federal Banking Commission as an independent establishment in the executive branch.

SEC. 102. MEMBERSHIP.

The Commission shall consist of the following 5 commissioners:

(1) The Secretary (or the Secretary's designee).

(2) The Board of Governors, acting through a member of the Board of Governors designated as a commissioner by resolution of the Board of Governors; and

(3) 3 commissioners appointed by the President, by and with the advice and consent of the Senate—

(A) from among individuals who are citizens of the United States; and

(B) at least 1 of whom (other than the commissioner designated as the Chairperson under section 103(a)(1)) shall be a person who has demonstrated knowledge of, and competence in, State supervision and regulation of depository institutions.

SEC. 103. CHAIRPERSON AND VICE CHAIRPERSON.

(a) CHAIRPERSON.—

(1) DESIGNATION.—The President shall, by and with the advice and consent of the Senate, designate 1 of the appointed commissioners, at the time of that person's appointment to the Commission, to serve as the Chairperson of the Commission.

(2) CHIEF EXECUTIVE OFFICER.—The Chairperson shall be the Commission's chief executive officer, subject to the supervision of the Commission.

(b) VICE CHAIRPERSON.—

(1) SELECTION.—The Commission shall select a Vice Chairperson from among its members.

(2) ACTING CHAIRPERSON.—The Vice Chairperson shall act as Chairperson if—

(A) the position of Chairperson is vacant; or

(B) the Chairperson is absent or unable to perform the functions of Chairperson.

SEC. 104. APPOINTED COMMISSIONERS' TERMS.

(a) CHAIRPERSON.—The Chairperson shall be appointed for a term expiring 4 years after the term of the predecessor Chairperson expires.

(b) OTHER APPOINTED COMMISSIONERS.—Each of the other 2 appointed commissioners shall be appointed for a term of 5 years.

(c) REMOVAL ONLY FOR CAUSE.—The President may remove any appointed commissioner for inefficiency, neglect of duty, or malfeasance in office.

(d) UNEXPIRED TERMS.—Any commissioner appointed to fill a vacancy occurring before the end of the term to which the commissioner's predecessor was appointed shall be appointed only for the remainder of the term.

(e) CONTINUATION OF SERVICE.—

(1) IN GENERAL.—Each appointed commissioner may continue to serve after the expiration of the term of office to which the commissioner was appointed until a successor has been appointed and qualified.

(2) CONTINUATION NOT TO AFFECT CHAIRPERSON'S TERM.—Any continuation of service by the Chairperson under paragraph (1) shall not cause the successor Chairperson's term to expire later than as provided under subsection (a).

(f) INITIAL APPOINTMENTS STAGGERED.—Notwithstanding subsections (a) and (b)—

(1) the first Chairperson shall be appointed for a term that expires March 31, 1997; and

(2) of the first 2 other appointed commissioners—

(A) 1 shall be appointed for a term that expires 5 years after the designated transfer date; and

(B) 1 shall be appointed for a term that expires 2½ years after the designated transfer date,

as designated by the President at the time of their appointments.

SEC. 105. POLITICAL AFFILIATION.

Not more than 2 of the appointed commissioners may be members of the same political party.

SEC. 106. VACANCIES.

Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

SEC. 107. EMPLOYMENT AND OTHER RESTRICTIONS ON COMMISSIONERS.

During service on the Commission, no commissioner may—

(1) hold any office or position, or otherwise be employed by, any insured depository institution or company having control of an insured depository institution;

(2) hold stock of any insured depository institution or company having control of an insured depository institution; or

(3) serve as an officer, director, or employee of any Federal reserve bank or Federal home loan bank.

SEC. 108. APPOINTED COMMISSIONERS' COMPENSATION.

(a) CHAIRPERSON.—The Chairperson shall receive compensation at the rate prescribed for Level II of the Executive Schedule under section 5313 of title 5, United States Code.

(b) OTHER APPOINTED COMMISSIONERS.—The 2 other appointed commissioners shall each receive compensation at the rate prescribed for Level III of the Executive Schedule under section 5314 of title 5, United States Code.

TITLE II—POWERS AND DUTIES TRANSFERRED TO FEDERAL BANKING COMMISSION

SEC. 201. POWERS AND DUTIES TRANSFERRED.

(a) COMPTROLLER OF THE CURRENCY.—

(1) TRANSFER OF FUNCTIONS.—All functions of the Comptroller of the Currency are transferred to the Commission.

(2) COMMISSION'S AUTHORITY.—The Commission shall have all powers and duties that were vested in the Comptroller of the Currency on the day before the designated transfer date.

(b) DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION.—

(1) TRANSFER OF FUNCTIONS.—All functions of the Director of the Office of Thrift Supervision are transferred to the Commission.

(2) COMMISSION'S AUTHORITY.—The Commission shall have all powers and duties that were vested in the Director of the Office of Thrift Supervision on the day before the designated transfer date.

(c) BOARD OF GOVERNORS.—

(1) TRANSFER OF FUNCTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), all functions of the Board of Governors (and any Federal reserve bank) relating to the supervision and regulation of the following entities are transferred to the Commission:

(i) National member banks and State member banks.

(ii) Bank holding companies and their affiliates, and other companies having control over depository institutions.

(iii) Foreign banks and branches, agencies, and representative offices of foreign banks (as those terms are defined in section 1 of the International Banking Act of 1978), and affiliates of foreign banks.

(iv) Commercial lending companies (as that term is defined in section 1 of the International Banking Act of 1978).

(v) Companies operating under the International Banking Act of 1978 and sections 25 and 25A of the Federal Reserve Act.

(vi) Companies that are subject to supervision or regulation by the Board of Governors under any title of the Consumer Credit Protection Act or any other consumer protection statute.

(B) FUNCTIONS NOT TRANSFERRED.—Notwithstanding subparagraph (A), the functions of the Board of Governors relating to monetary policy and open market operations, administration of the payment system, and discount window operations are not transferred to the Commission.

(2) COMMISSION'S AUTHORITY.—The Commission shall have all powers and duties that, on the day before the designated transfer date, were vested in the Board of Governors (and any Federal reserve bank) relating to the supervision and regulation of the entities listed in paragraph (1)(A).

(d) FEDERAL DEPOSIT INSURANCE CORPORATION.—

(1) TRANSFER OF FUNCTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), all functions of the Federal Deposit Insurance Corporation (and its Board of Directors) relating to the supervision and regulation of State nonmember banks and insured branches are transferred to the Commission.

(B) FUNCTIONS NOT TRANSFERRED.—Notwithstanding subparagraph (A), the functions of the Federal Deposit Insurance Corporation relating to deposit insurance, conservatorship, or receivership are not transferred to the Commission.

(2) COMMISSION'S AUTHORITY.—The Commission shall have all powers and duties that, on the day before the designated transfer date, were vested in the Federal Deposit Insurance Corporation (or its Board of Directors) relating to the supervision and regulation of State nonmember banks and insured branches.

(e) SCHOOLS FOR EXAMINERS.—All functions of the Federal Financial Institutions Examination Council relating to the conduct of schools for examiners and assistant examiners under section 1006(d) of the Federal Financial Institutions Examination Council Act of 1978 are transferred to the Commission.

(f) EFFECTIVE DATE.—Subsections (a) through (e) shall become effective on the designated transfer date.

SEC. 202. DESIGNATED TRANSFER DATE.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary—

(1) shall, in consultation with the Comptroller of the Currency, the Director of the

Office of Thrift Supervision, the Chairman of the Board of Governors, and the Chairperson of the Federal Deposit Insurance Corporation, designate a single calendar date for the transfer of functions to the Commission under section 201; and

(2) shall publish notice of that designation in the Federal Register.

(b) CHANGING DESIGNATION.—The Secretary—

(1) may, in consultation with the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Chairman of the Board of Governors, and the Chairperson of the Federal Deposit Insurance Corporation, change the date designated under subsection (a); and

(2) shall publish notice of any changed designation in the Federal Register.

(c) PERMISSIBLE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), any date designated under this section shall be not earlier than 120 days nor later than 1 year after the date of enactment of this Act.

(2) EXTENSION OF TIME.—The Secretary may designate a date that is later than 1 year after the date of enactment of this Act if the Secretary transmits to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives—

(A) a written certification that orderly implementation of this Act is not feasible before the last date designated under this section;

(B) an explanation of why orderly implementation of this Act is not feasible before the last date designated under this section;

(C) a description of the steps that have been taken to effect an orderly implementation of this Act—

(i) within the period described in paragraph (1); or

(ii) if the Secretary has previously designated a date under this paragraph, before that date; and

(D) a description of the steps that will be taken to effect an orderly and timely implementation of this Act.

(3) EXTENSION LIMITED.—In no case shall any date designated under this section be later than 18 months after the date of enactment of this Act.

SEC. 203. OFFICE OF COMPTROLLER OF THE CURRENCY ABOLISHED.

Effective 90 days after the designated transfer date, the Office of the Comptroller of the Currency and the position of Comptroller of the Currency are abolished.

SEC. 204. OFFICE OF THRIFT SUPERVISION ABOLISHED.

Effective 90 days after the designated transfer date, the Office of Thrift Supervision and the position of Director of the Office of Thrift Supervision are abolished.

SEC. 205. FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL ABOLISHED.

(a) IN GENERAL.—Effective on the designated transfer date, the Federal Financial Institutions Examination Council is abolished.

(b) APPRAISAL SUBCOMMITTEE RECONSTITUTED APPRAISAL COMMITTEE.—

(1) IN GENERAL.—Effective on the designated transfer date, the Appraisal Subcommittee established by section 1011 of the Federal Financial Institutions Examination Council Act of 1978 is redesignated as the "Appraisal Committee" and reconstituted in accordance with paragraphs (2) and (3).

(2) FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL ACT AMENDED.—Effective on the designated transfer date, section 1011 of the Federal Financial Institutions Examination Council Act of 1978 is amended to read as follows:

"SEC. 1011. ESTABLISHMENT OF APPRAISAL COMMITTEE.

"There shall be a committee to be known as the 'Appraisal Committee', which shall consist of the designees of the Chairperson of the Federal Banking Commission, the Chairperson of the Federal Deposit Insurance Corporation, and the Chairman of the National Credit Union Administration Board. Each such designee shall be a person who has demonstrated knowledge and competence concerning the appraisal profession.".

(3) FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT AMENDED.—Effective on the designated transfer date, section 1104 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is amended—

(A) in the heading, by striking "appraisal subcommittee" and inserting "appraisal committee";

(B) by amending subsection (a) to read as follows:

"(a) CHAIRPERSON.—The members of the Appraisal Committee shall select the first chairperson of the Appraisal Committee. Thereafter the chair shall rotate among the members of the Appraisal Committee. The term of the Chairperson shall be 2 years"; and

(C) in subsection (b), by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee".

SEC. 206. SAVINGS PROVISIONS.

(a) OFFICE OF THE COMPTROLLER OF THE CURRENCY.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Sections 201(a)(1) and 203 shall not affect the validity of any right, duty, or obligation of the United States, the Comptroller of the Currency, the Office of the Comptroller of the Currency, or any other person, that existed on the day before the designated transfer day.

(2) CONTINUATION OF SUITS.—This Act shall not abate any proceeding commenced by or against the Comptroller of the Currency or the Office of the Comptroller of the Currency before the designated transfer date, except that the Commission shall be substituted for the Comptroller or the Office of the Comptroller of the Currency as a party to any such proceeding as of the designated transfer date.

(b) OFFICE OF THRIFT SUPERVISION.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Sections 201(b)(1) and 204 shall not affect the validity of any right, duty, or obligation of the United States, the Director of the Office of Thrift Supervision, the Office of Thrift Supervision, or any other person, that existed on the day before the designated transfer date.

(2) CONTINUATION OF SUITS.—This Act shall not abate any proceeding commenced by or against the Director of the Office of Thrift Supervision or the Office of Thrift Supervision before the designated transfer date, except that the Commission shall be substituted for the Director or the Office of Thrift Supervision as a party to any such proceeding as of the designated transfer date.

(c) BOARD OF GOVERNORS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Section 201(c)(1) shall not affect the validity of any right, duty, or obligation of the United States, the Board of Governors (or any Federal reserve bank), or any other person that—

(A) arises under any provision of law relating to the supervision and regulation of the entities listed in section 201(c)(1)(A); and

(B) existed on the day before the designated transfer date.

(2) CONTINUATION OF SUITS.—This Act shall not abate any proceeding commenced by or against the Board of Governors (or any Federal reserve bank) before the designated transfer date with respect to any function of the Board of Governors (or any Federal reserve bank) transferred to the Commission by this Act, except that the Commission shall be substituted for the Board of Governors (or Federal reserve bank) as a party to any such proceeding as of the designated transfer date.

(d) FEDERAL DEPOSIT INSURANCE CORPORATION.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Section 201(d)(1) shall not affect the validity of any right, duty, or obligation of the United States, the Federal Deposit Insurance Corporation, the Board of Directors of that Corporation, or any other person, that—

(A) arises under any provision of law relating to the supervision and regulation of State nonmember banks or insured branches; and

(B) existed on the day before the designated transfer date.

(2) CONTINUATION OF SUITS.—This Act shall not abate any proceeding commenced by or against the Federal Deposit Insurance Corporation or the Board of Directors of that Corporation before the designated transfer date with respect to any function of the Corporation or Board of Directors transferred to the Commission by this Act, except that the Commission shall be substituted for the Corporation or Board of Directors, as the case may be, as a party to any such proceeding as of the designated transfer date.

(e) CONTINUATION OF EXISTING ORDERS, RESOLUTIONS, DETERMINATIONS, AGREEMENTS, AND REGULATIONS.—All orders, resolutions, determinations, agreements, and regulations, that have been issued, made, prescribed, or allowed to become effective by the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors (or any Federal reserve bank), or the Federal Deposit Insurance Corporation (including orders, resolutions, determinations, and regulations that relate to the conduct of conservatorships and receiverships), or by a court of competent jurisdiction, in the performance of functions that are transferred by this Act and that are in effect on the day before the designated transfer date, shall continue in effect according to the terms of those orders, resolutions, determinations, agreements, and regulations, and shall be enforceable by or against the Federal Banking Commisssion until modified, terminated, set aside, or superseded in accordance with applicable law by the Commission, by any court of competent jurisdiction, or by operation of law.

(f) IDENTIFICATION OF REGULATIONS CONTINUED.—Not later than the designated transfer date, the Commission—

(1) shall, after consultation with the Chairman of the Board of Governors and the Chairperson of the Federal Deposit Insurance Corporation, identify the regulations continued under subsection (e) that will be enforced by the Commission; and

(2) shall publish a list of such regulations in the Federal Register.

(g) STATUS OF REGULATIONS PROPOSED OR NOT YET EFFECTIVE.—

(1) PROPOSED REGULATIONS.—Any proposed regulation of the Office of the Comptroller of

the Currency, the Office of Thrift Supervision, the Board of Governors, or the Federal Deposit Insurance Corporation, which that agency, in performing functions transferred by this Act, has proposed before the designated transfer date but has not published as a final regulation before that date, shall be deemed to be a proposed regulation of the Commission.

(2) REGULATIONS NOT YET EFFECTIVE.—Any interim or final regulation of the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors, or the Federal Deposit Insurance Corporation, which that agency, in performing functions transferred by this Act, has published before the designated transfer date but which has not become effective before that date, shall become effective as a regulation of the Commission according to its terms.

TITLE III—OPERATIONS OF FEDERAL BANKING COMMISSION

SEC. 301. REGULATIONS AND ORDERS.

In addition to any powers transferred to the Commission by this Act, the Commission may prescribe such regulations and issue such orders as the Commission determines to be appropriate to carry out this Act and the powers and duties transferred to the Commission by this Act.

SEC. 302. DELEGATION OF AUTHORITY.

(a) IN GENERAL.—The Commission may delegate any authority of the Commission to—

(1) any commissioner;

(2) any employee or agent of the Commission; or

(3) an administrative law judge.

(b) DELEGATIONS MAY BE CONDITIONAL.—The Commission may impose on any delegation under subsection (a) such conditions as the Commission determines to be appropriate, including reservation to the Commission of a right of review.

SEC. 303. PERSONNEL.

(a) APPOINTMENT.—The Commission may fix the number of, and appoint and direct all employees of the Commission.

(b) COMPENSATION: PAY AND BENEFITS.—

(1) PAY.—The Commission shall fix, adjust, and administer the pay of all employees of the Commission without regard to the provisions of other laws (other than this Act) applicable to officers or employees of the United States, including establishing a position classification system without regard to the provisions of chapter 51 of title 5, United States Code.

(2) ADDITIONAL BENEFITS.—The Commission may provide benefits to Commission employees in addition to the retirement, health insurance, and life insurance benefits provided to other employees of the United States under title 5, United States Code, without regard to the provisions of other laws (other than this Act) applicable to officers or employees of the United States.

(3) ANNUAL REPORT REQUIRED.—The Commission shall report annually to the Congress on the structure of pay and benefits for employees of the Commission.

SEC. 304. LITIGATION AUTHORITY.

The Commission may employ attorneys to conduct litigation brought by or against the Commission, its officers, or employees, or in which the Commission has an interest, but such litigation may be conducted only with the prior consent of the Attorney General of the United States and subject to the Attorney General's direction and control.

SEC. 305. FUNDING.

(a) AUTHORITY TO IMPOSE AND COLLECT ASSESSMENTS, FEES, AND OTHER CHARGES.—

(1) 1-BASIS POINT FEE IN LIEU OF CURRENT FDIC SPENDING FROM DEPOSIT INSURANCE FUNDS FOR SUPERVISION.—

(A) IN GENERAL.—When collecting semiannual assessments under section 7(b) of the Federal Deposit Insurance Act, the Federal Deposit Insurance Corporation shall collect from insured depository institutions an amount equal to one-half basis point per dollar of domestic deposits of all insured depository institutions.

(B) REMITTANCE.—The Federal Deposit Insurance Corporation shall, not later than 75 days after the close of each semiannual period (as defined in section 7(b) of the Federal Deposit Insurance Act), remit to the Commission the amounts collected under subparagraph (A).

(C) EFFECTIVE DATE.—This paragraph shall become effective with respect to the semiannual period in which the designated transfer date occurs.

(D) SPECIAL RULE UNTIL BANK INSURANCE FUND ACHIEVES DESIGNATED RESERVE RATIO.—For purposes of section 7(b)(2)(E) of the Federal Deposit Insurance Act, the amounts collected by the Federal Deposit Insurance Corporation from Bank Insurance Fund members under this paragraph shall be included in the total amount raised by semiannual assessments on members of the fund.

(2) TRANSITIONAL PAYMENT REFLECTING SAVINGS TO FEDERAL RESERVE.—

(A) PAYMENTS BY BOARD OF GOVERNORS.—The Board of Governors shall make annual payments to the Commission not later than December 31 of each calendar year, as follows:

(i) INITIAL 5-YEAR PERIOD.—For each of the first 5 calendar years beginning with the calendar year that includes the designated transfer date, the Board of Governors shall pay the identified savings amount for that calendar year.

(ii) PAYMENT TO DECREASE OVER SUBSEQUENT 9-YEAR PERIOD.—For each of the 9 calendar years following the expiration of the 5-year period referred to in clause (i), the Board of Governors shall pay the applicable percentage of the identified savings amount for that calendar year, as set forth in the following table:

For the following period:	The applicable percentage is:
First Year	90 percent
Second Year	80 percent
Third Year	70 percent
Fourth Year	60 percent
Fifth Year	50 percent
Sixth Year	40 percent
Seventh Year	30 percent
Eighth Year	20 percent
Ninth Year	10 percent
Thereafter	0 percent.

(B) IDENTIFIED SAVINGS AMOUNT DEFINED.—

(i) IN GENERAL.—The term "identified savings amount" means $ (i.e. the net amount by which this Act will reduce the expenses of the Board of Governors for each of the 14 calendar years referred to in subparagraph (A), currently estimated at over $300 million);

(ii) IDENTIFIED SAVINGS AMOUNT ADJUSTED FOR INFLATION.—The dollar amount referred to in clause (i) shall be adjusted annually and cumulatively using the percent by which the average urban consumer price index for the quarter preceding the date of the payment differs from the average of that index for the same quarter in the prior year.

(3) FEES AND OTHER CHARGES.—

(A) IN GENERAL.—The Commission may assess fees and other charges against any institution or entity supervised or regulated by the Commission, as the Commission deems necessary or appropriate to carry out its duties and recover its costs.

(B) SUPERVISORY FEES ON INSURED DEPOSITORY INSTITUTIONS.—

(i) IN GENERAL.—The Commission shall assess fees at rates based on an insured depository institution's total assets, taking into account the extent to which large institutions are, per dollar of assets, less costly to supervise.

(ii) SPECIAL RULE FOR STATE BANKS.—Fees on State member banks and State nonmember banks shall be at rates that—

(I) do not exceed 50 percent of the rate applied to national banks of comparable size; and

(II) are not applied to the first $1 billion of the bank's total assets.

(iii) AGGREGATION OF BANK ASSETS.—For purposes of the $1 billion threshold referred to in clause (ii)(II), the total assets of State member banks and State nonmember banks commonly controlled by a bank holding company shall be aggregated.

(C) PROCESSING FEES.—The Commission may assess against any person who submits to the Commission an application, filing, notice, request, or similar submission, fees to recover the Commission's cost of processing the submission.

(4) INTERIM COLLECTIONS FROM THE CORPORATION OR THE BOARD OF GOVERNORS DURING TRANSITION.—

(A) IN GENERAL.—During the 5-year period following the designated transfer date, the Federal Deposit Insurance Corporation shall make payments under paragraph (1) and the Board of Governors shall make payments under paragraph (2) before the payment dates specified in those paragraphs if the Commission certifies that earlier payments are needed to meet the Commission's operating expenses.

(B) RECONCILIATION OF EARLY PAYMENTS.—The Commission shall make adjustments to subsequent payments due under paragraphs (1) and (2) as necessary to reconcile any underpayment or overpayment of payments made under subparagraph (A).

(b) FEDERAL BANKING COMMISSION FUND.—

(1) SEPARATE FUND IN TREASURY ESTABLISHED.—There is established in the Treasury a separate fund called the "Federal Banking Commission Fund".

(2) ALL TRANSFERRED FUNDS DEPOSITED.—All amounts transferred to the Commission under section 405 shall be deposited into the Federal Banking Commission Fund.

(3) ALL RECEIPTS DEPOSITED.—The Commission shall deposit into the Federal Banking Commission Fund all moneys that it receives, whether obtained under subsection (a) or otherwise.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Funds transferred to, or deposited into, the Federal Banking Commission Fund shall be immediately available to the Commission, and remain available until expended, to pay the Commission's expenses in carrying out its duties and responsibilities.

(2) ASSESSMENTS AND OTHER FUNDS NOT GOVERNMENT FUNDS.—Funds transferred to, or deposited in, the Federal Banking Commission Fund shall not be construed to be Government funds or appropriated monies.

(3) AMOUNTS IN FUND NOT SUBJECT TO APPORTIONMENT.—Notwithstanding any other provision of law, amounts in the Federal Banking Commission Fund shall not be subject to appointment for purposes of chapter 15 of title 31, United States Code, or under any other authority.

SEC. 306. CONTRACTING AND LEASING AUTHORITY.

The Commission may—

(1) enter into and perform contracts, execute instruments, and acquire, in any lawful manner, such goods and services, or personal or real property (or property interest) as the Commission deems necessary or convenient to carry out the Commission's duties and responsibilities; and

(2) hold, maintain, sell, lease, or otherwise dispose of that property (or property interest),

without regard to the Federal Property and Administrative Services Act of 1949 and other laws of a similar type governing the procurement of goods and services or the acquisition or disposition of personal or real property (or property interest) by executive agencies.

SEC. 307. ACCESS TO COMMISSION'S RECORDS.

(a) ACCESS BY BOARDS OF GOVERNORS.—For the purposes of carrying out its functions under the Federal Reserve Act (as amended by this Act), the board of Governors shall have access, without any deletions, to all of the following:

(1) all books, accounts, records, reports, files, memoranda, and papers belonging to or in use by the Commission;

(2) all reports of examination;

(3) all work papers and correspondence files related to the documents described in paragraph (1) and (2),

that relate to insured depository institutions or other depository institutions (as defined in section 19(b)(1)(A) of the Federal Reserve Act) or companies having control of insured depository institutions or other depository institutions or subsidiaries of these companies.

(b) ACCESS BY FEDERAL DEPOSIT INSURANCE CORPORATION.—For the purpose of carrying out its functions under the Federal Deposit Insurance Act (as amended by this Act), the Federal Deposit Insurance Corporation shall have access, without any deletions, to all of the following:

(1) all books, accounts records, reports, files, memoranda, and papers belonging to or in use by the Commission;

(2) all reports of examination;

(3) all work papers and correspondence files related to the documents described in paragraphs (1) and (2),

that relate to insured depository institutions or companies have control of insured depository institutions.

(c) ACCESS BY OFFICE OF MANAGEMENT AND BUDGET.—

(1) IN GENERAL.—For the purpose of preparing budget estimates, the Director of the Office of Management and Budget shall have access to—

(A) financial data collected by the Commission, or derived by the Commission from data so collected, relating to insured depository institutions or companies having control of insured depository institutions;

(B) the Commission's financial operating plans and forecasts as prepared by the Commission in the ordinary course of its operations or at the request of the Director of the Office of Management and Budget; and

(C) any reports of the Commission's financial condition and results of operations as prepared by the Commission in the ordinary course of its operations.

(2) DATA AGGREGATION PERMITTED.—In providing access to financial data under paragraph (1)(A), the Commission may aggregate data by size or type of depository institution or by geographic region.

(d) ACCESS BY EMPLOYEES.—The Board of Governors, the Federal Deposit Insurance Corporation, and the Director of the Office of Management and Budget may each permit their employees to have access to Commission information on the same terms on which they have access.

(e) NO PRIVILEGE WAIVED.—The Commission does not waive any privilege by providing access to its records under this section.

SEC. 308. FEDERAL RESERVE'S PARTICIPATION IN EXAMINATIONS.

(a) JOINT EXAMINATIONS OF LARGE ORGANIZATIONS.—

(1) IN GENERAL.—The Board of Governors may select for joint examinations during any calender year not more than 10 of the 20 largest banking organizations, if the total assets of the insured depository institution subsidiaries of the banking organizations selected do not exceed 25 percent of the total assets of all insured depository institutions.

(2) LARGEST BANKING ORGANIZATIONS JOINTLY DETERMINED.—The Commission and the Board of Governors shall jointly determine not less than once each calendar year the 20 largest banking organizations based on the total assets of each banking organization's insured depository institution subsidiaries.

(3) LEAD ROLE IN JOINT EXAMINATIONS OF LARGE BANKING ORGANIZATIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Commission shall be the lead agency in joint examinations of banking organizations selected under paragraph (1).

(B) EXCEPTION FOR CERTAIN BANKING ORGANIZATIONS.—The Board of Governors may elect to be the lead agency in the joint examination of any banking organization selected under paragraph (1) that has a majority of the total assets of its insured depository institution subsidiaries in State member banks, if the total assets of the insured depository insitituion subsidiaries of all such banking organizations with respect to which the Board of Governors makes such an election for any calendar year do not exceed 10 percent of the total assets of all insured depository institutions.

(b) JOINT EXAMINATIONS OF SMALLER INSTITUTIONS.—

(1) IN GENERAL.—The Board of Governors may select for joint examinations State member banks and their affiliates that are not subsidiaries of any of the 20 largest banking organizations, as determined under subsection (a)(2), if the total assets of the State member banks selected for any calendar year (and any affiliated insured depository institutions) do not exceed 5 percent of the total assets of all insured depository institutions.

(2) LEAD ROLE IN JOINT EXAMINATIONS OF SMALLER INSTITUTIONS.—The Commission shall be the lead agency in joint examinations conducted under this subsection.

(c) SCOPE OF PARTICIPATION IN JOINT EXAMINATIONS.—In any joint examination conducted under this section the lead agency shall include examiners from the other agency in—

(1) planning the scope and timing of, and the respective examiners' roles in, the examination, subject to the overall direction and management of the examiner-in-charge of the lead agency; and

(2) any meetings between examiners of the lead agency and the senior management and board of directors of the examined organization or institution when examination findings are transmitted.

(d) PROCEDURES.—The Commission and the Board of Governors shall jointly establish procedures under which the Board of Governors may—

(1) select banking organizations and State member banks for joint examinations under subsections (a) and (b); and

(2) elect to be the lead agency under subsection (a)(3)(B).

(e) BANKING ORGANIZATION DEFINED.—For purposes of this section, the term "banking organization" means a bank holding company and its subsidiaries.

SEC. 309. FEDERAL RESERVE'S AUTHORITY TO TAKE ENFORCEMENT ACTION AGAINST LARGEST BANKING ORGANIZATIONS.

(a) RECOMMENDING ACTION BY COMMISSION.—The Board of Governors may recommend in writing to the Commission that the Commission take any enforcement action authorized to be taken by the Commission with respect to any banking organization that is one of the 20 largest banking organizations as determined under section 308(a)(2). The recommendation shall be accompanied by a written explanation of the concerns giving rise to the recommendation.

(b) AUTHORITY TO ACT IF COMMISSION FAILS TO TAKE ACTION.—If the Commission does not, before the end of the 60-day period beginning on the date on which the Commission receives a recommendation under subsection (a), take the enforcement action recommended by the Board of Governors or provide a plan acceptable to the Board of Governors for responding to its concerns, the Board of Governors may take the recommended enforcement action if the Board of Governors determines, upon a vote of its members, that—

(1) the banking organization is in an unsafe or unsound condition; or

(2) the banking organization's current practices, if continued, are likely to render the banking organization in an unsafe and unsound condition in the foreseeable future.

(c) EFFECT OF EXIGENT CIRCUMSTANCES.—

(1) AUTHORITY TO ACT.—The Board of Governors may, upon a vote of its members, and after notice to the Commission, exercise its authority under subsection (b) in exigent circumstances without regard to the time period set forth in subsection (b).

(2) AGREEMENT ON EXIGENT CIRCUMSTANCES.—The Board of Governors shall, by agreement with the Commission, set forth those exigent circumstances in which the Board of Governors may act under paragraph (1).

(d) POWER AND DUTIES.—For purposes of this subsection—

(1) the Board of Governors shall have the same powers with respect to any banking organization as the Commission has with respect to the banking organization; and

(2) the banking organization shall have the same duties and obligations with respect to the Board of Governors as the banking organization has with respect to the Commission.

SEC. 310. COMMISSION'S SUPERVISION OF CERTAIN STATE DEPOSITORY INSTITUTIONS.

(a) AMENDMENTS TO FEDERAL DEPOSIT INSURANCE ACT.—Section 10(d) of the Federal Deposit Insurance Act is amended—

(1) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in paragraph (3), by striking "appropriate Federal banking agency" and inserting "Commission";

(3) by redesignating paragraph (5) as paragraph (6); and

(4) by inserting after paragraph (4) a new paragraph (5) as follows:

"(5) EXAMINATION OF CERTAIN SMALL INSTITUTIONS BY CERTIFIED STATES ACCEPTABLE.—

"(A) IN GENERAL.—For purposes of discharging its responsibility under paragraph

(1) with respect to an insured State depository institution, the Commission may accept an examination of the institution conducted by a State bank supervisor during the preceding 12-month period if—

"(i) the State depository institution—

"(I) has total assets of less than $250,000,000; and

"(II) is well capitalized, as defined in section 38; and

"(ii) the State bank supervisor that conducted the examination has been certified by the Commission under section 310(b) of the Regulatory Consolidation Act of 1994.

"(B) AGGREGATION OF BANK ASSETS.—For purposes of the $250,000,000 level referred to in subparagraph (A)(i)(I), the total assets of State depository institutions commonly controlled by a bank holding company shall be aggregated.".

(b) COMMISSION CERTIFICATION OF STATE BANK SUPERVISORS.—

(1) IN GENERAL.—For purposes of discharging the Commission's responsibility under section 10(d)(5) of the Federal Deposit Insurance Act, the Commission may certify a State bank supervisor to examine State depository institutions on behalf of the Commission.

(2) SCOPE OF CERTIFICATION.—The Commission may certify a State bank supervisor to determine—

(A) the condition of depository institutions chartered by that State, including whether the operations of the institutions are being conducted safely and soundly;

(B) whether the operations of depository institutions chartered by that State are being conducted in compliance with applicable Federal consumer protection and community investment laws; or

(C) both (A) and (B).

(3) CONDITIONS AND PROCEDURES FOR CERTIFICATIONS.—The Commission may establish such conditions and procedures for certifying State bank supervisors under this subsection as the Commission deems appropriate.

(4) PERIODIC REVIEW OF CERTIFICATIONS; REVOCATION.—

(A) PERIODIC REVIEW.—The Commission shall periodically review each certification of a State bank supervisor under this subsection to determine whether that agency continues to satisfy the conditions established by the Commission under paragraph (3); and

(B) REVOCATION.—The Commission may revoke its certification of a State bank supervisor.

(c) FEDERAL LAW VIOLATIONS REFERRED TO COMMISSION.—Whenever a certified State bank supervisor discovers, in the course of conducting an examination of an insured State depository institution on behalf of the Commission, evidence of a violation of—

(1) any Federal law;

(2) any order of any Federal banking agency which has become final;

(3) any condition imposed in writing by any Federal banking agency in connection with the grant of any application or other request by such institution; or

(4) any written agreement between the institution and any Federal banking agency, the State bank supervisor shall refer that violation to the Commission.

(d) COMMISSION'S PARTICIPATION IN STATE EXAMINATIONS PERMITTED.—Notwithstanding the Commission's certification of any State bank supervisor under this section, examiners from the Commission may participate in—

(1) any examination of any insured State depository institution conducted by a certified State bank supervisor;

(2) planning the scope and timing of, and the Commission's role in, the examination; and

(3) any meetings between the State bank supervisor examiners and the senior management and board of directors of the examined institution when the examination findings are transmitted.

SEC. 311. ADVISORY COUNCILS.

The Commission shall establish the following advisory councils:

(1) An Advisory Council on Consumer Affairs, to advise the Commission on matters affecting consumers.

(2) An Advisory Council on Community Depository Institutions, to advise the Commission on matters affecting community banks and savings associations, which council shall have a membership balanced in proportion to the ratio of Federal depository institutions to State depository institutions.

(3) An Advisory Council on Savings Associations, to advise the Commission on matters affecting savings associations; and

(4) An Advisory Council on Small Businesses, to advise the Commission on matters affecting small businesses.

SEC. 312. REGULATORY APPEALS PROCESS.

(a) IN GENERAL.—Not later than 120 days after the designated transfer date, the Commission shall establish an independent appellate process available for reviewing material supervisory determinations made by Commission examiners or officials with respect to insured depository institutions.

(b) REVIEW PROCESS.—In establishing the independent appellate process under subsection (a), the Commission shall ensure—

(1) that any appeal by an insured depository institution of a material supervisory determination is heard and decided expeditiously; and

(2) that appropriate safeguards exist for protecting the appellant from retaliation by Commission examiners or officials.

(c) COMMENT PERIOD.—Not later than 60 days after the designated transfer date, the Commission shall provide public notice and opportunity for comment on proposed guidelines for the establishment of an independent appellate process under this section.

(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) The term "material supervisory determinations" includes determinations relating to—

(A) examination ratings;

(B) the adequacy of loan loss reserve provisions; and

(C) loan classifications on loans that are significant to the institution.

(2) The term "independent appellate process" means a review by a Commission official who does not directly or indirectly report to the Commission examiner or official who made the material supervisory determination under review.

(e) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall affect the authority of the Commission to take enforcement or supervisory action against an institution.

SEC. 313. INSPECTOR GENERAL.

(a) OFFICE OF THE INSPECTOR GENERAL ESTABLISHED.—

(1) IN GENERAL.—The Commission shall establish and maintain an Office of the Inspector General.

(2) INSPECTOR GENERAL ACT AMENDED.—Section 11 of the Inspector General Act of 1978 is amended—

(A) in paragraph (1), by inserting "or the Federal Banking Commission," after "the Chairperson of the Thrift Depositor Protection Oversight Board"; and

(B) in paragraph (2), by inserting "the Federal Banking Commission," after "the Environmental Protection Agency,".

(b) CERTAIN LIMITATIONS OF INSPECTOR GENERAL ACT INAPPLICABLE.—

(1) IN GENERAL.—Notwithstanding section 6(a)(7) of the Inspector General Act of 1978, the Inspector General of the Commission, in carrying out the provisions of the Inspector General Act of 1978, may select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of the Inspector General without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to position classification and General Schedule pay rates.

(2) REPORTING REQUIREMENT.—The annual report required by section 303(b)(3) of this Act (relating to the pay structure for employees of the Commission) shall set forth the position classifications and pay rates for employees of the Office of the Inspector General.

(c) CERTAIN SPECIAL PROVISIONS OF INSPECTOR GENERAL ACT APPLICABLE.—Section 8C(a) of the Inspector General Act of 1978 (other than the provisions of subparagraphs (A), (B), (C), and (E) of section 8C(a)(1)) shall apply to the Inspector General of the Commission and to the Commission in the same manner as it applies to the Inspector General of the Department of the Treasury and the Secretary of the Treasury, respectively.

SEC. 314. LEGISLATIVE AND REGULATORY COORDINATION.

(a) LEGISLATIVE RECOMMENDATIONS, TESTIMONY, AND COMMENTS.—The Commission shall be considered to be an agency within the Executive branch for purposes of the coordination and clearance of legislative recommendations, testimony, and comments respecting matters of a general policy nature.

(b) REGULATIONS.—

(1) IN GENERAL.—The Commission shall submit to the Director of the Office of Management and Budget for review any significant proposed or final regulation before publishing it.

(2) OMB RECOMMENDATIONS.—The Director may recommend changes to the proposed or final regulation submitted to him under paragraph (1).

(3) COMMISSION PREROGATIVE.—The Commission may, by a majority vote of its members, decline to incorporate the changes recommended by the Director under paragraph (2).

(4) REPORT TO THE PRESIDENT.—If the Commission declines to incorporate the recommended changes of the Director, the Commission shall communicate the reasons for doing so to the President.

TITLE IV—TRANSITIONAL PROVISIONS

SEC. 401. COMMISSION'S INTERIM AUTHORITY.

Before the designated transfer date, the Commission shall—

(1) consult and cooperate with the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Chairman of the Board of Governors, and the Chairperson of the Federal Deposit Insurance Corporation to facilitate the orderly transfer of functions to the Commission;

(2) determine and redetermine, from time to time—

(A) the amount of funds necessary to pay the expenses of the Commission (including expenses for personnel, property, and administrative services) during the period beginning on the date of enactment of this Act and ending on the designated transfer date;

(B) what personnel are appropriate to facilitate the orderly transfer of functions by this Act; and

(C) what property and administrative services are necessary to support the Commission during the period beginning on the date of enactment of this Act and ending on the designated transfer date; and

(3) take such actions as may be necessary to provide for the orderly implementation of this Act.

SEC. 402. FEDERAL BANKING AGENCIES' INTERIM RESPONSIBILITIES.

(a) IN GENERAL.—When requested by the Commission to do so before the designated transfer date, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors, and the Federal Deposit Insurance Corporation shall each—

(1) pay to the Commission, from funds obtained by those agencies through assessments, fees, or other charges that they are authorized by law to impose, one-quarter of the total amount that the Commission determines to be necessary under section 401(2)(A);

(2) detail to the Commission such personnel as the Commission determines to be appropriate under section 401(2)(B), subject to reimbursement; and

(3) make available to the Commission such property and provide the Commission such administrative services as the Commission determines to be necessary under section 401(2)(C), in each case subject to reimbursement.

(b) NOTICE REQUIRED.—The Commission shall give the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors, and the Federal Deposit Insurance Corporation reasonable prior notice of any request that the Commission intends to make under subsection (a).

SEC. 403. EMPLOYEES TRANSFERRED.

(a) IN GENERAL.—

(1) ALL OCC AND OTS EMPLOYEES TRANSFERRED.—All employees of the Office of the Comptroller of the Currency and the Office of Thrift Supervision shall be transferred to the Commission for employment.

(2) CERTAIN FEDERAL RESERVE SYSTEM EMPLOYEES TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Commission and the Board of Governors shall—

(i) jointly determine the number of employees of the Board necessary to perform or support the functions of the Board of Governors that are transferred to the Commission by this Act; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Board of Governors for transfer to the Commission in a manner that the Commission and the Board of Governors, in their sole discretion, deem equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the Board of Governors identified under subparagraph (A)(ii) shall be transferred to the Commission for employment.

(C) FEDERAL RESERVE BANK EMPLOYEES.—Employees of any Federal reserve bank who, on the day before the designated transfer date, are performing functions on behalf of the Board of Governors shall be treated as employees of the Board of Governors for purposes of subparagraphs (A) and (B).

(D) SPECIAL RULE FOR ANY JOINT DETERMINATION BEFORE FIRST APPOINTED COMMISSIONER IS APPOINTED.—Until the first appointed commissioner is appointed and qualified, the commissioner from the Board of Governors shall not participate in the Commission's part of the joint determination to be made under subparagraph (A).

(3) CERTAIN FDIC EMPLOYEES TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Commission and the Board of Directors of the Federal Deposit Insurance Corporation shall—

(i) jointly determine the number of employees of that Corporation necessary to perform or support the functions of the Corporation that are transferred to the Commission by this Act; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Corporation for transfer to the Commission in a manner that the Commission and the Board of Directors of the Corporation, in their sole discretion, deem equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the Corporation identified under subparagraph (A)(ii) shall be transferred to the Commission for employment.

(4) CERTAIN FFIEC EMPLOYEES TRANSFERRED.—All employees of the Federal Financial Institutions Examination Council, other than the employees of the Appraisal Committee (as redesignated by section 205 of this Act), shall be transferred to the Commission for employment.

(b) TIMING OF TRANSFERS AND POSITION ASSIGNMENTS.—Each employee to be transferred under this section shall—

(1) be transferred not later than 90 days after the designated transfer date; and

(2) receive notice of his or her position assignment not later than 120 days after the effective date of his or her transfer.

(c) TRANSFER OF FUNCTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the transfer of employees shall be deemed a transfer of functions for the purpose of section 3503 of title 5, United States Code.

(2) PRIORITY OF THIS ACT.—If any protection provided under this Act conflicts with any protection provided to transferred employees under section 3503 of title 5, United States Code, the provisions of this Act shall control.

(d) EMPLOYEES' STATUS AND ELIGIBILITY.—

(1) EMPLOYEES OF ABOLISHED AGENCIES.—The transfer of functions and employees under this Act, and the abolition of the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the Federal Financial Institutions Examination Council, shall not affect the status of the transferred employees as employees of an agency of the United States under any provision of law.

(2) NON-CITIZEN EMPLOYEES.—Non-citizen employees transferred under this section shall, while employed by the Commission, be eligible for competitive appointments if other employees performing the same functions receive competitive appointments.

(e) EQUAL STATUS AND TENURE POSITIONS.—

(1) EMPLOYEES TRANSFERRED FROM OCC, OTS, FDIC, AND FFIEC.—Each employee transferred from the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, or the Federal Financial Institutions Examination Council shall be placed in a position with the same status and tenure as that held on the day before the designated transfer date.

(2) EMPLOYEES TRANSFERRED FROM THE FEDERAL RESERVE SYSTEM.—

(A) COMPARABILITY.—Each employee transferred from the Board of Governors or from a Federal reserve bank shall be placed in a position with the same status and tenure as that of employees transferring to the Commission from the Office of the Comptroller of the Currency who perform similar functions and have similar periods of service.

(B) SERVICE PERIODS CREDITED.—For purposes of this paragraph, periods of service with the Board of Governors or a Federal reserve bank shall be credited as periods of service with a Federal agency.

(f) ADDITIONAL CERTIFICATION REQUIREMENTS LIMITED.—Examiners transferred to the Commission shall not be subject to any additional training or certification requirements before being placed in a comparable examiner's position at the Commission examining the same types of institutions as they examined before they were transferred.

(g) PERSONNEL ACTIONS LIMITED.—

(1) 1-YEAR PROTECTION.—Except as provided in paragraph (2), each transferred employee holding a permanent position shall not, during the 1-year period beginning on the designated transfer date, be involuntarily separated, or involuntarily reassigned outside his or her local commuting area.

(2) EXCEPTIONS.—Paragraph (1) does not limit the Commission's right to—

(A) separate an employee for cause or for unacceptable performance;

(B) terminate an appointment to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character; or

(C) reassign a supervisory employee outside his or her local commuting area when the Commission determines that the reassignment is necessary for the Commission's efficient operation.

(h) PAY.—

(1) 1-YEAR PROTECTION.—Except as provided in paragraph (2), each transferred employee shall, during the 1-year period beginning on the designated transfer date, receive pay at a rate not less than the basic rate of pay (including any geographic differential) that the employee received during the 1-year period immediately before the transfer.

(2) EXCEPTIONS.—Paragraph (1) does not limit the Commission's right to reduce a transferred employee's rate of basic pay—

(A) for cause;

(B) for unacceptable performance; or

(C) with the employee's consent.

(3) PROTECTION ONLY WHILE EMPLOYED.—Paragraph (1) applies to a transferred employee only while that employee remains employed by the Commission.

(4) PAY INCREASES PERMITTED.—Paragraph (1) does not limit the authority of the Commission to increase a transferred employee's pay.

(i) REORGANIZATION.—

(1) BETWEEN 1ST AND 3RD YEAR.—

(A) IN GENERAL.—If the Commission determines, during the period beginning 1 year after the designated transfer date and ending 3 years after the designated transfer date, that a reorganization of the Commission's staff is required—

(i) that reorganization shall be deemed a "major reorganization" for purposes of affording affected employees retirement under section 8336(d) or 8414(b)(1)(B) of title 5, United States Code;

(ii) before the reorganization occurs, all employees in the same commuting area shall be placed in a uniform position classification system; and

(iii) any resulting reduction in force shall be governed by the provisions of chapter 35 of title 5, United States Code, except that the Commission shall—

(I) establish competitive areas (as that term is defined in regulations issued by the Office of Personnel Management) to include at a minimum all employees in the same commuting area;

(II) establish competitive levels (as that term is defined in regulations issued by the Office of Personnel Management) without regard to whether the particular employees have been appointed to positions in the competitive service or the excepted service; and

(III) afford employees appointed to positions in the excepted service (other than to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character) the same assignment rights to positions within the Commission as employees appointed to positions in the competitive service.

(B) SERVICE CREDIT FOR REDUCTIONS IN FORCE.—For purposes of this paragraph, periods of service with a Federal home loan bank, a joint office of the Federal home loan banks, the Board of Governors, a Federal reserve bank, the Federal Deposit Insurance Corporation, or the Federal Financial Institutions Examination Council shall be credited as periods of service with a Federal agency.

(2) AFTER 3RD YEAR.—

(A) IN GENERAL.—If the Commission determines, at any time after the 3-year period beginning on the designated transfer date, that a reorganization of the Commission's staff is required, any resulting reduction in force shall be governed by the provisions of chapter 35 of title 5, United States Code, except that the Commission shall—

(i) establish competitive levels (as that term is defined in regulations issued by the Office of Personnel Management) without regard to types of appointment held by particular employees transferred under this section; and

(ii) afford employees transferred under this section who were appointed to positions in the excepted service (other than to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character) the same assignment rights to positions within the Commission as employees appointed to positions in the competitive service.

(B) SERVICE CREDIT FOR REDUCTIONS IN FORCE.—For purposes of this paragraph, periods of service with a Federal home loan bank, a joint office of the Federal home loan banks, the Board of Governors, a Federal reserve bank, the Federal Deposit Insurance Corporation, or the Federal Financial Institutions Examination Council shall be credited as periods of service with a Federal agency.

(j) BENEFITS.—

(1) RETIREMENT BENEFITS FOR TRANSFERRED EMPLOYEES.—

(A) IN GENERAL.—

(i) CONTINUATION OF EXISTING RETIREMENT PLAN.—Except as provided in subparagraph (B), each transferred employee shall remain enrolled in his or her existing retirement plan as long as he or she remains employed by the Commission.

(ii) EMPLOYER'S CONTRIBUTION.—The Commission shall pay any employer contributions to the existing retirement plan of each transferred employee as required under that plan.

(B) OPTION FOR EMPLOYEES TRANSFERRED FROM FEDERAL RESERVE SYSTEM OR FFIEC TO BE SUBJECT TO FEDERAL EMPLOYEE RETIREMENT PROGRAM.—

(i) ELECTION.—Any transferred employee who was enrolled in a Federal Reserve System retirement plan on the day before his or her transfer to the Commission may, during the period beginning 6 months after the designated transfer date and ending 1 year after the designated transfer date, elect to be subject to the Federal employee retirement program.

(ii) EFFECTIVE DATE OF COVERAGE.—For any employee making an election under clause (i), coverage by the Federal employee retirement program shall begin 1 year after the designated transfer date.

(C) COMMISSION PARTICIPATION IN FEDERAL RESERVE SYSTEM RETIREMENT PLAN.

(i) SEPARATE ACCOUNT IN FEDERAL RESERVE SYSTEM RETIREMENT PLAN ESTABLISHED.—A separate account in the Federal Reserve System retirement plan shall be established for Commission employees who do not make the election under subparagraph (B).

(ii) FUNDS ATTRIBUTABLE TO TRANSFERRED EMPLOYEES REMAINING IN FEDERAL RESERVE SYSTEM RETIREMENT PLAN TRANSFERRED.—The proportionate share of funds in the Federal Reserve System retirement plan, including the proportionate share of any funding surplus in that plan, attributable to a transferred employee who does not make the election under subparagraph (B), shall be transferred to the account established under clause (i).

(iii) EMPLOYER CONTRIBUTIONS DEPOSITED.—The Commission shall deposit into the account established under clause (i) the employer contributions that the Commission makes on behalf of employees who do not make the election under subparagraph (B).

(iv) ACCOUNT ADMINISTRATION.—The Commission shall administer the account established under clause (i) as a participating employer in the Federal Reserve System retirement plan.

(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

(i) The term "existing retirement plan" means, with respect to any employee transferred under this section, the particular retirement plan (including the Financial Institutions Retirement Fund) and any associated thrift savings plan of the agency or Federal reserve bank from which the employee was transferred, which the employee was enrolled in on the day before the designated transfer date.

(ii) The term "Federal employee retirement program" means the retirement program for Federal employees established by chapters 83 and 84 of title 5, United States Code.

(2) BENEFITS OTHER THAN RETIREMENT BENEFITS.—

(A) FOR TRANSFERRED EMPLOYEES.—

(i) DURING 1ST YEAR.—

(I) EXISTING PLANS CONTINUE.—Each transferred employee may, for 1 year after the designated transfer date, retain membership in any other employee benefit program of the agency or bank from which the employee transferred, including a health or life insurance program, to which the employee belonged on the day before the designated transfer date.

(II) COMMISSION'S CONTRIBUTION.—The Commission shall reimburse the agency or bank from which an employee was transferred for any cost incurred by that agency or bank in continuing to extend coverage in the benefit program to the employee.

(ii) AFTER 1ST YEAR.—If, after the 1-year period beginning on the designated transfer date, the Commission decides not to continue participation in any health or life insurance program of an agency or bank from which employees transferred, a transferred employee who is a member of such a program may, before the Commission's decision takes effect, elect to enroll in—

(I) the Federal Employees Health Benefits Program established by chapter 89 of title 5, United States Code, without regard to any regularly scheduled open season and notwithstanding health conditions pre-existing at the time; and

(II) the Federal Employees Group Life Insurance Program established by chapter 87 of title 5, United States Code, without regard to any regularly scheduled open season and requirement of insurability.

(B) OCC AND OTS RETIREES AND NEAR-RETIREES.—

(i) SPECIAL PROVISIONS TO ENSURE CONTINUATION OF HEALTH BENEFITS.—

(I) IN GENERAL.—An individual covered by a health benefit plan administered by the Office of the Comptroller of the Currency or the Office of Thrift Supervision on the day before the designated transfer date, who is—

(aa) an annuitant (as defined in section 8901(3) of title 5, United States Code);

(bb) eligible for temporary continuation of coverage under section 8905a of title 5, United States Code; or

(cc) a dependent child of an employee transferred under this section or of an individual described in subclauses (aa) or (bb);

shall be eligible for enrollment in a health benefits plan under chapter 89 of title 5, United States Code, notwithstanding sections 8905(b) and 8905a(b)(2)(B) of title 5, United States Code, or in a health benefits plan established by the Commission, without regard to any regularly scheduled open season and notwithstanding health conditions pre-existing at the time of such enrollment. An individual described in subclause (I)(cc) shall be eligible for health benefits under this subparagraph only during the period for which the individual would have been eligible for coverage under the health benefits plan under which he or she was covered on the day before the designated transfer date.

(II) EMPLOYEE'S CONTRIBUTION.—An individual entitled to enroll in a health benefits plan under this subparagraph shall pay any employee contribution required by the plan.

(III) ADDITIONAL FUNDING.—The Commission shall transfer to the Federal Employees Health Benefits Fund established under section 8909 of title 5, United States Code, an amount determined by the Director of the Office of Personnel Management, after consultation with the Commission and the Office of Management and Budget, to be necessary to reimburse the Fund for the cost to the Fund of providing benefits under this subparagraph not otherwise paid for by the employee under subclause (II).

(IV) CREDIT FOR TIME ENROLLED IN OTHER PLANS.—For employees transferred under this section, enrollment in a health benefits plan administered by the Office of the Comptroller of the Currency, the Officer of Thrift Supervision, the Federal Deposit Insurance Corporation, the Board of Governors, a Federal reserve bank, or the Commission immediately prior to enrollment in a health benefits plan under chapter 89 of title 5, United States Code, shall be considered as enrollment in a health benefits plan under that chapter for purposes of section 8905(b)(1)(A) of title 5, United States Code.

(ii) SPECIAL PROVISIONS TO ENSURE CONTINUATION OF LIFE INSURANCE BENEFITS.—

(I) IN GENERAL.—An annuitant (as defined in section 8901(3) of title 5, United States

Code) who is enrolled in a life insurance plan administered by the Office of the Comptroller of the Currency or the Office of Thrift Supervision on the day before the designated transfer date shall be eligible for coverage by a life insurance plan under section 8706(b), 8714a, 8714b, and 8714c of title 5, United States Code, or in a life insurance plan established by the Commission, without regard to any regularly scheduled open season and requirement of insurability.

(II) EMPLOYEE CONTRIBUTION.—An individual entitled to enroll in a life insurance plan under this clause shall pay an employee contribution required by the plan.

(III) ADDITIONAL FUNDING.—The Commission shall transfer to the Employees' Life Insurance Fund established under section 8714 of title 5, United States Code, an amount determined by the Director of the Office of Personnel Management, after consultation with the Commission and the Office of Management and Budget, to be necessary to reimburse the Fund for the cost to the Fund of providing benefits under this subparagraph not otherwise paid for by the employee under subclause (II).

(IV) CREDIT FOR TIME ENROLLED IN OTHER PLANS.—For employees transferred under this section, enrollment in a life insurance plan administered by the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Board of Governors, a Federal reserve bank, or the Commission immediately prior to enrollment in a life insurance plan under chapter 87 of title 5, United States Code, shall be considered as enrollment in a life insurance plan under that chapter for purposes of section 8706(b)(1)(A) of title 5, United States Code.

(k) IMPLEMENTATION OF UNIFORM PAY AND CLASSIFICATION SYSTEM.—Not later than 2 years after the designated transfer date, the Commission shall implement a uniform pay and classification system for all transferred employees.

(l) EQUITABLE TREATMENT.—In administering the provisions of this section, the Commission—

(1) shall take no action that would unfairly disadvantage transferred employees relative to each other based on their prior employment by the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, a Federal home loan bank, a joint office of the Federal home loan banks, the Board of Governors, a Federal reserve bank, or the Federal Financial Institutions Examination Council; and

(2) may take such action as is appropriate in individual cases so that employees transferred under this section receive equitable treatment, with respect to those employees' status, tenure, pay, benefits (other than benefits under programs administered by the Office of Personnel Management), and accrued leave or vacation time, for prior periods of service with any Federal agency, a Federal home loan bank, a joint office of the Federal home loan banks, the Board of Governors, a Federal reserve bank, the Federal Deposit Insurance Corporation, or the Federal Financial Institutions Examination Council.

(m) NO PRIVATE RIGHT OF ACT.—This section does not provide any transferred employee with any right of action to require the Commission or any officer or employee of the Commission to take any action under this section.

SEC. 404. PROPERTY TRANSFERRED.

(a) IN GENERAL.—

(1) OCC AND OTS PROPERTY.—Not later than 90 days after the designated transfer date, all property of the Office of the Comptroller of the Currency and the Office of Thrift Supervision shall be transferred to the Commission.

(2) FEDERAL RESERVE SYSTEM PROPERTY.—

(A) IN GENERAL.—Not later than 90 days after the designated transfer date, all property of the Board of Governors that, on the day before the designated transfer date, is used to perform or support the functions of the Board of Governors transferred to the Commission by this Act, shall be transferred to the Commission.

(B) FEDERAL RESERVE BANK PROPERTY.—Property of any Federal reserve bank that, on the day before the designated transfer date, is used to perform or support the functions of the Board of Governors transferred to the Commission by this Act, shall be treated as property of the Board of Governors for purposes of subparagraph (A).

(3) FDIC PROPERTY.—Not later than 90 days after the designated transfer date, all property of the Corporation that, on the day before the designated transfer date, is used to perform or support the functions of the Corporation transferred to the Commission by this Act, shall be transferred to the Commission.

(b) CONTRACTS RELATED TO PROPERTY TRANSFERRED.—All contracts, agreements, leases, licenses, permits, and similar arrangements relating to property transferred to the Commission by this section shall be transferred to the Commission together with that property.

(c) PRESERVATION OF PROPERTY.—Property identified for transfer under this section shall not be altered, destroyed, or deleted before transfer under this section.

(d) PROPERTY DEFINED.—For purposes of this section, the term "property" includes all real property (including leaseholds) and all personal property (including computers, furniture, fixtures, equipment, books, accounts, records, reports, files, memoranda, paper, reports of examination, work papers and correspondence related to such reports, and any other information or materials).

SEC. 405. FUNDS TRANSFERRED.

Except to the extent needed to dispose of affairs under section 406, all funds that, on the day before the designated transfer date, are available to the Comptroller of the Currency and the Director of the Office of Thrift Supervision to pay the expenses of the Office of the Comptroller of the Currency and the Office of Thrift Supervision shall be transferred to the Commission on the designated transfer date.

SEC. 406. DISPOSITION OF AFFAIRS.

(a) IN GENERAL.—During the 90-day period beginning on the designated transfer date, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Board of Governors, and the Board of Directors of the Federal Deposit Insurance Corporation—

(1) shall, solely for the purpose of winding up the affairs of their respective agencies related to any function transferred to the Commission by this Act—

(A) manage the employees of those agencies and provide for the payment of the compensation and benefits of any such employee that accrue before the designated transfer date; and

(B) manage any property of those agencies until the property is transferred under section 404; and

(2) take any other action necessary to wind up the affairs of their respective agencies relating to the transferred functions.

(b) AUTHORITY AND STATUS OF EXECUTIVES.—

(1) IN GENERAL.—Notwithstanding the transfers of functions under this Act, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Board of Governors, and the Board of Directors of the Federal Deposit Insurance Corporation shall, during the 90-day period beginning on the designated transfer date, retain and may exercise any authority vested in those persons on the day before the designated transfer date that is necessary to carry out the requirements of this Act during that period.

(2) OTHER PROVISIONS.—For purposes of paragraph (1), the Comptroller of the Currency and the Director of the Office of Thrift Supervision shall, during the 90-day period beginning on the designated transfer date, continue to be—

(A) treated as officers of the United States; and

(B) entitled to receive compensation at the same annual rate of basic pay that they were receiving on the day before the designated transfer date.

SEC. 407. CONTINUATION OF SERVICES.

Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, that was, before the designated transfer date, providing support services to the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors, or the Federal Deposit Insurance Corporation in connection with functions to be transferred to the Commission, shall—

(1) continue to provide those services, subject to reimbursement, until the transfer of those functions is complete; and

(2) consult with any such agency to coordinate and facilitate a prompt and orderly transition.

TITLE V—CONFORMING AMENDMENTS TO FEDERAL DEPOSIT INSURANCE ACT

SEC. 501. AMENDMENTS TO SECTION 2.

Section 2 of the Federal Deposit Insurance Act (12 U.S.C. 1812) is amended—

(a) in subsection (a)(1)—

(1) in subparagraph (A), by striking "Comptroller of the Currency" and inserting "Chairperson of the Federal Banking Commission"; and

(2) in subparagraph (B), by striking "Director of the Office of Thrift Supervision" and inserting "Secretary of the Treasury (or the Secretary's designee)";

(b) by amending subsection (d)(2) to read as follows:

"(2) ACTING OFFICIALS MAY SERVE.—In the event of a vacancy in the office of the Chairperson of the Federal Banking Commission and pending the appointment of a successor, or during the absence or disability of the Chairperson, the acting Chairperson of the Federal Banking Commission shall be a member of the Board of Directors in the place of the Chairperson of the Federal Banking Commission. In the event of a vacancy in the office of the Secretary of the Treasury and pending the appointment of a successor, or during the absence or disability of the Secretary, the Deputy Secretary of the Treasury, or his or her designee, shall be a member of the Board of Directors in the place of the Secretary of the Treasury."; and

(c) in subsection (f)(2), by striking "Office of the Comptroller of the Currency or of the Office of Thrift Supervision" and inserting "Federal Banking Commission or the Department of the Treasury".

SEC. 502. AMENDMENTS TO SECTION 3.

Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(a) in subsection (b)(1)(C), by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(b) in subsection (l)(5), in the introductory text, by striking "Comptroller of the Currency, Director of the Office of Thrift Supervision," and inserting "Commission,";

(c) by amending subsection (q) to read as follows:

"(q) COMMISSION.—The term 'Commission' means the Federal Banking Commission.";

(d) in subsection (u)—

(1) in paragraph (2), by striking "appropriate Federal banking agency and inserting "Commission,"; and

(2) in paragraph (3), by striking "appropriate Federal banking agency and inserting "Commission";

(e) in subsection (x)—

(1) in paragraph (1), by striking "appropriate Federal banking agency and inserting "Commission,"; and

(2) in paragraph (2)—

(A) by striking "appropriate Federal banking agency" the first place it appears and inserting "Commission"; and

(B) by striking "(or, if the appropriate Federal banking agency is the Corporation, the Corporation has determined)"; and

(f) by amending subsection (z) to read as follows:

"(z) FEDERAL BANKING AGENCY.—The term 'Federal banking agency' means the Federal Deposit Insurance Corporation, the Federal Banking Commission, or the Board of Governors of the Federal Reserve System.".

SEC. 503. AMENDMENTS TO SECTION 5.

Section 5 of the Federal Deposit Insurance Act (12 U.S.C. 1815) is amended—

(a) in subsection (a)—

(1) in paragraph (2)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency" and inserting "Commission"; and

(2) in paragraph (5), by striking "appropriate Federal banking agency" and inserting "Commission";

(b) in subsection (d)(3)—

(1) in subparagraph (A)—

(A) by striking "(i)"; and

(B) by striking clause (ii);

(2) in subparagraph (E)—

(A) by amending clause (i) to read as follows:

"(i) FACTORS TO BE CONSIDERED; APPROVAL PROCESS.—In reviewing any application for a proposed transaction under subparagraph (A), the Commission shall follow the procedures and consider the factors set forth in section 18(c) of this Act.";

(B) in clause (ii), by striking "responsible agency or Board" and inserting "Commission";

(C) in clause (iv)—

(i) by striking "responsible agency and the appropriate Federal banking agency for any depository institution holding company," and inserting "Commission"; and

(ii) by striking "each such agency" and inserting "the Commission";

(3) in subparagraph (F), by deleting "Board" each place it appears and inserting "Commission; and"; and

(4) by striking subparagraphs (G) and (K) and redesignating subparagraphs (H), (I), and (J), as subparagraphs (g), (H), and (I), respectively; and

(c) in subsection (e)(2)(B), by striking "appropriate Federal banking agency" and inserting "Commission".

SEC. 504. AMENDMENTS TO SECTION 7.

Section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) is amended—

(a) in subsection (a)—

(1) in paragraph (1)—

(A) by striking "Corporation" each place it appears and inserting "Commission";

(B) by striking "Board of Directors" each place it appears and inserting "Commission"; and

(C) in the third sentence, by striking "Board" and inserting "Commission";

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in the first sentence, by striking "Comptroller of the Currency, the Director of the Office of Thrift Supervision" and inserting "Commission"; and

(ii) in the second sentence—

(I) by striking "Comptroller of the Currency, the Director of the Office of Thrift Supervision" and inserting "Commission"; and

(II) by striking ", and reports of condition made to,"; and

(B) in subparagraph (B), by striking "Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Director of the Office of Thrift Supervision, as appropriate," and inserting "Commission,";

(3) in the first sentence of paragraph (3)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "Chairman of the Board of Directors, the Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Director of the Office of Thrift Supervision" and inserting "Chairperson of the Board of Directors and the Chairperson of the Commission";

(4) in paragraph (7), by striking "Comptroller of the Currency, the Director of the Office of Thrift Supervision, and the Board of Governors of the Federal Reserve System," and inserting "Commission"; and

(5) in paragraph (8), by striking "the Comptroller of the Currency, as the case may be," and inserting "Commission";

(b) in subsection (j)—

(1) in paragraph (1)—

(A) in the first sentence, by striking "appropriate Federal banking agency" and inserting "Commission";

(B) by striking "agency" each place it appears and inserting "Commission"; and

(C) in subparagraph (B), by striking "agency's" and inserting "Commission's";

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking "appropriate Federal banking agency" each place it appears and inserting "Commission"; and

(ii) by striking "such Federal banking agency" each place it appears and inserting "the Commission";

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission";

(C) in subparagraph (C)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) by striking "agency" and inserting "Commission"; and

(D) in subparagraph (D)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission";

(ii) by striking "such agency" and inserting "the Commission"; and

(iii) by striking "agency" and inserting "Commission";

(3) in paragraph (3) by striking "appropriate Federal banking agency" and inserting "Commission";

(4) in paragraph (4), by striking "appropriate Federal banking agency" each place it appears and inserting "the Commission";

(5) in paragraph (5), by striking "appropriate Federal banking agency" each place it appears and inserting "Commission";

(6) in paragraph (6)—

(A) in the introductory text, by striking "appropriate Federal banking agency" and inserting "the Commission"; and

(B) in subparagraph (H), by striking "appropriate Federal banking agency" and inserting "Commission";

(7) in paragraph (7)—

(A) in the introductory text, by striking "appropriate Federal banking agency" and inserting "Commission";

(B) in subparagraph (E), by striking "appropriate Federal banking agency" each place it appears and inserting "Commission"; and

(C) in subparagraph (F), by striking "appropriate Federal banking agency" and inserting "Commission";

(8) in paragraph (9)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency for such insured depository institution" and inserting "Commission";

(B) in subparagraph (D)—

(i) by striking clause (iii);

(ii) in clause (iv)—

(I) by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(II) by striking "agency's" and inserting "Commission's"; and

(iii) by redesignating clause (iv) as clause (iii); and

(C) in subparagraph (E), by striking "appropriate Federal banking agency for the insured depository institution" each place it appears and inserting "Commission";

(9) in paragraph (10), by striking "appropriate Federal banking agency" and inserting "the Commission";

(10) by amending paragraph (11) to read as follows:

"(11) The Commission shall immediately furnish to the Corporation a copy of any notice or report filed pursuant to paragraph (1)."

(11) in paragraph (12), by striking "appropriate Federal banking agency" and inserting "Commission";

(12) in paragraph (13), by striking "appropriate Federal banking agencies are" and inserting "Commission is";

(13) in paragraph (14)—

(A) by striking "each appropriate Federal banking agency's" and inserting "the Commission's"; and

(B) by striking "appropriate Federal banking agency" each place it appears and inserting "Commission";

(14) in paragraph (15)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" each place it appears and inserting "Commission";

(B) in subparagraph (B)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) by striking "agency" and inserting "Commission"; and

(C) in subparagraph (C), by striking "appropriate Federal banking agency" and inserting "Commission";

(15) in paragraph (16)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (E), by striking “appropriate Federal banking agency” and inserting “Commission”;

(16) by redesignating paragraphs (12) through (18) as paragraphs (11) through (17).

(d) in subsection (k)—

(1) in the heading, by striking “FEDERAL BANKING AGENCY” and inserting “COMMISSION”; and

(2) in the introductory text, by striking “appropriate Federal banking agencies are” and inserting “Commission is”; and

(e) by striking subsection (n).

SEC. 505. AMENDMENTS TO SECTION 8.

Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended—

(a) in subsection (a)—

(1) in paragraph (2)(A)—

(A) in the heading, by striking “PRIMARY REGULATOR” and inserting “COMMISSION”;

(B) in the first sentence—

(i) by striking “appropriate Federal banking agency with respect to such institution (if other than the Corporation) or” and inserting “Commission or, in the case of a state depository institution,”; and

(ii) by striking “(if the Corporation is the appropriate Federal banking agency)”; and

(C) in the second sentence—

(i) by striking “appropriate Federal banking agency” each place it appears and inserting “Commission”; and

(ii) by striking “such agency” and inserting “the Commission”;

(2) in paragraph (8)—

(A) in subparagraph (A), by striking “appropriate Federal banking agency,” each place it appears and inserting “Commission”; and

(B) in subparagraph (B)(ii)—

(i) in subclause (IV), by striking “a Federal banking agency” and inserting “the Commission”; and

(ii) in the last sentence—

(I) by striking “Director of the Office of Thrift Supervision” each place it appears and inserting “Commission”; and

(II) by inserting “the Office of Thrift Supervision, as successor to” after “as a successor to” and before “the Federal Savings and Loan Insurance Corporation”;

(b) in subsection (b)—

(1) in paragraph (1)—

(A) by striking the first sentence and inserting the following: “If, in the opinion of the Commission, any insured depository institution, depository institution which has insured deposits, or any institution-affiliated party is engaging or has engaged, or the Commission has reasonable cause to believe that the depository institution or any institution-affiliated party is about to engage, in an unsafe or unsound practice in conducting the business of such depository institution, or is violating or has violated, or the Commission has reasonable cause to believe that the depository institution or any institution-affiliated party is about to violate, a law, rule, or regulation, or any condition imposed in writing by any Federal banking agency in connection with the granting of any application or other request by the depository institution or any written agreement entered into with any Federal banking agency, the Commission may issue and serve upon the depository institution or such party a notice of charges in respect thereof.”;

(B) in the third sentence, by striking “agency” and inserting “Commission”; and

(C) in the fifth sentence, by striking “agency” each place it appears and inserting “Commission”;

(2) in paragraph (2), by striking “agency” and inserting “Commission”;

(3) in paragraph (3), by striking the second sentence;

(4) by amending paragraph (5) to read as follows:

“(5) This section shall apply to any national banking association chartered by the Commission, including an uninsured association.”

(5) in paragraph (6)—

(A) in subparagraph (A)(ii), by striking “the appropriate Federal banking agency” and inserting “any Federal banking agency”;

(B) in subparagraph (E), by striking “appropriate Federal banking agency” and inserting “Commission”; and

(C) in subparagraph (F), by striking “banking agency” and inserting “Commission”;

(6) in paragraph (8), by striking “appropriate Federal banking agency” and inserting “Commission”;

(c) in subsection (c)—

(1) in paragraph (1)—

(A) by striking “appropriate Federal banking agency” and inserting “Commission”; and

(B) by striking “agency” each place it appears and inserting “Commission”;

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking “appropriate Federal banking agency” and inserting “Commission”; and

(ii) by striking “agency” and inserting “Commission”; and

(B) in subparagraph (B)(ii)(II), by striking “appropriate Federal banking agency” and inserting “Commission”;

(d) in subsection (d), by striking “appropriate Federal banking agency” and inserting “Commission”;

(e) in subsection (e)—

(1) in paragraph (1)—

(A) by striking “Whenever the appropriate Federal banking agency” and inserting “Whenever the Commission”;

(B) in subparagraph (A)(i)—

(i) in subclause (III), by striking “the appropriate Federal banking agency” and inserting “any Federal banking agency”; and

(ii) in subclause (IV) by striking “such agency” and inserting “any Federal banking agency”; and

(C) at the end—

(i) by striking “agency” and inserting “Commission”; and

(ii) by striking “agency's” and inserting “Commission's”;

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking “appropriate Federal banking agency” and inserting “Commission”;

(ii) by striking “agency” and inserting “Commission”; and

(iii) by striking “agency's” and inserting “Commission's”; and

(B) in subparagraph (B), by striking “agency” and inserting “Commission”;

(3) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking “appropriate Federal banking agency” each place it appears and inserting “Commission”;

(ii) by striking “such agency's” and inserting “the Commission's”; and

(iii) by striking “agency” and inserting “Commission”;

(B) in subparagraph (B), by striking “appropriate Federal banking agency” and inserting “Commission”; and

(C) in subparagraph (C)—

(i) by striking “an appropriate Federal banking agency” and inserting “the Commission”; and

(ii) by striking “agency” and inserting “Commission”;

(4) in paragraph (4)—

(A) by striking “agency” each place it appears and inserting “Commission”; and

(B) by striking the fifth sentence;

(5) in paragraph (6), by striking “the appropriate Federal banking agency” and inserting “any Federal banking agency”;

(6) in paragraph (7)—

(A) in subparagraph (D)(i), by striking “appropriate Federal banking agency” and inserting “Commission”; and

(B) in Subparagraph (F), by striking “appropriate Federal banking agency” and inserting “Commission”;

(f) in subsection (g)—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking “appropriate Federal banking agency” and inserting “Commission”;

(B) in subparagraphs (B), by striking “Agency” and inserting “Commission”; and

(C) in subparagraph (C)—

(i) in clause (i)—

(I) by striking “appropriate Federal banking agency” and inserting “Commission”; and

(II) by striking “appropriate agency” and inserting “Commission”; and

(ii) in clause (ii)—

(I) by striking “appropriate Federal banking agency” and inserting “Commission”;

(II) by striking “appropriate agency” and inserting “Commission”;

(2) in paragraph (2), in the second sentence, by striking “Comptroller of the Currency” and inserting “Commission”; and

(3) in paragraph (3)—

(A) by striking “agency” each place it appears and inserting “Commission”;

(B) in the second sentence, by striking “appropriate Federal banking agency” and inserting “Commission”;

(C) in the fourth sentence, by striking “agencys” and inserting “Commission's”; and

(D) in the fifth sentence, by striking “Federal banking agencies are” and inserting “Commission is”;

(g) in subsection (h)—

(1) in paragraph (1)—

(A) by striking “appropriate Federal banking agency or Board of Governors of the Federal Reserve System” and inserting “the Commission”; and

(B) by striking “issuing agency” and inserting “Commission”;

(2) in paragraph (2), by striking “agency” each place it appears and inserting “Commission”; and

(3) in paragraph (3), by striking “agency” and inserting “Commission”;

(h) in subsection (i)—

(1) in paragraph (1), by striking “appropriate Federal banking agency” and inserting “Commission”;

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in clause (iii), by striking “the appropriate Federal banking agency” and inserting “any Federal banking agency”; and —

(ii) in clause (iv), by striking “such agency” and inserting “any Federal banking agency”;

(B) in subparagraph (E)(i), by striking “appropriate Federal banking agency” and inserting “Commission”;

(C) in subparagraph (F), by striking “Any appropriate Federal banking agency” and inserting “The Commission”;

(D) in subparagraph (G), by striking “appropriate agency” and inserting “Commission”;

(E) in subparagraph (I)(i), by striking "agency that imposed the penalty" and inserting "Commission"; and

(F) in subparagraph (K), by striking "Each appropriate Federal banking agency" and inserting "The Commission";

(3) in paragraph (3), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(4) in paragraph (4)(A)—

(A) by striking "an appropriate Federal banking agency (excluding the Corporation when acting in a manner described in section 11(d)(18))" and inserting "the Commission";

(B) by striking "such agency" each place it appears and inserting "the Commission"; and

(C) by striking "agency" and inserting "Commission";

(i) in subsection (j), by striking "appropriate Federal financial institutions regulatory agency" and inserting "Commission";

(j) in subsection (l)—

(1) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) by striking "agency" each place it appears and inserting "Commission";

(k) in subsection (m)—

(1) in the first sentence—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency's" and inserting "Commission's";

(2) by striking "agency" each place it appears and inserting "Commission"; and

(3) in the second sentence, by striking "Federal banking agency" and inserting "Commission";

(l) in subsection (n), in the sixth sentence, by striking "appropriate";

(m) in subsection (o)—

(1) by striking "Comptroller of the Currency" and inserting "Commission"; and

(2) by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(n) in subsection(s)—

(1) in paragraph (1), by striking "Each appropriate Federal banking agency" and inserting "The Commission";

(2) in paragraph (2)(A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(3) in paragraph (3)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission";

(B) by striking "such agency" and inserting "the Commission"; and

(C) by striking "agency" and inserting "Commission";

(o) in subsection (t)—

(1) in paragraph (1)—

(A) by amending the heading to read as follows: "RECOMMENDING ACTION BY COMMISSION."; and

(B) by striking "appropriate Federal banking agency" each place it appears and inserting "Commission"; and

(C) by striking "agency" and inserting "Commission";

(2) in paragraph (2)—

(A) in the heading, by striking "APPROPRIATE FEDERAL BANKING AGENCY" and inserting "COMMISSION";

(B) in the introductory text—

(I) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(II) by striking "agency" and inserting "Commission";

(C) in subparagraph (B), by striking "; or" and inserting ";";

(D) in subparagraph (C), by striking the period at the end and inserting "; or"; and

(E) by adding at the end a new subparagraph to read as follows:

"(D) the insured depository institution is violating or has violated, or the Corporation has reasonable cause to believe that the depository institution or any institution-affiliated party is about to violate, a law, rule, or regulation relating to the Corporation's deposit insurance, conservatorship or receivership functions or any condition imposed in writing by the Corporation in connection with the granting of any application or other request by the depository institution or any written agreement entered into with the Corporation.";

(3) in paragraph (3)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency," and inserting "Commission,"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency," and inserting "Commission,";

(4) in paragraph (4)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(5) in paragraph (5)—

(A) in subparagraph (A)—

(i) by striking "an appropriate Federal banking agency (including a Federal Reserve Bank)" and inserting "the Commission (or a Federal Reserve Bank)"; and

(ii) by striking "chief officer of the appropriate Federal banking agency" and inserting "Chairperson of the Commission"; and

(B) in subparagraph (B)—

(i) by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(ii) by striking "agency" and inserting "Commission";

(p) in subsection (u)—

(1) in paragraph (1)—

(A) in the introductory text, by striking "appropriate Federal banking agency" and inserting "Commission";

(B) in subparagraph (A), by striking "appropriate Federal banking agency" each place it appears and inserting "Commission"; and

(C) in subparagraph (B), by striking "such agency" and inserting "Commission";

(2) in paragraph (2), by striking "a Federal banking agency" and inserting "Commission";

(3) in paragraph (5)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency" and inserting "Commission";

(4) in paragraph (6)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency" and inserting "Commission"; and

(5) in paragraph (7)—

(A) by striking "Each Federal banking agency" and inserting "The Commission"; and

(B) by striking "such agency" and inserting "the Commission";

(q) in subsection (v)—

(1) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "Any appropriate Federal banking agency" and inserting "The Commission";

(B) in subparagraph (B)—

(i) by striking "Any appropriate Federal banking agency" and inserting "The Commission"; and

(ii) by striking "such agency's" and inserting "The Commission's";

(C) in subparagraph (C)—

(i) in the introductory text, by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) in clause (i), by striking "any appropriate Federal banking agency" and inserting "the Commission"; and

(D) in subparagraph (D)—

(i) by striking "appropriate Federal banking agency" and inserting "Federal banking agency"; and

(ii) by striking "any appropriate Federal banking agency" and inserting "the Commission"; and

(g) in subsection (w)(3)(A), by striking "Office of Thrift Supervision" and inserting "Commission".

SEC. 506. AMENDMENTS TO SECTION 10.

Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended—

(a) in subsection (b)—

(1) by striking paragraph (2)(A) and redesignating paragraphs (2)(B) and (2)(C) as paragraphs (2)(A) and (2)(B), respectively;

(2) by striking paragraph (5) and redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively; and

(3) in paragraph (5)(A) (as redesignated by paragraph (2) of this subsection)—

(A) by inserting "or" after "(3),"; and

(B) by striking "; or (5)";

(b) in subsection (c), by striking "the appropriate Federal banking agency" and inserting "each Federal banking agency"; and

(c) in subsection (e)(1), by striking "(b)(2), (b)(3), or (d)" and inserting "(b)(2) or (b)(3)".

SEC. 507. AMENDMENTS TO SECTION 11.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended—

(a) in subsection (c)—

(1) in paragraph (2)—

(A) in subparagraph (A)(ii), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (D), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in paragraph (5)(E), by striking "appropriate Federal banking agency" and inserting "Commission, the Corporation, or the Board of Governors";

(3) in paragraph (6)—

(A) in the heading, by striking "DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION" and inserting "COMMISSION";

(B) in subparagraph (A), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(C) in subparagraph (B), by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(4) in paragraph (9)—

(A) in the heading, by striking "APPROPRIATE FEDERAL BANKING AGENCY" and inserting "COMMISSION";

(B) in subparagraph (A), by striking "appropriate Federal banking agency" each place it appears and inserting "Commission"; and

(C) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission";

(5) in paragraph (10), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(6) in paragraph (11)—

(A) in the heading, by striking "APPROPRIATE FEDERAL BANKING AGENCY" and inserting "COMMISSION";

(B) by striking "appropriate Federal banking agency" and inserting "Commission";

(C) by striking "agency" each place it appears and inserting "Commission"; and

(D) by striking "agency's" and inserting "Commission's";

(b) in subsection (d)—

(1) in paragraph (2)—

(A) in subparagraph (F)(i), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(B) in subparagraph (G)(ii)—

(i) in the heading, by striking "APPROPRIATE FEDERAL BANKING AGENCY" and inserting "COMMISSION"; and

(ii) by striking "appropriate Federal banking agency for such institution." and inserting "Commission.";

(2) in paragraph (17)(A)—

(A) by striking "Comptroller of the Currency or the Director of the Office of Thrift Supervision" and inserting "Commission"; and

(B) by striking "appropriate"; and

(3) in paragraph (18)(B), by striking "Comptroller of the Currency or the Director of the Office of Thrift Supervision" and inserting "Commission";

(c) in subsection (m)—

(1) in paragraph (9), by striking "Comptroller of the Currency" and inserting "Commission";

(2) in paragraph (16), by striking "Comptroller of the Currency" each place it appears and inserting "Commission"; and

(3) in paragraph (18), by striking "Comptroller of the Currency" each place it appears and inserting "Commission";

(d) in subsection (n)—

(1) in paragraph (1)(A), by striking "Office of the Comptroller of the Currency" and inserting "Commission";

(2) in paragraph (2)(A), by striking "Comptroller of the Currency" and inserting "Commission";

(3) in paragraph (4)—

(A) in subparagraph (D), by striking "Comptroller of the Currency" and inserting "Commission"; and

(B) in subparagraph (G), by striking "Comptroller of the Currency" and inserting "Commission"; and

(4) in paragraph (12)(B), by striking "Comptroller of the Currency" each place it appears and inserting "Commission";

(e) in subsection (o), by striking "appropriate Federal banking agency" and inserting "Federal banking agencies";

(f) in subsection (p)(1)(C), by striking "an appropriate" and inserting "any"; and

(g) in subsection (t)(2)(A)(i), by striking "appropriate Federal banking agency" and inserting "Federal banking agency".

SEC. 508. AMENDMENT TO SECTION 12.

Section 12(f)(4)(E)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1822(f)(4)(E)(ii)) is amended by striking "appropriate".

SEC. 509. AMENDMENTS TO SECTION 13.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended—

(a) in subsection (c)(8)(A)(ii)(I)—

(1) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) by striking "agency" and inserting "Commission";

(b) in subsection (j)—

(1) in paragraph (1)—

(A) in the introductory text, by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission";

(3) in paragraph (3), by striking "appropriate Federal banking agency" and inserting "Commission";

(4) in paragraph (4)—

(A) in subparagraph (A)(iv)(II), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(c) in subsection (k)—

(1) in paragraph (1)(A)(iii)—

(A) in the heading, by striking "APPROPRIATE AGENCY" and inserting "COMMISSION"; and

(B) by striking "appropriate Federal banking agency of every party thereto" and inserting "Commission";

(2) in paragraph (1)(A)(iv), by striking "Director of The Office of Thrift Supervision" and inserting "Commission"; and

(3) in paragraph (5)(A)(ii)(IV), by striking "appropriate Federal banking agency" and inserting "Commission".

SEC. 510. AMENDMENT TO SECTION 14.

Section 14(d)(5)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1824(d)(5)(A)) is amended by striking "appropriate Federal banking agency" and inserting "Corporation or the Commission".

SEC. 511. AMENDMENTS TO SECTION 18.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended—

(a) in subsection (c)—

(1) in paragraph (2), by striking "responsible agency" and all that follows through the period and inserting "responsible agency, which shall in every case referred to in this paragraph be the Commission.";

(2) in paragraph (4), by striking "the other two banking agencies referred to in this subsection" and inserting "the Corporation";

(3) in paragraph (6), by striking "the other two banking agencies" and inserting "the Corporation or the Commission, as the case may be,"; and

(4) in paragraph (7)(D)—

(A) by striking "Federal supervisory agency" and inserting "the Corporation"; and

(B) by striking "such agency" and inserting "the Commission"; and

(5) in paragraph (9), by striking "each of the responsible agencies" and inserting "the responsible agency";

(b) in subsection (d)—

(1) in paragraph (1), by striking "Corporation" each place it appears and inserting "Commission"; and

(2) in paragraph (2), by striking "Corporation" each place it appears and inserting "Commission";

(c) in subsection (g)—

(1) in paragraph (1)—

(A) by striking "Board of Directors" each place it appears and inserting "Commission";

(B) in the first sentence, by striking ", or by regulation of the Board of Governors of the Federal Reserve System";

(C) in the second sentence, by striking ", after consulting with the Board of Governors of the Federal Reserve System and the Director of the Office of Thrift Supervision,"; and

(D) in the sixth sentence, by striking "Corporation" and inserting "Commission"; and

(2) in paragraph (2), by striking "Board of Directors" and inserting "Commission";

(d) in subsection (i)—

(1) in paragraph (1), by striking "Corporation" and inserting "Commission"; and

(2) in paragraph (2), by striking "prior written consent" and all that follows through the period and inserting "prior written consent of the Commission.";

(e) subsection (k)—

(1) in paragraph (4)(A)(ii)—

(A) in subclause (III), by striking "institution's appropriate Federal banking agency" and inserting "Commission"; and

(B) in subclause (IV), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) in paragraph (5)(A), by striking "appropriate Federal banking agency" and inserting "any Federal banking agency";

(f) in subsection (l)—

(1) by striking "Corporation" each place it appears and inserting "Commission"; and

(2) by striking "Board of Directors" and inserting "Commission";

(g) in subsection (m)—

(1) in paragraph (1)—

(A) in subparagraph (A) by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(B) in subparagraph (B), by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(2) in subparagraph (2)—

(A) in subparagraph (A), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(B) in subparagraph (B)—

(i) by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(ii) by striking "Director" and inserting "Commission"; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(B) in subparagraph (B), by striking "Office of Thrift Supervision" and inserting "Commission";

(h) in subsection (n), by striking "No appropriate Federal banking agency shall" and inserting "The Commission shall not";

(i) in subsection (o)—

(1) in paragraph (1), by striking "each appropriate Federal banking agency" and inserting "the Commission";

(2) in paragraph (2)(B), by striking "appropriate Federal banking agencies" and inserting "Commission";

(3) in paragraph (3), by striking "No appropriate Federal banking agency" and inserting "Neither the Corporation nor the Commission"; and

(4) in the second sentence of paragraph (4), by striking "appropriate Federal banking agencies, acting in concert" and inserting "the Commission"; and

(j) in subsection (p)—

(1) by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(2) by striking "other Federal banking agencies" and inserting "Corporation."

SEC. 512. AMENDMENTS TO SECTION 20.

Section 20(e) of the Federal Deposit Insurance Act (12 U.S.C. 1829a(e)) is amended by striking "Board of Directors" and inserting "Commission".

SEC. 513. AMENDMENTS TO SECTION 28.

Section 28 of the Federal Deposit Insurance Act (12 U.S.C. 1831e) is amended—

(a) in subsection (e)—

(1) in paragraph (2)—

(A) in subparagraph (A)(ii), by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(B) in subparagraph (C), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(C) in subparagraph (F), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(B) in subparagraph (B), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(b) in subsection (h)(2), by striking "Director of the Office of Thrift Supervision" and inserting "Commission".

SEC. 514. AMENDMENTS TO SECTION 30.

Section 30(c) of the Federal Deposit Insurance Act (12 U.S.C. 1831g(c)) is amended, by striking "any appropriate Federal banking agency" and inserting "the Corporation or the Commission".

SEC. 515. AMENDMENTS TO SECTION 32.

Section 32 of the Federal Deposit Insurance Act (12 U.S.C. 1831i) is amended—

(a) in subsection (a), by striking "appropriate Federal banking agency" and inserting "Commission";

(b) in subsection (b)—

(1) in the heading, by striking "AGENCY" and inserting "COMMISSION";

(2) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(3) by striking "agency" and inserting "Commission";

(c) in subsection (c)—

(1) in paragraph (1), by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(2) in paragraph (2)—

(A) in the heading, by striking "AGENCY" and inserting "COMMISSION"; and

(B) by striking "each agency" and inserting "the Commission";

(d) in subsection (d)—

(1) by striking "an appropriate Federal banking agency" and inserting "the Commission"; and

(2) in paragraph (2), by striking "agency" and inserting "Commission";

(e) in subsection (e), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(f) in subsection (f), by striking "Each appropriate Federal banking agency" and inserting "The Commission".

SEC. 516. AMENDMENT TO SECTION 33.

Section 33 of the Federal Deposit Insurance Act (12 U.S.C. 1831j) is amended—

(a) in the last sentence of subsection (b), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(b) in subsection (e), by striking "the Comptroller of the Currency" and all that follows through the period and inserting "and the Federal Banking Commission."

SEC. 517. AMENDMENTS TO SECTION 34.

Section 34 of the Federal Deposit Insurance Act (12 U.S.C. 1831k) is amended—

(a) in subsection (a), by striking "An appropriate Federal banking agency" and inserting "The Corporation or the Commission";

(b) in subsection (b), by striking "An appropriate Federal banking agency" and inserting "Neither the Corporation nor the Commission"; and

(c) in subsection (c), by striking "An appropriate Federal banking agency" and inserting "Neither the Corporation nor the Commission".

SEC. 518. AMENDMENTS TO SECTION 35.

Section 35 of the Federal Deposit Insurance Act (12 U.S.C. 1831l) is amended—

(a) in the heading, by striking "SEC AND FEDERAL BANKING AGENCIES" and inserting "SEC, FEDERAL BANKING COMMISSION, AND CORPORATION";

(b) by striking "Any appropriate Federal banking agency" and inserting "The Federal Banking Commission and the Corporation"; and

(c) by striking "for which the Commission" and inserting "for which the Securities and Exchange Commission".

SEC. 519. AMENDMENT TO SECTION 36.

Section 36 of the Federal Deposit Insurance act (12 U.S.C. 1831m) is amended—

(a) in subsection (a)—

(1) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) in paragraph (2)(B), by striking "appropriate Federal banking agency" and inserting "Commission";

(b) in subsection (b)—

(1) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) in paragraph (2)—

(A) in subparagraph (A)(iii), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (B)(ii), by striking "appropriate Federal banking agency" and inserting "Commission";

(c) in subsection (d)—

(1) in paragraph (1), by striking "appropriate Federal banking agencies" and inserting "Commission"; and

(2) in paragraph (2)(B), by striking "appropriate Federal banking agency" and inserting "Commission";

(d) in subsection (e)(1), by striking "appropriate Federal banking agencies" and inserting "Commission";

(e) in subsection (f)(2), by striking "other appropriate Federal banking agencies" and inserting "Commission";

(f) in subsection (g)—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking "any appropriate Federal banking agency," and inserting "the Commission,"; and

(B) in subparagraph (C), by striking "any appropriate Federal banking agency" and inserting "the Commission";

(2) in paragraph (3)(A)(i), by striking "any appropriate Federal banking agency" and inserting "the Commission";

(3) in paragraph (4)—

(A) in subparagraph (A), by striking "an appropriate Federal banking agency" and inserting "the Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agencies" and inserting "Corporation and the Commission"; and

(4) in paragraph 5, by striking "each appropriate Federal banking agency" each place it appears and inserting "the Commission";

(g) in subsection (h)—

(1) in paragraph (1)(B)—

(A) in clause (i) by striking "any appropriate Federal banking agency" and inserting "the Corporation, the Commission,"; and

(B) in clause (ii)(I), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "any appropriate Federal banking agency" and inserting "the Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(h) in subsection (i)(2)(B)(ii), by striking "appropriate Federal banking agency" and inserting "Commission".

SEC. 520. AMENDMENTS TO SECTION 37.

Section 37 of the Federal Deposit Insurance Act (12 U.S.C. 1831n) is amended—

(a) in subsection (a)—

(1) in paragraph (2)(B)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "the agency or" and inserting "the Commission or"; and

(2) in paragraph (3)—

(A) in the introductory text, by striking "appropriate"; and

(B) in subparagraph (D), by striking "appropriate";

(b) in section (b), by striking "appropriate" each place it appears; and

(c) in subsection (c)—

(1) in paragraph (1)—

(A) by striking "appropriate"; and

(B) by striking "or capital" each place it appears;

(2) in paragraph (2), by striking "or capital" each place it appears.

SEC. 521. AMENDMENTS TO SECTION 38.

Section 38 of the Federal Deposit Insurance Act (12 U.S.C. 1831o) is amended—

(a) in subsection (a)(2), by striking "Each appropriate Federal banking agency" and inserting "The Commission";

(b) in subsection (b)(2)—

(1) in subparagraph (A)(ii), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in subparagraph (B)—

(A) in clause (i)(II), by striking "appropriate Federal agency" and inserting "Commission"; and

(B) in clause (iii), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(3) in subparagraph (G), by striking "appropriate Federal banking agency" and inserting "Commission";

(c) in subsection (c)—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "each appropriate Federal banking agency" and inserting "the Commission"; and

(B) in subparagraph (B)—

(i) by striking "An appropriate Federal banking agency" and inserting "The Federal Banking Commission"; and

(ii) in clause (ii), by striking "(with the concurrence of the other Federal banking agencies)";

(2) in paragraph (2), by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(3) in paragraph (3)—

(A) in subparagraph (A)—

(i) in the heading, by striking "AGENCY" and inserting "COMMISSION";

(ii) in clause (i) by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(iii) in clause (ii), by striking "agency" and inserting "Commission"; and

(B) by striking subparagraph (C);

(d) in subsection (d)(1(B), by striking "appropriate Federal Banking agency" and inserting "Commission";

(e) in subsection (e)—

(1) in paragraph (1), by striking "Each appropriate Federal banking agency" and inserting "The Commission";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission";

(B) in subparagraph (B)(ii), by striking "appropriate Federal banking agency" and inserting "Commission";

(C) in the introductory text of subparagraph (C)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) by striking "the agency" and inserting "Commission";

(D) in the introductory text of subparagraph (D)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission";

(ii) in clause (ii), by striking "agency" and inserting "Commission"; and

(iii) in clause (iii), by striking "agency" each place it appears and inserting "Commission";

(3) in paragraph (3)(A), by striking "appropriate Federal banking agency" and inserting "Commission";

(4) in paragraph (4)(A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(5) in paragraph (5)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency" and inserting "Commission";

(f) in subsection (f)—

(1) in paragraph (1)(B)—

(A) in clause (i), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in clause (ii), by striking "agency" and inserting "Commission";

(2) in paragraph (2)—

(A) in the introductory text, by striking "appropriate Federal banking agency" and inserting "Commission";

(B) in subparagraph (C)—

(i) in clause (i), by striking "agency" and inserting "Commission"; and

(ii) in clause (ii), by striking "agency" each place it appears and inserting "Commission";

(C) in subparagraph (E), by striking "agency" and inserting "Commission";

(D) in subparagraph (F)(iii), by striking "agency" each place it appears and inserting "Commission";

(E) in subparagraph (H), by striking "Board of Governors of the Federal Reserve System" and inserting "Commission";

(F) in subparagraph (I)—

(i) in clause (i), by striking "agency" and inserting "Commission";

(ii) in clause (ii), by striking "appropriate Federal banking agency for that company" and inserting "Corporation or Commission"; and

(iii) in clause (iii), by striking "appropriate Federal banking agency for that company" and inserting "Corporation or Commission"; and

(G) in subparagraph (J), by striking "agency" and inserting "Commission";

(3) in the introductory text of paragraph (3), by striking "agency" each place it appears and inserting "Commission";

(4) in paragraph (4)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) in subparagraph (B), by striking "appropriate Federal banking agency" and inserting "Commission";

(5) in paragraph (5), by striking "agency" each place it appears and inserting "Commission"; and

(6) in paragraph (6) by striking "agency" each place it appears and inserting "Federal Banking Commission";

(g) in the introductory text of subsection (g)(1)—

(1) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) by striking "agency" and inserting "Commission";

(h) in subsection (h)—

(1) in paragraph (2)(B)(i), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in paragraph (3)—

(A) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission";

(B) in subparagraph (B)—

(i) by striking "an appropriate Federal banking agency" and inserting "the Commission"; and

(ii) by striking "agency" and inserting "Commission";

(C) in subparagraph (C)—

(i) in clause (i), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) in clause (ii)—

(I) by striking "appropriate Federal banking agency" and inserting "Commission";

(II) in subclause (I), by striking "agency" and inserting "Commission"; and

(III) in subclause (II), by striking "the head of the appropriate Federal banking agency" and inserting "the Chairperson of the Commission";

(i) in subsection (i)(2)(A), by striking "appropriate Federal banking agency" and inserting "Commission";

(j) in subsection (k)—

(1) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission";

(A) in subparagraph (A)—

(i) by striking "that agency" and inserting "the Commission"; and

(ii) by striking "the agency's " each place it appears and inserting "the Commission's"; and

(B) in subparagraph (B)(ii), by striking "(if the agency is not the Corporation)";

(2) in paragraph (3), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(3) in paragraph (4)(A), by striking "appropriate Federal banking agency" and inserting "Commission";

(k) in subsection (l)—

(1) in paragraph (1)—

(A) by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(B) by striking "(in consultation with the other Federal banking agencies)" and inserting "(in consultation with the Corporation)"; and

(2) in paragraph (2), by striking "an appropriate Federal banking agency" and inserting "the Commission";

(l) in subsection (m), by striking "an appropriate Federal banking agency" and inserting "the Commission";

(m) in subsection (n)—

(1) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "agency" each place it appears and inserting "Commission";

(B) in subparagraph (B), by striking "agency'; and inserting "Commission"; and

(C) in subparagraph (C), by striking "agency" and inserting "Commission"; and

(n) in subsection (o)—

(1) in paragraph (1)—

(A) in the heading, by striking "OTS" and inserting "COMMISSION"; and

(B) in subparagraph (A), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(2) in paragraph (2)(C), by striking "appropriate Federal banking agency" and inserting "Commission".

SEC. 522. AMENDMENTS TO SECTION 39.

Section 39 of the Federal Deposit Insurance Act (12 U.S.C. 1831p–1) is amended—

(a) in subsection (a)—

(1) in paragraph (1), by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(2) in paragraph (2), by striking "agency" and inserting "Commission";

(b) in subsection (b)—

(1) in paragraph (1), by striking "Each appropriate Federal banking agency" and inserting "The Commission"; and

(2) in paragraph (2), by striking "agency" and inserting "Commission";

(c) in subsection (c)—

(1) in the introductory text, by striking "Each appropriate Federal banking agency" and inserting "The Commission";

(2) in paragraph (2), by striking "agency" and inserting "Commission"; and

(3) in paragraph (2), by striking "agency" and inserting "Commission";

(d) in subsection (d)—

(1) in paragraph (2), by striking "any appropriate Federal banking agency" and inserting "the Commission";

(2) in paragraph (3), by striking "any appropriate Federal banking agency" and inserting "the Commission"; and

(3) in paragraph (4)—

(A) in the introductory text, by striking "any appropriate Federal banking agency" and inserting "the Commission"; and

(B) in subparagraph (B)—

(i) by striking "agency" each place it appears and inserting "Commission"; and

(ii) by striking "agency's" and inserting "Commission's";

(e) in subsection (e)—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) by striking "agency" each place it appears and inserting "Commission"; and

(B) in subparagraph (C)—

(i) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(ii) by striking "agency" each place it appears and inserting "Commission";

(2) in paragraph (2)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency" each place it appears and inserting "Commission"; and

(3) paragraph (3)—

(A) by striking "appropriate Federal banking agency" and inserting "Commission"; and

(B) by striking "agency" each place it appears and inserting "Commission"; and

(f) in subsection (g), by striking "Federal banking agencies" and inserting "Commission".

SEC. 523. AMENDMENT TO SECTION 41.

Section 41(a) of the Federal Deposit Insurance Act (12 U.S.C. 1831r) is amended by inserting "Commission," "after the Corporation,".

SEC. 524. AMENDMENT TO SECTION 42.

Section 42(a) of the Federal Deposit Insurance Act (12 U.S.C. 1831p) is amended—

(a) in the heading, by striking "APPROPRIATE FEDERAL BANKING AGENCY" and inserting "COMMISSION"; and

(b) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Commission".

TITLE VI—CONFORMING AMENDMENTS TO OTHER BANKING STATUTES

SEC. 601. AMENDMENTS TO THE ACT OF JUNE 30, 1876.

(a) AMENDMENTS TO SECTION 1.—Section 1 of the Act of June 30, 1876 (12 U.S.C. 191), is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) by striking "Comptroller" and inserting "Commission"; and

(3) by striking "Comptroller's" and inserting "Commission's".

(b) AMENDMENTS TO SECTION 3.—Section 3 of the Act of June 30, 1876 (12 U.S.C. 197), is amended—

(1) in subsection (a)—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "Comptroller" each place it appears and inserting "Commission"; and

(2) in subsection (b), by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 6.—Section 6 of the Act of June 30, 1876 (omitted from the United States Code), is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 602. AMENDMENT TO THE ACT OF MARCH 29, 1886.

(a) AMENDMENT TO FIRST UNDESIGNATED PARAGRAPH.—The first undesignated paragraph of the Act of March 29, 1886 (12 U.S.C. 198), is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 2.—Section 2 of the Act of March 29, 1886 (12 U.S.C. 199) is amended by striking "Comptroller of the Currency, shall be, together with the certificate of facts in the case, and his recommendation as to the amount of money which, in his judgment, should be so used and employed, submitted to the Secretary of the Treasury, and if the same shall likewise be approved by him, the request shall be by the Comptroller of the Currency" and inserting "Federal Banking Commission, shall be".

(c) AMENDMENTS TO SECTION 3.—Section 3 of the Act of March 29, 1886 (12 U.S.C. 200) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(2) by striking ", with the approval of the Secretary of the Treasury,"; and

(3) by striking "he" and inserting "the Commission".

SEC. 603. AMENDMENTS TO THE ACT OF MAY 1, 1886.

Section 2 of the Act of May 1, 1886 (12 U.S.C. 30) is amended—

(a) in subsection (a), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(b) in subsection (b), by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

SEC. 604. AMENDMENTS TO THE ACT OF NOVEMBER 7, 1918.

(a) AMENDMENTS TO THE FIRST SECTION.—The first section of the Act of November 7, 1918 (12 U.S.C. 215) is amended—

(1) in subsection (a), by striking "Comptroller" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Comptroller" each place it appears and inserting "Commission";

(3) in the third sentence of subsection (c), by striking "Comptroller" and inserting "Commission"; and

(4) in subsection (d), by striking "Comptroller" each place it appears and inserting "Commission".

(b) AMENDMENTS TO SECTION 2.—Section 2 of the Act of November 1918 (12 U.S.C. 215a) is amended—

(1) in subsection (a), by striking "Comptroller" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Comptroller" each place it appears and inserting "Commission";

(3) in the third sentence of subsection (c), by striking "Comptroller" and inserting "Commission"; and

(4) in subsection (d), by striking "Comptroller" each place it appears and inserting "Commission".

(c) AMENDMENT TO SECTION 3.—Section 3(3) of the Act of November 7, 1918 (12 U.S.C. 215b(3)) is amended to read as follows:

"(3) 'Commission' means the Federal Banking Commission; and".

SEC. 605. AMENDMENT TO THE ACT OF FEBRUARY 25, 1930.

The Act of February 25, 1930 (12 U.S.C. 67) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 606. AMENDMENTS TO THE ACT OF MARCH 9, 1933.

(a) AMENDMENTS TO SECTION 4.—Section 4(b)(1) of the Act of March 9, 1933 (12 U.S.C. 95(b)(1)) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 301.—Section 301 of the Act of March 9, 1933 (12 U.S.C. 51a) is amended—

(1) in the first sentence—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "said Comptroller" and inserting "the Commission"; and

(2) in the second sentence—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "his" each place it appears and inserting "the Commission's".

(c) AMENDMENT TO SECTION 302.—Section 302(a) of the Act of March 9, 1933 (12 U.S.C. 51b(a)) is amended in the first sentence by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 607. AMENDMENTS TO THE ACT OF AUGUST 17, 1950.

Section 2 of the Act of August 17, 1950 (12 U.S.C. 214a) is amended—

(1) in the first sentence of subsection (a), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) in subsection (b)—

(A) in the third sentence, by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "Comptroller" each place it appears and inserting "Commission".

SEC. 608 AMENDMENTS TO THE ACT OF SEPTEMBER 8, 1959.

Section 13 of the Act of September 8, 1959 (12 U.S.C. 21a) is amended in the last sentence—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "his" and inserting "the Commission's".

SEC. 609. AMENDMENTS TO THE ACT OF SEPTEMBER 28, 1962.

(a) AMENDMENTS TO THE FIRST SECTION.—The first undesignated section of the Act of September 28, 1962 (12 U.S.C. 92a) is amended—

(1) in subsection (a)—

(A) in the heading, by striking "COMPTROLLER OF THE CURRENCY" and inserting "FEDERAL BANKING COMMISSION"; and

(B) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) in the second sentence of subsection (c), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(3) in subsection (d), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(4) in subsection (i), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(5) in subsection (j)—

(A) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(B) in the second sentence—

(i) by striking "himself" and inserting "itself";

(ii) by striking "his" and inserting "the Commission's"; and

(C) in the last sentence, by striking "he" and inserting "the Commission"; and

(6) in subsection (k)—

(A) in the first sentence of paragraph (1), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "Comptroller" each place it appears and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 2.—Section 2 of the Act of September 28, 1962 (12 U.S.C. 92a note) is amended in the second sentence by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 610. AMENDMENTS TO THE ALTERNATIVE MORTGAGE TRANSACTION PARITY ACT OF 1982.

(a) AMENDMENTS TO SECTION 802.—Section 802(a)(3) of the Alternative Mortgage Transaction Parity Act of 1982 (12 U.S.C. 3801) is amended—

(1) by striking "Comptroller of the Currency," and inserting "Federal Banking Commission and"; and

(2) by striking ", and the Director of the Office of Thrift Supervision".

(b) AMENDMENTS TO SECTION 804.—Section 804(a) of the Alternative Mortgage Transaction Parity Act of 1982 (12 U.S.C. 3803) is amended—

(1) by amending paragraph (3) to read as follows:

"(2) with respect to all other housing creditors, including without limitation, banks, savings associations, mutual savings banks, and savings banks, only to transactions made in accordance with regulations governing alternative mortgage transactions as issued by the Federal Banking Commission for national banks or federally chartered savings associations, to the extent that such regulations are authorized by rulemaking authority granted to the Federal Banking Commission with regard to national banks or federally chartered savings associations under laws other than this section."; and

(2) by striking paragraph (1);

(3) by redesignating paragraph (2) as paragraph (1); and

(c) AMENDMENT TO SECTION 1204.—Section 1204(b) of the Alternative Mortgage Transaction Parity Act of 1982 (12 U.S.C. 3806(b)) is amended by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

SEC. 611. AMENDMENTS TO THE BANK CONSERVATION ACT.

(a) AMENDMENT TO SECTION 201.—Section 201 of the Bank Conservation Act (12 U.S.C. 201) is amended to read as follows:

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Bank Conservation Act'.".

(b) AMENDMENT TO SECTION 202.—Section 202 of the Bank Conservation Act (12 U.S.C. 202) is amended to read as follows:

"SEC. 202. DEFINITIONS.

"(a) BANK DEFINED.—As used in this title, the term 'bank' means—

"(1) any national banking association;

"(2) any other financial institution chartered or licensed under Federal law; and

"(3) any bank or trust company located in the District of Columbia, that was or would have been supervised by the Comptroller of the Currency prior to the effective date of the Regulatory Consolidation Act of 1994.

"(b) VOLUNTARY DISSOLUTION AND LIQUIDATION DEFINED.—As used in this title, the term 'voluntary dissolution and liquidation' means a transaction pursuant to section 5220 of the Revised Statutes (12 U.S.C. 181) that involves the assumption of the bank's insured deposit liabilities and the sale of the bank, or of control of the bank, as a going concern; and

"(c) STATE DEFINED.—As used in this title, the term 'State' means any State, Territory, or possession of the United States.".

(c) AMENDMENTS TO SECTION 203.—Section 203 of the Bank Conservation Act (12 U.S.C. 203) is amended—

(1) in subsection (a), by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(2) in subsection (b)—

(A) by striking "Comptroller" each place it appears and inserting "Commission";

(B) by striking "Comptroller's" and inserting "Commission's";

(3) in subsection (c), by striking "Comptroller" each place it appears and inserting "Commission";

(4) in subsection (d), by striking "Comptroller" each place it appears and inserting "Commission";

(5) in subsection (e)—

(A) by striking "Comptroller" and inserting "Commission"; and

(B) by striking "Comptroller's" and inserting "Commission's".

(d) AMENDMENTS TO SECTION 204.—Section 204 of the Bank Conservation Act (12 U.S.C. 204) is amended—

(1) in the first sentence, by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) in the second sentence, by striking "Comptroller" and inserting "Commission".

(e) AMENDMENT TO SECTION 205.—Section 205 of the Bank Conservation Act (12 U.S.C. 205) is amended—

(1) in subsection (a), by striking "Comptroller" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Comptroller" and inserting "Commission"; and

(3) in subsection (c), by striking "Comptroller" and inserting "Commission".

(f) AMENDMENTS TO SECTION 206.—Section 206 of the Bank Conservation Act (12 U.S.C. 206) is amended—

(1) in subsection (a), by striking "Comptroller" and inserting "Commission";

(2) in subsection (b)—

(A) in the heading, by striking "COMPTROLLER" and inserting "COMMISSION";

(B) by striking "Comptroller" and inserting "Commission";

(3) in subsection (c), by striking "Comptroller" each place it appears and inserting "Commission";

(4) in subsection (d)—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(B) by striking "Comptroller" each place it appears and inserting "Commission".

(g) AMENDMENT TO SECTION 209.—Section 209(c) of the Bank Conservation Act (12 U.S.C. 209(c)) is amended by striking "Comptroller" each place it appears and inserting "Commission".

(h) AMENDMENT TO SECTION 210.—Section 210 of the Bank Conservation Act (12 U.S.C. 210) is amended to read as follows:

"SEC. 210. NO IMPAIRMENT OF OTHER POWERS.

"Nothing in this title shall be construed to impair in any manner any powers of the President, the Secretary of the Treasury, the Federal Banking Commission, or the Board of Governors of the Federal Reserve System.".

(i) AMENDMENTS TO SECTION 211.—Section 211 of the Bank Conservation Act (12 U.S.C. 211) is amended—

(1) in subsection (a)—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(B) by striking "Comptroller" and inserting "Commission";

(2) in subsection (b), by striking "Comptroller" and inserting "Commission".

SEC. 612. AMENDMENTS TO THE BANK ENTERPRISE ACT OF 1991.

(a) AMENDMENTS TO SECTION 232.—Subsection 232(a) of the Bank Enterprise Act of 1991 (12 U.S.C. 1834(a)) is amended—

(1) in the heading, by striking "FEDERAL RESERVE BOARD" and inserting "THE COMMISSION";

(2) in paragraph (1), by striking "Board of Governors of the Federal Reserve System," and inserting "Commission";

(3) in paragraph (2), by striking "Board" each place it appears and inserting "Commission";

(4) in paragraph (3)—

(A) by amending subparagraph (A) to read as follows:

"(A) COMMISSION.—The term 'Commission' means the Federal Banking Commission.";

(B) in subparagraph (C), by striking "Board" and inserting "Commission".

(b) AMENDMENTS TO SECTION 233.—Section 233 of the Bank Enterprise Act of 1991 (12 U.S.C. 1834a) is amended—

(1) in subsection (b)(2)—

(A) in subparagraph (A)(i)—

(i) in the heading, by striking "AGENCY" and inserting "COMMISSION";

(ii) by striking "appropriate Federal banking agency" and inserting "Commission";

(B) in subparagraph (B)—

(i) in the heading, by striking "AGENCY";

(ii) in clause (i), by striking "appropriate Federal banking agency" and inserting "Commission";

(iii) in clause (ii)—

(I) by striking "appropriate Federal banking agency" and inserting "Commission";

(II) by striking "agency" and inserting "Commission"; and

(3) by amending subsection (g)(1) to read as follows:

"(1) COMMISSION.—The term 'Commission' means the Federal Banking Commission.";

(c) AMENDMENT TO SECTION 234.—Subsection 234 of the Bank Enterprise Act of 1991 (12 U.S.C. 1834b) is amended—

(1) in subsection (c), by striking "appropriate Federal banking agency" and inserting "Commission";

(2) in subsection (d), by striking "appropriate Federal banking agency" and inserting "Commission";

(3) in subsection (e)—

(A) in paragraph (4), by striking "appropriate Federal banking agency" and inserting "Commission";

(B) by inserting a new paragraph (6) to read as follows:

"(6) COMMISSION.—The term 'Commission' means the Federal Banking Commission.".

SEC. 613. AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.

(a) AMENDMENTS TO SECTION 2.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended—

(1) in subsection (a)—

(A) in paragraph (2)(C), by striking "Board" and inserting "Commission";

(B) in paragraph (5)(D)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) by striking "Board's" and inserting "Commission's";

(2) in subsection (d) by striking "Board" and inserting "Commission";

(3) in subsection (e), by striking "Board" and inserting "Commission";

(4) by amending subsection (f) to read as follows:

"(f) 'Commission' means the Federal Banking Commission.";

(5) in subsection (g)(3), by striking "Board" and inserting "Commission";

(6) in subsection (h)(3), by striking "Board" and inserting "Commission"; and

(7) in subsection (j)(3), by striking "Director of the Office of Thrift Supervision" and inserting "Commission".

(b) AMENDMENTS TO SECTION 3.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended—

(1) in subsection (a)—

(A) by striking "Board" each place it appears and inserting "Commission";

(B) in the third sentence, by striking "in the Board's judgment" and inserting "in the Commission's judgment";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) in the first sentence—

(I) by striking "to the Comptroller of the Currency, if the applicant company or any bank the voting shares or assets of which are sought to be required is a national banking association or a District bank, or";

(II) by striking "the Comptroller of the Currency or the State supervisory authority, as the case may be." and inserting "the State supervisory authority.";

(ii) in the second sentence, by striking "the Comptroller of the Currency or";

(iii) in the third sentence, by striking "the Comptroller of the Currency or";

(iv) in the ninth sentence, by striking "the Comptroller of the Currency or the State supervisory authority, as the case may be," and inserting "the State supervisory authority"; and

(B) in paragraph (2)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) by striking "the appropriate Federal or State chartering authority" and inserting "a State chartering authority";

(3) in subsection (c)—

(A) in the heading, by striking "BOARD" and inserting "COMMISSION";

(B) in the introductory text of paragraph (1), by striking "Board" and inserting "Commission".

(C) in paragraph (2), by striking "Board" and inserting "Commission";

(D) in paragraph (3), by striking "Board" each place it appears and inserting "Commission"; and

(E) in paragraph (4), by striking "Board" each place it appears and inserting "Commission".

(c) AMENDMENTS TO SECTION 4.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended—

(1) in subsection (a)(2)—

(A) by striking "Board" each place it appears and inserting "Commission";

(B) by striking "Board of Governors" and inserting "Commission";

(2) in subsection (c)—

(A) in paragraph (2), by striking "Board" and inserting "Commission";

(B) in paragraph (8)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) by striking "Board of Governors of the Federal Reserve System" and inserting "Commission";

(iii) by striking ", and the primary Federal regulator of such institution concurs in such finding,";

(C) in paragraph (9), by striking "Board" and inserting "Commission";

(D) in paragraph (12)(B), by striking "Board" and inserting "Commission";

(E) in paragraph (13), by striking "Board" and inserting "Commission";

(F) in paragraph (14)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) in subparagraph (A)(ii), by striking "in the Board's judgment" and inserting "in the Commission's judgment";

(3) in subsection (d), by striking "Board" and inserting "Commission";

(4) in subsection (e), by striking "Board" and inserting "Commission"; and

(5) in subsection (f)—

(A) in paragraph (2)(A)(ii)(VII), by striking "Board" each place it appears and inserting "Commission";

(B) in paragraph (3)(B), by striking "Board" and inserting "Commission";

(C) in paragraph (5)(B), by striking "Board" and inserting "Commission";

(D) in paragraph (6), by striking "Board" and inserting "Commission";

(E) in paragraph (7), by striking "Board" and inserting "Commission";

(F) in paragraph (8)—

(i) in subparagraph (A), by striking "Board" each place it appears and inserting "Commission".

(ii) in subparagraph (C), by striking "the Comptroller of the Currency or";

(G) in paragraph (12)—

(i) in subparagraph (A), by striking "Office of Thrift Supervision" and inserting "Commission";

(ii) in subparagraph (B), by striking "appropriate Federal or State authority" and inserting "Commission or the appropriate State authority";

(6) in subsection (i)—

(A) in paragraph (1), by striking "Board" and inserting "Commission"; and

(B) in paragraph (2), by striking "Board" and inserting "Commission".

(d) AMENDMENTS TO SECTION 5.—Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended—

(1) in subsection (a), by striking "Board" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Board" and inserting "Commission";

(3) in subsection (c)—

(A) by striking "Board" each place it appears and inserting "Commission";

(B) by striking "the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or";

(4) in subsection (d)—

(A) by striking "Board's" and inserting "Commission's";

(B) by striking "Board" each place it appears and inserting "Commission";

(5) in subsection (e)—

(A) in paragraph (1)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) by striking "the bank's primary supervisor, which shall be the Comptroller of the Currency in the case of a national bank or the Federal Deposit Insurance Corporation and";

(B) in paragraph (2), by striking "Board" and inserting "Commission";

(6) in subsection (f), by striking "Board" each place it appears and inserting "Commission";

(e) AMENDMENTS TO SECTION 8.—Section 8 of the Bank Holding Company Act of 1956 (12 U.S.C. 1847) is amended—

(1) in subsection (a)(1), by striking "Board" and inserting "Commission";

(2) in subsection (b)—

(A) in paragraph (2), by striking "Board" and inserting "Commission";

(C) in paragraph (6), by striking "Board" and inserting "Commission";

(3) in subsection (c), by striking "Board" and inserting "Commission";

(4) in subsection (d)—

(A) in paragraph (1)(A)(i), by striking "Board" each place it appears and inserting "Commission";

(B) in paragraph (2)(A), by striking "Board" each place it appears and inserting "Commission";

(C) in paragraph (3), by striking "Board" and inserting "Commission"; and

(D) in paragraph (4), by striking "Board" and inserting "Commission".

(f) AMENDMENTS TO SECTION 9.—Section 9 of the Bank Holding Company Act of 1956 (12 U.S.C. 1848) is amended—

(1) by striking "Board" each place it appears and inserting "Commission";

(2) in the first sentence, by striking "Board's order" and inserting "Commission order".

(g) AMENDMENTS TO SECTION 11.—Section 11 of the Bank Holding Company Act of 1956 (12 U.S.C. 1849) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "Board" each place it appears and inserting "Commission";

(ii) in the third sentence, by striking "the Comptroller of the Currency or the State supervisory authority, as the case may be," and inserting "a State supervisory authority";

(iii) in the sixth sentence, by striking "Board's approval" and inserting "Commission's approval";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "Board" each place it appears and inserting "Commission";

(ii) in subparagraph (B), by striking "Board" each place it appears and inserting "Commission";

(iii) in subparagraph (C), by striking "Board" and inserting "Commission";

(iv) in subparagraph (D), by striking "Board" and inserting "Commission"; and

(2) in subsection (c), by striking "Board" each place it appears and inserting "Commission".

SEC. 614. AMENDMENTS TO THE BANK HOLDING COMPANY ACT AMENDMENTS OF 1970.

Section 106 of the Bank Holding Company Act Amendments of 1970 is amended—

(1) in subsection (a) (12 U.S.C. 1971), by striking "Board" and inserting "Commission";

(2) in subsection (b) (12 U.S.C. 1972)—

(A) in the last sentence of paragraph (1), by striking "Board" and inserting "Commission";

(B) in paragraph (2)—

(i) in subparagraph (E), by striking "Board" and inserting "Commission";

(ii) in subparagraph (F)—

(I) by amending clause (v) to read as follows:

"(v) ASSESSMENT, ETC.—Any penalty imposed under clause (i), (ii), or (iii) may be assessed and collected by the Commission in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section."; and

(II) in clause (ix), by striking "Comptroller of the Currency, the Board, and the Federal Deposit Insurance Corporation" and inserting "Commission";

(iii) in subparagraph (G)(ii), by striking "appropriate Federal banking agencies are" and inserting "Commission is"; and

(iv) in subparagraph (I), by striking "appropriate Federal banking agency" and inserting "Commission"; and

(3) in subsection (h) (12 U.S.C. 1978), by striking "Board" and inserting "Commission".

SEC. 615. AMENDMENTS TO THE BANK PROTECTION ACT OF 1968.

(a) AMENDMENT TO TITLE.—The title of the Bank Protection Act of 1968 is amended to read as follows: "An Act to provide security measures for banks and other financial institutions.".

(b) AMENDMENT TO SECTION 2.—Section 2 of the Bank Protection Act of 1968 (12 U.S.C. 1881) is amended to read as follows:

"SEC. 2. As used in this Act, the term 'Federal supervisory agency' means—

"(1) The Federal Banking Commission with respect to national banks and district banks, State banks which are members of the Federal Reserve System, State banks which are not members of the Federal Reserve System but the deposits of which are insured by the Federal Deposit Insurance Corporation, and Federal and State savings associations; and

"(2) The Board of Governors of the Federal Reserve System with respect to Federal Reserve banks."

SEC. 616. AMENDMENTS TO THE BANK SERVICE CORPORATION ACT.

(a) AMENDMENTS TO SECTION 1.—Section 1(b) of the Bank Service Corporation Act (12 U.S.C. 1861(b)) is amended—

(1) by striking paragraph (1) and (7);

(2) by redesignating paragraphs (2) through (6) as paragraph (3) through (5), respectively;

(3) by amending paragraph (2), as redesignated, to read as follows:

"(2) the term 'Commission' means the Federal Banking Commission;"

(4) in paragraph (3), as redesignated—

(A) by inverting "a savings association" after "an insured bank,";

(B) by striking "the Federal Home Loan Bank Board or"; and

(C) by striking ", the Federal Savings and Loan Insurance Corporation,";

(5) by inserting a new paragraph (6) as follows:

"(6) the term 'savings association' shall have the meaning provided in section 3(b) of the Federal Deposit Insurance Act.".

(b) AMENDMENTS TO SECTION 4.—Section 4 of the Bank Service Corporation Act (12 U.S.C. 1864) is amended—

(1) in subsection (b), striking "Board" and inserting "Commission"; and

(2) in subsection (f), by striking "Board" and inserting "Commission".

(c) AMENDMENTS TO SECTION 5.—Section 5 of the Bank Service Corporation Act (12 U.S.C. 1865) is amended—

(1) by striking subsection (a);

(2) in subsection (b)—

(A) in the heading, by striking "BOARD" and inserting "THE COMMISSION";

(B) by striking "section 4(f) of" each place it appears; and

(C) by striking "Board" and inserting "Commission";

(3) in subsection (c), by striking "Board or the appropriate Federal banking agency, as the case may be," and inserting "Commission";

(4) in subsection (d)—

(A) by striking "Board or the appropriate Federal banking agency, as the case may be," and inserting "Commission"; and

(B) by striking "the agency" and inserting "the Commission"; and

(5) by redesignating subsections (b) through (d) as subsections (a) through (c), respectively.

(d) AMENDMENTS TO SECTION 7.—Section 7 of the Bank Service Corporation Act (12 U.S.C. 1867) is amended—

(1) by amending subsection (a) to read as follows:

"(a) A bank service corporation shall be subject to examination and regulation by the Commission.";

(2) in subsection (b), striking the second sentence;

(3) in subsection (c)—

(A) in the introductory text—

(i) by striking "Notwithstanding subsection (a) of this section whenever a bank that is regularly examined by an appropriate Federal banking agency," and inserting "Whenever a bank that is regularly examined by the Commission"; and

(ii) by striking "that agency" and inserting "Commission";

(B) in paragraph (1), by striking "such agency" and inserting "the Commission"; and

(C) in paragraph (2), by striking "such agency" and inserting "the Commission"; and

(4) by amending subsection (d) to read as follows:

"(d) The Commission is authorized to issue such regulations and orders as may be necessary to enable it to administer and to carry out the purposes of this Act and to prevent evasions thereof.".

SEC. 617. AMENDMENTS TO THE BANKING ACT OF 1933.

(a) AMENDMENTS TO SECTION 20.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is amended—

(1) in the second undesignated paragraph—

(A) by striking "Federal Reserve Board" and inserting "Federal Banking Commission";

(B) by striking "Federal reserve bank" and inserting "Commission";

(2) in the third undesignated paragraph, by striking "Federal Reserve Board" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 22.—Section 22 of the Banking Act of 1933 (12 U.S.C. 64a) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(c) AMENDMENTS TO SECTION 29.—Section 29 of the Banking Act of 1933 (12 U.S.C. 197a) is amended—

(1) in the first sentence—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(B) by striking "Comptroller" and inserting "Commission";

(C) by striking "his" and inserting "its"; and

(2) in the second sentence, by striking "Comptroller" each place it appears and inserting "Commission".

(d) AMENDMENTS TO SECTION 31.—Section 31 of the Banking Act of 1933 (12 U.S.C. 71a) is amended—

(1) in the second sentence, by striking "Comptroller of the Currency, the said Comptroller" and inserting "Federal Banking Commission, the Commission"; and

(2) in the third sentence, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(e) AMENDMENTS TO SECTION 32.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is amended—

(1) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(2) by striking "said Board" and inserting "Commission".

SEC. 618. AMENDMENTS TO THE BANKING ACT OF 1935.

Section 345 of the Banking Act of 1935 (12 U.S.C. 51b–1) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

SEC. 619. AMENDMENTS TO THE COMMUNITY REINVESTMENT ACT OF 1977.

(a) AMENDMENT TO SECTION 802.—Subsection 802(b) of the Community Reinvestment Act of 1977 (12 U.S.C. 2901(b)) is amended by striking "each appropriate Federal financial supervisory agency" and inserting "the Federal Banking Commission".

(b) AMENDMENTS TO SECTION 803.—Section 803 of the Community Reinvestment Act of 1977 (12 U.S.C. 2902) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) COMMISSION.—The term 'Commission' means the Federal Banking Commission.";

(2) by striking "(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association (the deposits of which are insured by the Federal Deposit Insurance Corporation) and a savings and loan holding company;"; and

(3) in the introductory text of paragraph (3), by striking "appropriate Federal financial supervisory agency" and inserting "Commission".

(c) AMENDMENT TO SECTION 804.—Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended in the introductory text by striking "appropriate Federal financial supervisory agency" and inserting "Commission".

(d) AMENDMENT TO SECTION 805.—Section 805 of the Community Reinvestment Act of 1977 (12 U.S.C. 2904) is amended by striking "Each appropriate Federal financial supervisory agency" and inserting "The Commission".

(e) AMENDMENT TO SECTION 806.—Section 806 of the Community Reinvestment Act of 1977 (12 U.S.C. 2905) is amended by striking "each appropriate Federal financial supervisory agency," and inserting "the Commission,".

(f) AMENDMENTS TO SECTION 807.—Section 807 of the Community Reinvestment Act of 1977 (12 U.S.C. 2906) is amended—

(1) in subsection (a)(1), by striking "appropriate Federal financial supervisory agency" and inserting "Commission";

(2) in subsection (b)(1)(A)—

(A) by striking "appropriate Federal financial supervisory agency's" and inserting "Commission's";

(B) by striking "Federal financial supervisory agencies" and inserting "Commission";

(3) in subsection (c)—

(A) in paragraph (2)—

(i) by striking "appropriate Federal financial supervisory agency" and inserting "Commission";

(ii) by striking "judgment of the agency" and inserting "judgment of the Commission";

(B) in paragraph (3), by striking "appropriate Federal financial supervisory agency" and inserting "Commission".

(g) AMENDMENT TO SECTION 808.—Section 808 of the Community Reinvestment Act of 1977 (12 U.S.C. 2907) is amended by striking "appropriate Federal financial supervisory agency" and inserting "Commission".

SEC. 620. AMENDMENT TO THE COMPETITIVE EQUALITY BANKING ACT OF 1987.

Subsection 1204(b) of the Competitive Equality Banking Act of 1987 (12 U.S.C. 3806(b)) is amended by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

SEC. 621. AMENDMENTS TO THE DEPOSITORY INSTITUTIONS DEREGULATION AND MONETARY CONTROL ACT OF 1980.

(a) AMENDMENT TO SECTION 208.—Section 208(a) of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 3507(a)) is amended to read as follows:

"(a) ENFORCEMENT.—Compliance with the regulations issued by the Deregulation Committee under this title shall be enforced under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Federal Banking Commission with respect to national banks; member banks of the Federal Reserve System (other than national banks); offices, branches, and agencies of foreign banks located in the United States; banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System); and savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation.".

(b) AMENDMENT TO SECTION 501.—Section 501(a) of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 1735f–7a) is amended—

(1) in the first sentence of subsection (c), by striking "Federal Home Loan Bank Board" and inserting "Federal Banking Commission":

(2) in subsection (f), by striking "Federal Home Loan Bank Board" and inserting "Federal Banking Commission".

(c) AMENDMENTS TO SECTION 731.—Section 731 of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 216) is amended—

(1) in the introductory text, by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) by striking "Comptroller" each place it appears and inserting "Commission".

(d) AMENDMENT TO SECTION 732.—Section 732 of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 216a(1)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) the term 'Commission' means the Federal Banking Commission;"; and

(2) in paragraph (2), by striking "Comptroller" and inserting "Commission".

(e) AMENDMENTS TO SECTION 733.—Section 733 of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 216b) is amended—

(1) in subsection (a), by striking "Comptroller" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Comptroller" each place it appears and inserting "Commission";

(3) in subsection (c)—

(A) by striking "Comptroller" each place it appears and inserting "Commission";

(B) in paragraph (2), by striking "his" and inserting "its";

(4) in subsection (d), by striking "Comptroller" and inserting "Commission";

(5) in subsection (e), by striking "Comptroller" each place it appears and inserting "Commission"; and

(6) in subsection (f), by striking "Comptroller" each place it appears and inserting "Commission".

(f) AMENDMENT TO SECTION 734.—Section 734 of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 216c) is amended by striking "Comptroller" and inserting "Commission".

SEC. 622. AMENDMENTS TO THE DEPOSITORY INSTITUTIONS DISASTER RELIEF ACT OF 1992.

(a) AMENDMENTS TO SECTION 3.—Section 3 of the Depository Institutions Disaster Relief Act of 1992 (12 U.S.C. 4008 note) is amended—

(1) in subsection (a)—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(B) by striking "Board" and inserting "Commission";

(2) in subsection (b)—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(B) by striking "Board" and inserting "Commission"; and

(3) in subsection (d), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 4.—Section 4 of the Depository Institutions Disaster Relief Act of 1992 (12 U.S.C. 1831o note) is amended—

(1) in subsection (a)—

(A) by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission";

(B) by striking "if the agency determines" and inserting "if the Commission determines";

(2) in subsection (b)—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

(b) AMENDMENTS TO SECTION 5.—Subsection 5(c) of the Depository Institutions Disaster Relief Act of 1992 (12 U.S.C. 1828 note) is amended—

(1) in paragraph (1), by striking "Board of Governors of the Federal Reserve System;" and inserting "the Federal Banking Commission;";

(2) by striking paragraphs (2), (3), (4), and (5);

(3) by redesignating paragraphs (6) and (7) as paragraphs (2) and (3), respectively.

(c) AMENDMENTS TO SECTION 7.—Section 7 of the Depository Institutions Disaster Relief Act of 1992 (omitted from United States Code) is amended by striking "the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation" and inserting "the Federal Banking Commission".

SEC. 623. AMENDMENTS TO THE DEPOSITORY INSTITUTIONS DISASTER RELIEF ACT OF 1993.

(a) AMENDMENTS TO SECTION 2.—Section 2 of the Depository Institutions Disaster Relief Act of 1993 (12 U.S.C. 4008 note) is amended—

(1) in subsection (a)—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(B) by striking "Board" and inserting "Commission";

(2) in subsection (b)—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(B) by striking "Board" and inserting "Commission";

(3) in subsection (d), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 3.—Section 3 of the Depository Institutions Disaster Relief Act of 1993 (12 U.S.C. 1831o note) is amended by—

(1) in subsection (a), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission"; and

(2) in subsection (c)—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(c) AMENDMENTS TO SECTION 4.—Subsection 4(c) of the Depository Institutions Disaster Relief Act of 1993 (12 U.S.C. 1828 note) is amended—

(1) in paragraph (1), by striking "Board of Governors of the Federal Reserve System;" and inserting "the Federal Banking Commission;";

(2) by striking paragraphs (2), (3), (4), and (5);

(3) by redesignating paragraphs (6) and (7) as paragraphs (2) and (3), respectively.

(d) AMENDMENT TO SECTION 5.—Subsection 5(a) of the Depository Institutions Disaster Relief Act of 1993 (12 U.S.C. 1811 note) is amended by striking "appropriate Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act)" and inserting "Federal Banking Commission"; and

(e) AMENDMENT TO SECTION 6.—Section 6 of the Depository Institutions Disaster Relief Act of 1993 (omitted from the United States Code) is amended by striking "the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation," and inserting "the Federal Banking Commission".

SEC. 624. AMENDMENTS TO THE DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS ACT.

(a) AMENDMENTS TO SECTION 202.—Subsection 202 of the Depository Institution Management Interlocks Act (12 U.S.C. 3201) is amended—

(1) in paragraph (2), by striking "section 408(a)(1)(D) of the National Housing Act" and inserting "section 10(a)(1)(D) of the Home Owner's Loan Act";

(2) in paragraph (3)(A), by striking "section 408(a)(1)(H) of the National Housing Act" and inserting "section 10(a)(1)(G) of the Home Owners' Loan Act".

(b) AMENDMENTS TO SECTION 205.—Section 205 of the Depository Institution Management Interlocks Act (12 U.S.C. 3204) is amended—

(1) in paragraph (8)(A), by striking "section 408(a)(1)(F) of the National Housing Act" and inserting "section 10(a)(1)(F) of the Home Owners' Loan Act"; and

(2) in paragraph 9, by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 207.—Section 207 of the Depository Institution Management Interlocks Act (12 U.S.C. 3206) is amended to read as follows:

"SEC. 207. This title shall be administered and enforced by—

"(1) the Federal Banking Commission with respect to national banks, banks located in the District of Columbia, State banks which are members of the Federal Reserve System, bank holding companies, State banks which are not members of the Federal Reserve System but the deposits of which are insured by the Federal Deposit Insurance Corporation, savings associations, and savings and loan holding companies;

"(2) the National Credit Union Administration with respect to credit unions the accounts of which are insured by the National Credit Union Administration; and

"(3) upon referral by the agencies named in the foregoing paragraphs, the Attorney General shall have the authority to enforce compliance by any person with this title.".

(e) AMENDMENT TO SECTION 209.—Section 209 of the Depository Institution Management Interlocks Act (12 U.S.C. 3207) is amended to read as follows:

"SEC. 209. Rules and regulation to carry out this title, including rules or regulations which permit service by a management official which would otherwise be prohibited by section 203 or section 204, may be prescribed by—

"(1) the Federal Banking Commission with respect to national banks, banks located in the District of Columbia, State banks which are members of the Federal Reserve System, bank holding companies, State banks which are not members of the Federal Reserve System but the deposits of which are insured by the Federal Deposit Insurance Corporation, savings associations, and savings and loan holding companies; and

"(2) the National Credit Union Administration with respect to credit unions the accounts of which are insured by the National Credit Union Administration.".

(f) AMENDMENT TO SECTION 210.—Subsection 210(a) of the Depository Institution Management Interlocks Act (12 U.S.C. 3208(a)) is amended by striking "his" and inserting "his or her".

SEC. 625. AMENDMENTS TO THE ELECTRONIC FUND TRANSFER ACT.

(a) Amendments to Section 903.—Section 903 of the Electronic Fund Transfer Act (15 U.S.C. 1693a) is amended—

(1) in paragraph (2), by striking "Board" and inserting "Commission"; and

(2) by amending (3) to read as follows:

"(3) the term 'Commission' means the Federal Banking Commission.";

(3) in paragraph (6), by striking "Board" and inserting "Commission".

(b) Amendment to Section 904.—Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) in subsection (a), by striking "Board" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Board" each place it appears and inserting "Commission";

(3) in subsection (c), by striking "Board" each place it appears and inserting "Commission";

(4) in subsection (d), by striking "Board" and inserting "Commission".

(c) Amendment to Section 905.—Section 905 of the Electronic Fund Transfer Act (15 U.S.C. 1693c) is amended—

(1) in subsection (a)—

(A) in the first sentence of the introductory text, by striking "Board" and inserting "Commission";

(B) in the paragraph (3), by striking "Board" and inserting "Commission";

(C) in the paragraph (7), by striking "Board" and inserting "Commission"; and

(2) in the third sentence of subsection (b), by striking "Board" and inserting "Commission".

(d) Amendment to Section 906.—Subsection 906(b) of the Electronic Fund Transfer Act (15 U.S.C. 1693d(b)) is amended in the first sentence by striking "Board" and inserting "Commission".

(e) Amendment to Section 907.—Subsection 907(b) of the Electronic Fund Transfer Act (15 U.S.C. 1693e(b)) is amended by striking "Board" and inserting "Commission".

(f) Amendment to Section 908.—Subsection 908(f)(7) of the Electronic Fund Transfer Act (15 U.S.C. 1693f(f)(7)) is amended by striking "Board" and inserting "Commission".

(g) Amendment to Section 910.—Subsection 910(a)(1)(E) of the Electronic Fund Transfer Act (15 U.S.C. 1693h(a)(1)(E)) is amended by striking "Board" and inserting "Commission".

(h) Amendment to Section 911.—Subsection 911(b)(3) of the Electronic Fund Transfer Act (15 U.S.C. 1693i(b)(3)) is amended by striking "Board" and inserting "Commission".

(i) Amendments to Section 915.—Subsection 915(d) of the Electronic Fund Transfer Act (15 U.S.C. 1693m(d)) is amended—

(1) in paragraph (1)—

(A) by striking "Board" each place it appears and inserting "Commission";

(B) by striking "Federal Reserve System" and inserting "Commission"; and

(2) in paragraph (2), by striking "Board" and inserting "Commission";

(j) Amendments to Section 917.—Section 917 of the Electronic Fund Transfer Act (15 U.S.C. 1693o) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Federal Banking Commission with respect to national banks, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks located in the United States, commercial lending companies owned or controlled by foreign banks and organizations operating under section 25 of 25A of the Federal Reserve Act, banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation;";

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4);

(2) in subsection (c), by amending the last sentence to read as follows:

"All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission under the Federal Trade Commission Act are available to the Federal Trade Commission to enforce compliance by any person subject to the jurisdiction of the Federal Trade Commission with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act."

(k) Amendment to Section 918.—Section 918 of the Electronic Fund Transfer Act (15 U.S.C. 1693p) is amended—

(1) in subsection (a), by striking "Board" each place it appears and inserting "Commission"; and

(2) in subsection (b), by striking "Board" each place it appears and inserting "Commission".

(l) Amendment to Section 919.—Section 919 of the Electronic Fund Transfer Act (15 U.S.C. 1693q) is amended by striking "Board" each place it appears and inserting "Commission".

(m) Amendment to Section 920.—Section 920 of the Electronic Fund Transfer Act (15 U.S.C. 1693r) is amending by striking "Board" each place it appears and inserting "Commission".

SEC. 626. AMENDMENTS TO THE EMERGENCY HOMEOWNER'S RELIEF ACT.

Section 110 of the Emergency Homeowner's Relief Act (12 U.S.C. 2709) is amended in the last sentence by striking "Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation," and inserting "Federal Banking Commission".

SEC. 627. AMENDMENTS TO THE EQUAL CREDIT OPPORTUNITY ACT.

(a) Amendment to Section 701.—Section 701 of the Equal Credit Opportunity Act (15 U.S.C. 1691) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking "Board" and inserting "Commission";

(B) in paragraph (3), by striking "Board" and inserting "Commission";

(2) in subsection (c)(3), by striking "Board" and inserting "Commission";

(3) in subsection (d)—

(A) in paragraph (1), by striking "Board" and inserting "Commission"; and

(B) in paragraph (5), by striking "Board" and inserting "Commission".

(b) Amendments to Section 702.—Section 702 of the Equal Credit Opportunity Act (15 U.S.C. 1691a) is amended—

(1) by amending subsection (c) to read as follows:

"(c) The term 'Commission' means the Federal Banking Commission."; and

(2) in subsection (g), by striking "Board" and inserting "Commission".

(c) Amendment to Section 703.—Section 703 of the Equal Credit Opportunity Act (15 U.S.C. 1691b) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "Board" each place it appears and inserting "Commission";

(B) in paragraph (3), by striking "Board" and inserting "Commission";

(C) in paragraph (4), by striking "Board" each place it appears and inserting "Commission";

(D) in paragraph (5), by striking "Board" and inserting "Commission";

(2) in subsection (b), by striking "Board" each place it appears and inserting "Commission";

(d) Amendments to Section 704.—Section 704 of the Equal Credit Opportunity Act (15 U.S.C. 1691c) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) by the Federal Banking Commission in the case of national banks, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks, commercial lending companies owned or controlled by foreign banks and organizations operating under section 25 or 25A of the Federal Reserve Act, banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation;";

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) through (9) as paragraphs (2) through (8);

(2) in the third sentence of subsection (c)—

(A) by striking "available to the Commission" and inserting "available to the Federal Trade Commission";

(B) by striking "Federal Reserve Board" and inserting "Federal Banking Commission"; and

(3) in subsection (d), by striking "Board" and inserting "Commission".

(e) Amendment to Section 705.—Section 705 of the Equal Credit Opportunity Act (15 U.S.C. 1691d) is amended—

(1) in subsection (f), by striking "Board" each place it appears and inserting "Commission"; and

(2) in subsection (g), by striking "Board" and inserting "Commission".

(f) Amendments to Section 706.—Section 706 of the Equal Credit Opportunity Act (15 U.S.C. 1691e) is amended—

(1) in subsection (e)—

(A) by striking "Board" each place it appears and inserting "Commission";

(B) by striking "Federal Reserve System" and inserting "Commission";

(2) in subsection (g), by striking "paragraphs (1), (2) and (3)" and inserting "paragraphs (1) and (2)"; and

(3) in subsection (k), by striking "paragraphs (1), (2) and (3)" and inserting "paragraphs (1) and (2)".

(g) Amendment to Section 707.—Section 707 of the Equal Credit Opportunity Act (15 U.S.C. 1691f) is amended by striking "Board" each place it appears and inserting "Commission".

SEC. 628. AMENDMENTS TO THE EXPEDITED FUNDS AVAILABILITY ACT.

(a) Amendments to Section 602.—Section 602 of the Expedited Funds Availability Act (12 U.S.C. 4001) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) COMMISSION.—The term 'Commission' means the Federal Banking Commission.";

(2) in paragraph (9), by striking "Board" and inserting "Commission";

(3) in paragraph (11), by striking "Board" and inserting "Commission";

(4) in paragraph (14)(C), by striking "Board" and inserting "Commission";

(5) in paragraph (16)(A)(ii), by striking "Board" and inserting "Commission"; and

(6) in paragraph (25), by striking "Board" and inserting "Commission".

(b) AMENDMENT TO SECTION 603.—Section 603 of the Expedited Funds Availability Act (12 U.S.C. 4002) is amended—

(1) in subsection (b)(4), by striking "Board" and inserting "Commission";

(2) in subsection (d)(1), by striking "Board" and inserting "Commission"; and

(3) in subsection (e)(3), by striking "Board" and inserting "Commission".

(c) AMENDMENT TO SECTION 604.—Section 604 of the Expedited Funds Availability Act (12 U.S.C. 4003) is amended—

(1) in the introductory text of subsection (a), by striking "Board" and inserting "Commission";

(2) in the introductory text of subsection (b), by striking "Board" and inserting "Commission";

(3) in the first sentence of subsection (c)(1), by striking "Board" and inserting "Commission";

(4) in the introductory text of subsection (d), by striking "Board" and inserting "Commission";

(5) in subsection (e)—

(A) in paragraph (1), by striking "Board" each place it appears and inserting "Commission";

(B) in paragraph (3)—

(i) in subparagraph (A), by striking "Board" and inserting "Commission";

(ii) in subparagraph (B)(ii), by striking "Board" and inserting "Commission";

(6) in subsection (f)—

(A) in paragraph (1)(B), by striking "Board" and inserting "Commission";

(B) in paragraph (2)—

(i) in subparagraph (C), by striking "Board" and inserting "Commission";

(ii) in subparagraph (D), by striking "Board" and inserting "Commission";

(iii) in subparagraph (E).

(d) AMENDMENT TO SECTION 605.—Section 605 of the Expedited Funds Availability Act (12 U.S.C. 4004) is amended by striking "Board" each place it appears and inserting "Commission".

(e) AMENDMENT TO SECTION 608.—Subsection 608(a) of the Expedited Funds Availability Act (12 U.S.C. 4007(a)) is amended—

(1) in the introductory text, by striking "Board" and inserting "Commission"; and

(2) in paragraph (1), by striking "Board" and inserting "Commission".

(f) AMENDMENTS TO SECTION 609.—Section 609 of the Expedited Funds Availability Act (12 U.S.C. 4008) is amended—

(1) in the introductory text of subsection (a), by striking "Board" and inserting "Commission";

(2) in subsection (b)—

(A) in the introductory text, by striking "Board" and inserting "Commission";

(B) in paragraph (5)(B), by striking "Board" and inserting "Commission";

(C) in paragraph (6), by striking "Board" and inserting "Commission";

(D) in paragraph (8), by striking "Board" and inserting "Commission";

(3) in subsection (c)—

(A) in the heading, by striking "BOARD" and inserting "COMMISSION";

(B) in paragraph (1), by striking "Board of Governors of the Federal Reserve System" and inserting "Commission"; and

(C) in paragraph (2), by striking "Board" and inserting "Commission";

(4) in subsection (d)—

(A) in paragraph (1)(A), by striking "Board" and inserting "Commission";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "Board" and inserting "Commission";

(ii) in subparagraph (B), by striking "Board" and inserting "Commission";

(5) in subsection (e)—

(A) by striking "Board" and inserting "Commission";

(B) by striking "the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board,";

(6) in subsection (f)—

(A) in paragraph (1), by striking "Board" and inserting "Commission";

(B) in paragraph (2), by striking "Board" and inserting "Commission";

(C) in paragraph (3), by striking "Board" and inserting "Commission";

(g) AMENDMENTS TO SECTION 610.—Section 610 of the Expedited Funds Availability Act (12 U.S.C. 4009) is amended—

(1) in subsection (a)

(A) in the introductory text, by striking "Board of Governors of the Federal Reserve System" and inserting "Commission";

(B) by amending paragraph (1) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Commission with respect to national banks; member banks of the Federal Reserve System (other than national banks); offices, branches, and agencies of foreign banks located in the United States; banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System); and savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation;";

(C) by striking paragraph (2);

(D) by redesignating paragraph (3) as paragraph (2);

(2) in subsection (c)—

(A) in the heading, by striking "BOARD" and inserting "COMMISSION";

(B) in paragraph (1), by striking "Board of Governors of the Federal Reserve System" and inserting "Commission";

(C) in paragraph (2), by striking "Board" each place it appears and inserting "Commission"; and

(3) in subsection (d), by striking "Board" and inserting "Commission".

(h) AMENDMENTS TO SECTION 611.—Section 611 of the Expedited Funds Availability Act (12 U.S.C. 4010) is amended—

(1) in subsection (e)—

(A) in the heading, by striking "BOARD" and inserting "COMMISSION";

(B) by striking "Board of Governors of the Federal Reserve System" and inserting "Commission";

(2) in subsection (f), by striking "Board" and inserting "Commission".

SEC. 629. AMENDMENTS TO FAIR CREDIT REPORTING ACT.

(a) AMENDMENT TO SECTION 601.—Section 601 of the Fair Credit Reporting Act of 1987 (15 U.S.C. 1601 note) is amended by striking "Fair Credit Reporting Act" and inserting " 'Fair Credit Reporting Act' ".

(b) AMENDMENTS TO SECTION 621.—Subsection 621(b) of the Fair Credit Reporting Act of 1987 (15 U.S.C. 1681s(b)) is amended—

(1) by amending paragraph (1) to read as follows:

(1) section 8 of the Federal Deposit Insurance Act, by the Federal Banking Commission with respect to national banks, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks, commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and savings associations insured by the Federal Deposit Insurance Corporation;";

(2) by striking paragraph (2); and

(3) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

SEC. 630. AMENDMENTS TO THE FAIR DEBT COLLECTION PRACTICES ACT.

(a) AMENDMENTS TO SECTION 814.—Subsection 814(b) of the Fair Debt Collection Practices Act (15 U.S.C. 1692l(b)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of national banks, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks, commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation;";

(2) by striking paragraph (2); and

(3) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

SEC. 631. AMENDMENTS TO THE FEDERAL CREDIT UNION ACT.

(a) AMENDMENTS TO SECTION 206.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended—

(1) in subsection (g)(7)—

(A) in subparagraph (A)—

(i) in clause (v), by striking "depository institution" and inserting "financial institutions";

(ii) in clause (vi), by striking "and";

(iii) in clause (vii), by striking the period and inserting a semicolon; and

(iv) by inserting the following clauses after the end of clause (vii):

"(viii) the Federal Deposit Insurance Corporation;" and

"(ix) the Board of Governors of the Federal Reserve System."; and

(B) by striking subparagraph (D)(i), and inserting the following:

"(i) the Federal Banking Commission, in the case of an insured depository institution or depository institution holding company (as those terms are defined in section 3 of the Federal Deposit Insurance Act);"; and

(b) in subsection (u), by striking "appropriate Federal banking agency" each place it appears and inserting "Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act)".

SEC. 632. AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991.

(a) AMENDMENTS TO SECTION 111.—Subsection 111(d) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 3305 note) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) IN GENERAL.—The Federal Banking Commission shall establish an examination improvement program that meets the requirements of paragraph (2)."

(2) in paragraph (2), by striking "agency" each place it appears and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 122.—Section 122 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1817 note) is amended—

(1) in subsection (a), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission"; and

(2) in subsection (b), by striking "agency" and inserting "Federal Banking Commission".

(c) AMENDMENTS TO SECTION 305.—Subsection 305(b) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1828 note) is amended—

(1) in paragraph (1), by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission";

(2) in paragraph (2), by striking "Federal banking agencies" and inserting "Federal Banking Commission";

(3) in paragraph (3), by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission"; and

(4) by amending paragraph (4) to read as follows:

"(4) DEFINITIONS.—For purposes of this subsection, the term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).".

(d) AMENDMENTS TO SECTION 311.—Subsection 311(d) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1821 note) is amended—

(1) in paragraph (1), by striking "any appropriate Federal banking agency" and inserting "the Federal Banking Commission";

(2) in paragraph (4)—

(A) in the heading, by striking "FEDERAL RESERVE BOARD" and inserting "FEDERAL BANKING COMMISSION"; and

(B) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(e) AMENDMENTS TO SECTION 475.—Section 475 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1828 note) is amended—

(1) in subsection (a), by striking "each appropriate Federal banking agency" and inserting "the Federal Banking Commission";

(2) by amending subsection (b) to read as follows:

"(b) DEFINITIONS.—For purposes of this subsection, the term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).".

(f) AMENDMENT TO SECTION 477.—Section 477 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 251) is amended by striking "Federal Reserve Board" each place it appears and inserting "Federal Banking Commission".

SEC. 633. AMENDMENTS TO THE FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL ACT OF 1978.

(a) REPEAL OF PROVISIONS RELATING TO FFIEC.—The following sections of the Federal Financial Institutions Examination Council Act of 1978 are repealed:

(1) Section 1002 (12 U.S.C. 3301).

(2) Section 1004 (12 U.S.C. 3303).

(3) Section 1005 (12 U.S.C. 3304).

(4) Section 1007 (12 U.S.C. 3306).

(5) Section 1008 (12 U.S.C. 3307).

(6) Section 1009 (12 U.S.C. 3308).

(7) Section 1009A (12 U.S.C. 3309).

(b) AMENDMENTS TO SECTION 1003.—Section 1003 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3302) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) the term 'Federal financial institutions regulatory agencies' means the Federal Banking Commission and the National Credit Union Administration; and";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(c) AMENDMENTS TO SECTION 1006.—Section 1006 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3305) is amended—

(1) in the heading, by striking "**FUNCTIONS OF COUNCIL**" and inserting "**SCHOOLS FOR EXAMINERS**";

(2) by striking subsections (a), (b), (c), (e), and (f);

(3) in subsection (d)—

(A) by striking "(d) CONDUCTING SCHOOLS FOR EXAMINERS AND ASSISTANT EXAMINERS"; and

(B) by striking "Council" each place it appears and inserting "Federal Banking Commission".

SEC. 634. AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.

(a) AMENDMENTS TO SECTION 2.—Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended by adding the following:

"(13) COMMISSION.—The term 'Commission' means the Federal Banking Commission."

(b) AMENDMENTS TO SECTION 18.—Subsection 18(c) of the Federal Home Loan Bank Act (12 U.S.C. 1438(c)) is amended—

(1) by striking "Director of the Office of Thrift Supervision" each place it appears and inserting "Commission";

(2) in paragraph (1)(B), by striking "and the agencies under its administration or supervision";

(3) in paragraph (5), by striking "and such agencies".

(c) AMENDMENTS TO SECTION 21A.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended—

(1) in subsection (a)(3)(A)(iii), by striking "Director of the Office of Thrift Supervision" and inserting "Chairperson of the Commission";

(2) in subsection (b)(10(A)(iv), by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(3) in subsection (c)(9), by striking "the" before "Housing and Urban Development";

(4) by amending subsection (e)(2)(B) to read as follows:

"(B) be subject to the supervision of the Commission.";

(5) in subsection (f)(1)(C), by striking "an appropriate"; and inserting "any";

(6) in subsection (k)(9)—

(A) by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(B) by striking "Director" and inserting "Commission";

(7) in subsection (q)—

(A) in paragraph (1), by striking "appropriate Federal banking agency (as defined in section 3(q)" and inserting "Federal banking agency (as defined in section 3(z)"; and

(B) in paragraph (4)(B), by striking "appropriate".

(d) AMENDMENTS TO SECTION 22.—Subsection 22(a) of the Federal Home Loan Bank Act (12 U.S.C. 1442a) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Commission"; and

(2) by striking "Director of the Office of Thrift Supervision" each place it appears.

SEC. 635. AMENDMENTS TO THE FEDERAL RESERVE ACT.

(a) AMENDMENTS TO SECTION 2.—The sixth undesignated paragraph of section 2 of the Federal Reserve Act (12 U.S.C. 501a) is amended by deleting "under direction of the Board of Governors of the Federal Reserve System by the Comptroller of the Currency in his own name" and inserting "Federal Banking Commission in its own name".

(b) AMENDMENTS TO SECTION 4.—Section 4 of the Federal Reserve Act is amended—

(1) in the first undesignated paragraph (omitted from the United States Code), by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(2) in the third undesignated paragraph (omitted from the United States Code)—

(A) by striking "Comptroller of the Currency, who" and inserting "Federal Banking Commission, which"; and

(B) by striking "his office" and inserting "its office";

(3) in the first sentence of the fourth undesignated paragraph (12 U.S.C. 341), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(4) in the fifth undesignated paragraph (12 U.S.C. 341), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 6.—The first sentence of the second undesignated paragraph of section 6 of the Federal Reserve Act (12 U.S.C. 288) is amended by striking "Comptroller of the Currency may, if he deems it advisable," and inserting "Federal Banking Commission may, if it deems it advisable,".

(d) AMENDMENTS TO SECTION 9.—Section 9 of the Federal Reserve Act is amended—

(1) in the third undesignated paragraph (12 U.S.C. 321)—

(A) in the second sentence, by striking "Board of Governors of the Federal Reserve System, instead of the Comptroller of the Currency," and inserting "Federal Banking Commission"; and

(B) in the third sentence, by striking "Board" and inserting "Federal Banking Commission";

(2) in the sixth undesignated paragraph (12 U.S.C. 324)—

(A) in the first sentence—

(i) by striking the semicolon following "dividends"; and

(ii) by striking "except that any reference in any such provision to the Comptroller of the Currency shall be deemed for the purposes of this sentence to be a reference to the Board of Governors of the Federal Reserve System";

(B) in the second sentence, by striking "Federal Reserve bank of which they become a member" and inserting "Federal Banking Commission";

(C) in the third sentence, by striking "Federal reserve bank" and inserting "Federal Banking Commission";

(D) by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(E) by striking "Board" each place it appears and inserting "Federal Banking Commission";

(3) the seventh undesignated paragraph (12 U.S.C. 325) is amended to read as follows:

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"As a condition to membership such banks shall likewise be subject to examinations made by the direction of the Federal Banking Commission by examiners selected or approved by the Federal Banking Commission.";

(4) in the eighth undesignated paragraph (12 U.S.C. 326)—

(A) by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(B) in the first sentence—

(i) by striking "Whenever the directors of the Federal reserve bank" and inserting "Subject to section 10(d) of the Federal Deposit Insurance Act, whenever the Federal Banking Commission"; and

(ii) by striking "the board may order" and inserting "the Commission may order";

(5) in the ninth undesignated paragraph (12 U.S.C. 327) in the first sentence, by inserting "or regulations of the Federal Banking Commission" after "regulations of the Board of Governors of the Federal Reserve System";

(6) in the tenth undesignated paragraph (12 U.S.C. 328)—

(A) in the first sentence—

(i) by inserting "and the Federal Banking Commission" after "with the Board of Governors of the Federal Reserve System"; and

(ii) by inserting "and after notice to the Federal Banking Commission," after "That the Board of Governors of the Federal Reserve System, in its discretion and subject to such conditions as it may prescribe,";

(B) in the third sentence, by inserting "after notice to the Federal Banking Commission," after "Board of Governors of the Federal Reserve System,";

(7) in the eleventh undesignated paragraph (12 U.S.C. 329), in the second sentence, by inserting "after consultation with the Federal Banking Commission" after "Board";

(8) in the twelfth undesignated paragraph (omitted from the United States Code)—

(A) by striking "subsection (y) of section 12B of this Act" and inserting "the Federal Deposit Insurance Act";

(B) by striking "such section 12B" and inserting "the Federal Deposit Insurance Act";

(C) by inserting ", after consultation with the Federal Banking Commission," after "the Board of Governors of the Federal Reserve System" the first place it appears; and

(D) by inserting ", after consultation with the Federal Banking Commission," after "the said Board";

(9) in the thirteenth undesignated paragraph (12 U.S.C. 330)—

(A) in the first sentence—

(i) by striking the comma after "member banks" and inserting a period; and

(ii) by striking "but shall not be subject to examination" and all that follows through "section twenty-one of this Act.";

(B) in the second sentence—

(i) by inserting "and the Federal Banking Commission" after "the regulations of the board"; and

(ii) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(10) in the last sentence of the sixteenth undesignated paragraph (12 U.S.C. 333), by inserting "and regulations of the Federal Banking Commission" after "regulations of the Board of Governors of the Federal Reserve System";

(11) in the seventeenth undesignated paragraph (12 U.S.C. 334)—

(A) in the first sentence, by striking "Federal reserve bank of its district and to the Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(B) in the second, third, and fourth sentences, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(C) in the fourth sentence, by striking "Board" and inserting "Commission";

(12) in the eighteenth undesignated paragraph (12 U.S.C. 334)—

(A) in the first sentence, by striking "its Federal reserve bank or the Board of Governors of the Federal Reserve System" and inserting "the Federal Banking Commission"; and

(B) in the second sentence—

(i) by striking "Federal reserve bank and the Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(ii) by striking "Board of Governors of the Federal Reserve System" the second place it appears and inserting "Federal Banking Commission";

(13) in the nineteenth undesignated paragraph (12 U.S.C. 334)—

(A) by striking ", by direction of the Board of Governors of the Federal Reserve System,"; and

(B) by striking "Federal reserve bank of the district in which such member bank is located" and inserting "Federal Banking Commission";

(14) in the twenty-second undesignated paragraph (12 U.S.C. 338), in the first and second sentences, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(15) in the last paragraph of section 9 (12 U.S.C. 338a)—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) by striking "Board" each place it appears and inserting "Federal Banking Commission".

(e) AMENDMENTS TO SECTION 9A.—Subsection 9A(e) of the Federal Reserve Act (12 U.S.C. 339) is amended by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(f) AMENDMENTS TO SECTION 10.—The sixth undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 246) is amended—

(1) by inserting "or vested by law in the Federal Banking Commission" after "under such department";

(2) by inserting "or Federal Banking Commission" after "Secretary of the Treasury" the second place that it appears; and

(3) by inserting "or Federal Banking Commission, as the case may be" after "supervision and control of the Secretary".

(g) AMENDMENTS TO SECTION 10B.—Subsection 10B(b) of the Federal Reserve Act (12 U.S.C. 347b(b)) is amended—

(1) in paragraph 2—

(A) in subparagraph (A)(i) by striking "head of the appropriate Federal banking agency" and inserting "Chairperson of the Federal Banking Commission"; and

(B) in subparagraph (C), by striking "head of any agency" and inserting "Chairperson of the Federal Banking Commission"; and

(2) in paragraph (5)—

(A) by striking subparagraph (A);

(B) in subparagraph (E), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission"; and

(C) by redesignating subparagraphs (B) through (E) as subparagraphs (A) through (D), respectively.

(h) AMENDMENTS TO SECTION 11.—Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended—

(1) in subsection (a)—

(A) in the first sentence of paragraph (1), by striking "and of each member bank"; and

(B) in subparagraph (B) of the second sentence of paragraph (2)—

(i) by amending clause (i) to read as follows:

"(i) the Federal Banking Commission in the case of nonmember banks, any savings association which is an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or which is a member as defined in section 2 of the Federal Home Loan Bank Act, insured State nonmember banks, savings banks, and mutual savings banks,";

(ii) by inserting "and" at the end of clause (ii);

(iii) by striking clause (iii);

(2) by inserting "(a)" after "SEC. 11";

(3) by redesignating subsections (a)(1) and (2) as paragraphs (1)(A) and (B), respectively;

(4) in paragraph (1)(B), as so redesignated—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(B) in clause (ii), as so redesignated, by redesignating clauses (i), (ii), and (iv) as subclauses (I), (II), and (III), respectively;

(5) by repealing subsection 11(m) (12 U.S.C. 248(m));

(6) by redesignating subsections 11(b) through 11(n) as paragraphs (a)(2) through (a)(13), respectively; and

(7) in subsection 11(p) (12 U.S.C. 248)—

(A) by striking "AUTHORITY TO APPOINT CONSERVATOR OR RECEIVER.—The Board" and inserting "The Federal Banking Commission"; and

(B) by redesignating subsection 11(p) as subsection 11(b).

(i) AMENDMENT TO SECTION 13.—The eleventh undesignated paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 92) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(j) AMENDMENTS TO SECTION 19.—Section 19 of the Federal Reserve Act is amended—

(1) in subsection (b) (12 U.S.C. 461(b))—

(A) in paragraph (1)(F), by striking "Board of Directors of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission";

(B) in paragraph (4)(B), by striking "Board of Directors of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission"; and

(C) in paragraph (6), by striking "Board" each place it appears and inserting "Federal Banking Commission"; and

(2) in subsection (j) (12 U.S.C. 371b), by striking "Board of Directors of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(k) AMENDMENTS TO SECTION 22.—Section 22 of the Federal Reserve Act is amended—

(1) in subsection (d) (12 U.S.C. 375), by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(2) in subsection (g) (12 U.S.C. 375a)—

(A) in paragraph (4), by striking "member bank's appropriate Federal banking agency"; and inserting "Federal Banking Commission"; and

(B) in paragraph (10), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(3) in subsection (h) (12 U.S.C. 375b)—

(A) in paragraph (3), by striking "appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act)" and inserting "Federal Banking Commission";

(B) in paragraph (5)—

(i) in subparagraph (B), by striking "Board" and inserting "Federal Banking Commission"; and

(ii) in subparagraph (C), by striking "Board" each place it appears and inserting "Federal Banking Commission";

(C) in paragraph (9)(D)(ii), by striking "Board" each place it appears and inserting "Federal Banking Commission"; and

(D) in paragraph (10)—

(i) in the heading, by striking "BOARD'S" and inserting "COMMISSION'S"; and

(ii) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(l) AMENDMENTS TO SECTION 23.—Section 23 of the Federal Reserve Act (12 U.S.C. 371b–2) is amended—

(1) in subsection (a), by striking "Board" and inserting "Federal Banking Commission";

(2) in subsection (c)—

(A) in paragraph (1)(D), by striking "Board" and inserting "Federal Banking Commission"; and

(B) in paragraph (2), by striking "Board" and inserting "Federal Banking Commission"; and

(3) in subsection (e), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission".

(m) AMENDMENT TO SECTION 23A.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(E), by striking "Board" and inserting "Federal Banking Commission";

(B) in paragraph (2)(E), by striking "Board" and inserting "Federal Banking Commission";

(C) in paragraph (3)(A)(iii), by striking "Board" and inserting "Federal Banking Commission"; and

(D) in paragraph (7)(C), by striking "Board" and inserting "Federal Banking Commission";

(2) in subsection (d)(2), by striking "Board" and inserting "Federal Banking Commission"; and

(3) in subsection (e)—

(A) in paragraph (1), by striking "Board" and inserting "Federal Banking Commission"; and

(B) in paragraph (2), by striking "Board" and inserting "Federal Banking Commission".

(n) AMENDMENT TO SECTION 23B.—Subsection 23B(e) of the Federal Reserve Act (12 U.S.C. 371c–1(e)) is amended by striking "Board" each place it appears and inserting "Federal Banking Commission".

(o) AMENDMENT TO SECTION 24.—Subsection 24(a) of the Federal Reserve Act (12 U.S.C. 371(a)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(p) AMENDMENTS TO SECTION 24A.—Section 24A of the Federal Reserve Act (12 U.S.C. 371d) is amended—

(1) by striking "without the approval of the Comptroller of the Currency," and "national bank"; and

(2) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(q) AMENDMENTS TO SECTION 25.—Section 25 of the Federal Reserve Act (12 U.S.C. 601–604a) is amended—

(1) in the first undesignated paragraph—

(A) in the introductory text, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) in the paragraph entitled "Third.", by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(2) in the second undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(3) in the third undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(4) in the fourth undesignated paragraph—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(5) in the fifth undesignated paragraph—

(A) by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(B) by striking "said Board" and inserting "the Federal Banking Commission"; and

(6) in the seventh undesignated paragraph—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) by striking "the Board" and inserting "the Federal Banking Commission".

(r) AMENDMENTS TO SECTION 25A.—Section 25A of the Federal Reserve Act (12 U.S.C. 611–631) is amended—

(1) in the second undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(2) in the fourth undesignated paragraph—

(A) in the introductory text, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) in the paragraph entitled "First.", by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(3) in the fifth undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(4) in the sixth undesignated paragraph—

(A) in the introductory text, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(B) in subparagraph (a), by striking "Board of Governors of the Federal Reserve System" each place it appears, except in the last sentence, and inserting "Federal Banking Commission";

(C) in subparagraph (b), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(D) in subparagraph (c), by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(5) in the seventh undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(6) in the eighth undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(7) in the tenth undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(8) in the eleventh undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(9) in the fourteenth undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission";

(10) in the sixteenth undesignated paragraph—

(A) by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(11) in the seventeenth undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(12) in the twentieth undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission";

(13) in the twentieth-first undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(14) in the twentieth-second undesignated paragraph, by striking "Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission".

(s) AMENDMENTS TO SECTION 29.—Section 29 of the Federal Reserve Act (12 U.S.C. 504) is amended—

(1) in subsection (e), by striking "(1) in the case of a national bank, by the Comptroller of the Currency; and (2) in the case of a State member bank, by the Board," and inserting ", in the case of a national bank or State member bank, the Federal Banking Commission";

(2) in subsection (i), by striking "Comptroller of the Currency and the Board" and inserting "Federal Banking Commission"; and

(3) in subsection (m), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission".

SEC. 636. AMENDMENTS TO THE FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989.

(a) AMENDMENTS TO SECTION 302.—Section 302 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1467a note) is amended—

(1) in paragraph (1), by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission"; and

(2) in paragraph (2), by striking "Federal Deposit Insurance Corporation" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 305.—Section 305 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1464 note) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission"; and

(ii) by striking "Director" and inserting "Federal Banking Commission"; and

(B) in paragraph (2), by striking "Director" and inserting "Federal Banking Commission";

(2) in subsection (c)—

(A) in paragraph (1), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission"; and

(B) in paragraph (2), by striking "appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Corporation Act)" and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 308.—Subsection 308(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1463 note) is amended by striking "Director of the Office of Supervision and the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation" and inserting "Chairperson of the Federal Banking Commission".

(d) AMENDMENTS TO SECTION 402.—Section 402 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1437 note) is amended—

(1) in subsection (a), by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission";

(2) in subsection (b), by striking "Director of the Office of Thrift Supervision" and inserting "Chairperson of the Federal Banking Commission"; and

(3) in subsection (e)—

(A) in paragraph (1), by striking "the Office of Thrift Supervision" and inserting "Federal Banking Commission";

(B) in paragraph (2), by striking "Director of the Office of Thrift Supervision" each place it appears and inserting "Federal Banking Commission";

(C) in paragraph (3), by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission"; and

(D) in paragraph (4), by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(e) AMENDMENT TO SECTION 918.—Subsection 918(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833 note) is amended to read as follows:

"(b) AGENCIES REQUIRED TO SUBMIT REPORTS.—The agencies referred to in subsection (a) are as follows:

(1) The Federal Banking Commission.

(2) The Federal Housing Finance Board.

(3) The National Credit Union Administration.

(4) The Attorney General of the United States.".

(f) AMENDMENTS TO SECTION 1002.—Section 1002 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note) is amended—

(1) in subsection (a), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) in paragraph (3), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

(g) AMENDMENT TO SECTION 1103.—Section 1103 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3332) is amended—

(1) in the heading, by striking "**APPRAISAL SUBCOMMITTEE**" and inserting "**APPRAISAL COMMITTEE**";

(2) by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee"; and

(3) in the introductory text of subsection (a)(2), by striking "Federal financial institutions regulatory agencies" and inserting "Federal Banking Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation,".

(h) AMENDMENT TO SECTION 1105.—Section 1105 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3334) is amended—

(1) by striking "Appraisal Subcommittee" and inserting "Appraisal Committee"; and

(2) by striking "Council" and inserting "Federal Banking Commission."

(i) AMENDMENT TO SECTION 1106.—Section 1106 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3335) is amended—

(1) in the heading, by striking "**APPRAISAL SUBCOMMITTEE**" and inserting "**APPRAISAL COMMITTEE**"; and

(2) by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee".

(j) AMENDMENT TO SECTION 1108.—Section 1108 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3337) is amended—

(1) by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee"; and

(2) in subsection (a), by striking "subcommittee" and inserting "committee".

(k) AMENDMENT TO SECTION 1109.—Section 1109 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338) is amended—

(1) by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee"; and

(2) in subsection (a), by striking "Council" and inserting "Federal Banking Commission."

(l) AMENDMENT TO SECTION 1110.—Section 1110 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3339) is amended—

(1) in the heading, by striking "THE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES" and inserting "FBC, NCUA, FDIC, and RTC"; and

(2) by striking "Each Federal financial institutions regulatory agency" and inserting "The Federal Banking Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation,".

(m) AMENDMENT TO SECTION 1112.—Section 1112 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3341) is amended—

(1) in the heading, by striking "THE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES" and inserting "FBC, NCUA, FDIC; AND RTC"; and

(2) by striking "Each Federal financial institutions regulatory agency" and inserting "The Federal Banking Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation,".

(n) AMENDMENT TO SECTION 1116.—Section 1118 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3345) is amended—

(1) in the first subsection (e)—

(A) in the heading, by striking "APPRAISAL SUBCOMMITTEE" and inserting "APPRAISAL COMMITTEE";

(B) by striking "Appraisal Subcommittee" and inserting "Appraisal Committee"; and

(C) by striking "Subcommittee" and inserting "Committee"; and

(2) by striking the second subsection (e).

(o) AMENDMENT TO SECTION 1118.—Section 1118 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3347) is amended—

(1) by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee";

(2) in subsection (b), by striking "The Federal financial institutions regulatory agencies" and inserting "The Federal Banking Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation,"; and

(3) in subsection (c)(3), by striking "subcommittee" and inserting "committee".

(p) AMENDMENT TO SECTION 1119.—Section 1119 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3348) is amended—

(1) by striking "Council" and inserting "Federal Banking Commission";

(2) by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee"; and

(3) in subsection (c), by striking "subcommittee" and inserting "committee".

(q) AMENDMENT TO SECTION 1120.—Subsection 1120(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3349(a)) is amended by striking "Appraisal Subcommittee" and inserting "Appraisal Committee".

(r) AMENDMENT TO SECTION 1121.—Subsection 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) APPRAISAL COMMITTEE; COMMITTEE.—The terms 'Appraisal Committee' and 'committee' mean the Appraisal Committee established by Section 1011 of the Federal Financial Institutions Examination Council Act of 1978.";

(2) by striking paragraph (3);

(3) in paragraph (4)(A), by striking "a Federal financial institutions regulatory agency" and inserting "the Federal Banking Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation,";

(4) by amending paragraph (6) to read as follows:

"(6) FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES.—The term 'Federal financial institutions regulatory agencies' means the Federal Banking Commission and the National Credit Union Administration.";

(5) by amending paragraph (8) to read as follows:

"(8) CHAIRPERSON.—The term 'Chairperson' means the Chairperson of the Appraisal Committee selected by the members of the committee."; and

(6) by redesignating paragraphs (4) through (10) as paragraphs (3) through (9), respectively.

(s) AMENDMENT TO SECTION 1122.—Subsection 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended—

(1) by striking subsection (b);

(2) in subsection (c), by striking "the Federal financial institutions regulatory agencies" and inserting "the Federal Banking Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation,";

(3) in subsection (e), by striking "Appraisal Subcommittee" each place it appears and inserting "Appraisal Committee"; and

(4) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

(t) AMENDMENTS TO SECTION 1204.—Section 1204 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note) is amended by—

(1) in subsection (a), by striking "appropriate Federal banking agencies" and inserting "Federal Banking Commission";

(2) in subsection (c)—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively;

(u) AMENDMENTS TO SECTION 1205.—Subsection 1205(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1818 note) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking "Director of the Office of Thrift Supervision" and inserting "Chairperson of the Federal Banking Commission, or the Chairperson's designee";

(B) by striking subparagraph (D); and

(C) by redesignating subparagraphs (E) and (F) as paragraphs (D) and (E), respectively;

(2) in paragraph (2), by striking "paragraph (1)(F)" and inserting "paragraph (1)(E)"; and

(3) in paragraph (5), by striking "through (E)" and inserting "through (D)".

(v) AMENDMENTS TO SECTION 1206.—Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended—

(1) by striking "the Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) by inserting "and" after "Resolution Trust Corporation," and before "the Farm Credit Administration"; and

(3) by striking ", and the Office of Thrift Supervision".

(w) AMENDMENTS TO SECTION 1216.—Section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833e) is amended—

(1) in subsection (a)—

(A) in paragraph (1), striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(B) by striking paragraph (2); and

(C) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively;

(2) in subsection (c), by striking "Comptroller of the Currency, the Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission"; and

(3) in subsection (d)—

(A) in paragraph (2), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(B) by striking paragraph (3); and

(C) by redesignating paragraphs (4), (5), (6), (7), and (8) as paragraphs (3), (4), (5), (6), and (7), respectively.

SEC. 637. AMENDMENTS TO THE HOME MORTGAGE DISCLOSURE ACT OF 1975.

(a) AMENDMENTS TO SECTION 303.—Section 303 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2802) is amended—

(1) in subsection (2)(A), by striking "Board" and inserting "Commission"; and

(2) by amending subsection (5) to read as follows:

"(5) the term 'Commission' means the Federal Banking Commission; and".

(b) AMENDMENTS TO SECTION 304.—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended—

(1) in subsection (a)(1), by striking "Board" and inserting "Commission";

(2) in subsection (e), by striking "Board" and inserting "Commission";

(3) in subsection (f), by striking "Federal Financial Institutions Examination Council" and inserting "Commission"; and

(4) in subsection (h), by striking the second sentence and inserting the following: "Notwithstanding the requirement of subsection (a)(2)(A) of this section for disclosure by census tract, the Commission, in cooperation with other appropriate regulators, including—

"(1) the National Credit Union Administration Board for credit unions; and

"(2) the Secretary of Housing and Urban Development for other lending institutions not regulated by the Commission or the National Credit Union Administration Board,

shall develop regulations prescribing the format for such disclosures, the method for submission of the data to the appropriate regulatory agency, and the procedures for disclosing the information to the public.";

(5) in subsection (j), by striking "Board" each place it appears and inserting "Commission";

(6) in subsection (k), by striking "Board" each place it appears and inserting "Commission"; and

(7) in subsection (l)(2)(A), by striking "Board" and inserting "Commission";

(c) AMENDMENTS TO SECTION 305.—Section 305 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2804) is amended—

(1) in subsection (a), by striking "Board" each place it appears and inserting "Commission"; and

(2) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act by the Commission with respect to national banks, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks, commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), mutual savings banks as defined in section 3(f) of the Federal Deposit Insurance Act, savings associations with deposits insured by the Federal Deposit Insurance Corporation, and any other depository institution not referred to in paragraph (2) of this subsection;";

(B) by striking paragraphs (2); and

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3) respectively.

(d) AMENDMENTS TO SECTION 306.—Section 306 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2805) is amended—

(1) in subsection (a), by striking "Board" each place it appears and inserting "Commission"; and

(2) in subsection (b)—

(A) in the first sentence, by striking "Board" and inserting "Commission"; and

(B) by amending the second sentence to read as follows: "Notwithstanding any other provision of this subsection, compliance with the requirements imposed under this subsection shall be enforced by the Commission under section 8 of the Federal Deposit Insurance Act in the case of all national banks and those savings associations with deposits insured by the Federal Deposit Insurance Corporation.".

(f) AMENDMENTS TO SECTION 307.—Section 307 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2806) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) The Commission, with the assistance of the Secretary, the Director of the Bureau of the Census, and such other persons as the Commission deems appropriate, shall develop, or assist in the improvement of, methods of matching addresses and census tracts to facilitate compliance by depository institutions in as economical a manner as possible with the requirements of this title."; and

(B) in paragraph (3), by striking "Director of the Office of Thrift Supervision" and inserting "Commission"; and

(2) in subsection (b), by striking "Director of the Office of Thrift Supervision" each place it appears and inserting "Commission".

(g) AMENDMENT TO SECTION 308.—Section 308 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2807) is amended by striking "Board" and inserting "Commission".

(h) AMENDMENT TO SECTION 309.—Section 309 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2808) is amended in the second sentence by striking "Board" and inserting "Commission".

(i) AMENDMENT TO SECTION 310.—Subsection 310 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2809) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "Federal Financial Institutions Examination Council" and inserting "Commission"; and

(B) in the second sentence, by striking "Council" and inserting "Commission";

(2) by striking subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

SEC. 638. AMENDMENTS TO THE HOME OWNERS' LOAN ACT.

(a) AMENDMENT TO SECTION 1.—Section 1 of the Home Owners' Loan Act (12 U.S.C. 1461) is amended by striking "Director of the Office of Thrift Supervision" in the Table of Contents and inserting "Federal Banking Commission.".

(b) AMENDMENTS TO SECTION 2.—Section 2 of the Home Owners' Loan Act (12 U.S.C. 1462) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) CHAIRPERSON.—The term 'Chairperson' means the Chairperson of the Federal Banking Commission.";

(2) by amending paragraph (3) to read as follows:

"(3) COMMISSION.—The term 'Commission' means the Federal Banking Commission.";

(3) by striking paragraph (7); and

(4) by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

(c) AMENDMENTS TO SECTION 3.—Section 3 of the Home Owners' Loan Act (12 U.S.C. 1462a) is amended—

(1) in the heading, by striking "DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION" and inserting FEDERAL BANKING COMMISSION";

(2) in subsection (e)—

(A) in the heading, by striking "DIRECTOR" and inserting "COMMISSION";

(B) in the introductory text, by striking "Director" and inserting "Commission";

(C) in paragraph (1), by inserting after "Act of 1989" the following: "or were vested in the Office of Thrift Supervision or the Director of the Office of Thrift Supervision on the day before the 'designated transfer date' as defined in section 2(4) of the Regulatory Consolidation Act of 1994;"; and

(D) in paragraph (2)—

(i) in subparagraph (A), by striking "such Act; or" and inserting "the Financial Institutions Reform, Recovery, and Enforcement Act of 1989; or''; and

(ii) in subparagraph (B), by striking "such Act." and inserting "the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 or the Regulatory Consolidation Act of 1993.'';

(3) in subsection (f)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) by striking "Office" each place it appears and inserting "Commission";

(4) in subsection (g)—

(A) by striking "Director" each place it appears and inserting "Commission";

(B) by striking "Office" each place it appears and inserting "Commission";

(C) in paragraph (1)—

(i) by striking "Office of Thrift Supervision" and inserting "Commission"; and

(ii) by striking "notwithstanding section 301(f) of title 31, United States Code";

(D) in paragraph (3)—

(i) by striking "provided by any Federal banking agency" and inserting "provided by the Corporation or the Board of Governors of the Federal Reserve System"; and

(ii) by striking "the Federal banking agencies" and inserting "the Corporation and the Board of Governors of the Federal Reserve System"; and

(E) by amending paragraph (4) to read as follows:

"(4) DELEGATION OF AUTHORITY.—

"(A) IN GENERAL.—The Commission may delegate to any employee, representative, or agent any power of the Commission."

"(B) LIMITATIONS.—

"(i) SUPERVISION OF SAVINGS ASSOCIATIONS NOT DELEGABLE.—Notwithstanding subparagraph (A), the Commission shall not, directly or indirectly, after October 10, 1989, delegate to any Federal home loan bank or to any officer, director, or employee of a Federal home loan bank, any power involving examining, supervising, taking enforcement action with respect to, or otherwise regulating any savings association, savings and loan holding company, or other person subject to regulation by the Commission.

"(ii) MEMBERSHIP ON FDIC'S BOARD OF DIRECTORS NOT DELEGABLE.—The Chairperson shall not delegate the Chairperson's authority to serve as a member of the Corporation's Board of Directors.".

(5) in subsection (h)—

(A) by striking "Director" and inserting "commissioners"; and

(B) by striking "Office" and inserting "Commission";

(6) in subsection (i)—

(A) by striking "Director" and inserting "Commission"; and

(B) by striking "Office of Thrift Supervision" and inserting "Commission";

(7) by striking subsections (a), (b), (c), and (d); and

(8) by redesignating subsections (e) through (i) as subsections (a) through (e) respectively.

(d) AMENDMENTS TO SECTION 4.—Section 4 of the Home Owners' Loan Act (12 U.S.C. 1463) is amended—

(1) in subsection (a)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) in paragraph (2), by striking "or the Office";

(2) in subsection (b)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) in paragraph (2)(A), by striking "Federal banking agencies" and inserting "Corporation and the Board of Governors of the Federal Reserve System";

(3) by striking subsection (c);

(4) in subsection (e)(5), by striking "Director" and inserting "Commission";

(5) in subsection (f), by striking "Director" each place it appears and inserting "Commission";

(6) in subsection (h), by striking "Director" each place it appears and inserting "Commission"; and

(7) by redesignating subsections (d) through (h) as subsections (c) through (g), respectively.

(e) AMENDMENTS TO SECTION 5.—Section 5 of the Home Owners' Loan Act (12 U.S.C. 1464) is amended—

(1) in subsection (a), by striking "Director" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Director" each place it appears and inserting "Commission";

(3) in subsection (c), by striking "Director" each place it appears and inserting "Commission";

(4) in subsection (d)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) in paragraph (2)(A), by striking "Director of the Office of Thrift Supervision" and inserting "Commission";

(5) in subsection (e), by striking "Director" each place it appears and inserting "Commission";

(6) in subsection (f), by striking "Director" and inserting "Commission";

(7) in subsection (i), by striking "Director" each place it appears and inserting "Commission";

(8) in subsection (m), by striking "Director" each place it appears and inserting "Commission";

(9) in subsection (n), by striking "Director" each place it appears and inserting "Commission";

(10) in subsection (o), by striking "Director" each place it appears and inserting "Commission";

(11) in subsection (p), by striking "Director" each place it appears and inserting "Commission";

(12) in subsection (q), by striking "Director" and inserting "Commission";

(13) in subsection (r), by striking "Director" and inserting "Commission";

(14) in subsection (s), by striking "Director" each place it appears and inserting "Commission"; and

(15) in subsection (t)—

(A) by striking "Director" each place it appears and inserting "Commission";

(B) by striking paragraph (1)(D); and

(C) in paragraph (4)(C)(ii), by striking "Corporation" and inserting "Commission".

(f) AMENDMENTS TO SECTION 8.—Section 8 of the Home Owners' Loan Act (12 U.S.C. 1466a) is amended—

(1) in subsection (a), by striking "Director" each place it appears and inserting "Commission";

(2) in subsection (c), by striking "Director" and inserting "Commission"; and

(3) in subsection (d), by striking "Director" each place it appears and inserting "Commission".

(g) AMENDMENTS TO SECTION 9.—Section 9 of the Home Owners' Loan Act (12 U.S.C. 1467) is amended—

(1) in subsection (a), by striking "Director" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Director" each place it appears and inserting "Commission";

(3) in subsection (c), by striking "Director" and inserting "Commission";

(4) in subsection (d), by striking "Director" each place it appears and inserting "Commission";

(5) in subsection (e), by striking "Director" each place it appears and inserting "Commission";

(6) in subsection (f), by striking "Director" each place it appears and inserting "Commission";

(7) in subsection (g), by striking "Director" and inserting "Commission";

(8) in subsection (h), by striking "Director" each place it appears and inserting "Commission";

(9) in subsection (i), by striking "Director" and inserting "Commission";

(10) in subsection (j), by striking "Director" each place it appears and inserting "Commission";

(11) subsection (k) is amended to read as follows:

"(k) FEES FOR EXAMINATIONS AND SUPERVISORY ACTIVITIES.—The Commission may assess fees to fund the direct and indirect expenses of the Commission as the Commission deems necessary or appropriate. The fees may be imposed more frequently than annually at the discretion of the Commission.'';

(12) in subsection (l), by striking "Director" and inserting "Commission"; and

(13) in subsection (m)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) by striking "Office" each place it appears and inserting "Commission";

(h) AMENDMENTS TO SECTION 10.—Section 10 of the Home Owners' Loan Act (12 U.S.C. 1467a) is amended—

(1) in subsection (a), by striking "Director" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Director" each place it appears and inserting "Commission";

(3) in subsection (c)—

(A) in paragraph (2)(F)(i), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(B) by striking "Director" or each place it appears and inserting "Commission";

(4) in subsection (e), by striking "Director" each place it appears and inserting "Commission";

(5) in subsection (f), by striking "Director" each place it appears and inserting "Commission";

(6) in subsection (g)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) in paragraph (3)(A), by striking in the first sentence "of this section," after "under paragraph (5)" and inserting "of this subsection,";

(7) in subsection (h), by striking "Director" and inserting "Commission";

(8) in subsection (i)—

(A) by striking "Director" and inserting "Commission"; and

(B) by redesignating paragraph (5) as paragraph (4);

(9) in subsection (j), by striking "Director" each place it appears and inserting "Commission";

(10) in subsection (m)—

(A) by striking "Director" each place it appears and inserting "Commission"; and

(B) in paragraph (7)(A)(ii), by inserting "the" before "period" in the last sentence.

(11) in subsection (o), by striking "Director" each place it appears and inserting "Commission";

(12) in subsection (p), by striking "Director" each place it appears and inserting "Commission";

(13) in subsection (q), by striking "Director" each place it appears and inserting "Commission";

(14) in subsection (r), by striking "Director" each place it appears and inserting "Commission"; and

(15) by redesignating subsection (t) as subsection (s).

(i) AMENDMENT TO SECTION 11.—Section 11 of the Home Owners' Loan Act (12 U.S.C. 1468) is amended—

(1) in subsection (a), by striking "Director" each place it appears and inserting "Commission";

(2) in subsection (b), by striking "Director" each place it appears and inserting "Commission"; and

(3) in subsection (c), by striking "Director" and inserting "Commission".

(j) AMENDMENT TO SECTION 12.—Section 12 of the Home Owners' Loan Act (12 U.S.C. 1468a) is amended by striking "Director" and inserting "Commission".

(k) AMENDMENT TO SECTION 13.—Section 13 of the Home Owners' Loan Act (12 U.S.C. 1468b) is amended by striking "Director" and inserting "Commission".

SEC. 639. AMENDMENTS TO THE HOUSING ACT OF 1948.

Section 502(c) of the Housing Act of 1948 (12 U.S.C. 1701c(c)) is amended in the introductory text by striking "Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission".

SEC. 640. AMENDMENTS TO THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.

(a) AMENDMENTS TO SECTION 543.—Section 543 of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended—

(1) in subsection (c)(1)—

(A) by amending subparagraph (C) to read as follows:

"(C) the Chairperson of the Federal Banking Commission"; and

(B) by striking subparagraphs (D) through (F); and

(C) by redesignating subparagraphs (G) and (H) as subparagraphs (D) and (E), respectively; and

(2) in subsection (f)—

(A) in paragraph (2)—

(i) by striking "Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation" and inserting "Federal Banking Commission"; and

(ii) in subparagraph (D), by striking "Office of Thrift Supervision, the Board of Governors of the Federal Reserve, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation" and inserting "Federal Banking Commission"; and

(B) in paragraph (3)—

(i) by striking "the Office of Thrift Supervision, the Board of Governors of the Federal Reserve, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation" and inserting "and the Federal Banking Commission"; and

(ii) in subparagraph (D), by striking "Office of Thrift Supervision, the Board of Governors of the Federal Reserve, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation" and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 853.—Section 853(b)(3)(A) of the Housing and Community Development Act of 1992 (42 U.S.C. 5305 note) is amended—

(1) by amending clause (i) to read as follows:

"(i) the Federal Banking Commission with respect to national banks, State-chartered banks which are members of the Federal Reserve System, bank holding companies, State-chartered banks and savings banks which are not members of the Federal Reserve System and the deposits of which are insured by the Federal Deposit Insurance Corporation, insured savings associations and savings and loan holding companies that are not bank holding companies;"

(2) by striking clauses (ii), (iii) and (v); and

(3) by redesignating clause (iv) as clause (ii).

(c) AMENDMENT TO SECTION 1315.—Section 1315(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 4515(b)) is amended by striking "the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Director of the Office of Thrift Supervision" and inserting "the Federal Banking Commission, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation".

(d) AMENDMENT TO SECTION 1317.—Section 1317(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 4517(c)) is amended by striking "the Comptroller of the Currency," the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Director of the Office of Thrift Supervision" and inserting "the Federal Banking Commission, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation".

(e) AMENDMENT TO SECTION 1542.—Section 1542 of the Housing and Community Development Act of 1992 (12 U.S.C. 1831m–1)is amended—

(1) by striking "appropriate Federal banking agency" each place it appears and inserting "Federal Banking Commission";

(2) in subsection (a)(2)—

(A) in subparagraph (A)—

(i) in clause (i), by striking "an appropriate Federal banking agency" and inserting "the Federal Banking Commission"; and

(ii) in clause (ii), by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission"; and

(B) in subparagraph (B)(ii), by striking "the Federal banking agency" each place it appears and inserting "the Federal Banking Commission";

(3) in subsection (b)(1), by striking "each appropriate Federal banking agency" and inserting "the Federal Banking Commission";

(4) by striking subsection (d); and

(5) by redesignating subsection (e) as subsection (d).

SEC. 641. AMENDMENTS TO THE HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.

Section 469 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701p–1) is amended in the first sentence—

(a) by striking "Federal Home Loan Bank Board;" and

(b) by striking "the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Comptroller of the Currency" and inserting "and the Federal Banking Commission".

SEC. 642. AMENDMENTS TO THE INTERNATIONAL BANKING ACT OF 1978.

(a) AMENDMENT TO SECTION 1.—Subsection 1(b)(4) of the International Banking Act of 1978 (12 U.S.C. 3101) is amended to read as follows:

"(4) 'Commission' means the Federal Banking Commission;";

(b) AMENDMENTS TO SECTION 4—Section 4 of the International Banking Act of 1978 (12 U.S.C. 3102) is amended—

(1) by striking "Comptroller" each place it appears and inserting "Commission";

(2) in subsection (a)—

(A) in paragraph (1), by striking "(1) INITIAL BRANCH OR FEDERAL AGENCY.—"; and

(B) by striking paragraph (2);

(3) in subsection (b), by striking the last sentence;

(4) in subsection (c), by striking "In" and inserting "In addition to the standards for approval listed in section 7(d), in";

(5) in subsection (g)—

(A) in paragraph (1), by striking "if it is a national bank and by the Board of Governors of the Federal Reserve System if it is a State Bank"; and

(B) in paragraph (2), by striking "he" and inserting "it";

(6) in subsection (h)—

(A) in paragraph (1), by striking "(1) APPROVAL OF AGENCY REQUIRED"; and

(B) by striking paragraph (2);

(7) in the 3rd sentence of subsection (i)—

(A) by striking "his" and inserting "its"; and

(B) by striking "he" and inserting "it"; and

(8) in subsection (j)(1), by striking "he" and inserting "it".

(c) AMENDMENT TO SECTION 5.—Section 5 of the International Banking Act of 1978 (12 U.S.C. 3103) is amended by striking "Board" each place it appears and inserting "Commission".

(d) AMENDMENT TO SECTION 6.—Section 6 of the International Banking Act of 1978 (12 U.S.C. 3104) is amended by striking "Comptroller" each place it appears and inserting "Commission".

(e) AMENDMENTS TO SECTION 7.—Section 7 of the International Banking Act of 1978 (12 U.S.C. 3105) is amended—

(1) in the section heading, by inserting "AND FEDERAL BANKING COMMISSION" after "SYSTEM";

(2) in subsection (c) through (j), by striking "Board" each place it appears and inserting "Commission";

(3) in subsection (c)(1)(B)(i), by striking "Comptroller of the Currency, the Federal Deposit Insurance Corporation, and";

(4) in subsection (e)—

(A) in paragraph (5), by striking "transmit to the Comptroller of the Currency a recommendation that the license of any Federal branch or Federal agency of a foreign bank be terminated" and inserting "terminate the license of any Federal branch or Federal agency of a foreign bank"; and

(B) by amending paragraph (6)(A) to read as follows:

"(A) IN GENERAL.—In the case of contumacy of any office or subsidiary of the foreign bank against which the Commission has issued an order under paragraph (1) or section 4(i) or a refusal by such office or subsidiary to comply with such order, the Commission may invoke the aid of the district court of the United States within the jurisdiction of which the office or subsidiary is located."; and

(5) in subsection (f)(1)(C), by striking "Comptroller of the Currency" and inserting "Commission".

(f) AMENDMENT TO SECTION 8.—Section 8 of the International Banking Act of 1978 (12 U.S.C. 3106) is amended by striking "Board" each place it appears and inserting "Commission".

(g) AMENDMENTS TO SECTION 9.—Section 9 of the International Banking Act of 1978 is amended—

(1) in subsection (a) (12 U.S.C. 601 note), by striking ", the Board, the Comptroller, and the Federal Deposit Insurance Corporation" and inserting "and the Commission"; and

(2) in subsection (b)(2) (12 U.S.C. 3106a(2)), by striking "Comptroller" and inserting "Commission".

(h) AMENDMENT TO SECTION 10.—Section 10 of the International Banking Act of 1978 (12 U.S.C. 3107) is amended by striking "Board" each place it appears and inserting "Commission".

(i) AMENDMENTS TO SECTION 13.—Section 13 of the International Banking Act of 1978 (12 U.S.C. 3108) is amended—

(1) by striking "Comptroller" each place it appears and inserting "Commission";

(2) by striking "Comptroller of the Currency" each place it appears and inserting "Commission";

(3) in subsection (b)(1), by striking "by any appropriate Federal banking agency as defined in that Act"; and

(4) in subsection (c)—

(A) by striking "as to which the Board is an appropriate Federal banking agency";

(B) by striking "in the Board" and inserting "in the Commission"; and

(C) by striking the last sentence;

(j) AMENDMENT TO SECTION 14.—Section 14 of the International Banking Act of 1978 (12 U.S.C. 36 note) is amended by striking ", the Board, the Comptroller, and the Federal Deposit Insurance Corporation," and inserting "and the Commission".

(k) AMENDMENTS TO SECTION 15.—Section 15 of the International Banking Act of 1978 (12 U.S.C. 3109) is amended—

(1) by striking "Board, Comptroller of the Currency, Federal Deposit Insurance Corporation, and Director of the Office of Thrift Supervision" each place it appears and inserting "Commission"; and

(2) in subsection (a), by striking "Board, Comptroller, Corporation, or Director" and inserting "Commission".

(l) AMENDMENTS TO SECTION 16.—Section 16 of the International Banking Act of 1978 (12 U.S.C. 3110) is amended—

(1) by striking "Board or the Comptroller of the Currency" each place it appears and inserting "Commission";

(2) in subsection (a)(6), by striking "Board and the Comptroller of the Currency shall each" and inserting "Commission shall"; and

(3) in subsection (c)(3), by striking "Board's or Comptroller's" and inserting "Commission's".

SEC. 643. AMENDMENTS TO THE INTERNATIONAL LENDING SUPERVISION ACT OF 1983.

(a) AMENDMENT TO SECTION 902.—Subsection 902(b) of the International Lending Supervision Act of 1983 (12 U.S.C. 3901(b)) is amended by striking "Federal banking agencies" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 903.—Section 903 of the International Lending Supervision Act of 1983 (12 U.S.C. 3902) is amended to read as follows:

"SEC. 903. For purposes of this title, the term 'banking institution' means—

"(a)(1) an insured bank as defined in section 3(h) of the Federal Deposit Insurance Act or any subsidiary of an insured bank;

"(2) an Edge Act corporation organized under section 25A of the Federal Reserve Act;

"(3) an Agreement Corporation operating under section 25 of the Federal Reserve Act; and

"(b) to the extent determined by the Federal Banking Commission, any agency or branch of a foreign bank, and any commercial lending company owned or controlled by one or more foreign banks or companies that control a foreign bank as those terms are defined in the International Banking Act of 1978. The term 'banking institution' shall not include a foreign bank.".

(c) AMENDMENTS TO SECTION 904.—Section 904 of the International Lending Supervision Act of 1983 (12 U.S.C. 3903) is amended—

(1) in subsection (a), by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission"; and

(2) in subsection (b), by striking "Each such agency" and inserting "The Commission".

(d) AMENDMENTS TO SECTION 905.—Section 905 of the International Lending Supervision Act of 1983 (12 U.S.C. 3904) is amended—

(1) in subsection (a)—

(A) by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission"; and

(B) by striking "such appropriate Federal banking agency" and inserting "the Federal Banking Commission";

(2) in subsection (b), by striking "The appropriate Federal banking agencies" each place it appears and inserting "The Federal Banking Commission"; and

(3) in subsection (c), by striking "The appropriate Federal banking agencies" each place it appears and inserting "The Federal Banking Commission".

(e) AMENDMENTS TO SECTION 905A.—Section 905A of the International Lending Supervision Act of 1983 (12 U.S.C. 3904a) is amended—

(1) by striking "each appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission";

(2) in subsection (a), by striking "Each agency" and inserting "The Commission";

(3) in subsection (b), by striking "appropriate Federal banking agency" and inserting "Federal Banking Commission"; and

(4) in subsection (c)—

(A) by striking "each appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission"; and

(B) in paragraph (3), by striking "Each Federal agency required to undertake a review described in subsection (a) shall complete the review" and inserting "The Federal Banking Commission shall complete the review described in subsection (a)".

(f) AMENDMENTS TO SECTION 906.—Section 906 of the International Lending Supervision Act of 1983 (12 U.S.C. 3905) is amended—

(1) in subsection (a), by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission"; and

(2) in subsection (b), by striking "appropriate Federal banking agencies" each place it appears and inseting "Federal Banking Commission".

(g) AMENDMENTS TO SECTION 907.—Section 907 of the International Lending Supervision Act of 1983 (12 U.S.C. 3906) is amended—

(1) by striking "Each appropriate Federal banking agency" each place it appears and inserting "The Federal Banking Commission"; and

(2) by striking "appropriate Federal banking agencies" each place it appears and inserting "Federal Banking Commission".

(h) AMENDMENTS TO SECTION 908.—Section 908 of the International Lending Supervision Act of 1983 (12 U.S.C. 3907) is amended—

(1) by striking "Each appropriate Federal banking agency" each place it appears and inserting "The Federal Banking Commission";

(2) by striking "appropriate Federal banking agency" each place it appears and inserting "Federal Banking Commission";

(3) by striking "such appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission"; and

(4) by striking "The Chairman of the Board of Governors of the Federal Reserve System" and inserting "The Federal Banking Commission".

(i) AMENDMENTS TO SECTION 909.—Section 909 of the International Lending Supervision Act of 1983 (12 U.S.C. 3908) is amended—

(1) in subsection (b), by striking "representatives of the appropriate Federal banking agencies whenever an examination by such appropriate Federal banking agency" and inserting "the Federal Banking Commission whenever an examination by the Commission"; and

(2) in subsection (c), by striking "Federal banking agencies" and inserting "the Federal Banking Commission".

(j) AMENDMENTS TO SECTION 910.—Section 910 of the International Lending Supervision Act of 1983 (12 U.S.C. 3909) is amended—

(1) in subsection (a)(1), by striking "The appropriate Federal banking agencies are" and inserting "The Federal Banking Commission is";

(2) in subsection (b), by striking "The appropriate Federal banking agencies" and inserting "The Federal Banking Commission";

(3) in subsection (c)(2), by striking "any appropriate Federal banking agency" and inserting "the Federal Banking Commission";

(4) by striking "each appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission"; and

(5) by striking "appropriate Federal banking agency" each place it appears and inserting "Federal Banking Commission".

(k) AMENDMENTS TO SECTION 911.—Section 911 of the International Lending Supervision Act of 1983 (12 U.S.C. 3910) is amended—

(1) in subsection (a)—

(A) by striking "appropriate Federal banking agencies (as defined in section 903 of this title)" and inserting "Federal Banking Commission"; and

(B) by striking subsection (a)(3);

(2) by striking "the appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission";

(3) by striking "an appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission"; and

(4) by striking "each appropriate Federal banking agency" each place it appears and inserting "the Federal Banking Commission".

(l) AMENDMENT TO SECTION 912.—Section 912 of the International Lending Supervision Act of 1983 (12 U.S.C. 3911) is amended to read as follows:

"SEC. 912. As the insurer of the United States banks involved in international lending, the Federal Deposit Insurance Corporation shall be given equal representation with the Federal Banking Commission on the Committee on Banking Regulations and Supervisory Practices of the Group of Ten Countries and Switzerland.".

(m) AMENDMENT TO SECTION 913.—Section 913 of the International Lending Supervision Act of 1983 (12 U.S.C. 3912) is amended—

(1) in the first undesignated subsection—

(A) by striking "appropriate Federal banking agencies" each place it appears and inserting "Federal Banking Commission";

(B) by striking "Chairman of the Board of Governors of the Federal Reserve System" each place it appears and inserting "Federal Banking Commission"; and

(C) in paragraph (3)—

(i) by striking "any appropriate Federal banking agency" and inserting "the Federal Banking Commission"; and

(ii) by striking "the appropriate Federal banking agencies of their respective authorities" and inserting "the Federal Banking Commission of its authorities"; and

(2) in the subsection designated "(d)"—

(A) by striking "Federal banking agencies" and inserting "Federal Banking Commission";

(B) by striking "jointly";

(C) in paragraph (1)—

(i) by striking "each agency" and inserting "the Federal Banking Commission";

(ii) by striking "banking agencies" and inserting "Federal Banking Commission"; and

(iii) by striking "agencies'" and inserting "Commission's";

(D) in paragraph (2), by striking "appropriate Federal banking agencies" and inserting "Federal Banking Commission"; and

(E) in the last sentence, by striking "Each appropriate Federal banking agency" and inserting "The Federal Banking Commission".

SEC. 644. AMENDMENTS TO THE NATIONAL HOUSING ACT.

(a) AMENDMENTS TO SECTION 203.—Section 203(s) of the National Housing Act (12 U.S.C. 1709(s)) is amended—

(1) in paragraph (4), by inserting "and" after "Farmers Home Administration;";

(2) by amending paragraph (5) to read as follows:

"(5) if the mortgagee is a national bank, District bank, State bank, or is a subsidiary or affiliate of such national bank, District bank, or State bank, or a bank holding company or a subsidiary or affiliate of such company, or a Federal or State savings association or a subsidiary or affiliate of such savings association, the Federal Banking Commission."; and

(3) by striking paragraphs (6) through (8).

(b) AMENDMENTS TO SECTION 255.—Section 255(k)(3) of the National Housing Act (12 U.S.C. 1715z-20(k)(3)) is amended to read as follows:

"(3) The Preliminary evaluation shall incorporate comments and recommendations solicited by the Secretary from the Federal Banking Commission, the Secretary of Health and Human Services, the Federal Council on Aging, and the National Credit Union Administration Board regarding any of the matters referred to in paragraph (1) or (2).".

SEC. 645. AMENDMENTS TO THE REAL ESTATE SETTLEMENT PROCEDURES ACT.

(a) AMENDMENT TO SECTION 4.—(1) Subsection 4(a) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603(a)) is amended by striking "the Federal Home Loan Bank Board" and inserting "the Federal Banking Commission".

(2) AMENDMENT TO SECTION 8.—Subsection 8(c)(5) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2607(c)(5)) is amended by striking "the Federal Home Loan Bank Board" and inserting "the Federal Banking Commission".

SEC. 646. AMENDMENTS TO THE RESOLUTION TRUST CORPORATION REFINANCING, RESTRUCTURING, AND IMPROVEMENT ACT OF 1991.

Section 618 of the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991 (12 U.S.C. 1831n note) is amended—

(a) in subsection (a)(1), by striking "(a) IN GENERAL.—" and inserting "(A) IN GENERAL.—";

(b) by striking "each Federal banking agency shall amend the regulations and guidelines of the agency" each place it appears and inserting "the Federal Banking Commission shall amend the regulations and guidelines of the Commission";

(c) by striking "appropriate Federal banking agency" each place it appears and inserting "Federal Banking Commission";

(d) in subsection (b)—

(1) in paragraph (2), by striking "jurisdiction of the agency" and inserting "jurisdiction of the Federal Banking Commission"; and

(2) in paragraph (3), by striking "jurisdiction of the agency" and inserting "jurisdiction of the Federal Banking Commission"; and

(e) by striking subsection (c).

SEC. 647. AMENDMENTS TO THE REVISED STATUTES.

(a) PROVISIONS RELATING TO ESTABLISHMENT OF OCC REPEALED.—

(1) PROVISIONS REPEALED.—The following sections of the Revised Statutes are repealed:

(A) Section 325 (12 U.S.C. 2).

(B) Section 326 (12 U.S.C. 3).

(C) Section 327 (12 U.S.C. 4).

(D) Section 329 (12 U.S.C. 11).

(E) Section 331 (12 U.S.C. 13).

(2) TABLE OF CONTENTS AMENDED.—The table of sections for chapter 9 of title VII of the Revised Statutes is amended—

(A) in the item relating to section 330, by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking the item relating to each of the following sections:

(i) Section 324.

(ii) Section 325.

(iii) Section 326.

(iv) Section 327.

(v) Section 329.

(vi) Section 331.

(b) AMENDMENT TO SECTION 324.—Section 324 of the Revised Statutes (12 U.S.C. 1) is amended by striking the first sentence.

(c) AMENDMENT TO SECTION 327A.—Section 327A of the Revised Statutes (12 U.S.C. 4a) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(d) AMENDMENT TO SECTION 328.—Section 328 of the Revised Statutes (12 U.S.C. 8) is amended to read as follows:

"SEC. 328. The Federal Banking Commission shall employ, from time to time, the necessary clerks to discharge such duties as the Commission shall direct.".

(e) AMENDMENT TO SECTION 330.—Section 330 of the Revised Statutes (12 U.S.C. 12) is amended to read as follows:

"SEC. 330. The seal devised by the Federal Banking Commission for the Commission shall be the seal of the Commission after the 'designated transfer date' as provided in the Regulatory Consolidation Act of 1994, and may be renewed when necessary by the Commission. A description of the Commission's seal shall be filed in the office of the Secretary of State. The seal devised by the Comptroller of the Currency for his office, and approved by the Secretary of the Treasury, shall continue to be the seal of the Federal Banking Commission until such time as the Commission has devised its own seal. A description of the Comptroller's seal shall be filed in the office of the Secretary of State.".

(f) AMENDMENT TO SECTION 333.—Section 333 of the Revised Statutes is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(g) AMENDMENT TO SECTION 5133.—Section 5133 of the Revised Statutes (12 U.S.C. 21) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "his" and inserting "the Commission's".

(h) AMENDMENT TO SECTION 5135.—Section 5135 of the Revised Statutes (12 U.S.C. 23) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "his" and inserting "the Commission's".

(i) AMENDMENT TO SECTION 5136.—Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended—

(1) in the paragraph numbered "Seventh", by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(2) in the paragraph numbered "Eleventh"—

(A) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "Comptroller" and inserting "Commission".

(j) AMENDMENT TO SECTION 5136A.—Section 5136A(e) of the Revised Statutes (12 U.S.C. 25a(e)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(k) AMENDMENT TO SECTION 5137.—Section 5137 of the Revised Statutes (12 U.S.C. 29) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(l) AMENDMENT TO SECTION 5138.—Section 5138 of the Revised Statutes (12 U.S.C. 51) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(m) AMENDMENTS TO SECTION 5142.—Section 5142 of the Revised Statutes (12 U.S.C. 57) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) by striking "his" each place it appears and inserting "its"; and

(3) in the first sentence, by striking "said comptroller" and inserting "Commission".

(n) AMENDMENT TO SECTION 5143.—Section 5143 of the Revised Statutes (12 U.S.C. 59) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(o) AMENDMENT TO SECTION 5145.—Section 5145 of the Revised Statutes (12 U.S.C. 71) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(p) AMENDMENT TO SECTION 5146.—Section 5146 of the Revised Statutes (12 U.S.C. 72) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(2) in the first sentence, by striking "in his discretion" and inserting "in its discretion".

(q) AMENDMENT TO SECTION 5147.—Section 5147 of the Revised Statutes (12 U.S.C. 73) is amended in the last sentence—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "his" and inserting "its".

(r) Amendments to Section 5154.—Section 5154 of the Revised Statutes (12 U.S.C. 35) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(2) by striking "Comptroller" each place it appears and inserting "Commission"; and

(3) in the last sentence—

(A) by striking "his" and inserting "its"; and

(B) by striking "he" and inserting "it".

(s) Amendment to Section 5155.—Section 5155 of the Revised Statutes (12 U.S.C. 36) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(t) Amendments to Section 5156A.—Subsection 5156A(b) of the Revised Statutes (12 U.S.C. 215c(b)) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(2) in paragraph (2)(B), by striking "Comptroller's" and inserting "Commission's".

(u) Amendment to Section 5168.—Section 5168 of the Revised Statutes (12 U.S.C. 26) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "Comptroller" each place it appears and inserting "Federal Banking Commission".

(v) Amendments to Section 5169.—Section 5169 of the Revised Statutes (12 U.S.C. 27) is amended—

(1) by striking "Comptroller" each place it appears and inserting "Federal Banking Commission";

(2) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(3) in subsection (a)—

(A) by striking "appointed by him" and inserting "appointed by the Federal Banking Commission";

(B) by striking "his hand and official seal" and inserting "the Federal Banking Commission's official seal";

(C) by striking "his certificate" and inserting "the Federal Banking Commission's certificate"; and

(D) by striking "whenever he has reason" and inserting "whenever the Federal Banking Commission has reason".

(w) Amendments to Section 5191.—Section 5191 of the Revised Statutes (12 U.S.C. 143) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "Comptroller" and inserting "Commission".

(x) Amendment to Section 5192.—Section 5192 of the Revised Statutes (12 U.S.C. 144) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(y) Amendment to Section 5199.—Subsection 5199(b) of the Revised Statutes (12 U.S.C. 60(b)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(z) Amendment to Section 5200.—Section 5200 of the Revised Statutes (12 U.S.C. 84) is amended—

(1) in subsection (b)(1), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) in subsection (c)(7), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(3) in subsection (d)—

(A) in paragraph (1), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) in paragraph (2), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(aa) Amendments to Section 5205.—Section 5205 of the Revised Statutes (12 U.S.C. 55) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(2) by striking "Comptroller" and inserting "Commission".

(bb) Amendment to Section 5208.—Section 5208 of the Revised Statutes (12 U.S.C. 501) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(cc) Amendments to Section 5210.—Section 5210 of the Revised Statutes (12 U.S.C. 62) is amended in the last sentence—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "him" and inserting "the Commission".

(dd) Amendments to Section 5211.—Section 5211 of the Revised Statutes (12 U.S.C. 161) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(2) by striking "Comptroller" each place it appears and inserting "Commission";

(3) by striking "he" each place it appears and inserting "the Commission";

(4) by striking "him" each place it appears and inserting "the Commission";

(5) in the second sentence of subsection (a), by striking "his" each place it appears and inserting "its"; and

(6) in subsection (c)—

(A) by striking "his" each place it appears and inserting "its"; and

(B) in the third sentence, by striking "inform himself" and inserting "be informed".

(ee) Amendments to Section 5213.—Section 5213 of the Revised Statutes (12 U.S.C. 164) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission"; and

(2) by striking "Comptroller" each place it appears and inserting "Commission".

(ff) Amendment to Section 5216.—Section 5216 of the Revised Statutes (omitted from the United States Code) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(gg) Amendment to Section 5218.—Section 5218 of the Revised Statutes (omitted from the United States Code) is amended by striking "First Comptroller of the Treasury" and inserting "Federal Banking Commission".

(hh) Amendment to Section 5220.—Section 5220 of the Revised Statutes (12 U.S.C. 181) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

(ii) Amendment to Section 5221.—Section 5221 of the Revised Statutes (12 U.S.C. 182) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(jj) Amendments to Section 5234.—Section 5234 of the Revised Statutes (12 U.S.C. 192) is amended—

(1) by striking "has refused to pay its circulating notes as therein mentioned, and";

(2) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(3) by striking "Comptroller" and "comptroller" each place they appear and inserting "Commission"; and

(4) by striking "he" each place it appears and inserting "the Commission".

(kk) Amendments to Section 5235.—Section 5235 of the Revised Statutes (12 U.S.C. 193) is amended—

(1) by striking "Comptroller" and inserting "Federal Banking Commission"; and

(2) by striking "he" and inserting "the Commission".

(ll) Amendments to Section 5236.—Section 5236 of the Revised Statutes (12 U.S.C. 194) is amended—

(1) by striking ", after full provision has been first made for refunding to the United States and deficiency in redeeming the notes of such association,";

(2) by striking "Comptroller" and inserting "Federal Banking Commission";

(3) by striking "him" each place it appears and inserting "the Commission"; and

(4) by striking "his" and inserting "the Commission's".

(mm) Amendment to Section 5238.—Section 5238 of the Revised Statutes (12 U.S.C. 196) is amended by striking the first sentence.

(nn) Amendments to Section 5239.—Section 5239 of the Revised Statutes (12 U.S.C. 93) is amended—

(1) in subsection (a), by striking "Comptroller of the Currency, in his own name," and inserting "Federal Banking Commission"; and

(2) in subsection (b)—

(A) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(B) by striking "Comptroller's" each place it appears and inserting "Commission's"; and

(C) in paragraph (12), by striking "Comptroller" and inserting "Commission".

(oo) Amendment to Section 5239A.—Section 5239A of the Revised Statutes (12 U.S.C. 93a) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(pp) Amendments to Section 5240.—Section 5240 of the Revised Statutes (12 U.S.C. 481, 482, 483, 484, and 485) is amended—

(1) by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission";

(2) by striking "Comptroller" each place it appears and inserting "Commission";

(3) in the last sentence of the first undesignated paragraph—

(A) by striking "he" and inserting "the Commission"; and

(B) by striking "his" and inserting "the Commission's";

(4) in the third undesignated paragraph—

(A) by striking "Office of the Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking "Office" each place it appears and inserting "Commission";

(5) by striking the fifth undesignated paragraph; and

(6) by striking the last sentence in the last paragraph.

SEC. 648. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978.

(a) Amendments to Section 1101.—Section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) is amended—

(1) in paragraph (7)(B) by amending it to read as follows:

"(B) the Federal Banking Commission;"

(2) by striking paragraph (7)(E); and

(3) by redesignating paragraphs (7)(F) through (7)(H) as paragraphs (7)(E) through (7)(G), respectively.

(b) Amendment to Section 1112.—Section 1112(e) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(e)) is amended by striking the last sentence and inserting the following: "Notwithstanding section 1101(7) or any other provision of this title, the exchange of financial records or other information with respect to a financial institution, holding company, or any subsidiary of a depository institution or holding company, among and between the Federal Deposit Insurance Corporation, the Federal Banking Commission, the National Credit Union Administration, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission is permitted.".

(c) Amendment to Section 1115.—Section 1115 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3415) is amended in the last sentence by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission".

SEC. 649. AMENDMENTS TO THE TRUTH IN LENDING ACT.

(a) Amendment to Table of Contents.—The title of section 114 in the table of sections for chapter 1 of the Truth in Lending Act is amended to read as follows:

"114. Reports by Federal Banking Commission and Attorney General".

(b) Amendments to Section 103.—Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended—

(1) by amending subsection (b) to read as follows:

"(b) The term 'Commission' means the Federal Banking Commission.";

and

(2) in subsection (f), by striking "Board" each place it appears and inserting "Commission".

(c) Amendment to Section 104.—Subsection 104(4) of the Truth in Lending Act (15 U.S.C. 1603(4)) is amended by striking "Board" and inserting "Commission".

(d) Amendment to Section 105.—Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by striking "Board" each place it appears and inserting "Commission".

(e) Amendment to Section 106.—Subsection 106(d) of the Truth in Lending Act (15 U.S.C. 1605(d)) is amended by striking "Board" and inserting "Commission".

(f) Amendment to Section 107.—Section 107 of the Truth in Lending Act (15 U.S.C. 1606) is amended by striking "Board" each place it appears and inserting "Commission".

(g) Amendments to Section 108.—Section 108 of the Truth in Lending Act (15 U.S.C. 1607) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act by the Chairman of the Federal Banking Commission, in the case of national banks, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks, commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation;";

(B) by striking paragraph (2); and

(C) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively;

(2) in the 3d sentence of subsection (c), by inserting "Federal Trade" before "Commission";

(3) in subsection (d), by striking "Board" and inserting "Federal Banking Commission"; and

(4) in subsection (e)(3)(i), by striking "paragraphs (1) through (3) of section 108(a)" and inserting "paragraphs 1 and 2 of section 108(a)".

(h) Amendment to Section 109.—Section 109 of the Truth in Lending Act (15 U.S.C. 1608) is amended by striking "Board" each place that it appears and inserting "Commission".

(i) Amendment to Section 111.—Subsection 111(a) of the Truth in Lending Act (15 U.S.C. 1610(a)) is amended by striking "Board" each place it appears and inserting "Commission".

(j) Amendment to Section 112.—Subsection 112(2) of the Truth in Lending Act (15 U.S.C. 1611(2)) is amended by striking "Board" and inserting "Commission".

(k) Amendment to Section 113.—Subsection 113(a) of the Truth in Lending Act (15 U.S.C. 1612(a)) is amended by striking "Board" and inserting "Commission".

(l) Amendments to Section 114.— Section 114 of the Truth in Lending Act (15 U.S.C. 1614) is amended—

(1) in the section title, by striking "Board" and inserting "Federal Banking Commission"; and

(2) by striking "Board" each place that it appears and inserting "Commission".

(m) Amendment to Section 121.—Section 121 of the Truth in Lending Act (15 U.S.C. 1631) is amended by striking "Board" each place it appears and inserting "Commission".

(n) Amendment to Section 122.—Section 122 of the Truth in Lending Act (15 U.S.C. 1632) is amended by striking "Board" each place it appears and inserting "Commission".

(o) Amendment to Section 123.—Section 123 of the Truth in Lending Act (15 U.S.C. 1633) is amended by striking "Board" and inserting "Commission".

(p) Amendment to Section 125.—Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended by striking "Board" each place it appears and inserting "Commission".

(q) Amendment to Section 127.—Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by striking "Board" each place it appears and inserting "Commission".

(r) Amendment to Section 127A.—Section 127A of the Truth in Lending Act (15 U.S.C. 1637a) is amended by striking "Board" each place it appears and inserting "Commission".

(s) Amendment to Section 128.—Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by striking "Board" each place it appears and inserting "Commission".

(t) Amendments to Section 130.—Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended—

(1) by striking "Board" each place it appears and inserting "Commission"; and

(2) in subsection (f), by striking "Federal Reserve System" inserting "Commission".

(u) Amendments to Section 136.—Section 136 of the Truth in Lending Act (15 U.S.C. 1646) is amended by striking "Board" each place it appears and inserting "Commission".

(v) Amendment to Section 137.—Subsection 137(c)(4)(B) of the Truth in Lending Act (15 U.S.C. 1647(c)(4)(B)) is amended by striking "Board" each place it appears and inserting "Commission".

(w) Amendment to Section 143.—Subsection 143(3) of the Truth in Lending Act (15 U.S.C. 1663(3)) is amended by striking "Board" and inserting "Commission".

(x) Amendment to Section 144.—Subsection 144(b) of the Truth in Lending Act (15 U.S.C. 1664(b)) is amended by striking "Board" and inserting "Commission".

(y) Amendment to Section 146.—Section 146 of the Truth in Lending Act (15 U.S.C. 1665a) is amended by striking "Board" and inserting "Commission".

(z) Amendment to Section 147.—Section 147 of the Truth in Lending Act (15 U.S.C. 1665b) is amended by striking "Board" each place it appears and inserting "Commission".

(aa) Amendment to Section 161.—Section 161 of the Truth in Lending Act (15 U.S.C. 1666) is amended by striking "Board" each place it appears and inserting "Commission".

(bb) Amendment to Section 163.—Subsection 163(b) of the Truth in Lending Act (15 U.S.C. 1666b(b)) is amended by striking "Board" and inserting "Commission".

(cc) Amendment to Section 164.—Section 164 of the Truth in Lending Act (15 U.S.C. 1666c) is amended by striking "Board" and inserting "Commission".

(dd) Amendment to Section 167.—Subsection 167(b) of the Truth in Lending Act (15 U.S.C. 1666f(b)) is amended by striking "Board" and inserting "Commission".

(ee) Amendment to Section 171.—Section 171 of the Truth in Lending Act (15 U.S.C. 1666j) is amended by striking "Board" each place it appears and inserting "Commission".

(ff) Amendment to Section 182.—The last sentence of section 182 of the Truth in Lending Act (15 U.S.C. 1667a) is amended by striking "Board" and inserting "Commission".

(gg) Amendment to Section 184.—Subsection 184(a) of the Truth in Lending Act (15 U.S.C. 1667c(a)) is amended by striking "Board" and inserting "Commission".

(hh) Amendment to Section 186.—Section 186 of the Truth in Lending Act (15 U.S.C. 1667e) is amended by striking "Board" each place it appears and inserting "Commission".

SEC. 650. AMENDMENTS TO THE TRUTH IN SAVINGS ACT.

(a) Amendment to Section 263.—Section 263 of the Truth in Savings Act (12 U.S.C. 4302) is amended by striking "Board" each place it appears and inserting "Commission".

(b) Amendment to Section 264.—Section 264 of the Truth in Savings Act (12 U.S.C. 4303) is amended by striking "Board" each place it appears and inserting "Commission".

(c) Amendment to Section 265.—Section 265 of the Truth in Savings Act (12 U.S.C. 4304) is amended by striking "Board" each place it appears and inserting "Commission".

(d) Amendment to Section 266.—Section 266 of the Truth in Savings Act (12 U.S.C. 4305) is amended by striking "Board" and inserting "Commission".

(e) Amendment to Section 269.—Section 269 of the Truth in Savings Act (12 U.S.C. 4308) is amended by striking "Board" each place it appears and inserting "Commission".

(f) Amendment to Section 270.—Section 270 of the Truth in Savings Act (12 U.S.C. 4309) is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"(1) section 8 of the Federal Deposit Insurance Act by the Commission in the case of—

"(A) insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act);

"(B) depository institutions described in clause (i), (ii) or (iii) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act); and

"(C) depository institutions described in clause (v) and or (vi) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act); and"; and

(2) by striking "Board" each place it appears and inserting "Commission".

(g) Amendment to Section 271.—Section 271 of the Truth in Savings Act (12 U.S.C. 4310) is amended by striking "Board" each place it appears in subsection (f) and inserting "Commission".

(h) Amendment to Section 272.—Section 272 of the Truth in Savings Act (12 U.S.C. 4311) is amended by striking "Board" each place it appears and inserting "Commission".

(i) Amendments to Section 274.—Section 274 of the Truth in Savings Act (12 U.S.C. 4313) is amended—

(1) in paragraph (2), by striking "Board" and inserting "Commission"; and

(2) by amending paragraph (4) to read as follows:

"(4) Commission.—The term 'Commission' means the Federal Banking Commission.".

SEC. 651. REPEAL OF OBSOLETE CURRENCY STATUTES.

(a) Obsolete Currency Provisions Repealed.—

(1) Currency provisions in revised statutes repealed.—The following sections of the Revised Statutes are repealed:

(A) Section 5203 (12 U.S.C. 87).

(B) Section 5206 (12 U.S.C. 88).

(C) Section 5196 (12 U.S.C. 89).

(D) Section 5158 (12 U.S.C. 102).

(E) Section 5159 (12 U.S.C. 101a).

(F) Section 5172 (12 U.S.C. 104).

(G) Section 5173 (12 U.S.C. 107).

(H) Section 5174 (12 U.S.C. 108).

(I) Section 5182 (12 U.S.C. 109).

(J) Section 5183 (12 U.S.C. 110).

(K) Section 5195 (12 U.S.C. 123).

(L) Section 5184 (12 U.S.C. 124).

(M) Section 5226 (12 U.S.C. 131).

(N) Section 5227 (12 U.S.C. 132).

(O) Section 5228 (12 U.S.C. 133).

(P) Section 5229 (12 U.S.C. 134).

(Q) Section 5230 (12 U.S.C. 137).

(R) Section 5231 (12 U.S.C. 138).

(S) Section 5232 (12 U.S.C. 135).

(T) Section 5233 (12 U.S.C. 136).

(U) Section 5185 (12 U.S.C. 151).

(V) Section 5186 (12 U.S.C. 152).

(W) Section 5160 (12 U.S.C. 168).

(X) Section 5161 (12 U.S.C. 169).

(Y) Section 5162 (12 U.S.C. 170).

(Z) Section 5163 (12 U.S.C. 171).

(AA) Section 5164 (12 U.S.C. 172).

(BB) Section 5165 (12 U.S.C. 173).

(CC) Section 5166 (12 U.S.C. 174).

(DD) Section 5167 (12 U.S.C. 175).

(EE) Section 5222 (12 U.S.C. 183).

(FF) Section 5223 (12 U.S.C. 184).

(GG) Section 5224 (12 U.S.C. 185).

(HH) Section 5225 (12 U.S.C. 186).

(II) Section 5237 (12 U.S.C. 195).

(2) Currency provisions in other statutes repealed.—The following provisions of law are repealed:

(A) Section 12 of the Act entitled "An Act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes." and approved March 14, 1900 (12 U.S.C. 101).

(B) Section 3 of the Act entitled "An Act to amend the laws relating to the denominations, and notes by national banks and to permit the issuance of notes of small denominations, and for other purposes." and approved October 5, 1917 (12 U.S.C. 103).

(C) The following sections of the Act entitled "An Act fixing the amount of United States notes, providing for a redistribution of the national-bank currency, and for other purposes." and approved June 20, 1874:

(i) Section 5 (12 U.S.C. 105).

(ii) Section 3 (12 U.S.C. 121).

(iii) Section 8 (12 U.S.C. 126).

(iv) Section 4 (12 U.S.C. 176).

(D) The following sections of the Act entitled "An Act to enable national-banking associations to extend their corporate existence, and for other purposes." and approved July 12, 1882:

(i) Section 8 (12 U.S.C. 177).

(ii) Section 9 (12 U.S.C. 178).

(3) Other statutes repealed.—

(A) The Act entitled "An Act to amend the National Bank Act in providing for redemption of national bank notes stolen from or lost by banks of issue." and approved July 28, 1892 (12 U.S.C. 125) is repealed.

(B) The Act entitled "An Act authorizing the conversion of national gold banks." and approved February 14, 1880 (12 U.S.C. 153) is repealed.

(b) Federal Reserve Act and Other Laws Amended.—

(1) Federal reserve act.—

(A) The eighth paragraph of the fourth undesignated paragraph of section 4 of the Federal Reserve Act (12 U.S.C. 341) is amended by striking "Comptroller of the Currency" and inserting "Secretary of the Treasury".

(B) Subsection 11(d) of the Federal Reserve Act (12 U.S.C. 248(d)) is amended—

(i) by striking "bureau under the charge of the Comptroller of the Currency" and inserting "Secretary of the Treasury"; and

(ii) by striking "Comptroller" the second place it appears and inserting "Secretary".

(C) Section 16 of the Federal Reserve Act is amended—

(i) in the first sentence of the eighth undesignated paragraph (12 U.S.C. 418), by striking "the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury," and inserting "the Secretary of the Treasury shall";

(ii) in the ninth undesignated paragraph (12 U.S.C. 419), to read as follows:

"When such notes have been prepared, the notes shall be delivered to the Board of Governors of the Federal Reserve System subject to the order of the Secretary of the Treasury for the delivery of such notes in accordance with this Act.";

(iii) in the tenth undesignated paragraph (12 U.S.C. 420)—

(I) by striking "Comptroller of the Currency" and inserting "Secretary of the Treasury"; and

(II) by striking "Federal Reserve Board" and inserting "Board of Governors of the Federal Reserve System"; and

(iv) in the eleventh undesignated paragraph (12 U.S.C. 421), to read as follows:

"The Secretary of the Treasury may examine the plates, dies, bed pieces, and other material used in the printing of Federal Reserve notes and may issue regulations relating to such examinations.".

(D) The sixth undesignated paragraph of section 18 of the Federal Reserve Act (omitted from U.S. Code) is amended—

(i) by striking "Comptroller of the Currency" each place it appears and inserting "Secretary of the Treasury"; and

(ii) in the seventh sentence, by striking "Comptroller" and inserting "Secretary of the Treasury".

(2) Other laws.—

(A) The Act entitled "An Act to provide for the redemption of national-bank notes, Federal Reserve notes, and Federal Reserve notes which cannot be identified as to the bank of issue." and approved June 13, 1933, is amended—

(i) in the first section (12 U.S.C. 121a)—

(I) by striking "whenever any national-bank notes, Federal Reserve bank notes," and inserting "whenever any Federal Reserve bank notes"; and

(II) by striking ", and the notes, other than Federal Reserve notes, so redeemed shall be forwarded to the Comptroller of the Currency for cancellation and destruction"; and

(ii) in the second section (12 U.S.C. 122a)—

(I) by striking "National-bank notes and"; and

(II) by striking "national-bank notes and".

(B) The first section of the Act entitled "An Act making appropriations for sundry civil expenses of Government for the fiscal year ending June thirtieth, eighteen hundred and seventy-six, and for other purposes." and approved March 3, 1875 (12 U.S.C. 106), is amended in the first paragraph that appears under the heading "National Currency." by striking "Secretary of the Treasury: Provided, That" and all that follows through the period and inserting "Secretary of the Treasury.".

(C) The Act entitled "An Act to simplify the accounts of the Treasurer of the United States, and for other purposes." and approved October 10, 1940 (12 U.S.C. 177a) is amended by striking all after the enacting clause and inserting the following: "The cost of transporting and redeeming outstanding national bank notes and Federal Reserve bank notes as may be presented to the Treasurer of the United States for redemption shall be paid from the regular annual appropriation for the Department of the Treasury.".

(D) Section 5234 of the Revised Statutes (12 U.S.C. 192) is amended by striking "has refused to pay its circulating notes as therein mentioned, and".

(E) Section 5236 of the Revised Statutes (12 U.S.C. 194) is amended by striking ", after full provision has been first made for refunding to the United States any deficiency in redeeming the notes of such association,".

(F) Section 5238 of the Revised Statutes (12 U.S.C. 196) is amended by striking the first sentence.

(c) Clercial Amendments.—

(1) The table of sections for chapter 1 of title LXII of the Revised Statutes of the United States is amended—

(A) by inserting after the item relating to section 5156 the following new item:

"5156A. Mergers, consolidations, and other acquisitions authorized.";

and

(B) by striking the items relating to sections 5141 and 5151.

(2) The table of sections for chapter 2 of title LXII of the Revised Statutes of the United States is amended—

(A) by striking "OBTAINING AND ISSUING CIRCULATING NOTES." and inserting "CERTIFICATION FOR COMMENCEMENT OF BUSINESS AND NATIONAL BANKING ASSOCIATIONS.";

(B) in the item relating to section 5168, by striking "Comptroller" and inserting "Federal Banking Commission"; and

(C) by striking the item relating to each of the following sections:

(i) Section 5158.
(ii) Section 5159.
(iii) Section 5160.
(iv) Section 5161.
(v) Section 5162.
(vi) Section 5163.
(vii) Section 5164.
(viii) Section 5165.
(ix) Section 5166.
(x) Section 5167.
(xi) Section 5171.
(xii) Section 5172.
(xiii) Section 5173.
(xiv) Section 5174.
(xv) Section 5175.
(xvi) Section 5176.
(xvii) Section 5177.
(xviii) Section 5178.
(xix) Section 5179.
(xx) Section 5180.
(xxi) Section 5181.
(xxii) Section 5182.
(xxiii) Section 5183.
(xxiv) Section 5184.
(xxv) Section 5185.
(xxvi) Section 5186.
(xxvii) Section 5187.
(xxviii) Section 5188.
(xxix) Section 5189.

(3) The table of sections for chapter 3 of title LXII of the Revised Statutes of the United States is amended—

(A) in the item relating to section 5211, by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by striking the item relating to each of the following sections:

(i) Section 5193.
(ii) Section 5194.
(iii) Section 5195.
(iv) Section 5196.
(v) Section 5202.
(vi) Section 5203.
(vii) Section 5206.
(viii) Section 5209.
(ix) Section 5212.

(4) The table of sections for chapter 4 of title LXII of the Revised Statutes of the United States is amended—

(A) by inserting after the item relating to section 5239 the following new item:

"5239A. Regulatory authority.";

and

(B) by striking the items relating to the following sections:

(i) Section 5222.
(ii) Section 5223.
(iii) Section 5224.
(iv) Section 5225.
(v) Section 5226.
(vi) Section 5227.
(vii) Section 5228.
(viii) Section 5229.
(ix) Section 5230.
(x) Section 5231.
(xi) Section 5232.
(xii) Section 5233.
(xiii) Section 5237.
(xiv) Section 5243.

TITLE VII—CONFORMING AMENDMENTS TO OTHER STATUTES

SEC. 701. AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

(a) AMENDMENT TO SECTION 250.—Section 250(c)(19) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(19)) is amended by striking "Office of Thrift Supervision, the Comptroller of the Currency Assessment Fund" and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 255.—Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended—

(1) by striking "Comptroller of the Currency";

(2) by striking "Director of the Office of Thrift Supervision"; and

(3) inserting "Federal Banking Commission" before "Federal Deposit Insurance Corporation".

(c) AMENDMENTS TO SECTION 256.—Section 256(h)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(h)(4)) is amended—

(1) in subparagraph (A), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(2) by striking subparagraphs (C) and (D); and

(3) by redesignating subparagraphs (E) through (I) as subparagraphs (C) through (G).

SEC. 702. AMENDMENTS TO THE BANKRUPTCY CODE.

(a) AMENDMENT TO SECTION 101.—Section 101(3)(A) of the Bankruptcy Code (11 U.S.C. 101(3)(A)) is amended by striking "the appropriate Federal banking agency (as defined in section 3(q) of such Act)" and inserting "the Federal Banking Commission".

(b) AMENDMENTS TO SECTION 365.—Section 365(o) of the Bankruptcy Code (11 U.S.C. 356(o)) is amended—

(1) by striking "Director of the Office of Thrift Supervision, the Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "its" and inserting "their".

(c) AMENDMENT TO SECTION 507.—Section 507(a)(8) of the Bankruptcy Code (11 U.S.C. 507(a)(8)) is amended by striking "Director of the Office of Thrift Supervision, the Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 703. AMENDMENTS TO THE COMMODITY EXCHANGE ACT.

Section 4f(c) of the Commodity Exchange Act (7 U.S.C. 6f(c)) is amended—

(a) in paragraph (1)—

(1) by striking the colon after "subsection";

(2) by striking "(i) The" and inserting "the"; and

(3) by striking clause (ii);

(b) by striking "the Federal banking agency", and "a Federal banking agency", and "any Federal banking agency" each place they appear and inserting "the Federal Banking Commission";

(c) in paragraph (4)(A), by striking "each such Federal banking agency" and inserting "the Federal Banking Commission"; and

(d) in paragraph (5), by striking "the agency" each place it appears and inserting "the Federal Banking Commission".

SEC. 704. AMENDMENTS TO THE CRIME CONTROL ACT OF 1990.

(a) AMENDMENTS TO SECTION 2539.—Section 2539(c)(2) of the Crime Control Act of 1990, Public Law 101-647, is amended—

(1) in subparagraph (C), by striking "Office of Thrift Supervision" and inserting "Federal Banking Commission"; and

(2) by striking subparagraph (F) and redesignating subparagraphs (G) and (H) as subparagraphs (F) through (G).

(b) AMENDMENT TO SECTION 2554.—Section 2554(b)(2) of the Crime Control Act of 1990, Public Law 101-647, is amended by striking "Director of the Office of Thrift Supervision" and inserting "Chairman of the Federal Banking Commission".

SEC. 705. AMENDMENT TO THE ENERGY CONSERVATION AND PRODUCTION ACT.

Section 303(7) of the Energy Conservation and Product Act (42 U.S.C. 6832(7)) is amended by striking "Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation" and inserting "Federal Banking Commission".

SEC. 706. AMENDMENTS TO THE FARM CREDIT ACT OF 1971.

(a) AMENDMENT TO SECTION 5.20.—Section 5.20 of the Farm Credit Act of 1971 (12 U.S.C. 2255) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 5.22.—Section 5.22 of the Farm Credit Act of 1971 (12 U.S.C. 2257) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 707. AMENDMENTS TO THE FEDERAL TRADE COMMISSION ACT.

Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended—

(a) in the heading of subsection (f), by striking "BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FEDERAL HOME LOAN BANK BOARD" and inserting "FEDERAL BANKING COMMISSION";

(b) in paragraph (1)—

(1) by striking "The Board of Governors of the Federal Reserve System (with respect to banks) and the Federal Home Loan Bank Board (with respect to" and inserting "The Federal Banking Commission (with respect to banks described in paragraph (2) and"; and

(2) by striking "such Board" each place it appears and inserting "such agency";

(c) in paragraph (2)—

(1) by striking "in the case of—"; and

(2) by striking subparagraphs (A) through (C) and inserting "by the Federal Banking Commission in the case of national banks, banks operating under the code of law for the District of Columbia, member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks, commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act, savings associations and other banks insured by the Federal Deposit Insurance Corporation.";

(d) in paragraph (5)—

(1) by striking "any agency referred to in paragraph (2)" and inserting "the Federal Banking Commission"; and

(2) by striking "each of the agencies referred to in that paragraph" and inserting "the Federal Banking Commission"; and

(e) in paragraph (6), by striking "Board of Governors of the Federal Reserve System" and inserting "Federal Banking Commission"; and

(f) by striking paragraph (3) and redesignating paragraphs (4) through (7) as paragraphs (3) through (6).

SEC. 708. AMENDMENT TO THE FINANCIAL REPORTS ACT OF 1988.

Section 3602 of the Financial Reports Act of 1988 (22 U.S.C. 5352) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 709. AMENDMENT TO THE FLOOD DISASTER PROTECTION ACT OF 1973.

Section 3(a)(5) of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4003(a)(5)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission."

SEC. 710. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) AMENDMENT TO SECTION 581.—Section 581 of the Internal Revenue Code (26 U.S.C. 581) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 584.—Section 584(a)(2) of the Internal Revenue Code (26 U.S.C. 584(a)(2)) is amended by striking "Board of Governors of the Federal Reserve System or the Comptroller of the Currency" and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 3305.—Section 3305(c) of the Internal Revenue Code (26 U.S.C. 3305(c)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(d) AMENDMENT TO SECTION 7507.—Section 7507(a) of the Internal Revenue Code (26 U.S.C. 7507(a)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 711. AMENDMENT TO THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(2) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(2)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 712. AMENDMENTS TO THE INVESTMENT COMPANY ACT OF 1940.

(a) AMENDMENT TO SECTION 2.—Section 2(a)(5) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(5)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 6.—Section 6(a)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)(3)) is amended by inserting "or successor thereto" after "Federal Savings and Loan Insurance Corporation".

SEC. 713. AMENDMENTS TO THE NEIGHBORHOOD REINVESTMENT CORPORATION ACT.

(a) AMENDMENTS TO SECTION 604.—Section 604 of the Neighborhood Reinvestment Corporation Act, as amended (42 U.S.C. 8103) is amended—

(1) in subsection (a)(5), by striking "Comptroller of the Currency" and inserting "Chairman of the Federal Banking Commission"; and

(2) in subsection (f), by striking "Comptroller of the Currency, through a duly designated Deputy Comptroller".

(b) AMENDMENT TO SECTION 606.—Section 606 of the Neighborhood Reinvestment Corporation Act, as amended (42 U.S.C. 8105(c)(3)) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "the Federal Home Loan Bank Board".

SEC. 714. AMENDMENT TO THE PAPERWORK REDUCTION ACT OF 1980.

Section 3502(10) of the Paperwork Reduction Act of 1980 (44 U.S.C. 3502(10)) is amended by inserting "the Federal Banking Commission" after the "Consumer Product Safety Commission".

SEC. 715. AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.

(a) AMENDMENTS TO SECTION 3.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(B) by amending paragraph (34) to read as follows:

"(34) The term 'appropriate regulatory agency' means:

"(A) When used with respect to a municipal securities dealer—

"(i) the Federal Banking Commission, in the case of—

"(I) a national bank or a bank operating under the Code of Law for the District of Columbia, or a subsidiary or a department or division of any such bank;

"(II) a State member bank of the Federal Reserve System, a subsidiary or a department or division thereof, a bank holding company, a subsidiary of a bank holding company which is a bank other than a bank specified in subclause (I) or (III) of this subparagraph, or a subsidiary or a department or division of such subsidiary; and

"(III) a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System), or a subsidiary or department or division thereof; and

"(ii) the Commission in the case of all other municipal securities dealers.

"(B) When used with respect to a clearing agency or transfer agent—

"(i) the Federal Banking Commission, in the case of—

"(I) a national bank or a bank operating under the Code of Law for the District of Columbia, or a subsidiary of any such bank;

"(II) a State member bank of the Federal Reserve System, a subsidiary thereof, a bank holding company, or a subsidiary of a bank holding company which is a bank other than a bank specified in subclause (I) or (II) of this subparagraph; and

"(III) a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System), or a subsidiary thereof; and

"(ii) the Commission in the case of all other clearing agencies and transfer agents.

"(C) When used with respect to a participant or applicant to become a participant in a clearing agency or a person requesting or having access to services offered by a clearing agency—

"(i) the Federal Banking Commission, when the appropriate regulatory agency for such clearing agency is not the Commission, in the case of—

"(I) a national bank or a bank operating under the Code of Law for the District of Columbia;

"(II) a State member bank of the Federal Reserve System, a bank holding company, or a subsidiary of a bank holding company, or a subsidiary of a bank holding company which is a bank other than a bank specified in subclause (I) or (III) of this subparagraph; and

"(III) a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System); and

"(ii) the Commission in all other cases.

"(D) When used with respect to an institutional investment manager which is a bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.), the Federal Banking Commission.

"(E) When used with respect to a national securities exchange or registered securities association, member thereof, person associated with a member thereof, applicant to become a member thereof or to become associated with a member thereof, or person requesting or having access to services offered by such exchange or association or member thereof, or the Municipal Securities Rulemaking Board, the Commission.

"(F) When used with respect to a person exercising investment discretion with respect to an account—

"(i) the Federal Banking Commission, in the case of—

"(I) a national bank or a bank operating under the Code of Law for the District of Columbia;

"(II) any other member bank of the Federal Reserve System; and

"(III) any other bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act; and

"(ii) the Commission in the case of all other such persons.

"(G) When used with respect to a government securities broker or government securities dealer, or person associated with a government securities broker or government securities dealer:—

"(i) the Federal Banking Commission, in the case of—

"(I) a national bank or a bank in the District of Columbia examined by the Federal Banking Commission;

"(II) a foreign bank, a branch or agency of a foreign bank, a commercial lending company owned or controlled by a foreign bank (as such terms are used in the International Banking Act of 1978), or a corporation organized or having an agreement with the Federal Banking Commission pursuant to section 25 or 25A of the Federal Reserve Act;

"(III) a State member bank of the Federal Reserve System;

"(IV) a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System or a Federal savings bank); and

"(V) a savings association (as defined in section 3(b) of the Federal Deposit Insurance Act) the deposits of which are insured by the Federal Deposit Insurance Corporation; and

"(ii) the Commission, in the case of all other government securities brokers and government securities dealers.

"As used in this paragraph, the terms 'bank holding company' and 'subsidiary of a bank holding company' have the meanings given them in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).".

(b) AMENDMENT TO SECTION 12.—Section 12(i) of the Securities Exchange Act of 1934 (12 U.S.C. 781(i)) is amended to read as follows:

"(i) SECURITIES ISSUED BY BANKS.—In respect of any securities issued by banks and savings associations the deposits of which are insured in accordance with the Federal Deposit Insurance Act, the powers, functions, and duties vested in the Commission to administer and enforce sections 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of this title are vested in the Federal Banking Commission. The Federal Banking Commission shall have the power to make such rules and regulations as may be necessary for the execution of the functions vested in it as provided in this subsection. In carrying out its responsibilities under this subsection, the Federal Banking Commission shall issue substantially similar regulations to regulations and rules issued by the Commission under sections 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of this title, unless it finds that implementation of substantially similar regulations with respect to insured banks and insured institutions are not necessary or appropriate in the public interest or for protection of investors, and publish such findings, and the detailed reasons therefor, in the Federal Register. Such regulations of the Federal Banking Commission, or the reasons for failure to publish such substantially similar regulations to those of the Commission, shall be published in the Federal Register within 120 days of October 28, 1974, and, thereafter, within 60 days of any changes made by the Commission in its relevant regulations and rules.".

(c) AMENDMENT TO SECTION 13.—Section 13(f)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(f)(4)) is amended in the last sentence by striking "appropriate regulatory agency" and inserting "Federal Banking Commission".

(d) AMENDMENTS TO SECTION 15.—Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)) is amended—

(1) in paragraph (1)(E)—

(A) in the 1st sentence, by striking "each appropriate regulatory agency" and inserting "Federal Banking Commission"; and

(B) in the second sentence, by striking "any appropriate regulatory agency" and inserting "Federal Banking Commission"; and

(2) in paragraph (2)(E)—

(A) in the 1st sentence, by striking "each appropriate regulatory agency" and inserting "Federal Banking Commission"; and

(B) in the second sentence, by striking "any appropriate regulatory agency" and inserting "Federal Banking Commission".

(e) AMENDMENTS TO SECTION 15B.—Section 15B(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–4) is amended—

(1) in paragraph (5)—

(A) by striking "such appropriate regulatory agency" each place it appears and inserting "the Federal Banking Commission"; and

(B) in the first sentence, by striking "With respect to any municipal securities dealer for which the Commission is not the appropriate regulatory agency, the appropriate regulatory agency for such municipal securities dealer" and inserting "With respect to any municipal securities dealer for which the Federal Banking Commission is the appropriate regulatory agency, the Federal Banking Commission"; and

(2) in paragraph (6)(A)—

(A) by striking "appropriate regulatory agency for such municipal securities dealer" and inserting "Federal Banking Commission"; and

(B) by striking "such appropriate regulatory agency" each place it appears and inserting "the Federal Banking Commission".

(f) AMENDMENTS TO SECTION 15C.—Section 15C of the Securities Exchange Act of 1934 (15 U.S.C. 78o–5) is amended—

(1) in subsection (b)(2)(C)—

(A) in the heading of subsection (b)(2)(C), by striking "FEDERAL BANKING AGENCY" and inserting "FEDERAL BANKING COMMISSION";

(B) by striking "the Federal banking agency", and "a Federal banking agency", and "any Federal banking agency" each place they appear and inserting "the Federal Banking Commission";

(C) in clause (i), by striking "each such Federal banking agency" and inserting "Federal Banking Commission";

(D) in the heading of clause (ii), by striking "BANKING AGENCY" and inserting "FEDERAL BANKING COMMISSION";

(E) in clause (iii)—

(i) by striking "the appropriate regulatory agency" each place it appears and inserting "the Commission";

(ii) in subclause (I), by striking "such banking agency" and inserting "the Federal Banking Commission"; and

(iii) in subclause (II), by striking "such agency" each place it appears and inserting "the Federal Banking Commission";

(F) in clause (v), by striking "an appropriate regulatory agency" and inserting "the Commission";

(G) in clause (vi)—

(i) in the heading, by striking "banking agencies" and inserting "the Federal Banking Commission"; and

(ii) by striking "appropriate regulatory agency" and "the appropriate regulatory agency" each place they appear and inserting "the Commission"; and

(H) by striking clause (vii);

(2) in subsection (c)(2)(E), by striking "Each appropriate regulatory agency (other than the Commission)" and inserting "The Federal Banking Commission";

(3) in subsection (d)—

(A) in paragraph (2)—

(i) by striking "an appropriate regulatory agency" and inserting "the Federal Banking Commission";

(ii) by striking "recipient agency" and inserting "Federal Banking Commission";

(iii) by striking "any appropriate regulatory agency" and inserting "the Federal Banking Commission"; and

(B) in paragraph (3)—

(i) in subparagraph (A), by striking "an appropriate regulatory agency", and inserting "the Federal Banking Commission";

(ii) in subparagraph (C), by striking "the appropriate regulatory agency" after "the Commission shall notify" and inserting "the Federal Banking Commission";

(iii) in subparagraph (D)—

(I) by striking "any other appropriate regulatory agency" and inserting "the Federal Banking Commission"; and

(II) by striking "other appropriate regulatory agencies" each place it appears and inserting "Federal Banking Commission";

(iv) in subparagraph (E), by striking "any appropriate regulatory agency other than the Commission" and inserting "the Federal Banking Commission"; and

(v) in subparagraph (F)—

(I) in the first sentence, by striking "appropriate regulatory agencies" and inserting "Federal Banking Commission"; and

(II) in the second sentence—

(aa) by striking "any appropriate regulatory agency" each place it appears and inserting "the Federal Banking Commission"; and

(bb) by striking "appropriate regulatory agency" and inserting "Federal Banking Commission";

(4) in subsection (g)(1)—

(A) by striking "the Comptroller of the Currency" and inserting "the Federal Banking Commission"; and

(B) by striking "the Director of the Office of Thrift Supervision, the Federal Savings and Loan Insurance Corporation,".

(g) AMENDMENTS TO SECTION 17.—Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) in subsection (b)—

(A) by striking "appropriate regulatory agency for such persons" each place it appears and inserting "Federal Banking Commission";

(B) by striking "for which it is not the appropriate regulatory agency, give notice to the appropriate regulatory agency for such clearing agency, transfer agent, or municipal securities dealer" and inserting "for which the Federal Banking Commission is the appropriate regulatory agency, give notice to the Federal Banking Commission"; and

(C) by striking "such appropriate regulatory agency" each place it appears and inserting "the Federal Banking Commission";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking "for which the Commission is not the appropriate regulatory agency" and inserting "for which the Federal Banking Commission is the appropriate regulatory agency";

(ii) by striking "appropriate regulatory agency for such clearing agency, transfer agent, or municipal securities dealer" and inserting "Federal Banking Commission";

(iii) by striking "such appropriate regulatory agency" and inserting "the Federal Banking Commission"; and

(iv) by striking "each agency enumerated in section 3(a)(34)(A) of this title" and inserting "Federal Banking Commission";

(B) in paragraph (2)—

(i) by striking "The appropriate regulatory agency for a clearing agency, transfer agent, or municipal securities dealer for which the Commission is not the appropriate regulatory agency" and inserting "The Federal Banking Commission";

(ii) by striking "by such appropriate regulatory agency" and inserting "by the Federal Banking Commission";

(iii) by striking "such appropriate regulatory agency, if any," and inserting "the Federal Banking Commission"; and

(iv) by striking "the agency" and inserting "the Federal Banking Commission";

(C) in paragraph (3), by striking "appropriate regulatory agency for a clearing agency, transfer agent, or municipal securities dealer for which the Commission is not the appropriate regulatory agency" and inserting "Federal Banking Commission"; and

(D) in paragraph (4)—

(i) by striking "the appropriate regulatory agency" each place it appears and inserting "the Federal Banking Commission";

(ii) by striking "such agency" and inserting "the Federal Banking Commission"; and

(iii) by striking ", or filed with another appropriate regulatory agency";

(3) in subsection (f)(4)—

(A) by striking the colon after "to" and inserting "the Federal Banking Commission."; and

(B) by striking subparagraphs (A), (B) and (C); and

(4) in subsection (h)(3)—

(A) by amending the heading to read as follows:

"(3) SPECIAL PROVISIONS WITH RESPECT TO ASSOCIATED PERSONS SUBJECT TO REGULATION BY THE FEDERAL BANKING COMMISSION.—";

(B) by striking "a Federal banking agency" and "the Federal banking agency" each place they appear and inserting "the Federal Banking Commission";

(C) in subparagraph (A), by striking "each such Federal banking agency" and inserting "the Federal Banking Commission";

(D) in the heading of subparagraph (B), by striking "BANKING AGENCY" and inserting "FEDERAL BANKING AGENCY";

(E) in subparagraph (C), by striking "such agency" each place it appears in clauses (i) and (ii) and inserting "the Federal Banking Commission";

(F) in subparagraph (D), by striking "any Federal banking agency" and inserting "the Federal Banking Commission";

(G) in subparagraph (E), by striking "any Federal banking agency" and inserting "the Federal Banking Commission";

(H) in the heading in subparagraph (F), by striking "BANKING AGENCIES" and inserting "THE FEDERAL BANKING COMMISSION"; and

(I) by striking subparagraph (G).

(h) AMENDMENTS TO SECTION 17A.—Section 17A(d) of Securities Exchange Act of 1934 (15 U.S.C. 78q–1(d)) is amended—

(1) in paragraph (1), by striking "appropriate regulatory agency" and inserting "Federal Banking Commission";

(2) in paragraph (2), by striking "for which the Commission is not the appropriate regulatory agency, the appropriate regulatory agency for such clearing agency or transfer agent" and inserting "for which the Federal

Banking Commission is the appropriate regulatory agency, the Federal Banking Commission"; and

(3) in paragraph (3)(A)—

(A) by striking "for which the Commission is not the appropriate regulatory agency, the Commission and the appropriate regulatory agency for such clearing agency or transfer agent" and inserting "for which the Federal Banking Commission is the appropriate regulatory agency, the Commission and the Federal Banking Commission";

(B) in clause (i), by striking "such appropriate regulatory agency" and inserting "the Federal Banking Commission"; and

(C) in clause (ii), by striking "such appropriate regulatory agency" and inserting "the Federal Banking Commission".

(i) AMENDMENTS TO SECTION 21B.—Section 21B of the Securities Exchange Act of 1934 (15 U.S.C. 78u-2) is amended—

(1) in subsection (a)—

(A) by striking "the appropriate regulatory agency" and inserting "the Federal Banking Commission"; and

(B) in paragraph (3), by striking "any other appropriate regulatory agency" and inserting "the Federal Banking Commission";

(2) in subsection (c)—

(A) in the introductory text, by striking "the appropriate regulatory agency" and inserting "the Federal Banking Commission"; and

(B) in paragraph (4), by striking "another appropriate regulatory agency" and inserting "the Federal Banking Commission";

(3) in subsection (d), by striking "appropriate regulatory agency" each place it appears and inserting "Federal Banking Commission"; and

(4) in subsection (e), by striking "appropriate regulatory agency" each place it appears and inserting "Federal Banking Commission".

(j) AMENDMENTS TO SECTION 23.—Section 23 of the Securities Exchange Act of 1934 (15 U.S.C. 78w) is amended—

(1) by striking "other agencies enumerated in section 3(a)(34) of this title (15 U.S.C. 78c(a)(34))" each place it appears and inserting "Federal Banking Commission"; and

(2) in the last sentence of subsection (a)(1), by striking "other agency enumerated in section 3(a)(34) of this title (15 U.S.C. 78c(a)(34))" and insert "the Federal Banking Commission".

(k) AMENDMENTS TO SECTION 25.—Section 25(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78y(d)) is amended—

(1) by amending the heading to read as follows:

"(d) OTHER APPROPRIATE REGULATORY AGENCY"; and

and

(2) in paragraph (1), by striking "agencies enumerated in section 3(a)(34) of this title (15 U.S.C. 78c(a)(34)) insofar as such agencies are acting pursuant to this title" and inserting Federal Banking Commission insofar as the Federal Banking Commission is acting pursuant to this title".

SEC. 716. AMENDMENT TO THE SMALL BUSINESS INVESTMENT ACT OF 1958.

Section 308(b) of the Small Business Investment Act of 1958 (15 U.S.C. 687(b)) is amended by striking "or the Federal Savings and Loan Insurance Corporation".

SEC. 717. AMENDMENTS TO TITLE 5, UNITED STATES CODE

(a) AMENDMENT TO SECTION 3132.—Section 3132(a)(1)(D) of title 5, United States Code (5 U.S.C. 3132(a)(1)(D)) is amended by striking "Office of the Comptroller of the Currency, the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 5313.—Section 5313 of title 5, United States Code (5 U.S.C. 5313) is amended by adding at the end the following new item:

"Chairperson of the Federal Banking Commission.".

(c) AMENDMENTS TO SECTION 5314.—Section 5314 of title 5, United States Code (5 U.S.C. 5314) is amended—

(1) by adding at the end of the following new item:

"Presidentially appointed members of the Federal Banking Commission (2)."; and

(2) 90 days after the designated transfer date, by striking "Comptroller of the Currency" and "Director of the Office of Thrift Supervision".

SEC. 718. AMENDMENTS TO TITLE 18, UNITED STATES CODE.

(a) AMENDMENT TO SECTION 212.—Section 212 of title 18, United States Code (18 U.S.C. 212) is amended—

(1) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "the Office of Thrift Supervision".

(b) AMENDMENT TO SECTION 655.—Section 655 of title 18, United States Code (18 U.S.C. 655) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 657.—Section 657 of title 18, United States Code (18 U.S.C. 657) is amended by striking "Office of Thrift Supervision" and inserting "Federal Banking Commission".

(d) AMENDMENT TO SECTION 981.—Section 981(a)(1)(D) of title 18, United States Code (18 U.S.C. 981(a)(1)(D)) is amended by striking "Office of the Comptroller of the Currency or the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(e) AMENDMENT TO SECTION 982.—Section 982(a)(3) of title 18, United States Code (18 U.S.C. 982(a)(3)) is amended by striking "Office of the Comptroller of the Currency or the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(f) AMENDMENT TO SECTION 1005.—Section 1005 of title 18, United States Code (18 U.S.C. 1005) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Agency".

(g) AMENDMENT TO SECTION 1006.—Section 1006 of title 18, United States Code (18 U.S.C. 1006) is amended by striking "Office of Thrift Supervision" and inserting "Federal Banking Commission".

(h) AMENDMENT TO SECTION 1014.—Section 1014 of title 18, United States Code (18 U.S.C. 1014) is amended by striking "Office of Thrift Supervision" and inserting "Federal Banking Commission".

(i) AMENDMENT TO SECTION 1032.—Section 1032 of title 18, United States Code (18 U.S.C. 1032) is amended by striking "Comptroller of the Currency or the Director of the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(j) AMENDMENT TO SECTION 1114.—Section 1114 of title 18, United States Code (18 U.S.C. 1114) is amended by striking "Comptroller of the Currency, the Office of Thrift Supervision" and inserting "Federal Banking Commission".

(k) AMENDMENT TO SECTION 1906.—Section 1906 of title 18, United States Code (18 U.S.C. 1906) is amended to read as follows:

"Whoever, being an examiner, public or private, or a General Accounting Office employee with access to bank examination report information under section 714 of title 31, United States Code, or a member of the Board of Governors of the Federal Reserve System, a member of the Board of Directors of the Federal Deposit Insurance Corporation, or an employee of the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation with access to bank examination report information under section 307 of the Regulatory Consolidation Act of 1994, discloses the names of borrowers or the collateral for loans of any member bank of the Federal Reserve System, or any bank insured by the Federal Deposit Insurance Corporation examined by him or subject to General Accounting Office audit under section 714 of title 31, United States Code, or to whom bank examination report information has been given under section 307 of the Regulatory Consolidation Act of 1994, without first having obtained the express permission in writing from the Commission, or from the board of directors of such bank, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States, or either House thereof, or any committee of the Congress or either House duly authorized or as authorized by section 714 of title 31, United States Code, shall be fined not more than $5,000 or imprisoned not more than one year or both.".

(l) AMENDMENT TO SECTION 1908.—Section 1908 of title 18, United States Code (18 U.S.C. 1908) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 719. AMENDMENT TO TITLE 25, UNITED STATES CODE.

Section 162a(a) of title 25, United States Code (25 U.S.C. 162a(a)) is amended by striking "Board of Governors of the Federal Reserve System in the case of member banks, and of the Board of Directors of the Federal Deposit Insurance Corporation in the case of insured nonmember banks" and inserting "Federal Banking Commission".

SEC. 720. AMENDMENTS OF TITLE 28, UNITED STATES CODE.

(a) AMENDMENT TO SECTION 1348.—Section 1348 of title 28, United States Code (28 U.S.C. 1348) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(b) AMENDMENTS TO SECTION 1394.—Section 1394 of title 28, United States Code (28 U.S.C. 1394) is amended—

(1) in the heading of section 1934, by striking "Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(c) AMENDMENT TO SECTION 2001.—Section 2001(c) of title 28, United States Code (28 U.S.C. 2001(c)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(d) AMENDMENT TO SECTION 2002.—Section 2002 of title 28, United States Code (28 U.S.C. 2002) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(e) AMENDMENT TO SECTION 2004.—Section 2004 of title 28, United States Code (28 U.S.C. 2004) is amended by striking "Comptroller of the Currency".

SEC. 721. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

(a) REPEAL OF SECTION 307.—Section 307 of title 31, United States Code (31 U.S.C. 307) is repealed.

(b) REPEAL OF SECTION 309.—Section 309 of title 31, United States Code (31 U.S.C. 309) is repealed.

(c) AMENDMENTS TO SECTION 321.—Section 321 of title 31, United States Code (31 U.S.C. 321) is amended—

(1) by inserting "and" at the end of subsection (c)(1);

(2) in subsection (c)(2) by striking "Comptroller of the Currency" and inserting "Federal Banking Commission";

(3) by striking subsection (c)(3); and

(4) by striking subsection (e).

(d) AMENDMENTS TO SECTION 714.—Section 714 of title 31, United States Code (31 U.S.C. 714) is amended—

(1) in the heading of section 714, by striking "Office of the Comptroller of the Currency" and inserting "Federal Banking Commission"; and

(2) in subsection (a) by striking "Office of the Comptroller of the Currency, and the Office of Thrift Supervision" and inserting "Federal Banking Agency".

(e) AMENDMENT TO SECTION 718.—Section 718(a) of title 31, United States Code (31 U.S.C. 718(a)) is amended by striking "Office of the Comptroller of the Currency" and inserting "Federal Banking Commission".

(f) AMENDMENT TO SECTION 1321.—Section 1321(b) of title 31, United States Code (31 U.S.C. 1321) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

SEC. 722. AMENDMENTS TO TITLE 44, UNITED STATES CODE.

(a) AMENDMENT TO SECTION 1111.—Section 1111 of title 44, United States Code (44 U.S.C. 1111) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".

(b) AMENDMENT TO SECTION 1344.—Section 1344 of title 44, United States Code (44 U.S.C. 1344) is amended by striking "Comptroller of the Currency" each place it appears and inserting "Federal Banking Commission".

SEC. 723. AMENDMENT TO THE TRUST INDENTURE ACT OF 1939.

Section 321(b) of the Trust Indenture Act of 1939 (15 U.S.C. 77uuu(b)) is amended by striking "Comptroller of the Currency" and inserting "Federal Banking Commission".•

REGARDING THE 25TH ANNIVERSARY OF WTOP RADIO

• Mr. ROBB. Mr. President, I have some passing familiarity with the media in the Washington area. And one institution I actually enjoy is WTOP Radio.

I have listened to WTOP for some years, both for the CBS network features and their excellent local coverage. Dave McConnell's "Today on the Hill" is a concise—and often pointed—review of our work as may be heard anywhere.

WTOP is celebrating its 25th anniversary, and I join my colleagues in congratulating them and wishing them well. This is not just some rip-and-read station; they do real reporting in our communities.

But perhaps the ultimate compliment I can pay them is to note that when I am stuck in traffic on the George Washington Parkway, I tune in WTOP to tell me what I am missing.•

BISTI/DE-NA-ZIN WILDERNESS EXPANSION AND FOSSIL FOREST PROTECTION ACT

Mr. HOLLINGS. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 374, S. 313, a bill relating to the San Juan Basin; that the committee amendments be agreed to en bloc; that the bill be read a third time, passed, and the motion to reconsider be laid upon the table; and that any statements relative to passage of this item appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 313) was deemed read the third time and passed, as follows:

S. 313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Bisti/De-Na-Zin Wilderness Expansion and Fossil Forest Protection Act".

SEC. 2. BISTI/DE-NA-ZIN WILDERNESS.

(a) WILDERNESS DESIGNATION.—Section 102 of the San Juan Basin Wilderness Protection Act of 1984 (Public Law 98-603) is amended—

(1) in subsection (a)—

(A) by striking "wilderness, and, therefore," and all that follows through "System—" and inserting "wilderness areas, and as one component of the National Wilderness Preservation System, to be known as the 'Bisti/De-Na-Zin Wilderness'—";

(B) in paragraph (1), by striking ", and which shall be known as the Bisti Wilderness; and" and inserting a semicolon;

(C) in paragraph (2), by striking ", and which shall be known as the De-na-zin Wilderness." and inserting "; and"; and

(D) by adding at the end the following new paragraph:

"(3) certain lands in the Farmington District of the Bureau of Land Management, New Mexico, which comprise approximately 16,674 acres, as generally depicted on a map entitled 'Bisti/De-Na-Zin Wilderness Amendment Proposal', dated May 1992.";

(2) in the first sentence of subsection (c), by inserting after "of this Act" the following: "with regard to the areas described in paragraphs (1) and (2) of subsection (a), and as soon as practicable after the date of enactment of subsection (a)(3) with regard to the area described in subsection (a)(3)";

(3) in subsection (d), by inserting after "of this Act" the following: "with regard to the areas described in paragraphs (1) and (2) of subsection (a), and where established prior to the date of enactment of subsection (a)(3) with regard to the area described in subsection (a)(3)"; and

(4) by adding at the end the following new subsection:

"(e)(1) Subject to valid existing rights, the lands described in subsection (a)(3) are withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing, geothermal leasing, and mineral material sales.

"(2) The Secretary of the Interior is authorized to issue coal leases in New Mexico in exchange for any preference right coal lease application within the area described in section 2(a)(3). Such exchanges shall be made in accordance with applicable existing laws and regulations relating to coal leases after a determination has been made by the Secretary that the applicant is entitled to a preference right lease and that the exchange is in the public interest.

"(3) Operations on oil and gas leases issued prior to the date of enactment of subsection (a)(3) shall be subject to the applicable provisions of Group 3100 of title 43, Code of Federal Regulations (including section 3162.5-1), and such other terms, stipulations, and conditions as the Secretary of the Interior considers necessary to avoid significant disturbance of the land surface or impairment of the ecological, educational, scientific, recreational, scenic, and other wilderness values of the lands described in subsection (a)(3) in existence on the date of enactment of subsection (a)(3).".

(b) EXCHANGES FOR STATE LANDS.—Section 104 of the Act is amended—

(1) in the first sentence of subsection (b), by inserting after "of this Act" the following: "with regard to the areas described in paragraphs (1) and (2) of subsection (a), and not later than 120 days after the date of enactment of subsection (a)(3) with regard to the area described in subsection (a)(3)";

(2) in subsection (c), by inserting before the period the following: "with regard to the areas described in paragraphs (1) and (2) of subsection (a), and as of the date of enactment of subsection (a)(3) with regard to the area described in subsection (a)(3)"; and

(3) in the last sentence of subsection (d), by inserting before the period the following: "with regard to the areas described in paragraphs (1) and (2) of subsection (a), and not later than 2 years after the date of enactment of subsection (a)(3) with regard to the area described in subsection (a)(3)".

(c) EXCHANGES FOR INDIAN LANDS.—Section 105 of the Act is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of the Interior shall exchange any lands held in trust for the Navajo Tribe by the Bureau of Indian Affairs that are within the boundary of the area described in subsection (a)(3).

"(2) The lands shall be exchanged for lands within New Mexico approximately equal in value that are selected by the Navajo Tribe.

"(3) After the exchange, the lands selected by the Navajo Tribe shall be held in trust by the Secretary of the Interior in the same manner as the lands described in paragraph (1).".

SEC. 3. FOSSIL FOREST RESEARCH NATURAL AREA.

Section 103 of the San Juan Basin Wilderness Protection Act of 1984 (Public Law 98-603) is amended to read as follows:

"SEC. 103. FOSSIL FOREST RESEARCH NATURAL AREA.

"(a) ESTABLISHMENT.—To conserve and protect natural values and to provide scientific knowledge, education, and interpretation for the benefit of future generations, there is established the Fossil Forest Research Natural Area (referred to in this section as the 'Area'), consisting of the approximately 2,770 acres in the Farmington District of the Bureau of Land Management, New Mexico, as generally depicted on a map entitled 'Fossil Forest', dated June 1983.

"(b) MAP AND LEGAL DESCRIPTION.—

"(1) IN GENERAL.—As soon as practicable after the date of enactment of this paragraph, the Secretary of the Interior shall file a map and legal description of the Area with the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives.

"(2) FORCE AND EFFECT.—The map and legal description described in paragraph (1) shall have the same force and effect as if included in this Act.

"(3) TECHNICAL CORRECTIONS.—The Secretary of the Interior may correct clerical, typographical, and cartographical errors in the map and legal description subsequent to filing the map pursuant to paragraph (1).

"(4) Public inspection.—The map and legal description shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of the Interior.

"(c) Management.—

"(1) In general.—The Secretary of the Interior, acting through the Director of the Bureau of Land Management, shall manage the Area—

"(A) to protect the resources within the Area; and

"(B) in accordance with—

"(i) this Act;

"(ii) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

"(iii) other applicable provisions of law.

"(2) Mining.—

"(A) Withdrawal.—Subject to valid existing rights, the lands within the Area are withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing, geothermal leasing, and mineral material sales.

"(B) Coal preference rights.—The Secretary of the Interior is authorized to issue coal leases in New Mexico in exchange for any preference right coal lease application within the Area. Such exchanges shall be made in accordance with applicable existing laws and regulations relating to coal leases after a determination has been made by the Secretary that the applicant is entitled to a preference right lease and that the exchange is in the public interest.

"(C) Oil and gas leases.—Operations on oil and gas leases issued prior to the date of enactment of this paragraph shall be subject to the applicable provisions of Group 3100 of title 43, Code of Federal Regulations (including section 3162.5-1), and such other terms, stipulations, and conditions as the Secretary of the Interior considers necessary to avoid significant disturbance of the land surface or impairment of the natural, educational, and scientific research values of the Area in existence on the date of enactment of this paragraph.

"(3) Grazing.—Livestock grazing on lands within the Area may not be permitted.

"(d) Inventory.—Not later than 3 full fiscal years after the date of enactment of this subsection, the Secretary of the Interior, acting through the Director of the Bureau of Land Management, shall develop a baseline inventory of all categories of fossil resources within the Area. After the inventory is developed, the Secretary shall conduct monitoring surveys at intervals specified in the management plan developed for the Area in accordance with subsection (e).

"(e) Management plan.—

"(1) In general.—Not later than 5 years after the date of enactment of this Act, the Secretary of the Interior shall develop and submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a management plan that describes the appropriate uses of the Area consistent with this Act.

"(2) Contents.—The management plan shall include—

"(A) a plan for the implementation of a continuing cooperative program with other agencies and groups for—

"(i) laboratory and field interpretation; and

"(ii) public education about the resources and values of the Area (including vertebrate fossils);

"(B) provisions for vehicle management that are consistent with the purpose of the Area and that provide for the use of vehicles to the minimum extent necessary to accomplish an individual scientific project;

"(C) procedures for the excavation and collection of fossil remains, including botanical fossils, and the use of motorized and mechanical equipment to the minimum extent necessary to accomplish an individual scientific project; and

"(D) mitigation and reclamation standards for activities that disturb the surface to the detriment of scenic and environmental values.".

STAR PRINT—S. 1869

Mr. HOLLINGS. Madam President, I ask unanimous consent that S. 1869 be star printed to reflect the following changes, which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PRINTED AS PASSED—S. 473

Mr. HOLLINGS. Madam President, I ask unanimous consent that S. 473, the Department of Energy National Competitiveness Technology Partnership Act of 1993 be printed, as passed, by the Senate on November 20, 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 473

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Energy National Competitiveness Technology Partnership Act of 1993".

SEC. 2. DEFINITIONS.

For purposes of this Act, the term—

(1) "Department" means the United States Department of Energy; and

(2) "Secretary" means the Secretary of the United States Department of Energy.

SEC. 3. COMPETITIVENESS AMENDMENT TO THE DEPARTMENT OF ENERGY ORGANIZATION ACT.

(a) The Department of Energy Organization Act is amended by adding the following new title (42 U.S.C. 7101 et seq.):

"TITLE XI—TECHNOLOGY PARTNERSHIPS

"SEC. 1101. FINDINGS, PURPOSES AND DEFINITIONS.

"(a) Findings.—For purposes of this title, Congress finds that—

"(1) the Department has scientific and technical resources within the departmental laboratories in many areas of importance to the economic, scientific and technological competitiveness of United States industry;

"(2) the extensive scientific and technical investment in people, facilities and equipment in the departmental laboratories can contribute to the achievement of national technology goals in areas such as the environment, health, space, and transportation;

"(3) the Department has pursued aggressively the transfer of technology from departmental laboratories to the private sector; however, the capabilities of the laboratories could be made more fully accessible to United States industry and to other Federal agencies;

"(4) technology development has been increasingly driven by the commercial marketplace, and the private sector has research and development capabilities in a broad range of generic technologies;

"(5) the Department and the departmental laboratories would benefit, in carrying out their missions, from collaboration and partnership with United States industry and other Federal agencies; and

"(6) partnerships between the departmental laboratories and United States industry can provide significant benefits to the Nation as a whole, including creation of jobs for United States workers and improvement of the competitive position of the United States in key sectors of the economy such as aerospace, automotive, chemical and electronics.

"(b) Purposes.—The purposes of this title are—

"(1) to promote partnerships among the Department, the departmental laboratories and the private sector;

"(2) to establish a goal for the amount of departmental laboratory resources to be committed to partnerships;

"(3) to ensure that the Department and the departmental laboratories play an appropriate role, consistent with the core competencies of the laboratories, in implementing the President's critical technology strategies;

"(4) to provide additional authority to the Secretary to enter into partnerships with the private sector to carry out research, development, demonstration and commercial application activities;

"(5) to streamline the approval process for cooperative research and development agreements proposed by the departmental laboratories; and

"(6) to facilitate greater cooperation between the Department and other Federal agencies as part of an integrated national effort to improve United States competitiveness.

"(c) Definitions.—For purposes of this title, the term—

"(1) 'cooperative research and development agreement' has the meaning given that term in section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1));

"(2) 'core competency' means an area in which the Secretary determines a departmental laboratory has developed expertise and demonstrated capabilities;

"(3) 'critical technology' means a technology identified in the Report of the National Critical Technologies Panel;

"(4) 'departmental laboratory' means a facility operated by or on behalf of the Department that would be considered a laboratory as that term is defined in section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)) or any other laboratory or facility designated by the Secretary;

"(5) 'disadvantaged' has the same meaning as that term has in section 8(a) (5) and (6) of the Small Business Act (15 U.S.C. 637(a) (5) and (6));

"(6) 'dual-use technology' means a technology that has military and commercial applications;

"(7) 'educational institution' means a college, university, or elementary or secondary school, including any not-for-profit organization dedicated to education that would be exempt under section 501(a) of the Internal Revenue Code of 1986;

"(8) 'minority college or university' means a historically Black college or university that would be considered a 'part B institution' by section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)) or a 'minority institution' as that term is defined in section 1046 of the Higher Education Act of 1965 (20 U.S.C. 1135d-5(3)).

"(9) 'multi-program departmental laboratory' means any of the following: Argonne National Laboratory, Brookhaven National Laboratory, Idaho Nation Engineering Laboratory, Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, Los Alamos National Laboratory, National Renewable Energy Laboratory, Oak Ridge National Laboratory, Pacific Northwest Laboratory, and Sandia National Laboratories;

"(10) 'partnership' means any arrangement under which the Secretary or one or more departmental laboratories undertakes research, development, demonstration, commercial application or technical assistance activities in cooperation with one or more non-Federal partners and which may include partners from other Federal agencies;

"(11) 'Report of the National Critical Technologies Panel' means the biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)); and

"(12) 'small business' means a business concern that meets the applicable standards prescribed pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

"SEC. 1102. GENERAL AUTHORITY.

"(a)(1) In carrying out the missions of the Department, the Secretary and the departmental laboratories may conduct research, development, demonstration or commercial application activities that build on the core competencies of the departmental laboratories.

"(2) In addition to missions established pursuant to other laws, the Secretary may assign to departmental laboratories any of the following missions:

"(A) National security, including the—

"(i) advancement of the military application of atomic energy;

"(ii) support of the production of atomic weapons, or atomic weapons parts, including special nuclear materials;

"(iii) support of naval nuclear propulsion programs;

"(iv) support for the dismantlement of atomic weapons and the safe storage, transportation and disposal of special nuclear materials;

"(v) development of technologies and techniques for the safe storage, processing, treatment, transportation, and disposal of hazardous waste (including radioactive waste) resulting from nuclear materials production, weapons production and surveillance programs, and naval nuclear propulsion programs and of technologies and techniques for the reduction of environmental hazards and contamination due to such waste and the environmental restoration of sites affected by such waste;

"(vi) development of technologies and techniques needed for the effective negotiation and verification of international arms control agreements and for the containment of the proliferation of nuclear, chemical, and biological weapons and delivery vehicles of such weapons; and

"(vii) protection of health and promotion of safety in carrying out other national security missions.

"(B) Energy-related science and technology, including the—

"(i) enhancement of the nation's understanding of all forms of energy production and use;

"(ii) support of basic and applied research on the fundamental nature of matter and energy, including construction and operation of unique scientific instruments;

"(iii) development of energy resources, including solar, geothermal, fossil, and nuclear energy resources, and related fuel cycles;

"(iv) pursuit of a comprehensive program of research and development on the environmental effects of energy technologies and programs;

"(v) development of technologies and processes to reduce the generation of waste or pollution or the consumption of energy or materials;

"(vi) development of technologies and techniques for the safe storage, processing, treatment, management, transportation and disposal of nuclear waste resulting from commercial nuclear activities; and

"(vii) improvement of the quality of education in science, mathematics, and engineering.

"(C) Technology transfer.

"(3)(A) In addition to the missions identified in subsection (a)(2), the Departmental laboratories may pursue supporting missions to the extent that these supporting missions—

"(i) support the technology policies of the President;

"(ii) are developed in consultation with and coordinated with any other Federal agency or agencies that carry out such mission activities;

"(iii) are built upon the competencies developed in carrying out the primary missions identified in subsection (a)(2) and do not interfere with the pursuit of the missions identified in subsection (a)(2); and

"(iv) are carried out through a process that solicits the views of United States industry and other appropriate parties.

"(B) These supporting missions shall include activities in the following areas:

"(i) developing and operating high-performance computing and communications systems, with the goals of contributing to a national information infrastructure and addressing complex scientific and industrial challenges which require large-scale computational capabilities;

"(ii) conducting research on and development of advanced manufacturing systems and technologies, with the goal of assisting the private sector in improving the productivity, quality, energy efficiency, and control of manufacturing processes;

"(iii) conducting research on and development of advanced materials, with the goals of increasing energy efficiency, environmental protection, and improved industrial performance.

"(4) In carrying out the Department's missions, the Secretary, and the directors of the departmental laboratories, shall, to the maximum extent practicable, make use of partnerships. Such partnerships shall be for purposes of the following:

"(A) to lead to the development of technologies that the private sector can commercialize in areas of technology with broad application important to United States technological and economic competitiveness;

"(B) to provide Federal support in areas of technology where the cost or risk is too high for the private sector to support alone but that offer a potentially high payoff to the United States;

"(C) to contribute to the education and training of scientists and engineers;

"(D) to provide university and private researchers access to departmental laboratory facilities; or

"(E) to provide technical expertise to universities, industry or other Federal agencies.

"(b) The Secretary, in carrying out partnerships, may enter into agreements using instruments authorized under applicable laws, including but not limited to contracts, cooperative research and development agreements, work for other agreements, user-facility agreements, cooperative agreements, grants, personnel exchange agreements and patent and software licenses with any person, any agency or instrumentality of the United States, any State or local governmental entity, any educational institution, and any other entity, private sector or otherwise.

"(c) The Secretary, and the directors of the departmental laboratories, shall utilize partnerships with United States industry, to the maximum extent practicable, to ensure that technologies developed in pursuit of the Department's missions are applied and commercialized in a timely manner.

"(d) The Secretary shall work with other Federal agencies to carry out research, development, demonstration or commercial application activities where the core competencies of the departmental laboratories could contribute to the missions of such other agencies.

"SEC. 1103. ESTABLISHMENT OF GOAL FOR PARTNERSHIPS BETWEEN DEPARTMENTAL LABORATORIES AND UNITED STATES INDUSTRY.

"(a) Beginning in fiscal year 1994, the Secretary shall establish a goal to allocate to cost-shared partnerships with United States industry not less than 20 percent of the annual funds provided by the Secretary to each multi-program departmental laboratory for research, development, demonstration and commercial application activities.

"(b) Beginning in fiscal year 1994, the Secretary shall establish an appropriate goal for the amount of resources to be committed to cost-shared partnerships with United States industry at other departmental laboratories.

"SEC. 1104. ROLE OF THE DEPARTMENT IN THE DEVELOPMENT OF CRITICAL TECHNOLOGY STRATEGIES.

"(a) The Secretary shall develop a multiyear critical technology strategy for research, development, demonstration and commercial application activities supported by the Department for the critical technologies listed in the Report of the National Critical Technologies Panel.

"(b) In developing such strategy, the Secretary shall—

"(1) identify the core competencies of each departmental laboratory;

"(2) develop goals and objectives for the appropriate role of the Department in each of the critical technologies listed in the report, taking into consideration the core competencies of the departmental laboratories;

"(3) consult with appropriate representatives of United States industry, including members of industry associations and representatives of labor organizations; and

"(4) participate in the executive branch process to develop critical technology strategies.

"SEC. 1105. PARTNERSHIP PREFERENCES.

"(a) The Secretary shall ensure that the principal economic benefits of any partnership accrue to the United States economy.

"(b) Any partnership that would be given preference under section 12(c)(4) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(4) if it were a cooperative research and development agreement shall be given preference under this title.

"(c) The Secretary shall issue guidelines, after consultation with the Laboratory Partnership Advisory Board established in section 1109, for application of section 12(c)(4) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(4)) and application of subsection (a) of this section to partnerships.

"(d) The Secretary shall encourage partnerships that involve minority colleges or universities or private sector entities owned or controlled by disadvantaged individuals.

"SEC. 1106. EVALUATION OF PARTNERSHIP PROGRAMS.

"(a) The Secretary, in consultation with the Laboratory Partnership Advisory Board established in section 1109, shall develop mechanisms for independent evaluation of the ongoing partnership activities of the Department and the departmental laboratories.

"(b)(1) The Secretary and the director of each departmental laboratory shall develop mechanisms for assessing the progress of each partnership.

"(2) The Secretary and the director of each departmental laboratory shall utilize the mechanisms developed under paragraph (1) to evaluate the accomplishments of each ongoing multiyear partnership and shall condition continued Federal participation in each partnership on demonstrated progress.

"SEC. 1107. ANNUAL REPORT.

"(a) The Secretary shall submit an annual report to Congress describing the ongoing partnership activities of the Secretary and each departmental laboratory and, to the extent practicable, the activities planned by the Secretary and by each departmental laboratory for the coming fiscal year. In developing the report, the Secretary shall seek the advice of the Laboratory Partnership Advisory Board established in section 1109.

"(b) The Secretary shall submit the report under subsection (a) to the Committees on Appropriations and Energy and Natural Resources of the Senate and to the appropriate Committees of the House of Representatives. No later than March 1, 1994, and no later than the first of March of each subsequent year, the Secretary shall submit the report under subsection (a) that covers the fiscal year beginning on the first of October of such year.

"(c) Each director of a departmental laboratory shall provide annually to the Secretary a report on ongoing partnership activities and a plan and such other information as the Secretary may reasonably require describing the partnership activities the director plans to carry out in the coming fiscal year. The director shall provide such report and plan in a timely manner as prescribed by the Secretary to permit preparation of the report under subsection (a).

"(d) The Secretary's description of planned activities under subsection (a) shall include, to the extent such information is available, appropriate information on—

"(1) the total funds to be allocated to partnership activities by the Secretary and by the director of each departmental laboratory;

"(2) a breakdown of funds to be allocated by the Secretary and by the director of each departmental laboratory for partnership activities by areas of technology;

"(3) any plans for additional funds not described in paragraph (2) to be set aside for partnerships during the coming fiscal year;

"(4) any partnership that involves a federal contribution in excess of $500,000 the Secretary or the director of each departmental laboratory expects to enter into in the coming fiscal year;

"(5) the technologies that will be advanced by each partnership that involves a Federal contribution in excess of $500,000;

"(6) the types of entities that will be eligible for participation in partnerships;

"(7) the nature of the partnership arrangements, including the anticipated level of financial and in-kind contribution from participants and any repayment terms;

"(8) the extent of use of competitive procedures in selecting partnerships; and

"(9) such other information that the Secretary finds relevant to the determination of the appropriate level of Federal support for such partnerships.

"(e) The Secretary shall provide appropriate notice in advance to Congress of any partnership, which has not been described previously in the report required by subsection (a), that involves a Federal contribution in excess of $500,000.

"SEC. 1108. PARTNERSHIP PAYMENTS.

"(a)(1) Partnership agreements entered into by the Secretary may require a person or other entity to make payments to the Department, or any other Federal agency, as a condition for receiving support under the agreement.

"(2) The amount of any payment received by the Federal Government pursuant to a requirement imposed under paragraph (1) may be credited, to the extent authorized by the Secretary, to the account established under paragraph (3). Amounts so credited shall be available, subject to appropriations, for partnerships.

"(3) There is hereby established in the United States Treasury an account to be known as the 'Department of Energy Partnership Fund'. Funds in such account shall be available to the Secretary for the support of partnerships.

"(b) The Secretary may advance funds under any partnership without regard to section 3324 of title 31 of the United States Code to—

"(1) small businesses;

"(2) not-for-profit organizations that would be exempt under section 501(a) of the Internal Revenue Code of 1986; or

"(3) State or local governmental entities.

"SEC. 1109. LABORATORY PARTNERSHIP ADVISORY BOARD AND INDUSTRIAL ADVISORY GROUPS AT MULTI-PROGRAM DEPARTMENTAL LABORATORIES.

"(a)(1) The Secretary shall establish within the Department an advisory board to be known as the "Laboratory Partnership Advisory Board", to provide the Secretary with advice on the implementation of this title.

"(2) The membership of the Laboratory Partnership Advisory Board shall consist of persons who are qualified to provide the Secretary with advice on the implementation of this title. Members of the Board shall include representatives primarily from United States industry but shall also include representatives from—

"(A) small businesses;

"(B) private sector entities owned or controlled by disadvantaged persons;

"(C) educational institutions, including representatives from minority colleges or universities;

"(D) laboratories of other Federal agencies; and

"(E) professional and technical societies in the United States.

"(3) The Laboratory Partnership Advisory Board shall request comment and suggestions from departmental laboratories to assist the Board in providing advice to the Secretary on the implementation of this title.

"(b) The director of each multiprogram departmental laboratory shall establish an advisory group consisting of persons from United States industry to—

"(1) evaluate new initiatives proposed by the departmental laboratory;

"(2) identify opportunities for partnerships with United States industry; and

"(3) evaluate ongoing programs at the departmental laboratory from the perspective of United States industry.

"(c) Nothing in this section is intended to preclude the Secretary or the director of a departmental laboratory from utilizing existing advisory boards to achieve the purposes of this section.

"SEC. 1110. FELLOWSHIP PROGRAM.

"The Secretary shall encourage scientists, engineers and technical staff from departmental laboratories to serve as visiting fellows in research and manufacturing facilities of industrial organizations, State and local governments, and educational institutions in the United States and foreign countries. The Secretary may establish a formal fellowship program for this purpose or may authorize such activities on a case-by-case basis. The Secretary shall also encourage scientists and engineers from United States industry to serve as visiting scientists and engineers in the departmental laboratories.

"SEC. 1111. COOPERATION WITH STATE AND LOCAL PROGRAMS FOR TECHNOLOGY DEVELOPMENT AND DISSEMINATION.

"The Secretary and the director of each departmental laboratory shall seek opportunities to coordinate their activities with programs of State and local governments for technology development and dissemination, including programs funded in part by the Secretary of Defense pursuant to section 2523 of title 10, of the United States Code, and section 2513 of title 10, of the United States Code, and programs funded in part by the Secretary of Commerce pursuant to sections 25 and 26 of the Act of March 3, 1901 (15 U.S.C. 278k and 278l), and section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 278l note).

"SEC. 1112. AVAILABILITY OF FUNDS FOR PARTNERSHIPS.

"(a) All of the funds authorized to be appropriated to the Secretary for research, development, demonstration or commercial application activities, other than atomic energy defense programs, shall be available for partnerships to the extent such partnerships are consistent with the goals and objectives of such activities.

"(b) All of the funds authorized to be appropriated to the Secretary for research, development, demonstration or commercial application of dual-use technologies within the Department's atomic energy defense activities shall be available for partnerships to the extent such partnerships are consistent with the goals and objectives of such activities.

"(c) Funds authorized to be appropriated to the Secretary and made available for departmental laboratory-directed research and development shall be available for any partnership.

"SEC. 1113. PROTECTION OF INFORMATION.

"Section 12(c)(7) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(7)), relating to the protection of information, shall apply to the partnership activities undertaken by the Secretary and by the directors of the departmental laboratories.

"SEC. 1114. FAIRNESS OF OPPORTUNITY.

"(a) The Secretary and the director of each departmental laboratory shall institute procedures to ensure that information on laboratory capabilities and arrangements for participating in partnerships with the Secretary or the departmental laboratories is publicly disseminated.

"(b) Prior to entering into any partnership having a Federal contribution in excess of $5,000,000, the Secretary or director of a departmental laboratory shall ensure that the opportunity to participate in such partnership has been publicly announced to potential participants.

"(c) In cases where the Secretary or the director of a departmental laboratory believes a potential partnership activity would benefit from broad participation from the private sector, the Secretary or the director of such departmental laboratory may take such steps as may be necessary to facilitate formation of a United States industry consortium to pursue the partnership activity.

"SEC. 1115. PRODUCT LIABILITY.

"The Secretary, after consultation with the Laboratory Partnership Advisory Board established in section 1109, and the Attorney General shall enter into a memorandum of understanding establishing a consistent policy and standards regarding the liability of the United States, of the non-Federal entity operating a departmental laboratory and of any other party to a partnership for product liability claims arising from partnership activities. The Secretary and the director of each departmental laboratory shall, to the maximum extent practicable, incorporate into any partnership the policy and standards established in the memorandum of understanding.

"SEC. 1116. INTELLECTUAL PROPERTY.

"The Secretary shall, after consultation with the Laboratory Partnership Advisory Board established in section 1109, develop guidelines governing the application of intellectual property laws by the Secretary and by the director of each departmental laboratory in partnership arrangements.

"SEC. 1117. SMALL BUSINESS.

"(a) The Secretary shall develop simplified procedures and guidelines for partnerships involving small businesses to facilitate access to the resources and capabilities of the departmental laboratories.

"(b) Notwithstanding any other law, the Secretary may waive, in whole or in part, any cost-sharing requirement for a small business involved in a partnership if the Secretary determines that the cost-sharing requirement would impose an undue hardship on the small business and would prevent the formation of the partnership.

"(c) Notwithstanding section 12(d) of the Stevenson-Wydler Innovation Act of 1980 (15 U.S.C. 3710a(d)(1)), the Secretary may provide funds as part of a cooperative research and development agreement to a small business if the Secretary determines that the funds are necessary to prevent imposing an undue hardship on the small business and necessary for the formation of the cooperative research and development agreement.

"SEC. 1118. MINORITY COLLEGE AND UNIVERSITY REPORT.

"Within one year after the date of enactment of this title, and annually thereafter, the Secretary shall submit to the Committee on Energy and Natural Resources of the United States Senate and to the United States House of Representatives a report identifying opportunities for minority colleges and universities to participate in programs and activities being carried out by the Department or the departmental laboratories. The Secretary shall consult with representatives of minority colleges and universities in preparing the report. Such report shall—

"(a) describe ongoing education and training programs being carried out by the Department or the departmental laboratories with respect to or in conjunction with minority colleges and universities in the areas of mathematics, science, and engineering;

"(b) describe ongoing research, development demonstration or commercial application activities involving the Department or the departmental laboratories and minority colleges and universities;

"(c) describe funding levels for the programs and activities described in subsections (a) and (b);

"(d) identify ways for the Department or the departmental laboratories to assist minority colleges and universities in providing education and training in the fields of mathematics, science, and engineering;

"(e) identify ways for the Department or the departmental laboratories to assist minority colleges and universities in entering into partnerships;

"(f) address the need for and potential role of the Department or the departmental laboratories in providing to minority colleges and universities the following:

"(1) increased research opportunities for faculty and students;

"(2) assistance in faculty development and recruitment and curriculum enhancement and development; and

"(3) laboratory instrumentation and equipment, including computer equipment, through purchase, loan, or other transfer;

"(g) address the need for and potential role of the Department or departmental laboratories in providing funding and technical assistance for the development of infrastructure facilities, including buildings and laboratory facilities at minority colleges and universities; and

"(h) make specific proposals and recommendations, together with estimates of necessary funding levels, for initiatives to be carried out by the Department or the departmental laboratories to assist minority colleges and universities in providing education and training in the areas of mathematics, science, and engineering, and in entering into partnerships with the Department or departmental laboratories.

"SEC. 1119. MINORITY COLLEGE AND UNIVERSITY SCHOLARSHIP PROGRAM.

"The Secretary shall establish a scholarship program for students attending minority colleges or universities and pursuing a degree in energy-related scientific, mathematical, engineering, and technical disciplines. The program shall include tuition assistance. The program shall provide an opportunity for the scholarship recipient to participate in an applied work experience in a departmental laboratory. Recipients of such scholarships shall be students deemed by the Secretary to have demonstrated (1) a need for such assistance and (2) academic potential in the particular area of study. Scholarships awarded under this program shall be known as Secretary of Energy Scholarships.".

(b) CONFORMING AMENDMENT—The table of contents of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) is amended by adding at the end thereof the following items:

"TITLE XI—TECHNOLOGY PARTNERSHIPS

"Sec. 1101. Finding, Purposes and Definitions.
"Sec. 1102. General Authority.
"Sec. 1103. Establishment of Goal for Partnerships Between Departmental Laboratories and United States Industry.
"Sec. 1104. Role of the Department in the Development of Critical Technology Strategies.
"Sec. 1105. Partnership Preferences.
"Sec. 1106. Evaluation of Partnership Programs.
"Sec. 1107. Annual Report.
"Sec. 1108. Partnership Payments.
"Sec. 1109. Laboratory Partnership Advisory Board and Industrial Advisory Groups at Multi-Program Departmental Laboratories.
"Sec. 1110. Fellowship Program.
"Sec. 1111. Cooperation with State and Local Programs for Technology Development and Dissemination.
"Sec. 1112. Availability of Funds for Partnerships.
"Sec. 1113. Protection of Information.
"Sec. 1114. Fairness of Opportunity.
"Sec. 1115. Product Liability.
"Sec. 1116. Intellectual Property.
"Sec. 1117. Small Business.
"Sec. 1118. Minority College and University Report.
"Sec. 1119. Minority College and University Scholarship program.".

SEC. 4. NATIONAL ADVANCED MANUFACTURING TECHNOLOGIES PROGRAM.

The Secretary is encouraged to use partnerships to expedite the private sector deployment of advanced manufacturing technologies as required by section 2202(a) of the Energy Policy Act of 1992 (42 U.S.C. 13502).

SEC. 5. NOT-FOR-PROFIT ORGANIZATIONS.

The Secretary shall encourage the establishment of not-for-profit organizations, such as the Center for Applied Development of Environmental Technology (CADET), that will facilitate the transfer of technologies from the departmental laboratories to the private sector.

SEC. 6. CAREER PATH PROGRAM.

(a) The Secretary, utilizing authority under other applicable law and the authority of this section, shall establish a career path program to recruit employees of the national laboratories to serve in positions in the Department.

(b) Section 207 of title 18, United States Code, is amended by inserting after subsection (j)(6) the following:

"(7) NATIONAL LABORATORIES.—(A) The restrictions contained in subsections (a), (b), (c), and (d) shall not apply to an appearance or communication made, or advice or aid rendered by a person employed at a facility described in subparagraph (B), if the appearance or communication is made on behalf of the facility or the advice or aid is provided to the contractor of the facility.

"(B) This paragraph applies to the following: Argonne National Laboratory, Brookhaven National Laboratory, Idaho National Engineering Laboratory, Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, Los Alamos National Laboratory, National Renewable Energy Laboratory, Oak Ridge National Laboratory, Pacific Northwest Laboratory, and Sandia National Laboratories.".

(c) Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. section 423) is amended by inserting the following new subsection:

"(q) NATIONAL LABORATORIES.—(1) The restrictions on obtaining a recusal contained in paragraphs (c)(2) and (c)(3) shall not apply to discussions of future employment or business opportunity between a procurement official and a competing contractor managing and operating a facility described in paragraph (3): *Provided*, That such discussions concern the employment of the procurement official at such facility.

"(2) The restrictions contained in paragraph (f)(1) shall not apply to activities performed on behalf of a facility described in paragraph (3).

"(3) This subsection applies to the following: Argonne National Laboratory, Brookhaven National Laboratory, Idaho National Engineering Laboratory, Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, Los Alamos National Laboratory, National Renewable Energy Laboratory, Oak Ridge National Laboratory, Pacific Northwest Laboratory, and Sandia National Laboratories.".

SEC. 7. STANDARDIZATION OF REQUIREMENTS AFFECTING DEPARTMENT OF ENERGY EMPLOYEES.

(a) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218) is repealed.

(b) The table of contents for the Department of Energy Organization Act is amended by striking out the matter relating to part A of title VI.

SEC. 8. DOE MANAGEMENT.

(a) Section 202(a) of the Department of Energy Organization Act (42 U.S.C. 7132(a)) is amended by striking "Under Secretary" and inserting in its place "Under Secretaries".

(b) Section 202(b) of the Department of Energy Organization Act (42 U.S.C. 7132(b)) is amended to read as follows:

"(b) There shall be in the Department three Under Secretaries and a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform functions and duties the Secretary prescribes. The Under Secretaries shall be compensated at the rate for level III of the Executive Schedule under section 5314 of title 5, United States Code, and the General Counsel shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

SEC. 9. AMENDMENTS TO STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT.

(a) Section 12(a) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(a)) is amended by striking ", to the extent provided in any agency-approved joint work statement,".

(b) Section 12(b) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(b)) is amended by striking ", to the extent provided in any agency-approved joint work statement,".

(c) Section 12(c)(5) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(5)) is amended—

(1) by amending subparagraph (C)(i) to read as follows:

"(C)(i) Any agency that has contracted with a non-Federal entity to operate a laboratory shall review and approve, request specific modifications to, or disapprove a cooperative research and development agreement that is submitted by the director of such laboratory within thirty days after such submission. If an agency has requested specific modifications to a cooperative research and development agreement, the agency shall approve or disapprove any resubmission of such cooperative research and development agreement within fifteen days after such resubmission. Except as provided in subparagraph (D), no agreement may be entered into by a Government-owned, contractor-operated laboratory under this section before approval of the cooperative research and development agreement.";

(2) by amending subparagraph (C)(ii) to read as follows:

"(ii) If an agency that has contracted with a non-Federal entity to operate a laboratory disapproves or requests the modification of a cooperative research and development agreement submitted under clause (i), the agency shall promptly transmit a written explanation of such disapproval or modification to the director of the laboratory concerned.";

(3) by amending subparagraph (C)(iii) to read as follows:

"(iii) Any agency that has contracted with a non-Federal entity to operate a laboratory shall develop and provide to such laboratory a model cooperative research and development agreement, and guidelines for using such an agreement, for the purposes of standardizing practices and procedures, resolving common legal issues, and enabling negotiation and review of a cooperative research and development agreement to be carried out in a routine and prompt manner.";

(4) by striking subparagraph (C)(iv);

(5) by amending subparagraph (C)(v) to read as follows:

"(iv) If an agency fails to complete a review under clause (i) within any of the specified time-periods, the agency shall submit to the Congress, within 10 days after the failure to complete the review, a report on the reasons for such failure. The agency shall, at the end of each successive 15-day period thereafter during which such failure continues, submit to Congress another report on the reasons for the continued failure.";

(6) by striking subparagraph (C)(vi); and

(7) by amending subparagraph (D) to read as follows:

"(D)(i) Any agency that has contracted with a non-Federal entity to operate a laboratory may permit the director of a laboratory to enter into a cooperative research and development agreement without the submission, review, and approval of the agreement under subparagraph (C)(i) if: the Federal share under the agreement does not exceed $500,000 per year, or any amount the head of the agency may prescribe; the text of the cooperative research and development agreement is consistent with a model agreement under subparagraph (C)(iii); the agreement is entered into in accord with the agency's guidelines under subparagraph (C)(iii); and the agreement is consistent with and furthers an assigned laboratory mission.

"(ii) The director of a laboratory shall notify the head of the agency of the purpose and scope of an agreement entered into under this subparagraph. The agency shall include in its annual report required by section 11(f) of this Act (15 U.S.C. 3710(f)) an assessment of the implementation of this subparagraph including a summary of agreements entered into by laboratory directors under this subparagraph.".

(d) Section 12(d) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)) is amended—

(1) in paragraph (1) by inserting "and" after the second semicolon;

(2) in paragraph (2)—

(A) by striking "substantial" before "purpose" in subparagraph (B);

(B) by striking "the primary purpose" and inserting "one of the purposes" in subparagraph (C); and

(C) by striking "; and" the second time it appears and inserting a period; and

(3) by striking paragraph (3).

SEC. 10. GUIDELINES.

The implementation of the provisions of this Act shall not be delayed pending the issuance of guidelines, policies or standards required by sections 1105, 1115 and 1116 of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) as added by section 3 of this Act.

SEC. 11. AUTHORIZATION.

(a) In addition to funds made available for partnerships under section 1112 of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) as added by section 3 of this Act, there is authorized to be appropriated from funds otherwise available to the Secretary—

(1) for partnership activities with industry in areas other than atomic energy defense activities $100,000,000 for fiscal year 1994, $140,000,000 for fiscal year 1995, $180,000,000 for fiscal year 1996 and $220,000,000 for fiscal year 1997; and

(2) for partnership activities with industry involving dual-use technologies within the Department's atomic energy defense activities $240,000,000 for fiscal year 1994, $290,000,000 for fiscal year 1995, $350,000,000 for fiscal year 1996 and $400,000,000 for fiscal year 1997.

(b) There is authorized to be appropriated to the Secretary for the Minority College and University Scholarship Program established in section 1119 of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) as added by section 3 of this Act $1,000,000 for fiscal year 1994, $2,000,000 for fiscal year 1995 and $3,000,000 for fiscal year 1996.

(c) There is authorized to be appropriated to the Secretary for research or educational programs, carried out through partnerships or otherwise, and for related facilities and equipment that involve minority colleges or universities such sums as may be necessary.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

UNWARRANTED ACTION BY THE GOVERNMENT OF FRANCE

Mr. HOLLINGS. Madam President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of Senate Resolution 183, a resolution condemning the actions of the Government of France and their effect on United States seafood producers; that the Senate proceed to its immediate consideration, that the resolution and the preamble be agreed to; that the motions to reconsider be laid on the table en bloc and any statements thereon appear at the appropriate place in the RECORD as though read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Madam President, I join in expressing my strong disapproval of the continuing actions by the French Government against United States seafood imports. There is no justification for France's protectionist actions against these imports. The actions clearly violate the international trade agreements that we have negotiated in good faith with both France and the European Union.

The continued harassment by France has resulted in serious damage to American fishermen. The United States fishing industry exports thousands of dollars worth of fresh seafood each day to France. New England fisherman have already been hard hit by the recent recession, and they certainly cannot afford to suffer further economic loss as a result of unjust French trade policies.

Although France recently added the United States to its list of countries from which seafood products can be imported, France continues to harass our products by requiring them to undergo rigorous and unwarranted inspections. In addition, certain ports of entry into France remain closed to our imports. These unnecessary obstructions, restrictions, and needless delays have resulted in the spoilage of many fresh seafood products.

The trade barriers that France continues to impose on these imports must be eliminated immediately. The Senate resolution that we are introducing today urges France to comply with international trade regulations and end its harassment of United States seafood imports. It also asks restitution to the American fishing industry for the damage that has been suffered, and it urges the President to identify appropriate countermeasures to be taken against France if this distressing situation is not resolved immediately.

GOVERNMENT OF FRANCE DISRUPTION OF SEAFOOD IMPORTS

Mr. KERRY. Madam President, I would like to report on the recent events in France where French fishermen strikes demanding higher prices for their products turned into angry riots. The Government of France, in an attempt to prevent its rebellious fishermen from taking further violent actions initiated a ban of United States Seafood Products on February 5, 1994, followed 4 days later by the lifting of the ban and the imposition of an arduous and unjustified 100-percent United States seafood inspection program. Accompanying these actions was the closure of the primary point of entry of fresh seafood products, Charles de Gaulle Airport, to U.S. products. These actions were in direct contravention of French and European international trade obligations.

The immediate effect of France's actions was striking. Approximately 25 to 30 tons of fresh fish, valued at $250,000, was stranded without refrigeration at the customs office at Charles de Gaulle Airport where began to rot and had to be destroyed. The long-term effects of these policies were just as significant since the United States fishing industry, especially the portion that deals in fresh products, expects to lose $200,000 per month as the actions of the French continue.

I applaud the swift and firm actions of U.S. Trade Representative Ambassador Michael Kantor, the State Department, the Department of Commerce, and the rest of the Federal agencies that are working to resolve this urgent problem. The administration quickly convened all the concerned agencies with the Trade Representative taking the lead. The Trade Representative began a series of communications with the Government of France in an effort to resolve the problems. This coordination and communication process with another country normally could take weeks or months. However, the Federal agencies involved have recognized the urgency of this problem and the process was completed in a few days. Most significantly, Ambassador Kantor's letter of March 3, 1994, advised the Government of France of the seriousness of its actions and the unacceptability of its responses and warned that retaliatory measures were imminent if it did not properly address the situation and restore free trade.

Up to this point things did not look good for those involved in the industry of exporting U.S. fish products. The main point of entry for fresh seafood products, Charles de Gaulle Airport, remained closed and all products were being subjected to 100 percent testing under obsolete standards that were established in 1979 and, until now, had not been recently enforced. This had disastrous affects on the seafood producers, especially in Massachusetts. I have heard from the owners of fresh fish processing and exporting companies in New England that have closed down operations, one employing 65 people, since their markets have been closed. Other exporters using alternate routes through other European Union countries have been operating at little or no profit in order to keep their customers in France supplied with products. Many companies are hurting badly since France is the only market for many so called underutilized species or alternate species, including dogfish, skate and monkfish. Other companies dealing in frozen products are taking a chance and continuing to ship their products by ships, hoping that these cargoes will pass the ambiguous inspection standards and will be allowed to enter, even though it may take weeks longer than before. But despite this severe damage already caused to the United States seafood industry, it is an uncertainty about what standards the Government of France is applying and what steps it is going to take next that is really worrying the industry.

The actions of France and uncertainty of the availability of markets are compounding the problems of the New England fishing industry that is bracing itself for the implementation of Commerce Department regulations that are reducing fishing of traditional groundfish species including cod and haddock by half over the next 5 years. The new regulations alone are expected to have disastrous effects on traditional fishing communities like New Bedford and Gloucester.

I have been in continuous contact with the Secretary of Commerce, the United States Trade Representative, the State Department, and the National Marine Fisheries Service and they have done a good job of briefing Congress and affected industry representatives, formally and informally, about the progress of negotiations with France. Senator KENNEDY, Congressman FRANK, and I have personally encouraged Secretary Brown to continue efforts to lift the de facto French embargo. I have continued to provide the Trade Representative and the State Department with examples of the impact these restrictions are having on the New England fishing industry. Senator KENNEDY and I, along with Senators PELL, MITCHELL, COHEN, STEVENS, and MURKOWSKI introduced the resolution now before the Senate to call upon the Government of France to stop its harassment of U.S. seafood imports and to ask for President Clinton to identify areas for retaliatory trade sanctions against France. In the House, Representatives FRANK, STUDDS, and TORKILDSEN introduced a resolution with a similar purpose. These resolutions send a message to the Government of France about the seriousness of its actions. Additionally, letters have been sent, signed by a number of Members of both houses, to the French Ambassador to the United States and the appropriate French Ministries urging the Government of France to take immediate action to end its harassment of United States seafood importers so that the need for such countermeasures is avoided.

I was encouraged by the recent developments on March 4, 1994 when Ambassador Kantor advised that he had reached preliminary understandings with French officials in order to resolve their differences and restore the normal flow of U.S. seafood exports to France. Ambassador Kantor also advises that the French authorities have reopened Charles de Gaulle Airport to fish trade and have resumed normal spot inspection procedures as of Monday, March 7, 1994. However, the reinstitution of normal inspection procedures applies only to those exporters whose prior shipments were found not to raise any concerns. I also am glad to hear that the French officials have advised that future seafood testing will be conducted in a manner that does not lead to any deterioration of the products tested nor cause commercial harm to the companies involved. I realize that there are several technical questions remaining and that to resolve these a team of United States health experts has flown to France and is meeting with the French to discuss the inspection standards and methodologies employed by the French. I look forward to their report.

Many of my congressional colleagues and I are not satisfied that the situation is resolved. For this reason we are continuing action on this resolution. Congressman STUDDS, who chairs the

House Merchant Marine and Fisheries Committee, has scheduled a hearing on the matter on Thursday, March 10, 1994, before the Subcommittee on Fisheries Management to be chaired by Congressman MANTON. I look forward to testifying at the hearing and listening to the agencies' up-to-date reports on the situation.

I join Ambassador Kantor in welcoming the commitments made by French authorities to remove the impediments to trade they imposed. However, in light of the comments by French Premier Edouard Balladur on March 5, 1994, that American threats to retaliate for French restrictions on fish imports amount to a breach of international trade rules, I will not be satisfied that this trade problem has been resolved until I confirm that the technical problems have been worked out, the United States fishing and exporting industry is back to normal, and the flow of free trade has been restored.

I hope that this problem is, indeed, moving to a quick conclusion. But if the Government of France reneges, I believe the United States will have no choice except to carry out the actions called for in the Senate and House resolutions and implement appropriate trade sanctions against France.

I want to thank the distinguished chairman of the Foreign Relations Committee and the ranking member, and the staff of the majority and the minority, for their assistance in moving this resolution to passage today. I also want to express special appreciation to Penny Dalton of the Commerce Committee's national ocean policy study staff, Steve Metruck, a fellow in my office, and Kate English and Sarah Woodhouse of my staff for their work on this issue and the resolution.

I yield the floor, and urge speedy adoption of the resolution.

So the resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 183), with its preamble, is as follows:

S. RES. 183

Whereas the United States sells over $100 million of fresh and frozen seafood products to France annually;

Whereas the actions of the Government of France are adversely affecting the United States fishing industry;

Whereas this adverse effect is particularly severe on those parts of the industry that harvest, process, and market fresh "underutilized species" such as dogfish, monkfish and skate, and causes disruptions to the normal flow of commerce for developed United States fisheries such as salmon and groundish;

Whereas the French markets for these species and other species are important since Europeans, particularly the French, value fresh seafood products highly;

Whereas the Government of France is continuing to require inspections and testing, despite accepting the existing United States seafood certification programs of the National Marine Fisheries Service and the Food and Drug Administration;

Whereas the Government of France's additional inspections and testing are continuing without adequate justification or evidence of human health risks;

Whereas the unsubstantiated additional inspections and testing required by the Government of France, which can take up to four days, delay the delivery of fresh seafood products to the point where they begin to spoil and thus have effectively closed the French market to fresh United States seafood products; and

Whereas the harassment by the Government of France of seafood producers and products from the United States violates international agreements and raises serious questions about the usefulness of entering into agreements with the European Union and France: Now, therefore, be it

Resolved, That the Senate—

(a) calls upon the Government of France to stop immediately its harassment of United States seafood producers and products;

(b) demand that the Government of France compensate United States companies that have had seafood products damaged by its actions; and

(c) calls upon the President of the United States to identify appropriate forms of sanctions that can be taken against the Government of France for its egregious violation of international agreements.

AUTHORIZATION FOR TESTIMONY OF SENATE EMPLOYEES

Mr. HOLLINGS. Madam President, on behalf of the majority leader and the Republican leader, I send a resolution to the desk authorizing the testimony of Senate employees. I ask unanimous consent that the Senate proceed to its immediate consideration, the resolution be adopted, the preamble be agreed to, that the motion to reconsider be laid upon the table, and a statement by the majority leader be placed in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Madam President, in *Haywood Galbreath* v. *Associated Press*, case No. CV 933132 RJK, pending in the U.S. District Court for the Central District of California, the plaintiff seeks damages from the defendant Associated Press for, among other things, alleged interference with prospective economic advantage. The plaintiff contends that the actions of the Associated Press caused him to be denied press credentials for the 1993 Presidential inaugural ceremonies at the Capitol. This occurred, it is alleged, because the Standing Committee of Press Photographers, which issued the credentials, was chaired by an employee of Associated Press.

The defendant Associated Press has requested that Maurice Johnson, the superintendent of the Senate Press Photographers' Gallery, provide testimony concerning the process of granting press credentials for the inaugural ceremonies. The Joint Congressional Committee on Inaugural Ceremonies was responsible for making the necessary arrangements for the inaugural ceremonies. Mr. Johnson assisted in the task of allocating press credentials for the inaugural ceremonies.

This lawsuit involves a dispute solely between private parties. There is no claim that any committee or employee of the Congress acted improperly, nor is the Standing Committee of Press Photographers a defendant. The inaugural ceremony is a congressional function, and the courts have held, *Consumers Union of United States, Inc.* v. *Periodical Correspondents' Association*, 515 F.2d 1341, 1351 (D.C. Cir. 1975), cert. denied, 423 U.S. 1051 (1976), that the responsibility for press accreditation in the Congress is committed to the Congress and not subject to judicial review. Nevertheless, in the interests of justice, the Senate may provide evidence under its control to aid the court in evaluating the claims between private parties in this case.

The proposed resolution would authorize testimony by Maurice Johnson, as well as the production of documents and the testimony of any other Senate employee that may be required. It also would authorize the Senate legal counsel to represent any employees in connection with their testimony or the production of documents in this case.

So the resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 186), with its preamble, is as follows:

S. RES. 186

Whereas, in the case of *Haywood Galbreath* v. *Associated Press*, Case No. CV 933132, pending in the United States District Court for the Central District of California, the defendant Associated Press seeks the testimony of Maurice Johnson, an employee of the Senate who is the Superintendent of the Press Photographers' Gallery of the Senate;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2) (1988), the Senate may direct its counsel to represent committees, Members, officers and employees of the Senate with respect to testimony and documents provided in their official capacity: Now, therefore, be it

Resolved, That Maurice Johnson, and any other employee of the Senate from whom testimony or the production of documents is required, are authorized to testify and to produce documents in the case of *Haywood Galbreath* v. *Associated Press*, except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is directed to represent Maurice Johnson, and any other employee of the Senate whose testimony is required, in connection with the testimony and production of documents authorized under section 1.

Mr. HOLLINGS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF GEORGE MITCHELL

Mr. PELL. Madam President, I wish to add my own expression of dismay and true regret at the announcement over the past weekend that our very wonderful colleague and highly respected leader, GEORGE MITCHELL, has decided to end his Senate career at the conclusion of this session.

This is hard news for the Senate, for New England, and indeed for the Nation. GEORGE MITCHELL has become an important part of the fabric which binds us all together.

The Senate in particular is a better place for having had the benefit of his steady leadership and his special gift for effective advocacy. He addresses the issues before this body with precision, clarity and, for most of us, great persuasiveness.

And he has run the cumbersome machinery of our Senate with real skill, while maintaining a solid base of good faith on both sides of the aisle.

His will be a hard act to follow and we will have to set high standards in choosing his successor.

I can fully appreciate the leader's desire to set aside the burden of his job and pursue other interests. I regret that he came to his decision at this particular time, but I wish him well and I pledge him my fullest support for the remainder of his tenure.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. Boxer). Without objection, it is so ordered.

NATIONAL FISH AND WILDLIFE FOUNDATION IMPROVEMENT ACT OF 1994

Mr. MITCHELL. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 368, S. 476, the National Fish and Wildlife Foundation Improvement Act of 1994; that the committee substitute amendment be agreed to, and the bill, as amended, be deemed read the third time, passed, and the motion to reconsider be laid upon the table, that any statements and colloquies appear in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the following bill (S. 476) to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act, which had been reported from the Committee on Environment and Public Works with an amendment to strike out all after the enacting clause and inserting in lieu thereof the following:

TITLE I—AMENDMENTS TO NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "National Fish and Wildlife Foundation Improvement Act of 1994".

SEC. 102. COOPERATIVE PROGRAMS WITH NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

Section 2(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701(b)(1)) is amended by inserting "and the National Oceanic and Atmospheric Administration" after "the United States Fish and Wildlife Service".

SEC. 103. MEMBERSHIP OF BOARD OF DIRECTORS OF FOUNDATION.

(a) CONSULTATIONS REGARDING APPOINTMENTS.—

(1) IN GENERAL.—Section 3(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(b)) is amended by adding at the end the following new sentence: "The Secretary of the Interior shall consult with the Under Secretary of Commerce for Oceans and Atmosphere before appointing any Director of the Board.".

(2) APPLICATION.—The amendment made by paragraph (1) shall apply to appointments of Directors of the Board of Directors of the National Fish and Wildlife Foundation made after the date of enactment of this Act.

(b) EXPANSION OF BOARD.—Section 3(a) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "nine" and inserting "15"; and

(2) in paragraph (2), by striking "three" and inserting "4".

(c) INITIAL TERMS.—Of the Directors on the Board of Directors of the National Fish and Wildlife Foundation first appointed pursuant to the amendment made by subsection (b)(1), notwithstanding the second sentence of section 3(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(b))—

(1) 2 shall be appointed to a term of 2 years;

(2) 2 shall be appointed to a term of 4 years; and

(3) 2 shall be appointed to a term of 6 years;

as specified by the Secretary of the Interior at the time of appointment.

(d) COMPLETION OF APPOINTMENTS.—Not later than 60 days after the date of enactment of this Act, the Secretary of the Interior shall appoint the additional members of the Board of Directors of the National Fish and Wildlife Foundation referred to in subsection (c).

(e) AUTHORITY OF BOARD NOT AFFECTED.—The authority of the Board of Directors of the National Fish and Wildlife Foundation to take any action otherwise authorized by law shall not be affected by reason of the Secretary of the Interior not having completed the appointment of Directors of the Board of Directors of the National Fish and Wildlife Foundation pursuant to the amendment made by subsection (b)(1).

SEC. 104. REAUTHORIZATION OF NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT.

(a) REAUTHORIZATION.—Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended—

(1) in subsection (a), by striking "not to exceed $15,000,000" and all that follows through the end of the sentence and inserting "$25,000,000 for each of fiscal years 1994, 1995, 1996, 1997, and 1998."; and

(2) by adding at the end the following new subsection:

"(c) ADDITIONAL AUTHORIZATION.—The amounts authorized to be appropriated under this section are in addition to any amounts provided or available to the Foundation under any other Federal law.".

(b) CLERICAL AMENDMENT.—Section 10(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(b)(1)) is amended by striking "paragraphs (2) and (3)," and inserting "paragraph (2),".

SEC. 105. CONVEYANCE OF SENECAVILLE NATIONAL FISH HATCHERY.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law and not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall convey to the State of Ohio without reimbursement all right, title, and interest of the United States in and to the property known as the Senecaville National Fish Hatchery, located in Senecaville, Ohio, including—

(1) all easements and water rights relating to that property; and

(2) all land, improvements, and related personal property comprising that hatchery.

(b) USE OF PROPERTY.—All property and interests conveyed under this section shall be used by the Ohio Department of Natural Resources for the Ohio fishery resources management program.

(c) REVERSIONARY INTEREST.—All right, title, and interest in and to all property and interests conveyed under this section shall revert to the United States on any date on which any of the property or interests are used other than for the Ohio fishery resources management program.

TITLE II—BROWNSVILLE WETLANDS POLICY CENTER

SEC. 201. SHORT TITLE.

This title may be cited as the "Brownsville Wetlands Policy Act of 1994".

SEC. 202. ESTABLISHMENT OF WETLANDS POLICY CENTER AT THE PORT OF BROWNSVILLE, TEXAS.

(a) ESTABLISHMENT OF CENTER.—For purposes of utilizing grants made by the United States Fish and Wildlife Service, there may be established in accordance with this title, on property owned or held in trust by the Brownsville Navigation District at the Port of Brownsville, Texas, a wetlands policy center which shall be known as the "Brownsville Wetlands Policy Center at the Port of Brownsville, Texas" (referred to in this title as the "Center"). The Center shall be operated and maintained by the Port of Brownsville with programs to be administered by the University of Texas at Brownsville.

(b) MISSION OF THE CENTER.—The primary mission of the Center shall be to utilize the unique wetlands property at the Port of Brownsville and adjacent waters of South Texas to focus on wetland matters for the purposes of protecting, restoring, and maintaining the Lagoon Ecosystems of the Western Gulf of Mexico Region.

(c) Board of Directors.—The Center shall be governed by a Board of Directors to oversee the management and financial affairs of the Center. The Board of Directors shall be cochaired by the Port of Brownsville, the University of Texas at Brownsville, and the designee of the Director of the Fish and Wildlife Service, and shall include as members other representatives considered appropriate by those cochairs.

(d) Oversight of the Center.—

(1) Annual report.—The Board of Directors of the Center shall prepare an annual report and submit the report through the Director of the United States Fish and Wildlife Service to Congress.

(2) Contents.—Annual reports under this subsection shall cover the programs, projects, activities, and accomplishments of the Center. The reports shall include a review of the budget of the Center, including all sources of funding received to carry out Center operations.

(3) Availability of information.—The Board of Directors of the Center shall make available all pertinent information and records to allow preparation of annual reports under this subsection.

(4) General accounting office.—The Comptroller General of the United States shall periodically submit to Congress reports on the operations of the Center.

SEC. 203. GRANTS.

The Director of the United States Fish and Wildlife Service shall, subject to the availability of appropriations, make grants to the Center for use for carrying out activities of the Center.

SEC. 204. LEASE.

The Director of the United States Fish and Wildlife Service, subject to the availability of appropriations, may enter into a long-term lease with the Port of Brownsville for use by the Center of wetlands property owned by the Port of Brownsville. Terms of the lease shall be negotiated, and the lease shall be signed by both parties, prior to the disposal of any Federal funds pursuant to this title. The lease shall include a provision authorizing the Director to terminate the lease at any time.

SEC. 205. OTHER REQUIREMENTS.

(a) In General.—As conditions of receiving assistance under this title—

(1) the University of Texas at Brownsville shall make available to the Center for fiscal years 1994, 1995, 1996, and 1997—

(A) administrative office space;

(B) classroom space; and

(C) other in-kind contributions for the Center, including overhead and personnel; and

(2) the Port of Brownsville shall make available up to 7,000 acres of Port Property for the programs, projects, and activities of the Center.

(b) Annual Report.—The Board of Directors of the Center shall include in the annual report of the Board under section 202(d) a statement of whether the conditions referred to in subsection (a) have been met.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the United States Fish and Wildlife Service $5,000,000 for fiscal year 1994, $4,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996, and such sums as may be necessary for fiscal year 1997, for making grants to the Center under section 203, including for use for the establishment, operation, maintenance, and management of the Center.

SEC. 207. RELATIONSHIP OF CENTER WITH THE CENTER FOR ENVIRONMENTAL STUDIES AND SERVICES, CORPUS CHRISTI, TEXAS.

None of the funds appropriated pursuant to this title may be used to relocate any of the administrative operations of the United States Fish and Wildlife Service from the Center for Environmental Studies and Services Building on the campus of Corpus Christi State University, to the Brownsville Wetlands Policy Center at the Port of Brownsville, Texas, established pursuant to this title.

Mr. BAUCUS. Madam President, I am pleased to support S. 476, a bill introduced by my good friend Senator Chafee, the distinguished ranking member of the Environment and Public Works Committee. This bill will reauthorize the National Fish and Wildlife Foundation Establishment Act.

The Foundation is a federally chartered, charitable nonprofit corporation. Formed in 1984, the Foundation administers donations from the private sector to enhance the conservation work of the U.S. Fish and Wildlife Service. The Foundation matches these private donations with Federal appropriations, multiplying their effectiveness. Since its founding, the Foundation has funded over $108 million worth of fish and wildlife conservation projects, while using only $32 million in Federal appropriations.

The Foundation has funded over 870 conservation projects across the Nation and around the world. In my own State of Montana, the Foundation is providing a $12,000 grant for an 8-week environmental field study program for native American youth in Fort Belknap. It has awarded $25,000 to the Rock Creek Advisory Council, a Missoula group, to assist in the purchase of conservation easements which will benefit a blue ribbon trout stream and important bighorn sheep winter habitat. The Foundation is also making a $10,000 grant to the Montana Fish, Wildlife and Parks Department to help acquire 24-acre Eagle Island, located on the Missouri River, valued for its fisheries and wetlands resources.

Projects like these, in Montana and in every other State, are helping improve fish and wildlife conservation in the most cost-effective way possible. The Foundation's efforts are precisely the kind of public-private partnership for conservation that we need more of and that I am proud to support.

The bill before us, S. 476, will enable the Foundation to continue its important work. In addition, the bill authorizes the transfer of the Senecaville National Fish Hatchery to the State of Ohio for use by the Ohio Department of Natural Resources in its fishery management program. The bill also authorizes the establishment of the Brownsville Wetlands Policy Center at the Port of Brownsville, TX.

I urge my colleagues to support passage of S. 476.

Mr. CHAFEE. Madam President, I rise in support of S. 476, a bill I introduced 1 year ago, to reauthorize the National Fish and Wildlife Foundation Establishment Act. The Foundation has proven extremely effective. It advances the conservation of our natural resources through the formation of innovative partnerships between the public and private sectors. This is an organization that deserves our support.

The Foundation was established as a federally chartered but private and independent, nonprofit organization to serve as a link between Government and private efforts to conserve our fish and wildlife resources. It is authorized to receive private donations and matching Federal appropriations to benefit fish and wildlife conservation.

Since the Foundation was established in 1984, it has funded over 870 conservation projects all over the Nation and in 12 foreign countries. The Foundation has used the partnership approach to fund fish and wildlife projects valued at over $108 million—utilizing only $32 million in Federal appropriations. Dollar for dollar the Foundation is one of the most effective organizations for implementing conservation projects, matching every Federal dollar with $2 in nonfederal contributions.

As impressive as these numbers may be, the Foundation's role as a catalyst for conservation efforts goes beyond the specific projects funded. The Foundation has been at the forefront of the effort to form partnerships between Government agencies, conservation organizations, individuals, and corporations interested in conservation of our natural resources. Not only do these partnerships help to stretch scarce Federal dollars, but they encourage greater public participation in conservation programs, setting the stage for future initiatives.

The Foundation has also been instrumental in getting important projects off the ground by providing seed money and expertise, including the North American waterfowl management plan—an initiative to benefit declining populations of waterfowl; Partners in Flight—a program to conserve neotropical migratory birds, including songbirds; and conservation training and education programs.

The bill also authorizes the transfer of the Senecaville National Fish Hatchery to the State of Ohio, for use by the Ohio Department of Natural Resources for its fishery resources management program. In addition, the bill authorizes the U.S. Fish and Wildlife Service to make grants—subject to the availability of appropriations—to establish the Brownsville Wetlands Policy Center at the Port of Brownsville, TX. The center is to be operated and maintained by the Port of Brownsville and the University of Texas at Brownsville.

With our support, the Foundation will continue to be in the forefront of innovative and cost-effective methods to advance the conservation of our fish and wildlife. I urge my colleagues to support the passage of S. 476.

Mrs. HUTCHISON. Madam President, I rise in support of S. 476, legislation reauthorizing and amending the National Fish and Wildlife Foundation Establishment Act.

This legislation contains provisions of significant importance to my home State of Texas and the Nation—establishment of the Brownsville Wetlands Center. Under this bill, the Port of Brownsville, TX, would make available 7,000 acres of wetlands property for the establishment of a center to conduct wetlands research, educate minorities, and analyze current industrial policy as it affects protection of wetlands. This center will be a unique regional and national asset that will allow researchers and policymakers to examine an existing heavy industrial enterprise and how it coexists with wetland ecosystems in the western Gulf of Mexico area. With direct input from the U.S. Fish and Wildlife Service and local universities, the Wetlands Policy Center could soon evolve into a true center of excellence in this important area of wetlands policy research.

I am particularly enthusiastic about the prospects for the center to become a prototype for the development of graduate degree and career opportunities for minorities and women in the area of environmental sciences. The University of Texas at Brownsville, with a student population that is over 75 percent Hispanic, will serve as the anchor of this innovative program, providing unique educational opportunities for minorities and women throughout the Rio Grande Valley region in the areas of environmental protection, science, and engineering. This legislation will make it possible for minorities and women throughout the region to interface with Federal policymakers, agency officials, researchers, and the private sector to focus on new technologies and approaches on the issue of wetlands protection.

I would like to acknowledge my friend and colleague, Congressman SOLOMON ORTIZ, for his efforts in bringing this legislation through the House and into the Senate. I would also like to thank the Senate Environment and public Works Committee for its favorable consideration.

Madam President, I urge my colleagues to vote for passage of S. 476.

Mr. HOLLINGS. Madam President, as chairman of the Committee on Commerce, Science, and Transportation, I would like to discuss with the chairman of the Committee on Environment and Public Works S. 476, the National Fish and Wildlife Foundation Improvement Act of 1994, and the role of the National Oceanic and Atmospheric Administration [NOAA].

Mr. BAUCUS. I would be pleased to discuss S. 476 with the chairman of the Commerce Committee.

Mr. HOLLINGS. Under the Senate rules, the jurisdiction of the Commerce Committee includes such matters as coastal zone management, marine fisheries, and ocean and atmospheric activities. Stemming from that jurisdictional interest, the committee has exercised longstanding oversight over the programs and activities of NOAA.

S. 476 would authorize the National Fish and Wildlife Foundation to encourage, accept, and administer private gifts of property for the benefit of, or in connection with, NOAA activities and services. I understand that the Foundation currently is cooperating with NOAA on fisheries conservation, marine sanctuaries, and other projects. S. 476 would provide explicit authority and direction for these activities.

Given the longstanding jurisdictional interest of the Commerce Committee in NOAA, this committee will continue to exercise its oversight over NOAA activities, including those implemented pursuant to this legislation.

Mr. BAUCUS. Mr. President, I recognize the jurisdiction of the Commerce Committee over NOAA and its marine and estuarine programs. I assure the chairman of the Commerce Committee that nothing in this bill would affect the jurisdiction of the Commerce Committee over NOAA or those activities. Does the ranking Republican on the Environment Committee agree?

Mr. CHAFEE. I agree, Madam President.

Mr. STEVENS. Madam President, I share the concerns of the chairman of the Commerce Committee. My home State of Alaska has over one-half the coastline of the United States. NOAA's work is critical to Alaska, and the jurisdiction of the Commerce Committee over the Department of Commerce and NOAA is one of the main reasons I joined the committee. I would like to ask a question of the distinguished chairman of the Committee on Environment and Public Works regarding S. 476.

Mr. BAUCUS. I would be happy to answer a question from my colleague from Alaska.

Mr. STEVENS. I understand that the Secretary of Interior has the authority for board appointments. What is the understanding of my colleague from Montana about the duty of the Secretary of Interior to consult with the Secretary of Commerce in making these appointments?

Mr. BAUCUS. The Senator from Alaska is correct that the Secretary of Interior has the authority to make the board appointments. However, S. 476 directs the Secretary of Interior to consult with the Under Secretary of Commerce for Oceans and Atmosphere before appointing board members. The committee intends that the consultation of the Secretary of the Interior with the Department of Commerce be meaningful and that the Secretary of Interior give full consideration to the recommendations of the Department of Commerce.

Mr. HOLLINGS. Madam President, I thank the chairman of the Environment and Public Works Committee for addressing these concerns.

So the bill (S. 476), as amended, was deemed read the third time, and passed, as follows:

S. 476

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "National Fish and Wildlife Foundation Improvement Act of 1994".

SEC. 102. COOPERATIVE PROGRAMS WITH NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

Section 2(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701(b)(1)) is amended by inserting "and the National Oceanic and Atmospheric Administration" after "the United States Fish and Wildlife Service".

SEC. 103. MEMBERSHIP OF BOARD OF DIRECTORS OF FOUNDATION.

(a) CONSULTATIONS REGARDING APPOINTMENTS.—

(1) IN GENERAL.—Section 3(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(b)) is amended by adding at the end the following new sentence: "The Secretary of the Interior shall consult with the Under Secretary of Commerce for Oceans and Atmosphere before appointing any Director of the Board.".

(2) APPLICATION.—The amendment made by paragraph (1) shall apply to appointments of Directors of the Board of Directors of the National Fish and Wildlife Foundation made after the date of enactment of this Act.

(b) EXPANSION OF BOARD.—Section 3(a) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "nine" and inserting "15"; and

(2) in paragraph (2), by striking "three" and inserting "4".

(c) INITIAL TERMS.—Of the Directors on the Board of Directors of the National Fish and Wildlife Foundation first appointed pursuant to the amendment made by subsection (b)(1), notwithstanding the second sentence of section 3(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(b))—

(1) 2 shall be appointed to a term of 2 years;

(2) 2 shall be appointed to a term of 4 years; and

(3) 2 shall be appointed to a term of 6 years;

as specified by the Secretary of the Interior at the time of appointment.

(d) COMPLETION OF APPOINTMENTS.—Not later than 60 days after the date of enactment of this Act, the Secretary of the Interior shall appoint the additional members of the Board of Directors of the National Fish and Wildlife Foundation referred to in subsection (c).

(e) Authority of Board Not Affected.—The authority of the Board of Directors of the National Fish and Wildlife Foundation to take any action otherwise authorized by law shall not be affected by reason of the Secretary of the Interior not having completed the appointment of Directors of the Board of Directors of the National Fish and Wildlife Foundation pursuant to the amendment made by subsection (b)(1).

SEC. 104. REAUTHORIZATION OF NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT.

(a) Reauthorization.—Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended—

(1) in subsection (a), by striking "not to exceed $15,000,000" and all that follows through the end of the sentence and inserting "$25,000,000 for each of fiscal years 1994, 1995, 1996, 1997, and 1998."; and

(2) by adding at the end the following new subsection:

"(c) Additional Authorization.—The amounts authorized to be appropriated under this section are in addition to any amounts provided or available to the Foundation under any other Federal law.".

(b) Clerical Amendment.—Section 10(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(b)(1)) is amended by striking "paragraphs (2) and (3)," and inserting "paragraph (2),".

SEC. 105. CONVEYANCE OF SENECAVILLE NATIONAL FISH HATCHERY.

(a) Conveyance Authorized.—Notwithstanding any other provision of law and not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall convey to the State of Ohio without reimbursement all right, title, and interest of the United States in and to the property known as the Senecaville National Fish Hatchery, located in Senecaville, Ohio, including—

(1) all easements and water rights relating to that property; and

(2) all land, improvements, and related personal property comprising that hatchery.

(b) Use of Property.—All property and interests conveyed under this section shall be used by the Ohio Department of Natural Resources for the Ohio fishery resources management program.

(c) Reversionary Interest.—All right, title, and interest in and to all property and interests conveyed under this section shall revert to the United States on any date on which any of the property or interests are used other than for the Ohio fishery resources management program.

TITLE II—BROWNSVILLE WETLANDS POLICY CENTER

SEC. 201. SHORT TITLE.

This title may be cited as the "Brownsville Wetlands Policy Act of 1994".

SEC. 202. ESTABLISHMENT OF WETLANDS POLICY CENTER AT THE PORT OF BROWNSVILLE, TEXAS.

(a) Establishment of Center.—For purposes of utilizing grants made by the United States Fish and Wildlife Service, there may be established in accordance with this title, on property owned or held in trust by the Brownsville Navigation District at the Port of Brownsville, Texas, a wetlands policy center which shall be known as the "Brownsville Wetlands Policy Center at the Port of Brownsville, Texas" (referred to in this title as the "Center"). The Center shall be operated and maintained by the Port of Brownsville with programs to be administered by the University of Texas at Brownsville.

(b) Mission of the Center.—The primary mission of the Center shall be to utilize the unique wetlands property at the Port of Brownsville and adjacent waters of South Texas to focus on wetland matters for the purposes of protecting, restoring, and maintaining the Lagoon Ecosystems of the Western Gulf of Mexico Region.

(c) Board of Directors.—The Center shall be governed by a Board of Directors to oversee the management and financial affairs of the Center. The Board of Directors shall be cochaired by the Port of Brownsville, the University of Texas at Brownsville, and the designee of the Director of the Fish and Wildlife Service, and shall include as members other representatives considered appropriate by those cochairs.

(d) Oversight of the Center.—

(1) Annual report.—The Board of Directors of the Center shall prepare an annual report and submit the report through the Director of the United States Fish and Wildlife Service to Congress.

(2) Contents.—Annual reports under this subsection shall cover the programs, projects, activities, and accomplishments of the Center. The reports shall include a review of the budget of the Center, including all sources of funding received to carry out Center operations.

(3) Availability of information.—The Board of Directors of the Center shall make available all pertinent information and records to allow preparation of annual reports under this subsection.

(4) General accounting office.—The Comptroller General of the United States shall periodically submit to Congress reports on the operations of the Center.

SEC. 203. GRANTS.

The Director of the United States Fish and Wildlife Service shall, subject to the availability of appropriations, make grants to the Center for use for carrying out activities of the Center.

SEC. 204. LEASE.

The Director of the United States Fish and Wildlife Service, subject to the availability of appropriations, may enter into a long-term lease with the Port of Brownsville for use by the Center of wetlands property owned by the Port of Brownsville. Terms of the lease shall be negotiated, and the lease shall be signed by both parties, prior to the disposal of any Federal funds pursuant to this title. The lease shall include a provision authorizing the Director to terminate the lease at any time.

SEC. 205. OTHER REQUIREMENTS.

(a) In General.—As conditions of receiving assistance under this title—

(1) the University of Texas at Brownsville shall make available to the Center for fiscal years 1994, 1995, 1996, and 1997—

(A) administrative office space;

(B) classroom space; and

(C) other in-kind contributions for the Center, including overhead and personnel; and

(2) the Port of Brownsville shall make available up to 7,000 acres of Port Property for the programs, projects, and activities of the Center.

(b) Annual Report.—The Board of Directors of the Center shall include in the annual report of the Board under section 202(d) a statement of whether the conditions referred to in subsection (a) have been met.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the United States Fish and Wildlife Service $5,000,000 for fiscal year 1994, $4,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996, and such sums as may be necessary for fiscal year 1997, for making grants to the Center under section 203, including for use for the establishment, operation, maintenance, and management of the Center.

SEC. 207. RELATIONSHIP OF CENTER WITH THE CENTER FOR ENVIRONMENTAL STUDIES AND SERVICES, CORPUS CHRISTI, TEXAS.

None of the funds appropriated pursuant to this title may be used to relocate any of the administrative operations of the United States Fish and Wildlife Service from the Center for Environmental Studies and Services Building on the campus of Corpus Christi State University, to the Brownsville Wetlands Policy Center at the Port of Brownsville, Texas, established pursuant to this title.

AUTHORIZATION FOR THE PRODUCTION OF RECORDS

Mr. MITCHELL. On behalf of myself and the Republican leader, I send a resolution to the desk authorizing the production of a closed-session transcript.

I ask unanimous consent that the Senate proceed to its immediate consideration; that the resolution be deemed agreed to; that the preamble be agreed to, the motion to reconsider laid upon the table, and that a statement by myself explaining the resolution be placed in the Record at the appropriate location.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the resolution (S. Res. 187) was deemed agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 187

Whereas, the United States District Court for the Eastern District of Pennsylvania has requested, through the United States Attorney, that the Select Committee on Intelligence make available to the Court for in camera inspection a transcript of testimony received by the Committee in closed session, to determine the relevance of the transcript to the case of United States v. Robert Clyde Ivy, Cr. No. 91-602-04, pending in that court;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, are authorized to provide to the U.S. District Court for the eastern district of Pennsylvania, in accordance with appropriate security procedures, the closed session transcript which the court has requested.

Mr. MITCHELL. Madam President, the U.S. District Court for the Eastern District of Pennsylvania has requested, through the U.S. attorney, for in camera review by the court, a copy of a transcript of testimony received by the Select Committee on Intelligence in closed session. The court has requested this document to determine whether it is relevant to issues in the trial of the case of United States versus Robert Clyde Ivy, pending in that court, in which the Government is alleging that the defendant violated the Arms Export Control Act, and committed other related offenses.

In accordance with the Senate's practice to make its records available to the courts when consistent with the interests of justice, this resolution would authorize the chairman and vice chairman of the Select Committee on Intelligence, acting jointly, to furnish a copy of this hearing transcript to the court, under appropriate security procedures.

Mr. MITCHELL. Madam President, we have now been on this important bill for 2 days. Progress has been slow, as is so often the case in the Senate when we start on a major bill. The chairman has been diligent in pursuing this bill, and I want to state now—and I ask the staff of each side to communicate this to their Members so that there can be no misunderstanding—Senators should expect a late session tomorrow and a late session on Thursday and a session all day Friday if we are going to complete action on this bill.

I have tried to be and have been accommodating to a very large number of Senators with respect to the Senate schedule. Last week, for example, we had no votes on Thursday or Friday, as I responded happily to a Republican request that there be no votes on that day. We had no votes on this Monday, by a prior scheduling arrangement.

I am perfectly willing to be accommodating to Senators, but that accommodation cannot come at the expense of not conducting our important public business. So I just want to say to Senators that we are going to be here tomorrow. We will have votes into the evening, and we are going to be here Thursday, late perhaps, if necessary, and if we have not finished this bill by then, all day Friday and through the day.

I thank my colleagues for their cooperation, and I know the chairman will be pursuing this matter very vigorously tomorrow.

Mr. HOLLINGS. Madam President, if the distinguished majority leader will yield, I want to thank him for keeping our feet to the fire.

Actually, this bill was passed not in 2 days, but in 2 minutes just 2 years ago, and last year reported unanimously out of the committee, Republicans and Democrats all agreeing to it.

What we are seeing are many extraneous matters coming, not germane in anywise to the subject at hand.

I think maybe as to the pending amendment by the distinguished Senator from Kansas, we may have gained some progress with respect to that particular amendment. I hesitate saying so affirmatively here now. But, in the morning as soon as we are ready to go, setting the discipline is just exactly what this chairman wants, because this is an important bill. So we are ready to go all day tomorrow, late tomorrow night, and late on Thursday and Friday, right on through, because that is the only way we are going to get something done.

My counterpart on the other side of the aisle with his eloquence was just on that score: "Get something done."

So the majority leader is setting the discipline, and I appreciate him doing that very much because it appears that is going to have to be done if we are going to really pass a bill that everyone agrees to. We have worked this out even on the House side, and everything of that kind. The President has been awaiting the bill.

It is a very important initiative with respect not just to competitiveness, not just to technology, not just to the commercialization of that technology, but then launching the superhighway on information that the Vice President has been so vitally interested in.

I thank the majority leader.

ORDERS FOR WEDNESDAY, MARCH 9, 1994

Mr. MITCHELL. Madam President, I now ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Wednesday, March 9; that following the prayer, the Journal of proceedings be approved to date, and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10:15 a.m. with Senators permitted to speak therein for up to 5 minutes each, with Senator HATCH recognized for up to 10 minutes; that at 10:15 a.m., the Senate resume consideration of Calendar No. 165, S. 4, the National Competitiveness Act of 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. MITCHELL. Madam President, if there is no further business to come before the Senate today, and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 7:32 p.m., recessed until Wednesday, March 9, 1994, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 8, 1994:

DEPARTMENT OF JUSTICE

BARBARA C. JURKAS, OF MICHIGAN, TO BE U.S. MARSHAL FOR THE WESTERN DISTRICT OF MICHIGAN FOR THE TERM OF 4 YEARS, VICE JOHN R. KENDALL.

ERNESTINE ROWE, OF COLORADO, TO BE U.S. MARSHAL FOR THE DISTRICT OF COLORADO FOR THE TERM OF 4 YEARS, VICE JACK EGNOR.

LEONARD TRUPO, OF WEST VIRGINIA, TO BE U.S. MARSHAL FOR THE NORTHERN DISTRICT OF WEST VIRGINIA FOR THE TERM OF 4 YEARS, VICE RONALD A. DONELL.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

REAL ADM. JOHN H. FETTERMAN, JR., U.S. NAVY, 200-26-7724.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 8, 1994:

CONSUMER PRODUCT SAFETY COMMISSION

ANN BROWN, OF FLORIDA, TO BE A COMMISSIONER OF THE CONSUMER PRODUCT SAFETY COMMISSION FOR A TERM OF 7 YEARS FROM OCTOBER 27, 1992.

ANN BROWN, OF FLORIDA, TO BE CHAIRMAN OF THE CONSUMER PRODUCT SAFETY COMMISSION.

DEPARTMENT OF THE INTERIOR

ROBERT JAY URAM, OF CALIFORNIA, TO BE DIRECTOR OF THE OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

ANTHONY LAKE ON NORTH KOREA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues the recent remarks by the President's National Security Adviser, Anthony Lake.

Of the various nonproliferation problems the United States now confronts, none is more pressing than the challenge posed by North Korea's nuclear program.

In his remarks Mr. Lake succinctly sets forth U.S. policy for dealing with this challenge.

I commend his speech to my colleagues and to the American people. The text of Mr. Lake's remarks follows:

REMARKS AS PREPARED FOR DELIVERY BY NATIONAL SECURITY ADVISER ANTHONY LAKE

It is a pleasure for me to be here at Yale University. It is also an honor to be here as a Dirk Gleysteen Fellow. Dirk, who was in the Pierson class of '51, served for over 30 years in the Foreign Service. Like Winston Lord, our Assistant Secretary of State for East Asia and another Pierson alumnus, Dirk believed in the importance of public service and international engagement.

That is part of my message today. Your generation has arrived at a moment of great opportunity. The Soviet Union has disappeared. South Africa has abolished apartheid. Israel and the PLO have joined in a handshake of hope. And democracy is taking root in some of the world's roughest terrain, from Cambodia to Kyrgyzstan.

At the same time, we must contend with many dangers. Terrorism on our soil and ethnic conflict abroad. Instability within several states of the former Soviet Union. Environmental degradation.

In the face of all these changes—and in the absence of a single defining threat—some have suggested that America pull back from the world. But the fact is that the need for American leadership is greater than ever.

Over the past year, we have exercised that leadership and worked to redefine national security in terms that directly benefit Americans in their daily lives. We have opened new markets for our goods and services through NAFTA and GATT. We have worked to enlarge the world's community of market democracies. And we have adapted our security policies to this new era with a sweeping Bottom Up Review of our defense needs.

Yet no challenge is more serious than the one I want to address today: the proliferation of nuclear, biological and chemical weapons and the missiles that can deliver them. This is not a new threat. But with advances in technology and the end of the Cold War, it is a rapidly rising threat.

Weapons of mass destruction pose a direct threat to our interests. They can destabilize entire regions. They can give dictators power on the cheap. They can allow terrorists to hold our very sense of security hostage. Consider how different the Gulf War would have been had Saddam Hussein attacked Israel with nerve gas. Imagine if the World Trade Center bombers had weapons of mass destruction.

Soon after taking office, President Clinton ordered a comprehensive review of our nonproliferation and export control policies. And from the start of his Administration, we have taken specific actions aimed at controlling and countering weapons proliferation.

We declared a moratorium on nuclear testing and began negotiating a comprehensive test ban. We began working toward an indefinite extension of the Non-Proliferation Treaty. We submitted the Chemical Weapons Convention for Senate ratification. We pressed for an international ban on the production of plutonium and highly-enriched uranium for nuclear weapons purposes. And we have worked to reform our export control system to restrict the sale of dangerous technologies without unfairly burdening U.S. exporters.

At the same time, we have been working actively to reduce the threat of proliferation in specific regions. Indeed, one key test of an effective non-proliferation policy is how deeply it is woven into the fabric of our relations with other nations.

Some of the most dramatic advances have been in the former Soviet Union. In just one year, the President secured commitments from Ukraine, Kazakhstan and Belarus to eliminate the nuclear weapons left in their territory when the Soviet Union dissolved. We persuaded Russia not to sell dangerous missile technology to India and to agree to international guidelines against such sales.

In the Persian Gulf, the U.S. has developed a new policy of dual containment against Iraq and Iran—both states that seek weapons of mass destruction. In the Middle East, we have sponsored historic arms control and regional security talks.

In South Asia, we have encouraged India and Pakistan to work toward capping and eventually scaling back their nuclear and missile capacities. And we have applauded South Africa's decision to abandon nuclear weapons and its missile development programs.

But while all these efforts deserve our continued vigilance, there is no non-proliferation challenge more serious than that posed by North Korea. This is one of the most pressing national security challenges we face. Today, I want to describe this challenge and the efforts the Clinton Administration is taking to resolve it.

Let me start with the events that shape our role in Korea.

Forty-four years ago, our nation went to war to help turn back communist aggression on the Korean peninsula. We succeeded, but at great cost: tens of thousands of American and United Nations soldiers killed; the Korean countryside devastated and divided. The armed peace on that peninsula remains one of the Cold War's most perilous legacies. North Korea still has over one million men in arms, most of them within 30 miles of the demilitarized zone.

In the decades since that war, South Korea has flourished. On land once pockmarked by shells and covered with rubble, a world-class economy has blossomed. And in recent years, the Republic of Korea has adopted democratic reforms that strengthen the bonds between our nations. South Korea has become a beacon of freedom and opportunity in Asia.

While the South thrived, the communist North became a hermit of history, ignoring the Cold War's end and walling itself off from the world. North Korea's police state stifles the basic freedoms of its people. Its government has supported terrorism against the South. And its failing economy depends on remittances from Koreans abroad and from the sale of deadly weapons.

Indeed, North Korea has become one of the foremost merchants of such weapons, especially to other backlash states. It has sold Scud missiles to Syria and Iran, and is actively marketing its next generation of ballistic missiles.

Most disturbing of all, North Korea has been working for many years to develop a nuclear weapons capability. Given Pyongyang's history of weapons sales and its menacing posture toward the South, we must view the North Korean nuclear weapons program as a national security concern of the first order.

North Korea has for years operated nuclear reactors. One byproduct of such operations is plutonium, a key element for nuclear weapons. In 1992 the International Atomic Energy Agency—the UN's nuclear watchdog—began to suspect the North had produced more plutonium than it acknowledged.

Indeed, North Korea may have produced enough plutonium for one or two nuclear devices.

To resolve the discrepancy, the IAEA requested a special inspection of two suspect nuclear waste sites that might provide clues about the plutonium. North Korea refused. And in March 1993, the North announced its intention to withdraw from the Non-Proliferation Treaty, raising even more suspicions about its nuclear program.

The international community called on North Korea to stay in the NPT and to fulfill its non-proliferation commitments.

Based on an UN Security Council resolution, the U.S. agreed to meet with North Korea to seek a resolution to the nuclear issue. After a round of talks last June, the North agreed to "suspend" its NPT withdrawal.

We made it clear at that time that we would meet only if North Korea froze the dangerous aspects of its nuclear program, accepted safeguards and made progress during the talks. Now we have arrived at an important moment. Last week, North Korea apparently agreed to the inspections necessary for continuity of IAEA safeguards. It is important that those inspections take place promptly.

Let me be clear about America's interests here.

Our interests are clearly at stake: in a stable peace in Northeast Asia and in the security of our treaty allies, South Korea and Japan; in preserving the safety of our own troops in South Korea; in preventing the spread of weapons of mass destruction and ballistic missiles; and in maintaining the effectiveness of the international non-proliferation regime.

Our goals have been clear and consistent: a non-nuclear Korean peninsula and a strong international non-proliferation regime. Let me make five points about our strategy to achieve these objectives.

First, let me lay out what we expect from North Korea. In 1985 the North joined the Non-Proliferation Treaty, requiring it to identify all its nuclear-related sites and to accept regular inspections of those and other suspect sites. That is what we call "full-

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

scope safeguards." And in 1991 the North and South signed an accord committing them to the goal of a non-nuclear peninsula.

What we seek now is what the North has explicitly agreed to in the past. We seek their full compliance with the NPT; implementation of full-scope IAEA safeguards, including special inspections; and implementation of the North-South denuclearization agreement.

We cannot be confident North Korea has abandoned its nuclear weapons program unless the IAEA has full access to all relevant sites, declared and undeclared. Our first priority now is to ensure that there is no further diversion of plutonium for weapons purposes. That is why we have insisted on immediate and continuing inspections of the seven declared nuclear sites.

We will also continue to insist that *all* inspections requested by the IAEA take place. Access to the two suspect nuclear sites, which can disclose important information about North Korea's past actions, will be critical to any solution to the nuclear issue.

My second point is simple: If Pyongyang verifiably freezes its nuclear program and resumes nuclear talks with the South, the U.S. is prepared to engage in a broad and thorough discussion of the issues that divide North Korea from the international community. That would permit movement toward more normal relations.

I would add that this is not a policy shift; since the last Administration, the U.S. has held out the prospect of improved relations if the North abides by internationally accepted standards of behavior.

We recognize the nuclear issue is not the sole source of tension on the Korean peninsula. As the North addresses our concerns about its nuclear program and other matters—including such issues as the conventional military threat, missile exports, terrorism and human rights—we can consider steps to improve political and economic relations.

I want to make something clear: Pyongyang's isolation is self-imposed. Indeed, North Korea is coming to a crossroads. Down one path the North can expect continued isolation, insecurity and poverty. Down the other is entry into the community of responsible nations and the chance to give its people the benefits of the global economy. The choice lies with North Korea.

But my third point is this: if North Korea continues to ignore its non-proliferation obligations, we are prepared to turn to options other than negotiations, including economic sanctions. As the President has said, "our goal is not endless discussions, but certifiable compliance." North Korea must understand the price of non-compliance.

My fourth point is that the nuclear issue is not simply or even primarily a bilateral issue between the U.S. and North Korea. It affects the entire region, and other nations have critical roles to play—including Japan, China and Russia.

For China, the North's nuclear program presents not only a challenge to national interests but a chance to exercise responsible regional diplomacy.

Of course, our most important partner in this effort is South Korea. We have fully coordinated every step we have taken with the South. As the President said to the Korean National Assembly last July, our commitment to South Korea's security remains unshakable. We recognize that the fate of the Korean peninsula must ultimately be resolved directly between South and North. And we share with the people of the South the faith that Korea will one day be reunified, peacefully and on terms acceptable to the Korean people.

My last point is that we must remain focused on the long term. While we have made some progress, North Korea's pattern over the years has been one of intermittent cooperation and unpredictable hostility. This problem is not likely to disappear, even if it disappears from the front pages.

Even if the North agrees tomorrow to the terms of IAEA inspections, we cannot simply breathe a collective sigh of relief and move on. We will have to move to the next round of talks. North Korea will continue to probe and to try to divide the U.S. from its allies. And so we must remain vigilant, patient and resolute.

As events unfold, we must resist the tendency to lurch from panic to exultation. There is security in steadiness.

The North Korean situation is important to all of us—especially to those of you who will spend the majority of your lives in the coming century. It is not just about defusing today's crisis. It is about setting tomorrow's precedent.

We must demonstrate that the international non-proliferation regime is not some legal nicety but an active force for security. Because every nation with nuclear ambitions is watching closely.

And we must remember that weapons proliferation, like so many foreign policy issues, is not prone to quick fixes or overnight solutions. This challenge requires hard work—across party lines, and across generations.

Forty-three years ago this May, Dirk Gleysteen and his classmates walked from the Pierson courtyard into a world still plagued by war and the threat of nuclear annihilation. Today, students like you are coming of age in a new world.

My job is in some small way to help create for you the brightest possible prospects for security and peace. Your part of the deal is simple and vital: to immerse yourselves in study of the wider world, to engage yourselves in the shaping of our foreign policy.

When World War II ended, a few famous Yale graduates—Dean Acheson, Averell Harriman, Robert Lovett and others—made the case for international engagement. The efforts of these "Wise men" paid off with our victory in the Cold War. Now, your generation, a new generation of wise men and women, must rise to the fore.

I won't ruin this nice evening now by singing "For God, For Country and For Yale." But I will say this: America has arrived at a defining moment in its global leadership. Events in North Korea remind us that we cannot afford to turn inward. For America to be secure and prosperous in the next century, we must choose to reach beyond our borders.

That choice begins with you. I think I know how you will choose, and I am glad for it.

HORROR IN HEBRON

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. BONIOR. Mr. Speaker, the slaughter of innocent worshipers at prayer in the Cave of the Patriarchs Mosque in an abomination. To date one of the world's most holy places of worship with such a heinous act is beyond comprehension, beyond rationality and simply inhuman.

Such acts must be denounced by all decent-minded people. For it is decency itself that is also the victim of this horrible attack. This despicable act is a setback to peace efforts, and has resulted in continued bloodshed.

We cannot allow this tragic event to succeed in stopping the drive to peace. We must redouble our efforts at peacemaking. It is time to transcend recriminations, finger pointing and the blood-soaked history that has divided Jews and Arabs. I am heartened that leaders of the major communities in the Middle East have condemned the Hebron massacre.

Let me conclude by expressing my deepest condolences to the families and friends of the victims of this horrible attack. My thoughts and prayers are with those who are grieving this terrible loss, and those recovering from their wounds.

TRIBUTE TO POLICE OFFICER WILLIAM F. KAZUPSKI

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. LIPINSKI. Mr. Speaker, I rise today to commend an outstanding constituent of mine, police officer William F. Kazupski. Officer Kazupski helped rescue 19 neglected children from a Chicago housing project and deserves recognition for his humanitarian efforts.

During a routine narcotic investigation, Police Officer Kazupski and his fellow officers of the Special Operations Unit 153 found 19 children living in subhuman conditions. The children were sleeping in soiled clothes on the filthy bare floor which was littered with trash and rotted food. The officer also noticed bruises and other physical signs of abuse on the children's bodies.

Officer Kazupski then arrested the six adults on the scene and charged them with endangering the life and health of a child. Officer Kazupski was also responsible for the expedient removal of these children from abominable conditions and their safe relocation to the Chicago Department of Children and Family Services.

Officer Kazupski has dutifully served 7 years with the special operations unit of the Chicago Police Department. Officer Kazupski is the loving husband of Jodine and the proud father of his daughter, Katielyn.

Mr. Speaker, I am pleased to salute Police Officer William F. Kazupski for his extraordinary efforts in the rescue of these 19 children. I hope my colleagues will join me in recognizing the continuing commitment of Officer Kazupski and all of our local police officers who protect our communities.

REMARKS OF CONGRESSWOMAN ELEANOR HOLMES NORTON IN CELEBRATION OF THE 25TH ANNIVERSARY OF WTOP AM 1500

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Ms. NORTON. Mr. Speaker, instant access to serious news and feature radio any time you want it is an informed citizen's dream. It has become a necessity for Members of Congress. For 25 years WTOP 1500 AM has fulfilled the dream and provided the necessity. WTOP is just one more Washington treasure.

I would wager that more Members listen to WTOP than listen to each other. WTOP is often the wiser choice.

It is almost impossible to serve in the Congress without being served by WTOP. And there is a larger message in the station's service. Democracy is an untidy and imperfect system. Reliable, unbiased facts and information make democracy work. On its 25th birthday I know the Members of this body would want to join me in saying, Happy Birthday WTOP.

ENDING WELFARE SUBSIDIES FOR ILLEGAL IMMIGRANTS

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. COX. Mr. Speaker, welfare for illegal aliens is exacerbating our Nation's problem of illegal immigration. The following article, which was published today in the Orange County Register, contains fresh evidence of that fact.

SUBSIDIZING WELFARE

Welfare reform is the rage among at least some politicians in Washington—by which the best-intentioned of them mean pruning the system, not expanding it. But beware: The welfare bureaucracy has a "reform" plan of its own, and it doesn't involve shrinking their fiefdoms.

Quite the contrary. Global investing of a sort is in vogue among the welfare-agency chieftains, especially out here in the West. This investment strategy has nothing to do with mutual funds or stock picking; the "emerging foreign markets" it targets are countries from which new welfare recipients can be harvested.

Consider a pamphlet that was available from the San Bernardino County Health Department until protests from outraged citizens led to its withdrawal: "Medi-Cal has good news for pregnant women," it read (in both Spanish and English), "you do not need to be a citizen to get Medi-Cal * * *. Even if you have applied for amnesty or are in the country illegally, you can now receive a special kind of Medi-Cal."

The pamphlet went on to assure that "Medi-Cal cannot report you to immigration for applying for, or receiving, Medi-Cal while you are pregnant."

K.L. Billingsley, writing in National Review West, says a San Bernardino health official reported, on condition of confidentiality, that although this particular pamphlet was pulled, fliers like it are circulating throughout the state.

And the message is being beamed directly to Mexico. During 1991, California spent $78,000 to advertise a "Baby Cal" health-subsidy program on Spanish-language radio and television stations that transmit from Mexico. Is it any wonder there has been a spike in the number of births to illegals at taxpayers' expense? Undocumented immigrants accounted for 40 percent of the state's 237,000 publicly funded births in 1992.

Poor people aren't alone in boarding the gravy express. At least a few Mexican millionaires have tooled into San Diego for care at public hospitals; other foreign nationals have flown in from as far as India (apparently they hadn't heard from Hillary about how bad our health-care system is).

In San Diego County, welfare-fraud investigator David Sossaman turned up a rich load of evidence that agencies actively encourage illegals to "come and get it." He discovered that thousands of Mexican nationals were maintaining as many as 10 welfare accounts at once, with collaboration by welfare workers who turned a blind eye to fake IDs. A grand jury followed up on his accusations, reporting that "[welfare] supervisors have verbally directed workers to knowingly accept false alien registration cards as identification," and noting a case of an employee caught making copies of blank birth certificates, presumably for a black market.

At least one San Diego-area school district was discovered to have been serving kids who live South of the border. Meanwhile, New Mexico's state school board allows the same thing openly, "extending alien benefits literally across the border by requiring local school districts to provide free public education to children who reside in neighboring Mexico but take chartered buses into New Mexico border towns to attend school," as Linda Chavez, former executive director of the U.S. Civil Rights Commission, noted.

For David Sossaman, none of this is a mystery. He says many of the bureaucrats he investigated weren't interested in real reform: "The more money that went out, fraudulent or not, the bigger their budget, the more administrators they had and higher salaries and perks."

No matter how you come down on the impact of immigration, both legal and illegal, on California's economic infrastructure—we're confident it's a net plus—the practice of ensnaring immigrants in the welfare market is another thing altogether. That way lies dependency and, ultimately, despair for whole new generations of unfortunates. Genuine welfare reform will seek to give people freedom by liberating them from the dole. Let the unshackling begin with the immigrants.

TRIBUTE TO BILL SCHAEFFLER

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. SABO. Mr. Speaker, I rise today to recognize Bill Schaeffler of Minneapolis, MN, for his long career of community service. For more than 30 years, Mr. Schaeffler has devoted himself to providing hope and support to those who are most needy in our communities. We are all enriched by the contributions of people like Bill Schaeffler.

Helping those less fortunate than oneself is a most noble of callings. In his work with the Red Cross, the American Heart Association, the Combined Federal Campaign, and the United Way organizations of Cleveland and Minneapolis, Mr. Schaeffler has raised millions of dollars—dollars that have been reinvested in people. Head Start, Success by Six, and Meals on Wheels are but a few of the self-enabling programs that have made a lasting impact on people's lives. Beneficiaries of the hard work of Mr. Schaeffler are all around us. They are real people—neighbors and colleagues, family and friends.

It was Mr. Schaeffler who designed the familiar and successful Combined Federal Campaign. Since its inception, the campaign has raised more than $100 million for investment in our local communities, giving people hope and promise that they may not have otherwise found.

Now Mr. Schaeffler moves on to new challenges. He will seek new opportunities to contribute, and his hard work will continue to manifest itself in simple, but meaningful ways—to help disadvantaged children finish school, to offer hot meals to the elderly, to help more toddlers enroll in Head Start and begin school ready to learn, to provide transportation to the handicapped—the list goes on.

Through his years of service, there must have been times when Mr. Schaeffler questioned if his efforts made a difference. I believe they did. Thousands of people were guided into more promising directions. As a result, they have dreamed bigger dreams and achieved greater goals. This is the continuing legacy of Bill Schaeffler's career. I wish him well in his future pursuits.

EXPANDING THE BOUNDARIES OF PISCATAWAY NATIONAL PARK

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. HOYER. Mr. Speaker, today I am introducing legislation to expand the boundaries of Piscataway National Park.

In order to maintain George Washington's home, Mount Vernon, and its environs in their original state, the U.S. Government created the Piscataway National Park in 1957. This effort ensured that everyone visiting Mount Vernon would see the river and its shores as they appeared during colonial times. The park's innovative use of easements and public lands have saved an important natural resource in Maryland, and an important part of our country's history.

The bill I am introducing today will complete this picture by preserving one of the final pieces of Mount Vernon's viewshed. With the help of private nonprofit groups like the Trust and Public Land, the Government has an opportunity to set aside over 150 acres of pristine environment. This land has not changed much since colonial days when George Washington enjoyed this same view from his porch. I urge my colleagues to support this important measure, and preserve a piece of history for future generations of Americans.

PRINCIPLES FOR BASEL CONVENTION IMPLEMENTING LEGISLATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. HAMILTON. Mr. Speaker, I wish to bring to the attention of my colleagues the administration announcement of principles for legislation to implement the Basel Convention on Transboundary Movement of Hazardous Wastes. In a significant policy shift, the principles call for a ban on all exports of covered waste—for treatment, storage, disposal, and recycling—with some exceptions.

The goal of the 1989 Convention is to ensure that transboundary waste shipments are in accordance with national laws. Since then 103 nations have banned hazardous waste imports. In May 1992, the Convention entered into force, and 54 nations have now ratified. The Senate provided advice and consent in

August 1992, but implementing legislation is required for U.S. ratification.

The principles are timely, and can help give the U.S. influence at the upcoming conference of parties to the Convention this month, although the United States has not yet ratified. Furthermore, hazardous wastes are an agenda item at the U.N. Commission on Sustainable Development meeting in May.

A copy of the letter from the EPA Administrator Carol Browner, and the attached principles to be used as the basis for legislation follow:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, February 28, 1994.

Hon. LEE H. HAMILTON,
Chairman, Committee on Foreign Affairs, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Senate gave its advice and consent to ratification of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal on August 11, 1992. Implementing legislation is necessary before the United States is in a position to ratify the Convention and thereby become a party. The purpose of the attached package is to set forth the principles proposed by the Administration to be reflected in such implementing legislation.

I look forward to working closely with you in the coming months to transform the enclosed principles into legislation, taking one more step toward our shared goals of preventing pollution and improving the global environment.

The Office of Management and Budget advises that the submission of these principles is in accordance with the program of the President.

Sincerely,

CAROL M. BROWNER,
Administrator.

ADMINISTRATION POSITION STATEMENT ON BASEL LEGISLATION

The Basel Convention promotes the achievement of a goal the United States has long supported—the reduction of risks to health and the environment posed by improperly managed wastes. In this regard, the Convention, among other things:

Requires parties to minimize the generation of Basel wastes, taking into account social, technological and economic aspects;

Requires parties to ensure the availability of adequate disposal facilities for the environmentally sound management of Basel wastes;

Requires parties to ensure that the transboundary movement of Basel wastes is reduced to the minimum consistent with the environmentally sound and efficient management of such wastes and is conducted in a manner which will protect human health and the environment against the adverse effects which may result from such movement;

Prohibits a party from exporting Basel wastes if the importing state or transit state does not consent; and

Prohibits a party from exporting or importing Basel wastes if it has reason to believe that such wastes will not be managed in an environmentally sound manner, even if all concerned states have consented to the transboundary movement.

The principles proposed below for implementing these Basel obligations would generally confine disposal and recycling of Basel wastes to the United States, with two exceptions:

First, transboundary movements to Canada and Mexico would be permitted; given their geographic proximity, movement of wastes across the border to Canada or Mexico may be more environmentally sound or efficient in many instances, possibly avoiding transport over long distances within the United States. (It should be noted, however, that Mexico does not at this time permit the import of wastes from the United States for disposal; thus, practically speaking, only shipments of waste for recycling will be allowed to continue.)

Second, there would be an exemption from the general ban on transboundary movements of Basel wastes under exceptional circumstances.

The proposed approach would not only serve to implement U.S. obligations under the Basel Convention, but would also:

Promote the U.S. policy goal of reducing risks to health and the environment posed by improperly managed wastes; and

Protect the U.S. environment, by minimizing the movement of hazardous wastes through U.S. ports, territorial sea and EEZ and by recognizing that the movement of wastes to Canada and Mexico may offer the most environmentally sound means of managing certain U.S. domestic wastes.

It should be noted that the Basel Convention's definition of "waste" refers to national law. Thus, for the United States, Basel wastes do not include commodity-like recyclables such as paper, glass, and scrap metal. For other materials that are frequently shipped for recycling, the Administration will apply existing waste classification procedures to determine whether they should be covered or excluded.

COVERED WASTE

To implement the terms of the Basel Convention, we are obligated to enact legislation to control the transboundary movement of the following wastes:

(1) Hazardous waste that is identified or listed under Section 3001 of the Solid Waste Disposal Act; and

(2) Additional wastes covered under the Convention:

Municipal solid waste,

Municipal incinerator ash,

Waste provided special status domestically under sections 3001(b)(2) and 3001(b)(3) of RCRA, if such waste exhibits a characteristic of hazardous waste identified under section 3001, and

Any waste identified in regulations promulgated by the President as necessary to implement the Basel Convention and any amendments thereto.

It should be noted that transboundary movements from the U.S. of certain commodity-like secondary materials for recycling (specifically scrap metal, paper, textiles and glass, when separated and exported for recycling) are not subject to the Basel Convention and therefore are not covered by this legislation. In addition, the implementing legislation should provide a mechanism for the Executive Branch to identify other commodity-like recyclables that would be placed outside the scope of this legislation.

The Administration will support legislation that addresses the principles outlined below. Specifically, we believe that Basel implementing legislation should:

BANS

Ban all exports of covered waste for treatment, storage, disposal and recycling, except for those to Canada and Mexico. However, allow for the export of covered waste for recycling pursuant to the terms of OCED Council Decision C(92)39/FINAL for five years after the date of enactment of this legislation.

Ban exports of covered waste to Antarctica.

Ban exports of covered waste to any country that has prohibited its import. Should a country that has banned waste imports lift its ban at a future date and should an exporter in the U.S. wish to send waste to that country pursuant to the terms of this legislation, the exporter must first request and obtain a finding from the President that the country to receive the waste can manage it in an environmentally sound manner, as defined under this Act.

Ban imports and exports of covered waste to facilities which the U.S. government has reason to believe will not manage the waste in an environmentally sound manner.

Prohibit the import of covered waste into the U.S. or for transit through the U.S. to another country without the prior written consent of the President.

EXEMPTIONS

Exempt radioactive waste, including spent nuclear fuel, that is subject to other international control systems, including international instruments, applying specifically to radioactive materials. Do not exempt mixed radioactive and hazardous waste, which is currently subject to domestic waste regulations and current export and import regulations.

Exempt transboundary movements of hazardous or additional waste generated or managed exclusively (1) by United States government activities or facilities located abroad or (2) on board United States sovereign immune vessels or State aircraft, into an area under the national jurisdiction of the United States for further use, recycling, treatment, or disposal.

Exempt wastes generated or exclusively managed by a foreign government in the U.S. so long as they are being shipped to that foreign country or transferred to another country where they will be disposed of in an environmentally sound manner.

ADDITIONAL PROVISIONS

Provide the authority to require the return of waste (other than radioactive waste subject to other international control systems) that is domestically-exempted under U.S. environmental regulations, should it be exported and/or managed in violation of the terms of its exemption (e.g. materials that are not classified as a solid waste when recycled). Also grant authority to investigate any suspected violations of such an exemption.

Define "environmentally sound management" by outlining general criteria, similar to general components of sound waste management in the U.S., which we believe to be essential parts of any environmentally sound program.

Recognize existing Canadian and Mexican waste bilaterals and the OECD multilateral as valid Article 11 agreements or arrangements under the Basel Convention and provide authority for review and revision, if necessary, of those existing agreements or arrangements. Also recognize as valid Article 11 agreements those agreements that provide for U.S. government activities and installations abroad (including status of forces and other agreements and implementing arrangements) thereby permitting movements of U.S. government waste from overseas military operations for treatment, storage and disposal.

Provide strong enforcement authorities, which include allowing the U.S. to (1) return to the U.S. any covered waste if it has been illegally exported or mismanaged, (2) return wastes that have been illegally imported or mismanaged, (3) prosecute those who have violated U.S. law, and (4) recover any cost to the U.S. government associated with these enforcement actions.

Provide authority for collecting fees to cover the costs to the federal government of implementing the terms of the Convention.

Provide authority to issue supplemental regulations as necessary to fully implement the Basel Convention.

The President may, in his discretion, grant exemptions from the export bans above, by waste shipment or type, for:

Treatment and disposal, based on a finding that: (1)(a) suitable treatment or disposal sites are not available within North America; or (b) an innovative technology will be used that is superior, environmentally or economically, to that which is available in North America; and (2) the waste would be managed in a manner that is at least as environmentally protective as would be required in the United States, taking into account risks of transport from the point of origin to the destination and the importing country's environmental program, site and region-specific factors, infrastructure, and management risks; and

Recycling, based on a finding that: (1) the waste would be managed in a manner that is at least as environmentally protective as would be required in the United States, taking into account risks of transport from the point of origin to the destination and the importing country's environmental program, site and region-specific factors, infrastructure, and management risks; and (2) the waste shipment meets certain other criteria to ensure that it is truly for recycling (e.g., accompanied by certification that the waste would be beneficially recycled as a raw material, based on a specific request for the material from the government of the importing country, and the waste's having a positive economic value);

provided that, with respect to any importing country that is not a Party to the Basel Convention, an agreement under Article 11 of the Convention must be in place.

TRIBUTE TO J. FLETCHER CREAMER AND THE DARE PROGRAM

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mrs. ROUKEMA. Mr. Speaker, substance abuse, and the crime it breeds, remain a real and terribly dangerous threat to our communities, our neighborhoods, and our families. In order to win the war on abuse we need aggressive interdiction, vigorous enforcement, and more importantly, effective treatment and tireless education. No one is more aware of this fact and no one has worked harder to fight the scourge of drug abuse than J. Fletcher Creamer of Saddle River, NJ, and his family.

Throughout his life, Fletch Creamer has distinguished himself as an accomplished businessman and community servant. As a young man, Fletch Creamer served in the U.S. Navy in both the Pacific Fleet during World War II and again in the Korean conflict. In 1946 he began his career as a general contractor. He has since built his company, J. Fletcher Creamer & Son, Inc., into one of northern New Jersey's most successful contracting firms.

Throughout his career, Fletch Creamer has never forgotten his duty to serve his community. His résumé of civic activities reads like an honor role of service organizations. He has given of himself to the local fire department, the Boy Scouts of America, Englewood Hospital, Fort Lee Chamber of Commerce, Hackensack Medical Center, the Republican Party, and many, many more.

Perhaps the most important cause that Fletch Creamer and his wife, Katherine, have become involved with is the Drug Abuse Resistance Education Program. The Creamer family suffered a personal tragedy in an incident that took the life of their youngest son and brother, Jeffrey. The perpetrator was a known drug user.

The Drug Abuse Resistance Education Program, known more commonly as DARE, is the largest and most effective drug-use prevention education program in the United States, and is now taught to 25 million youths in school from kindergarten to 12th grade. The DARE curriculum was originally developed by the Los Angeles Police Department and the Los Angeles Unified School District. Today, it is taught by veteran police officers throughout the world. After completing 80 hours of specialized training, each officer enters the classroom where they provide children with the skills and self-esteem needed to resist the peer pressure and temptation to use drugs.

The DARE program is clearly a success. Independent research has found that DARE substantially impacts students' attitudes toward substance use. It has also worked to help students improve study habits, achieve higher grades, decrease vandalism and gang activity, and gain a greater respect for police officers. I can testify that among the police departments and educators in my district, DARE is unanimously singled out for the higher praise.

Since the program's inception in 1988, Fletch Creamer has been a major force in bringing it to students throughout the State of New Jersey. On Thursday, March 10, the DARE New Jersey family will gather to say a heartfelt thank you to Fletch for all his efforts. Today, I ask my colleagues to join with them by showing our appreciation for the dedication of Fletch and Katherine Creamer and the thousands of DARE volunteers that have made a life and death difference for countless young people across our country.

INTRODUCTION OF THE FAIR TRADE IN INSURANCE SERVICES ACT OF 1994

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. LEACH. Mr. Speaker, today I am introducing a bill to promote free and fair trade for our insurance companies who operate overseas. This legislation would establish a framework through which the U.S. Government can focus on opening markets for an industry in which America has excelled worldwide. In fact, there is no industry in America where we are more dominant in sophistication compared to the rest of the world than the insurance industry. The U.S. Government has as one of its highest priorities to insure that in a competitive international environment, our insurance companies can compete on an equal basis. In this regard, it should be stressed that it is in the best interest of world commerce that no insurance companies are afforded a competitive advantage due to trade barriers or unfair trade practices.

Insurance has been held as one of four priority industries on which the United States and Japan have been focusing during the recent 1994 trade talks. In fact, foreign firms hold about 2 percent of Japan's insurance market, the world's second-largest insurance market. In the United States and Europe, foreign insurers average between 10 percent and 33 percent of the market. Other foreign markets also have been specifically cited as being relatively closed to U.S. insurance operations. For these reasons, it is essential that insurance be included in fair trade in financial services initiatives being considered this Congress. My bill brings insurance directly into these discussions, and incorporates into statute the concept of reciprocal national treatment for insurance.

In brief, this bill requires the President to identify those countries who do not accord effective national treatment to U.S. insurance organizations and determine whether the denial has a significant adverse impact on such organizations. If the President determines that the denial has a significant adverse impact, and after the USTR has initiated negotiations with that country, the President may publish that determination in the Federal Register. Certain exceptions are granted to those countries who are parties to certain national treatment commitments and other applicable bilateral and multilateral agreements. Existing insurance operations are also grandfathered. If negotiations do not prove fruitful, the President may recommend sanctions against insurance or other operations of the foreign country. To accomplish such a goal, the bill establishes a Federal registration mechanism through which sanctions can be imposed.

In closing, I look forward to continuing to work with my colleague, Mr. SCHUMER, and others on fair trade legislation this Congress in an effort to effectuate the principle of equal treatment for U.S. financial firms, thereby lowering trade barriers throughout the financial services world.

INTRODUCTION OF CHURCH RETIREMENT BENEFITS SIMPLIFICATION ACT

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. CARDIN. Mr. Speaker, today I am introducing the Church Retirement Benefits Simplification Act of 1994. This legislation, which in the last Congress had nearly 100 cosponsors, will simplify the rules in the Internal Revenue Code which apply to retirement plans sponsored by our country's religious denominations.

The centerpiece of the legislation is a proposed new section 410A of the Tax Code which would bring together in one place, and clarify, tax rules governing church retirement plans. By providing a separate code section which sets forth these rules as they apply to religious denominations, the bill will remove a great source of confusion and complexity. The relief provided by the bill applies to churches and to church ministry organizations, but not to church-related hospitals and universities.

The bill will extend relief already provided to churches which maintain 403(b) plans to churches and church ministry organizations which offer plans under section 401A. In the Tax Reform Act of 1986, Congress exempted churches with 403(b) plans from coverage and related rules. It is time to provide the same treatment to churches with 401(a) plans and remove the disparity we created then.

The need for this legislation stems from the fundamental differences between churches and the secular business organizations to which the coverage and related rules are primarily designed to apply. Churches and church ministry organizations are tax exempt. They therefore lack the incentive private sector employers have to maximize tax deductible employee benefit payment.

A related point is that the coverage and related rules are designed to limit the amount of income highly compensated employees can be paid on a tax-deferred basis. According to the 1990 Church Pensions Conference, however, ministers' salaries averaged just over $28,000. These modest salary levels leave little cause for concern about the dangers nondiscrimination testing is designed to prevent.

In some cases, requirements of the Tax Code are directly at odds with the theology and polity of particular denominations. While some denominations are hierarchical, others include many small, independent churches which have neither the personnel nor the resources to deal with complex compliance requirements.

By exempting churches and church ministry organizations from coverage and related rules, this legislation will permit them to devote their resources to fulfilling their spiritual and community-oriented missions.

SHOOTING IN BROOKLYN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. BONIOR. Mr. Speaker, I'd like to take this opportunity to express my solidarity with the Hasidic community in New York and the Jewish community across this Nation in the face of the terrible shooting on the Brooklyn Bridge. This act of senseless violence against innocent students is utterly deplorable. Such brazen acts have no place in this country.

I'm glad that the city of New York came together following the attack, to apprehend suspects so quickly. I am heartened that key information in this case was supplied by the Arab-American community, and that the leaders of all faiths have offered their sympathy for the victims, and outrage over the shooting.

We cannot allow this brutal attack to derail the efforts of well-meaning people to bridge differences and promote understanding. We cannot allow this brutal attack to perpetuate the cycle of violence both here and abroad.

I'd like to express my deepest condolences to the friends and family of Aaron Halberstam. My thoughts and prayers are also with Nachum Sossonkin, Yaakov Schapiro, and Levi Wilhelm as they struggle to recover from their wounds.

CONVERTING MILITARY BASE TO A NATIONAL PARK

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Ms. MOLINARI. Mr. Speaker, today I am introducing legislation to develop an improved process for moving Fort Wadsworth, Fort Hancock, and Floyd Bennett Field—part of Naval Station New York slated for closure as part of defense downsizing—toward conversion to a national park.

By law, these areas are required to become part of the adjacent national park, the Gateway National Recreation Area. This new legislation would expand the authority of the Secretary of the Interior to negotiate leases beyond the existing authority included in the Concessions Act and the Historic Preservation Act. By granting such additional authority to obtain tenant leases, the generation of revenues by the Fort Wadsworth facilities can be expedited. Without this bill, excess parts of Fort Wadsworth would sit empty since the Interior Department has no legal ability to enter into lease agreements.

It should be pointed out that the House of Representatives voted last November to grant similar leasing authority to the Department of theInterior for the Presidio in San Francisco.

I believe that Naval Station New York's complete conversion process will become a national model for innovative implementation of former military bases to civilian use. New York's Base Redevelopment Commission and the Interior Department have worked closely to ensure that when the Navy does leave this part of the base, the fort will continue to contribute to the economic and cultural well-being of our community.

I hope you will join me in supporting this legislation which will allow Fort Wadsworth to generate revenues from its facilities and achieve greater self-sufficiency.

HONORING DR. DARLINE P. ROBLES FOR HER DEDICATED SERVICE TO THE MONTEBELLO UNIFIED SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. TORRES. Mr. Speaker, I rise today to commend a very special individual and dedicated educator, Dr. Darline P. Robles, superintendent of the Montebello Unified School District.

For the past 21 years, Dr. Robles has dedicated her life to the education of the students in the Montebello Unified School District. Her commitment and love for educating students have led her to fill various positions within the district, from teacher to administrator.

Dr. Robles began her teaching career in 1973 as a 6–8 grade teacher at Montebello Intermediate School. A person with a remarkable commitment and sensitivity to the needs of the surrounding community, she developed and organized the school's bilingual program. Her knowledge of the student's cultural backgrounds made her the ideal candidate to instruct school administrators, teachers, and aides on bilingual education and multiculturalism.

In 1981, armed with knowledge, experience, and expertise, Dr. Robles became principal of Washington Elementary School, where she successfully administered the school for 4 years. In 1985, she accepted the position of principal at Montebello Intermediate School.

In 1991, after serving 4 years as assistant superintendent, Dr. Robles was appointed superintendent. As superintendent, Dr. Robles has ardently supported programs and activities that have a positive and lasting influence on students. With her as a role model and leader in education she undoubtedly is providing the children of Montebello with some of the best educational opportunities available.

Despite her countless responsibilities as an educator, Dr. Robles has found the time and energy to participate in many worthwhile causes in the community. She is a member of the Rotary International, Gang Diversion Task Force of Montebello, city of Commerce Community Task Force, and commissioner of the city of Montebello's Parks and Recreation.

Mr. Speaker, I ask my colleagues to join me in recognizing this widely respected educator, Dr. Darline P. Robles, and in saluting her for her outstanding leadership and commitment to the education of our children.

EXPRESSING THE SENSE OF CONGRESS REGARDING HUMAN RIGHTS IN VIETNAM

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. GILMAN. Mr. Speaker, today I am introducing House Concurrent Resolution 216, a resolution expressing the sense of Congress regarding human rights in Vietnam.

On October 19, 1992, President Clinton promised: "It is my firm belief that the issue of human rights should be a part of the discussion when addressing the issue of normalization with Vietnam." Unfortunately, the "road map" established between the United States Government and the Government of Vietnam prior to President Clinton's election, did not mention provisions for human rights or democracy as a precondition for lifting the embargo and normalizing relations with Vietnam.

While Vietnam remains one of the last Communist countries in the world and maintains one of the most repressive political and social systems, the present and some of the past United States administrations in their negotiations with the Vietnamese Government have not emphasized the lack of human rights and democratic process in Vietnam.

House Concurrent Resolution 216 asks the State Department to place a high priority on gaining the release of all nonviolent political prisoners and seeks reforms in Vietnam's legal procedures and practices to bring them into conformity with international human rights standards. The resolution also urges the Government of Vietnam to invite international humanitarian organizations, such as the Red Cross, into their countries prisons. In addition, House Concurrent Resolution 216 requests the Secretary of State to submit a report to the Congress within 6 months on the progress it is making on the human rights dialogue it is having with Vietnam. Moreover, the resolution states that the United States should actively support a resolution at the U.N. Commission on Human Rights expressing concern about the imprisonment of nonviolent political and religious dissidents in Vietnam.

Mr. Speaker, the passage of House Concurrent Resolution 216 would go a long way in framing the direction that the Congress believes the administration should follow when proceeding in their discussions with the Vietnamese. Accordingly, I ask my colleagues to support House Concurrent Resolution 216 and ask that the full text of the resolution be printed in the RECORD at this point.

H. CON. RES. 216

Whereas President Clinton on October 19, 1992, promised to the American/Vietnam community "it is my firm belief that the issue of human rights should be a part of the discussion when addressing the issue of normalization with Vietnam";

Whereas the "road map" established between the United States Government and the Government of Vietnam did not mention provisions for human rights or democracy as a precondition for lifting the embargo and normalizing relations with Vietnam;

Whereas Vietnam remains one of the last communist countries in the world and maintains one of the most repressive political and social systems and the Vietnamese people are deprived of their basic human rights;

Whereas Vietnam has released from labor camps large numbers of persons suspected of disloyalty or having ties to the South Vietnamese government, and yet has rearrested and incarcerated some of these former prisoners and many other individuals for nonviolent political and religious advocacy;

Whereas one of the most repressed people in Vietnam are the ethnic minorities known as the Montagnards whose traditions, culture, and religious beliefs continue to be eradicated through policies such as the destruction of tribal villages comprised of ethnic Vietnamese migrants for the purposes of forced assimilation;

Whereas free expression is denied in Vietnam (for example, independent radio and television stations, newspapers, performing artists, book publishers, writers, artists, and journalists are forced to conform to government approval or censorship);

Whereas the poet Nguyen Chi Thien, a recognized Amnesty International Prisoner of Conscience in northern Vietnam for the past 27 years, is still denied the right of expression and remains under close government surveillance;

Whereas most South Vietnamese writers and poets have been denied the right to publish or compose since 1975;

Whereas the 1992 Vietnamese Constitution still designates the Communist Party as the "force leading the state and society";

Whereas Vietnam's criminal law is used to punish nonviolent advocates of political pluralism, through charges such as "attempting to overthrow the people's government" or "antisocialist propaganda";

Whereas participants in independent democratic parties and movements have been subjected to harsh repression (for example, Dr. Nguyen Dan Que, the leader of the Non-Violent Movement for Human Rights in Vietnam; Professor Doan Viet Hoat of the Freedom Forum; and Nguyen Dinh Huy of the Movement to Unite the People and Build Democracy);

Whereas even nonviolent political movements for democracy consisting of former National Liberation Front members such as the League of Former Revolutionaries have been repressed and its leaders, Nguyen Ho and Ta Ba Tong, remain under house arrest;

Whereas prominent leaders from the Buddhist, Catholic, Cao Dai, Hoa Hao, and Protestant faiths are in prison or under house arrest for expressing their religious beliefs;

Whereas 4 monks of the Unified Buddhist Church were tried and convicted on charges of instigating public disorder on November 15, 1993, in relation to a massive demonstration in Hue protesting police detention and harassment of major church leaders;

Whereas Venerable Thich Huyen Quang, head of the United Buddhist Church, is under house arrest and under strict surveillance by security police; and

Whereas Catholic and Protestant clerics and lay people are imprisoned for conducting unauthorized religious activities, including religious education classes and social programs: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the Department of State, in its formal human rights dialogue with Vietnam (which was announced by the United States and Vietnam on January 10, 1994), should place a high priority on seeking—

(A) the release of all nonviolent political prisoners, and

(B) reforms in Vietnam's legal procedures and practices to bring them into conformity with international human rights standards;

(2) the Secretary of State should submit a progress report on this dialogue to the Congress within 6 months of the date on which this resolution is adopted by the Congress;

(3) the United States should actively support resolutions at the United Nations Commission on Human Rights expressing concern about the imprisonment of nonviolent political and religious dissidents in Vietnam;

(4) the United States should urge the Government of Vietnam to invite international humanitarian organizations to provide their confidential humanitarian services to prisoners in Vietnam, as a step towards improving their treatment and the poor condition of imprisonment; and

(5) the United States should consult with its allies, including Japan, Australia, Canada, and the European Community, to coordinate international public and private appeals for improvement in human rights in Vietnam, drawing attention to the statement issued by the World Bank-convened donors' conference in Paris on November 10, 1993, that notes that economic and social development in Vietnam require "more attention to democratization and the promotion of human rights" by the Government of Vietnam.

THE KILLINGS IN HEBRON

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. DINGELL. Mr. Speaker, on February 25, a lone assailant walked into a place of worship in the West Bank town of Hebron and killed at least 39 Palestinians at prayer during the holy month of Ramadan. In the days that followed, the state of affairs in the Middle East has moved from one of constructive discussions for peace to destructive statements of hatred and acts of violence.

It is easy to understand the feelings of those who are mourning the loss of friends and relatives. Moreover, it is certain that such passions only are intensified when it is learned that many people applauded the killings as appropriate in what they view as a holy war. However, it is of utmost importance that Dr. Goldstein's actions do not bring the victory he and his compatriots sought by destroying all hope for peace agreements in the Middle East.

Israel has responded affirmatively by offering to release political prisoners and allowing unarmed international observers into the occupied territories. Palestinian leader Yasser Arafat responded by calling these offers "hollow and lacking in substance." The PLO would like to see the dismantling of Jewish settlements in Hebron and other heavily populated Arab areas, as well as an armed international presence. As the nation which claims to have sovereign control of the West Bank, Israel has an immediate obligation to provide equal protection to both Palestinians and Jewish settlers during this tumultuous period. Curfews and other actions used to preserve peace and control damage must be conducted in an evenhanded manner which respects everyone's basic dignity.

It must be remembered also, that the occupied territories are comprised of disputed land. In the absence of positive efforts to solve the peace process in a fair manner, it is incumbent upon our Government to review its foreign aid policy for the entire region.

While these developments are discussed and debated at the international level, it is imperative that the United States joins in the mourning of those who lost their lives, and in trying to bring meaning to this tragedy by pushing forward toward peace. It is encouraging that Syria, Jordan, and Lebanon have not withdrawn completely from the peace process, and that our government has demonstrated its commitment to facilitating a resumption of the talks. Such a resumption, however, must happen in an atmosphere of mutual respect of all parties and a recognition of the basic human dignities to which every person should be entitled—regardless of religious or national affiliation.

INTRODUCTION OF HELIUM AMENDMENTS ACT OF 1994

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mrs. VUCANOVICH. Mr. Speaker, today, I am very pleased to join with the distinguished chairman of the Subcommittee on Energy and Mineral Resources, Representative RICHARD LEHMAN, in introducing "The Helium Amendments Act of 1994," a bill to reform the Federal Helium Program.

The use of helium is far more widespread than its traditional uses. These include use in space shuttle launches, cancer research, welding, cryogenics, and so forth.

In 1925, the Federal Helium Program was officially placed under the Bureau of Mines control when Congress enacted the Helium Act of 1925. In 1929, the Bureau's large scale helium extraction and purification facility was built and began operating near Amarillo, TX.

Concerns that natural gas supplies were drying up prompted Congress to replace the 1925 act with the Helium Act Amendments of

1960. The 1960 act was intended to conserve helium for essential Government services and to supply current and foreseeable needs of the Federal Government. The law authorized the Secretary to buy helium from private suppliers and store it for use by the Federal Government. Also the law authorized storage of helium, maintaining helium production and purification plants, as well as related helium storage, transmission and shipping facilities.

Beginning in 1960, the Federal Government contracted with private companies to supply helium to the BOM facility. To finance purchases the Bureau borrowed $252 million from the Treasury, intending that future sales would recover the loan. But Federal demand failed to meet projections, and in 1973 the BOM canceled the contracts. This left the Bureau controlling the estimated 32 billion cubic feet helium stockpile, and a debt, which—including interest—is estimated at $1.3 billion.

Since the 1960 act, the situation has changed dramatically. Today, there is a thriving, efficient U.S. private helium industry which last year provided and supplied an estimated 3 billion cubic feet of the 3.5 billion cubic feet which is sold worldwide. Domestically, there are 11 privately owned plants in Kansas, Texas, Wyoming, and Colorado.

By contrast, the Federal Government continues to operate highly inefficient 65-year-old facilities supplying Government customers at a much higher cost, and representing just 10 percent of the total domestic market.

The inefficiency of the Federal program and the need for reform in the helium program has been the subject of national television programs, newspaper articles, congressional hearings, as well as critical statements by public interest groups such as the National Taxpayers Union, Citizens Against Government Waste, and others.

Our bill stops the needless action of the Federal Government directly competing with the private helium industry, saves the taxpayers millions of dollars, ensues repayment of the debt, and puts an end to a wasteful Government program that has long outlasted its usefulness once and for all.

It does this by terminating the Government's refining and marketing functions and turning those functions over to the private sector, which can do it more efficiently and cheaper.

In addition, our legislation phases in the sale of the stockpile over several years, with the entire helium stockpile by a date certain. This will allow the private helium fields to be depleted in the intervening years and ensuring that when sold, the return to the Treasury on the helium stockpile will be at the maximum return for U.S. taxpayers.

This legislation also ensures that impact on the private helium industry will be minimized while eliminating a wasteful Government program.

I look forward to a hearing in April.

STATEMENT IN SUPPORT OF "PROJECT CHILDREN"

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. MORAN. Mr. Speaker, 20 years ago in Greenwood Lake, NY, Denis Mulcahy of County Cork, Ireland, began Project Children. Mulcahy's aim was to reach out to the citizens of Northern Ireland who are not only most hurt by the violence, but who also have the best chance to end it—the children.

Over the past two decades, Project Children has brought to America over 8,000 Protestant and Catholic children aged 10 to 14 years for 6 week summer vacations. These children are Northern Ireland's most tragic victims. The coordinators at Project Children seek to include the Irish youth who are most at risk—they live in the worst neighborhoods, they have seen the worst violence, their parents are unemployed, or even incarcerated. If these children can be removed for even a short time, placed together, both Protestant and Catholic, in a peaceful environment and then given the opportunity to intermingle, Project Children believes they will take these lessons of harmony back home with them to Ireland.

Project Children has no political agenda and no paid staff. American families provide, at their own expense, homes for the children while they are in the United States and Project Children pays the children's traveling expenses and health/accident insurance. Recently, a new undertaking, Project Children Together, has been established which gives the children an opportunity to get together back home in Northern Ireland both before and after their tip to the States. It is Project Children Together which provides the ongoing framework for the friendships made in the States to flourish. It is my hope that these friendships will build a better future for Northern Ireland.

Thus, I would like to pay tribute to all of those who have been involved with Project Children. I salute the tireless efforts of those who have organized these trips for thousands of children, I salute the generosity of the American families who have opened their homes in an effort to help these children. The success of Project Children is a testimony not only to its organizers ad participants, but also to the effort to win peace in Northern Ireland.

KEY DOCUMENTS PROVE INNOCENCE OF JOSEPH OCCHIPINTI

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. TRAFICANT. Mr. Speaker, as part of my continuing efforts to bring to light all the facts in the case of former Immigration and Naturalization Service agent Joseph Occhipinti, I submit into the RECORD a copy of a sworn affidavit made out by one Ramon Rodriguez:

AFFIDAVIT—STATE OF NEW YORK, COUNTY OF RICHMOND

RAMON RODRIGUEZ, being duly sworn deposes and says:

1. I am a Dominican National presently residing in New York State.

2. I have made previous sworn affidavits in reference to matters concerning Joseph Occhipinti to members of the staff of Staten Island Borough President Guy V. Molinari.

3. On August 4, 1992 I was given a polygraph test by the F.B.I. at their office at 95-25 Queens Blvd.

4. I was given the test by one F.B.I. agent. No one else was present in the room during the polygraph test.

5. The F.B.I. agent who gave me the test did not indicate one way or the other if this test was being video and or audio taped.

6. The questions on this test concerned my previous affidavits and about a tape recorded conversation between Elias Taveras and myself. Mr. Taveras testified for the government in the trial of Joseph Occhipinti.

7. The agent who gave me the polygraph test did not question me about a certain tape recorded conversation between myself and Jose Prado who testified for the government against Joseph Occhipinti.

8. I have since learned that the F.B.I. claims that I failed the polygraph test regarding the validity of the tape recorded conversation (that I provided to Mr. Molinari) between Elias Taveras and myself.

9. I declare that this conversation between Elias Taveras and myself in which Mr. Taveras admitted committing perjury at the Occhipinti trial, was validly recorded by me and that this tape was an accurate version of our conversion.

10. I believe the F.B.I. deliberately used techniques and methods known to them, that caused me to fail the polygraph test.

11. I feel that the polygraph examiner and myself did not have a valid understanding of each other due to language differences. I speak spanish and some english. The polygraph examiner did not speak spanish. No interpreter was provided but one was offered to me.

12. The polygraph examiner did not ask the questions in an even voice tone. During the entire test he varied his tone and he varied the intensity of his questions.

13. Due to the manner in which the polygraph examiner asked me certain questions I feel that my answers were improperly recorded due to a startled reaction on my part as a response to the change in voice tone and emphasis by the F.B.I. examiner.

REMEMBERING ONE OF OUR OWN

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. MAZZOLI. Mr. Speaker, 6 years ago, on February 17, 1988, U.S. Marine Col. William R. Higgins was taken hostage by pro-Iranian Shiite Muslims while commanding a United Nations (U.N.) observer group along the Israel-Lebanon border. He was later murdered by his kidnapers in retribution for Israel's kidnaping of Sheik Abdul-Karim Obeid, a Shiite Moslem cleric and Hezbollah leader.

It is unfortunate that we must have an anniversary such as this, but it is important that we as a nation remember those who have fallen in the service of our country.

Colonel Higgins was born in Lancaster, KY, and grew up in my hometown of Louisville and Jefferson County, KY. He joined the Marines and later became a member of the U.N. peacekeeping force in Lebanon. It was in his position as a leader of an observer team along the Israel-Lebanon border that Colonel Higgins was kidnaped and later murdered by terrorists.

This incident raises the question of whether or not U.S. troops stationed abroad, especially in the position of U.N. peacekeeping troops, are sufficiently protected. It is the responsibility of the United States to ensure that Americans serving in the United Nations as blue berets are treated not as hostages when captured, but as prisoners protected by the Geneva Convention. Recent events have shown that the United Nations has neither the capability nor the resources to protect U.S. soldiers. It is also evident that episodes that have been played out before the television cameras of the world cannot be allowed to continue.

It is important for us to remember that Colonel Higgins was a part of the force that was to make the world a safer place. We should also remember that as the world becomes more and more volatile, the United States must make firm decisions that will protect our troops should their services be required to keep the peace abroad. What is called for are decisions made with deliberation, foresight and extreme caution.

As a tribute to the memory of Colonel Higgins, and to his widow Marine Lt. Col. Robin Higgins, the U.S. Navy has announced plans to name a new warship the *Colonel William R. Higgins,* a guided missile destroyer, which is set to be launched in 1998.

I ask my colleagues to join me in remembering all those who have given their lives in the service of our Nation, but in particular let us remember a fine marine, a loyal husband and patriotic citizen—Col. William R. Higgins.

THE 20TH ANNIVERSARY OF PROJECT CHILDREN

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. SHAW. Mr. Speaker, I rise today to commend Project Children, a national volunteer organization that brings Protestant and Catholic children from Northern Ireland to the United States each summer.

Project Children was founded 20 years ago by Denis Mulcahy, a member of the New York City Police Department's bomb squad. Its purpose is to give children a brief respite from the troubles in Northern Ireland, where summers have been marked by heightened violence in the ongoing civil war. During those 20 years, more than 8,000 Irish boys and girls have spent summers in the United States with volunteer families who opened their hearts and their homes to children forced to grow up amid hatred and civil strife.

The program is really about barbecues and softball and the simple joys of summer, which all children should enjoy. Project Children has no political agenda, but all involved hope that in a small way the religious tolerance the children witness—and share in during their time here—will carry over after they return home. It is because of the nonpolitical nature of Project Children's goals and message that it is accepted and supported by both the Catholic and Protestant communities in Northern Ireland.

In Washington, Project Children has been blessed by active support from members of the political community on both sides of the aisle. I am proud to have played a small role, through which I have gained a window on the outstanding work done by Project Children's thousands of volunteers and other benefactors.

While we are beginning to witness some encouraging signs of change in Northern Ireland, the lingering bitterness of the troubles signals that the good work of Project Children will continue to be needed in the years ahead. As long as there is a need, I know that Project Children volunteers will be ready to embrace the children of Northern Ireland.

All who have helped make this effort a success for the past 20 years are to be congratulated. Project Children and its many supporters have our best wishes for continued success.

NUCLEAR ENERGY: A PROVEN, RELIABLE ENERGY SOURCE

HON. NORMAN SISISKY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. SISISKY. Mr. Speaker, as the coldest, iciest weather this century clutched much of the United States, nuclear energy rose to the challenge, producing electricity to warm homes and keep businesses open. I want to bring this to the attention of my colleagues, especially with regard to Virginia Power.

In Virginia, nuclear energy provides more than 47 percent of my State's electricity. During the record cold spell, Virginia Power had three nuclear units operating at 100 percent while Surry Unit 1 was at 57 percent power in anticipation of a scheduled refueling outage. Because Virginia Power's nonutility sources of electricity were experiencing weather-related problems and only two-thirds of that electricity was available, nuclear energy was integral to keeping essential businesses running and citizens warm during this crisis.

"We depend upon nuclear energy to be our baseload generation," said Virginia Power's Jim Norvelle. "Virginia Power's nuclear units ran superbly well. That also speaks to the people who operate those units. It was cold for them too, and they had families and kids home from school, but they made sure those units kept operating to ensure everyone had the electricity they needed. We had a lot of things to worry about Wednesday morning, but the reliability of nuclear units was not one of them."

The same ice storm crippled fossil fuel stations, paralyzed oil barges in rivers, turned coal piles into impenetrable solid masses of ice, and made gas a scarce and unavailable commodity. Fortunately for the public safety, nuclear power stations around the region were up and running providing the necessary electricity throughout the storm. Because of this, we avoided a major crash in the energy supply system that would have been unavoidably catastrophic.

Mr. Speaker, the many local and hard-working employees in all areas of the Nation's energy industry are to be commended for their heroic efforts during the recent winter storm emergency. I hope my colleagues will keep this episode in mind as we made decisions in the days ahead which will determine the long-term viability of nuclear energy, one of the Nation's proven, reliable energy sources.

INTERNATIONAL WOMEN'S DAY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mrs. MORELLA. Mr. Speaker, today is International Women's Day, a day set aside to focus attention on the plight and status of women in our country and around the world.

Over the past years, women's issues have increasingly been recognized as the key to resolving many global problems, especially overpopulation and sustainable development. There has been a growing realization in this decade toward recognizing the key role of women, starting with the Rio Conference, which established the link between overpopulation and its environmental effects, and again last summer when the Vienna Conference on human rights was dominated by the discussion of women's human rights concerns, including illiteracy, genital mutilation, health, and education. The international focus on women will continue this fall during the Cairo Conference on population and development and will be carried over into the new year with the Beijing Conference on women next fall.

As we observe this International Women's Day and prepare for future days, we must continue our work to empower women, focusing especially on women's literacy and enabling women to regulate their own fertility. Failure to do so will mean surrender to the environmental damage and economic and political consequences caused by poverty and overpopulation. If we are to build a sustainable global economy and environment for the future, we must act in this decade to protect and promote women's rights.

TRIBUTE TO SHERIFF TOM PURVIS

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. CALLAHAN. Mr. Speaker, there's no telling how many millions of Americans have been reared watching the Andy Griffith Show, in which Sheriff Andy Taylor and his sidekick, Deputy Barney Fife, keep the peace in the tiny, fictional town of Mayberry, NC.

The show depicted a simpler time, when family values were learned and respected, and not just talked about; a time when respect for society's laws was as deep-rooted as the love for our country.

Mr. Speaker, in many ways, we in Mobile, AL, have our own version of Sheriff Taylor. A man who for nearly 20 years has been a dedicated, faithful public servant, who truly epitomizes the real meaning of those words.

No, Tom Purvis can't get by these days with a single squad car or a deputy who keeps his lone bullet in his shirt pocket. Times haven't been that simple in a long, long time.

But what Tom Purvis has done, quite successfully I might add, is to serve as sheriff during a period in which employment within the department has risen, inmate capacity has increased, and lawsuits against the sheriff's department have dramatically decreased. And while crime has been on the rise all across the Nation during the past 20 years, and Mobile County is certainly no exception, Sheriff Purvis has worked tirelessly to bring together a team of trained professionals dedicated to making certain that the people of my home are as well protected as any in America.

This, Mr. Speaker, has occurred because Sheriff Tom Purvis has managed to be a protector, as well as a friend to the citizens of Mobile County, AL.

His leadership in law enforcement has been recognized across the State of Alabama. He has served an unprecedented two consecutive terms as president of the Alabama Sheriff's Association, as well as serving as president of the Alabama Peace Officers Association, and he is a member of the International Association of Police Chiefs, Fraternal Order of Police, National Sheriff's Association, and Governor's Task Force on Drunk Driving.

The list of honors and accolades that comes Tom's way is simply too long to recite for the purposes of this recognition. However, no award or citation is as important to Tom Purvis as is his commitment to our young people.

He established the Junior Deputy Program in our local schools in an attempt to help our children better understand the role of law-enforcement officials, and he has strengthened the department's youth aid division, as well as many other areas. For all of his time and energy given to the young people of Mobile County, he received the Silver Beaver Award, the highest award given to a non-Scout by the Boy Scouts of America.

Mr. Speaker, it's easy to look around and find things which are negative and depressing. Those are usually the stories which make the front page of the daily paper or the lead story on the nightly news. And to be certain, there are a lot of dark clouds out on the horizon.

But every now and then, we also need to take pause and look at the silver lining in those clouds. The man Teddy Roosevelt referred to:

> Who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, and comes up short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds * * *.

All too often, we in this country look to find fault and place blame. It is a rare case when we take the opportunity to acknowledge the years of public service exhibited by our officials. Accordingly, I take great pleasure in recognizing an outstanding man, Sheriff Tom Purvis, for his many years of selfless service to the citizens of Mobile, AL, and I publicly thank him for being our man in the arena.

DOD WORKPLACES SMOKE FREE

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. DURBIN. Mr. Speaker, today the Department of Defense is announcing that it is issuing an instruction that will improve the health of all DOD personnel by making all DOD workplaces smoke free. I applaud the Department of Defense for taking this important step to protect civilian and military personnel from exposure to secondhand smoke.

DOD's action is a proper response to the Environmental Protection Agency's findings that secondhand smoke kills 3,000 Americans each year from lung cancer alone and is worthy of the EPA designation that is a group A carcinogen. This classification is reserved for substances which are known to cause cancer in humans, including asbestos, benzene, and arsenic.

When today's DOD announcement takes effect on April 8, the Department of Defense will join a number of other Federal agencies that have taken similar action to eliminate unnecessary exposure to deadly secondhand smoke. Among the other agencies that have established smoke free workplace policies are the Department of Health and Human Services, the Environmental Protection Agency, the Office of Personnel Management, the General Services Administration, and the U.S. Postal Service.

The simplest and most economical way to protect nonsmokers from exposure to secondhand smoke in the workplace is to ban smoking in indoor work spaces. DOD has taken this approach. Its policy permits smoking only in designated outdoor smoking areas. The only other approach that can effectively protect nonsmokers from exposure to secondhand smoke is to establish separately ventilated indoor smoking areas, but that approach would have required DOD to incur costs for modifications to ventilation systems.

DOD wisely chose to focus its scarce resources on a more valuable program of assistance to those of its employees who smoke. Specifically, DOD's instruction requires DOD agencies to provide effective smoking cessation programs to smokers, and to expand such programs as needed, as part of its move to implement the workplace smoking ban. With the recent revelation of evidence that tobacco companies manipulate nicotine levels in cigarettes to keep their customers addicted to tobacco, we must recognize that it isn't always easy to quit the tobacco habit without assistance. Offering smoking cessation programs is an important way to recognize smokers' human struggle with the addictive nature of tobacco while implementing a smoke free workplace policy to protect the health of nonsmokers.

Mr. Speaker, secondhand smoke contains more than 4,000 substances, including 43 substances known to cause cancer in humans or animals. The Department of Defense is to be commended for taking this action to give its nonsmokers a defense against exposure to secondhand smoke and for offering assistance to smokers to help them quit smoking. Every employer in the Nation—in both the governmental sector and the private sector—should take a lesson from the Department of Defense and consider action to improve their employees' health.

HMONG REFUGEE CRISIS IN THAILAND AND LAOS

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. HUNTER. Mr. Speaker, the trade embargo against Vietnam has been lifted by President Clinton, but one of the remaining unsolved issues of the Vietnam war is the current plight of Hmong refugees who remain in camps in Thailand. The Hmong refugee crisis in Thailand is, in part, the result of the Thai Ministry of the Interior's [MOI] policy of forcibly repatriating Hmong back to the Communist government in Laos. By the end of this year MOI plans to close the Hmong refugee camp at Ban Napho and to send all Hmong in Thailand back to Laos—by mandatory—forced—repatriation.

Mr. Speaker, this misguided policy of mandatory and forced repatriation is in part being financed by the U.S. taxpayer and is a slap in the face to the Hmong—and to America's Vietnam veterans who fought with them. Dr. Jane Hamilton-Merritt, a distinguished Lao-Hmong scholar and journalist, details this terrible abandonment and betrayal in the following San Francisco Chronicle piece which I believes is important to include as part of the public record:

[From the San Francisco Chronicle, Nov. 11, 1993]

THE HMONG: FORGOTTEN VIETNAM VETS

(By Jane Hamilton-Merritt)

"To be an enemy of the United States can be unpleasant. But to be a friend of the United States can be fatal."—Senator Daniel Moynihan.

Senator Patrick Moynihan's words are chillingly applicable to the Hmong tribal people of Laos, many of whom are now political refugees and asylum seekers in Thailand.

These staunch former allies of the United States and Thailand in the critical Lao Theater of the Vietnam War now report coerced repatriation to their sworn enemy, the Lao People's Democratic Republic (LPDR), one of the few Marxist-Leninist regimes left standing.

Today's situation for the 50,000 Hmong in United Nations camps in Thailand is extremely grave. Since 1991, over 15,000 Hmong have fled these camps in fear that they would be forcibly repatriated to Laos and persecution. Word has gotten out from some of the 12,000 Hmong in Na Pho Camp—the last stop before repatriation to Laos—that they steadfastly refuse to return to Laos and are prepared to die in the camps—by their own hands, if necessary.

Why is this happening? What went wrong? During the 1960s and 70s, the Hmong, or "Meo," were the tough, courageous and loyal allies who, with U.S. backing, kept the North Vietnamese army at bay in northern Laos, gathered intelligence for the Thais and the Americans, rescued downed U.S. and Thai air crews, and provided security for U.S. navigational sites in Laos that provided vital control functions for air strikes against targets in northern Laos and North Vietnam.

Hmong did this at great loss of life. Not just soldiers, but old people, women, and children also died and suffered in large numbers.

When the Communist government came to power in 1975, it launched a campaign to eliminate or silence those who had not sided with them. On the list were senior military, police, and civilians of the Royal Lao government, minorities allied with the United States and the royal family. The extermination of the beloved royal family in "seminar" camps is a shameful story, well-hidden by Vientiane's diplomatic salesmen.

Much of Laos became a gulag where opponents were sent to concentration-like camps where they were tortured, starved, denied proper medical treatment and forced to perform slave labor. Intent upon eliminating the old order which included their longtime enemies the Hmong, large numbers of Communist Vietnamese and Lao soldiers followed the Hmong, hunting them down like animals. The Lao Communist regime was so ruthless in this ethnic and political "cleansing" that from 1975 to the present more than 10 percent of the population fled.

Tens of thousands of Hmong escaped across the Mekong River to Thailand from where many were resettled in the West along with a million other Indo-Chinese refugees. However, many Hmong remain in camps in Thailand.

While many Hmong want to return to their Lao homelands, the fact is that they cannot return safely because the current Lao government remains perhaps the most closed, secretive and repressive in the region. Even the U.S. State Department report on human rights concludes that the Lao people are denied many basic freedoms, including no trial by jury and imprisonment for suggesting a multiparty system.

Yet, in 1991, a Hmong repatriation program began that included the U.N. and the governments of Thailand and Laos, sponsored and partially financed by the United States. This program is wrought with problems and because meaningful protection of returnees to Laos cannot be provided, common sense and conscience dictate that the repatriation of Hmong to Laos be suspended.

Recently, Representative Toby Roth, in whose Wisconsin district many Hmong live, took up the Hmong cause by calling for congressional hearings. "Many of the Laotian refugees, particularly the Hmong people, fought against the spread of communism in Southeast Asia . . . To simply force these people back into Communist Laos is to sentence them to certain retribution for their commitment to defeating Communism."

In 1969, the Lawyers Committee for Human Rights reported, "Screening [to determine refugee status] is conducted in a haphazard manner with little concern for legal norms. Extortion and bribery are widespread. And despite an observatory role, the office of the U.N. High Commission for Refugees (UNHCR) in Thailand has proven incapable of ensuring a reliable and fair procedure."

Since 1969, the U.S.-based Lao Human Rights Council has assembled a distressing compendium of evidence showing involuntary repatriation of Hmong to Laos, of abuses against returnees by the Lao government, and of a pervasive atmosphere of desperate fear in the camps.

This past July, Hiram Ruiz of the U.S. Committee for Refugees, reported that Hmong he interviewed in Thai camps were "no longer primarily concerned about the Laotian government being Communist, but are worried about being persecuted as a minority. They say that only if they can return to autonomous Hmong areas can they be safe."

While the Thai people have been generous and patient with the large numbers of refugees on their soil, without U.S. leadership, the Thai will feel that they are left holding the check for the final phase of the refugee resettlement and the fate of the Hmong will not be honorably resolved. ;

President Clinton asserts that the United States is committed to "reinforcing democracy and protecting human rights [as] a pillar of our foreign policy." By helping the Hmong, Clinton can put his words into action. The United States and Thailand should publicly acknowledge the Hmong contributions and sacrifices of Hmong soldiers and intercede with the Lao government on their behalf.

The Royal Thai government should be supported by free people everywhere to allow the Hmong not wishing to return now to Laos to take up temporary residence in northern Thailand until such time as they may return without fear of persecution.

There is no more time. The bill for decades of service by the Hmong to the United States and to the soldiers who fought and died in the Lao secret theater of the Vietnam War—has now irrevocably come due.

IT'S TIME TO DEFLATE THE FEDERAL HELIUM PROGRAM

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. LEHMAN. Mr. Speaker, today, I am pleased to join the distinguished chairman of the Committee on Natural Resources, Representative GEORGE MILLER, and the ranking member of the Subcommittee on Energy and Mineral Resources, Representative BARBARA VUCANOVICH, in offering the Helium Act of 1994, a bill to reform the Federal Helium Program.

While most people may associate helium with balloons and blimps, it is also used in the space shuttle program, in star wars research, for cryogenics and magnetic resonance imaging.

The Federal Government got involved in producing helium during World War I, when the Army and Navy became interested in using it for dirigibles and blimps. Congress then passed the Helium Act of 1925 which created the Federal Helium Program. Later, concerns that helium supplies were tapering off prompted Congress to replace the 1925 act with the Helium Act Amendments of 1960.

The 1960 act was intended to encourage conservation of helium and to assure that supply sufficient to meet the current and foreseeable future needs of the Federal Government would be available. The law authorized the Secretary of the Interior to buy helium from private supplies and store it for use by the Federal Government in federally owned plants and related storage facilities. The act also encouraged private industry to participate in helium recovery as previously, the Federal Government had been the only domestic helium producer.

During the following decade, the Bureau of Mines contracted with private companies to supply helium to the Federal Government. To finance purchases, the Bureau of Mines borrowed $252 million from the Treasury, mistakenly believing that future sales would recover the loan.

Currently, 32 billion cubic feet of helium is stockpiled in an underground dome northwest of Amarillo, TX. Meanwhile, the helium debt has risen to $1.4 billion—most of which is interest. Although required to refund this debt by 1995, there is no prospect of repayment.

The Bureau of Mines helium program began as an effort to assure the Government of an adequate supply of helium at a time when there was no private helium production. After the Government raised its prices in concert with taking out loans to pay for its purchases, production of helium became cost effective and a private sector emerged. Today, the private sector produces 90 percent of the helium consumed in the country.

The United States is the world's major producer and consumer of helium, using 2.16 billion cubic feet per year. The total sales value of domestic consumption and exports of refined helium in 1992 was $180 million—of which the Government produced $18 million. Domestic production came from the Government plant in Amarillo and 11 privately owned plants—4 in Kansas, 4 in Texas, 2 in Wyoming, and 1 in Colorado.

Because Federal agencies are required to purchase helium from the BuMines, the Government continues to operate the helium recovery and purification facility in Amarillo, TX. Unfortunately, these facilities are outmoded, in need of constant repair, and are not nearly as efficient as private facilities. For example, at the Federal plant, over 40 people are employed for maintenance as opposed to 4 at a nearby private facility.

The original reasons for creating the program have been met. For example, a strong private helium industry has emerged that can meet Federal needs in the absence of a Federal program. Both the General Accounting Office and the inspector general of the Department of the Interior have supported reform of the helium program.

In response to concerns raised by a number of colleagues about the helium program, as well as public interest groups such as the Taxpayers Union, the Subcommittee on Energy and Mineral Resources conducted an oversight hearing on the helium program on May 20, 1993. In addition, during the past several months, I have met with a number of individuals about the need to reform the program. Subcommittee staff have visited the Federal facilities and a private facility. As a result, I have come to the inescapable conclusion that changes to the Helium Act are warranted.

Briefly, our legislation relieves the Bureau of Mines of its helium duties with the exception of several specific responsibilities which I believe are appropriate for the Federal Government to carry on. The Cliffside Reservoir and the pipeline associated with it would be maintained by the Bureau of Mines. Monitoring and associated research related to domestic helium resources would continue. However, the Federal Government would get out of the helium refining and production business. Federal agencies would be allowed to purchase helium from the lowest bidder. The stockpile would be maintained until 2014 to allow other reserves to be depleted and to ensure that Federal helium will receive the optimum price when sold and that such sales will not disrupt the private market.

The Subcommittee on Energy and Mineral Resources will hold a hearing on this legislation in April.

FAIR WINDS AND FOLLOWING SEAS FOR VICE ADM. ANTHONY A. LESS, USN

HON. OWEN B. PICKETT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. PICKETT. Mr. Speaker, it has come to my attention that Vice Adm. Tony Less will be retiring from the Navy after some 35 years of honorable and distinguished service.

He has most recently served in the Tidewater area as the commander of the Naval Air Force Atlantic Fleet. In this capacity, he has exercised type command of all Atlantic Fleet aircraft carriers and naval aircraft squadrons, many of which are currently and/or were formerly deployed in support of operations Deny Flight in the Adriatic Sea, Provide Promise in Somalia, Provide Comfort in Bosnia, and Restore Hope in Haiti.

His previous sea assignments have included command of Attack Squadron 12, Carrier Air Wing 9, U.S.S. *Wichita* [AOR–1]. U.S.S. *Ranger* [CV–61], Carrier Group 1, Joint Task Force

Middle East and Middle East Force, and duty as chief of staff to the commander of the U.S. 7th Fleet.

Vice Admiral Less' shore assignments have included command of the Navy's Blue Angels Flight Demonstration Squadron, deputy director for politics-military affairs in the strategic plans and policy directorate of the Joint Staff in Washington, DC, assistant and later acting deputy chief of naval operations (plans, policy and operations) and finally, his current assignment in Norfolk, VA. For his exemplary and dedicated service, he has been awarded the Defense Distinguished Service Medal, Distinguished Service Medal, Defense Superior Service Medial—with oak leaf cluster in lieu of second award, Legion of Merit—with gold star in lieu of second award, Air Medal with 10 strike/flight awards and the Navy Commendation Medal with combat "V", in addition to numerous unit and campaign awards.

While Vice Admiral Less is widely acknowledged as a leader and visionary in naval aviation, his assistance in promoting effective communications and harmonious working relations between the Navy and the Hampton Roads community has been equally recognized and appreciated by all who have come to know him.

A man of Admiral Less' talent and integrity is rare indeed, and while his honorable service will be genuinely missed, it gives me great pleasure to recognize him before my colleagues and to wish him and his family every success as he brings to a close a long and distinguished career in the U.S. Navy.

NEW JERSEY PRIDE HONOR ROLL; DR. THOMAS E. DAVIDSON

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. GALLO. Mr. Speaker, at all times, and for all nations, the watchword for any professional military force is readiness.

Knowing the mission, having a plan to carry out that mission and setting reasonable expectations as to the duration of the engagement are bottom line requirements for success.

The essence of any successful plan for military engagement is the development of effective tools to carry out each step of a mission quickly and effectively—to enhance the momentum with firepower.

I am proud to represent the dedicated men and women of Picatinny Arsenal, because they are the best in the world in the research, development and engineering of armaments—the backbone of our fighting forces in the 1990's.

And, on the occasion of his retirement on March 18, I would like to recognize an individual who typifies the commitment and dedication to quality which are the hallmarks of the people at Picatinny—and a man who has provided the leadership needed to translate talent into success.

Dr. Thomas E. Davidson has dedicated his professional life to the reach for excellence and has grasped the gold ring—not only for himself, but also for the people of Picatinny and for the Department of the Army.

Dr. Davidson has set an example for others to follow.

He began his Federal career with the Department of the Army in 1955 at Watervliet Arsenal, Watervliet, NY, and held many positions of increased technical responsibility there until 1982. In 1982, he joined the staff of the U.S. Army Armament Research and Development Command at Picatinny.

He rose to the position of Deputy Director, Fire Support Armaments Center, an organization of more than 1,100 scientists and engineers involved in the research, development, fielding, initial production and field support of the U.S. Army direct and indirect fire weapon systems along with the fire control support needed for these systems to be effective. He was appointed to the Senior Executive Service, a two-star general equivalency, in 1985 while serving as Deputy Director.

Dr. Davidson was appointed to the position of Technical Director for Armaments, U.S. Army Armament, Munitions and Chemical Command in March 1989. He is responsible for all technical operations at the U.S. Army Armament Research, Development and Engineering Center. He manages an annual budget of more than $1 billion and a technical staff of over 2,000 scientists and engineers with approximately 2,000 support personnel.

Dr. Davidson's executive development assignments include serving for an extended period of time as the Acting Technology Manager, Weapons Systems Director, U.S. Army Deputy Chief of Staff for Research, Development and Acquisition at the Pentagon.

He has published more than 30 papers in national and international journals, is a recognized international authority on armaments, and is listed in "American Men of Science" and "Who's Who in the East."

He was presented with the Presidential Rank Meritorious Award in 1991 and the Presidential Rank Award of Distinguished Executive in 1992.

He has been the corecipient of two U.S. Army Research and Development Achievement Awards, and has received the Alfred H. Geisler Memorial Award for Outstanding Metallurgical Achievement, the American Society for Metals President's Award, and numerous other recognitions.

Dr. Davidson holds a bachelor of science degree in metallurgical engineering from Lehigh University as well as a master of science degree in metallurgical engineering and a Ph.D. in materials engineering from Rensselaer Polytechnic Institute.

Mr. Speaker, I ask my colleagues to join with me today to thank Dr. Thomas E. Davidson for his dedication and to wish him all the best as he retires after 39 years of Federal public service.

TRIBUTE TO NATIONAL FOOTBALL FOUNDATION SACRAMENTO VALLEY CHAPTER'S SCHOLAR ATHLETES OF THE YEAR

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to the following high school members of the Sacramento community upon their acceptance as the National Football Foundation Sacramento Valley Chapter's Scholar Athletes of the Year. These outstanding individuals deserve to be recognized for their dedication to the pursuit of excellence, not only in their sport, but in their academic undertakings as well.

A ceremony in Sacramento will recognize three college students: Reggie Glaude, California State University, Sacramento; Khari Jones, University of California, Davis; and Steve Mehl, University of the Pacific. The high school students recognized are Justin Allmon, Bear River High School; Scott Auerbach and Marty Raddigan, Del Oro High School; Nigel Burton, Bryan McKrell and Jeremy Wilgus, Jesuit High School; Daniel Elorduy, Christian Brothers High School; Andrew Ghio, Lincoln High School; Scott Hatton, Cordova High School; Scott Heilmann and Thor Larsen, Nevada Union High School; Sean Laird, El Camino High School; Jeremy Silcox, Tracy High School, and Tommy Welch, Jr., C.K. McClatchy High School.

The 1994 adult honorees are: Bishop Francis A. Quinn, Distinguished American Award; Philip A. Dynan, Amateur Football Award; David Leatherby, Sr., Gene Sosnick Award; Jeff Tidsel, Rowland P. Smith Award; and Jim Doan, Distinguished Achievement Award.

Mr. Speaker, I commend the 1994 scholar-athletes for their many accomplishments. I am sure that my colleagues join me in saluting these invaluable members of the National Football Foundation and Hall of Fame for their expertise and their sportsmanship. It is through their hard work and sacrifice that these young men have met the challenge of excelling in two different environments. I extend my best wishes for their continued success in all their future endeavors.

FORMER REPRESENTATIVE SEIBERLING'S TRIBUTE TO PAT KRAUSE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 8, 1994

Mr. MILLER of California. Mr. Speaker, the Committee on Natural Resources lost a dedicated and respected former staff member recently with the passing of Ms. Patricia Krause. Pat's detailed knowledge of territorial issue and her major contributions to the work of the committee over many years of service are appreciated by all those with whom she worked.

Our former colleague, John F. Seiberling, worked closely with Pat when he chaired the Subcommittee on Public Lands. He has written a tribute to her, which I would like to include in the RECORD at this point.

Patricia A. Krause, a former member of the staff of the Committee on Interior and Insular Affairs, died on February 23, 1994, after a long battle with cancer. Having worked closely with her in my years on the Committee, I thought it would be fitting to write this letter for insertion in the Congressional Record.

In the 1970's, the late Congressman Phillip Burton of California became chairman of the Subcommittee on Territorial and Insular Affairs. The Subcommittee's jurisdiction included the islands of Micronesia, which were administered by the United States under a United Nations trusteeship. Pat Krause was

a Committee staffer working on the complex social, political, and human problems involved in overseeing the administration of these islands and working out our nation's future relationships with the people of that vast area of the South Pacific.

In 1981, Phil Burton decided to accept chairmanship of a subcommittee of another House committee, which meant giving up the chairmanship of his Interior subcommittee. Phil insisted, with his usual persuasiveness, that the Pacific Trust Territories jurisdiction be transferred to the Public Lands Subcommittee, which I chaired. This sizable expansion of my subcommittee's jurisdiction came just as the Executive Branch was getting ready to submit to Congress the proposed Compact of Free Association, by which the Pacific island nations were to become independent while retaining military and economic relations with the United States.

Fortunately for Congress and for the people of Micronesia, Pat Krause agreed to continue as the staff person dealing with Trust Territory affairs. Pat was a big person in every sense of the word. Her knowledge of the personalities and her intellectual grasp of the issues in each of the political entities was really amazing. She was simply indispensable to me and other members of the Subcommittee.

But Pat Krause had something even more important—she had a big heart. This came to the fore as the Committee battled the bureaucrats of the Reagan administration and their allies in Congress over the terms of the Compact and implementing legislation. The Committee was determined that the United States meet its moral obligations to the people of Micronesia, and Pat helped us develop the specific measures to implement that abstract goal. Her knowledge was matched by her compassion.

Pat's qualities of mind and spirit were all the more compelling because along with them went a great sense of humor. Many a tense session was suddenly relaxed by her piercing wit and rollicking laugh. Above all, Pat never lost an opportunity to be a warm and helpful friend. Those who knew her can never forget her.

JOHN F. SEIBERLING.

SENATE—*Wednesday, March 9, 1994*

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut.

The PRESIDING OFFICER. Today's prayer will be offered by the guest chaplain, the Reverend Hensel E. Hendrickson, of the Trinity Lutheran Church in Bismarck, ND.

PRAYER

The guest chaplain, the Reverend Hensel E. Hendrickson, offered the following prayer:

Let us pray:

Almighty God, whose presence throughout history has been known and experienced by generations of people, we thank You today for the availability of Your guidance in our lives.

Help us to look within ourselves to detect the Divine power that has enabled many to be people of vision and valor during trying moments of hardship and adversity.

Allow us to look beyond ourselves, to those who struggle under the gravity of oppression, searching for the hope of the dawning of a new day that will bring peace and justice.

Give us courage as we contemplate the mission that we have been called upon to undertake while it is day, or as the words of Chaplain Peter Marshall to this assembly 45 years ago reminds us, "Deliver us from the fear of what might happen and give us the grace to enjoy what now is and to keep striving after what ought to be."

In Your name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 9, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LIEBERMAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senate majority leader.

Mr. MITCHELL. I yield to the Senator from North Dakota.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota [Mr. DORGAN].

THE GUEST CHAPLAIN

Mr. DORGAN. Mr. President, I rise today to welcome a friend and a fellow North Dakotan, the Reverend Hensel Hendrickson, who is from the Trinity Lutheran Church in Bismarck, ND.

Reverend Hendrickson is a distinguished and well-respected North Dakotan, which happens to be the home State, I might add, of the resident Chaplain in the U.S. Senate, Reverend Halverson.

I might also point out to my colleagues that Reverend Hendrickson is a Scandinavian and a Lutheran, which is not a rarity in our part of the country.

I am delighted to welcome him to the Senate today, and I am very pleased he was able to open the Senate with prayer.

Thank you, Mr. President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senate majority leader.

Mr. MITCHELL. Mr. President, I join my colleague in welcoming Reverend Hendrickson, and I thank him for his prayer this morning.

SCHEDULE

Mr. MITCHELL. Mr. President and Members of the Senate, there will now be a period for morning business until 10:15 a.m., during which time Senator HATCH will be recognized for up to 10 minutes and, if time permits, other Senators, for no more than 5 minutes each.

At 10:15, the Senate will return to consideration of S. 4, the competitiveness legislation.

I wish now to repeat what I said last evening. We have been on this bill for 2 days and have made very little progress. This is a bill which passed the Senate unanimously without a single dissenting vote 2 years ago. Now, we spend 2 days in discussion on amendments that have nothing to do with this bill, and there may be other such amendments. Although permitted under the Senate rules, I hope Senators will keep in mind that this is an important bill that is directed at economic growth and job creation in our society. We should be moving as rapidly as we can to encourage economic growth and job creation and not obstructing or delaying action on such legislation.

As I indicated last evening, if we have not completed action on the bill today, we will be in session tonight for a very long time. The same thing is true of tomorrow night and of Friday. We simply have to make progress on this bill.

I hope my colleagues can find a way to exercise some self-restraint and not offer amendments that have nothing whatsoever to do with this important bill.

Let us pass this important bill, which, I repeat, has as its objective economic growth and job creation. We all should be applauding and encouraging and working toward that goal, because that is really still the central need in our society.

I thank my colleagues and I yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Utah [Mr. HATCH] is recognized to speak for up to 10 minutes.

Mr. HATCH. Thank you, Mr. President.

WELCOME TO THE GUEST CHAPLAIN

Mr. HATCH. Mr. President, I, as well, welcome Reverend Hendrickson to the Senate. We are happy to have him here.

THE NEED TO RETAIN THE SENATE CRIME BILL'S DEATH PENALTY FOR DRUG KINGPINS

Mr. HATCH. Mr. President, I remain deeply concerned that the tough provisions of the Senate's crime bill will be weakened in conference between the House and the Senate. This happened in the last Congress. I believe President Clinton should not be silent on all but a few of the elements of the crime bill. I believe the President should endorse the tough-on-crime provisions of the Senate crime bill.

One such provision is the Senate bill's proposal to extend the death penalty for drug kingpins to certain cases where death does not directly result for their activities. This measure passed the Senate by a strong vote of 74 to 25.

The activities of drug kingpins pose perhaps the gravest risk that we face today to our health and well-being, both as individuals and as a nation. In my home State of Utah, the spread of drugs and its attendant violence is a growing problem. Death by violence and disease, destruction of minds and bodies, follow in the wake of these unseen crime barons.

Mr. President, the time has come that we punish these evil purveyors of death and destruction as they deserve to be punished, and no longer let them hide behind the hired guns who pull the triggers for them. This was the position of the prior Republican administration.

I might add that one of the reasons we have so many problems with guns in our society is because of drugs and because of these drug kingpins and because of their financing of violence in our society. It is time to just say, "Enough is enough. We are going to put you to death if you keep inflicting this misery on society."

Their pernicious trade results in the deaths of literally tens of thousands of people around the world, and certainly thousands of people in this country.

The Clinton administration, in my opinion, has retreated from the prior administration's position in the crime war. It has been reported that its reason is that the death penalty is supposedly cruel and unusual punishment as applied to these major drug dealers and thus unconstitutional. As I will explain in a few minutes, the case for the constitutionality of this provision is very, very strong. An administration on the side of the American people and the victims of drug kingpins would support this provision and defend it in the courts.

The drug kingpins will have high-priced lawyers—legal hired guns—arguing for them. That the Clinton administration feels it has to take the side of drug kingpins in this matter is a disturbing development. I hope the President will reverse this apparent position and announce his support for the Senate bill's drug kingpin proposal.

In 1988, Congress passed legislation to provide the death penalty for murders by drug kingpins and for drug-related murders of law enforcement officers. By passing this important legislation as part of the Anti-Drug Abuse Act of 1988, Congress acknowledged that capital punishment is a needed and proper weapon in our Nation's effort to fight the drug war. This action on the part of the 100th Congress was a valuable first step.

However, we did not go far enough. Drug kingpins are currently not subject to the Federal death penalty where they themselves are not directly involved in committing murder. But their nefarious traffic in drugs causes untold deaths. The death penalty for these drug kingpins contained in the Senate crime bill sends a signal that our Nation is prepared to punish appropriately those who cause so many deaths—major drug kingpins. These drug kingpins are responsible for untold deaths and are, in a real sense, responsible for many drug-related murders which occur on our streets every day.

The bill provides that major drug traffickers—organizers, leaders, or administrators of continuing criminal enterprises—may be subject to the death penalty if the enterprise traffics in twice the amount of drugs which would qualify them for mandatory life imprisonment—that is, 300 kilograms of cocaine; 60 kilograms of heroin; or 70,000 kilograms of marijuana—or if the enterprise makes $20 million or more in gross receipts during any 12 month period. Additionally, kingpins who, in order to obstruct justice, attempt to kill any public officer, juror, witness, or member of the family or household of such person shall eligible for the death penalty.

The Senate bill also limits the application of the death penalty in these cases by requiring the jury to find that at least one or more additional aggravating factors exists and that such aggravating factor outweighs mitigating factors, if any are found. Specifically, the defendant must have: a previous conviction or offense for which a sentence of death or life imprisonment was authorized; or two or more prior felony convictions; or a previous felony drug conviction; or used a firearm; or sold drugs to persons under 21 years of age, near a school, or used minors in selling drugs; or mixed the drugs with a lethal adulterant.

The imposition of the death penalty is constitutional for drug kingpins—even for those who do not themselves pull the trigger and in those cases where no death can be directly attributed to them. First, Anglo-American law has a long tradition of imposing the ultimate sanction against those who pose an extremely grave risk to society, even where no death directly results. A few examples are treason, certain types of espionage, and airliner hijacking.

Second, because of the enormous magnitude of the public harm drug trafficking and related violence causes, applying the death penalty to these cases is wholly consistent with the proportionality requirement of eighth amendment's cruel and unusual punishment clause.

The eighth amendment's rule of proportionality requires that the severity of punishment be proportionate to: First, the gravity of the injury caused by the offense and second, the moral culpability, or blameworthiness, of the offender. (See, *Tison* v. *Arizona*, 481 U.S. 137, 148–49 (1987); *Coker* v. *Georgia*, 433 U.S. 584, 598 (1977); *Gregg* v. *Georgia*, 428 U.S. 153, 173 (1976). The death penalty for certain cases of large scale drug trafficking meets this burden.

In addition to the pernicious effects on the individual who takes illegal drugs, drugs relate to crime in at least three ways: First, a drug user may commit crime because of drug-induced changes in physiological functions, cognitive ability, and mood; second, a drug user may commit crime in order to obtain money to buy drugs; and third, a violent crime may occur as part of the drug business or culture. (See Goldstein, Drugs and Violent Crime, in "Pathways to Criminal Violence" 16, 24–36 (N. Weiner, M. Wolfgang eds., 1989)). Studies bear out these possibilities, and demonstrate a direct nexus between illegal drugs and crimes of violence. (See generally id., at 16–48.)

The connection between crime and drugs is unquestionable. For example, 57 percent of a national sample of males arrested in 1989 for homicide tested positive for illegal drugs. (National Institute of Justice, "1989 Drug Use Forecasting Annual Report 9" (June 1990)). The comparable statistics for assault, robbery, and weapons arrests were 55, 73, and 63 percent, respectively. (Ibid.)

Opponents of capital punishment may argue that *Coker* v. *Georgia*, 433 U.S. 584 (1976), applies to this legislation. In Coker, a plurality of the Supreme Court ruled that the death penalty for rape is forbidden by the eighth amendment as cruel and unusual since it was grossly disproportionate and excessive punishment. The Court defined punishment as "excessive" if it: First, makes no reasonable contribution to acceptable goals of punishment and hence has nothing more than the purposeless and needless imposition of pain and suffering; or second, is grossly disproportionate to the severity of the crime. In determining proportionality, the plurality considered three factors: First, whether the crime is morally depraved; second, the extent of the injury to the public; and third, the extent of the injury to the person. The court determined that rape did not compare with murder "in terms of moral depravity and of the injury to the person and to the public." Yet, the injury that a drug kingpin inflicts on the public is often vastly greater than that committed by a single murderer, and the moral depravity is certainly comparable. Thus, the proportionality test set forth by the plurality in Coker supports the conclusion that the death penalty for drug kingpins is constitutional.

Some would have the Congress focus on snippets of Coker that note that rape, unlike murder, does not involve the taking of human life. Yet as Coker makes clear, the injury to the person is but one facet of the proportionality review. The injury to the public and the moral depravity of the offense must also be considered.

In *Tison* v. *Arizona*, 481 U.S. 137 (1987), the Supreme Court found that reckless indifference to the value of human life may be every bit as shocking to the moral sense as any specific intent to kill. The Court held "that the reckless disregard for human life implicit in knowingly engaging in criminal activities known to carry a grave risk of death represents a highly culpable mental state, a mental state that may be taken into account in making a capital sentencing judgment. * * *" (481 U.S. at 157–58.) A specific intent to kill is not required in imposing a death sentence on an individual. The class of drug kingpins covered by Senate crime bill do act with reckless disregard for human life and should be subject to the death penalty.

Large scale drug traffickers threaten millions of people. They engage in this destructive behavior purely for pecuniary gain. The Supreme Court in Gregg versus Georgia determined that the issue of whether the defendant acted for pecuniary gain is a factor to be considered relevant in determining blameworthiness and the appropriate punishment. These cases support the argument that the death penalty is constitutional for major drug traffickers, even when they do not directly cause a death themselves.

Although the Supreme Court has not directly addressed this issue, in the context of upholding a sentence of life without parole for drug possession, a majority of the Court has recently expressed the opinion that the evils associated with drugs warranted the legislative imposition of "the second most severe penalty permitted by law." (*Harmelin* v. *Michigan*, 111 S. Ct. 2680 (1991) (opinion of Scalia, J., 2702) (opinion of Kennedy, J., 2705).) Harmelin, the defendant, was sentenced to life without parole for mere possession of 650 grams of cocaine. A plurality of the Court explained that—

> Possession, use, and distribution of illegal drugs represents "one of the greatest problems affecting the health and welfare of our population." *Treasury Employees* v. *Von Raab*, 489 U.S. 656, 668 (1989). Petitioner's suggestion that his crime was nonviolent and victimless . . . is false to the point of absurdity. To the contrary, petitioner's crime threatened to cause grave harm to society.

Id. at 2705–06 (opinion of Kennedy, J.).

The death penalty is wholly proportional to the enormous danger drug kingpins pose to our society. As Justice Powell noted in Rummel versus Estelle, "A professional seller of addictive drugs may inflict greater bodily harm upon members of society than the person who commits a single assault." *Rummel*, 445 U.S. 263, 296, n. 12 (1980) (Powell, J., dissenting). I agree with Judge Gee of the fifth circuit that whereas most killers have a discrete and limited number of victims, drug kingpins are a cancer killing people across our entire country. Writing for an en banc court, Judge Gee said:

> Except in rare cases, the murderer's red hand falls on one victim only, however grim the blow; but the foul hand of the drug dealer blights life after life and, like the vampire of fable, creates others in its owner's evil image—others who create others still, across our land and down our generations, sparing not even the unborn.

Terrebonne v. *Butler*, 848 F.2d 500, 504 (5th Cir. 1988), cert. denied, 109 S.Ct. 1140 (1989).

The line between the activities of large-scale drug enterprises and death is unquestionable. Reports of bystander deaths due to drug-related gunfights and drive-by shootings continue. Intravenous drug use is a major source of HIV infections.

Congress can and should broaden the category of offenses for which the death penalty can be applied to include those individuals who pose the greatest threat to our Nation's health and safety—drug kingpins. The Senate has done its part—by a vote of 74 to 25. President Clinton should announce his support for this measure so that the House will pass the measure as well.

If the President does that, all of America, it seems to me, will be able to express gratitude that somebody in the White House has taken these problems seriously.

So I encourage the President to do so. It is the right thing to do. It is an appropriate degree of punishment for those who are wrecking our society and the youth of America.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Republican leader [Mr. DOLE].

Mr. DOLE. Mr. President, is leader's time reserved?

The ACTING PRESIDENT pro tempore. It is.

WHITEWATER HEARINGS

Mr. DOLE. Mr. President, earlier this week, independent counsel Robert Fiske weighed in, asking Congress not to hold hearings on the Whitewater affair until after he completes his investigation. Mr. Fiske cites concerns about the granting of immunity and the premature disclosure of testimony and documents.

No doubt about it, Mr. Fiske has a tough job, but he must remember that Congress has a tough job too. In fact, Congress has more than a job, it has a constitutional obligation to exercise oversight over executive branch activities. And lest we forget, Mr. President: Those of us in Congress were elected by the American people. Mr. Fiske was not. His appointment as independent counsel was never intended as an excuse for Congress to punt on its own oversight responsibilities.

In fact, when I wrote to Senator RIEGLE last December, I requested Banking Committee hearings, not the appointment of a special counsel. I urged the appointment of a special counsel only after Republican calls for hearings had been rejected. Hearings are still necessary.

Obviously, we do not want to needlessly interfere with Mr. Fiske's investigation, and that is why it is important for Congress to do what it can to address his concerns.

For starters, we can ensure that any committee looking into Whitewater not grant immunity to any witnesses. That should avoid the so-called Iran-Contra problem.

In addition, we can certainly work out whatever arrangements may be necessary to prevent the premature disclosure of testimony and documents.

Later today—in fact, at 11:30—Senator D'AMATO and others will be meeting with Mr. Fiske, and these issues, no doubt, will be discussed.

Mr. Fiske should also remember that the recently revealed behind-the-scenes meetings among White House, RTC, and Treasury officials would still be shrouded in secrecy if Banking Committee Republicans had not used the opportunity of an RTC oversight hearing to ask Whitewater-related questions. If there had been no hearing, there would have been no public disclosure of the meetings, and no subpoenas.

Mr. President, Congress has never been shy about exercising oversight, particularly when allegations of executive branch wrongdoing are involved. During the Reagan and Bush administrations, the Congressional Research Service estimates that more than 20 such hearings were held. Remember the hearings to examine the so-called irregularities in Ed Meese's 1985 financial disclosure reports? Or the investigation into the alleged misuse of a gift fund by President Reagan's Ambassador to Switzerland? Or the October Surprise hearings? These were not major stories, but, oh, we had congressional hearings. My colleagues on the other side could hardly wait for congressional hearings in those days.

And, yes, there is plenty of precedent for holding congressional oversight hearings while criminal and civil investigations are pending. The BNL and BCCI hearings come to mind. Again, that has not been that long ago, and all these things were going on and we still had hearings.

Yesterday, President Clinton unfortunately accused Republicans of practicing the politics of personal destruction, suggesting that we are trying to gin up Whitewater hysteria. I categorically reject these claims.

No matter how hard some of my colleagues on the other side of the aisle try to paint Whitewater as a Republican conspiracy, the bottom line is that Republicans are not responsible for negative editorials and press coverage in the Washington Post, the New York Times, and countless other newspapers. Nor do Republicans control Newsweek magazine, which this week ran a cover story entitled "Whitewater Torture." Much of the Whitewater torture is self-inflicted, the result of missteps, misstatements, some honest mistakes, and yes, some outright deceptions.

So, Mr. President, let us stop the finger pointing. And let us get on with the hearings. As the New York Times editorialized today,

> Congress has a clear right to ask questions about Government regulation of the savings and loan mess in Arkansas and, even more urgently, about whether the recently disclosed White House meetings with bank regulators represent an attempt to obstruct justice.

That is not my quote, not from the Republican National Committee, not from any Republican, not from a Republican newspaper, but from the New York Times today.

No doubt about it, it is critical that Whitewater hearings be bipartisan, carefully structured, and conducted in a way sensitive to the concerns of the independent counsel.

This is not an impossible task, even for Congress.

I do not want to prejudge what these hearings may or may not disclose, but it is becoming increasingly clear that we need to get to the bottom of Whitewater so we can move ahead on the vital issues facing our country.

Mr. President, I ask unanimous consent that the New York Times editorial and a Washington Times editorial be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times]

HOW TO INVESTIGATE WHITEWATER

A potentially destructive battle over how best to investigate the Whitewater affair has erupted between Republicans who are pressing for Congressional hearings and the independent counsel, Robert Fiske, who is pursing a criminal investigation.

Mr. Fiske fears that a rogue Congress could foul up his work—which it could if it plunges ahead with abandon. But Congress has a clear right to ask questions about government regulation of the savings and loan mess in Arkansas and, even more urgently, about whether the recently disclosed White House meetings with bank regulators represented an attempt to obstruct justice.

The challenge now is for both sides to figure out a way for Congress to conduct legitimate inquiries without impeding a thorough and fair criminal investigation.

The White House and many Democrats complain that Republicans are merely out to embarrass the President and Mrs. Clinton. That is surely true of some—but the public has a right to know whether the White House is abusing its power.

Mr. Fiske concedes that Republicans like Representative Jim Leach are correct to insist on Congress's oversight responsibility. Even so, he fears that any hearings "would pose a severe risk" to his inquiry. That exaggerates the danger, so long as Congress refrains from granting key witnesses immunity—a problem that ultimately doomed Iran-contra prosecutions. The Republicans have already said they would not offer immunity.

Mr. Fiske is on stronger ground when he argues that Congressional hearings could lead to "tailored" testimony from witnesses who might adjust their stories after gaining access to documents or testimony before Congress. That risk, however, can be minimized if Congress agrees to delay its hearings and give Mr. Fiske time to interview the major players, especially those in the White House and the Treasury Department. In any case, the risk is not sufficient to justify asking Congress to abandon its oversight role until the end of an investigation of uncertain length.

Like most prosecutors, Mr. Fiske seeks complete control of the case. But he ignores the fact that similar Congressional hearings in the past have produced significant new information that has ended up helping prosecutors to make their case. Indeed, Mr. Leach notes, it was questioning by Senator Alfonse D'Amato of New York at a recent hearing that led to the disclosure of the White House meetings and prompted Mr. Fiske to expand his investigation to include them. So, too, Congressional Watergate hearings brought out the existence of crucial White House tapes.

There should be room for give here by both sides. Mr. Leach and Mr. D'Amato should grant Mr. Fiske a head start, probably measured in weeks. But Mr. Fiske cannot reasonably expect Congress to put off its hearings indefinitely, especially when the history of such hearings does not support his worst fears.

[From the Washington Times, Mar. 9, 1994]

NO IMMUNITY, JUST HEARINGS ON WHITEWATER

It is understandable that the Whitewater special prosecutor, Robert Fiske Jr., does not want his investigation trampled by clumsy congressional inquiries. The history of Capitol Hill's show trials is not a pretty one, with the truth often lost in the process rather than revealed. The Iran-Contra hearings are a case in point, and as Mr. Fiske argued in his letters to lawmakers Monday, that investigation proved to be a legal stumbling block that independent counsel Lawrence Walsh never was able to hurdle. Mr. Fiske has so far made a clear that he is no prosecutorial wallflower, and he should be given room to do his job. But a congressional airing of Whitewater does not have to be an impediment to the special prosecutor. Short of undesirable interference with Mr. Fiske's work, the public's need and right to know about Whitewater far outweighs any reservations the special counsel might have.

The disaster that was the Iran-Contra investigation was built out of a bundle of grants of immunity. Democrats on the Hill believed they had their chance to ruin Ronald Reagan and were so eager to bring him down that they granted immunity to almost every player in Iran-Contra. Once granted immunity, Democrats were sure they would hear from a string of witnesses who would point their fingers at the president. Instead, the actions of dubious legality turned out to have been undertaken without the president's approval. At the end of the day, all the ringleaders had confessed, conveniently under a grant of immunity. It should be remembered that Mr. Reagan escaped prosecution because the prosecutors had nothing on him, not because he had been granted immunity.

The great flaw of the Iran-Contra hearings does not have to be repeated in Whitewater hearings. The solution: Give no grants of immunity. Without immunity, congressional investigation into Whitewater is more likely to help the special prosecutor than hinder him. Events and facts may come to light in thorough questioning on the Hill that might not have turned up in Mr. Fiske's efforts. Already the efforts of those doing independent investigative work have aided Mr. Fiske. The special prosecutor was put on to the issue of document shredding at the Rose law firm after an account of it appeared in The Washington Times. Reporters and congressmen turning up new information will not hurt Mr. Fiske's probe.

Without grants of immunity, no one guilty of wrongdoing will get an easy out. Congress can subpoena witnesses, and those who don't wish to answer the Hill's questions will not have to. They can simply invoke the Fifth Amendment's protection against self-incrimination and remain silent.

Congressional Democrats are latching onto Mr. Fiske's request as just one more excuse to avoid hearings that will gravely embarrass their party. But it becomes apparent to more of the electorate every day that it is partisan politics that has the hearing rooms silent. Democrats attacked every hint of Republican scandal with unsuppressed glee for more than a decade, always with long-winded and self-congratulatory sermons about the independent investigative role of the legislative branch. Now, they think no inquiry at all is appropriate. Democratic leaders can try to hide behind Mr. Fiske's request that they not interfere, but the hypocrisy is just too large for the fig leaf.

Mr. DOLE. Mr. President, I reserve the remainder of my leader time.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending. Congress has failed miserably in that task for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,545,813,542,657.08 as of the close of business yesterday, Tuesday, March 8. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $17,436.22.

HUMAN RIGHTS ISSUES IN CONGO

Mr. HATCH. Mr. President, I rise to speak briefly today about the human rights situation in the Congo, where civil strife and irregularities in the recent elections have undermined the process of democratization in that country.

I believe that virtually all Members of this body support an active human rights policy abroad. During the last 20 years, the United States has made promotion of human rights a vital dimension of its foreign policy, a development supported by both parties and by four Presidents.

We have all welcomed the remarkable developments in the former Soviet bloc in recent years, but we must just as actively work for the advancement of human rights and democracy in the developing world, including Africa.

There have been hopeful human rights developments across Africa in recent years. One of those was the 1992 presidential election in Congo, which was won by Pascal Lissouba, a technocrat who formerly served as an adviser to UNESCO. Following the breakup of a coalition government in the National Assembly, Lissouba dissolved the Parliament and called for new elections. The opposition charged that the first round of the elections were fraudulent, with charges and countercharges degenerating into civil strife.

Fortunately, mediation efforts by the Organization of African Unity and the President of Gabon succeeded in preventing a full scale of civil war. However, even after the initial implementation of the so-called Libreville Accords in late October 1993, renewed violence broke out between the army and opposition militias.

As the Department of State Human Rights report states,

> Following the enormous strides achieved between 1990 and 1992, the human rights situation seriously deteriorated in 1993. While citizens now legally enjoy many civil and political liberties denied them in the recent past, 1993 saw the perpetration of widespread abuses.

There have been many grievous violations of human rights by the Presidential Guard, some directed at minority ethnic groups.

Mr. President, it is imperative that the United States speak out against these abuses. If we want to continue global progress toward democracy and human rights, if we want to make democracy the wave of the future, the United States must speak out in favor of those values not only in the former Soviet Union, China, and Latin America but also in Africa. If we press for renewed democratic change in the Congo, the hopeful progress of the 1990-92 period can get back on track, benefiting not only the people of the Congo but also the democratic revolution in Africa.

HONORING THE MEMORY OF A WONDERFUL KENTUCKIAN, DR. HENRY A. CAMPBELL, JR.

Mr. MCCONNELL. Mr. President, I rise today to honor the memory of Dr. Henry A. Campbell, Jr., of Kentucky who passed away recently. Dr. Campbell devoted his life to educating America's youth, spending most of the last 30 years as president of Prestonsburg Community College [PCC] in Floyd County, KY.

Dr. Campbell became president of PCC in June 1964, at a time when the total enrollment of the college was only 322 students. Mr. President, by the time he retired in June 1991, Prestonsburg Community College boasted a student population of more than 2,500. Dr. Campbell was not only responsible for increasing enrollment, he greatly expanded the curriculum as well establishing a satellite campus in Pike County which claims an enrollment of more than 800 students.

Although Dr. Campbell lived and taught in many sections of the country, he began and ended his career in rural Kentucky. He taught for the first time at Buckeye High School in Garrard County in 1949 before he moved on to positions in New Mexico, Harlan County, KY, and as the first president of Crowder College in Neosho, MO.

After returning to Kentucky in 1963 he soon was named president of PCC, he dedicated his life to the development and improvement of the college. The school now consists of a five-building educational complex which was constructed during his tenure. Among the buildings is the Campbell Science Center which was named in his honor.

Mr. President, Dr. Campbell will be remembered as an educator and administrator who gave his all every day and never lost sight of the most important rule in education—the student comes first. In fact, perhaps he described it best when he said of his legacy, "The part of life that is most rewarding is looking around in the Big Sandy and the State and seeing thousands of young people who are working at respected jobs in every walk of life—and it started right here." Indeed, Dr. Campbell launched many successful careers and contributed greatly to an improved quality of life in the region.

Mr. President, I ask my colleagues to join me in remembering this wonderful Kentuckian. The people of eastern Kentucky have suffered a tremendous loss, but fortunately the legacy of Dr. Henry A. Campbell, Jr., will live on for many years to come as a result of his tremendous work and dedication. In addition, I ask that an article from the Floyd County Times be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Floyd County Times, Feb., 23, 1994]

EDUCATION PIONEER DIES; FUNERAL IS SET

(By Janice Shepherd)

Former Prestonsburg Community College President Dr. Henry A. Campbell Jr., 68, died Tuesday morning at the Veterans Medical Center in Huntington, West Virginia. He leaves behind a legacy that will be shared each time a PCC student is awarded a diploma.

Dr. Campbell was PCC's first president, taking the helm June 12, 1964. Under his tutelage, the college grew from an enrollment of 322 students in 1964 to more than 2,500 students 1991, when he retired on June 30. He expanded the curriculum and, in 1987, established a satellite campus in Pike County which now enrolls more than 800 students.

Campbell established a science building on the PCC campus and it has been named the Campbell Science Center in his honor. He also played a role in the establishment of Hazard Community College.

Born August 27, 1925 in Cosmos, Washington, he was a son of Henry A. Campbell Sr. of Clarksville, Tennessee, and the late Viva Blair Campbell. He attended elementary school in Wayland when his family moved back to their home state. The Campbells moved to Hi Hat in 1940 and Campbell graduated from Wheelwright High School in 1943.

While an engineering student at the University of Kentucky, Campbell joined the Army's Special Reserve Program on August 3, 1943. He was in the reserves for one quarter before going to Ft. Benning, Georgia, and later to Ft. Jackson, South Carolina for training.

He joined the 87th infantry and served in Europe with the 3rd Army under General George Patton. He was wounded and sent back to Camp Carson, Colorado where he was discharged on July 7, 1945.

He returned to Washington and enrolled in a university in Seattle. After two years, he transferred to UK where he graduated with a major in math. Campbell later obtained a Master's Degree in 1957 and an Education Specialist Degree in 1961 from the New Mexico State University. He was awarded his Ph.D. from the University of Texas in 1963.

Campbell began his teaching career at Buckeye High School, Garrard County, in 1949. He also taught at high schools in Harlan County and in New Mexico. In 1957, a community college was established in Alamogordo, New Mexico, and Campbell became its first director. On August 20, 1963, he accepted a post as first president of Crowder College, a two-county junior college in Neosho, Missouri.

Campbell returned to Kentucky after his wife, Patsy Ruth Justice, and son, John Charles Campbell, died in 1963. He was offered the position of dean at Alice Lloyd College but chose the challenge of developing the new college in Prestonsburg. He spent the next 27 years molding the college from its single, one-story Johnson Building to the five-structure educational complex that it is today. During an interview at his retirement, Dr. Campbell said that he felt good about the role he had played in educating Eastern Kentucky students.

"The part of life that is most rewarding is looking around in the Big Sandy and the state and seeing thousands of young people who are working at respected jobs in every walk of life—and it started right here. Had the college not been here, they would not have had this opportunity to pursue those careers," Campbell said.

Campbell was a community leader and fundraiser. A former president of the Jenny

Wiley Drama Association, he served on the boards of the East Kentucky Health Systems Agency, the Big Sandy Area Development District, Area Health Education System, Big Sandy Comprehensive Health Planning Council, and Big Sandy Tourism Committee.

Campbell was an active member of many local, state and national educational organizations, including the national Education Association and Phi Delta Kappa. Campbell was listed in Who's Who in Education and in Presidents and Deans of American Colleges and Universities.

In addition to his father, Campbell is survived by his wife, Nancy Elizabeth Belew Campbell; three daughters, Mica Lauren Rogers of Beckley, West Virginia, Jane Rebecca Brockhausen of Garden Grove, California, and Sheryl Robin Campbell at home; and four grandchildren. He is also survived by his stepbrother, Ernest Wendell Campbell, of Clarksville, Tennessee; three sisters, Terri LaMothe of Prestonsburg, Phyllis Campbell of San Diego, California, and Lu Wilgus of San Marcos, California; a stepmother, Mrs. Henry A. Campbell Sr.; and a niece, whom he helped rear, Linda Wilgus of San Diego, California.

Visitation may be made today, Friday, from 11 a.m. to 9 p.m. in Room 102, of the Johnson Building at PCC. A local funeral service will be conducted at 11 a.m. Saturday in the Pike Auditorium at PCC.

Local arrangements are under the direction of the Hall Funeral Home.

Visitation will also be held Saturday, from 5–9 p.m. at Pulaski Funeral Home in Somerset. A second funeral service will also be conducted Sunday at 1 p.m. at the funeral home in Somerset. Burial will be made in the Bethel Cemetery at Burnside.

All classes and activities at PCC on Friday and Saturday have been canceled.

In lieu of flowers, contributions may be made to the Henry A. Campbell Jr. Scholarship Fund at PCC.

HONORING MICHAEL NOVAK

Mr. DURENBERGER. Mr. President, I rise today to honor one of the most distinguished Catholic intellectuals of our generation. Michael Novak of the American Enterprise Institute was honored yesterday with the Templeton Prize for Progress in Religion—and this award was richly deserved.

Michael Novak rose to prominence as a liberal theologian in the 1960's. He sought to explain to Americans the deeper meaning of the openness to the world that was the hallmark of the Second Vatican Council. In the spirit of "aggiornamento," or renewal, that was launched by Pope John XXIII, he sought to read the signs of the times in an effort to demonstrate the relevance of the eternal truths of religion in a time of rapid change.

I believe that his more recent work—his efforts to outline a spirituality of liberal capitalism—are entirely of a piece with his earlier theological writings. Surely one of the greatest signs of the times in our century has been the achievement of American-style economic freedom in raising the material standard of living of millions of people the world over.

In important works like "The Spirit of Democratic Capitalism," Novak attempted to capture the essence of this achievement. He once remarked that the wrong turn taken by much political thought in this century was to search for the "causes of poverty." Novak believes that we already have enough poverty in the world: "What we have to look for is the causes of wealth."

The career of Michael Novak has increased the spiritual and material wealth of our country—and the world. I ask my colleagues to join me in congratulating him on the important honor he has just received.

In this regard, I am delighted to point out that last year's distinguished recipient of the Templeton Prize, Charles Colson—founder of the prison fellowship ministry—is a good friend of mine. I am gratified by the recognition that the Templeton Prize confers on these outstanding individuals.

I ask unanimous consent that today's Washington Post story about Michael Novak be included in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 9, 1994]

CATHOLIC CAPITALIST NOVAK WINS $1 MILLION RELIGION PRIZE

(By Gustav Niebuhr)

Michael Novak, a neoconservative Roman Catholic theologian best known for his spirited defense of American-style capitalism, was awarded the world's most generous honor for professional achievement yesterday, the Templeton Prize for Progress in Religion, worth about $1 million.

Novak, 60, a scholar at the American Enterprise Institute, has sparked considerable controversy among Catholics who do not share his economic views.

In 1986, he helped guide a commission of Catholic lay people who publicly challenged the U.S. Catholic bishops after the latter criticized U.S. economic policies during the Reagan years. The bishops' pastoral letter urged greater social spending to help the poor, while the commission rejected such government intervention.

The prize Novak won was established in 1972 by Wall Street investor John Templeton to honor religious figures as the Nobel Prizes do scientists and writers. Templeton, a resident of the Bahamas, required that the prize's value exceed that of the Nobels. This year, it is worth 650,000 British pounds, about $1 million.

Last year the prize went to former Watergate figure Charles Colson, founder of Prison Fellowship, which brings a Christian message to prison inmates. Past recipients include the Rev. Billy Graham and Mother Teresa.

A self-described liberal and Vietnam War critic in the 1960's, Novak moved right thereafter, arguing that free market capitalism provides the poor with greater economic opportunity than socialism.

The author of more than 20 books, Novak has described U.S. capitalism as a "three-sided system"—a free market restrained by the moral force of Judeo-Christian values and by demands of different political groups. His work won praise from former British prime minister Margaret Thatcher, one of this year's Templeton Prize judges.

But the Rev. Jim Hug, executive director of the Center of Concern, a nonprofit Catholic research group focusing on peace and justice issues, said: "What he fails to analyze adequately is the [free market] economic system generates a great deal of wealth and puts it in the hands of a few people who then gain control of the political system and use it to their needs."

Novak said he has gotten less criticism since the collapse of socialism in Eastern Europe. "It's surprising how many . . . people say they agree with me," he said in a telephone interview.

He said he plans to use money from the prize to endow scholarships in honor of his late parents. He said he would also use some of the money to aid a Catholic college in Bangladesh in honor of a younger brother, a priest who died in a riot in that country 30 years ago.

The Rev. J. Bryan Hehir, who has disagreed with some of Novak's economic stands, praised him for the range of his writing on religion and culture. "Michael has written on a multiplicity of topics," said Hehir, professor of religion and society at Harvard Divinity School. "I've read his theology for years and benefited from it."

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

NATIONAL COMPETITIVENESS ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10:15 having arrived, the Senate will resume consideration of S. 4, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 4) to promote the industrial competitiveness and economic growth of the United States by strengthening and expanding the civilian technology programs of the Department of Commerce, amending the Stevensson-Wydler Technology Innovation Act of 1980 to enhance the development and nationwide deployment of manufacturing technologies, and authorizing appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

> Kassebaum amendment No. 1477, to establish a 15-year statute of repose for those aircraft with fewer than 20 seats that are used in scheduled service.

Mr. HOLLINGS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I understand there could be some separate activity relative to the Kassebaum amendment. We are not sure at this particular point. I am told the distinguished Senator from Mississippi now has an amendment.

Mr. COCHRAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Mississippi [Mr. COCHRAN].

Mr. COCHRAN. May I inquire of the Chair if it would be in order to send an amendment to the desk at this point, or do I need to seek unanimous consent to temporarily set aside another pending amendment?

The ACTING PRESIDENT pro tempore. The Chair advises the Senator from Mississippi that the amendment offered by the Senator from Kansas [Mrs. KASSEBAUM] is now the pending business of the Senate. The Senator from Mississippi can either ask that that amendment be set aside or offer his amendment to the amendment currently pending from the Senator from Kansas.

AMENDMENT NO. 1480

(Purpose: To extend certain compliance dates for pesticide safety training and labeling requirements)

Mr. COCHRAN. Mr. President, I ask unanimous consent that the amendment of the Senator from Kansas [Mrs. KASSEBAUM] be laid aside for the purpose of offering this amendment, which I will now send to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the amendment offered now by the Senator from Mississippi.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 1480.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . COMPLIANCE DATES FOR PESTICIDE SAFETY REQUIREMENTS.

(a) WORKER PROTECTION STANDARDS.—

(1) IN GENERAL.—The compliance date for the worker protection standard set forth in part 170 of subchapter E of chapter I of title 40, Code of Federal Regulations, shall be October 23, 1995.

(2) PESTICIDE SAFETY TRAINING.—Not later than April 23, 1995, the Administrator of the Environmental Protection Agency (referred to in this section as the "Administrator") shall—

(A) develop and distribute pesticide safety training materials that convey, at a minimum, the information referred to in section 170.230(c)(4) of such title; and

(B) assist the appropriate Federal, State, and tribal agencies in implementing pesticide safety training programs required under section 170 of such title.

(b) LABELING REQUIREMENTS.—

(1) ENFORCEMENT.—

(A) IN GENERAL.—During the period ending on October 23, 1995, the labeling requirements for pesticides and devices set forth in subpart K of part 156 of subchapter E of chapter I of title 40, Code of Federal Regulations, may be enforced only—

(i) in a State that has established a worker protection program with respect to pesticides and devices as of the date of enactment of this Act; and

(ii) for the purpose of enforcing a State program referred to in clause (i).

(B) EQUIVALENCY.—During the period ending on October 23, 1995, each worker protection program referred to in subparagraph (A)(i) shall be considered to meet the requirements of the worker protection standard set forth in part 170 of such subchapter. After such date, the Administrator shall reassess whether the program meets the standard.

(2) NOTIFICATION OF PURCHASERS.—Beginning on April 22, 1994, each registrant of pesticides shall provide information for point-of-sale notification to inform purchasers of pesticides that the applicable compliance date for the labeling requirements referred to in paragraph (1)(A) is October 23, 1995.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi has the floor.

Mr. COCHRAN. Mr. President, the purpose of this amendment is to carry out the intent and purpose of the underlying legislation before the Senate, to improve competitiveness and to help ensure that America's economic well-being is developed without unnecessary burden and restriction by Federal Government rules and laws. At the same time, this amendment helps the Government recognize that it has a responsibility to ensure that its actions serve the interests of our economic growth and expansion.

To that end, I send this amendment to the desk. The Senate will note that it is cosponsored by the Senator from Texas [Mrs. HUTCHISON], and the Senator from Kansas [Mrs. KASSEBAUM]. The purpose is to extend a deadline that now exists under regulations promulgated by the Environmental Protection Agency for the protection of farm workers who are handling and using pesticides in agriculture activity.

The reason I am offering this amendment is that unless Congress acts before an April 15 deadline stipulated by current EPA regulations, State departments of agriculture will be required to enforce regulations dealing with worker protection procedures. Farms, nurseries, and timberland operations throughout the United States will have to follow these regulations.

The reason the April 15 deadline is a problem is very accurately described in a letter that I received back in early September from a farmer in my home county of Hinds County, MS. The letter is signed by Mr. Randolph Smith, president of the board of directors of the Hinds County Farm Bureau and a person I have known all my life. As a matter of fact, he is a distant cousin, and I hope the Senate will not hold that against me for responding to his request for some assistance in this matter.

He basically outlines the problem in the letter as follows:

The farmers of Hinds County Farm Bureau are very concerned about some of the new regulations regarding the use of personal protective equipment and also the upcoming rules on restricted entry intervals. These regulations are included in the new worker protection standard that was issued by the Environmental Protection Agency.

He says:

It is our belief that many of these rules are much too complicated, in some cases, and very impractical in others.

We as farmers have more exposure to ag chemicals than anyone else. Therefore, we are keenly aware of the need for caution when applying them. It is in our best interest as well as the general public's best interest to see that these chemicals are handled in a safe manner for everyone involved. That's why it is our hope that some of the rules that have been passed down to us concerning the application and use of ag chemicals can be looked at so that we can change them to be more practical.

He then goes on to describe a lot of the specifics and problems that the farmers in my county think should be addressed by the EPA. I sent this letter over to the Environmental Protection Agency for its information and asked the agency to respond to the concerns that have been raised. I also asked the EPA to indicate whether or not there would be any possibility for extending the effective date of these regulations beyond April 15, if these concerns could not be dealt with in a satisfactory manner.

I received a long letter from the EPA dated October 26, 1993. I will not take up the time of the Senate by reading it. I will put both of these letters in the RECORD for the information of Senators.

But I am going to read the last paragraph.

EPA recognizes that not all provisions of the WPS—

That is the worker protection standards.

are equally applicable across American agriculture, and, while establishing minimum requirements for worker/handler protection, has provided great flexibility in how and when that protection is to be provided. I hope this responds to your concerns. If I may be of further service, please let me know. Sincerely yours, Victor Kimm, Acting Assistant Administrator.

After receiving this letter, my concerns, and those of farmers I was seeking to help, were heightened and increased. If you read the letter, you will understand that EPA is talking about flexibility in the enforcement of these regulations. EPA officials say they are going to have flexibility in how and when these regulations are enforced. I suppose that means they will randomly select some people against whom to enforce the regulations and then let others have a grace period in which they will be free from compliance requirements under the regulations. That is the only conclusion that a fair reading of this letter allows you to form.

At this point, for the purpose of clarity of the record, Mr. President, I ask unanimous consent that a copy of both of these letters, the one to me from Mr. Randolph Smith, and the other I received from the Environmental Protection Agency in October 1993, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HINDS COUNTY
FARM BUREAU FEDERATION,
Raymond, MS.

Hon. THAD COCHRAN,
U.S. Senate, Washington, DC.

DEAR HON. THAD COCHRAN: The farmers of Hinds County Farm Bureau are very concerned about some of the new regulations regarding the use of Personal Protective Equipment and also the upcoming rules on Restricted Entry Intervals. These regulations, as you know, are included in the new Worker Protection Standard that was issued by the Environmental Protection Agency. It is our belief that many of these rules are much too complicated in some cases and very impractical in others. We as farmers have more exposure to ag chemicals than anyone else; therefore, we are keenly aware of the need for caution when applying them. It is in our best interest as well as the general public's best interest to see that these chemicals are handled in a safe manner for everyone involved. That is why it is our hope that some of the rules that have been passed down to us concerning the application and use of ag chemicals can be looked at so that we can change them to be more practical.

One of the areas in which we should like to see some modification is the rules concerning the use of Personal Protective Equipment. We believe certainly, that this equipment should be available and that all workers should be trained to use it. The decision as to when and where to use this equipment should be up to the particular individual. Some of the reasons for this opinion are as follows:

1. Wearing the PPE clothing in the extreme heat that we have here in summer can be more hazardous than the actual chemicals.

2. If an employee did not wear the equipment even after he was instructed to, then would the farmer have liability?

3. Some employees may become more careless because they would feel they were fully protected with the clothing on.

Another area that we believe should be reviewed is the fact that all agricultural crops are treated the same under these guidelines. There is a considerable difference in the way that fruits and vegetables are raised as opposed to a crop such as cotton or soybeans. It is our opinion that these differences should be considered when the regulations are written. Crops that are handled by hand should be treated differently from crops that are worked completely mechanically.

Finally, the rules regarding Restricted Entry Intervals is something that we are very concerned about. This regulation mandates the placing of hazardous chemical signs at all entrances of a field for a certain period of time before and after a chemical is applied. We believe that many of the rules in this section are unnecessary. Some of the reasons are:

1. Chemicals are almost exclusively applied on private property, therefore anyone who would enter the property without the owners permission would be guilty of trespassing.

2. Employees of a farmer who applies a chemical should be aware of the timing of the application and of the restrictions of any chemicals.

3. Hazardous chemical signs posted all through the countryside will cause unnecessary alarm among the general public.

In closing we would like to thank you for all your support that you have provided to agriculture over the years. We hope that you will be able to help us in this effort to modify the rules and regulations that we are concerned with. Let us assure you that there is no one who is any more concerned with the safe application and use of agricultural chemicals than the farmer. We are the ones who are using these tools and our livelihood depends on them being used safely and effectively.

Thank you again for your help and support.

Sincerely,
RANDOLPH SMITH,
President, Hinds County Farm Bureau Board of Directors.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, October 26, 1993.

Hon. THAD COCHRAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR COCHRAN: Thank you for your letter of September 15 on behalf of the Hinds County Farm Bureau Federation, expressing their concern at certain provisions of the Environmental Protection Agency's (EPA) Worker Protection Standard (WPS). This regulation was issued in August 1992, and will be fully implemented in April 1994.

The Farm Bureau is concerned about several aspects of the WPS, in particular the provisions for personal protective equipment (PPE) and field posting requirements.

With respect to PPE, the Farm Bureau rightfully recognizes the possibility that PPE worn in high heat and humidity may result in heat stress. EPA also recognizes the heat stress problems associated with protective clothing, a potential problem which is by no means confined to southern states such as Mississippi. The WPS specifically provides that employers should take appropriate precautions to prevent heat stress when using PPE. Moreover, they are required to include in training for pesticide handlers information on how to recognize the symptoms of heat stress. The Agency has prepared a guidance document discussing the recognition and management of heat stress, now in the process of being finalized. This brochure will be made widely available to the user community. Notwithstanding these provisions, however, EPA believes that PPE is an essential protection that should not be withheld, and that with proper awareness and management of heat stress conditions, PPE can generally be used without increasing risks.

The Farm Bureau also asks whether the farmer would have liability if a worker failed or refused to wear appropriate PPE. This rule creates responsibilities based upon the employer/employee relationship, and it is primarily the responsibility of the employer to ensure compliance with its provisions, including the wearing of PPE. However, enforcement officials have authority to consider the facts of the case before making a determination of whether a violation has occurred.

EPA cannot speculate whether a worker wearing PPE would become careless or ignore safety measures because the PPE gives a feeling of protection. Certainly a worker wearing appropriate PPE is better protected against the hazards of pesticide exposure than one who is not. Nonetheless PPE cannot entirely substitute for other risk reduction measures, such as restricted entry intervals. A key element to ensure that workers do not become complacent is proper training as to the hazards of pesticides, the ability of PPE to prevent such hazards, and the limitations of PPE. In training, emphasis should be placed upon taking advantage of all of the protections (PPE, Restricted entry intervals, training, notification, decontamination) as means of reducing risk, and not placing reliance on any one in particular.

The Farm Bureau raised the point that the farming of fruits and vegetables differs significantly from that of cotton and soybeans, expressing the belief that EPA did not take these differences into account in developing the WPS. I assure you the Agency has fully considered that many crops are grown almost entirely mechanically, and has built into the WPS exceptions that minimize the burdens of the rule for such agricultural operations. The provisions of the WPS are intended for the protection of agricultural workers and pesticide handlers. If workers or pesticide handlers are never used in the production of an agricultural crop, clearly the provisions of the WPS never apply. Even where workers are used, the provisions of the WPS are based upon the potential for worker/handler exposure: where such exposure does not occur, as might be the case in cotton or soybean farming, the provisions are minimal and non-burdensome. I encourage the Farm Bureau to familiarize their members with the various exposure based exceptions of the WPS, which will relieve them of a number of its provisions based upon "no exposure."

Finally, the Farm Bureau believes that the posting of fields is unnecessary, arguing that posting would unnecessarily alarm the general public, that employees of a farm know or should be aware of the chemical applications and restrictions, and that others who enter private fields are trespassers (and presumably posting should not be required for their protection). EPA cannot agree with these arguments.

First, fields are required to be posted only for applications of pesticides that are of highest toxicity (Toxicity Category I). There will not be a vast number of posted fields because many pesticides are not in Toxicity Category I. When less toxic pesticides are used, employers may use signs or oral warnings to notify workers of pesticide applications. Posting or other notification is not required, however, if no worker will enter, work, or pass on foot within ¼ mile of a treated area. In the case of field crops such as cotton, soybeans, wheat, and corn, which are not generally harvested by hand, it may well be that no workers would be in or near the treated areas.

Moreover, the WPS is intended for the protection of workers and not trespassers or the general public. Therefore, fields are required to be posted at usual points of worker entry only. Signs would not be expected to be necessary along public roads unless workers routinely use the road to gain access to a treated field, and then only at the field entrance. If there are no usual points of worker entry, signs would normally be placed in the corners of treated fields. The signs will neither be so numerous nor so directed that they should create public alarm by their presence. To the extent that the public is informed of pesticide-treated fields by warning signs, they benefit indirectly.

Second, one of the principal reasons for the WPS is that, contrary to the Farm Bureau's statement, workers and handlers generally are not informed about pesticide hazards, trained in safety measures, or informed of pesticide applications. On farms with small numbers of workers or permanent workers (such as may be the case for cotton, soybeans, and other large mechanized crop operations), it may be true that the workers are as well informed as the Farm Bureau assets. If this is the case, the WPS will reinforce those notification and training practices that already exist. However, the vast majority of workers are migrant, seasonal or contract workers who are not aware or informed of which pesticides have been used, or of the hazards they pose. For these workers, the WPS is of paramount importance to ensure that employers provide such basic information.

EPA recognizes that not all provisions of the WPS are equally applicable across American agriculture, and, while establishing minimum requirements for worker/handler protection, has provided great flexibility in how and when that protection is to be provided. I hope this responds to your concerns. If I may be of further service, please let me know.

Sincerely yours,

VICTOR J. KIMM,
Acting Assistant Administrator.

Mr. COCHRAN. I do not want to delay the Senate too long, but I do want to put in perspective what the problem is and why we are asking in March 1994 to suspend the effective date of these enforcement regulations.

We have come a long way since we first understood the complexity of the issues involved. The dangers include added costs to American agriculture, compliance expenses, uncertainties about whether some of the regulations will be enforced or ignored, and the inconsistencies among different kinds of agriculture pursuits regarding the use of chemicals. There are also concerns over whether farmers will have to wear protective clothing when applying chemicals. If so, which ones will and which ones will not have to wear this clothing.

These are questions that concern American agriculture. I think what I will have to say over the next few minutes will illustrate that point.

Following some additional discussions and meetings at EPA, on December 13 a letter was written by me and Senator BENNETT JOHNSTON of Louisiana, which was signed by other Senators, to the President in regard to the regulations that were about to be implemented. The letter was written in connection with the fiscal year 1994 appropriations bill that was being considered by the Senate. There was report language we had suggested to include to help EPA understand the problems. What we basically said in this letter is as follows:

> While we strongly support a program which provides a high level of protection for farm workers from pesticides, a substantial concern has been raised over the complexity of these requirements and the potential for confusion or uncertainty by State regulatory agencies and agriculture users. We are concerned with reports that EPA is seriously behind schedule in developing training materials, educational outreach programs, and implementation guidance to States on how to regulate the program.

I will ask at this point, Mr. President, that this December 13 letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, December 13, 1993.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing you with regard to S.Rpt. 103–137, which accompanies H.R. 2491, the fiscal year 1994 appropriations bill for the Departments of Veterans Affairs, Housing and Urban Development, and Independent Agencies. The report language refers to the implementation of the Environment Protection Agency's (EPA) Worker Protection Standard (WPS) for Agricultural Pesticides. While we strongly support a program which provides a high level of protection for farmworkers from pesticides, a substantial concern has been raised over the complexity of these requirements and the potential for confusion or uncertainty by state regulatory agencies and agricultural users. We are concerned with reports that EPA is seriously behind schedule in developing training materials, education outreach programs, and implementation guidance to states on how to regulate the program.

The Senate report language suggests that the "EPA review their implementation schedule of these standards to permit adequate educational and outreach activities." The National Association of State Departments of Agriculture (NASDA), the association representing the state agencies, which in most cases, will be responsible for the enforcement of the program, has proposed a solution to EPA which tracks the Senate language. That proposal is to delay the enforcement until October 23, 1995. In the interim, the state agencies have suggested that an increased level of education and training should occur in order to prepare the regulated community for the new pesticide labels which would be on the market October 23.

In a recent meeting between EPA and NASDA, six "ideal goals" of the program were agreed to by both parties: to protect farmworkers; to provide effective training of employers prior to the program implementation (worker training after implementation); to obtain effective and timely label changes; to develop quality compliance programs in all states; to create an environment for acceptance of the program in "the field" (by farmers); and to resolve the major issues of concern still surrounding the program (e.g., reentry interval, personal protective equipment, notification, etc.). It is our opinion that these goals cannot be met if implementation occurs as scheduled on April 21, 1994. Moreover, we are told EPA has failed to provide a host of educational materials to the regulated community, and has failed to provide the state regulators with the information and answers necessary to regulate the program. Also, we understand much of this material was due prior to April 21, 1993, and either has yet to be provided or was provided at inadequate levels.

In light of the complexity of the regulation and serious deficiencies in the program implementation preparation, we strongly encourage you to delay the labeling requirements until October 23, 1995. This will allow EPA, the states, farmworker representatives and farmers to discuss the areas of concern and develop the necessary material for proper implementation. Only then will a program be ready to provide the protection farmworkers deserve.

Thank you for your consideration.

Sincerely,

J. BENNETT JOHNSTON.
CHUCK GRASSLEY.
MITCH MCCONNELL.
THAD COCHRAN.

Mr. COCHRAN. It is important to understand this issue because we are now describing a State regulatory responsibility. Even though it is a Federal regulation that EPA has promulgated and will enforce, unless we act, on April 15, the States are under an obligation under the regulations—and I suppose the law, even though the law is very vague about this—to enforce the regulations.

This means that State governments all over the country will have to train staff to understand the EPA regulations, when they apply, when they do not apply, and what all the materials mean. As a result of these regulations, they will have the responsibility to impose fines and penalties and to ensure farm workers, farmers, nurserymen, and timberland owners who grow pine trees and other kinds of timber in production agriculture environments comply with these very detailed and very technical regulations.

We did not receive any kind of satisfactory response to our letter of December 13. Because of this lack of response, 10 other Senators raised this same issue in a letter to the President dated February 16 of this year. It was either drafted by Senator HEFLIN of Alabama or Senator FAIRCLOTH of North Carolina. Their two names appear as the first two signatures. By sending the letter to the President, the Senators wanted to ensure that somebody in the administration understand the seriousness of the problem that Senator JOHNSTON and I had raised in December. I am going to read another highlight of this letter as an example of the kind of anxiety that was being manifested by the Senate as recently as February 16.

This is not a debate about the regulations themselves.

I will read from the letter.

> As you know, the goals of the program have been agreed to by all participants. The EPA and the States wish to (1) protect farm workers; (2) provide effective training of employers prior to program implementation; (3) obtain effective and timely label changes; (4) develop quality compliance programs in all States; (5) create an environment for acceptance of the program locally; (6) and to resolve the major issues of concern still surrounding the program.
>
> It is our opinion, and that of many of the States, that these goals cannot be met if implementation occurs as is scheduled on April 21, 1994.

And then in the last paragraph the Senators say this.

> In light of the complexity of the regulation and serious deficiencies in the program implementation preparation, we strongly encourage you to delay enforcement of the program. This will allow the EPA, the States, farm worker representatives, and farmers to

discuss the areas of concern and develop the necessary material for proper implementation. Only then will a program be effective in providing protection to farm workers.

I ask unanimous consent, Mr. President, that this letter of February 16 be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
February 16, 1994.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing to you today in regard to the Environmental Protection Agency's (EPA) implementation of the Worker Protection Standards (WPS) for agricultural pesticides.

While we all understand the importance of a program which protects farm workers from pesticides, substantial concern has been raised nationwide over the complexity of these requirements and the potential for confusion by state regulatory agencies and agricultural users, including farm workers themselves.

Members of the National Association of State Departments of Agriculture (NASDA), the association representing the state agencies, will be responsible for the enforcement of this program, and NASDA has proposed a feasible solution to potential disaster. We would request that you postpone enforcement of new WPS standards until their concerns have been addressed.

This is not a debate about the regulations themselves. As you know, the goals of the program have been agreed to by all participants. The EPA and the states wish to (1) protect farm workers; (2) provide effective training of employers prior to program implementation; (3) obtain effective and timely label changes; (4) develop quality compliance programs in all states; (5) create an environment for acceptance of the program locally; (6) and to resolve the major issues of concern still surrounding the program. It is our opinion, and that of many of the states, that these goals cannot be met if implementation occurs as is scheduled, on April 21, 1994.

In fact, although the EPA and state Departments of Agriculture have been working together on this project, the EPA has continued to ignore the concerns of state pesticide regulators regarding the complexity of the new standards, and the logistical problems that will result from implementation on April 21, 1994. While ongoing dialogue between all effected parties is now progressing, it will be impossible to resolve the outstanding issues and provide the educational and training material needed for proper implementation by April 21.

In light of the complexity of the regulation and serious deficiencies in the program implementation preparation, we strongly encourage you to delay the enforcement of the program. This will allow the EPA, the states, farm worker representatives and farmers to discuss the areas of concern and develop the necessary material for proper implementation. Only then will a program be effective in providing protection to farm workers.

Thank you for you time and consideration.

Sincerely,

Lauch Faircloth, Larry E. Craig, Dirk Kempthorne, Dave Duenberger, Kay Bailey Hutchison, Howell Heflin, Jesse Helms, Pete V. Domenici, Larry Pressler, Strom Thurmond.

Mr. COCHRAN. As I mentioned, the States are charged with enforcing these new regulations.

The people at the local level in the State departments of agriculture will be charged with implementing these regulations on a day to day basis. Ironically, this group itself opposes these regulations.

I have a letter that I will put in the RECORD to illustrate the seriousness of this situation, and how it is viewed by the States and those who will be called upon to carry out these things on a daily basis.

At their annual mid-year meeting the National Association of State Departments of Agriculture, representing all 50 States and four territories, unanimously approved a resolution asking the administration to delay enforcement implementation of the Environmental Protection Agency's new Worker Protection Standard for agricultural pesticides. They asked that this be delayed until October 23, 1995.

The details of their concerns are expressed very well in a letter dated February 27, which has been signed by almost all of the members of this association who were attending this meeting. Over 40 state commissioners of agriculture, or whatever other title they have, signed this letter. It very clearly asks that this be considered a matter—I will use their phrase—"of utmost urgency" that the administration act to delay the enforcement of these standards.

It says:

> We, as the heads of the State-led pesticide agencies, believe it is time for EPA to listen to our concerns and act in a responsible manner.

Mr. President, I ask unanimous consent that the February 27 letter that I just referred to be printed in its entirety in the RECORD, and showing the signatures of all of those who signed it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
STATE DEPARTMENTS OF AGRICULTURE,
February 27, 1994.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: At its annual mid-year meeting, the National Association of State Departments of Agriculture (NASDA), representing all fifty states and four territories (American Samoa, Guam, Puerto Rico, and the Virgin Islands), unanimously approved a resolution once again asking you to delay enforcement implementation of the Environmental Protection Agency's (EPA) new Worker Protection Standard (WPS) for Agricultural Pesticides until October 23, 1995. In the interim, NASDA believes that increased education and training efforts should be conducted by the states with material just now becoming available from EPA (though quantities are still inadequate). In almost every case, the state departments of agriculture will be required to implement this new standard on April 21, 1994 under a cooperative agreement with EPA and consistent with state laws requiring us to enforce the label.

Mr. President, a major train wreck is about to occur. It is simply impossible for us as state regulators and farmers to implement this program nationwide as currently designed and scheduled. We have been working with EPA, USDA, Members of Congress, farmers, and farmworkers attempting to fix the serious problems with the program and to educate the regulated community. Our efforts, as well as those of the agricultural production community, have been rebuffed by EPA and have failed to resolve this serious problem. A combination of the lateness of EPA in providing educational material—almost ten months late by their own schedule, and now arriving to the states after farmers have already entered the field for this planting season—and parts of the regulation which will be impossible to implement have created a situation primed for disaster.

EPA has suggested that enforcement of the standard should be "flexible" in the beginning stages of the program. We do not believe that it is in the best interest of pesticide regulation to tell farmers to ignore the law—the label is the law. Beyond that, we as regulators cannot ignore the label once it is on the product. It is the law, so we must enforce the standard on April 21, 1994.

Dr. Lynn Goldman, Assistant EPA Administrator for Prevention, Pesticides and Toxic Substances, addressed our meeting. We were seriously disappointed with her remarks on WPS and continued lack of regard for our concerns as state regulators. EPA has consistently failed to address our problems in a genuine way even though we have come to the table in good faith.

Mr. President, it is of the utmost urgency that you act to delay the enforcement of the standard to October 23, 1995. We as the heads of the state lead pesticide agencies believe it is time for EPA to listen to our concerns and act in a responsible manner.

Sincerely,

Bob Odom, Louisiana; Gus R. Douglass, West Virginia; W. Greg Nelson, Idaho; Don Rolston, Wyoming; Phillip A. Fishburn, Kansas; L.H. Ivy, Tennessee; Thomas A. Kourlis, Colorado; Bernard W. Shaw, Maine; Keith Kelly, Arizona; Henry J. Voss, California; Rick Perry, Texas; Clinton V. Turner, Virginia; Arthur R. Brown, Jr., New Jersey; Richard T. McGuire, New York; Fred L. Dailey, Ohio; Yukio Kitagawa, Hawaii; Bruce Andrews, Oregon; David L. Tompkins, South Carolina; Neftali Soto-Santiago, Puerto Rico; James A. Graham, North Carolina; Elton Redalen, Minnesota; Charles W. Anderson, Oklahoma; Alan T. Tracy, Wisconsin; Rebecca Doyle, Illinois; John L. Saunders, Missouri; Leo A. Giacometto, Montana; A.W. Todd, Alabama; John W. Cramer, Alaska; Frank A. DuBois, New Mexico; Thomas W. Ballow, Nevada; Gerald King, Arkansas; Boyd E. Wolff, Pennsylvania; James R. Moseley, Indiana; Dale M. Cochran, Iowa; Ed Logsdon, Kentucky; Jay C. Swisher, South Dakota; John F. Tarburton, Delaware; Stephen H. Taylor, New Hampshire; Thomas Irvin, Georgia; Gary G. Peterson, Utah; Larry E. Sitzman, Nebraska; Jim Buck Ross, Mississippi.

Mr. COCHRAN. Mr. President, I hope that Senators realize the meetings we've held have been at the highest levels in the administration, involving Cabinet level officials who are trying to resolve some of these concerns and issues. But we have not really gotten anywhere.

The February 27 letter was written as a policy statement resulting from all of these discussions. It was obviously written in an effort to assuage concerns and tell everyone that everything was going to be all right. It emphasized that nobody was going to get in trouble; there would be a lot of flexibility; there would be a grace period while everybody learned what the words meant in all of these regulations; and, there would only be occasional enforcements, with nobody new being targeted or exempt.

So, rather than contribute to a feeling of comfort, it increased concerns.

This policy statement is dated February 22. I have a copy here under the title of "Enforcement of the Agricultural Worker Protection Standard Under FIFRA." It is a three-page statement. I am going to ask, at this point, Mr. President, that a copy of the policy statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Policy statement from the U.S. Environmental Protection Agency, Washington, DC, Feb. 22, 1994]

ENFORCEMENT OF THE AGRICULTURAL WORKER PROTECTION STANDARD UNDER FIFRA

The Agency has received a number of questions regarding delaying enforcement of the Federal Agricultural Worker Protection Standard (40 CFR part 170 and related labeling regulations at 40 CFR part 156). We have never proposed delaying enforcement of this rule; to do so would seriously undermine the protections afforded pesticide handlers and agricultural workers, the very people the rule was designed to protect.

We are committed to using the flexibilities that we do have, in terms of guidance and implementation, to reach the underlying goals of the revised Worker Protection Standard while addressing the concerns. We have clearly demonstrated our willingness to listen to concerns and to bring all parties together to find solutions.

On enforcement of the Standard, EPA's position has been one of advocating phased-in, risk-based targeting of inspectional activities. We have also consistently supported state flexibility to address state priorities through State Implementation Plans (SIPs) and Enforcement Response Policies (ERPs) reflecting the nature of violations and their risk. Given the flexibility provided, the importance of the safety provisions of the revised rule and the amount of work completed and underway with the states and regulated parties, we do not believe that it is appropriate or necessary to delay the enforcement of the revised rule.

We would like to describe specifically the tenor of the enforcement guidance currently being used by the states for this rule, and to point out areas where the states are encouraged to set priorities and target activities based on state-specific needs.

In planning for the implementation of the WPS, the Agency prepared guidance on the national approach for compliance monitoring and enforcement and shared the guidance, in draft form, with the states so that they could provide their perspective and comments before the national guidance was finalized. The Agency received significant input from the states and took serious steps to incorporate the majority of the states' comments into the national guidance. This guidance includes a National Compliance Monitoring Strategy, a WPS component in the National Cooperative Agreement Guidance, assistance to the states in their development of State Implementation Plans, worker protection inspection guidance, and worker protection inspector training which is being piloted this week with state representatives at the National Enforcement Training Institute (NETI).

The National Compliance Monitoring Strategy for WPS recommends that the states strike a balance between activities used to prevent violations from occurring in the first place (i.e. guidance, training, outreach and compliance assistance) and activities used to correct and deter violations (i.e. inspections, and enforcement actions). The Strategy and the other guidance issued by the Agency recommend that the states focus on outreach and compliance assistance prior to the enforceable dates of the rule. Once the effective dates of the rule have passed, EPA encourages the states to target their inspections based on: (1) the phased-in compliance dates associated with different components of the rule; and (2) factors associated with the risk posed at different inspection sites, including information on product toxicity, crops grown, harvest methods used at specific sites, worker exposure, historical problems with products, and compliance history of sites. Enforcement priorities for the initial compliance dates focus on pesticide product label compliance.

Our inspection guidance recognizes that many states already have an inspection targeting scheme in place, and therefore recommends ". . . that states and regional offices: incorporate worker protection specific factors into their schemes based on available information, and tailor targeting schemes to meet particular needs and local concerns." EPA provided a risk-based inspection targeting approach to the states simply as an example of the type of approach we recommend be developed on a state-by-state basis. Our guidance goes on to state that compliance assistance can still be provided following the completion of both routine and targeted inspections in order to inform the regulated community of the WPS provisions, as well as to clarify requirements. People need to understand what is expected of them, and we will continue to emphasize communication and training for the next few years.

With regard to enforcement actions themselves as a result of violations identified during inspections, many first time FIFRA violations by individuals such as farmers who are not certified commercial applicators may receive a notice of warning for their first violation. The Agency's FIFRA Enforcement Response Policy incorporates the statutory minimum penalties and adjusts any penalty for violations based on risk and other factors such as whether the violator has a history of violations. Each state may either adopt the Federal ERP or, more commonly, adjust its penalties to state law. Each new regulation, such as the Worker Protection Standard, offers a state the opportunity to adjust its ERP to new provisions. States currently have written Enforcement Response Policies (ERPs) reflecting the appropriate penalties for violations of individual state law. We have indicated to the Regions that states should be following their own ERPs for violations of the WPS.

Beyond the guidance discussed above, under the state Enforcement Cooperative Agreements, the states were asked to develop State Implementation Plans which address: 1) outreach and communication; 2) training; 3) coordination with other state and Federal agencies; and 4) state-specific compliance monitoring strategy based on the National Strategy. States submitted these SIPs to the Regions with their enforcement priorities articulated. Regions have been working with the states to implement their SIPs. The FY 95 State Cooperative Agreement Guidance will request states to continue to update their SIPs. Since FY 90, a major component of the Cooperative Enforcement Agreement program has been to provide funds for the development of a program for enforcement of WPS. The Agency received earmarked funds from Congress for each of those fiscal years to award to the states and tribes for implementation planning of the WPS. We should note that the State Enforcement Cooperative Agreements are negotiated between the regions and states annually and revised to reflect changing priorities at both the state and National level.

We fully intend to go forward with all of the training, education, compliance assistance and flexible focused enforcement activities planned for the Worker Protection Standard. We continue to be committed to working with all interested parties in ensuring responsible and reasonable implementation of this important regulation.

Mr. COCHRAN. Mr. President, I will read the last paragraph again to show you that we have not come very far since that first exchange of correspondence that I had with EPA back in September of last year. Here is the last paragraph:

> We fully intend to go forward with all of the training, education, compliance assistance and flexible—

Flexible.

> focused enforcement activities planned for the Worker Protection Standard. We continue to be committed to working with all interested parties in ensuring responsible and reasonable implementation of this important regulation.

Everything in there sounds pretty good unless you stop to think about this phrase: "* * * flexible focused enforcement activities." Nobody knows what that means. After all of these months trying to understand the EPA's intentions, and whether there would be a period for training and developing equipment designed to meet the regulations that are being implemented, farmers and agriculture agencies around the country are still perplexed.

It seems to me, Mr. President, and those who have joined in writing these letters, that Senators ought to cosponsor this amendment and delay the enforcement of these regulations for a period of time within which we can do these things that EPA says are necessary.

I am going to again read what we want to have done. It is in the last paragraph of this policy statement:

> * * * training, education, compliance assistance.

That is what we need before the regulations are enforced. What they are saying is we are going to begin enforcing the regulations in a "flexibly, focused" manner—whatever that is. And while we are doing that, we are going to proceed with "training, education, and compliance assistance."

The whole point is that for almost 2 years EPA has had an opportunity to do those things: "training, education, and compliance assistance." EPA officials could have held workshops around the States, assisted people who will have the job of day-to-day enforcement, and explain to farmers what the phrases mean.

For example, you are supposed to wear full protective clothing if you are a farm worker and you are applying a pesticide. Think about this. You are a crop duster in Mississippi in July. Just think what all of this means in practical, everyday terms and how people deal with these things out in the real world. You are going to have a crop duster look like he is going on a space ship to the Moon.

Maybe that is what EPA is going to require. But if you read what the protective clothing requirements are for pesticide applicators, you could reach that conclusion without stretching your imagination much at all.

I do not know what effect it will have on people who apply pesticides from the air in the Mississippi Delta or throughout the country. But it is bound to have some new requirement. These are persons who handle and apply pesticides. Here is a whole list of things that they are going to have to do beginning in April of this year.

It seems to me, Mr. President, that this requires some action by the Congress that says, in effect, "Hey, wait a minute, let's don't get the cart before the horse. Let's don't start fining people and imposing penalties on folks before they know how to comply with the regulations."

That is the whole point of this. Those of us who have been raising these concerns and trying to have meetings and iron these issues out are not against protecting farmers. But we think they have a right to be treated fairly and to be put on notice and have an opportunity to understand the rules. That is at the core of our system of justice and it ought to be at the core and at the heart of the way Government treats its citizens.

Here we are talking about improving competitiveness and our economic ability to compete as a Nation. But we are going to put on the necks and backs of American agriculture some of the most potentially costly and disruptive requirements and regulations that we have ever seen. And agriculture has had its fair share of burdensome requirements and regulations.

I am not saying we do not need to be careful. That is not the point. People need to be educated, and they need to be protected.

But if we turn loose an agency of the Federal Government to direct State departments of agriculture to enforce regulations and impose sanctions on farmers, agriculture producers, nursery people and folks who grow pine trees, we need to make sure that they fully understand what the consequences of all of these regulations will be, how they are going to be enforced, and how they should comply.

The other day, my friend and our distinguished Secretary of Agriculture, Mike Espy had an opportunity to talk to an agriculture group meeting in New Orleans. This issue came up at the meeting, and he discussed it, and said he would try to get an extension of this deadline.

The whole thing is that we are at the point where the deadline is almost here—April 15, almost a month from now. This will become a fact of life for agriculture throughout this Nation, unless the Congress acts or unless the administration changes its mind. But they keep saying they are not going to do anything.

This policy statement which I just put in the RECORD, and other responses that we have had, indicate that they are not going to do anything. Here are some newspaper articles, in addition to the one I mentioned about Secretary Espy's visit to New Orleans and to Mississippi. Here is one in the Farm Bureau News, which also brings everybody up to date, a February article, and then one as recently as March 7, where the Farm Bureau brought this matter to the attention of President Clinton himself at its meeting in Washington.

According to reports, they do not expect to delay implementation of these standards, and they expect States to crack down on violators.

I ask unanimous consent that these newspaper articles from the Farm Bureau News be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Farm Bureau News, Feb. 7, 1994]

AG OFFICIALS SEEK DELAY IN REGS

Farm Bureau and other agricultural groups are urging a delay in implementation of the Environmental Protection Agency's farm worker pesticide protection regulations, saying more time is needed for education and training.

The new worker protection standard is scheduled to be implemented this year on April 21. Farm Bureau and the National Association of State Departments of Agriculture (NASDA) have asked EPA to delay implementation until Oct. 23, 1995.

The state agricultural officials and other groups say they are committed to protecting farm workers, but that the program, as currently developed, does not achieve that goal. They say EPA has failed to provide information, educational materials and training in order for the agricultural community to comply with the new rules.

A large portion of the material either has yet to be provide or has been provide at inadequate levels, they say.

"Unfortunately it appears EPA is more committed to its arbitrary date of April 21, 1994, than it is to protecting farm workers and ensuring the education of the agricultural community," said a letter from NASDA to President Clinton, urging him to resolve the issue.

The new regulations expand the scope of protection standards to include not only field workers performing hand labor operations, but also forestry, nursery and greenhouse workers and pesticide handlers. The rules apply to all operations that hire one or more workers.

The agriculture industry is not asking that EPA abandon its regulatory scheme, said Libby Whitley, an American Farm Bureau Federation governmental relations director. She said farmers—who will bear the brunt of these regulations—are prepared to comply, but need extensive training.

A delay in implementation to October 1995 would provide a more realistic timeframe for the agricultural community to comply with the complex new regulations, she said.

[From the Delta Farm Press, Feb. 11, 1994]

WANTS DELAY ON IMPLEMENTATION: ESPY VOWS FIGHT ON WPS DATE

(By Forest Laws)

Agriculture Secretary Mike Espy says he will seek postponement of the April 15 deadline for full implementation of the new Worker Protection Standards.

Although EPA officials have indicated on several occasions recently that there will be no delays in the April 15 effective date, Espy said he will discuss the issue with other cabinet officials to try to buy more time for farmers to learn how to cope with the complicated standards.

"I am sensitive to their (farmers') concerns, particularly with something as important as this," Espy said during a press conference at the National Cotton Council's annual meeting in New Orleans.

The secretary said he wants to talk to Labor Secretary Robert Reich and EPA Administrator Carol Browner about "easing in" WPS regulations that require extensive worker training and use of personal protective equipment for some agricultural chemicals.

"In the South, it doesn't make much sense, in some cases, to mandate the heavy protective clothing," he said. "As desirable as the intent may be, down here it gets hot, 100 degrees plus. The health effects may be more adverse from requiring that level of protective clothing than from the pesticide itself."

Espy said USDA is not the primary agency for implementing the WPS regulations. "But whenever agriculture is discussed, we have said we are going to be there."

That is the tack Espy took in December when he was able to keep agriculture's foot in the door on the reformulated gasoline issue—a door the petroleum industry had attempted to close.

Espy, WHO REPORTS have said was at home sick at the time, came to his office and arranged to meet with EPA officials on the eve of the announcement of their new reformulated gasoline policy. The result: Ethanol could account for 30 percent of that market in the years ahead.

In his speech to Cotton Council delegates, Espy said he had promised then President-elect Clinton that he would position USDA for the future, that he would make it more farmer friendly and that he would help to foster a "different attitude" within the department bureaucracy.

"I said that we would create a different climate, that we would move USDA from being just a Department of Agriculture to being a Department for Agriculture," he noted. "And we're doing that—we're changing USDA from top to bottom."

As part of the streamlining or reinvention of government that is underway, Espy said USDA will reduce itself from 43 agencies to 30. He is proposing that an "early buyout" program be offered to 8,500 full-time employees.

The proposal was scheduled for mark-up in a House Agriculture subcommittee on Feb. 8, and Espy said he has received assurances from Senate Agriculture Committee leaders that they would begin work on the proposal soon after. The legislation could be enacted by March, he said.

Following passage, USDA, will begin the process of closing approximately 1,300 field offices nationwide and consolidating many of its functions into "one-stop" service centers.

"We're trying to save you money; we're trying to become more service oriented and less acronym-oriented," he said. "It's all about being farmer friendly, streamlined, consolidated, doing what we promised."

Espy said he was pleased with the way USDA worked with the council on the 1994 acreage reduction program (ARP) requirement.

"At the time we announced it in November, the preliminary 17.5 percent ARP for upland cotton made sense in terms of projected U.S. supply and demand balance and the requirements of the law," he said.

"But the final ARP that we announced earlier this month is 11 percent, and it's based on lower production estimates for the 1993 crop and improved export prospects stemming from reduced foreign production. Because we reduced the ARP, U.S. producers will benefit from the better export prospects and that means higher farm income."

Espy pledged to continue to fight for farmers on a variety of fronts, citing such issues as wetlands delineation, endangered species, reauthorization of the clean water act, and pesticide policy debates.

"This administration inherited a set of pesticide laws and regulations that don't work," he said. "We must work to harmonize often contradictory attitudes. Consumers demand constant assurances that our food supply is safe. They have trepidations about the harmful effects of pesticides.

"Producers, on the other hand, also demand constant assurances the regulatory system will give them the tools they need to raise their crops. And so we must work with both sets of attitudes to harmonize them."

The former congressman from Mississippi also said he wanted to publicly thank council staff member Bill Gillon for his assistance during confirmation hearings last winter.

Gillon, general counsel for the NCC, was detailed to Espy to brief him on USDA policy issues and accompany him during his round of visits with members of the Senate Agriculture Committee prior to the hearings.

[From the Farm Bureau News, Mar. 7, 1994]

FB ENCOURAGES CLINTON TO DELAY WORKER RULES

A delay in implementing new farm worker pesticide protection regulations is needed to give the agricultural industry adequate time to comply, Farm Bureau told President Clinton last week.

In a letter, American Farm Bureau Federation President Dean Kleckner urged Clinton to push back the enforcement date of the Environmental Protection Agency's regulations to Oct. 23, 1995. The current schedule calls for enforcement to begin this April 15.

The rules would require, among other things, that farm workers who handle pesticides wear protective clothing, be informed about the chemicals they handle and be prohibited from returning to fields too soon after chemicals are applied.

Kleckner said Farm Bureau is not asking EPA to abandon the new regulations, but rather to provide more time, education and training so state regulatory agencies and farmers can comply.

"These regulations are precedent-setting," Kleckner said. "They mandate vast new responsibilities and costs for farmers and ranchers. They create significant new liabilities both for pesticide users and manufacturers. Further, they are a sizable new unfunded federal mandate for state enforcement agencies.

"Farmers, who will bear the brunt of the regulations, will comply," Kleckner said. "To do so, however, will require extensive education and employer compliance training."

EPA has been slow to distribute training materials to states, and has not yet decided whether to implement a worker training certification program, he said.

"EPA has stated it believes that compliance will come about only through a trained work force," he said. "If it truly believes this, then the training activities must be focused at the basic employment level—on the farm."

State agriculture departments are strongly seeking the delay, citing the potential cost of enforcing the rules and inadequate preparation time. In addition, members of Congress, farm groups, state regulators, and farm worker groups and unions have asked EPA to delay implementation of the new standards.

Reps. Bill Emerson (R-Mo.) and John Boehner (R-Ohio) filed legislation last week asking Congress to delay enforcement of the rules to Oct. 23, 1995. They are concerned about the heavy financial burdens that could be placed on states and agribusinesses.

According to news reports, EPA assistant administrator Lynn Goldman said information on the rules is being circulated to farmers and states. She said the agency would not expect states to immediately crack down on violators.

Mr. COCHRAN. Mr. President, I hope the Senate will grant some relief in this situation and grant our request, which this amendment would do, to extend the deadline for this regulation.

Mr. FORD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, let me compliment my friend from Mississippi for this amendment. My farmers are very concerned, and they have told me of their concern. They do not have time to do the training and get ready for the requirements and the regulations, and they have never seen Government be flexible when a regulation is in place and when they are in jeopardy. They are very concerned, and I compliment the Senator on his position.

But, Mr. President, may I make a point here. It may be that under the circumstances, this amendment may never see the light of day. I feel sorry for the chairman of the Commerce Committee, who is leading a fight for a bill that has been passed through the Senate unanimously at least twice. It came out of the Commerce Committee unanimously, and now we see all kinds of nongermane amendments being put on this legislation. They keep going on and on and on.

I think it is time we step back and begin to look at how we are operating legislatively here in the Senate. It may be that at some point we would just go ahead and let everybody have their say for a few minutes and move to table, and we will take these potential amendments off the bills one at a time, if necessary. But I think we are making this bill a Christmas tree, and that is very unfortunate.

I know, and others will say, "This is the only way I can get it up; I could not get it up any other way." I understand that part. But it does jeopardize the operation of the Senate to get to other bills that are important, and I hope that we will be able, through the leadership, to try to work out something, not only to accommodate those who have legislation that is necessary, but also to accommodate those that come to the Senate floor with a piece of legislation that comes out of committee unanimously, and you talk for a week on it, and you never get to the guts of the legislation that is brought out of the committee.

So I would like to put my colleagues on notice that I am going to be giving serious consideration to trying to see if there is something that cannot be worked out where we do not find ourselves in the position of getting a "Christmas tree" every time we have a piece of legislation up.

I yield the floor.

Mr. PRESSLER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I would like to join in complimenting my colleague from Mississippi for introducing this amendment.

Three weeks ago, I held a farm advisory meeting in South Dakota. The meeting was held on a farm in Hamlin County near the small town of Hazel, SD. The meeting was held on a Friday night and well over 40 farmers, ranchers, and small businessmen were in attendance. Some farmers drove over 100 miles to attend.

The meeting was held in the basement of the home of Donald Christman. I hold several of these kinds of listening meetings. It is one of those times when a Senator gets home and listens directly to constituents at the grassroots level. This direct input lets me know exactly what is on the minds of farmers and ranchers in South Dakota.

One of the first things they raised with me was a concern about the Environmental Protection Agency's regulations on worker protection standards.

The most startling fact was that only one or two of the farmers in attendance were aware that the new regulations would become effective on April 15, 1994.

These farmers wondered how they could possibly comply with these regulations if they had not been told what they will have to do. Many wondered how the regulations came about in the first place. Now that was an excellent point.

I explained to them: "Well, Congress did not do this. This was the Government bureaucracy." They asked, "Who do we talk to? You are our Senator. We need your help." I said I would return to Washington and try to do something about it. I wish to join my colleague from Mississippi in sponsoring this amendment, because it directly addresses a main concern of South Dakota farmers and ranchers.

It is a problem that we need to attach this amendment to the pending business, but time is of the essence. Yet April 15, 1994, is just a few weeks away, and many farmers in South Dakota do not want to be fined or have legal action taken against them for not complying with regulations they know little, if anything, about. The EPA has even admitted that getting the word of the new regulations to the public has been a problem.

However, at times, this is the way the legislative process works. The amendment is very timely. Without some action by Congress, the regulation will go into effect and possibly jeopardize many farmers and ranchers. This should not be allowed to happen. Time must be granted to educate the public on what action is needed on their part. The regulations should not be shoved onto them. Time is also needed to thoroughly review how these regulations will impact the daily operations of farmers and ranchers. What may work in Maine may not work in South Dakota. What may work in South Dakota may not work in Mississippi. We need time to work this out as well.

My colleague from Mississippi has carefully analyzed the current situation and has developed an appropriate response. I hope the amendment will pass. It is greatly needed. I think most Members of the House and Senate should be in favor of this.

So I compliment my friend from Mississippi. This is exactly one of the main concerns the farmers and ranchers raised with me in my agriculture advisory listening meeting in the basement of a farmer's home near Hazel, SD.

I would like to join my colleague in sponsoring this amendment, and ask that he add me as a cosponsor to the amendment.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the distinguished Senator from South Dakota be added as a cosponsor to the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, it could very well be a meritorious initiative or amendment, but it is certainly not timely or appropriate on this bill. Let me first say that I share a great deal of sentiment for the initiative by the distinguished Senator from Mississippi. But not on S. 4. We have a technology bill; we have advance technology programs; we have the manufacturing technology centers, the extension services, and the small business loans. There is not a word in this bill about pesticides or the Department of Agriculture regulations on pesticides. So Senator COCHRAN's amendment is absolutely not germane whatsoever.

Nonetheless, as I said, I sympathize with the Senator's cause. I harken back to 1967, when my State's peach farmers faced a similar problem. They were confronted with rules and regulations requiring that they wear a white cape, a hood with eye slits opened up in it, and little white gloves; at that time they looked like Klansmen running around in the peach orchard. We had signs every 25 yards, and under the regulations, it was safe to eat the peach, but unsafe to go in and pick the peach.

I vividly recall Senator George Aiken, of Vermont, who joined with this freshman Senator in resolving this problem.

So I am sympathetic, but I am not prepared to talk on pesticides and rulings and regulations at this particular time. I am concerned by the procedural gridlock on this bill. As the distinguished majority whip has pointed out, we are getting into a sort of open sesame as to the offering of non-germane amendments; there is no discipline.

This has to be solved, I take it, at the top level by the leadership on both sides of the aisle as to what the procedures are going to be.

In times past, a Senator would not dare attempt to attach an extraneous amendment such as this on a bill. Now, it is virtually standard operating procedure around here to just come in at any time with any measure, no relation whatsoever to the subject matter. So this is not a surprise, you might say, in that we had heard this last evening. We notified the chairman of the Agriculture Committee and others who seem to be interested and have been working on this matter. That was 45 minutes ago. We understand they have other work to do, but we have work to do as well.

I do not know any way to advance this bill than to move to table this amendment. Everybody wants to be courteous and indulgent, but we will only be indulgent for a short period of time around here and then we will move for a vote. If the Senator gets his vote on the motion to table and we do not table it, that will tell us something. Then it is accepted and we will put it on the bill.

This open sesame on S. 4 began, unfortunately, with a sponsor of the bill who contributed to unanimous support for it in committee. We worked out problem areas together to make sure that it was not pork, that it was not picking winners and losers, that it had to be picked by the industry, that the industry had to provide the majority of the funds and, thereby, we provided for peer review by the National Academy of Engineering.

Now, because the Senator is disillusioned with the negotiations on GATT, the General Agreement on Tariffs and Trade, in December signals are switched, and I am hearing that same member who supported the bill over the years now talking about pork and claiming that now we have a new philosophy, a new departure in industrial policy.

Then in the next breath he said, in effect, "By the way, I like the industrial policy for the aircraft industry."

If we had to pick the No. 1 industrial policy for any private sector, it would be the aircraft industry. I mean we do not debate on NASA or whether we have a space station. We go forward, increase the budget, relative to space. I am chairman of that authorization committee and am totally familiar with that. We come and talk about the spinoffs. And the No. 1 spinoff is this. Why get a man up in space when you cannot afford to support the safety of a man walking on the streets.

Well, you have to understand here is the leading industry with respect to most of our balance of trade, our productivity, our lead in the manufacture of aircraft, and all of that comes from the space program. It all comes from research in the Department of Defense.

Yes, we have the Export-Import Bank financing to promote sales around the world in aircraft.

So I believe, yes, that is an industrial policy. But when it comes here to helping small business in technology, he says, oh, we better not, now we have a new departure, and it is time. I have talked to a Senator. The gentleman said he had not thought of that, and now we have to start a whole new debate because the distinguished Senator is disillusioned with the GATT negotiations back in December.

That is no way. It is gridlock. It is, I guess, in keeping with this idea that since we are the most deliberative body, yes, we can have extended debate. But this is not extended debate. This is extended shenanigans. Anybody can come at any time, and once you get your amendment up, you can get recognized; when you are talking about technology, and small business, and research you veer off into a discussion of regulations on pesticides in agriculture.

As manager of this bill I will go along with the general norms. But I put everybody on notice that we are not going to sit here all day long just to indulge Senators who are busy elsewhere and have work to do and then we are supposed to go to 11 and 12 o'clock at night until everyone gets exhausted and wants to go home on the weekend. I mean, come on. I will stay here through the weekend. It suits me fine.

But we need some discipline and understanding on both sides of the aisle so that we can move legislation that is agreed on by everyone and worked out by all the committees—the Committee on Energy and Natural Resources, the Committee on Small Business, the Committee on Labor and Human Resources, the Committee on Rules and Administration, the Committee on Environment and Public Works, and the Committee on Commerce, Science, and Transportation, plus the committees on the House side.

So with that understanding, I understand that two or three Senators are on the floor who still want to be recognized. I understand the Senator from Mississippi has an important initiative here. However, it is an important initiative on an agricultural measure, and it is not relevant to this bill.

I yield the floor.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Mississippi [Mr. COCHRAN].

Mr. COCHRAN. Mr. President, let me quickly say it is not the purpose of this Senator to delay the Senate in consideration of this legislation or this amendment. If the Senator wishes to proceed to a vote on the amendment, I have no objection to that.

We have made our argument. We have talked about the problem. We have tried to explain it as succinctly as we can and put it in perspective so the Senate will know what the issue is and understand what the vote will be about if we do have a vote on the amendment.

So, I just want Senators to understand that the request for delay in considering the amendment or voting on it or disposing of it is not coming from the proponent of the amendment.

We made our case. We have made the best argument we can make. We put in the RECORD all the supporting documentation of why we think this is a serious matter and one of some urgency.

So we certainly do not want to delay. We want to impose the will of the Senate on the process so that we can ensure that fairness and due process and advanced notice of the effect of these regulations are well understood. The whole point is for the EPA to recognize we need to have the training, the discussion of the procedures, and all of the rest in advance of the enforcement. We should not just randomly pick out someone to nail, start cracking down on violators and putting sanctions on State departments of agriculture who are the victims in many ways of the mandates of the Federal Government.

They have not been given any money to train or hire staff to carry out the enforcement. They have just been told by the Federal Government: "You do it. We are going to tell you generally what is against the rules and what is not, and if you cannot understand, we will just come in and enforce and fine you and then you will understand it."

That creates an awful lot of anxiety. If there is anything that is going to hurt our competitiveness, it is that kind of Government action that adds unnecessary costs, impedes our ability to efficiently operate farms, agriculture, timber growing operations, nurseries, and other operations. We ought to take action. That is the whole point of this amendment. '

The PRESIDING OFFICER. Who seeks recognition?

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, I thank the Chair.

Mr. President, I rise to address the bill before us today, S. 4, and to offer my strong support, not only for the substance of S. 4, the National Competitiveness Act, but to echo the appeals of the chairman of the committee, the distinguished Senator from South Carolina [Mr. HOLLINGS] and others that we exercise some self-restraint, which I know is often difficult, and focus on what is in S. 4 and not let it get sidetracked with a lot of amendments.

I say that without casting any judgment on the particular amendment pending now or any others being offered. But I say it with a particular sense of urgency since S. 4 addresses two problems that it is important for us to address—job creation and competitiveness.

Mr. President, we have a lot of problems in our country, but I can tell you, at least from the point of view of my constituents in Connecticut, there is no more serious problem than getting on with the task of getting our economy moving again, and creating and protecting jobs.

In the 5 years since 1989 when the recession began, my State of Connecticut has lost something on the order of 200,000 jobs. That is a lot of jobs. Connecticut has not been the only victim of job loss—as my colleagues in this Chamber know, Connecticut's experience with job loss is a story that has repeated itself in many places around the country.

But the sad part of the story is that this recession, which may be over in the minds of some economists, is not over in the lives of a lot of Americans: it is not like other recessions. This was not a temporary reduction in demand that led to people being laid off in the bad times and rehired in better times.

There are a lot of people out there who were laid off because of changes in the structure of our economy, because of downsizing, because of the reduction in our defense budget. These are people —many of whom are in midcareer—capable, qualified people—frankly, the kinds of people who never expected to be laid off and now worry about whether they will ever be rehired. And their worries resonate throughout much of the rest of the population—among their neighbors and their former coworkers who wonder whether they will be next.

This bill, in a way that would be hard to put on a bumper sticker, really deals with the heart of protecting and creating jobs in America by putting the Government in a partnership with business to improve our competitiveness and the available supply of good jobs in this country.

We use a lot of initials in talking about this bill—NIST, ATP's, MTC's. For me, what this bill is all about is j-o-b-s; jobs.

In the debate over how to improve the competitiveness in American manufacturing, we have spent a lot of time addressing the high cost of capital, the low rate of savings and investment, chronic trade and budget deficits, and failure of our educational system then to prepare our workers. All of those are obviously critical and important to protecting and creating jobs.

But this bill really confronts the basic question, which is: How do we keep this country on the leading edge of manufacturing and technology?

The Senator from South Carolina [Mr. HOLLINGS] has really been a pioneer in this. He was way out front before a lot of others saw the opportunity for the Government to be constructive in a partnership relationship with business.

I was privileged to serve on an economic task force a couple of years ago that the majority leader put together to continue some of these programs. In the various committees, we had bipartisan support. We worked to put together a package of economic initiatives and when that package passed, we had bipartisan support.

And we have had bipartisan support again in bringing this bill out of committee, because it is the right thing to do and the sensible thing to do. It is beyond politics, beyond partisanship. It is, in a practical sense, what the business community of America is asking the Federal Government to do to help them remain competitive by protecting and creating good jobs.

Let me talk in concrete terms about what this bill does.

This act expands the number of centers where small manufacturers can go to get hands-on training in the latest technology.

S. 4 also expands the Advanced Technology Program—that is ATP—at the National Institutes for Standards and Technology—that is NIST. The ATP matches funds for industry-led efforts to solve industrywide problems. And, for those with the idea that will take technology forward, the conceptual technological breakthrough, but who do not have the resources to carry it forward, this bill has the Critical Technologies Financing Pilot Program. I do not think we have even reduced this program to letters or an acronym yet, Mr. President, but it is important to people with the bright idea that could lead to the employment of thousands of people in the future.

Let me state there are three simple reasons to support this bill.

The first is to promote and improve American technology. The key to global competitiveness is the ability to deliver a better product at a better price. Obviously, this could be achieved in a number of ways. For example, we can artificially hold down wages or we can sell products more cheaply in foreign markets than we sell them at home. But there really is only one way to deliver a superior product at a cheaper cost without sacrificing the living standards of American workers or punishing American consumers. That is to increase productivity. And the way to get increased productivity is through advances in technology.

Technological advances can drive an economy by creating new goods, new services, new jobs, new capital, even new industries. When applied to existing systems, advanced technology can improve productivity and the quality of products. Anyone with the most basic computer can confirm that advanced technology can indeed make a job easier and faster.

Technological advances can help compensate for competitive disadvantages that American firms may face overseas, including comparatively higher costs of capital and labor.

We should take pride in the fact that the United States remains the world leader in basic research and in many areas of applied research. At the same time, research in and of itself does not lead to improved productivity and economic growth. R&D is merely the first step. It is commercialization, the process of moving products from our laboratories to our factories, that leads to increased productivity, continued economic growth, and the ultimate rise in our standard of living.

But, unfortunately, that is also where we too often fail. We must, as our competitors do, aggressively support emerging technologies so they can be transformed into the commercially viable products, the job-creating businesses for the international marketplace.

Reason two relates to manufacturing and small manufacturers.

Mr. President, manufacturing currently employs approximately nearly 19 million Americans and adds about $1.3 trillion to the economy each year. The export of manufactured goods account for nearly 67 percent of the total value of U.S. exports of goods and services.

As anyone who has visited a machine tool shop or a ball bearing plant can tell you, most of these manufacturers are hardly giants—there are an estimated 360,000 small and midsized manufacturing firms in the United States. But in terms of being job generators, these firms are giants. By way of illustration, during the years 1988 through 1992 manufacturing firms with fewer than 20 employees added 220,000 jobs, while manufacturing firms with more than 500 employees lost nearly 1 million jobs.

While the small companies employ millions of Americans, they lag behind virtually all our competitors in adapting new manufacturing equipment and technology. These companies need a sophisticated manufacturing extension service, much like the extensive system we have set up for agriculture. For comparison: While agriculture represents about 2 percent of our total GDP, U.S. manufacturing represents nearly 12 times that much—about 23 percent. At the same time, the U.S. spends over a billion dollars on agricultural extension programs while we spend one-tenth of that on manufacturing extension programs—about $100 million.

Mr. President, a robust and technologically advanced network of small business manufacturers are our best hope for staying competitive. "Few and far between" is the best description of the public and private institutions in the U.S. getting the word out on new technologies. This causes particular concern for small manufacturers who do not have the resources to keep up with technological developments taking place in the United States, never mind overseas. Contrast this with Japan—where technology dissemination and technical assistance is commonplace. For example, the Japanese Government provides $235 million for a nationwide network of 185 technology extension centers.

Reason three relates to information technology.

Mr. President, the "information superhighway" has become the new "buzzword" of the nineties. It has come to signify the frontier of technological innovation. It is also likely to become the frontier of international trade and competition. The U.S. is well positioned to set the standard, to be the "pace car" on this new information superhighway. However, that leadership role will require partnerships between government, universities, and the private sector.

By putting information about advanced technology onto the superhighway, S. 4 envisions benefits in any number of fields—including health, education, and medicine.

ANSWERS TO CRITICISM

INDUSTRIAL POLICY

Mr. President, there has been some suggestion that S. 4 puts the Federal Government in the position of picking winners and losers in the marketplace—so called industrial policy. Industrial policy conjures up images of Government bailouts for inefficient smokestack industries. That is not what this bill is about. What we are talking about is industry-led, not Government-led, initiatives that occur at the technology development stage, not after products go to market.

The National Competitiveness Act does not replace the free market. What it does do is carve out a constructive role for the Government to play in technology policy—particularly in the precompetitive, precommercial, developmental stages of technological advancement. That means that S. 4 does not meddle in the market. Indeed, S. 4 puts Government behind the private sector. S. 4 requires the private sector to match any Federal grant to ensure that it is the market—not the Government choosing the winners and losers.

Mr. President, the recognition of the importance of certain industries cuts across party lines. Even under President Bush, the National Critical Technologies Panel, which was part of the Office of Science and Technology policy, prepared a list of 22 key technologies and a report which stressed "the need for increased cooperation between Government and corporations." In their report, the National Critical Technologies Panel stated:

> The failure to maintain world class manufacturing capabilities would compromise the nation's ability to compete in domestic and international markets, and would threaten our ability to obtain access to the full range of components and equipment required for a strong national defense.

In these days of shrinking defense budgets, the civilian sector is increasingly leading the military in research and development. In the old, cold days it was very much the other way around with the military providing the research and developments for civilian spinoffs.

GATT

I would also like to address the GATT issue. Let us be clear—the Europeans spend heavily on industrial R&D and industrial subsidies. That is the status quo. That is the situation we face today. Under the new GATT rules, they will be limited in their ability to subsidize products and product development. That is good news. The new GATT subsidy rules will help level the playing field for U.S. firms. In a March 7 letter to Majority Leader MITCHELL, John Gibbons, the President's science and technology advisor, had this to say about the subsidies code in the GATT agreements:

> It puts real teeth in disciplining unfair, trade-distorting production and export subsidies. At the same time, it protects economically desirable U.S. government investment in research and development from potential challenge by foreign countries.

Mr. President, our GATT negotiators should be congratulated, not castigated, for the progress they have made in this area. The agreement will not open the subsidy floodgate—it is a precise, surgical approach which will impose discipline on our trading partners in the subsidy area. S. 4 clearly falls within the precise parameters set forth by our GATT negotiators.

BUDGET

I am concerned about the budget deficit. I have been saying for months that we must make hard choices—if we add programs, we must cut or eliminate others. And that is what this bill does.

Every new dollar this proposal authorizes is matched by cuts in the President's budget. More importantly, because S. 4 requires an industry dollar for dollar match for every award. S. 4 leverages both private sector and State dollars. For every dollar we spend we know we are moving at least twice as much into the economy. So not only are we making the hard choices, we are also spending wisely. I could not put it better than the President did in a letter he sent to Majority Leader MITCHELL on Monday:

> S. 4's leveraged investment offers this nation a high rate of return: by helping industry to create jobs and compete successfully in the global marketplace, we will grow the economy.

CONCLUSION

If maintaining a world class manufacturing capability—as the Bush administration suggested—is critical to both our national defense and economic security, then we should not be expending our time on the question of whether or not the Federal Government should be supporting technological advances. What we should be asking is "What is the best way for us to keep and maintain that advances?" How can we put the resources and leverage capacity of the Federal Government directly behind American industrial technologies to improve our industrial competitiveness over the long term? I believe the National Competitiveness Act provides us with the answer to these questions. I am grateful for the work of Senator HOLLINGS and others in bringing this bill to the floor and I encourage my colleagues to support me in supporting S. 4.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Connecticut has really been part and parcel of this bill. He has headed up an economic leadership group of Senators from both sides of the aisle. They have been working. They have been vitally interested in technology. They have been vitally interested in the commercialization of our technology. They have been vitally interested in the research necessary for us to be kept on the cutting edge. In that light, no one could be more grateful than myself for his particular contribution over the last 1½ to 2 years that we have been working on this particular measure. So I thank him for his comments here this morning and his contribution.

Mr. President, I think we can move back to the Kassebaum amendment.

Mr. LIEBERMAN. I thank the distinguished Senator from South Carolina for his kind words and longtime leadership in the whole process of how the Government can create a partnership with business to create jobs.

Mr. President, I ask unanimous consent the remainder of my remarks be printed in the RECORD as if read and I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina [Mr. HOLLINGS] is recognized.

AMENDMENT NO. 1477

Mr. HOLLINGS. Mr. President, I understand this particular matter now has been worked out with the distinguished Senator from Kansas. In this unanimous-consent request I will be referring to the text of the language attached. I will yield to the Senator from Kansas at that time to submit that language and to indicate her approval.

UNANIMOUS-CONSENT AGREEMENT

Mr. HOLLINGS. Mr. President, I ask unanimous-consent amendment No. 1477 be withdrawn; that the Senate now proceed to the consideration of Calendar No. 329, S. 1458; that Senator KASSEBAUM be permitted to modify that bill with the text of the language attached to this unanimous-consent request; that the bill then be referred to the Judiciary Committee for not to exceed 1 calendar day, that if at the end of that time the Judiciary Committee has not reported the bill, the bill be discharged and placed on the calendar; that the Senate proceed to the consideration of S. 1458 when S. 4, or its companion, H.R. 820, is no longer before the Senate, provided the bill has been reported by the Judiciary Committee or been discharged by that time; that there be a time limitation on the bill as follows:

One hour for debate on the bill as modified, with no amendments or motions to recommit in order with the time to be equally divided between Senators KASSEBAUM and METZENBAUM or their designees.

Before I put that request, I yield to the distinguished Senator from Kansas.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the distinguished Senator from South Carolina?

Mrs. KASSEBAUM addressed the floor.

The PRESIDING OFFICER. Reserving the right to object, the Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, there is no objection. Before I send the modification to the desk, I just would like to express appreciation to the cosponsors who have over the years been strong supporters of general aviation product liability, particularly to the Commerce Committee, where, if there has not been strong support, there has been forbearance on the part of some. I am very appreciative of that.

I also would like to thank the Senator from Ohio [Mr. METZENBAUM] who helped work out an agreement which has enabled us to reach this point.

I just ask now the modification be sent to the desk for consideration.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the Senator from South Carolina?

Mr. HOLLINGS. The modification, Mr. President, is part and parcel of the unanimous-consent request.

The PRESIDING OFFICER. The Chair observes the unanimous-consent request had not yet been agreed to.

Mr. HOLLINGS. That is right.

The PRESIDING OFFICER. Is there objection? Without objection the unanimous-consent request is agreed to.

The amendment (No. 1477) was withdrawn.

The PRESIDING OFFICER. Under the order just agreed to, the modification will be sent to the desk.

The modification to S. 1458 is as follows:

> 1. Strike "15" on page 2, line 20 and on page 3, line 8, and insert "18."
>
> 2. Insert "Except as provided in subsection (b) of this section," after "(a) IN GENERAL.—" on page 2 line 13.
>
> 3. Insert new subsection (b) on page 3, line 10:
>
> "(b) EXCEPTIONS.—Subsection (a) of this section does not apply—
>
> "(1) If the claimant pleads with specificity the facts necessary to prove, and proves by clear and convincing evidence—that the manufacturer with respect to pre-market certification or obligations with respect to continuing airworthiness of an aircraft or aircraft component knowingly misrepresented to the FAA, or concealed or withheld from the FAA, required information that is material and relevant to the performance or the maintenance or operation of such aircraft or component that is causally related to the harm which the claimant allegedly suffered.
>
> "(2) If the claimant is a passenger for purposes of receiving treatment for a medical or other emergency; or
>
> "(3) If the claimant was not aboard the aircraft at the time of the accident.
>
> 4. Change "(b)" to "(c)" on page 3, line 10; "(c)" to "(d)" on page 3, line 19; and make relevant changes to the section entitled "Conforming Amendment" on page 4, line 1.

GENERAL AVIATION REVITALIZATION ACT OF 1993

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 1458), to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes.

The PRESIDING OFFICER. Under the agreement, the bill will be referred to the Judiciary Committee for 1 calendar day, under the terms of the unanimous-consent agreement just entered into.

The Senator from South Carolina [Mr. HOLLINGS].

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. Let me thank the distinguished Senator from Kansas for her cooperation and leadership, even though I happen to be on the minority side here. My only wish is that she had been handling this bill today instead of me. Then there would not be any amendments and we would have long since had this bill over to the House and our work would be through. All Senators have the highest respect for the distinguished Senator from Kansas.

I thank Senator METZENBAUM, Senator HEFLIN, and other members of the Judiciary Committee for their cooperation and forbearance and understanding on this particular matter, and I do thank the leadership on both sides of the aisle for working this out.

Once again I commend my distinguished colleague from Kansas on her excellent work, even though I regret it.

Mr. President, I understand perhaps on the pending amendment right now by the distinguished Senator from Mississippi there is some kind of work being done with respect to that amendment. I emphasize again my gratitude to Senator LIEBERMAN, the junior Senator from Connecticut, for his outstanding work and help in fashioning this particular measure.

If you remember, we have had more bills than you can think of relative to competitiveness. There has been a general frustration boiling up within the Congress itself over the past 15 to 20 years, actually, because we could see we were losing out in the productivity of the United States—not by the individual industrial worker, still the most productive in the entire world, but by the Government in the system as found in our deficit in the balance of trade over the past 12 to 15 years. As a result, we have all tried to come in with a separate initiative relative to Sematech, we have come in with trade measures relative to Super 301.

But we thought within the Government itself, watching our competition where, in the Pacific rim where the Governments pay for all the services—that is not our intent here. Our intent is to take at the initiative of industry for advanced technological research to support it only on the approval of the best of peer review organizations and the National Academy of Engineering.

Within it all, and the leadership relative to competitiveness on both sides of the aisle, the Senator from Connecticut [Mr. LIEBERMAN] has been nothing less than outstanding. So I appreciate his contribution in trying to get us back on track to the major bill. I am going to do my best to talk to the Senator from Kansas and see if she will replace me here and start moving this bill so we can get it on over to the House side.

I suggest the absence of a quorum.

Mr. LEAHY. Will the Senator withhold?

Mr. HOLLINGS. Yes.

The PRESIDING OFFICER. The Senator from Vermont [Mr. LEAHY].

Mr. LEAHY. Mr. President, I know that efforts are underway to try to reach some type of accommodation with the distinguished senior Senator from Mississippi and his amendment. I discussed it briefly with him this morning. As chairman of the Senate Agriculture Committee, I share his concerns, but I have a feeling these are things that are workable.

I could not support the amendment in the way that it was originally placed. I feel it is not germane to S. 4. The distinguished Senator from Mississippi knows my concerns on that. I will just note for him and for the distinguished chairman of the Commerce Committee, Senator HOLLINGS, that in the Agriculture Committee, to whatever extent this may help, I am happy to work with him.

REORGANIZATION OF THE DEPARTMENT OF AGRICULTURE

Mr. LEAHY. Mr. President, if I might—I understand no one is seeking the floor at the moment—tell the Members some of the things the Senate Agriculture Committee has been doing in the last few hours.

The Senate Committee on Agriculture, Nutrition and Forestry this morning reported out legislation to restructure the U.S. Department of Agriculture. In fact, this is going to be the first comprehensive overhaul of the Department of Agriculture since the 1930's. I want to praise Senators on both sides of the aisle who have made that possible, and the Senate staffs on both sides of the aisle who have been working almost around the clock on this reorganization.

It could not be understated what we did in the Department of Agriculture today. With reorganization, we have made a $2.3 billion downpayment on reinventing Government. It is a real victory for the American taxpayer. It means a more efficient and a better directed Department of Agriculture. The world is changing and we know that, and the Department of Agriculture has to change with it. What we have done is given the Secretary, Secretary Espy, the tools he needs to bring the Department of Agriculture into the 21st century. We have shown that Congress is ready to deliver on the Vice President's plan to make Government work better.

The legislation proves that we can cut costs and improve services at the same time. I hope we are setting a standard for the rest of the Federal Government to follow. I know that Senator LUGAR—as the ranking member—and I have been working on this for a number of years. I think that we have made a giant step forward this morning in the committee with the support of 17 members of the committee.

Let me just briefly summarize what the bill does. It provides budget savings by streamlining Federal employment and departmental administration. That is a savings of $2.3 billion through 1998.

It cuts the size of the Department of Agriculture bureaucracy and reduces the number of Federal employees by 7,500. It reduces the number of independent agencies from 43 down to 28. These are real cuts, and cuts in Washington, the headquarters, by requiring a higher percentage of cuts at the Department of Agriculture than in the field, and it requires consolidation of the Department of Agriculture's Washington offices. In other words, whatever cuts are going to be made, more will be done in Washington, than out in the field, to set the standard.

It creates a new Farm Service Agency. It consolidates all the farm programs. It makes way for entirely new field structures based on field service centers. This will lead to closing and consolidating over 1,100 county offices. It establishes the Natural Resources Conservation Service. That is going to give local control over final decisions on program recipients to county ASCS committees. It is going to consolidate the Department of Agriculture's cost-share programs in the new NRCS. It creates a single food safety agency to oversee all USDA food safety and inspection programs. It consolidates planning and policy development for all of USDA's research and education programs.

Mr. President, this bill is good for taxpayers, it is good for farmers, it is good for the Department of Agriculture, it is good Government. It is going to save money. It is going to cut personnel, and I should note for my colleagues, every State will be affected, including the State of Vermont. I am not going to say we will do cuts in the other 49 States and we will not do any in my own State. Every State will see consolidation, every State will see savings, every State will see cuts. But all of us will be better off for it. The American taxpayers will spend $2.3 billion less than they would have without it, and I think rural areas and farmers and ranchers in this country will be better off in the long run.

MORE EFFICIENT AND LESS EXPENSIVE GOVERNMENT

Mr. LEAHY. Mr. President, not seeing anybody else seeking recognition, I note on yet another matter that these things, whether it is Department of Agriculture reorganization or anything else, reflect what we have to do in this country. We have to have more efficient and less expensive Government. We cannot afford to keep on going as we are and still bring deficits down.

We also have to work toward a health care plan that will save money, that will not be the enormous drain on the Treasury it is now, and can provide health care to tens of millions of Americans who are either without health care today or have totally inadequate health care.

There has been a lot of discussion of the roles of various people in that regard. I would like to note that one person who I have been thoroughly impressed with—with her dedication, with her enthusiasm, with her knowledge, with her expertise and with her untiring devotion to the subject—is the First Lady, Hillary Clinton. I think we would not be this far ahead in the debate and we would not be this far ahead in what we are doing without her help.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. Mr. President, just to bring the colleagues up to date, we have been here the morning now and have yet to have a vote on anything and very little debate otherwise. What is occurring at this particular moment is that I think we could work out something with respect to the Cochran amendment relative to pesticides. We have promised the Senator here at least that we would indulge the negotiations, I guess you might call it, for another 20 minutes. Otherwise, we will be prepared, if they cannot get together, to just go ahead and try to get movement on this bill.

The only way the Senator from South Carolina knows how to move this group is to just make a motion to table, without trying to be abrupt or arrogant or untimely, or whatever else. But I keep hearing stories about other peoples' problems: They have to be in a committee, and somebody else is here, and somebody else is there.

The prime responsibility of the U.S. Senate is to conduct its work here on the floor. We have indulged them right along. We have been told, for example, that one particular amendment was coming over yesterday at 2 o'clock. It is now past 12 today, and we do not have that amendment. The colleagues will pile in here after suppertime and want to know why we are going late. With that in mind, I let them know that we have to get these amendments up, or we will move to third reading, or move to table whatever amendment is pending, unless we can get better cooperation on the bill itself. We are not trying to cut off debate. We are not getting any debate. We are getting delays, procrastination, and put off. We are not going to go along with that.

Using the time here while they are negotiating in the next few minutes, it is clear to some of the colleagues that they are unfamiliar with the National Institute of Standards and Technology and its contributions to the Nation's economy. For example, I want to summarize a few recent success stories which show the bottom-line value of the National Institute of Standards and Technology activity.

NIST measurement specialists just developed a new method for improving the accuracy and safety of mammograms. We have the news article, and I ask unanimous consent that this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the National Institute of Standards and Technology, Nov. 22, 1993]

NEW NIST-INVENTED DEVICE TO HELP RADIOLOGISTS IMPROVE IMAGE QUALITY IN MAMMOGRAPHY

A new device invented at the National Institute of Standards and Technology will help radiologists improve image quality in mammography, one of medicine's most important breast cancer screening tools.

The device, an X-ray crystal diffraction spectrometer, measures the distribution of X-ray energies that a patient would receive from a mammography unit more accurately than existing field calibration methods, NIST scientists say.

"Accurate measurement of kilovoltage is a key step toward improving the image quality for the millions of mammograms performed annually in the United States," said NIST physicist Bert Coursey.

The American Cancer Society estimates that 180,000 women were diagnosed with breast cancer and that the disease claimed 46,000 lives in 1992.

"The clinical community needs to be able to put tighter limits on the voltage applied to X-ray sources," said Dr. Richard Deslattes, inventor of the diffraction spectrometer device. Deslattes and colleagues will describe the new device in the January issue of Medical Physics.

The quality of a mammogram, an X-ray image of breast tissue, is determined, in part, by the electrical voltage that generates X-rays in a mammography unit. Lower voltages produce lower energy X-rays, and higher voltages produce higher energy X-rays. The exact voltage required for optimum image quality varies from woman to woman.

A radiologic technologist sets the voltage on the unit based on the thickness and tissue density of the breast. The existing noninvasive voltage measurement systems that are practical for mammography are accurate to within one or two kilovolts. Image quality, on the other hand, is influenced by subkilovoltage changes.

More accurate voltage measurement is available by use of calibrated potential dividers, but this kind of "invasive" measurement is complex, labor intensive and disturbing to the clinical environment.

In response to this measurement need, NIST scientists have developed a new approach based on two very old ideas. They first noted that the highest energy X-rays emitted by a radiological source correspond exactly in energy to the voltage applied to the X-ray tube. They then took advantage of a spectrometer design originally described by Sir Ernest Rutherford and E.N. da C. Andrade in 1914 to produce a convenient instrument requiring neither precise alignment nor external calibration to determine the high energy limit of the X-ray spectrum.

The NIST X-ray crystal diffraction spectrometer will be used as a calibration device. When placed in the X-ray beam, the device tells whether the actual voltage agrees with the indicated voltage. The NIST device, a metal box about 46 centimeters (18 inches) in length, measures the electrical voltage over the range used in mammography more accurately than an existing method.

A patent for this approach to high voltage measurement has now been issued, and a license for commercial manufacture is pending.

More recent developments have extended the applicable range to 150 kV and demonstrated a new spectrometer design in which use of a slightly curved crystal permits high-resolution spectra to be obtained independent of the size and placement of the X-ray source.

"Tube voltage is an important parameter relating to mammography image quality and is one of the most difficult to measure accurately in the field. This new crystal spectrometer from NIST promises much more accurate measurements of tube kilovoltages made on the 12,000 mammography units in the United States," said R. Edward Hendrick, associate professor at the University of Colorado Health Sciences Center and chairman of the American College of Radiology Committee on Mammography Quality Assurance.

As a non-regulatory agency of the Commerce Department's Technology Administration, NIST promotes U.S. economic growth by working with industry to develop and apply technology, measurements and standards.

Mr. HOLLINGS. Mr. President, NIST scientists and a company have just developed a new mercury-free material for dental fillings. NIST-supported manufacturing technology centers are helping many firms. For example, Thomson Berry Farms in Duluth, MN, received advice on inexpensive equipment that subsequently increased its productivity by 50 percent, helped increase sales by 100 percent, and kept the company from having to lay off workers. Prime Tube, Inc. of Livonia, MI, received advice that enabled it to remain as the Chrysler Corp. supplier. In my own State, Spartanburg Steel Products received significant help in designing and making new stamped automobile parts. And we have the details for that if any colleagues are interested. I will never forget going over, not too long ago, to Lexington County to a small entity making parts for airplane manufacture, and they went to the manufacturing center right there in Columbia, and they got computerized, the entire system. It was mechanized and outlined their time on delivery of the equipment and materials necessary for those parts. As a result of that kind of what we now call streamlining here in the Congress, they were able to double their employment and win some more of these competitive contracts.

One of the real things that came under the leadership of the National Institute of Standards and Technology over in Europe at the time was the rapid acquisition of manufactured parts. That was down in the innards of the old Bureau of Standards. We brought that out and developed it as the Advance Technology Program called for its kind of development. Now we have had the Navy and Air Force come, whereby if a ship would break down in the Persian Gulf, ordinarily what would happen is the ship would be 30 years old. It would be sent back, and after fabricating the part, it would take a year to a year-and-a-half to get the part and get things moving again.

What we are doing now in the Department of Defense is beginning to computerize the actual manufacture of all of these particular parts. So you do not always have to keep them in storage for 30 years or anything else, and keep the papers on file. If a part like that breaks, they put it into the computer, and it puts it into the machine, the robot spits it out, and you have that particular part back out there in a matter of a couple of weeks. That was one of the great things that impressed me in the very early days that could be done.

While the Advanced Technology Program is new, we already have some real successes. One firm, SDL Inc., of San Jose, CA, used its Advanced Technology Program award to develop new laser technologies. Then using its own money, it applied those technologies in several new products, including lasers for surgery in the treatment of tumors.

I have many other examples, but let me mention this particular one. In the 1970's, NIST worked with industry to develop one of the most important technologies in America—the residential smoke detector. This established a $100 million annual U.S. market, and U.S. manufacturers now hold 50 percent of the world market. But more importantly, those detectors have been a major factor in a 30 percent reduction in U.S. residential fire deaths since 1975.

Some of the colleagues may like to suggest that only a privileged few companies are "subsidized" by NIST programs, but the truth is otherwise. NIST is a national treasure, and its programs help countless companies and lives across our Nation.

By way of emphasis once again, this is for all of industry. This is industry-initiated, not politicians picking winners and losers. Nothing occurs within this particular function and this particular department of Government that is not asked for, in the original instance, by the industry itself, who promises at the time to provide the majority of the money.

So they come not just on a will-o-the-wisp but more particularly something that they really know from hard experience is economically feasible as well as technologically sound. Then they have to go through with the peer review process at the National Academy of Engineering before we actually make any awards.

I do not know of any better way to do it. It is working that way and thereby has the confidence and support of all segments of industry that we read out yesterday, if some forgot the long list of business, industry, technology, scientific companies, manufacturers and societies, and otherwise, that have worked on this bill and support it.

Now, Mr. President, let me list the States that will benefit from NIST.

First, companies in all States benefit from the measurement methods and safety technologies developed in NIST laboratories.

But many States also have benefited already from NIST's new Advanced Technology Program and extension programs. As I said, these are competitive, peer-reviewed programs. Nothing is earmarked, but in fact many States are benefiting.

With only over $200 million in Federal funding so far, the Advanced Technology Program has funded industry-led projects in 22 States. These include: California, Connecticut, Delaware, Florida, Georgia, Illinois, Iowa, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, and Utah. I could go on and on.

NIST's own extension programs, and those it manages—that is, the National Institute of Standards and Technology managing for the Department of Defense under the Technology Reinvestment Project—now support manufacturing outreach and assistance projects in 31 States. These include: Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Georgia, Illinois, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Washington State.

NIST's Malcolm Baldrige National Quality Award Program has helped companies everywhere learn how to improve quality and win new customers.

I have quite a bit of other additional information. I wanted to use this down time, you might say, to get this in the RECORD here because we have a program that is off and running at very, very minimal cost. The Government spends $70 billion on research. This is less than 2 percent of the $70 billion, if this were approved. It is less than 1 percent right now, less than 1 percent, and we intend and I am confident the leadership on both sides of the aisle and Senators concerned on both sides and in both Houses of Congress are determined to keep this going.

I do not know of any amendments to this bill. I know some nongermane political exercises that are on course that Senators feel, since we have a popular measure and we are ready to go, that they would like to just free ride, like one described earlier, and have a Christmas tree, really, to place ornaments thereon. But I hope they will withhold that and let us really bring up whatever contribution they would like to make, any amendment to the actual bill they would like to make that has to do with technology, and we will move from there. I think we have had almost enough time now to work out an agreement.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, later, I want to have printed in the RECORD a letter from the distinguished chairman and chief executive officer of the Xerox Corp., who also serves as the chairman of the Council on Competitiveness. This is a very august group.

We had this really organized in the early days under President Reagan, if I remember correctly. They put in a report as a publicly appointed Commission on Competitiveness. It was widely read and has been referred to over the years. Very little was done.

So the leadership there organized on the private side their own Council on Competitiveness, encompassing not only the distinguished chairman of Xerox, Mr. Paul Allaire, but Thomas E. Everhart, California Institute of Technology; Henry Schacht, Cummins Engine Co., Inc.; Jack Sheinkman, Amalgamated Clothing & Textile Workers Union, AFL-CIO; Donald Beall, Rockwell International; John Clendenin, BellSouth Corp.; George Fisher, Eastman Kodak Co.; Katharine Graham, Washington Post Co.; William Hambrecht, Hambrecht & Quist Inc.; Jerry Jasinowski, National Association of Manufacturers; Thomas G. Labrecque, the Chase Manhattan Corp.; Peter Likins, Lehigh University; Robert Mehrabian, Carnegie Mellon University; Thomas Murrin, Duquesne University; Michael Porter, Harvard University; James Renier, Honeywell, Inc.; Albert Shanker, American Federation of Teachers, AFL-CIO; Ray Stata, Analog Devices, Inc.; Jerre Stead, NCR Corp.; William Steere, Pfizer, Inc; Gary Tooker, Motorola Inc.; Charles M. Vest, Massachusetts Institute of Technology; Arnold Weber, Northwestern University; William Weiss, Ameritech Corp.; A. D. Welliver, the Boeing Co.; Lynn Williams, United Steel Workers of America; John A. Young, Hewlett-Packard Co.; President Daniel F. Burton, Jr.; Vice President Suzanne Tichenor; and Distinguished Fellow Erich Bloch, former head of the National Academy of Sciences; and there are senior fellows and others listed here.

They state:

> On behalf of the Council on Competitiveness—a coalition of chief executives from U.S. industry, higher education and labor—I would like to express my support for S. 4, the National Competitiveness Act.
>
> As a leading bi-partisan private-sector voice on U.S. competitiveness, the Council is dedicated to helping make America more competitive in the global marketplace and more prosperous at home. We believe that S. 4, through its support for civilian technology and manufacturing, is an important step toward these ends. The Council is on record as supporting several programs, in particular:
>
> Significantly expand the Advanced Technology Program (ATP). S. 4 increases funding for a ATP to $567 million in FY 1996 and requires that the Department of Commerce develop a long-term plan for the program. These provisions will promote increased private-sector investment in critical enabling technologies and allow ATP to have a more strategic impact on U.S. industrial competitiveness.
>
> Support development and diffusion of technology, especially to small and medium-sized manufacturers. S. 4 directs the Department of Commerce to work with industry to develop new generic advanced manufacturing technologies and consolidates existing NIST quality programs into a NIST National Quality Laboratory. It also combines existing federal and state extension programs into an integrated Manufacturing Extension Partnership (MEP) to help small and medium-sized manufacturers in all geographic regions adopt modern manufacturing technologies and create high performance workplaces. These initiatives will enhance U.S. industry's ability to develop and manufacture competitive products and promote long-term economic growth.
>
> Stimulate investment in high performance computing and communications applications. S. 4 authorizes over $350 million in FY 1995 and FY 1996 for a coordinated interagency program to support research, technology development and pilot projects for computing applications in health care, education and manufacturing. These applications will help translate the potential of a 21st century information infrastructure into tangible economic and social benefits for the American people.
>
> We commend your continued support for these initiatives and urge you to play a leadership role in their implementation through timely passage of S. 4.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> COUNCIL ON COMPETITIVENESS,
> *Washington, DC, March 7, 1994.*
>
> Hon. ERNEST F. HOLLINGS,
> *U.S. Senate,*
> *Washington, DC.*
>
> DEAR SENATOR HOLLINGS: On behalf of the Council on Competitiveness—a coalition of chief executives from U.S. industry, higher education and labor—I would like to express my support for S. 4, the National Competitiveness Act.
>
> As a leading bi-partisan private-sector voice on U.S. competitiveness, the Council is dedicated to helping make America more competitive in the global marketplace and more prosperous at home. We believe that S. 4 through its support for civilian technology and manufacturing, is an important step towards these ends. The Council is on record as supporting several programs, in particular:
>
> Significantly expand the Advanced Technology Program (ATP). S. 4 increases funding for ATP to $567 million in FY 1996 and requires that the Department of Commerce develop a long-term plan for the program. These provisions will promote increased private-sector investment in critical enabling technologies and allow ATP to have a more strategic impact on U.S. industrial competitiveness.
>
> Support development and diffusion of technology, especially to small and medium-sized manufacturers. S. 4 directs the Department of Commerce to work with industry to develop new generic advanced manufacturing technologies and consolidates existing NIST quality programs into a NIST National Quality Laboratory. It also combines existing federal and state extension programs into an integrated Manufacturing Extension Partnership (MEP) to help small and medium-sized manufacturers in all geographic regions adopt modern manufacturing technologies and create high performance workplaces. These initiatives will enhance U.S. industry's ability to develop and manufacture competitive products and promote long-term economic growth.
>
> Stimulate investment in high performance computing and communications applications. S. 4 authorizes over $350 million in FY 1995 and FY 1996 for a coordinated interagency program to support research, technology development and pilot projects for computing applications in health care, education and manufacturing. These applications will help translate the potential of a 21st century information infrastructure into tangible economic and social benefits for the American people.
>
> We commend your continued support for these initiatives and urge you to play a leadership role in their implementation through timely passage of S. 4.
>
> Sincerely,
> PAUL ALLAIRE,
> *Council Chairman,*
> *Chairman and CEO, Xerox Corporation.*

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I am informed the distinguished Senator from Georgia [Mr. COVERDELL], is momentarily coming to the floor with an amendment.

In the meantime, Mr. President, I will ask unanimous consent that letters of support be printed in the RECORD: A letter from the Advanced Technology Coalition, dated February 9, to myself and endorsed by the American Electronics Association; the National Association of Manufacturers; the Modernization Forum; Microelectronics and Computer Technology Corp.; Honeywell, Inc.; National Society of Professional Engineers; Business Executives for National Security; IEEE-USA; Semiconductor Equipment and Materials International; Institute for Interconnecting and Packaging Electronics Circuits; Wilson and Wilson; American Society for Training and Development; Catapult Communications Corp.; Dover Technologies; Texas Instruments, Inc.; Columbia University; Motorola; Intel Corp.; Cray Research; Electron Transfer Technologies; Electronic Data Systems; American Society for Engineering Education; US West, Inc.; Electronic Industries Association; Tera Computer Co.; Southeast Manufacturing Technology Center; Convex Computer Corp.; Association for Manufacturing Technology; Semiconductor Research Corp.; American Society of Engineering Societies; AT&T; and Hoya Micro Mask, Inc.

That is one letter, Mr. President.

The other letter here, dated February, 8, to myself is from the National Coalition for Advanced Manufacturing. A third letter here from the Computer Systems Policy Project, February 23, 1994, signed by Lewis E. Platt, chairman and CEO of Hewlett-Packard Co. and also, the chairman of the CSPP Working Group on Information Infrastructure; a letter from the American Industrial Extension Alliance, dated February 14, signed by David Swanson, president; a letter from the American Society for Training and Development, dated February 4, and signed by Curtis E. Plott, the president and chief executive officer; and a letter from the American Society of Mechanical Engineers, dated February 7, 1994, signed by John Parker, the vice president of government relations.

I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ADVANCED TECHNOLOGY COALITION,
Washington, DC, February 9, 1994.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: On behalf of the Advanced Technology Coalition, we want to express our strong support for the Senate version of the National Competitiveness Act, S. 4.

We believe that the bill deserves bipartisan support. We ask that you vote for the bill when it reaches the floor in the very near future. Its passage is essential to strengthening the ability of our companies and members to compete in the international marketplace; in short, S. 4 means jobs and will contribute to our nation's long-term economic health.

Combined, the Advanced Technology Coalition represents 5 million U.S. workers, 3,500 electronics firms, 329,000 engineers, and 13,500 companies in the manufacturing sector. The Coalition is a diverse group of high-tech companies, traditional manufacturing industries, labor, professional societies, universities and research consortia that have a common goal of ensuring America's industrial and technological leadership.

The members of the Advanced Technology Coalition have invested an enormous amount of time working with both the House and the Senate in developing and refining the National Competitiveness Act. The Coalition believes that its views have been heard by Congress and reflected in the bill.

In short, we believe that S. 4 will promote American competitiveness and enhance the ability of the private sector to create jobs in this country. We hope that you will play a leadership role in ensuring its passage. We would be happy to sit down with you or your staff to discuss the bill in greater detail.

Sincerely,

American Electronics Association (AEA),
National Association of Manufacturers (NAM),
The Modernization Forum,
Microelectronics and Computer Technology Corporation (MCC),
Honeywell, Inc.,
National Society of Professional Engineers,
Business Executives for National Security,
IEEE-USA,
Semiconductor Equipment and Materials International (SEMI),
Institute for Interconnecting and Packaging Electronics Circuits (IPC),
Wilson and Wilson,
American Society for Training and Development,
Catapult Communications Corporation,
Dover Technologies,
Texas Instruments, Inc.,
Columbia University,
Motorola,
Intel Corporation,
Cray Research,
Electron Transfer Technologies,
Electronic Data Systems (EDS),
American Society for Engineering Education,
U.S. West, Incorporated,
Electronic Industries Association,
Tera Computer Company,
Southeast Manufacturing Technology Center,
Convex Computer Corporation,
Association for Manufacturing Technology,
Semiconductor Research Corporation,
American Society of Engineering Societies,
AT&T,
Hoya Micro Mask, Inc.

THE NATIONAL COALITION
FOR ADVANCED MANUFACTURING,
February 8, 1994.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: On behalf of the National Coalition for Advanced Manufacturing (NACFAM), I want to express our strong support for the Senate version of the National Competitiveness Act, S.4.

We believe that the bill deserves bipartisan support and ask that you join many of your colleagues in supporting the bill when it reaches the floor. Its passage will enhance the ability of U.S. manufacturing companies to compete in the international marketplace. S. 4 would also help to expand the pool of high skill, high wage jobs for the American workforce.

NACFAM especially supports the manufacturing provisions of the bill (Title II) which, among other things, will develop a national system of manufacturing extension centers and technical services. This system will improve the ability of the nation's 360,000 small- and medium-sized manufacturers to modernize through the adoption of advanced manufacturing technology and related processes critical to increasing their productivity, product quality, and competitiveness.

These small- and medium-sized manufacturers are the backbone of our domestic industrial base. Manufacturing establishments with fewer than 500 employees represent 98% of the nation's total, employ two-thirds of the manufacturing workforce, and produce nearly half of the nation's value added in manufacturing.

NACFAM, a non-partisan, non-profit, industry-led coalition, has worked as a catalyst for public-private corporation in modernizing America's industrial base for over 5 years. NACFAM's rapidly growing membership includes 65 corporations, 175 manufacturing technology centers (making NACFAM the largest association of such centers) and 27 national trade and technical associations (representing between them over 80,000 companies and thousands of technical education institutions).

Thanking you in advance for your kind consideration of S. 4, I remain.

LEO REDDY,
President.

COMPUTER SYSTEMS POLICY PROJECT,
February 23, 1994.

Hon. ERNEST F. HOLLINGS,
Chairman, Senate Committee on Commerce, Science, and Transportation, Washington, DC.

DEAR CHAIRMAN HOLLINGS: I am writing on behalf of the Computer Systems Policy Project (CSPP) in support of your efforts to enact legislation to establish an information applications technology component of the High Performance Computing Act, Title VI of S. 4.

CSPP strongly believes that the research framework established by Title VI of S. 4 will complement efforts by the private sector to develop applications for an enhanced national information infrastructure (NII). Title VI authorizes funds for precommercial research that will stimulate the development by the private sector of new applications in education, healthcare, access to government information and services, and digital libraries. These applications have the potential to create new products, services, and jobs and to improve the quality of life for all Americans by bringing the benefits of the information age to everyone.

The United States is currently the world leader in computing and communications technologies. An enhanced national information infrastructure will not only help us maintain that lead, but will put our information technology advantage to work for all Americans. CSPP believes that initiatives such as those authorized by Title VI of S. 4 will contribute significantly to successful and rapid evolution of the NII.

Sincerely,

LEWIS E. PLATT,
Chairman and CEO, Hewlett-Packard Co.

AMERICAN INDUSTRIAL
EXTENSION ALLIANCE,
February 14, 1994.

DEAR SENATOR HOLLINGS: The Senate will soon be considering Senate File 4, a bill that will directly impact the ability of American industry to compete in world markets. This important bill contains a section on manufacturing extension that is designed to provide the United States with an effective system of assisting industry in modernizing technical, management and processing systems. There is a preponderance of evidence that our industries lag in utilizing modern equipment and systems, and this federal effort will bring cohesion to the disparate systems now in existence.

The members of the American Industrial Extension Alliance are firmly behind efforts to strengthen this country's technical assistance programs and bring this needed service to all the states. The Alliance members represent most of the industrial extension programs that now exist, but we are well aware of the size of the problem is beyond the capabilities of these few programs. We support the position of the National Coalition for Advanced Manufacturing and the expanding Manufacturing Extension Partnership at NIST.

Your support in strengthening American manufacturing firms by the passage of Senate File 4 will be appreciated.

Sincerely,

DAVID H. SWANSON,
President.

AMERICAN SOCIETY FOR TRAINING
AND DEVELOPMENT,
February 4, 1994.

Re S. 4, The "National Competitiveness Act of 1993".

MEMBER,
U.S Senate,
Washington, DC.

DEAR SENATOR: The American Society for Training and Development (ASTD), on behalf of more than 55,000 corporate-based human resources development specialists, urges your support for S. 4, the "National Competitiveness Act of 1993," when it is considered on the floor in the coming days.

The "National Competitiveness Act of 1993" establishes key underpinnings of a national technology policy based on outreach to the private sector, the targeting of assistance to small- and medium-sized companies, and the integration of worker training with technology assistance.

ASTD specifically supports provisions to create Manufacturing Outreach Centers and expand the activities of the existing Manufacturing Technology Centers. Enactment of these provisions will help companies gain increased access to manufacturing assistance, implement the best manufacturing technology and processes at least cost, and train workers in maximum utilization of technology and productions systems.

ASTD is the world's largest association dedicated to advancing workforce training in conjunction with technological progress and the creation of high performance workplaces. We look forward to swift passage of this important initiative during the 2nd session of the 103rd Congress as a critical step to improve U.S. competitiveness.

Sincerely,

Curtis E. Plott,
President and CEO.

The American Society of
Mechanical Engineers,
Washington, DC, February 7, 1994.

Hon. Bob Dole,
Hart Building, Washington, DC.

Dear Senator Dole: On behalf of the Technology Policy Group of the American Society of Mechanical Engineers (ASME), I urge you to support S. 4, the "National Competitiveness Act of 1993," which is scheduled to be brought to the Senate floor this week.

This important legislation will provide the underpinning for a realistic national technology policy. It includes provisions that support the development and use of manufacturing technologies which are essential for continued U.S. gains in productivity and industrial competitiveness. The bill also calls for industry participation in the development of advanced manufacturing program strategies through the use of an advisory committee to assure that the infrastructure and new knowledge gained from the program will be effectively utilized by U.S. manufacturers.

ASME has accorded competitiveness a high priority in our 1994 public policy agenda. This letter is written on behalf of the Technology Policy Group, a group of ASME members with expertise in the field of competitiveness, and reflects it views, rather than an official position of ASME.

Again, I urge your support of this legislation to further the nation's industrial competitiveness.

Sincerely,

John Parker,
Vice President, Government Relations.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I ask unanimous consent I be allowed to speak for up to 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEPARTMENT OF AGRICULTURE

Mr. CRAIG. Mr. President, just a few moments ago, the Senate Agriculture Committee marked up what will be known as the Senate's version of the reorganization of the United States Department of Agriculture. For over 40 years, this marvelous, old establishment of our Government has gone relatively unchanged. And I think most of us agree that to keep pace with modern times, it is appropriate we do look at changing the structure. Secretary Espy brought a managed plan for change before us. We have looked at it and proposed restructuring.

In doing so, I think it is important we in this country do not forget that this phenomenal ability we have to produce food is a result of the productive capacity of American agriculture, and that this productivity has come about because Congress has given America's farmers support in their efforts to produce, and also to do so in an environmentally sound way. We must ensure that our effort to reorganize does not destroy the magic of the American agriculture system, which has become the envy of the world.

The basis of this magical productivity, or capacity to produce, has largely been embodied in private property and the ability of individuals to own and manage private property to their benefit and to that of the rest of the country. We must ensure that, by our actions, the ability of the people to manage their private property is unfettered. We must never deny the value of private property in the name of the environment and the so-called "good of the public."

I hope, in the reorganization effort we just passed out of committee, we are recognizing—more clearly, in my opinion, than the administration—this important responsibility. We must ensure we give direction to all segments, while at the same time making sure our message is clear: That USDA stands for and supports agricultural production in this country, instead of a lot of other alternatives and rather esoteric arguments that I think this administration has become involved in as to what ought to be the role of the U.S. Department of Agriculture.

For example, it has been my concern that in nutrition and environment, which are currently the buzzwords in this administration's role with USDA, they were attempting to direct reorganization in those two directions. Let me reemphasize that our American agricultural capacity today has been based on a USDA that supported production agriculture instead of one that got off into the other businesses of other agencies of our Government.

I think our reorganizational effort, hopefully, today, reminds us our primary role must continue to fall in production agriculture.

Let me also suggest I was extremely pleased today that Senator Leahy, the chairman of the Senate Agriculture Committee, and our ranking Republican member, Senator Lugar, allowed us to also say very clearly that there is a role in reorganization that the USDA and Secretary Espy had been relatively silent to: That in my State of Idaho, or other Western States where there are large U.S. Forest Service contingencies, and certainly large expanses of forest property, that we be very clear in what we expect out of reorganization as it relates to the Forest Service.

We spoke clearly to that today. We spoke about ecosystem management and the continued work to understand what that is and the ability for us to define more clearly what it is. We talked of budget and budget structuring and budget structuring processes in the reinvention of Government as it relates to the U.S. Forest Service, and that that be more clearly defined. We talked about measures of accountability. In other words, we set forth for this administration, I think, respectable and yet fairly clear guidelines as to what we would want them to do inside USDA as it relates to Forest Service reorganization.

Something else we also spoke very clearly to that was of great concern out in Idaho and other States across the Nation is the role of the ASCS, the role of the Soil Conservation Service, and the role of our land grant colleges as relates to agricultural research and the ability of land grant colleges in their important and primary agricultural research role to compete with Federal research.

Today, we "unfuzzed" what I think had been administration policy and clearly spoke to an independent Soil Conservation Service, clearly a farm-service-center approach and also at least equal role for our land grant colleges, colleges of agriculture, and agricultural research services as it relate to the Federal research service.

So, in conclusion, let me say I am extremely pleased with the product that we have now produced. It sends clear guidelines. I think it continues to maintain USDA as a primary support group for the production of agriculture and stimulates agriculture research and all of those interests that we remain strongly interested in.

I yield back the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1481

(Purpose: To provide that a nongovernmental person may use a private express for the private carriage of any letter determined by such person to be urgent without being penalized by the Postal Service, and for other purposes)

Mr. COVERDELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. HOLLINGS. If the Senator from Georgia will withhold, I ask unanimous consent that the pending Cochran amendment No. 1480 be temporarily laid aside so the Senator from Georgia may offer his amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Georgia.

Mr. COVERDELL. I thank the Senator from South Carolina.

I now send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. COVERDELL] proposes an amendment numbered 1481.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee substitute, add the following new title:

TITLE VII—PRIVATE CARRIAGE OF URGENT LETTERS

SEC. 701. PRIVATE CARRIAGE OF URGENT LETTERS.

(a) POSTAL SERVICE ADMINISTRATION.—(1) Section 601(a) of title 39, United States Code, is amended by striking out "A letter" and inserting in lieu thereof "Subject to the provisions of section 607, a letter".

(2)(A) Chapter 6 of title 39, United States Code, is amended by adding after section 606 the following new section:

"§ 607. Administration relating to urgent letters

"In the administration of the provisions of this chapter, chapter 4 of this title, and sections 1693 through 1699 of title 18, the Postal Service or the Attorney General of the United States may not—

"(1) fine or otherwise penalize any person who—

"(A) is not an entity of the United States Government; and

"(B) uses a private express for the private carriage of any letter which such person determines is urgent; or

"(2)(A) create a presumption of a violation by a private shipper or carrier with paragraph (1)(B) or any regulation promulgated thereunder relating to the private carriage of an urgent letter as determined under such paragraph; or

"(B) establish or shift a burden of establishing the fact of compliance by a private shipper or carrier with paragraph (1)(B) or any regulation promulgated thereunder relating to the private carriage of an urgent letter as determined under such paragraph.".

(B) The table of sections for chapter 6 of title 39, United States Code, is amended by adding after the item relating to section 606 the following:

"607. Administration relating to urgent letters.".

(b) PRIVATE EXPRESS PROVISIONS.—(1) Chapter 83 of title 18, United States Code, is amended by inserting after section 1699 the following new section:

"§ 1699A. Application of postal service provisions

"The provisions of sections 1693 through 1699 of this title shall be subject to the provisions of section 607 of title 39.".

(2) The table of sections for chapter 83 of title 18, United States Code, is amended by inserting after the item relating to section 1699 the following:

"1699A. Application of Postal Service provisions.".

Mr. COVERDELL. Mr. President, the amendment that I have sent to the desk clearly falls within the scope of competitiveness. As we and this Government endeavor to take steps to make American business, both small and large, more effective, one of the principal concerns we have to have is the degree to which the Government has become an obstacle, an intruder, not a partner, but a boss.

There are many issues discussed in these Halls that are immensely complex. This is very simple. Very simple. We have the U.S. Postal Department that is engaged in a process that exceeds its authority, that is intrusive, and is an obstacle for sound business in our country.

We have discovered in recent months the Postal Department has been engaged in a practice of isolating private businesses, intruding on that business, intimidating that business, and fining that business because it is concluding unilaterally that when the business uses a private carrier to deliver a message that it is not urgent.

Under the current statutes and regulations, a private business may use a private carrier to deliver a message if it feels the message to be urgent—if it feels that the message is urgent. The Postal Department has concluded that it alone has the jurisdiction to determine whether the message was urgent or not. I would think that it would be prima facie evidence that if the private business was willing to spend double the money to send it, they thought it was urgent.

The Postal Department should cease and desist. There should be no reason for this amendment. But repeated discussions have left us faced with the proposition that the Postal Department continues to pursue this erroneous policy. Therefore, it is incumbent upon the Congress of the United States to clarify the policy for the U.S. Postal Department and cease and stop this egregious activity.

If I might just take a few more moments, actually the whole matter ought to be moot and just proves to us how far behind the curve this arm of the Government is. I guess they are still in the fifties. Maybe they have never heard of a fax machine or E-mail or computer internets, or the telecommunications highways we are talking about. Maybe there is not an understanding that the delivery of messages on printed paper is probably only historical moments away from being moot.

Instead of engaging in this intimidating practice, which is giving them another black eye, taking an arm of the Government that already has serious public relations problems and moving on to an investment in developing products that American business wants to use, they have engaged in a bully process of forcing American business to use a system they find flawed.

It is wrong. They do not have the authority to do what they are doing. They are damaging their own public relations. They are interfering with sound business policy, and they are engaged in an activity that is being made moot by the advances in telecommunications.

Mr. President, this is a simple amendment. It is very narrow. It does not damage the monopoly of the U.S. Postal Department, but it tells them to disengage from this activity which they have admitted has no financial ramifications for the delivery of universal mail.

Mr. President, I yield the floor.

Mr. HOLLINGS. Mr. President, as our former President said, here we go again. I have the greatest regard for my distinguished colleague from Georgia, and I understand the idea that he has in mind. I used to serve on the Post Office Committee when I first came to the U.S. Senate. In fact, I was the chairman of the Postal Operations Subcommittee. When they said we are going to put it under Government Operations as a subcommittee, I said I need the staff that was provided at the time. You only have so much time you can give and real attention.

It is a very, very important role. So I have some understanding about the fundamental policy and law itself; namely, that the Post Office system of the United States, which is the oldest department of Government, I say to the Senator from Georgia, the Postmaster General, has what you might call a monopoly on first-class mail. Everyone thinks their letter is urgent. I do not think it is whether it is urgent or not. It is whether or not you are going to have private carriage of the mail in America. And we know what competition does when you compete, compete, deregulate, deregulate.

In that context, yes, it is like the old saying, you hunt where the ducks are. The competition goes where the money is. And where the money is, in the concentrated, easily delivered metropolitan areas of America. Otherwise, in rural Georgia and rural South Carolina and rural Montana, up in Alaska and other places, you just could not afford to deliver.

So in essence we have all over again the long distance telephonic communications supporting the local. We come around now and we find that the post office balances off all folks' in order to make possible universal, affordable mail service here in America.

Now, break that down under the amendment of the distinguished Senator—and I had not really thought it through recently, but this comes from a memory over 20 years—to the effect that, yes, the private entities that come in, they are very enterprising and they have certain ways of carriage as we know now with the packages, with respect to Federal Express, United Parcel Service, and so on. If you get right into that first-class mail, then the ordinary little family letter, little postcard, little happy birthday card, Christmas card or whatever, to have those things delivered, the price is going to go right through the roof. I think they have now a proposal something like 33 cents for first class mail.

Mr. BURNS. Thirty-two cents.

Mr. HOLLINGS. Thirty-two cents. I stand corrected. I can tell you, of what I understand it to be an initiative or foot in the door, whatever it is, it goes to $2 and $3 to deliver just a regular letter, and that is why they have had this provision in law. It is well-founded. It has been tried and true over the many, many years. Under the quasi-governmental entity now of the Postal Service, we have had many a post office closed. It is for you and me in the Senate to leave it alone. People still do not understand it is a Federal crime, a felony, for me to recommend you to be the postmaster, say, of Charleston or for you to recommend me to be the postmaster of Atlanta, GA. We wanted to make sure that we got politics out of the Postal Service, and we went to that extreme, that we would not even have any part in actually recommending those to be the postmaster.

But otherwise, to the substance of the amendment of the distinguished Senator, it could well be heard, debated at another time on a bill by itself in that you see we have over 130 pages here of the Advanced Technology Program, with no mention of any Postal Service or carriage or delivery of mail. We have provisions with relation to the manufacturing centers. We have the intern program of the distinguished Senator from Montana. We have the matter of the information superhighway, some initiatives there for the libraries, the schools, public entities of that nature. We have really a well-conceived bill under the rubric of technology competitiveness, advanced technology program, the commercialization of our technology, and we would like to try to hold it to that.

The Senator has me, in a sense, off base. The Senator is familiar with his subject. He knows what he is talking about. But we do not have this subject matter in the Committee of Commerce, Science, and Transportation. And as a result here we go again. Open sesame. I think that is really what gets us bogged down as we were yesterday, day before yesterday, and now apparently today in ancillary matters that our colleagues are interested in, vitally interested in, and yet not germane at this particular time on this particular bill.

I do appreciate the Senator coming over because I was asking for an amendment. I was asking for an amendment to the bill and not on post office matters. But let me yield the floor and see if there is further debate.

I wish to make sure that everyone has time to consider it and any speakers that he has in support or otherwise be heard. We are not trying to be arbitrary. But as the majority leader said late last night—we sat around here late last night, and that was in the second day, without a vote—now we have to start moving to take these matters up and, if necessary, force a vote by way of tabling and then, if it is carried, fine, put it on the bill, accept it or otherwise. But I think everyone understands the rules of the game. I appreciate the Senator's interest and his leadership on this particular score. I just have to, as the manager of this bill, try to just hold it to this particular subject matter.

Mr. COVERDELL. Mr. President, I thank the distinguished Senator from South Carolina for his remarks. I understand the issues with which he is confronted in terms of the management of this bill. I also know that he has not had a full opportunity to review the scope of this amendment.

I am not challenging the monopoly statute as related to the Postal Service. I am ratifying and certifying what I believe already to be the law. I believe the postal department has a right to audit private carriers, but I do not believe it has the right to audit private companies with regard to its control over monopoly.

We are talking about a situation where a private business, primarily, is making a decision over whether to pay double or more the price to forward a message to another party. And I do not believe that will wrap its arms around the Christmas card or the wish to your family. Clearly, you are not going to pay double. Our citizens are stepping forward and in a sense paying a special price, which I think is definitional that they have concluded it is an emergency. But I do appreciate the Senator's knowledge of this area, his history in it, and for the purpose of clarification I ask that we temporarily set the amendment aside so we might have further discussion between us on it.

I ask unanimous consent to temporarily set it aside.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, let me ask, even though it might be set aside, just as a matter of interest and education, how do you determine the urgency?

Mr. COVERDELL. Mr. President, the urgency is not defined in the postal department's own clarification, just that they sometime—I guess it was in 1978—in 1978, in deference to the emergence of private carriers, concluded that they could be used if it was an urgent matter; in other words, needed to arrive within 24 or 48 hours or something of that nature. But at that time it was clearly left up to the user to determine whether it was urgent or not. And to ratify or certify my point, you had to pay at least double to do that. So the Postal Service was setting a standard which was monetary. Now they come forward and say even though you met that standard, you paid the additional money, we still do not think it is urgent. They are claiming the right, and I do not believe this Government has given them that prerogative. So all this does is you do not take on the issue of monopoly, but we go back to the original premise that if the private citizen or business was willing to pay the added cost, they therefore had identified it as urgent.

Mr. HOLLINGS. Mr. President, with the set-aside of the Coverdell amendment, what is the pending business?

The PRESIDING OFFICER. The Cochran amendment is the pending business.

Mr. HOLLINGS. I think we almost have enough time. I am double checking to find exactly where it is. Pending that check, I think, once again, in answering questions relative to this particular measure, the studious and very deliberate approach to the actual financing of this program and awards to be made cannot be overemphasized.

It is unfortunate that the distinguished Senator from Missouri, my ranking member, in the early stages used the word "pork," even winners and losers. For the truth of it is, whether it is the industry itself, there are not any losers. That industry has to come in and pick itself, not the politician picking. That is absolutely crystal clear. There is no misunderstanding in this particular bill.

With respect to the matter of pork, we also said, No. 1, the industry has to put up at least 50 percent. And under the past 2 years, they have averaged nearer a 65 to 70 percent industry share in the particular endeavor. Then there is the final hurdle of approval by the Academy of Engineering.

Right to the point: I have the subcommittee of State, Justice, Commerce. I have the subcommittee of appropriations. I have been in this appropriations work for over 20 years. I know how it works. I know how the demands come to put in a particular project. In fact, I have had good colleagues on the other side of the aisle say, put this in, put that in, and I have said we are not going to have a bill if we start including anything.

I worked this out with Senator DANFORTH, my ranking member, and other interested Senators. You have to go on the regular merit basis and peer review basis if you are going to get a center. It has to come through a competitive fashion, and go through all the particular hoops there if you are going to get an advanced technology program. It has to be peer reviewed by the National Academy of Engineering.

So I have been sort of standing there saying, no, it is not going to be. That is why I am very sensitive about somebody claiming that we have a bill here that will deal out moneys "hither and yon." It cannot be dealt out in that fashion. Otherwise, there are really not those amounts involved.

Mr. President, I ask unanimous consent that the schedule of a summary of appropriations in S. 4 be printed in the RECORD at this particular point.

There being no objection, the material was ordered to be printed in the RECORD as follows:

SUMMARY OF AUTHORIZATIONS IN S. 4 FLOOR VERSION, WITH COMPARISONS TO FISCAL YEAR 1994 APPROPRIATIONS AND THE FISCAL YEAR 1995 REQUESTS

[In millions of dollars]

	FY 1994 appro.	Bill FY 1994	FY 1995 request	Bill FY 1995	Bill FY 1996
DOC PROGRAMS					
Under sec tech	6	20	11	75	83
Under sec	(6)	(6)	(11)	(11)	(14)
Additional[1]	(0)	(12)	(0)	(14)	(19)
Financing	(0)	(2)	(0)	(50)	(50)
National tech info service	0	0	18	20	20
NIST funding	520	548	935	991	1,150
Laboratory	(226)	(241)	(316)	(320)	(350)
ATP	(199)	(200)	(451)	(475)	(575)
Extension	[2](30)	(40)	(61)	(70)	(100)
Quality	(3)	(2)	(7)	(10)	(10)
Facilities	(62)	(62)	(100)	(110)	(112)
Wind engr and environ constr	(0)	(3)	(0)	(6)	(3)
DOC subtotal	526	568	964	1,086	1,253
OTHER PROGRAMS					
New NSF manuf	0	50	0	75	75
Info tech[3]	0	108	....	209	150
....	526	726	....	1,370	1,478

[1] Additional Technology Administration activities includes technology training clearinghouse, policy experiments related to intelligent manufacturing, and competitiveness assessment and technology monitoring.

[2] During fiscal year 1994, NIST also will manage approximately $33 million worth of extension/deployment projects funded by DOD's Technology Reinvestment Project.

[3] New authorizations (do not include cases in which sums are authorized out of the amounts already authorized): fiscal year 1995 request numbers is forthcoming.

Mr. HOLLINGS. Mr. President, just noting from that summary, the bill for 1994 over 1995, the laboratory of the National Bureau of Standards, there is no pork there. But that goes up from $241 million to $316 million. But that is not going out to South Carolina or to California or to anybody that helps them in the election or any pork.

The Advanced Technology Program, yes, it goes up from $200 million to $451 million. But as I said, it is not the Senator from South Carolina or the Secretary of Commerce or somebody saying it is good to put some money in South Carolina or California to help politically in that regard. Not at all. On the contrary, the request has to come from the industry. It might not have any requests from the State of South Carolina. It might have them all from the State of Wisconsin.

So, fine, business. If an industry located in Wisconsin feels that way and thinks they have a valid project for the advanced technology and need a little assistance from the Government, and if the National Academy of Engineering and its peer review also finds that is the case, then they go forward with it.

There they are. That is the extension services. It is not pork. I mean that is just to get the matters out there from $40 million to $61 million. Of course, they have some other projects in here relative to assistance with the Information Highway. But these are the increases here. Overall, it goes from $726 million to $1.37 billion and still is less than 22 percent of the entire $70 billion spent on research.

Admittedly, some of those programs have found themselves into what people might call pork in that they have been written into certain bills to have it at this particular college or that university or whatever else it is. But these programs have really been virtuous, you might say, in the context of these hurdles and the study and the competitiveness of the very nature in which an award is made.

I truly want to emphasize that because I keep asking about this bill that you have that is going to help you do this or help you do that. The truth of the matter is it is going to help all of industry. It is no particular industry. Since they asked me about the principal industry in my State, I want to tell you the actual experience in the textile industry making application to the Advanced Technology Program. Year before last and last year in the early part of the year, they were turned down. They did not pass peer review. Their program involved a computerized approach to the actual flow of goods to eliminate excessive manufacture of textile products or apparel wear.

I was a little chagrined because, as I say, here I am the chairman of the Commerce Committee, here I am the chairman of the appropriations subcommittee, here I am really the author of the bill. But you live by the sword, you die by the sword. It is a well-conceived program. I went along, obviously having to go along, with the peer review process, and the project proposed at the Department of Commerce last year in my own backyard was refused. It was not just for South Carolina textiles, but textiles all over the country. But I would have been a principal beneficiary if that had gone through.

Mr. President, they went to the Department of Energy. Over at the Department of Energy they went out to the Livermore Lab in California. If you look at the Energy Department, they have in excess of $6 billion in research there, and then on a matching deal fashioned together a $350 million research program. Heavens above. For the entire country under this little program right now of the ETP, $200 million going to $451 million for all of America and all of the program peer review; here is this one program. They put it in; got together with the Livermore for a $350 million program.

If colleagues on the floor are interested in pork and the politics of legislation, I would yield to them on going ahead and review some in the Department of Defense, review some in the Department of Energy or wherever it is. But this is a program that was initiated only on the trade bill with overwhelming support. It passed unanimously year before last because it was not pork. There was not any earmarking. There could not be any earmarking of the funds under this law.

I have the same concern that others have with respect to just writing in these particular projects and programs, but as not just of the Commerce Committee, the author of the bill, but as chairman of the appropriations subcommittee, I said, "No way, Jose." We are not playing that game on this one. It is up to industry and peer review. And this chairman, who is supposed to be in charge politically, finds out that you are not in charge of anything. But you ought to have a little bit of influence. That did not work at all. I supported that application. But it did not pass muster. But they did go to the Department of Energy.

So do not come around and ask me about pork in the Commerce Department on the Advanced Technology Program and the Manufacturing Extension Centers. There is none in this bill.

I suggest the absence of a quorum—I will withhold that.

Mr. PRYOR. I wonder if the distinguished Senator will refrain for a moment.

Mr. HOLLINGS. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

AMENDMENT NO. 1481

Mr. PRYOR. I want to speak just a moment, Mr. President, on an amendment that has recently been sent to the desk—I think, within the last few minutes—offered by the distinguished Senator from Georgia [Mr. COVERDELL].

Mr. President, I am urging my colleagues right now to look very, very carefully at the Coverdell amendment. We do not know what the Coverdell amendment does. We do not know what the ramifications of the Coverdell amendment might be. We do not know what real threat to the revenue base the Coverdell amendment might have to the U.S. Postal Service. We have no way of knowing what the Coverdell amendment, if adopted, if enacted, would have on, for example, the vitality of our hundreds and hundreds of rural post offices in America.

So, Mr. President, I am asking my colleagues to pause a moment, to take a second look at the Coverdell amendment, and to ultimately, when we get the opportunity later, vote to table this particular proposal.

As a matter of fact, Mr. President, only 2 days ago, I prepared a letter to the Honorable Charles Bowsher, the Comptroller General, asking him—the GAO—to take a very thorough look into the postal fairness, which is basically what the Senator from Georgia is attempting to weave into what we now know as the Competitiveness Act, S. 4, the pending major legislation on the floor.

I think that we should, one, wait for the General Accounting Office report on all facets of what would result should such an amendment or such a proposal be integrated into this legislation.

Second, I have asked Senator COVERDELL—and he has been asked by others—to appear before the Governmental Affairs Committee on March 24, 2 weeks from now, to testify on his proposal. Have we had a hearing on this legislation? No. Have we had any sort of a discussion, an in-depth discussion, on what might happen if private carriers could basically carry and deliver the mail? No. We have no way of knowing, Mr. President, what we would be stepping off to should the Coverdell amendment be enacted.

Let us have this hearing on March 24. Let us look at the pros and cons of what the distinguished Senator from Georgia is proposing. Let us get a response from the General Accounting Office, which we have requested Dr. Charles Bowsher to engage in. Then, let us put the facts on the table and let the U.S. Senate and the House of Representatives and the process itself govern what we should do about this particular proposal and this particular theory of delivering mail to the 260 million people in this country.

Mr. President, I am not saying today that I am going to ultimately, for the rest of my life, oppose what Senator COVERDELL is doing. I may join him at a later time, but I am not sure I will do that. I certainly want to see the facts. I think each of my colleagues on the floor of the Senate, who will be voting on this very major change in the Postal Reorganization Act of 1973, are going to want to seriously study what the Senator from Georgia is doing. It is not going to really hurt anyone or hurt anything for us to just pause a moment, Mr. President, and to relook at what the Senator is proposing.

I urge my colleagues to ultimately vote for the motion to table the Senator's amendment.

Mr. President, I thank my colleague from Alabama. I think he was on his feet before me, and he allowed me to precede him. I am indebted to him.

I yield the floor.

Mr. SHELBY. Mr. President, I ask unanimous consent to proceed as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama is recognized.

Mr. SHELBY. I thank the Chair.

(The remarks of Mr. SHELBY pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SHELBY. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I ask unanimous consent that I be permitted to proceed as if in morning business for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RANGELAND REFORMS

Mr. WALLOP. Mr. President, the Senate will well remember the struggles that it was put through last fall in the so-called debate on rangeland reforms. Senators from public land States and others assisted each other in seeing to it that the Reid amendment to the Interior appropriations bill—that package of 29 pages of proposed law and other things—did not become law.

Since that time, the Secretary of the Interior has made conciliatory remarks, saying that he understood the need for working with all parties involved. I have a number of quotes from the Secretary here.

"I really did underestimate the intensity," he said, and then chided himself for allowing special groups in Washington to tie up his original rangeland reform package.

> If I made a mistake it is because the Washington interest groups, national environmental organizations really have a stake in fueling fires * * *. When I am selling big reforms I have got to be down in the dirt. I really have to be out there and do the hard work of building from the ground up.

Mr. President, it is true the Secretary went to Colorado and a number of other Western States and it is true somewhere or another he has managed to put together a proposal. It is also true he has promised there would be congressional hearings. But he has said he would work with these groups to put the proposal together and in fact he has, now, demonstrated that he will not.

All of us who are interested in the proposal and even some who may not be, will have seen the so-called leaks that were in the papers about the contents of this new rangeland reform proposal. Some of us were willing to accept his word that they were leaks. The Senator from Colorado [Mr. CAMPBELL] wrote a sternly worded letter to the Secretary saying he felt essentially betrayed, that he, the Secretary, had promised Senator CAMPBELL that he would give him a briefing on these things before it was released.

The Secretary's response to the Campbell letter was: "I couldn't possibly have known about this. I have been betrayed by leaks in my office, et cetera, et cetera. I will make it up to you."

One of the weird things is that a draft proposal is known to exist and the chairman of the Senate Energy Committee, Senator JOHNSTON from Louisiana, and myself, have asked the Interior Department if we can see it and we have been told no. We can go down and look at it. Yet, again they say these were leaks and they were not intentional.

I have here a memo from Kevin Sweeney, the Director of Communications. The headline of the memo says, "United States Department of Interior, Office of the Secretary."

The memo, by the way, goes to Mr. Larry Werner with Senator REID; Mr. John Lawrence with Representative MILLER; Mr. Rick Healy with Representative VENTO; Sandy Harris, Ruth Fleisher with Representative SYNAR. The memo says:

> Attached is a draft press release regarding one element of the proposed grazing rule: standards and guidelines. At this point, we hope to issue this release at a press conference on Monday, March 7.

Listen to this paragraph.

> I realize you will meet tomorrow to discuss the proposed rule. If that meeting leads to substantive changes in the standards and guidelines section, the press release will of course change as well.
>
> Please check the attached and call me with any comments, criticisms or specific edits.

Mr. President, this memo says that the Office of the Secretary is not telling the truth. This comes right out of his office and these people did not have the draft leaked to them. They were part of drafting it.

If we cannot as representatives of the affected States—and I am talking about a bipartisan group, I am talking about the Senator from Colorado as well—be involved in this thing in an honorable and upright and forthright way—we do not have to win, but we really need to be told the truth. The Secretary is more likely to get something that will benefit the economies of the West, the people who are inhabitants of the West, the public lands of the West, and those interested in them by putting together an honest-to-God group of people who are willing to work on these problems than to narrow it back down to the same small group of people who created the problem that he confronted last year.

I do not know. I do not know whether I approve or disapprove. We have not seen the proposal. And he says those that have seen it have had it leaked. But this memo says they are drafting it. This is not the broad-based group that the Secretary claims to have his credits from.

Let me say there was his chief of staff, was out in Wyoming, a Mr. Collier. This was on the 8th, Tuesday, in Cheyenne WY. I quote:

> We didn't start off on the right foot because Interior did not listen closely enough to local concerns, Collier said at a meeting.
>
> * * *
>
> Interior Assistant Secretary, Bob Armstrong told the group that the new proposal "gets closer to the ground than Washington has been in the past.

My point is this. These are issues that affect the citizens of our States, Republicans and Democrats alike. Whether the Secretary likes it or not, America still is a democracy. The representatives elected from those States represent those people. They are not entitled to win, but they are entitled to be courteously treated and to be part of the discussion. Their views are entitled to be heard. They ought to be heard. And for the Secretary to claim leaks when, in fact, they are not leaks but they are contrivances, connivances of people trying to put together a program that affects the livelihoods, not just of ranchers, not just of cattlemen and wool growers, not just oil producers and timber operators, not just miners and people who have water—but, Mr. President, the counties of my State depend on the ad valorem taxes raised off of the multiple use of those lands, the production of resources. Our schools depend on them. Our county fire departments depend on them. Our airports depend on them. The bridges, the hospitals, the community colleges and the university depend on them. And all kinds of people, Republican and Democrats, live in those counties and abide with each of those events.

These people are entitled to better treatment than they have had.

I ask unanimous consent the March 3 memo I quoted and the article from the Star-Tribune be printed in the RECORD.

I yield the remainder of my time, and ask Senator DOMENICI be permitted to speak.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, DC, March 3, 1994.

Re possible announcement on standards and guidelines.

To: Larry Werner, w/Sen. Reid; John Lawrence, w/Rep. Miller; Rick Healy, w/Rep. Vento; Sandy Harris, Ruth Fleisher, w/Rep. Synar.

From: Kevin Sweeney, Director of Communications.

Attached is a draft press release regarding one specific element of the proposed grazing rule: standards and guidelines. At this point, we hope to issue this release at a press conference this Monday, March 7.

I realize you will meet tomorrow to discuss the proposed rule. If that meeting leads to substantive changes in the standards and guidelines section, the press release will of course change as well.

Please check the attached and call me with any comments, criticisms or specific edits. I can be reached at 208–6416.

[From the Star Tribune (WY), Mar. 8, 1994]

INTERIOR STAFFER: NEW RANGE PLAN GIVES CONCESSIONS

(By Hugh Jackson)

CHEYENNE.—Interior Secretary Bruce Babbitt hopes his latest grazing reform proposal will placate the concerns of the agriculture industry, Babbitt's chief of staff said Monday.

"I hope you will note the number of places we have made changes, and the direction we have made those changes in," said Tom Collier, chief of staff at the Interior Department.

Babbitt's earlier grazing reform proposal was aggressively opposed by people who hold grazing leases on public lands, and eventually torpedoed in the U.S. Senate.

"We didn't start off on the right foot" because the Interior did not listen closely enough to local concerns, Collier said at a meeting at the Capitol building in Cheyenne.

Collier, Interior Assistant Secretary Bob Armstrong, Gov. Mike Sullivan, and several representatives of the ranching industry and conservation groups who met with Babbitt in Cheyenne Feb. 2 convened again in the Capitol Monday to hear Collier outline Babbitt's revised reform proposal.

Babbitt's latest proposal offers a number of changes from the initial plan, with the idea of offering more local control to leaseholders, Collier said.

The new plan also included a smaller hike in grazing fees and proposes incentives for lessees whereby the increase can be offset if range improvements are made.

RANCHERS NOT CONVINCED

Several ranchers at the meeting with Collier expressed wariness at the new proposal, particularly regarding how an incentive program would be monitored, and who would determine incentive eligibility.

Armstrong told the group that the new proposal "gets closer to the ground than Washington has been in the past."

Environmentalists have criticized the Clinton administration, saying it has caved in to western commodity interests. Interviewed after the meeting, Armstrong dismissed the suggestions that the latest reform proposal was another example of acquiescence to industry.

"You can say it's compromise if you want to. What it is is people getting together and figuring what you ought to do. I don't see that as compromise. I see that as the fact that people have a burden of proof to show us where we're wrong, and if they show us where we're wrong, we'll change," Armstrong said.

"We have a burden of proof to show what we want to do, and to see if this is right. What we're trying to do is figure out whether we have met that burden of proof or not," he added.

Truman Julian, who leases public lands in southwestern Wyoming and is vice-president of the National Public Lands Council, said after Monday's meeting that the Interior Department is using a different approach to range reform by trying to bring in local voices.

"But I guess until I see the entire package, I'm not too sure that anything has changed much," Julian said.

Environmentalists representing the Wyoming Wildlife Federation, the Wyoming Outdoor Council, and the Powder River Basin Resource Council said little during the meeting.

LOCAL CONTROL AND FEE BREAKS

The latest proposal gives state Bureau of Land Management directors, in consultation with the local resource advisory councils, the authority to set state-by-state standards and guidelines governing some land management practices, such as seasonal use restrictions and pesticide use.

The proposal also includes broad, national requirements for healthy ecosystems, riparian maintenance and protection and compliance with both the Clean Water and Endangered Species acts. It remains to be seen what those requirements will mean to leaseholders, Julian said.

The higher grazing fee will hurt the industry, Julian added.

The earlier Babbitt grazing fee structure called for a top rate of $4.28 per animal unit month.

Under the latest proposal, the fee will be phased in over a three-year period, rising from the current $1.92 per AUM to $2.75 in 1995, to $3.50 in 1996 and $3.96 in 1997.

If lessees can take measures to improve the range conditions, they will be eligible for a 30 percent reduction in the fee, under the plan as outlined by Collier Monday.

Although Babbitt's opponents have repeatedly said that a higher grazing fee itself is merely symbolic of the larger changes the Clinton administration wants to impose on lands use in the West, Julian said the fee issue is extremely important, especially to the sheep industry.

"Add two dollars on to that thing, and losing everything else that we're losing, and all the other problems we've got, I don't think I can take it," Julian said.

Steven Horn, the dean of Agriculture at the University of Wyoming, said at the meeting that the UW Agricultural Economics Department recently finished a study which shows that a grazing fee as high as $2.46 would be too high for ranchers to make a profit from grazing livestock on public lands.

Collier questioned the study validity, however. Interior Department data indicates that for 72 percent of Wyoming lessees, the annual increases will amount to less than $1,000 per year, he said.

Armstrong said that an economic analysis for an existing ranching operation in Colorado showed that the entire costs per animal unit month, including all expenses from grazing fees to dog food, amounted to $16.05.

The higher grazing fees proposed by Babbitt would raise that total to $16.88, with the incentive.

"It would seem to me that that increase is pretty easy on a person who applies for that incentive," Armstrong said.

RECOGNIZING BIOLOGY

Sullivan, meanwhile, suggested that the number of sheep included in the animal unit month formula should be increased from its current five to reflect the hard times faced by the industry.

Dale Strickland, president of the Wyoming Wildlife Federation, noted that the animal unit month is supposed to represent how much forage is consumed on the land either by a cow and her calf, or the equivalent—five sheep.

Collier agreed that biology has "got to be the major factor" in establishing the AUM. But Collier said perhaps the livestock numbers should be re-evaluated to determine if five sheep is the appropriate number.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to speak for no longer than 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

GRAZING FEES PROPOSAL

Mr. DOMENICI. Mr. President, I rise to really ask the Secretary of Interior a very simple question: What is going on? Frankly, whether or not the Secretary succeeded in the State of New Mexico in getting together with the so-called both sides of the so-called grazing issue is not really relevant. Maybe that did not work as he wanted it to. But I take him at his word, that he is really trying to work with people affected at the local level. The Secretary and his spokesman have claimed to come up with a policy and a set of rules and guidelines that will take into account the problems those who use the public domain are having with his original proposals and even with the proposals that were defeated in the U.S. Senate.

I thought that is what the Secretary and his people were busy doing. Frankly, I hope that is still what he is doing. But I do not understand how we have stories in the news media of broad dissemination, that are talking about what is in the Secretary's proposals. These news stories are variously categorized from pro-user to antienvironment, to giving the local communities and regions more authority, to being chastised by some as giving away the reform.

When a Senator like the Senator from New Mexico asks what are they talking about, I am told there is nothing to talk about yet. I am told there is no program yet. I am told when we are ready we will let everybody see it, or at least a broad spectrum will see it.

The Senator from New Mexico was even told the other day, "Don't worry about it. All your people will see it in plenty of time." Inferentially, they were not too sure I was going to. That is the way I took it, but they inferred that our people would.

I do not know if the Secretary knows from whence comes the Washington Post article, "Revised Grazing Proposal Makes Concessions to Livestock Interests," and the March 5 article, both of which I want to put in the RECORD, "Four Lawmakers Fault Babbitt's Grazing Plan." By the way, they are the four who opposed what we tried to do in the Senate last fall. In fact, three of them were for more major changes than Senator REID's proposal in the Senate. But they are commenting specifically on a program and rules that allegedly give the grazing permittees more than they deserve.

The Secretary continues to tell us that "the rules are not made, the plan is not completed; we are still doing it; it is sort of our internal problem yet." Frankly, I believe this time the Secretary ought to just take a look at the file in his own office, the Office of the Secretary, and look at a memorandum that is dated March 3 that did not have to be leaked, Mr. President, because it is directed to John Lawrence of Representative MILLER's office from the Secretary's Office.

I have nothing against any of these people. They are all fine Members of Congress, and these nonmembers probably represent the four Members' offices very well. Rick Healy, who is with Representative VENTO; Sandy Harris with Representative SYNAR. This memo is directed to them, and in it, it is suggested that here is a press release regarding part of this plan. There are even blanks in this press release as to whose names they are going to put in saying what about this plan. Then there is a very interesting paragraph. The memo says to these four—three representatives and a Senator:

> I realize you will meet tomorrow to discuss the proposed rule. If that meeting leads to substantive changes in the standards and guidelines section, the press release will of course change as well.

I ask unanimous consent that that memo be printed in the RECORD, with the attachments.

There being no objection, the memo was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, March 3, 1994.

Re possible announcement on standards and guidelines.

To: Larry Werner, w/ Sen. Reid, John Lawrence, w/ Rep. Miller, Rick Healy, w/ Rep. Vento, Sandy Harris, Ruth Fleisher, w/ Rep. Synar.

From: Kevin Sweeney, Director of Communications.

Attached is a draft press release regarding one specific element of the proposed grazing rule: standards and guidelines. At this point, we hope to issue this release at a press conference this Monday, March 7.

I realize you will meet tomorrow to discuss the proposed rule. If that meeting leads to substantive changes in the standards and guidelines section, the press release will of course change as well.

Please check the attached and call me with any comments, criticisms or specific edits. I can be reached at 208-6416.

GRAZING STANDARDS AND GUIDELINES TO BE REGIONAL, DRAFTING WILL BE DONE IN WESTERN STATES

Interior Secretary Bruce Babbitt today announced a proposal that would require ranchers to meet standards and guidelines, written and implemented at the regional level, when grazing livestock on lands controlled by the Federal Bureau of Land Management (BLM). The announcement represents a significant shift: in August, Babbitt proposed standards on a national scale, rather than the local scale that is now proposed.

The proposal will be included in draft regulations expected to be released in early March. Babbitt has spent much of the past three months in the West, attending scores of meetings on grazing issues.

BLM state directors will coordinate the drafting or standards and guidelines. In doing so, they are to work closely with the Multiple Resource Advisory Councils proposed last week by Babbitt. Before becoming final, standards and guidelines must be approved by the Secretary of the Interior.

"BRINGING GRAZING POLICY HOME"

"The West has never been against specific standards and guidelines to govern conduct on the range," said ________. "What we were against was having the standards imposed by people in Washington who don't understand how things work on the ground. We were against using national standards that don't reflect different conditions in the various Western states."

"Secretary Babbitt heard our concerns and changed his original proposal," said ________. "Now we will have state standards and guidelines promulgated with local input by those who know the range."

"Once again, our focus is on shifting more management decisions to a place closer to the land," said Babbitt, referring to the decision to shift from national standards to regional ones. "This is another step in the process of bringing grazing policy home to the American West."

"Ranchers and others constantly told me that national standards would not bring lasting improvements to the public range," said Babbitt. "They said 'cookie cutter rules' won't work out West, that our best changes at success would come not from national approaches, but from regional ones. Once again, I agree with them."

"Denying this fact denies the culture of the West," said Babbitt. "Any plan developed in Washington, without significant local input, will have trouble succeeding on the ground out West—and that is where it matters."

Babbitt also said regional standards and guidelines acknowledge that there are great differences across the region, saying "the West is not one monolithic region."

RANGELAND CONDITIONS CALL FOR STANDARDS AND GUIDELINES

"Since our original proposal six months ago, I've heard from countless ranchers who agree on the need for standards and guidelines," said Babbitt. "Most realize it won't affect their pocketbooks in any way. And most are relieved that the handful of bad actors on the range would finally be held accountable."

While discussing the need for standards and guidelines, Babbitt noted that assessments of rangeland condition have varied widely in recent years. He cited an Environmental Protection Agency study which asserted that "extensive field observations in the late 1980's suggest riparian areas throughout much of the West were in the worst condition in history." He also pointed to a recent National Academy of Sciences (NAS) study, which underscored the need for more data on public range conditions. At the same time, the NAS report said standards and guidelines were an urgently needed tool for range management.

"The simple fact is that our rangelands are in great need of improvement, and many ranchers across the West have proven they are up to the task," said Babbitt.

Babbitt singled out the green strips along rivers and streams in the West as areas of special focus, saying "riparian areas are among the most resilient ecosystems on public lands. If given a chance, they can come back to their full, healthy state."

"Elevated standards, in riparian zones and elsewhere, given us a chance at real success," said Babbitt. "They remind us that success need not be defined simply in terms of staving off inevitable decline or in holding back damaging trends. Success, in this endeavor, can be defined in far more positive terms: we can restore the public rangelands to their greatest potential."

"Many ranchers accepted this challenge long ago, and have met it," Babbitt said. "But as we focus the resources of a government agency, it is clear that, in all the areas of public land management, there is no greater chance of true restoration, at as small a cost, as there is with the management of our public rangeland uplands and riparian zones."

"I would have preferred national standards and guidelines because countless reports show the public range is in poor condition," said ——. We'll never change that unless we set tough standards. Still, I think this proposal is a positive step, and is one that can help bring about significant improvement in the health of our public range lands."

NATIONAL REQUIREMENTS

Babbitt outlined four national requirements that regional standards and guidelines must meet.

(1) Grazing practices must enhance or maintain properly functioning ecosystems.

(2) Grazing practices must enhance or maintain properly functioning riparian systems. Babbitt said this "special focus on riparian zones brings attention to those areas which have suffered the greatest damage—but which also have the greatest potential for recovery."

(3) Grazing management practices must be implemented to protect public health and welfare, and must help maintain, restore or enhance water quality. Water quality on allotments must meet or exceed State water quality standards. "All BLM permittees must play by State rules in this area," said Babbitt.

(4) Grazing practices must assist in the maintenance, restoration or enhancement of habitat for threatened or endangered species and must also give consideration to those species which are candidates for listing. Babbitt said this kind of focus "can help us avoid the kind of train wrecks that have helped make other public resource battles so contentious."

The standards represent the most basic legal mandates under the Taylor Grazing Act, the Federal Lands Policy and management Act, the Endangered Species Act and the Clean Water Act.

REGIONAL STANDARDS AND GUIDELINES

State standards must address soil stability and watershed function, the distribution of nutrients and energy, and plant community recovery mechanisms.

In those cases where existing management practices fail to meet the four requirements and the State standards, the BLM land manager would be required to take action prior to the start of the next grazing year. The regional guidelines would provide direction for that action, and must address the following.

Grazing management practices must assist in recovery planning for threatened or endangered species in the area, and should work to prevent listings.

Grazing practices must be designed to protect the public health and welfare, and must restore or enhance water quality so that it meets or exceeds State water quality standards.

Grazing plans should consider such issues as the timing of critical plant growth and regrowth. Consideration must be given to periods of rest for livestock grazing.

Plans must address situations in which continuous season-long grazing would be consistent with achieving properly functioning conditions.

The selection criteria and design standards for the development of springs, seeps and other projects affecting water and associated resources must maintain or enhance the ecological values of those sites.

In those areas where grazing may be authorized on ephemeral rangelands, a criteria for minimum levels of production must be set in advance. Likewise, standards must be set for the minimum level of growth that is to remain at the end of the grazing season.

Criteria must be developed for the protection of reparian-wetland areas. This includes the location, or the need for location or removal, of stock management facilities that may be outside of the riparian area itself. These include such facilities as corrals, holding facilities, wells, pipelines and fences. Consideration must also be given to the modification of livestock management practices, such as salting and supplement feeding.

Plans must have utilization or residual vegetation targets which will maintain, improve or restore both herbaceous and woody species to a healthy and vigorous condition. They must facilitate reproduction and maintenance of different age classes in the desired riparian-wetland and aquatic plant communities. They must also leave sufficient plant litter to provide adequate sediment filtering and dissipation of stream energy for bank protection.

BLM state directors would work closely with the Multiple Resource Advisory councils to draft the standards and guidelines. A state will be the smallest level at which such standards are to be written, but once that task is accomplished, standards and guidelines can be subsumed into regional sets, thus allowing for consideration of ecosystems that cross state borders.

FALLBACK STANDARDS

While these standards and guidelines are being drafted at the State or regional level, a "fallback" set will be drafted at the national level. In those states where the BLM director is unable to produce, within 18 months, standards that meet the Secretary's satisfaction, then the fallback standards and guidelines will be used. BLM State Directors will have the option of revising these fallback standards and guidelines to provide a better fit in their State.

"Our hope is that the fallback standards will not be utilized in any state," said Babbitt. "Nonetheless, they provide an incentive for those involved at the state level to produce reasonable standards that match their region."

RIPARIAN FOCUS

Since discussions of range reform first began, Babbitt has placed special emphasis on riparian zones.

According to a 1990 study by the Environmental Protection Agency, "extensive field observations in the late 1980's suggest riparian areas throughout much of the West were in the worst condition in history." Other studies show that between 70 and 90 percent of the natural riparian ecosystems in the contiguous United States have been lost because of human activity.

Riparian zones play an essential role in supply and purifying water for human consumption throughout the West. They also provide essential habitat for wildlife. For example, 82 percent of breeding birds in Colorado occur in riparian zones, 75 percent of all wildlife species in southeastern Wyoming depend on riparian areas, and 51 percent of all bird species in the southwestern states are completely dependent on riparian areas.

Mr. DOMENICI. Mr. President, I merely ask the Secretary, what is going on? Are we Members of the Congress? Can only a very few Members comment on this rule in private, as is implied in this memo? "After you meet, maybe the rule will be changed," this memo says, "in which event we will change the press release," the memo says. Is that the way the Secretary is going to handle working with the West, working with those who are affected, sending a memo like this? Maybe he does not know it went out.

Nevertheless, we cannot sit around, even those who want to help. The Secretary does not have any reason to believe that what he finally approves of might not be something I may want to help him with. I know from the beginning that I cannot get everything I want for the ranchers and multiple users. But I do not want to be dealt out, and I think this is a way to deal us out. And, Mr. Secretary, I think it is more than just dealing out those in the Senate who apparently are opposed to this program. Maybe that is all right, but how can you deal out the people you say you are dealing with? You are supposed to be dealing with the users and everybody else out there, then you meet with another group and say, here is the suggested way we are going to handle it. Another group of three Members of the House and one Member of the Senate. I do not think it is right. I think the Secretary ought to take a look at this situation and maybe call a few of us together and, as I indicated, just tell us what is up.

Mr. President, I ask unanimous consent to print in the RECORD the two articles which I referred to during the course of my statement.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 4, 1994]

REVISED GRAZING PROPOSAL MAKES CONCESSIONS TO LIVESTOCK INTERESTS

(By Tom Kenworthy)

Interior Secretary Bruce Babbitt, stung by a western political revolt against his plans to overhaul grazing policies on federal lands, will soon unveil a revised proposal that makes controversial concessions to western livestock interests and their political allies.

Under the new blueprint for managing sheep and cattle gazing on about 264 million acres of public lands, a draft copy of which was obtained by The Washington Post, the federal government would delegate considerable authority over many fundamental range management decisions to state and local advisory groups.

Another disputed aspect of the plan involves the fees charged to land users. The new fee structure would raise monthly grazing fees—the amount ranchers pay per animal—from the current level of $1.92 to $3.96 over three years. Last August, Babbitt has proposed a top rate of $4.28.

But the final increment of the phased-in increase would not go into effect unless the administration has by 1997, designed a new "incentive fee system" intended to reward stockmen "who have improved rangelands and contributed to healthy, functional ecological conditions" by such actions as protecting stream areas and valuable wildlife habitat.

To some critics, that provision is an open invitation to administration opponents in Congress to launch a renewed fight over grazing in the presidential election year of 1996, when the White House would be even more sensitive than it is now to congressional Republicans * * * blocking that incentive plan, it would leave the highest possible grazing fee at $3.50, rather than $3.96.

Babbitt's new proposals, contained in a 200-plus-page set of draft regulations now being circulated on Capitol Hill and elsewhere, were developed following a bitter congressional fight last fall. The Senate blocked legislative enactment of Babbitt's original plan, and Babbitt then promised to implement the overhaul by administrative means.

But during the last fall and winter Babbitt traveled extensively throughout the West to meet with groups and individuals affected by grazing policies, and decided that any new plan would have to involve less command and control from Washington and more decision making by local groups. He was particularly swayed by a series of eight meetings with a group of ranchers and environmentalists convened by Colorado Gov. Roy Romer (D).

The concessions contained in the new plan, however, are already drawing fire from some of the administrations strongest allies, both in the environmental community and among congressional Democrats, who believe that many western rangelands have been degraded by overgrazing and other destructive practices.

Four key Democrats who long been involved in grazing issues—Sen. Harry M. Reid (Nev.) and Reps. George Miller (Calif.), Mike Synar, (Okla.) and Bruce F. Vento (Minn.)—met with Babbitt on Feb. 23 and strongly protested the direction the grazing overhaul was taking.

"It's terrible," said one congressional source of the new Babbitt plan, arguing it would do little to erase western opposition to the overhaul while antagonizing the administration's traditional allies. "This is the Neville Chamberlain approach. They really think they can appease these people into support."

An Interior Department spokeswoman said yesterday that the draft plan could still undergo some revisions before being published. Consultations with congressional Democrats are continuing.

At the heart of the draft proposal are recommendations prepared by * * * would play a key role in developing range management plans and usage standards. Nominated by governors, the members would be appointed by the Interior secretary.

Under the terms of Babbitt's new plan, local councils would have the power to appeal to the Interior secretary if federal range managers do not accept their recommendations. This power, environmentalists and others argue, could lead to intimidation of professional land managers, and bog down the Interior secretary in an endless series of local land management decisions.

Critics also say it is unwise to accept the so-called Colorado model without first trying it in a pilot program to test Babbitt's theory that ranchers, environmentalists and local officials can work collaboratively to resolve their differences.

Other changes from Babbitt's original plan of last summer include the exclusion of national standards and guidelines for range management. In their place are recommendations to aid in development of guidelines and standards at the regional or local level, in consultation with the resource advisory councils. Though there would be some federal standards in place during the 18-month period for the development of local prescriptions, state Bureau of Land Management directors could ask the interior secretary for a waiver.

Environmentalists who have reviewed the draft also say that the new plan could make it harder for people other than ranchers to be given official status to comment on and influence such range management decisions as how many cattle can be put on an individual grazing allotment each year.

[From the Washington Post, Mar. 8, 1994]

FOUR LAWMAKERS FAULT BABBITT'S GRAZING PLAN

(By Tom Kenworthy)

Some of the Clinton administration's key congressional allies on politically sensitive environmental issues say they are beginning to lose faith in the administration's commitment to fundamental change in managing federal natural resources.

The increasing dismay felt by some powerful congressional Democrats is illustrated by a detailed and scathing critique of Interior Secretary Bruce Babbitt's latest proposal for overhauling federal rules governing cattle and sheep grazing on millions of acres of U.S. rangeland.

Saying they are "deeply troubled" by the new administration proposal, four lawmakers—Sen. Harry M. Reid (D-Nev.) and Reps George Miller (D-Calif.), Mike Synar (D-Okla.) and Bruce F. Vento (D-Minn.)—wrote Babbitt over the weekend to express their concerns. The proposal is so flawed and so much of a retreat from Babbitt's original plan of last summer, the letter said, "that we will be unable to support the proposed regulations" unless major changes are made before it is finalized later this month.

In separate interviews, the legislators said they view the new grazing plan as a capitulation by the administration to the livestock industry and western political interests and as a betrayal of a deal they struck with Babbitt last year.

The level of trust has deteriorated so much that the lawmakers have agreed among themselves to try to meet with the secretary and his top staff only when all four of them are present because in the past they have felt misled by mixed signals.

All four members have a long history of involvement with public lands issues and were key Babbitt allies in last year's losing congressional fight over his original grazing plan.

In addition, all are central players in legislative affairs affecting the Interior Department and the environment. Miller is the chairman of the House Natural Resources Committee; Vento is the chairman of that panel's subcommittee on national parks, forests and public lands; Synar is chairman of the Government Operations subcommittee on environment, energy and natural resources; and Reid serves both on the Senate Appropriations subcommittee that oversees Interior and the Environment and Public Works Committee.

"I'm on Interior appropriations, they [Miller, Vento and Synar] control the authorizing over there," said Reid. "I wouldn't want to be in a position where I have to deal with four people who are just pulling darts out of their shoulders, or maybe their backs."

"There's a serious problem here," said Synar of Babbitt's relations with pivotal lawmakers. Grazing policy "is not the only issue he has to deal with these four members about," he said. "It's going to set the tone for any future relationships we have on mining, timber, parks and a host of other issues. There's more at stake here than just grazing."

Following last fall's legislative defeat, Babbitt set out to revise the grazing plan in order to reduce opposition from western Democratic governors and the livestock industry. But in doing so, Babbitt appears to have undermined his base of support among Democratic backers in Congress and may also have lost some momentum on other parts of his agenda.

Miller, for example, has delayed naming House conferees on legislation rewriting a 19th-century mining law until the final grazing plan is published. Miller said he is reluctant to throw the House into a tough political battle with the Senate over the mining law if he thinks the strong House position will be undercut by Clinton administration concessions.

"I have to have very clear signals and a very clear commitment" from the administration before proceeding on mining, said Miller.

At the heart of the lawmakers' growing dismay is a sense that Babbitt has reneged on commitments made last fall to push administratively for tough new grazing rules. They say Babbitt made that pledge after the Senate blocked enactment of his "rangeland reform" proposal unveiled last summer and then stymied a compromise fashioned by all of them and sponsored by Reid.

"We are deeply troubled by several major aspects of the [draft grazing plan] that are radical departures from your previous proposals and from the Reid compromise and that result in a package that will undermine the effectiveness of the range reform initiative," the four lawmakers wrote Babbitt.

Babbitt said yesterday he will visit Capitol Hill this week to discuss the lawmakers' objections. But the Secretary insisted he is wedded to the heart of the proposal, creation of local "resource advisory councils" similar to one operating in Colorado that would be composed of disparate interests and be given broad authority to influence local grazing decisions.

"I strongly believe the Colorado model is conceptually correct," he said. "I'm not going to abandon that . . . absolute certain that it is the only way to open a new chapter in rangeland management.

Babbitt played down suggestions he is losing critical congressional support that he will need on other issues. "I am fairly philosophical about this," he said. "There is no way I can negotiate something that will please everybody."

All four lawmakers said they understand the political pressures Babbitt is under, and several attributed his inconsistency on grazing to White House orders. "He's getting his political chain jerked," said Vento.

But Miller warned that Babbitt must also pay attention to his allies. "Babbitt's been negotiating with people who never had any intent of accepting any compromise," Miller said. "They have got to take stock of who it is they've been doing business with. The grazing and timber and mining and water barons do not go quietly. They really have no interest in change."

Mr. DOMENICI. I yield the floor.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1480

Mr. LEAHY. Mr. President, I rise in strong opposition to the Cochran amendment. It is not germane in any way to S. 4 nor is the amendment necessary.

There is a compelling public health reason to get these standards in place. There are at least 20,000 physician-diagnosed pesticide poisonings a year. Countless more are undiagnosed. The California Department of Health has estimated as many as 300,000 pesticide injuries occur each year. We have known for over 10 years that current regulations are putting farmworkers and pesticide handlers at risk.

The standards provide very elementary protections. Employers have to let their workers know how to protect against unnecessary, dangerous pesticide exposures. They have to provide soap, water, and towels to wash after contamination, and if necessary, transportation for emergency medical treatment. Every worker does not have to wear a moon suit, contrary to some of the misinformation that has been circulated about these standards.

These simple protections have already been delayed for many years. The Reagan administration determined in 1983 that our current worker protection standards are seriously inadequate. It was not until 1992 that the Bush administration finalized new standards and set the implementation date now in question.

Since 1992, EPA and some States, including Vermont, have worked hard to educate growers and workers and get them ready to comply with the new rules.

Many education and training materials are already available.

Pesticides with new labels are already in the channels of trade. EPA reports that most of the 2,000 pesticide products affected by the new standard already have new labels. A delay in implementation would cause real confusion for farmers.

Some have asked EPA and the President to delay implementation of these standards. The answer was "no."

EPA has been working closely with parties who have complaints about the implementation and has pledged to do everything it can to help them comply.

The Agency has made it clear that enforcement will be flexible. It is going to focus on cooperation and outreach, not assessing fines for technical violations.

There should be careful deliberation before we make any changes to these regulations that have been over 10 years in the making. This is not the time or place for such deliberation.

Mr. KOHL. Mr. President, I commend my colleague from Mississippi, Senator COCHRAN, for raising concerns about the implementation of the EPA farmworker protection standards for pesticides. This is an extremely important program, and its effective implementation is critical to the health of millions of farmworkers across the Nation.

While I am concerned that some of the EPA educational materials that State Departments of Agriculture need to effectively implement these standards have been delayed somewhat, I must oppose the Cochran amendment. I do so because the dangers to human health associated with the delay proposed by this amendment are unacceptable to me.

There are an estimated 20,000 incidences of physician-diagnosed pesticide poisoning a year. EPA estimates that there are as many as 280,000 other pesticide injuries a year that go undiagnosed. The Cochran amendment would delay the worker protection standards by another year and a half. I am not willing to tell the hundreds of thousands of men, women, and children who are likely to be poisoned during that time that we jeopardized their safety for bureaucratic reasons.

Instead, I have asked the Wisconsin Department of Agriculture, Trade, and Consumer Protection, the agency in my State charged with implementing these standards, to send me a list explaining exactly what material they are lacking in order to effectively implement the standards by the April deadline. I have alerted EPA that I will be sending this list to them as soon as I receive it, and that I expect them to supply Wisconsin DATCP with those materials, and other necessary assistance, as soon as humanly possible.

Further, EPA has indicated that they will be very flexible in their enforcement of these provisions, and will continue to work cooperatively with the States to implement this program.

In closing, I would say that if the price of the delay that the Senator proposes were anything less than human health, I might be more willing to consider it. But Mr. President, human health is exactly what's at stake here. I regret the inconvenience, and call on EPA to be as flexible as possible in their enforcement as States and farmers get used to the new standards. However these standards are long overdue, and any further delay could be disastrous.

Mr. BAUCUS. Mr. President, I rise today in opposition to the amendment offered by Senator COCHRAN. As you know, this amendment would serve just one purpose—to delay the implementation of the worker protection standards for agricultural workers as regards agricultural chemicals.

While some may perceive a link between this issue and the concept of competitiveness, such a bond is quite weak. Therefore, the debate over germaneness to S.4 has not been dominant. Therefore, like other speakers, I will concentrate on the merit of the amendment.

Few in agriculture, indeed few in our society, would question the need to ensure the safety of agricultural workers. They provide a critical service in getting the crops raised that become food for our table and clothing for our families. However, as research has indicated and personal examples will emphasize, there are dangers involved. Therefore, the Environmental Protection Agency has brought forth the worker protection standards.

Let there be no mistake about it. These are necessary standards. I know of an example in my State where a young man was literally showered with insecticide by an aerial applicator. Just a few short years later, this man is no longer with us. Robbed of the years of his life. There are countless examples where agricultural workers are injured by agricultural chemicals, through no fault of their own. If these standards prevent the loss of a single life, they will be worthwhile.

However, I believe that balance is in order. Most agricultural employers take a zero-risk policy when it comes to protecting their employees from pesticides; they want to do what's right. Therefore, we must make certain they are not unnecessarily burdened by regulations which are irrelevant.

I will work with the EPA Administrator to ensure that these vital regulations are implemented in a fair and reasonable manner. I am confidant that together, we can avoid the dangers feared by the proponents of this delaying amendment. Therefore, the amendment is unnecessary. So I urge my colleagues to defeat this measure and join me in working with the Administrator to resolve these concerns.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending question is an amendment from the Senator from Mississippi [Mr. COCHRAN].

Mr. HOLLINGS. Mr. President, it is my hope, if a rollcall vote is agreed to, that we have that rollcall vote—I will ask consent later on—at 3 o'clock. We have given both sides notice, and they continue to work around the clock.

So I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the rollcall vote on the motion to table be at 3 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1481

The PRESIDING OFFICER. The question occurs on the amendment of the Senator from Georgia.

Mr. HOLLINGS. Mr. President, I move to table that one, to follow the rollcall vote on the Cochran amendment. So I move to table the amendment of the distinguished Senator from Georgia and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the rollcall vote on the Coverdell amendment occur at the expiration of the rollcall vote on the Cochran amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, I ask unanimous consent to proceed as in morning business for no more than 5 or 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Montana is recognized.

Mr. BURNS. I thank the Chair.

(The remarks of Mr. BURNS pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BURNS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. MURRAY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. While my distinguished ranking member is present now, earlier today, since I had been asked several times about this alleged pork bill, I became sensitive to some feel amongst our colleagues that this might be a bill where, as one described to me, Secretary Brown could be using moneys to just distribute around politically, and I wish to give what the actual fact and truth of the matter is.

Let us go first to the amounts of money. With respect to the National Institute of Standards funding, what we have is a laboratory which is the old National Bureau of Standards laboratory, and that goes from $241 million, which it is today, to $316 million. And, of course, there are laboratory standards on safety, quality and otherwise. There is no pork in that to be awarded to any local folks relative to politics.

Under the Advanced Technology Program, that goes from $200 million to $451 million. I happened to fashion that in consultation with our distinguished ranking member to make certain that it would not be pork.

In that context, Madam President, what we have said is, first, rather than the Secretary of Commerce or the Senator or the Congressman picking for political reasons, the initiative in picking winners must come from the industry itself. And the industry itself must have confidence enough in its own particular interest in the project being researched to furnish at least half the funding. We have seen now over a 2-year experience that upward to 70 percent of the money comes from private sources, because they just cannot come in and get a grant.

There is no earmarking of a particular industry, even though the one singular industry brings the request to the department. But we make certain that it is peer reviewed by the National Academy of Engineering to make absolutely sure that in the review of it, it goes for all of industry and it is in the interest of all technology.

I do not believe we could ever have passed this unanimously, as we have, not only the year before last but out of the committee last year, if we had a pork bill because the Senators have all been priding themselves on getting rid of the pork and cutting out the Government and cutting back on expenses and cutting spending and those kinds of things. So the reason we got unanimous and bipartisan support not only within the Senate but within the committee itself was that we had set these safeguards in there. And as the chairman of the subcommittee of State, Justice, Commerce of appropriations we have forestalled any of those projects getting into that particular bill.

That is this Senator's experience on the one side to assure the colleagues just exactly what we have.

Otherwise, yes, there was a request made year before last, Madam President, with respect to the Advanced Technology Program by an industry that I am vitally interested in, and that is the textile industry, which has substantial employment in my State. But on behalf of all the textiles in the country, and apparel and garment workers, an application was made to the Advanced Technology Program that involved the computerization of the flow of orders for particular garments or textiles or cloth. And in that light it was to be a very sophisticated type of computerization whereby there would not be a backup or an oversupply, thereby cutting back on the inventory costs and thereby increasing the productivity.

The Advanced Technology Program officials looked at it with sufficiency but found it did not pass muster. There was not any advanced technology to it as they saw, and there was not any uniqueness to it that would really improve all of industry as they saw it. And while we tried to impress upon them the seriousness of the application, we did not pass muster.

Madam President, what really happened is they went out to Livermore and the energy lab. There at Livermore they fashioned together, with contributions, of course, a $350 million grant. They had last year a high-level meeting down in North Carolina. They announced that they have their research activity, and have it going. You will find they have around $6.8 billion, I think it is, over in the Energy Department. The total for all of this, excluding the laboratories, is only $1.37 billion. But there was the request where right now we only have this year $200 million for the Advanced Technology Program. One industry has come in, and another division of Government, and they have gotten a $350 million project going.

So you can see, when I say of the $70 billion expended in Government for research, we have at present less than 1 percent. If this bill is approved, it will still be less than 2 percent of the research moneys, and well shielded against any kind of political pork activity.

So I think that ought to be emphasized with the distinguished Senator from Missouri present, because I wanted to make absolutely sure when people keep coming up and asking what is this program, why we find all of industry and all of labor, all of the Republicans and all the Democrats, having sponsored and supported the bill, all the competitiveness councils and committees of Congress, all in support of the bill, so that if we are suffering a slowdown with peripheral and nongermane amendments to somehow defeat or otherwise delay this particular measure on the basis that we did not want to start another pork program, I will agree with them.

We do not want to start another pork program. This one is no such thing. It has a track record. There have been no projects earmarked, or any of those kinds of things.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Madam President, I want to get back to what I consider to be the main issue raised by S. 4, which is the question of the relationship between the Federal Government and the private sector on matters of research and development spending. I want to call the Senate's attention to a hearing that was held in the Finance Committee this morning and to the testimony of Mary Lowe Good, who is the Under Secretary of Commerce for Technology. It was a very forthright description of the position with the administration, and I think that it does a good job of helping to clarify what the underlying philosophical question is that is now before the Senate.

She was testifying on the issue of the GATT agreement and what has been done to the subsidies code in the GATT agreement. But in the process of her testimony, she talked about science and about technology and about the private sector and about the Government. I want to just read a few portions of that testimony.

Under Secretary Good said:

> The longstanding bipartisan support for technology investments recognizes that Government investment in research and development is essential. New technologies and improvements to promote domestic development often fail to attract sufficient private sector investment. The risk is often high, and the globalization of the economy is putting tremendous pressure on industry to reduce costs.
>
> After several years of cutbacks, major U.S. companies spend less than 22 percent of R&D on long-term projects. In comparison, their current counterparts in Japan expend nearly 50 percent of R&D on longstanding investments, according to estimates by the Council on Competitiveness. And the pressure is mounting. The Industrial Research Institute survey of 253 industry R&D managers found that 41 percent said that they would reduce total R&D in 1994 versus 20 percent the plan increases. Three times as many plan to cut long-term research funding as to raise it.

That is the concern that has been addressed by the administration, and it is a justifiable concern about research and development and about American investment in technology. The troublesome issue is not the question of whether or not it is good to have business investing in research; the question is the extent of the partnership, if any, that exists between the Federal Government and the private sector. And in reading Under Secretary Good's testimony, and in listening to it this morning, it is clear that the intention of the administration is to make up for underinvestment by the private sector by simply infusing funds into preferred industries.

The Under Secretary continues:

> The Clinton administration has reinvigorated the public-private partnership as a key means of achieving technology investments. In most cases, projects are cost shared, often 50 percent from industry and 50 percent from Government, and selection is merit based.

So, in other words, Under Secretary Good is talking about a partnership with respect to a specific industry and project. The industry antes up 50 percent and the Government antes up 50 percent on a cost-sharing basis. And that, in her mind, makes up for the shortfall—or helps make up for the shortfall of U.S. investment in research and development.

She says, as Chairman HOLLINGS pointed out a few minutes ago, that the selection is merit based.

If we are going to get into the business of direct Federal grants for research, it is very important that those grants be merit based, that the selection be merit based, and that they be peer reviewed. And it is true that with respect to at least large parts of this bill, there is the provision for peer review, for merit selection of beneficiaries.

However, as we have learned in our own appropriations process, there is often a lot of slippage between the intention of peer review and the actuality of earmarking. We have promised ourselves in committee reports, and I believe in legislative language, that henceforth we are not going to be involved in earmarking of particularly defense dollars; yet, every time a Defense appropriations bill, particularly a Defense appropriations conference report, hits the floor of the Senate, buried in that legislation is a whole host of earmarked funds for specific colleges and universities.

My point is that a provision for peer review and the actuality of peer review are very often two different things. It is a worthy objective, and it is a very good thing to tell ourselves that we are all for peer review. But, Madam President, does any Senator truly believe that we, as politicians, will be able to restrain ourselves from putting our hands on this fund of $2.8 billion that would be made available in this legislation?

Under Secretary Good continued in her testimony saying:

> We have ensured that Government involvement in industrial research, a mainstay of our public-private partnerships, continues without threat. The Government may be involved either directly with funds, or with personnel, or in-kind resources, in critical investigations aimed at the discovery of new knowledge, with the objective that such knowledge may down the road be useful in developing new products, processes or services, or in bringing about a significant improvement to existing products, processes or services. These kinds of partnerships are industry focused, very free, competitive and have the potential to provide benefits across a number of companies and industries.

Madam President, what businesses are in the business of doing is producing products and making money selling those products. To put money into particular businesses is really not like putting money into basic research. It is not like putting money into universities, for example, for basic research. It is putting money into something that eventually is going to earn a profit. If an industry is in the business of doing something other than earning a profit, it is going to have problems with its stockholders down the road. Probably its board of directors is going to have problems with lawsuits down the road.

So it is not simply a matter of increasing the pool of knowledge in the United States when the Government makes grants to particular businesses. Those businesses are going to attempt to produce products, and on the continuum between basic research, on one hand, and development of products, on the other side of the continuum, clearly the private sector is going to be weighted very heavily toward something that is product oriented.

So I believe that what Under Secretary Good did today is to help us clarify the issue that has been brought to the floor of the Senate by S. 4. And I would also point out what I think is interesting language in the committee report because the committee report speaks of an era of strong international competition and then the committee report says: "DOC"—that is the Department of Commerce—"has a leadership role to play in this new era."

One question that Members of the Senate might want to ask is, do we really believe that the Department of Commerce has a leadership role to play in this new era of strong international competition? Do we have that kind of confidence in the Department of Commerce to play this kind of leadership role of guiding the economy of the future, of directing the course of the economy? That is what the spending of money does. It puts the thumb of Government on the scales of economic decisionmaking.

How do we feel about that? Do we believe that the Department of Commerce is that kind of agency? Do we believe that the Department of Commerce really has a leadership role to play in this new era?

I would suggest that the answer to that question is no, that if the Government is going to be involved in research and development—and it is and it should be—it should do so in a much less directive way with respect to the private sector. It should do so by emphasizing especially basic research, rather than the development of products, and it should do so in a way which is neutral with respect to decisionmaking that is made in the private sector.

I have long advocated the research and development tax credit, and I think if we want to spend $2.8 billion of new money to assist in research and development it would be better to do it in the neutral way of making the R&D tax credit permanent than by directing funds to specific and favored industries.

The R&D credit allows the risk to continue to exist in the private sector. It does not put the Government in the business of being a venture capitalist The R&D tax credit says to business you make the decisions as to what the new technologies are. We in Government do not purport to make those decisions, nor will we set up some kind of commission or board to make the decisions for you. You do that in the private sector.

So that is the way I would suggest that we proceed, that we, in effect, set the $2.8 billion aside for the R&D tax credit, and I am going to in a few minutes offer an amendment that would do just that.

Now, clearly, Madam President, an amendment to the Internal Revenue Code is not in order in this bill. You cannot amend the Internal Revenue Code in a Senate bill. But we can make a decision in the Senate with respect to the best way to do research spending by the Government. We can make a decision in the Senate as to a matter of basic policy.

Clearly, we are going to have tax bills that reach the floor of the Senate. They usually do every year or two. The R&D credit has been on the books since 1981. It has never been permanent. It has always existed more or less year to year, hand to mouth, and people in business say that R&D spending is something that is done over long periods of time. So it would be much more helpful to those who are engaged in research and development to have a permanent R&D credit rather than to have 1 or 2 or 3 year increments added on to each other for the research and development tax credit.

Also, there has been a lot of work that has been done by Members of the Senate on improving the R&D tax credit, work that has been done in concert with representatives of industry, telling us how we can improve the R&D tax credit and make it more useful to industry.

So I would suggest that we redirect the debate, that we make up our minds that this $2.8 billion will not be used for this particular program that is developed in S. 4 but that instead it will be set aside for the next tax bill to use for the R&D tax credit.

Therefore, Madam President, I ask unanimous consent that the pending amendments be set aside so that I might send an amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1482

(Purpose: To make permanent the research and development tax credit)

Mr. DANFORTH. Madam President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri [Mr. DANFORTH] proposes an amendment numbered 1482.

At the appropriate place, insert the following:

Notwithstanding any other provision in this act, the amounts authorized to be appropriated by this act shall not be appropriated, but rather the Committee on Finance of the Senate is directed to consider using the equivalent amount to make permanent the research and development tax credit.

Mr. HOLLINGS. Now, Madam President, in all candor someone ought to be ashamed to put in an amendment of that kind.

The reason I say that, Madam President, is here we have had a bill totally mischaracterized. I just listened a minute ago about the $2.8 billion.

You cannot pork barrel the National Institute of Standards and Technology. That is a research entity over there. If you want to give them more money, fine business. But that is not the pork barrel for these specific projects. They could have been under the extension programs.

When he talks about the extension programs or centers and, some have called them not just manufacturing centers but the Hollings centers, $70 million for fiscal year 1995 in this bill and $100 million for fiscal year1996.

Immediately we begin to see the context in which the distinguished Senator is treating the matter, whereby I am confident he would not have gone along with the bill here year before last and unanimously out of the committee this time for $2.8 billion pork barrel.

There are all of these other things in here with respect to the laboratory, but the $170 million is described as pork barrel as $2.8 billion. The $170 million is described as $2.8 billion pork barrel. Otherwise, he takes the entire program and says, now wait a minute. It all of a sudden strikes the distinguished Senator as a philosophy of putting the thumb on the scales of industry.

Well, since the Senator and I worked closely together, I am very familiar with his particular position with NASA, as well as my own. The distinguished Senator has always supported the NASA program. And from the NASA program has come the spinoff to the aircraft industry where we did indeed put a thumb on the scales of the aircraft industry. Not generally an advanced technology program for all of technology, but he has joined in that thumb on the scales and never worried about industrial policy at that particular time, specifically in support of the KASSEBAUM amendment. That was for the aircraft industry. That was a specific tort provision and thereby a thumb on the scales of the aircraft industry.

Here, just in the last 2 days, he now comes up with an amendment to just take all of the funds, just take all of the funds. That is playing games now, to just say take all of these moneys and put it into the R&D over in the Finance Committee.

We had research and development bills out of the Finance Committee, and we voted on those and we are prepared to vote. But I never heard of a bill that has support on both sides and then to come here with these monkeyshines and just take the bill and forget about the provisions and take all of the moneys and put it over in the Finance Committee, particularly in light of the track record of the distinguished Senator from Missouri.

I am looking at S. 419, a bill before the Congress today. This bill was introduced last year on February 24, 1993, by Mr. DANFORTH, for himself, Mr. ROCKEFELLER, Mr. GORTON, Mr. LIEBERMAN, Mr. BAUCUS, Mr. BOND, Mr. DODD, Mrs. MURRAY, and Mr. RIEGLE. This particular bill is to provide for the enhanced cooperation between the Federal Government and the United States commercial aircraft industry in aeronautical technology research.

Now you know how deeply they feel about the philosophy of industrial policy.

With respect to the philosophy, this bill's principal author says, what I want is to put my thumb on the scales of aircraft research, put my thumb on the scales of aircraft technology. I would cite also Federal assistance to the semiconductor industry consortium, known as Sematech, which has been successful in improving the competitiveness of the U.S. semiconductor industry—that is a thumb on the scales of the semiconductor industry.

Come on. That is begging the question.

The Senator was a leader in this 7 years back in the institution of Sematech and cites it again with pride in this particular bill here for the aircraft industry. We know about the philosophy behind these initiatives. You might apply Mr. Darman's famous duck test. If it walks like a duck, squawks, like a duck, flys like a duck, then it's a duck. Likewise, if the Senator's efforts on behalf of the aircraft industry and Sematech walk, squawk and fly like industrial policy, then they are industrial policy.

And since we have just cited the duck test, lets also allow that what's sauce for the goose is sauce for the gander. If industrial policy is good for semiconductors, if it is good for aircraft, why not also for general research on merit-based, industry selected technologies?

Now, it is just playing games to come forward here, having approved a bill that has been through him as ranking member on the committee on two occasions, unanimous support, Republican and Democrat, and then out of the blue just take all of the money from the bill and put it over to the Finance Committee and hope they direct it after the House, because under the Constitution, you cannot put in a finance-raising measure, tax measure with respect to R&D, but hopefully they will put in the R&D and thereupon the committee would come out and take these moneys and allocate from there.

Now, that is the treatment we are getting on this particular measure.

Now, I am not sure exactly what is going on. We will try to find out.

But anybody with common sense can see that they are not talking about the bill. They are trying to recreate in their minds, because they cannot talk about the provisions in the bill, they are trying to set up a diversion by talking about an alleged philosophy of industrial policy. "Well, wait a minute. We have a new philosophy here of industrial policy and a thumb on the scales of industry." Meanwhile, they are putting their paws all over Sematech in the semiconductor industry, putting their paws all over the aircraft industry. But now, as we contemplate putting a thumb on the scale for advanced technology, wait a minute, we have to discuss philosophy.

I yield to the distinguished Senator.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Madam President, if I may respond.

Madam President, first, let us talk about the aerospace industry.

It is often said, as it was just asserted by Chairman HOLLINGS, that we are busily subsidizing the aerospace industry because we have NASA and because we have a defense budget, and that is said to be a great boon to the aerospace industry.

Well, today at our hearing, we had as a witness, a vice president from Boeing. And because this statement has been made so frequently about how the aerospace industry has been subsidized, I put the question to the vice president from Boeing: Is it correct; is the defense budget, in effect, a subsidy for the commercial aerospace industry? Is NASA a subsidy? And the witness said flatly that the answer to that was no.

He was pressed on that answer, and he said that he could not think of any use that the defense spending or NASA has given to the commercial aerospace industry.

The argument that the aerospace industry has been a beneficiary of the largess of the Federal Government is the argument that has been made by the Europeans in defense of Airbus, and it is a bum rap. It is simply not the case.

Our aerospace industry is not, in fact, on the same footing as Airbus is with the Europeans. The Europeans have conducted an aggressive policy of subsidizing research, development, and production of aerospace.

Now, an agreement was made a couple of years ago between the United States and the European Community with respect to aircraft manufacturing. In that agreement, it was agreed that certain development subsidies would be green-lighted; henceforth, that certain subsidies for development of aircraft would be permissible.

I did not agree with that agreement. I thought that was a bad agreement. I thought that it was the forerunner of the subsidies agreement that has been reached in these GATT negotiations, and it was. I objected to the green-lighting of certain subsidies in aerospace.

As a result of that, I offered two pieces of legislation, introduced two bills. I saw them as being in the alternative. One was to mandate the commencement of a countervailing duty case against Airbus. The second was, if we were not going to do that, then to go to a Sematech type of operation, which we called Aerotech, on the theory that we could not sit by and allow a major industry of the United States to be victimized by unfair trade practices.

I will be the first to say that, if there are unfair trade practices, the United States of America must act. We cannot be chumps. We cannot do nothing. We are going to have to do something.

I would prefer to use the trade laws. I would prefer to use the subsidies code. I would prefer to file a countervailing duty case against Airbus. I have been advocating that for years. I think that is a totally ridiculous subsidy.

But if the position of the United States is to do nothing or little or green light subsidies, if we are now into the world of subsidies, obviously the United States has to be toe to toe with whatever countries in the world are subsidizing their own industries.

If we proceed with this GATT agreement and the result is wide open subsidies for research and development, I will be right there. Well, I will have left the Senate by that time, but I will be at least morally supportive of the position taken by Chairman HOLLINGS. I will say if it is a world of subsidies, and the United States is falling behind, we have to keep up. We have done that with agriculture and we are going to have to do it with other sectors as well. I hope we do not come to that.

I do think it is a basic question of philosophy. I do think it is a basic question of policy. Once you get into the business of competing subsidies, I do not see how you are ever out of the woods. Once you are in the business of competing subsidies, I think there is going to be more and more and more demand for more subsidies.

I would rather see us not get into the game. I would rather see us do, by tax credit, what Chairman HOLLINGS says we should do by direct governmental intervention in specific industries. I would rather be much less directive than S. 4 would have us be. I would rather have us say to the private sector: You make the decisions on research and development. You make the decisions. We are not going to make those decisions for you. And, if you do, then there is a tax credit for R&D.

That is a much different situation than is the case with S. 4.

The PRESIDING OFFICER. The Senator from Arkansas.

THE NATIONAL COMPETITIVENESS ACT: JOBS, PARTNERSHIPS, AND DEFENSE CONVERSION FOR AMERICA

Mr. PRYOR. Madam President, I am going to speak only a very few moments. I do not want to speak about any specific industry such as the aircraft industry. I want to talk about this legislation as a whole because this legislation, I think, is one of the more important pieces of legislation that the Senate has considered in the last 2 or 3 years relating to the preservation and the creation of jobs.

Madam President, I am pleased to announce my strong support for S. 4, the National Competitiveness Act. First and foremost, this bill is about preserving and creating jobs. By helping to strengthen the U.S. industrial base, S. 4 will enable American companies to meet and defeat foreign competition, ensuring more jobs, higher wages, and a better standard of living for all Americans.

Moreover, S. 4 represents a new approach to economic growth and job creation that says something very important about this administration. It is an approach which features Government as a partner of industry instead of an adversary. Scarce Federal dollars will be leveraged through investment in the technology priorities and needs that industry identifies, rather than technologies that Government bureaucrats like.

My colleagues will continue to make these points about what S. 4 will do for jobs and industry partnerships. I want to talk about the importance of S. 4 for another reason, namely the critical contribution that it will make to our Nation's defense conversion strategy.

In 1992, the Senate majority leader, Senator GEORGE MITCHELL of Maine, whom we will regrettably be losing at the end of this year, appointed me the chairman of the Senate Democratic defense reinvestment task force. This was not a job that I originally wanted, nor one that I expected to have a great deal of success with. I can say with pride, though, that the task force has produced substantial results, simply because we worked together as a team.

All of us are familiar with the terrible toll that defense conversion is taking on our country. As the defense budget falls, jobs are disappearing and sales are evaporating. Factory gates are closing on defense dependent firms all around America, and the heroes of the shop floor who helped win the cold war are getting little more than the cold shoulder. Our economy and our workers are hurting, Madam President.

The only long-term solution to this downturn is to stimulate economic growth. Defense dependent companies cannot simply move into a new civilian market overnight and begin serving its customers. Plenty of competition already exists in these markets. Likewise, laid off defense workers who receive retraining cannot take civilian jobs immediately, because these jobs are all currently filled.

Economic growth is the answer, Madam President, and as I have learned, technology is the key driver of growth in our modern industrial economy. Investment in the development of new technologies will lead to new products, new industries, and new jobs. We must also ensure that the latest production technologies which contribute to efficiency and productivity, are deployed to as many of our manufacturers as possible. These are the twin pillars of economic growth in modern industrial economies, and the twin pillars of this bill, technology development, and technology deployment.

S. 4 strengthens and expands the technology development and technology deployment programs in the National Institute of Standards and Technology, or NIST, at the Department of Commerce.

Let me add a personal note. The distinguished Senator from South Carolina, who is managing this legislation at this time, was one of the original creators of NIST in the Department of Commerce. He had the vision, as far back as 1988, of placing this particular program in parts of early bilateral trade agreements. I think it demonstrates the wisdom of the Senator from South Carolina, and his forethought.

Grants from the Advanced Technology Program at NIST can help civilian firms develop new technologies which will contribute to their growth, and it can create diversification opportunities for a defense dependent firm. The manufacturing technology centers and manufacturing outreach centers funded by NIST can help a civilian firm become more productive, and it can help a company in the defense business find new markets and acquire the technology necessary to compete in those markets as defense contracts dry up.

The Democratic defense reinvestment task force recognized the value of the NIST programs, and that's why we recommended increased funding for them in 1992. The Republicans had a defense conversion task force in 1992 also, appointed by the Senate minority leader, Senator DOLE, and chaired by former Senator Rudman of New Hampshire. This Republican task force also noted the importance of the NIST programs and recommended more support for them as well.

Madam President, as a matter of fact I would like to, at this point, ask unanimous consent that these two pages from the report by the Senate Republican task force on adjusting the defense base dated June 25, 1992, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPORT OF THE SENATE REPUBLICAN TASK FORCE ON ADJUSTING THE DEFENSE BASE—JUNE 25, 1992

The information of the Senate Republican Task Force on Adjusting the Defense Base was announced on April 16, 1992, by Senate Republican Leader Robert Dole. Senator Warren Rudman was named as Chairman of the Task Force. Other members appointed to the Task Force were Senator Hank Brown, Senator William Cohen, Senator John Danforth, Senator Pete Domenici, Senator Orrin Hatch, Senator Nancy Kassebaum, Senator Trent Lott, Senator Richard Lugar, Senator John McCain, Senator John Seymour, Senator Ted Stevens, and Senator John Warner.

The Task Force was charged with the responsibility of helping to develop responsible policies to deal with the build down and restructuring of America's defense system in the wake of our nation's Cold War victory and the collapse of the Soviet Union. It focussed on policies to facilitate a productive shifting of our human and technological resources while maintaining a viable defense base.

Fulfilling this mandate and developing responsible and cost-effective policies for adjusting the defense base cuts across the jurisdiction of a number of Senate committees. Accordingly, the Task Force membership includes Senators from the Armed Services, Appropriations, Budget, Commerce, Finance, Foreign Relations, Governmental Affairs, and Labor and Human Resources Committees.

3. R&E tax credit/educational assistance tax deduction

The R&E tax credit provides a tax credit to businesses for their research and experimental expenditures. This tax credit has been critical to maintaining the worldwide lead of American industry in advanced technologies.

The Employer-provided Educational Assistance tax exclusion permits individuals to exclude from their taxable income employer-provided educational assistance for upgrading their skills and training. This deduction could be of particular utility to employees of a defense contractor which needs to retrain its workers as part of an effort to diversify or expand into commercial markets.

Both the tax credit and the exclusion have received repeated temporary extensions to prevent them from expiring. The latest extension of six months expires on June 30, 1992. The Task Force recommends that both of these provisions be made a permanent part of the tax code or, at the very least, be extended for a period of five years to encompass the period of the defense build-down. A permanent or lengthy extension is desirable since it would bring some stability to this area of the tax code and facilitate long-range planning by businesses.

4. NIST programs

The Task Force endorses two programs of the National Institute of Standards and Technology (NIST) as important to the effort to promote technology transfer to allow defense industries to convert to civilian activities. These programs are the Manufacturing Technology Program (MTC) and the Advanced Technology Program (ATP).

During FY 1992, $15 million is available for the MTCs, and the President has requested $17.8 million for FY 1993. MTCs are designed to enhance American manufacturing competitiveness by improving the level of technology used by small and medium sized companies. They serve as regional centers of information for these firms and also assist in workforce training to allow for the adoption of advanced manufacturing technology.

The ATP is funded at a level of $49.9 million in FY 1992, and the President requested $67.9 million for FY 1993. This program provides grants to industry for the development of pre-competitive generic technologies. Current projects include research and development in such areas as data storage, X-ray lithography, lasers, superconductivity, machine tool control, and flat panel display manufacturing.

Mr. PRYOR. Madam President, not only have the Democratic and Republican task forces supported the NIST programs, the entire Congress has responded to these recommendations over the last 2 years by providing approximately $500 million annually for our flagship defense conversion program, the technology reinvestment project or TRP. NIST is one of the main participants in the TRP, and the program has already provided over $300 million to fund manufacturing extension projects.

In fact, an announcement was made just 2 weeks ago that a NIST-style manufacturing extension project would be funded by the TRP in my home State of Arkansas. This particular extension award went to Winrock International, Henderson State University, and several other proposers in the State, to bring advanced technologies and practices to small wood product manufacturers and metal fabrication firms through networks that have been formed in the two industries. The Arkansas Science and Technology Authority, the Arkansas Industrial Development Commission, the University of Arkansas system, and others in Arkansas are also working hard to develop a State Technology Extension Network which is very important to the economic prospects of Arkansas, and which I strongly support.

As you can see, the programs authorized under this bill will help individual firms and industries convert from defense to civilian production, but this bill is also about defense conversion in a larger war, namely conversion of our Federal research and development budget. In 1988, when the United States was investing approximately 66 percent of its R&D budget in defense R&D, Japan and Germany were spending only 4.8 and 12.5 percent of their R&D budgets, respectively, for this purpose.

The Clinton administration has pledged to devote an equal percentage of R&D to both civilian and defense purposes. By strengthening and expanding our key civilian, commercial R&D agency, the National Institute of Standards and Technology at the Department of Commerce, this bill lays the groundwork for such a budget conversion.

The cold war is over, Madam President, and the international economic war is red hot. The Department of Defense cannot serve as our Nation's leading economic development agency, but the Commerce Department can, and it is poised to lead the charge for civilian industries. Today we must be investing more in making our workers and our firms more competitive so that we can prevail in the battle for markets and profits and win the war for higher wages and higher living standards for all Americans. S. 4 is just the ammunition we need for this fight. I urge my colleagues to support it.

Mr. HOLLINGS. I thank the distinguished Senator from Arkansas, particularly for his leadership in the defense conversion committee.

The PRESIDING OFFICER. Under the previous order, the hour of 2 o'clock having arrived, the Senate will now vote on the motion to table——

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Madam President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

So the amendment (No. 1481) was withdrawn.

Mr. COVERDELL. Madam President, I am going to send an amendment to the desk that is a sense-of-the-Senate on the same subject that the Senator from Arkansas and I have been working on this morning, and on which we have reached agreement.

The nature of the amendment is to ask the Postal Service to discontinue the auditing practice I spoke of this morning until there is a response from the General Accounting Office which would be taken under consideration by the Congress.

Mr. HOLLINGS. Madam President, I appreciate that. Let us go with this one vote.

The PRESIDING OFFICER. The Senator can submit that amendment at the appropriate time.

VOTE ON AMENDMENT NO. 1480

The PRESIDING OFFICER (Mrs. BOXER). Under the previous order, the Senate will vote on agreeing to the motion to table the Cochran amendment No. 1480.

The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 35, nays 65, as follows:

[Rollcall Vote No. 50 Leg.]

YEAS—35

Baucus
Biden
Boxer
Bradley
Bryan
Dodd
Feingold
Feinstein
Glenn
Graham
Harkin
Hollings
Jeffords
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moseley-Braun
Moynihan
Murray
Pell
Reid
Riegle
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wofford

NAYS—65

Akaka
Bennett
Bingaman
Bond
Boren
Breaux
Brown
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Danforth
Daschle
DeConcini
Dole
Domenici
Dorgan
Durenberger
Exon
Faircloth
Ford
Gorton
Gramm
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inouye
Johnston
Kassebaum
Kempthorne
Kerrey
Lott
Lugar
Mack
Mathews
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Roth
Sasser
Shelby
Simpson
Smith
Specter
Stevens
Thurmond
Wallop
Warner

So the motion to lay on the table the amendment (No. 1480) was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Mississippi.

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Madam President, I rise to indicate my opposition to this amendment.

Without losing my right to the floor, I am prepared to yield to Senator COVERDELL, who has an amendment that I understand has been agreed upon. I have no objection if he wants to proceed at this time.

Mr. COCHRAN. Madam President, reserving the right to object, what is the pending business before the Senate?

The PRESIDING OFFICER. The amendment by the Senator from Mississippi is the pending question.

Mr. COCHRAN. Madam President, would the regular order be a vote on the amendment if there was no debate on the amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. I ask for the regular order, Madam President.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. METZENBAUM. Madam President, I will proceed. I say to my colleague that, apparently, the Senator from Mississippi has an objection to us proceeding and letting him go ahead.

Mr. COCHRAN. If the distinguished Senator will yield for a response, I have no objection to the Senator from Georgia proceeding to say whatever he wanted to say, or offer whatever he wanted to offer.

The point is that the Senate has just spoken on an amendment, by approving it, by a vote of 65 to 35, against a motion to table. It is this Senator's recollection that usually when the Senate acts on an amendment in that way, the usual procedure is then to adopt the amendment, the Senate having already expressed its will on the amendment. That is the purpose of my suggestion for the regular order.

Mr. METZENBAUM. Madam President, it is my understanding that there was little, if any, debate in connection with that amendment. When I left the floor to go downtown for a meeting that a number of us went to with the President, it was my understanding that the matter had been worked out on a compromise basis. When I returned, I found we were in the vote and that the agreement had not been worked out.

The Senator from Ohio has some very strong feelings about this, as do many other Americans. The Senator from Ohio expects to speak to the subject and may be prepared to offer a second-degree amendment, although I have not as yet decided. I was then informed that the Senator from Georgia wished to offer an amendment that had been agreed upon. If the Senator from Mississippi has an objection to that, then I will proceed.

Mr. COCHRAN. If the Senator will yield further, I have no objection to the Senator from Georgia proceeding. If the Senator from Ohio intends to debate the Cochran amendment further, or offer an amendment to it, I certainly do not object to using his rights to do that. So if the Senator from Ohio wants to yield to the Senator from Georgia, I will not object to that.

Mr. METZENBAUM. As a courtesy to the Senator from Georgia, I will yield to him at this moment, reserving the right to be recognized immediately at the conclusion of his remarks.

The PRESIDING OFFICER. Is there objection?

Hearing none, the Senator from Georgia is recognized.

Mr. COVERDELL. Madam President, I ask unanimous consent to set the amendment by the Senator from Mississippi aside and to set the amendment by the Senator from Missouri aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1483

(Purpose: To express the sense of the Congress that the U.S. Postal Service should cease and desist from conducting audits of private businesses using private express for urgent letters, and for other purposes)

Mr. COVERDELL. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. COVERDELL], for himself, Mr. PRYOR, and Mr. MURKOWSKI, proposes an amendment numbered 1483.

On page 216, add after line 12 the following new 2 title:

TITLE VII—PRIVATE CARRIAGE OF URGENT LETTERS

SEC. 701. PRIVATE CARRIAGE OF URGENT LETTERS.

It is the sense of the Congress that the United States Postal Service, in the administration of chapter 6 of title 39, United States Code, shall suspend its audits by the Postal Inspection Service of private business or individuals who use private express for the private carriage of any letter which such business or individual determines is urgent, until the Congress receives and considers a report by the General Accounting Office regarding the potential financial impact on the Postal Service of permanently suspending enforcement of chapter 6, of title 39, United States Code.

Mr. COVERDELL. Madam President, earlier this morning, I submitted an amendment to this legislation that would have had the effect of prohibiting the U.S. Postal Department from exercising fines and, in my judgment, intimidation to private businesses in our country. I have withdrawn that amendment by unanimous consent and have joined with Senators PRYOR of Arkansas, and MURKOWSKI of Alaska in the framing of the amendment that is now before the Senate, which is a sense of the Senate.

The amendment calls upon the Postal Department to cease and desist from these same audits until such time as there has been a response—requested by the Senator from Arkansas—from the General Accounting Office, and that the Congress has had an opportunity to review and consult about those findings.

I thank the Senator from Arkansas for his assistance in this matter. I feel that American business has been suffering an egregious harm by this process, but I understand that there is much for us to find and consult about on the matter, and I think this is progress.

I believe the Senator from Arkansas would like to make a comment, and I will yield to the Senator from Arkansas.

Mr. PRYOR. Madam President, first, I want to say how much I deeply appreciate the Senator from Georgia deciding now to submit to the Senate a sense-of-the-Senate resolution on this issue. The Senator from Georgia has also been invited to appear before the Senate Committee on Governmental Affairs on the morning of March 24 to make his position known to the Governmental Affairs Committee, which oversees the U.S. Postal Service, as to the impact of his proposal to deal with this issue.

Also, the Senator from Arkansas, as Senator COVERDELL has stated, requested as of 2 days ago the General Accounting Office to do a complete study on the impact of the proposal offered by the Senator from Georgia on the U.S. Postal Service and all of the ramifications of this particular concern as expressed by the Senator from Georgia.

So, therefore, Madam President, I understand from the managers that we may not actually even have to have a rollcall vote on this sense-of-the-Senate resolution, and I would like to ask unanimous consent that I be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Madam President, I ask for the immediate consideration of the amendment, and I wonder if the Senator from South Carolina would let us know of his concern or lack thereof on the amendment.

Mr. HOLLINGS. I thank the distinguished Senator.

I talked with our colleague, the Senator from Arkansas, and the Senator from Georgia, and now that the compromise is worked out we are glad to accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Georgia.

The amendment (No. 1483) was agreed to.

Mr. GLENN. Madam President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 1480

Mr. METZENBAUM. Madam President, I think that the Senate has just voted against tabling the pending amendment without many Members of this body knowing what that amendment was about.

I am frank to say that I had left here thinking and having some understanding that there had been a compromise worked out on the time limits with respect to the implementation of the amendment.

When I came back I found that that was not the case. I also found that it was not possible at that point to speak because we were moving right into the vote.

I do not blame anybody. I do not hold anybody responsible. But the fact is I think this is an abominable amendment. I think this amendment plays into the hands of the large corporate farm owners of this country and indicates a total indifference to the safety and health of the farm workers of this country.

This amendment would actually delay implementation of the EPA's worker protection standard for a year-and-a-half while those farm workers who have no lobby, who have no one speaking for them, would continue to be exposed to the various chemicals that are used on farms throughout this country.

The EPA has been working on this subject for the last 10 years. Now they finally have been able to bring it. Instead of going forward with it, the Farm Bureau mounts a major lobbying effort against it, and we, the Senate, refuse to table the amendment as proposed by the chairman of the committee handling this bill, the Senator from South Carolina.

Let us see what we are talking about. The farm workers of our country are our most vulnerable workers. They have no spokesperson. Nobody really cares about them. Nobody gives a damn about them. They live in poverty, and they have no opportunity, very little, at any rate, to improve their wages or their working conditions.

They desperately need protection from toxic pesticides. That is all the EPA is talking about, providing them with some protection from harmful, hurtful toxic pesticides.

By some estimates, as many as 300,000 workers a year are crippled by exposure to pesticides. But nobody cares. Most of these workers never even get to see a doctor. They are the forgotten workers of this country.

The EPA's worker protection standard, which nobody claims is off the wall, nobody claims it goes too far, would provide critical safety and health protection to farm workers. By a 65-to-35 vote we moved to defeat Senator HOLLINGS' motion to table.

EPA's worker protection standards will provide training, provide for personal protective equipment, ensure that growers will not force workers back into the fields after a spraying of toxic pesticides until it was safe to do so.

Who can argue with that? Why is it so terrible to say we ought not to be sending workers back into the fields after spraying of toxic pesticides until such time as it is safe to do so?

It provides for emergency assistance measures when workers are exposed. Without these protections farm workers will continue to be exposed to toxic pesticides.

What kind of Senators are we? Where is our humanity? Where is our compassion? Is our compassion only with what the Farm Bureau wants and what they do with their political action committee? Or does our compassion have something to do with the safety of the people of this country, the farm workers of this country?

EPA estimates that 80 percent of exposure-related injuries can be prevented. They did not come up with this conclusion last week, last month, or last year. The standard was developed over the past 10 years with EPA acting in close coordination with the Department of Agriculture, the States, and the agriculture community.

But this amendment would delay the critical protections for another year-and-a-half. Why? What is it about it that requires that it be delayed for a year-and-a-half? What kind of people are we that we say no, we do not want the farm worker to be protected for at least another year-and-a-half? I will guarantee you before that year-and-a-half expires they will be back here asking for an additional extension.

A year-and-a-half is not just one growing season. It is two growing seasons.

Make no mistake about it. A delay of a year-and-a-half means only one thing. Thousands and thousands of farm workers will be unnecessarily crippled by exposure to toxic pesticides. That is an intolerable injustice.

I know the Members of this body, and I know that they are compassionate, concerned, and worried about the health of the people of this country.

If we are concerned about the health of the people of the country, then we have to be concerned about the health of the farm workers of this country.

Farm workers have waited 10 years for these protections. They should not have to wait any longer. The administration opposes any further delay in these long-awaited protections. Ten years is enough.

I said before that there are powerful lobbyists pushing to get this amendment through, but I should note that a broad coalition of organizations, most of which do not have any PAC's or anything of the kind, supports the worker protection standard and opposes the Cochran amendment to delay implementation of this standard. Let me tell you some of those groups. The Environmental Justice Working Group, the Farmworker Association of Florida, the Farm Labor Organizing Committee of Ohio, the Farmworker Support Committee of New Jersey, the Friends of the Earth, the General Teamster, Warehousemen, and Helpers Union, Greenpeace, the Lawyers' Committee for Civil Rights Under Law, the National Coalition Against the Misuse of Pesticides, the National Council of Churches, the National Wildlife Federation, the National Resources Defense Council, Physicians for Social Responsibility, Public Citizen, the Religious Action Center for Reformed Judaism, Sierra Club Legal Defense Fund, the United States Catholic Conference, the Wilderness Society, and the AFL-CIO.

In sum, I believe that those organizations that are prepared to stand up for workers rights in this country, for a safe environment, for the protection of the farm workers of this country, beg with you, they implore you, they entreat with you, do not pass this amendment.

I think when it was voted on before many Members of this body did not truly understand the implications of it. My guess is if I know the Senate those who voted one way will continue to vote the same way. I think the Members of this body ought to have an opportunity to vote up or down on the amendment.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Madam President, I will be very brief.

I just rise to support the Senator from Ohio and to thank him for his words.

When the Senator talked about the reason for this Environmental Protection Agency initiative, he pointed out that the standard is expected to provide at least an 80-percent reduction in the up to 20,000 physician-diagnosed pesticide poisonings each year.

I say to Senator METZENBAUM, when we talk about pesticide poisoning, we are talking about men, and women, and children. I have visited with some of those farmworkers, and I have seen what the statistics mean in personal terms.

While I respect all of my colleagues, I hope each and every Senator knows what their vote means in personal terms. It has been said that justice delayed is justice denied. That is exactly what we are talking about here.

The standard is the result of a lengthy process and a carefully worked out agreement. As it is put into effect, if there are some serious problems for farmers and agriculture, we can monitor that and work it out.

I come from an agricultural State. The farmworkers are involved in helping us get food to our table. Their work is important. They should be valued.

I really fear that what has happened here on the floor of the Senate is precisely what the Senator from Ohio has identified, which is to say that there are those who do have economic clout, who do have big organizations, who do have the lobbyists.

Madam President, could I have order?

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order.

Mr. WELLSTONE. Could I just wait, Madam President?

The PRESIDING OFFICER. If the Senator from Minnesota will suspend, we will get order for him.

Mr. WELLSTONE. I would appreciate it.

The PRESIDING OFFICER. The Senator has asked for order so that he can make his remarks.

The Senator from Minnesota.

Mr. WELLSTONE. I thank you, Madam President.

When all of us speak on the floor, we do it because we believe what we are saying is important. All of us believe in the arguments that we make.

The Senator from Ohio has said something important, which is that we ought to remember what this vote means in human terms. We ought to remember what toxic chemicals can do to men, women, and children. We ought to remember the purpose of this carefully worked out agreement. We ought to understand all of this when we talk about environmental justice, because that is what this vote was about, except it was about environmental injustice.

I ask my colleagues to take a second look at this. It should not only be those folks with big bucks and the lobbyists that march on Washington every day who have a voice. It is sad but true—no righteousness is intended—that farmworkers are often put into parentheses. They are put in brackets. They are forgotten.

I would have thought by now in the United States of America the Senate could have allowed the EPA to move forward with a standard which provides some protection for men, women, and children—the same protection, by the way, every Senator would want for her or his children.

So I hope that Senators will reconsider this vote. I thank my colleague from Ohio for what he has done.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, before we vote on the amendment up or down, I would like to put in the RECORD a list of questions that were sent to all State commissioners of agriculture by the U.S. Association of Departments of Agriculture and the response that was received from the State of Ohio, submitted by the Ohio Department of Agriculture.

I ask unanimous consent that the questionnaire and the answers from the State of Ohio be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ISSUES OF NATIONAL IMPORTANCE TO STATES IN THE IMPLEMENTATION OF THE FEDERAL WORKER PROTECTION STANDARDS

Question 1:

The standard prohibits hand labor cultural activities during a restricted entry interval (REI). Any other activity, such as irrigation, that may result in contact with treated surfaces is limited to 1 hour per employee during any 24 hour period. The REI will be from 12 hours to 3 days depending on the toxicity of the pesticide ingredient and average rainfall. Entry during the first 4 hours is limited to applicators and crop advisors wearing all personal protective equipment (PPE).

How will compliance with these limits, especially the irrigation restrictions, impact your farming operation?

Answer. The impact of restricted entry intervals (REI) on crop production is most likely to have the greatest impact on greenhouse growers in Ohio. Especially for irrigation of crops, frequent entry into pesticide treatment areas can be required on sunny days or during warmer months. Less impact will be felt by large growers with automatic watering systems, however, small growers with diverse crops in the same production house can expect difficulty with compliance.

While EPA has proposed to allow some leeway for cut flower growers; roses, carnations etc, this exception would not apply to bedding plant producers who are very numerous in Ohio. Ohio Department of Agriculture (ODA) could take advantage of authority allowed by the WPS to seek exception to limits on hand labor during a REI. Any exception is likely to draw legal challenges from organized labor as is threatened against the exception currently proposed by EPA.

Question 2:

New pesticide product labeling and the standard will require field posting of all applicators of a dermal toxicity category one active ingredient and all applications made in a greenhouse regardless of the toxicity category of active ingredient.

What do you see as the impact of these requirements on your farming operation? How would you estimate the time and money resources required to comply? Do you operate a greenhouse or open field enterprise?

Answer. Field and greenhouse posting will be two separate issues. In Ohio, many fruit and vegetable growers have done field specific posting as required by Ohio law. Greenhouses face many logistic issues with posting especially when diverse crops are grown in the single structure and pesticide applications may be directed to small areas within a larger structure. Required posting for treatment done to a single bench can restrict work in a much larger area of a greenhouse. Especially for those greenhouses that allow retail trade and customer access to production areas, there will occur circumstances when customers may enter areas inaccessible to workers.

Question 3:

The standard requires, in addition to field posting, oral warnings for all dermal toxicity category one active ingredients and all greenhouse fumigants. While the signs must be placed at the edge of the field the oral warnings must include both your employees and those of any contractor, such as a custom applicator or labor contractor, who may walk within ¼ mile of any of your fields that are under an REI.

How do you envision identifying those required to be warned and transmit the warnings to them of their direct employer? Give examples of how you would attempt to comply with this requirement in your farming operation.

Answer. Oral warnings to workers and handlers will be difficult to enforce from the ODA perspective. Past experience with this issue has been that we find a farmer versus a laborer who tell us two different stories. Taking any enforcement action under these circumstances can be very difficult. Additionally, the need for farmers to orally warn outside contractors; vegetable buyers, crop scouts, custom applicators etc. places a significant burden on the grower to know who is on the farm and where these outside persons may be at any time.

Question 4:

The standard requires that written information about each application, including the area treated, the date and time of application, the restricted entry interval, and the product name, registration number and identity of the active ingredient, be posted at a central place where it is accessible to employees. In most cases it must be posted before the beginning of the application.

What significant problems, if any, do you see in your farming operation coordinating the exchange of this information between crop advisors, custom applicators and yourself so that it can be posted by the time required? On average, how many applications are made on your farm during a year? How many separate (non-connected) parcels do you farm? How many applications are canceled at the last minute due to weather conditions or equipment problems?

Answer. Central posting of pesticide application information is a good idea for small growers with small numbers of workers. For larger operations which can spread over large areas, their workers may seldom if ever, report to a central location. In many cases, individual fields may be separate from the central packing facility or administrative site. At the satellite fields most growers do not maintain facilities for information exchange as required by the rule.

Also, for large farm operations where integrated pest management is well established, the farmer may perform hundreds of individual pesticide applications. For example, a different pesticide rate or timing for small blocks of crop or different apple varieties in an orchard. By posting all of these individual pesticide applications, workers can be overwhelmed by the amount of information.

Question 5:

The new standard requires you and your family to comply with labeling requirements for personal protective equipment (PPE) and labeling prohibitions pertaining to REIs.

What situations would require you to enter your field shortly after an application (during a restricted entry interval)? How will the requirements for PPE and the time and activity limitations impact these needs? Will this create any problem situations for you?

Answer. Enforcement of provisions requiring the farmer or immediate family members to wear all protective clothing listed on the pesticide label is comparable to mandatory seat belt laws. Under conditions of heat and high humidity many individuals are going to choose limited pesticide exposure over the use of protective clothing that limits their mobility and may result in heat stress. Merely having required protective equipment in each vehicle on the farm can be a major cost and logistical issue, because the farmer cannot anticipate which vehicle he will be operating when field entry is required.

Question 6:

The standards provides that the farmers is equally responsible for compliance and violations that might be made by another person acting for you in either an employment of contractual relationship, such as a custom applicator.

Do you sometimes use a contractor because you feel they can do a better and safer job? Is the passing of some liability to them a consideration in your decision? If you are equally liable for violations, how would this affect your decision to use a contractor, such as a custom applicator?

Answer. I view this issue as similar for both the custom applicator and the farmer using custom application services. The WPS communication requirements place a significant burden on both parties to communicate before, during and after pesticide applications. The most up to date communication technology, cellular telephone, offers the best opportunity to meet these communication requirements.

Question 7:

The new standard defines crop advisors as pesticide handlers, like mixers/loaders, and applicators. Advisor employees, such as dealers of farm management firms, must meet the same requirements as custom applicators, including PPE, change area, decontamination facilities, emergency eye flushing, monitoring every 2 hours, handler training, and site specific information.

Do you use a crop advisor? What impacts do you see this having on the work of the crop advisor, the advisor's employer, and your farming operation?

Answer. The response to this question is similar to question six. The demands for communication between the farmer and any commercial crop services provider will create many opportunities for failure to exchange required information.

Question 8:

The new standard requires training every 5 years of both pesticide handlers and early entry fieldworkers before they begin work. Other fieldworkers must be trained before they begin their 6th day of work (until October 1995, then before the 16th day). You have equal responsibility with the custom applicator or labor contractor to ensure these employees are trained. The trainer must be a certified applicator or meet other state designated qualifications.

How would you go about ensuring these employees (both your own and contractors') are trained? Would you attempt to train yourself or hire a training firm? If hiring, would you be likely to give any preference to applicants who could demonstrate that they were already trained?

Answer. In our discussion with growers and OSU Extension staff, the point is to keep this process as simple as possible. We recommend state standards for trainers be no more restrictive than those found in the WPS. Considering the limited complexity of training requirements for workers and handlers, it is the belief of those with whom we have discussed this issue, that ODA and OSU Extension identify training materials which are approved for use by agricultural employers.

Train the trainer programs can be incorporated into existing pesticide applicator training programs. Agricultural employers could then utilize training and; video tapes, posters, and other materials available from OSU Extension to provide the required training.

Training verification can be documented by signature acknowledgment by the employee. The use of training verification or identification cards is not recommended.

Mr. COCHRAN. Madam President, let me just say that one of the issues touched on in this questionnaire had to do with whether or not the nursery industry would be covered by this new regulation. According to the response of the Ohio Department of Agriculture, we are not talking about huge landowner operations necessarily when we are talking about these regulations. They apply in many more situations, small nurseries.

Here is one example. I am reading from answer No. 1. "While EPA has proposed to allow some leeway for cutflower growers—roses, carnations, et cetera—this exception would not apply to bedding plant producers who are very numerous in Ohio. Ohio Department of Agriculture could take advantage of authority allowed by the WPS"—that is the Worker Protection Standard—"to seek exception to limits on hand labor during a REI." That is a Restricted Entry Interval, a technical phrase that they are trying to understand as they sort through the regulations. "Any exception is likely to draw legal challenges from organized labor as it threatened against the exception currently proposed by EPA."

Now, I point that out, Madam President, simply to illustrate the fact that there is still a tremendous amount of uncertainty about the impact of these regulations—who might be fined or have sanctions imposed against them, who may be trying in good faith to comply with the regulations.

It is the State departments of agriculture who are going to have the burden of enforcing adherence to the regulations. That is the whole point.

This is offered because the departments of agriculture have been continually trying to get a postponement of the enforcement date, the date when citations will be issued, so that they can have their workers trained, they can have staff people who understand what they are doing out there enforcing the regulations, rather than just guessing in their conversations with farmers and farm workers.

So the whole point of this is not to change the law. The whole point of this is not to change the regulation, but to ensure that there is a period of time within which the enforcers at the State level, agricultural producers, farm worker groups, and all, can be certain what is and is not against the rules and how do you go about protecting farm workers under these regulations. That is the purpose of the amendment.

I hope the Senate will reaffirm their decision on the amendment and vote "aye" when the roll is called.

The PRESIDING OFFICER. Is there further debate?

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, we are back now to where we were at about 10:30 this morning. The distinguished Senator from Mississippi was submitting his amendment. I noted at that time that pesticides and agriculture was not the subject of the bill and was not germane.

I heard, thereupon, that the distinguished Senator from Mississippi was working his staff with the chairman of the Agriculture Committee, Senator LEAHY. Senator LEAHY was busily engaged in the markup of the rewrite of the Department of Agriculture's reorganization, a very important matter.

But, by noontime, Senator LEAHY was on the floor and addressed the subject matter. I understood and I was confident they had worked out a compromise, when the distinguished Senator from Ohio came to the floor and, in reviewing the bill, had some questions and asked that 20 minutes be allowed so that his staff could really go down each item and advise him further. I said, "Fine."

And then, 1 hour and 20 minutes after the 20 minutes given, I said I was ready to move, in frustration really, to try to get a vote to try to move something on this bill, that I would be moving to table. I was prepared to move to table the amendment by 2:30, but, at the request of the distinguished majority leader, he said let us put it at 3 o'clock.

So we then had at least an hour when we got the rollcall ordered and notice given to all Senators. So we knew we had a rollcall on the motion to table. If Senators were not informed, I do not know how to give them more time to be informed.

I happen to agree with the Senator from Ohio. It does not belong on this bill. It needs to be debated otherwise and fully considered and fully heard. Things of that kind are totally extraneous from anything we have in this 140-page measure.

But there is the action of the Senate. We have to have action. We have to start moving on some of these amendments, because you can see the position that we are in once this is disposed of and we go back to the Danforth amendment.

Here we have an amendment that states very simply:

> Notwithstanding any other provision in this act, the amounts authorized to be appropriated by this act shall not be appropriated, but rather the Committee on Finance of the Senate is directed to consider using the equivalent amount to make permanent the research and development tax credit.

Well, quite to the point, we do not need an amendment for the Finance Committee. They can consider this amendment, any amendment, or no amendments. And even after considering it, we know, after passing tax laws, it has to arrive in the House of Representatives.

Working 3 years at least on the bill, having passed it, as was noted by the Senator from Arkansas, back in 1988, having it included in an authorization 2 years ago by President Bush, all with the support of the distinguished Senator from Missouri who is the ranking member on my committee, having been sent 2 years ago unanimously over to the House side and agreed upon in conference, then, with the House and Senate all signing off, including the distinguished Senator from Missouri, then we could not get it up in the closing days so we come back and unanimously pass it out of the Committee of Commerce with the support of the Senator from Missouri—and now he comes and talks about philosophy. Maybe just take all the money.

We have had programs—we have the Bureau of Standards, which is now the National Institute of Standards. That is the major portion of the money. So you would not want to just abolish the Bureau of Standards and consider, over in the Finance Committee, an R&D tax credit with those moneys, which is not necessary for the consideration of the Finance Committee in the first place. It is absolutely ludicrous what they are doing here.

I am trying to fathom just what they have in mind, because we had such strong support. I will be able to address my comments further on the Danforth amendment. But I wanted to note for the RECORD we have been more than deliberate, more than considerate. It has been the Members who just will not come to the floor, will not debate it, will not bring their amendments, and are using every delaying tactic. And then they are going to come around—and I can see them beating on my shoulder tomorrow night: Why do we have to stay here until Friday?

We are going to stay here until Friday. The majority leader announced that last night. Heavy on Friday, and I hope maybe we can get votes on Monday. If there is any way to work it out, this Senator is ready to work it out and keep working this bill, because we know we have a solid bill. The third day on this bill, after unanimously passing it twice, now comes with not an amendment to the bill. But now we are back to pesticides. And when we get through with the pesticides, the next amendment is going to be the R&D tax credit for the Finance Committee. That is all out of whole cloth. But I do appreciate the indulgence of the Senate.

So we can just understand what we are trying to do, if there is an amendment to the bill, name the page and section, and fine; let us amend it or at least consider it. But let us not come with R&D tax credits, not within the purview of our Commerce Committee; pesticides, not within the purview of the Commerce Committee, or this particular measure; not with GATT Treaties; not with postal affairs and all these other things that are coming along.

I do not know where they get the idea just because they have a good bill that has been reconciled with everyone now they want to, like Samson, come and tear the walls down and ruin it all; just get nothing. And then talk about gridlock.

But I am glad to see the Senator from Oklahoma here because they told me he was coming to the floor at 2 o'clock yesterday.

Is there further debate on the bill? Are we ready to vote again?

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. FEINGOLD). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I have been around here a long time. I understand when you lose a vote, tabling 65 to 35, it is pretty hard to defeat it the second time around. You may even lose some of those. But I just feel so strongly, so deeply about this whole question of farm workers.

I do not know farm workers. I am a city boy. I do not know much about farms. I know more about what is happening in the communities of Cleveland, Columbus, Youngstown—some of the other cities of Ohio. I have a relationship with the farm workers of Ohio, some of the farmers of Ohio. I would not be here if I did not have a good relationship with them. After my original remarks, I just got a call from the Ohio Farmers Union saying: We are totally supportive of what your position is on this.

I say to all of you, you all go out and campaign, talk about your concern for the American people, indicate you are here because you want to make America a better place in which to live. I would say, of the 100 Members of this body, myself excluded—they are all sterling men and women. Overwhelmingly churchgoing people, some temple-going people—whatever the religious preference. But in the main, God-fearing people concerned about their fellow human beings on Sunday, or on Saturday, as the case may be.

But this is only Wednesday. And this is the day when push comes to shove, when we really ought to be concerned about our fellow human beings—not what we say in our prayers, but what we do here on the floor of the Senate.

Nobody is talking about imposing some big tax or something. That is not involved in this amendment at all. Nobody is talking about any special provisions that are going to make farmers of this country have an undue burden.

My good friend from Mississippi, a very well-respected Member of this body, says all we are trying to do is get some delay. I confess when I left the Senate before, around the noon hour, I was under the impression there had been some compromise worked out and there was going to be some delay. But not 18 months. I think it was to be 9 months, as I understand it.

I came back and said, "What happened?"

They said, "We are not quite sure, but I guess the Senator from Mississippi and his colleagues rejected that."

Mr. COCHRAN. Mr. President, will the Senator yield on that point just for a response?

Mr. METZENBAUM. Sure. Sure.

Mr. COCHRAN. I think there may be some misinformation about that matter. The understanding was that there would be a moratorium agreed to by the Senate that would last until January 1, 1995, and the Senate would contemporaneously pass a freestanding bill in addition to approving the amendment that would be placed on this bill that would have the same provisions.

This Senator was advised that the Senator from Ohio—and maybe others, but specifically the Senator from Ohio—objected to the passage of the freestanding bill. That was my understanding why the agreement was not reached.

Mr. METZENBAUM. Mr. President, I would like to respond to my colleague. Until you just said that, I never heard it. So, the whole question of a freestanding bill—I was involved yesterday on some issues having to do with a freestanding bill, but not on this subject at all. It was a totally unrelated subject with the Senator from Kansas [Mrs. KASSEBAUM]. There we did agree upon a freestanding bill, to which she was very agreeable. We were agreeable, too. We came to agreement. Whether or not somehow there was a miscommunication, I do not know.

Let me ask the Senator from Mississippi a very elementary question at this moment. Will the Senator from Mississippi agree to reduce the 18-month period to 9 months?

Mr. COCHRAN. Mr. President, I will be happy to respond to the distinguished Senator, if he will yield. We had tentatively reached an agreement to do that so the date would be January 1995, if there could be the passage by the Senate of a freestanding bill that would contain the same provisions. That was the proposal that was made by this Senator for one way to resolve the issue.

We had been led to believe that had the support of Senators on your side, including the Senate Agriculture Committee and others, but that the Senator from Ohio objected to it.

Mr. METZENBAUM. Mr. President, as I have already indicated, I did not object to it because I did not know about it until my colleague just mentioned it. Would the Senator from Mississippi be willing to accept the compromise, 9 months in this bill, and do it right now and pass it and get it behind us? Because a freestanding bill involves the leadership of the Senate, it involves other committees of jurisdiction.

But if we could agree upon a 9-month delay, would that be acceptable to the Senator; either he could offer it or I could offer it, and then agree to the amendment?

Mr. COCHRAN. If the Senator will yield further, Mr. President, I will respond by saying what we want is a delay that sticks and that we know we are going to have, not just one that is attached as an amendment to this bill that may not be accepted by the House.

It may be changed in conference and modified even further. What we need is relief from the April 15 deadline that is almost upon us, a little more than a month away. So we need action, and we need to be assured that this will be something that will delay the enforcement of the regulations.

Mr. METZENBAUM. Neither you nor I have control of all the procedures, both in the Senate and the House. We do have some impact upon this piece of legislation at the moment. As I understand it, your desire is to delay it until, is it January 1, 1995, or is it 9 months?

Mr. COCHRAN. The date in the amendment is October 23, 1995. That was the original provision of the amendment. Just for the Senator's information, we were using the Kassebaum amendment as a model for trying to craft a compromise that could be a fair resolution of the issue.

Mr. METZENBAUM. Mr. President, I am a little confused now when you mention the Kassebaum amendment because the Kassebaum amendment, as you well know, has to do with airplane manufacturers' liability, a totally unrelated subject.

Are you now suggesting that this matter be joined with that issue in a bill? I am not quite clear because I am trying to figure out whether or not we can resolve this issue now. As I understand this bill that is pending, it provides for an 18-month delay in implementation; is that correct?

Mr. COCHRAN. The Senator is correct, Mr. President, if the Senator will yield.

Mr. METZENBAUM. Would you be willing to agree now in this bill—I do not know about a separate bill because that gets beyond my rank—but the question is, would you be willing to agree to a 9-month extension and adopt this amendment?

Mr. COCHRAN. Mr. President, if we were starting over again, and the Senate had not voted by such an overwhelming margin against the motion to table this amendment, I would be willing to discuss what we could do on this bill. But without some assurance that the action we take in agreeing to a compromise on the amendment that, in effect, has been approved by the Senate, which includes a freestanding bill that the Senate will pass, I am unable to make that kind of concession right now.

Mr. METZENBAUM. Mr. President, will the Senator from Mississippi give some indication as to why he thinks that a freestanding bill is going to be that much easier to pass both in the Senate and the House because a freestanding bill, as you know, coming to the floor of the Senate is subject to amendment and open to any kind of amendment, whether it is striker replacement or some measure somebody else might have in mind.

We are now talking about this particular bill and whether or not we cannot wrap this up momentarily, in short order, and let the Senator from South Carolina proceed to the conference committee. My guess is, if that were the result that came about, that we agreed upon a 9-month figure and put it to bed, I do feel strongly it has a much better chance of remaining after the conference committee meets, because I think the Senate would have indicated—I am simply indicating we adopt that by voice vote.

Mr. COCHRAN. Mr. President, if the Senator will yield, I would ask the Senator to consider whether we could agree to a freestanding bill with a 9-month delay of enforcement of the regulations under the following conditions. There would be no amendments to the bill and no motion to table or change the bill in any other way. This amendment would be taken up and passed by the Senate, and it then could proceed to be adopted on a voice vote to this bill, as it has been presented to the Senate. In my view, that would be one way to resolve the issue.

But otherwise, we see no need to change this amendment, which has already been, in effect, approved by the Senate. It does not seem to this Senator that we are in any position now to have to make any concessions to the Senator from Ohio to get the Senate to approve this amendment and on which the yeas and nays have been ordered.

Mr. METZENBAUM. If I may respond to my friend from Mississippi, I do not believe it has been approved. I think the Senate concluded not to table it. I also believe that many Members of the Senate are not aware of the damage and the hurt that this could do to literally thousands of farmworkers in this country.

I think the Senator from Mississippi is also aware of the fact that this amendment is open to a second-degree amendment of any kind whatsoever with no limitations, and the Senator from Ohio makes no bones about it that he is considering offering such an amendment because it is a great vehicle to use.

So I do not think the ball game is really over, even though the Senate refused to table the amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I understand that the Senator from Ohio momentarily will be back in the Chamber. They are negotiating.

Going right to the point, Mr. President, with respect to the Danforth amendment, the distinguished Senator from Missouri has come with this folderol, as best it could be described, about the alleged new philosophy underlying this bill. And he says, by the way, they had a hearing this morning and that he asked the president of Boeing about the matter of subsidies that would be obtained from the Department of Defense. And, of course, the Boeing president, as he allowed, said no, there were not any subsidies for aircraft, commercial aircraft manufacture from the Department of Defense.

Let me first state that the president of Boeing was testifying before the Finance Committee this morning in support, in support, of the so-called subsidy provision of GATT. That should not be misled. And then emphasize that the Senator from Missouri did not have to ask any questions about what the president of Boeing thought or felt about it because he, the Senator from Missouri, knows of the Department of Defense and its subsidy of commercial aircraft manufacturing.

In fact, on his bill, S. 14, of which he is the principal author, as to aeronautical technologies research, development, and commercialization, he cites on page 4 the Department of Defense and says:

> Such government/industry consortium should focus its efforts on research, development and commercialization of new aeronautical technologies and related manufacturing technologies as well as the transfer and conversion of aeronautical technologies developed for national security purposes to commercial applications for large civil aircraft.

I notice the majority leader has come to the floor. I want to yield at this particular point, but I emphasize that there is no new philosophy. I am hearing from colleagues from the other side of the aisle that maybe we can tighten this a little bit. It does not need tightening. The distinguished Senator from Missouri has been talking about $2.8 billion. But the truth of the matter is there is only $70 million in extension centers for 1995, $100 million for 1996, and over a 2-year period $170 million. That is a mere pittance. If they want to tighten it more, it is not $2.8 billion when he says in his amendment to take the moneys under the bill and do not even appropriate them. He abolishes the old Bureau of Standards at $400 million. In there is the old Bureau of Standards and the other departments of commerce, not the grant programs.

So this is a well-conceived, comprehensive approach to the matter of competitiveness and technology. But it is totally not representative of some kind of plum or pork bill and slush fund of $2.8 billion. Then to come now and beg the question. After all, in defense there is no spinoff to the private aircraft industry.

We have in here, and I will quote it further. McDonnell-Douglas just won an award that they bid on from the Department of Defense for the commercialization of technology in the private aircraft industry.

I yield the floor.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I wish to address a matter not related to the legislation.

THE SO-CALLED WHITEWATER MATTER

Mr. MITCHELL. Mr. President, earlier today the distinguished Republican leader made another in a series of speeches on the Senate floor regarding the so-called "Whitewater matter," and I feel constrained to respond.

Mr. President and Members of the Senate, President Clinton has acted to address questions which have arisen about the so-called Whitewater matter. He has taken the necessary steps to assure that there will not be even the appearance of interference in the investigation by anyone in the Whitewater matter.

I was pleased to learn of the President's decision to name Lloyd Cutler as the new White House counsel. Mr. Cutler has brought experience in Government and in the law. He is a man of unquestioned integrity. He will serve the President and the Nation well.

The investigation is a serious matter. It is being conducted by a serious man, a special counsel. Robert Fiske is a man of unquestioned ability as a prosecutor. Mr. Fiske is a lifelong Republican. He was named as special counsel pursuant to a request led by Republican Members of Congress for the appointment of the special counsel. His appointment was applauded by virtually all in this body. The junior Senator from New York, for example, stated: "Bob Fiske is uniquely qualified for this position. He is a man of uncompromising integrity. He will unearth the truth for the American people."

Mr. President and Members of the Senate, there is only one way that Mr. Fiske will not be able to unearth the truth for the American people. And that is if Congress now conducts a separate inquiry which will undermine Mr. Fiske's investigation and make it impossible for him to unearth the very truth which our Republican colleagues have said he will in fact unearth.

We need to allow Mr. Fiske to do his job. When Republican Senators called for the appointment of the special counsel, they said, if a special counsel is appointed, there will be no second-guessing. And, yet, within minutes after Mr. Fiske was appointed as special counsel, the second-guessing began, and it continues to this day with requests for immediate hearings in Congress even in the face of Mr. Fiske's stated opposition to such hearings. In a letter he clearly and eloquently set forth the complications which would follow were those hearings to be held. And yet despite his warning, our Republican colleagues continue to demand that there be congressional hearings, risking fatal damage to the investigation which has begun by the special counsel.

This demand for immediate hearings is clear evidence that the purpose is purely political. This is partisan politics at its worst, the sole purpose being to embarrass the President and to score political points.

Why is that so? President Clinton is moving forward on an important domestic agenda on health care, welfare reform, crime, and campaign finance reform. As a result, our Republican colleagues have been left with no real issues. They now seize upon Whitewater in a blatantly partisan effort to embarrass and weaken the President. I do not think the American people have been fooled, and we cannot allow their partisan effort to cause us to take actions which would undermine the investigation by the special counsel.

Early this week Mr. Fiske wrote the chairman and ranking member of the Senate Banking Committee requesting that, and I quote Mr. Fiske:

> * * *committee not conduct any hearings in the areas covered by the grand jury's ongoing investigation, both in order to avoid compromising that investigation and in order to further the public interest in preserving fairness, thoroughness, and confidentiality of the grand jury process.

Mr. Fiske went on to say, and again I quote:

> We are doing everything possible to conduct and conclude as expeditiously as possible a complete, thorough, and impartial investigation. Inquiry into the underlying events surrounding MGS&L, Whitewater and CMS by a congressional committee would impose a severe risk to the integrity of our investigation.

Mr. President, Congress has an important oversight responsibility. It must be met, and it will be met. But it should be met at a time and under conditions which will not undermine and defeat the special counsel's investigation.

In January of this year, Judge Lawrence Walsh, the independent counsel in the Iran-Contra investigation, stated, and I now quote Judge Walsh:

> I think the views of some of those in the congressional committees that there was a possibility of concurrent activity that the Congress could investigate on television and that the criminal prosecution could also go on was just proved to be wrong, and I think the lesson is very clear, as we spelled out in the report. Congress has control. It's a political decision as to which is more important, but it can't have both. If it wants to proceed with a joint committee or a special committee or have—to compel testimony by granting immunity, it has to realize that the odds are very strong that it's going to kill any resulting criminal prosecution.

In his final report to the court on the Iran-Contra investigation, Judge Walsh wrote, and again I quote:

> Congress should be aware of the fact that future immunity grants, at least in such highly publicized cases, will likely rule out criminal prosecution.

The report continues:

> Congressional action that precludes, or makes it impossible to sustain, a prosecution has more serious consequences than simply one less conviction. There is a significant inequity when more peripheral players are convicted while central figures in a criminal enterprise escape punishment. And perhaps more fundamentally, the failure to punish governmental lawbreakers feeds the perception that public officials are not wholly accountable for their actions.

Mr. President, a serious investigation conducted by a serious man, with full and independent authority, is now underway. We should let that investigation continue and let the chips fall where they may. If there has been any wrongdoing, I am convinced Mr. Fiske will determine that, and there will follow appropriate prosecution and punishment, as there should be. If there has been no wrongdoing, I am confident he will say that in his report to the court.

We should not now be taking any steps which make his task impossible or anymore difficult. We must get on with the issues that the American people care deeply about. We cannot allow the political tactics and the political agenda of some in the minority to obstruct the President's agenda for America: Health care reform, job creation, crime control, welfare reform and, most importantly, continued economic growth.

Mr. President, I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I appreciate the comments made by the distinguished majority leader. I do not wish to engage in controversy with him over this matter, but I would like to have printed in the RECORD comments by the New York Times in their lead editorial this morning.

The New York Times is not known as being substantially supportive of Republican efforts in the past, and they have seen fit to comment on this issue in ways that I think are instructive and are appropriate at this point.

I will submit the entire editorial and ask that it be printed in the RECORD, but if I might, first, I would like to read a few paragraphs from it that I think are appropriate here.

The Times says:

> A potentially destructive battle over how best to investigate the Whitewater affair has erupted between Republicans who are pressing for congressional hearings and the independent counsel, Robert Fiske, who is pursuing a criminal investigation.

That is the subject the majority leader just outlined for us on the floor.

The Times goes on to make the majority leader's case in the first sentence.

It says:

> Mr. Fiske fears that a rogue Congress could foul up his work—which it could if it plunges ahead with abandon.

Then the Times makes a case that I think we must pay attention to:

> But Congress has a clear right to ask questions about Government regulation of the savings and loan mess in Arkansas and, even more urgently, about whether the recently disclosed White House meetings with bank regulators represented an attempt to obstruct justice.

The concluding paragraphs of the editorial summarized the issue very well, from my point of view.

It says:

> Like most prosecutors, Mr. Fiske seeks complete control of the case. But he ignores the fact that similar congressional hearings in the past have produced significant new information that has ended up helping prosecutors to make their case. Indeed, Mr. Leach notes, it was questioning by Senator Alfonse D'Amato of New York at a recent hearing that led to the disclosure of the White House meetings and prompted Mr. Fiske to expand his investigation to include them. So, too, congressional Watergate hearings brought out the existence of crucial White House Tapes.
>
> There should be room for give here by both sides. Mr. Leach and D'Amato should grant Mr. Fiske a headstart, probably measured in weeks.

May I repeat that: The New York Times is suggesting that we give Mr. Fiske a headstart in his investigation, but that it should be measured in weeks.

Then the Times goes on to conclude:

> But Mr. Fiske cannot reasonably expect Congress to put off its hearings indefinitely, especially when the history of such hearings does not support his worst fears.

That is the end of the editorial.

I ask unanimous consent the editorial be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO INVESTIGATE WHITEWATER

A potentially destructive battle over how best to investigate the Whitewater affair has erupted between Republicans who are pressing for Congressional hearings and the independent counsel, Robert Fiske, who is pursuing a criminal investigation.

Mr. Fiske fears that a rogue Congress could foul up his work—which it could if it plunges ahead with abandon. But Congress has a clear right to ask questions about government regulation of the savings and loan mess in Arkansas and, even more urgently, about whether the recently disclosed White House meetings with bank regulators represented an attempt to obstruct justice.

The challenge now is for both sides to figure out a way for Congress to conduct legitimate inquires without impeding a thorough and fair criminal investigation.

The White House and many Democrats complain that Republicans are merely out to embarrass the President and Mrs. Clinton. That is surely true of some—but the public has a right to know whether the White House is abusing its power.

Mr. Fiske concedes that Republicans like Representative Jim Leach are correct to insist on Congress's oversight responsibility. Even so, he fears that any hearings "would pose a severe risk" to his inquiry. That exaggerates the danger, so long as Congress refrains from granting key witnesses immunity—a problem that ultimately doomed Iran-contra prosecutions. The Republicans have already said they would not offer immunity.

Mr. Fiske is on stronger ground when he argues that Congressional hearings could lead to "tailored" testimony from witnesses who might adjust their stories after gaining access to documents or testimony before Congress. That risk, however, can be minimized if Congress agrees to delay its hearings and give Mr. Fiske time to interview the major players, especially those in the White House and the Treasury Department. In any case, the risk is not sufficient to justify asking Congress to abandon its oversight role until the end of an investigation of uncertain length.

Like most prosecutors, Mr. Fiske seeks complete control of the case. But he ignores the fact that similar Congressional hearings in the past have produced significant new information that has ended up helping prosecutors to make their case. Indeed, Mr. Leach notes, it was questioning by Senator Alfonse D'Amato of New York at a recent hearing that led to the disclosure of the White House meetings and prompted Mr. Fiske to expand his investigation to include them. So, too, Congressional Watergate hearings brought out the existence of crucial White House tapes.

There should be room for give here by both sides. Mr. Leach and Mr. D'Amato should grant Mr. Fiske a head start, probably measured in weeks. But Mr. Fiske cannot reasonably expect Congress to put off its hearings indefinitely, especially when the history of such hearings does not support his worst fears.

Mr. BENNETT. Mr. President, I suggest that this is an appropriate counterpoint to the presentation made by the majority leader.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

Mr. NICKLES. Mr. President, I ask unanimous consent to set aside the pending Cochran amendment and also the pending Danforth amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1485

(Purpose: To provide the Congress and executive branch agencies with timely statements of the potential regulatory impacts, including economic and employment impacts, of Federal legislation and regulations upon the private sector and State and local governments)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself, Mr. REID, Mr. MURKOWSKI, Mr. MCCAIN, Mr. BURNS, Mr. HELMS, Mr. BENNETT, Mr. DANFORTH, Mr. DOMENICI, Mr. GRASSLEY, and Mr. BOREN, proposes an amendment numbered 1485.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the subtitle, add the following:

SEC. . ECONOMIC AND EMPLOYMENT IMPACT ACT.

(a) SHORT TITLE.—This section may be cited as the "Economic and Employment Impact Act".

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds that—

(A) compliance with Federal regulations is estimated to cost the private sector and State and local government as much as $850,000,000,000 a year;

(B) excessive Federal regulation and mandates increase the cost of doing business and thus hinder economic growth and employment opportunities;

(C) State and local governments are forced to absorb the cost of unfunded Federal mandates; and

(D) in addition to budget and deficit estimates, Congress and the executive branch decision makers need to be aware of regulatory cost impacts of proposed Federal actions on the private sector and State, local, and tribal governments.

(2) PURPOSES.—The purposes of this section are—

(A) to ensure that the people of United States are fully apprised of the impact of Federal legislative and regulatory activity on economic growth and employment;

(B) to require both the Congress and the executive branch to acknowledge and to take responsibility for the fiscal and economic effects of legislative and regulatory actions and activities.

(C) to provide a means to ensure that congressional and executive branch action are focused on enhancing economic growth and providing increased job opportunities for the people of United States; and

(D) to protect against congressional or executive branch actions which hinder economic growth or eliminate jobs for the people of United States.

(c) ECONOMIC AND EMPLOYMENT IMPACT STATEMENTS FOR LEGISLATION.—

(1) PREPARATION.—The Director of the Congressional Budget Office (referred to as the "Director") shall prepare an economic and employment impact statement, as described in paragraph (2), to accompany each bill or joint resolution reported by any committee (except the Committee on Appropriations) of the House or Representatives or the Senate or considered on the floor of either House.

(2) CONTENTS.—The economic and employment impact statement required by paragraph (1) shall include the following:

(A) An estimate of the numbers of individuals and businesses who would be regulated by the bill or joint resolution and a determination of the groups and classes of such individuals and businesses;

(B) A determination of the economic impact of such regulation on individuals, consumers, and businesses affected.

(C)(i) An estimate of the costs which would be incurred by the private sector in carrying out or complying with such bill or joint resolution in the fiscal year in which it is to become effective, and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate.

(ii) Estimates required by this subparagraph shall include specific data on costs imposed on groups and classes of individuals and businesses, including small business and consumers, and employment impacts on those individuals and businesses.

(D) An estimate of the costs that would be incurred by State and local governments, which shall include—

(i) the estimates required by section 403 of the Congressional Budget Act of 1974; and

(ii) an evaluation of the extent of the costs of the Federal mandates arising from such bill or joint resolution in comparison with funding assistance provided by the Federal Government to address the costs of complying with such mandates.

(3) REPORT NOT AVAILABLE.—If compliance with the requirements of paragraph (1) is impracticable, the Director shall submit a statement setting forth the reasons for noncompliance.

(4) STATEMENT TO ACCOMPANY COMMITTEE REPORTS.—The economic and employment impact statement required by this subsection shall accompany each bill or joint resolution reported or otherwise considered on the floor of either House. Such statement shall be printed in the committee report upon timely submission to the committee. If not timely filed or otherwise unavailable for publication in the committee report, the economic and regulatory statement shall be published in the Congressional Record not less than 2 calendar days prior to any floor consideration of a bill or joint resolution subject to the provisions of this subsection by either House.

(5) COMMITTEE STATEMENTS OPTIONAL.—Nothing in this subsection shall be construed to modify or otherwise affect the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, regarding preparation of an evaluation of regulatory impact.

(d) ECONOMIC AND EMPLOYMENT IMPACT STATEMENT FOR EXECUTIVE BRANCH REGULATIONS.—

(1) PREPARATION.—Each Federal department or executive branch agency shall prepare an economic and employment impact statement, as described in paragraph (2), to accompany regulatory actions.

(2) CONTENTS.—The economic and employment impact statement required by paragraph (1) shall include the following:

(A) An estimate of the numbers of individuals and businesses who would be regulated by the regulatory action and a determination of the groups and classes of such individuals and businesses.

(B) A determination of the economic impact of such regulation on individuals, consumers, and businesses affected.

(C)(i) An estimate of the costs which would be incurred by the private sector in carrying out or complying with such regulatory action in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate;

(ii) The estimate required by this subparagraph shall include specific data on costs on groups and classes of individuals and businesses, including small business and consumers, and employment impacts on those individuals and businesses.

(D) An estimate of the costs that would be incurred by State and local governments, which shall include—

(i) an estimate of cost which would be incurred by State and local governments in carrying out or complying with the regulatory action in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for such estimate;

(ii) a comparison of the estimates of costs described in clause (i), with any available estimates of costs made by any Federal or State agency;

(iii) if the agency determines that the regulatory action is likely to result in annual cost to State and local governments of $200,000,000 or more, or is likely to have exceptional fiscal consequences for a geographic region or a particular level of government, a statement by the agency detailing such results or consequences; and

(iv) an evaluation of the extent of the costs of the Federal mandates arising from the regulatory action in comparison with funding assistance provided by the Federal Government to address the costs of complying with such mandates.

(4) REPORT NOT AVAILABLE.—If compliance with the requirements of paragraph (1) is impracticable, the agency or department shall submit a statement setting forth the reasons for noncompliance.

(5) STATEMENT TO ACCOMPANY FEDERAL REGULATORY ACTIONS.—The economic and employment impact statement with respect to a regulatory action required by this subsection shall be published in the Federal Register together with the publication of such regulatory action. If the regulatory action is not published in the Federal Register, the economic and employment impact statement shall be made available to the public in a timely manner.

(6) DEFINITION OF "REGULATORY ACTION".—For purposes of this subsection, the term "regulatory action" means any substantive action by a Federal agency (required to be or customarily published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, notices of proposed rulemaking, interim final rules, and final rules and regulations.

(e) PROVISION FOR NATIONAL SECURITY EMERGENCY WAIVER.—

(1) CONGRESSIONAL ECONOMIC IMPACT STATEMENTS.—The Congress may waive the requirements of subsection (c) at any time in which a declaration of war is in effect, or in response to a national security emergency at the request of the President.

(2) EXECUTIVE REGULATIONS ECONOMIC IMPACT STATEMENTS.—The President may waive the requirements of subsection (d) at any time in which a declaration of war is in effect, or in response to a national security emergency as determined by the President in consultation with Congress.

(f) EFFECTIVE DATE.—This section shall take effect 30 days after the date of enactment of this Act.

Mr. NICKLES. Mr. President, the amendment I sent to the desk today is on behalf of myself and Senator REID, Senator MCCAIN, Senator MURKOWSKI, Senator BURNS, Senator HELMS, Senator BENNETT, Senator DANFORTH, Senator DOMENICI, Senator GRASSLEY, and Senator BOREN.

Mr. President, this amendment is germane and is about competitiveness. I think when we talk about competitiveness, we must not miss the point and the fact that the Government can do a great deal of harm through overzealous regulation. One way to alleviate this problem is to give policymakers the tools necessary to evaluate the proposed policy on its economic and regulatory impact.

That is why, today, Senator REID and myself are offering the Economic Employment Act as an amendment to Senate bill 4, the National Competitiveness Act.

The economic and employment impact statement was reintroduced at the beginning of Congress as a freestanding legislation and was offered as an amendment to the EPA Cabinet bill last year, and it received 48 votes. We have all been here before, and we know the escalating cost of regulation is a serious problem. The administration has acknowledged that it is a problem. The national performance review estimated private sector compliance costs to be at least $430 billion per year—9 percent of our gross domestic product.

The premier paper on the cost of Federal regulation, entitled the "Cost of Regulation," was prepared for the GSA Regulatory Information Service Center by Thomas Hopkins in August 1992. This analysis estimated that the Federal regulation cost to the private sector and State and local governments was $581 billion, or $5,934 per household, in 1993.

It should be noted that the $5,934 per household is in addition to $11,881 in taxes paid per household, for a total Federal burden of $17,816 per household.

Other economists estimate the private sector and State and local compliance burden to be as high as $860 billion per year. It is time for Congress and the regulators to have better information on the cost of new legislation and regulation, and to be accountable to individuals, consumers, businesses, and State and local governments for those costs.

Modifications to the amendment offered last spring have been made to address some of the concerns that were raised during the debate.

This modified economic and employment impact act would require that bills and joint resolutions reported out of committee, except for the Appropriations Committees, considered by Congress be accompanied by an economic and employment impact statement.

The statements will contain the positive and negative effect on individuals, consumers, businesses, and State and local governments.

Further, it would require that regulatory actions issued by the executive branch agencies also be accompanied by such a statement.

This amendment addresses the concerns raised last year, including the duplication of Congressional Budget Office efforts, the requirement for two analyses, and holding up conference reports.

In addition, we have addressed the concerns about change in the Senate rules by not making any changes to the standing rules of the Senate. This is in contrast, I might tell my colleague from South Carolina, to the legislation we had last year that did have changes to the rules of the Senate which raised a great deal of concern by Senator BYRD and others. We made no changes to the rules of the Senate.

This amendment addresses duplication concerns by shifting the responsibility by providing the estimate from the Government Accounting Office to the Congressional Budget Office, who currently provides similar impact statements on legislation affecting State and local governments as required by section 403 of the Budget Act.

The purpose of this amendment is to give the responsibility of providing the regulatory impact statement to an organization within the legislative branch which has the technical expertise to provide better and more consistent estimates than we have had in the past. Currently, each committee is asked under the rules to provide such estimates. Unfortunately, meaningful impact statements are rarely provided.

This amendment complements the purpose of this bill, which is to promote industrial competitiveness and economic growth in the United States. U.S. businesses' greatest hindrance to growth right now is excessive regulation. The intent of this amendment is to establish a procedure to ensure better and more efficient regulation.

The process this legislation establishes does not pass judgment on a bill or regulation as good or bad but simply provides complete information as Congress and the regulators consider legislation and regulations.

Mr. President, in my opinion, this amendment is good government. Information on cost and benefits of regulation means better and more efficient regulation.

Again, Mr. President, we had similar legislation introduced by Senator REID and me last year. Some complaints were made because we were amending the Senate rules. We do not amend the Senate rules. Last year people made complaints and said: Wait a minute. You are using GAO instead of CBO. This year we are using CBO.

So we have tried to make it simple. We have tried to make it plain. We do not amend the rules. Yet we do say before we consider really significant legislation that could have detrimental impact on the economy, that could have detrimental impact on individuals, that could have detrimental impact on businesses, we should know the costs. We should know how many people's jobs are at risk.

Although there are private estimates we should have CBO which right now CBO does. The Congressional Budget Office does this for any legislation that would impact on State and local governments. We expand that to include individuals and businesses.

Mr. President, I ask unanimous consent to add Senator COATS as a cosponsor as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. I yield the floor.

Mr. HOLLINGS. Let me ask a question.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I just resist further bureaucracy. The Senator says the CBO already does this with respect to States and he can see the result with respect to State and local governments. They are marching on Washington on account of unfunded liabilities. I hope that that will not happen now with the Senator's amendment.

Mr. NICKLES. If the Senator will allow me to yield, the present law under the Budget Act, Section 403 says that economic impact statement should be compiled or made before legislation that affects State and local governments.

I would readily concur with my colleague that has not necessarily prevented us from passing legislation that has adverse impact on State and local governments.

Anyway, we do have in present law under the Budget Act what they should do. This would expand that information service to at least be provided for legislation that would have some impact on individuals and on businesses as well.

Mr. HOLLINGS. Mr. President, as you can see in a flash, this again does not relate to the underlying S. 4 bill with respect to technology.

Now we have pending with set-asides a Danforth amendment relative to Finance Committee tax credits, a Cochran amendment relative to pesticides, and now we have the Nickles amendment on economic impact statements.

The story is told that of the Puerto Rican terrorists who came here some years back. They came in the railroad station and walked straight to the Capitol. The Senate was closest, so they went first to the Senate Chamber. They sat in the gallery, looked down and saw very little activity, and what activity there was was hard to understand. They thereupon went over to the more lively Chamber, the House of Representatives, and shot the place up.

I hope the Americans watching right now do not have a similar reaction here because we have very little activity. What is going on here is totally out of the whole cloth, whether you're talking about an amendment to reduce pesticides regulation, an amendment relative to GATT treaty, or, in a minute, an amendment with respect to Whitewater. And, now, an amendment with respect to bureaucracy and the CBO reports. Next there will be an amendment to take this whole thing to the Finance Committee and ask them why they have not unconstitutionally passed a tax bill which under the Constitution, of course, should originate in the House of Representatives.

Having said that, let me yield to my distinguished colleague from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

THE WHITEWATER INVESTIGATION

Mr. PRYOR. Mr. President, I am very grateful to the Senator from South Carolina yielding to me, and with the indulgence of my friend from Oklahoma I will not address his amendment but I will respond, if I might, to a previous statement on the floor.

I must admit, Mr. President, I did not have the opportunity, because I was running over to the Capitol, to listen to the entirety of the statement. I do think, though, that the statement that I refer to which was given by my very good friend from Utah, the distinguished junior Senator from that State, Senator BENNETT, was talking about the New York Times or made reference to the New York Times editorial of this morning which was entitled "How To Investigate Whitewater."

Mr. President, this editorial has been the subject of some discussion today, not only on the floor of this body, but I think the distinguished minority leader inserted the entirety of this editorial into the CONGRESSIONAL RECORD this morning.

But I would like, if I might, to discuss one or two of the paragraphs that may not have been highlighted as they should have. I would like to quote, Mr. President, as I do at this moment:

> Like most prosecutors, Mr. Fiske seeks complete control of the case. But he ignores the fact that similar congressional hearings in the past have produced significant new information that has ended up helping prosecutors to make their case.

Indeed, Mr. LEACH—or Congressman LEACH—notes, and I quote:

> It was questioning by Senator ALFONSE D'AMATO of New York at a recent hearing that led to the disclosure of the White House meetings and prompted Mr. Fiske to expand his investigation to include them.

Mr. President, that particular paragraph, I think, is presuming a great deal of knowledge.

One, we have no knowledge that Mr. Fiske had no indication that such a meeting had taken place. It was not necessarily involved in the Senate Banking Committee testimony where Mr. Fiske first heard of this so-called meeting in the White House. Mr. Fiske could have known of this meeting weeks ago because the White House has been very, very certain that any and all relevant information are going directly to Mr. Fiske. The President reiterated, restated his resolve, Mr. President, to have the White House, the entirety of the White House staff absolutely hold back nothing, indicating that every bit of information the White House had in its possession was given and going to be given to the special counsel, Mr. Fiske.

Mr. President, also I am not knowledgeable of whether or not the March 7, 1994, letter, addressed to Senator RIEGLE and Senator D'AMATO, as the chairman and ranking member of the Senate Banking Committee has been placed in the RECORD. Momentarily, I will ask that its full contents be placed in the RECORD so that our colleagues might take advantage of reading that particular letter.

Mr. President, this is not a normal letter. This is a letter of extraordinary importance. It is a letter once again dated March 7, just 2 days ago, in which it states in making reference to the possibility of a congressional hearing, and I quote from Mr. Fiske to Mr. RIEGLE and Mr. D'AMATO:

> Inquiry into the underlying events surrounding MGS&L, Whitewater and CMS by a Congressional Committee would pose a severe risk to the integrity of our investigation. Inevitably, any such inquiry would overlap substantially with the grand jury's activities. Among other concerns, the Committee certainly would seek to interview the same witnesses or subjects who are central to the criminal investigation. Such interviews could jeopardize our investigation in several respects, including the dangers of Congressional immunity, the premature disclosures of the contents of documents or of witnesses' testimony to other witnesses on the same subject (creating the risk of tailored testimony) and of premature public disclosure of matters at the core of the criminal investigation.

Another paragraph or two down, Mr. President, at the conclusion of the letter from Mr. Fiske, the independent counsel:

> For these reasons, we request that your committee not conduct any hearings in the areas covered by the grand jury's ongoing investigation, both in order to avoid compromising that investigation and in order to further the public interest in preserving the fairness, thoroughness, and confidentiality of the grand jury process.

Mr. President, I ask unanimous consent that the entirety of Mr. Fiske's letter to Senator RIEGLE and Senator D'AMATO be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF THE INDEPENDENT COUNSEL,
Little Rock, AR, March 7, 1994.

Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, DC.

Hon. ALFONSE M. D'AMATO,
Ranking Minority Member, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, DC.

DEAR SENATORS RIEGLE AND D'AMATO: I am writing this letter to express my strong concern about the impact of any hearings that your Committee might hold into the underlaying events concerning Madison Guaranty Savings and Loan ("MGS&L"), Whitewater and Capital Management Services ("CMS") on the investigation that this Office is conducting into these matters.

As you know, I was appointed to the position of Independent Counsel pursuant to CFR 603.1 on January 31, 1994. Since that date we have obtained an order from Chief Judge Stephen M. Reasoner in the Eastern District of Arkansas authorizing the empaneling of a grand jury which will be devoted exclusively to the Whitewater/MGS&L/CMS investigation. In the meantime, we have been using the regular grand jury for this District. We have a team of eight experienced attorneys, six of whom were current or former prosecutors when they joined the staff. We are working in Little Rock with a team of more than twenty FBI agents and financial analysts who are working full time on this matter. We are doing everything possible to conduct and conclude as expeditiously as possible a complete, thorough and impartial investigation.

Inquiry into the underlaying events surrounding MGS&L, Whitewater and CMS by a Congressional Committee would pose a severe risk to the integrity of our investigation. Inevitably, any such inquiry would overlap substantially with the grand jury's activities. Among other concerns, the Committee certainly would seek to interview the same witnesses or subjects who are central to the criminal investigation. Such interviews could jeopardize our investigation in several respects, including the dangers of Congressional immunity, the premature disclosures of the contents of documents or of witnesses' testimony to other witnesses on the same subject (creating the risk of tailored testimony) and of premature public disclosure of matters at the core of the criminal investigation. This inherent conflict would be greatly magnified by the fact that the Committee would be covering essentially the same ground as the grand jury.

While we recognize the Committee's oversight responsibilities pursuant to Section 501 of PL 101-73 (FIREAA), we have similar concerns with a Congressional investigation into the recently-disclosed meetings between White House and Treasury Department officials—particularly because we believe these hearings will inevitably lead to the disclosure of the contents or RTC referrals and other information relating to the underlying grand jury investigation.

For these reasons, we request that your Committee not conduct any hearings in the areas covered by the grand jury's ongoing investigation, both in order to avoid compromising that investigation and in order to further the public interest in preserving the fairness, thoroughness, and confidentiality of the grand jury process.

I will be glad to meet with you personally to explain our position further if you feel that would be helpful.

Respectfully yours,
ROBERT B. FISKE, Jr.,
Independent Counsel.

Mr. PRYOR. Mr. President, also this morning in the Arkansas Democrat-Gazette, which is our statewide newspaper, Mr. President, among the clips that were sent up today was a disturbing clip that came to our office this morning, because it listed—and I think I will just go ahead and read it. It is short. It says: "GOP drops names in 'invitation' to testify."

House Republicans said Tuesday they want 40 people to testify this month before Congress in connection with the Whitewater Development Corp. controversy.

Questions about Whitewater and Madison Guaranty Savings & Loan Association are expected to be raised by Republicans during a House Banking Committee hearing March 24.

Officially, the meeting will be an oversight hearing focusing on the Resolution Trust Corp. But Whitewater-related questions are expected to dominate the hearing.

Rep. Jim Leach, R-Iowa, has asked House Democrats to formally invite the 40 people to the hearing. Even if Democrats agree with Leach's request, the witnesses might have to appear before the committee only on a voluntary basis, congressional aides said.

Well, here we go, Mr. President. And then they start listing all of the 40 individuals that they want to come to Washington, DC, to appear before the House Banking Committee, which, once again, is a committee to look at the year's activities of the Resolution Trust Corporation—40 people that they want to have attorneys, airplanes, travel, hotels, lawyers, whatever, to come and bask before the TV lights and the press of the world.

Maybe some of these people think they are not involved in Whitewater. Here is one. I do not know how he would be involved. Shelfield Nelson. He has been a Republican candidate for Governor in our State. I do not know what Mr. Nelson has to do with Whitewater necessarily.

He can afford it. He is a multimillionaire, Mr. President. Mr. Nelson can afford all the high-priced lawyers that he wants.

There are other people on this list. I am not going to name all the people.

But, Mr. President, there are a lot of people on this list that cannot afford some of the law firms that are going to get $300 and $400 and $500 an hour to represent these people before the House Banking Committee or whatever committee that we are going to be talking about over the next several weeks and perhaps months.

I might add that Mr. Fiske has a 1-year lease on his apartment in Little Rock, AR. He has signed on the line for a 1-year lease, so he is planning to stay there awhile. He is down there, has a big battery of lawyers, all kinds of staff. They are going to investigate thoroughly the entirety of the Whitewater issue.

He has also signed a lease, or someone has, allegedly, on the office space—I have mentioned this on the floor before—a 3-year lease for this particular office space.

Now that, frankly, sends chills up my spine, because I cannot imagine this inquiry taking 3 years. If it takes 3 years, and if all of the people here who are on this list, these 40 people—and I am sure they are going to add probably 40 more and then 40 more after that and 40 more after that—if all of these individuals have to hire lawyers and retain these lawyers for a year or 2 years or 3 years, the only people—the only people—who are going to be profiting from the Whitewater episode are going to be the lawyers. They are going to be the ones who profit from the Whitewater fiasco, whatever you might call it.

Mr. President, I am going to stand today on the floor of the U.S. Senate and I am going to say that someday I might stand at this particular desk and say, "Mr. President"—or "Madam President," depending on who is sitting there—"I think that we should have a congressional inquiry." I might say that. This Senator from Arkansas might come to the floor and say that.

But, Mr. President, at this time, I think the better part of wisdom and judgment is to abide by the advice of Mr. Robert Fiske, the special independent counsel, to not hold congressional hearings and to allow the special independent counsel to proceed at his own pace, undeterred, without all the confusion of a simultaneous congressional hearing that is going to turn into a Barnum & Bailey Circus.

That is what it is about. It is about politics; it is about politics as we know it.

Mr. President, in my opinion, this Congress would be doing a great disservice if we, at the same moment—at the same moment the special counsel is doing his investigation—try to appoint a special committee or even use one of the existing committees to investigate the Whitewater issue.

I have respect for the special counsel, and my colleagues on the other side of the aisle ought to have respect for this man, because he has not been what we call a Democrat. He has been a Republican most of his life. He has given campaign contributions to our colleagues on the other side of the aisle. And that is fine. But I think that that just goes to show to the degree of how independent this particular special counsel is going to be.

And I quote my friend from New York, Senator D'AMATO. When Mr. Fiske was named—I have done this before; this is the second time—Senator D'AMATO stated:

> Bob Fiske is uniquely qualified for this position. He is a man of uncompromising integrity. He will unearth the truth for the American people.

He went on to say that he is "* * * one is one of the most honorable and most skilled lawyers anywhere."

So Mr. Fiske comes and pleads with the chairman and the ranking member of the committee not to go forward with hearings while he is doing his investigation, and yet there are those today who say we should not heed his advice. I say we should heed his advice.

We are going to make a terrible mistake right now. If we think the public clamor and the public demand to hold a congressional hearing is so strong that we have to give into that public clamor, Mr. President, I think that we are doing a great disservice to our country, to our President, and to the process that we have revered here for so long.

Mr. President, I thank the Chair for recognizing me. I thank my friend from South Carolina for allowing me to speak at this time.

I yield the floor.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise not to respond to Senator PRYOR. Obviously some others will do that, perhaps in due course.

I just wanted to say a few words about the amendment that Senator NICKLES has pending before the Senate. Frankly, I say to my friend Senator HOLLINGS, who is the chief sponsor of this bill, I believe in good faith he speaks of this bill as one that he wants to add to our competitiveness and make us more responsive and capable of being more productive so we can compete in this new world market that everybody speaks of. Frankly, I believe the subject matter of the Nickles amendment belongs on this bill.

I do not know, maybe it could not have been put there because of jurisdictional issues. As the distinguished Senator, Senator HOLLINGS, produced this bill, it might have been difficult to report out of his committee a measure that perhaps belongs partially before the Governmental Affairs Committee or some other. But this country desperately needs to recognize that whether we believe it or not, when we pass laws and regulate our businesses we have a premise that is a secret premise. Whether we believe it or not, it is true. It sort of says: Anything worth doing is worth overdoing. That is where we are when it comes to the regulatory malaise in this country.

We do not even have an idea of what the regulations say or how they are interpreted from some simple little law that we pass talking about safety. By the time it gets to our people, and in particular small business, it is so convoluted and so complex that one of the major reasons that American business, in particular our smaller businesses, are anxious and angry at their Government is because they think these regulations and rules are impractical, for the most part.

Frankly, they do not say that just because they do not want to do them. They say it because they know many of them cost far more than any reasonable person would say they are worth. As I understand the essence of the amendment, at certain intervals when we are ready to put a regulation in place, ready to pass a bill that has an impact in a regulatory manner on the businesses of this country—it does not say you cannot do it, it says: Do a bona fide evaluation of the economic impact of that regulation so somebody can say, is it worth it?

Frankly, I am in the process in my own State of asking a group of business people to regularly talk about regulations as they affect their own brothers and sisters in corporations, that are in business. We call it an Advocacy Group for small business, but its primary function is to talk to each other about inordinate, ridiculous—maybe I should even say sometimes stupid—regulations that have a huge impact. And the businessperson or business entity is saying, to what end? What are they trying to do?

I was hopeful, Senator NICKLES, I would be able to bring a big list of this advocacy group's findings. But they have just started working. It was just one little story in the newspaper and they are all getting called up, these advocates, these five or six. People want to go see them to tell them about something the Government is insisting upon that they think borders upon the absurd.

So I think at some point in time we ought to do something like this. I say for one, having been at this for awhile, I wish we did not have to. I wish there was another way for us to play a more important role in sorting out regulations and interpretations of our laws by regulators and rules imposed by regulators, informally and formally. I wish there is a better way.

Mr. HOLLINGS. Does my colleague think this amendment will clean up this regulatory abuse?

Mr. DOMENICI. It will help some. It will help some.

Mr. HOLLINGS. How? That is what I am wondering about.

Do we have an economic impact statement by CBO on the department of Government, whatever it is, under this bill? For this particular?

How much is it going to cost the Government to give an environmental impact or economic or employment impact statement for every bit of Government activity? I remind my colleague and myself—here we have a problem of unfunded entitlements. We have toyed with that ad nauseam. Now what we have here is health care. So the solution of unfunded entitlements is one grand, magnificent, unfunded entitlement.

Mr. DOMENICI. No doubt.

Mr. HOLLINGS. Here we have too many regulations. I agree with that. Everybody knows it; regulations upon regulations and reports upon reports. We used to meet with the school boards at the appropriations level way back, and the school folks saying look at all these reports that we have to put in and other things. Now I am seeing Government saying, before we move we have to have an economic and employment impact statement?

I remember the largest building in the world, Building No. 1 down in Atlanta, GA, where they built all the aircraft during World War II. It covers 75 acres, which is 3.4 million square feet. It is, under one roof, 78 football fields. They were grinding out, at the end of the war, five B-29's a day.

We found out they broke ground for that building on February 1, 1942, and dedicated it and it was in operation March 1, 1943, in 13 months. They got a little lieutenant colonel in the Corps of Engineers and said go ahead and build the building, and he did. We cannot find him. But we know today it would take anywhere between 5 and 10 years to build the building with all the impact statements and reports and findings and hearings and bureaucracy. That is why I am particularly sensitive to an initiative of this kind. I know the intent is good. I know the Senator from Oklahoma is sincere. He has moved with it. From what I am understanding on this side, there is no one in the Governmental Affairs Committee—their committee, not ours—who wishes to be heard. Perhaps maybe we will accept it. I do not know. Whatever he wishes.

Mr. DOMENICI. Mr. President, I believe I have the floor. I am going to finish one thought and then I will yield. I will not take much time, if Senator NICKLES wants to move or vote—whatever he desires.

We tried a lot of things. Senator HOLLINGS will remember at one point we put in a law that the Supreme Court threw out that said before you initiate a full-blown regulation it has to come up and sit here in each House for 90 days and they have the right to veto it. Remember we had a veto regulation? I wish I remembered the case. It is a historic case. The U.S. Supreme Court said no dice; you cannot do that; separation of powers.

In a sense I am not sure that was the greatest. But we are trying to do something to get rid of this huge, huge abundance that builds up without us knowing about it. My own observation as a Senator, after a number of years here, is that we ought to do something about it in an orderly way by making sure we actually oversight what our laws are doing and what regulations are doing in a more frequent manner in the committees of jurisdiction. We would be amazed at what we would find. Right now we will not do it because we do not want to spend the time and we do not think it is very politically forthcoming to have a hearing on regulations. But we would find so many things, if we had enough time to do that, that would become political issues and that would inure to our benefit. You cannot imagine.

That is why from my standpoint I believe the time has come to have more oversight in the Congress. That is why in the reform of the Congress the one major proposal I offered was to not have to appropriate every year, to not have to budget every year, not to pass any authorization for 1 year. Do them all multiyear so at least you are finished with this process that is redundant now that permits us to say we do not have enough time to do oversight, we do not have enough time to have hearings.

Having said that, the next best thing around is to adopt the Nickles amendment and make sure we do some impact statements on these regulations that have real, real anticompetitive components for American business.

I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wish to thank my friend and colleague, Senator DOMENICI, for his statement. I hope my colleagues listened to many of the points that were so well stated by the Senator from New Mexico, because I will tell my friend from South Carolina that, if you go in and talk to your bankers and if they have any one big problem, it is usually not just taxes, it is usually not interest rates—although it may be sometimes—but it is probably Government regulations.

If you go in and talk to a business person and if they find out some of the legislation that is running through Congress, they say, "Wait a minute, what are you guys doing?" There is legislation—I mentioned to my friend from South Carolina—dealing with rewriting OSHA that, according to one article I read in, I think, the Washington Times, the cost of that will be $62 billion per year on the private sector. I do not know. I am not privy to that report and how accurate it is. But I am sure that the legislation that is being discussed, the OSHA reform legislation, has some very well-meaning points. But if it is going to cost the private sector that much, I would like to know about it before we vote on it. I think it would help us. That is the purpose of our amendment.

I might mention, Mr. President, that there is a large group of organizations and associations that support the Economic and Employment Impact Act that Senator REID and I have been working on now for 2 years.

I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SUPPORTERS OF THE ECONOMIC AND EMPLOYMENT IMPACT ACT

American Bankers Association.
American Farm Bureau Federation.
American Forest Council.
American Forest Resource Alliance.
American Furniture Manufacturers Association.
American Vocational Association.
Associated Builders and Contractors.
Citizens for A Sound Economy.
Computer and Business Equipment Manufacturers Association.
Independent Bankers Association of America.
Independent Petroleum Association of America.
International Association of Drilling Contractors.
National-American Wholesale Grocers' Association.
National Association of Homebuilders
National Association of Manufacturers.
National Association of Regional Councils.
National Association of Wholesaler-Distributors.
National Cattlemen's Association.
National Conference of State Legislatures.
National Federation of Independent Business.
National Forest Products Association.
National League of Cities.
National Ocean Industries Association.
National Rural Water Association.
National Restaurant Association.
National Taxpayers Union.
Petroluem Marketers Association.
U.S. Chamber of Commerce.

Mr. NICKLES. Mr. President, that list includes the American Farm Bureau; American Forest Resource Alliance; American Furniture Manufacturers Association; American Vocational Association; Citizens for a Sound Economy; Independent Bankers Association; National Association of Home Builders; National Association of Manufacturers; National Cattlemen's Association; National League of Cities; National Rural Water Association; National Restaurant Association.

I have some letters from many of these organizations, but when you think about it, we have legislation that is pending, like the National Rural Water Association, like the Safe Drinking Water Act, which again have very noble and good goals, but how much will it cost?

Right now we monitor about 80 substances, and by the year 2000, we are going to monitor 200 substances. How much will that cost? I think this amendment will help that. That is what I am trying to do.

I appreciate my colleague's willingness to accept the amendment. That is fine with me. I urge its adoption.

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to amendment No. 1485.

The amendment (No. 1485) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1480

Mr. HOLLINGS. Mr. President, what is the pending business now? Is it the Cochran amendment?

The PRESIDING OFFICER. The question recurs on the Cochran amendment No. 1480.

Mr. HOLLINGS. The distinguished Senator COCHRAN is here. Maybe he can inform us, or should we put in a quorum call now?

Mr. COCHRAN. Mr. President, if the Senator will yield, I am prepared to go forward with the vote, although the distinguished Senator from Ohio, Mr. METZENBAUM, indicated an interest in discussing the amendment further or possibly offering an amendment to the Cochran amendment.

Mr. HOLLINGS. I will seek his attendance here.

I suggest the absence of a quorum.

Mr. NICKLES. Will the Senator withhold? I wish to thank my friend and colleague from Mississippi for allowing me to set aside his amendment. I also wish to thank the Senator from Missouri for allowing me to set aside his amendment so we could adopt this amendment.

I appreciate their cooperation, as well as the cooperation of my friend and colleague from South Carolina.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, we have heard repeatedly from the distinguished chairman that the Senate has done all these things before; this is old news; where has everybody been? We have been asleep at the switch. This is nothing new; just a continuation of past programs; the same old thing.

I would respectfully call the attention of the Senate to the fact that it is not the same old thing; that this is a new venture into Government spending for the purpose of industrial policy, a quantum leap forward into something entirely new.

He said that the Senate has passed similar legislation. Well, in June 1992, the Senate passed something called S.

1330, the Manufacturing Strategy Act. That authorized $280 million over 3 years. This bill authorizes $2.8 billion over 2 years. There is a significant difference, I would submit, between $280 million spread over 3 years and $2.8 billion spread over 2 years.

Then let us look at some of the specific thrusts forward in spending that are represented in this authorization bill. This bill would authorize $11 million for the Office of the Under Secretary of Commerce for Technology for 1995, and $14 million for 1996; 11 and 14. What did we appropriate for 1994? $6 million; not 11 or 14, but 6. This creates a pilot program for SBA. This is the venture capital initiative. It is a new initiative. It is not something old, it is not something we have approved in the past, voted for in the past. It is something entirely new and different.

The SBA pilot program, the Venture Capital Program, zero dollars in 1994; $50 million for 1995; $50 million for 1996: $100 million in new funds authorized for something new and different, the venture capital fund, to be administered by SBA and Commerce.

Additional activities: Zero, of course, 1994; $14 million, 1995; $19 million, 1996.

National Institute of Standards and Technology, NIST funding: Appropriation for 1994, $520 million. Authorization in this bill, $991 million; for 1996, $1.150 billion. That is roughly doubling the amount of funding for the National Institute of Standards and Technology.

The so-called ATP program: Appropriated for this year, $199 million; authorized for 1995, not $19 million but $475 million, which is, of course, a way station on the way to 1996 in which $575 million would be authorized.

Mr. President, to go from $199 million to $575 million is not more of the same. This is not stuff we voted on before. This is a new development, new initiatives in spending.

The Hollings Centers: $30 million appropriated for 1994; $70 million authorized for 1995; $100 million authorized for 1996—more than a threefold increase for the Hollings Centers.

The NIST Laboratory to Improve Quality: $3 million appropriated for 1994; $10 million authorized for 1995; $10 million for 1996. NIST Facilities: $62 million this year; $110 million authorized for 1995; $112 million for 1996. Wind Energy: Zero this year; $6 million 1995; $3 million 1996. The National Technology Information Service: Zero 1994; $20 million 1995; $120 million 1996. Or the subtotal for the Department of Commerce, $526 million has been appropriated this year. That will go to $1.086 billion, more than doubling in 1995, and up to $1.253 billion in 1996 for the Department of Commerce alone.

Now, how about the entire bill? For 1994, $526 million has been appropriated for these various categories, and that is going from $526 million this year, to $1.370 billion in 1995, and in 1996, we would authorize $1.478 billion.

Now, Mr. President, the Senator from Missouri would submit to the Senate it is simply not correct to suggest that this is just more of the same. This is a basic change in policy, a major increase in the function of the Federal Government with respect to pumping our money into the business sector of the country with respect to research and development, a change from $526 million of appropriations to $1.478 billion in a period of 2 years. It boggles the mind.

This is not more of the same. This is not matter that has been gleefully approved by Members of the Senate year after year. This is something new and different. This is what is accurately pointed out in the committee report where it is the position of the committee that "the Department of Commerce has a leadership role to play in this new era." It is a new era, and the Department of Commerce is to lead the way by this dramatic increase in spending.

Now, I have not chosen to fight this battle primarily on budget grounds. I assume that we do want to help science and technology in this country. Others might want to fight it on the budget ground. I am addressing it on industrial policy grounds. I think if we are going to spend this money, we should not be spending it in this fashion. We should not be creating industrial policy.

But to say that a dramatic shift from $526 million to $1.478 billion is more of the same is just totally wrong. We have never authorized anything like this before.

As I pointed out, the last time the Senate had an authorization bill that was similar to this was 1992, S. 1330, $280 million over 3 years.

So I would suggest this really is a policy switch. This is a major question before us. This is a major change. This is industrial policy, new vistas for the Federal Government, new things for the Federal Government to do.

We have the wisdom somehow in Washington. We know what is good for the country. Just spend the money, dish it out. Find those sectors that are promising. Find those specific businesses that are promising. Put the money in them. If that is not industrial policy, what is industrial policy? That is clearly what industrial policy is. That is what it does.

Government, the all-wise, all-powerful, all-expensive Federal Government has the funds available, borrowed from our children, to put into whatever we in our wisdom see fit to put it into.

Well, I have an amendment which I have offered, and the amendment is very simple. The amendment says if we are going to spend $2.8 billion, let us use it to extend the R&D tax credit, make it permanent, improve it. Take the advice of the business community that says give us a tax credit and then let us make the decisions. Do not have the decisions manipulated from Washington.

That is what my amendment would do. Maybe some Senators would rather say we do not want to spend the money at all. Well, if they feel that way, they can vote for my amendment and then vote against the bill, if that is what they want to do. But what I am saying is if we decide to spend this much money, $1.37 billion in 1995, $1.478 billion in 1996, a grand total of $2.8 billion over 2 years, let us do it in a way that is less manipulative of the private sector. Why do we have to horn in on everything? Why do we presume here in Washington that we have the knowledge, that we always have to create funds? The private sector just cannot get along without us; venture capital money being spent by Uncle Sam. Venture capital means venture. Venture capital means somebody is there who is taking a risk. We do not take risks. We are spending other people's money. There is no risk in Washington, putting money into some promising program. We just put it in. We are not taking a risk, and because we do not take a risk we tend to put money in and never take it out. If things do not go well, we put in more. Why, the sky is the limit around this place.

Venture capitalists say: Well, we are going to make a decision, and if it does not work out, we are going to pull the plug on that decision. We in Washington say we make decisions, and then when the squeaky wheel squeaks a little louder, we will make the decision all over again even more so.

That is the problem with this program. That is the problem with the idea that Uncle Sam knows best. Uncle Sam does not know best. Let us let the country work. Let us let the system work. And the way to do that, if you want to spend money on research and development, is to let the private sector keep the money it spends on research and development because the tax credit will be made available to the private sector.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, it is really difficult to respond civilly to those comments in the light of the Senate Republican Task Force "Report on Adjusting the Defense Base," dated June 25, 1992.

I ask unanimous consent that the section of that report, titled "Retaining our Industrial Base," be printed in its entirety in the RECORD.

Their being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT FROM "REPORT ON ADJUSTING THE DEFENSE BASE"

B. RETAINING OUR INDUSTRIAL BASE

Retaining and improving the competitiveness of the American industrial and manufacturing base must be a critical goal of both public and private policy over the next few years. While many American companies have improved their productivity and competitiveness, in recent years, and while the export of American goods has increased, the importance of manufacturing industries in the economy has continued to decline.

The full range of policies that the U.S. government can adopt to strengthen our manufacturing base is beyond the scope of this Task Force's jurisdiction, and the recommendations listed below are not intended to be all-inclusive. Instead, the Task Force has confined itself to particular domestic policy proposals that will help our industrial base and at the same time be of some assistance to the individuals and companies that have been producing defense products.

1. Small Business Innovation and Research

Small businesses have been the leader in job creation and technology development in this country for many years. To facilitate the role of small businesses in this area, Congress in 1982 enacted legislation requiring that 1.25 percent of the research budgets of the largest federal research agencies be awarded in grants to businesses with fewer than 500 employees. Research projects are initially awarded a Phase I grant of up to $50,000. A project is eligible for a Phase II grant of up to $500,000 following a review of its potential. The SBIR program will end in 1992 if not extended by Congress.

This legislation has proven to be a tremendous success. As of 1990, almost one in four SBIR participants reported successful commercialization of projects six years after receiving Phase II funding. Seventy percent of the participants were businesses with fewer than 30 employees at the time of their Phase I award.

The Task Force recommends reauthorizing the SBIR program and increasing the set-aside from 1.25 percent to 2.5 percent. In addition, consideration should be given to increasing the maximum amount of the Phase I and II awards.

2. Aerospace Programs

The Task Force believes that the important programs of the National Aeronautics and Space Administration (NASA) need to be adequately funded. Four programs, for which President Bush has recommended significantly increases within the non-defense discretionery spending caps, deserve particular mention.

Space Station Freedom stands as one of the most promising examples of a federal program that cultivates dual-use technologies. The Space Station already offers the valuable opportunity for us to discover how and why human beings can live in space over long periods of time. It also has the potential to uncover unknown atmospheric impacts on weather patterns and soil quality, give doctors and technicians new insights into how medicine might cope with deadly diseases, and provide access to lighter and stronger components for manufacturing activity.

NASA's Aeronautics Research and Technology programs provide support for key technologies such as aerodynamics, high speed propulsion materials, and high performance computing. The President recommended a $73 million (13 percent) increase in this program for FY 1993.

The President also recommended a $24 million (16 percent) increase for NASA's Commercial Programs, including increased funding of the 16 Centers for the Commercial Development of Space. Finally, a $18 million (7 percent) increase was proposed for NASA's space technology programs, including increases for communications technology and Earth-to-orbit transportation.

3. R&E Tax Credit/Educational Assistance Tax Deduction

The R&E tax credit provides a tax credit to businesses for their research and experimentation expenditures. This tax credit has been critical to maintaining the worldwide lead of American industry in advanced technologies.

The Employer-provided Educational Assistance tax exclusion permits individuals to exclude from their taxable income employer-provided educational assistance for upgrading their skills and training. This deduction could be of particular utility to employees of a defense contractor which needs to retrain its workers as part of an effort to diversify or expand into commercial markets.

Both the tax credit and the exclusion have received repeated temporary extensions to prevent them from expiring. The latest extension of six months expires on June 30, 1992. The Task Force recommends that both of these provisions be made a permanent part of the tax code or, at the very least, be extended for a period of five years to encompass the period of the defense build-down. A permanent or lengthy extension is desirable since it would bring some stability to this area of the tax code and facilitate long-range planning by businesses.

4. NIST Programs

The Task Force endorses two programs of the National Institute of Standards and Technology (NIST) as important to the effort to promote technology transfer to allow defense industries to convert to civilian activities. These programs are the Manufacturing Technology Program (MTC) and the Advanced Technology Program (ATP).

During FY 1992, $15 million is available for the MTCs, and the President has requested $17.8 million for FY 1993. MTCs are designed to enhance American manufacturing competitiveness by improving the level of technology used by small and medium sized companies. They serve as regional centers of information for these firms and also assist in workforce training to allow for the adoption of advanced manufacturing technology.

The ATP is funded at a level of $49.9 million in FY 1992, and the President requested $67.9 million for FY 1993. This program provides grants to industry for the development of pre-competitive generic technologies. Current projects include research and development in such areas as data storage, X-ray lithography, lasers, superconductivity, machine tool control, and flat panel display manufacturing.

5. Manufacturing Technology Programs

The Task Force supports increased funding for the manufacturing technology (MANTECH) programs in DOD. History has shown that MANTECH programs often return the value of the initial investment many times over through lowered production costs or improved equipment performance. As the new acquisition strategy places greater emphasis on research and development at the expense of production, defense firms can be expected to invest less in technologies to improve their manufacturing process. Over time, this lack of investment could provide a significant barrier to the application of new technologies in weapons programs. Therefore, substantial increases in DOD investment in MANTECH will be necessary over the next five years. Additional funds should be provided above the $138 million requested by DOD for FY 1993. The Task Force believes that, for such an investment to be effective, MANTECH funds should be expended on projects that are selected competitively on the basis of merit.

6. Manufacturing Extension Programs

In section 824 of the FY 1992 Defense Authorization Act, Congress provided authority to the Secretary of Defense to support regional, state, local, and other efforts aimed at providing manufacturing technology services to small businesses. $50 million was authorized, but no funds were appropriated. The Task Force also notes that there are ongoing efforts to create such programs in other federal agencies; for example, $1.3 million was appropriated to the Department of Commerce in FY 1992 for state technology extension programs. The Task Force recommends that any DOD role in this area should be limited to the support role envisioned by section 824 to reduce duplication among programs conducted by state and local governments and federal agencies.

7. Advanced Manufacturing Technology Transfer

The Task Force recommends use of the existing network of DOD maintenance depots (including shipyards) as sites to develop, test, evaluate, validate, and certify advanced manufacturing technologies for direct application to current manufacturing functions at the facility. Existing MANTECH procedures should be used in the identification, selection, and procurement of such technologies, to include emphasis on their dual-use features. The maintenance depots could seek to bring the technologies to the stage where they can be applied to existing manufacturing problems, creating an incentive for private sector investment in relatively risk-free, high-productivity equipment. The depots should observe MANTECH practices in encouraging industrial participation in the transfer of such technology from the laboratory to the factory floor.

8. Manufacturing Education

One of the key limitations to building a competitive manufacturing base has been the lack of education programs emphasizing manufacturing and production process engineering. To date, a few models have been developed by universities working with local manufacturing firms to structure integrated multi-disciplinary programs involving a significant work-experience component.

In order to foster a greater number of such programs, the FY 1992 Defense Authorization Act authorized $25 million to fully fund DOD participation in ten existing or new university programs for manufacturing engineering education. A condition for an award is that at least 50 percent of funding be provided by non-federal participants in the program and that the program have the prospect of being fully funded by non-federal sources within three years. The Task Force supports a continuation of this program as an effective means of significantly increasing the number of well-trained, fully-qualified engineers, managers, and teachers entering and supporting the manufacturing workforce. The benefits will accrue to the defense as well as the commercial industrial base.

9. Environmental Research and Education

The Task Force is aware that a major obstacle in the process of site environmental clean-up is that there are not enough trained professionals in the environmental sciences. The Task Force therefore recommends that legislation be enacted that will establish programs at universities in the United States in the environmental sciences for men and women with prior training in hazardous waste management and radioactive materials through the Departments of Energy and Defense to create a cadre of environmental scientists, technicians, and engineers. This will not only provide additional, needed professionals in this area, but will help provide productive employment for those individuals now working on the U.S. nuclear weapons programs.

Mr. HOLLINGS. Mr. President, it says here:

> The formation of the Senate Republican Task Force on Adjusting the Defense Base was announced on April 15, 1992, by Senate Republican Leader Robert Dole.
>
> Senator Warren Rudman was named as Chairman of the task force. Other Members appointed to the task force were Senator Hank Brown, Senator William Cohen, Senator John Danforth, Senator Pete Domenici, Senator Orrin Hatch, Senator Nancy Kassebaum, Senator Trent Lott, Senator Richard Lugar, Senator John McCain, Senator John Seymour, Senator Ted Stevens, and Senator John Warner.

And amongst other portions of this particular report, it has, on page 24, subsection 4, NIST Programs, and I read:

> The task force endorses two programs of the National Institute of Standards and Technology as important to the effort to promote technology transfer to allow defense industries to convert to civilian activities. These programs are the Manufacturing Technology Program and the Advanced Technology Program.

Mr. President, these are the programs which are the focal point of S. 4. Specifically, we have sort of married up with the rich uncle. They got $40 billion for Defense; this is a modest $1.4 billion. Yet, like Chicken Little, they are hollering that the sky is falling. This is sheer nonsense.

The Department of Defense has $40 billion of the $70 billion, and we have had conversion studies here by both Republicans and Democrats. The distinguished Senator joined in this particular report and said: Get it out of Defense and put it in civilian. Here we are doing it. Here is where we take over one-half of the cost of administering these ongoing programs.

TRP, Arkansas deployment projects; Arkansas Rural Enterprises; Marlton, AZ, TRP employment projects; Maricopa County Community College District; California links in Hawthorne, CA, to extend extensions; Field Agents Institute specific market identify; TRP deployment projects; California Manufacturing Technology Center; IRTA in Santa Monica—on and on; Colorado, the links at Fort Collins to provide national interactive telecasts on competitive manufacturing technologies and techniques; the Mid-America Manufacturing Technology Center at Fort Collins; the National Technology University at Fort Collins; and in Connecticut, the Manufacturing Outreach Center.

Delaware; we have some in Georgia; the TRP deployment projects; Illinois; Iowa, the Manufacturing Outreach Center; the Manufacturing Center there in Kentucky; the TRP deployment projects, Maryland, Massachusetts—going right on down the list: Michigan; we come to Minnesota; Missouri; Kansas City, MO, to provide product development and hard manufacturing assistance to small manufacturers in Missouri, Kansas, and Colorado via an electronically linked network of private industry, university, and Federal laboratory technology providers.

It is absurd to speak of S. 4 as some new departure, some new philosophy. Come on; come on now.

TRP in Missouri, deployment project; Dematech; Intercorp; Missouri Enterprise Business Assistance Center; Rolla, MO; Mamtech; Southern Missouri regional office; one in Rolla, MO—on down the list—Nebraska; New Mexico; New York; Oklahoma; Oregon; Pennsylvania; South Carolina is one, the TRP deployment project of Columbia; Tennessee; Texas; Virginia; Washington; West Virginia; Wisconsin.

These are the defense, already instituted programs of the manufacturing extension partnership, the very partnership that was called for by the distinguished Senator back in June 1992. Come on.

We all have been hearing that. We marry a rich cousin; try to get a little tidbit of Defense's $40 billion. You get $1.4 billion by 1996. You have the figures that were so dramatically enunciated here right this minute. It is $726 million. So 2 years out, you have doubled it, taking over these partnerships to the tune of $1.478 billion. We hope to get seven new manufacturing centers.

This is what has been done by the majority here. That is exactly what has happened. If you carry it forward, the amendment of the Senator from Missouri, where he says just cancel out the money. Here it is.

Have you ever heard of an amendment like this? I have been here for several years now. I never heard of this one. Here's what it says:

> Notwithstanding any other provision in the act, the amounts authorized to be appropriated by this act shall not be appropriated, but rather the Committee on Finance of the Senate is directed to consider using the equivalent amount to make permanent the research and development tax credit.

We do not need an amendment on this bill for the Committee on Finance to consider a research and development tax credit. They can consider the $1.6 billion that they had at one time to take our bill. It only has $170 million over 2 years; $70 million if we have it. That will not get any kind of tax credit going. But it is totally unnecessary and totally unconstitutional.

The distinguished Senator, as a member of the Finance Committee, knows it. I do not know what the game is here. They get up and say, "Well, this is all new; we have a new philosophy," yet he called for it years ago, he voted for it unanimously years ago, he voted for it last year. And then he came to me and said now, at the beginning of the year, "I don't like what happened in December with respect to subsidies on aircraft."

Well, we know what he thinks about subsidies on aircraft because he says right on with it. He has his argument, but he has his bill, S. 419.

Mr. President, this is to provide for enhanced cooperation between the Federal Government and the U.S. commercial aircraft industry and aeronautical technical research, development, and commercialization, and for other purposes.

It says in here including the Department of Defense. Earlier the Senator said, "Well, I was at a meeting this morning, and we had the president of Boeing. And I asked the president of Boeing, 'Did the Department of Defense have anything to do with technology and civilian aircraft?' And he said, 'No.' "

Well, come on. You can keep on saying no. That is absolutely false. He put in a bill that gets it going. Going further, under paragraph 13 on page 4, such Government-industry consortium is what he is trying to form, like Sematech. For the clarification of the Members, he says in section 11, Federal assistance, financial assistance to the semiconductor industry consortium, known as Sematech has been successful in improving the competitiveness of the U.S. semiconductor industry.

I tried to help the textile industry, and he voted against it. He got into the Finance Committee, and I worked with him on semiconductors, because I thought we ought to do that. There is no new philosophy to it. We know the Senator believes in the philosophy for semiconductors.

Reading further, trying to follow the model that the Senator believes in, a philosophy for aircraft, such a Government-industry consortium should focus its efforts on research, development, and commercialization of new aeronautical technologies and related manufacturing technologies as well as the transfer, Mr. President, and conversion of aeronautical technologies developed for national security purposes—transferred to commercial applications for large civil aircraft. He calls it a new one when he writes it in his own bill as of February 24 of last year. That is over a year ago. But now all of a sudden it is a new philosophy. Sooey pig, come for the money, and all that nonsense. Come on.

It goes right on down here. The U.S. commercial aircraft industry, developing an aeronautical technology consortium. He goes further about this Department of Defense that he talks about, and they never used the technology. On page 8, section 4, it says: "The President shall establish an aeronautical technology program which shall"—paragraph 3—"promote to the maximum extent practicable the transfer and conversion to commercial applications of aeronautical technologies developed"—past tense—"for national security purposes." And on and on throughout the bill.

He talks about the $70 million that we recommend. We go from this year at $40 million. We got $40 million. That is 1994. This is where we are. But here in his own backyard, the Advanced Systems Hardware Flash Program was just awarded to McDonnell Douglas in a bid. McDonnell Douglas Aerospace proposes $42.9 million fly-by-night Advanced Systems Hardware Flash Program over 24 months to develop vital components critical to making fly-by-night and power-by-wire technologies viable for commercial and military aircraft.

Now, McDonnell Douglas, the Missouri employer, the largest out there, believes in publicly supported technology development programs, as do 2,800 other applicants on this particular score over there at the Department of Defense.

So here we have a program going that he does not want to double. We have $40 million for all of these particular programs this year on extension, yet here is one little contract under that $40 billion over there in DOD in his backyard for $42.9 million. But now we are on the floor, and he dares to characterize S. 4 as a runaway program and a new venture and new philosophy. It is hard to treat this thing seriously, because we worked with the Senator for 3 years on the thing, and he has been recommending it. There it is recommended in the Republican task force conversion. Everybody knows what we are trying to do. We are trying to get more centers.

It has been announced by the administration that they are hoping to get 100 centers by the end of the century. Japan already has 170 of these centers. We are behind the curve playing catch-up ball. He acts like it is an extravagance when we take over in the management partnership of these defense programs. And then he comes around and talks about a new philosophy. This is new, he says, because we have some more money. I hope we will increase it. This is a pittance. You can compare this to the size of agriculture programs, and the distinguished Chair is familiar with that. They have an Agricultural Export Promotion Program of some $900 million. Sunkist Lemon got a $17.9 million program just to promote the sale of lemons. I tried my best to sustain the Tourism Program in America at $17 million, and the country of Jamaica spends more on tourism promotion than that. Jamaica spends more than we do. But when we compare it to agricultural research, to NASA research, compare it to DOD research, and when we compare to NIH, National Institutes of Health, biomedical research, we come back here and it just helps more business.

Heavens above, he says this is a new philosophy. But he recommended it himself, he himself voted for it.

He says he does not like the GATT treaty. I do not debate the GATT treaty here.

Heavens above, come, come now, let us move on with this program and not just take an amendment when the debate is ready, or completed. I am ready to move, obviously, and quickly to table the Danforth amendment, which is the pending question, because we have set aside the Cochran amendment, a matter to be worked out, as I understand it, from the Senator from Mississippi and the Senator from Ohio. If they can work that out, fine business.

But right now, these maneuvers threaten to just kill the bill. If there is further debate, fine business, but I am prepared to move to table. I do not want to be presumptuous here.

Mr. DANFORTH. Mr. President, just a few brief points. I just do not think that it is correct to say that this is just more of the same and that we voted on all this before, when the 1994 appropriations of $526 million are ballooned into an authorization for $1.370 billion in 1995 and $1.478 billion in 1996.

There is nothing that any Senator has ever done that compels the Senator to feel that he or she must go along with this major advance in these programs. The so-called ATP program, taking it from $199 million to $575 million in a 2-year period of time is not just what we have always been for. Nobody that I know of has ever written a report or been on a commission or anything else that has said, well, let us take the Office of Under Secretary of Commerce and increase that by 133 percent over a 2-year period of time; or create an SBA pilot program venture capital scheme and go from nothing to $50 million a year. We have not been voting for that or approving that. That is new. It is different. It is a change in policies.

Now with respect to Aerotech—I am repeating myself, but again to try to explain the idea. I think it was a mistake for our Government, then the Bush administration, to agree with the European Community to green light or accept certain development subsidies for aircraft. I believe that what has happened with Airbus is outlandish. Airbus should not even be in business. It has never made any money. It is kept alive by subsidies and because it has been kept alive by subsidies, Airbus now has a third of the commercial aircraft manufacturing business in the world.

So my view is that we should press countervailing duty cases under the trade laws against the Airbus subsidies, not permit them to continue to do this. That is my recommendation.

The Bush administration agreed to green light certain subsidies. My response to that was to introduce two bills. My chairman has seen fit to introduce only one of the two into the RECORD, but they were alternative proposals. One proposal, the one that I happened to prefer, was to proceed with the countervailing duty case against Airbus. The second was, if we were not going to do that, we were not going to have a countervailing duty case against Airbus, then if you are not going to enforce the subsidies code, you better join them or you are going to lose your whole industry.

That was the purpose of Aerotech. It was not that the Senator from Missouri had some great delight in launching into new ventures of industrial policy. It was that we have already agreed with an industrial policy performed by the Europeans, and we signed off on it in an agreement; and, if we are going to do that, we better join them or we are going to see the ruin of a major industry in the United States.

I feel the same, as a matter of fact, about Sematech. If other countries are using unfair trade in order to gain advantage over the United States, we have to act. But to respond to what I consider to be unfair trade practices is one thing. To launch out into a new subsidy program is quite another.

Am I concerned by the GATT agreement that has been negotiated? Yes, I am. The reason I am concerned is that I am concerned that Airbus is going to be replicated all over the world in industry after industry. What we have negotiated in the GATT agreement is accepting certain subsidies for research and development.

In research and development, especially significant is the development subsidy. The vice president of Boeing, who testified today, said there is no way that we could green light up to 50 percent of development subsidies in the aircraft industry without having a trade-distorting effect. We are inviting trade-distorting effects all over the world.

(Ms. MOSELEY-BRAUN assumed the chair.)

Mr. DANFORTH. If we are going to do that, then I would say, Madam President, we do not have any option. Then the Senator from South Carolina is absolutely correct. If the trade laws are not going to amount to anything, if they are not going to be enforced, if countervailing duties are not going to be useful anymore, if the rest of the world is going to pick off industry after industry by subsidy and we have tied our hands and said that we can no longer proceed with countervailing duty cases because these subsidies have been green lighted, if that is the state of affairs, then either we are going to lose out one industry after another or we were going to get into the subsidy game big time. That is the problem with this trade agreement.

It may turn out to be the $2.8 billion is a pittance. It may turn out that to keep up with the Joneses, we are going to have to do much more than this. But let us not be the leaders in this enterprise. Let us not be the world leaders in subsidies.

What was said by a memorandum of the Department of Commerce in connection with the trade negotiations is that, if we start green lighting development subsidies, the United States has committed itself to be a leader in subsidies and our Government pressed that change in the subsidies code in the GATT agreement. And if that stands, if the GATT agreement truly says that henceforth 75 percent of research and 50 percent of development subsidies by Government are permissible and that other countries cannot countervail against them and cannot defend themselves against them, then the only way we will be able to defend ourselves is to get into the subsidy business ourselves.

But we are taking the lead here. It was our Government that made the point in Geneva that we should green light subsidies, and it is our Congress that is now proceeding with S. 4 to provide the subsidies in order to get the job done. It is one thing to respond to unfair trade practices and to do the best you can to save your soul. It is quite another thing for the Government of the United States to be the leader in subsidies, to say it in our memoranda that, if we agree to green lighting, we have committed ourselves to be the leader in subsidies and then at the same time to proceed with S. 4, which is a major step forward in Government subsidies for research and development.

I think it is bad policy. I think it is bad policy. I am making a policy argument. I am not making an argument rooting through past statements that Senators have made, personal arguments about what someone did or voted for way back then. I am saying that as a matter of policy this is new and it is consistent with the position we took in the trade talks and it is consistent, absolutely consistent, with the Department of Commerce memorandum, and it is part and parcel of a new relationship between the Federal Government and industry. And it is going to happen worldwide.

I do not want us to do it blindly. I do not want us to do it with everybody saying, oh, well, you know, we have just done it incrementally, we have just done it step by step. We thought, well, S. 4 seemed reasonable. I mean, everybody is for science. That is reasonable. And trade agreements, everybody likes trade agreements. That seems reasonable. And then we wake up some morning and someone said, why did not anybody warn us that subsidies are coming out of our ears? I am here to warn us.

That is what I am trying to do. That is the point of this enterprise.

If we decide that we are going to get into the subsidies business in this big way, let us at least do it as a deliberative act. This is a deliberative body. Let us make it a deliberative act.

Yes, we have debated it. Yes, we decided to do it. Yes, we really want to green light subsidies on an international basis. Yes, we really want research and development spending by Government and industry to be the new order in international trade. Yes, we really want to create venture capital funds for the Government to spend on selected industries that somebody in Government picks out. Yes, we really want to expand the Hollings centers from $30 million to $100 million over 2 years, and on and on and on. Let us do that deliberately, not some passive, "Well, nobody ever talked about it," or "Nobody ever told us."

I just have one final point to make.

The point is continually made, "Why, Japan does it. Japan does it. We have got to keep up with Japan."

Japan subsidizes, yes, and the Europeans subsidize. We are not Japan and we are not Europe. We are just not yet Japan.

This is a different place. We believe that Government and business are not the same. We believe that Government and business are not all wrapped up in each other. We believe that there is a little tension between Government and business. And some of us believe that the economy would be better if Government did not get so entangled in business. Now, we are saying, "Why, Government should get more entangled." Why? Because Japan does it. We are not Japan.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, since the distinguished Senator from West Virginia wants to speak, I ask unanimous consent that we temporarily set aside the Cochran amendment so the Danforth amendment would be the subject.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from West Virginia.

AMENDMENT NO. 1482

Mr. ROCKEFELLER. I thank the Presiding Officer.

It is my general conclusion, having listened to this debate for the last several days, that the Senator from Missouri, in fact, does not like S. 4 and wants to defeat it and is going to more or less talk it to death point by point, section by section.

I note with interest that in 1967, there was a Federal loan guarantee and favorable antitrust review process which encouraged and arranged the marriage between McDonnell Douglas and Douglas Aircraft companies, which then became McDonnell Douglas, and which is a result of action that appeared to be favorable to a very large company in Missouri.

The Senator has talked about GATT. GATT, of course, has absolutely nothing to do with S. 4. We also debated GATT, he and I, this morning in the Finance Committee. That was either a useful debate or it was not, but it has nothing to do with S. 4.

The Senator says that we want to copy Japan. I do not want to copy Japan. We are not like Japan.

What I believe we need to do is a better job than we are doing in creating high-wage, good jobs for the American people, which is what S. 4 is all about. And this is precisely why President Clinton has placed such high priority on the passage of this bill.

It is also my general conclusion that the Senator from Missouri, who is a very dear and close friend of mine, that he really is not open to any sort of arguments on this subject; that his mind is pretty much made up; that no matter how much we debate and talk, it will not make any difference—the debate from that side of the aisle reminds me of pushing the CD into the player and off it takes.

But I think and hope that there are other Senators and their staffs who are listening to this debate. I think this is one of the supremely important debates of this year, rivaling health care, which, for me, is a significant statement. I hope they will listen to this argument, on why S. 4 is important, why this bill is important, why everyone in this body ought to vote for this bill.

We can take its various sections and go at it however we want.

The United States, Madam President, has a very large investment problem. It is not a Japanese problem. It is not a French problem. It is not a Tunisian problem. It is a United States problem, and it has cost us dearly.

As a nation, we have systematically underinvested in areas that contribute to economic growth, job creation, and the standard of living of the people in my State of West Virginia and the rest of America. We systematically underinvest in maintaining our physical infrastructure, in educating our children, in training our workers, and in commercializing our technological discoveries.

S. 4, which is the bill before us—not GATT, but S. 4—is the centerpiece of the President's program on technology and on job creation. It focuses on specific elements of this problem we have had in not investing in our own country.

And that problem is called doing too little in keeping up with the Joneses or anybody else, but, most importantly, in failing to provide enough work for our own people; and doing too little to keep up with critical technologies.

The Department of Defense and the Department of Commerce have agreed on the idea that there are approximately 25 critical technologies, which nobody disputes. If we do not have them, we will not get into the 21st century competing with the rest of the world. And we are talking about laser optics, we are talking about ceramics, we are talking about semiconductors, and all kinds of other essential technologies. The point is there is no disagreement, under the Bush administration or under the Clinton administration, about what are our critical technologies. We have to have them. This bill is, in part, aimed at making sure we do as we approach the 21st century.

So we are doing too little to keep up in critical technologies. And there is nobody I think who will disagree that we are doing too little to keep up in commercializing the dividends of our very, very fine basic research programs. Through these programs, incredible ideals are born, but too often they are not turned into applied research, applied technology, and then become products that put our people to work. The most obvious example of this is what we allowed to happen with VCR's.

And all of these things contribute to the fact that our people, therefore, are not finding the work that they want and should have.

Madam President, technology matters. That is why S. 4 matters, because technology matters. It matters a lot.

Economic study after economic study has shown a strong relationship between technology progress and economic growth and between investment and productivity.

In the 20 years following World War II, the U.S. economy grew at an average annual rate of a little less than 4 percent. According to the 1994 economic report of the President, over 40 percent of economic growth over this period was due to advancement in technology. We discussed that a little bit this morning in the Finance Committee.

In the last 20 years, Madam President, U.S. economic growth has dropped to an annual rate of about 2.3 percent. Wage growth, productivity gains over this period have been anemic compared to previous experience with the gains made by other countries.

The principal reason for this disappointing performance was not the lack of will, not the lack of worker motivation or instinct. It was the result of a dramatic decline in technology progress on the part of our country for which we are responsible.

Now, why is it that we have failed to benefit fully from technology discoveries made in the United States? This is what S. 4, the bill before us, is about.

America is the world leader in discovering new technologies but, as the Presiding Officer knows perfectly well, we have done a very dreadful job in commercializing and adopting these technologies so that they go out to the marketplace providing jobs for our people and exports to other countries.

The main reason for this dismal performance is that we underinvest in technology commercialization, product to market —basic research to applied research, applied research to product, product to market. That is called jobs.

And we underinvest in technology commercialization because intensifying competition has reduced the ability of U.S. firms to capture the full returns from their R&D investments. This is a fact of recent modern industrial life. Technology is expensive to discover but increasingly cheap to disseminate in a competitive global economy.

U.S. industry is slashing, and has been slashing, research and development investment, even though economic and social returns on that investment remain high. This is what S. 4 is about.

Let me cite some examples of this market failure, Madam President, if I might. Economist Edwin Mansfield at the University of Pennsylvania estimates that the U.S. industry has cut research and development by 15 percent since 1986.

This next one fascinates me and scares me. A recent survey by the Industrial Research Institute shows that the number of U.S. firms that plan to cut research and development spending in 1994 is three times greater than those firms that plan to increase research and development spending in their companies in this year of 1994.

IBM has cut its R&D funding from $6 billion to about $5 billion over the last 3 years and has reduced its work force by 125,000 employees, as we all know, since 1987.

Digital Equipment Corp. has announced its plans to reduce research and development spending in 1994 by 25 percent. Digital Equipment Corp., a huge company, I might note.

AT&T Bell Labs, once regarded as the best industrial research lab in the world, has not increased R&D funding in the past 3 years and has reduced its focus on long-term R&D in response to competition. In other words, it is like the emergency room at the hospital. The most important thing, it seems, is the first thing to get cut when you are under pressure. So you cut R&D because you cannot prove that you absolutely have to have it in order to develop new products. It is all very simple to me. If you do not do R&D, you are going to cease to invent things. If you cease to invent things at some time you are going to cease to make things, and when you cease to make things people do not have jobs.

Industry observers believe the Baby Bell's research and development consortium, which is called Bell Corps, may not exist—may not exist in 5 to 10 years, as competition in telecommunication markets increases.

Recent studies by a number of respected groups including the National Academy of Sciences, Office of Technology Assessment, Council on Competitiveness, document the technology investment problem in the United States and urge proactive steps by the Government to deal with this problem.

Madam President, I will never forget—and I do not have it with me so I cannot hold it up but I will have it printed in the RECORD later—a 1992 issue of Fortune magazine, which I think, was entitled "Wither America?" It asked the question essentially of "Where are we going?" It surveyed corporate America about what we have to do in our country to get our act together, because we were clearly falling behind economically back then.

It polled about 100 chief executives. It covered Bill Gates, Felix Rohatyn, the heads of huge companies, and the heads of small companies. It was clearly a representative group of industrialists. And it included President Bush.

Person after person after person made the same point—although it was not uniform because some people, perhaps like the Senator from Missouri, hate Government so much that they do not want anything to do with it even though it could help them. There are those people. We recognize that and accept that. But person after person in this issue of Fortune magazine, which is not exactly the Village Voice, were saying, "We need direction. We want to know where the Government wants to go. We do not want the Government to tell us how to run our businesses. But we need a sense that the Government recognizes we are struggling and that if it is appropriate, they would be there to help us." It was just one after another after another after another, and then they would say very strongly, "But we do not want them running our businesses." But it was a cry for help.

Then you flip back to the first page and there was President Bush. He said, basically, I see my job as President as getting out of the way altogether; business knows what to do and the further I stay away from all of this the better it is for everybody.

One can debate what was happening in 1992. But I think the American people came to the conclusion the American economy was not working, they got tired of foreign policy, they started caring about economic policy. Foreign policy becomes economic policy under President Clinton and S. 4 becomes very important. So I now come to the need for action.

There is a consensus that the United States has a technological investment problem. I hope I have made that clear. And that Government policies and programs should promote, where appropriate, technology investment. National economic performance and job creation will benefit from increasing the level and rate of technology commercialization. The debate on S. 4 centers on what specific policies and programs will promote technology in the most effective, prudent and efficient way.

The opponents, of course, to S. 4, argue for tax incentives. "Put it all in the tax credits." I remember that, I would say to my distinguished senior colleague from the State of South Carolina. I think we had that in 1981, where the rule was:

> Let us have personal tax cuts, let us have corporate tax cuts. What will happen is the corporation will take all that money and put it into new plant and equipment, which will create jobs. And then let us give tax cuts to the American people, particularly rich ones—believe me I know—and what will happen is people will take that money and they will put it in savings accounts so there will be more capital available for industry to expand.

Of course it did not work out that way. We started on a consumer binge the likes of which we had never seen before. Corporations took their tax breaks and took all that money and started buying up other companies and we got into the mergers and acquisition mania and the spiral of the 1980's, downward economically. That was very obvious to the American people and the people of my own State who did a lot of suffering.

So the opponents for S. 4 are for tax incentives, spending cuts, regulatory reform, and they say that is the way we boost the competitiveness of American business. We tried this approach during the previous three administrations. And it got us into trouble big time. We deferred investment. We accelerated consumption. We took on huge debt. We went into recession. Why should we go back to that failed agenda?

President Clinton's economic program is working. The economy is showing improvement. Why should we change the course? Why not accelerate the course?

My friend from Missouri made quite an interesting statement which happened to be entirely false. I refer to when he was talking about the venture capital part of this bill which I have worked on for the last 1½ years with LARRY PRESSLER and CONRAD BURNS, who are very supportive of this proposal. And the Senator said—I wrote his words down when he said it—that "the Government will make the decisions with this venture capital money." Wrong.

Yes, the Government will put in $50 million and private corporations will put in $50 million or put in whatever they want to invest. But it will be the private sector and the private sector alone that will make all the venture capital decisions. The Government will not make any of those decisions. That is clearly written in the bill. And to mislead our Members who are listening upstairs, or their staff members, in such a way is wrong; false; and unhelpful.

The President considers technology the engine of economic growth. So do I. That does not make either he or I particularly brilliant. It just happens to be true. It is true. His technology program which S. 4 embodies—that is what we are here for—calls for Government to work with industry where appropriate to develop and commercialize the technologies of the future, technologies that will contribute to economic growth. The simple point is job creation and higher standards of living for all Americans.

The role of Government in this program is as a partner with industry where appropriate, as those executives called for in Fortune magazine—or a majority of them did. The idea is to promote commercialization of tomorrow's technologies that industry by itself cannot or will not be able to develop. The need is shown by the trends I just cited about the private sector pulling back on research and development.

The President's economic policy is to compete, not retreat. S. 4 is a vital part of that policy, and that is why S. 4 and this debate are so enormously important to our people and our future.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Madam President, I thank my chairman of the Technology Subcommittee who has guided this measure through over the past 3 years and is totally familiar with it. The distinguished Senator has been working on the health programs and several other things. He has been spread somewhat. I understand that. I understand his outstanding work on the Finance Committee. We are really lucky to have his leadership with us on the Committee of Commerce.

I have been able, since the distinguished Senator from Missouri came, to go to the record, and the reason we go to the record is the best way to prove that it is not new; that we have taken the distinguished Senator's own recommendation. He now says this is a new philosophy. How can it be new when his task force, after quite a study over months and months, reported in June 1992, almost 2 years ago, that:

> The task force endorses two programs of the National Institute of Standards and Technology, NIST, as important to the effort to promote technology transfer to allow defense industries to convert to civilian activities. These programs are the Manufacturing Technology Program and the Advance Technology Program.

So he recommended it almost 2 years ago, and then he comes to the money. "Ballooned" is the word. The only thing that has ballooned is his mistakes, and he will have to agree because I am going to give him his figures. It is in the report, right here, and the report was almost a year ago, June 1993. On page 20, you will see for the year 1995, the Senator supported an appropriation there for these amounts in the bill of $1.513 billion in 1 year.

That $1.513 billion was reduced. I knew it. The OMB had cut me back because we had to get with the modification that OMB approved. When we sent it back to OMB, they actually cut it. They said we are cutting back on all programs.

So while the distinguished Senator supported $1.513 billion, that is actually $143 million above what we have now for 1995 in this particular bill. If we voted it right in the next 10 minutes, it would be $143 million below the 1995 level and $35 million below 1996.

We never recommended for either of those years. The bill we had at that time was for 1994-95. So the relative figure, the one that we can compare is the one he supported for the one year, 1995, for the ensuing fiscal year, that is $1.513 billion. How do you balloon that when you come now and put in the modification for 1995 at $1.370 billion, or specifically when you have reduced it a couple hundred million?

Let us go to the ones he was talking about, the Hollings centers or extension centers. He approved then under that 1.5, he approved $220 million. A moment ago he said, "Seventy plus 100, it's ballooned to 170," when the Senator himself—that is 2 years, 70 for 1995, 100 for 1996. He himself voted for 1995 $220 million. Ballooning. There is a retraction. There is a reduction. There is no ballooning. We put this plan on a diet, and we cut it back. I do not like it. To tell you the truth, I wish we could have gotten the amounts we approved unanimously in the Committee of Commerce June a year ago, all Republicans and all Democrats.

And there that is, 1.5, but he is out here on the floor. When you talk about his own idea and philosophy, you show what his philosophy was. When he talks about the figures, he says "ballooned," and we got less than what he voted for, substantially less.

For 1995, this next year, we have in this bill $1.370 billion, which is a $143 million cut from what the Senator supported back in June when the bill was reported. There is the bill; there is the committee report. Those are the facts.

Now we are really getting jockeyed around here, as the saying goes, because we have an amendment and the amendment calls for an unconstitutional initiative. Being an expert member of the Committee on Finance, he knows that you cannot introduce a research and development tax credit in the Finance Committee. You have to wait on the House.

But it is totally unnecessary. We do not need an amendment on this bill for the Finance Committee to consider one. They can consider one, they can consider the amounts in this bill, the amounts in everybody's bill, the amounts in no bill. It is their total discretion.

That is a rather facetious amendment at best, and I am prepared, if we want to set a time—I discussed moving to table—if I do move, we might set a specific time, let us say at 7:10, so there would be notification. Excuse me, if one of the Senators wants to talk, we will make it a later time. I yield the floor at this time.

Mr. DANFORTH. If the chairman would like to set a time for a vote, that would certainly be very satisfactory to this Senator.

Mr. HOLLINGS. What is the disposition of the distinguished Senator from Pennsylvania? He is on the floor, and I do not want to cut him off if he wants to talk on the bill.

Mr. SPECTER. I thank my colleague from South Carolina. I would seek recognition for a few minutes, perhaps up to 10 minutes to speak on the amendment.

Mr. HOLLINGS. Very good. Would it be all right then we can agree to a time to vote at 7:10?

Mr. SPECTER. Madam President, that is agreeable to me.

Mr. HOLLINGS. Excuse me, we will yield to the Senator to have the floor in his own right.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, I support the amendment made by the Senator from Missouri. It is an unusual amendment in that it seeks to stop appropriations and then calls for the Committee on Finance to consider using equivalent amounts of money to make permanent the research and development tax credit.

The essence of what the Senator from Missouri seeks to accomplish is to have the private sector make the determination as to what research and development there will be as opposed to having the Government make that determination. The Senator from Missouri seeks to have the private sector make that decision by holding out the inducement of a tax credit.

The Senator from Missouri has been a very distinguished advocate of the market as opposed to a governmental direction of the economy. I think that is a sound principle.

I note from the provisions of the report that there would be established under title XII a program to foster the development of advanced manufacturing technologies, and title III establishes a program for the support of large-scale research and development consortium.

The other provisions of the bill, without going into them in detail at the present time, provide for a governmental determination as to where this research and development would be directed, and the Senator from Missouri seeks to have it done in the private sector, which I think is a preferable approach.

The face of the amendment is curious, to say the least, in that it says, "Notwithstanding any other provision in this act, the amounts authorized to be appropriated by this act shall not be appropriated but, rather, the Committee on Finance of the Senate is directed to consider using the equivalent amount to make permanent the research and development tax credit."

This amendment does not negate the authorization of the bill but says only that the amounts authorized to be appropriated shall not be appropriated. There is nothing in this bill which contains an appropriation. That is to be done at a separate time by the Appropriations Committee. And the procedure is that wherever there is an authorization it is still a matter of discretion for the Appropriations Committee to make the appropriation or not as the Appropriations Committee sees fit, and then be acted on by the full Senate.

So I think that technically there could still be an appropriation. But the sense of this amendment really says that we ought not to appropriate, but that money ought to be handled by the Finance Committee with a permanent tax credit for research and development. I think that is the preferable way to go. It may be that this amendment realistically viewed as a sense-of-the-Senate resolution, that the preferable way is to have the tax credit and not have the thrust of this bill which is governmental determination of where the research and development should be undertaken.

Knowing the politics of the Senate and having seen amendments like this come and be voted upon, the probabilities are very high that when the Senator from South Carolina makes a tabling motion, that tabling motion is going to be adopted, pretty much on a party line vote. So that the likelihood is that this authorization is going to stand, and then we will see what happens through the appropriations process.

But I had discussed this amendment with the Senator from Missouri, and I did want to come to the floor for a few minutes, lend my support on the principal basis that it is preferable to have the private sector make the determination as the Senator from Missouri suggests through the tax credit from research and development.

I might take a moment or two now, Madam President, to commend the Senator from Missouri not only on this amendment, but for his general approach in the Senate on emphasizing the private sector and opposing subsidies and, more broadly, to state that Senator DANFORTH has had a truly distinguished career in the Senate. There is not a more able Senator than Senator DANFORTH, in my opinion.

I did not come here to praise Caesar, but I think it not an inappropriate time to make that comment. There will be ample opportunities later to talk about Senator DANFORTH and other of our colleagues who will be departing at the close of this session.

When Senator DANFORTH talked to me about this yesterday, I asked him when the filing date was in Missouri, because there is still time for Senator DANFORTH to change his mind and stand for reelection this November. I have said this to Senator DANFORTH before privately. There is no reason to just speak to him privately or to compliment him behind his back. This body will sorely miss JACK DANFORTH for many, many reasons. He has been an extraordinarily thoughtful, constructive and productive Senator on many, many lines, on the Commerce Committee, where prior to the service of the distinguished Senator from South Carolina as chairman, Senator DANFORTH was chairman, and has worked on the Finance Committee.

There is only one matter that I can recollect where his judgment was not impeccable. That is when he opposed an amendment that I offered to have a private right of action to stop subsidies and dumping.

My State, Pennsylvania, was hit very hard more than a decade ago by subsidized and dumped goods coming into the United States. And when I came to the Senate, one of the first initiatives I had introduced was an amendment providing that injured parties could go into Federal court to seek injunctions or damages to stop goods coming into this country which are subsidized or dumped. At that time, England was subsidizing steel $250 a ton. No matter how efficient the steel companies in western Pennsylvania were, they could not compete with the subsidy of $250 a ton from England.

Then Japan subsidized steel, and coal was subsidized and glass products, textiles and goods were dumped in the United States, which means for a few people who may be watching on C-SPAN2, they are sold in the United States for lower cost than they are sold in their home market, which is unfair trade practice.

Free trade means the cost of production plus a reasonable profit, and the principles of free trade preclude dumping, which is selling in the United States, illustratively, cheaper than in the home market where the goods are manufactured. And free trade means no subsidies; cost of production plus a reasonable profit.

Aside from Senator DANFORTH's opposition to that amendment—well, I may have disagreed with him on some other amendments from time to time, but he has made an outstanding contribution to this body, and I wished to take just a minute or two to say that in commenting on what I think is philosophically correct.

I do not know whether Senator DANFORTH expects to be successful on this particular matter at this particular time, but I think the odds are against him. But I think it will articulate a principle, and I expect Senator DANFORTH to get a very substantial vote, maybe largely along party lines, but it will be meritorious nonetheless. But I do believe that his approach on letting the market decide is the proper approach, and the essence of this amendment would achieve that worthwhile objective.

I thank the Chair and yield the floor.

Mr. BAUCUS. Mr. President, I rise today in opposition to the amendment offered by my colleague from Missouri, Senator DANFORTH. As coauthor, with Senator DANFORTH, of S. 666, the Research and Development Enhancement Act of 1993, I am committed to the enactment of a permanent R&D tax credit with appropriate structural changes to address today's business environment.

However, I also strongly support the provisions of S. 4. Both the National Competitiveness Act and a permanent R&D tax credit are necessary pieces of legislation. S. 4 is particularly important to small companies. It will enable them to find the most advanced and commercially viable technologies. Technologies the perfection of which was probably bolstered by the availability of the R&D credit.

The permanent extension of the R&D credit, accompanied by technical changes in its application should be debated by the Finance Committee in consideration of a tax bill over which it has jurisdiction. It would be a disservice to the manufacturing industry in this country to prevent S. 4 from moving forward under the promise of someday enacting legislation involving the R&D tax credit.

The National Competitiveness Act extends some of our most successful Federal research and development efforts. It builds on the Advanced Technology Program, to work with companies developing the most promising new technologies and assist with basic research. It will help to build the information superhighway And it will do this without adding a cent to the deficit.

I will continue to work with my colleague from Missouri to see to it that that R&D credit becomes a permanent fixture in the Internal Revenue Code. However, it does not make sense to rob Peter to pay Paul. It is for that reason that I urge my colleagues to defeat the amendment by Senator DANFORTH should it be voted on, and to move quickly to pass S. 4.

Mr. HOLLINGS. Madam President, it appears now that if we make that motion on tabling, we can set a time, and it has been cleared on both sides, for 7:20. Thereupon, the distinguished Senator from Mississippi has worked out his particular amendment, to be recognized, and then the distinguished Senator from West Virginia wanted to be heard.

So, Madam President, I move to table the Danforth amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I ask unanimous consent that the vote be set at 7:20 on the tabling motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

PESTICIDE SAFETY TRAINING AND LABELING REQUIREMENTS

Mr. COCHRAN. Madam President, I ask unanimous consent that it be in order for me to send a bill to the desk; that it be immediately considered; that it be read a third time and passed; and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:.

A bill (S. 1913) to extend certain compliance dates for pesticide safety training and labeling requirements.

Mr. LEAHY. Madam President, we have, in the end, decided to accept a bill which was offered as an amendment this morning. I do not think it will accomplish what some proponents hope it will do. I have consulted with the EPA, which advises me of the following.

First, paragraph (b)(1)(A) concerning enforcement of labeling requirements of 40 CFR part 156 states, in essence, that the requirements for registrants to amend their labels to add the worker protection requirements is not enforceable until January 1, 1995, except in certain unspecified States. However, many registrants have already submitted label revisions to EPA and are already using the amended label on their products. So, this requirement should have little, if any, effect. The requirement in paragraph (b)(1)(A) would have no effect on enforcement of the label itself and the requirements that appear on the label. It is not clear what it would mean for a State not to enforce the "labeling requirements" of part 156.

Second, subparagraph (1)(B) of paragraph (b) concerning equivalency is vague. First, it is not clear as to which States it applies to. The result could be confusion as to which requirements apply in which States. Second, it is not clear what it means for a State program to be "considered to meet the requirements of the worker protection standard."

I ask unanimous consent that the bill be printed in the RECORD

There being no objection, the bill (S. 1913) was considered, ordered to a third reading, read the third time, and passed, as follows:

S. 1913

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. COMPLIANCE DATES FOR PESTICIDE SAFETY REQUIREMENTS.

(a) WORKER PROTECTION STANDARDS.—

(1) IN GENERAL.—The compliance date for provisions of the worker protection standard set forth in part 170.5(c) of subchapter E of chapter I of title 40, Code of Federal Regulations, due to become effective on April 15, 1994, shall be January 1, 1995.

(2) PESTICIDE SAFETY TRAINING.—Not later than September 23, 1994, the Administrator of the Environmental Protection Agency (referred to in this section as the "Administrator") shall—

(A) develop and distribute pesticide safety training materials that convey, at a minimum, the information referred to in section 170.230(c)(4) of such title; and

(B) assist the appropriate Federal, State, and tribal agencies in implementing pesticide safety training programs required under section 170 of such title.

(b) LABELING REQUIREMENTS.—

(1) ENFORCEMENT.—

(A) IN GENERAL.—During the period ending on January 1, 1995, the labeling requirements for pesticides and devices set forth in subpart K of part 156 of subchapter E of chapter I of title 40, Code of Federal Regulations, due to become effective on April 21, 1994, may be enforced only—

(i) in a State that has established a worker protection program with respect to pesticides and devices as of the date of enactment of this Act; and

(ii) for the purpose of enforcing a State program referred to in clause (i).

(B) EQUIVALENCY.—During the period ending on January 1, 1995, each worker protection program referred to in subparagraph (A)(i) shall be considered to meet the requirements of the worker protection standard set forth in part 170 of such subchapter. After such date, the Administrator shall reassess whether the program meets the standard.

(2) NOTIFICATION OF PURCHASERS.—Beginning on April 22, 1994, each registrant of pesticides shall provide information for point-of-sale notification to inform purchasers of pesticides that the applicable compliance date for the labeling requirements referred to in paragraph (1)(A) is January 1.1995.

(c) EXISTING AUTHORITY.—Notwithstanding the foregoing provisions, the existing authority of the Environmental Protection Agency to enforce existing label requirements shall not be affected.

NATIONAL COMPETITIVENESS ACT

The Senate continued with the consideration of the bill.

Mr. COCHRAN. Madam President, I ask unanimous consent to withdraw amendment No. 1480 to the pending bill.

The PRESIDING OFFICER. Is there objection? Without objection, so ordered.

Mr. COCHRAN. Madam President, I thank the distinguished managers of the bill and specifically the distinguished Senators who cosponsored the amendment that dealt with the pesticide safety training and labeling requirements that was debated earlier and was the subject of a vote on a motion to table earlier today.

The resolution of this issue is the passage of this bill which extends these compliance dates that were the subject of the debate, to January 1995. We appreciate very much the cooperation of all Senators and especially those who supported this initiative.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, obviously, I support my chairman from South Carolina and strongly oppose the Danforth amendment. I really feel very strongly about this, and I think the vote we are about to make is extremely important because it will be a vote on what I think is clearly a fundamental question on the future of America. I think the answer should lie in the fact that we need to both work to make the industrial R&D tax credit permanent, and do what is proposed in S. 4.

As for this amendment—and I want my colleagues to hear this —I think it should be entitled "let us give up amendment," or more to the point, "let us go backward amendment."

This amendment makes a very blunt recommendation. This amendment calls for shutting down Government's most effective, targeted, forward-looking programs that together have a very basic goal which, both sides of the aisle should share in common: that is to revitalize our Nation's technology base, to create jobs, and to do what is necessary to ensure the United States is the foremost manufacturing nation in the world. It is not a wildly bad thought.

The senior Senator from Missouri offered this amendment to turn the lights out on these programs. The Senator from South Carolina and I are very strongly against that. He then goes on to ask the Finance Committee to "consider using the equivalent amount to make permanent the research and development tax credit." In response, the Finance Committee has been working very hard to do exactly that. I serve on the Finance Committee with the Senator from Missouri, and we both have been working very hard to make the R&D tax credit permanent. But in fact, President Clinton proposed just exactly that in his historic deficit reduction package, and economic plan that he submitted last year.

But as the Senator from Missouri might recall, the President did not get any help from the other side of the aisle. I am going to be fascinated by the number, and to see the number of Senators on the other side of the aisle who now hope to support the Senator from Missouri in terms of calling for the billions of dollars—at least $1.6 billion a year—to make the research and development tax credit permanent. Because they sure did not give us much help last year when they had an opportunity to turn their rhetoric into actual results.

This unwillingness to help us pass Federal budgets and deficit reduction plans makes it much harder to come up with the substantial amount of money needed to make this credit permanent. That is why we are only able to extend the credit to June 30, 1995.

One final word from me: Industrial policy is a phrase which is used, and thrown out. It is a little bit like the Harry and Louise advertisements on health care funded by the insurance industry. It attempts to press one of those hot buttons, so that as soon as people hear the word "industrial policy" they will stop thinking logically. They just simply say, "Gee. That must be bad, 'industrial policy?'"

Therefore, when a Senator uses that phrase, a Senator carries a responsibility to really mean what he says or what she says. The myth is that the administration is creating a new industrial policy for the United States and that industry opposes it. This is the myth which has been put out before. The Senator from Missouri has used this 8, 10, 12 times tonight and presumably 8, 10, 12 times yesterday.

The reality is that the administration is building on a very strong, well-established American tradition of public-private partnerships to invest in American technological competitiveness, an effort that American industry supports. I will in a moment say who they are. They support Government having a legitimate role, a discreet, controlled role in supporting industry research and development efforts, a tradition that has helped U.S. business take the lead in such fields as aeronautics. I believe I used my example about McDonnell Douglas, and then there is pharmaceuticals, and the most obvious example of course, is agriculture.

Industry needs the programs of Senate bill 4 to create incentives for high-priority technology development activity that pose risk. That is why they need venture capital money.

Why do they need the venture capital money? Because if you were Thomas Edison, you would have to go in to a venture capital company or to a bank and take an entire bank of lights from Shea Stadium, all brightly shining, to prove that you had a bulb that worked. Venture capital has dried up in this country. Banks will not lend venture capital. They want to know that it works before they will put any money in. You have to make a strong case that it will work. In other words, it is basic American entrepreneurial instinct.

Industry strongly supports S. 4. They are correct. The Advanced Technology Coalition sent a letter to Senator ROBERT DOLE signed by 32 professional organizations, all of them related to business. Take the American Electronics Association. They said:

> We believe that our views have been heard by Congress, and reflected in this bill. S. 4 will promote American competitiveness and enhance the ability of the private sector to create jobs in this country.

American business supports S. 4. It is supported vehemently by the National Association of Manufacturers, the American Electronics Association, the National Society of Professional Engineers, Business Executives for National Security, the American Society of Engineering Studies, and I will not go on. It is a long, long list. American business wants this because they know that they cannot get the help now when they need it, and particularly on critical technologies.

Myth: The Government is picking winners and losers. This claim has no validity. It is wrong. It is empty. It is a specious argument and not worthy to be argued.

The reality was that the programs authorized by S. 4 are industry led, and industry funded; generic research and development industry to overcome basic technological problems; not funding competing commercial products. S. 4 contains no earmarks or special interest pork projects. All decisions are made by industry.

It is beyond me that the Senator from Missouri would be against this bill. I do not know why he is. I think he has read the bill. I think he knows the substance. But I appeal to my colleagues who care about the future of the American worker, who are worried about the future of American technology, who are proud that our economy is beginning to come back, but understand that our technological underpinnings are still very weak indeed. I appeal to them to table this amendment.

This is a very, very important vote, Madam President. This is a vote which will begin to show really where we stand on the future of America. Are we willing to stand up even to some of its more challenging aspects? Are we clear about technology? Are we clear where we are? Are we clear where our weaknesses are? Are we clear where solutions may lie? They lie in part in Senate bill 4. The bill should be passed, and therefore the amendment of the Senator from Missouri should be defeated by supporting the tabling motion of the chairman of the Commerce Committee.

I thank the Chair.

Mr. HOLLINGS. Madam President, I hope the appeal, the very, very effective appeal of my colleague from West Virginia, to vote to table is not a partisan vote.

For the first time I heard from the distinguished Senator from Pennsylvania who said he thought it perhaps could be on a party line. Here is the amendment. The amendment says:

> Notwithstanding any other provision in this act, the amounts authorized to be appropriated by this act shall not be appropriated.

I never heard of that. It will kill the bill. My friends who run this place are hardworking, and really professional. They smile too; "* * * the amounts authorized to be appropriated * * * shall not be appropriated."

But rather the Committee on Finance of the Senate is directed to consider using the equivalent amount to make permanent the research and development tax credit, which is fine business with me. It cancels out any purity of stance, any integrity of antisubsidy position because you cannot be against subsidies while you are driving down these subsidies in the manner of research and development tax credits.

If that is not a subsidy, I do not know what is. So in one breath we are hearing there are all kinds of monkeyshines going on. They are talking about all of this very pontifical "I am against subsidies," but ending up by saying, "Please, by gosh, give us a subsidy." I would like to hope that I am in a position like that of Sherlock Holmes and the dog that did not bark.

We have the Republican Senator that did not put up a single amendment. We have been on this bill 3 days. We have had GATT agreement amendments, pesticide amendments, and we have had all kinds of funny amendments, like post office amendments. What were some of the other ones? I cannot remember. None of them had anything to do with the bill. Maybe that is the best compliment. The nearest to being factual, and yet mistakenly was not the fact, but let us say referring to the amendment as the distinguished Senator talked about ballooning the amounts, now that we have a balloon amount, and we got a diminished amount. That is a fact.

This bill is less than what the Senator supported for the year 1995 when we reported it out June of last year—$143 million less. And the amount he supported for 1995 is the $35 million that we project for 1996. So the 2-year projection under this particular bill, if adopted, is still less than what the distinguished Senator supported. He talks about balloon. I have heard—and I have been trying to get around in the back, but I cannot hold the floor and at the same time listen around. But a while ago, I heard: What is wrong, Senator, with your bill is that on our side of the aisle, we think it is a bill for Commerce Secretary Ron Brown to distribute moneys around and take the State of California politically.

I never heard of such nonsense. Let us go to the items. National Science Foundation. How in the world can you do that? Go to the extension programs and peer review, or go to the laboratory. Does anybody ever use the Bureau of Standards laboratory over there to win the California election or any election? All of these programs are itemized under here, and how they could get that description going and then have one of the distinguished Senators come and say "I guess we are going to vote on partisan basis," there is another debate going on in the back room totally unfounded and unfair.

I could go through the eloquent support we got from the Republican Senators and the very suggestions not on just both sides of the aisle but over on the House side, come through and worked through almost a perfect bill with everybody getting into it and having their say and including their provisions and everything else of that kind, doing exactly what the Senator and many Republican Senators said.

So I said just to Senator DANFORTH after all, in the task force study I put in there, I do not see the name of the Senator from Pennsylvania, but the Senator from Colorado, the Senator from Maine, the Senator from New Mexico, the Senator from Utah, Senator KASSEBAUM from Kansas, Senator LOTT from Mississippi, Senator LUGAR from Indiana, Senator McCAIN from Arizona, Senator TED STEVENS from Alaska, Senator JOHN WARNER. These are the things they recommended almost 2 years ago. They said: Look here, let us get going and get this defense conversion. Now that we are getting the conversion—and I have listed the programs—yes, the moneys are over there to be administering them and still less before we got those conversion programs. When we voted that out, we did not have those conversion programs but, yes, now we do. But we have taken them and still cut the budget, as they say, less than what the Senator voted for. Yet, if he is in the confines of caucuses with colleagues talking about—and I do not attribute it to him. I do not know who said it, but I have had it reliably reported, because I have been talking around, that on the other side of the aisle there is some feeling about Secretary Brown of Commerce running around with a bunch of goodies and plums and pork barrel to deal out and take the California election.

I was astounded to hear that, because that is the one thing we have kept out of this bill and the administration of it. And in this whole program, you got no pork under Secretary Good, or Ms. Prabhakar, the Assistant Secretary in charge of this, who came over from the Department of Defense as an expert professional and testified in all these committees. In fact, my colleague, the senior Senator from New Mexico, commented on it. He had her visit the facilities at Sandia Laboratories, and otherwise, in New Mexico, and she had a wonderful understanding not only of the potential, but how we could merge these programs and commercialize our technology.

I have nothing but compliments. So you get all the compliments and votes and you get the report, and you come here, and after hearing about pesticides and treaties and post offices and all these other things, then you have your ranking member say "Notwithstanding any other provision in this act, the amounts authorized to be appropriated shall not be appropriated." In other words, this is a move to kill the bill or, otherwise, the Committee on Finance to get out a permanent R&D tax credit. And then he is saying there is a new philosophy here. We have to get rid of these subsidies, and if we cannot get rid of them, they have to get subsidies.

Obviously, that is what we have been doing. We have been subsidizing the aircraft industry. The distinguished Senator has supported that subsidy over the many years, coming out of the Department of Defense, over the many years that we have shown right in his own backyard where we had this year, right this minute, for the particular centers. I have the extension program. We had, in 1994, $40 million, I think it was, and $42 million just for McDonnell Douglas in a bid. These large companies are coming in proposing various research programs in the commercial area, both military and otherwise, and they are coming. Just a single program, where all our advanced technology, manufactured extension centers for all of industry, no one industry says come in just for me. That has to pertain, and that is why we have the National Academy of Engineering overseeing it, with peer review.

It has to benefit all industries. I set that up along as a guidance with the distinguished Senator from Missouri. I said, you are right, and he has been a leader against pork barrel, and let us have peer review.

So we went along and have defended it, and we have lost on it. I have described how my own textile industry tried to qualify under the Advanced Technology Program and could not. They went out to Livermore and did not have peer review there. Energy has money, oh boy, and if you want to find some things that are not peer reviewed, go on over there. I tried to impress on Commerce that this was a wonderful program for the industry countrywide, particularly in my State, but countrywide. But they said it does not stand muster.

Yet, at the same time, I am defending it over there at the appropriations level when colleagues came and said, "I want to write in my particular extension center." Every one of the seven we have are all peer reviewed, on a competitive basis, and reviewed annually to see that they are keeping up, and the additional seven are going to be the same way. You have to go through that entire Merit Testing Program. You take the suggestions. You take the support. You work for 3 years. And then, could it really be serious to come forward and say that notwithstanding any other provision in the act, the amounts authorized to be appropriated shall not be appropriated? In other words, let us not have a bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Madam President, one question I think to ask as we prepare to vote on this amendment is why make the R&D credit permanent? Why is it important to do that?

The R&D credit had its origin in 1981, and ever since that time it has existed on a year-to-year or 2-to-3-year timeframe. We have never made it permanent, and the reason we have never made it permanent is that we have never had the money to make it permanent.

We have had a number of hearings in the Senate Finance Committee in which business people have come before us and they have said that the R&D credit is very, very helpful to research-oriented businesses, but they have said that it really should be a permanent credit. The reason it should be a permanent credit is that businesses that invest in research invest over long periods of time. They do not make decisions on 1- or 2- or 3-year timeframes. They make decisions on 8-year-or-more timeframes. So they think that it would be very helpful to make the R&D credit a permanent credit.

In addition to that, the various people in the Senate, on a bipartisan basis, have been working to improve the R&D credit so it would be more helpful to businesses that are research oriented.

So my hope would be that the Finance Committee would address the R&D credit and that it would make it permanent.

The reason it has not been made permanent in the past is that we have told ourselves we do not have the money to do it. We do not have the funds. So we keep it alive year to year.

The President has taken the position very publicly that he would like to see a permanent R&D credit, but in his budget he has not provided the funding to do that.

I do not know where the money is going to come from to make the R&D credit permanent unless we make it available. That is what I am suggesting: That we make the money available; that we provide a fund, in effect, by saying no, we are not going to create all of these new spending initiatives that are in this bill. But instead we are going to allocate this money, at least in the minds of the Senators who are here, to make the R&D credit permanent.

If we do not do it, if we do not do it on this bill, then when are we going to do it? Are we going to keep just promising ourselves year after year that someday we will have a permanent R&D credit, but not now, because we do not have the funds now?

So really we are not just voting on a negative here. We are voting on a positive. How do we feel about the R&D credit and how do we feel about a permanent R&D credit? How do we feel about really committing ourselves to the R&D credit as the way of encouraging research and development in the private sector in this country?

Is the R&D credit the same kind of subsidy program that is contained in S. 4? The answer to that is no, and I would submit that the answer is no for two reasons. One is, in the mind at least of this Senator, there is a difference between a tax credit and a grant of money. People sometimes say, well, tax credits are tax expenditures; it should be treated just like an appropriation.

I do not think the reluctance of the Federal Government to squeeze every last penny out of every taxpayer is the same as the subsidy by the Federal Government. But more important, I think, for the purpose of this debate, has to do with the degree of heavy handedness, of manipulation on the part of the Federal Government in dealing with the private sector in R&D.

The R&D tax credit is the least directive way that we can encourage research and development because it is offered to all businesses that are involved in R&D. It is not something that picks winners and losers. The R&D tax credit is not designed, the mechanism does not exist for the purpose of selecting one industry versus another industry.

Therefore, it is unlike S. 4. It is unlike S. 4. It does not have the mechanisms for specific decisionmaking in picking the winners and picking the losers and engaging in the industrial policy that is in S. 4.

So I really think that there are two questions that are posed by this amendment.

The first question is, how do we feel about the R&D tax credit, and do we really want it to be permanent, or do we just say that in our speeches? Do we really want it to be permanent? Do we really want it to be effective?

And the second question is, how do we feel about the role of Government and the intrusiveness of Government and Government's manipulation of spending decisions and priorities that otherwise would be set in the marketplace?

It is the judgment of this Senator that the marketplace is a better mechanism for making economic decisions than the weight of the Federal dollar. I believe that the private sector can decide the new technologies better than we can in Washington, and that is the basic philosophical issue.

Is it a philosophical question? Yes, it is. It is a broad basic fundamental policy issue dealing with the role and the scope of the Federal Government with respect to science, with respect to research, and with respect to the private sector.

This amendment does not amend the Internal Revenue Code, but it clearly sets out a commitment on the part of the Senate, and it is a commitment which I believe the U.S. Senate should make.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, the R&D tax credit is not the subject of this bill at all. And if the Finance Committee reports it out, we will have a good debate and vote on it.

Talking about this particular bill, yes, the research here is for the advanced technology research, this peer review.

If you pass an R&D tax credit, I can have research to make better donuts, and development, and say, "Whoopee," and write it off on my taxes. And if the IRS comes along, they have a hard time because I had them in there trying to mix up that dough differently, and I had research, R&D tax credits, for any and everything.

Ours is particularly directed at advanced technology, and peer reviewed and merit tested on all the different programs. That is the big difference there. But that is not a red herring across the trail. He knows that. We cannot pass an R&D tax credit with an amendment. You cannot pass one if it was reported out of the Finance Committee. It would have to be initiated over on the House side, and then we can consider the House bill.

So we have an unconstitutional amendment that is totally unnecessary. They can go ahead and do all they want done except for the fact he said get rid of all the appropriations; whatever is authorized, do not ever appropriate it. That really guts the bill.

I cannot see it with the stands taken, and votes, and everything else. Something made him angry with the GATT agreement and negotiations, and he is using this bill to beat them up, to try to get their attention somehow. And that is not fair at all.

You just do not do all of this work and get all the parties together on a well-considered bill that has been endorsed by more industrial groups than I could ever possibly imagine, by more labor groups than you can ever possibly imagine, all the leadership in technology, all the leadership on the Republican side of the aisle, for the conversion of the defense funds. We read in their report where they support this program. They voted for it. This is a unanimous bill.

But now he says to forget about the bill because none of the funds authorized should be appropriated. You in good conscience just have to vote to table this amendment.

I so move to table, and I think the hour has arrived.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DANFORTH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 1482

The PRESIDING OFFICER. Under the previous order, the hour of 7:20 having arrived, the question is on agreeing to the motion to table the Danforth amendment numbered 1482.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Connecticut [Mr. DODD] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—57

Akaka
Baucus
Biden
Bingaman
Boren
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Conrad
Daschle
DeConcini
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mathews
Metzenbaum
Mikulski
Mitchell
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wofford

NAYS—41

Bennett
Bond
Brown
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Faircloth
Gorton
Gramm
Grassley
Gregg
Hatch
Hatfield
Hutchison
Kassebaum
Kempthorne
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Simpson
Smith
Specter
Stevens
Thurmond
Wallop
Warner

NOT VOTING—2

Dodd
Helms

So the motion to lay on the table the amendment (No. 1482) was agreed to.

Mr. HOLLINGS. Madam President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Madam President, shortly, Senator SIMPSON will seek recognition to offer an amendment. It is a substitute amendment, a major amendment, that includes 12 different provisions, each of which I believe in and of itself represents a bill that has previously been introduced. Since it will take some time to—and, if I might add, each of the bills cover the jurisdiction of several different committees. I do not know exactly how many, whether there are 12 committees involved, but there are several committees of jurisdiction.

Before we can reach an agreement with respect to the disposition of that amendment, the relevant committee chairmen will have to be notified to review the measure and make a determination as to whether they will oppose or support the particular provision and notify the manager, Senator HOLLINGS, of their decision in that regard.

It is not possible to proceed to completion of that measure this evening, and so what I have decided, following a discussion with Senator SIMPSON and Senator HOLLINGS, is that it would be best if I now announce that there will be no further rollcall votes this evening; that Senator SIMPSON be recognized to offer his amendment; that there then be as much debate as the principals choose on this amendment this evening, and then we return to the bill at 9 a.m. tomorrow, in an effort to proceed with respect to this amendment. Hopefully later this evening, although it is obviously late to do this, and early in the morning the relevant committee chairmen would be notified, would come over, and we can at least continue the debate in the morning and hopefully begin the process of determining how best to deal with the amendment. It is impossible at this time, given the comprehensive scope of the amendment and the number of different provisions, number of bills which are included in this measure, to reach an agreement on precisely how much time it will take and how to dispose of them.

Madam President, I will yield and invite Senator SIMPSON to correct me if I have misstated any aspect of his amendment or our discussion, and in any event to make any such comments as he may wish on the matter.

AMENDMENT NO. 1485

Mr. LIEBERMAN. Mr. President, the Senate today adopted the Nickles amendment by voice vote. I rise to express my concerns with the Nickles amendment as currently drafted.

The Nickles amendment would require all bills reported by a committee or considered on the floor to be accompanied by an economic and employment impact statement prepared by the Congressional Budget Office. The statement would contain: An estimate of the numbers of individuals and businesses who would be regulated; a determination of the economic impact on individuals, consumers, and businesses; an estimate of the costs incurred by the private sector in complying with the bill, including specific estimates on groups and classes of individuals—including small business and consumers—and specific estimates on the employment impacts on those individuals and businesses; estimates of the costs imposed on State and local government as required under section 403 of the Budget Act; a comparison of the costs imposed on State and local governments with the Federal funding provided. Executive branch agencies would be required to prepare a similar statement with similar contents.

With respect to its requirements for proposed legislation, there is much of Senator NICKLES' proposal with which I agree. His proposal to have the Congressional Budget Office prepare the basic estimate of the numbers of individuals and businesses who would be regulated and a determination of the groups and classes of such individuals and businesses, and a determination of the economic impact of such regulation on the individuals, consumers, and businesses affected seems sound. Committees are already required to do this, and to the extent that CBO can give assistance in preparing these estimates, that would give them greater credibility. I also support requiring CBO to assess the impact on State and local governments, which CBO already does under section 403 of the Budget Act, and to have CBO compare these costs to the amount of Federal funding available to offset these costs. That is essentially what would be required by S. 563, which I have been pleased to cosponsor.

The provision calling for specific evaluation of cost in the private sector, however, is extremely one-sided. I have generally supported the use of sound cost and benefit evaluations to inform our judgments and the judgments of regulators. But this amendment does not even purport to incorporate cost-benefit analysis. It focuses solely on costs. Costs are important, but they do not tell the whole story. If we are going to direct CBO to perform a cost analysis, it should at least be required to perform a benefit analysis of proposed legislation as well.

With respect to using cost-benefit assessments in the rulemaking process, I prefer the direction taken by the President's Regulatory Management Executive Order 12866. That Executive order laid out in great detail the principles of cost/benefit analysis to be used in rulemaking activity. It mandates examination of costs and benefits, including qualitative assessments where appropriate, and it directs agencies to maximize net benefits. It directs agencies to impose the least burden on society consistent with meeting the regulatory objectives, and to take into account the cumulative burden on society. For any significant rulemaking—one with greater than $100 million estimated annual impact—the cost benefit analysis must be submitted to the Office of Management and Budget Office of Information and Regulatory Affairs. These submissions become part of the record and must be disclosed to the public once the regulatory action is published in the Federal Register.

That Executive order was supported by NFIB, National Small Business United, U.S. Chamber of Commerce, Business Roundtable in addition to Public Citizen and the Sierra Club. It was formulated after forging a consensus among a variety of affected groups. It represents a sound balance of the policy issues in this area.

Mr. President, for these reasons, I have grave concerns regarding the soundness of the Nickles amendment. I have not taken the Senate's time today to air these concerns further because we need to complete work on this bill expeditiously. However, I reserve the right to examine these questions further at a later date.

S. 4, THE NATIONAL COMPETITIVENESS ACT

Mr. DODD. Mr. President, I rise in strong support of the pending measure and I urge its immediate adoption. I commend the chairman of the Commerce Committee, Senator HOLLINGS, for bringing this bill to the floor. This bill helps to implement one of the key pillars of the Clinton administration economic agenda: to promote growth, and create jobs, through investments in research and technology.

Mr. President, not too long ago we lived in a world of bipolar competition. For decades the United States and the Soviet Union squared off in a winner-take-all contest for military and diplomatic supremacy. Today the game has changed, and so have the players. Our chief competitors are no longer found in Russia, but in Europe, and Asia, and the Pacific rim. And the nature of the contest is no longer military, but economic.

In many areas, I would point out, we are doing very well in this competition. American companies and American technologies have met the challenges of the international community and they have met that challenge well. Today the United States is a recognized leader in industries such as computers, aerospace, biotechnology, and many others.

At the same time, however, there are ominous signs that the United States may be losing its edge. A 1991 report by the Office of Technology Assessment noted that the U.S. share of world exports had fallen from 14 percent in 1970 to 10 percent 16 years later. Even more disturbing, the report noted that average weekly wages in manufacturing in the United States have fallen from more than $380 in 1978 to roughly $340 in 1990, in inflation-adjusted figures. Moreover, numerous reports from the Commerce Department and the Department of Defense over the past several years indicate that in several critical technologies, the United States is losing ground to either Europe or Japan.

The measure before us today represents the first step in finding a solution to this problem. If passed by this body and enacted into law, this bill would strengthen the cooperation between Government and industry in basic research and advanced manufacturing. It would do so by increasing the funding authorization levels for several Commerce Department programs that are playing a critical role in this effort.

One such program is the Advanced Technology Program, a program run by the National Institute of Standards and Technology [NIST] that provides matching grants to companies that pursue innovative research and development. This bill sets aside $475 million for this program in 1995, more than twice the level for 1994. Another use of funds under this bill will be to expand the Manufacturing Technology Center program. Today in Japan there are nearly 200 Government-supported centers across the country, helping small- and medium-sized businesses gain access to the latest technologies. In the United States we currently have seven such centers. This bill will help us catch up.

The programs we are funding under this bill have already had an important effect on many businesses in my State. For example, a cooperative effort involving NIST and the Johnson Gage Co. of Bloomfield, CT, helped to develop a flexible computer-integrated workstation for manufacturing high-precision fasteners for U.S. submarines. Development of this workstation has helped to reduce the average production time per fastener from 1½ hours to 20 minutes, with a defect rate approaching zero.

Another cooperative effort led by NIST has involved two Connecticut companies—CADKEY, of Windsor, and CNC Software, of Tolland. These companies, working together with NIST, helped to develop a safe and aerodynamically superior helmet that was used by U.S. Olympic speed skiers. Many other Connecticut companies have participated in NIST-led research or have been the beneficiary of Commerce Department grants under the Advanced Technology Program.

Mr. President, in Connecticut and across the country we have been talking about the need to diversify our economy—about reducing our dependence on defense expenditures and developing new technologies and new skills. The programs that we are authorizing today will help to do just that. I urge my colleagues to support this measure.

Mr. GLENN. Mr. President, I rise to oppose the amendment offered by my colleague from Oklahoma, Senator NICKLES. I oppose this legislation because in its efforts to estimate the economic and employment impacts of Federal legislation and regulations, it would unduly impede the legislative process and impose an ill-considered set of requirements on Federal agencies.

I believe that decisions about laws and regulations often have unintended or overlooked effects on the economy and employment. I also believe that Members of Congress, as well as agency rulemakers, need to more carefully consider the costs of policies and programs, not just the public purposes and benefits that they would hope to achieve. We do need to do a better job of balancing the costs and benefits of our decisions. On that point, I most certainly agree with the Senator from Oklahoma. My Committee on Governmental Affairs will be holding several hearings this year to discuss legislative solutions to the problems of regulatory and paperwork burdens on business, State and local governments, and the economy. This amendment should be debated then, along with related bills introduced by other Senators, and not be considered in such a hasty manner today.

As to the substance of the amendment—I do not believe that the solution the Senator from Oklahoma offers is the correct one, or even that it is workable.

First, the amendment creates a new layer in the legislative process. It would require CBO to establish and support a new review process—and with what appears to be no new resources. While I agree that committees could probably often do a better job of complying with Senate Rule 26, the answer is not simply to load another duty on CBO. And I must note that the amendment does not simply ask CBO to do what the committees do under rule 26. CBO would be required to do more. CBO would have to do detailed multiyear projections of costs imposed on "groups and classes of individuals and businesses." I frankly do not know how CBO can do a credible job of this, particularly in any timeframe relevant to the ongoing legislative process.

Even if CBO could somehow do this sort of analysis, the issue of the resources CBO would need is enough to oppose this amendment. The bill is silent on how much it would cost to properly implement. If every bill taken to the floor must undergo this CBO analysis to determine its cost impact as required by the Nickles amendment, then surely it would make sense for CBO to look at the Nickles amendment so that it can do its own estimate on what the amendment will cost CBO and the taxpayers of this country. To the best of my knowledge, CBO hasn't even had the opportunity to comment on this amendment. A year ago when originally offered, this amendment tasked GAO with the duties that would now be assigned to CBO. At that time, GAO said "a very rough estimate of the resources involved would be that an organization of perhaps 200 people or more might be needed." Using GAO's projections, CBO would have to more than double its cost estimating staff to fully implement the Nickles amendment. Yet the amendment, provides CBO with no new resources to conduct these analyses.

I also see nothing to show how CBO's analysis would reasonably fit into the legislative process. It is one thing to require an analysis of bills coming out of committee. The amendment, however, also requires such analysis of any bill or resolution considered by either House of Congress. As my colleagues will recall, this element of the amendment was a major reason for its defeat nearly a year ago. This requirement will severely limit our ability to legislate.

If my colleagues want to impede the legislative process, this is the way to do it. If my colleagues want to create more gridlock, this is the way to do it. I, for one, will not. I will work to improve the quality of legislative analysis, but I will not be a party to a quick fix that will end up only slowing our decisionmaking to even a slower snail's pace. The solution, if one is needed, is to look to committees to more fully debate and investigate legislative proposals. The solution is not to regulate ourselves into gridlock.

Second, the amendment would also extend the model of Senate Rule 26 to the executive branch—the impact analysis requirements of the rule, plus additional cost estimate requirements. This make no sense to me at all. For the last 6 months, Federal agencies have been governed by a new regulatory review scheme. Executive Order 12866, issued in September of last year, replaced the regulatory review system of the last two administrations and was praised by virtually all groups, from the Sierra Club and Public Citizen to the U.S. Chamber of Commerce and the National Federation of Independent Business. With the addition of E.O. 12875, on improving the intergovernmental partnership, the Clinton administration has shown an impressive resolve to closely analyze the impact of proposed groups and all levels of government affected by Federal regulation.

For over 12 years, Congress has resisted putting regulatory review into statute. There have been times I have thought it was needed, but now is certainly not the time to do it. To set the amendment's narrow rule 26 requirements into law sends a message to the executive branch and the American people. The message is that we are not serious about what we would require. We will not study the problem with the same care as did the administration and we will not carefully craft as comprehensive a solution. No, we will just slap on a set of Senate rules. That is not the way to legislate regulatory review. It does not create a balanced framework. It does not look at benefits as well as costs. It does not address benefits or costs that are indirect or hard to quantify. It does not address public accountability and sunshine. It does not ensure the faithful implementation of our laws.

If my colleague from Oklahoma wants to work on improving the administration's regulatory review Executive orders and wants to consider placing them in statute, I will work with him. As I mentioned, the Governmental Affairs Committee, which I chair, will soon have a second hearing on Federal mandates on States and local governments, and will thereafter have a hearing on regulatory burdens on business and the current state of Federal regulatory management. Such hearings would be the appropriate forum to consider these issues.

That would be the way we should consider this amendment. Moving it today, on the floor, is not the way to do it.

This amendment is being hastily considered and should be defeated.

I ask unanimous consent to include in the RECORD, following my remarks, a GAO statement and CBO letter regarding this issue.

STATEMENT BY THE GAO ON THE ECONOMIC AND EMPLOYMENT IMPACT ACT OF 1992

We have reviewed the draft bill entitled the "Economic and Employment Impact Act of 1992." We believe that for certain very significant pieces of legislation—namely those that are likely to (1) have large associated private sector costs or (2) influence job creation rates measurably, the impact studies envisioned, could be very appropriate. Nonetheless, we have several cautions which we would like to raise:

The application of this requirement to every bill, resolution or report by any committee would be extremely costly and time consuming, and could impede congressional business. A very rough estimate of the resources involved would be that an organization of perhaps 200 people or more might be needed. CBO now uses approximately 80 staff years to perform its costing responsibilities and related budget work. Though that task is difficult in itself, the estimates envisioned by this legislation are more complex and less amenable to the application of standardized methods.

Thus, given the state of the art in estimating the economic effects envisioned by this legislation, it could force the proliferation of the use of economic analysis techniques for which there is no strong professional acceptance.

Certain of the tasks envisioned such as state and local impact, and 5 year federal costs would duplicate work now being performed by the Congressional Budget Office.

Many pieces of legislation would require months of data collection and analysis to make the needed estimates, thus raising the very strong possibility that important legislation would be delayed. If applied to amendments offered to legislation being considered on the floor, this requirement would often be impossible to satisfy on a timely basis.

The impact on GAO's ability to meet its heavy congressional workload could also be severe, exacerbating an already significant shortfall in our ability to respond promptly to the many individual committee requests we receive each year.

Consequently, the need to make significant internal realignments, the complexity of the task envisioned, and the limited availability of GAO staff trained in economics and related fields would result in a very long learning curve for us, as we began recruiting, reassigning and training staff and otherwise building the data bases and other infrastructure necessary to perform the duties involved.

Overall, we believe that given the current state of the art in this form of economic analysis, and the already significant demands on our resources, that a case-by-case request for such analysis on significant legislation would be preferable to mandating such analysis on every committee action that met some predetermined threshold.

Alternatively, if legislation is deemed necessary, it might be written so as to encourage or require GAO (or another agency) to begin building the capacity to do such analysis at some point in the future. This would be more consistent with our view that there currently exists neither the technology nor an organization capable of supporting this legislative requirement at present. Another possibility would be to hold hearings on the feasibility of such legislation to improve economic impact information in the legislative process.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 29, 1993.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your request for information relating to the work the Congressional Budget Office currently does with respect to estimating the costs of federal legislation, including the potential economic impact, and how this work would be affected if the proposed Amendment Number 325 were adopted as part of S. 171, the Department of the Environment Act of 1993.

As required by the Congressional Budget and Impoundment Control Act of 1974, CBO prepares five-year federal budget cost estimates for virtually every public bill reported by legislative committees in the House and the Senate. CBO also prepares numerous cost estimates at committee request for use in earlier stages of the legislative process. These cost estimates are usually transmitted to the committees responsible for the legislation by letter from the CBO Director, and are usually included in the committee reports accompanying legislative proposals. The number of cost estimates prepared each year varies, depending on the amount of legislation being considered and reported by legislative committees. Over the last ten years, for example, the number of bill cost estimates has ranged from 600 to 855, with an average of about 700 per year.

A large part of CBO's bill costing work in some years has been for House and Senate committees receiving reconciliation instructions in the annual budget resolution. Our tracking system for bill cost estimates treats reconciliation proposals as a few large bills. As a result, the numbers given above significantly understate the true work load. In years when a major reconciliation bill is being considered, the work is equivalent to 100 or more individual bill cost estimates.

The CBO bill cost estimates have become an integral part of the legislative process. Committees refer to them increasingly at every stage of bill drafting, and they often have an impact on the final shape of legislation. They have this effect because they are used to determine whether the committees are in compliance with the annual budget resolutions and reconciliation instructions.

In additional to cost estimates for bills reported by legislative committees, CBO also provides the Appropriations Committees with estimates of outlays and other budgetary effects for all appropriations bills. These estimates are prepared for each appropriation account and are transmitted to the staffs of the committees largely in the form of computer tabulations. CBO's estimates may be critical in determining whether or not the appropriations legislation complies with the annual budget resolution and with statutory limits on discretionary appropriations.

The State and Local Government Cost Estimate Act of 1981 temporarily expanded CBO's responsibilities for bill costing by requiring that estimates be prepared for the cost that state and local governments would incur as the result of proposed federal legislation. The Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 made this requirement permanent.

CBO reviews as many bills as possible to identify their potential impact on state and local governments, although the requirement for state and local cost estimates is only for bills that are likely to result in a total annual cost to state and local governments of $200 million or more, or are likely to have exceptional fiscal consequences for a geographic region or a particular level of government. Since each bill must be examined to determine whether there is a significant cost to state and local governments, we routinely include our cost assessment in our letters to committees about the federal cost estimates for proposed legislation.

Over the past ten years, we have prepared an average of more than 600 state and local cost assessments each year. Most of these assessments show no cost to state and local governments; only a small number each year show costs that exceed the $200 million threshold (less than 5 percent). About 10 percent of our state and local cost assessments show some cost below the $200 million threshold.

Unlike our estimates of the cost impact of proposed legislation on the federal budget, our estimates of state and local costs have little or no impact on legislative outcomes. With few exceptions, Congressional debates on proposed legislation have not focused on CBO's state and local cost estimates, possibly because these estimates are only informational and do not represent any binding constraint on the federal budget.

Many legislative proposals have potential effects for prices, employment, incomes, and other macroeconomic variables. If these proposals are part of a deficit reduction effort, such as a reconciliation bill, they could have negative indirect effects on other categories of federal revenues or outlays. For example, tax revenues could fall with changes in corporate or personal incomes, and outlays for unemployment compensation could rise as economic adjustments occur.

Indirect economic effects and their budget implications are difficult to measure; economists often disagree on their size or duration, and sometimes even on their direction. As a practice, CBO believes that factoring secondary effects into cost estimates would not increase the reliability of the final estimate, despite the appearance of increased precision. For purposes of reporting the costs of legislation to the Congress, CBO's longstanding practice is to restrict the estimates to the most direct budgetary effects.

Nevertheless, CBO has done a number of analyses of the potential economic impact of proposed legislation on business and consumers in recent years, such as the possible employment effects of changes in the minimum wage, the economic consequences of reduced defense spending, and the effects of proposed royalties and fees on the mining industry.

The process of estimating economic impacts, however, is inherently difficult. Any analysis of legislation that would result in new regulatory requirements, for example, can be extremely uncertain and controversial and may depend critically on how the new regulations would be administered. Often, the latter consideration is unpredictable. In general, such analyses are necessarily less precise than estimates of the federal budget impact, or even than estimates of state and local budget impacts. For example, the Federal Deposit Insurance Corporation Improvement Act of 1991 made significant changes to federal regulation of banks. Some have blamed that law for perceived shortages of business credit in 1992 and 1993. The validity of those misgivings will not be known for a long time, if ever, and it is highly unlikely that CBO, or any other group of analysts, would have been able to produce credible estimates of such impacts when the Congress was considering the bill.

To prepare economic impact assessments for all legislative proposals would be a costly undertaking, both in terms of the staff resources needed to prepare the analyses and in terms of time requirements. In addition, data could be costly to obtain and verify. Many assessments could result in producing flawed information that could be misleading.

Furthermore, a requirement to prepare economic impact assessments for bills reported from any committee could delay the legislative process significantly. Combining this requirement with the tight, unpredictable schedules that committees often must follow would create conflicting priorities for legislative action. Based on our cost estimating experience, it is hard to be confident that committees would have the flexibility or patience to consistently tolerate the time required for good economic impact analyses.

The amendment proposed to S. 171 would require the General Accounting Office to prepare economic and employment impact statements for each bill, resolution, or conference report reported by any committee of the House or Senate, including the Appropriations Committees. These impact statement would include the estimated impacts not only for consumers and businesses, but also the fiscal impacts for affected state and local governments and the revenue and outlay effects for the federal government.

These analytical requirements would duplicate the bill costing work of the Congressional Budget Office, both for federal cost impacts and for state and local government cost estimates. If enacted, the Congress would be receiving cost estimates from two different legislative support agencies. The result would be confusion for committees and for Members of Congress. The CBO federal cost estimates would be controlling for budget resolutions and reconciliation instructions, but the GAO could easily produce different estimates for the same proposals. Committees and Members naturally would want to know why there were differences, and additional time would be required to sort out the reasons for any differences.

Cost estimates and economic impact analyses depend on specific economic assumptions. The budget process gives the Congress the opportunity to review these assumptions during the consideration of the annual budget resolution. With the adoption of the resolution, the Congress ratifies the economic baseline for cost estimates and economic impact assessments. There is no requirement in the proposed amendment for the General Accounting Office to use the same set of economic assumptions as used by CBO. The amendment would require GAO to duplicate the bill costing work of the CBO without giving the Congress the opportunity to review the economic basis for these estimates. Even if GAO and CBO used the same economic assumptions, estimating differences are sure to result because analysts in the two agencies probably would not make the same programmatic assumptions or use the same estimating models.

As written, the proposed amendment could mandate a great deal of work by the General Accounting Office that might not meet the needs or expectations of committees and Members of Congress. It would require additional resources during a time when Legislative Branch funding is under heavy constraints. An alternative approach would be for CBO to work with the Budget Committees and the bipartisan leadership to produce an agenda each year for CBO to follow in making estimates of economic impact, with periodic updates as necessary. In this way, CBO could concentrate its limited resources on a few critical bills for which economic analyses might produce good quality information for the Congress. This approach would avoid duplication of effort and confusion, provide the Congress with useful information, and require limited additional resources.

I hope that this information is useful. I would be happy to discuss further this matter with you or with your staff.

Sincerely,

ROBERT D. REISCHAUER,
Director.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. The majority leader, as he does well, has expressed where we are at this point. I do not want to intrude on the patience of the managers. I said I would place this amendment before the body. It is a compilation of various measures, as the Senator has expressed, some one or two of which in its fluid state have been taken care of today.

So that is the reason my attempt was to hold it open, not to slide one in on the leader or the body, I can assure you of that, but to accommodate—and this has an array of bipartisan measures in it—members of both parties, both sides of the aisle.

However, it is important for our consideration that we close this issue as to what can be introduced. So I would like to introduce the amendment. That will be then part of the RECORD, and then the procedure can go forward as the Senator suggests. And then tomorrow I will be here at 9 o'clock. If it would be possible for me at least not to go forward with the debate of the issue after introduction, then I will be here at whatever hour the majority leader will set and then immediately take approximately 20 minutes.

There are other cosponsors who would not require a great amount of time, and we can go right to this measure. I will assure you that we will conclude. I have a list of the people who wish to speak, and they are 4 minutes or 3 minutes or 5 minutes. So it should not be a long period of time.

I think that this amendment would be concluded tomorrow. I do not know the other amendments from our side of the aisle on the bill itself but perhaps some of it will be conditioned upon this amendment and its success or failure.

Mr. MITCHELL. Madam President, I thank my colleague for his comments. This is an important amendment. As both Senator SIMPSON and I have said, it is a compilation of several bills that are included in the single amendment. So I think it does warrant debate and an opportunity for Senators who have not yet seen it to review it.

My hope is that we can complete action on this amendment within a reasonable time tomorrow and complete action on the bill. I merely want to say for my colleague's benefit that we made good progress today, disposed of several amendments, and our hope is we can finish the bill tomorrow. If not, Senators should be prepared for a very late evening tomorrow on the bill as we attempt to proceed to complete action on the bill.

I would like to inquire of the manager if the procedure we have described is agreeable to him.

Mr. HOLLINGS. The procedure, I say to the majority leader and to the distinguished Senator from Wyoming, is very agreeable in that I have no alternative. Referring just at a glance, like Senator DOLE's private property rights amendment does not belong on a technology bill; reform of Davis-Bacon does not belong on the technology bill; regulatory relief for bankers; paperwork reduction; rural community bank; you go right on down; the matter of OSHA. You see there are no amendments to my bill. When you say it is agreeable, I do not agree to the amendment. It is quite obvious. I just want to make that clear. It is important in not being germane.

I guess we will have to vote, and maybe some Senators in different committees want to sever out sections of this or put in amendments. This is mischief when you try to catch dogs and lump them altogether. I have seen just one amendment come here, and we worked. We really have to get these compromises. True it is, we accepted one. We compromised another one. But that still leaves the 12, 10 important items not germane and belonging to the other committees.

So while the procedure is very agreeable, and I think that is the only sensible thing we can do at this particular moment, I am always glad to work with the Senator from Wyoming.

(Mr. GRAHAM assumed the chair.)

Mr. MITCHELL. Mr. President, in that event, I think it is best to let the Senator from Wyoming proceed, as we suggested, and introduce his amendment, and say as much or as little as he wants. I do not know what anybody wants to say, but we will stay as long as any Senator wants to continue to debate and then come back in, and get back on this at 9 o'clock in the morning.

Mr. SIMPSON. Yes.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 1486

(Purpose: To promote industrial competitiveness and economic growth in the United States by providing for Federal regulatory reform, and for other purposes)

Mr. SIMPSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], for himself, Mr. NICKLES, Mr. DOLE, Mr. COCHRAN, Mr. GRAMM, Mr. THURMOND, Mr. DURENBERGER, Mr. KEMPTHORNE, Mr. WALLOP, Mr. COVERDELL, Mr. MURKOWSKI, Mr. MACK, Mr. PRESSLER, Mr. LOTT, Mr. SMITH, Mrs. HUTCHISON, Mr. HELMS, Mr. CRAIG, Mr. COATS, Mr. GORTON, and Mr. WARNER proposes an amendment numbered 1486.

Mr. SIMPSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment appears in today's RECORD under "Amendments Submitted.")

Mr. SIMPSON. Mr. President, after this introduction, this will be presented to our colleagues.

I would just add that I understand fully the trials of a floor manager in this arena. And the patience of the Senator from South Carolina is great.

But the purpose of the amendment is to deal with what we see as real competitiveness. If you want to have competitiveness in the country, each and every segment of this amendment is a compilation of what Democrats and Republicans on this issue have said in the past. Some of these have been shot out of the sky like clay pigeons at the fair.

So they are all presented. They are cosponsored in more than several instances by Democrats and Republicans. But they all have to do with competitiveness. We are talking about competitiveness. Each and every one of them have to do with something which would relieve the burden of regulation in America which should improve competitiveness, enhance our competitiveness by seeking to reduce Government intervention, and that is the purpose of the amendment.

I can go into it, and will in greater detail. I assure you that I will work with the floor managers to process it as swiftly as possible tomorrow. I will assist with the time, and those on our side of the aisle to come forward and briefly speak in the debate on this amendment.

I reserve my full statement until the morning hour.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator for his cooperation for the presentation of the amendment because it will help us to move along. You can see the practical difficulties now that I have as manager of the bill. It is not any political difference between the distinguished Senator from Wyoming and myself. But when I see 40 Senators vote to gut the bill, then I know we are in some trouble because they are not treating the bill seriously, I take it. It has been treated seriously, reported, unanimously approved, ready for a markup, conference report from the House and Senate, back again, unanimously reported out.

So I know the history of the underlying bill on technology, competitiveness, the commercialization, the National Science Foundation, the information superhighway. Then I see, well, 40 Senators are ready to vote en bloc. I am sure the distinguished leader on the other side of the aisle could carry that block, if anyone can. And then I see some amendments on here that have nothing to do with respect to this particular technology bill.

When I see there are colleagues on this side of the aisle who would not want to be voting against their own bill, I do not know what the Mack-Shelby Banking Regulatory Relief Act is, or the Wallop-Boren Rural Community Act is. But I see those Members on my side, and I say, wait a minute. You can get as popular as the Senator from Wyoming is. He has 40-some in his whole side moving with him. And then he has some of the amendments from our side. This thing is going to pass. I am saying, all right, let us say it is going to pass. And I am over in conference, and I am with all kinds of committees over there. It just really frustrates the orderly procedure of legislating on a very, very important subject.

I know the illusion. You can call anything "competitiveness." I guess the

Senator from Wyoming and I are competitive standing here. He is ready to go to the Chinese Embassy, and I am ready for him to go.

I look forward to seeing him at 9 o'clock in the morning. I just wanted him to know some of my immediate reaction having been working on this bill for 3 days.

Mr. SIMPSON. Mr. President, where else would the Senator tell me to go? No.

I could go there. But no. I shall not. But I do not have 40 votes in my pocket on this one.

Mr. HOLLINGS. I thank the Senator. I feel better. I can sleep a little bit better.

Mr. SIMPSON. I say to the Senator from South Carolina that I do not. But anyway, there is time to deal with it. I appreciate his usual courtesies to me. He has been a good counsel since I came here.

Mr. HOLLINGS. I thank him.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there now be a period of morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORTING CLINTON ADMINISTRATION REEMPLOYMENT PROGRAM

Mr. PELL. Mr. President, earlier today, I was pleased to join several of my colleagues and President Clinton at the White House to announce legislation to establish a comprehensive system of reemployment services, job training, and income support for permanently laid-off workers. I am also pleased to be one of the original cosponsors of the Senate version of the President's plan.

As both the President and Secretary Reich have said many times, the Nation must prepare itself for a new, high technology, globally competitive, peacetime economy. However, high technology jobs without high technology employees are of no value. It is for that reason that we must begin to recast the American work force for the jobs of the 21st century. The industries and the skills that have gotten us to our place of prominence in the world today are not the industries and the skills that will keep us at the head of the parade.

For many years, I have had a particular interest in the issues of job retraining and defense conversion. My home State of Rhode Island has suffered from high unemployment for several years now. And it is not coincidental that the Electric Boat division of General Dynamics, one of two manufacturers of nuclear submarines in the country and once the largest private sector employer in Rhode Island, has laid off thousands of Rhode Islanders and has plans, within the next few years, to reduce its work force to a mere 1,000.

The workers who have lost their jobs at Electric Boat are, without a doubt, very highly skilled workers. Unfortunately, the skills needed to build the best nuclear submarines in the world are not transferable to other professions. In an effort to support their families, these Rhode Islanders have been forced to search for low-wage/low-skill jobs.

The submarine workers in North Kingstown, RI, are not alone. Workers around the Nation are faced with similar problems—well trained in skills that are no longer needed. The legislation the President announced today will establish an organized network to evaluate the needs of workers, provide a wide range of job counseling, and when needed, referral to a wide range of retraining programs complete with income support during the period of retraining.

Mr. President, I look forward to working with the President as he continues to restore our economy and move it forward.

TRIBUTE TO SYLVIA HASSENFELD

Mr. PELL. Mr. President, during my tenure in the Senate, I, like many of my colleagues, have stood before this body on many occasions to pay tribute to individuals who, for some reason or another, deserve special commendation for their efforts. The common thread has been that the individual in question has performed some service, undertaken some act of heroism or devotion, or received an award or special recognition for excellence or achievement. In short, there is always something extraordinary about the individual involved.

In some cases, I have known the individual well, and in cases, not so well. After 33 years in the Senate, I confess that at times I find it difficult to find the right words to ensure that the individual receives the tribute they deserve.

But sometimes, Mr. President, there is that rare occasion when the individual in question is a true friend of such quality, that the pleasure of paying tribute assumes a special meaning. It makes my work easier, and I can speak from the heart. Today, Mr. President, is such an occasion.

I am speaking of Mrs. Sylvia Hassenfeld, chairman of the board of the American Jewish Joint Distribution Committee [JDC], who, I am delighted to say, has been chosen receive the prestigious Emma Lazarus Statue of Liberty Award.

Sylvia Hassenfeld is one of the most prominent and effective members of the American Jewish community. Although Sylvia Hassenfeld resides in Palm Beach, FL, the Hassenfeld family name is well known in my State of Rhode Island, where the renowned Hasbro industry makes its home.

Mrs. Hassenfeld served as president of the JDC prior to assuming her current position as chairman. She also serves as a member of the Jewish Agency's board of governors, as national vice chairman of the United Jewish Appeal [UJA]. Aside from her work for the Jewish community, Mrs. Hassenfeld is also noted for her voluntary and philanthropic activities, including her efforts as a trustee of the Hasbro Children's Foundation, as a member of the New York University Medical Center Board of Trustees, as a board member of Johns Hopkins University's School of Advanced International Studies, and as a board member of the Jerusalem Foundation. She is also a Presidential appointee to the U.S. Holocaust Memorial Council.

Mrs. Hassenfeld's unstinting efforts on behalf of the global Jewish community, and on behalf of humankind in general, have earned her the honor of the Emma Lazarus Award. The award is presented by the American Jewish Historical Society, the veritable guardian of American Jewish heritage and culture.

Emma Lazarus, of course, was the esteemed poet who penned the lines that have shone as a beacon to generations of immigrants to the United States, "Give me your tired, your poor, your huddled masses yearning to be free." The award that bears her name is bestowed upon Americans who, according to the American Jewish Historical Society, have "played a major role in improving the human condition." Past recipients include Edgar Miles Bronfman, Dr. Armand Hammer, and Dr. Abram L. Sachar.

The addition of Sylvia Hassenfeld's name to this list of distinguished recipients will preserve the integrity and reinforce the prestige of the Emma Lazarus Award. Just as the words of Emma Lazarus inspired hope and courage in America's immigrants, the work of Sylvia Hassenfeld has inspired pride and appreciation in all who know her. I can think of no one better qualified or more deserving of this recognition than Sylvia Hassenfeld, and in all sincerety, I am honored to pay her tribute.

PRESTON HOPSON III—AAU/MARS MILKY WAY HIGH SCHOOL ALL-AMERICAN AWARD

Mr. RIEGLE. Mr. President, I rise to honor Preston Hopson III, a high school senior attending City High School in Grand Rapids, MI. Out of a nationwide pool of 10,000 high school students, Preston was recently selected as one of eight regional recipients of the Amateur Athletic Union/Mars Milky Way High School All-American Award. This prestigious award honors young men and women for their outstanding academic, athletic, and community service achievements.

Throughout his high school years, Preston has truly excelled in each of these areas. What defines Preston's exceptional character more than anything else, however, is his involvement in school and community affairs. Preston serves as president of the Student Council and is the yearbook editor, while also being a member of the debate team, school newspaper, drama club, forensics team, and Close-Up. Outside of school, Preston dedicates his time to volunteering at the Sheldon Complex in Grand Rapids, tutoring local junior high students, and serving on the city of Grand Rapids' Community Relations Committee.

Preston's many accomplishments and fine character quickly became evident to my staff when he served as a student intern in my western Michigan office last spring. Preston consistently demonstrated his maturity, dependability, and high quality of work while serving constituents in my office.

The entire Grand Rapids Public School system can take great pride in Preston's accomplishments and recognition by the Amateur Athletic Union and Mars Milky Way. I ask my colleagues in the U.S. Senate to join Preston's parents, friends, teachers, and entire student body in congratulating him.

TRIBUTE TO HARRY FOSTER, HONOREE DISTINGUISHED SERVICE TO AGRICULTURE AWARD

Mr. RIEGLE. Mr. President, I rise today, to pay tribute to a distinguished individual from Michigan, who is being recognized for a lifetime of proud dedication to agriculture in my home State. Harry Foster, the executive director of both the Michigan Asparagus and Michigan Plum Advisory Boards, is being honored with a Distinguished Service to Agriculture Award at Michigan State University on March 10, 1994.

Over the years, I have had the pleasure of working with Harry on a number of issues, and was extremely pleased to learn that he is receiving this award. In all my years of public service, I have met few who have been as deserving of recognition as Harry. He has represented agriculture interests to the best of his ability, working closely with all parties from farmers to elected officials, and I know that he will continue to do so.

From his 27 years with the Michigan Agriculture Cooperative Marketing Association of the Michigan Farm Bureau, to his current position as the executive director of the Michigan Asparagus and Michigan Plum Advisory Boards, Harry has taken advantage of every opportunity to benefit agriculture in Michigan. He has been instrumental in the creation and passage of many State and Federal legislative initiatives, and has been a leader in securing essential funding for commodity research.

Harry's achievements show him to be a leader not only in agriculture, but also in the community. He has served his community in many different respects, holding offices and volunteering his time, further exemplifying his noble commitments and positive influence upon the lives of others.

Harry Foster is a dedicated and accomplished individual, and it is my honor to ask my colleagues to join in congratulating him, and recognizing his contributions to the agriculture community and to Michigan.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting treaties, and sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE EUROPEAN ATOMIC ENERGY COMMUNITY—MESSAGE FROM THE PRESIDENT—PM 97

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

The United States has been engaged in nuclear cooperation with the European Community (now European Union) for many years. This cooperation was initiated under agreements that were concluded over three decades ago between the United States and the European Atomic Energy Community (EURATOM) and that extend until December 31, 1995. Since the inception of this cooperation, EURATOM has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements. EURATOM agreed in 1978 to such negotiations.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. nonproliferation objectives or otherwise jeopardize the common defense and security, and after notification to the Congress. President Carter made such a determination 14 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Orders Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629 permitting nuclear cooperation to continue through March 10, 1989. President Bush made such determinations in 1989, 1990, 1991, and 1992, and signed Executive Orders Nos. 12670, 12706, 12753, and 12791 permitting nuclear cooperation to continue through March 10, 1993. Last year I signed Executive Order No. 12840 to extend cooperation for an additional year, until March 10, 1994.

In addition to numerous informal contacts, the United States has engaged in frequent talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. Talks were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, September and November 1988, July and December 1989, February, April, October, and December 1990, and September 1991. Formal negotiations on a new agreement were held in April, September, and December 1992, and in March, July, and October 1993. They are expected to continue this year.

I believe that it is essential that cooperation between the United States and EURATOM continue, and likewise, that we work closely with our allies to counter the threat of proliferation of nuclear explosives. Not only would a disruption of nuclear cooperation with

EURATOM eliminate any chance of progress in our talks with that organization related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. nonproliferation objectives and would jeopardize the common defense and security of the United States. I therefore intend to sign an Executive order to extend the waiver of the application of the relevant export criterion of the Atomic Energy Act for an additional 12 months from March 10, 1994.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 9, 1994*.

MESSAGES FROM THE HOUSE

At 5:55 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 3345) to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

MEASURES PLACED ON THE CALENDAR

The following measure was discharged from the Committee on the Judiciary and placed on the calendar:

S. 1458. A bill to amend the Federal Aviation Act of 1958 to establish time limitations on certain civil actions against aircraft manufacturers, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1040. A bill to support systemic improvement of education and the development of a technologically literate citizenry and internationally competitive work force by establishing a comprehensive system through which appropriate technology-enhanced curriculum, instruction, and administrative support resources and services, that support the National Education Goals and any national education standards that may be developed, are provided to schools throughout the United States (Rept. No. 103-234).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 150. A joint resolution to designate the week of May 2 through May 8, 1994, as "Public Service Recognition Week."

S.J. Res. 151. A joint resolution designating the week of April 10 through 16, 1994, as "Primary Immune Deficiency Awareness Week."

S.J. Res. 162. A joint resolution designating March 25, 1994, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

S.J. Res. 163. A joint resolution to proclaim March 20, 1994, as "National Agricultural Day."

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-388. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Armed Services.

"HOUSE CONCURRENT MEMORIAL 2009

"Whereas, the United States Air Force Armstrong Laboratory Aircrew Training Research Division, located on Williams Air Force Base, remains a leader in aircrew training research and development; and

"Whereas, the Arizona legislature endorses the common goal of military readiness in support of national peace; and

"Whereas, the Armstrong Laboratory has helped develop many of the defensive technologies used in the recent conflict in the Middle East such as the chemical warfare defense study and the night vision goggle training research; and

"Whereas, the Armstrong Laboratory developed several flight simulators for training some of the best pilots in the United States Air Force; and

"Whereas, the Armstrong Laboratory employs people of the state of Arizona; and

"Whereas, the University of Dayton and the Armstrong Laboratory have a well-established procedure for exchanging research and technological information betweem them that benefits academia, industry and the military; and

"Whereas, high technology growth in the flight simulation and training technology field is highly desirable for the state of Arizona with thousands of new jobs projected for the coming years.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

"1. That the President of the United States and the One Hundred Second Congress of the United States consider the continuation of operations at the United States Air Force Armstrong Laboratory after the closure of Williams Air Force Base that is currently scheduled to close in the month of September 1993.

"2. That the Secretary of State of the State of Arizona transmit copies of this Concurrent Memorial to the United States President, the Speaker of the United States House of Representatives, the President of the United States Senate and each Member of the Arizona Congressional Delegation."

POM-389. A resolution adopted by the Board of County Commissioners of Monroe County, Florida relative to Florida Bay; to the Committee on Energy and Natural Resources.

POM-390. A resolution adopted by the Board of County Commissioners of Monroe County, Florida relative to the Florida Everglades Initiative; to the Committee on Energy and Natural Resources.

POM-391. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Energy and Natural Resources.

"HOUSE CONCURRENT MEMORIAL 2007

"Whereas, passage of this act would, subject to valid existing rights, withdraw lands within Cave Creek Canyon from the general mining, mineral leasing and material sales laws of the United States; and

"Whereas, Cave Creek Canyon is a sanctuary to hundreds of birds, animals and plants, many of which are on the endangered or threatened species list; and

"Whereas, Cave Creek Canyon serves as an important scientific research area and training ground for many national and international scientists; and

"Whereas, this area is one of the most popular and cherished bird watching spots in the United States and many other people treasure this region because it gives them the opportunity to hike and camp in a remote, beautiful and unspoiled setting; and

"Whereas, mining operations would disrupt and destroy this special wildlife haven; and

"Whereas, under current law, a mining company with a lease from the federal government is permitted to begin exploration and mining procedures in the Cave Creek Canyon area; and

"Whereas, passage of the Cave Creek Canyon Protection Act is the only permanent solution to protect this region from future mining operations.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

"1. That the One Hundred Second of the United States pass the Cave Creek Canyon Protection Act.

"2. That the Secretary of State of the State of Arizona transmit copies of this Concurrent Memorial to the Speaker of the United States House of Representatives, the President of the United States Senate, United States Representative Nick Rahall, Chairman of the Subcommittee on Mining and Natural Resources and each Member of the Arizona Congressional Delegation."

POM-392. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Energy and Natural Resources.

"SENATE CONCURRENT MEMORIAL 1003

"Whereas, for more than a century the general mining law of the United States has provided the nation with the necessary domestic metals base essential to its national security, economic well-being and industrial production; and

"Whereas, the basic tenets of the general mining law, including self-initiation, freedom of access and security of tenure, have been and continue to be critical to the development of a healthy domestic mining industry; and

"Whereas, if the nation is to remain a strong international competitor in industrial production it must continue to develop a strong mineral base essential to that production; and

"Whereas, since statehood a healthy mining industry has been of significant importance to the economy of the State of Arizona, contributing billions of dollars in direct and indirect economic benefits to the state, its various political subdivisions and its residents; and

"Whereas, the continuation of a healthy mining industry is of significant importance to the revenue base of this state and to the continued economic growth and development of rural areas in this state.

"Wherefore your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, prays:

"1. That the One Hundred Second Congress of the United States oppose the Mineral Exploration and Development Act of 1991, H.R. 918, introduced by United States Congressman Nick J. Rahall, and the Mining Law Reform Act of 1991, S. 433, introduced by United States Senator Dale Bumpers.

"2. That the Secretary of State of the State of Arizona transmit copies of this Concurrent Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of the Arizona Congressional Delegation."

POM-393. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Energy and Natural Resources.

"HOUSE CONCURRENT MEMORIAL 2002

"Whereas, current operational practices at Glen Canyon Dam harm the environmental, recreational and cultural values of the Glen Canyon National Recreational Area and Grand Canyon National Park; and

"Whereas, the Grand Canyon Protection Act would mitigate adverse impacts to the area and improve the Grand Canyon National Park and the Glen Canyon National Recreational Area for natural and cultural resources and visitor use; and

"Whereas, passage of this act would enable a plan to be developed for operating the Glen Canyon Dam on an interim basis to protect and improve the condition of the natural, recreational and cultural resources of the Grand Canyon National Park and the Glen Canyon National Recreational Area; and

"Whereas, implementing this plan would not interfere with the water storage and delivery functions of the Glen Canyon Dam; and

"Whereas, the proposed plan would minimize the adverse environmental impact of the Glen Canyon Dam operations on the Grand Canyon National Park and the Glen Canyon National Recreational Area that are both located downstream from the Glen Canyon Dam; and

"Whereas, implementation of the proposed interim plan would adjust fluctuating water releases in producing hydroelectric power, adjust flow changes that will minimize adverse downstream impacts and minimize flood releases and will maintain minimum and limit maximum flows released during normal operations of the Glen Canyon Dam to minimize destructive environmental impacts of the Glen Canyon Dam operations on the Grand Canyon National Park and Glen Canyon National Recreational Area; and

"Whereas, this plan also will protect essential fishery resources; and

"Whereas, passage of this legislation is critical to the long-term protection of the Grand Canyon for natural, cultural and recreational use.

"Wherefore your memorialist, the house of Representatives of the State of Arizona, the Senate concurring, prays:

"1. That the One Hundred Second Congress of the United States pass the Grand Canyon Protection Act.

"2. That the Secretary of the State of the State of Arizona transmit copies of this Concurrent Resolution to the Speaker of the United States House of Representatives, the President of the United States Senate and each Member of the Arizona Congressional Delegation."

POM-394. A resolution adopted by the Senate of the Legislature of the Commonwealth of Kentucky; to the Committee on Environment and Public Works.

"RESOLUTION

"Whereas, the United States Army Corps of Engineers has decided to impose user fees upon the citizenry who have historically enjoyed these public recreational facilities without charge at lakes operated by the Corps; and

"Whereas, the Corps is not mandated under current federal law to assess user fees; and

"Whereas, the funds received from user fees collected nationally would represent only the nominal amount of $20 million; and

"Whereas, the user fees would represent an undue financial burden upon many who would have no place to recreate without such facilities provided gratis, including the working poor, the elderly, and young families; and

"Whereas, the Corps has not adequately explored other revenue-enhancing measures for these facilities, nor has it demonstrated conclusively the need for increased revenue; and

"Whereas, the Corps made its decision to assess user fees without public input and in clear violation of the very democratic principles that empower the government and public to whom the Corps is subservient and accountable; and

"Whereas, the Corps is charged with the responsibility of operating public recreational facilities that are located on public lands, which, by definition, are owned by the public; and

"Whereas, the imposition of unnecessary, disruptive, egregious fees upon the very public that is the true owner of these lands stands in clear violation of the spirit and intent of the laws which created these facilities; now, therefore,

"*Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:*

"Section 1. That the Commonwealth of Kentucky respectfully requests and petitions the United States Army Corps of Engineers to rescind its decision to impose user fees at swimming beaches, boat docks and marinas, shelters, and picnic grounds at park and recreational facilities operated by the Corps.

"Section 2. That the Clerk of the Senate is directed to send copies of this Resolution to the Clerk of the U.S. House of Representatives; to the Secretary of the U.S. Senate; to Headquarters; U.S. Army Corps of Engineers, Washington, D.C. 20314-1000; and to the Louisville Office, U.S. Army Engineering District, P.O. Box 59, Louisville, KY 40201."

POM-395. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Finance.

"SENATE CONCURRENT RESOLUTION 1018

"Whereas, Arizona recognizes the need for a strong federal highway trust fund; and

"Whereas, large-scale rehabilitation, repair and capacity improvements are ongoing necessities of the national highway and airway transportation systems; and

"Whereas, the highway and airway transportation systems are two of the most critical components of the physical infrastructure of the United States of America; and

"Whereas, there is a growing and concentrated national consensus for programs to serve the country's highway and airway transportation needs through the year 2020; and

"Whereas, high-quality highways and airports are critical to the ability of manufacturers to build and deliver products and to the ability of states and communities to attract new industry and sustain economic growth; and

"Whereas, the competitive position of the individual states and the nation in international trade is directly related to the quality of access to airports and the interstate highway system and the physical condition of those airports, interstates and primary highways; and

"Whereas, in recent federal aid highways acts, the United States Congress has been required to include provisions for extending the highway trust fund and the taxes that fund it; and

"Whereas, a buildup of the highway trust fund has occurred, in part, because of obligation ceilings that have been imposed by the appropriation process, causing limits to be placed on the amount of money that states can commit each year to transportation projects; and

"Whereas, federal highway trust funds have been historically supported by the federal motor fuel tax obtained from highway users; and

"Whereas, in recent years, aviation and highway trust funds have been included in the sequestration of funds that are being used as a means to reduce the federal deficit; and

"Whereas, the removal of the highway trust fund from the federal unified budget would provide more than ten billion dollars for transportation projects, of which approximately ninety-seven million five hundred thousand dollars would be allocated to the state of Arizona that so vitally needs transportation funds; and

"Whereas, the removal of the airport and airway trust fund from the federal unified budget would provide approximately eight billion dollars for the modernization of airports and other improvements in the nation's aviation system, now therefore,

"*Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:*

"1. That the President of the United States and the United States Congress make the highway trust fund, the airport and airway trust fund and the user fees accruing to them a permanent fund to ensure that reliable funding sources are available for constructing, rehabilitating and otherwise improving the highways, bridges and airports that are so essential to the vigor of the State of Arizona and the national economy.

"2. That the President of the United States and the United States Congress protect the highway trust fund and the airport and airway trust fund from predatory proposals to divert users' revenues to programs entirely unrelated to the transportation purposes for which the funds were established.

"3. That the United States Congress remove the federal highway trust fund and the airport and airway trust fund from the federal unified budget, release sequestered transportation funds and remove forever the specter of using dedicated highway or airway funds for budget reducing measures, thus making those funds available for the purposes that they were collected and intended, the nation's transportation infrastructure.

"4. That the Secretary of State of the State of Arizona transmit a certified copy of this Concurrent Resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona."

POM-396. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Finance.

"HOUSE CONCURRENT RESOLUTION 2007

"Whereas, it is necessary to enact the Social Security Notch Adjustment Act to provide for an equitable adjustment; and

"Whereas, in 1972 the United States Congress mandated that social security benefits be increased automatically, which was ultimately determined to be overgenerous in that it double indexed the benefits of future retirees to reflect both wage and price inflation; and

"Whereas, the Constitution and laws of the United States prohibit age discrimination; and

"Whereas, in 1977 the United States Congress enacted legislation creating a notch in social security benefits for workers born in the years between 1917 and 1926; and

"Whereas, these "notch babies" do not receive social security benefits for taxes and earnings prior to the age of twenty-one or upon the age of sixty-two years; and

"Whereas, there is a penalty assessed against social security benefits for earnings; and

"Whereas, in 1991, the penalty to citizens under the age of sixty-five years was one dollar for every two dollars earned over the amount of seven thousand eighty dollars and the penalty to citizens over the age of sixty-five years was one dollar for every three dollars earned over the amount of nine thousand seven hundred twenty dollars; and

"Whereas, the social security trust fund is being used to reduce the national debt, which misleads the public as to the amount of the national debt; and

"Whereas, the social security trust fund is funded by our citizens for the purpose of preserving monies for social security benefits only; and

"Whereas, the United States Congress granted themselves substantial pay raises in a questionable one day session before their 1989 Thanksgiving recess; and

"Whereas, the Congress has improved their standard of living while refusing to address this social security discrimination that has drastically affected their constitutents' standard of living, now therefore,

"Be it resolved by the Legislature of the State of Arizona:

"1. That the members of the Legislature respectfully request the One Hundred Second Congress of the United States, during their 1991 session, to comply with the United States Constitution and laws and end age discrimination by enacting legislation to:

"(a) Provide equitable social security benefits to the "notch group" of people born between the years of 1917 and 1926 that were earned before the age of twenty-one and upon the age of sixty-two years.

"(b) Eliminate the discriminatory penalty on the earnings of recipients of social security benefits.

"(c) Protect and preserve the social security trust fund and discontinue the practice of misleading our citizens by using the fund surplus to reduce the national debt.

"2. That the Secretary of State of the State of Arizona transmit copies of this Concurrent Resolution to the Speaker of the United States House of Representatives, the President of the United States Senate and each Member of the Arizona Congressional Delegation."

POM–397. A resolution adopted by the City Council of the City of Schenectady, New York, relative to unfunded Federal mandates; to the Committee on Governmental Affairs.

POM–398. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Indian Affairs.

"SENATE CONCURRENT RESOLUTION 1017

"Whereas, the people of the State of Arizona view with concern the threatened reduction in services provided by the Indian health service to member of Indian tribes of this state; and

"Whereas, a reduction or a dismantling of health provider services will significantly threaten the health of members of Indian tribes of this state, now, therefore,

"Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

"1. That the Indian health service maintain its current budget and service level in this state.

"2. That the Indian health service maintain it current provider network on reservations in this state.

"3. That during the current congressional budget review the Arizona congressional delegation make a unified effort to increase funding by the Indian health service to Arizona Indian tribes.

"4. That the Secretary of State of the State of Arizona transmit a certified copy of this Concurrent Resolution to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of the Arizona Congressional Delegation."

POM–399. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Indian Affairs.

"SENATE CONCURRENT RESOLUTION 1019

"Whereas, the Supreme Court of the United States, in *Duro* v. *Reina*, 110 S. Ct. 205 (1990), 109 L.Ed. 2d 693 (1990), has reversed two hundred years of the exercise of Indian tribes of criminal misdemeanor jurisdiction over all Indians residing on their reservations by ruling that tribes may only retain power over Indians enrolled in their respective tribe; and

"Whereas, this ruling displays a lack of understanding of the reality, history and demographics of Indian country including the fact that there are thousands of Indians living on reservations who are not enrolled at their particular reservation; and

"Whereas, a nonenrolled Indian may have lived on a particular reservation for all of his or her life, may have intermarried with an enrolled member, may have had children with an enrolled member and may own land or property on a reservation and not be an enrolled member at that particular reservation; and

"Whereas, a nonenrolled Indian is eligible for all programs that any Indian would be eligible for and is essentially given all the benefits of membership in a particular tribe including preference for employment; and

"Whereas, for the purpose of law enforcement, tribes have never distinguished between enrolled and nonenrolled Indians; and

"Whereas, the United States Supreme Court ruling has created an entire class of people over whom neither the federal, state or tribal government has jurisdiction for misdemeanor crimes, thereby creating a potential for serious lawlessness; and

"Whereas, the State of Arizona does not have funding available to hire the extra police officers, investigators, prosecutors and judges that would be necessary to prosecute misdemeanor crimes committed by Indians within the boundaries of Indian reservations, nor are there funds available to construct additional jails to house those who are convicted. Even if funds were available, tribal governments may not be able to successfully assert jurisdiction over all Indians residing on a particular reservation if jurisdiction depends on whether they are enrolled members of that tribe; and

"Whereas, the nontaxable status of reservation trust lands combined with the relative poverty of most Indian people make it difficult to offer any opportunity to raise the additional revenue that would be required to take over such a large job if jurisdiction were established; and

"Whereas, the United States Supreme Court indicated that it is the responsibility of the U.S. Congress to address any void in jurisdiction that may result from this ruling, now therefore,

"Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

"1. That the United States Congress be commended for passing Sections 8077 (b) and (c) of P.L. 101–511, signed by the President of the United States on November 5, 1990, that temporarily affirmed that tribes retain criminal misdemeanor jurisdiction over all Indians within the boundaries of the reservations and on lands of the tribes and urges the U.S. Congress to make this provision of P.L. 101–511 permanent law.

"2. That the Secretary of State of the State of Arizona transmit copies of this Concurrent Resolution to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of the Arizona Congressional Delegation."

* * *

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

Helen G. Berrigan, of Louisiana, to be U.S. district judge for the Eastern District of Louisiana;

Daniel T.K. Hurley, of Florida, to be U.S. district judge for the Southern District of Florida;

Judith W. Rogers, of the District of Columbia, to be U.S. circuit judge for the District of Columbia Circuit;

Orlando L. Garcia, of Texas, to be U.S. district judge for the Western District of Texas;

W. Royal Furgeson, Jr., of Texas, to be U.S. district judge for the Western District of Texas;

Samuel Frederick Biery, Jr., of Texas, to be U.S. district judge for the Western District of Texas;

Janis Graham Jack, of Texas, to be U.S. district judge for the Southern District of Texas;

Cameron M. Currie, of South Carolina, to be U.S. district judge for the District of South Carolina;

Alfred E. Madrid, of Arizona, to be U.S. Marshal for the District of Arizona for the term of 4 years;

John H. Hannah, Jr., of Texas, to be U.S. district judge for the Eastern District of Texas;

Raimon L. Patton, of Tennessee, to be U.S. Marshal for the Middle District of Tennessee for the term of 4 years;

Charles Lester Zacharias, of Minnesota, to be U.S. Marshal for the District of Minnesota for the term of 4 years;

Lezin Joseph Hymel, Jr., of Louisiana, to be U.S. attorney for the Middle District of Louisiana for the term of 4 years;

Walter Clinton Holton, Jr., of North Carolina, to be U.S. attorney for the Middle District of North Carolina for the term of 4 years;

Timothy Patrick Mullaney, Sr., of Delaware, to be U.S. marshal for the District of Delaware for the term of 4 years;

John Marshall Roberts, of Tennessee, to be U.S. attorney for the Middle District of Tennessee for the term of 4 years;

Jack O. Dean, of Texas, to be U.S. marshal for the Western District of Texas for the term of 4 years;

Laurent F. Gilbert, of Maine, to be U.S. marshal for the District of Maine for the term of 4 years;

Israel Brooks, Jr., of South Carolina, to be U.S. marshal for the District of South Carolina for the term of 4 years;

John James Leyden, of Rhode Island, to be U.S. marshal for the District of Rhode Island for the term of 4 years;

Thomas A. Constantine, of New York, to be Administrator of Drug Enforcement; and

Kristine Olson Rogers, of Oregon, to be U.S. attorney for the District of Oregon for the term of 4 years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JOHNSTON (for himself and Mr. BREAUX):

S. 1910. A bill to establish a national research program to improve the production and marketing of sweet potatoes and increase the consumption and use of sweet potatoes by domestic and foreign consumers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HELMS:

S. 1911. A bill to suspend temporarily the duty on 5-Chloro-2-(2,4-dichlorophenoxy) phenol; to the Committee on Finance.

By Mr. GLENN:

S. 1912. A bill for the relief of Ethel M. Roberts of Newark, Ohio; to the Committee on Governmental Affairs.

By Mr. COCHRAN (for himself, Mr. PRESSLER, and Mrs. KASSEBAUM):

S. 1913. A bill to extend certain compliance dates for pesticide safety training and labeling requirements; considered and passed.

By Mr. SIMON:

S. 1914. A bill to allow holders of unclaimed Postal Savings System certificates of deposit to file claims for such certificates; to the Committee on the Judiciary.

By Mr. SHELBY (for himself, Mr. NICKLES, Mr. PRESSLER, Mr. GORTON, Mr. BURNS, Mr. MURKOWSKI, Mr. FAIRCLOTH, Mr. PACKWOOD, and Mr. HATCH):

S. 1915. A bill to require certain Federal agencies to protect the rights of private property owners; to the Committee on Environment and Public Works.

By Mr. SIMON (for himself, Mr. LAUTENBERG, and Mrs. BOXER):

S. 1916. A bill to amend chapter 44 of title 18, United States Code, to increase certain firearm license application fees and require the immediate suspension of the license of a firearm licensee upon conviction of a violation of that chapter, and for other purposes; to the Committee on the Judiciary.

By Mr. SIMON (for himself and Ms. MOSELEY-BRAUN):

S.J. Res. 167. A joint resolution to designate the week of September 12, 1994, through September 16, 1994, as "National Gang Violence Prevention Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (for himself and Mr. BREAUX):

S. 1910. A bill to establish a national research program to improve the production and marketing of sweet potatoes and increase the consumption and use of sweet potatoes by domestic and foreign consumers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SWEET POTATO RESEARCH AND PRODUCTION IMPROVEMENT ACT OF 1994

• Mr. JOHNSTON. Mr. President, I introduce legislation that will have a significant and far-reaching impact on our Nation's sweet potato industry. This legislation is identical to legislation I introduced prior to the adjournment of the 102d Congress and will provide needed research which will help not only one of our country's fastest growing commodity industries, but also help assure foreign and domestic consumers receive a higher quality product that is more nutritious, produced with less pesticides, grown utilizing more environmentally responsible management practices, and more efficiently processed and brought to market.

As my colleagues from sweet potato producing States know, sweet potatoes are not only delicious but highly nutritious, ranking at the top of the list in nutritional value when compared to other vegetables. However, while the U.S. production of sweet potatoes represents a $3 million industry and one of our country's fastest growing commodities, we currently have very few research programs in place to address the needs of the industry in a variety of areas. To fill this need, this bill would establish a National Sweet Potato Research Program within the U.S. Department of Agriculture under the Agricultural Research Service [ARS]. This small investment would go a long way toward ensuring that land-grant colleges and institutions throughout the country place a higher priority on research efforts designed to move the U.S. sweet potato industry forward and ensure consumers of a higher quality product. ARS would issue research grants on a competitive basis for this purpose.

The research sponsored through the program would focus on seven major areas, each critically important to the future of the sweet potato industry. Areas targeted for research include crop disease and pest resistance, improved varieties, environmentally compatible management technologies, integrated crop management, environmentally responsible chemical usage, and technology for better and more efficient harvesting, grading, storage, marketing, and processing of sweet potatoes.

Mr. President, the United States is by far the leader in agricultural research and technology. No other country has a safer, higher quality, or more abundant food supply than America. But the progress that we have made thus far has come from the investments we have made in improving this industry. We have the ability to go much, much further and should continue to strive to work toward that end. This bill will help us move forward at a very critical point for the sweet potato industry.

I urge my colleagues to support this legislation. It will prove beneficial to producers and consumers of sweet potatoes as well as assist the American agricultural support industry as a whole by working to expand further the already growing market for sweet potatoes.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1910

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sweet Potato Research and Production Improvement Act of 1994".

SEC. 2. NATIONAL SWEET POTATO RESEARCH PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture, acting through the Agricultural Research Service or through cooperative agreements with land-grant colleges and universities, shall conduct research regarding sweet potatoes, including research to develop—

(1) widely adapted, high-quality cultivars of sweet potato with increased yields and improved levels of disease and pest resistance for traditional markets and alternative uses;

(2) environmentally compatible management technologies to control diseases, nematodes, insects, and weeds that limit sweet potato production in the United States, including effective controls for sweet potato weevils in host and nonhost crops;

(3) detection and monitoring systems for male and female sweet potato weevils in sweet potato storage facilities and in field and seed bed plantings;

(4) integrated crop management practices for sweet potatoes that effectively combine cultural and biological controls, environmentally rational chemical usage, and host resistance;

(5) improved technology for more efficient harvesting, grading, and storage of sweet potatoes;

(6) improved technology for processing sweet potatoes for both traditional and nontraditional food products; and

(7) methods to increase sweet potato consumption and uses while also removing possible barriers that limit sweet potato use in both domestic and export markets.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Agriculture to carry out this section $2,400,000 for fiscal year 1994 and each fiscal year thereafter. Of the amounts made available for a fiscal year under this section—

(1) not more than $400,000 shall be made available to carry out research described in subsection (a)(1);

(2) not more than $500,000 shall be made available to carry out research described in paragraphs (2) and (3) of subsection (a);

(3) not more than $400,000 shall be made available to carry out research described in subsection (a)(4);

(4) not more than $400,000 shall be made available to carry out research described in subsection (a)(5);

(5) not more than $400,000 shall be made available to carry out research described in subsection (a)(6); and

(6) not more than $300,000 shall be made available to carry out research described in subsection (a)(7).•

By Mr. GLENN:

S. 1912. A bill for the relief of Ethel M. Roberts of Newark, OH; to the Committee on Governmental Affairs.

ETHEL ROBERTS PRIVATE RELIEF BILL

• Mr. GLENN. Mr. President, I introduce a personal relief bill for Ethel Roberts of Newark, OH. Ethel Roberts was denied a survivor's pension by the Office of Personnel Management [OPM] and the Merit Systems Protection Board [MSPB] because her husband, Hoyt J. Roberts, did not inform OPM upon their remarriage. Unfortunately, Hoyt Roberts was bedridden with terminal cancer and was physically unable to contact OPM. The only way that Ethel Roberts can receive a survivor's pension is through personal relief legislation.

Ethel Maxine Smith first married her husband, Hoyt J. Roberts, who was a civil servant, on May 14, 1950. The couple was divorced in 1977. In early 1989, Mr. Roberts was diagnosed with terminal cancer. To control Mr. Roberts' pain, the doctors gave him daily injections of morphine. It was under this morphine flood that Hoyt Roberts asked Ethel Roberts to remarry him. Mr. Roberts believed by remarrying his former wife, he could ensure Mrs. Roberts' pension, thus protecting her financial future. Mr. and Mrs. Roberts remarried on July 15, 1989, less than 1 month before Mr. Roberts' death.

Unfortunately, both OPM and MSPB ruled that Mrs. Roberts is not entitled to former spouse annuity benefits or survivor benefits because Mr. Roberts failed to elect survivor benefits for his wife upon the remarriage. Unfortunately, Mr. Roberts could not inform OPM of the remarriage because he was bedfast and taking large doses of morphine to control the pain of his illness. In addition, Mrs. Roberts claims that she had no idea that the remarriage would place her former spouse annuity benefits or survivor benefits in jeopardy because she and Mr. Roberts had a biblical marriage, in which Mrs. Roberts took care of the household and Mr. Roberts handled the financial issues.

In their rulings on Ethel Roberts' case, both OPM and MSPB stated that Mrs. Roberts' entitlement to a former spouse annuity terminated with her remarriage (5 U.S.C. Sec. 8341(h)(3)(B)). Regarding Mr. Roberts' failure to elect survivor benefits for Mrs. Roberts upon their remarriage, both OPM and MSPB ruled that they had no administrative discretion to waive this rule for Mrs. Roberts even though Mr. Roberts was physically unable to contact OPM upon the remarriage.

Because both OPM and MSPB ruled against Mrs. Roberts, her only course of action is personal relief legislation. The bill I am introducing today would entitle Ethel Roberts to a former spouse annuity by declaring her remarriage to Hoyt Roberts null ab initio. Mrs. Roberts would then be entitled to all moneys that she would have received upon Hoyt Roberts' death in July 1989.

The extraordinary facts in this case lead me to believe that Mrs. Roberts' situation merits personal relief legislation. It has been almost 5 years since Mr. Roberts died, 5 years that Mrs. Roberts has had to go without this annuity. I hope that we can pass this legislation quickly.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Notwithstanding section 8341(h)(3)(B) or any other provisions of chapter 83 of title 5, United States Code, in the administration of such chapter the marriage of Hoyt J. Roberts and Ethel M. Roberts (formerly Ethel Maxine Smith) of Newark, Ohio on July 15, 1989, shall be deemed to be null ab initio, and Ethel M. Roberts shall be entitled to a former spouse annuity based on her marriage to Hoyt J. Roberts on May 14, 1950 and the election of such former spouse annuity by Hoyt J. Roberts on January 1, 1988.

(b) The provisions of subsection (a) may not be construed to affect the application of any other Federal, State, or local law with regard to the marriage of Hoyt J. Roberts and Ethel M. Roberts on July 15, 1989.

(c) The provisions of this subsection shall be effective on and after July 15, 1989.

SEC. 2. Nothing in this Act may be construed as an inference of liability on the part of the United States.•

By Mr. SIMON:

S. 1914. A bill to allow holders of unclaimed postal savings system certificates of deposit to file claims for such certificates; to the Committee on the Judiciary.

POSTAL SAVINGS SYSTEM CERTIFICATES OF DEPOSIT ACT OF 1994

• Mr. SIMON. Mr. President, today I am introducing a bill that will allow holders of postal savings notes to redeem them with the U.S. Treasury Department.

In 1911, the postal savings system was established to allow people to purchase savings notes at the post office, because many immigrants were accustomed to saving at the post office.

In 1966, Congress terminated the system and transferred the unpaid deposits to the Treasury Department.

In 1984, Congress passed legislation designed to sunset the postal savings system, giving any individual holding postal savings notes 1 year to redeem them.

Since that time, however, the Treasury Department has received over 2,000 written inquiries and innumerable telephone inquiries from people wanting to cash in their notes.

We should give people one last chance to redeem their notes. This legislation will extend the final date for redemption to December 31, 1998.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAYMENT OF CLAIMS OF HOLDERS OF POSTAL SAVINGS SYSTEM CERTIFICATES.

Section 1322(c)(3) of title 31, United States Code, is amended by striking "more than one" and all that follows through the period and inserting "after December 31, 1998.".

SEC. 2. PUBLICITY REGARDING THE PAYMENT OF CLAIMS.

(a) POLICY OF CONGRESS.—It is the policy of the Congress that every individual holding unclaimed Postal Savings System certificates of deposit should be able to redeem those certificates. Since these certificates are more than 26 years old and most of the individuals owning the certificates are elderly, it is vital that information relating to the ability to file claims pursuant to this Act be disseminated as widely as possible.

(b) PUBLICITY CAMPAIGN.—In furtherance of the policy set forth in subsection (a), the Secretary of the Treasury shall prepare a plan relating to the dissemination of information on the payment of claims filed pursuant to this Act. The plan shall be designed so that the information will reach those individuals most likely to own Postal Savings System certificates of deposit. The Secretary of the Treasury shall consult with representatives of senior citizen organizations in the design of this plan. The plan shall be put into operation no later than 6 months after the date of the enactment of this Act.

SEC. 3. TECHNICAL AMENDMENT.

Section 1322(c) of title 31, United States Code, is amended by striking paragraph (4).•

By Mr. SHELBY (for himself, Mr. NICKLES, Mr. PRESSLER, Mr. GORTON, Mr. BURNS, Mr. MURKOWSKI, Mr. FAIRCLOTH, Mr. PACKWOOD, and Mr. HATCH):

S. 1915. A bill to require certain Federal agencies to protect the rights of private property owners; to the Committee on Environment and Public Works.

PRIVATE PROPERTY OWNERS BILL OF RIGHTS ACT

Mr. SHELBY. Mr. President, I am very pleased to introduce today, a piece of legislation that addresses the liberty and security of every individual in this country.

Mr. President, the bill that Senator NICKLES and I are introducing is not about creating new rights. Rather, it is about preserving old rights.

The private property owners bill of rights is intended to reaffirm and recognize a most basic purpose of government—the preservation of private property.

And that purpose is twofold, Mr. President. Our Government not only has an affirmative constitutional duty to protect private property, but it also is restricted from taking private property for its own use without compensating the owner.

And yet, even with such consensus and clarity on these constitutional guarantees and protections, the Federal Government continues to ignore the broader principles behind these guarantees every day.

Through the application and implementation of laws like the Endangered Species Act and section 404 of the Clean Water Act, individuals are regularly deprived of the benefit and value of their labor, and denied the right to freely control, use or dispose of their property.

Under these laws, the individual has no reasonable ability to appeal onerous agency actions, and the individual may be foreclosed from challenging decisions which effectively make his property valueless.

Mr. President, our bill would reaffirm the Government's constitutional duty to protect private property by requiring that agencies and agents enforcing ESA and wetlands statutes obtain consent from land owners before entering their property, and allow property owners the ability to appeal decisions affecting the use and value of their property.

The bill also ensures that the Federal Government protects the individual from uncompensated takings by requiring that the agency make a determination of whether an agency action under these statutes devalues the property by 50 percent or more—or eliminates any economically viable use of the land. If a positive determination is made, the agency must compensate the owner for the fair market value of the loss.

The right to control, possess, and transfer property—they represent independent values in land ownership and can constitute independent compensable interests in property. The value of possessing property may be stripped if the right to sell the land is taken, just as the value of possessing the land is significantly depreciated if the owner can not improve or make use of his property.

Mr. President, by restricting a farmer from tilling 100 acres of land because it is designated a beetle habitat—the Government has converted private property to public use. Thus, since protecting the beetle is found to be for the public good, so should the costs of that protection be shared by the public and not imposed on the individual property owner.

I am convinced that in the coming years, the Federal Government will have to realistically address the impact of regulatory law on private property rights.

There is a growing resistance in this country to mandates from Washington that place the cost of public good on private property owners. If we are going to pursue laudable public endeavors like preserving wetlands and endangered species, then the public at large cannot continue to shift the cost of enforcing these statutes to unfortunate property owners.

Upholding the Constitution is not simply the duty of the courts, Mr. President. We are sworn as lawmakers to do the same. We should rectify our wrongs rather than waiting for the courts to do so for us.

Indeed, Mr. President, we are compelled to do so, for as John Locke would eloquently remind us, "whereas government has no other end but the preservation of property."

Mr. BURNS. Mr. President, I must apologize to my colleagues today. Old Man Cold finally caught up with me, and I am about to lose my voice. When it comes to the auction business or to politicians, that is almost a disaster. It becomes a crisis for us.

I rise today to join with Senator SHELBY and NICKLES in introducing the private property owners bill or rights. The Senator from Alabama was on the floor a while ago. I did not have my comments put together, but the purpose of this bill is to provide a consistent Federal policy to encourage, support, and promote the private ownership of property and to ensure the constitutional and legal rights of private property owners.

Private property rights are protected under the fifth amendment of the Constitution of the United States. A lot of us lean a lot on that fifth amendment, yet we have seen some laws that go flying through this Congress and are signed by the President that are encroaching more and more on this right which is a basis, I believe, in a free society.

The bill we are introducing today is very important to my State of Montana because it makes the Federal Government respect and protect private property rights when enforcing such acts as the Endangered Species Act and the Clean Water Act. Montana's private property owners have been greatly impacted by those two laws alone. I will give an example.

In Montana last year, there was a headline that read like this: "Judge Says Grizzlies Have People Rights."

This article ran in an agricultural trade publication. The story was about a rancher, John Shuler, at Choteau, MT, who shot a grizzly bear in 1989 after he found three of these bears in his sheep corrals. He originally fired the shot to scare the bears away, but one bear did not scare and instead the bear charged him and he was forced to shoot the bear.

For those of you who may not be aware, grizzly bears are protected under the Endangered Species Act. The judge ruled that the Endangered Species Act self-defense exception must meet the same requirements used in criminal law for humans. The judge ruled that since this rancher had stepped off his porch to protect his investment, he purposefully placed himself in the zone of imminent danger of a bear attack. According to this judge, the rancher did not have the right to protect his property. And, folks, that probably calls for an attitudinal change, but basically that is wrong.

The private property owners bill of rights would create an administrative appeals process for affected property owners. And the bill establishes a framework so private property holders can seek and obtain compensation.

In other words, it lays out some guidelines as to what is commonly referred to in this business as taking.

Now, what changes your attitude about the Endangered Species Act? We had a person come to Montana, intent on studying grizzly bears. Instead, he ran into one. The bear got him down, put 28 holes in his skull, and I have never seen such an attitude change on bears as a protected animal. In fact, he made the statement there was some doubt as to who was on the endangered species list there for a little while.

So those attitudes all change. That is why we need this law. That is why private property needs to have something said about it whenever we start talking about the Clean Water Act or the Endangered Species Act.

In addition, before a Government official can enter your private land, with this piece of legislation they must have consent from the landowner. If information is selected on private property, this information cannot be used unless the private individual has full access to the information and has the right to dispute the accuracy of that information. The bill also establishes the right to administratively appeal decisions regarding wetlands and critical habitat of listed species.

We believe that protecting private property is of the utmost importance. That has always been the cornerstone to a lot of arguments in my great State of Montana.

This bill reinforces the Government's responsibility to protect property rights and will get the Federal Government off the backs of some people, the working men and women of this country. I strongly believe in every American's private property rights. This bill should be signed into law.

There is nothing more basic to a free society than private ownership in this great country. That is the cornerstone.

Mr. NICKLES. Mr. President, of all the freedoms we enjoy in this country, the ability to own, care for, and develop private property is perhaps the most crucial to our free enterprise economy. In fact, our economy would cease to function without the incentives provided by private property. So sacred and important are these rights, that our forefathers chose to specifically protect them in the fifth amendment to the U.S. Constitution, which says in part, "nor shall private property be taken for public use, without just compensation."

Unfortunately, Mr. President, some Federal environmental, safety, and health laws are encouraging Government violation of private property rights, and it is a problem which is increasing in severity and frequency. We would all like to believe the Constitution will protect our property rights if they are threatened, but today that is simply not true. The only way for a person to protect their private property rights is in the courts, and far too few people have the time or money to take such action. Thus many citizens lose their fifth amendment rights simply because no procedures have been established to prevent Government takings.

Mr. President, many people in the Federal bureaucracy believe that public protection of health, safety, and the environment is not compatible with protection of private property rights. I disagree. In fact, the terrible environmental conditions exposed in Eastern Europe when the cold war ended lead me to believe that the property ownership enhances environmental protection. As the residents of East Berlin and Prague know all too well, private owners are more effective caretakers of the environment than Communist governments.

Yet the question remains, how do we prevent overzealous bureaucrats from using their authority in ways which threaten property rights?

Mr. President, today I rise to join my colleague Senator RICHARD SHELBY of Alabama in introducing legislation which will strengthen every citizens' fifth amendment rights. Our bill, the private property owners bill of rights, targets, two of the worst property rights offenders, the Endangered Species Act and the Wetlands Permitting Program established by section 404 of the Clean Water Act.

Mr. President, our bill requires Federal agents who enter private property to gather information under either the Endangered Species Act or the Wetlands Permitting Program to first obtain the written consent of the landowner. While it is difficult to believe that such a basic right should need to be spelled out in law, overzealous bureaucrats and environmental radicals too often guaranteed the right of access to that information, the right to dispute its accuracy, and the right of an administrative appeal from decisions made under those laws.

Most importantly, the private property owners bill of rights guarantees compensation for a landowner whose property is devalued by 50 percent or more by a Federal action under the Endangered Species Act or Wetlands Permitting Program. An administrative process is established to give property owners a simple and inexpensive way to seek resolution of their takings claims. If we are to truly live up to the requirements of our Constitution, Mr. President, we must make this commitment. I believe this provision will work both to protect landowners from uncompensated takings and to discourage Government actions which would cause such takings.

Mr. President, this legislation was originally conceived by Congressman BILL TAUZIN of Louisiana and introduced in the House of Representatives on February 23, 1994. I compliment Representative TAUZIN on his commitment to preserving the rights of private property owners, and I look forward to working closely with him and Senator SHELBY to enact this legislation.

Mr. President, the time has come for farmers, ranchers, and other landowners to take a stand against violations of their private property rights by the Federal bureaucracy. The private property owners bill of rights will help landowners take that stand.

By Mr. SIMON (for himself, Mr. LAUTENBERG, and Mrs. BOXER):

S. 1916. A bill to amend chapter 44 of title 18, United States Code, to increase certain firearm license application fees and require the immediate suspension of the license of a firearm licensee upon conviction of a violation of that chapter, and for other purposes; to the Committee on the Judiciary.

ADDITIONAL GUN DEALER LICENSING REFORMS ACT

• Mr. SIMON. Mr. President, today, Senator LAUTENBERG and I introduce four important additions to pending Federal firearm licensee reform legislation included in the Senate crime bill. The purpose of these measures is to strengthen Federal standards for licensing firearms dealers by removing loopholes in the law and by providing the Bureau of Alcohol, Tobacco and Firearms [ATF] enhanced enforcement capabilities. I am pleased that the Clinton administration is joining us in this effort.

Over the past 2 years, firearms have killed 60,000 Americans, more than the number of United States soldiers killed in the Vietnam war. ATF estimates that there are potentially 200 million firearms in civilian hands—with nearly 4 million new firearms added each year. These statistics put the problem in perspective.

And where are these firearms coming from? ATF has determined that there are over 280,132 gun dealers in this country, with 9,754 in Illinois alone. That means that there is 1 firearm dealer for every 1,000 Americans, or 1 dealer for approximately every 200 firearm owners. The Violence Policy Center noted that there are more gun dealers in our country than there are gas stations.

In 1991, ATF issued 270 licenses a day, for a grand total of 91,000 new and renewed licenses that year. Only 37 of the 34,000 requests for new licenses that year were denied. Amazingly, fewer than 10 percent of applicants undergo an actual inspection in the form of a personal interview or on-site visit. This is because the number of investigators assigned to perform inspections has actually decreased 13 percent since 1980. Bureau spokesman Jack Killorian noted that "[T]he volume of licenses has outstripped our ability to keep up."

The importance of an initial inspection should not be overlooked. In New York City, where the ATF was able to go visit dealer applicants in conjunction with the local police department, many potential gun dealers dropped out of the application process. Similarly, when ATF agents in Pueblo, CO, worked hand-in-hand with local law enforcement agencies to inspect 165 gun dealers, 100 dealers surrendered their licenses. The 65 remaining licensees were found to be in strict compliance with all Federal, State and local laws. Unfortunately, programs such as these are at risk because resources are scarce.

Although many have argued that changes in the law will not affect crime because criminals do not buy guns from legitimate dealers, the statistics indicate otherwise. A 1991 survey conducted by ATF found that more than 27 percent of State prison inmates had purchased their crime guns from retail gun dealers. Obviously, when the dealer is unscrupulous, the damage can be extensive. For example:

> For every month James Board, a federally licensed dealer in Hammond, IN, was in business, he illegally sold at least 100 guns a month from a converted den in his home, including 800 low-caliber, semiautomatic pistols during one 9 month period. So far, at least 60 of Board's guns "have been confiscated by Chicago police from murder suspects, drug dealers, and gang members," (Chicago Tribune).

Obviously, something must be done to ensure that gun licenses are not used for improper purposes. The measures Senator LAUTENBERG and I are introducing today will contribute significantly to this goal. Specifically, our proposal would:

Increase the license fee for gun dealers to $600 per year; this provision would raise the annual Federal license fee for dealers to $600, and eliminate the $90 current reduced renewal fee. The purpose of this provision is to ensure that the taxpayers are not subsidizing the cost of establishing and maintaining a firearms business. Since Federal law restricts who can obtain a license and imposes a variety of regulatory and recordkeeping requirements on licensees, the Government's program costs must necessarily include application background investigations and periodic compliance inspections. The proposed fee increases would ensure that firearms licensees bear the burden of the Federal regulatory system.

Allow the Bureau of Alcohol, Tobacco and Firearms to suspend the licenses of gun dealers convicted of firearms violations; currently, law requires that if a licensee is indicted for a Gun Control Act violation or any other felony, he or she may continue to operate during the term of the indictment and until any conviction becomes final, including the exhaustion of all appeals. The new provision will enable ATF to suspend the license of a licensee convicted of a Federal firearms violation during the course of any appeals. If the conviction is overturned, the suspension would end and operations could resume. If the conviction is upheld on appeal, the license would be automatically revoked.

Increase the penalty for falsification of firearms records; this section would raise the maximum penalty for certain serious recordkeeping violations from misdemeanors to felonies. For example, failure to maintain records, falsifying records, or failing to note in the required records the name, age, and place of residence of a firearms purchaser, would be grouped with more serious offenses under 18 U.S.C. §924(a)(1)(B) which allows up to 5 years imprisonment. Less serious recordkeeping offenses would continue to be treated as misdemeanors.

Condition gun dealer licenses on compliance with all Federal laws relating to firearms. Under existing law, a license can be denied or revoked if the applicant has willfully violated the provisions of 18 U.S.C. chapter 44. However, a license could not be denied or revoked where the applicant or licensee has willfully violated the other two major statutes governing firearms businesses, the National Firearms Act (26 U.S.C. chapter 53) relating to machineguns, sawed-off shotguns and rifles, destructive devices, and certain other weapons, and the Arms Export Control Act (22 U.S.C. §2778) governing the importation and exportation of firearms and other munitions. This section will ensure that licensees comply with all Federal laws regulating firearms.

Senator LAUTENBERG and I believe that these provisions, taken together with the reforms already included in the Senate crime bill, will make an enormous difference in law enforcement's ability to control the use of weapons for illegitimate purposes. Dealers must be held accountable for their actions. I urge my colleagues to join us in this effort.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1916

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN FIREARM LICENSE APPLICATION FEES.

Section 923(a) of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (1)(B) by striking "$50" and inserting "$600";

(B) in paragraph (1)(C) by striking "$10" and inserting "$600"; and

(C) in paragraph (2)(B) by striking "$50" and inserting "$600"; and

(D) in paragraph (3)(B) by striking "$200 for 3 years, except that the fee for renewal of a valid license shall be $90 for 3 years" and inserting "$600 per year"; and

(2) in subsection (b) by striking "$10" and inserting "$50.".

SEC. 2. CONVICTED LICENSEE.

Section 925(b) of title 18, United States Code, is amended—

(1) by striking "(b)" and inserting "(b)(1)"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), when a licensed importer, licensed manufacturer, licensed dealer, or licensed collector is convicted of a violation of this chapter—Chapter 53 of the Internal Revenue Code of 1986, or section 38 of the Arms Export Control Act (22 U.S.C. 2778)—

"(A) all licenses issued to the licensee under this chapter shall be suspended immediately upon conviction and shall remain under suspension until all direct appeals are exhausted; and

"(B) if the conviction is upheld on final direct appeal, all licenses issued to the licensee under this chapter shall be automatically revoked.".

SEC. 3. KNOWING FALSIFICATION OF RECORDS BY LICENSEES.

Section 924(a) of title 18, United States Code, is amended—

(1) in paragraph (1)(B) by striking "(a)(4), (a)(6)," and inserting "(a) (4) or (6), (b)(5),"; and

(2) in paragraph (3) by striking "knowingly—" and all that follows through the period at the end and inserting "knowingly violates section 922(m) shall be fined under this title, imprisoned not more than 1 year, or both.".

SEC. 4. REQUIREMENT THAT FIREARM LICENSEES COMPLY WITH ALL FEDERAL LAWS RELATING TO FIREARMS.

Section 923 of title 18, United States Code, is amended—

(1) in subsection (d)(1)(C) by inserting ", chapter 53 of the Internal Revenue Code of 1986, or section 38 of the Arms Export Control Act (22 U.S.C. 2778)," after "chapter"; and

(2) in subsection (e)—

(A) by inserting ", chapter 53 of the Internal Revenue Code of 1986, or section 38 of the Arms Export Control Act (22 U.S.C. 2778)," after "chapter" the first place it appears; and

(B) by striking "by the Secretary under this chapter" and inserting "thereunder".•

• Mr. LAUTENBERG. Mr. President, I am very pleased to join with Senator SIMON in introducing legislation to increase licensing fees and tighten regulation of firearm dealers.

Mr. President, the current system of regulating firearm dealers is a joke. A bad joke.

There now are more federally licensed firearm dealers than gas stations in this country. Currently, 287,000 have licenses, and the number is growing rapidly.

Yet only about a quarter of these dealers, Mr. President, are operating legitimate storefront businesses. The rest, operating out of their homes or cars, are known as kitchen table dealers. Most of these people obtain licenses in order to obtain guns tax-free by mail at wholesale prices, and to evade waiting periods, gun purchase limits, and other firearm laws.

Many firearms that are used in crimes are traceable to these kitchen table dealers. There are numerous examples of dealers who have provided huge numbers of guns to drug dealers, gang members, gun traffickers, terrorists, and other criminals.

To provide one illustration, consider the case of one man who lived in the South Bronx. This individual reportedly had a long criminal record that included an indictment for murder. Nevertheless, he was able to obtain a Federal firearm dealer license. In less than 1 year, he bought more than 500 guns from wholesalers in other States. The guns were delivered by UPS in batches of up to 100 at a time. The man then sold the guns to drug dealers and other criminals.

This is not an unusual case, Mr. President. It's typical. And it suggests the importance of tightening up our regulatory system, which is far too loose.

Mr. President, becoming a kitchen table dealer is easy, quick, and very inexpensive. All you have to do is fill out a form and send in $200, which covers the $67 annual fee for 3 years. There's no hassle, no fuss, and, most likely, no ATF agent will call.

That's generally not ATF's fault, either. The Bureau has simply lacked the resources to check out applicants, or to investigate many licensees. While the number of firearm dealers has increased by about 65 percent since 1980, the number of ATF investigators assigned to inspect these dealers has been reduced by 13 percent. As a result, fewer than 10 percent of dealer applicants undergo an actual inspection. And then, once licensed, the average dealer is audited only once every 20 years.

Clearly, Mr. President, the Bureau needs more agents and more funding to better police the system. And the best way to both provide those resources, and to limit the Bureau's burden, is to raise the licensing fee.

Mr. President, it's bad enough that innocent Americans are being placed at risk because the system of licensing firearm dealers is so lax. But adding insult to injury, the current $67 annual licensing fee doesn't even come close to paying for the system. In effect, hard working taxpayers are being forced to subsidize firearm dealers. It's an outrage.

A licensing fee should be sufficient to at least pay for the costs of administering the regulatory system. And, in my view, the social costs of dealing in firearms—such as the costs of crime and of health care for victims of gun violence—also should be factored in.

Having said that, I also recognize the political realities of gun control legislation. The fact is, too few Members have been willing to stand up to the National Rifle Association and help put a stop to gun violence. I'm optimistic that with the enthusiastic support of Vice President GORE, with whom Senator SIMON and I met today to discuss this issue, we can get approval of a $600 fee increase. While my own preference would be to go much higher, I appreciate that $600 may be the highest we can realistically hope for in the short term.

Mr. President, tightening the regulation of firearm dealers can make a real difference in the battle against gun violence. But, clearly, we have to do more. We also need to adopt comprehensive gun control legislation along the lines of a bill I have proposed with Senator METZENBAUM. That bill would ban assault weapons and Saturday night specials, establish a system of licensing handgun purchasers, limit handgun purchases to one per month to attack gunrunning, and includes a wide variety of other measures.

In closing, let me congratulate and thank Senator SIMON for his outstanding leadership in this area. He and his excellent staff have devoted a great deal of time and effort to improving the regulation of firearm dealers, and they deserve great credit for their work. I am pleased to have had the opportunity to work with them on the initiative, and I look forward to continuing our joint efforts to raise the licensing fees for dealers, and to enact other measures to combat gun violence.•

• Mrs. BOXER. Mr. President, I am proud to join with my colleagues today in introducing legislation that will improve the regulation of this Nation's gun dealers.

Under the current system, we have more than 284,000 gun dealers, most of whom operate from their homes, out of the sight of Federal, State, and local authorities. Under the current system, it's cheaper to get a dealer's license than to buy two tickets to a play. Under the current system there is only one Bureau of Alcohol, Tobacco and Firearms [BATF] agent for every 1,000 licensees. Mr. President, the current system must change.

In my home State of California, where we have more than 20,000 gun dealers, we have learned first hand about the damage caused by these deadly loopholes. We have 1,100 gun dealers in the city of Los Angeles, but only 130 of them complied with a local ordinance requiring them to register, be fingerprinted and pay a $300 fee. In the counties of Ventura, Santa Barbara, and Los Angeles, we have 4,000 gun dealers and only 12 Federal compliance inspectors. And, during a 6-month period in 1990, a federally licensed dealer in Los Angeles purchased more than 1,500 guns and sold them to gang members and others.

Mr. President, I want to commend the senior Senator from Illinois [Mr. SIMON] for recognizing this critical problem and coming forward with common sense solutions to address it. With his amendment to the Senate-passed crime bill, Senator SIMON started us down the path to real reform. Now, it's time for us, to come together and make even more progress.

By increasing dealer licensing fees, suspending the licenses of convicted gun dealers, increasing the penalties for record falsification and requiring dealers to comply with all Federal firearms laws, this bill will go a long way toward addressing this critical problem.

Mr. President, when we pass this legislation, we will help stop the abuses, close the loopholes and take another important step toward curbing the epidemic of gun violence in America.•

By Mr. SIMON (for himself and Ms. MOSELEY-BRAUN):

S.J. Res. 167. A joint resolution to designate the week of September 12, 1994, through September 16, 1994, as "National Gang Violence Prevention Week"; to the Committee on the Judiciary.

NATIONAL GANG VIOLENCE PREVENTION WEEK

• Mr. SIMON. Mr. President, for several years, the groups Parents Against Gangs and Broader Urban Involvement and Leadership Development have sponsored a Gang Awareness Week in Chicago. Based on the success of this week in raising awareness about the problems of gangs in Chicago and in our Nation, as well as encouraging parents and other community members to get involved in efforts to curb gang violence, I am introducing legislation to designate the week of September 12, 1994, as "National Gang Violence Prevention Week."

Our young people need a great deal of support and encouragement to help prevent them from joining gangs. Many youth in our cities today believe that becoming a gang member is their most worthwhile option. The loyalty among gang members provides a seemingly secure family, and the profits from gang-related illegal activities such as drug trafficking are a powerful draw. However, the life of a gang member is often a very violent one. Gang-related crime and violence continue to increase at an alarming rate. In Chicago alone, gang-related homicides per year rose from 38 in 1980 to 101 by 1990. Already, many neighborhoods, both in urban and rural areas, are virtually controlled by gangs. At a hearing held in Chicago by the Office of Justice Programs, one mother testified that one of the few sentences her 2-year-old child knows is: "Get down, get down, they're shooting." In Chicago, it has come to this.

Without preventing youth from becoming involved in gangs, we will see gang-related violence rise to even higher levels. We cannot afford to have thousands more American youth joining gangs. It is imperative that we take action now to prevent our youth from becoming involved in activities that destroy their opportunities to lead healthy and productive lives.

In Chicago, Parents Against Gangs and Broader Urban Involvement, and Leadership Development are two groups that have taken action. During Gang Awareness Week, they sponsor the Parents Against Gangs Annual Conference, displaying the Victims of Violent Crime Remembrance Quilt, and holding a Victims of Violent Crime Memorial Service.

I ask my colleagues to join me in designating the week of September 12, 1994, as "National Gang Violence Prevention Week" because I believe that the rest of the Nation would benefit from similar programs.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 167

Whereas the number of gang homicides has risen in Chicago alone from 38 in 1980 to 101 in 1990;

Whereas the number of gang-related homicides as of 1991 stood at 1,051;

Whereas, in the past decade, gang-related homicides and gang-related drug trafficking has increased and spread to cities in all 50 States;

Whereas, between the years 1989 and 1991, the number of gangs and gang members in the Nation's 79 largest cities doubled;

Whereas the number of gangs as of 1991 stood at 4,881 which includes 249,324 members;

Whereas gangs are now part of the crime problem in communities with populations as small as 8,000 citizens;

Whereas many gangs are actively involved in drug trafficking, and some Los Angeles gangs have been linked to Colombian drug cartels;

Whereas our youth are directly impacted by the rise in gang membership, with the average age of gang members being 19; and

Whereas every effort needs to be made to reduce gang violence and steer our young people away from gangs and every citizen needs to be aware of the problem: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 12, 1994, through September 16, 1994, be designated as "National Gang Violence Prevention Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.•

ADDITIONAL COSPONSORS

S. 70

At the request of Mr. COCHRAN, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 70, a bill to reauthorize the national writing project, and for other purposes.

S. 289

At the request of Mr. REID, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 289, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from rules for determining contributions in aid of construction, and for other purposes.

S. 1040

At the request of Mr. KENNEDY, the names of the Senator from Connecticut [Mr. DODD], the Senator from New Hampshire [Mr. GREGG], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 1040, a bill to support systemic improvement of education and the development of a technologically literate citizenry and internationally competitive work force by establishing a comprehensive system through which appropriate technology-enhanced curriculum, instruction, and administrative support resources and services, that support the National Education Goals and any national education standards that may be developed, are provided to schools throughout the United States.

S. 1485

At the request of Mr. DECONCINI, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1485, a bill to extend certain satellite carrier compulsory licenses, and for other purposes.

S. 1690

At the request of Mr. PRYOR, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1791

At the request of Mr. KEMPTHORNE, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1791, a bill to provide for mandatory life imprisonment of a person convicted of a second offense of kidnapping a minor.

S. 1851

At the request of Mr. WOFFORD, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1851, a bill to exclude shipboard supervisory personnel from selection as employer representatives, and for other purposes.

S. 1862

At the request of Mr. MCCONNELL, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Montana [Mr. BURNS], the Senator from Mississippi [Mr. LOTT], the Senator from North Carolina [Mr. HELMS], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 1862, a bill to repeal the public financing of and spending limits on Presidential election campaigns.

AMENDMENTS SUBMITTED

NATIONAL COMPETITIVENESS ACT

COCHRAN (AND OTHERS) AMENDMENT NO. 1480

Mr. COCHRAN (for himself, Mrs. HUTCHISON, Mrs. KASSEBAUM, Mr. PRESSLER, Mr. BURNS, Mr. DOMENICI, and Mr. KEMPTHORNE) proposed an amendment to the bill (S. 4) to promote the industrial competitiveness and economic growth of the United States by strengthening and expanding the civilian technology programs of the Department of Commerce, amending the Stevenson-Wydler Technology Innovation Act of 1980 to enhance the development and nationwide deployment of manufacturing technologies, and authorizing appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes; as follows:

At the appropriate place, insert the following new section:

SEC. . COMPLIANCE DATES FOR PESTICIDE SAFETY REQUIREMENTS.

(a) WORKER PROTECTION STANDARDS.—

(1) IN GENERAL.—The compliance date for the worker protection standard set forth in part 170 of subchapter E of chapter I of title 40, Code of Federal Regulations, shall be October 23, 1995.

(2) PESTICIDE SAFETY TRAINING.—Not later than April 23, 1995, the Administrator of the Environmental Protection Agency (referred to in this section as the "Administrator") shall—

(A) develop and distribute pesticide safety training materials that convey, at a minimum, the information referred to in section 170.230(c)(4) of such title; and

(B) assist the appropriate Federal, State, and tribal agencies in implementing pesticide safety training programs required under section 170 of such title.

(b) LABELING REQUIREMENTS.—

(1) ENFORCEMENT.—

(A) IN GENERAL.—During the period ending on October 23, 1995, the labeling requirements for pesticides and devices set forth in subpart K of part 156 of subchapter E of chapter I of title 40, Code of Federal Regulations, may be enforced only—

(i) in a State that has established a worker protection program with respect to pesticides and devices as of the date of enactment of this Act; and

(ii) for the purposes of enforcing a State program referred to in clause (i).

(B) EQUIVALENCY.—During the period ending on October 23, 1995, each worker protection program referred to in subparagraph (A)(i) shall be considered to meet the requirements of the worker protection standard set forth in part 170 of such subchapter. After such date, the Administrator shall reassess whether the program meets the standard.

(2) NOTIFICATION OF PURCHASES.—Beginning on April 22, 1994, each registrant of pesticides shall provide information for point-of-sale notification to inform purchasers of pesticides that the applicable compliance date for the labeling requirements referred to in paragraph (1)(A) is October 23, 1995.

COVERDELL AMENDMENT NO. 1481

Mr. COVERDELL proposed an amendment to the bill S. 4, supra; as follows:

At the end of the committee substitute, add the following new title:

TITLE VII—PRIVATE CARRIAGE OF URGENT LETTERS

SEC. 701. PRIVATE CARRIAGE OF URGENT LETTERS.

(a) POSTAL SERVICE ADMINISTRATION.—(1) Section 601(a) of title 39, United States Code, is amended by striking out "A letter" and inserting in lieu thereof "Subject to the provisions of section 607, a letter".

(2)(A) Chapter 6 of title 39, United States Code, is amended by adding after section 606 the following new section:

"§ 607. Administration relating to urgent letters

"In the administration of the provisions of this chapter, chapter 4 of this title, and sections 1693 through 1699 of title 18, the Postal Service or the Attorney General of the United States may not—

(1) fine or otherwise penalize any person who—

"(A) is not an entity of the United States Government; and

"(B) uses a private express for the private carriage of any letter which such person determines is urgent; or

"(2)(A) create a presumption of a violation by a private shipper or carrier with paragraph (1)(B) or any regulation promulgated thereunder relating to the private carriage of an urgent letter as determined under such paragraph; or

"(B) establish or shift a burden of establishing the fact of compliance by a private shipper or carrier with paragraph (1)(B) or any regulation promulgated thereunder relating to the private carriage of an urgent letter as determined under such paragraph.".

(B) The table of sections for chapter 6 of title 39, United States Code, is amended by adding after the item relating to section 606 the following:

"607. Administration relating to urgent letters.".

(b) PRIVATE EXPRESS PROVISIONS.—(1) Chapter 83 of title 18, United States Code, is amended by inserting after section 1699 of the following new section:

"§ 1699A. Application of postal service provisions

"The provisions of sections 1693 through 1699 of this title shall be subject to the provisions of section 607 of title 39.".

(2) The table of sections for chapter 83 of title 18, United States Code, is amended by inserting after the item relating to section 1699 the following:

"1699A. Application of Postal Service provisions.".

DANFORTH AMENDMENT NO. 1482

Mr. DANFORTH proposed an amendment to the bill S. 4, supra; as follows:

At the appropriate place, insert the following: Notwithstanding any other provision in this Act, the amounts authorized to be appropriated by this Act shall not be appropriated, but rather the Committee on Finance of the Senate is directed to consider using the equivalent amount to make permanent the research and development tax credit.

COVERDELL (AND OTHERS) AMENDMENT NO. 1483

Mr. COVERDELL (for himself, Mr. MURKOWSKI, and Mr. PRYOR) proposed an amendment to the bill S. 4, supra; as follows:

On page 216, add after line 12 the following new title:

TITLE VII—PRIVATE CARRIAGE OF URGENT LETTERS

SEC. 701. PRIVATE CARRIAGE OF URGENT LETTERS.

It is the sense of the Congress that the United States Postal Service, in the administration of chapter 6 of title 39, United States Code, shall suspend its audits by the Postal Inspection Service of private businesses or individuals who use private express for the private carriage of any letter which such business or individual determines is urgent, until the Congress receives and considers a report by the General Accounting Office regarding the potential financial impact on the Postal Service of permanently suspending enforcement of chapter 6, of title 39, United States Code.

McCONNELL AMENDMENT NO. 1484

(Ordered to lie on the table.)

Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 4, supra;

NOTICE TO SUSPEND RULE XXVI

Mr. McCONNELL submitted the following notice in writing:

Mr. President, it is my intention to move to amend the Standing Rules of the Senate. An amendment to be proposed by myself would amend Rule XXVI of the Standing Rules of the Senate by adding the following:

MC CONNELL AMENDMENT NO. 1484

At the end of the bill, add the following new section:

SEC. . LITIGATION IMPACT STATEMENT.

Paragraph 11 of rule XXVI of the Standing Rules of the Senate is amended by—

(1) in subparagraph (c), by striking "paragraphs (a) and (b)" and inserting "paragraphs (a), (b), and (c)";

(2) by redesignating subparagraph (c) as subparagraph (d); and

(3) by adding after subparagraph (b) the following:

"(c) Each such report (except those by the Committee on Appropriations) shall also contain a litigation impact statement prepared by the Department of Justice which shall include—

"(1) an estimate of any increase in litigation which would result from the enactment of the bill or joint resolution;

"(2) an estimate of any increase in private liability which would result from the enactment of the bill or joint resolution; and

"(3) an estimate of any increase in liability insurance costs which would result from the enactment of the bill or joint resolution.".

NICKLES (AND OTHERS) AMENDMENT NO. 1485

Mr. NICKLES (for himself, Mr. REID, Mr. MURKOWSKI, Mr. McCAIN, Mr. BURNS, Mr. HELMS, Mr. BENNETT, Mr. DANFORTH, Mr. DOMENICI, Mr. GRASSLEY, Mr. BOREN, Mr. COATS, Mr. GRAMM, and Mrs. HUTCHISON) proposed an amendment to the bill S. 4, supra; as follows:

At the end of the substitute, add the following:

SEC. . ECONOMIC AND EMPLOYMENT IMPACT ACT.

(a) SHORT TITLE.—This section may be cited as the "Economic and Employment Impact Act".

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds that—

(A) compliance with Federal regulations is estimated to cost the private sector and State and local governments as much as $850,000,000,000 a year;

(B) excessive Federal regulation and mandates increase the cost of doing business and thus hinder economic growth and employment opportunities;

(C) State and local governments are forced to absorb the cost of unfunded Federal mandates; and

(D) in addition to budget and deficit estimates, Congress and the executive branch decision makers need to be aware of regulatory cost impacts of proposed Federal actions on the private sector and State, local, and tribal governments.

(2) PURPOSES.—The purposes of this section are—

(A) to ensure that the people of United States are fully apprised of the impact of Federal legislative and regulatory activity on economic growth and employment;

(B) to require both the Congress and the executive branch to acknowledge and to take responsibility for the fiscal and economic effects of legislative and regulatory actions and activities;

(C) to provide a means to ensure that congressional and executive branch action are focused on enhancing economic growth and providing increased job opportunities for the people of United States; and

(D) to protect against congressional or executive branch actions which hinder economic growth or eliminate jobs for the people of United States.

(c) ECONOMIC AND EMPLOYMENT IMPACT STATEMENTS FOR LEGISLATION.—

(1) PREPARATION.—The Director of the Congressional Budget Office (referred to as the "Director") shall prepare an economic and employment impact statement, as described in paragraph (2), to accompany each bill or joint resolution reported by any committee (except the Committee on Appropriations) of the House of Representatives or the Senate or considered on the floor of either House.

(2) CONTENTS.—The economic and employment impact statement required by paragraph (1) shall include the following:

(A) An estimate of the numbers of individuals and businesses who would be regulated by the bill or joint resolution and a determination of the groups and classes of such indivduals and businesses;

(B) A determination of the economic impact of such regulation on individuals, consumers, and businesses affected.

(C)(i) An estimate of the costs which would be incurred by the private sector in carrying out or complying with such bill or joint resolution in the fiscal year in which it is to become effective, and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate.

(ii) Estimates required by this subparagraph shall include specific data on costs imposed on groups and classes of individuals and businesses, including small business and consumers, and employment impacts on those individuals and businesses.

(D) An estimate of the costs that would be incurred by State and local governments, which shall include—

(i) the estimates required by section 403 of the Congressional Budget Act of 1974; and

(ii) an evaluation of the extent of the costs of the Federal mandates arising from such bill or joint resolution in comparison with funding assistance provided by the Federal Government to address the costs of complying with such mandates.

(3) REPORT NOT AVAILABLE.—If compliance with the requirements of paragraph (1) is impracticable, the Director shall submit a statement setting forth the reasons for noncompliance.

(4) STATEMENT TO ACCOMPANY COMMITTEE REPORTS.—The economic and employment impact statement required by this subsection shall accompany each bill or joint resolution reported or otherwise considered on the floor of either House. Such statement shall be printed in the committee report upon timely submission to the committee. If not timely filed or otherwise unavailable for publication in the committee report, the economic and regulatory statement shall be published in the Congressional Record not less than 2 calendar days prior to any floor consideration of a bill or joint resolution subject to the provisions of this subsection by either House.

(5) COMMITTEE STATEMENTS OPTIONAL.—Nothing in this subsection shall be construed to modify or otherwise affect the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, regarding preparation of an evaluation of regulatory impact.

(d) ECONOMIC AND EMPLOYMENT IMPACT STATEMENT FOR EXECUTIVE BRANCH REGULATIONS.—

(1) PREPARATION.—Each Federal department or executive branch agency shall prepare an economic and employment impact statement, as described in paragraph (2), to accompany regulatory actions.

(2) CONTENTS.—The economic and employment impact statement required by paragraph (1) shall include the following:

(A) An estimate of the numbers of individuals and businesses who would be regulated by the regulatory action and a determination of the groups and classes of such individuals and businesses.

(B) A determination of the economic impact of such regulation on individuals, consumers, and businesses affected.

(C)(i) An estimate of the cost which would be incurred by the private sector in carrying out or complying with such regulatory action in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate;

(ii) The estimate required by this subparagraph shall include specific data on costs on groups and classes of individuals and businesses, including small business and consumers, and employment impacts on those individuals and businesses.

(D) An estimate of the costs that would be incurred by State and local governments, which shall include—

(i) an estimate of cost which would be incurred by State and local governments in carrying out or complying with the regulatory action in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year; together with the basis for such estimate;

(ii) a comparison of the estimates of costs described in clause (i), with any available estimates of costs made by any Federal or State agency;

(iii) if the agency determines that the regulatory action is likely to result in annual cost to State and local governments of $200,000,000 or more, or is likely to have exceptional fiscal consequences for a geographic region or a particular level of government, a statement by the agency detailing such results or consequences; and

(iv) an evaluation of the extent of the costs of the Federal mandates arising from the regulatory action in comparison with funding assistance provided by the Federal Government to address the costs of complying with such mandates.

(4) REPORT NOT AVAILABLE.—If compliance with the requirements of paragraph (1) is impracticable, the agency or department shall submit a statement setting forth the reasons for noncompliance.

(5) STATEMENT TO ACCOMPANY FEDERAL REGULATORY ACTIONS.—The economic and employment impact statement with respect to a regulatory action required by this subsection shall be published in the Federal Register together with the publication of such regulatory action. If the regulatory action is not published in the Federal Register, the economic and employment impact statement shall be made available to the public in a timely manner.

(6) DEFINITION OF "REGULATORY ACTION".—For purposes of this subsection, the term "regulatory action" means any substantive action by a Federal agency (required to be or customarily published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, notices of proposed rulemaking, interim final rules, and final rules and regulations.

(e) PROVISION FOR NATIONAL SECURITY EMERGENCY WAIVER.—

(1) CONGRESSIONAL ECONOMIC IMPACT STATEMENT.—The Congress may waive the requirements of subsection (c) at any time in which a declaration of war is in effect, or in response to a national security emergency at the request of the President.

(2) EXECUTIVE REGULATIONS ECONOMIC IMPACT STATEMENTS.—The President may waive the requirements of subsection (d) at any time in which a declaration of war is in effect, or in response to a national security emergency as determined by the President in consultation with Congress.

(f) EFFECTIVE DATE.—This section shall take effect 30 days after the date enactment of this Act.

SIMPSON (AND OTHERS) AMENDMENT NO. 1486

Mr. SIMPSON (for himself and Mr. NICKLES, Mr. DOLE, Mr. COCHRAN, Mr. GRAMM, Mr. THURMOND, Mr. DURENBERGER, Mr. KEMPTHORNE, Mr. WALLOP, Mr. COVERDELL, Mr. MURKOWSKI, Mr. MACK, Mr. PRESSLER, Mr. LOTT, Mr. SMITH, Mrs. HUTCHISON, Mr. HELMS, Mr. CRAIG, Mr. COATS, Mr. GORTON, and Mr. WARNER) proposed an amendment to the bill S. 4, supra; as follows:

Strike out the Committee substitute amendment and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Regulatory Reform Act of 1994".

TITLE I—REGULATORY PROCESS REFORM

Subtitle A—Economic and Employment Impact

SEC. 101. ECONOMIC AND EMPLOYMENT IMPACT ACT.

(a) SHORT TITLE.—This subtitle may be cited as the "Economic and Employment Impact Act".

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds that—

(A) compliance with Federal regulations is estimated to cost the private sector and State and local governments as much as $850,000,000,000 a year;

(B) excessive Federal regulation and mandates increase the cost of doing business and thus hinder economic growth and employment opportunities;

(C) State and local governments are forced to absorb the cost of unfunded Federal mandates; and

(D) in addition to budget and deficit estimates, Congress and the executive branch decision makers need to be aware of regulatory cost impacts of proposed Federal actions on the private sector and State, local, and tribal governments.

(2) PURPOSES.—The purposes of this section are—

(A) to ensure that the people of the United States are fully apprised of the impact of Federal legislative and regulatory activity on economic growth and employment;

(B) to require both the Congress and the executive branch to acknowledge and to take responsibility for the fiscal and economic effects of legislative and regulatory actions and activities;

(C) to provide a means to ensure that congressional and executive branch action are focused on enhancing economic growth and providing increased job opportunities for the people of the United States; and

(D) to protect against congressional or executive branch actions which hinder economic growth or eliminate jobs for the people of the United States.

(c) ECONOMIC AND EMPLOYMENT IMPACT STATEMENTS FOR LEGISLATION.—

(1) PREPARATION.—The Director of the Congressional Budget Office (referred to as the "Director") shall prepare an economic and employment impact statement, as described in paragraph (2), to accompany each bill or joint resolution reported by any committee (except the Committee on Appropriations) of the House of Representatives or the Senate or considered on the floor of either House.

(2) CONTENTS.—The economic and employment impact statement required by paragraph (1) shall include the following:

(A) An estimate of the numbers of individuals and businesses who would be regulated by the bill or joint resolution and a determination of the groups and classes of such individuals and businesses;

(B) A determination of the economic impact of such regulation on individuals, consumers, and businesses affected.

(C)(i) An estimate of the costs which would be incurred by the private sector in carrying out or complying with such bill or joint resolution in the fiscal year in which it is to become effective, and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate.

(ii) Estimates required by this subparagraph shall include specific data on costs imposed on groups and classes of individuals and businesses, including small business and consumers, and employment impacts on those individuals and businesses.

(D) An estimate of the costs that would be incurred by State and local governments, which shall include—

(i) the estimates required by section 403 of the Congressional Budget Act of 1974; and

(ii) an evaluation of the extent of the costs of the Federal mandates arising from such bill or joint resolution in comparison with funding assistance provided by the Federal Government to address the costs of complying with such mandates.

(3) REPORT NOT AVAILABLE.—If compliance with the requirements of paragraph (1) is impracticable, the Director shall submit a statement setting forth the reasons for noncompliance.

(4) STATEMENT TO ACCOMPANY COMMITTEE REPORTS.—The economic and employment impact statement required by this subsection shall accompany each bill or joint resolution reported or otherwise considered on the floor of either House. Such statement shall be printed in the committee report upon timely submission to the committee. If not timely filed or otherwise unavailable for publication in the committee report, the economic and regulatory statement shall be published in the Congressional Record not less than 2 calendar days prior to any floor consideration of a bill or joint resolution subject to the provisions of this subsection by either House.

(5) COMMITTEE STATEMENTS OPTIONAL.—Nothing in this subsection shall be construed to modify or otherwise affect the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, regarding preparation of an evaluation of regulatory impact.

(d) ECONOMIC AND EMPLOYMENT IMPACT STATEMENT FOR EXECUTIVE BRANCH REGULATIONS.—

(1) PREPARATION.—Each Federal department or executive branch agency shall prepare an economic and employment impact statement, as described in paragraph (2), to accompany regulatory actions.

(2) CONTENTS.—The economic and employment impact statement required by paragraph (1) shall include the following:

(A) An estimate of the numbers of individuals and businesses who would be regulated by the regulatory action and a determination of the groups and classes of such individuals and businesses.

(B) A determination of the economic impact of such regulation on individuals, consumers, and businesses affected.

(C)(i) An estimate of the costs which would be incurred by the private sector in carrying out or complying with such regulatory action in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate;

(ii) The estimate required by this subparagraph shall include specific data on costs on groups and classes of individuals and businesses, including small business and consumers, and employment impacts on those individuals and businesses.

(D) An estimate of the costs that would be incurred by State and local governments, which shall include—

(i) an estimate of cost which would be incurred by State and local governments in carrying out or complying with the regulatory action in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for such estimate;

(ii) a comparison of the estimates of costs described in clause (i), with any available estimates of costs made by any Federal or State agency;

(iii) if the agency determines that the regulatory action is likely to result in annual cost to State and local governments of $200,000,000 or more, or is likely to have exceptional fiscal consequences for a geographic region or a particular level of government, a statement by the agency detailing such results or consequences; and

(iv) an evaluation of the extent of the costs of the Federal mandates arising from the regulatory action in comparison with funding assistance provided by the Federal Government to address the costs of complying with such mandates.

(4) REPORT NOT AVAILABLE.—If compliance with the requirements of paragraph (1) is impracticable, the Department or agency shall submit a statement setting forth the reasons for noncompliance.

(5) STATEMENT TO ACCOMPANY FEDERAL REGULATORY ACTIONS.—The economic and employment impact statement with respect to a regulatory action required by this subsection shall be published in the Federal Register together with the publication of such regulatory action. If the regulatory action is not published in the Federal Register, the economic and employment impact statement shall be made available to the public in a timely manner.

(6) DEFINITION OF "REGULATORY ACTION".—For purposes of this subsection, the term "regulatory action" means any substantive action by a Federal agency (required to be or customarily published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, notices of proposed rulemaking, interim final rules, and final rules and regulations.

(e) PROVISION FOR NATIONAL SECURITY EMERGENCY WAIVER.—

(1) CONGRESSIONAL ECONOMIC IMPACT STATEMENTS.—The Congress may waive the requirements of subsection (c) at any time in which a declaration of war is in effect, or in response to a national security emergency at the request of the President.

(2) EXECUTIVE REGULATIONS ECONOMIC IMPACT STATEMENTS.—The President may waive the requirements of subsection (d) at any time in which a declaration of war is in effect, or in response to a national security emergency as determined by the President in consultation with Congress.

(f) EFFECTIVE DATE.—This section shall take effect 30 days after the date enactment of this Act.

Subtitle B—Cost Benefit Analysis of Regulatory Actions

SEC. 111. RISK AND COST BENEFIT ANALYSIS OF REGULATORY ACTIONS.

(a) DEFINITION.—For purposes of this section, the term "regulatory action" means a substantive action by a Federal agency (required to be or customarily published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including—

(1) a notice of proposed rulemaking; and

(2) an interim final rule.

(b) COMPREHENSIVE ANALYSIS OF SPECIFIC ECONOMIC COSTS AND BENEFITS.—Notwithstanding any other provision of law, for each regulatory action, the head of a Federal agency proposing a regulatory action shall—

(1) publish in the Federal Register a comprehensive analysis of the specific costs and benefits or detailed summary of such an analysis resulting from implementation of the final rule or regulation contemplated by the regulatory action; and

(2) certify that the regulation will produce benefits that will justify the cost to the Government and to the public of implementation of, and compliance with, the regulatory action.

(c) COSTS.—The head of an agency proposing a regulatory action shall include in the analysis as specific costs, when applicable—

(1) the total number of direct and indirect jobs to be lost;

(2) the costs incurred by Federal, State, and local governments, and other public and private entities; and

(3) any human health or environmental risks created as a result of implementation of, and compliance with, the proposed regulation or the proposed regulatory change.

(d) BENEFITS.—The head of an agency proposing a regulatory action shall include in the analysis as specific benefits, when applicable—

(1) the total number of direct and indirect jobs to be gained;

(2) the savings realized by Federal, State, and local governments, and other public and private entities; and

(3) the human health or environmental risk to be reduced by the proposed regulation or proposed regulatory change.

(e) NO COST/BENEFIT CERTIFICATION.—If the head of the agency proposing a regulatory action is unable to make the certification under subsection (b)(2), the head of the agency shall include in the statement published in the Federal Register the reasons why such certification cannot be made. The head of the agency shall submit a copy of the statement to the Congress.

Subtitle C—Private Property Rights

SEC. 121. SHORT TITLE.

This subtitle may be cited as the "Private Property Rights Act of 1994".

SEC. 122. DEFINITIONS.

As used in this subtitle:

(1) The term "agency" means all executive branch agencies, including any military department of the United States Government, any United States Government corporation, United States Government controlled corporation, or other establishment in the Executive Branch of the United States Government.

(2) The term "taking of private property" means an activity wherein private property is taken such that compensation to the owner of that property is required by the Fifth Amendment to the Constitution of the United States.

SEC. 123. PROTECTION OF PRIVATE PROPERTY.

No regulations promulgated after the date of enactment of this Act by any agency shall become effective until the issuing agency is certified by the Attorney General to be in compliance with Executive Order 12630, as in effect in 1991, the language of which is hereby incorporated by reference and enacted into public law, to assess the potential for the taking of private property in the course of Federal regulatory activity, with the goal of minimizing such where possible.

SEC. 124. JUDICIAL REVIEW.

(a) IN GENERAL.—Judicial review of actions taken pursuant to this Act shall be limited to whether the Attorney General has certified the issuing agency as in compliance with Executive Order 12630 or similar procedures, such review to be permitted in the same forum and at the same time as the issued regulations are otherwise subject to judicial review. Only persons adversely affected or grieved by agency action shall have standing to challenge that action as contrary to this Act. In no event shall such review include any issue for which the United States Claims Court has jurisdiction.

(b) APPLICATION.—Nothing in this section shall affect any otherwise available judicial review of agency action.

Subtitle D—Regulatory Flexibility Analysis

SEC. 131. DEFINITIONS.

Section 601 of title 5, United States Code, is amended—

(1) in paragraph (2), by inserting "any rule of the Internal Revenue Service," before "or any other law, including";

(2) in paragraph (5), by striking out "and" at the end thereof;

(3) in paragraph (6), by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(4) by adding at the end thereof the following new paragraph:

"(7) the term 'impact' means effects of a proposed or final rule which an agency can anticipate at the time of publication, and includes those effects which are directly and indirectly imposed by the proposed or final rule and are beneficial and negative.".

SEC. 132. INITIAL REGULATORY FLEXIBILITY ANALYSIS.

Section 603 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence by inserting "as defined under section 601(2)" after "any proposed rule"; and

(B) in the second sentence by striking out "the impact" and inserting in lieu thereof "both the direct and indirect impacts";

(2) in subsection (b)(3), by striking out "apply" and inserting in lieu thereof "directly apply and an estimate of the number of small entities to which the rule will indirectly apply"; and

(3) in subsection (c), in the first sentence by inserting before the period "either directly or indirectly effected".

SEC. 133. FINAL REGULATORY FLEXIBILITY ANALYSIS.

Section 604(a) of title 5, United States Code, is amended in the first sentence by striking out "under section 553 of this title, after being required by that section or any other law to publish a general notice of proposed rulemaking" and inserting in lieu thereof "as defined under section 610(2)".

SEC. 134. JUDICIAL REVIEW.

Section 611 of title 5, United States Code, is amended—

(1) by striking out subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

TITLE II—REGULATORY REPEAL AND REFORM

Subtitle A—Davis-Bacon Act Reform

SEC. 201. INCREASE IN THE FEDERAL CONSTRUCTION CONTRACT AMOUNT REQUIREMENT UNDER THE DAVIS-BACON ACT; TECHNICAL AND CONFORMING AMENDMENTS.

(a) Increase in Threshold Amount.—Section 1(a) of the Act of March 3, 1931 (commonly known as the "Davis-Bacon Act") (40 U.S.C. 276a), is amended by striking "for every contract" and all that follows through "the geographical limits of the States of the Union or the District of Columbia," and inserting the following: "for every contract—

"(1) in excess of $100,000, to which the United States or the District of Columbia is a party, for construction, alteration, or repair, including painting and decorating, of public buildings or public works of the United States or the District of Columbia within the geographical limits of the 48 contiguous States of the United States, or the District of Columbia; or

"(2) in excess of $2,000, to which the United States or the District of Columbia is a party, for construction, alteration, or repair, including painting and decorating, of public buildings or public works of the United States or the District of Columbia within the geographical limits of a State of the United States that is not contiguous to any other State of the United States,".

(b) Prohibition of Contract-Splitting.—Section 1 of the Act of March 3, 1931 (40 U.S.C. 276a), is further amended by adding at the end the following new subsections:

"(c) Except as provided in subsection (f), any person entering into a contract under which wages are to be determined in accordance with this Act shall not divide any project to which such contract applies, into two or more contracts of $100,000 or less if the project would not have been so divided but for the purpose of avoiding application of this Act.

"(d) If the Secretary of Labor determines that a division of contracts in violation of subsection (c) has occurred, the Secretary may—

"(1) require that the contracts, grants, or other instruments providing Federal financing or assistance be amended so as to incorporate retroactively all the provisions that would have been required under this Act or other applicable prevailing wage statute; and

"(2) require the contracting or assisting agency, the recipient of Federal financing or assistance, or any other entity that awarded the contract or instrument providing Federal financing or assistance in violation of this section, to compensate the contractor, the grantee, or other recipient of Federal assistance, as appropriate, for payment to each affected laborer and mechanic, of an amount equal to the difference between the rate received and the applicable prevailing wage rate, with interest on wages due at the rate specified in section 6621(c) of the Internal Revenue Code of 1986, from the date the work was performed by such laborers and mechanics.

"(e) The Secretary shall make a determination that a violation of subsection (c) has occurred only where the Secretary has notified the agency or entity in question not later than 180 days after completion of construction on the project that an investigation will be conducted concerning an alleged violation of this subsection.

"(f) The provision of subsection (c) shall not apply to a contract described in paragraph (2) of subsection (a).".

(c) Technical Amendment Applying Reform to Related Acts.—The Act of March 3, 1931 (40 U.S.C. 276a–276a–5) is further amended by adding at the end the following new section:

"Sec. 8. (a) Except as provided in subsection (b), no provision of any law requiring the payment of prevailing wage rates as determined by the Secretary in accordance with this Act shall apply to contracts for construction, alteration, or repair valued at $100,000 or less, or in the case of rent supplement assistance or other assistance for which the instrument of Federal financing or assistance does not have an aggregate dollar amount, where the assisted project is in the amount of $100,000 or less.

"(b) The provision of subsection (a) shall not apply to a contract described in section 1(a)(2).".

(d) Conforming Amendment to the Copeland Act.—The Act of June 13, 1934, (commonly known as the Copeland Act) (40 U.S.C. 276c), is amended by adding at the end thereof the following: "Except for a contract described in section 1(a)(2) of the Act of March 3, 1931 (40 U.S.C. 276a(a)(2)), this section shall not apply to any contract or project that is exempted by its size from the application of such Act.".

SEC. 202. AMENDMENT TO THE COPELAND ACT TO ELIMINATE UNNECESSARY AND BURDENSOME REPORTS AND TO PROVIDE FOR MORE EFFECTIVE AND EFFICIENT VERIFICATION OF COMPLIANCE WITH THE DAVIS-BACON ACT.

Section 2 of the Act of June 13, 1934 (commonly known as the Copeland Act) (40 U.S.C. 276c), is amended by striking in the first sentence "weekly" and all that follows through "week" and inserting "at least once per month a statement of compliance with the labor standards provisions of applicable law that certifies the payroll with respect to wages paid employees during the preceding period for which such statement is furnished and that covers each week any contract work is performed".

Subtitle B—Increase of Service Contract Act of 1965 Contract Amount

SEC. 211. INCREASE IN THE FEDERAL CONSTRUCTION CONTRACT AMOUNT REQUIREMENT UNDER THE SERVICE CONTRACT ACT OF 1965.

The matter preceding paragraph (1) of section 2(a) of the Service Contract Act of 1965 (41 U.S.C. 351(a)), is amended to read as follows:

"(a) Except as provided in section 7, every contract (and any bid specification therefor) entered into by the United States or the District of Columbia, whether negotiated or advertised, in excess of $100,000 in the case of a contract the principal purpose of which is to furnish services within the geographical limits of the 48 contiguous States of the United States, or the District of Columbia through the use of service employees, or $2,500 in the case of a contract the principal purpose of which is to furnish services in a State of the United States that is not contiguous to any other State of the United States through the use of service employees, shall contain the following:".

Subtitle C—Export of Certain Devices Regulated by the Food and Drug Administration

SEC. 215. EXPORT OF DEVICES.

Section 801(e)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381(e)(2)) is amended by striking subparagraph (C) and the matter following subparagraph (C) and inserting the following:

"(C) which is a banned device under section 516,

except as provided in paragraph (3).

"(3) Paragraph (1) shall apply to a device described in paragraph (2) if the Secretary has determined such device is—

"(A) the subject of an application under active review under section 515,

"(B) to be exported to one or more of the countries listed under section 802(b)(4)(A),

"(C) to be labeled for export only to a country listed under section 802(b)(4)(A), and

"(D) the subject of a certification by the manufacturer of the device that certain steps will be taken to reduce the likelihood of transshipment of the device to countries not listed under section 802(b)(4)(A).".

Subtitle D—Safety Exemptions for Heroic Acts

SEC. 231. SHORT TITLE.

This Act may be cited as the "Heroic Efforts to Rescue Others Act" (HERO Act).

SEC. 232. FINDINGS.

Congress finds that—

(1) existing Occupational Safety and Health Administration regulations require the issuance of a citation to an employer in a circumstance in which an employee of such employer has voluntarily acted in a heroic manner to rescue individuals from imminent harm during work hours;

(2) application of such regulations to employers in such circumstance causes hardships to those employers who are responsible for employees who perform heroic acts to save individuals from imminent harm;

(3) strict application of such regulations in such circumstance penalizes employers as a result of the time lost and legal fees incurred to defend against such citations; and

(4) in order to save employers the cost of unnecessary enforcement an exemption from the issuance of a citation to an employer under certain situations related to such circumstance is appropriate.

SEC. 233. CITATIONS.

Section 9 of the Occupational Safety and Health Act (29 U.S.C. 658) is amended by adding at the end the following new subsection:

"(d)(1) No citation may be issued under this section with respect to a rescue by an employer's employee of an individual in imminent harm unless—

"(A)(i) such employee is designated by the employee's employer for service on a rescue team; and

"(ii) the employer fails to provide protection of the safety and health of such employee, including failing to provide rescue equipment or providing inadequate personal protective equipment;

"(B)(i) such employee is directed by the employee's employer to perform rescue activities in the course of carrying out the employee's job duties; and

"(ii) the employer fails to provide protection of the safety and health of such employee, including failing to provide rescue equipment or providing inadequate personal protective equipment; or

"(C)(i) such employee—

"(I) is employed in a workplace that requires such employee to carry out duties that are directly related to a workplace operation where the likelihood of life-threatening accidents is foreseeable, such as a workplace operation where employees are located in confined spaces or trenches, handle hazardous waste, respond to emergency situations, or perform excavations or construction over water;

"(II) has no occupational responsibility to rescue such an individual; and

"(III) voluntarily elects to rescue such an individual; and

"(ii) the employer fails to provide training to such employee prior to the assignment of such employee to such workplace operation on the recognition of the hazards inherent in a rescue effort and the risks to a potential rescuer who is not trained in rescue operations.

"(2) For purposes of this subsection, the term 'imminent harm' means the existence of any condition or practice that could reasonably be expected to cause death or serious physical harm before such condition or practice can be abated.".

Subtitle E—Rural Community Bank Paperwork Relief

SEC. 241. SHORT TITLE.

This subtitle may be cited as the "Rural Community Bank Paperwork Relief Act of 1994".

SEC. 242. SELF-CERTIFICATION.

The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is amended by adding at the end the following new section:

"SEC. 809. SELF-CERTIFICATION FOR INSTITUTIONS IN RURAL TOWNS.

"A regulated financial institution shall be exempt from the evaluation and examination requirements of this title if such institution—

"(1) is located in a town, political subdivision, or other unit of general local government that—

"(A) has a population of not more than 20,000 residents, according to the most recent available census data; and

"(B) is not located in a metropolitan statistical area of the United States Department of Commerce, Bureau of the Census;

"(2) has a net loans and leases to deposits ratio of not less than 70 percent of the average institutional ratio of financial institutions of similar size in the same State, as defined by the appropriate Federal financial supervisory agency; and

"(3) certifies that it is effectively meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, as determined in regulations published by each appropriate Federal financial supervisory agency.".

SEC. 243. INCREASED INCENTIVES TO LENDING TO LOW- AND MODERATE-INCOME COMMUNITIES.

Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended by adding at the end the following new subsection:

"(c) CERTAIN RURAL INSTITUTIONS.—In evaluating a regulated financial institution, the appropriate Federal financial supervisory agency shall give appropriate consideration and weight to the institution's investments in and loans to joint ventures or other entities or projects that provide benefits to distressed communities located within or outside of the service area of the institution (as such terms are defined by the appropriate Federal financial supervisory agency) if such institution—

"(1) is located in a town, political subdivision, or other unit of general local government that is not located in a metropolitan statistical area of the United States Department of Commerce, Bureau of the Census; and

"(2) does not meet the requirements of section 809.".

Subtitle F—Reducing the Burden of Federal Paperwork on the Public

SEC. 251. SHORT TITLE.

This subtitle may be cited as the "Paperwork Reduction Act of 1994".

CHAPTER 1—AUTHORIZATION OF APPROPRIATIONS

SEC. 252. AUTHORIZATION OF APPROPRIATIONS.

Section 3520(a) of title 44, United States Code, is amended by striking out "$5,500,000 for each of the fiscal years 1987, 1988, and 1989." and inserting in lieu thereof "$7,000,000 for fiscal year 1994, $7,500,000 for fiscal year 1995, $8,000,000 for fiscal year 1996, $8,500,000 for fiscal year 1997, and $9,000,000 for fiscal year 1998.".

CHAPTER 2—REDUCING THE BURDEN OF FEDERAL PAPERWORK ON THE PUBLIC

SEC. 255. REEMPHASIZING THE NEED TO REDUCE THE BURDEN OF FEDERAL PAPERWORK ON THE PUBLIC.

Section 3501 of title 44, United States Code, is amended to read as follows:

"§ 3501. Purposes

"The purposes of this chapter are to—

"(1) minimize the Federal paperwork burden for individuals, small businesses, educational and nonprofit institutions, Federal contractors, State and local governments, and other persons;

"(2) minimize the cost to the Federal Government of collecting, maintaining, using, retaining, sharing, and disseminating information;

"(3) maximize the usefulness of information collected, maintained, used, retained and shared by the Federal Government;

"(4) coordinate, integrate and, to the extent practicable and appropriate, make uniform Federal information policies and practices;

"(5) ensure that government information resources management is conducted in an efficient and cost effective manner to—

"(A) improve the quality of decisionmaking and program management and administration;

"(B) improve the quality and timeliness of services delivered to the public;

"(C) increase productivity;

"(D) reduce waste and fraud;

"(E) facilitate the sharing of information;

"(F) ensure the integrity, quality and utility of the Federal statistical system; and

"(G) reduce burden upon the public;

"(6) ensure that the collection, maintenance, use, retention, sharing, and disseminating of information by or for the Federal Government is consistent with applicable laws;

"(7) establish the responsibility and public accountability of Federal agencies for implementing the information collection review process, information resources management, and related policies and guidance established pursuant to this chapter;

"(8) ensure that automatic data processing, telecommunications and other information technologies are acquired and used by the Federal Government in an effective and efficient manner that—

"(A) improves service delivery and program management;

"(B) increases productivity;

"(C) improves the quality of decisionmaking;

"(D) reduces waste and fraud;

"(E) maximizes the return on investment from the application of Government information and information technology resources over their life cycle; and

"(F) wherever practicable and appropriate, reduces the information processing burden for the Federal Government and for persons who provide information, keep records and otherwise disclose information to and for the Federal Government; and

"(9) strengthen the partnership between the Federal Government with State and local governments by minimizing the burden and maximizing the utility of information collected and shared.".

SEC. 256. COVERAGE OF ALL FEDERALLY SPONSORED PAPERWORK BURDENS.

Section 3502 of title 44, United States Code, is amended—

(1) by amending paragraph (3) to read as follows:

"(3) the term 'burden' means the time, effort, financial resources, and opportunity costs imposed on persons to generate, capture, assemble, process, maintain, and report information to or for a Federal agency, including—

"(A) the resources expended for obtaining, reviewing and understanding applicable instructions and requirements;

"(B) developing a way to comply with the applicable instructions and requirements;

"(C) adjusting the existing ways to comply with any previously applicable instructions and requirements;

"(D) searching existing data sources;

"(E) obtaining, compiling and maintaining the necessary data;

"(F) implementing recordkeeping requirements;

"(G) completing and reviewing the collection of information;

"(H) retaining, sharing, notifying, reporting, transmitting, labeling, or otherwise disclosing to third parties or the public the information involved; and

"(I) carrying out any other information transaction which occurs as a result of the collection of information;";

(2) in paragraph (4) by striking out "of facts or opinions by" and inserting in lieu thereof "(through maintenance, retention, notifying, reporting, labeling or disclosure to third parties or the public) of facts or opinions by or for"; and

(3) in paragraph (17) by inserting ", including the retention, reporting, notifying, or disclosure to third parties or the public of such records" before the period.

SEC. 257. PAPERWORK REDUCTION GOALS.

Section 3505 of title 44, United States Code, is amended to read as follows:

"§ 3505. Assignment of tasks and deadlines

"In carrying out the functions under this chapter, the Director shall—

"(1) set a Governmentwide goal, consistent with improving agency management of the process for the review of each collection of information established under section 3506(e), to reduce by September 30, 1994, the burden of Federal collections of information existing on September 30, 1993, by at least 5 percent;

"(2) for the fiscal year beginning on October 1, 1994, and the following 3 fiscal years, set a Governmentwide goal, consistent with improving agency management of the process for the review of each collection of information established under section 3506(e), to reduce the burden of Federal collections of information existing at the end of the immediately preceding fiscal year by at least 5 percent;

"(3) in establishing the Governmentwide goal pursuant to paragraph (2), establish a goal for each agency that—

"(A) represents the maximum practicable opportunity to reduce the paperwork burden imposed upon the public by such agency's collections of information, after considering the recommendations of the senior agency official designated under section 3506(b)(1); and

"(B) permits the attainment of the Governmentwide goal when such agency's goal is aggregated with the individual goals of all other agencies included in the Governmentwide goal; and

"(4) in each report issued under section 3514, beginning with the report relating to fiscal year 1994, identify any agency initiatives to reduce the burden of the Federal collections of information associated with—

"(A) businesses, especially small businesses and those engaged in international competition;

"(B) State and local governments; and

"(C) educational institutions.".

CHAPTER 3—ENHANCING FEDERAL AGENCY RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

SEC. 261. DESIGNATING AN AGENCY OFFICIAL RESPONSIBLE AND PUBLICLY ACCOUNTABLE FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK.

Section 3506 of title 44, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "Each agency" and inserting in lieu thereof "The head of each agency"; and

(B) by inserting "resources" after "its information";

(2) in subsection (b)—

(A) by inserting "(1)" before "The head of each agency"; and

(B) by adding at the end thereof the following new paragraphs:

"(2) The senior official designated under paragraph (1) shall be the head of an office, established by the head of the agency, responsible for assuring agency compliance with and prompt, efficient, and effective implementation of the information collection review process, information resources management, and related policies and guidance established pursuant to this chapter.

"(3) Staff to such office shall be well qualified through experience or training to carry out the information collection review process, information resources management, and related policies and guidance established under this chapter."; and

(3) in subsection (c)—

(A) by striking out "and" after the semicolon at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon; and

(C) by adding at the end thereof the following new paragraphs:

"(9) prepare estimates of burden that will result from proposed collections of information;

"(10) develop and maintain a strategic Information Resources Management Plan, in accordance with guidance from the Director, for the application of information resources to support the agency's specified mission goals as articulated through its strategic mission planning process;

"(11) establish oversight procedures, in accordance with guidance provided by the Director, to improve the life cycle management of the agency's major information systems; and

"(12) assess the agency's efforts to have program offices manage Government information resources by using performance measures that examine such factors as quality and timeliness of service delivery to the public, productivity of program administration, ability to prevent or reduce fraud, and the burden of Government's information collection practices on the public.".

SEC. 262. AGENCY RESPONSIBILITIES FOR CONTROLLING AND REDUCING THE BURDEN OF FEDERAL PAPERWORK.

Section 3506 of title 44, United States Code (as amended by section 301 of this Act) is further amended by adding at the end thereof the following new subsections:

"(e) The head of each agency, acting through the senior official designated under subsection (b)(1), shall establish an efficient, and effective process for the prompt review of each information collection request before it is submitted to the Director for review and approval under this chapter. At a minimum, this review process shall—

"(1) be sufficiently independent of program responsibilities to evaluate whether each information collection request should be carried out;

"(2) be provided sufficient personnel and other resources to carry out such review responsibility effectively; and

"(3) have authority (independent of agency program officers) to approve, disapprove, and make needed improvements in any agency collection of information.

"(f) Under the process established under subsection (e), the senior official designated under subsection (b)(1) shall certify (and provide a record supporting such certification, including any pertinent public comments received by the agency) to the Director that—

"(1) the collection of information and any applicable instructions and requirements—

"(A) are necessary for the proper performance of the agency's functions and are the least burdensome necessary;

"(B) are not unnecessarily duplicative of information otherwise reasonably accessible to the agency;

"(C) have practical utility;

"(D) are written using plain, coherent and unambiguous terminology;

"(E) are to be implemented in ways consistent and compatible, to the maximum extent practicable, with the existing reporting and recordkeeping practices of those who are to respond;

"(F) are understandable to those who are to respond;

"(G) display on the information collection request, to the extent practicable, the agency estimate of the burden for each response, calculated in accordance with the procedures established by the Director under section 3504(c)(5);

"(H) use information technology to reduce burden and improve agency responsiveness to the public;

"(I) use effective and efficient statistical survey methodology appropriate to the need for which the information is to be collected; and

"(J) explain the need and ultimate use of the information to be collected, and the importance of an accurate and timely response; and

"(2) the agency has taken necessary steps to—

"(A) except as provided in section 3507 (g) and (k), give 60-day notice to, and consult with members of the public and interested agencies, in order to—

"(i) enhance the clarity of the proposed collection of information;

"(ii) solicit comment on the agency estimate of the burden for each response for such collection of information; and

"(iii) minimize the burden of such collection of information on those who are to respond, including the appropriate use of automated collection technics or other forms of information technology;

"(B) evaluate the proposed collection of information and any applicable instructions and requirements, by developing and conducting—

"(i) an assessment of need;

"(ii) a functional description of the information to be collected;

"(iii) a plan for the practical collection of information;

"(iv) a specific, objectively supported estimation of burden, including each transaction involved; and

"(v) a test of the collection of information through a pilot or prototype program, if appropriate;

"(C) plan and allocate resources for the efficient and effective management and use of the information to be solicited; and

"(D) reduce burdens on businesses (especially small businesses and those engaged in international competition), State and local governments, and educational institutions, through consideration of such alternatives as—

"(i) establishing differing compliance or reporting requirements or timetables in recognition of the resources available to those who are to respond;

"(ii) the clarification, consolidation, or simplification of compliance and reporting requirements; and

"(iii) an exemption from coverage of the collection of information, or any part thereof.".

CHAPTER 4—ENHANCING GOVERNMENT RESPONSIBILITY AND ACCOUNTABILITY FOR REDUCING THE BURDEN OF FEDERAL PAPERWORK

SEC. 271. REEMPHASIZING THE RESPONSIBILITY OF THE DIRECTOR TO CONTROL THE BURDEN OF FEDERAL PAPERWORK.

Section 3504(c) of title 44, United States Code, is amended—

(1) in paragraph (3) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and inserting after subparagraph (A) the following new subparagraph:

"(B) display, to the extent practicable, an estimate of the burden for each response;";

(2) by amending paragraphs (5) and (6) to read as follows:

"(5) establishing procedures under which an agency is to estimate the burden under this chapter to comply with the proposed collection of information;

"(6) coordinating with the Office of Federal Procurement Policy to eliminate paperwork burdens associated with procurement and acquisition;";

(3) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon; and

(4) by adding at the end thereof the following new paragraphs:

"(8) minimizing the Federal paperwork burden imposed through Federal collection of information, with particular emphasis on those individuals or entities most adversely affected, including—

"(A) businesses, especially small businesses and those engaged in international competition;

"(B) State and local governments; and

"(C) educational institutions; and

"(9) initiating and conducting, with selected agencies and non-Federal entities on a voluntary basis, pilot projects to test or demonstrate the feasibility and benefit of changes or innovations in Federal policies, rules, regulations, and agency procedures to improve information management practices and related management activities (including authority for the Director to waive the application of designated agency regulations or administrative directives after giving timely notice to the public and Congress regarding the need for such waiver).”.

SEC. 272. ENHANCING AGENCY RESPONSIBILITY TO OBTAIN PUBLIC REVIEW OF PROPOSED PAPERWORK BURDENS.

Section 3507(a) of title 44, United States Code, is amended—

(1) in paragraph (2)(B) by inserting “a summary of the request,” after “title for the information collection request,”;

(2) by striking out “and” at the end of paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

“(3) the agency provides at least 30 days for public comment to the agency and the Office of Management and Budget after publication of the notice in the Federal Register, except as provided under section 3507 (g) and (k), and the agency head and the Director consider comments received regarding the proposed collection of information; and”.

SEC. 273. EXPEDITING REVIEW AT THE OFFICE OF MANAGEMENT AND BUDGET.

Section 3507(b) of title 44, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof “The Director shall within 30 days after publication of the notice under subsection (a)(3) that is applicable to a proposed information collection request not contained in a proposed rule, notify the agency involved of the decision to approve or disapprove the proposed information collection request and shall make such decisions publicly available. Any decision to disapprove an information collection request shall include an explanation of the reasons for such decision.”;

(2) by striking out “sixty” each place it appears and inserting “30” in each such place;

(3) by striking out “thirty” and inserting in lieu thereof “30”; and

(4) by striking out “one” and inserting in lieu thereof “1”.

SEC. 274. IMPROVING PUBLIC AND AGENCY SCRUTINY OF PAPERWORK BURDENS PROPOSED FOR RENEWAL.

(a) APPROVAL OF INFORMATION COLLECTION REQUEST.—Section 3507(d) of title 44, United States Code, is amended—

(1) by inserting “(1)” after “(d)”; and

(2) by adding at the end thereof the following:

“(2)(A) If the head of the agency, or the senior official designated under section 3506(b)(1), decides to seek extension of the Director's approval granted for a currently approved information collection request, the agency shall, through the notice prescribed in subsection (a)(2)(B) and such other practicable steps as may be reasonable, seek comment from the agencies, and the public on the continued need for, and burden imposed by, the collection of information.

“(B) The agency, after having made a reasonable effort to seek comment under subparagraph (A), but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved information collection request, shall—

“(i) evaluate the public comments received;

“(ii) conduct the review established under section 3506(e); and

“(iii) provide to the Director the certification required by section 3506(f), including the text of the certification and any additional relevant information regarding how the information collection request comports with the principles and requirements of this chapter.

“(C) Upon receipt of such certification, and prior to the expiration of the control number for that information collection request, the Director shall—

“(i) ensure that the agency has taken the actions specified under section 3506(f)(2);

“(ii) evaluate the public comments received by the agency or by the Director;

“(iii) determine whether the agency certification complies with the standards under section 3506(f)(1); and

“(iv) approve or disapprove the information collection request under this chapter.

“(3) If a certification is not provided to the Director prior to the beginning of the 60-day period before the expiration of the control number as provided under paragraph (2)(B), the agency shall submit the information collection request for review and approval or disapproval under this chapter.

“(4) An agency may not make a substantive or material modification to an information collection request after it has been approved by the Director, unless the modification has been submitted to the Director for review and approval or disapproval under this chapter.”.

(b) APPROVAL OF INFORMATION COLLECTION REQUIREMENTS.—Section 3507 of title 44, United States Code, is further amended by adding at the end thereof the following new subsections:

“(i)(1) As soon as practicable, but no later than publication of a notice of proposed rulemaking in the Federal Register, each agency shall forward to the Director a copy of any proposed rule which contains a collection of information requirement and upon request, information necessary to make the determination required under this chapter.

“(2) Within 60 days after the notice of proposed rulemaking is published in the Federal Register, the Director may file public comments under the standards set forth in section 3508 on the collection of information requirement contained in the proposed rule.

“(3) When a final rule is published in the Federal Register, the agency shall explain how any collection of information requirement contained in the final rule responds to the comments, if any, filed by the Director or the public, or explain the reasons such comments were rejected.

“(4) The Director has no authority to disapprove any collection of information requirement specifically contained in an agency rule, if the Director has received notice and failed to comment on the rule within 60 days after the notice of proposed rulemaking.

“(5) No provision in this section shall be construed to prevent the Director, at the discretion of such officer, from—

“(A) disapproving any information collection request which was not specifically required by an agency rule;

“(B) disapproving any collection of information requirement contained in an agency rule, if the agency failed to comply with the requirements of paragraph (1) of this subsection;

“(C) disapproving any collection of information requirement contained in a final agency rule, if the Director finds within 60 days after the publication of the final rule that such a collection of information requirement cannot be approved under the standards set forth in section 3508, after reviewing the agency's response to the comments of the Director filed under paragraph (2) of this subsection; or

“(D) disapproving any collection of information requirement, if the Director determines that the agency has substantially modified, in the final rule, the collection of information requirement contained in the proposed rule and the agency has not given the Director the information required under paragraph (1) with respect to the modified collection of information requirement, at least 60 days before the issuance of the final rule.

“(6) The Director shall make publicly available any decision to disapprove a collection of information requirement contained in an agency rule, together with the reasons for such decision.

“(7) The authority of the Director under this subsection is subject to subsection (c).

“(8) This subsection shall apply only when an agency publishes a notice of proposed rulemaking and requests public comments.

“(9) The decision of the Director to approve or not to act upon a collection of information requirement contained in an agency rule shall not be subject to judicial review.

“(j)(1) If the head of the agency, or the senior official designated under section 3506(b)(1), decides to seek extension of the Director's approval granted for a currently approved collection of information requirement, the agency shall, through the notice prescribed in subsection (a)(2)(B) and such other practicable steps as may be reasonable, seek comment from the agencies, and the public on the continued need for, and burden imposed by, the collection of information requirement.

“(2) The agency, after having made a reasonable effort to seek comment under paragraph (1), but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved collection of information requirement, shall—

“(A) evaluate the public comments received;

“(B) conduct the review established under section 3506(e); and

“(C) provide to the Director the certification required by section 3506(f), including the text of the certification and any additional relevant information regarding how the collection of information requirement comports with the principles and requirements of this chapter.

“(3) Upon receipt of such certification, and prior to the expiration date of the control number for that collection of information requirement, the Director shall—

“(A) ensure that the agency has taken the actions specified in section 3506(f)(2);

“(B) evaluate the public comments received by the agency or by the Director;

“(C) determine whether the agency certification complies with the standards under section 3506(f)(1); and

“(D) approve or disapprove the collection of information requirement under this chapter.

“(4) If under the provisions of paragraph (3), the Director disapproves a collection of information requirement, or recommends or instructs the agency to make a substantive or material change to a collection of information requirement, the Director shall—

“(A) publish an explanation thereof in the Federal Register; and

“(B) instruct the agency to undertake a rulemaking within a reasonable time limited to consideration of changes to the collection of information requirement and thereafter to submit the collection of information requirement for approval or disapproval under this chapter.

“(5) Nothing in this subsection affects the review process for a collection of information requirement contained in a proposed rule, including a proposed change to an existing collection of information requirement, under subsection (i) with respect to such collection of information requirement.

"(6) The Director may not approve a collection of information requirement for a period in excess of 3 years.".

SEC. 275. PROTECTION FOR WHISTLEBLOWERS OF UNAUTHORIZED PAPERWORK BURDEN.

Section 3507(h) of title 44, United States Code, is amended in the second sentence by inserting before the period ", and any communication relating to a collection of information, the disclosure of which could lead to retaliation or discrimination against the communicator".

SEC. 276. ENHANCING PUBLIC PARTICIPATION.

Section 3517 of title 44, United States Code, is amended—

(1) by inserting "(a)" before "In development"; and

(2) by adding at the end thereof:

"(b)(1) Under procedures established by the Director, a person may request the Director to review any collection of information conducted by or for an agency to determine, if—

"(A) the collection of information is subject to the requirements of this chapter;

"(B) the collection of information has been approved in conformity with this chapter; and

"(C) the person that is to respond to the collection of information is entitled to the public protections afforded by this chapter.

"(2) Any review requested under paragraph (1), unless the request is determined frivolous or does not on its face state a valid basis for such review, shall—

"(A) be completed by the Director within 60 days after receiving the request, unless such period is extended by the Director to a specified date and the person making the request is given notice of such extension;

"(B)(i) be coordinated with the agency responsible for the collection of information to which the request relates; and

"(ii) be coordinated with the Administrator for Federal Procurement Policy, if the request relates to a collection of information applicable to an actual or prospective Federal contractor or subcontractor at any tier; and

"(C) result in a written determination by the Director, that shall be—

"(i) furnished to the person making the request; and

"(ii) made available to the public upon request (and listed and summarized in the annual report required under section 3514), unless confidentiality is requested by the person making the request.".

SEC. 277. EXPEDITING REVIEW OF AN AGENCY INFORMATION COLLECTION REQUEST WITH A REDUCED BURDEN.

Section 3507 of title 44, United States Code (as amended by section 404(b) of this Act) is further amended by adding at the end thereof the following new subsection:

"(k) Upon request by the head of an agency, the Director shall approve a proposed change to an existing information collection request (unless such proposed change is subject to subsection (i)) within 30 days after the Director receives the proposed change. The information collection request shall thereafter remain in effect at least for the remainder of the period for which it was previously approved by the Director, if—

"(1) the information collection request has a current control number; and

"(2) the Director determines that the revision—

"(A) reduces the burden resulting from the information collection request; and

"(B) does not substantially change the information collection request.".

CHAPTER 5—ENHANCING AGENCY RESPONSIBILITY FOR SHARING AND DISSEMINATING PUBLIC INFORMATION

SEC. 281. PRESCRIBING GOVERNMENTWIDE STANDARDS FOR SHARING AND DISSEMINATING PUBLIC INFORMATION.

Section 3504(h) of title 44, United States Code, is amended to read as follows:

"(h) The functions of the Director related to agency dissemination and sharing of public information shall include—

"(1) developing policies and practices for agency dissemination and sharing of public information consistent with the agency responsibilities under section 3506(g); and

"(2) developing policy guidelines that instruct Federal agencies on ways to fulfill agency responsibilities to disseminate and share information that, to the extent appropriate and practicable—

"(A) make information dissemination products available on timely, equitable and cost effective terms;

"(B) encourage a diversity of public and private information dissemination products;

"(C) avoid establishing, or permitting others to establish, exclusive, restricted, or other distribution arrangements that interfere with the availability of information dissemination products on a timely and equitable basis; and

"(D) avoid establishing restrictions or regulations, including the charging of fees or royalties, on the reuse, resale, or redissemination of Federal information dissemination products by the public; and

"(E) set user charges for information dissemination products at a level sufficient to recover the cost of dissemination, except—

"(i) where otherwise required by statute;

"(ii) where the information is collected, processed, and disseminated for the benefit of a specific identifiable group beyond the benefit to the general public; or

"(iii) where user charges are established at less than cost of dissemination because of a determination that higher charges would interfere with the proper performance of the agency's functions.".

SEC. 282. AGENCY RESPONSIBILITIES FOR SHARING AND DISSEMINATING PUBLIC INFORMATION.

Section 3506 of title 44, United States Code (as amended by sections 261 and 262 of this Act) is further amended by adding at the end thereof the following new subsection:

"(g) The head of each agency shall, to the extent appropriate and practicable, and in conformance with the policy guidelines established under section 3504(h), establish and maintain a management system for the dissemination and sharing of information that—

"(1) ensures that the public has timely, equitable and cost effective access to the agency's information dissemination products;

"(2) disseminates and shares information in a manner that achieves the best balance between maximizing the usefulness of the information and minimizing the cost to the Government and the public;

"(3) takes advantage of all appropriate channels, Federal and non-Federal, including State and local governments, libraries and private sector entities, in discharging agency responsibilities for the dissemination and sharing of information;

"(4) considers whether an information dissemination product available from other Federal or non-Federal sources is equivalent to an agency information dissemination product and reasonably achieves the objectives of the agency;

"(5) establishes and maintains inventories of all agency information dissemination products in conformance with the requirements of section 3511;

"(6) establishes and maintains communications with members of the public and with State and local governments so that the agency shares information and otherwise creates information dissemination products that meet their respective needs; and

"(7) provides adequate notice when initiating, substantially modifying, or terminating significant information dissemination products.".

SEC. 283. AGENCY INFORMATION INVENTORY/LOCATOR SYSTEM.

(a) IN GENERAL.—Section 3511 of title 44, United States Code, is amended to read as follows:

"§ 3511. Inventory systems of information dissemination products

"(a) Each agency having significant information dissemination products shall establish and maintain a comprehensive inventory of such products, which shall include, at a minimum, the title of each such product, an abstract of the contents of each product, the media in which each product is available, and the cost, if any, of each product, subject to any requirements promulgated pursuant to subsection (c).

"(b) The inventory created pursuant to subsection (a) shall be made available for public access by electronic means, and in such other media as are appropriate and practicable, at no charge to the public.

"(c) The Director, in consultation with the Secretary of Commerce, the Archivist of the United States, the Public Printer, and the Librarian of Congress, may establish a mechanism for developing technical standards and other minimum requirements for the agency inventory systems created under subsection (a).".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 35 of title 44, United States Code, is amended by amending the item relating to section 3511 to read as follows:

"3511. Inventory systems of information dissemination products.".

CHAPTER 6—ADDITIONAL GOVERNMENT INFORMATION MANAGEMENT RESPONSIBILITY

SEC. 291. STRENGTHENING THE STATISTICAL POLICY AND COORDINATION FUNCTIONS OF THE DIRECTOR.

Section 3504(d) of title 44, United States Code, is amended to read as follows:

"(d)(1) The statistical policy and coordination functions of the Director shall include—

"(A) coordinating and providing leadership for development of the Federal statistical system;

"(B) developing and periodically reviewing and, as necessary, revising long-range plans for the improved coordination and performance of the statistical activities and programs of the Federal Government;

"(C) ensuring the integrity, objectivity, impartiality and confidentiality of the Federal statistical system;

"(D) reviewing budget proposals of agencies to ensure that the proposals are consistent with such long range plans and developing a summary and analysis of the budget submitted by the President to the Congress for each fiscal year of the allocation for all statistical activities;

"(E) coordinating, through the review of budget proposals and as otherwise provided under this chapter, the functions of the Federal Government with respect to gathering, interpreting and sharing statistics and statistical information;

"(F) developing and implementing Governmentwide policies, principles, standards and guidelines concerning statistical collection procedures and methods, statistical data classification, statistical information presentation and sharing, and such statistical data sources as may be required for the administration of Federal programs;

"(G) evaluating statistical program performance and agency compliance with Governmentwide policies, principles, standards and guidelines;

"(H) promoting the timely release by agencies of statistical data to the public;

"(I) coordinating the participation of the United States in international statistical activities;

"(J) preparing an annual report to submit to the Congress on the statistical policy and coordination function;

"(K) integrating the functions described under this paragraph with the other information resources management functions specified under this chapter; and

"(L) appointing a chief statistician who is a trained and experienced professional to carry out the functions described under this paragraph.

"(2) The Director shall establish an interagency working group on statistical policy, consisting of the heads of the agencies with major statistical programs, headed by the chief statistician to coordinate agency activities in carrying out the functions under paragraph (1).

"(3) The Director shall provide opportunities for long term training in the statistical policy functions of the chief statistician to employees of the Federal Government. Each trainee shall be selected at the discretion of the Director based on agency requests and shall serve for at least 6 months and no more than 1 year. All costs of the training are to be paid by the agency requesting training.".

SEC. 292. USE OF ELECTRONIC INFORMATION COLLECTION AND DISSEMINATION TECHNIQUES TO REDUCE BURDEN.

Section 3504(g)(1) of title 44, United States Code, is amended—

(1) by inserting "development and" after "overseeing the"; and

(2) by inserting "(including standards that improve the ability of agencies to use technology to reduce burden)" after "establishment of standards".

SEC. 293. AGENCY IMPLEMENTATION.

Section 3514(a) of title 44, United States Code, is amended—

(1) in paragraph (9)(C) by striking out "and" at the end thereof;

(2) in paragraph (10)(C) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(11) a listing of any increase in the burden imposed on the public during the year covered by the report resulting from a collection of information conducted or sponsored by or for an agency, which was imposed by such agency—

"(A) as specifically mandated by the provision of a statute; or

"(B) as necessary to implement a statutory requirement, which requirement shall be identified with particularity; and

"(12) a description of each such agency's efforts in implementing, and plans to implement, the applicable policies, standards and guidelines with respect to the functions under this chapter; and

"(13) a strategic information resources management plan for the Federal Government, developed in consultation with the Administrator of General Services, the Secretary of Commerce, and the Archivist of the United States, that includes an analysis of cross-cutting issues of Governmentwide importance.".

SEC. 294. AUTOMATIC DATA PROCESSING EQUIPMENT PLAN.

Section 3504(g) of title 44, United States Code, is amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) developing and annually revising, in consultation with the Administrator of General Services, a 5-year plan for meeting the automatic data processing equipment (including telecommunications) and other information technology needs of the Federal Government in accordance with the requirements of sections 110 and 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757 and 759) and the purposes of this chapter;".

SEC. 295. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Definitions.—Section 3502(10) of title 44, United States Code, is amended by striking out "the Federal Housing Finance Board" and inserting in lieu thereof "Federal Housing Finance Board".

(b) Review Periods.—Section 3507(g)(1) of title 44, United States Code, is amended to read as follows: "(1) is needed prior to the expiration of the time periods for public notice and review by the Director pursuant to the requirements of this chapter,".

(c) Director Review.—Section 3513(a) of title 44, United States Code, is amended in the first sentence by inserting "resources" after "information".

(d) Responsiveness.—Section 3514(a) of title 44, United States Code, is amended—

(1) in paragraph (9)(A) by inserting "and" at the end thereof;

(2) in paragraph (9)(B) by striking out the semicolon and inserting a period; and

(3) by striking out paragraph (9)(C).

CHAPTER 7—EFFECTIVE DATES

SEC. 296. EFFECTIVE DATES.

(a) In General.—Except as provided in subsection (b), the provisions of this title shall become effective 120 days after the date of the enactment of this Act.

(b) In Particular.—Section 252 shall become effective upon the date of the enactment of this Act.

TITLE III—FINANCIAL INSTITUTIONS REGULATORY RELIEF REDUCING THE BURDEN OF CERTAIN REGULATIONS ON FINANCIAL INSTITUTIONS

Subtitle A—Regulatory Impact on Credit Availability

CHAPTER 1—GENERAL PROVISIONS

SEC. 301. REGULATION OF REAL ESTATE LENDING.

Subsection (o) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828(o)) (as added by section 304 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended—

(a) by redesignating paragraph (4) as paragraph (5); and

(b) by inserting new paragraph (4) as follows:

"(4) Consideration of Particular Impact.—In prescribing standards under paragraph (1), the appropriate Federal banking agencies shall, consistent with safety and soundness,—

"(A) consider the impact that such standards have on the availability of credit for small business, residential, and agricultural purposes, and on low- and moderate-income communities; and

"(B) minimize the negative impact that these standards have on the availability of credit for such purposes and in such areas".

SEC. 302. REAL ESTATE APPRAISAL AMENDMENT.

Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended—

(a) by redesignating subsections (b), (c), (d) and (e) as subsections (c), (d), (e) and (f) respectively;

(b) by adding the following new subsection (b):

"(b) Reciprocity.—The Appraisal Subcommittee shall encourage the States to develop reciprocity agreements among themselves so as to readily authorize appraisers licensed or certified in one State and in good standing with their State appraiser certifying or licensing agency to perform appraisals in another State or States as though they were licensed or certified in that State or States."; and

(c) by adding at the end of subsection (a)(3) the following new sentence: "A State appraiser certifying or licensing agency shall not impose excessive fees of burdensome requirements for temporary practice under this subsection, as determined by the Appraisal Subcommittee.".

SEC. 303. PUBLIC DEPOSITS.

Section 13(e) of the Federal Deposit Insurance Act (12 U.S.C. 1823(e)) is amended—

(a) by inserting "(1) In General.—" before "No agreement which tends";

(b) by redesignating paragraphs (1), (2), (3) and (4) as subparagraphs (A), (B), (C) and (D) respectively; and

(c) by inserting the following new paragraph (2):

"(2) Exception.—This subsection shall not apply to any agreement permitting or affecting the deposit custody or collateralization of funds of any public entity.".

CHAPTER 2—IMPACT OF ACCOUNTING AND CAPITAL ISSUES ON CREDIT AVAILABILITY

SEC. 311. AUDIT COSTS.

(a) In General.—Section 36 of the Federal Deposit Insurance Act (12 U.S.C. 1831m) (as added by section 112 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended—

(1) Auditor attestations.—

(A) in subsection (a)(2)(A)(ii), by striking "subsections (c) and (d)" and inserting "subsection (c)";

(B) by striking subsection (c);

(C) in subsection (d), by deleting "(d)" and inserting "(c)"; and

(D) by striking subsection (e);

(2) Duplicative reporting.—in subsection (i), by striking "if—(1) services and functions" and all that follows through "or the appropriate Federal banking agency." and inserting "if services and functions comparable to those required under this section are provided at the holding company level.";

(3) Independent audit committees.—

(A) in subsection (g)(1)(A), by striking "entirely" and inserting "the majority of which is";

(B) in subsection (g)(1)(C),

(i) by inserting "and" after the semicolon in clause (i), and by striking "; and" in clause (ii) and inserting "."; and

(ii) by striking clause (iii);

(C) in subsection (g)(1), by inserting the following new subparagraph:

"(D) EXEMPTIVE AUTHORITY.—each appropriate Federal banking agency shall, by regulation, exempt from the requirements of this subsection all insured depository institutions which face hardships in retaining competent directors on their internal audit committees as a result of this subsection. In determining what types of institutions will be exempted, the agency shall consider such factors as the size of the institution and the availability of competent outside directors in the community."; and

(4) PUBLIC AVAILABILITY.—in subsection (a)(3), by inserting at the end the following new sentence—"Notwithstanding the previous sentence, the Corporation and the appropriate Federal banking agencies may designate certain information as privileged and confidential and not available to the public.".

(5) QUARTERLY REPORTS.—in subsection (g)(2), by inserting the following new subparagraph (D)—

"(D) NOTICE TO INSTITUTION.—Upon determining that an institution's quarterly reports shall be subject to the requirements of subparagraph (A), the Corporation shall promptly provide the institution with written notice of such determination.".

(6) by redesignating subsections (f) through (j) as subsections (d) through (h), respectively.

(b) EFFECTIVE DATE.—Section 112(b) of the Federal Deposit Insurance Corporation Improvement Act of 1991 is amended by striking "December 31, 1992" and inserting "December 31, 1993".

SEC. 312. RECOURSE AGREEMENTS.

Section 37(b) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(b)) (as added by section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended by adding at the end the following new paragraph (3):

"(3) RECOURSE AGREEMENTS.—Each appropriate Federal banking agency shall require insured depository institutions to use accounting principles consistent with generally accepted accounting principles in determining, for purposes of compliance with statutory or regulatory requirements, the capital required to be held against loans sold with recourse.".

SEC. 313. MARKET VALUE ACCOUNTING.

Section 37(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(a)(3) (as added by section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended by striking subparagraph (D).

SEC. 314. REPORT ON CAPITAL STANDARDS AND THEIR IMPACT ON THE ECONOMY.

(a) STUDY.—No later than 90 days after enactment of this Act, the Department of the Treasury, after consultation with the Federal banking agencies, shall report to the House and Senate Banking Committees on the effect that the implementation of risk based capital standards, including the Basle international capital standards, is having on—

(1) the safety and soundness of insured depository institutions; and

(2) the availability of credit, particularly to consumers and small businesses.

The report shall contain any recommendations with respect to capital standards that the Department of the Treasury may wish to provide.

(b) DEFINITION.—For purposes of this section, the terms "Federal banking agency" and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

SEC. 315. MINIMIZE POTENTIAL IMPACT OF CAPITAL STANDARDS ON CREDIT AVAILABILITY.

Section 305 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1828 note) is amended—

(a) in subsection (b)(1)(A)—

(1) by striking clauses (ii) and (iii);

(2) by striking "(A) take adequate account of—(i) interest-rate risk" and inserting "(A) take adequate account of interest-rate risk; and".

(b) by striking paragraph (3) in subsection (b) and inserting the following new paragraph (3):

"(3) TIMING FOR PRESCRIBING REVISED STANDARDS.—

"(A) INTEREST RATE RISK.—No appropriate Federal banking agency shall prescribe final regulations in the Federal Register to implement subparagraph (A) of paragraph (1) of this subsection prior to—

"(i) the implementation of similar standards at an international level; and

"(ii) the establishment of reasonable transition rules, subsequent to the occurrence specified in clause (i), to facilitate compliance with those regulations.

"(B) MULTIFAMILY MORTGAGES.—Each appropriate Federal banking agency shall—

"(i) publish final regulations in the Federal Register to implement paragraph (1)(B) not later than 18 months after date of enactment of this Act; and

"(ii) establish reasonable transition rules to facilitate compliance with those regulations.".

CHAPTER 3—DISINCENTIVES TO RISK-TAKING

SEC. 321. DUE PROCESS PROTECTIONS.

(a) ATTACHMENT OF ASSETS.—

(1) INSURED DEPOSITORY INSTITUTIONS.—

(A) Section 11(d)(19) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(19)) is amended—

(i) in subparagraph (A), by striking "without regard" and all that follows through "immediate";

(ii) in subparagraph (B), by striking "(as modified with respect to such proceeding by subparagraph (A))".

(B) Section 8(b) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)) is amended by redesignating subsection (b)(6)(F) as subsection (b)(6)(G), and inserting after subsection (b)(6)(E) the following:

"(F) prohibit such person from withdrawing, transferring, removing, dissipating, or disposing of any funds, assets or other property where injury, loss, or damage to such property is irreparable and immediate; and".

(C) Section 8(i) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)) is amended by striking paragraph (4)(B) and inserting the following:

"(B) STANDARD.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under this paragraph.".

(2) CREDIT UNIONS.—

(A) Section 207(b)(2)(H) of the Federal Credit Union Act (12 U.S.C. 1787(b)(2)(H)) is amended—

(i) in clause (i), by striking "without regard" and all that follows through "immediate"; and

(ii) in clause (ii), by striking "(as modified with respect to such proceeding by clause (i))".

(B) Section 206(e)(3) of the Federal Credit Union Act (12 U.S.C. 1786(e)(3)) is amended by redesignating subsection (e)(3)(F) as subsection (e)(3)(G), and inserting after subsection (e)(3)(E) the following:

"(F) prohibit such person from withdrawing, transferring, removing, dissipating, or disposing of any funds, assets or other property where injury, loss, or damage to such property is irreparable and immediate; and".

(b) STRICT LIABILITY.—Section 18(j)(4)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)(4)(A)) is amended by inserting "negligently" after "who," each time it appears.

SEC. 322. CULPABILITY STANDARDS IN PENALTY PROVISIONS.

(a) GENERAL PROVISIONS.—

(1) INSURED DEPOSITORY INSTITUTIONS.—Section 8(i)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)(2)) is amended—

(A) in subparagraph (A)(i), by inserting "negligently" after "(i)"; and

(B) in subparagraph (B)(i)(I), by inserting "recklessly" after "(i)(I)".

(2) CREDIT UNIONS.—Section 206(k)(2) of the Federal Credit Union Act (12 U.S.C. 1786(k)(2)) is amended—

(A) in subparagraph (A)(i), by inserting "negligently" after "(i)"; and

(B) in subparagraph (B)(i)(I), by inserting "recklessly" after "(i)(I)".

(b) NONMEMBER INSURED BANKS AND SAVINGS ASSOCIATIONS.—Section 18(j)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)(4)) (as amended by section 321(b) of this Act) is amended in subparagraph (B), by inserting "recklessly" after "(i)(I)".

(c) CHANGE IN CONTROL OF DEPOSITORY INSTITUTIONS.—Section 7(j)(16) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)(16)) is amended—

(1) in subparagraph (A), by inserting "negligently" after "Any person who"; and

(2) in subparagraph (B), by inserting "recklessly" after "(i)(I)".

(d) NATIONAL BANKS.—Section 5239(b) of the Revised Statutes (12 U.S.C. 93(b)) is amended—

(1) in paragraph (1), by inserting "negligently" after "who,"; and

(2) in paragraph (2)(A)(i), by inserting "recklessly" after "(A)(i)".

(e) MEMBER BANKS.—Section 29(a) of the Federal Reserve Act (12 U.S.C. 504(a)) is amended—

(1) in subsection (a), by inserting "negligently" after "who,"; and

(2) in subsection (b)(1)(A), by inserting "recklessly" after "(1)(A)".

(f) MEMBER BANKS.—Section 19(l) of the Federal Reserve Act (12 U.S.C. 505(l) is amended—

(1) in paragraph (1), by inserting "negligently" after "who,"; and

(2) in paragraph (2)(A)(1), by inserting "recklessly" after "(A)(1)".

(g) BANKS.—Section 106(b)(2)(F) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(2)(F)) is amended—

(1) in clause (i), by inserting "negligently" after "who,"; and

(2) in clause (ii)(I)(aa), by inserting "recklessly" after "(I)(aa)".

SEC. 323. DIRECTOR AND OFFICER LIABILITY ACTIONS.

Section 11(k) of the Federal Deposit Insurance Act (12 U.S.C. 1821(k)) is amended by deleting the last sentence.

CHAPTER 4—MISCELLANEOUS CREDIT AVAILABILITY PROVISIONS

SEC. 331. REGULATORY APPEALS PROCESS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, each appropriate Federal banking agency and the National Credit Union Administration shall establish an independent appellate process within its agency responsible for reviewing material supervisory determinations made at insured depository institutions or credit unions that it supervises.

(b) REVIEW PROCESS.—In establishing this independent appellate process, each agency shall ensure—

(1) that any appeal of a supervisory determination from any insured depository institution or credit union, or any officer, director, employee or other representative of any insured depository institution or credit union, be heard and decided expeditiously;

(2) that appropriate safeguards exist for protecting the appellant from retaliation by agency examiners; and

(3) that the ruling agency officer have the authority, where appropriate and as justice so requires, to stay the supervisory determination pending completion of the appellate process.

(c) COMMENT PERIOD.—Each agency shall provide public notice and opportunity for comment on proposed guidelines for an appellate process not later than 90 days after enactment of this Act.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "agency" shall refer to the appropriate Federal banking agency and the National Credit Union Administration;

(2) the terms "insured depository institution" and appropriate Federal banking agency" have the same meanings as in section 3 of the Federal Deposit Insurance Act; and

(3) the term "material supervisory determination" includes determinations relating to exam ratings, the adequacy of loan loss reserve provisions, and loan classifications on loans significant to the institution.

SEC. 332. AGGREGATE LIMITS ON INSIDER LENDING.

Section 22(h)(5) of the Federal Reserve Act (12 U.S.C. 375b(5)) (as amended by section 306 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended—

(a) by redesignating subparagraph (C) as subparagraph (D);

(b) by inserting the following new subparagraph (C):

"(C) SMALL BANK EXCEPTION.—Notwithstanding subparagraph (A), member banks with less than $100,000,000 in deposits may make such extensions of credit in the aggregate to persons specified in subparagraph (A) in an amount not to exceed 2 times the bank's unimpaired capital and unimpaired surplus."; and

(c) in subparagraph (D), as redesignated, by striking "less than $100,000,000" and inserting "between $100,000,000 and $250,000,000".

SEC. 333. STERILE RESERVES STUDIES.

(a) FEDERAL RESERVE STUDY.—No later than 90 days after enactment of this Act, the Board of Governors of the Federal Reserve System, in consultation with the Federal Deposit Insurance Corporation, shall study and report to Congress on—

(1) the necessity, for monetary policy purposes, of continuing to require insured depository institutions to maintain sterile reserves;

(2) the appropriateness of paying insured depository institutions with a market rate of interest on sterile reserves, or in the alternative, providing payment of this interest into the appropriate deposit insurance fund;

(3) the monetary impact that the failure to pay interest on sterile reserves has had on insured depository institutions, including an estimate of the total dollar amount of interest and potential income lost by insured depository institutions; and

(4) the impact that failure to pay interest on sterile reserves has had on the ability of the banking industry to compete with nonbanking providers of financial services and with foreign banks.

(b) BUDGETARY IMPACT STUDY.—No later than 90 days after enactment of this Act, the Office of Management and Budget and the Congressional Budget Office, in consultation with the Senate and House Committees on the Budget, shall jointly study and report to Congress on the budgetary impact of—

(1) paying insured depository institutions a market rate of interest on sterile reserves; and

(2) paying such interest into the respective deposit insurance funds.

(c) DEFINITION.—For purposes of this section, the term "insured depository institution" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

SEC. 334. CREDIT CARD ACCOUNTS RECEIVABLE SALES.

Section 11(e) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)) is amended by adding at the end the following new paragraphs:

"(14) SELLING CREDIT CARD ACCOUNTS RECEIVABLE.—

"(A) NOTIFICATION REQUIRED.—An undercapitalized insured depository institution (as defined in section 38) shall notify the Corporation in writing before entering into an agreement to sell credit card accounts receivable.

"(B) WAIVER BY CORPORATION.—The Corporation may at any time, in its sole discretion and upon such terms as it may prescribe, waive its right to repudiate an agreement to sell credit card accounts receivable if the Corporation—

"(i) determines that the waiver is in the best interests of the deposit insurance fund; and

"(ii) provides a written waiver to the selling institution.

"(C) EFFECT OF WAIVER ON SUCCESSORS.—

"(i) IN GENERAL.—If, under subparagraph (B), the Corporation has waived its right to repudiate an agreement to sell credit card accounts receivable—

"(I) any provision of the agreement that restricts solicitation of a credit card customer of the selling institution, or the use of a credit card customer list of the institution, shall bind any receiver or conservator of the institution; and

"(II) the Corporation shall require any acquirer of the selling institution, or of substantially all of the selling institution's assets or liabilities, to agree to be bound by a provision described in subclause (I) as if the acquirer were the selling institution.

"(ii) EXCEPTION.—Clause (i)(II) does not—

"(I) restrict the acquirer's authority to offer any product or service to any person identified without using a list of the selling institution's customers in violation of the agreement;

"(II) require the acquirer to restrict any preexisting relationship between the acquirer and a customer; or

"(III) apply to any transaction in which the acquirer acquires only insured deposits.

"(D) WAIVER NOT ACTIONABLE.—The Corporation shall not, in any capacity, be liable to any person for damages resulting from waiving or failing to waive the Corporation's right under this section to repudiate any contract or lease, including an agreement to sell credit card accounts receivable. No court shall issue any order affecting any such waiver or failure to waive.

"(E) OTHER AUTHORITY NOT AFFECTED.—This paragraph does not limit any other authority of the Corporation to waive the Corporation's right to repudiate an agreement or lease under this section.

"(15) CERTAIN CREDIT CARD CUSTOMER LISTS PROTECTED.—

"(A) IN GENERAL.—If any insured depository institution sells credit card accounts receivable under an agreement negotiated at arm's length that provides for the sale of the institution's credit card customer list, the Corporation shall prohibit any party to a transaction with respect to the institution under this section or section 13 from using the list except as permitted under the agreement.

"(B) FRAUDULENT TRANSACTIONS EXCLUDED.—Subparagraph (A) does not limit the Corporation's authority to repudiate any agreement entered into with the intent to hinder, delay, or defraud the institution, the institution's creditors, or the Corporation.".

SEC. 335. CHANGES TO THE FEDERAL HOME LOAN BANK ACT TO PROMOTE CREDIT AVAILABILITY.

(a) Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) by redesignating subparagraphs (4) and (5) as subparagraphs (5) and (6), respectively;

(2) in newly redesignated subparagraph (5) (as redesignated by subsection (a)(1) of this section), by inserting "nonresidential" after the first "Other";

(3) by inserting new subparagraph (4) as follows:

"(4) Other residential real estate-related collateral acceptable to the Bank."; and

(4) in newly redesignated subparagraph (6) (as redesignated by subsection (a)(1) of this section), by striking "(4)" and inserting "(5)".

(b) Section 11(h) of the Federal Home Loan Bank Act (12 U.S.C. 1431(h)) is amended by inserting after "Federal Home Loan Bank System," the following clause: "the purchase of participating interests in residential construction loans that are originated by member institutions and that comply with uniform Federal regulations on real estate lending standards under subsection (o) of section 1828 of title 12 of the United States Code, the authority to enhance the credit quality of any such participation interests in residential construction loans that the Banks resell,".

Subtitle B—Regulatory Micromanagement

SEC. 341. REGULATORY STANDARDS.

Section 39 of the Federal Deposit Insurance Act (12 U.S.C. 1831s) (as added by section 132 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is hereby repealed.

SEC. 342. PAPERWORK REDUCTION REVIEW.

Not later than 180 days after the date of enactment of this Act, each appropriate Federal banking agency, in consultation with insured depository institutions and other interested parties, shall—

(a) review the extent to which current regulations require insured depository institutions to produce unnecessary internal written policies; and

(b) eliminate such requirements, where appropriate.

For purposes of this section, the terms "insured depository institution" and "appropriate Federal banking agency" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

SEC. 343. RULES ON DEPOSIT TAKING.

Section 29(g)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1831f(g)(3)) is amended—

(1) by inserting "undercapitalized" after "includes any"; and

(2) by inserting "undercapitalized" after "employee of any".

SEC. 344. ADEQUATE TRANSITION PERIOD FOR NEW REGULATIONS.

(a) ADEQUATE TRANSITION PERIOD FOR NEW REGULATIONS.—No new regulation issued by a Federal banking agency which imposes additional reporting, disclosure or other requirements on insured depository institutions shall be effective prior to 180 days from the date that that regulation becomes final unless—

(1) the agency makes a finding that an emergency exists which requires sooner action; or

(2) explicitly directed by Congress.

(b) Definition.—For purposes of this section, the terms "Federal banking agency" and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

Subtitle C—Unnecessary Cost, Paperwork and Regulation

CHAPTER 1—GENERAL PROVISIONS

SEC. 351. ANNUAL EXAMINATIONS.

(a) In General.—Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) (as amended by section 111 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended—

(1) Small institution treatment.—In subsection (d), delete paragraph (4) and insert the following new paragraph:

"(4) 2-year rule for certain small institutions.—Paragraphs (1), (2), and (3) shall apply with '24-month' substituted for '12-month' if—

"(A) the insured depository institution has total assets of less than $250,000,000;

"(B) the institution is well capitalized, as defined in section 38;

"(C) when the institution was most recently examined, it was found to be well managed, had solid earnings, had been profitable for the previous 2 years, and its composite condition was found to be good;

"(D) the insured depository institution is not currently subject to a formal enforcement order by the appropriate Federal banking agency; and

"(E) no person acquired control of the institution during the 12-month period in which a full-scope, on-site examination would be required but for this paragraph.

"The dollar amount in the preceding sentence shall be adjusted annually after December 31, 1992, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics.".

(2) State examinations.—In subsection (d), delete paragraph (3) and insert the following new paragraph:

"(3) State examinations acceptable.—The examination requirement established under paragraph (1) may be satisfied by an examination of the insured depository institution conducted by the state during the 12-month period if the appropriate Federal banking agency determines that the state examination carries out the purposes of this subsection.".

(3) Certain depository institutions within holding companies.—At the end of subsection (d), add the following new paragraph:

"(7) Certain institutions within depository institution holding companies.—The appropriate Federal banking agency may exempt any insured depository institution owned or controlled by a depository institution holding company from the requirements of this subsection where—

"(A) the agency is satisfied that adequate internal controls and examination procedures exist within the holding company structure; or

"(B) the insured depository institutions owned or controlled by the depository institution holding company which hold a substantial majority of the total assets of all insured depository institution assets owned or controlled by the depository institution holding company have been examined pursuant to the requirements of this subsection.".

SEC. 352. COORDINATED EXAMINATIONS.

(a) Coordinated State and Federal Examinations.—Section 10(d) of the Federal Deposit Insurance Act (12 U.S.C. 1820(d)) (as amended by section 351 of this Act) is amended by inserting after paragraph (7) the following new paragraph:

"(8) Coordinated examinations.—Each appropriate Federal banking agency shall, to the extent practicable—

"(A) coordinate all examinations to be conducted by that agency at an insured depository institution; and

"(B) work with other appropriate Federal banking agencies and appropriate State bank supervisors to coordinate examinations to be conducted at an insured depository institution;

so as to minimize the disruptive effects of such examinations on institution operations.".

(b) Technical and Conforming Amendment.—Section 3(r) of the Federal Deposit Insurance Act (12 U.S.C. 1813 (r)) is amended to read as follows:

"(r) Appropriate State Bank Supervisor.—The term 'appropriate State bank supervisor' means any officer, agency, or other entity of any State which has primary regulatory authority over State banks or State savings associations in such State.".

SEC. 353. DIFFERENCES IN ACCOUNTING PRINCIPLES.

Section 37(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(a)(2)) (as added by section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended by adding the following new subparagraph (C)—

"(C) Minimize Differences.—Notwithstanding subparagraph (B), each appropriate Federal banking agency and the Corporation shall require insured depository institutions to use accounting principles consistent with generally accepted accounting principles to the extent practicable so as to minimize differences between statements and reports, and thereby reduce the compliance burdens and costs on insured depository institutions.".

SEC. 354. REDUCTION OF CALL REPORT BURDENS.

(a) Regulatory Review of Call Report Burdens.—

(1) In general.—Within 60 days after the date of enactment of this Act, each appropriate Federal banking agency shall review the regulatory burden and costs incurred by insured depository institutions during their preparation of reports of condition.

(2) Factors to be considered.—In conducting its review, each agency shall consider all relevant factors that it deems necessary to correctly determine the extent of the burden and costs, including—

(A) the actual dollar cost to financial institutions in preparing such reports;

(B) the time and resources expended to meet regulatory directives;

(C) the frequency in which the agency has modified the type(s) of information required to be reported in such reports and the costs and burdens associated with complying with such modifications; and

(D) the extent to which such costs and burdens, viewed within the overall context of the total regulatory burden and cost incurred by insured depository institutions in their day-to-day operations, impact upon the availability of credit.

(3) Corrective measures.—After conducting its review, each appropriate Federal banking agency shall revise its call report requirements to remove any unnecessary burdens and costs. Prior to any subsequent modification in call report requirements, each agency shall consider the extent to which such modifications impose unnecessary regulatory burdens and costs upon insured depository institutions.

(4) Definitions.—For purposes of this section, the terms "insured depository institution" and "appropriate Federal banking agency" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

(b) Repeal of Publication Requirements.—

(1) The fifth sentence of section 5211(a) of the Revised Statutes (12 U.S.C. 161(a)) is amended by striking "; and the statement of resources and liabilities in the same form in which it is made to the comptroller shall be published in a newspaper" and all that follows through the period and inserting a period.

(2) Section 5211(c) of the Revised Statutes (12 U.S.C. 161(c) is amended by striking the fourth sentence.

(3) Section 7(a)(1) of the Federal Deposit Insurance Act is amended by striking the fourth sentence.

(4) The last sentence of the sixth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 324) is amended by striking "and shall be published" and all that follows through the end of the sentence and inserting a period.

(c) Amendment Relating to National Banks.—Section 5211(a) of the Revised Statutes (12 U.S.C. 161(a)) is amended by adding at the end the following sentence: "Any change in the form of report of condition made under this subsection shall be effective only once in a particular calendar year, and only after at least 6 months from the date that notice of the change is published in the Federal Register, except that such change may be effective on a subsequent date or after less notice if the Comptroller makes a specific finding that an additional change in the form or a shorter advance-notice period is necessary because of an emergency or change in Federal law.".

(d) Amendment Relating to State Nonmember Insured Banks.—Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) is amended by adding at the end the following new paragraph:

"(10) Transition period for changes in report requirements.—Any change in the form of reports of condition made under this subsection shall be effective only once in a particular calendar year, and only after at least 6 months from the date that notice of the change is published in the Federal Register, except that such a change may be effective on a subsequent date or after less notice if the Board of Directors makes a specific finding that an additional change in the form or a shorter advance-notice period is necessary because of an emergency or change in Federal law.".

(e) Amendment Relating to State Member Banks.—The sixth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 324) is amended by adding at the end the following sentence: "Any change in the form of report of condition made under this subsection shall be effective only once in a particular calendar year, and only after at least 6 months from the date that notice of the change is published in the Federal Register, except that such a change may be effective on a subsequent date or after less notice if the Board of Governors of the Federal Reserve System makes a specific finding that an additional change in the form or a shorter advance-notice period is necessary because of an emergency or change in Federal law.".

(f) AMENDMENT RELATING TO SAVINGS ASSOCIATION.—Section 5(v) of the Home Owners' Loan Act (12 U.S.C. 1464(v)) is amended by adding at the end the following new paragraph:

"(9) TRANSITION PERIOD FOR CHANGES IN REPORT REQUIREMENTS.—Any change in the form of reports of condition made under this subsection shall be effective only once in a particular calendar year, and only after at least 6 months from the date that notice of the change is published in the Federal Register, except that such a change may be effective on a subsequent date or after less notice if the Director makes a specific finding that an additional change in the form or a shorter advance-notice period is necessary because of an emergency or change in Federal law.".

(g) AMENDMENT RELATING TO CREDIT UNIONS.—Section 202(a)(1) of the Federal Credit Union Act (12 U.S.C. 1782(a)(1)) is amended by adding at the end the following sentence: "Any change in the form of reports of condition made under this subsection shall be effective only once in a particular calendar year, and only after at least 6 months from the date that notice of the change is published in the Federal Register, except that such a change may be effective on a subsequent date or after less notice if the Board makes a specific finding that an additional change in the form or a shorter advance-notice period is necessary because of an emergency or change in Federal law.".

SEC. 355. REGULATORY REVIEW OF CAPITAL COMPLIANCE BURDEN.

Not later than 180 days after the date of enactment of this Act, the Federal Financial Institutions Examination Council, in consultation with insured depository institutions and other interested parties, shall—

(a) review the extent to which current compliance requirements associated with risk-based capital rules have an unnecessarily costly and burdensome effect on community banks; and

(b) where appropriate, reduce such costs and burdens.

For purposes of this section, the term "insured depository institution" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

SEC. 356. BRANCH CLOSURES.

Section 39 of the Federal Deposit Insurance Act (12 U.S.C. 1831p) (as added by section 228 of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended by adding at the end the following new subsections:

"(d) DEFINITIONS.—For purposes of this section, the term "branch" shall not include:

"(1) automated teller machines;

"(2) a branch acquired through merger, consolidation, purchase, assumption or other method that is located in a local market area currently served by another branch of the acquiring institution;

"(3) a branch that is closed and reopened in another location within the same local market area which would continue to provide banking services to substantially all of the customers currently served by the branch that is closed;

"(4) a branch that is closed in connection with—

"(A) an emergency acquisition under—

"(i) section 11(n); or

"(ii) subsections (f) or (k) of section 13;

"(B) any assistance provided by the Corporation under section 13(c); and

"(5) any other branch closure whose exemption from the notice requirements of this section would not produce a result inconsistent with the purposes of this section. The appropriate Federal banking agency shall, by regulation, determine the circumstances under which such exemptions will be granted.

"(e) EFFECTIVE DATE.—The amendments made by this section shall become effective on the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991.".

SEC. 357. BANK SECRECY ACT AMENDMENTS.

(a) STAFF COMMENTARIES.—Title 31 of the United States Code is amended to add the following new section 5327:

"SEC. 5327. STAFF COMMENTARIES.

"The Secretary of the Treasury shall review all regulations promulgated under this title on an annual basis and seek comment from the public pursuant to this review. The Secretary shall publish all written rulings interpreting this title, as well as a staff commentary to the regulations issued under this title. This commentary shall be issued on an annual basis.".

(b) LOG REQUIREMENTS.—Section 5325(a)(1) of title 31 of the United States Code is amended—

(1) by striking subparagraphs (A) and (B); and

(2) by inserting the following new paragraph (1):

"(1) the individual has a transaction account with such financial institution and the financial institution verifies that fact through a signature card or other information maintained by such institution in connection with the account of such individual.".

(c) EXEMPTION PROCESS.—Section 5318(a)(5) of title 31 of the United States Code is amended—

(1) by inserting "or exception" after "an appropriate exemption"; and

(2) by inserting "only after receiving comments from the entities covered by this chapter. The Secretary must take into account the effect that changes to the exemption or exception process will have on the cost and efficiency of the reporting process." after the words "under this subchapter".

(d) CUSTOMER FILINGS.—Section 5313(a) of title 31 of the United States Code is amended by striking ", the institution and any other participant in the transaction the Secretary may prescribe shall file a report" and inserting "the person who participates in the transaction shall file a report".

(e) INFLATION ADJUSTMENTS ON CTR AMOUNTS.—Section 5313(a) of title 31 of the United States Code is amended by inserting after the second sentence the following new sentence: "The Secretary must review the reporting requirements mentioned above by September 1 of each calendar year to determine if the reporting amount prescribed by the Secretary should be adjusted to account for inflation, cost effectiveness of the requirement or the usefulness for law enforcement purposes. The Secretary must submit a written report to the Congress each year disclosing how the reporting threshold decision was reached. The report must include an analysis of how the change will affect domestic financial institutions.".

SEC. 358. CLARIFYING AMENDMENTS.

(a) DATA COLLECTIONS.—Section 7(a)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(8)) (as amended by section 141(c) of the Federal Deposit Insurance Corporation Improvement Act of 1991) is amended to add at the end the following new sentence: "In prescribing reporting and other requirements pursuant to this paragraph, the Corporation shall minimize the regulatory burden imposed upon insured depository institutions.";

SEC. 359. LIMITING POTENTIAL LIABILITY ON FOREIGN ACCOUNTS.

(a) AMENDMENT TO THE FEDERAL RESERVE ACT.—Section 25 of the Federal Reserve Act (12 U.S.C. 601 et seq.) is amended by adding at the end the following:

"11. LIMITATIONS ON LIABILITY.—

"A member bank shall not be required to repay any deposit made at a foreign branch of the bank if the branch cannot repay the deposit due to—

"(i) an act of war, insurrection or civil strife, or

"(ii) an action by a foreign government or instrumentality (whether de jure or de facto) in the country in which the branch is located,

unless the member bank has expressly agreed in writing to repay the deposit under those circumstances. The Board is authorized to prescribe such regulations as it deems necessary to implement this paragraph.".

(b) AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—

(1) Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following:

"( ) SOVEREIGN RISK.—Section 25(11) of the Federal Reserve Act shall apply to every nonmember insured bank in the same manner and to the same extent as if the nonmember insured bank were a member bank.".

"(2) CONFORMING AMENDMENT.—Subparagraph (A) of section 3(1)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(1)(5)) is amended to read as follows:

"(A) any obligation of a depository institution which is carried on the books and records of an office of such bank or savings association located outside of any State unless—

"(i) such obligation would be a deposit if it were carried on the books and records of the depository institution, and payable at, an office located in any State; and

"(ii) the contract evidencing the obligation provides by express terms, and not by implication, for payment at an office of the depository institution located in any State; and".

(c) EXISTING CLAIMS NOT AFFECTED—The amendments made by this section shall not be construed to affect any claim arising from events (described in section 25(11) of the Federal Reserve Act, as added by subsection (a)) that occurred before the date of enactment of this section.

SEC. 360. REPEAL OUT-DATED STATUTORY PROVISION.

Section 5204 of the Revised Statutes (12 U.S.C. 56) is amended—

(1) in the second sentence, by striking "deducting therefrom its losses and bad debts" and inserting "subject to other provisions of law"; and

(2) by striking the third sentence.

SEC. 361. FLEXIBILITY IN CHOOSING BOARDS OF DIRECTORS.

Section 72 of title 12, United States Code is amended: In the first sentence delete "two-thirds" and replace it with "one-half"; In the first sentence after the phrase, "affiliate of a foreign bank" insert, "whether or not the association is owned or controlled by such foreign bank".

CHAPTER 2—HOLDING COMPANY EFFICIENCIES

SEC. 365. EXPEDITED PROCEDURES FOR FORMING A BANK HOLDING COMPANY.

Section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)) is amended—

(1) by striking out "or (B)" and inserting in lieu thereof "(B),"; and

(2) by inserting before the period at the end of the second sentence the following: ", or (C) with 30 days prior notification to the Board, the acquisition by a company of control of a bank in a reorganization in which a person or group of persons exchange their shares of the bank for shares of a newly formed bank holding company and receive, after the reorganization, substantially the same proportional share interest in the holding company as they held in the bank except for changes in shareholders' interests resulting from the exercise of dissenting shareholders' rights under State or Federal law if, immediately following the acquisition, the bank holding company meets the capital and other financial standards prescribed by the Board by regulation for such a bank holding company and the holding company does not engage in any activities other than those of banking or managing and controlling banks. In promulgating regulations pursuant to this subsection, the Board shall not require more capital for the subsidiary bank immediately following the reorganization than is required for a similarly sized bank that is not a subsidiary of a bank holding company.".

SEC. 366. EXEMPTION OF CERTAIN HOLDING COMPANY FORMATIONS FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933.

Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding at the end thereof the following new paragraph:

"(7) transactions involving offers or sales of equity securities, in connection with the acquisition of a bank by a company under section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(A)), if the acquisition occurs solely as part of a reorganization in which a person or group of persons exchange their shares of a bank for shares of a newly formed bank holding company and receive, after that reorganization, substantially the same proportional share interests in the bank holding company as they held in the bank, except for changes in shareholders' interests resulting from the exercise of dissenting shareholders' rights under State or Federal law.".

SEC. 367. EXPEDITED PROCEDURES FOR BANK HOLDING COMPANIES TO SEEK APPROVAL TO ENGAGE IN NONBANKING ACTIVITIES.

Paragraph (8) of section 4(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended—

(1) by redesignating clauses (i) and (ii) of subparagraphs (C), (D), and (E) as subclauses (I) and (II), respectively;

(2) by redesignating subparagraphs (A) through (G), and any cross references thereto as clauses (i) through (vii), respectively; and

(3) by striking out all that precedes "purposes of this subsection it is not" and inserting in lieu thereof the following:

"(8)(A) ACTIVITIES CLOSELY RELATED TO BANKING.—In accordance with the limitations and requirements contained in subparagraphs (B) and (C) of this paragraph, shares of any company whose activities the Board has determined (by order or regulation) to be so closely related to banking or managing or controlling banks as to be a proper incident thereto.

"(B) NOTICE REQUIREMENTS.—

"(i) No bank holding company shall engage in any activity or acquire the shares of a company pursuant to this paragraph, either de novo or by an acquisition in whole or in part of a going concern, unless the Board has been given 60 days prior written notice of that proposal and, within that period, the Board has not issued an order—

"(I) disapproving the proposal, or

"(II) extending the time period in accordance with clause (iii) below.

"(ii)(I) An acquisition may be made prior to the expiration of the disapproval period if the Board issues a written statement of its intent not to disapprove the proposal.

"(II) The Board shall publish in the Federal Register notice of receipt of a notice under this paragraph involving insurance and provide a reasonable period for public comment. The Board shall issue an order involving any such notice.

"(III) No notice under this paragraph is required for a bank holding company to establish de novo an office to engage in any activity previously authorized for that bank holding company under this paragraph or to change location of an office engaged in that activity.

"(iii) The notice submitted to the Board shall contain such information as the Board shall prescribe by regulation or by specific request in connection with a particular notice, except that the Board may require only such information as may be relevant to the nature and scope of the proposed activity and to the Board's evaluation of the notice under the criteria specified in clause (iv). If the Board requires additional relevant information beyond that provided in the notice, the Board may by order extend the time period provided in clause (i) of this subparagraph until it has received that information, and the activity that is the subject of the notice may be commenced within 60 days of the date of that receipt unless the Board issues a disapproval order as provided in clause (i). Such an extension order is reviewable under section 9 of this Act.

"(iv) In determining whether to disapprove a notice under this paragraph, the Board shall consider whether the performance of the activity described in the notice by a bank holding company or subsidiary thereof can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices. In orders and regulations under this paragraph, the Board may differentiate between activities commenced de novo and activities commenced by the acquisition, in whole or in part, of a going concern.

"(c) The Board shall by order set forth the reasons for any disapproval or determination not to disapprove a notice under this paragraph.

"(C) INSURANCE ACTIVITIES NOT CLOSELY RELATED TO BANKING.—For".

SEC. 368. REDUCTION OF POST-APPROVAL WAITING PERIOD FOR BANK HOLDING COMPANY ACQUISITIONS.

Section 11(b)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1849(b)(1)) is amended by adding before the period at the end of the fourth sentence thereof the following: "or if no adverse comment has been received regarding section 4(c)(8)(C) or section 4(j) of this Act, such shorter period of time as may be prescribed by the Board with the concurrence of the Attorney General, but in no event less than 5 days.".

SEC. 369. REDUCTION OF POST-APPROVAL WAITING PERIOD FOR BANK MERGERS.

Section 18(c)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(6)) is amended by inserting before the period at the end of the last sentence thereof the following: "or such shorter period of time as may be prescribed by the agency with the concurrence of the Attorney General, but in no event less than 5 days.".

Subtitle D—Consumer Inconvenience, Paperwork, and Cost; Other Non-Supervisory Reforms

CHAPTER 1—CONSUMER BENEFITS AND LENDING PROCESS IMPROVEMENTS

SEC. 371. STREAMLINED LENDING PROCESS FOR CONSUMER BENEFIT.

(a) FEDERAL RESERVE STUDY.—Within twelve months of enactment of this Act, the Board of Governors of the Federal Reserve System, in consultation with the Department of Housing and Urban Development, shall conduct a study and report to Congress on ways to streamline the credit-granting process.

(b) FOCUS.—In carrying out subsection (a), the Board shall—

(1) identify ways to streamline the home mortgage, small business and consumer lending processes so as to—

(A) reduce consumer inconvenience, cost and time delays; and

(B) minimize cost and burdens on insured depository institutions and credit unions;

(2) take such regulatory action, as appropriate, to meet the objectives of paragraph (1); and

(3) provide Congress with legislative recommendations on changes necessary to carry out the purposes of this section.

(c) COMMENT.—In carrying out the objectives of this section, the Board shall solicit comments from other Federal banking agencies, consumer groups, insured depository institutions, credit unions, and other interested parties.

(d) DEFINITION.—For purposes of this section, the term "insured depository institution" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

SEC. 372. EXEMPTION FOR CERTAIN BORROWERS.

Section 104 of the Truth in Lending Act (15 U.S.C. 1603) is amended by adding at the end the following:

"(7) Credit transactions involving consumers who earn more than $200,000 annually or have net assets in excess of $1,000,000 at the time of such transaction.".

SEC. 373. MODIFICATION OF WAIVER OF RIGHT OF RESCISSION.

Section 125(d) of the Truth in Lending Act (15 U.S.C. 1635(d)) is amended by striking ", if it finds that such action is necessary in order to permit homeowners to meet bona fide personal financial emergencies,".

SEC. 374. ALTERNATIVE DISCLOSURES FOR ADJUSTABLE RATE MORTGAGES.

(a) Section 127A(a)(2)(G) of the Truth in Lending Act (15 U.S.C. 1637a(a)(2)(G)) is amended by inserting before the semicolon ", or a statement that the monthly payment may increase or decrease significantly due to increases in the annual percentage rate".

(b) In Section 128(a) of the Truth in Lending Act (15 U.S.C. 1638(a), insert at the end the following new paragraph (14):

"(14) In any variable rate residential mortgage transaction, at the creditors' option, a statement that the monthly payment may increase or decrease substantially, or an historical example illustrating the effects of interest rate changes implemented according to the loan program.".

SEC. 375. EXEMPTION FOR BUSINESS ACCOUNTS.

Section 274 of the Truth in Savings Act (15 U.S.C. 4313) is amended by striking subsection (1) and inserting the following in its place:

"(1) The term 'account' means any account intended for use by and generally used by consumers primarily for personal, family, or household purposes by a depository institution into which a customer deposits funds, including demand accounts, time accounts, negotiable order of withdrawal accounts, and share draft accounts.".

SEC. 376. ELIMINATION OF DUPLICATE DISCLOSURES FOR HOME EQUITY LOANS.

Section 4 of the Real Estate Settlement Procedures Act (12 U.S.C. 2603) is amended by inserting in subsection (a) after the first sentence: "except that for federally related mortgage loans secured by a subordinate lien on residential property subject to section 127A(a) of the Truth in Lending Act (15 U.S.C. 1637a(a)), the disclosures of section 127A(a) of the Truth in Lending Act (15 U.S.C. 1637a(a)) may be used in place of the standard real estate settlement form.".

CHAPTER 2—OTHER NON-SUPERVISORY REFORMS

Subchapter I—Expedited Funds Availability and Electronic Transfers

SEC. 381. AVAILABILITY SCHEDULES.

(a) Treasury Checks.—Section 603(a)(2)(A) of the Expedited Funds Availability Act (12 U.S.C. 4002(a)(2)(A)) is amended—

(1) by redesignating clauses (i) and (ii) as clauses (ii) and (iii), respectively; and

(2) by inserting before clause (ii), as redesignated, the following:

"(i) is deposited in a receiving depository institution which is staffed by individuals employed by such institutions;"

(b) On-Us Items.—Section 603(a)(2)(E) of the Expedited Availability Act (12 U.S.C. 4002(a)(2)(E)) is amended by inserting "is staffed by individuals employed by such institutions" after "branch of a depository institution".

(c) Local Checks.—Section 603(b)(1) of the Expedited Funds Availability Act (12 U.S.C. 4002(b)(1)) is amended by striking "1 business day" and inserting "2 business days".

SEC. 382. DEFINITION OF A NEW ACCOUNT.

Section 604(a) of Expedited Funds Availability Act (12 U.S.C. 4003(a)) is amended by striking "30-day period" and inserting "90-day period".

SEC. 383. JURISDICTION.

Section 611(f) of the Expedited Funds Availability Act (12 U.S.C. 4010(f)) is amended in the first sentence by inserting "or other entities participating in the payments system, including States and political subdivisions thereof on which checks are drawn." after "depository institutions".

SEC. 384. UNAUTHORIZED ELECTRONIC FUND TRANSFERS.

Section 909(a)(1) of Electronic Fund Transfer Act (15 U.S.C. 1693g(a)(1)) is amended by inserting "(or in cases where the cardholder has substantially contributed to the unauthorized use, including writing on or keeping with the card or other means of access a personal identification or other security code, $500)" after "$50".

Subchapter II—Amendments to the Truth in Lending Act

SEC. 385. LIABILITY FOR UNAUTHORIZED USE OF CREDIT CARDS.

Section 133(a) of the Truth in Lending Act (15 U.S.C. 1643(a)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

"(2)(A) Notwithstanding paragraph (1), a cardholder shall be liable for the unauthorized use of a credit card if—

"(i) the liability is in excess of $50; and

"(ii) the cardholder fails to notify the card issuer of any unauthorized transaction which appears on the statement of the cardholder's account in connection with an extension of consumer credit within 60 days of the receipt of such statement.

"(B) The liability described in subparagraph (A) shall not apply if the cardholder demonstrates that the failure to timely notify the card issuer of the unauthorized use was due to extenuating circumstances such as extended travel or hospitalization, and notice was provided at the earliest possible time thereafter.

"(C) the liability described in subparagraph (A) shall only apply where the card issuer has provided prior notice to the cardholder of such liability.".

Subchapter III—Homeownership Amendments

SEC. 386. HOME MORTGAGE DISCLOSURE ACT EXEMPTION.

The Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2801 et seq.) is amended in section 309 (12 U.S.C. 2808) by inserting at the end the following new sentence: "The amount of total assets in the preceding sentence shall be adjusted yearly on January 1 by the annual percentage change in the Consumer Price Index reported for the previous June 1.".

SEC. 387. HOMEOWNERSHIP DEBT COUNSELING NOTIFICATION.

Section 106(c)(5) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)) is amended:

(a) by inserting at the end the following new subparagraph (F):

"(F) Affect on Foreclosure Proceedings.—Failure of a creditor to comply with the requirements of this subsection shall in no way affect foreclosure proceedings under State law."; and

(b) in subparagraph (B)—

(1) by inserting "(i)" before "The notification required" and by renumbering clauses (i) and (ii) as subclauses (I) and (II), respectively;

(2) by inserting the following new clause (ii)—

"(ii) Creditors shall not be required to provide the notification required under subparagraph (A) more than once annually.".

SEC. 388. ELIMINATION OF DUPLICATIVE DATA COLLECTION.

Effective six months after the date of enactment of this Act, no Federal banking agency shall require any institution for which it is the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) to prepare, file, or maintain any form for the purpose of collection, analysis, or maintenance of appropriate data to further the purposes of, or to fulfill the requirements of, the Fair Housing Act, other than a form for data collection, analysis, or maintenance required under the Home Mortgage Disclosure Act of 1975.

Subchapter IV—Amendments to the Truth in Savings Act

SEC. 389. CIVIL LIABILITY.

Section 271 of the Truth in Savings Act (15 U.S.C. 4310) is amended—

(1) by inserting the following new subsection (c):

"(c) Limits to Civil Liability.—In connection with the disclosures referred to in section 268, a depository institution shall have liability under paragraph (a)(2) of this section only for failing to comply with subsections (2) and (4) of section 268. A depository institution has no liability under this section for any failure to comply with section 263."; and

(2) by redesignating subsections (c), (d), (e), (f), (g), (h) and (i) as subsections (d), (e), (f), (g), (h), (i) and (j), respectively.

Subchapter V—Amendments to the Real Estate Settlements Procedures Act

SEC. 391. CLARIFY DISCLOSURE REQUIREMENTS.

Section 6 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605) is amended—

(a) in subsection (a)(1)(B)—

(1) by inserting "at the choice of the person making a federally related mortgage loan—(i)" after "(B)";

(2) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and by striking "and" at the end of newly redesignated subclause (II) and inserting "or"; and

(3) by inserting the following new clause (ii):

"(ii) a statement that the person making the loan has previously assigned, sold, or transferred the servicing of federally related mortgage loans; and".

(b) in subsection (a)(2), by inserting at the end the following new sentence: "Notwithstanding the previous sentences of this paragraph, the Secretary shall also permit any person originating the loan, at the choice of such person, to provide instead of the percentage estimates required to be disclosed under this paragraph a statement that the servicing may be assigned, sold or transferred during the 12-month period beginning upon origination.".

SEC. 392. EXEMPTION OF BUSINESS LOANS.

The Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601) is amended—

(1) by redesignating sections 4 (as amended by section 376 of this Act) through 19 as sections 5 through 20, respectively; and

(2) by inserting the following new section 4:

"Sec. 4. Exempted Transactions.—This title does not apply to the following:

"(1) Credit transactions involving extensions of credit primarily for business, commercial, or agricultural purposes, or to government or governmental agencies or instrumentalities, or to organizations; or

"(2) Credit transactions to finance or refinance agricultural property (such as farms, ranches, aquaculture, or vineyards) constituting 25 or more acres regardless of whether the loan in part involves a lien including residential property.".

Subtitle E—Community Investment

SEC. 395. COMMUNITY REINVESTMENT ACT AMENDMENTS.

(a) Compliance Burdens.—Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended—

(1) in paragraph (1), by striking "; and" and inserting ";";

(2) in paragraph (2), by striking "." and inserting "; and"; and

(3) by adding at the end the following new paragraph (3):

"(3) minimize the regulatory paperwork burdens and costs associated with compliance with this Act, giving appropriate consideration and recognition to such factors as the nature and scope of the institution's business, its location and area of service, and such other factors as may be appropriate.".

(b) Safe Harbor.—The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.), as amended by section 242 of this Act, is further amended by adding the following new section:

"SEC. 810. SAFE HARBOR.—Notwithstanding section 804(2), an application for a deposit facility by—

"(a) a regulated financial institution shall not be denied on the basis of such institution's compliance with this Act is such institution received a rating in its last evaluation under section 804 of 'Outstanding' in its record of meeting community credit needs, as provided in section 807(b); or

"(b) a depository institution holding company, as defined in section 3(w) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)), shall not be denied if—

"(1) regulated financial institution subsidiaries representing, in the aggregate, two-thirds of the holding company's regulated financial institution assets received a rating in their last evaluation under section 804 of 'Outstanding'; and

"(2) the remaining regulated financial institution subsidiaries received a rating in their last evaluation under section 804 of at least 'Satisfactory'.".

(c) SPECIAL PURPOSE BANKS.—The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is hereby amended—

(1) in section 803 (12 U.S.C. 2902), by inserting the following new paragraph (5):

"(5) the term "special purpose banks" means a bank that does not generally accept retail deposits, such as credit card banks and trust banks."; and

(2) in section 804 (12 U.S.C. 2903) (as amended by this section)—

(A) by inserting "(a)" before "In connection with";

(B) by inserting at the end the following new subsection (b):

"(b) In conducting assessments pursuant to subsection (a) at special purpose banks, each appropriate Federal financial supervisory agency shall take into consideration the nature of business such banks are involved in and develop standards under which such banks may be deemed to have complied with the requirements of this Act which are consistent with the specific nature of such businesses.".

(d) STATE EXAMS.—The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is hereby amended by adding after section 809 (as added by this section) the following new section:

"SEC. 811. STATE EXAMS.—The appropriated Federal financial supervisory agency may accept examinations conducted by state supervisory agencies pursuant to comparable state community reinvestment laws in order to satisfy the requirements of this Act.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for my colleagues and the public that an oversight hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony from Federal agencies on their respective roles in addressing the contemporary needs and management of the Newlands project in Nevada. This hearing will serve as a followup to a subcommittee field hearing held in Reno, NV, on December 11, 1993.

The hearing will take place on Tuesday, April 12, 1994, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Leslie Palmer.

For more information, please contact Dana Sebren Cooper, (202) 224–4531, or Leslie Palmer, (202) 224–6836, of the subcommittee staff.

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for my colleagues and the public that an oversight hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on water quality and quantity problems and opportunities facing the lower Colorado River area.

The hearing will take place on Tuesday, April 26, 1994, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Leslie Palmer.

For further information, please contact Dana Sebren Cooper, (202) 224–4531, or Leslie Palmer, (202) 224–6836, of the subcommittee staff.

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for my colleagues and the public that an oversight hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the implementation of the Central Valley Project Improvement Act and the coordination of these actions with other Federal protection and restoration efforts in the San Francisco Bay/Sacramento-San Joaquin Delta.

The hearing will take place on Tuesday, May 3, 1994, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Leslie Palmer.

For further information, please contact Dana Sebren Cooper, (202) 224–4531, or Leslie Palmer, (202) 224–6836, of the subcommittee staff.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Wednesday, March 9, 1994, in closed session, to receive testimony on force structure levels in the bottom up review of the defense authorization request for fiscal year 1995 and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 A.M. on Wednesday, March 9, 1994, in closed session, to receive testimony on force structure levels in the bottom up review in review of the defense authorization request for fiscal year 1995 and the future years defense program; to consider and act on the following pending civilian nominations: Hon. Edwin Dorn to be Under Secretary of Defense for Personnel and Readiness; Dr. Stephen C. Joseph to be Assistant Secretary of Defense for Health Affairs; Ms. Helen T. McCoy to be Assistant Secretary of the Army for Financial Management; Mr. Robert M. Walker to be Assistant Secretary of the Army for Installations, Logistics and Environment; Ms. Deborah P. Christie to be Assistant Secretary of the Navy for Financial Management; Mr. Robert B. Pirie, Jr. to be Assistant Secretary of the Navy for Installations and Environment; Mr. Rodney A. Coleman to be Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations and Environment; Mr. Robert F. Hale to be Assistant Secretary of the Air Force for Financial Management and Comptroller; and to discuss the procedures for considering certain pending military nominations and personnel matters, including the nomination of Lt. Gen. Buster C. Glosson, USAF, to retire in grade, and the impending retirement of Adm. Frank B. Kelso II, USN.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 9, beginning at 10 a.m. to conduct a hearing on regulatory consolidation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., March 9, 1994, to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10 a.m. to hear testimony on the subject of the Uruguay Round Subsidies Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Tuesday, March 9, 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, March 9, 1994, beginning at 10 a.m., in 485 Russell Senate Office Building on the President's budget request for fiscal year 1995 for the Indian Programs within the Departments of Housing and Urban Development, Education, Labor, and the Administration for Native Americans.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on ERISA preemption of State prevailing wage laws, during the session of the Senate on March 9, 1994, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CLEAN AIR AND NUCLEAR REGULATION

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air and Nuclear Regulation, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, March 9, beginning at 2 p.m., to conduct a hearing on Nuclear Regulatory Commission User Fees.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PATENTS, COPYRIGHTS AND TRADEMARKS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Patents, Copyrights, and Trademarks be authorized to meet during the session of the Senate on Wednesday, March 9, 1994, at 10 a.m. to hold a hearing on the oversight of the Patent and Trademark Office.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO DR. JOHN M. SMITH, JR.

• Mr. MCCONNELL. Mr. President, I rise today to pay tribute to an outstanding Kentuckian who has dedicated more than four decades of service to the people of rural Lee County, KY. Dr. John M. Smith, Jr. will be honored as the Beattyville/Lee County Chamber of Commerce Citizen of the Year this weekend for his outstanding commitment to the community.

When Dr. Smith first practiced medicine in Lee County in 1951, he was obligated to stay 1 year. His first year of medical school at the University of Kentucky was funded with assistance from the rural medical fund of the Kentucky Medical Association. In exchange, Dr. Smith was required to serve 1 year in a county identified by the State as needing a doctor. He chose Lee County, in part because of his own roots in nearby Perry and Jackson Counties. Now, 43 years later, he continues to serve the people of Beattyville and Lee County faithfully and compassionately from his own clinic.

John Smith returned to the eastern Kentucky mountains after a stint as a Navy physician. Although he grew up in the region, he surely was not fully prepared for the unique challenges which face a country doctor. In Beattyville circa 1952, no pharmacy or x-ray machine was available, the nearest hospital was about an hour away, and many homes could not be reached by car.

Legendary Kentucky writer Joe Creason once profiled Dr. Smith in the Louisville Courier-Journal. Mr. Creason wrote of Dr. Smith being transported by tractor and rowboat to reach patients and of his accepting almost any form of payment, including country hams, chickens, and farm produce. Ironically, Mr. Creason's article was published just 1 year after Dr. Smith began his practice in Lee County. I would suspect that he could now write a book on the unusual, yet rewarding experiences of this dedicated physician.

Dr. Smith's early years as a doctor were not the first time he gave selflessly to help others. Prior to medical school, he enlisted in the U.S. Navy as a line officer during World War II. A lieutenant on board the U.S.S. *Weeden*, Dr. Smith participated in the campaign to take back the Philippines and traveled to Nagasaki just after the bomb was dropped to pick up U.S. prisoners there. Dr. Smith also served during the Korean war, as a Navy physician at the Louisville recruiting station.

John Smith also continued his medical education after he established his practice in Beattyville. He attended the Armed Forces Institute of Pathology in Washington, DC, completed a residency in radiology at Memphis Methodist Hospital and the University of Kentucky, and gained experience as a staff radiologist in Morehead, at the Woodford County Hospital and at the Lexington Clinic.

Clearly, Dr. Smith could have pursued countless opportunities to take his practice to a larger city or work in a hospital of national prestige. However, the seventh-generation Kentuckian returned to Lee County where he has truly made a difference in the lives of thousands of rural citizens. His experience, dedication, and compassion make Dr. John Smith a role model for young Kentuckians who are considering a career in medicine.

Mr. President, I congratulate Dr. John Smith for his recognition as Beattyville/Lee County Chamber of Commerce Citizen of the Year and for the many years he has devoted to the people of Lee County and surrounding communities. Please include an October 26, 1952 article from the Courier-Journal in today's RECORD.

The article follows:

BEYOND THE CALL OF DUTY

(By Joe Creason)

(Here's an example of the success of the Medical Scholarship Fund, created to provide more doctors for the rural areas of the state)

The accompanying article from the Courier-Journal magazine section dated October 26, 1952 is the story of a young navy physician who came back to the area in which he was born to practice medicine. He came in 1951, a few months after a long time physician in Beattyville had died; and quickly fit into the community and definitely filled a need. Even though there was no pharmacist in Beattyville at the time the article was written, the Wolfinbarger brothers came soon after and opened a pharmacy. A point of interest—the last baby delivered by Dr. Smith is Lou Anne Akers who is presently living in Beattyville. Dr. Smith's hope of installing an X-ray machine became a reality. He practices medicine in a pleasant clinic which he owns. He continued his medical education—he went to The Armed Forces Institute of Pathology in Washington, D.C.; did a residency in Radiology at Memphis Methodist Hospital and completed it at University of Kentucky. Upon completion, he was staff radiologist at the hospital in Morehead, at the Woodford County Hospital and at the Lexington Clinic. He and his family returned to Beattyville in 1974 where he continues to practice medicine.

John M. Smith, Jr., had a pretty good idea he'd be in for some unusual times when he hung up his shingle and started the practice of medicine in Beattyville, Ky.

After all, he knew beforehand that Lee County was one of some 40 in Kentucky that was critically short on doctors, having then—in 1951—only one for a population of more than 8,000 people.

And he knew six other neighboring counties of mountainous East Central Kentucky—Clay, Owsley, Jackson, Wolfe, Powell and Menifee—likewise were on short rations indeed, so far as doctors were concerned.

So he must have suspected he'd face a lot of situations and experiences not generally covered in medical textbooks.

But, even with all that forewarning, it's extremely doubtful if Dr. John M. Smith, Jr., expected the time would come when a tractor would be the only way he'd be able to get into a remote area to see a patient.

Or that he'd have to cross the rain-swollen Kentucky River in a rowboat in the dead of winter with a half-blind woman at the oars.

Or that he'd ever take country hams—at the exchange rate of $1 a pound—in line of payment for medical services.

Or that a dozen and one other unusual experiences would come his way in less than a year and a half.

For that's just the length of time Dr. John M. Smith, Jr., one of the first 12 products of the Rural Kentucky Medical Scholarship Fund, has been practicing in Beattyville.

The Rural Medical Fund, sponsored by the Kentucky State Medical Association in cooperation with the University of Louisville School of Medicine, was started in the 1946–47 school year. The purpose of the fund, raised by public subscription, was to provide better medical care for the people of rural Kentucky. Medical students needing financial help may borrow from the fund and make repayment on the basis of a year of practice in a doctor-short section of each year of aid.

To translate the intention of the fund into a real situation, John Smith received help from it for one year—1946–47. That was his first in medical school and the year the first of his two sons was born. Having very little he could use for money, he borrowed in order to get started in school. After that he needed no help.

In return for that year of financial assistance, he was obligated to devote one year's practice to a county approved by the State Board of Health as needing doctors. After looking over the field, he chose Lee County.

If John Smith is a fair sample, then the Rural Medical Fund can be pronounced quite a large success. He now has served his year of obligation, owns a home in town and shows no signs of leaving, which is exactly what sponsors of the fund were hoping for. They reasoned that if they could get young doctors into rural areas for a year or so, some of them, at least, would settle down to permanent practice.

During his year-plus in Lee County, Dr. John Smith has given medical help to hundreds of people from a rather populous and mountainous seven-county area who, conceivably, would have had none otherwise.

Moreover, the people he serves are the kind who don't go rushing off to the doctor with every stomach-ache, or some such.

"Most of these folks are stoic and will suffer a long time before coming in," he says.

"Why, I've had patients with pneumonia walk into the office from seven or eight miles away.

"I do all I can for them and send them to the hospital—the nearest one is in Richmond, 52 miles away—only in emergencies," he adds. "After all, many of my patients can't afford to go to the hospital with every ache and pain like city folks."

Sponsors of the fund actually got a more than somewhat rare bargain in John Smith. They didn't get just one rural doctor—they got two. For his wife also is a doctor, a 1945 medical graduate of New York University, and she recently opened an office at Booneville, 12 miles south in adjoining Owsley County.

Although there were two doctors in Booneville, both were old. One had suffered a stroke. Smith was receiving so many patients from that area it seemed a perfect spot for his wife to open an office to relieve some of the strain.

Now that he's settled in Lee County, John Smith has become a family doctor in every sense of the word. He's known as "Doc" everywhere and can call most of the folks he passes on the road by their first names. He can point to children he brought into the world. He is taken into confidences, sought out for advice on every conceivable situation.

Since opening his office, he has been too busy even to attend a single movie. The only days he has been away from work was once during a medical meeting and the couple of days he was out last winter with the flu.

Incidentally, that case of the deep sniffles came in the line of duty. He was called to see a woman in the Oakdale section of the county who was sick with pneumonia. He had to follow a narrow path above an ice-laced creek in reaching the home.

As he inched along the bank, it suddenly caved in and he was dunked, bag, baggage and pill bottles, into waist-deep water. He went on and completed the call before changing clothes, something he'd raise Cain with a customer for doing, and the result was flu.

Smith keeps a pair of galoshes in the back of his car for hiking over terrain not suited even for the most sturdy horseless carriage. And it's quite often that a car can't make it back into a particularly rough, hilly section. As, for instance, when the husband of a sick woman had to ride him in and out on a tractor, the only transportation that could make the trip.

Then there was the boat ride last winter that he—a veteran of three years of destroyer-escort duty in the Navy—never will forget. He had gone to call on a patient who lived on the other side of the North Fork of the Kentucky River some distance about Beattyville. The only way across the river was by boat. The return was long after sundown and in inky darkness. The pilot was a partially blind woman.

"I crouched in the bottom of the boat," he recalls, "and wondered about my life insurance.

"How she hit the tiny landing on the other side of the river in that darkness and pulling into a swift current. I'll never know."

Numerous times he has been called to see patients in parts of the area he doesn't know. In such cases, the family of the sick person will more or less blaze a trail for him. They'll place a forked stick at the place he's supposed to turn off the main road and leave assorted other signs along the way.

He gets night calls, of course, but not as many as might be expected.

"These folks are sturdy, and they'll usually stick it out until morning," he says.

But the night calls do come. This spring he was roused at 1 a.m. He went with the caller to see the man's wife, gave her some pills and returned home to bed.

Less than 30 minutes later, he was brought out of bed again. It was the same man.

"Better come again, Doc," he urged, "she ain't a bit better."

Lots of patients have been unable to pay cash for doctor-work. So Smith has taken almost everything in payment. He keeps well supplied in ham, chicken and farm produce.

"At first my wife had a little trouble understanding what some patients were talking about," he says.

Folks would come in and say, "Take a look at this kid, Doc, he's been daunceyin 'round,' and she'd have a hard time figuring what they meant.

"But since I was born in Perry County and grew up in Jackson County, I knew when they talked about 'daunceying round' or 'punying round' another very descriptive bit of speech, they meant the child was sort of dragging around and showing little life."

Since he opened his office, another young doctor has come to Beattyville. Sam D. Taylor, born there, and also a U. of L. graduate, returned home in August to start practice. The two have worked out of scheme whereby one day a week they take the other's office calls. That allows them to get one day all to themselves.

Smith has his office in what was an old drugstore across the street from the Courthouse. He has divided the gunbarrel-shaped space into a reception room, office, drug room, examination room and delivery room. He delivers babies at homes, but prefers to have expectant mothers come to his office where he has all necessary equipment, including oxygen. He keeps them 10 to 12 hours after the delivery and sends them home in an ambulance.

Beattyville has no pharmacist, so Smith has to dispense his own pills and medicines. Neither is there an X-ray machine in town, although he hopes to install one soon.

Besides his unusual doctoring experiences, Smith has the rather unique distinction of having served as an officer in two different branches of the Navy within a five-year period.

After being graduated from the University of Kentucky in 1942, the 30-year-old Smith went into the Navy as a line officer. Upon his discharge, he entered medical school and was graduated in 1949. Then, following his intern work, along came the war in Korea and he volunteered to go back into the Navy, this time as a medical officer. He served for more than a year in Louisville at the recruiting station.

His second discharge came July 6, 1951. He opened his office 10 days later.

In the nearly seven years since the Rural Medical Fund was set up, 64 students have received $100,450 in financial help. Twelve of those students, including Smith, have served at least one year in rural areas. Nine are still there. Of the three who left the rural field, one is in the Army, one is sick and one moved to another state.

Besides Smith, other fund-helped doctors with at least one year in rural practice are O.C. Cooper, Wickliffe; Carson E. Crabtree, Buffalo; Oscar A. Cull, Corinth; William G. Edds, Calhoun; Clyde J. Nichols, Clarkson; Benjamin C. Stigall, Livermore; William L. Taylor, Guthrie, and Loman C. Trover, Earlington.

Six other doctors who were helped by the fund completed their internship in July and now are practicing in the country.

"Rural practice gets next to a fellow," John Smith says. "You have to make a lot of changes from what they say in the books—you have to be down-to-earth and forget all about dignity and professional manners at times.

"But there's an awful lot of satisfaction in serving people who really need help."

Which pretty nearly describes the country doctor.●

COMMENDING THE ANTI-DEFAMATION LEAGUE FOR THEIR EFFORTS TO COMBAT HATE CRIMES

• Mr. SIMON. Mr President, I rise today to applaud the Anti-Defamation League [ADL] for their continuing work to expose and combat hate crimes, and to bring your attention to their most recent "Audit of Anti-Semitic Incidents." For the past 15 years, the ADL has compiled data about anti-Jewish attacks. Their efforts in the collection of data and the development of programs regarding anti-Semitic acts increase public awareness of this problem, and help generate constructive solutions. I commend the ADL for continuing this important endeavor, and would like to share with you some of their recent findings.

Unfortunately, the Anti-Defamation League's 1993 survey indicates that the number and severity of anti-semitic hate crimes has worsened nationwide. There were 1,867 incidents reported to the ADL from 44 States and the District of Columbia in 1993 alone. This represents an overall increase of 8 percent from 1992, and constitutes the second highest total in the audit's 15-year history.

I was particularly troubled by the dramatic rise in the number of personal assaults against Jews. For the third year, the number of anti-Semitic acts against individuals outnumber the incidents of vandalism against institutions and other property. The number of reported incidents of assault, threat, and harassment totaled 1,079. This represents a 23-percent increase from 1992.

While these numbers make a dramatic statement about the magnitude of anti-Semitic hate crimes, some specific examples more graphically illustrate the sad story of hatred present in our society today. The ADL reports that in Seattle, a man with neo-Nazi tattoos hit his neighbor in the face, pushed his head against a wall, and bit him upon learning he was Jewish. In Massachusetts, anti-Semites spray-painted Happy Birthday Adolf and swastikas on numerous gravestones, and overturned 100 other gravestones.

Tragically, anti-Semitic incidents on college campuses increased by 7 percent from 1992. In the past 6 years, such incidents have more than doubled. The ADL reports that in a men's room at Florida Atlantic University [FAU], anti-Semites spray-painted the message Anti-Semitism is alive and well at FAU—we will hang the Jews in the University Center on Saturday. In December 1993, vandals scrawled Jews burn in Hell on the steps of a predominantly Jewish fraternity at Colorado University.

The ADL's report did contain some encouraging statistics, however. The number of anti-Semitic incidents relating to property dropped by 8 percent. My home State of Illinois, experienced a decline in the number of vandalism incidents. Other declining trends continued as well. The number of skinhead-related anti-Semitic incidents declined substantially, with a 90-percent decrease.

In closing, I again want to commend the ADL for its outstanding and important work. I ask that the following portion of the Anti-Defamation League's 1993 audit be printed in the RECORD.

The excerpt follows:

THE FINDINGS

In 1993, the total number of anti-Semitic incidents reported to the Anti-Defamation League—comprising acts both against property and persons—was 1867. This total, comprising reports from 44 states and the District of Columbia, is the second-highest in the Audit's 15-year history, and represents an overall increase of 8% over the 1992 total of 1730. It should be noted that there was a major rise in acts of assault, threat or harassment—i.e., those of a personal nature—which showed an increase of 23%. At the same time, however, there was a drop of 8% in incidents related to property—i.e., vandalism of synagogues, other Jewish property and public property.

The five states reporting the highest totals of anti-Semitic incidents of all kinds in the past year were: New York (273), New Jersey (234), Florida (195), California (191) and Massachusetts (189).

The 1993 findings maintain several trends noted in ADL's 1992 audit:

(1) For the third straight year, acts of anti-Semitic hostility, mostly against individuals (i.e., the more personalized type of incident, such as threats, assault and harassment)—a total of 1079, or 58% of all incidents—far outnumber incidents of vandalism against institutions and other property—totalling 788 (42% of the overall total). This trend would seem to dovetail with the sense of many observers across the nation that confrontational, "in-your-face" acts of violence, intimidation and incivility have been growing and spreading in recent years. These anti-Semitic acts of personal harassment and assault have risen steadily since 1986; in that 7-year span, such incidents have increased by 245%.

(2) The disturbing upward trend in campus anti-Semitic incidents continued in 1993, although the dramatic rate of increase slowed: such episodes rose 7% over 1992. In the past six years, campus incidents have more than doubled. Since 1990 they are up 28%.

While there are still significant numbers of campus incidents involving anti-Semitic vandalism, many of the most disturbing recent campus events fostering a sense of outrage, intimidation and harassment among Jewish students involved verbal anti-Semitic attacks by such bigots and demagogues as Louis Farrakhan and certain of his followers, who have made such presentations at numerous schools.

(3) Finally, within the vandalism category; the number of incidents (352) committed against public property locations—e.g., on buildings, bridges, sign posts, etc.—in 1993 was more than twice the number committed against synagogues, schools and other Jewish institutional targets (161). This pattern maintains a trend seen over the previous three years. It indicates that in recent years, as hate crime laws have proliferated and law enforcement action has increased, along with better security measures and awareness by Jewish institutions themselves, the latter are becoming better protected against anti-Semitic hate crime perpetrators—who increasingly are targeting the more numerous and harder-to-protect public locations.•

THE MANY OAKS APARTMENT DEVELOPMENT IN LINCOLN, NE

• Mr. KERREY. Mr. President, I would like to recognize an outstanding achievement in my State and the organizations which worked to make the plan a reality.

Many Oaks is a privately owned townhouse rental apartment development, located in the northwest section of Lincoln, NE. It was recently constructed and all of the units leased to lower-income families. This significant achievement was commemorated at a ceremony at the development on December 10, 1993. I was pleased to be able to offer my sincere congratulations.

The developer, the Indian Center, is a local 501(c)(3) neighborhood nonprofit development corporation, which has been developing affordable housing in this community since the mid-1980's; a time when large government subsidies were no longer available.

What makes this development so unusual is that it provides privately owned, affordable, attractive, spacious housing to large families with low incomes who cannot afford to purchase a home of their own and for whom safe, attractive, affordable apartments are not readily available.

Many Oaks contains 30 units in 15 townhouse, split-level type structures with attached garages. The 30 units are comprised of 20 three-bedroom units ranging in size from 1,020 square feet to 1,153 square feet; and 10 four-bedroom units ranging in size from 1,125 sq. ft. to 1,390 sq. ft. Each unity includes a washer and dryer, range, refrigerator, and carpeting. There is also an on-site outdoor recreational space which includes a playground and basketball court.

The rents are affordable on all 30 units for families who earn less than 60 percent of the median family income in Lincoln. The residents represent a cross section of America: 40 percent are white, 40 percent are African-American, 10 percent native American, 7 percent Hispanic, and 3 percent Asian.

I want to acknowledge the leadership of the Indian Center and the organizations which worked in close partnership to achieve this milestone.

The Indian Center had the vision, the organization and the dedication to identify and mobilize the public and private sectors to act together to make available the combined resources necessary to complete this task.

Construction financing was provided by the National Bank of Commerce, located in Lincoln, prior to obtaining a commitment for the long-term financing. This is an unusual act, one which demonstrates respect for the developer and a commitment to the community.

Fannie Mae, the congressionally chartered secondary market company, and the Nation's largest private investor in residential mortgages, provided the long term financing at the attractive rate of 8¾ percent for 25 years in the amount of $855,000. These are very favorable terms for larger investment apartment properties.

The city of Lincoln provided $179,000 in tax increment financing and $99,000 from their community development block grant allocation. These are the actions of a caring and committed city government.

The Mega Corp. raised $770,000 in equity funds under incentives provided by provisions of the low-income housing tax credit; this credit was permanently extended during the 103d Congress.

This is a shining example of how neighborhood organizations, local government and the private companies can work together, utilizing Federal incentives, local resources and private capital, to produce affordable housing.●

SMALL FIXES ARE NOT ENOUGH

● Mr. DASCHLE. Mr. President, as Congress debates various health reform options, it is crucial we give each proposal the same scrutiny and critical analysis we are devoting to the President's plan. With this premise in mind, I would like to call my colleagues' attention to a recent editorial in the New York Times. Written in response to public criticism of the institutional reforms recommended by the President, this editorial points to some of the shortcomings of the small fixes approach advocated by some Members of Congress.

The editorial asserts that tinkering is not enough. It suggests that small-fix insurance reforms would not be easily enforceable, and that if the currently unregulated market is left alone, Congress will remain in the position of responding to specific abuses by passing 13 trillion pages of rules to stop these practices. The Times editorial also suggests that a more effective, less regulatory way to address this issue is to establish mandatory purchasing cooperatives, or health alliances, that would make every policy equally accessible to everyone in their region.

Since even alliances will be unable to stop all insurance discrimination, the editorial asserts that a standard set of benefits must be a keystone to the plan. This means that insurers will have to provide an identical set of benefits to every enrollee. Minimal fixes, on the other hand, cannot achieve coverage of all the uninsured, will allow for exclusion of pre-existing conditions even if only for a limited time period, and cannot achieve real portability.

The Times editorial concludes with the following statement:

> Every American ought to have coverage that is portable, community-rated and guaranteed—operating through a system that is fair, dependable, and free of loopholes. Alliances and a standard benefits package look like the best road to those goals. Anything less does not deserve to be called reform.

That conclusion merits the serious reflection of all who are interested in the health reform effort.

I ask that the full text of the New York Times editorial be printed in the RECORD.

The editorial follows:

HEALTH TINKERING IS NOT REFORM

> Representative Pete Stark, the California Democrat who heads a House subcommittee on health policy, says that Congress ought to scrap the purchasing cooperatives, or alliances, that lie at the core of the Administration's health care bill. The Senate minority leader, Bob Dole, and another Republican Senator Phil Gramm of Texas, say that Congress ought to gut the other institutional reforms proposed by the President as well—and stick to small fixes. In the next few weeks Congress will decide whether it will overhaul or merely tinker with health care.
>
> Tinkering is not enough. To see why, imagine that Congress takes the go-slow approach and does little more than require insurance companies to make their policies *portable* (workers can keep the policy when they leave their current employer), *community rated* (the chronically ill pay the same premiums as the healthy) and *guaranteed* (insurers are required to sell to applicants regardless of preexisting medical conditions).
>
> These small-fix insurance reforms are not enforceable if Congress leaves the current unregulated—and uncompetitive—market largely in place. The Government would find it difficult, for example, to check whether insurance companies were serving all potential applicants. Did the insurer recruit only in Scarsdale? Did the insurer answer phone calls from potential applicants in Harlem? Did the insurer tailor its benefits package so that AIDS patients would not apply?
>
> Congress could, of course, enact 13 trillion pages of rules to stop these practices. But a more effective, less regulatory answer is to require most individuals or their employers to buy coverage through a cooperative, or alliance. The alliance, not the insurers, would then make every policy equally accessible to everyone in the region. The alliance is also positioned to transfer money from insurers who, through trickery or happenstance, do not enroll many AIDS patients to insurers who do; that is the only effective way to force insurers to serve the chronically ill.
>
> Even the power of the alliance will probably not stop insurers from all discrimination. So Congress will need to insist that insurers provide an identical set of health benefits—known as a standard benefits package—to every enrollee. That way policies cannot be crafted to attract only healthy applicants.
>
> Minimal fixes would leave too many loopholes. If each of us is guaranteed the chance to buy coverage whenever we want at community rates, none of us who have a choice about coverage—who are not automatically insured through work—will buy until we get sick. That would leave only the sick to buy coverage—at what would have to be prohibitively high premiums. Under such rules, 20-something-year-old couples would wait till the wife becomes pregnant before purchasing insurance.
>
> Advocates of small-fix reform would almost certainly have to allow insurers to exclude coverage for preexisting conditions for at least, say, nine months. But that provision would leave millions of Americans temporarily unable to get insurance and would not stop many others from gambling that they could do without insurance—knowing they could always flee to the nearest emergency room largely at public expense. The solution is to make insurance mandatory, as President Clinton proposes, so that no one, when well, can skip paying premiums.
>
> Real portability is another fix that takes more than a flick of the legislative pen. Congress may promise workers that they can continue to buy their old policy after they change jobs; but what good is that promise if their new employer doesn't include the old plan amount available health-care options? Again alliances are an answer. If people get coverage through alliances, rather than employers, they would retain access to their old plans as long as they continued to work in the same region.
>
> Every American ought to have coverage that is portable, community-rated and guaranteed—operating through a system that is fair, dependable and free of loopholes. Alliances and a standard benefits package look like the best road to those goals. Anything less does not deserve to be called reform.●

THE ELECTION OF JUDY OLSON AS PRESIDENT OF THE NATIONAL ASSOCIATION OF WHEAT GROWERS

● Mrs. MURRAY. Mr. President, I would like to congratulate Judy Olson of Garfield, WA, for being elected the first woman president of the National Association of Wheat Growers. Judy has for years made an outstanding contribution to the agricultural community of Washington State, and I know the wheat industry nationwide will be well-served by her leadership.

Judy Olson is a fourth generation wheat farmer who also grows spring barley and lentils in eastern Washington. She was previously the National Association of Wheat Growers vice president and secretary, and has been a member of the association's board of directors since 1989. Judy has a long history of experience in the Washington wheat industry. Eight years ago, she was Whitman County's chapter officer. Then, in 1991, she became the first woman president of the Washington Wheat Growers Association.

Judy and I worked together when I was a member of the Washington State Senate on agricultural and conservation issues. She was an active and reliable spokesperson for the State wheat industry, and now I look forward to working with Judy on national wheat issues as part of the Washington State Congressional delegation.

Soon after Judy was elected president of the National Association of Wheat Growers, they announced a program of leadership development for women in the wheat industry. The association has recognized the major role women play on family farms around the country. As a mother who also works, I am well aware of the role women play in the workplace. There is no better person than Judy Olson to introduce women wheat producers to the many ways they can make themselves effective beyond the farm, helping their industry and their State and national organizations. Farming communities depend on hard workers, and women have always played a major role in most family farming operations. Because of dedication like Judy Olson's, the wheat industry will have a new source of future leaders. Judy is a true pioneer and role model. She will continue to make us all proud.•

THE BENEFITS OF SKIING ON THE GREEN MOUNTAIN NATIONAL FOREST

• Mr. LEAHY. Mr. President, I want to bring attention to one of the many benefits the Green Mountain National Forest provides to the American people, and especially to the people of Vermont.

Because of the many benefits of public lands, building the Green Mountain National Forest has been a top priority during my 20 years in the Senate. The forest has grown to about 350,000 acres, and we still have a backlog of 25,000 acres of standing offers from Vermont landowners who want to contribute to the effort. I thank all the Vermonters who have helped us build the forest, and I hope to find enough money to finish the task.

The guiding principle in forest management is to guarantee for our children the natural beauty and resources of a healthy forest ecosystem. The Green Mountain National Forest is a commitment we make—in fact, an obligation we fulfill—to our children. We promise to share what we enjoy today with those who come tomorrow.

The skiing industry helps us fulfill the promise. Skiing is one of many uses that allows Vermonters to enjoy economic benefits today while protecting the long-term integrity of the land for tomorrow. In developing ski areas, many innovative and enduring partnerships have evolved. Communities, businesses, and the Forest Service have worked together to build economies based on sustainable natural resource use. In fact, Rutland, VT, was named one of America's "10 most livable ski towns" by Ski Magazine, a publication with 440,000 subscribers.

In the 1992–93 season in Vermont, there were 4.16 million visitor days. Over 3 million of them were out-of-State visitors who spent an average of $76.80 per day for a total of $235 million. During the President's Day Weekend of this year, several all-time records were set at Vermont resorts.

A healthy skiing industry contributes much to Vermont. The ski areas themselves pay approximately $16.5 million in State and local taxes in Vermont. While the development of the industry has not been free of conflict, it is important to recognize the benefits that the skiing industry provides to Vermonters and others as we work together to find the middle ground between resource use and conservation.

The 1994 January-February issue of Snow Country magazine—Volume 7, No. 1, page 79—ran an informative advertisement which described some of the environmental advances that ski areas have made as partners with the Forest Service. In addition, the Burlington Free Press published an article just a few weeks ago summarizing the benefits of the skiing industry. I ask that these articles be included in the RECORD at this point.

The articles follow:

[From the Burlington Free Press, Feb. 24, 1994]

THEY COME; THEY SKI; THEY SPEND—RESORTS COURT VERMONT'S ANNUAL WINTER INVASION BY LAND AND AIR

(By Aki Soga)

They're here.

Like an airborne force dropping behind the lines, a small contingent of fly-in skiers are landing in Vermont and making an economic impact far beyond their numbers.

But their invasion has not gone unnoticed. Some resort operators are betting the skiers will yield an even bigger crop of skies stepping off planes ready to pay top dollar for Vermont's brand of skiing.

"Burlington is the best airport in New England ski country," said Bob Gillan, vice president of sales and marketing for Sugarbush Resort in Warren. "I think there's a real future."

The future might include more people like Dave Roberts and Tom Caouette of Annapolis, Md., who arrived Wednesday at Burlington International Airport in South Burlington toting skis.

Caouette said that with business bringing them to Sugarbush resort, he expected to find some good skiing. "There could be many more trips," he said.

Still, even for resorts within an hour of Burlington, people who fly are among a small minority in the state's ski trade and not everyone is enthusiastic about the market. More than 90 percent of the state's ski business comes from within driving distance in New England, New York, New Jersey and Quebec.

Gary Kiedaisch, president of Mt. Mansfield Co., which owns Stowe Mountain Resort in Stowe, is one operator who sees little future in trying to draw visitors from distant markets.

"The cost of flying into the airport in Burlington is prohibitively expensive," he said. "You can fly into Denver or Zurich for less money than you can fly into Burlington from New York."

Burlington-bound flights aren't quite that expensive, but at least one travel agent concedes East Coast fares to Vermont are high, making trips to slopes in the Rockies more competitive.

"A 14-day advance (ticket) from LaGuardia is $215 round trip," said Mary Ann Woods, owner of Travel Unlimited in Stowe. "Sometimes, you can go for low $300s from New York to Utah or Colorado."

Vermont's real edge is its proximity to East Coast population centers, but if a skier has to plan two weeks in advance to get a plane seat at a reasonable price, he or she is more likely to look West, she said.

"It's not something someone can do on the spur of the moment," she said of the advance-purchase discount fares. "If they could all of a sudden * * * say, 'I'm going to fly up to Stowe this weekend,' it would be very beneficial, but they can't."

Despite disadvantages, some resorts find it tough to ignore the fly-in market, which offers a bigger bang for the marketing buck.

"The destination skier spends more than $150 a day while he's here," Gillan said. "The day skier spends $30 to $40 a day."

Gillan's numbers are above the state's average for out-of-state skiers. A Vermont Ski Areas Association survey taken in the 1991–92 season indicated that the average visitor spent $76.80 a day.

Still, with an average group of four people staying 4½ days, fly-in skiers are an attractive target.

"That's why he's an important person," Gillan said. "He's looking for a quality experience and he's willing to pay for it * * * as opposed to the guy who drives from Boston and looks for the best bargain at the lift ticket window."

Smuggler's Notch Ski Area in Jeffersonville is another resort putting a lot of effort into attracting fly-in vacationers.

"We definitely market to people flying into Burlington," said Steven Clokey, Smuggler's marketing director for group vacations and meetings. "We cater to people who are coming from great distances."

Scott Tobin, the resort's manager of vacation travel, said Smuggler's seeks an edge by targeting a niche and promoting its highly rated programs for children and younger skiers.

Those seeking the fly-in trade might be encouraged to find that Roberts and Caouette saw no problems with the air service to Burlington, despite being forced to drive to Philadelphia when weather closed their local airport.

"It's real easy," Roberts said.

[From Snow Country, Jan.–Feb. 1994]

SKIING IN THE NATIONAL FOREST

It took two summers for Vail, Colorado, to build the Two Elk restaurant that now serves skiers atop the famous Back Bowls. That's because Vail put a hold on chain saws and bulldozers during the prime building months of May and June when pregnant elk migrate to the valley below to bear their calves. With such a beneficent midwife protecting their maternity ward and open pasture created by ski runs, it's no wonder the elk around Vail Valley are flourishing.

The burgeoning elk population is one example of the rewards of the partnership between the U.S. Forest Service and the owners and operators of U.S. ski areas.

The thousands of skiers lifted to the top of a snow-covered mountain, whose spirits soar at the sight of forested peaks spilling into the distance, can thank that same historic partnership. How it benefits Americans is a story told on the following pages.

The first lift in the National Forest popped up in 1937 in Loveland, Colorado. Since then, the Forest Service has joined hands with hundreds of ski area operators to provide access to mountains in California's Tahoe National Forest (for example, Alpine Meadows, Squaw Valley, Sugar Bowl); Colorado's White River National Forest (Aspen, Breckenridge, Copper, Keystone, Vail); Montana's Gallatin National Forest (Bridger Bowl); New Mexico's Carson National Forest (Red River, Taos); New Hampshire's White Mountain National Forest (Loon, Waterville); and Vermont's Green Mountain National Forest (Mt. Snow, Sugarbush).

Of 529 ski areas in the United States, 137 operate on Forest Service land, including most of the major destination resorts.

A skier poised to plunge down Jackson Hole, Wyoming's Corbet's Couloir or Sun Valley, Idaho's Exhibition can sing out literally and figuratively, "This land is my land."

That's because nearly 100 years ago far-sighted public servants—including President Theodore Roosevelt and Gifford Pinchot, the first Chief of the Forest Service—safeguard most of the major peaks in the Rockies, the Wasatch and elsewhere by declaring them public lands and holding them in trust for the American people.

Millions of acres are categorized as Wilderness, secured against further development and limited to backpacking visitors. Other tracts, like Yellowstone National Park (administered by the Department of the Interior), encourage vacationers to camp, hike and explore (but don't feed the bears).

The National Forest System, administered by the Department of Agriculture's Forest Service, goes further still. As stewards of 191 million acres of National Forest land, the Forest Service oversees special uses like logging, mining, grazing, management of water resources, and the more than half billion visitors who visit National Forests in search of recreation.

Recreational activities include hiking, camping, picnicking, fishing, hunting, hang gliding, rock climbing, white-water rafting, mountain biking and downhill and cross-country skiing.

The downhill ski area operators and the Forest Service have established a partnership that is a prototype for the private/public relationship called for by economists and commentators who view with alarm the deteriorating quality of American life.

With their lift systems and summit restaurants, ski areas provide summer and winter access to mountain peaks that would otherwise be out of reach to millions who cannot or do not choose to climb thousands of vertical feet. In 1992, the National Forests welcomed nearly 31 million visits from downhill skiers.

The numbers are all the more remarkable because ski area operators lease less than 1/20th of 1 percent (.05%) of National Forest land.

The 137 ski areas compete head to head with the 4,500 Forest Service campgrounds in the amount of money they return to the agency in fees alone. Last fiscal year, it was $16 million, about 10 times as much as it cost the Forest Service to administer the ski areas. That doesn't count the more than $4 billion in private funds it would cost to replace lifts, buildings and infrastructure.

The fiscal return from ski areas doesn't benefit only Washington, D.C. By permitting the National Forests to be developed for downhill skiers, the Forest Service has punched up the economies of faltering mountain towns, where mining and farming have petered out. Studies by Snow County magazine, the National Ski Areas Association and the Vermont Ski Areas Association confirm the economic lift that comes to communities at or near thriving ski areas.

For instance, during the 1991/92 ski season, more than 17,600,000 lift tickets were sold in the Rocky Mountain region. Combined with the money spent on lodging, meals, entertainment and merchandise by the visitors, as well as dollars laid out by the ski area operators for salaries, supplies and other services, the Rocky Mountain ski areas produced nearly $4 billion in gross revenues and accounted for nearly 110,000 jobs related to ski area operations.

In Vermont, the numbers were similarly positive. One study shows that rural towns in Vermont at or near ski resorts make a positive contribution to the state treasury, while comparable towns without ski areas cost the state. The town of Warren with the Sugarbush ski resort netted Vermont's General Fund $1,563 per person in 1992. Roxbury, a town in the same county but without a ski resort, cost Vermont $608 per person.

Snow Country's survey, a national study conducted by Professor John Rooney of Oklahoma State University, found dramatic growth in counties with major ski areas. For instance, in the decade from 1980 to 1990, 40 skiing counties experienced an average 163 percent growth in retail sales compared to an average 84.6 percent for the U.S. as a whole.

Jobs, revenues and taxes demonstrate that the ski area/Forest Service partnership is an economic multi-vitamin for rural economies.

Says Joe Prendergast, president of the Washington, D.C.-based American Ski Federation, "We're the little engine that drives a big economy."

Assistant Secretary of Agriculture Jim Lyons also applauds the effectiveness of the partnership between ski areas and the Forest Service.

"We're going to be making a major effort to expand recreational partnerships in the National Forests," says Lyons. "We can use the relationship with ski areas as a framework to explain to the public how it can work."

In addition to helping drive the little engine that could, the Forest Service returns 25 percent of the revenues it collects from user fees to states with National Forests.

Because the rebate is considered as payment in lieu of property taxes, the states earmark the money for roads and education, not for recreation. Still, those rebates indirectly benefit skiing communities if the improved highways lead to the mountains and the education helps provide a skilled labor force.

BUILDING A SKI AREA IN THE NATIONAL FOREST

The 1891 Forest Reserve Act first threw a cordon around forest land. Subsequent legislation opened the forest preserves for multiple use. That included timbering, but the emphasis of the early laws was, and continues to be, on conserving America's extraordinary mountain landscapes for its citizens.

With the celebrated rope tow installed at Woodstock, Vermont, in 1934 and the first chairlift at Sun Valley, Idaho, in 1936, skiing began to blossom. The 1960 Winter Olympics at Squaw Valley, California, fanned interest in this exciting—and with medals won by U.S. skiers Penny Pitou and Betsy Snite, newly glamorous—sport.

In the next 15 years, ski area developers worked closely with forest rangers, who had considerable discretion in approving or disapproving development in the National Forests. Together, they oversaw the birth of more than a dozen major ski areas. Here came Vail, Colorado, with its planned pedestrian village; Taos, New Mexico, with its European-style lodges; Jackson Hole, Wyoming, playground for experts; Loon Mountain and Waterville Valley in New Hampshire's White Mountain National Forest.

The National Environmental Policy Act of 1969 put a brake on ski area development—as it did on any development on federal land or funded by the federal government.

And probably a good thing, too.

While ski area developers have always been rated sensitive to the environment, the new laws gave both ski area operators and the Forest Service opportunity to reflect.

Compared to the early years, when cut-and-slash was state of the art, "environmental practices and awareness have evolved," says Vern Greco, president and CEO of Colorado's Purgatory-Durango ski area and chairman of the National Ski Areas Association Environment Committee.

"We were all more naive then," adds a Forest Service veteran. "Now ski areas are far more sophisticated" in managing the environment.

They have to be to cope with more stringent criteria and steps to development that are geometrically more complex. One New England ski area has struggled with an expansion plan for eight years, reducing its original proposal from eight lifts to one, and 33 trails to six in an effort to overcome objections.

While many ski area operators grumble about the expensive, time-consuming and sometimes confrontational process, they comply with and even enhance the specifications for erosion control, wildlife protection, clean air and water, and vegetative management.

Says Jerry Groswold, president of Winter Park, Colorado, which has a four-person planning staff, "We're a better resort because of it."

From afar, the approval process resembles a lively square dance. The Forest Service, with a master plan for each National Forest including potential ski development or expansion, is the caller. The hopeful ski area developer, with a financial partner, is the lead couple.

The first call is for an Environmental Impact Statement. The EIS must account for the development's effects on wildlife (swimming, crawling, walking or flying), on vegetation ranging from indigenous wildflowers to old-growth forest on soil composition and stability, on water quality and quantity, on air quality and more. It must also show the effects of alternative plans, including no development at all.

The EIS is a public document; community groups and other branches of government—state, county, local and federal—are invited to do-si-do in with comments and criticism.

The Forest Service may halt or delay the proceedings at any point on its own or at the behest of agencies like the Army Corps of Engineers (if the issue is one of wetlands), the Environmental Protection Agency (clean air), or Fish and Wildlife (endangered species). Some state laws, like Vermont's Act 250, present their own stiff environmental standards. Citizen groups may raise reasonable—or sometimes unreasonable—concerns.

The local Forest Service representatives corral the pertinent issues and promenade forward a custom-tailored interdisciplinary advisory team. Depending on the site, the team may include not only representatives of local zoning and transportation agencies, but such experts as a biologist, an economist, a landscaper, a sociologist or historian, and even an archaeologist (if, for instance, a dig site is in the potential permit area).

Research in hand, the Forest Service reviews the proposal, along with plans for mitigation of any unresolved problems. If the plan is accepted, a special use permit is issued. All parties must follow through with their responsibilities: local governments with zoning and planning; federal agencies with oversight of pertinent regulations; and ski areas with mitigation of environmental issues.

MITIGATION IS THE MAGIC WORD

Mitigation is 1990's bureaucratise for "let's talk." How can this problem be solved? A ski area and its Forest Service partners often find creative and far-reaching solutions to stubborn dilemmas.

For example, building lifts. In the past, erecting a new chairlift called for cutting zig-zag roads up the mountain to bring in construction vehicles and materials—bulldozers, lift towers, concrete for footings—and carry out debris, including felled trees. The consequences: soil erosion, uncontrolled water runoff, disturbed wildlife habitat, and ugly slashes up and across the mountain. The solution: helicopters.

Keystone, Colorado, in the early 1970s, pioneered airlifting raw material onto the mountain. Now helicopters are routine for major lift installations.

Cutting trails: Mitigation may require trails to deviate from the original layout to avoid nesting areas or feeding grounds preferred by local wildlife. Esthetics also count. Ruler-straight cuts have been replaced by "feathered" edges on the trails. Islands of trees relieving expanses of wide intermediate terrain are common practice.

Soil erosion: Routinely mitigated by planting grasses and grains on ski trails, erosion control has been elevated a notch by introducing particularly tasty varieties to tempt skier-shy animals and birds to the slopes in spring and summer.

Water run-off: Whether it's natural or man-made, melting snow is channeled to avoid the willy-nilly cascades that pulled silt and debris from ski trails into streams and ponds. Bear Mountain, California, dug a series of ponds below heavily traveled areas on the mountain to capture sediment from crucial run-offs. The ponds do triple duty, filtering water that eventually makes its way to Big Bear Lake and attracting mountain wildlife to abundant vegetation along their banks. Plus, in summer, the rich sediment is recycled as top soil for revegetation projects elsewhere on the mountain.

Avoiding wetlands: Fragile wetlands and riparian zones, which have their own ecology, are most often found at the base of a ski area, bordering streams or ponds or in the vicinity of underground water. To circumvent wetlands, ski area planners may reposition base lodges and parking lots, or as at Keystone, build walking bridges across the delicate zones.

Land exchanges are another tool used effectively in the mitigation process.

According to Jerry Blann, general manager of the Lake Catamount, Colorado, development and chairman of NSAA's Public Lands Committee, the Forest Service can drive a hard bargain. Unable to avoid damage to some of the extensive wetlands in its permit area, Catamount bought hundreds of acres of nearby ranchland and arranged a 10-to-1 exchange with the Forest Service—10 acres for the Forest Service, 1 for Catamount.

Snowmaking: The source of water for snowmaking often rouses stormy debate between environmental groups and ski areas. What's usually at stake is not whether downstream communities will suffer drought, but the quality and quantity of water flow that will ensure a healthy fish population. Computerized snowmaking and arduous analysis of alternative water sources plus efforts to restock streams and ponds have defused some of the concerns.

The Federal Bureau of Reclamation, which oversees dams, has even approached Colorado ski areas for advice on using snowmaking technology as a tool for improving water quality.

Some problems don't require high-tech solutions. For instance, a rancher attended a community meeting to complain that the neighboring ski area's night lights, miles away, kept him awake at night. It turned out that the light, pointed skyward, were deflected off the low cloud cover into his bedroom window. Solution: point the lights down.

SKI AREAS MOVE AHEAD ON THE ENVIRONMENT

Even without the nudge of the Forest Service, ski areas are becoming more innovative and involved in protecting the health and beauty of the mountains.

The windswept ridge at the top of Mammoth Mountain resembles Arctic tundra, not hospitable to vegetation at best. The loose dry pumice soil was a target for erosion, as the winds blew away any seed that might take root in the unfriendly conditions. Mammoth invested heavily in expert advice.

Cocoa matting was the answer. Seeds of indigenous plans like manzanita are secured by the tangled fibers, giving time for seedling roots to find their way to the soil beneath. Ingenious.

Last year, Beaver Creek, Colorado, signed on with the Wildlife Habitat Enhancement Council (WHEC), a not-for-profit organization that works with corporations to seek creative solutions to dwindling wildlife habitat. Beaver Creek's plan is simple. Drill holes in dead trees ("snags") in the forest, providing cosy nests for small animals. Instead of dragging out or burning trees cut in maintaining or developing trails, stack the logs in the nearby woods. They become a condo (no hot tubs) for small animals like squirrels, gophers and ermine.

Larger animals also find ski areas wildlife friendly.

"The elk are smart," reports Copper Mountains's CEO Harry Mosgrove. "They know we don't allow hunting on the mountain, so they start showing up here in October (the beginning of the hunting season).

Recycling is commonplace at ski areas. Many ban styrofoam and paper products altogether, replacing them with ceramic or glass dishes and metal flatware in meal service areas.

Others, like the Aspen Skiing Company, sponsor shuttle services to reduce car emissions.

"Skiers come to the mountains because they are beautiful. It's not good business to damage that setting," comments ASF president Prendergast.

GROWING COMMUNITIES

Although the Forest Service encourages pedestrian villages like Copper Mountain, Colorado, and low-cost employee housing at the base of its permit areas, neither the Forest Service nor the ski areas can control the development of communities on private land. Some were there long before the ski area.

Mountain communities near ski areas, according to John Rooney's Snow Country survey, are among the most rapidly growing in the country. Growth means jobs, a blossoming economy, and welcome amenities. It also means noise, traffic, pollution and at least during high tourist season, overcrowding and overburdened resources. Many mountain communities are moving to restrict development and contemplating their own master plans.

WHAT'S IN THE FUTURE

Four seasons on the mountain: biking, music and film festivals and education are all summer and fall activities that ski areas have explored successfully with the encouragement of the Forest Service.

Snowbird, Utah, hosts a prototype ski naturalist education program, with volunteers trained to offer interpretive tours of high-altitude ecology. Some ski areas are adding environmental messages to their in-house TV networks. Others are inviting school groups to explore the mountain environment.

As for new ski areas: a few are in the planning stages, but most ski area development on National Forest land is likely to be in the nature of expansion.

With that expansion will come new sophistication about environmentally sound construction techniques. Computerized systems will streamline presentation of alternative plans and forecast more accurately their impact on soil, water, animal and plant life as well as on the ski experience.

No computer can graph the pleasure skiers find in the beauty of winter in the mountains. That beauty is accessible to millions—beginners and experts, grandparents and grandchildren, disabled and enabled alike—thanks to the farsighted conservators who preserved the National Forests and the partnership between U.S. skiing and the U.S. government.•

TRIBUTE TO MATT MORRIS: LOUISVILLE NATIVE WINS JEOPARDY TEEN TOURNEY

• Mr. McCONNELL. Mr. President, I rise today to pay tribute to a young man for his outstanding recent accomplishment. Matt Morris of Louisville, KY, recently competed in and won the Jeopardy Teen Tournament, and took home $29,601. It gives me great joy to honor this fine young man because not only is he a native Louisvillian, but also attends Manual High School, my alma mater.

Matt utilized a combination of intelligence and savvy to come out on top of the week-long competition. After first being selected from over 1,000 applicants, Matt outlasted 14 other competitors to reach the final round. Although he was second after the first round of the finals, he came back and won with some aggressive wagering on the final question.

This is not the first time Matt has fared successfully in this type of competition. He has guided Manual's quick-recall team to the Jefferson County Public Schools championship several times. He has applied to several top colleges and plans to use some of his winnings to help pay his way through school.

I ask my colleagues to join me in honoring this impressive accomplishment. In addition, I ask that an article from the March 2, 1994, Courier Journal be inserted at this point in the RECORD.

The article follows:

MANUAL'S MATT MORRIS: WHO WON FAME, CASH AND MORE THROUGH "JEOPARDY" TEEN TOURNEY?

(By Gayle Pressman)

Ever since Manual High School senior Matt Morris went on the "Jeopardy" television show in January—even before millions saw him become the 1994 Teen Champion and win $29,601 on last week's taped show—the eastern Jefferson Countian has been a celebrity.

Matt has heard from relatives and strangers nationwide, he's taken some good-natured razzing by the Jeopardy production crew and his friends; and he's been interviewed by radio, television and newspaper reporters.

He's handled it all as he's handled every other academic honor in his life—with incredible cool.

"I was surprised the media made such a big deal about my being on the show," said the state's second-ever Governor's Cup champion in two categories. "I just wanted to give it my best shot and have fun."

That's Matt's approach to most everything, said his father, Jack Morris.

"Judy and I are real proud of Matt, and we get excited. He's always telling us to calm down, even when the phone keeps ringing; and there's a legal pad full of messages" from well-wishers.

Matt, who turned 18 between the "Jeopardy" tournament's taping Jan. 3 and 4 and its airing the past two weeks, said his calm nature helped him win, even after he finished second in the first half of Thursday's and Friday's finals.

"I didn't get rattled when I got behind," he said. "I was excited about being on TV, but I've been a lot more nervous with little competitions without cameras."

In Friday's championship game, Matt risked $12,201 of his $13,800 total for the day on the final question. "It was a once in a lifetime thing, so I wagered a lot."

If talent and luck were his, Matt reasoned, his cumulative total from Thursday's $3,600 score and Friday's outcome would give him the championship by $1.

He figured right, even after all three finalists came up with the right question—'Who is Scopes?'—for the answer "In 1970 he made his first visit to a Tennessee classroom since his conviction 45 years earlier."

"I knew I had won, so I made a poker face," Matt said.

Matt, who was notified by postcard that he'd been chosen as a contestant after he auditioned late last year in Orlando, Fla., was accompanied to "Jeopardy's" Hollywood studios by his mother and his older brother, Jonathan, a former academic scholar at Manual and Matt's No. 1 cheerleader.

His sister Ashley, a Manual sophomore, and father waited anxiously at home, off Brownsboro Road near Zachary Taylor National Cemetery.

Now the family is waiting to find out whether Matt will compete in "Jeopardy's" $100,000 adult Tournament of Champions next fall. His win put him in line for a berth in the 15-seat contest, depending on how many five-time-undefeated champions the show has by then.

But Matt isn't wasting time wondering about that. With help from his winnings, he'll be majoring in math next fall at one of four colleges he still has to decide on—Rice, Duke, Yale or Princeton.

Nevertheless, he'll "always remember the teen tournament. I wanted to be on Jeopardy since I was 13."•

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 103–23

Mr. FORD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from two treaties with the United Kingdom establishing maritime boundaries between our respective Caribbean Territories (Treaty Document No. 103–23), transmitted to the Senate by the President today; and ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Treaty Between the United States and the United Kingdom on the Delimitation in the Caribbean of a Maritime Boundary Relating to the U.S. Virgin Islands and Anguilla and the Treaty Between the United States and United Kingdom on the Delimitation in the Caribbean of a Maritime Boundary Relating to Puerto Rico/U.S. Virgin Islands and the British Virgin Islands, with Annex. Both treaties were signed at London, November 5, 1993. I also enclose for the information of the Senate the report of the Department of State with respect to these agreements.

The treaties establish maritime boundaries between the United States and the United Kingdom relating to our respective Caribbean territories. One treaty creates a 288 nautical mile long boundary between the United States territories of Puerto Rico/U.S. Virgin Islands and the British Virgin Islands. The other treaty establishes a maritime boundary 1.34 nautical miles in length situated about 40 nautical miles from the U.S. Virgin Islands and Anguilla.

The boundaries define the limits within which each Party may exercise maritime jurisdiction. In the treaty creating a boundary with the British Virgin Islands, this includes territorial sea, fishing, and exclusive economic zone jurisdiction. The boundary with Anguilla separates fishing and exclusive economic zone jurisdiction.

I believe the treaties to be fully in the interest of the United States. They reflect the tradition of cooperation and close ties the Parties have had in this region. These boundaries have never been disputed. The boundary lines established by the treaties formalize the practice that both Parties have followed since 1977 concerning these maritime limits. In establishing the equidistant boundaries, both sides have worked closely together in applying modern surveying techniques and precise technical calculations. The treaties will permit more effective regulating of marine resource activities and other ocean uses.

I recommend that the Senate give early and favorable consideration to these treaties and advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 9, 1994.*

DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT AMENDMENTS OF 1993

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1284, a bill to amend the Developmental Disabilities Assistance Bill of Rights Act to expand or modify certain provisions relating to programs for certain individuals with developmental disabilities, Federal assistance for priority area activities for individuals with developmental disabilities, protection and advocacy of individual rights, university affiliated programs, and projects of national significance, and for other purposes.

(The text of the House message pertaining to S. 1284 will appear in a future edition of the RECORD.)

Mr. FORD. Mr. President, I move that the Senate disagree to the House amendments to the Senate bill and request a conference with the House on the disagreeing votes of the two Houses, and that the chair be authorized to appoint conferees.

The motion was agreed to, and the Presiding Officer appointed Mr. KENNEDY, Mr. HARKIN, Mr. METZENBAUM, Mrs. KASSEBAUM, and Mr. DURENBERGER conferees on the part of the Senate.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FURTHER MODIFICATION—TECHNICAL CORRECTIONS TO S. 1458

Mr. FORD. Mr. President, on behalf of Senator KASSEBAUM, I ask unanimous consent that the modification of S. 1458 agreed to earlier today be further modified with the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The further modification is as follows:

1. Strike the word "pre-market" in "Sec. 1119 (b)(1).

2. Strike the word "claimant" in "Sec. 1119 (b)(2) and insert "person for whose injury or death the claim is being made."

3. Strike the word "claimant" in "Sec. 1119 (b)(3) and insert "person for whose injury or death the claim is being made."

ORDERS FOR THURSDAY, MARCH 10, 1994

Mr. FORD. Mr. President, on behalf of the majority leader I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:30 a.m., Thursday, March 10; that following the prayer, the Journal of proceedings be approved to date and the time for two leaders reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 9 a.m., with Senator REID permitted to speak therein for the entire period reserved for morning business; that at 9 a.m., the Senate resume consideration of Calendar No. 165, S. 4, the National Competitiveness Act of 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 8:30 A.M.

Mr. FORD. Mr. President, if there is no further business to come before the Senate today, and if there are no other Senators seeking recognition, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 8:18 p.m., recessed until Thursday, March 10, 1994, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 9, 1994:

THE JUDICIARY

BILLY MICHAEL BURRAGE, OF OKLAHOMA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN, EASTERN, AND WESTERN DISTRICTS OF OKLAHOMA, VICE H. DALE COOK, RETIRED.

CLARENCE COOPER, OF GEORGIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA, VICE RICHARD C. FREEMAN, RETIRED.

DENISE PAGE HOOD, OF MICHIGAN, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MICHIGAN, VICE GEORGE E. WOODS, RETIRED.

TERRY C. KERN, OF OKLAHOMA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OKLAHOMA, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

SOLOMON OLIVER, JR., OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO, VICE ALICE M. BATCHELDER, ELEVATED.

RICHARD A. PAEZ, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

HOUSE OF REPRESENTATIVES—*March 9, 1994*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

For all Your gifts of life and love,
We offer thanks to You above,
O God, we pray that this day we,
Our hearts unite in trust with Thee.
Bless all who come to You in peace,
May all the burdens find release,
And may Your blessings bless us all,
Until we hear Your final call. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Michigan [Mr. BONIOR] come forward and lead the House in the Pledge of Allegiance.

Mr. BONIOR led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

> S. 313. An act to amend the San Juan Basin Wilderness Protection Act of 1984 to designate additional lands as wilderness and to establish the Fossil Forest Research Natural Area, and for other purposes.
>
> S. 476. An act to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act.

The message also announced that pursuant to Public Law 102–166, the Chair, on behalf of the majority leader of the Senate and the Speaker of the House of Representatives, appoints Mr. John Jenkins of Maine, as a member of the Glass Ceiling Commission, vice Marion O. Sandler, resigned.

LET THE SPECIAL PROSECUTOR DO HIS JOB

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BONIOR. Mr. Speaker, the Republican call for congressional hearings into Whitewater is nothing but partisan politics.

The fact is, a special prosecutor is already looking into Whitewater.

He himself is a Republican.

In a letter to the Senate Banking Committee 2 days ago he said, and I quote:

> Inquiry into the * * * events * * * surrounding Whitewater by a Congressional Committee would pose a severe risk to the integrity of our investigation * * *
>
> We request that your Committee not conduct any hearings in the areas covered by the grand jury's ongoing investigation * * * to preserve the fairness, thoroughness, and confidentiality of the grand jury process.

Mr. Speaker, that is what the special prosecutor said. And he is a Republican.

And I think it is time to stop playing partisan politics, get back to governing, and let the special prosecutor do his job.

PASS A TRULY BALANCED BUDGET

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, tomorrow this body will begin debate on the Clinton budget which increases our national debt by almost $2 trillion over the next 5 years. But the balanced budget task force has an alternative to that kind of fiscal irresponsibility.

Our budget, that we will present on the floor tomorrow, balances the budget within 5 years. It does that by cutting over $600 billion in Federal spending with over 500 specific cuts. It does not raise taxes, it does not touch Social Security trust funds, it does not touch earned veterans' benefits. It does restore the defense budget which was decimated by the Clinton plan. And 4 years from now we will have a balanced budget with a surplus of $5 million; in the 6th year we will have a surplus of $5 billion, and that is going to help restore fiscal responsibility to this Congress. We do it by cutting and consolidating and terminating and eliminating and privatizing and contracting out and merging and selling off many Federal portfolios. We tighten the belt of the Federal Government, which is what the American people want.

I ask Members to vote for this balanced budget tomorrow.

PROTECTING VICTIMS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Jeffrey Dahmer was interviewed on TV and he said he still yearns to kill people and in fact to eat human flesh. He said he just cannot get it out of his mind, the power, the complete control.

Unbelievable, ladies and gentlemen. Jeffrey Dahmer should be executed, and the American taxpayer should not pay one more penny to keep this mad dog alive.

But the problem is, ladies and gentlemen, the Congress of the United States spends so much time debating the rights of Jeffrey Dahmer, we never get around to all of the record number of tombstones that keep popping up in this country like mushrooms.

I say it is time that Congress starts to debate the rights of victims in America and put these bums like Jeffrey Dahmer to death.

BALANCED BUDGET AMENDMENT

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, amending the Constitution is no small affair. But then again, neither is our national debt.

Eliminating this enormous deficit requires drastic action. Even something as drastic as amending the Constitution.

Mr. Speaker, I urge every single one of my colleagues to stand up and vote for this balanced budget amendment. Not only will it stop our skyrocketing debt, but it will do so without crippling the American people with more taxes.

Mr. Speaker, it is time that we take action, that this Congress do something truly important about the deficit and something to limit the amount of growth of our national debt. We have three choices: The Kyl amendment, the Barton of Texas amendment, and the Stenholm-Smith amendment. Anything else will be nothing but a fig leaf. Be prepared and be vigilant.

REPUBLICAN SHELL GAME ON WHITEWATER

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. RICHARDSON. Mr. Speaker, it looks to me like my colleagues on the other side of the aisle are trying to play an elaborate shell game on the American people. While they try to focus public attention on issues such as Whitewater, they hope the facts—that the Clinton economic policy is working and the economy is growing—gets missed.

The facts are clear for all to see. As a result of the President's economic plan last year, a plan that was passed solely by Democrats, things are looking up.

In 1993, nearly 2 million jobs were created—70 percent more private sector jobs in 1 year than were created in the previous 4 years.

Unemployment is down by the largest annual drop in 6 years.

The deficit, as a percentage of GDP, is the lowest it has been since 1979, a year before the disastrous 12 years of Reagan-Bush.

Interest rates are at 25-year lows and, as a result, five million American families have been able to refinance their homes.

Mr. Speaker. There is a wide gap between Republican rhetoric and economic reality. The economy is growing and President Clinton deserves the credit.

I include for the Record a letter sent to the chairman of the Banking Committees in both the House and Senate from Mr. Robert Fiske, independent counsel, as follows:

U.S. Department of Justice,
Office of the Independent Counsel,
Little Rock, AR, March 7, 1994.

Hon. Donald W. Riegle, Jr.,
Chairman,

Hon. Alfonse M. D'Amato,
Ranking Minority Member, Committee on Banking, Housing, and Urban Affairs, Washington, DC.

Dear Senators Riegle and D'Amato: I am writing this letter to express my strong concern about the impact of any hearings that your Committee might hold into the underlying events concerning Madison Guaranty Savings and Loan ("MGS&L"), Whitewater and Capital Management Services ("CMS") on the investigation that this Office is conducting into these matters.

As you know, I was appointed to the position of Independent Counsel pursuant to CFR 603.1 on January 31, 1994. Since that date we have obtained an Order from Chief Judge Stephen M. Reasoner in the Eastern District of Arkansas authorizing the empaneling of a grand jury which will be devoted exclusively to the Whitewater/MGS&L/CMS investigation. In the meantime, we have been using the regular grant jury for this District. We have a team of eight experienced attorneys, six of whom were current or former prosecutors when they joined the staff. We are working in Little Rock with a team of more than twenty FBI agents and financial analysts who are working full time on this matter. We are doing everything possible to conduct and conclude as expeditiously as possible a complete, thorough and impartial investigation.

Inquiry into the underlying events surrounding MGS&L, Whitewater and CMS by a Congressional Committee would pose a severe risk to the integrity of our investigation. Inevitably, any such inquiry would overlap substantially with the grand jury's activities. Among other concerns, the Committee certainly would seek to interview the same witnesses or subjects who are central to the criminal investigation. Such interviews could jeopardize our investigation in several respects, including the dangers of Congressional immunity, the premature disclosures of the contents of documents or of witnesses' testimony to other witnesses on the same subject (creating the risk of tailored testimony) and of premature public disclosure of matters at the core of the criminal investigation. This inherent conflict would be greatly magnified by the fact that the Committee would be covering essentially the same ground as the grant jury.

While we recognize the Committee's oversight responsibilities pursuant to section 501 of PL 101–73 (FIREAA), we have similar concerns with a Congressional investigation into the recently-disclosed meetings between White House and Treasury Department officials—particularly because we believe these hearings will inevitably lead to the disclosure of the contents of RTC referrals and other information relating to the underyling grand jury investigation.

For these reasons, we request that your Committee not conduct any hearings in the areas covered by the grand jury's ongoing investigation, both in order to avoid compromising that investigation and in order to further the public interest in preserving the fairness, thoroughness, and confidentially of the grand jury process.

I will be glad to meet with you personally to explain our position further if you feel that would be helpful.

Respectfully yours,
Robert B. Fiske, Jr.,
Independent Counsel.

□ 1210

INTRODUCTION OF THE FISCAL RESPONSIBILITY ACT OF 1994

(Mr. SCHAEFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, President Clinton may be content with a deficit of only $170 billion next year, but the taxpayers are not. To put Congress on the path toward a balanced budget, I have offered a substitute amendment to the budget resolution that orders another round of deficit reduction, under a reconciliation process.

The Schaefer substitute orders House committees to find $560 billion in savings over the next 5 years—without tax increases. My substitute is the only budget resolution that has the strong enforcement mechanism needed to achieve substantial savings.

Best of all, the reconciliation bill is already written: H.R. 3958, the Fiscal Responsibility Act of 1994. This bipartisan package of 150 spending cuts, which I introduced last week, specifies line-by-line, program-by-program, how to achieve the savings required by the Schaefer budget substitute. I encourage my colleagues to support real deficit reduction by voting for the Schaefer substitute.

EL SALVADOR NATIONAL ELECTIONS

(Mr. MEEHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEHAN. Mr. Speaker, El Salvador is preparing to hold its first national elections since the end of its 10-year civil war.

More than 75,000 people died in that conflict, and the U.S. Government spent more than $5 billion on economic and military aid in support of the Government.

I was disturbed by a story on El Salvador in Sunday's New York Times. The article suggested that violence and intimidation are still viewed as acceptable tactics in Salvadoran politics, and it raised doubts about the fairness of the registration process for the upcoming elections.

Many Members of Congress care little about El Salvador now that the cold war is over, but we owe it to the Salvadoran people and to ourselves to watch what happens in these elections closely. Too much money was spent and too many lives were lost to think of El Salvador as yesterday's news.

EATING CROW

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, listen to all the crowing. I have never heard so many caws and cackles in my life.

Apparently, somebody just let the Democratic Party know that the economy is growing. That is a good thing.

As usual, though, the Democrats got it wrong. They have decided that their 6-month-old economic plan is responsible for a recovery that's 3 years old.

That is the plan that includes record new taxes, raises spending $70 billion this year, and projects deficits that grow—not decline—through the year 2000. According to the Democrats, new taxes and higher deficits have improved the economy.

Well, I hate to burst the bubble, but someone should point out that the check for this little spending spree is not due until April 15. That is when Americans will realize the cost of the Democrat's agenda—even without socialized medicine—is not chicken-feed.

And that is when Americans will ask, "Who's responsible?"

So go ahead and crow now. Come next November, you will be eating it.

THE ECONOMY IS GROWING

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, Washington is known as a town fond of inflated rhetoric. It is no surprise. Consider the cavalier manner in which truth was mishandled by opponents of the President's economic plan.

Last year Republicans in Congress made a simple prediction: "The Clinton tax plan will spur inflation, lose jobs, increase the deficit, and hurt our economic growth."

This year we know the simple truth: Inflation is under control. Jobs are being created. The deficit has been reduced. Our economy is growing.

Last year's rhetoric inflated a balloon Republicans claimed was a black cloud over our Nation and its future. Now the balloon is burst, and what did it contain? Hot Air!

THE ROTH AMENDMENT TO H.R. 6

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, I will be offering an amendment to the education bill to preserve English as our common language.

My amendment will do away with the costly, bloated Federal program that has accomplished nothing in 25 years except impede immigrant children from assimilating into the American mainstream.

Mr. Speaker, Federal bilingual education was designed to teach English to the children of immigrants and to bring them into the mainstream as quickly as possible. But what have we gotten for our hundreds of millions of dollars every year? Dropout rates are still at 1968 levels. Young people are not learning English and, instead, they are being taught bilingualism that they learn in a different language and are segregated into linguistic groups.

We should all abhor this present trend.

Immigrant children are being condemned to economic second-class citizenship by a wasteful Government program. Bilingualism is a 1960's phenomenon.

Bilingualism and bilingual education have not been debated in this body for 25 years.

So I ask you, my colleagues, to join me in this amendment. Let us do something for America. Let us do something for our immigrant children.

Let us live our motto of one Nation, one people. We are all Americans, not hyphenated Americans.

THE KASICH BUDGET SUBSTITUTE

(Mr. GRAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAMS. Mr. Speaker, in an editorial on the Kasich budget substitute entitled "A Republican Budget," the Washington Post claimed:

> A tax cut is the last thing the country needs. The credit Mr. Kasich proposes—$500 a child for families—would be particularly wasteful.

Mr. Speaker, when have the editorial writers at the Post gone beyond the beltway and talked to middle-class families about their needs?

American families pay more in Federal taxes than for food, clothing, transportation, insurance, and recreation combined. And the personal exemption for children stands at $2,350, well below the $8,652 it would be worth had it been adjusted for inflation.

Maybe a $500 per child tax credit seems wasteful to the editorial board at the Post. But take it from a father of four and grandfather of three, that is not what American families think. And recent polls showing two-thirds of Americans supporting the $500 per child tax credit is evidence of that.

I urge my colleagues not to listen to the Washington Post, but to those who pay the bills for the Federal Government: American families. The Kasich substitute is not only a Republican budget—it is an American budget.

INCREASED PERSECUTION TAKING PLACE IN CHINA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, the Members should know that increased persecution is taking place in China as we now speak.

Secretary Christopher is going to China, and as he is flying to China, they are arresting human rights activists.

Second, if you read the National Journal this week, there is a report that a businessman, a Hong Kong businessman who was in one of the slave labor camps for 30 months, verified and saw 200 people executed; and their body parts are being sold for transplants around the world.

There is no way that the Clinton administration can send up MFN for China. I am here to announce if the Clinton administration sends up MFN for China, President Clinton's credibility will be zero. I am predicting that we in this body will never vote on the issue, because he has spoken out strongly in favor of human rights, and if he means what he says and he says what he believes, there is no way this body can ever deal with this issue of human rights, because frankly, we should never ever, ever, ever grant this barbaric nation MFN because of what it is doing to those of the Christian faith, those of the Dalai Lama and Buddhist, and also to the human rights activists in China.

No MFN for China.

THERE'S MORE TO BE CUT

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, as budget season proceeds, majority leaders insist we have already cut spending to the bone. It is a hollow claim that does not ring true with taxpayers struggling with the largest tax hike in history and still facing a staggering national debt. Despite the rhetoric, the facts—undeniable facts—are that we continue to spend far beyond our means, funding redundant, wasteful and low-priority programs. Clearly we can make deeper cuts and we can start without tampering with crucial quality of life programs like Social Security and veterans benefits. I invite colleagues to look at House Resolution 377, the spirit of 76 package of 76 specific cuts totaling 285 billion over 5 years. In 1776 the people rebelled against an onerous government which was mismanaging taxation. Two hundred and eighteen years later the spirit of 76 survives. Regretably, so does increasingly onerous taxation under the Clinton administration. I urge my colleagues to give taxpayers a break by endorsing the cuts in H.R. 377.

□ 1220

DEATH PENALTY SHOULD BE RESTORED

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, as we begin contemplating the debate on the crime bill in the House, the American public should know that during the trial of the World Trade Center killers, those terrorists who killed six people, terrorized thousands, injured hundreds, and brought chaos to the city of New York and the surrounding area, that throughout that trial there was not one word spoken about the possibility of inflicting the death penalty on these intentional killings that were perpetrated by these terrorists.

Why is that? Have you ever asked yourself?

Well, No. 1, the State of New York has no death penalty even though the legislature has tried from time to time to do so. The Governor of that State has vetoed it every single time.

Under Federal jurisdiction we have no Federal law to cover that kind of activity.

Although we have been struggling for a generation to put back into the law the death penalty for those kinds of acts, we have been beaten down every single time by the liberal portions of this Congress.

We intend to try again this time.

THE HOUSE SHOULD HOLD HEARINGS ON WHITEWATER

(Mr. GILCHREST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILCHREST. Mr. Speaker, I would like to make a quick comment about whether or not the House should hold hearings on the so-called Whitewater incident. I think it is the absolute responsibility of the Committee on Banking, Finance and Urban Affairs to hold hearings on the RTC regulation of savings and loans in Arkansas. I also think that comparing this to Watergate is essential; it is important, it is revealing. Watergate revealed a great deal of more information to the American people, and they are the ones who should know, than the independent counsel would have exposed to the American people had there not been hearings on Watergate.

Mr. Speaker, if we want to accept the responsibility as public officials to the American people, I think it is important for this Congress to hold hearings.

THOUGHTS ON THE BUDGET DEBATE

Mr. Speaker, I also want to make some comments about this huge deficit that we have in this country. Tomorrow there will be debates on the budget. On Friday there will be an amendment or there will be a bill by the gentleman from New York [Mr. SOLOMON], that will balance the budget in 5 years. It is for the most part an academic exercise. It may not pass, but it is important. It is vital for us to understand how we can compare the President's budget to a real balanced budget bill.

THOUGHTS ON THE RELATIONSHIP BETWEEN THE BUDGET BILL AND THE CRIME BILL

(Mr. SCHIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHIFF. Mr. Speaker, we are expected this week to begin debate on budget resolutions for the next fiscal year's financial spending and revenue plans. This week also various subcommittees of the House Committee on the Judiciary, of which I am a member, plan to begin taking up the crime bill.

Now, the important relationship between the two is that in the administration's proposed budget for the next fiscal year, the administration proposes to reduce the number of Federal personnel devoted to fighting violent crime. The administration proposes to reduce the number of personnel in the criminal division of the Department of Justice. The administration proposes to reduce the number of Federal criminal prosecutors in the States. The administration proposes to reduce the number of personnel in the FBI and the Drug Enforcement Administration.

Interestingly enough, the administration proposes to increase the number of personnel assigned to the antitrust division of the Department of Justice. Now, of course, I have nothing against the antitrust division of the Department of Justice, but when the President of the United States came into this Chamber to deliver the State of the Union Address, he did not say that the American people were fearful of being mugged by a bunch of antitrust violators. He personally referred to violent offenders, and that is where the personnel should be increased, not decreased.

HEALTH CARE REFORM CONSENSUS

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker and my colleagues, as we are debating health care reform, consensus is being formulated. I am a cosponsor of a single-payer plan and also President Clinton's bill. But whatever bill we pass must have comprehensive mental health benefits.

Mental health benefits should not be a second thought; mental health benefits must be on a par with any other benefits that we offer in any final bill that passes this legislature.

It ought not to be phased in years from now; it ought not to be financed at a lesser level than any other ailment. Mental health needs to have parity because we do have problems. Mental health is a serious problem. I would find it hard to support any bill that does not treat mental health like any other illness in our mental health bill or any bill that we pass.

It is important to have universal coverage, it is important to eliminate preexisting conditions, it is important to do all the things the President wants to do, but we must make sure mental health is part of the final package.

EARTHQUAKE PORK BILL

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, today I am joining over 30 of my colleagues in introducing legislation to repeal $33 million in wasteful spending that was included in an emergency spending bill to help victims of the recent California earthquake.

What happened here is proof positive of why the American people hold Congress in such low esteem. We were told by the House leadership that this funding bill would go to help the needy victims of the devastating earthquake in California. It appears, however, that some of the aftershocks were felt in West Virginia, New York City, South Carolina, and Hawaii.

I am talking about the unauthorized $20 million for an FBI fingerprint facility in West Virginia. I am talking about $1½ million to secure a commercial ship for a museum in South Carolina. I am talking about $10 million to redesign a post office in New York City. I am talking about $1.3 million for sugarcane mill communities in Hawaii. What does any of this have to do with earthquake relief?

The legislation we are introducing today seeks to repeal this unauthorized, pork-barrel spending that had no business being included in the earthquake relief bill. Sooner or later, Members of Congress will feel the aftershocks of the voters if they keep spending our way into a fiscal disaster.

DEMOCRATIC LEADERSHIP: "I SEE NOTHING"

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, perhaps it should not have been surprising to have members of the Democratic leadership come to the floor today defending President Clinton in the midst of scandal after scandal rising in his administration. But it is somewhat surprising that the Democrats who have always been willing to investigate scandal are now unwilling to investigate scandal in the House committees.

It seems to me the Democratic leadership is developing what I would call the Sergeant Schultz defense.

Some of you will remember Sergeant Schultz. He was on the show called "Hogan's Heroes." He was the bumbling German sergeant who, when confronted with wrongdoing, would say, "I see nothing, I see nothing." Well, it seems to me that the Democratic leadership is now coming up with the same kind of strategy. While scandal after scandal mounts in this administration, the Democrats' response is, "I see nothing."

WHITEWATERGATE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, following up the comments of the preceding Member, I just have to say that there really are so many questions that have arisen about Whitewatergate in the press and in media commentaries throughout America over the last several weeks, it is absolutely astounding. The very same Members of Congress, who were aroused to outrage on behalf of the public good to demand an investigation of the fabricated October Surprise while journalists from liberal periodicals like Time magazine, the New Republic, and the Village Voice totally debunked the story; those same people who insisted that hearings were critically necessary despite the incredible lack of evidence; those same people today say no hearings are necessary.

It doesn't make sense.

□ 1230

It is mind-boggling, it is incredible, and it is just not justifiable. We need to answer these questions, and we should do so publicly in congressional investigation hearings.

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

The SPEAKER pro tempore (Mr. TANNER). Pursuant to House Resolution 366 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 6.

□ 1231

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, with Mr. KLECZKA, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Thursday, March 3, 1994, title II of the bill had been designated and is now open for amendment.

Are there any amendments to this title?

AMENDMENT OFFERED BY MR. MILLER OF FLORIDA

Mr. MILLER of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Florida: Beginning on page 240, strike line 1 and all that follows through line 4 on page 264 (and redesignate the subsequent subparts accordingly).

Beginning on page 264, strike line 5 and all that follows through line 4 on page 272 (and redesignate the subsequent subparts accordingly).

Beginning on page 284, strike line 9 and all that follows through line 5 on page 290 (and redesignate the subsequent subparts accordingly).

Beginning on page 290, strike line 6 and all that follows through line 7 on page 293.

Mr. MILLER of Florida. Mr. Chairman, this amendment would simply eliminate $550 million per year in new spending added by the Education and Labor Committee—$550 million in redundant spending which has not even been requested by President Clinton in his budget.

This amendment represents one small step in my continuing efforts with my colleague from Ohio, Mr. BOEHNER, to achieve a fiscally responsible education bill.

It is hard to argue against spending money for education. This is a motherhood and apple pie type of issue. Ultimately, the deterioration of our educational system is one of the root causes of so many problems in our society, including escalating crime, the destruction of the family, drug abuse, teen pregnancy and welfare dependency.

But is more government the only solution, or is it part of the problem? I might note in passing that the more this Congress does to improve the American Education System, the more our children's education seems to deteriorate. Unlike some Members of this body, I do not believe that Federal spending, per se, is the key to improving education. Real reform should allow local school officials and parents the flexibility and choices to meet the goals and needs unique to their local educational system. As much as some in Congress and the Federal Government may like to think so, we are not smarter or wiser than the parents and teachers who are, and should be, responsible for the education of individual children.

Buried in this proposed legislation are a number of unnecessary spending programs, duplicative spending programs, wasteful spending programs, and bureaucratic mandates on local school officials. Contrary to what you may be hearing, none of these things will result in better education. Can we really afford, once again, to just throw money that we don't have at the problem?

In this amendment, we propose removing the Technology Assistance, Technology Research and Development, Educational Technology Products and Library Media Programs. These brand new programs total over $550 million.

I have great respect for the need to fund education whether it is Head Start, K through 12, or higher education. I have two kids currently in college. I spent 10 years as a college student earning three university degrees. And I was an assistant professor of quantitative methods, teaching computer applications to MBA students. I recognize the importance of technology in education. But as a fiscal conservative, I cannot justify $550 million of new spending of money we don't have, for a program that is already funded by chapter II funds. I am not opposed to the goals or objectives, I just believe we must set priorities on spending.

The first argument in favor of my amendment is simple: This is new spending, not requested by the President.

Tomorrow, we will debate and vote on the 1994–95 budget—$1.5 trillion of spending and a deficit of $176 billion. Fortunately, the deficit is lower than last year, but by the end of this decade, it will be growing back toward $300 billion. We have no plans to control spending, but today we are adding $1.86 billion of new spending authorization that President Clinton did not request.

Next week, we will debate and hopefully pass, a balanced budget amendment. The only way to balance the budget is to control spending, yet this bill we are debating today increases spending. As important as education is, we cannot keep borrowing and going into debt. With major health care and crime legislation before us this year, we must set priorities. We cannot just spend, spend, spend—particularly when title II of this legislation already contains funding for the programs. Reinstated by the committee, title II authorizes $435 million in block grants for school reforms and improvements through the purchase of technology and media services. The program funding I would eliminate is redundant with other provisions of the bill.

We love to talk about deficit reduction, but here is where the tough choices must be made. We have no other choice—must get serious about deficit spending. If you are serious about balancing the budget—if you plan to vote for the balanced budget amendment, as I do—you will vote to trim these unnecessary expenditures from H.R. 6.

The second reason to support this amendment: These new categorical programs will weaken the very successful and popular chapter II program. Chapter II is immensely popular because it is not bureaucratic, and is based on the fact that local educators and parents are the best authorities on the particular needs and priorities of their school district. Created by the Reagan administration in the early 1980's, chapter II lets the LEA's decide how to best invest scare dollars to improve their education programs. Chapter II money can be and is used for exactly the same goals of these technology library programs.

The Federal Government provides almost 50 percent of all funds used to purchase software and hardware today in K–12. An enhanced chapter II, as proposed by my Republican colleagues, will accomplish the same goals, but with far less bureaucracy and redundant programs.

The new technology/library programs were added to H.R. 6 to replace chapter II. When chapter II was added back, the new technology/library programs were no longer needed, but were kept, thus creating redundant programs. They are both going to compete for scare Federal dollars and probably both will be underfunded. To maintain a strong chapter II, let's not have these competing library/technology programs.

Third and finally, these programs I propose to delete take a very bureaucratic approach, often tying the hands of local educators. If you think health alliances are complex and bureaucratic, you should look at the complexity and bureaucracy of the new technology programs—44 pages of bureaucratic programs.

Fortunately, this is not an unfunded mandate since we allow 10 percent for State and local bureaucracies. While this is elementary and secondary education, only 70 percent of the technology dollars go to K–12 since 20 percent goes to higher education and 10 percent to public libraries.

These new programs single out Library Media Services and Technology Assistance for funding, denying, therefore, schools that need services other than technology assistance or library services. Creating these new programs moves us inch by inch closer to dictating how the local school districts spend every cent of Federal funds to improve their schools. I'm reminded of what one of the superintendents in my district told me last week, "The Federal Government is not the local school board."

A vote for this amendment is not a vote against education spending. It is a vote against unnecessary and redundant education spending. By supporting our efforts to simplify H.R. 6, you will reaffirm our commitment to fiscal sanity, and you will give local educators the flexibility they deserve to decide what to purchase to improve their school.

Mr. KILDEE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman's amendment would strike key portions of title 2 which are designed to increase opportunities for students to achieve high standards and to prepare for the 21st century. Specifically, the amendment would strike provisions on technology education, library media services, and Federal leadership technology. Providing teachers with opportunities to become more proficient in using technology as an educational tool is very, very important.

The gentleman's amendment would strike the Office of Technology Education, which is supported by the administration and for which the administration has requested funding.

Now, I ask the Members to listen to this: The amendment would strike assistance to libraries. The average copyright date of a book in the libraries of the schools in our country is 1965. Let me repeat: 1965 is the average copyright date of the books in our schools. That was before we landed a man on the moon. We are asking our kids to do their research, prepare their reports, and educate themselves, using books that we would hardly use here to do our research. It goes back to 1965.

This is an investment. The gentleman in his amendment is asking us to strike an investment in education.

Mr. Chairman, this program would have to compete with all the other programs before the Appropriations Committee, and we know that. But for heaven's sake, let us compete before the Appropriations Committee to get some up-to-date books and technologies in our schools.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when we began this debate, I indicated that when the staffs from both sides had completed their work, we had a good bill and we had a bill with a lot of merit and not many add ons. I also indicated that as we went through subcommittee and full committee markup, everyone had to have something, and so I mentioned all these items:

We had Library media, $200 million; technology education, $300 million; technology product development, $50 million; rural education, $125 million; urban education, $125 million; school finance technical assistance, $8 million; community arts partnership, $75 million; school facilities/construction, $200 million; charter schools, $15 million; adding back star schools, $10 million; civic education, $15 million; national writing project, $10 million; native Hawaiians, $13.5 million; Women's Equity Act, $5 million; territorial education programs, $5 million; Ellender, $4.4 million; and innovative elementary school transition, $10 million.

And so then we end up at $1.6 billion added to a bill that, as I said, when it came from the staff was a very good bill. All of these things, of course, are wonderful ideas, I am sure. All of them, I am sure, were very well thought out, but we are being asked as a committee, just like every other committee, to tighten our belts and show where savings can be made. But we are not doing that as a committee. We added 25 reporting requirements. I do not know how much that is going to cost local school districts and States, but I would imagine it is a considerable amount of money.

Yes, if we would only fund the mandates we already have out there, we could buy books that are in the year 2000 and above, but we send them all the mandates on special education and then send them 8 percent of the money. We send one mandate after another, and we do not send the money. So how can local school districts do the kinds of things they would love to do and would want to do if we as a matter of fact make them spend money on what we think is important?

The gentleman from Florida [Mr. MILLER] is not antieducation in any way, shape, or form. He is just trying to be responsible, as I said, and we as a committee are being asked by the Budget Committee to show where we can come up with savings. We are going the opposite. We are showing where we can come up with additional spending.

Mr. REED. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment.

Mr. Chairman, this amendment seems to be terribly misguided, particularly when it comes to striking out funds for libraries, school libraries, to purchase books.

We in this country have had, fortunately, a historically long-term regard for education, for libraries, and for books, going back to Jefferson, who said, "I cannot live without books."

The sad truth is that today too many children in our schools are living without up-to-date modern books, and too many schools are unable to purchase the new means of communication, the computer programs, and the advanced media materials.

This legislation would give our schools the chance to do that, and I cannot think of a wiser investment than giving local schools resources to buy books and buy materials so that young people can learn.

Let me just step back historically. There was a targeted library acquisition provision in the original Elementary and Secondary Education Act of 1965. That is why the copyright average date of school books in the United States is about 1965, because the Federal Government was able to assist the communities in exactly the right kind of partnership.

Let them pick the books, let them have the programs, but give them some support. What happened is that in the 1980's this targeted program was put into a block grant. As a result, it competed against all the other programs, and libraries suffered dramatically, and today, if you go into a library in a school, you are likely to see old books. In my community you are likely to see libraries that have been crowded out of classrooms and into hallways.

We have to do something. This legislation is a positive, constructive, and sensible step to help our libraries. They are facing tremendous odds. The average per-pupil expenditure in 1989 and 1990 for library books in schools is $5.48, and that is about half the average cost of a children's book.

How can they replenish their supplies if we do not give them some extra help? School library media expenditures fell about 16 percent since 1978 and 1979, when we abandoned this particular provision in the Elementary and Secondary Education Act. At the same time the cost of books has increased about 140 percent. We have to do something.

This is particularly the case in those rural schools that cannot draw on a strong property tax base to fund library acquisitions. In urban schools there is a crisis for the same reason.

Libraries do make a difference when it comes to education. According to a

1992 study in Colorado, test scores rise and fall with the fortunes of library programs. School Match, a company in Ohio that provides information on school districts to people who move into an area, found that there is a strong correlation between library expenditures and student achievement and student performance.

□ 1250

The purpose of this legislation today is to return to the spirit, and indeed the text of the 1965 act, where we give schools resources to go out and buy library books and academic media.

This bill has widespread bipartisan support, 66 cosponsors, including the gentleman from Wisconsin [Mr. Petri], the gentlewoman from Hawaii [Mrs. Mink], across the country. It has got more cosponsors than any other reauthorization proposal, 68. And that I think speaks highly for the merits of this provision and why today we should reject this amendment.

But let me give you some very practical examples of what the libraries of America look like, the school libraries.

Students at a school in Peoria, AZ, had to rely upon a U.S. Constitution published in 1924 with a snappy introduction by President Calvin Coolidge. I just hope they did not have to do any research on amendments 20 through 26, which have been passed since 1924.

There are books in school libraries with titles like "Our Friends the Germs" and "Some Day Man Will Land on the Moon." That day has come, and I think our children should be able to realize that.

I received a letter from a librarian in Melbourne, FL, who noted that 80 percent of her nonfiction collection was over 15 years old, 74 percent was over 25 years old. And how can we achieve these vaunted national educational standards if children are looking at materials that are 25 years old?

In Austin, TX, a shrinking book budget for public school libraries resulted in many outdated books, including a title recently removed called "Asbestos: A Magic Mineral."

It would cost about $3.5 million to bring the district libraries in that area up-to-date. We have to do more.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. Reed] has expired.

(By unanimous consent, Mr. Reed was allowed to proceed for 2 additional minutes.)

Mr. REED. Mr. Chairman, we have to do more. This measure establishes a funding level that is sufficient at best. In 1980, the last year this was an authorized and funded program under the original Elementary and Secondary Education Act, the program received $161 million. We are asking for about $200 million and, with inflation, that is barely what it was back in 1980.

It is not a new program. It is a program that was initiated in 1965 and should be continued today. It is a program that I think is the common sense way to approach education reform. Give young people the chance to read up-to-date, modern books, to purchase modern media, to come in to the 20th century and prepare for the 21st century.

I very strongly object to this amendment for the reasons I have outlined. We all want to tighten our belts, but I do not think we want to tighten them so hard and so fast that we cut off the blood to the brain and do something silly. And telling young people and librarians, schools across this country, that we will not help them buy library books so young people can read them, can develop the love of books that Jefferson had, is something terribly silly. I oppose this amendment and ask all Members to join me in such opposition.

Mr. BOEHNER. Mr. Chairman, I move to strike the requisite number of words. I rise today to support Mr. Miller's amendment. I understand that there is a desire among school districts for more technology in the classroom and more services for their libraries. I acknowledge that we are in the midst of the information age and technology can greatly benefit our children. The question is, what should the Federal role be in delivering these services?

One way is represented by the current language in the bill. We are setting up four new programs dealing with technology. Each has their own authorization, their own bureaucracy, and their own redtape.

Another way is represented by the current process. Technology and library services are already covered by the $435 million chapter 2 program. Let me say it again, technology and library services are already covered by chapter 2. This program gives States and school district's the flexibility to solve their own problems and set their own priorities. In fact, it is the direction that the entire bill should go in. In any case, there is no reason why we should fund the technology and library programs with separate bureaucracies and separate authorizations.

There is also another issue at play. As I have stated before, we have to streamline this bill. There are currently 61 programs in the Elementary and Secondary Education Act. There were 26 programs in the Clinton administration's proposal for this reauthorization. We are now back up to 48 programs, and climbing. Lowering the number of programs in ESEA will help increase the chance that chapter 2 will be funded closer to its authorization, which will in turn help school districts fund these services if they are indeed their priorities.

We need to ask ourselves several questions:

Do we really expect the Appropriations Committee to fund the Technology Education Assistance Program at an amount anywhere near its $300 million authorization? Do we really expect the same of the $200 million Library Media Services Program? And if they are funded at these amounts, what other programs will have to suffer? Are we willing to take money away from title I or professional development?

As I have said before, we must have focus to the ESEA, and these programs disrupt that focus. The larger the number of programs, the more diluted is the funding. We are doing no one any favors by creating program after program in order to satisfy specific concerns. We need broader programs which allow school districts to address their priorities. This amendment would help accomplish this which is why I urge its adoption.

Mr. Chairman, if you listen to the debate that has gone on here for some time, you would think from the other side we are trying to eliminate these services. We are not. We are trying to say let them be funded out of title II and let local districts have the flexibility to make those decisions on their own. It is not that we are against libraries and technology services. What we are against is a continuing proliferation of programs diluting the focus of this piece of legislation.

I would also add that as we continue to debate this piece of legislation, the focus we are trying to have here is to give districts more flexibility, not less. And the more programs we continue to create, the focus goes away and goes away.

I do not think it is a good use of our resources. I think the gentleman from Florida [Mr. Miller] has a good amendment, and we ought to adopt it.

Mr. SAWYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Boehner-Miller amendment and I urge my colleagues to consider the crucial importance of ensuring that students have access to tools of learning that have the greatest potential for increasing student achievement.

The capabilities of educational technology are practically limitless. Just 20 years ago, schools were organized around the mastery of basic skills. Today, that is simply not enough to keep pace with the rapid pace of change. To learn the kind of skills they will need in the future, students need to synthesize and analyze vast amounts of information. They need to learn how to keep learning. They will not be able to do that with today's textbooks, and although the delivery of updated curriculum through textbooks is improving, they will never have the power—and the relevance to the lives of students—that educational technology does.

The measure I sponsored in H.R. 6 recognizes a simple reality—that is, if we are going to require that students meet world-class content and performance standards, they ought to have the tools they need to meet them. Students and schools do not have those tools now:

More than 50 percent of computers in classrooms are 5 years old, which means they cannot process video or graphic information.

Only 10 percent of teachers have a phone line in their classroom.

Only 4 percent have modems which link computers with phone lines.

Most schools cannot afford educational technology, and many, many schools purchase technology that is already obsolete by the time it gets in the class.

Part B of title II will help to change that by authorizing a small amount—$300 million—of venture capital that will encourage State and local school districts, private industry, and foundations to form partnerships that will build capacity that is adaptable to future needs. In fact, to receive funds under this provision, States will have to describe in their application other sources of funding they will use to supplement Federal funds. This is not a single-source Federal effort to fund technology in schools. It will take much more than we can ever offer. It is an investment in planning, financing, and capacity building.

I would like to make two other important points. This educational technology program is closely linked with the Dwight D. Eisenhower Professional Development Program. The relationship between these sections is critical. The absence of rigorous teacher training will blunt the potential of educational technology. Second, once this education technology makes its way into classrooms, those resources will be available for wider use in the community. In other words, these tools could be used by providers of adult education, literacy and all kinds of job training.

Mr. Chairman, this small Federal investment can help create an efficient, multiple-use system that will improve the effectiveness of all education programs.

I urge my colleagues to oppose this amendment which would continue to isolate teachers and students in the classroom and away from a rich diversity of information that will allow this Nation to extend our productive leadership into the next American century.

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Mr. DIAZ-BALART. Mr. Chairman, I move to strike the requisite number of words.

Mr. MILLER of Florida. Mr. Chairman, will the gentleman yield?

Mr. DIAZ-BALART. I yield to the gentleman from Florida.

Mr. MILLER of Florida. Mr. Chairman, the opponents of this try and create the impression that I am opposed to library books, that the gentleman from Ohio [Mr. BOEHNER] is opposed to library books or opposed to computers in the classroom. That is not the argument.

There are ways that we buy books, that we buy computers in the schools today, and that is through chapter 2. The program is there right now; 50 percent of the computers we buy in schools today come from title I. We can buy them. We do not need to create a new program and a new bureaucracy.

The argument here today is the question of, can we afford another $550 million of new spending not requested by the President, when we are trying to balance the budget, when we are trying to control deficit spending?

I think they are great goals. I would love to spend more money on libraries and more money on computers. And I think when we talk about reauthorizing Head Start, we are going to have to have more money for Head Start. We are going to have more money for crime. We are going to want to put more money into health care, lots of good causes, but we have got to establish priorities. We have got to watch these categorical programs where we create program after program after program, especially when they become redundant, and we are going to hurt chapter 2 to give the local schools the flexibility they need to have the quality education that parents and local districts can decide.

Mr. ENGEL. Mr. Chairman, I rise in opposition to the amendment to strike provisions in title II of H.R. 6 which would improve local schools' access to library materials, technology hardware, computer software, and planning materials.

The Library Media Program contained under title II is a bipartisan initiative that addresses the appalling needs of our Nation's school libraries. The national average copyright date of a book in school libraries is 1965. Not only does this date pre-date the break up of the Soviet Union, this is prior to a manned spacecraft landing on the Moon. In fact, numerous schools have library books that were published before their senior class was even born. Unfortunately, given severe State and local budget constraints, local decisionmakers are often forced to sacrifice school libraries for other academic programs. We cannot allow this to continue.

In addition, the amendment targets the Educational Technology Program. This provision is designed to provide seed money that will leverage resources from State and local governments, private industry, and foundation grants to assist schools in planning and acquiring education technology. Having an education technology component in H.R. 6 is crucial. If we expect our Nation to advance in a global, high technology economy, our children must be active participants at an early stage. This small Federal investment in education technology will ultimately help to create an information system that will improve the effectiveness and success of all education programs.

I urge my colleagues to oppose the Boehner amendment. The highest education standards, improved teaching methods, and most professional staff will have little effect on our Nation's students if our children are not simultaneously provided with the books, materials, and educational tools necessary to learn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MILLER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON:

Page 323, on line 12, strike "Subpart 4—21st Century Community Learning Centers," and insert the following:

PART F—21ST CENTURY COMMUNITY LEARNING CENTERS

SEC. 2441. FINDINGS.

The Congress finds that—

(1) a local public school often serves as a center for the delivery of education and human resources for all members of a community;

(2) public schools, primarily in rural and inner city communities, should collaborate with other public and nonprofit agencies and organizations, local businesses, educational entities (such as vocational and adult education programs, school to work programs, community colleges, and universities), recreational, cultural, and other community and human service entities for the purpose of meeting the needs and expanding the opportunities available to the residents of the communities served by such schools;

(3) by using school facilities, equipment, and resources, communities can promote a more efficient use of public education facilities, especially in rural and inner city areas where limited financial resources have enhanced the necessity for local public schools to become social service centers;

SEC. 2442. PROGRAM AUTHORIZATION AND DISTRIBUTION.

(a) GRANTS BY THE SECRETARY.—The Secretary is authorized in accordance with the provisions of this subsection to make grants to rural and inner city schools or consortia thereof to plan, implement, or to expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner city community.

(1) No school or consortia thereof shall receive a grant award of less than $50,000 in each fiscal year; and

(2) such grant projects do not exceed a 3-year period.

(b) APPLICATION.—To be eligible to receive funds under this section, a school or consortia thereof shall submit an application to the Secretary of Education at such time and in such manner as the Secretary may reasonably prescribe, that shall include—

(1) a comprehensive local plan that enables such school to serve as a center for the delivery of education and human resources for members of a community; and

(2) an initial evaluations of needs, available resources, and goals and objectives for the proposed community education program to determine programs that will be developed to address these needs:

(A) A mechanism to disseminate information in a manner that is understandable and accessible to the community.

(B) Identification of Federal, State, and local programs to be merged or coordinated so that public resources may be maximized.

(C) A description of the collaborative efforts of community-based organizations, related public agencies, businesses, or other appropriate organizations.

(D) A description of how the school will assist as a delivery center for existing and new services, especially inter-active telecommunication used for education and professional training.

(E) The establishment of a facility utilization policy that specifically states rules and regulations for building and equipment use and supervision guidelines.

(3) the high technology, global economy of the 21st century will require lifelong learning to keep America's workforce competitive and successful, local public schools should provide centers for lifelong learning and educational opportunities for individuals of all ages; and

(4) 21st Century Community Learning Centers enable the entire community to develop an education strategy that addresses the educational needs of all members of local communities.

(c) PRIORITY.—The Secretary shall give priority to applications that offer a broad selection of services that address the needs of the community.

SEC. 2443. USES OF FUNDS.

(a) AUTHORIZED PROGRAMS.—Grants awarded under this section may be used to plan, implement, or expand community learning centers which shall include not less than 4 of the following activities.

(1) Literacy education programs.

(2) Senior citizen programs.

(3) Children's day care services.

(4) Integrated education, health, social service, recreational, or cultural programs.

(5) Summer and weekend school programs in conjunction with recreation programs.

(6) Nutrition, health, and/or physical therapy.

(7) Expanded library service hours to serve community needs.

(8) Telecommunications and technology education programs for all ages.

(9) Parenting skills education programs.

(10) Support and training for child day care providers.

(11) Employment counseling, training, and placement.

(12) Services for students who withdraw from school before graduating high school, regardless of age.

(13) Services for individuals who are either physically or mentally challenged.

SEC. 2444. AWARD OF GRANTS.

(a) IN GENERAL.—In approving grants under this section, the Secretary shall assure an equitable distribution of assistance among the States, among urban and rural areas of the United States, and among urban and rural areas of a State.

(b) GRANT PERIOD.—Grants may be awarded for a period not to exceed 3 years.

SEC. 2445. DEFINITIONS.

(1) the term "Community Learning Center" means the provision of educational, recreational, health, and social service programs for residents of all ages of a local community in public school buildings, primarily in rural and inner city areas, operated by the local educational agency in conjunction with local governmental agencies, businesses, vocational education programs, community colleges, universities, and cultural, recreational, and other community and human service entities; and

(2) the term "Secretary" means the Secretary of Education.

SEC. 2446. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $25,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996-1999.

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GUNDERSON. Mr. Chairman, I will not take 5 minutes. I simply want to point out to my colleagues, this is an attempt to respond, for lack of better description, to the learning revolution. It is a recognition that high technology will change the schools. It will change the subjects. It will change who are the students. It will change everything we understand about schools as they exist today.

Recognizing, as was said recently in a book "From Risk to Renewal," that literally the traditional walls between education and the broader community would come tumbling down as schools would become communities of higher learners, in which as much attention is paid to the intellectual and development needs of adults as children.

Literally, we need to recognize that education is going to change like nothing any of us have ever considered in the past. The intent of this amendment is to allow schools, through assistance from the Federal Government, to allow communities, through assistance from the Federal Government, to begin designing and creating these new 21st century community learning centers for the future.

Mr. KILDEE. Mr. Chairman, I move to strike the last word.

We accept the amendment and urge its adoption.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I can very simply say that I rise in opposition to the amendment for everything we have heard from this side for the last 15 minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

"TITLE III—EXPANDING OPPORTUNITIES FOR LEARNING

"PART A—FUND FOR THE IMPROVEMENT OF EDUCATION

"SEC. 3201. FUND FOR THE IMPROVEMENT OF EDUCATION.

"(a) FUND AUTHORIZED.—From funds appropriated under subsection (d), the Secretary is authorized to support nationally significant programs and projects to improve the quality of education, assist all students to meet challenging standards, and contribute to the achievement of the National Education Goals. The Secretary is authorized to carry out such programs and projects directly or through grants to, or contracts with, State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions.

"(b) USES OF FUNDS.—(1) Funds under this section may be used for—

"(A) activities that will promote systemic educational reform at the State and local levels, such as—

"(i) research and development related to content and performance standards and opportunity-to-learn standards for student learning; and

"(ii) the development and evaluation of model strategies for assessment of student learning, professional development for teachers and administrators, parent and community involvement, and other aspects of systemic reform;

"(B) demonstrations at the State and local levels that are designed to yield nationally significant results, including approaches to public school choice in accordance with the requirements of part C and school-based decisionmaking;

"(C) joint activities with other agencies to assist the effort to achieve the National Education Goals, including activities related to improving the transition from preschool to school and from school to work, as well as activities related to the integration of education and health and social services;

"(D) activities to promote and evaluate counseling and mentoring for students, including intergenerational mentoring;

"(E) activities to promote comprehensive health education;

"(F) activities to promote environmental education;

"(G) activities to promote consumer, economic, and personal finance education;

"(H) activities to assist students to demonstrate competence in foreign languages;

"(I) studies and evaluation of various educational reform strategies and innovations being pursued by the Federal Government, States, and local educational agencies;

"(J) the identification and recognition of exemplary schools and programs, such as Blue Ribbon Schools;

"(K) programs designed to promote gender equity in education by evaluating and eliminating gender bias in instruction and educational materials, identifying, and analyzing gender inequities in educational practices, and implementing and evaluating educational policies and practices designed to achieve gender equity;

"(L) experiential-based learning, such as service-learning; and

"(M) other programs and projects that meet the purposes of this section.

"(2) The Secretary may also use funds under this section to complete the project periods for direct grants or contracts awarded under the provisions of the Elementary and Secondary Education Act of 1965, part B of title III of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, or title III of the Education for Economic Security Act, as these Acts were in effect on the day before enactment of the Improving America's Schools Act of 1994.

"(c) AWARDS.—(1) The Secretary may make awards under this section on the basis of competitions announced by the Secretary and may also support meritorious unsolicited proposals.

"(2) The Secretary shall ensure that projects and activities supported under this section are designed in such a way that their effectiveness may be readily determined.

"(3) The Secretary shall use a peer review process in reviewing applications for grants under this section and may use funds appropriated under subsection (d) for this purpose.

"(d) AUTHORIZATION.—For the purpose of carrying out this section, there are authorized to be appropriated $35,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART B—GIFTED AND TALENTED CHILDREN

"SEC. 3301. SHORT TITLE.

"This part may be cited as the 'Jacob K. Javits Gifted and Talented Students Education Act of 1994'.

"SEC. 3302. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds and declares that—

"(1) all students can learn to high standards and must develop their talents and realize their potential if the United States is to prosper;

"(2) gifted and talented students are a national resource vital to the future of the Nation and its security and well-being;

"(3) too often schools fail to challenge students to do their best work, and students who are not challenged will not learn to high standards, fully develop their talents, and realize their potential;

"(4) unless the special abilities of gifted and talented students are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

"(5) gifted and talented students from economically disadvantaged families and areas, and students of limited English proficiency are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

"(6) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented students for the provision of educational services and programs appropriate to their special needs;

"(7) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training and providing a national focal point of information and technical assistance that is necessary to ensure that the Nation's schools are able to meet the special educational needs of gifted and talented students, and thereby serve a profound national interest; and

"(8) the experience and knowledge gained in developing and implementing programs for gifted and talented students can and should be used as a basis to develop a rich and challenging curriculum for all students.

"(b) STATEMENT OF PURPOSE.—

"(1) It is the purpose of this part to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in elementary and secondary schools to meet the special educational needs of gifted and talented students. In addition, the purpose of this part is to encourage the development of rich and challenging curricula for all students through the appropriate application and adaptation of materials and instructional methods developed under this part.

"(2) It is also the purpose of this part to supplement and make more effective the expenditure of State and local funds, for the education of gifted and talented students.

"SEC. 3303. DEFINITIONS.

"For purposes of this part, the term 'gifted and talented students' means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

"SEC. 3304. AUTHORIZED PROGRAMS.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) From the sums appropriated under section 3308 in any fiscal year the Secretary (after consultation with experts in the field of the education of gifted and talented students) shall make grants to or enter into contracts with State educational agencies, local educational agencies, institutions of higher education, or other public agencies and private agencies and organizations (including Indian tribes and organizations as defined by the Indian Self-Determination and Education Assistance Act and Hawaiian native organizations) to assist such agencies, institutions, and organizations which submit applications in carrying out programs or projects authorized by this Act that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students and in the use, where appropriate, of gifted and talented services, materials, and methods for all students.

"(2) Applications for funds must include a section on how the proposed gifted and talented services, materials, and methods could be adapted, if appropriate, for use by all students and a section on how the proposed programs can be evaluated.

"(b) USES OF FUNDS.—Programs and projects assisted under this section may include—

"(1) professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students;

"(2) establishment and operation of model projects and exemplary programs for serving gifted and talented students, including innovative methods for identifying and educating students who may not be served by traditional gifted and talented programs, summer programs, mentoring programs, service learning programs, and cooperative programs involving business, industry, and education;

"(3) training of personnel involved in gifted and talented programs with respect to the impact of gender role socialization on the educational needs of gifted and talented children and in gender equitable education methods, techniques, and practices;

"(4) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented students and the appropriate use of gifted and talented programs and methods to serve all students;

"(5) programs of technical assistance and information dissemination which would include how gifted and talented programs and methods, where appropriate, could be adapted for use by all students; and

"(6) carrying out—

"(A) research on methods and techniques for identifying and teaching gifted and talented students, and for using gifted and talented programs and methods to serve all students; and

"(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this part.

"(c) ESTABLISHMENT OF NATIONAL CENTER.—

"(1) The Secretary (after consultation with experts in the field of the education of gifted and talented students) shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies, for the purpose of carrying out activities described in paragraph (5) of subsection (b).

"(2) Such National Center shall have a Director. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

"(d) LIMITATION.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used to conduct activities pursuant to subsections (b)(5) or (c).

"(e) COORDINATION.—Research activities supported under this section—

"(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

"(2) may include collaborative research activities which are jointly funded and carried out with the Office of Educational Research and Improvement.

"SEC. 3305. PROGRAM PRIORITIES.

"(a) GENERAL PRIORITY.—In the administration of this part the Secretary shall give highest priority—

"(1) to the identification of and services to gifted and talented students who may not be identified and served through traditional assessment methods (including economically disadvantaged individuals, individuals of limited-English proficiency, and individuals with disabilities; and

"(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification of and service to gifted and talented students, such as mentoring and apprenticeship programs.

"(b) SERVICE PRIORITY.—In approving applications under section 3304(a) of this part, the Secretary shall assure that in each fiscal year at least one-half of the applications approved address the priority in section 3305(a)(1).

"SEC. 3306. GENERAL PROVISIONS.

"(a) PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.—In making grants and entering into contracts under this part, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of students and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel in professional development programs for serving such children.

"(b) REVIEW, DISSEMINATION, AND EVALUATION.—The Secretary shall—

"(1) use a peer review process in reviewing applications under this part;

"(2) ensure that information on the activities and results of projects funded under this part is disseminated to appropriate State and local agencies and other appropriate organizations, including nonprofit private organizations; and

"(3) evaluate the effectiveness of programs under this part, both in terms of the impact on students traditionally served in separate gifted and talented programs and on other students, and submit the results of such evaluation to Congress not later than January 1, 1998.

"SEC. 3307. ADMINISTRATION.

"The Secretary shall establish or designate an administrative unit within the Department of Education—

"(1) to administer the programs authorized by this part;

"(2) to coordinate all programs for gifted and talented students administered by the Department;

"(3) to serve as a focal point of national leadership and information on the educational needs of gifted and talented students and the availability of educational services and programs designed to meet such needs; and

"(4) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities which reflect the needs of gifted and talented students.

The administrative unit established or designated pursuant to this section shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented students.

"SEC. 3308. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $10,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999 to carry out the provisions of this part.

"PART C—PUBLIC CHARTER SCHOOLS

"SEC. 3401. PURPOSE.

"It is the purpose of this part to increase national understanding of the charter schools model by—

"(1) providing financial assistance for the design and initial implementation of charter schools; and

"(2) evaluating the effects of those schools on improving student achievement, including their effects on students, staff, and parents.

"SEC. 3402. PROGRAM AUTHORIZED.

"(a) GENERAL.—The Secretary may make grants to eligible applicants for the design and initial operation of charter schools.

"(b) PROJECT PERIODS.—Each such grant shall be for a period of not more than three years, of which the grantee may use—

"(1) no more than 18 months for planning and program design; and

"(2) no more than two years for the initial implementation of the charter school.

"(c) LIMITATION.—The Secretary shall not make more than one grant to support a particular charter school.

"SEC. 3403. APPLICATIONS.

"(a) APPLICATIONS REQUIRED.—Any eligible applicant that desires to receive a grant under this part shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(b) SCOPE OF APPLICATION.—Each such application may request assistance for a single charter school or for a cluster of schools, which may include a high school and its feeder elementary and middle schools, within a community.

"(c) APPLICATION CONTENTS.—Each such application shall include, for each charter school for which assistance is sought—

"(1) a description of the educational program to be implemented by the proposed charter school, including—

"(A) how the program will enable all students to meet challenging State performance standards;

"(B) the grade levels or ages of children to be served; and

"(C) the curriculum and instructional practices to be used;

"(2) a description of how the school will be managed;

"(3) a description of—

"(A) the objectives of the school; and

"(B) the methods by which the school will determine its progress toward achieving those objectives;

"(4) a description of the administrative relationship between the charter school and the local educational agency that will authorize or approve the school's charter and act as the grantee under this part;

"(5) a description of how parents and other members of the community will be involved in the design and implementation of the charter school;

"(6) a description of how the local educational agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school is successful;

"(7) a request and justification for waivers of any Federal statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

"(8) a description of how the grant funds would be used;

"(9) a description of how grant funds would be used in conjunction with other Federal programs administered by the Secretary;

"(10) a description of how students in the community will be—

"(A) informed about the school; and

"(B) given an equal opportunity to attend the school;

"(11) an assurance that the applicant will annually provide the Secretary such information as the Secretary may require to determine if the charter school is making satisfactory progress toward achieving the objectives described under paragraph (3);

"(12) an assurance that the applicant will cooperate with the Secretary in evaluating the program authorized by this part; and

"(13) such other information and assurances as the Secretary may require.

"(d) STATE EDUCATIONAL AGENCY APPROVAL REQUIRED.—(1) A local educational agency that desires to receive a grant under this part shall obtain the State educational agency's approval of its application before submitting it to the Secretary.

"(2) A State educational agency that approves an application of a local educational agency shall provide the local educational agency, and such local agency shall include in its application to the Secretary, a statement that the State has granted, or will grant, the waivers and exemptions from State requirements described in such local agency's application.

"SEC. 3404. SELECTION OF GRANTEES; WAIVERS.

"(a) CRITERIA.—The Secretary shall select projects to be funded on the basis of the quality of the applications, taking into consideration such factors as—

"(1) the quality of the proposed curriculum and instructional practices;

"(2) the degree of flexibility afforded by the State and, if applicable, the local educational agency to the school;

"(3) the extent of community support for the application;

"(4) the ambitiousness of the objectives for the school;

"(5) the quality of the plan for assessing achievement of those objectives; and

"(6) the likelihood that the school will meet those objectives and improve educational results for students.

"(b) PEER REVIEW.—The Secretary shall use a peer review process to review applications for grants under this section.

"(c) DIVERSITY OF PROJECTS.—The Secretary may approve projects in a manner that ensures, to the extent possible, that they—

"(1) are distributed throughout different areas of the Nation, including in urban and rural areas; and

"(2) represent a variety of educational approaches.

"(d) WAIVERS.—The Secretary may waive any statutory or regulatory requirement that the Secretary is responsible for enforcing, except for any such requirement relating to the elements of a charter school described in section 3407(1), if—

"(1) the waiver is requested in an approved application or by a grantee under this part; and

"(2) the Secretary determines that granting such a waiver would promote the purpose of this part.

"SEC. 3405. USES OF FUNDS.

"A recipient of a grant under this part may use the grant funds only for—

"(1) post-award planning and design of the educational program, which may include—

"(A) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

"(B) professional development of teachers and other staff who will work in the charter school; and

"(2) initial implementation of the charter school, which may include—

"(A) informing the community about the school;

"(B) acquiring necessary equipment;

"(C) acquiring or developing curriculum materials; and

"(D) other operational costs that cannot be met from State or local sources.

"SEC. 3406. NATIONAL ACTIVITIES.

"The Secretary may reserve up to 10 percent of the funds appropriated for this part for any fiscal year for—

"(1) peer review of applications under section 3404(b); and

"(2) an evaluation of the impact of charter schools on student achievement, including those assisted under this part.

"SEC. 3407. DEFINITIONS.

"As used in this part, the following terms have the following meanings:

"(1) The term 'charter school' means a school that—

"(A) in accordance with an enabling State statute, is exempted from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

"(B) is created by a developer as a public school, or is adapted by a developer from an existing public school;

"(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the local educational agency applying for a grant on behalf of the school;

"(D) provides a program of elementary or secondary education, or both;

"(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

"(F) does not charge tuition;

"(G) complies with the Age Discrimination Act, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

"(H) admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

"(I) agrees to comply with the same Federal and State audit requirements as do other public schools in the State, unless such requirements are specifically waived for the purpose of this program;

"(J) meets all applicable Federal, State, and local health and safety requirements; and

"(K) operates in accordance with State law.

"(2) The term 'developer' means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

"(3) The term 'eligible applicant' means a local educational agency, in partnership with a developer with an application approved under section 3403(d).

"SEC. 3408. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $15,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART D—ARTS IN EDUCATION

"Subpart 1—Support for Arts Education

"SEC. 3501. SUPPORT FOR ARTS EDUCATION.

"(a) FINDINGS.—The Congress finds that—

"(1) the arts are forms of understanding and ways of knowing that are fundamentally important to education;

"(2) the arts are important to excellent education and to effective school reform;

"(3) the most significant contribution of the arts to education reform is the transformation of teaching and learning;

"(4) this transformation is best realized in the context of comprehensive, systemic education reform;

"(5) demonstrated competency in the arts for American students is among the National Education Goals;

"(6) the arts can motivate at-risk students to stay in school and become active participants in the educational process; and

"(7) arts education should be an integral part of the elementary and secondary school curriculum.

"(b) PURPOSE. The purposes of this part are to—

"(1) support systemic education reform by strengthening arts education as an integral part of the elementary and secondary school curriculum;

"(2) help ensure that all students have the opportunity to learn to challenging standards in the arts; and

"(3) support the national effort to enable all students to demonstrate competence in the arts in accordance with the National Education Goals.

"(c) ELIGIBLE RECIPIENTS.—In order to carry out the purposes of this part, the Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with—

"(1) State educational agencies;

"(2) local educational agencies;

"(3) institutions of higher education; and

"(4) other public and private agencies, institutions, and organizations.

"(d) AUTHORIZED ACTIVITIES.—Funds under this part may be used for—

"(1) research on arts education;

"(2) the development of, and dissemination of information about, model arts education programs;

"(3) the development of model arts education assessments based on high standards;

"(4) the development and implementation of curriculum frameworks for arts education;

"(5) the development of model preservice and inservice professional development programs for arts educators and other instructional staff;

"(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum Services, the John F. Kennedy Center for the Performing Arts, and the National Gallery of Art;

"(7) supporting model projects and programs in the performing arts for children and youth through arrangements made with the John F. Kennedy Center for the Performing Arts;

"(8) supporting model projects and programs in the arts for individuals with disabilities through arrangements with the organization, Very Special Arts;

"(9) supporting model projects and programs to integrate arts education into the regular elementary and secondary school curriculum; and

"(10) other activities that further the purposes of this part.

"(e) COORDINATION.—(1) A recipient of funds under this part shall, to the extent possible, coordinate its project with appropriate activities of public and private cultural agencies, institutions, and organizations, including museums, arts education associations, libraries, and theaters.

"(2) In carrying out this part, the Secretary shall coordinate with the National Endowment for the Arts, the Institute of Museum Services, the John F. Kennedy Center for the Performing Arts, and the National Gallery of Art.

"(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subpart, there are authorized to be appropriated $11,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"Subpart 2—Community Arts

"SEC. 3502. SHORT TITLE.

"This subpart may be cited as the "Community Arts Partnership Act of 1994".

"(a) FINDINGS.—Congress finds that—

"(1) with local school budgets cut there are in-adequate arts programs available for children in schools, especially at the elementary level;

"(2) the arts promote progress in academic subjects as shown by research conducted by the National Endowment for the Arts;

"(3) the arts access multiple human intelligences and develop higher-order thinking skills;

"(4) the arts generate self-esteem and positive emotional responses to learning; and

"(5) children who receive instruction in the arts remain in school longer and are more successful than children who do not receive such instruction.

"(b) PURPOSE.—The purpose of this part is to make demonstration grants to eligible entities to improve the educational performance and future potential of at-risk children and youth by providing comprehensive and coordinated educational and cultural services.

"(c) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to pay the Federal share of the costs of the activities described in subsection (f).

"(2) SPECIAL REQUIREMENTS.—The Secretary shall award grants under this Act only to programs designed to—

"(A) promote educational and cultural services;

"(B) provide multi-year services to at-risk children and youth;

"(C) serve the target population described in subsection (e);

"(D) provide integration of community cultural resources in the regular curriculum;

"(E) focus school and cultural resources in the community on coordinated cultural services to address the needs of at-risk children and youth;

"(F) provide effective cultural linkages from preschool programs, including the Head Start Act and preschool grants under the Individuals with Disabilities Education Act, to elementary schools;

"(G) facilitate school-to-work transition from secondary schools and alternative schools to job training, higher education, and employment;

"(H) increase parental and community involvement in the educational, social, and cultural development of at-risk youth; or

"(I) replicate programs and strategies that provide high quality coordinated educational and cultural services and that are designed to integrate such coordination into the regular curriculum.

"(3) REQUIREMENT OF COORDINATION.—Grants may only be awarded under this part to eligible entities that agree to coordinate activities carried out under other Federal, State, and local grants, received by the members of the partnership for purposes and target populations described in this part, into an integrated service delivery system located at a school, cultural, or other community-based site accessible to and utilized by at-risk youth.

"(4) DURATION.—Grants made under this part may be renewable for a maximum of 5 years if the Secretary determines that the eligible recipient has made satisfactory progress toward the achievement of the program objectives described in application.

"(5) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this part, the Secretary shall ensure—

"(A) an equitable geographic distribution; and

"(B) an equitable distribution to both urban and rural areas with a high proportion of at-risk youth as defined in subsection (e).

"(d) ELIGIBILITY.—

"(1) SERVICES FOR IN-SCHOOL YOUTH.—For the purpose of providing a grant under this part to serve in-school children and youth, the term 'eligible entity' means a partnership between a local education agency that is eligible for funds under title I of this Act, and at least 1 institution of higher education or cultural entity located within or accessible to the geographical boundaries of the local education agency with a history of providing quality services to the community, and which may include—

"(A) nonprofit institutions of higher education; museums; libraries; performing, presenting and exhibiting arts organizations; literary arts organizations; local arts organizations; and zoological and botanical organizations; and

"(B) private for-profit entities with a history of training children and youth in the arts.

"(2) SERVICES FOR OUT-OF-SCHOOL YOUTH.—For purposes of providing a grant under this part to serve out-of-school youth, the term 'eligible entity' means a partnership between at least 1 entity of the type described in paragraph (A) or (B) of subsection (1), or a local education agency eligible for funds under chapter 1 of title I of this Act and at least 1 cultural entity described in subsection (1).

"(e) TARGET POPULATION.—In order to receive a grant under this part, an eligible entity shall serve—

"(1) students enrolled in schools in participating schoolwide projects assisted under title I of this Act and the families of such students; or

"(2) out-of-school youth at risk of having limited future options as a result of teenage pregnancy and parenting, substance abuse, recent migration, disability, limited English proficiency, family migration, illiteracy, being the child of a teen parent, living in a single parent household, or being a high school dropout; or

"(3) any combination of in school and out-of-school at-risk youth.

"(f) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Funds made under this part may be used—

"(A) to plan, develop, acquire, expand, and improve school-based or community-based coordinated educational and cultural programs to strengthen the educational performance and future potential of in-school and out-of-school at-risk youth through cooperative agreements, contracts for services, or administrative coordination;

"(B) to provide at-risk students with integrated cultural activities designed to develop a love of learning to ensure the smooth transition of preschool children to elementary school;

"(C) to design collaborative cultural activities for students in secondary or alternative schools that ensure the smooth transition to job training, higher education, or full employment;

"(D) to provide child care for children of at-risk students who would not otherwise be able to participate in the program;

"(E) to provide transportation necessary for participation in the program;

"(F) to work with existing school personnel to develop curriculum materials and programs in the arts;

"(G) to work with existing school personnel on staff development activities that encourage the integration of the arts into the curriculum;

"(H) for stipends that allow local artists to work with at-risk children and youth in the schools;

"(I) for cultural programs that encourage the active participation of parents in their children's education;

"(J) for programs that use the art reform current school practices, including lengthening the school day or academic year;

"(K) for appropriate equipment and necessary supplies; and

"(L) for evaluation, administration, and supervision.

"(2) PRIORITY.—In providing assistance under this part, the Secretary shall give priority to eligible entities that provide comprehensive services that extend beyond traditional school or service hour, that may include year round programs that provide services in the evenings and on weekends.

"(3) PLANNING GRANTS.—

"(A) APPLICATION.—An eligible entity may submit an application to the Secretary for a planning grant for an amount not to exceed $50,000. Such grants shall be for periods of not more than 1 year.

"(B) LIMIT ON PLANNING GRANTS.—Not more than 10 percent of the amounts appropriated in each fiscal year under this part shall be used for grants under this subsection, and an eligible entity may receive not more than 1 such planning grant.

"(g) GENERAL PROVISIONS.—

"(1) IN GENERAL.—Each eligible entity desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(A) describe the cultural entity or entities that will participate in the partnership;

"(B) describe the target population to be served;

"(C) describe the services to be provided;

"(D) describe a plan for evaluating the success of the program;

"(E) describe, for a local educational agency participant, how services will be perpetuated beyond the length of the grant;

"(F) describe the manner in which the eligible entity will improve the educational achievement or future potential of at-risk youth through more effective coordination of cultural services in the community;

"(G) describe the overall and operational goals of the program; and

"(H) describe the nature and location of all planned sites where services will be delivered and a description of services which will be provided at each site.

"(h) PAYMENTS—FEDERAL SHARE.—

"(1) PAYMENTS.—The Secretary shall pay to each eligible entity having an application approved under subsection (g) the Federal share of the cost of the activities described in the application.

"(2) AMOUNTS OF GRANTS.—The amount of a grant made under this part may not be less than $100,000 or exceed $500,000 in the first year of such grant.

"(3) FEDERAL SHARE.—The Federal share shall be 80 percent.

"(4) NON-FEDERAL SHARE.—The non-Federal share shall be equal to 20 percent and may be in cash or in kind, fairly evaluated, including facilities or services.

"(5) LIMITATION.—Not more than 25 percent of any grant under this part may be used for noninstructional services such as those described in paragraphs D, E, and L of subsection (f).

"(6) SUPPLEMENT AND NOT SUPPLANT.—Grant funds awarded under this part shall be used to supplement not supplant the amount of funds made available from non-Federal sources, for the activities assisted under this part, in amounts that exceed the amounts expended for such activities in the year preceding the year for which the grant is awarded.

"(7) DISSEMINATION OF MODELS.—The Secretary shall disseminate information concerning successful models under this part through the National Diffusion Network.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart, $75,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART E—INEXPENSIVE BOOK DISTRIBUTION PROGRAM

"SEC. 3601. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

"(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading Is Fundamental (hereinafter in this section referred to as 'the contractor') to support and promote programs, which include the distribution of inexpensive books to students, that motivate children to read.

"(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

"(1) provide that the contractor will enter into subcontracts with local private nonprofit groups or organizations or with public agencies under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift, to the extent feasible, or by loan, to children up through high school age, including those in family literacy programs;

"(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

"(3) provide that in selecting subcontractors for initial funding, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as—

"(A) low-income children, particularly in high-poverty areas;

"(B) children at risk of school failure;

"(C) children with disabilities, including children with serious emotional disturbance;

"(D) foster children;

"(E) homeless children;

"(F) migrant children;

"(G) children without access to libraries;

"(H) institutionalized or incarcerated children; and

"(I) children whose parents are institutionalized or incarcerated;

"(4) provide that the contractor will provide such technical assistance to subcontractors as may be necessary to carry out the purpose of this section;

"(5) provide that the contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

"(6) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

"(c) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

"(d) DEFINITION OF 'FEDERAL SHARE'.—For the purpose of this section, the term 'Federal share' means the portion of the cost to a subcontractor of purchasing books to be paid with funds made available under this section. The Federal share shall be established by the Secretary, and shall not exceed 75 percent, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $10,300,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART F—CIVIC EDUCATION

"SEC. 3701. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

"(a) GENERAL AUTHORITY.—

"(1) PROGRAM ESTABLISHED.—(A) The Secretary shall carry out a program to enhance the attainment of Goals Three and Six of the National Education Goals by educating students about the history and principles of the Constitution of the United States, including the Bill of Rights, and to foster civic competence and responsibility.

"(B) Such program shall be known as 'We the People . . . The Citizen and the Constitution'.

"(2) EDUCATIONAL ACTIVITIES.—The program required by paragraph (1) shall—

"(A) continue and expand the educational activities of the We the People . . . The Citizen and the Constitution program administered by the Center for Civic Education; and

"(B) enhance student attainment of challenging content standards in civics and government.

"(3) CONTRACT OR GRANT AUTHORIZED.—The Secretary is authorized to enter into a contract or grant with the Center for Civic Education to carry out the program required by paragraph (1).

"(b) PROGRAM CONTENT.—The education program authorized by this section shall provide—

"(1) a course of instruction on the basic principles of our constitutional democracy and the history of the Constitution and the Bill of Rights;

"(2) school and community simulated congressional hearings following the course of study at the request of participating schools; and

"(3) an annual national competition of simulated congressional hearings for secondary students who wish to participate in such program.

"(c) PROGRAM PARTICIPANTS.—The education program authorized by this section shall be made available to public and private elementary and secondary schools in the 435 congressional districts, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

"(d) SPECIAL RULE.—Funds provided under this section may be used for the advanced training of teachers in civics and government after the provisions of subsection (b) have been implemented.

"SEC. 3702. INSTRUCTION IN CIVICS, GOVERNMENT, AND THE LAW.

"(a) PROGRAM ESTABLISHED.—The Secretary shall carry out a program of grants and contracts to assist State and local educational agencies and other public and private nonprofit agencies, organizations and institutions to enhance—

"(1) attainment by students of challenging content standards in civics, government, and the law; and

"(2) attainment by the Nation of Goals Three and Six of the National Education Goals.

"(b) AUTHORIZED ACTIVITIES.—Assistance under this section may support new and ongoing programs in elementary and secondary schools that provide for—

"(1) the development and implementation of curricular programs that enhance student understanding of—

"(A) the values and principles which underlie, and the institutions and processes which comprise, our system of government;

"(B) the role of law in our constitutional democracy, including activities to promote—

"(i) legal literacy; and

"(ii) a dedication by students to the use of non-violent means of conflict resolution such as arbitration, mediation, negotiation, trials, and appellate hearings; and

"(C) the rights and responsibilities of citizenship;

"(2) professional development for teachers, including pre-service and in-service training;

"(3) outside-the-classroom learning experiences for students, including community service activities;

"(4) the active participation of community leaders, from the public and private sectors, in the schools; and

"(5) the provision of technical assistance to State and local educational agencies and other institutions and organizations working to further the progress of the Nation in attaining the Goals Three and Six of the National Education Goals in civics and government.

"(c) APPLICATIONS, PEER REVIEW AND PRIORITY.—

"(1) SUBMISSION OF APPLICATIONS.—A State or local educational agency, other public or private nonprofit agency, organization or institution that desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(2) PEER REVIEW.—(A) The Secretary shall convene a panel of individuals for purpose of reviewing and rating applications submitted under paragraph (1).

"(B) Such individuals shall have experience with education programs in civics, government, and the law.

"(3) PRIORITY.—In making grants or awarding contracts under this section, the Secretary shall give priority consideration to applications which propose the operation of statewide programs.

"(d) DURATION OF GRANTS AND EXCEPTION.—

"(1) DURATION.—Except as provided in paragraph (2), the Secretary shall make grants and enter into contracts under this section for periods of 2 or 3 years.

"(2) EXCEPTION.—The Secretary may make a grant or enter into a contract under this section for a period of less than 2 years if the Secretary determines that special circumstances exist which warrant a one year grant or contract award.

"SEC. 3703. REPORT; AUTHORIZATION OF APPROPRIATIONS.

"(a) REPORT.—The Secretary shall report, on a biennial basis, to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate related to the distribution and use of funds authorized under this part.

"(b) AUTHORIZATION OF APPROPRIATIONS.—

"(1) GENERAL.—To carry out this part, there are authorized to be appropriated $15,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(2) ALLOCATION.—From the amount appropriated under subsection (a), the Secretary shall allocate—

"(A) 40 percent of such amount to carry out section 3701; and

"(B) 60 percent of such amount to carry out section 3702.

"PART G—NATIVE HAWAIIAN EDUCATION

"SEC. 3801. SHORT TITLE.

"This part may be cited as the 'Native Hawaiian Education Act'.

"SEC. 3802. FINDINGS.

"The Congress finds that:

"(1) Native Hawaiians comprise a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago whose society was organized as a Nation prior to the arrival of the first non-indigenous people in 1778.

"(2) The Native Hawaiian people are entitled to preserve, develop and transmit to future generations their ancestral territory, and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, languages, and social institutions.

"(3) The constitution and statutes of the State of Hawaii:

"(A) acknowledge the distinct land rights of the Native Hawaiian people as beneficiaries of the public lands trust; and

"(B) reaffirm and protect the unique right of the Native Hawaiian people to practice and perpetuate their cultural and religious customs, beliefs, practices, and language.

"(4) At the time of the arrival of the first non-indigenous people in Hawaii in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient, subsistence social system based on communal land tenure with a sophisticated language, culture, and religion.

"(5) A unified monarchial government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawaii.

"(6) Throughout the 19th century and until 1893, the United States: (a) recognized the independence of the Hawaiian Nation; (b) extended full and complete diplomatic recognition to the Hawaiian government; and (c) entered into treaties and conventions with the Hawaiian monarchs to govern commerce and navigation in 1826, 1842, 1849, 1875 and 1887.

"(7) In the year 1893, the United States Minister assigned to the sovereign and independent Kingdom of Hawaii, John L. Stevens, conspired with a small group of non-Hawaiian residents of the Kingdom, including citizens of the United States, to overthrow the indigenous and lawful Government of Hawaii.

"(8) In pursuance of that conspiracy, the United States Minister and the naval representative of the United States caused armed naval forces of the United States to invade the sovereign Hawaiian Nation in support of the overthrow of the indigenous and lawful Government of Hawaii and the United States Minister thereupon extended diplomatic recognition of a provisional government formed by the conspirators without the consent of the native people of Hawaii or the lawful Government of Hawaii in violation of treaties between the two nations and of international law.

"(9) In a message to Congress on December 18, 1893, then President Grover Cleveland reported fully and accurately on these illegal actions, and acknowledged that by these acts, described by the President as acts of war, the government of a peaceful and friendly people was overthrown, and the President concluded that a 'substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people require that we should endeavor to repair.'

"(10) Queen Lili'uokalani, the lawful monarch of Hawaii, and the Hawaiian Patriotic League, representing the aboriginal citizens of Hawaii, promptly petitioned the United States for redress of these wrongs and for restoration of the indigenous government of the Hawaiian nation, but this petition was not acted upon.

"(11) In 1898, the United States annexed Hawaii through the Newlands Resolution, without the consent of or compensation to the indigenous people of Hawaii or their sovereign government, who were denied their land, ocean resources, and the mechanism for expression of their inherent sovereignty through self-government and self-determination.

"(12) Through the Newlands Resolution and the 1900 Organic Act, the United States Congress received 1.75 million acres of lands formerly owned by the Crown and Government of the Hawaiian Kingdom and exempted the lands from then existing public land laws of the United States by mandating that the revenue and proceeds from these lands be 'used solely for the benefit of the inhabitants of the Hawaiian Islands for education and other public purposes,' thereby establishing a special trust relationship between the United States and the indigenous native inhabitants of Hawaii.

"(13) Congress enacted the Hawaiian Homes Commission Act of 1920 designating 200,000 acres of the ceded public lands for exclusive homesteading by Native Hawaiians, affirming the trust relationship between the United States and the Native Hawaiians, as expressed by then Secretary of the Interior Franklin K. Lane, who was cited in the Committee Report of the United States House of Representatives Committee on Territories as stating: 'One thing that impressed me . . . was the fact that the natives of these islands who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty.'

"(14) In 1938, the United States Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781 et seq.), a provision to lease lands within the National Parks extension to Native Hawaiians and to permit fishing in the area 'only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance.'

"(15) Under the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union' Approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawaii but reaffirmed the trust relationship which existed between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges and legislative amendments affecting the rights of beneficiaries under such Act.

"(16) Under the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for administration over portions of the ceded public lands trust not retained by the United States to the State of Hawaii but reaffirmed the trust responsibility which existed between the United States and the Hawaiian people by retaining the legal responsibility to enforce the administration of the public trust responsibility of the State of Hawaii for the betterment of the conditions of Native Hawaiians under section 5(f) of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union.'

"(17) The authority of the Congress under the United States Constitution to legislate in matters affecting the aboriginal or indigenous peoples of the United States includes the authority to legislate in matters affecting the native peoples of Alaska and Hawaii.

"(18) In furtherance to the trust responsibility for the betterment of the conditions of native Hawaiians, the United States has established educational programs to benefit Native Hawaiians and has acknowledged that special educational efforts are required recognizing the unique cultural and historical circumstances of Native Hawaiians.

"(19) This historical and legal relationship has been consistently recognized and affirmed by the Congress through the enactment of Federal laws which extend to the Hawaiian people the same rights and privileges accorded to American Indian, Alaska Native, Eskimo, and Aleut communities, including the Native American Programs Act of 1974; the Native American Programs Act of 1992, as amended; the National Historic Act Amendments of 1992; the American Indian Religious Freedom Act; the Native American Graves Protection and Repatriation Act.

"(20) The United States has also recognized and reaffirmed the trust relationship to the Hawaiian people through legislation which authorizes the provision of services to Native Hawaiians, specifically, the Older Americans Act of 1965, the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, the Veterans' Benefits and Services Act of 1988, the Rehabilitation Act of 1973, the Native Hawaiian Health Care Act of 1988, the Health Professions Reauthorization Act of 1988, the Nursing Shortage Reduction and Education Extension Act of 1988, the Handicapped Programs Technical Amendments Act of 1988, the Indian Health Care Amendments of 1988, and the Disadvantaged Minority Health Improvements Act of 1990.

"(21) Despite the success of the programs established under the Native Hawaiian Education Act of 1988, the education needs of Native Hawaiians continue to be severe:

"(A) Native Hawaiian students continue to score below national norms on standardized education achievement tests;

"(B) Both public and private schools continue to show a pattern of low percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

"(C) Native Hawaiian students continue to be overrepresented among those qualifying for special education programs provided to learning disabled, educable mentally retarded, handicapped, and other such students;

"(D) Native Hawaiians continue to be disproportionately represented in many negative social and physical statistics, indicative of special educational needs—

"(i) lower educational attainment among Native Hawaiians has been found to relate to lower socioeconomic outcomes;

"(ii) Native Hawaiian students continue to be disproportionately underrepresented in Institutions of Higher Education;

"(iii) Native Hawaiians continue to be underrepresented in traditional white collar professions, health care professions, and the newly emerging technology based professions and are overrepresented in service occupations;

"(iv) Native Hawaiian children continue to be disproportionately victimized by child abuse and neglect, a signal of family stress; and

"(v) there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

"(22) Special efforts in education recognizing the unique cultural and historical circumstances of Native Hawaiians are required.

"SEC. 3803. PURPOSE.

"It is the purpose of this part to—

"(1) authorize and develop supplemental educational programs to assist Native Hawaiians in reaching the National Education Goals,

"(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including those made available by the title on the problem of Native Hawaiian Education, and

"(3) supplement and expand existing programs and authorities in the area of education to further the purposes of the title.

"(4) encourage the maximum participation of Native Hawaiians in planning and management of Native Hawaiian Education Programs.

"SEC. 3804. NATIVE HAWAIIAN EDUCATION COUNCIL.

"(a) ESTABLISHMENT.—In order to better effectuate the purposes of this part through assistance in the coordination of services and programs provided for under this part, the Secretary shall establish a Native Hawaiian Education Council.

"(b) COMPOSITION.—Such Council shall consist of, but not be limited to:

"(1) representatives of each of the programs which receive Federal funding under this part;

"(2) a representative from the Office of the Governor;

"(3) a representative from the Office of Hawaiian Affairs;

"(4) representatives of other Native Hawaiian Educational organizations and Native Hawaiian organizations which receive Federal or state education funds; and

"(5) parent, student, educator and community organizations.

"(c) CONDITIONS AND TERMS.—All members of the Council shall be residents of the State of Hawaii, and at least half of the members shall be Native Hawaiian. Members of the Council shall be appointed for five year terms.

"(d) DUTIES AND RESPONSIBILITIES.—(1) The Council shall provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including those made available by this title on Native Hawaiian Education.

"(2) The Council is authorized to make available to Congress any information, advice, and recommendations that the Council is authorized to give to the Secretary.

"(3) The Secretary shall, whenever practicable, consult with the Council before taking any significant action related to the education of Native Hawaiians. Any advice or recommendation made by the Council to the Secretary shall reflect the independent judgment of the Council on the matter concerned.

"(e) ADMINISTRATIVE PROVISIONS.—The Council shall meet at the call of the Chair, or upon the request of the majority of the Council, but in any event not less than twice during each calendar year. All matters relating to, or proceedings of, the Council need not comply with the Federal Advisory Committee Act.

"(f) COMPENSATION.—A member of the Native Hawaiian Council shall not receive any compensation for service on the Council.

"(g) ANNUAL REPORT.—The Council shall present to the Secretary an annual report on its activities.

"(h) REPORT TO CONGRESS.—Not later than 4 years after the date of the enactment of the Improving America's Schools Act, the Secretary shall prepare and submit to the Senate Committee on Indian Affairs and the House Committee on Education and Labor, a report which summarizes the annual reports of the Native Hawaiian Council, describes the allocation and utilization of monies under this part, and contains recommendations for changes in Federal, State, and local policy to advance the purposes of this part.

"SEC. 3805. NATIVE HAWAIIAN LANGUAGE IMMERSION PROJECT.

"(a) NATIVE HAWAIIAN LANGUAGE IMMERSION AUTHORITY.—In order to continue the state-wide effort at revitalizing the Native Hawaiian Language through the Punana Leo Project and the State of Hawaii's immersion project, the Secretary shall make direct grants to—

"(1) Aha Punana Leo for the continued maintenance of the Punana Leo Project, a family-based Hawaiian Immersion pre-school program;

"(2) the State of Hawaii for education support services for the State of Hawaii's Hawaiian Immersion Program; and to

"(3) the State of Hawaii to establish a center for Native Hawaiian curriculum development and teacher training.

"(b) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,500,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

"SEC. 3806. NATIVE HAWAIIAN FAMILY-BASED EDUCATION CENTERS.

"(a) GENERAL AUTHORITY.—The Secretary shall make direct grants to Native Hawaiian Organizations (including Native Hawaiian Educational Organizations) to develop and operate a minimum of eleven Family-Based Education Centers throughout the Hawaiian Islands. Such centers shall include—

"(1) Parent-Infant programs (prenatal through age 3);

"(2) Preschool programs for four and five year-olds;

"(3) continued research and development; and

"(4) long term followup and assessment program.

"(b) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

"(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized for the centers described in subsection (a), there is authorized to be appropriated $6,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

"SEC. 3807. NATIVE HAWAIIAN HIGHER EDUCATION DEMONSTRATION PROGRAM.

"(a) HIGHER EDUCATION GENERAL AUTHORITY.—The Secretary shall make grants to the Kamehameha Schools/Bernice Pauahi Bishop Estate for a demonstration program to provide Higher Education fellowship assistance to Native Hawaiian students. The demonstration program under this program may include—

"(1) full or partial fellowship support for Native Hawaiian students enrolled at an accredited two or four year degree granting institution of higher education with awards to be based on academic potential and financial need;

"(2) counseling and support services for such students receiving fellowship assistance pursuant to subsection (a)(1) of this section;

"(3) college preparation and guidance counseling at the secondary school level for students who may be eligible for fellowship assistance pursuant to subsection (a)(1) of this section;

"(4) appropriate research and evaluation of the activities authorized by this section; and

"(5) implementation of faculty development programs for the improvement and matriculation of Native Hawaiian students.

"(b) GRANTS AUTHORIZED.—The Secretary shall make grants to Kamehameha Schools/Bernice Pauahi Bishop Estate for a demonstration project of fellowship assistance for Native Hawaiian students in post-bachelor degree programs. Such project may include—

"(1) full or partial fellowship support for Native Hawaiian students enrolled at an accredited post-bachelor degree granting institution of higher education, with priority given to professions in which Native Hawaiians are under-represented and with awards to be based on academic potential and financial need;

"(2) counseling and support services for such students receiving fellowship assistance pursuant to subsection (b)(1) of this section; and

"(3) appropriate research and evaluation of the activities authorized by this section.

"(c) SPECIAL CONDITION REQUIRED.—For the purpose of subsection (b) fellowship conditions shall be established whereby recipients obtain an enforceable contract obligation to provide their professional services, either during their fellowship or upon completion of post-bachelor degree program, to the Native Hawaiian community within the State of Hawaii.

"(d) SPECIAL RULE.—No policy shall be made in implementing this Section to prevent a Native Hawaiian student enrolled at an accredited two or four year degree granting institution of higher education outside of the State of Hawaii from receiving a fellowship pursuant to Paragraphs (a) and (b) of this Section.

"(e) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) There are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999 for the purpose of funding the fellowship assistance demonstration project under subsection (a).

"(2) There are authorized to be appropriated $1,500,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999 for the purpose of funding the fellowship assistance demonstration project provided under subsection (b).

"(3) Funds appropriated under the authority of this subsection shall remain available until expended.

"SEC. 3808. NATIVE HAWAIIAN GIFTED AND TALENTED DEMONSTRATION PROGRAM.

"(a) GIFTED AND TALENTED DEMONSTRATION AUTHORITY.—

"(1) The Secretary shall provide a grant to, or enter into a contract with, the University of Hawaii at Hilo for—

"(A) the establishment of a Native Hawaiian Gifted and Talented Center at the University of Hawaii at Hilo, and

"(B) for demonstration projects designed to—

"(i) address the special needs of Native Hawaiian elementary and secondary school students who are gifted and talented students, and

"(ii) provide those support services to their families that are needed to enable such students to benefit from the project.

Such grant or contract shall be subject to the availability of appropriated funds and, contingent on satisfactory performance by the grantee, shall be provided for a term of 3 years.

"(2) After the term of the grant or contract provided, or entered into, under paragraph (1) has expired, the Secretary shall, for the purposes described in subparagraphs (A) and (B) of paragraph (1), provide a grant to, or enter into a contract with, the public, 4-year, fully accredited institution of higher education located in the State of Hawaii which has made the greatest contribution to Native Hawaiian students. Such grant or contract shall be provided on an annual basis. The grantees shall be authorized to subcontract when appropriate, including with the Children's Television Workshop.

"(b) USES OF FUNDS.—Demonstration projects funded under this section may include—

"(1) the identification of the special needs of gifted and talented students, particularly at the elementary school level, with attention to—

"(A) the emotional and psychosocial needs of these students, and

"(B) the provision of those support services to their families that are needed to enable these students to benefit from the projects;

"(2) the conduct of educational, psychosocial, and developmental activities which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including, but not limited to, demonstrating and exploring the use of the Native Hawaiian language and exposure to Native Hawaiian cultural traditions;

"(3) the use of public television in meeting the special educational needs of such gifted and talented children;

"(4) leadership programs designed to replicate programs for such children throughout the State of Hawaii and to other Native American peoples, including the dissemination of information derived from demonstration projects conducted under this section; and

"(5) appropriate research, evaluation, and related activities pertaining to—

"(A) the needs of such children, and

"(B) the provision of those support services to their families that are needed to enable such children to benefit from the projects.

"(c) INFORMATION PROVISION.—The Secretary shall facilitate the establishment of a national network of Native Hawaiian and American Indian Gifted and Talented Centers, and ensure that the information developed by these centers shall be readily available to the educational community at large.

"(d) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

"(e) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized for projects described in this section there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

"SEC. 3809. NATIVE HAWAIIAN SPECIAL EDUCATION PROGRAM.

"(a) SPECIAL EDUCATION AUTHORITY.—The Secretary shall make grants to, and enter into contracts with, Pihana Na Mamo, to operate projects to address the special education needs of Native Hawaiian students. Such projects assisted under this section may include—

"(1) the identification of Native Hawaiian children who are learning disabled, mentally or physically handicapped, educable mentally retarded, or otherwise in need of special educational services;

"(2) the identification of special education needs of such children, particularly at the elementary school level, with attention to—

"(A) the emotional and psychosocial needs of these students, and

"(B) the provision of those support services to their families that are needed to enable such children to benefit from the projects.

"(b) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

"(c) MATCHING FUNDS.—(1) The Secretary may not make a grant or provide funds pursuant to a contract under this subsection—

"(A) in an amount exceeding 83.3 percent of the costs of providing health services under the grant or contract; and

"(B) unless Pihana Na Mamo agrees that the State of Hawaii, the Office of Hawaiian Affairs, or any other non-Federal entity will make available, directly or through donations to the Native Hawaiian Special Education Project, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under paragraph (2)) for each $5 of Federal funds provided in such grant or contract.

"(2) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government or services assisted or subsidized to any significant extent by the Federal Government may not be included in determining the amount of non-Federal contributions.

"(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized for such project, there is authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

"SEC. 3810. ADMINISTRATIVE PROVISIONS.

"(a) APPLICATION REQUIRED.—No grant may be made under this part, nor any contract be entered into under this part, unless an application is submitted to the Secretary in such form, in such manner, and containing such information as the Secretary may determine necessary to carry out the provisions of this title.

"(b) SPECIAL RULE.—Each application submitted under this title shall be accompanied by the comments of each local educational agency serving students who will participate in the project for which assistance is sought.

"SEC. 3811. DEFINITIONS.

"For the purposes of this part—

"(1) The term 'Native Hawaiian' means any individual who is—

"(A) a citizen of the United States,

"(B) a resident of the State of Hawaii, and

"(C) a descendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii, as evidenced by—

"(i) genealogical records,

"(ii) Kupuna (elders) or Kama'aina (long-term community residents) verification, or

"(iii) birth records of the State of Hawaii.

"(2) The term 'Secretary' means the Secretary of Education.

"(3) The term 'Native Hawaiian Educational Organization' means a private nonprofit organization that—

"(A) serves the interests of Native Hawaiians,

"(B) has Native Hawaiians in substantive and policy-making positions within the organizations,

"(C) has a demonstrated expertise in the education of Native Hawaiian youth, and

"(D) has demonstrated expertise in research and program development.

"(4) The term 'Native Hawaiian Organization' means a private nonprofit organization that—

"(A) serves the interests of Native Hawaiians, and

"(B) has Native Hawaiians in substantive and policy-making positions within the organizations,

"(C) is recognized by the Governor of Hawaii for the purpose of planning, conducting, or administering programs (or portions of programs) for the benefit of Native Hawaiians.

"(5) The term 'elementary school' has the same meaning given that term under section 9101 of this Act.

"(6) The term 'local educational agency' has the same meaning given that term under section 9101 of this Act.

"(7) The term 'secondary school' has the same meaning given that term under section 9101 of this Act.

"PART H—ALLEN J. ELLENDER FELLOWSHIP PROGRAM

"SEC. 3901. FINDINGS.

"The Congress makes the following findings:

"(1) It is a worthwhile goal to ensure that all students in America are prepared for responsible citizenship and that all students should have the opportunity to be involved in activities that promote and demonstrate good citizenship.

"(2) It is a worthwhile goal to ensure that America's educators have access to programs for the continued improvement of their professional skills.

"(3) Allen J. Ellender, a Senator from Louisiana and President pro tempore of the United States Senate, had a distinguished career in public service characterized by extraordinary energy and real concern for young people. Senator Ellender provided valuable support and encouragement to the Close Up Foundation, a nonpartisan, nonprofit foundation promoting knowledge and understanding of the Federal Government among young people and educators. Therefore, it is a fitting and appropriate tribute to Senator Ellender to provide fellowships in his name to students of limited economic means, the teachers who work with them and older Americans so that they may participate in the programs supported by the Close Up Foundation.

"Subpart 1—Program for Middle and Secondary School Students

"SEC. 3911. ESTABLISHMENT.

"(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with the provisions of this title to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among middle and secondary school students.

"(b) USE OF FUNDS.—Grants under this title shall be used only for financial assistance to economically disadvantaged students who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this title by such students shall be known as Allen J. Ellender fellowships.

"SEC. 3912. APPLICATIONS.

"(a) APPLICATION REQUIRED.—No grant under this title may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

"(1) that fellowship grants are made to economically disadvantaged middle and secondary school students;

"(2) that every effort will be made to ensure the participation of students from rural and small town areas, as well as from urban areas, and that in awarding fellowships to economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including physically challenged students, visually- and hearing-impaired students, ethnic minority students, and gifted and talented students; and

"(3) the proper disbursement of the funds of the United States received under this title.

"Subpart 2—Program for Middle and Secondary School Teachers

"SEC. 3915. ESTABLISHMENT.

"(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with the provisions of this title to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of teaching skills enhancement for middle and secondary school teachers.

"(b) USE OF FUNDS.—Grants under this title shall be used only for financial assistance to teachers who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this title by such individuals shall be known as Allen J. Ellender fellowships.

"SEC. 3916. APPLICATIONS.

"(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

"(1) that fellowship grants are made only to teachers who have worked with at least one student from his or her school who participates in the programs described in section 101(a);

"(2) that not more than one teacher in each school participating in the programs provided for in section 101(a) may receive a fellowship in any fiscal year;

"(3) the proper disbursement of the funds of the United States received under this title.

"Subpart 3—Programs for Recent Immigrants, Students of Migrant Parents and Older Americans

"SEC. 3921. ESTABLISHMENT.

"(a) GENERAL AUTHORITY.—(1) The Secretary is authorized to make grants in accordance with the provisions of this title to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among economically disadvantaged older Americans, recent immigrants and students of migrant parents.

"(2) For the purpose of this subpart, the term 'older American' means an individual who has attained 55 years of age.

"(b) USE OF FUNDS.—Grants under this subpart shall be used only for financial assistance to economically disadvantaged older Americans, recent immigrants and students of migrant parents who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this subpart by such individuals shall be known as Allen J. Ellender fellowships.

"SEC. 3922. APPLICATIONS.

"(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

"(1) that fellowship grants are made to economically disadvantaged older Americans, recent immigrants and students of migrant parents;

"(2) that every effort will be made to ensure the participation of older Americans, recent immigrants and students of migrant parents from rural and small town areas, as well as from urban areas, and that in awarding fellowships, special consideration will be given to the participation of older Americans, recent immigrants and students of migrant parents with special needs, including physically challenged individuals, visually- and hearing-impaired individuals, ethnic minorities, and gifted and talented students;

"(3) that activities permitted by section 301(a) are fully described; and

"(4) the proper disbursement of the funds of the United States received under this title.

"Subpart 4—General Provisions

"SEC. 3925. ADMINISTRATIVE PROVISIONS.

"(a) GENERAL RULE.—Payments under this part may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment.

"(b) AUDIT RULE.—The Comptroller General of the United States or any of the Comptroller General's duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this part.

"SEC. 3926. AUTHORIZATION OF APPROPRIATIONS.

"(a) There are authorized to be appropriated to carry out the provisions of subparts 1, 2, and 3 of this part $4,400,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(b) Of the funds appropriated pursuant to subsection (a), not more than 30 percent may be used for teachers associated with students participating in the programs described in section 3911(a).

"PART I—TERRITORIAL EDUCATION IMPROVEMENT PROGRAM

"SEC. 3931. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds that—

"(1) the attainment of a high quality education is important to a society and to each individual;

"(2) it is the policy of the United States that all citizens have a fair opportunity to receive a high quality education;

"(3) such opportunity should extend to United States citizens and nationals residing in the outlying areas;

"(4) reports show that the outlying areas have repeatedly placed last in national education tests which measure knowledge in core subject areas;

"(5) all students must realize their potential if the United States is to prosper; and

"(6) students in the outlying areas require additional assistance if they are to obtain the high standards established for all students in the United States.

"(b) PURPOSES.—The purpose of this part is to authorize an education improvement program for the United States Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau which will assist in developing programs which will enhance student learning, increase the standard of education, and improve the performance levels of all students.

"SEC. 3932. GRANT AUTHORIZATION.

"The Secretary is authorized to make grants to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands and Palau, until the effective date of the Compact of Free Association with the Government of Palau, to fund innovative education improvement programs which will increase student learning.

"SEC. 3933. RESTRICTIONS.

"(a) CONSTRUCTION.—No funds from a grant under section 3922 may be used for construction.

"(b) FULL USE.—If funds authorized under section 3922 are not fully committed within the period of the grant, the grant for the next period shall be reduced by the amount of funds not fully committed.

"SEC. 3934. AUTHORIZATION.

"There are authorized to be appropriated for grants under section 3922 $5,000,000 for each of the fiscal years 1994 through 1999.

AMENDMENT OFFERED BY MR. BOEHNER

Mr. BOEHNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOEHNER: Beginning on page 372, strike line 20 and all that follows through line 22 on page 397 (and redesignate the subsequent parts accordingly).

Mr. BOEHNER. Mr. Chairman, as we have debated this bill over the last week and the week before in committee, the gentleman from Florida [Mr. MILLER] and I and others have been trying to eliminate a lot of the programs that the President wanted eliminated in the reauthorizing of elementary and secondary education.

The Gore Commission also suggested and recommended a number of programs be eliminated. One such program is the Education for Native Hawaiians.

This program benefits one group of people. It does not benefit the Nation as a whole. Nor does it advance the national education concerns.

The Clinton administration recommended its elimination because the services under the program can be met by other programs.

It is a perfect example of what we are trying to eliminate. As we continue to add programs back to the President's request, we continue to see these small, targeted programs added to this piece of legislation. It takes away its focus. Although the program is well-intended, it is well-meaning, I must ask, is it the role and the responsibility of the Federal Government to provide funding for something this small and this targeted that only serves one State in the Nation.

I suggest to my colleagues that it is not my intent to hurt those from Hawaii, but it is not our role here in Washington to be funding these types of programs.

So I stand here today on behalf of President Clinton, on behalf of Vice President GORE, who have suggested that this program not be funded and not be reauthorized. I ask for the adoption of the amendment.

Mr. KILDEE. Mr. Chairman, I move to strike the last word, and I rise in opposition to this amendment.

A Republican President many years ago reluctantly accepted the annexation of the Hawaiian Islands, and there was a very strange history in that annexation.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. Mr. Chairman, this obviously is very important to my State. I am afraid that the gentleman from Ohio has mischaracterized it as a program that can be replicated by funds otherwise appropriated by the Elementary, Secondary Education Act.

What he fails to understand is that throughout the history of this Congress, we have paid special recognition to native Americans. We have special legislation even in this very bill to take care of native Americans. This is all that this title does, with reference to the native Hawaiians.

History has not recognized the fact that there are people in Hawaii, when it was a kingdom, that were there and are, therefore, because of annexation, native Americans.

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We have struggled over the years to be defined within that definition of native Americans because they were the people who were there before Hawaii became a territory and then later a State.

The takeover of the Kingdom of Hawaii is a tragedy that even now the people of Hawaii are trying desperately to reconcile. The kingdom was overthrown by military force, by American marines that landed and caused the overthrow of the kingdom and the imprisonment of the then-queen, Lil'uokalani. That in itself would be a tragedy except for the fact that not only was she imprisoned and the government put down, and the American flag raised at that point, but all of the lands that belonged to the kingdom and to the government of the Kingdom of Hawaii were taken and confiscated with not one penny given to the people in exchange.

The Government attempted several times to express its dismay and to express some vocal expression of regret over what happened, but ultimately, since 100 years ago, nothing has been done really to rectify the great harm that was caused the native Americans who were Hawaiians at that point. So all we are trying to do with the Native Hawaiian Education Act is to recognize their special status parallel to all other native Americans in this country. They are not included in the Native American Education Act and all of the provisions and so, therefore, in order to make sure that they are accorded the same recognition, it is imperative that this language be continued. The native Americans have suffered not only the loss of their lands, but the loss of their ability to survive as a group.

In 1920, the Hawaiian Homestead Act was passed by the Congress in a partial recognition of this terrible act that occurred in 1893. But what happened in that restoration, so-called restoration of some of the lands of the native Hawaiians is that the lands that were selected for restoration were in the remotest parts of the then-territory of Hawaii. It did not accord the native Hawaiians an opportunity to live in places where there were jobs, where there were schools, where there was access to the market forces that enabled the State of Hawaii to grow into recent times. Therefore, I beg this Chamber to understand the history of the people who were native to Hawaii before the takeover and not abolish this symbolic program, particularly on the eve on which the State itself is saying to the native Hawaiians in its population, "Try to decide what you want to do for your future." They have passed an enabling act for sovereignty to try to give some dignity to the native Hawaiians there who are struggling to find themselves, to give them respect and dignity.

So this is a small step. If this should fail today, I am afraid that it will send the wrong signal to the State and to its people, and in particular to the native Hawaiians, and will create in their minds a feeling that the Federal Government indeed assumes no obligations for what it did 100 years ago, the very obligation that we are trying to say it must assume.

Last November this Congress unanimously passed the Apologies Resolution in recognition of what happened 100 years ago. Let us not take a step back today by denying these people a small measure of what they were entitled to when they were taken over in 1893.

Mr. MILLER of Florida. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentlewoman from Hawaii talks about a very fine program, and I commend it, but the question is really a question of educational pork and whether we have all of these categorical programs in this particular bill.

The gentleman from Ohio [Mr. BOEHNER] and I will be offering a series of amendments to try to delete a lot of these individual programs. We need to focus our resources in title 1 in chapter 2 without adding on another program, another program, another program.

This is a $13 million program. President Clinton in his budget said this program, "provides educational services exclusively to Hawaiian natives despite the availability similar assistance for eligible Hawaiian natives under such formula grant programs as title I, even start, and special education."

The Gore Commission even recommended this not be continued. We have to start drawing the line. As we vote on the budget tomorrow and vote on a balanced budget amendment, we are going to have to look at $13 million here and $10 million there. It adds up to real money.

So I oppose this not because it is not a good program because I think it is a good program. But I just object to a small categorical program just for one segment of the population.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Florida. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I thank the gentleman for yielding.

Let me make it clear that Hawaii qualifies like any other State for all of the educational programs that come out of the Federal Government. But I want to remind my colleagues in the Chamber that there are programs over and above those for Hawaii such as special education for Hawaii that gets a $2 million authorization. There is a native Hawaiian higher education demonstration project which is another $2 million, and various other programs beyond this one that are over and above what every other State gets.

I should also bring to my colleagues' attention in the bill on page 374 some language that I take particular exception to. It is section (7) beginning on line 14 which says:

> In the year 1893, the United States Minister assigned to the sovereign and independent Kingdom of Hawaii, John L. Stevens, conspired with a small group of non-Hawaiian residents of the kingdom, including citizens of the United States, to overthrow the indigenous and lawful Government of Hawaii.

Continuing on line 21,

> In pursuance of that conspiracy, the United States Minister and the naval representative of the United States caused armed naval forces of the United States to invade the sovereign Hawaiian Nation in support of the overthrow of the indigenous and lawful Government of Hawaii and the United States Minister thereupon extended diplomatic recognition of a provisional government formed by the conspirators without the consent of the native people of Hawaii or the lawful Government of Hawaii in violation of treaties between the two nations and of international law.

Now why we would have this kind of language put into the preface of this program I do not know.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Florida. I yield to the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. Mr. Chairman, the reason for the inclusion of that language is because it is the truth. It is exactly what happened 100 years ago, and that formula is the basis for our insistence here, year after year, that native Hawaiians as the indigenous people who lived there before they became the territory of Hawaii be accorded the same status as native Americans in all other programs. The Congress has not seen fit to include native Hawaiians as indigenous peoples. They have included Aleuts and the Eskimos and various other people, but not the indigenous people who lived in Hawaii at the time of the takeover.

The facts the gentleman read into the RECORD just now are absolutely true, and all we are saying is that it is time for the United States of America to recognize what they did and to make amends for it. And one of the areas that we insist can be corrected is the disadvantage these people suffer because of the isolation that was foisted upon them when their lands that were returned were in the remotest part of the State, not close to the population centers where education and jobs and other opportunities were available.

Mr. BOEHNER. I understand what the gentlewoman from Hawaii is saying, but I do not know how that differs from the people of Texas and what happened in Texas some time ago. I do not know how that differs from the State of Florida and what happened in Florida many, many years ago.

The fact is, there are enough special programs already in law, already authorized and funded for native Hawaiians. The point is that your Vice President and mine, AL GORE, in his recommendations believes that this program ought to go. The President made it clear in his reauthorization that this program ought to go. And I as a Republican am going to stand here today and offer this on behalf of them.

Mr. FALEOMAVAEGA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have much admiration for my friend who has proposed this amendment. Certainly no one here in this Chamber could not be more conscious of the fact that we are in a very strained situation in our country as far as budget cutting is concerned.

□ 1320

Now, with reference to this gentleman's amendment about the native Hawaiians, I think this is probably one of the issues that our colleagues really need to have a better orientation on—the plight of native Hawaiians when it comes to education; the history and how our country became involved with the native Hawaiians some 100 years ago. It is not a very pretty picture, I would suggest to the gentleman, when our Nation robbed the Hawaiian Islands from its rightful government.

Mr. Chairman, we have 200,000 native Hawaiians living in the State of Hawaii. These people are not begging or asking us that they ought to be given any special treatment. The fact of the matter is, native Americans are given special treatment because the Congress specifically is given that responsibility under the Constitution. I think over the years what we need to understand is that the native Hawaiian community needs this kind of assistance. We ought to assist them.

I respectfully disagree with my President who proposes that we cut this program. I could not agree more with the gentlewoman from Hawaii that we ought to include this program in the educational bill.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. FALEOMAVAEGA. I am happy to yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, this Congress has very often belatedly recognized the indigenous people of the United States of America. What advantage the Americans of North America had is that in most instances we at least had the good grace to sign a treaty with them, and in all of those treaties with the native Americans of North America, we promised them almost universally education.

I ask you to go down to the National Archives down the street and read the treaties we have signed with Britain, with Germany, with France, and with the Indian tribes and nations of this country. We promised them education.

We are very slow in delivering that, and we are still not doing it well. But we did give them, and there are programs for Indian education in this country. Belatedly in 1988 we recognized that another group of indigenous people in this country in the State of Hawaii, who did not even have the benefit of a treaty because they were forcefully taken over, that they had some special educational needs, because their culture was disrupted, their land taken from them. In 1988 this Congress, with great deliberation, decided that we owed them something, and that education was one of the best ways to repay that which we had done to them in the last century. This was very carefully deliberated, very carefully studied. I was part of that.

And to take this away from people who lost their lands, whose culture has been threatened, I think, is something unacceptable.

Mr. FALEOMAVAEGA. Mr. Chairman, I thank the chairman.

Mr. DE LUGO. Mr. Chairman, will the gentleman yield?

Mr. FALEOMAVAEGA. I am happy to yield to the gentleman from the Virgin Islands.

Mr. DE LUGO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me say this is a great Nation we belong to, and not all of our history is as it is presented in Warner Brothers technicolor musicals. In fact, some of our history is pretty tough, pretty shameful.

But a great, great nation can correct those things, and that is what this Congress decided to do.

The Vice President served in this House. I have great admiration for him, but he does not at this time serve on the Education Committee. This is a determination of the Education Committee who looked at this question and through the leadership of the gentlewoman from Hawaii [Mrs. MINK], the Education Committee feels strongly that this is a worthy program, a noble program from a great nation to a great people, the Hawaiian native people.

What does this program do? The native Hawaiian program sets up a language immersion project, native Hawaiian family-based education centers, native Hawaiian higher education demonstration program, native Hawaiian gifted and talented program, and native Hawaiian special education program.

What is the amount of money that we are talking about here? Are we going to balance the budget with it? It is less than $15 million, less than $15 million to right a terrible wrong that we were a part of.

So I commend the gentlewoman from Hawaii. I commend the gentleman from Michigan, chairman of the subcommittee, and the gentleman from Michigan [Mr. FORD], chairman of the full committee, for supporting this legislation, and I urge the defeat of the amendment.

Mr. HUGHES. Mr. Chairman, I rise in strong support of title III of H.R. 6, particularly the Civic Education Program.

As my colleagues know, the Civic Education Program called We the People, the Citizen and the Constitution teaches students about the history and principles of the Constitution and the Bill of Rights, and fosters a greater understanding of the importance of civic responsibility and public service.

Enacted by Congress in 1985, the Civic Education Program is now implemented in every State and congressional district in the Nation. The lessons of good citizenship and democratic values, which we all hold dear, have reached an estimated 40,000 schools, 100,000 teachers, and 20,000 young Americans in the classroom.

Under H.R. 6 this program is reauthorized and expanded to establish assistance to schools in the broader context of civic government and law.

Activities and course instruction carried out through this program will involve students in subject matter such as the rights and responsibilities of citizenship, and encouragement of nonviolent means of conflict resolution such as arbitration, mediation, and negotiation.

Our society is already paying the monetary and social costs attributed to a generation of youth who have not received an adequate education in civics and social responsibility.

As we continue to search for solutions to the challenges of crime, drugs, illegitimate births, and violence, which plague a generation of young Americans, it would be tragic if we allowed this situation to persist.

Civic education is a modest investment in crime and violence prevention and provides our young people with the foundation for becoming good citizens and making responsible decisions. We can make a difference in future generations by acting now to instill those principles and values in our very youngest of citizens.

As we struggle to reduce the deficit and get the most out of scarce Federal resources, I fully support the efforts of many of my colleagues to eliminate programs which are not effective or have outlived their usefulness. However, I believe a program which can have such a positive influence on our students and shape the future leaders of this country should be a priority.

If we sincerely care about government "By the People," I urge my colleagues to make an investment to sustain the greatness of our Nation in the next century and beyond by supporting the We The People Civic Education Program.

Mr. KREIDLER. Mr. Speaker, I would like to voice my opposition to Mr. BOEHNER's amendment to H.R. 6, which would eliminate funding for, among other things, civic education programs. The We The People program, which has been helping educate students in my State of Washington since its inception, is one of the programs that this amendment would cut.

Civic education helps meet the need of young people to understand the responsibilities of a democracy. It helps them see how our country's legal system evolved, and how history is comprised of a series of interconnected events rather than simply isolated incidents.

This bipartisan program is endorsed by such organizations as the American Bar Association, the National Association for the Advancement of Colored People [NAACP], the Parent/Teacher Association, and the National School Boards. I urge my colleagues to oppose this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BOEHNER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOEHNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 203, noes 213, not voting 22, as follows:

[Roll No. 43]

AYES—203

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Browder
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chapman
Clinger
Coble
Collins (GA)
Combest
Condit
Cooper
Coppersmith
Costello
Cox
Cramer
Crapo
Cunningham
Deal
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fingerhut
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Glickman
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hancock
Hansen
Harman
Hastert
Hefley
Herger
Hoagland
Hobson
Hoekstra
Hoke
Huffington
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson (SD)
Johnson, Sam
Kanjorski
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Machtley
Mann
Manzullo
Mazzoli
McCandless
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Roth
Roukema
Rowland
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Thurman
Torkildsen
Upton
Valentine
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (FL)
Zeliff
Zimmer

NOES—213

Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Bilbray
Bishop
Blackwell
Bonior
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Danner
Darden
de Lugo (VI)
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Durbin
Edwards (TX)
Engel
English
Eshoo
Evans
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hefner
Hilliard
Hinchey
Hochbrueckner
Holden
Horn
Hoyer
Hughes
Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson, E. B.
Johnston
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lloyd
Long
Lowey
Maloney
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
McCloskey
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moran
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pickett
Pickle
Pomeroy
Rahall
Rangel
Reed
Richardson
Roemer
Romero-Barcelo (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roybal-Allard
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tejeda
Thompson
Thornton
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Wyden
Wynn
Yates
Young (AK)

NOT VOTING—22

Abercrombie
Andrews (TX)
Berman
Borski
Brooks
Crane
de la Garza
Dooley
Edwards (CA)
Gallo
Hastings
Hayes
Houghton
McCurdy
Natcher
Portman
Reynolds
Rush
Sundquist
Washington
Whitten
Woolsey

□ 1348

The Clerk announced the following pair:

On this vote:

Mr. Sundquist for, with Mr. Abercrombie against.

Mr. WILSON and Mr. HALL of Texas changed their vote from "aye" to "no."

Messrs. SMITH of Texas, HASTERT, JOHNSON of South Dakota, QUILLEN, TANNER, and FINGERHUT, Mrs. MORELLA, Mr. BROWDER, and Mr. SISISKY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1350

AMENDMENT OFFERED BY MR. BOEHNER

Mr. BOEHNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOEHNER: Beginning on page 404, strike line 22 and all that follows through line 18 on page 406 (and redesignate the subsequent parts accordingly).

Mr. BOEHNER. Mr. Chairman, this amendment that we have before us would eliminate the $10 million authorization for the territorial education improvement section of this bill. This program targets one group of people, those people living in the territories such as the Virgin Islands and Guam. It is essentially a combination of two current programs, general assistance to the Virgin Islands and territorial teacher training.

The Clinton administration concluded that the Virgin Islands program is unneeded, and that the territorial program has a limited impact. In addition, the territories will receive moneys from other education programs.

Again let me say that I do not want to repeat all the arguments we went through with the native Hawaiian special program, but a lot of the arguments are identical, the same. Those in the territories qualify under the programs like all of the States. The moneys are already there, and what this does is further dilute the focus of this program and further dilute the focus of ESEA and in fact give a special pot of money and special assistance to a very targeted, select group of people in this country.

Mr. KILDEE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to make it clear, first of all, that this is not the old territorial assistance program. The Committee on Education and Labor worked hard to try to improve this program, and the program in this bill responds to the results from the National Assessment of Educational Progress, which shows that students in those outlying areas really are placing last in the Nation, not because of lack of intelligence but because of neglect, neglect on the part of their Government.

This new improved program for the territories tries to close that gap between the people in this continent and the people who reside in our territories. These students are the neediest of the needy. The tests indicate that, based on very objective testing.

Mr. Chairman, I urge the defeat of this amendment.

Mr. DE LUGO. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from the Virgin Islands.

Mr. DE LUGO. Mr. Chairman, I thank the gentleman for yielding, and I thank him for his generosity.

The fact is that this program is not a $10 million program. It is one-half of that. Fliers were passed around by those who are trying to defeat this program.

This flier that is dated March 2, 1994, says at the top, "Get the correct information on H.R. 6." And on this flier it says that this program they are trying to knock out to help the neediest of the needy in our Nation is a $10 million program.

If we are going to get the facts straight, we should know that it is not a $10 million program; it is a $5 million program.

The gentleman said that the territories are treated the same as all the other States. The territories are not treated the same as the States. The territories get a set-aside of 1 percent, and in many cases we have to compete against each other. Our students have to compete for one scholarship against the students from the other territories.

This program is needed by the Americans in the U.S. territories. This is an obligation of this great Nation of ours. These are Americans we are talking about here, and let me say that it does not make me feel good or proud to report to the Members on the figures out in the territories.

Let me say that both the Republican and Democratic administrations have funded the territorial teacher assistance program, and this Congress supported it. But that is not this program. The territorial education improvement program that the term referred to does not reauthorize either of the old programs referred to. What it does is, it addresses a serious need in the territories. The National Education Goal Report shows that in Guam only 7 percent of the students scored at or above the proficient achievement level in math. In the Virgin Islands, the figure is 1 percent.

Do the Members think this is something frivolous that the Committee on Education and Labor is doing here? This is a serious committee. It has worked hard on this issue. It knows that this has merit and, therefore, voted to support it.

Let us look at the figures. In Ohio, it is 22 percent; in Alabama, it is 12 percent. Let us look at Arkansas. These are the most needy of the States. There it is 13 percent versus 1 percent in the U.S. Virgin Islands.

Only two public junior high schools in the Virgin Islands score average in reading skills. That is not above average, but average. And only 16 percent of the students at the high school level in the Virgin Islands read at their grade level.

So what we are fighting for today is help for American citizens that need help. Would the Members vote for more money for jails? Yes, they would vote for more money for jails, but when we vote for more money for education, we do not have to put more money in for jails because people would be able to get good jobs and live good lives in this great country of ours.

So, Mr. Chairman, I urge my colleagues to vote "no" on this amendment.

Mr. UNDERWOOD. Mr. Chairman, I vote to strike the last word.

Mr. Chairman, I stand in opposition to this amendment. It seems to me that what we have at work here is a perception of the islands as not having a serious life. We are not talking about islands with idyllic conditions. We are not talking about the South Pacific; we are talking about the real Pacific, and these are islands with serious educational problems.

As pointed out by my colleagues, the gentleman from the Virgin Islands, many of the territories—and this is not good news—placed last in many standardized courses. The point of this legislation is not to do a revamping of this system. It is to make a small amount of money, $5 million, available so that the creative energies of the school systems in those territories can come up with innovative programs that will meet our needs. And they are very unique needs. We are not talking about mainstream children; we are talking about children who come from backgrounds which are clearly not mainstream. They are nonmainstream in every sense of the word—culturally, linguistically politically, socially, and economically, and the reason why we have a program like this is to respond to those unique conditions.

This is $5 million. We are not talking about something that is going to break the bank, and we are not talking about something that is going to save a lot of money. I know that some of the issues that have been raised earlier about the concerns of the administration in cutting this money clearly are not applicable in this instance.

We are entrusted here with a sense of responsibility and a sense of proportion. We are talking about a limited amount of money for some territories, and we are talking about unique and special circumstances involving geographical distances and the fact that many of the school systems are staffed by people who are not fully certified.

□ 1400

We are talking about a whole range of circumstances here. I have spent most of my life as an educator and I spend most of my life trying to improve education in the territories. And it seems to me that an amendment of this nature is made more pernicious by the fact that it seeks out the most vulnerable in this legislation, H.R. 6. It seeks out those that are most vulnerable and subjects them to the kind of vote that we are going to be faced with on this issue. Not only are territories denied full participation in the political process here, we are now facing our own reduction of needed resources in a manner which seeks out those which are most vulnerable and those people are the delegates who represent the territories here.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise in strong opposition to the gentleman's amendment and move to strike the requisite number of words.

Mr. Chairman, H.R. 6 is intended to improve the quality of education for all American students. However, this amendment denies the neediest students the opportunity to receive equal educational opportunities available to other students in this Nation.

The authors of the amendment see these programs as a waste and yet refuse to recognize the special needs and unique circumstances of these Americans in dire need of quality education.

Mr. Chairman, I understand the underlying concern that we should consider only programs which benefit all Americans. But it is imperative that we should also recognize the special needs and unique circumstances of these Americans whose needs are not addressed in our national programs.

Mr. Chairman, this amendment would eliminate important programs such as the Territorial Educational Investment Program, and Education and Native Hawaiians, as was stated earlier.

Mr. Chairman, we want the same things. However, students from the territories continue to be ranked last in the Nation in achievement scores based on results from the last two NAAEP tests and other educational tests. In order for students in the outlying areas to meet mainland achievement levels and meet the high standards supporters of this amendment vigorously seek, Federal assistance is desperately needed.

I firmly believe this educational program will do precisely that. Before you give the students in the outlying areas the quality education provided for under this bill, we must first bring their level of education up to par with mainland levels.

I urge my colleagues to oppose the amendment and to support the chairman in this important piece of legislation.

Mr. MILLER of Florida. Mr. Chairman, I move to strike the requisite number of words and rise in support of the amendment.

Mr. Chairman, I rise again to support my colleague, the gentleman from Ohio [Mr. BOEHNER] to attack unnecessary Federal spending.

This program is targeted to categorical areas, to a select number of people. These territories are eligible for title I money and for Eisenhower money. They are getting the same money we get in Michigan, Ohio, or Florida. So they are getting the money just like you and I would get. Why do we need to have another little program? It is a small categorical program.

President Clinton did not ask for this. In his budget, let me read what the President says:

> The 1995 request would eliminate funding for this program because of its limited impact and because the Territories may use funds to pay for teacher training under the authority to consolidate their allocations for the Department's formula grant programs.

This amendment is only for the territories. It has nothing to do with Closeup, by the way, it is only on this limited area. It is a categorical program. We need to reduce the categorical program and concentrate our money in title II and chapter 1 in the Eisenhower Program.

I yield to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Chairman, I would point out the territories under the piece of legislation we are considering would get under title I $70 million. Under chapter 2, they will get $4,350,000. Under the Eisenhower Program, they will get another $4 million, plus additional funds in bilingual education funds.

These are what are already authorized in the bill over and above the program that we are trying to eliminate. All we are trying to say is the last program, it is time for it to go.

The President, in his budget request this year, on page 78, says:

> The 1995 request would eliminate funding for this program because of its limited impact and because the territories may use funds to pay for teacher training under the authority to consolidate their allocations from the Department's formula grant programs. Also the proposed Eisenhower Professional Development Program would provide an alternative source of support for education or professional development.

So I stand here among my colleagues asking you, the poor children of my district do not get extra money. The poor children in a lot of these districts in America, do not get extra targeted money. That is what in fact we are doing with this program.

Once again, it is a little piece of political pork. But in this case, we have to call it educational pork. We went through this last week. Nobody wants to hear that word pork, but the fact is it shows up everywhere. And as the President indicated in his reauthorization request, he only wanted 26 educational programs in this reauthorization. We are already back up to 46, and we wanted to continue to add more back into here. I think it is time to say "no."

Mr. DE LUGO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are a lot of statements that are made on this floor that are misinforming the Members of this House. The gentleman made reference to a sum of money a little while ago under title I, and he inferred that money was going to go to the territories. The reality is, my colleagues, that that money is shared by the territories with native American programs and that under that program, the native American gets 62 percent of the funds that the gentleman referred to.

So this is a small program vitally needed for Americans. This is not additional money. There are poor people in every district. But those people are treated as States are treated. The territories are not treated as States. They get less than States, much less than States.

This is a program that is designed to help to raise the standard of education, which is shameful. By your own tests, it is shameful. We want these young people to have a chance at the American dream. We want them to be able to get decent jobs.

Mr. Chairman, I yield to the chairman of the subcommittee.

Mr. KILDEE. I thank the gentleman for yielding.

Mr. Chairman, this is a $5 million program for American citizens and American nationals who are not fully enfranchised, who are very vulnerable.

When I first came to this Congress 18 years ago, I met Phil Burton. Phil Burton had a real love for the people in the territories. He knew what was happening very often to them, not for them. He said, "DALE, you can judge a great nation by how it treats those people in its care who are the most vulnerable and disenfranchised." And they are disenfranchised. They are American nationals or American citizens.

We spend billions of dollars on foreign aid. This is $5 million out of a $11 billion program for American citizens and American nationals who we know from the testing are placing last, not because of lack of intelligence, but because of neglect.

Mr. FALEOMAVAEGA. Mr. Chairman, I wanted to thank the chairman, and wanted to make reference to the very eloquent statement made by the gentleman from Guam.

We are at a tremendous disadvantage in this House, and it is not a proud thing that the sponsors of this amendment do by singling out the weakest in this House and the most needy. This was part of a package.

There were four programs here. One of the programs is Closeup. But it was decided to single them out for individual votes, go after the weakest, Hawaii with just two Members, no one else, go after the territories, the Americans in the territories.

We do not even have enough people to man the doors when the time comes to count the votes. But I think we have enough friends in this House to help us man those doors today, and I hope that our friends on the committee and our friends on the House will help their fellow Americans in the territories when the vote comes on this issue, and say "no" to this small mindedness. Say "no" to this kind of meanness, because this is not some act of great benevolence that you are throwing huge amounts of money before some poor, destitute people. This is money to help American citizens get a decent education.

□ 1410

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. DE LUGO. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, referring to us as "mean people"?

Mr. DE LUGO. Reclaiming my time, Mr. Chairman, I did not refer to anyone as "mean."

I said that it was a mean-spirited act. I stand by those words.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think we ought to stick to the issue instead of throwing darts. When we talk about small-mindedness and meanness, benevolence, I would remind my colleague from the Virgin Islands that it was the President himself who said that this money was not being used wisely, that he wanted to take it out himself, President Clinton. And I take a look at other votes.

The reason this gentleman has a little bit of problem is, we are coming up before the committee and asking not only in other areas but in every area that we take away the money for those that are not Americans, truly. The people from the territories are Americans, but there are a lot of people in this country that are impacting our education and crime and other things that are illegal.

I would like the gentleman's support when we come up with amendments to take those kinds of moneys away so that we will have money for Americans, as the gentleman says.

Second, besides illegal immigration, we look at foreign aid. I agree with the gentleman. We have got too much money going overseas. We have got too much money going to Russia. The only good money, I think, that we do have going to Russia is the elimination, through Nunn-Lugar, where we are doing away with nuclear weapons. But the rest of it we should do away with and focus on the educational programs here.

But when money is not being used effectively, and I would ask the gentleman from the Virgin Islands, does he pay Federal taxes on the same rate that we do here in the United States?

Mr. DE LUGO. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from the Virgin Islands.

Mr. DE LUGO. Mr. Chairman, I served in the military at the same rate.

Mr. CUNNINGHAM. Mr. Chairman, I repeat my question, do the people of the Virgin Islands in the territories pay Federal taxes as we do the same rate here in the United States?

Mr. DE LUGO. Mr. Chairman, the territories do not have a vote in this House.

Mr. CUNNINGHAM. Mr. Chairman, I am asking the gentleman a direct question.

Mr. DE LUGO. Mr. Chairman, what is the question.

Mr. CUNNINGHAM. Does the gentleman pay Federal taxes at the same rate in the territories as we do here in the United States?

Mr. DE LUGO. Mr. Chairman, yes, we pay taxes at the very same rate. It is called the mirror theory.

We pay identical taxes that the gentleman pays here on the mainland, the mirror theory.

Mr. CUNNINGHAM. Maybe this gentleman is misinformed on the Federal tax issue.

Mr. DE LUGO. I pay just as much, the same rate, as the gentleman does. I am a resident of the Virgin Islands.

Mr. CUNNINGHAM. Let me ask this. When the gentleman pays those taxes, does it come to the Federal Treasury or does it go back to the islands? Maybe when the gentleman says that it is a priority of the poorest of the poor, maybe they ought to put the priority on education in their own territory and put those funds where they best do the good.

If we take our Federal moneys and support education, then maybe the gentleman from the Virgin Islands should, too.

Mr. SERRANO. Mr. Chairman, I move to strike the requisite number of words.

Let us first, for the record, state that there are no mean Members in this House. There are just mean amendments. There are certainly not mean-spirited Members in this House. There are just mean-spirited amendments. But there are cheap tricks and cheap shots in this society.

I think it is very easy to refer to the people who are American citizens as "those people in the territories." I think what we have to do around here is to begin to pay more attention to the language we use, if indeed we are not intending to use that language, or admit that the language we use is the language we intend to use.

The fact of life is that, as has been said here, the Members who represent the territories are at a disadvantage. This is not to make them seem inferior, but on this floor, in some ways, they are. They cannot vote and, therefore, nobody counts their vote when putting together votes. Therefore, it is very easy to get up and single them out.

Second, when we have a Member who I respect get up and say, maybe the gentleman should set certain priorities in his territory, that gives the impression that we are talking about a foreign country far away that has nothing to do with us.

I think we need every so often to do a little history here and to understand who we are as a nation and why we have territories. We have the territory, in some cases, because we purchased it from somebody. And we have the territory, which I was born in, because we invaded it. We invaded it in 1898, and we have not left yet. We invaded it in 1898, we have not removed the troops yet.

Now, I feel a special pain when I have to speak on this issue, because I look to my right at the gentleman from the Virgin Islands [Mr. DE LUGO], and I look to my left at the gentleman from Guam [Mr. UNDERWOOD], and I look at the gentleman from California [Mr. BECERRA], and I look at my brother, the gentleman from American Samoa [Mr. FALEOMAVAEGA], and I say, if I had not moved to New York, I would be in their same situation. For the life of me, I do not understand this arrangement we have with our territories that says if I move from New York back to Puerto Rico, I cannot vote for my Commander in Chief. I cannot have a voice in this House. And not only that, but I have a very limited amount of power to defend myself when mean amendments come from very nice Members, when very nice Members are so misguided, confused, and intolerant at times to bring amendments that single out for $5 million.

Granted, $5 million in my pocket would be a lot of money; $5 million in this kind of budget, in this kind of a program, we are talking peanuts.

Why are we singling that out, I do not understand.

But we do understand, do we not. It is the fact that they cannot vote to defend themselves. It is the fact that half the American people think we are talking about foreign aid, and it is the fact that they have not gotten their house in order according to us.

Perhaps it is time that we got our House in order and understood how these territories came to be and understood that all these folks are asking for is for the opportunity to treat American citizens with some dignity and some respect.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. SERRANO. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, as I mentioned earlier in this debate, the territories get money off of the top in at least four different programs. The point that we are making in this debate is about one additional program.

We talk about this mean amendment. Let me reiterate, it was President Clinton who said that we should not reauthorize this program.

Mr. SERRANO. Mr. Chairman, let me tell the gentleman, I am very happy to see that he has now become a follower of the President and that he will probably do so on other votes on the floor. That holds very little water with us.

Mr. BOEHNER. Mr. Chairman, if the gentleman will continue to yield, every once and awhile, he is right.

Mr. SERRANO. There are things that come to this floor that we change. There are things that come to committee that we change. There are some space shuttles here that we could go after. There are some bombs we could go after. There are some airplanes that cost $800 million that we could go after. Why we go after $5 million for American citizens who simply want something that resembles equal educational opportunities is beyond me.

I would hope, sir, that either today or in the future we would reconsider these kinds of amendments and at least put them on Members that can vote with the equal amount of vote on the floor rather than take this kind of a shot.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Once again, I am a little disturbed at the way the debate has deteriorated here, because it seems to me that we are tossing around the terms of "meanness" and "mean-spiritedness," when in fact there are legitimate issues here to be raised.

The gentleman who just spoke referred to this as being nothing, $5 million.

It is nothing? That is every dime of taxes paid by 1,000 American working families. They think that is a good bit of money. It is not nothing to them. That is every dime that they work to pay into the Federal Government, and in many cases, when we look at their tax burden, those middle-class families, about half of all the money they are making is going to one kind of tax or another, including the $5,000 or so that they pay in their Federal taxes.

They think that is a lot of money, and they think it is something that maybe we ought to look at and examine, when we have these issues on the floor.

As the gentleman from Ohio pointed out, it is something that was understood when the President was putting together his budget.

□ 1440

I do not think the President put together a mean spirited budget. He put together a budget where I do not agree with some of his priorities. I do agree with some of his priorities. The fact is that these are budget priorities that we have to deal with, not in a sense of whether they are mean spirited but in the sense of whether or not they are things we can afford.

One of the things the President said we cannot afford at this point is to spend this money. One of the reasons for is that is because there are in fact revenue streams that are far different than what they have been portrayed on the floor.

One of the gentleman said a moment ago they pay exactly the same rate of Federal tax as everybody else does. That is true, but all the tax stays in the territory. I wish my State could do that. I wish my State could take every dime of tax that was collected for the Federal Government in the State and keep it in the State.

I will tell the Members, we would have a real nice time in our State dealing with education and a lot of that if we could do it that way, but instead, what the gentleman wants to do is keep all the money he collects in taxes in his State and then take some of the money collected in my State and spend it in the territories.

When the gentleman is making that kind of decision, we have an obligation here to decide whether or not that is the way we want to prioritize the money. That is all we are doing here. That is not mean spirited. That is in fact in the best traditions of the House, deciding what we regard as priorities within the spending we do.

In this case the gentleman from Ohio [Mr. BOEHNER] is defending a position that the President of the United States has endorsed. I would hope that this House would take that seriously, because it seems to me it is something that we have to make as a real determination here, if we want to be real in terms of funding.

As I say, I am a little tired of hearing middle class Americans who day in and day out suffer and sweat in order to pay their taxes portrayed here as not doing enough and as being mean spirited when they want their money spent the right way.

Mr. BECERRA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will only be brief because I think the arguments have been made on both sides, but I must say to my colleagues, and perhaps more to the people that are watching this on their television sets, that it is very sad when we get to the point on the floor of this House that we are debating whether or not to provide some money for children who need to be educated, whether they are here in the State we live in or whether they are in a territory that we occupy and we live with these individuals, whether they are in the Virgin Islands, any other place, any other commonwealth.

What we have to understand, I hope, on this floor is what most people understand in their daily existence as they come home and they see their children. We need to educate people because these are the people that will be providing the moneys when we retire. It just seems to make no sense to me to talk about extracting $5 million from a program that has shown success for children, for children who will, if they have to, serve in war to defend this country, for children who will, if called upon, provide tax dollars for people in this country, for children who will, when they grow up and become doctors, lawyers, teachers, provide the services that our children will need in the future.

For us to be talking about depriving these children of a few dollars, and it is a few, given what we do, when I think about what happened in Los Angeles in the earthquake, and the fact that in an emergency earthquake bill we included along with earthquake dollars $1.2 billion, not $5 million, $1.2 billion for the military at a time when we were trying to allocate moneys for those suffering from the earthquake, I find it ironic that here we are talking about extracting $5 million for children in programs that we know have worked.

Mr. CUNNINGHAM. Would my friend, the gentleman from California, yield?

Mr. BECERRA. I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank my friend, the gentleman from California, for yielding to me.

I think what we are trying to say on this side of the aisle, and I know this Member, is that if the gentleman is keeping those tax dollars in the territories, that we would ask that those tax dollars go for the priority that the gentleman is asking for in education. I have been in Guam and I know how poor it is in Guam. I have been in the Virgin Islands. It is not quite so much. I know there is need there.

However, at the same time, if we can focus on programs that the gentleman is receiving from the other four programs, we are not trying to take money away from children, but to focus on the programs in education, that is doing exactly what the gentleman from California is saying.

I think that is our problem. We do not feel this is effective, and the President did not feel it was effective, and those tax dollars kept in the islands should be prioritized better.

Mr. BECERRA. I appreciate the remarks of the gentleman from California [Mr. CUNNINGHAM], my colleague, in his response. However, I must tell the gentleman in all sincerity that we somehow believe, or seem to believe, that people who live in the Virgin Islands or people who are living in Guam or people who live in Samoa or people who live in Puerto Rico somehow never contribute, because they happen to live outside the 48 States or the 2 States that happen to be removed from the contiguous United States.

That is not the case. These are people like the gentleman standing right next to me, who has constantly contributed. Whether he is a Member of this Congress or not, he has contributed.

I think we should recognize that there are children in the Virgin Islands and in other territories that will contribute. For us to say that we are going to save $5 million, and at the same time we are talking about depriving these children of a chance to become educated in an area, a territory that we are responsible for, seems very mean spirited.

Mr. DE LUGO. Will the gentleman yield?

Mr. BECERRA. I yield to the gentleman from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. I thank the gentleman for yielding.

Let me say to the gentleman from California [Mr. CUNNINGHAM] that at this point we spend over one-quarter of our total budget for education in the Virgin Islands. The largest single percentage goes toward education, but it is not enough.

Now as for the tax money, these are territories. This is a constitutional question, and a question that has been decided by this House. If the gentleman gives the Representatives from the territories a vote in this House, if we had the power to vote for our Commander in Chief when we go and fight and die for our country, then it would be different.

However, this Nation has decided that when we do not allow its citizens to vote for the President, to vote for the Commander in Chief, when we do not allow our citizens to have a real, meaningful role in this House, they will not pay taxes; they will pay at the same rate, but the taxes stay in the territory.

It is not much. It is not enough to run the territory, but that is where it stays. However, we need more help. That is what this is about. This is not a program that the President has opposed. This is a new program, and a needed program for all of the territories; $5 million used to be for the Virgin Islands alone. It was a different program. This is a $5 million program for all the territories.

Mr. HOEKSTRA. I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment, and yield to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Chairman, I would just respond that no one is questioning the integrity of the people from the territories. No one is trying to make this an argument between citizens of this country and citizens of the States versus the citizens of the territories. That is not the issue. Nor is it the issue that we are trying to eliminate funding from this bill going to the territories.

Let me remind the Members, under title I the territories are authorized for up to $70 million. Under chapter 2, they are authorized for $4.35 million. Under the Eisenhower program, they are authorized up to $4 million. What we are talking about here is $5 million for another new program to take the place of two old programs that the President wanted eliminated.

Mr. Chairman, we did this shell game earlier in the bill, where the President wanted to get rid of the follow through program, so we initiated another program, gave it a new title, but it is in fact the same program.

What we are doing here is, we are going to supply $5 million, if this issue stays in the bill, the same amount of money that they had authorized before, to the territories under a new name. The fact is, $5 million, it is enough. It is just time to say, "No, we are not going to dissect this bill into a million more pieces. This is one piece that we are going to try to keep out of the bill and keep some focus to what we are trying to accomplish in this reauthorization."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BOEHNER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOEHNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 220, not voting 16, as follows:

[Roll No. 44]

AYES—202

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barca
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chapman
Clinger
Coble
Collins (GA)
Combest
Condit
Cooper
Coppersmith
Costello
Cox
Cramer
Crapo
Cunningham
Deal
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hancock
Hansen
Harman
Hastert
Hefley
Herger
Hoagland
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson (SD)
Johnson, Sam
Kanjorski
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Laughlin
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Machtley
Mann
Manzullo
McCandless
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Minge
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Poshard
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Roth
Roukema
Rowland
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Thurman
Torkildsen
Upton
Valentine
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (FL)
Zeliff
Zimmer

NOES—220

Abercrombie
Ackerman
Andrews (NJ)
Applegate
Bacchus (FL)
Baesler
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Bereuter
Berman
Bishop
Blackwell
Bonior
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Danner
Darden
de Lugo (VI)
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (TX)
Engel
English
Eshoo
Evans
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hayes
Hefner
Hilliard
Hinchey
Hochbrueckner
Holden
Hoyer
Hughes
Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson, E. B.
Johnston
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Lehman
Levin
Lewis (GA)
Lloyd
Long
Lowey
Maloney
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pickett
Pickle
Pomeroy
Price (NC)
Rahall
Rangel
Reed
Richardson
Roemer
Romero-Barcelo (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tejeda
Thompson
Thornton
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Velazquez
Vento
Visclosky
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (AK)

NOT VOTING—16

Andrews (ME)
Andrews (TX)
Borski
Brooks
Crane
de la Garza
Edwards (CA)
Gallo
Hastings
Natcher
Portman
Reynolds
Sundquist
Volkmer
Washington
Whitten

□ 1450

Messrs. ORTIZ, APPLEGATE, and BROWN of Ohio, and Ms. FURSE changed their vote from "aye" to "no."

Mr. McCOLLUM changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

"TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

"SEC. 4001. SHORT TITLE.

"This title may be cited as the 'Safe and Drug-Free Schools and Communities Act of 1994'.

"SEC. 4002. FINDINGS.

"The Congress finds as follows:

"(1) National Education Goal Six provides that by the year 2000, all schools in America will be free of drugs and violence and offer a disciplined environment that is conducive to learning.

"(2) The widespread illegal use of alcohol and other drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to their physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

"(3) Our Nation's schools and communities are increasingly plagued by violence and crime. Approximately three million thefts and violent crimes occur in or near our Nation's schools every year, the equivalent of more than 16,000 incidents per school day. Approximately one of every five high school students now carries a firearm, knife, or club on a regular basis.

"(4) The tragic consequences of violence and the illegal use of alcohol and drugs by students are felt not only by students and their families, but by their communities and the Nation, which can ill afford to lose their skills, talents, and vitality.

"(5) While use of illegal drugs is a serious problem among a minority of teenagers, alcohol use is far more widespread. The proportion of high school students using alcohol, though lower than a decade ago, remains unacceptably high. By the 8th grade, 70 percent of youth report having tried alcohol and by the 12th grade, about 88 percent have used alcohol. Alcohol use by young people can and does have adverse consequences for users, their families, communities, schools, and colleges.

"(6) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety and to reduce the demand for and use of drugs throughout the Nation. Schools and local organizations in communities throughout the Nation have a special responsibility to work together to combat the growing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

"(7) Students must take greater responsibility for their own well-being, health, and safety if schools and communities are to achieve their goals of providing a safe, disciplined, and drug-free learning environment.

"SEC. 4003. PURPOSE.

"The purpose of this title is to support programs to meet Goal Six of the National Educational Goals by preventing violence in and around schools and by strengthening programs that prevent the illegal use of alcohol and drugs, involve parents, and are coordinated with related Federal, State, and community efforts and resources, through the provision of Federal assistance to—

"(1) States for grants to local and intermediate educational agencies and consortia to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

"(2) States for grants to local and intermediate educational agencies and consortia for grants to, and contracts with, community-based organizations and other public and private non-profit agencies and organizations for programs of drug and violence prevention, early intervention, rehabilitation referral, and education;

"(3) States for development, training, technical assistance, and coordination activities;

"(4) public and private non-profit organizations to conduct training, demonstrations, and evaluation, and to provide supplementary services for the prevention of drug use and violence among students and youth; and

"(5) institutions of higher education for the development and implementation of model programs and strategies to promote the safety of students attending institutions of higher education by preventing violent behavior and the illegal use of alcohol and drugs by such students.

"SEC. 4004. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

"(1) for State grants under part A, $630,000,000 for fiscal year 1995 and such sums as may be necessary for each of fiscal years 1996 through 1999; and

"(2) for national programs under part B, $25,000,000 for fiscal year 1995 and such sums as may be necessary for each of fiscal years 1996 through 1999.

"(b) AVAILABILITY.—(1) Appropriations for any fiscal year for payments made under this title in accordance with regulations of the Secretary may be made available for obligation or expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

"(2) Funds appropriated for any fiscal year under this title shall remain available for obligation and expenditure until the end of the fiscal year succeeding the fiscal year for which such funds were appropriated.

"PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

"SEC. 4101. RESERVATIONS AND ALLOTMENTS.

"(a) RESERVATIONS.—From the amount appropriated for each fiscal year under section 5004(a)(1), the Secretary—

"(1) shall reserve 1 percent of such amount for grants under this part to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be allotted in accordance with their respective needs;

"(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

"(3) shall reserve 0.2 percent for programs for Native Hawaiians under section 5202; and

"(4) may reserve no more than $1,000,000 for the national impact evaluation required by section 5106(a).

"(b) STATE ALLOTMENTS.—(1) Except as provided under paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

"(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

"(B) one-half of such remainder according to the ratio between the amount each State received under section 1124 and 1124A of this Act for the preceding year (or, for fiscal year 1995 only, sections 1005 and 1006 of this Act as in effect on the day before enactment of the Safe and Drug-Free Schools and Communities Act Amendments of 1994) and the sum of such amounts received by all the States.

"(2) For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

"(3) The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within two years of such allotment. Such reallotments shall be made on the same basis as allotments made under paragraph (1).

"(4) For the purpose of this subsection, the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4102. STATE APPLICATIONS.

"(a) IN GENERAL.—In order to receive its allotment under section 5101 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

"(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted with its allotment under section 5101;

"(2)(A)(i) is integrated into the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that plan; and

"(ii) is submitted, if necessary, as an amendment to the State's plan under title III of the Goals 2000: Educate America Act; or

"(B) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan, is integrated with other State plans under this Act and satisfies the requirements of this section;

"(3) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the prevalence of drug use and violence by youth in schools and communities;

"(4) has been developed in consultation with the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State child welfare agency, and the heads of the State criminal and juvenile justice planning agencies;

"(5) contains a description of the procedures the State educational agency will use to review applications from local educational agencies under section 5104;

"(6) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 5106(a); and

"(7) includes any other information the Secretary may require.

"(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 5103(a) by the State educational agency that includes—

"(1) a statement of the State educational agency's measurable goals and objectives for drug and violence prevention and a description of the procedures it will use for assessing and publicly reporting progress toward meeting those goals and objectives;

"(2) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 5105;

"(3) a description of how the State educational agency will use funds it reserves under section 5103(b);

"(4) a description of how the State educational agency will coordinate its activities under this part with drug and violence prevention efforts of other State agencies; and

"(5) an explanation of the criteria the State educational agency will use to identify which local educational agencies receive supplemental funds under section 5103(d)(2)(A)(i)(II) and how the supplemental funds will be allocated among those local educational agencies.

"(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

"(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 1995 a one-year interim application and plan for the use of funds under this part that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review its application and comprehensive plan otherwise required by this section. A State may not receive a grant under this part for a fiscal year subsequent to fiscal year 1995 unless the Secretary has approved its application and comprehensive plan.

"SEC. 4103. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

"(a) USE OF FUNDS.—(1) Except as provided in paragraph (2), the total amount allocated to a State under section 5101 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

"(2)(A) If a State has, on or before January 1, 1994, established an independent State agency for the purpose of administering all of the funds described in section 5121 of this Act (as such section was in effect on the day before the date of the enactment of the Safe and Drug-Free Schools and Communities Act Amendments of 1994), then—

"(i) an amount equal to 70 percent of the total amount allocated to such State under section 5101 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section; and

"(ii) an amount equal to 30 percent of such total amount shall be used by such independent State agency for drug and violence prevention activities in accordance with section 5122 of this Act (as such section was in effect on the day before the date of the enactment of the Safe and Drug-Free Schools and Communities Act Amendments of 1994).

"(B) Not more than 2.5 percent of the amount reserved under subparagraph (A)(ii) may be used for administrative costs of the independent State agency incurred in carrying out the activities described in such subparagraph.

"(C) For purposes of this paragraph, the term 'independent State agency' means an independent agency with a board of directors or a cabinet level agency whose chief executive officer is appointed by the chief executive officer of the State and confirmed with the advice and consent of the senate of such State.

"(b) State Level Programs.—(1) A State educational agency shall use no more than five percent of the amount reserved under subsection (a) for activities such as—

"(A) training and technical assistance concerning drug and violence prevention for local and intermediate educational agencies, including teachers, administrators, counselors, coaches and athletic directors, other educational personnel, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

"(B) the development, identification, dissemination and evaluation of the most readily available, accurate, and up-to-date curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

"(C) demonstration projects in drug and violence prevention;

"(D) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this part; and

"(E) the evaluation of activities carried out within the State under this part.

"(2) A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

"(c) State Administration.—(1) A State educational agency may use no more than four percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

"(2) In administering its programs under this part, a State educational agency may not delegate or transfer any administrative functions in any manner to any other State entity.

"(d) Local Educational Agency Programs.—(1) A State educational agency shall distribute not less than 92 percent of the amount reserved under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

"(2)(A)(i) Of the amount distributed under subsection (d)(1), a State educational agency shall distribute—

"(I) 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private non-profit schools within their boundaries; and

"(II) 30 percent of such amount to local educational agencies that the State educational agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this part.

"(ii) To the extent practicable, not less than 25 percent of the amount specified in clause (i)(II) for a fiscal year shall be distributed to local educational agencies located in rural areas.

"(B)(i) A State educational agency shall distribute funds under subparagraph (A)(i)(II) to no more than ten percent of its local educational agencies, or five such agencies, whichever is greater.

"(ii) In determining which local educational agencies have the greatest need for additional funds, the State educational agency shall consider such factors as—

"(I) high rates of alcohol or other drug use among youth;

"(II) high rates of victimization of youth by violence and crime;

"(III) high rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

"(IV) the extent of illegal gang activity;

"(V) high rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

"(VI) high rates of referrals of youths to juvenile court;

"(VII) high rates of expulsions and suspensions of students from schools; and

"(VIII) high rates of reported cases of child abuse and domestic violence.

"(e) Reallocation of Funds.—If a local educational agency chooses not to apply to receive the amount allocated to it under subsection (d), or if its application under section 5104 is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of the local education agencies determined by the State educational agency under subsection (d)(2)(B) to have the greatest need for additional funds.

"(f) Return of Funds to State Educational Agency; Reallocation.—(1) Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency, intermediate educational agency, or consortium under this title receives its allocation under this title—

"(A) such agency or consortium shall return to the State educational agency any funds from such allocation that remain unobligated; and

"(B) the State educational agency shall reallocate any such amount to local educational agencies, intermediate educational agencies, or consortia that have plans for using such amount for programs or activities on a timely basis.

"(2) In any fiscal year, a local educational agency, intermediate educational agency, or consortium may retain for obligation in the succeeding fiscal year—

"(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

"(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

"SEC. 4104. LOCAL APPLICATIONS.

"(a) In General.—(1) In order to be eligible to receive an allocation under section 5103(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

"(2)(A) A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, appropriate state agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

"(B) In addition to assisting the local educational agency to develop its application under this section, the advisory council established or designated under paragraph (2)(A) shall, on an on-going basis—

"(i) disseminate information about drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

"(ii) advise the local educational agency on how best to coordinate its activities under this part with other related programs, projects, and activities, including community service and service learning projects, and the agencies that administer them; and

"(iii) review program evaluations and other relevant material and make recommendations to the local educational agency on how to improve its drug and violence prevention programs.

"(b) Contents of Applications.—An application under this section shall contain—

"(1) an assessment of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

"(2) a detailed explanation of the local educational agency's comprehensive plan for drug and violence prevention, which shall include a description of—

"(A) how that plan is consistent with, and promotes the goals in, the State's application under section 5102 and the local educational agency's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, or, if the local educational agency does not have such an approved plan and is not developing one, its plan under section 1112 of this Act;

"(B) the local educational agency's measurable goals for drug and violence prevention, and a description of how it will assess and publicly report progress toward attaining these goals;

"(C) the local educational agency's comprehensive plan for programs to be carried out under this part;

"(D) how the local educational agency will use its regular allocation under section 5103(d)(2)(A)(i)(I) and its supplemental allocation, if any, under section 5103(d)(2)(A)(i)(II);

"(E) how the local educational agency will coordinate its programs and projects with community-wide efforts to achieve its goals for drug and violence prevention; and

"(F) how the local education agency will coordinate its programs and projects with other Federal, State, and local programs for drug-abuse prevention, including health programs; and

"(3) such other information and assurances as the State educational agency may reasonably require.

"(c) REVIEW OF APPLICATION.—(1) In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

"(2)(A) In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(2) and the extent to which it is consistent with, and supports, the State's application under section 5102 and the State's plan under the Goals 2000: Educate America Act, and, if the State does not have such a plan, its plan under section 1111 of this Act.

"(B) A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part or the State's plan under the Goals 2000: Educate America Act, and, if the State does not have such a plan, its plan under section 1111 of this Act, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

"SEC. 4105. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

"(a) PROGRAM REQUIREMENTS.—A local educational agency shall use funds received under this part to adopt and carry out a comprehensive drug and violence prevention program which shall—

"(1) be designed, for all students and employees, to—

"(A) prevent the use, possession, and distribution of tobacco, alcohol and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by employees;

"(B) prevent violence and promote school safety; and

"(C) create a disciplined environment conducive to learning;

"(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs assessments, goals, and programs under this part; and

"(3) include community-based prevention and education activities in accordance with the requirements of subsection (c).

"(b) AUTHORIZED ACTIVITIES.—A comprehensive drug and violence prevention program carried out under this part may include—

"(1) age-appropriate, developmentally based drug prevention and education programs for all students, from the preschool level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

"(2) programs of drug prevention, comprehensive health education, early intervention, counseling, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

"(A) the dissemination of information about drug prevention;

"(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, counseling or rehabilitation referral;

"(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol and other drug use, such as—

"(i) family counseling;

"(ii) early intervention activities that prevent family dysfunction, enhance school performance, and boost attachment to school and family; and

"(iii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

"(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health, personal, and social consequences of violent and disruptive behavior, including sexual harassment, and that include activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without violence;

"(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

"(A) the dissemination of information about school safety and discipline;

"(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

"(C) the implementation of strategies, such as conflict resolution and peer mediation and the use of mentoring programs, to combat school violence and other forms of disruptive behavior, such as sexual harassment; and

"(D) comprehensive, community-wide strategies to prevent or reduce illegal gang activities;

"(5) subject to the requirements of the matter following paragraph (8), not more than one half of the cost of—

"(A) minor remodeling to promote security and reduce the risk of violence, such as removing lockers, installing better lights, and upgrading locks; and

"(B) acquiring and installing metal detectors and hiring security personnel;

"(6) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings; and

"(7) drug abuse resistance education programs, designed to teach students to recognize and resist pressures to use alcohol or other drugs, which may include activities such as classroom instruction by uniformed law enforcement officers, resistance techniques, resistance to peer pressure and gang pressure, and provision for parental involvement;

"(8) the evaluation of any of the activities authorized under this subsection.

A local educational agency may use no more than 33 percent of the funds it receives under this part for any fiscal year for the activities described in paragraph (5).

"(c) COMMUNITY-BASED PREVENTION ACTIVITIES.—(1) A local educational agency shall expend not less than 21 percent of the funds received under this part on grants or contracts with parent groups, community action and job training agencies, community-based organizations, and other public entities and private nonprofit organizations. Such grants or contracts shall support community-based drug abuse and violence prevention programs and activities described in paragraph (2). In awarding such grants or contracts, the local educational agency shall give priority to programs of demonstrated effectiveness and programs which have previously received assistance under section 5122 of the Drug-Free Schools and Communities Act of 1986.

"(2) Grants and contracts under paragraph (1) shall be used for programs and activities such as—

"(A) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training, community service and service learning projects, law enforcement, health, mental health, and other appropriate services;

"(B) planning and implementing drug and violence prevention activities that coordinate the efforts of community-based agencies with those of the local educational agency;

"(C) activities to protect students traveling to and from school;

"(D) developing and implementing strategies to prevent illegal gang activity;

"(E) coordinating and conducting community-wide violence and safety assessments and surveys; and

"(F) programs and activities which address the needs of children and youth who are not normally served by the local educational agency, including preschoolers, dropouts, youth in juvenile detention facilities, and runaways or homeless children and youth;

"(G) disseminating information about drug and violence prevention;

"(H) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, education, early intervention, counseling, or rehabilitation referral; and

"(I) before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings.

"(d) ADMINISTRATIVE PROVISIONS.—Notwithstanding any other provisions of law, any funds expended prior to July 1, 1995, under part B of the Drug-Free Schools and Communities Act of 1986 (as in effect prior to enactment of the Improving America's Schools Act) for the support of a comprehensive school health program shall be deemed to have been authorized by part B of such Act.

"SEC. 4106. EVALUATION AND REPORTING.

"(a) NATIONAL IMPACT EVALUATION.—The Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall conduct an independent biennial evaluation of the national impact of programs under this part and submit a report of the findings of such evaluation to the President and the Congress.

"(b) STATE REPORT.—(1) By October 1, 1997, and every third year thereafter, the State educational agency shall submit to the Secretary a report—

"(A) on the implementation and outcomes of State programs under section 5103(b) and local programs under section 5103(d), as well as an assessment of their effectiveness; and

"(B) on the State's progress toward attaining its goals for drug and violence prevention under section 5103(b)(1).

"(2) The report required by this subsection shall be—

"(A) in the form specified by the Secretary;

"(B) based on the State's on-going evaluation activities, and shall include data on the prevalence of drug use and violence by youth in schools and communities; and

"(C) made readily available to the public.

"(c) LOCAL EDUCATIONAL AGENCY REPORT.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency whatever information, and at whatever intervals, the State requires to complete the State report required by subsection (b), including information on the prevalence of drug use and violence by youth in the schools and the community. Such information shall be made readily available to the public.

"PART B—NATIONAL PROGRAMS

"SEC. 4201. FEDERAL ACTIVITIES.

"(a) PROGRAM AUTHORIZED.—From funds appropriated under section 5004(a)(2), the Secretary of Education, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels, preschool through postsecondary. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

"(1) the development and demonstration of innovative strategies for training school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

"(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention that are carried out in cooperation with other Federal agencies, including the Department of Health and Human Services, the Department of Justice, the Department of Housing and Urban Development, and the Department of Labor;

"(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 509 of the Public Health Service Act;

"(4) the development, dissemination, and implementation of model programs and strategies to promote the safety of students attending institutions of higher education by preventing violent behavior and the illegal use of alcohol and other drugs by such students;

"(5) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary school children;

"(6) program evaluations that address issues not addressed under section 5106(a);

"(7) direct services to schools and school systems afflicted with especially severe drug and violence problems;

"(8) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

"(9) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

"(10) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

"(11) the implementation of innovative activities, such as community service projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility.

"(12) other activities that meet unmet national needs related to the purposes of this title; and

"(13) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking.

"(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

"SEC. 4202. PROGRAMS FOR NATIVE HAWAIIANS.

"(a) GENERAL AUTHORITY.—From the funds reserved pursuant to section 5101(a)(3), the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this for the benefit of Native Hawaiians.

"(b) DEFINITION OF 'NATIVE HAWAIIAN'.—For the purposes of this section, the term 'Native Hawaiian' means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

"PART C—GENERAL PROVISIONS

"SEC. 4301. DEFINITIONS.

"For the purposes of this title, the following terms have the following meanings:

"(1) The term 'drug and violence prevention' means—

"(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol, the use of tobacco and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids; and

"(B) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

"(2) The term 'nonprofit', as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(3) The term 'school-aged population' means the population aged five through 17, inclusive, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

"(4) The term 'school personnel' includes teachers, administrators, guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

"SEC. 4302. MATERIALS.

"(a) 'WRONG AND HARMFUL' MESSAGE.—Drug prevention programs supported under this title shall convey a clear and consistent message that the illegal use of alcohol and other drugs is wrong and harmful.

"(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this title, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

"SEC. 4303. PROHIBITED USES OF FUNDS.

"No funds under this title may be used for—

"(1) construction (except for minor remodeling needed to accomplish the purposes of this title);

"(2) drug treatment or rehabilitation; and

"(3) psychiatric, psychological, or other medical treatment or rehabilitation, other than school-based counseling for students or school personnel who are victims or witnesses of school-related crime.

"SEC. 4304. CERTIFICATION OF DRUG AND ALCOHOL ABUSE PREVENTION PROGRAMS.

"(a) IN GENERAL.—Notwithstanding any other provision of law other than section 432 of the General Education Provisions Act and section 103(b) of the Department of Education Organization Act, no local educational agency shall be eligible to receive funds or any other form of financial assistance under any Federal program unless it certifies to the State educational agency that it has adopted and has implemented a program to prevent the use of illicit drugs and alcohol by students or employees that, at a minimum, includes—

"(1) age-appropriate, developmentally based drug and alcohol education and prevention programs (which address the legal, social, and health consequences of drug and alcohol use and which provide information about effective techniques for resisting peer pressure to use illicit drugs or alcohol) for students in all grades of the schools operated or served by the applicant, from early childhood level through grade 12;

"(2) conveying to students that the use of illicit drugs and the unlawful possession and use of alcohol is wrong and harmful;

"(3) standards of conduct that are applicable to students and employees in all the applicant's schools and that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on school premises or as part of any of its activities;

"(4) a clear statement that sanctions (consistent with local, State, and Federal law), up to and including expulsion or termination of employment and referral for prosecution, will be imposed on students and employees who violate the standards of conduct required by paragraph (3) and a description of those sanctions;

"(5) information about any available drug and alcohol counseling and rehabilitation and re-entry programs that are available to students and employees;

"(6) a requirement that parents, students, and employees be given a copy of the standards of conduct required by paragraph (3) and the statement of sanctions required by paragraph (4);

"(7) notifying parents, students, and employees that compliance with the standards of conduct required by paragraph (3) is mandatory; and

"(8) a biennial review by the applicant of its program to—

"(A) determine its effectiveness and implement changes to the program if they are needed; and

"(B) ensure that the sanctions required by paragraph (4) are consistently enforced.

"(b) Dissemination of Information.—Each local educational agency that provides the certification required by subsection (a) shall, upon request, make available to the Secretary, the State educational agency, and to the public full information about the elements of its program required by subsection (a), including the results of its biennial review.

"(c) Certification to Secretary.—Each State educational agency shall certify to the Secretary that it has adopted and has implemented a program to prevent the use of illicit drugs and the abuse of alcohol by its students and employees that is consistent with the program required by subsection (a) of this section. The State educational agency shall, upon request, make available to the Secretary and to the public full information about the elements of its program.

"(d) Regulations.—(1) The Secretary shall publish regulations to implement and enforce the provisions of this section, including regulations that provide for—

"(A) the periodic review by State educational agencies of a representative sample of programs required by subsection (a); and

"(B) a range of responses and sanctions for local educational agencies that fail to implement their programs or to consistently enforce their sanctions, including information and technical assistance, the development of a compliance agreement, and the termination of any form of Federal financial assistance.

"(2) The sanctions required by subsection (a)(1)(4) may include the completion of an appropriate rehabilitation program.

"(e) Appeal Regarding Termination of Assistance.—Upon a determination by the Secretary to terminate financial assistance to any local educational agency under this section, the agency may file an appeal with an administrative law judge before the expiration of the 30-day period beginning on the date such agency is notified of the decision to terminate financial assistance under this section. Such judge shall hold a hearing with respect to such termination of assistance before the expiration of the 45-day period beginning on the date that such appeal is filed. Such judge may extend such 45-day period upon a motion by the agency concerned. The decision of the judge with respect to such termination shall be considered to be a final agency action.".

The CHAIRMAN. Are there amendments to title IV?

AMENDMENT OFFERED BY MR. BARRETT OF NEBRASKA

Mr. BARRETT of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Barrett of Nebraska:

—Page 413, strike line 14 and all that follows through line 17.

—Page 413, line 18, strike "(2)" and insert "(1)".

—Page 414, line 6, strike "(3)" and insert "(2)".

—Page 414, line 12, strike "(4)" and insert "(3)".

—Page 414, line 18, strike "(5)" and insert "(4)".

—Page 414, line 22, strike "(6)" and insert "(5)".

—Page 415, line 1, strike "(7)" and insert "(6)".

—Page 416, after line 4, insert the following:

"(c) Governor's Funds.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4103A by the chief executive officer that includes—

"(1) a statement of the chief executive officer's measurable goals and objectives for drug and violence prevention and a description of the procedures to be used for assessing and publicly reporting progress toward meeting those goals and objectives;

"(2) a description of how the chief executive officer will coordinate his or her activities under this part with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

"(3) a description of how funds reserved under section 4103A will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services and how those funds will be used to serve populations not normally served by the State educational agency, such as school dropouts and youth in detention centers;

"(4) a description of how the chief executive officer will award funds under section 4103A and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds; and

"(5) a description of how funds will be used to support community-wide comprehensive drug and violence prevention planning.

—Page 416, line 24, strike "the total amount" and insert "an amount equal to 80 percent of the total amount".

—Page 419, line 14, strike "(1)".

—Page 419, strike line 18 and all that follows through line 21.

—Page 422, after line 21, insert the following:

"SEC. 4103A. GOVERNOR'S PROGRAMS.

"(a) Use of Funds.—(1) An amount equal to 20 percent of the total amount allocated to a State under section 4101 for each fiscal year shall be used by the chief executive officer of such State for drug and violence prevention programs and activities in accordance with this section.

"(2) A chief executive officer shall use not less than 10 percent of the 20 percent of the total amount described in paragraph (1) for each fiscal year for drug abuse resistance education programs in accordance with subsection (e).

"(3) A chief executive officer may use no more than five percent of the 20 percent of the total amount described in paragraph (1) for the administrative costs incurred in carrying out the duties of such officer under this section.

"(b) Advisory Panel.—

"(1) Establishment.—

"(A) In general.—Except as provided in subparagraph (B), a chief executive officer shall establish an advisory panel in accordance with this subsection for the purpose of developing a plan for the use of funds reserved under subsection (a)(1).

"(B) Exception.—The chief executive officer of a State shall be exempt from the requirement under subparagraph (A) if such State, on or before January 1, 1994, has established an independent agency as described in section 4103(a)(2)(A).

"(2) Plan.—The advisory panel established under paragraph (1) shall develop a plan under which—

"(A) existing drug and violence prevention programs, projects, and activities in the State (including activities of the State educational agency and local educational agencies and community-based organizations) that are determined by the panel to be successful are continued, or, where appropriate, coordinated with new programs, projects, and activities established and carried out with funds reserved under subsection (a)(1); and

"(B) technical assistance and training is provided to local educational agencies, consortia of such agencies, and partnerships consisting of such agencies and community-based organizations, for drug and violence prevention, community outreach, and mobilization and coordination of alcohol, tobacco, and other drug prevention programming.

"(3) Meetings.—The advisory panel shall meet at least once every 2 years after the establishment of the plan described in paragraph (2) for the purpose of reviewing and evaluating the use of funds under this section.

"(4) Membership.—

"(A) In general.—The advisory panel shall consist of not less than 9 members, but not more than 12 members, including the chief executive officer of the State (or the designee of such chief executive officer) and at least 1 individual appointed by such chief executive officer from each of the following categories:

"(i) Parents.

"(ii) Students.

"(iii) Chief state school officers (or their designees).

"(iv) School administrators or teachers.

"(v) Substance abuse prevention workers or administrators.

"(vi) Community-based providers.

"(viii) Law enforcement officers or district attorneys.

"(ix) Mayors, city councilpersons, or county commissioners.

"(B) Political affiliation.—Not more than ½ of the members of the advisory panel may be of the same political party.

"(C) Compensation.—Members of the advisory panel shall serve without pay.

"(5) Administrative expenses.—The administrative expenses of the advisory panel shall be paid for from the State administrative funds under subsection (a)(2)

"(c) Programs Authorized.—(1) A chief executive officer shall use funds reserved under subsection (a)(1) for grants to or contracts with parent groups, community action and job training agencies, community-based organizations, and other public entities and private nonprofit organizations. Such grants or contracts shall support programs and activities described in subsection (d) for children and youth who are not normally served by State or local educational agencies, for populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, and dropouts), or both.

"(2) Grants or contracts awarded under this subsection shall be subject to a peer review process.

"(d) Authorized Activities.—Grants and contracts under subsection (c) shall be used for programs and activities such as—

"(1) disseminating information about drug and violence prevention;

"(2) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, education, early intervention, counseling, or rehabilitation referral;

"(3) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training, law enforcement, health, mental health, and other appropriate services;

"(4) planning and implementing drug and violence prevention activities that coordinate the efforts of State agencies with those of the State educational agency and its local educational agencies;

"(5) activities to protect students traveling to and from school;

"(6) developing and implementing strategies to prevent illegal gang activity;

"(7) coordinating and conducting community-wide violence and safety assessments and surveys; and

"(8) evaluating programs and activities under this section.

"(e) DRUG ABUSE RESISTANCE EDUCATION PROGRAMS.—(1) A chief executive officer shall use funds reserved under subsection (a)(2) for grants to local educational agencies in consortium with entities which have experience in assisting school districts to provide instruction to students grades kindergarten through 6 to recognize and resist pressures that influence such students to use controlled substances, as defined in Schedules I and II of section 202 of the Controlled Substances Act the possession or distribution of which is unlawful under such Act, or beverage alcohol, such as Project Drug Abuse Resistance Education, that meet the requirements of paragraph (2).

"(2) A local educational agency in consortium with an entity shall not be eligible for a grant under paragraph (1) unless such local educational agency in consortium with an entity will use assistance provided under such grant to provide or arrange for the provision of services that shall include—

"(A) drug abuse resistance education instruction for students grades kindergarten through 6 that is designed to teach students to recognize and resist pressures to experiment that influence such children to use controlled substances, as defined under paragraph (1), or beverage alcohol, including instruction in the following areas—

"(i) drug use and misuse;

"(ii) understanding the consequences of drug abuse;

"(iii) resistance techniques;

"(iv) assertive response styles;

"(v) managing stress without taking drugs;

"(vi) decisionmaking and risk taking;

"(vii) media influences on drug use;

"(viii) positive alternatives to drug abuse behavior;

"(ix) interpersonal and communication skills;

"(x) self-esteem building activities; and

"(xi) resistance to peer pressure and gang pressure;

"(B) provisions for parental involvement;

"(C) classroom instruction by uniformed law enforcement officials;

"(D) the use of positive student leaders to influence younger students not to use drugs;

"(E) an emphasis on activity-oriented techniques designed to encourage student-generated responses to problem-solving situations; and

"(F) the awarding of a certificate of achievement to each student who participates in a drug abuse resistance education program.

"(3) Amounts received under paragraph (1) by any local educational agency or entity shall be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of projects of the type described in paragraph (2).

—Page 427, line 24, strike "under this part; and" and insert "under this part.".

—Page 428, strike line 1 and all that follows through line 3.

—Page 431, strike line 18 and all that follows through line 15 on page 433.

—Page 433, line 16, strike "(d)" and insert "(c)".

Mr. BARRETT of Nebraska. Mr. Chairman, this bipartisan amendment is straightforward and simple. It accomplishes five objectives.

First, it incorporates the administration's recommendations, by reserving 20 percent for the Governor's share of a State's drug-free dollars. Under current law, Governor's get 30 percent, subject to an appropriation's cap, of a State's drug-free dollars. The Governor's shares have been vital in providing effective, community-based drug abuse prevention and education.

Second, it would make the Governor's more accountable for this use of funds, by requiring Governors to convene a nonpartisan advisory committee of law enforcement officers, teachers, substance abuse counselors, students, community-based providers, and others to map out a plan for the Governor's use of these funds. This advisory committee would meet every 2 years to review and comment on the Governor's funding uses.

Third, it would strike from H.R. 6 the requirement that schools spend 21 percent of their funds for community-based programs. This is yet another mandate upon schools, and one that shouldn't be made because this is what the Governor's funds have been doing already.

Fourth, it would retain current law with respect to DARE the acronym for Drug Abuse Resistance Education. Currently, Governors must spend 10 percent of their share for DARE. Again, this amendment maintains that successful requirement.

And finally, this bipartisan amendment strikes from H.R. 6 the prohibition on contracting with other State agencies. Our bipartisan amendment will allow State agencies to coordinate their efforts, and deliver a more comprehensive approach to drug abuse education.

Mr. Chairman, the opponents to my amendment claim that H.R. 6 channels more money down to school districts to provide community-based services. But, what they don't tell you is that it mandates schools to provide these services.

Current law asks school districts to perform these types of services, and some school districts have—but some haven't. Schools are already hard pressed, complying with a multitude of other Federal and State mandates—not to mention the litany of new mandates that are being created elsewhere in H.R. 6.

I want to take this opportunity to thank the gentleman from Indiana [Mr. ROEMER] for his help. Mr. Chairman, this amendment is truly a bipartisan effort to help maintain effective statewide and community-based programs that are doing the job today in combating drug and alcohol abuse.

Mr. Chairman, the right approach to take to maintain coordinated, comprehensive, and effective drug abuse prevention programs is to support the Barrett/Roemer amendment. Every Member of this House should have received Dear Colleague letters, explaining what the sum of the Governors' shares have done in many States.

These examples should indicate the time and effort that States have taken to create effective programs—programs that cannot be duplicated at the local level because of the cost, expertise, and time that would be required to maintain these programs.

Some feel that this issue really comes down to whether you like your Governor or not. For me, that is not the case.

Nebraska's Governor is a Democrat, who is up for reelection this year. Now, I do not necessarily agree with Nebraska's Governor on many things, but on this issue we do agree and I like what he's done with the Governor's fund. He has continued effective programs that were created by his predecessor, a Republican, and has instituted new programs that are constructively addressing Nebraska's drug and alcohol abuse problem.

The question should not be about whether one likes the Governor of his or her State. The question is much more fundamental than that. It is a question of whether you want effective programs, that are today combating drug and alcohol abuse, or whether you want to kill these programs.

Now, the opponents will say that if these programs are effective, they will find the money somewhere—from other Federal funds. One just has to ask: What will happen to programs that are being funded by these other programs? They will be reduced.

We will then be debating, here on this floor, reasons why we should be increasing spending, simply because we eliminated current-funded drug-free programs.

Mr. Chairman, the Barrett/Roemer amendment is the only compromise. It is a compromise that parents want, prevention advocates want, and what the Governors want.

AMENDMENT OFFERED BY MR. OWENS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BARRETT OF NEBRASKA

Mr. OWENS. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. OWENS as a substitute for the amendment offered by Mr. BARRETT of Nebraska:

In section 101 of the bill, in section 4003 of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), strike paragraph (2) of such section 4003, and insert the following:

"(2) States for grants to, and contracts with, community-based organizations and other public and private nonprofit agencies and organizations for programs of drug and violence prevention, early intervention, rehabilitation referral, and education;

In section 101 of the bill, in paragraph (1) of section 4004(a) of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), strike the "and" at the end of such paragraph.

In section 101 of the bill, in paragraph (2) of section 4004(a) of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), strike the period at the end of such paragraph and insert "; and".

In section 101 of the bill, in subsection (a) of section 4004 of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), add at the end of such subsection the following new paragraph:

"(3) for State grants under part C, $100,000,000 for fiscal year 1995 and such sums as may be necessary for each of fiscal years 1996 through 1999.

In section 101 of the bill, in paragraph (1) of section 4105(c) of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), strike "shall expend not less than 21 percent" and insert "may expend not less than 21 percent".

In section 101 of the bill, after part B of title IV of the Elementary and Secondary Education Act of 1965 (as proposed to be added by such section 101), add the following new part (and make appropriate conforming amendments):

"PART C—GRANTS TO STATE GOVERNORS

"SEC. 4203. STATE ALLOTMENTS.

"(a) IN GENERAL.—The Secretary shall allot to the States the amount available for each fiscal year under section 4004(a)(3) on the basis of the following factors:

"(1) ½ of such amount shall be allotted among the States on the basis of the school-aged population of each State as compared to the total school-aged population of all the States.

"(2) ½ of such amount shall be allotted among the States on the basis of the amount each State received under sections 1124 and 1124A of this Act for the preceding year (or, with respect to fiscal year 1995, sections 1005 and 1006 of this Act, as in effect on the day before the date of the enactment of the Improving America's Schools Act of 1994) as compared to the sum total of such amounts received by all the States.

"(b) MINIMUM ALLOTMENT.—For any fiscal year, a State shall be allotted an amount under this section which is equal to at least 1 percent of the total amount allotted to all the States under this section.

"(c) REALLOTMENT.—The Secretary may reallot any amount of an allotment to a State under this section if the Secretary determines that such State will be unable to use such amount within two years of such allotment. Such reallotment shall be made on the same basis as allotments made under subsection (a).

"(d) STATE DEFINED.—For the purposes of this section, the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4204. STATE APPLICATIONS.

"(a) IN GENERAL.—In order to receive an allotment under section 4203(a) for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that contains a comprehensive plan for the use of funds under section 4205 by the chief executive officer that includes—

"(1) a statement of the chief executive officer's measurable goals and objectives for drug abuse and violence prevention and a description of the procedures to be used for assessing and publicly reporting progress toward meeting those goals and objectives;

"(2) a description of how the chief executive officer will coordinate activities under section 4205 with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

"(3) a description of how funds allotted under section 4203 will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services;

"(4) a description of how the chief executive officer will award funds under section 4205 and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds; and

"(5) a description of the special initiatives that will be undertaken with the funds allotted under section 4203 to assist those communities within the State which have the greatest need for drug and violence prevention assistance, as measured by objective factors which include—

"(A) high rates of alcohol or other drug abuse among youth;

"(B) high rates of victimization of youth by violence and crime;

"(C) high rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

"(D) the extent of illegal gang activity;

"(E) high rates of referrals of youth to drug and alcohol abuse treatment and rehabilitation programs;

"(F) high rates of referrals of youth to juvenile court;

"(G) high rates of expulsions and suspensions of students from schools; and

"(H) high rates of reported cases of child abuse and domestic violence;

"(6) a description of the special outreach efforts and other activities which will be undertaken to ensure the full participation of community-based organizations located in communities with high rates of poverty, as well as organizations which provide services to African-Americans, Hispanics, and other minorities; and

"(7) a description of how funds will be used to support community-wide comprehensive drug abuse and violence prevention planning.

"(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

"SEC. 4205. USE OF FUNDS.

"(a) IN GENERAL.—The amount allotted to a State under section 4203 for each fiscal year shall be used by the chief executive officer of such State for drug abuse and violence prevention programs and activities in accordance with this section.

"(b) STATE ADMINISTRATION.—A chief executive officer may use no more than 4 percent of the amount allotted under section 4203 for a fiscal year for the administrative costs incurred in carrying out the duties of such officer under this section.

"(c) PROGRAMS AUTHORIZED.—A chief executive officer shall use amounts allotted under section 4203 for a fiscal year for grants to, or contracts with, parent groups, community action and job training agencies, community-based organizations, and other public entities and private nonprofit organizations to support programs and activities such as—

"(1) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training, law enforcement, health, mental health, and other appropriate services;

"(2) planning and implementing drug and violence prevention activities that coordinate the efforts of community-based agencies with those of the local educational agency;

"(3) activities to protect students traveling to and from school;

"(4) developing and implementing strategies to prevent illegal gang activity;

"(5) coordinating and conducting community-wide violence and safety assessments and surveys;

"(6) programs and activities which address the needs of children and youth who are not normally served by the local educational agency, including preschoolers, dropouts, youth in juvenile detention facilities, and runaways or homeless children and youth;

"(7) disseminating information about drugs and violence prevention;

"(8) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug abuse and violence prevention, education, early intervention, counseling, or rehabilitation referral;

"(9) before- and after-school recreational, instructional, cultural, and artistic programs in supervised community settings; and

"(10) evaluating programs and activities carried out under this section.

Mr. OWENS. Mr. Chairman, this substitute would separately authorize $100 million for the Governor of each State to support community-based prevention drug and violence prevention activities. I am offering it as a compromise in an effort to try to resolve this contentious issue.

Members need to understand that the Drug-Free Schools and Communities Act is a program in serious trouble. Continuing questions about the effectiveness and accountability of this program have led to dramatic reductions in funding. Last year the Appropriations Committee cut the program by one-third; this year the House Budget Committee has recommended cutting another $100 million from the program.

To address these concerns, the committee has included significant new accountability requirements for school-based drug and violence prevention programs in the reauthorization. The education community has supported these changes.

This substitute is an effort to establish a comparable measure of accountability for community programs funded under the Governor's share of drug-free schools appropriations.

Under current law and under the Barrett amendment, the Governors receive a setaside off the top of total appropriations for the program. They do not have to demonstrate that their programs are effective; no matter what, they get their 20 percent.

Some Governors have clearly taken advantage of this free ride. Throughout the reauthorization process, the committee found it exceedingly difficult to obtain any information about how these funds were being expended in the States, much less whether they were being well-spent. The Department of Education did not have the information and several of the States we called were unable to provide us with it either. Millions of Federal dollars—and no one seems to know where it is going.

In recent weeks, we have learned more about how the Governors are using this money and heard about some impressive activities that are being supported. We have also, however, learned about some expenditures—such as the purchase of radar detectors for police departments—that are in clear violation of the statute and the regulations.

This substitute would end the free ride and separately authorize the Governors' program, assuring greater accountability for how these funds are expended.

I urge my colleagues to support this compromise substitute for the sake of the overall safe and Drug-Free Schools and Communities Act Program, we must end the free ride. Strong accountability must be demanded of all recipients of Federal funds.

□ 1500

AMENDMENT OFFERED BY MR. KILDEE TO THE AMENDMENT OFFERED BY MR. OWENS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BARRETT OF NEBRASKA

Mr. KILDEE. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. KILDEE to the amendment offered by Mr. OWENS as a substitute for the amendment offered by Mr. BARRETT of Nebraska: In section 4205 of the Elementary and Secondary Education Act of 1965, as proposed to be inserted by the substitute, add at the end the following new subsection:

"(d) DRUG ABUSE RESISTANCE EDUCATION PROGRAMS.—A chief executive officer shall use not less than 10 percent of the funds allotted under subsection (a) for a fiscal year for grants to local educational agencies in consortium with entities which have experience in assisting school districts to provide instruction to students grades kindergarten through 6 to recognize and resist pressures that influence such students to use controlled substances, as defined in Schedules I and II of section 202 of the Controlled Substances Act the possession or distribution of which is unlawful under such Act, or beverage alcohol, such as Project Drug Abuse Resistance Education.".

Mr. KILDEE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KILDEE. Mr. Chairman, my amendment to the substitute offered by the gentleman from New York [Mr. OWENS] is meant to protect a program of special interest to many Members in the House, including this Member. The Drug Abuse Resistance Education Program, commonly called DARE, has proven to be one of the best methods yet devised for preventing drug abuse and drug use among young people. My amendment continues the policy of current law. It sets aside a specific 10 percent of any funds appropriated for the use of Governors for the DARE Program.

DARE does work, Mr. Chairman. The DARE Program brings police officers into classrooms and school settings to work with students in grades K through 6. Those officers become teachers and counselors educating students in the physical, mental, and societal dangers of drug use. Officers teach young people how to recognize drugs and to avoid peer pressure and dangerous situations.

DARE goes beyond just say "no." DARE teaches young people how to say "no" and make it stick. DARE programs create positive relations between law enforcement officials and children in an environment children already find safe and friendly, the school.

DARE has been shown to have positive effects beyond the boundaries of the school and into the neighborhood. I have seen the DARE Program work in my district. The people are very supportive of it. The police officers, the teachers, the parents all say it is a program that really works.

Mr. Chairman, I urge the adoption of the amendment.

Mr. BARRETT of Nebraska. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. KILDEE] as a substitute for the amendment offered by the gentleman from New York [Mr. OWENS]. It appears to me that this amendment tries to put a new suit on a bad amendment. It tries to dress up the Owens amendment with DARE in an effort to wean support away from the Barrett-Roemer amendment. Why?

The Owens amendment creates a new authorization for Governors to receive funding under the Drug Free Schools and Communities Act. A new authorization. The Governors will have to ask the Appropriations Committee for new funding.

So I ask, Mr. Chairman, what guarantees are there that during the appropriations process, the Governor's funding would come anywhere close to the $100 million new authorization level. Then, what guarantees are there that current DARE programs would receive adequate funding or any funding at all? There are none.

I do not have to remind this House of the number of programs that have high authorization levels, but receive little or nothing in appropriations.

The only amendment that guarantees funding for the Governor's share and for DARE is the Barrett-Roemer amendment.

The Barrett-Roemer amendment maintains current law with respect to DARE funding. Under current law, DARE must receive 10 percent of the total amount the Governor receives under the Drug Free Schools and Communities Act. The Barrett-Roemer amendment, by maintaining current law is the only amendment that would guarantee that the Governors' share receive adequate funding, which guarantees that DARE receives adequate funding.

H.R. 6 authorizes $630 million for the drug-free schools State grant program. And, on top of that, if the Owens amendment is accepted, Governors would be authorized to receive $100 million.

So, under the Kildee amendment, to match the new authorization levels with current programs, Congress will have to appropriate full funding for both, the State share and the Governor's share. Congress would have to appropriate $361 million in new spending just to get what the Governor's fund and DARE receive today. A $361 million increase.

Is it realistic, in just 1 year, in order to maintain current programs, for Congress to appropriate another $361 million? I have a lot of faith in the ability of the Appropriations Committee to spend money, but even that committee has come face to face with budget realities. I don't think we can afford such an increase when we look at a number of other important programs.

And sadly, it will not be the Governor's who will suffer, or DARE, but the kids and communities that will become the tragic victims of the political sniping that's going on here today.

The Barrett-Roemer amendment does not ask for one new dime in spending. But, it would guarantee that the Governor's share and DARE continue to receive adequate funding to continue successful programs.

If you want to continue DARE, then vote against this amendment. If you want to continue DARE, and successful community-based programs, then vote "yes" on Barrett-Roemer.

I urge my colleagues to vote against this ill-fitting amendment.

□ 1510

Mr. ROEMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in opposition to the Owens-Kildee amendment to the Drug-Free Schools and Community Act and in support of the Barrett-Roemer amendment. While I appreciate the interest of both gentlemen in putting together good legislation and their concern for the DARE Program, I believe that if we continue along the lines of their perfecting amendments, the outcome will mean that we do not ensure that these programs will continue.

As many of my colleagues may know, under the current Drug-Free Schools and Communities Act, Governors are allowed to set aside 30 percent of the State allocation for statewide programs, including the DARE Program, the Drug Abuse Resistance Education Program. Unfortunately, H.R. 6, as reported by the committee, eliminates all funding for the Governors' programs. While in many instances I can understand the position that we should fund as much money as possible to the local level, I must disagree with this particular approach.

From the degree of efficiency, the Barrett-Roemer amendment would provide a much more efficient means to get the money directly to the programs for DARE and to fight drug abuse.

Let me give the Members a specific example. In Indiana, Governor Bayh has established the Governors' Commission for a Drug-Free Indiana which has 10 regional offices that help coordinate local efforts. This provides extensive coordination and collaboration efforts with local schools and with local community based efforts. H.R. 6 would eliminate this program and redistribute the Governors' money, which amounts to approximately $1 million by formula to 290 school districts. Each school district in Indiana would receive an additional $3,000 but would have to accomplish the task that the Governors' program traditionally met such as establishing cooperative agreements with community based organizations.

Second, there is flexibility, Mr. Chairman. In essence, this places more mandates on local agencies with little resources to meet these new demands. I have heard from many of my local school districts in Indiana, and they have said to me that they do not want the additional funding if it comes at the expense of the Governor's programs. They think Governor Bayh is doing a great job and he should keep this program going.

Last, there is accountability, Mr. Chairman. The Barrett-Roemer amendment instills more accountability into the Governors' programs by requiring Governors to establish a long-term plan for the initiatives. This plan would be subject to a peer review process at the State level.

Let me repeat this. Accountability, flexibility, and efficiency are all reasons by which we stood defeat the Kildee and Owens amendments and support the vote for the Barrett-Roemer proposal.

Finally, let me just respond to what the Owens-Kildee amendment would do. What that would do would be eventually to create a separate and duplicative program to fund the Governors' drug prevention initiatives. It is important to note that this program, with the proposed authorization at $100 million, is not provided for in the President's fiscal year 1995 budget request. The Department of Education furthermore has indicated that it does not intend to modify its budget to accommodate this new program. Therefore, it is unlikely that the funds will be made available for the Governors' programs even if the Owens-Kildee amendment is adopted. The Owens-Kildee amendment would ensure that local drug prevention programs like DARE currently supported by the Governors would eventually be eliminated.

Mr. Chairman, I urge my colleagues to support our amendment and to defeat the perfecting amendments.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it strikes me as very odd that for the first time since we passed the original alcohol and drug abuse education programs in the 1970's, we have Members on the floor who are normally beating their chests to prove how antidrug they are, now arguing for a position that cuts the resources to the drug programs, no matter what they call them or who controls the money.

The effect of the Barrett amendment taken in the context of the appropriations history of this legislation is to reduce. And the gentleman has, as a matter of fact, said he did not think we needed to spend more money on drug education and drug use prevention. Actually, the committee does not agree with that, and the subcommittee of the gentleman from New York [Mr. OWENS] which wrote this part of the legislation is now attempting to increase the total amount of the resources put into fighting drugs by setting up a $100 million pot of money that the Governors can use. And we do not even have in that amendment the restrictions that the Barrett amendment has in it on how the Governors spend it. But we feel that it is safe to let them do that because the Appropriations Committee each year will look at how the Governors are spending it. If they are buying radar detectors, I guess that will affect the amount of the appropriation. If they are running programs that will affect it, too.

The effect of the Owens amendment to the Barrett amendment is literally to add more than $20 million to the pot that the Governors now get. Now, after the committee acted on this, there was an awful lot of misleading information spread across the country, and many of us have heard that the DARE programs were endangered. Well, the gentleman from Indiana just told us that if we give the money to the Governors, they will continue to take care of DARE, but we have to trust that that is what they are going to do with it. Under the Kildee amendment, they do not have any choice. There will be a percentage set aside out of the money that goes to them that has to be sent to the DARE programs. He has guaranteed that the DARE programs would get the same kind of treatment that the Governors have been providing out of the drug program.

There is a very simple set of questions we have to ask ourselves on these votes. The first vote is going to occur on the amendment offered by the gentleman from Michigan [Mr. KILDEE] to guarantee a set-aside of money for the DARE Program. So we can either be for or against DARE, and it will be a clean-cut vote.

As to the sponsors of the Barrett amendment, the words, "dog in the manger," come to my mind, because they are suggesting that because they have the right way and the only way to do this, they do not want to have a guarantee for DARE to have a set-aside, and they do not want to take a chance that, in any way at all, this will enhance the possibility of getting the additional $100 million for the Governors and thereby increase the cost of this program.

The second thing we have to consider is this: That the Owens amendment, consistent with all of the other formulas in this legislation, drives the money, the bulk of the money, directly to the local school district and then relies on the local school district to make its own decision on what kind of a drug program is appropriate to that particular place. I submit that very few of us are willing to admit that the drug problems that our schools are dealing with in any way typify what goes on in other parts of the country. There are drugs in use on the west coast that Michigan has not discovered yet, and when they discover them, they will start dealing with them. But we do not need a one-size-fits-all kind of a drug program that centralizes control. We ought to trust local people.

We have been listening to Members since this bill came to the floor. They have said, "Don't put these mandates on local school boards. Let them make the decisions." That is what we are asking the Members to do here. Let us not cut off the money at the State capital level. Let us send it through the local school district and let them, without intervention, have their share of the money and spend it on what they believe to be the most appropriate drug education program for their individual school district.

□ 1520

Finally, Mr. Chairman, if you want to support the DARE program, if you want to increase our efforts in fighting drugs with young people, and if you want to support the idea that people closest to the kids in their own community know best what their kids are subjected to as risks and are best able to deal with it, then you should support first the Kildee amendment, and then after adopting that, vote for the Owens amendment, and then after adopting that, vote for the Barrett amendment.

The Owens amendment would be offered as an alternative to Mr. BARRETT's amendment. It would authorize a Governor's program under DFSCA, but as a separate authorization of $100 million. It contains few limits on the Governors' program and no set-aside for DARE.

The amendment authorizes $100 million for the Governors to use for programs essentially the same as in current law; there is no set-aside for DARE; and it leaves more Governor's discretion, since does not require a Policy Board;

The amendment maintains the idea that education funds should be controlled by LEA's, and that the needs to be addressed and programs to be carried out should be established locally;

The amendment maintains the ability of the Governors to get involved in this area, but will require them to do some work to get the money from the Appropriations Committees;

The amendment creates a clearly defined separate program, which will be easier to monitor and oversee and less subject to abuse;

The amendment increases the overall amount of money for the program.

The Barrett amendment restores the Governors' money. Essentially reinserts the administration's original proposal, cutting the Governors' percentage from 30 percent to 20 percent and establishing a Governors' appointed board to help set policy and review programs. The amendment maintains a set-aside for drug abuse resistance education [DARE].

This program has suffered declining appropriations—last year the basic grants were cut about $130 million, from $500 million to $370 million, yet, we have added more programs for the schools to carry out—violence and crime prevention;

We must concentrate these education funds—the only education funds for these purposes we authorize—in the schools and under local control, and we should not fund law enforcement or interdiction programs with education funds;

The political compromise of 1988 which gave the Governors' a share is no longer viable, given the appropriations cuts and increased responsibilities;

There have been complaints in the past that these funds have not supported education activities. Also, school districts have complained that activities funded have been dictated from the top down, and have not put the scarce resources where the local folks thought they were needed. Also, there have been instances where the programs funded have been ideologically or politically driven;

The Governor-controlled board does not mean that these funds will support educational activities or locally determined needs;

The Governors have never testified for appropriations for this program; they have taken a free ride from education advocates;

There are other sources the Governors could use for these programs, such as community service block grants or Justice Department funds; and

The committee language may mean more DARE programs, established through local efforts and cooperation. The set-aside has essentially become a ceiling.

The Kildee amendment to Mr. OWENS amendment would reinstate a 10-percent set-aside of funds appropriated under the new authorization for the Drug Abuse Resistance Education Program [DARE]. The DARE Program is a very popular program involving police officers visiting schools to warn and educate children about drug and alcohol abuse.

The amendment would protect this very popular program, which teaches children not only about the physical dangers of drug and alcohol abuse but about the legal consequences;

This is the program under the Governor's discretionary funding which has received the most support from communities and schools, and we want to continue it;

This is the program most Members have had brought to their attention when they have been asked to support Mr. BARRETT's proposal to reinstate a set-aside for the Governor's share. This amendment protects this program without going so far as to reinstate noneducational Governor's activities.

Mr. CASTLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the comments of the chairman of the Committee on Education and Labor, and I tend to agree with him on certain things he said. One of the things is we tend to spend a lot of money on drugs. I would hope that all of us are aware that we probably spend much more money on drugs than we need to in terms of the efficiency and return that we get for our dollars with respect to drug programs.

In my time as Governor of the State of Delaware, I saw the program which is supported in the Barrett-Roehmer amendment to restore 20 percent of the Governor's funds in a State. I saw it work as effectively as any drug program that has ever been devised out there, what is a very difficult program. I hope we can demonstrate that today.

We have recently heard that illicit drug use is on the rise. We all know that a student could walk into virtually any school in the country and purchase drugs if he or she so chooses. The problem is severe and its effects are widespread.

I know and have seen the effectiveness of community-based programs in combating the prevalence of substance abuse. For example, in Delaware, the Office of Prevention in the Department of Services for children, youth, and their families is charged with receiving and planning the $450,000 in Federal funds for community-based prevention in our State.

These funds have supported many innovative and successful programs such as the Wilmington Cluster Against Substance Abuse, Village Criers, the Delaware Prevention Forum, Families and Schools Together, to name a few. These funds have also resulted in computer tutorials, and an information and referral hotline in our State. In short, without the drug-free and community schools funding, these programs will be forced to shut down.

By removing the funds from the States and sending them directly to the schools, we are sacrificing programming that is critical to preventing violence, alcohol, and other drug abuse, and a host of other societal ills. For example, the Office of Prevention in the State of Delaware reports that by breaking up the funding into much smaller portions, the ability to plan and coordinate services in the State is destroyed.

Furthermore, State and community-wide prevention efforts will become virtually impossible to achieve because the funds appropriated to each school will be few and the administrative time and specialized expertise in working with and supporting community-based organizations is often times not available. Schools are challenged every day with the difficult task of educating our children. They certainly should devote energies to other afflictions a student may have, but schools were not designed, are not equipped, and cannot transform into 100 percent effective treatment centers.

The original amendment that passed in committee to strike the Governors' funds was crafted under the false premise that the particular State agencies that establish the community programs were acting independently of our schools. In the State of Delaware, and other States around that Nation, this is not the case. We work directly with our schools to ensure that their needs are being met.

Mr. Chairman, if Congress is indeed committed to fighting the war on drugs, prevention must remain a priority. Now is not the time to shoot ourselves in the foot by striking a provision and a program that has fostered positive, widespread results. It is simply too big a sacrifice. I urge my colleagues to support the Barrett-Roemer amendment.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. PICKETT) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

The Committee resumed its sitting.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words in support of the Barrett-Roehmer amendment.

Mr. Chairman, I think we are dealing with perception and reality. The teachers in my district and State have told me that the best use of the resources rests with the Governors. That is why the Governors support it. Again, it does not matter if it is a Republican Governor or a Democratic Governor.

What I would like to get across is that the schools are not able to handle the additional responsibility. I know the schools in my district and other districts in the State of California. They are just surviving, with the staff they have, to manage education programs. To put this down at the local level would be disastrous, I think, in the State of California, and Governor Wilson is doing a good job.

Mr. Chairman, each State has got a check-and-balance system. It not only has a Governor, but it has a State senate and a State assembly. In California that is Willie Brown, a Democrat, as is the Senate and the House in the assembly. We have a Republican Governor, Pete Wilson; they work together and support antidrug programs.

Yet in the State of California, the DARE function operates, and it operates very well. The term is, "If it ain't broke, don't fix it." The programs are not broke in the State of California. The schools are not able to handle the additional weight. And I would ask that we support the Barrett-Roehmer amendment.

Mr. Chairman, we are going to be looking at a crime bill pretty quick, and we want the most efficient means to handle that. Our prisons; 80 percent of them are dropouts. Ninety percent of them are drug abusers. I think no one, the gentleman from New York [Mr. OWENS] or the gentleman from Michigan [Mr. KILDEE] or even on the amendment I am supporting, would suggest that we do not need to combat the effects of drug abuse.

I am looking at what is the most efficient way to do that. I know in the State of California, the program that we have as it exists with the use and direction of the Governor and the assembly in the State is working very well. I would ask that my colleagues support the Roehmer-Barrett amendment to make the most efficient use of those dollars.

Mr. HOEKSTRA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to offer my support for Mr. BARRETT's amendment to the Drug Free Schools and Community Act. This amendment addresses two areas that are of great concern to my district and the State of Michigan.

First, this amendment would reinstate the Governor's discretionary fund at a level of 20 percent, a fund which the Owens proposal eliminates. In my State of Michigan, this fund is currently used to run programs for children in the most needy communities through a competitive process. The Owens proposal would disburse these funds among over 500 school districts, rich and poor alike, and spread resources too thinly to continue current grant services.

I have heard an outcry from both the educational community and parents who are upset about the loss of the programs operated by the Governor's fund. One such program is the Drug Abuse Resistance Education, or DARE program. My daughter participated in the program last year. The Governor's fund has, among other projects, supported the State DARE training school and administrative offices. Without this fund, local districts will not have the resources to set up their own training schools and the program will almost certainly end.

I am also opposed to the provision in the Owens substitute which bans interagency agreements at the State level. In Michigan, the elected State board of education and elected Governor agreed to coordinate fund administration between the Governor's office and the State education agency. This agreement can be canceled at will. Since this agreement took effect, however, the number of local schools directly receiving funds from the State has nearly quadrupled and there has been a 20-percent reduction in regional overhead as well as a 50-percent increase in direct services to youth.

Even if Michigan's agreement was not working well, I do not understand why the Federal Government believes they have the right to tell the States how they should operate. This is just another example of Washington believing that they know best and stepping in where they are not wanted and where they do not belong.

I therefore offer my full support for Mr. BARRETT's amendment.

Mrs. MINK of Hawaii. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to rise in support of the Kildee and Owens amendments. We have had considerable debate about the efficacy of the use of funds under the Governors' set-aside, and we also have been lobbied very strenuously by Members who want to defend the DARE Program and enumerate the successes that that program has enjoyed.

I think the chairman of the subcommittee has quite rightly recognized the support that the DARE Program has in the Chamber and has agreed to set aside funds especially for the DARE Program, without specifically allocating a certain percentage of the funds in this program for the Governors' particular uses at their discretion.

We are attempting here to save a program that has been defended by Members of this body by setting aside a certain percentage for the DARE Program. The Owens amendment, I believe, is especially worthy because what it recognizes is that we need additional moneys in this program. So his effort is to add $100 million.

This fight is not about Governors or whether they are able or capable of administering a program at the local level. This argument is over the lack of sufficient funds for a program that we feel is vitally needed in the schools. If this was a situation where we had adequate funds, sure, set aside moneys for the Governors to decide how they wanted to spend the money. But in a time of austere fiscal restraints on the kinds of moneys that we are being allocated, I think the Owens substitute hits it right on the head.

I am a member of the House Committee on the Budget, and in our deliberations we are making a recommendation that $100 million be cut away from this program, because somehow, in deciding how much actually was being spent by the President's budget, it overspent by $3 billion. It was necessary for the Committee on the Budget to come in with recommended cuts.

One of the recommended cuts is $100 million in this drug program. And so in recognizing the fact that we have here a very legitimate program that needs to be saved for the schools of this country, the gentleman from New York [Mr. OWENS] has added $100 million in order to have a separate program which the Governors can have a discretion on what to do with.

So I think that we are all really talking about the same thing, but confined in this situation of not having additional moneys.

I would like to say to the Members on the other side that so often we make the debate about local control. Let us have the local people make these decisions as to how the moneys are to be spent. That is what the whole school reform is all about. That is what school-based management is all about, bringing the decisionmaking down to the schools, because these are the people with the teachers and the administrators and the parents who know best what the problems are at the school level. So if we carve away at the top for the Governors' funds that are already short for the schools, we are only shortchanging the people at the local level who really need the money.

I urge this House to vote for the Kildee amendment, because it recognizes the validity of the DARE Program, and also vote for the Owens substitute because it allocates an additional $100 million, leaves the funding alone for the schools for their drug program and for the violence program.

I want to also say, before I conclude, that what the committee did was to add another element to this program. That is school violence. How many of us have heard about the problems in our schools with reference to guns and the violence that we see, where students ought to be able to go to school feeling that confidence that they have a safe environment. Many of them do not. So for the first time the committee is adding funds to try to help the schools deal with this situation, and we have the same pot of money that we have to deal with.

Let us try to understand that first we want the local schools to make the decision. Second, we want to have an amount of money safe there for the violence and the drug problems in the school district, separate out the DARE Program, since it is so popular among the Members of this body, and allocate a separate $100 million for the purpose of this.

Mr. GOODLING. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK of Hawaii. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I just want to compliment the gentlewoman for saying that they know best at the local level, because I was becoming disillusioned here during this debate. I was thinking that maybe the only people that knew anything were in Washington, DC.

Mrs. MINK of Hawaii. Mr. Chairman, no. No, I am a strong defender of local control.

Mr. REED. Mr. Chairman, I move to strike the requisite number of words.

I join the gentlewoman from Hawaii and my colleagues who are in support of the Kildee-Owens approach and in opposition to the Barrett-Roemer approach.

Basically, what we are attempting to do is trying to focus and target the dollars to the place that will make the most difference. In these programs, that is actually in the schools. And we have, I think, over the last few years come to the conclusion that some of the programs under the State level have more to do with expanding the prerogative and the visibility of the chief executive of the State rather than reaching into the schools and trying to allow young people to understand the dangers of drugs and the necessity, overwhelming necessity at this juncture in our society to say no to drugs and to say yes to education.

That is what is at the core of this debate, an attempt to target the dollars to make sure that they are spent well and wisely at the local level.

We have heard a lot of discussion over the last few days about getting the dollars, getting the resources down to that local level. I believe the approach that has been proposed and adopted by the gentleman from New York [Mr. OWENS] and the gentleman from Michigan [Mr. KILDEE] will do just that. It will make sure that these dollars, these very scarce dollars are there for children in the classroom to deal with perhaps the most serious social problem we face today, and that is a climate in which drugs flourish all too much and education, consequently, suffers dramatically and, in some cases, fatally.

I would urge my colleagues to support the approach of the gentleman from Michigan [Mr. KILDEE] and the gentleman from New York [Mr. OWENS]. In doing so, I think we can be much more confident that our dollars will be spent well and wisely.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. KILDEE] to the amendment offered by the gentleman from New York [Mr. OWENS] as a substitute for the amendment offered by the gentleman from Nebraska [Mr. BARRETT].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KILDEE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair will announce that pursuant to clause 2(c) of rule XXIII, the Chair may reduce to not less than 5 minutes the time for any recorded vote that may be ordered on the other pending amendments without intervening business or debate.

The vote was taken by electronic device, and there were—ayes 425, noes 0, not voting 13, as follows:

[Roll No. 45]

AYES—425

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crapo
Cunningham
Danner
Darden
de la Garza
de Lugo (VI)
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Romero-Barcelo (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh

Waters
Watt
Waxman
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—0

NOT VOTING—13

Andrews (TX)
Borski
Brooks
Crane
Edwards (CA)
Gallo
Hastings
Natcher
Portman
Reynolds
Sundquist
Washington
Whitten

□ 1600

Mr. DE LUGO changed his vote from "present" to "aye."

So the amendment to the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BARRETT of Nebraska. Mr. Chairman, I move to strike the last word.

I rise in opposition to the Owens amendment.

PARLIAMENTARY INQUIRY

Mr. FORD of Michigan. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FORD of Michigan. Mr. Chairman, the Chair announced that we would proceed through a series of three votes with the second and third ones if a rollcall was demanded being 5-minute votes with no intervening debate or business.

The CHAIRMAN. The Chair reserved the option of 5-minute votes if there was no intervening business or debate. However, the gentleman sought recognition on the pending amendment. That means that the next vote, the next rollcall vote, would have to be a 15-minute vote.

The gentleman from Nebraska [Mr. BARRETT] is recognized.

Mr. BARRETT of Nebraska. Mr. Chairman, what the amendment really does, Mr. Chairman, and I have not had an opportunity to speak; I have spoken earlier, but I have not had an opportunity speak directly to the Owens-Ford amendment, and I simply want to briefly say that what the amendment really does is to try and politicize drug-free efforts.

It would require Governors to come before the Committee on Appropriations, the appropriators, every year to plead their case.

And what would be the results of the pleading? I think we have a pretty good idea, because appropriators are still faced with limited budget. They could be forced to take funds away from public school districts to fund the Governors' share. Then this House is going to be getting letters and phone calls from school superintendents and other providers when their funding is cut.

Second, Mr. Chairman, the Nation's drug abuse prevention efforts require a coordinated approach. I fear that under this amendment there is going to be a disjointed, helter-skelter attempt to curb drug and alcohol abuse. Everyone is going to be scrambling to get their piece of the pie.

The amendment that was offered earlier by the gentleman from Indiana and myself contains a coordinated approach needed to create effective programs. This is being promoted as a compromise, and it is coming from Members who just a few weeks ago sent around a Dear Colleague letter asking Members to oppose the original Barrett-Roemer amendment, because it keeps money in the hands of State bureaucrats.

During the early subcommittee hearings on this bill, I offered a straight 20-percent Governors' share amendment, a proposal that the administration has recommended. I withdrew the amendment after the chairman had asked me to withdraw it, so we could work together and come up with an acceptable answer, and taking his commitment at face value, I did just that. I then offered a compromise which was not looked at, never addressed, and so we now find ourselves in the position that we are at this particular moment.

It is now the 11th hour, and the opponents to the original amendment fear that perhaps the bipartisan amendment may win, and we now have a Christmas-tree amendment, and I tell the Members of the House that this is not Christmastime.

Mr. Chairman, I would conclude my suggesting that the National Governors' Association is in opposition to the Owens amendment, as is the Department of Education, and I would urge a "no" vote on the Owens amendment.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Nebraska. I am happy to yield to the gentleman from Indiana.

Mr. ROEMER. I would just like to clarify the parliamentary situation. If you are for making sure that the DARE funding stays intact, if you are for making sure that the Governors maintain their discretion over spending these moneys and keep their programs intact, if you are for less mandates and the discretionary spending of the Governor and for a peer review panel set up by the Governor, vote "no" on the next vote on Kildee, and "yes" on the bipartisan Roemer-Barrett amendment.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know of anyone in this House who has greater support for DARE than I do. I have seen the program all over this country. I have traveled to the State of Washington; I have seen it in my own State; I have seen it on the east coast. I have been a strong supporter of DARE.

I would not do anything to jeopardize DARE. The Owens amendment will guarantee better than any other amendment the appropriations for DARE. I have consulted with the chairman of the Appropriations Subcommittee, who has assured me that he will follow the authorizing language in distributing the money for the schools that would be giving the Governors their share as we would do under the Owens amendment, and then the 10-percent setaside for DARE under my amendment. We have the assurance of the chairman of that appropriations committee.

I support DARE, always have. I think this is the safest way to protect DARE.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I am happy to yield to the gentleman from New York.

□ 1610

Mr. OWENS. Mr. Chairman, under this amendment, not only are the DARE funds guaranteed but the Governors' fundings are safeguarded by the fact that they will stand alone in a manner which will allow them to deal with the Appropriations Committee's criticism. This program has been criticized for not being accountable.

Mr. Chairman, as the head of the subcommittee with jurisdiction, we were able to get accountability from all components of the program except the Governors' programs. They were not operating in a way which would allow us to get the kind of accountability. Now they will be required to be operated in such a way which would guarantee to the Appropriations Committee and everybody else that this is not a pork barrel for Governors. It is not pork. It deserves to be under the same kind of scrutiny. This guarantees that they have to meet those requirements and enhances the possibility of their getting the necessary appropriations. The DARE money comes off the top, but the $90 million also is in better shape as a result of this amendment.

Mr. BARRETT of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Nebraska.

Mr. BARRETT of Nebraska. I thank the gentleman for yielding.

Mr. Chairman, let me just comment to the gentleman from New York, my good friend: There are no guarantees under this amendment for DARE. As a matter of fact, this is an additional $100 million to be appropriated in addition to the $361 million. There is no guarantee of their funds.

Mr. LEVIN. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Michigan.

Mr. LEVIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman this question: I rise as someone who has seen the DARE programs in operation, and I believe they are effective. As I understand it, in addition to this earmark in the present language, there is a set-aside for community programs regarding drug abuse from the local education authorities and there is a specific reference, I think, to priority being given to programs of demonstrated effectiveness and those which have recently or previously received assistance under the DARE program. Is that correct?

Mr. KILDEE. The program the gentleman is referring to, there is no priority established—

Mr. LEVIN. I want to be sure because there has been some amendment to this. Precisely, if there is not an exact set-aside, whether a priority is listed in the act for community programs with specific reference to DARE programs? We deserve a straight "yes" or "no" answer to that.

Mr. KILDEE. There is a priority in those community programs.

Mr. LEVIN. And a specific reference to DARE programs as one of those that has shown, demonstrated effectiveness in the past?

Mr. KILDEE. The gentleman is correct.

The CHAIRMAN. The question is on the amendment, as amended, offered by the gentleman from New York [Mr. OWENS] as a substitute for the amendment offered by the gentleman from Nebraska [Mr. BARRETT].

The question was taken, and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KILDEE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to clause 2(c) of rule XXIII, the Chair may reduce to not less than 5 minutes the time for any recorded vote, if ordered, on the pending amendment, without intervening business or debate.

The vote was taken by electronic device, and there were—ayes 125, noes 296, not voting 17, as follows:

[Roll No. 46]

AYES—125

Abercrombie
Ackerman
Andrews (ME)
Baesler
Barcia
Barlow
Becerra
Beilenson
Berman
Bishop
Blackwell
Bonior
Brown (OH)
Byrne
Carr
Clay
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Danner
de Lugo (VI)
Dellums
Derrick
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Durbin
Engel
Eshoo
Evans
Faleomavaega (AS)
Fields (LA)
Filner
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hamburg
Hilliard
Jefferson
Johnson, E. B.
Johnston
Kennelly
Kildee
Lantos
Lewis (GA)
Lowey
Mann
Manton
Markey
Martinez
McDermott
McKinney
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moran
Murphy
Norton (DC)
Oberstar
Obey
Olver
Owens
Payne (NJ)
Pelosi
Pickett
Pickle
Poshard
Rahall
Rangel
Reed
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sawyer
Schroeder
Schumer
Scott
Serrano
Smith (IA)
Stark
Stokes
Strickland
Studds
Swift
Synar
Thompson
Torres
Towns
Tucker
Underwood (GU)
Velazquez
Vento
Waters
Watt
Waxman
Wheat
Wise
Woolsey
Wynn
Yates

NOES—296

Allard
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barca
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Boucher
Brewster
Browder
Brown (FL)
Bryant
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Castle
Chapman
Clayton
Clement
Clinger
Coble
Collins (GA)
Combest
Condit
Cooper
Coppersmith
Cox
Cramer
Crapo
Cunningham
Darden
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards (TX)
Ehlers
Emerson
English
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Fingerhut
Fish
Fowler
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Jacobs
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Machtley
Maloney
Manzullo
Margolies-Mezvinsky
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McHale
McHugh
McInnis
McKeon
McMillan
McNulty
Meyers
Mica
Michel
Miller (FL)
Minge
Montgomery
Moorhead
Morella
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Rostenkowski
Roth
Roukema
Rowland
Royce
Santorum
Sarpalius
Saxton
Schaefer
Schenk
Schiff
Sensenbrenner
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Stump
Stupak
Swett
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thornton
Thurman
Torkildsen
Torricelli
Traficant
Unsoeld
Upton
Valentine
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Weldon
Whitten
Williams
Wilson
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—17

Andrews (TX)
Borski
Brooks
Brown (CA)
Crane
Edwards (CA)
Gallo
Hastings
Istook
Kennedy
Matsui
Natcher
Portman
Reynolds
Romero-Barcelo (PR)
Sundquist
Washington

□ 1634

Messrs. TEJEDA, ROSTENKOWSKI, PALLONE, KLEIN, ORTIZ, and SLATTERY changed their vote from "aye" to "no."

Mr. WATT and Mr. WISE changed their vote from "no" to "aye."

So the amendment, as amended, offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BARRETT].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BARRETT of Nebraska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 418, noes 1, not voting 19, as follows:

[Roll No. 47]

AYES—418

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Boucher
Brewster
Browder
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Cox
Coyne
Cramer
Crapo
Cunningham
Danner
Darden
de la Garza
de Lugo (VI)
Deal
DeFazio
DeLauro

DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Reed
Regula
Richardson
Ridge
Roberts
Roemer
Rohrabacher
Romero-Barcelo (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Swett
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—1

Owens

NOT VOTING—19

Andrews (TX)
Borski
Brooks
Brown (CA)
Costello
Crane
Edwards (CA)
Gallo
Hastings
Natcher
Penny
Pickle
Portman
Rangel
Reynolds
Rogers
Sundquist
Swift
Washington

☐ 1645

Mr. SAWYER and Mr. NADLER changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DURBIN: Page 408, after line 12, insert the following paragraph (and redesignate succeeding paragraphs accordingly):

"(6) Every day approximately 3,000 children start smoking for the first time and 30 percent of all high school seniors are smokers. Half of all new smokers begin before the age of 14, 90 percent before the age of 21, and the average age of the first use of smokeless tobacco products is under the age of 10. Use of tobacco products has been linked to serious health problems. However, because the nicotine in tobacco is an addictive substance, many tobacco users find it difficult to stop using tobacco once they have started. Drug education and prevention programs that include tobacco have been effective in reducing teenage use of tobacco. Drug prevention programs for youth that address only controlled drugs send an erroneous message that the use of tobacco does not have adverse consequences. To be credible, messages opposing illegal drug use by youth should also address other harmful substances."

Page 439, strike lines 1 through 17, and insert the following:

"(1) The term 'drug and violence prevention' means—

"(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol, the use of tobacco and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids; and

"(B) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

Mr. DURBIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DURBIN. Mr. Chairman, I have listened carefully to the debate in this Chamber over the problems and challenges facing school children in America.

In this section of the bill, we attempt to address many of the more serious health problems facing our children. Particularly, we are dedicating this section to the prevention of the use of narcotics and drugs by America's young people.

This amendment seeks to address a major health problem facing not only the children of this country but every American. I am referring specifically to the use of tobacco.

This amendment strikes a balance and says that our school system shall educate children not only on the dangers of alcohol and narcotics but also on the dangers of the use of tobacco.

Many people have said, "Congressman, why are you wasting your time talking about cigarettes? We are talking about drugs."

Well, I have to tell Members, and most people will understand, that tobacco is, in fact, the Nation's No. 1 addiction. In fact, tobacco is the No. 1 preventable cause of death in America.

Tobacco companies in America are very busy.

☐ 1650

Mr. Chairman, the tobacco companies of America are very busy, not only making their products, lobbying on Capitol Hill, but also through their advertising, luring 3,000 American children every day to take up the tobacco habit, 3,000 kids a day. The tobacco companies are going after these kids because they have to replenish their ranks. Their veteran smokers are quitting, and unfortunately and sadly, dying, so they turn to kids.

This chart which I brought today tells the Members when Americans start smoking. Members will notice the ages 13 to 14, 25 percent of smokers in America got started. By the age of 12, incidentally, 25 percent as well. What this means is that in the 7th and 8th grades, half of the smokers today got started, and we know, because of the addictive quality of nicotine, they stick with this deadly habit, many of them to the grave.

Mr. Chairman, take a look and Members will see by age 20, 90 percent of the smokers in this country have already taken up the habit, so it is proper that we address this issue in terms of education of young people, to let them know of the dangers of smoking. Some people have said, "Why do we want to complicate a drug-free bill, a drug prevention bill, with conversations about tobacco?" I would like for the Members to take into account the fact of what kills Americans today.

Mr. Chairman, these are causes of death. Look at this pie chart. These are the substantial deaths attributable to smoking and the use of tobacco, another substantial portion for alcohol, but much smaller, car accidents, fire, AIDS, narcotics like heroin. Suicide, homicide, cocaine, all are dwarfed in comparison to the number of young people who, once addicted to tobacco, will stick with it to the grave. That is why this is absolutely essential.

I might tell the Members that on the other side the tobacco companies shamelessly spend $4 billion a year attracting our children to their products. Look at this stuff for Joe Camel. Is it any wonder that 3-year-olds in America can identify Joe Camel more easily than Mickey Mouse, and that is a fact, because the advertisers know it. In this cartoon quality, they are promoting their products among the children of America.

What we are proposing today is a small effort. It will be dwarfed by the $4 billion spent by this industry, but if we are truly intent on raising our children so that they are healthy and have productive, healthy lives, we have got to include tobacco education in this process.

This amendment which I have brought forward, with the cooperation of the gentleman from Utah [Mr. HANSEN] and the gentlewoman from Maryland [Mrs. MORELLA], is an effort to put into our school curriculum, for the first time, meaningful education of kids before they are addicted about the dangers of tobacco. Is it necessary? Let me ask the Members this: As a parent, if you can sit there in good conscience and say, "I got good news today. My daughter came home from school and announced that she is going to start smoking" any parent who thinks that is good news does not understand the gravity of the problem that we face and the challenge we face.

As America comes to grips with smoking, banning smoking on airplanes, banning it through the Department of Defense just this week, McDonald's Corp. stepping forward, saying that in their own restaurants they are going to ban smoking, we understand that America is finally coming to realize this is just not another habit, this is a cause of death, particularly among children.

I urge the Members of this Chamber to consider and support this amendment.

Mr. HANSEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we may recall that when the Manhattan project came along, something we all get nervous about, and atomic bombs and things such as that, we found ourselves in a situation where we were horrified yet glad it was over, when we saw a mushroom cloud kill 350,000 people. They were evaporated, just like that, all of them gone.

Now here in America it does not seem to bother us when we do it one at a time, but basically we do it in another puff of smoke, 350,000 people die a year, up in smoke, on the same theme. We call this one Joe Camel, Marlboro country, things such as that.

If tobacco was discovered in 1993 and went before the FDA, there is no way on Earth they would approve it, because it is an addictive drug. It is harder to stop from tobacco, some people say, than from cocaine.

The FDA made a statement like this. They said,

> The current evidence suggests that nicotine, when delivered by cigarettes, produces psychological dependence resulting in withdrawal symptoms when smokers are deprived of nicotine. Other data suggests that the comparable percentage of smokers are in fact addicted, and addicted forever.

Here we go on, and the majority of our children start before they are 14 years old. Is it not amazing that we look at all these good things, an athlete, somebody out riding the range, somebody that looks like a camel with all the modern stuff on is what they look at. Why do they not show it the way it really is? Why do they not take a Midwestern town, somebody sitting in front of a bus station on a bench who has emphysema so bad that he cannot breathe. He has cancer. He is going to die at a young age. Why do they not show those? It amazes me, the marketing blitz they have come up with. I think the amendment by the gentleman from Illinois [Mr. DURBIN] is the type of thing we should be looking at.

The tobacco industry brags constantly about bringing about 2.3 million American jobs. Here are some they do not include in the list that we ought to think about on this amendment. It does not include physicians, x ray technicians, nurses, hospital employees, firefighters, dry cleaners, respiratory specialists, pharmacists, morticians, and gravediggers. They all get a big part of the tobacco money.

Mr. Chairman, I would hope that people in this House would see the reason of doing everything we possibly can to cut this out, and above all, to start teaching our youngsters when they are young so that they do not get themselves addicted to this horrible habit. I have yet to find anyone who smokes who does not wish they did not. I think this will be a step in the right direction.

Mr. VISCLOSKY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to first of all rise to congratulate the gentleman from Illinois [Mr. DURBIN], the gentleman from Utah [Mr. HANSEN], and the gentlewoman from Maryland [Mrs. MORELLA] for their leadership on this issue. I strongly support their amendment.

Nicotine addiction makes quitting smoking as hard as quitting heroin, cocaine, or alcohol. Research shows that for most smokers nicotine addiction begins during childhood or adolescence. A long-term national study has found that 70 percent of high school seniors who smoke one to five cigarettes a day are still smoking 5 years later. The fact is that while almost one-half million people die from smoking-related deaths annually, that 90 percent of those smokers begin smoking before they graduate from high school, and that demands that we treat this drug on the same level as alcohol and other illegal drugs.

Smoking is currently illegal for those under 18 in every State. The facts are clear. If this product is illegal for our children, addicting, and proves to be deadly if used properly, we have a responsibility in this House to teach our children the facts, help them deal with peer pressures, and aid in treatment of this deadly addiction.

The amendment that is offered today is needed so that prevention, early intervention, rehabilitation, referral, and education can all be possible for our children. We owe our children this chance to avoid becoming addicted to a problem that continues to kill nearly 400,000 Americans a year.

Mr. Chairman, I urge support in adoption of the amendment.

Mr. BALLENGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to today's attack on tobacco.

Obviously, they do not grow tobacco in Utah or Illinois.

It seems obvious to me that the politically correct Clinton administration and some of my colleagues in the House have their sights set on America's tobacco industry. An industry which produces a legal product consumed by millions of Americans.

Your Surgeon General thinks marijuana should be legalized. Do you want to put that in this bill?

As the ranking Republican on the Select Education and Civil Rights Subcommittee, I worked with the subcommittee chairman Major OWENS, Representative BOBBY SCOTT, and Representative SCOTTY BAESLER and others to clarify the language in the bill regarding tobacco. We worked out a compromise agreement that was satisfactory and approved by the Education and Labor Committee. I reject the attempt by Representative DURBIN to undo this compromise.

As a North Carolinian born and bred, I was troubled by how the Durbin amendment treats tobacco. Under the Durbin proposal, tobacco is equated with the use of illegal controlled substances. While I certainly appreciate the need to educate young people to allow them to make informed decisions about the use of tobacco, tobacco has never been considered a controlled substance under the Drug Abuse Prevention and Control Act. In fact, it is my understanding that it is specifically excluded from the list of such substances. Because tobacco is a perfectly legal agricultural product, I strongly oppose adding the Durbin definition to tobacco and the Durbin findings on tobacco to a bill called the Safe and Drug-Free Schools and Communities Act.

In addition, I also oppose the Durbin language because of the signal that it sends—that the FDA can move forward with its initiative on nicotine and that others can continue to seek ways to ban smoking.

□ 1700

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I rise in support of the Durbin-Hansen-Morella amendment, which aims at discouraging young people from smoking.

Tobacco use continues to be a major health problem in the United States. More than 400,000 Americans die each year from diseases related to tobacco use. The American Heart Association emphasizes that "More people die each year in the United States from smoking than from aids, alcohol, drug use, homicide, car accidents, and fires combined."

Statistics show that most people smoke their first cigarette and become addicted to nicotine before the age of 18. Adolescent smokers become adult smokers. Very few individuals begin using tobacco products when they are adults. Consequently, the key to reducing the rate of disease resulting from tobacco use is to discourage young people from starting to use tobacco products.

Mr. Chairman, H.R. 6, as it is currently written, treats tobacco differently from alcohol and other drugs. In order to influence young people to stay away from alcohol and drugs, the bill provides programs aimed at prevention, intervention, rehabilitation, and education. When it comes to tobacco, the bill provides only education. In addition, the education that the bill provides only addresses the use of tobacco by elementary and secondary students. It does not address the use of tobacco by adults and the devastating effects of tobacco use at the various stages of life.

The Durbin amendment would require tobacco to be included in drug prevention programs that are authorized under H.R. 6. The amendment applies the bill's required "prevention, early intervention, rehabilitation referral, and education" to tobacco as well as the illegal use of alcohol and illegal drugs. It guarantees that tobacco use would be included in federally funded drug prevention programs.

The Durbin amendment would counter the effects of the tobacco industry's strategy for encouraging adolescents to try tobacco products. Though the tobacco industry claims to disapprove of smoking by minors, the industry spends $4 billion on advertising to make smoking appear attractive, cool, and exciting to teenagers. One advertising campaign features Joe Camel, a cartoon character modeled after such characters as James Bond. This cartoon character appears in all of the "in" places, with beautiful women, race cars, and jet planes. Joe Camel always has a cigarette at hand, promoting the image that smoking is an essential part of a glamorous lifestyle. The Journal of the American Medical Association has published three studies showing that "Old Joe Camel" is recognized and remembered by children as young as 3 and 6.

Many cigarette ads target young women. These ads contain carefully designed themes highlighting "Thinness and femininity." The slogan for Virginia Slims emphasizes women's liberation and active participation in society. "You've come a long way baby," should be changed to, "You've come the wrong way, baby," for lung cancer now has surpassed breast cancer as a leading cause of death in women. In 1968, when Virginia Slims were first introduced, less than 8 percent of teenage girls smoked. In 6 years, that figure jumped to 15 percent.

According to the Surgeon General's Office, every day, approximately 3,000 children start smoking for the first time. More than one-third of all new smokers begin before the age of 14, and nearly two-thirds begin before the age of 16. Ninety percent of all new smokers begin by the time they graduate from high school. Moreover, tobacco can be the first step on the way to using alcohol and illegal drugs. It is also expensive when it comes to the American economy. Tobacco use accounts for $68 billion in health care costs and lost productivity each year.

If adolescents can stay away from using tobacco products, chances are good that they will remain tobacco-free throughout their lives. The data from drug prevention programs such as DARE and Project Alert shows that drug and prevention programs that include tobacco are effective in reducing adolescent tobacco use. I urge my colleagues to support Mr. DURBIN's amendment!

Mr. GOODLING. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I just wondered whether that was the same Surgeon General that would like to legalize the use of marijuana.

Mrs. MORELLA. I do not think it was to legalize it. I think it was to come up with a study about it. But this has nothing to do with that. My point is that tobacco is such a deleterious substance that indeed we have a responsibility, and I raised nine kids; we have a responsibility in school to go beyond education, but to use also intervention where necessary.

Mr. BOEHNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in opposition to the Durbin amendment. I do not oppose the amendment because I think kids ought to be allowed to smoke in school. Certainly kids should not smoke in school or anywhere else, and I do not think there is any Member in this chamber or anyone around this country who disagrees with that. Kids and teachers though ought to be dealing with reading, writing and arithmetic in schools. Teachers should be in the business of teaching kids how to be competitive, how to learn and how to expand their minds.

This amendment may have a lot of emotional appeal. But its adoption adds yet another layer of government involvement on each school system. And if the school system does not have an education program for this or for that, or does not have this or that policy in place, then they do not get any more Federal dollars.

Let us get our priorities straight. It is time to get the schools back in the business of teaching our children, not spending all of their time complying with Federal mandates.

Once again, we are going to supply just a very small part of the money to local schools in this country, yet we in Congress are going to continue to impose our will on what they should be doing with the other 94 percent of the money that they get from their local constituents and their States.

It is not our role, and it should not be our role for the Federal Government to sit here in Washington and mandate, without sending the dollars to the States and local communities.

Ms. EDDIE BERNICE JOHNSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, under the present version of H.R. 6 tobacco is treated differently than alcohol and other harmful drugs. In practice, however, tobacco is a drug which in fact is addictive, and one which causes hundreds of thousands of deaths every year in this country.

One out of every five deaths in America today is caused by tobacco use, and millions of Americans suffer from illnesses caused by secondhand smoke.

Just as with other drugs, children must be educated and protected to the extent possible. Any amendment that treats tobacco just as alcohol and other drugs are treated I would support.

Tobacco makes no distinction with regard to whom it harms, and we should make no distinction with regard to our treatment of tobacco.

Tobacco usage, without a doubt, will cause detriment to one's health. There is hardly any way that we can do anything about that kind of addiction unless the teaching and education starts early.

I support the amendment.

☐ 1710

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know, I just wonder what we do as a Congress. I think we send out the wrong signals.

I support the Durbin amendment. I think anybody who opposes it should have their lungs examined.

We spend millions of dollars to subsidize tobacco farmers, and then we pass laws advising the American public how tobacco smoking is bad for their health.

Now, what is the position of the Congress of the United States? Are we going to be politically involved with tobacco, or are we going to be interested in the health of the American people?

Now, look, I had my mother, who passed away of respiratory problems associated with smoking. Several of my family have. I think a lot of people are trying to say that the actions of the gentleman from Illinois [Mr. DURBIN] are similar because he has had some associated in his family. If so, thank God for the gentleman from Illinois [Mr. DURBIN] and for the effort he is making. I am proud to support the initiative you have brought forward, Mr. DURBIN.

Here is the bottom line: The Congress of the United States is either going to lead on this or get out of the way. You have Ronald McDonald taking the lead, you have the private sector taking the lead, the Pentagon is banning smoking. It has now been proven that secondhand smoke is a killer.

We are facing workmen's compensation costs as a Congress, and we are still here flapping our jaws about what we are going to do because of the politics and the pressures of the tobacco lobby.

Now look, I know there are a lot of jobs associated with this. But we had an awful lot of jobs in steel mills in my valley, and when they all fell apart, we were told we had to diversify. Ladies and gentlemen, there are a lot of cash crops America can pursue.

Now, let us talk about the other signals. I think it is time for the administration and the Congress of the United States to get their act straight on this drug business. We cannot have one person talking about legalizing marijuana, legalizing perhaps cocaine and heroin, and, on the other hand, looking at issues like tobacco.

I think the place to start is in the education of our young people. The Durbin-Morella amendment deals with that. I think we should support it. And I am glad to support it.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DURBIN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. DURBIN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 48]

ANSWERED "PRESENT"—413

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crapo
Cunningham
Danner
Darden
de la Garza
de Lugo (VI)
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega
  (AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-
  Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Neal (MA)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Romero-Barcelo
  (PR)
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Strickland
Studds
Stump
Stupak
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

The CHAIRMAN. Four hundred thirteen Members declaring their presence, a quorum clearly is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Illinois [Mr. DURBIN] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair will state this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 353, noes 70, answered "present" 1, not voting 14, as follows:

[Roll No. 49]

AYES—353

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Archer
Bacchus (FL)
Bachus (AL)
Baker (CA)
Barca
Barrett (NE)
Barrett (WI)
Bartlett
Becerra
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Blute
Boehlert
Bonilla
Browder
Brown (CA)
Brown (OH)
Bryant
Burton
Buyer
Byrne
Calvert
Camp
Canady
Cantwell
Cardin
Castle
Chapman
Clay
Clement
Clinger
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crapo
Cunningham
Darden
de la Garza
de Lugo (VI)
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (TX)
Ehlers
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hansen
Harman
Hastert
Hayes
Hefley
Herger
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kreidler
Kyl
LaFalce
Lambert
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Menendez
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Neal (MA)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickle
Pombo
Pomeroy
Porter
Poshard
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Ridge
Roberts
Roemer
Rohrabacher
Romero-Barcelo (PR)
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Schenk
Schiff
Schroeder
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (TX)
Snowe
Solomon
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Talent
Tauzin
Taylor (MS)
Tejeda
Thomas (CA)
Thomas (WY)
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Waxman
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOES—70

Allard
Armey
Baesler
Baker (LA)
Ballenger
Barcia
Barlow
Barton
Bateman
Bentley
Bliley
Boehner
Bonior
Boucher
Brewster
Brown (FL)
Bunning
Callahan
Carr
Clayton
Clyburn
Coble
Danner
Dingell
Emerson
Gekas
Geren
Gingrich
Goodlatte
Gordon
Green
Hancock
Hefner
Hilliard
Houghton
Hunter
Johnson, Sam
Kanjorski
Kingston
Kopetski
Lancaster
Manton
McMillan
Meek
Mollohan
Neal (NC)
Paxon
Payne (VA)
Pickett
Price (NC)
Quillen
Ravenel
Rogers
Rose
Saxton
Schaefer
Scott
Sisisky
Smith (OR)
Spence
Spratt
Stump
Tanner
Taylor (NC)
Thompson
Vucanovich
Walker
Watt
Williams
Young (AK)

ANSWERED "PRESENT"—1

Applegate

NOT VOTING—14

Andrews (TX)
Borski
Brooks
Crane
Edwards (CA)
Gallo
Hastings
Michel
Natcher
Portman
Reynolds
Sundquist
Valentine
Washington

□ 1750

Mrs. CLAYTON changed her vote from "aye" to "no."

Mr. COX and Mr. DORNAN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BARCIA of Michigan. Mr. Chairman, I move to strike the last word.

Mr. Chairman, section 2217 of the bill authorizes the Secretary of Education to carry out actions to provide Federal leadership in promoting the use of technology in education.

The Consortium for International Earth Science Information Network [CIESIN] is an entity supported by several Federal agencies to create the means to make government's environmental science data base accessible and useful for science, education, and policy making. CIESIN can provide coordinated activities that are of great use to education if students are allowed to access CIESIN's database by Internet.

My question to you, Mr. Chairman, is whether or not CIESIN would be a nonprofit agency eligible for the type of grants or contracts envisioned by section 2217?

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. BARCIA of Michigan. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, let me say to the gentleman that CIESIN would be eligible for the grants or contracts authorized by this section.

The CHAIRMAN. Are there further amendments to title IV of the bill?

If not, the Clerk will designate title V.

The text of title V is as follows:

"TITLE V—MAGNET SCHOOLS ASSISTANCE

"PART A—PROMOTING EQUITY

"SEC. 5101. FINDINGS.

"The Congress finds that—

"(1) magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation in its schools;

"(2) the use of magnet schools has increased dramatically since enactment of the magnet program, with approximately 1.4 million students nationwide now attending such schools, of which more than 60 percent of the students are nonwhite;

"(3) magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts;

"(4) in administering this program, the Federal Government has learned that—

"(A) where magnet programs are implemented for only a portion of a school's student body, special efforts must be made to discourage the isolation of magnet students from other students in the school;

"(B) local educational agencies can maximize their effectiveness in achieving the purposes of this program if they have more flexibility to serve students attending a school who are not enrolled in the magnet school program;

"(C) local educational agencies must be creative in designing magnet schools for students at all academic levels, so that school districts do not skim off only the highest achieving students to attend the magnet schools;

"(D) local educational agencies must seek to enable participation in magnet school programs by students who reside in the neighborhoods where the programs are placed; and

"(E) in order to ensure that magnet schools are sustained after Federal funding ends, the Federal Government must assist local educational agencies to improve their capacity to continue to operate magnet schools at a high level of performance;

"(5) it is in the best interest of the Federal Government to—

"(A) continue its support of local educational agencies implementing court-ordered desegregation plans and local educational agencies seeking to foster meaningful interaction among students of different racial and ethnic backgrounds beginning at the earliest stage of their education;

"(B) ensure that all students have equitable access to quality education that will prepare them to function well in a culturally diverse, technologically-oriented, and highly competitive global community; and

"(C) maximize the ability of local educational agencies to plan, develop, implement and continue new and innovative programs in magnet schools that contribute to State and local systemic reform.

"SEC. 5102. STATEMENT OF PURPOSE.

"The purpose of this part is to assist in the desegregation of local educational agencies by providing financial assistance to eligible local educational agencies for—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students;

"(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State performance standards;

"(3) the development and design of innovative educational methods and practices; and

"(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.

"SEC. 5103. PROGRAM AUTHORIZED.

"The Secretary is authorized, in accordance with this part, to make grants to eligible local educational agencies for use in magnet schools that are part of an approved desegregation plan and that are designed to bring students from different social, economic, ethnic, and racial backgrounds together.

"SEC. 5104. DEFINITION.

"For the purpose of this part, the term 'magnet school' means a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

"SEC. 5105. ELIGIBILITY.

"A local educational agency is eligible to receive assistance under this part if it—

"(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and that requires the desegregation of minority-group-segregated children or faculty in the elementary and secondary schools of such agency; or

"(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this part, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

"SEC. 5106. APPLICATIONS AND REQUIREMENTS.

"(a) APPLICATIONS.—An eligible local educational agency desiring to receive assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

"(b) INFORMATION AND ASSURANCES.—An application under this part shall include—

"(1) a description of—

"(A) how assistance made available under this part will be used to promote desegregation, including how the proposed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

"(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

"(C) the manner in which an applicant will continue the magnet school project after assistance under this part is no longer available, including, if applicable, an explanation of whether successful magnet schools established or supported by the applicant with funds under this part have been continued without the use of funds under this part;

"(D) how funds under this part will be used to implement services and activities that are consistent with the State's and local educational agency's systemic reform plan, if any, under title III of the Goals 2000: Educate America Act; and

"(E) the criteria to be used in selecting students to attend the proposed magnet school projects; and

"(2) assurances that the applicant will—

"(A) use funds under this part for the purposes specified in section 5103;

"(B) employ teachers in the courses of instruction assisted under this part who are certified or licensed by the State to teach the subject matter of the courses of instruction;

"(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

"(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

"(ii) the assignment of students to schools, or to courses of instruction within the school, of such agency, except to carry out the approved plan; and

"(iii) designing or operating extracurricular activities for students;

"(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

"(E) give students residing in the local attendance area of the proposed magnet school projects equitable consideration for places in those projects.

"(c) SPECIAL RULE.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

"SEC. 5107. PRIORITY.

"In approving applications under this part, the Secretary shall give priority to applicants that—

"(1) have the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegragation plan and the projects for which assistance is sought;

"(2) propose to carry out new magnet school projects or significantly revise existing magnet school projects;

"(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination;

"(4) propose to implement innovative educational approaches that are consistent with the State's and local educational agency's approved systemic reform plans, if any, under title III of the Goals 2000: Educate America Act; and

"(5) propose to draw on comprehensive community involvement plans.

"SEC. 5108. USE OF FUNDS.

"(a) USE OF FUNDS.—Grants made under this part may be used by eligible local educational agencies—

"(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

"(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

"(3) for the payment of, or subsidization of the compensation of, elementary and secondary school teachers who are certified or licensed by the State and who are necessary to conduct programs in magnet schools; and

"(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

"(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

"(B) further the purposes of this part.

"(b) SPECIAL RULE.—With respect to subsections (a) (2) and (3), such grants may be used by eligible local educational agencies for such activities only if such activities are directly related to improving the students' reading skills or their knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational skills.

"SEC. 5109. PROHIBITIONS.

"Grants under this part may not be used for transportation, or for any activity that does not augment academic improvement.

"SEC. 5110. LIMITATION ON PAYMENTS.

"(a) DURATION OF AWARDS.—Awards made under this part shall not exceed 3 years.

"(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning up to 50 percent of the funds received under this part for the first year of the project, 15 percent for the second year of the project, and up to 10 percent for the third year of the project.

"(c) LIMITATION ON GRANTS.—A local educational agency shall not receive more than $4,000,000 under this part in any one grant cycle.

"(d) AWARD REQUIREMENT.—To the extent practicable, for any fiscal year, the Secretary shall award grants to local educational agencies under this part no later than June 1 of the applicable fiscal year.

"SEC. 5111. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

"(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $120,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Secretary shall, with respect to such excess amount, give priority to grants to local educational agencies that did not receive a grant under this part in the last fiscal year of the funding cycle prior to the fiscal year for which the determination is made.

"(c) EVALUATIONS.—The Secretary may reserve not more than 2 percent of the funds appropriated under subsection (a) for any fiscal year to carry out evaluations of projects under this part.

"PART B—EQUALIZATION ASSISTANCE

"SEC. 5201. TECHNICAL AND OTHER ASSISTANCE FOR SCHOOL FINANCE.

"(a) TECHNICAL ASSISTANCE.—(1) The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, State educational agencies and other public and private agencies, institutions, and organizations to provide technical assistance to State and local educational agencies to assist them in achieving a greater degree of equity in the distribution of financial resources for education among local educational agencies in the State.

"(2) A grant or contract under this section may support technical assistance activities, such as—

"(A) the establishment and operation of a center or centers for the provision of technical assistance to State and local educational agencies;

"(B) the convening of conferences on equalization of resources within local educational agencies, within States, and among States; and

"(C) obtaining advice from experts in the field of school finance equalization.

"(b) RESEARCH.—(1) The Secretary is authorized to carry out applied research and analysis designed to further knowledge and understanding of methods to achieve greater equity in the distribution of financial resources among local educational agencies.

"(2) The Secretary may carry out research under this subsection directly or through grants to, or contracts or cooperative agreements with, any public or private organization.

"(3) In carrying out this section, the Secretary is authorized to—

"(A) support research on the equity of existing State school funding systems;

"(B) train individuals in such research;

"(C) promote the coordination of such research;

"(D) collect and analyze data related to school finance equity in the United States and other nations; and

"(E) report periodically on the progress of States in achieving school finance equity.

"(4) The Secretary shall coordinate activities under this subsection with activities carried out by the Office of Educational Research and Improvement.

"(5) Each State educational agency or local educational agency receiving assistance under this Act shall provide such data and information on school finance as the Secretary may require to carry out the purposes of this section.

"(c) MODELS.—The Secretary is authorized, directly or through grants, contracts, or cooperative agreements, to develop and disseminate models and materials useful to States in planning and implementing revisions of their school finance systems.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated $8,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

"PART C—WOMEN'S EDUCATIONAL EQUITY ACT

"SEC. 5301. FINDINGS AND STATEMENT OF PURPOSE.

"(a) FINDINGS.—The Congress finds and declares that—

"(1) educational programs in the United States are frequently inequitable as such programs relate to women and girls;

"(2) such inequities limit the full participation of all individuals in American society; and

"(3) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls.

"(b) PURPOSE.—The purpose of this part is to provide gender equity in education in the United States; to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and to provide equity in education to women and girls who suffer multiple forms of discrimination based on sex, race, ethnic origin, limited English proficiency, disability, or age.

"SEC. 5302. PROGRAMS AUTHORIZED.

"The Special Assistant of the Office of Women's Equity is authorized—

"(1) to promote, coordinate and evaluate gender equity policies, programs, activities and initiatives in all federal education program and offices;

"(2) to develop, maintain, and disseminate materials, resources, analyses and research relating to education equity for women and girls;

"(3) to provide information and technical assistance to assure the effective implementation of gender equity programs;

"(4) coordinate gender equity programs and activities with other federal agencies with jurisdiction over education and related programs;

"(5) to provide grants to develop model equity programs;

"(6) to provide funds for the implementation of equity programs in schools throughout the Nation;

"(7) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to education equity for women and girls; and

"(8) any other activities consistent with achieving the purposes of this part.

"SEC. 5303. LOCAL IMPLEMENTATION GRANTS.

"(a) AUTHORITY.—The Secretary is authorized to make grants to, and enter into contracts with, public agencies, private nonprofit agencies, organizations, and institutions, including students and community groups, for activities designed to achieve the purposes of this part at all levels of education, including preschool, elementary and secondary education, higher education, adult education and vocational/technical education; for the establishment and operation, for a period not to exceed four years, of local programs to ensure—

"(1) educational equity for women and girls

"(2) equal opportunities for both sexes

"(3) to conduct activities incident to achieving compliance with title IX of the Education Amendments of 1972; and

"(b) GRANT PROGRAM.—Authorized activities under subsection (a) may include—

"(1) introduction into the curriculum and classroom of curricula, textbooks, and other material designed to achieve equity for women and girls;

"(2) implementation of preservice and inservice training with special emphasis on programs and activities designed to provide educational equity for women and girls;

"(3) evaluation of promising or exemplary model programs to assess their ability to improve local efforts to advance educational equity for women and girls;

"(4) implementation of programs and policies to address sexual harassment and violence against women and girls and to ensure that educational institutions are free from threats to the safety of students and personnel;

"(5) implementation of guidance and counseling activities, including career education program, designed to ensure educational equity for women and girls;

"(6) implementation of nondiscriminatory tests of aptitude and achievement and of alternative assessments that eliminate biased assessment instruments from use;

"(7) implementation of programs to increase educational opportunities, including higher education, vocational training, and other educational programs for low income women; including underemployed and unemployed women and women receiving Aid to Families with Dependent Children benefits;

"(8) implementation of programs to improve representation of women in educational administration at all levels; and

"(9) planning, development and initial implementation of:

"(A) comprehensive plans for implementation of equity programs in state and local educational agencies and institutions of higher education; including community colleges;

"(B) innovative approaches to school-community partnerships for educational equity;

"(C) innovative approaches to equity programs addressing combined bias, stereotyping, and discrimination on the basis of sex and race, ethnic origin, limited English proficiency, and disability.

"(c) APPLICATION; PARTICIPATION.—A grant may be made, and a contract may be entered into, under this part only upon application to the Secretary, at such time, in such form, and containing or accompanied by such information as the Secretary may prescribe. Each such application shall—

"(1) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant and in cooperation with appropriate educational and community leaders, including parent, teacher and student organizations, educational institutions, business leaders, community-based organizations serving women, and other significant groups and individuals;

"(2) describe a program for carrying out the purpose set forth in Section 5303(b) which holds promise of making substantial contribution toward attaining such purposes;

"(3) describe plans for continuation and institutionalization of the program with local support following completion of the grant period and termination of Federal support under this part; and

"(4) establish policies and procedures which ensure adequate documentation and evaluation of the activities intended to be carried out under the application.

"(d) CRITERIA; PRIORITIES; CATEGORIES OF COMPETITION.—The Secretary shall establish criteria, priorities, and categories of competition for awards under this part to ensure that available funds are used for those purposes that most effectively will achieve the purposes of the Act.

"(1) The criteria shall address the extent to which—

"(A) the program addresses the needs of women and girls of color and women and girls with disabilities;

"(B) the program meets locally defined and documented educational equity needs and priorities, including title IX compliance;

"(C) the program is a significant component of a comprehensive plan for educational equity and title IX compliance in the particular school district, institution of higher education, vocational-technical institution, or other educational agency or institution; and

"(D) the program implements an institutional change strategy with long-term impact and will continue as a central activity of the applicant agency or institution after the grant is completed.

"(2) The Secretary shall establish no more than four priorities, one of which shall be a priority for compliance with title IX of the Education Amendments of 1972. Not more than 60 percent of funds available in each fiscal year shall be allocated to programs under the four priorities.

"(3) The Secretary shall establish 3 categories of competition, distinguishing among three types of applicants and levels of education that shall include—

"(A) grants to local educational agencies, state education agencies, and other agencies and organizations providing elementary and secondary education;

"(B) grants to institutions of higher education, including community colleges and other agencies and organizations providing postsecondary education, including vocational-technical education, adult education, and other programs; and

"(C) grants to non-profit organizations, including community-based organizations, groups representing students, parents, and women, including women and girls of color and women and girls with disabilities.

"(e) REQUIREMENT.—Not less than 25 percent of funds used to support activities covered by subsection (b) shall be used for awards under each category of competition in each fiscal year.

"(f) SPECIAL RULE.—The Secretary shall ensure that the total of grants awarded each year address—

"(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

"(2) all regions of the United States, including at least one grant in each of the ten Federal regions; and

"(3) urban, rural, and suburban educational institutions.

"SEC. 5304. RESEARCH AND DEVELOPMENT GRANTS.

"(a) AUTHORITY.—The Secretary is authorized to make grants to, and enter into contracts with, public agencies, private nonprofit agencies, organizations, and institutions, including students, and community groups, for activities designed to achieve the purpose of this part at all levels of education, including preschool, elementary and secondary education, higher education, adult education and vocational-technical education; to develop model policies and programs, and to conduct research to address and ensure educational equities for women and girls, including but not limited to—

"(1) the development and evaluation of gender-equitable curricula, textbooks, software, and other educational material and technology;

"(2) the development of model preservice and inservice training programs for educational personnel with special emphasis on programs and activities designed to provide educational equity;

"(3) the development of guidance and counseling activities, including career education programs, designed to ensure gender equity;

"(4) the development and evaluation of nondiscriminatory assessment systems;

"(5) the development of policies and programs to address and prevent sexual harassment and violence to ensure that educational institutions are free from threats to safety of students and personnel;

"(6) the development and improvement of programs and activities to increase opportunity for women, including continuing educational activities, vocational education, and programs for low income women; including underemployed and unemployed women, and women receiving Aid to Families with Dependent Children.

"(7) the development of instruments and strategies for program evaluation and dissemination of promising or exemplary programs designed to improve local efforts to achieve gender equity;

"(8) the development of instruments and procedures to assess the presence or absence of gender equity in educational settings;

"(9) the development and evaluation of various strategies to institutionalize gender equity in education.

"(b) APPLICATION.—A grant may be made, and a contract may be entered into, under this part only upon application to the Secretary, at such time, in such form, and containing or accompanied by such information as the Secretary may prescribe. Each such application shall—

"(1) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

"(2) describe a plan for carrying out 1 or more research and development activities authorized in paragraph (a) above, which holds promise of making a substantial contribution toward attaining the purposes of this act; and

"(3) set forth policies and procedures which insure adequate documentation, data collection, and evaluation of the activities intended to be carried out under the application, including an evaluation or estimate of the potential for continued significance following completion of the grant period.

"(c) CRITERIA AND PRIORITIES.—(1) The Secretary shall establish criteria and priorities to ensure that available funds are used for programs that most effectively will achieve the purposes of this part.

"(2) The criteria and priorities shall be promulgated in accordance with section 431 of the General Education Provisions Act.

"(3) In establishing priorities the Secretary shall establish no more than 4 priorities, 1 of which shall be programs which address the educational needs of women and girls who suffer multiple or compound discrimination based on sex and on race, ethnic origin, disability, or age.

"(d) SPECIAL RULE.—The Secretary shall ensure that the total of grants awarded each year address—

"(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

"(2) all regions of the United States;

"(d) COORDINATION.—Research activities supported under this part—

"(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

"(2) may include collaborative research activities which are jointly funded and carried out by the Office of Women's Equity and the Office of Educational Research and Improvement.

"(f) LIMITATION.—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted under this part.

"SEC. 5305. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated—

"(1) for the purpose of carrying out the provisions of section 5303, there are authorized to be appropriated $3,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999; and

"(2) for the purpose of carrying out the provisions of section 5304, there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

Mr. KILDEE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. TORRES] having assumed the chair, Mr. PRICE of North Carolina, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6) to extend for 6 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, as a result of a family emergency, I was unable to vote on a number of amendments to H.R. 6 that were considered. Had I been in attendance, I would have voted as follows: Rollcall No. 43—Aye; Rollcall No. 44—Aye; Rollcall No. 45—Aye; Rollcall No. 46—No; Rollcall No. 47—Aye; Rollcall No. 49—Aye.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON HOUSE CONCURRENT RESOLUTION 218, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a privileged report on the concurrent resolution (H. Con. Res. 218) providing for consideration of the concurrent resolution on the budget for fiscal year 1995 through fiscal year 1999, House Concurrent Resolution 218.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOUR OF MEETING ON TOMORROW, THURSDAY, MARCH 10, 1994

Mr. WISE. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CHILD SAFETY PROTECTION ACT

Mrs. COLLINS of Illinois. Mr. Speaker, I ask unanimous consent to take

from the Speaker's table the bill (H.R. 965) to provide for toy safety and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment and the House amendment to the Senate amendment as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Safety Protection Act".

TITLE I—TOY LABELING REQUIREMENTS

SEC. 101. REQUIREMENTS FOR LABELING CERTAIN TOYS AND GAMES.

(a) REQUIREMENT UNDER FEDERAL HAZARDOUS SUBSTANCES ACT.—The Federal Hazardous Substances Act (15 U.S.C. 1261 et seq.) is amended by adding at the end the following new section:

"SEC. 24. REQUIREMENTS FOR LABELING CERTAIN TOYS AND GAMES.

"(a) TOYS OR GAMES FOR CHILDREN WHO ARE AT LEAST 3.—

"(1) REQUIREMENT.—The packaging of any toy or game intended for use by children who are at least 3 years old but not older than 6 years (or such other upper age limit as the Commission may determine, which may not be less than 5 years old), any descriptive material which accompanies such toy or game, and, in the case of bulk sales of such toy or game when unpackaged, any bin, container for retail display, or vending machine from which the unpackaged toy or game is dispensed shall bear or contain the cautionary statement described in paragraph (2) if the toy or game—

"(A) is manufactured for sale, offered for sale, or distributed in commerce in the United States, and

"(B) includes a small part, as defined by the Commission.

"(2) LABEL.—The cautionary statement required by paragraph (1) for a toy or game shall be as follows:

" ⚠ **WARNING:**

CHOKING HAZARD—Small parts.
Not for children under 3 yrs.

"(b) BALLOONS, SMALL BALLS, AND MARBLES.—

"(1) REQUIREMENT.—In the case of any latex balloon, any ball with a diameter of 1.75 inches or less intended for children 3 years of age or older, any marble intended for children 3 years of age or older, or any toy or game which contains such a balloon, ball, or marble, which is manufactured for sale, offered for sale, or distributed in commerce in the United States—

"(A) the packaging of such balloon, ball, marble, toy, or game,

"(B) any descriptive material which accompanies such balloon, ball, marble, toy, or game, and

"(C) in the case of bulk sales of any such product when unpackaged, any bin, container for retail display, or vending machine from which such unpackaged balloon, ball, marble, toy, or game is dispensed,

shall bear or contain the cautionary statement described in paragraph (2).

"(2) LABEL.—The cautionary statement required under paragraph (1) for a balloon, ball, marble, toy, or game shall be as follows:

"(A) BALLOONS.—In the case of balloons, or toys or games that contain latex balloons, the following cautionary statement applies:

" ⚠ **WARNING:**

CHOKING HAZARD—Children under 8 yrs. can choke or suffocate on uninflated or broken balloons. Adult supervision required.

Keep uninflated balloons from children.
Discard broken balloons at once.

"(B) BALLS.—In the case of balls, the following cautionary statement applies:

" ⚠ **WARNING:**

CHOKING HAZARD—This toy is a small ball.
Not for children under 3 yrs.

"(C) MARBLES.—In the case of marbles, the following cautionary statement applies:

" ⚠ **WARNING:**

CHOKING HAZARD—This toy is a marble.
Not for children under 3 yrs.

"(D) TOYS AND GAMES.—In the case of toys or games containing balls, the following cautionary statement applies:

“ ⚠ WARNING:

CHOKING HAZARD—This toy is a small ball.
Not for children under 3 yrs.

In the case of toys or games containing marbles, the following cautionary statement applies:

“ ⚠ WARNING:

CHOKING HAZARD—Toy contains a small marble.
Not for children under 3 yrs.

"(c) GENERAL LABELING REQUIREMENTS.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), any cautionary statement required under subsection (a) or (b) shall be—

"(A) displayed in its entirety on the principal display panel of the product's package, and on any descriptive material which accompanies the product, and, in the case of bulk sales of such product when unpackaged, on the bin, container for retail display of the product, and any vending machine from which the unpackaged product is dispensed, and

"(B) displayed in the English language in conspicuous and legible type in contrast by typography, layout, or color with other printed matter on such package, descriptive materials, bin, container, and vending machine, and in a manner consistent with part 1500 of title 16, Code of Federal Regulations (or successor regulations thereto).

"(2) EXCEPTION FOR PRODUCTS MANUFACTURED OUTSIDE UNITED STATES.—In the case of a product manufactured outside the United States and directly shipped from the manufacturer to the consumer by United States mail or other delivery service, the accompanying material inside the package of the product may fail to bear the required statement if other accompanying material shipped with the product bears such statement.

"(3) SPECIAL RULES FOR CERTAIN PACKAGES.—(A) A cautionary statement required by subsection (a) or (b) may, in lieu of display on the principal display panel of the product's package, be displayed on another panel of the package if—

"(i) the package has a principal display panel of 15 square inches or less and the required statement is displayed in three or more languages; and

"(ii) the statement specified in subparagraph (B) is displayed on the principal display panel and is accompanied by an arrow or other indicator pointing toward the place on the package where the statement required by subsection (a) or (b) appears.

"(B)(i) In the case of a product to which subsection (a), subsection (b)(2)(B), subsection (b)(2)(C), or subsection (b)(2)(D) applies, the statement specified by this subparagraph is as follows:

“ ⚠ SAFETY WARNING

"(ii) In the case of a product to which subsection (b)(2)(A) applies, the statement specified by this subparagraph is as follows:

“ ⚠ WARNING—CHOKING HAZARD

"(d) TREATMENT AS MISBRANDED HAZARDOUS SUBSTANCE.—A balloon, ball, marble, toy, or game, that is not in compliance with the requirements of this section shall be considered a misbranded hazardous substance under section 2(p).".

(b) OTHER SMALL BALLS.—A small ball—

(1) intended for children under the age of 3 years of age, and

(2) with a diameter of 1.75 inches or less,

shall be considered a banned hazardous substance under section 2(q) of the Federal Hazardous Substances Act (15 U.S.C. 1261(q)).

(c) REGULATIONS.—The Consumer Product Safety Commission (hereinafter referred to as the "Commission") shall promulgate regulations, under section 553 of title 5, United States Code, for the implementation of this section and section 24 of the Federal Hazardous Substances Act by July 1, 1994, or the date that is 6 months after the date of enactment of this Act, whichever occurs first. Subsections (f) through (i) of section 3 of the Federal Hazardous Substances Act (15 U.S.C. 1262) shall not apply with respect to the issuances of regulations under this subsection.

(d) EFFECTIVE DATE; APPLICABILITY.—Subsections (a) and (b) shall take effect January 1, 1995, and section 24 of the Federal Hazardous Substances Act shall apply only to products entered into commerce on or after January 1, 1995.

(e) PREEMPTION.—

(1) IN GENERAL.—Subject to paragraph (2), a State or political subdivision of a State may not establish or enforce a requirement relating to cautionary labeling of small parts hazards or choking hazards in any toy, game, marble, small ball, or balloon intended or suitable for use by children unless such requirement is identical to a requirement established by amendments made by this section to the Federal Hazardous Substances Act or by regulations promulgated by the Commission.

(2) EXCEPTION.—A State or political subdivision of a State may, until January 1, 1995, enforce a requirement described in paragraph (1) if such requirement was in effect on October 2, 1993.

SEC. 102. REPORTING REQUIREMENTS.

(a) REPORTS TO CONSUMER PRODUCT SAFETY COMMISSION.—

(1) REQUIREMENT TO REPORT.—Each manufacturer, distributor, retailer, and importer of a marble, small ball, or latex balloon, or a toy or game that contains a marble, small ball, latex balloon, or other small part, shall report to the Commission any information obtained by such manufacturer, distributor, retailer, or importer which reasonably supports the conclusion that—

(A) an incident occurred in which a child (regardless of age) choked on such a marble, small ball, or latex balloon or on a marble, small ball, latex balloon, or other small part contained in such toy or game; and

(B) as a result of that incident the child died, suffered serious injury, ceased breathing for any length of time, or was treated by a medical professional.

(2) TREATMENT UNDER CPSA.—For purposes of section 19(a)(3) of the Consumer Product Safety Act (15 U.S.C. 2068(a)(3)), the requirement to report information under this subsection is deemed to be a requirement under such Act.

(3) EFFECT ON LIABILITY.—A report by a manufacturer, distributor, retailer, or importer under paragraph (1) shall not be interpreted, for any purpose, as an admission of liability or of the truth of the information contained in the report.

(b) CONFIDENTIALITY PROTECTIONS.—The confidentiality protections of section 6(b) of the Consumer Product Safety Act (15 U.S.C. 2055(b)) apply to any information reported to the Commission under subsection (a) of this section. For purposes of section 6(b)(5) of such Act, information so reported shall be treated as information submitted pursuant to section 15(b) of such Act respecting a consumer product.

TITLE II—CHILDREN'S BICYCLE HELMET SAFETY

SEC. 201. SHORT TITLE.

This title may be cited as the "Children's Bicycle Helmet Safety Act of 1993".

SEC. 202. ESTABLISHMENT OF PROGRAM.

The Administrator of the National Highway Traffic Safety Administration may, in accordance with section 203, make grants to States and nonprofit organizations for programs that require or encourage individuals under the age of 16 to wear approved bicycle helmets. In making those grants, the Administrator shall allow grantees to use wide discretion in designing programs that effectively promote increased bicycle helmet use.

SEC. 203. PURPOSES FOR GRANTS.

A grant made under section 202 may be used by a grantee to—

(1) enforce a law that requires individuals under the age of 16 to wear approved bicycle helmets on their heads while riding on bicycles;

(2) assist individuals under the age of 16 to acquire approved bicycle helmets;

(3) develop and administer a program to educate individuals under the age of 16 and their families on the importance of wearing such helmets in order to improve bicycle safety; or

(4) carry out any combination of the activities described in paragraphs (1), (2), and (3).

SEC. 204. STANDARDS.

(a) IN GENERAL.—Bicycle helmets manufactured 9 months or more after the date of the enactment of this Act shall conform to—

(1) any interim standard described under subsection (b), pending the establishment of a final standard pursuant to subsection (c); and

(2) the final standard, once it has been established under subsection (c).

(b) INTERIM STANDARDS.—The interim standards are as follows:

(1) The American National Standards Institute standard designated as "Z90.4-1984".

(2) The Snell Memorial Foundation standard designated as "B-90".

(3) The American Society of Testing Materials standard designated as "F 1447".

(4) Any other standard that the Commission determines is appropriate.

(c) FINAL STANDARD.—Not later than 60 days after the date of the enactment of this Act, the Commission shall begin a proceeding under section 553 of title 5, United States Code, to—

(1) review the requirements of the interim standards set forth in subsection (a) and establish a final standard based on such requirements;

(2) include in the final standard a provision to protect against the risk of helmets coming off the heads of bicycle riders;

(3) include in the final standard provisions that address the risk of injury to children; and

(4) include additional provisions as appropriate.

Sections 7, 9, and 30(d) of the Consumer Product Safety Act (15 U.S.C. 2056, 2058, 2079(d)) shall not apply to the proceeding under this subsection and section 11 of such Act (15 U.S.C. 2060) shall not apply with respect to any standard issued under such proceeding. The final standard shall take effect 1 year from the date it is issued.

(d) FAILURE TO MEET STANDARDS.—

(1) FAILURE TO MEET INTERIM STANDARD.—Until the final standard takes effect, a bicycle helmet that does not conform to an interim standard as required under subsection (a)(1) shall be considered in violation of a consumer product safety standard promulgated under the Consumer Product Safety Act.

(2) STATUS OF FINAL STANDARD.—The final standard developed under subsection (c) shall be considered a consumer product safety standard promulgated under the Consumer Product Safety Act.

SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

For the National Highway Traffic Safety Administration to carry out the grant program authorized by this title, there are authorized to be appropriated $2,000,000 for fiscal year 1994, $3,000,000 for fiscal year 1995, and $4,000,000 for fiscal year 1996.

SEC. 206. DEFINITION.

In this title, the term "approved bicycle helmet" means a bicycle helmet that meets—

(1) any interim standard described in section 204(b), pending establishment of a final standard under section 204(c); and

(2) the final standard, once it is established under section 204(c).

TITLE III—BUCKET DROWNING PREVENTION

SEC. 301. LABELING STANDARD REQUIREMENTS.

On October 1, 1994, or 240 days after the date of the enactment of this title, whichever first occurs, there is established and effective a consumer product safety standard under section 9 of the Consumer Product Safety Act (15 U.S.C. 2058), to eliminate or reduce the risk of injury or death resulting from infants falling into 4-gallon to 6-gallon buckets containing liquid. Such standard, when established, shall require straight sided or slightly tapered, open head containers with a capacity of more than 4 gallons and less than 6 gallons (referred to in this title as a "bucket"), to bear one warning label in English and Spanish. The label shall meet the following requirements:

(1) The label shall be permanent so that such label cannot be removed, torn or defaced without the aid of tools or solvents.

(2) The label shall be at least 7 inches in height, and 3½ inches in width, or any larger size as the labeler may choose.

(3) The label shall be centered on one side of the bucket just below the point where the handle is inserted.

(4) The label shall have a border or other form of contrast around its edges to delineate it from any other information on the bucket.

(5) The label shall bear (A) the signal word "WARNING" in both English and Spanish, in bold uppercase lettering, and (B) in upper and lower case lettering the words "Children Can Fall Into Bucket and Drown. Keep Children Away From Buckets With Even a Small Amount of Liquid.", with an equivalent Spanish translation in at least the same type size as English. The signal word panel shall be preceded by a safety alert symbol consisting of an exclamation mark in a triangle.

(6) The label shall be clear and conspicuous and in contrasting colors.

(7) The label shall include a picture of a child falling into a bucket containing liquid. An encircled slash symbol shall be superimposed over, and surround the pictorial. The picture shall be positioned between the signal word panel and the message panel.

SEC. 302. CERTAIN BUCKETS NOT AFFECTED.

The standard established by section 301 applies only to buckets manufactured or imported on or after the effective date of such standard, and buckets manufactured or imported before such effective date may be sold without the warning label required by section 301 even though such sales occur after that date. The Consumer Product Safety Commission, by rule, shall prohibit a manufacturer, filler, distributor, and retailer from stockpiling buckets to which consumer product safety standards established by section 301 of this title would have applied but for the preceding sentence. For purposes of this section, the term "stockpiling" shall have the same meaning as that provided by section 9(g)(2) of the Consumer Product Safety Act.

SEC. 303. PROHIBITED ACTS.

(a) REMOVAL OF LABEL.—Once placed on a plastic bucket pursuant to the standard provided by section 301, it shall be a prohibited act under section 19 of the Consumer Product Safety Act for any person in the chain of distribution of the bucket to intentionally cover, obstruct, tear, deface or remove the label.

(b) CONSUMER PRODUCT SAFETY STANDARD.—The standard established by section 301 of this title shall be considered a consumer product safety standard established under the Consumer Product Safety Act.

SEC. 304. EXISTING LABELS.

Notwithstanding section 301, any bucket label in use on September 1, 1993, may, if such label is substantially in conformance with the requirements of paragraphs (3), (4), (5), and (6) of section 301, continue to be placed on buckets until 12 months after the date of the enactment of this title. Notwithstanding the preceding sentence, buckets subject to the provisions of this section must bear both an English and Spanish language label on and after the effective date of the standard established by section 301.

SEC. 305. AMENDMENTS.

Section 553 of title 5, United States Code, shall apply with respect to the Consumer Product Safety Commission's issuance of any amendments or changes to the bucket labeling standard established by section 301 of this title. Sections 7 and 9 of the Consumer Product Safety Act shall not apply to such amendments or changes.

SEC. 306. RESPONSIBILITY FOR LABELING.

(a) LABELING.—The standard established by section 301 requires the labeling of buckets covered by such standard to be the responsibility of the manufacturer of any such buckets, unless otherwise specified by contract between the manufacturer, and either the filler, distributor, or retailer of such buckets. Under no circumstances shall any such bucket enter the stream of commerce without such label.

(b) TIME FOR PLACING LABELS.—The required label must be on the bucket at the time it is sold or delivered to the end user of the bucket or its contents or, in the case of a bucket intended to be sold to the public in an empty state, at the time it is shipped to a retailer for sale to the public.

SEC. 307. PERFORMANCE STANDARD.

(a) PERFORMANCE STANDARD.—Within 30 days following the date of enactment of this title, the Consumer Product Safety Commission shall commence a proceeding under the Consumer Product Safety Act for the issuance of a performance standard for buckets to address the drowning hazard associated with this product. Such standard shall take effect at such time as may be prescribed by the Consumer Product Safety Commission, but in no event later than 15 months following the date of the enactment of this title. The Consumer Product Safety Commission shall consider any American Society for Testing and Materials voluntary performance standard in existence prior to such date of enactment.

(b) LABELING REQUIREMENTS.—The labeling requirements under section 101 shall not apply to buckets certified by the Consumer Product Safety Commission as meeting the performance standard in subsection (a).

SEC. 308. CONSULTATION.

To avoid duplicative and conflicting labeling, the Consumer Product Safety Commission shall *complete a consultation with relevant Federal agencies within 30 days following the date of enactment of this Act.*

SEC. 309. REQUIREMENT FOR COMMISSION STUDY.

(a) STUDY.—The Commission shall conduct a study to assess the frequency of deaths and injuries arising from drowning accidents in metal buckets, and the frequency and type of uses of 4-gallon to 6-gallon metal containers in the home, to determine whether special design and labeling standards are needed for such containers. The Commission shall report the results of the study to the Congress not later than one year after the date of enactment of this Act.

(b) EXEMPTION.—During the pendency of such study, metal containers which would otherwise be required to comply with the labeling requirements of section 301 are exempt from such requirements. Upon review of the results of the study, the Commission shall decide whether to continue this exemption, to require compliance by metal containers, or to consider further study in the future.

HOUSE AMENDMENT TO SENATE AMENDMENT TO H.R. 965

In lieu of the matter inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This act may be cited as the "Child Safety Protection Act".

TITLE I—TOY LABELING REQUIREMENTS

SEC. 101. REQUIREMENTS FOR LABELING CERTAIN TOYS AND GAMES.

(a) REQUIREMENT UNDER FEDERAL HAZARDOUS SUBSTANCES ACT.—The Federal Hazardous Substances Act (15 U.S.C. 1261 et seq.) is amended by adding at the end the following new section:

"SEC. 24. REQUIREMENTS FOR LABELING CERTAIN TOY AND GAMES.

"(a) TOYS OR GAMES FOR CHILDREN WHO ARE AT LEASE 3.—

"(1) REQUIRMENT.—The packaging of any toy or game intended for used by children who are at least 3 years old but not older than 6 years (or such other upper age limit as the Commission may determine, which may not be less than 5 years old), any descriptive material which accompanies such toy or game, and, in the case of bulk sales of such toy or game when unpackaged, any bin, container for retail display, or vending machine from which the unpackaged toy or game is dispensed shall bear or contain the cautionary statement described in paragraph (2) if the toy or game—

"(A) is manufactured for sale, offered for sale, or distributed in commerce in the United States, and

"(B) includes a small part, as defined by the Commission.

"(2) LABEL.—The cautionary statement requirement by paragraph (1) for a toy or game shall be as follows:

" ⚠ **WARNING:**

CHOKING HAZARD—Small parts.
Not for children under 3 yrs.

"(b) BALLOONS, SMALL BALLS, AND MARBLES.—

"(1) REQUIREMENT.—In the case of any latex balloon, any ball with a diameter of 1.75 inches or less intended for children 3 years of age or older, any marble intended for children 3 years of age or older, or any toy or game which contains such a balloon, ball or marble, which is manufactured for sale, offered for sale, or distributed in commerce in the United States—

"(A) the packaging of such balloon, ball, marble, toy, or game,

"(B) any descriptive material which accompanies such balloon, ball, marble, toy, or game, and

"(C) in the case of bulk sales of any such product when unpackaged, any bin, container for retail display, or vending machine from which such unpackaged balloon, ball, marble, toy, or game is dispensed.

shall bear or contain the cautionary statement described in paragraph (2).

"(2) LABEL.—The cautionary statement required under paragraph (1) for a balloon, ball, marble, toy, or game shall be as follows:

"(A) BALLOONS.—In the case of balloons, or toys or games that contain latex balloons, the following cautionary statement applies:

" ⚠ **WARNING:**

CHOKING HAZARD—Children under 8 yrs. can choke or suffocate on uninflated or broken balloons. Adult supervision required.

Keep uninflated balloons from children.
Discard broken balloons at once.

"(B) BALLS.—In the case of balls, the following cautionary statement applies:

" ⚠ **WARNING:**

CHOKING HAZARD—This toy is a small ball.
Not for children under 3 yrs.

"(C) MARBLES.—In the case of marbles, the following cautionary statement applies:

" ⚠ **WARNING:**

CHOKING HAZARD—This toy is a marble.
Not for children under 3 yrs.

"(D) TOYS AND GAMES.—In the case of toys or games containing balls, the following cautionary statement applies:

“ ⚠ **WARNING:**

CHOKING HAZARD—Toy contains a small ball.
Not for children under 3 yrs.

In the case of toys or games containing marbles, the following cautionary statement applies:

“ ⚠ **WARNING:**

CHOKING HAZARD—Toy contains a marble.
Not for children under 3 yrs.

“(c) General Labeling Requirements.—

“(1) In general.—Except as provided in paragraphs (2) and (3), any cautionary statement required under subsection (a) or (b) shall be—

“(A) displayed in its entirety on the principal display panel of the product's package, and on any descriptive material which accompanies the product, and, in the case of bulk sales of such product when unpackaged, on the bin, container for retail display of the product, and any vending machine from which the unpackaged product is dispensed, and

“(B) displayed in the English language in conspicuous and legible type in contrast by typography, layout, or color with other printed matter on such package, descriptive materials, bin, container, and vending machine, and in a manner consistent with part 1500 of title 16, Code of Federal Regulations (or successor regulations thereto).

“(2) Exception for products manufactured outside United States.—In the case of a product manufactured outside the United States and directly shipped from the manufacturer to the consumer by United States mail or other delivery service, the accompanying material inside the package of the product may fail to bear the required statement if other accompanying material shipped with the product bears such statement.

“(3) Special rules for certain packages.—(A) A cautionary statement required by subsection (a) or (b) may, in lieu of display on the principal display panel of the product's package, be displayed on another panel of the package if—

“(i) the package has a principal display panel of 15 square inches or less and the required statement is displayed in three or more languages; and

“(ii) the statement specified in subparagraph (B) is displayed on the principal display panel and is accompanied by an arrow or other indicator pointing toward a place on the package where the statement required by subsection (a) or (b) appears.

“(B)(i) In the case of a product to which subsection (a), subsection (b)(2)(B), subsection (b)(2)(C), or subsection (b)(2)(D) applies, the statement specified by this subparagraph is as follows:

“ ⚠ **SAFETY WARNING**

“(ii) In the case of a product to which subsection (b)(2)(A) applies, the statement specified by this subparagraph is as follows:

“ ⚠ **WARNING—CHOKING HAZARD**

“(d) Treatment as Misbranded Hazardous Substance.—A balloon, ball, marble, toy, or game, that is not in compliance with the requirements of this section shall be considered a misbranded hazardous substance under section 2(p).”.

(b) Other Small Balls.—A small ball—

(1) intended for children under the age of 3 years of age, and

(2) with a diameter of 1.75 inches or less, shall be considered a banned hazardous substance under section 2(q) of the Federal Hazardous Substances Act (15 U.S.C. 1261(q)).

(c) Regulations.—The Consumer Product Safety Commission (hereinafter referred to as the “Commission”) shall promulgate regulations, under section 553 of title 5, United States Code, for the implementation of this section and section 24 of the Federal Hazardous Substances Act by July 1, 1994, or the date that is 6 months after the date of enactment of this Act, whichever occurs first. Subsections (f) through (i) of section 3 of the Federal Hazardous Substances Act (15 U.S.C. 1262) shall not apply with respect to the issuance of regulations under this subsection.

(d) Effective Date: Applicability.—Subsections (a) and (b) shall take effect January 1, 1995, and section 24 of the Federal Hazardous Substances Act shall apply only to products entered into commerce on or after January 1, 1995.

(e) Preemption.—

(1) In general.—Subject to paragraph (2), a State or political subdivision of a State may not establish or enforce a requirement relating to cautionary labeling of small parts hazards or choking hazards in any toy, game, marble, small ball, or balloon intended or suitable for use by children unless such requirement is identical to a requirement established by amendments made by this section to the Federal Hazardous Substances Act or by regulations promulgated by the Commission.

(2) Exception.—A State or political subdivision of a State may, until January 1, 1995, enforce a requirement described in paragraph (1) if such requirement was in effect on October 2, 1993.

SEC. 102. REPORTING REQUIREMENTS.

(a) Reports to Consumer Product Safety Commission.—

(1) Requirement to report.—Each manufacturer, distributor, retailer, and importer of a marble, small ball, or latex balloon, or a toy or game that contains a marble, small ball, latex balloon, or other small part, shall report to the Commission any information obtained by such manufacturer, distributor, retailer, or importer which reasonably supports the conclusion that—

(A) an incident occurred in which a child (regardless of age) choked on such a marble, small ball, or latex balloon or on a marble, small ball, latex balloon, or other small part contained in such toy or game; and

(B) as a result of that incident the child died, suffered serious injury, ceased breathing for any length of time, or was treated by a medical professional.

(2) Treatment under CPSA.—For purposes of section 19(a)(3) of the Consumer Product Safety Act (15 U.S.C. 2068(a)(3)), the requirement to report information under this subsection is deemed to be a requirement under such Act.

(3) Effect on liability.—A report by a manufacturer, distributor, retailer, or importer under paragraph (1) shall not be interpreted, for any purpose, as an admission of liability or of the truth of the information contained in the report.

(b) Confidentiality Protections.—The confidentiality protections of section 6(b) of the Consumer Product Safety Act (15 U.S.C. 2055(b)) apply to any information reported to the Commission under subsection (a) of this section. For purposes of section 6(b)(5) of such Act, information so reported shall be treated as information submitted pursuant to section 15(b) of such Act respecting a consumer product.

TITLE II—CHILDREN'S BICYCLE HELMET SAFETY

SEC. 201. SHORT TITLE.

This title may be cited as the "Children's Bicycle Helmet Safety Act of 1993".

SEC. 202. STANDARDS.

(a) IN GENERAL.—Bicycle helmets manufactured 9 months or more after the date of the enactment of this Act shall conform to—

(1) any interim standard described under subsection (b), pending the establishment of a final standard pursuant to subsection (c); and

(2) the final standard, once it has been established under subsection (c).

(b) INTERIM STANDARDS.—The interim standards are as follows:

(1) The American National Standards Institute standard designated as "Z90.4-1984".

(2) The Snell Memorial Foundation standard designated as "B-90".

(3) The American Society for Testing and Materials (ASTM) standard designated as "F 1447".

(4) Any other standard that the Commission determines is appropriate.

(c) FINAL STANDARD.—Not later than 60 days after the date of the enactment of this Act, the Commission shall begin a proceeding under section 553 of title 5, United States Code, to—

(1) review the requirements of the interim standards set forth in subsection (a) and establish a final standard based on such requirements;

(2) include in the final standard a provision to protect against the risk of helmets coming off the heads of bicycle riders;

(3) include in the final standard provisions that address the risk of injury to children; and

(4) include additional provisions as appropriate.

Sections 7, 9, and 30(d) of the Consumer Product Safety Act (15 U.S.C. 2056, 2058, 2079(d)) shall not apply to the proceeding under this subsection and section 11 of such Act (15 U.S.C. 2060) shall not apply with respect to any standard issued under such proceeding. The final standard shall take effect 1 year from the date it is issued.

(d) FAILURE TO MEET STANDARDS.—

(1) FAILURE TO MEET INTERIM STANDARD.—Until the final standard takes effect, a bicycle helmet that does not conform to an interim standard as required under subsection (a)(1) shall be considered in violation of a consumer product safety standard promulgated under the Consumer Product Safety Act.

(2) STATUS OF FINAL STANDARD.—The final standard developed under subsection (c) shall be considered a consumer product safety standard promulgated under the Consumer Product Safety Act.

Mrs. COLLINS of Illinois (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment and the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

Mr. STEARNS. Mr. Chairman, reserving the right to object, while I do not intend to object, I take this reservation for the purpose of asking the gentlewoman from Illinois to explain what is in the amendment, and I yield to the gentlewoman for an explanation.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentleman for yielding to me. Last March, the House passed H.R. 965, the toy safety bill, by an overwhelming majority under suspension of the rules. The bill included provisions regarding toy labeling and performance standards for bicycle helmets.

In November, the Senate amended the House bill with a substitute. The Senate amendment made some revisions in the toy labeling provisions in consultation with the House. These changes included special labeling rules for smaller toy packages, a specific preemption provision, and certain reporting provisions. The bicycle helmet standard provisions were basically unchanged in the Senate amendment.

The Senate amendment also added two new provisions, one requiring the establishment of labeling and performance standards for 5-gallon buckets, and one establishing a program of grants to States and nonprofit groups, under the National Highway Traffic Safety Administration, to encourage children to wear bicycle helmets. The bucket provisions were originally based on a consensus, but have turned out to be somewhat controversial. The bicycle helmet grant provisions are under the jurisdiction of the Committee on Public Works and Transportation, and some members of that committee have expressed concerns.

Accordingly, because of the controversy over these two provisions, the House amendment to the Senate amendment would delete the bucket provisions and the bicycle helmet grant provisions, while maintaining the toy labeling and bicycle helmet standard provisions as passed by the Senate. Let me emphasize that I personally support the two provisions we are dropping, and am hopeful they can be otherwise addressed in this Congress. However, it is necessary to drop these provisions to facilitate passage of the overall legislation. Let me also emphasize that this bill is strongly supported by both consumer and public safety groups and the Toy Manufacturers of America. I also want to thank my colleague from Florida, who is the ranking minority member of our subcommittee, for his valuable input on this bill.

As I indicated, the Senate added a specific preemption provision to the toy labeling section of the bill. This preemption provision differs from the preemption provision of general application contained in section 18 of the Federal Hazardous Substances Act [FHSA]. This provision is intended to address the unique circumstances of a particular case and is not intended to set any precedent for future legislation, nor to imply that the established FHSA preemption provision is somehow inadequate.

The preemption provision which is invoked when a labeling requirement is established under the FHSA provides that if a hazardous substance or its packaging is subject to a cautionary labeling requirement designed to protect against a risk of illness or injury associated with the substance, no State or political subdivision thereof may establish or continue in effect a cautionary labeling requirement applicable to such substance or packaging and designed to protect against the same risk of illness or injury unless such cautionary labeling requirement is identical to the requirement under the FHSA. A similar preemption provision is invoked when a banning requirement is established under the FHSA. There are three exceptions. First, the Federal Government and the government of any State or political subdivision may establish and continue in effect more stringent requirements for their own procurement purposes. Second, a State or political subdivision may apply to the Consumer Product Safety Commission [CPSC] to be exempted from preemption under certain conditions. Finally, States and political subdivisions may establish and continue in effect more stringent requirements applicable to fireworks.

The unique situation being addressed by the preemption provision in this bill is the litigation involving a toy labeling law, applicable to toys with small parts intended for children between 3 and 7, enacted in Connecticut in 1992. The Toy Manufacturers of America [TMA] challenged this State legislation on the ground that it was preempted by existing CPSC regulations issued under the FHSA, banning toys with small parts intended for children under 3.

The Second Circuit Court of Appeals, in Toy Manufacturers of America versus Blumenthal (1993), ruled that the Connecticut toy labeling law was not preempted by the existing CPSC regulations. Among other grounds for its decision, the court pointed out that, under the existing FHSA preemption provision, preemption applied only when a State regulates the same substance which is regulated under the FHSA. The court determined that, since the existing CPSC regulations applied to toys with small parts intended for children under 3, and the Connecticut law applied to toys with small parts intended for children between 3 and 7, therefore the substance being regulated under the two regulatory regimes was not the same and preemption did not apply.

The subject legislation requires labeling of certain toys and games intended for use by children who are at least 3 but not older than 6—or such other upper age limit as the CPSC may determine, but not less than 5). As a result, TMA believes that there is a possibility, based on the precedent established by the second circuit, that a State would not be preempted by the existing FHSA preemption provision from enacting toy labeling legislation for toys intended for children older than the age levels covered by this legislation. Therefore, this legislation includes a special-purpose preemption provision in order to ensure that this legislation is interpreted as being preemptive of nonidentical State requirements—and those of political subdivisions thereof—relating to cautionary labeling of small parts hazards or choking hazards in any toy, game, marble, small ball, or balloon intended or suitable for use by children, and specifically including such labeling requirements for toys intended for older children than covered by this legislation.

□ 1800

Mr. STEARNS. Mr. Speaker, the minority has reviewed the gentlewoman's amendment, and since it substantially restores H.R. 965 to the form originally passed by the House early last session, we have no objection.

Further, it is my understanding that our Republican colleagues on the Committee on Public Works and Transportation also have no objection to this amendment.

Mr. Speaker, therefore, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentlewoman from Illinois?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. COLLINS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 965.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

COMMUNICATION FROM THE HONORABLE NEWT GINGRICH, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable NEWT GINGRICH, Member of Congress:

CONGRESS OF THE UNITED STATES,
House of Representatives, March 7, 1994.

Hon. THOMAS FOLEY,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In accordance with House Rule 50, I respectfully notify you of my receipt of a witness subpoena from the Superior Court of Cobb County, Georgia.

After consultation with the General Counsel to the House, I have determined that compliance is not consistent with the privileges and precedents of the House.

Sincerely,
NEWT GINGRICH.

EXTENDING WAIVER OF APPLICATION OF EXPORT CRITERIA OF ATOMIC ENERGY ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 103–217)

The SPEAKER pro tempore (Mr. STRICKLAND) laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

The United States has been engaged in nuclear cooperation with the European Community (now European Union) for many years. This cooperation was initiated under agreements that were concluded over three decades ago between the United States and the European Atomic Energy Community [EURATOM] and that extend until December 31, 1995. Since the inception of this cooperation, EURATOM has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a provision was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements. EURATOM agreed in 1978 to such negotiations.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. non-proliferation objectives or otherwise jeopardize the common defense and security, and after notification to the Congress. President Carter made such a determination 14 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Orders Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629 permitting nuclear cooperation to continue through March 10, 1989. President Bush made such determinations in 1989, 1990, 1991, and 1992, and signed Executive Orders Nos. 12670, 12706, 12753, and 12791 permitting nuclear cooperation to continue through March 10, 1993. Last year I signed Executive Order No. 12840 to extend cooperation for an additional year, until March 10, 1994.

In addition to numerous informal contacts, the United States has engaged in frequent talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. Talks were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, September and November 1988, July and December 1989, February, April, October, and December 1990, and September 1991. Formal negotiations on a new agreement were held in April, September, and December 1992, and in March, July, and October 1993. They are expected to continue this year.

I believe that it is essential that cooperation between the United States and EURATOM continue, and likewise, that we work closely with our allies to counter the threat of proliferation of nuclear explosives. Not only would a disruption of nuclear cooperation with EURATOM eliminate any chance of progress in our talks with that organization related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. nonproliferation objectives and would jeopardize the common defense and security of the United States. I therefore intend to sign an Executive order to extend the waiver of the application of the relevant export criterion of the Atomic Energy Act for an additional 12 months from March 10, 1994.

WILLIAM J CLINTON.

THE WHITE HOUSE, *March 9, 1994.*

□ 1810

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. STRICKLAND). Under the Speaker's announced policy of February 11, 1994, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REDUCTION IN REGULATORY CONTROL OF FEDERAL RESERVE BOARD IS SUBJECT TO PROPOSED LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, for the past 2 weeks, many of you have listened to me describe the conflicts of interest, incestuous regulatory relationship and lack of accountability taking place at the Federal Reserve.

One brave person, knowing of the work I have been doing on the FED, has approached me with chilling details about unethical conduct taking place at the Federal Reserve. This person is a former Federal Reserve bank examiner who has volunteered to expose gross unethical conduct in the Federal Reserve examination process. The situation had gotten so bad that the examiner decided to quit working at the FED rather than stomach the unethical behavior.

This is a very serious situation which, if system-wide, raises serious questions about the Federal Reserve commitment to enforcing the Community Reinvestment Act and policing for bias in lending practices.

The examiner said a team of bank examiners documented evidence of violations of the Community Reinvestment Act and bias in lending. The examiner's original report was critical of lending to low-income and minority populations and had noted discriminatory remarks from bank employees about redlining.

The supervisors then replaced the criticisms with contrived examples of the bank's eagerness to comply with consumer lending laws. I have asked the Federal Reserve inspector general to ensure that no retaliatory actions are taken against examiners who have reported unethical behavior.

I believe the Federal Reserve keeps many bankers in line to oppose any plan to modernize and consolidate Federal banking regulation, by threatening these bankers with the loss of their friendly Fed bank examination process. These banks would not want to be at the mercy of only bank examiners like those at the Office of the Comptroller of the Currency [OCC], an agency that is independent of the banking industry. The FED, horrified at the thought of losing its turf, has dispatched its banker benefactors to lobby the Congress against the administration's plan to consolidate the Federal bank regulatory agencies into a single, independent regulator, and against my legislation, H.R. 1214, which is essentially similar.

At the November 9, 1993, Banking Committee hearings I asked Christopher Drogoul, the convicted official of the Banca Nazionale Del Lavoro agency branch in Atlanta, GA, how the Federal Reserve Bank examiners could miss billions of dollars of illegal loans, most of which ended up in the hands of Saddam Hussein. Mr. Drogoul stated:

> The task of the Fed [bank examiner] was simply to confirm that the State of Georgia audit revealed no major problems. And thus, their audit of BNL usually consisted of a one- or two-day review of the State of Georgia's preliminary results, followed by a cup of espresso in the manager's office.

The Federal Reserve bank examiner's friendly chat and cup of espresso in the manager's office at BNL is symbolic of a collegial atmosphere that may very well get in the way of proper supervision and regulation.

I have told you about the officials of the Federal Reserve Bank of New York regularly dining at expensive restaurants as guests of the banks they regulate. This week the ethics officer of the New York Federal Reserve Bank informed the Banking Committee that New York Federal Reserve Bank officials are still accepting meals paid for by the regulated banks, despite the fact that accepting these expensive meals would be illegal for executive branch Government employees. When questioned about this practice, the ethics officer told the Banking Committee, "Since the Stone Age, men have been trading information over fires." The point is that the Federal Reserve refuses to subject itself to reasonable ethical standards. This further illustrates that the Federal Reserve is tone deaf to the notion of maintaining a proper arms-length relationship between regulator and regulatee.

My colleagues, is this the kind of bank regulatory agency you want to maintain? Federal Reserve banking regulation is broken and does need fixing.

NATURAL RESOURCES AND WILDERNESS IN THE STATE OF IDAHO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho [Mr. LaROCCO] is recognized for 5 minutes.

Mr. LaROCCO. Mr. Speaker, I have taken a special order tonight to talk about an issue that is very, very important to my district and the State of Idaho, and that is natural resources and wilderness. I have taken this special order because I would like to talk a little bit to my colleagues who are very interested in natural resources out in the Rocky Mountain region and particularly my State of Idaho.

Let me tell my colleagues that I have introduced a wilderness bill, and we are going to have a hearing on that bill next week in the Public Lands Subcommittee here that would designate 1.3 million acres of wilderness in my district out of about 4 million acres of roadless lands. I also want to talk about efforts to lock up, in my terminology, every acre of roadless lands in the State of Idaho.

There is a proposal before this House that has actually 48 cosponsors called the Northern Rockies Ecosystem Protection Act which would take very acre of roadless lands in my district in the State of Idaho, and in Wyoming and Montana, and put it into wilderness. I think that effort is excessive. I think it is radical, and I think it is way out of whack, and out of balance.

I have introduced a bill that would counteract that. Actually I have written a bill. I have drafted a bill. But I am not going to formally introduce it.

If I really wanted to have equity and parity between my district, say, and the sponsor of the Northern Rockies Ecosystem Protection Act, it would go something like this: It would be a bill that would say to designate certain lands of the 14th Congressional District of the State of New York as wilderness and for other purposes, be it enacted by the Senate and the House of Representatives of the United States of America and Congress assembled that this act may be cited as the Wilderness Equity Act of 1994, and, Mr. Speaker, what this would do, if I were serious about it, not really talking tongue-in-cheek, is that it would have the same amount of wilderness in Manhattan and Central Park as I have in my district if the Northern Rockies Ecosystem Protection Act were to be successful and pass, and that would amount to about 6 million acres.

I do not know if Central Park ought to be wilderness, but what I do know is that not every acre of roadless lands in the State of Idaho ought to be wilderness. What I am saying to my colleagues is that the people of Idaho can best decide, working hard, looking at these Federal lands as components of the National Forest System, can actually make the right decisions, make it in a balanced way for the good of the country and for the good of our economy and the way of life out in Idaho.

I want to say that I take a balanced approach to this project and this issue of natural resources. I have gotten high marks from conservation groups. I have also gotten high marks from people who work in the woods. I want to take a balanced approach to this.

I want to say to my colleagues that I am working hard to make sure we have that balance, and in my district, for example, Mr. Speaker, the largest wilderness in the lower 48 States exists in my district, the Frank Church River of No Return Wilderness. It is a great treasure for the Nation, a great treasure of Idahoans, a great treasure for science, a great place for habitat, species, biodiversity. We need more wilderness. That is why I put my bill in.

What I am saying to my colleagues from New York, and particularly the sponsor of this bill, is let us have a shot at coming up with a reasonable proposal out there. And I will not introduce my bill to make Central Park and Manhattan wilderness. I have drafted it, and because I can offer extraneous materials here in the special orders, I want to make it part of the RECORD so people will understand what I am talking about when I say that I want to work hard on these issues in my own district.

I have almost 4 million acres of roadless lands out there in Idaho, and my bill would protect 1.3 million acres of it. It does not take all of it. That would be unbalanced. That would be radical. That would be extreme. It also would be extreme if I took this bill and actually introduced it in Congress and told the people of Manhattan and Central Park that I want to stop motorized traffic, I want to stop economic activities in that part of the world.

□ 1820

I will not do that. But I sure want to work hard on these issues. So, tongue in cheek, I drafted the Wilderness Equity Act of 1994, and I am going to make it part of this special order. Then I am going to carry on, I am going to roll up my sleeves, and I am going to work hard as a member of the Committee on Natural Resources, a very important committee to my constituency and the people of Idaho.

In closing, Mr. Speaker, the people of Idaho recreate on the public lands, we work on the public lands, we derive economic benefit, but we also recognize that that clean water, those trees, those ecosystems are part of the laboratories for the United States of America. We hope to preserve and protect those and manage the ecosystem correctly. I just want the opportunity to represent my constituents out there in the State of Idaho, do it right and do it in a balanced way. If people from outside our State want to have a hand in it, I hope they will come to me and talk to me about it.

So, with that, I will close out this special order, I will not introduce the Wilderness Equity Act of 1994, putting Central Park in Manhattan into wilderness, but I just want to make the message that we in Idaho can make these decisions ourselves in a balanced way.

I also want to send a message to my constituents that if we do not roll up our sleeves and come up with the right solutions, too, for America and for our neighbors in Idaho, somebody outside the Rocky Mountain region is going to do it because I know of a bill that has 48 cosponsors with people outside of my district who want to make those decisions for us.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wilderness Equity Act of 1994".

SEC. 2. FINDINGS.

Congress finds the following:

(1) There is a severe imbalance in the designation of wilderness among the various States and Congressional Districts.

(2) For example, whereas the State of Idaho possesses 5 components of the National Wilderness Preservation System which total approximately 3.97 million acres, the State of New York is devoid of any federal land designated as wilderness.

(3) More specifically, whereas the 1st Congressional District of Idaho has 4 components of wilderness totalling 2.81 million acres, the 14th Congressional District of New York has no components, and not a single acre, designated as wilderness.

(4) Legislation introduced in the House of Representatives (H.R. 2638, entitled the "Northern Rockies Ecosystem Protection Act of 1993") would designate an additional 91 and 58 components and 7.64 million and 3.59 million acres of wilderness in the State of Idaho and its 1st Congressional District, respectively, while failing to designate any wilderness components or acreage in the State of New York and its 14th Congressional District.

(5) This critical lack of wilderness in some States and Congressional Districts deprives the citizens of those States and Districts of the recreational, wildlife, ecosystem, spiritual, and aesthetic benefits which such land designation provides.

(6) It is, therefore, in the public interest to remedy this unfortunate, severe imbalance in wilderness and to designate new components of the National Wilderness Preservation System in those States and Congressional Districts presently deprived thereof.

(7) To determine the capability for, and expose any impediments to, fulfillment of this goal, the Congress should make an initial selection of one wilderness-deprived Congressional District and designate wilderness therein to match the wilderness designated and proposed for designation in a wilderness-rich Congressional District.

SEC. 3. WILDERNESS DESIGNATION.

(a) In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131–1136) and to provide parity with the wilderness designated and proposed for designation in the 1st Congressional District of Idaho, there are hereby designated 6.4 million acres, or less acres if required by subsection (b)(2) of this section, in the 14th Congressional District of New York as a component of the National Wilderness Preservation System.

(b)(1) Should the 6.4 million acres designated by subsection (a) of this section be less than the total acreage of the 14th Congressional District, the boundaries of the wilderness component shall be established by the Secretary of Agriculture by drawing a line from the western to the eastern boundary of the District such that the entire 6.4 million acres are enclosed within the boundaries of the District north of such line.

(2) Should the 6.4 million acres designated by subsection (a) of this section be greater than the total acreage of the 14th Congressional District, the entire District shall comprise the wilderness component.

SEC. 4. WILDERNESS MANAGEMENT.

(a) The area designated as wilderness by section 3 shall be administered by the Secretary of Agriculture in accordance with the applicable provisions of the Wilderness Act, except that any reference in such provisions to the effective date of the Wilderness Act or any similar reference shall be deemed to be a reference to the date of enactment of this Act.

(b)(1) Except as necessary to meet minimum requirements in connection with the purposes for which the area designated as wilderness by section 3 is administered (including measures required in emergencies involving the health and safety of persons within the area), there shall be no commercial enterprise, no temporary of permanent roads, no use of motor vehicles, motorized equipment or motorboats, no landing of aircraft, no other form of motorized transport, and no structure or installation within such area.

(2) The State of New York shall use monies apportioned to it from the Highway Trust Fund (26 U.S.C. 9503) to remove, recontour, and revegetate all roads within the boundaries of the area designated as wilderness by section 3. All such roads shall be removed within 3 years of the date of enactment of this Act.

(c)(1) Any and all claims for the taking of property in contravention of the compensation requirement of the Fifth Amendment to the United States Constitution shall be brought in the United States Court of Federal Claims pursuant to the Tucker Act, 28 U.S.C. §1491.

(2) Any person who takes any action after March 3, 1994 that adversely affects the wilderness characteristics of the area designated as wilderness by section 3 shall not be entitled to compensation pursuant to clause (1) of this subsection.

SEC. 5. WILDLAND RECOVERY SYSTEM.

(a) In recognition of the fact that certain lands within the area designated as wilderness, and any other areas of the 14th Congressional District of New York if any, not designated as wilderness, by section 3 have been damaged by unwise resource extraction and development activities and practices, and where the productive potential of the lands and waters of those areas has been reduced by development activities, there is hereby established the National Wildland Restoration and Recovery System (hereinafter in this section referred to as the "Recovery System").

(b) Recovery System lands shall be managed so as to restore their vegetative cover and species diversity, stabilize slopes and soils so as to prevent or reduce further erosion, recontour slopes to their original contours, remove barriers to natural fish spawning runs, and generally restore, as much as possible, such lands to their natural condition as existed prior to their entry and development.

(c) The area designated as wilderness, and other areas of the 14th Congressional District of New York, if any, not designated as wilderness, by section 3 shall be components of the Recovery System.

(d) The Secretary of Agriculture shall be responsible for the development of wildland recovery plans for components of the Recovery System, which plans shall detail necessary work and funding requirements needed to implement management direction established under subsection (b) of this Section.

SEC. 6. NATIVE AMERICAN USES.

(a) In recognition of the past use by Native Americans for traditional cultural and religious purposes of portions of the areas designated as components of the National Wilderness Preservation System and National Wildland Recovery and Restoration System by sections 3 and 5, the Secretary of Agriculture shall assure nonexclusive access to those areas by native people for such traditional cultural and religious purposes. Such access shall be consistent with the purpose and intent of the American Indian Religious Freedom Act of August 11, 1978 (42 U.S.C. 1996). The Secretary, in accordance with such Act, upon request of an Indian tribe, may from time-to-time temporarily close to the general public use of one or more specific portions of those areas in order to protect the privacy of religious activities and cultural uses in such portion by an Indian people. In preparation of the general management plans, the Secretary shall request that the chief executive officers of appropriate Indian tribes make recommendations on assuring access to important sites, enhancing the privacy of traditional cultural and religious activities, and protective cultural and religious sites.

(b) The Secretary of Agriculture shall enter into cooperative management agreements with the appropriate Indian tribes to assure protection of religious, burial, and gathering sites, and shall work cooperatively on the management of all uses that impact Indian lands and people in the areas designated by sections 3 and 5.

SEC. 7. WILDERNESS RELEASE.

All other areas of the 14th Congressional District of New York, if any, not designated as wilderness by section 3 need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during the next study of their wilderness suitability, which shall be conducted by the Secretary of Agriculture not later than fifteen years, or earlier than ten years, from the date of enactment of this Act.

SUPPORTING A BIPARTISAN SOLUTION TO THE HEALTH CARE REFORM ISSUE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker and Members, today I have issued a letter to the entire leadership of the Congress on both sides of the Capitol to urge them to begin now to fashion a bipartisan solution to the health care issue. There are absolutely big pieces of evidence to the effect that the Clinton administration program is in a shambles. It is also true that the Republican plan on the Senate side and the Republican plan on the House side do not have enough votes to pass. The individual plans that individual Members of Congress have introduced over the last year or so are lacking in total support. The Cooper plan here and the McDermott plan there, I myself have introduced a plan, and there are dozens of others who have introduced bills to bring about change and reform in health care.

But what do we do? If indeed we cannot find 218 votes for any single bill, is it not time to regroup and to produce a bipartisan plan? After all, there are pieces of my bill, for instance, that will fit handsomely in a bipartisan bill, like for instance, malpractice reform, raising the level of Medicaid to bring in more of the working poor and of the uninsured, joining up Medicare A and Medicare B for administrative purposes to save overlapping and the costs that go with it, and so on with every other kind of introduction that has been made of separate bills over the last 2 years.

But here we have a chance to amalgamate the best thinking of all these bills in those issues which have a common denominator. Are we not all interested in removing preexisting conditions from insurance forms and insurance claims? Are we not interested in creating portability for any insurance plan to carry over from one job to another or from a job to no job? Are we not interested in making sure that every person in our country has access to health care?

Well, all of these can be put into a bill where we find these common denominators and create a consensus.

Do we have evidence of this occurring, that this is possible? All we need to do is we should look back just a few months to the passage of NAFTA. That was a bipartisan effort.

NAFTA brought together different coalitions, created new partnerships among old enemies, and, unfortunately, created new enemies out of old friends in the making; but nevertheless a NAFTA package was produced, bipartisan.

What we have to do in health care is create a HAFTA, H-A-F-T-A, to do a bipartisan HAFTA-type thing, with HAFTA meaning Health Action for Today's America. Health Action for Today's America, HAFTA; we have to do something about health care.

We cannot do it on the individual plans introduced. No one plan will be able to garner 218 votes here in the House. So do we not have to "hafta," move to a bipartisan situation? My plan or the movement that I want to start here today, HAFTA, can do exactly that. That is what I have asked the leadership to do, to now call a halt to all the bickering about health care issues, bring the leadership together, put the best foot forward from every single plan, focus them down to a workable plan, and pass HAFTA because we "hafta."

HEALTH REFORM SHOULD COVER MENTAL ILLNESS, SUBSTANCE ABUSE

The SPEAKER pro tempore (Mr. STRICKLAND). Under the Speaker's announced policy of February 11, 1994, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes, as the majority whip.

Mr. BONIOR. Mr. Speaker, over the past few days, this Capitol has been witness to an extraordinary display of bipartisan spirit.

A display of bipartisan spirit exactly like the one we're going to need in order to pass health care reform.

But unfortunately, Mr. Speaker, this bipartisanship didn't happen on the floor of the House or the floor of the Senate and it hasn't happened yet in the committee chambers—although we're moving in that direction.

This display of bipartisan spirit came from two unlikely sources.

Over the past 2 days, two extraordinary women—former First Ladies Betty Ford and Rosalynn Carter—one Republican and one Democrat—have been working together on Capitol Hill to bring attention to two often-ignored issues.

Two issues that affect the lives of more Americans than cancer, diabetes, heart disease, and arthritis—and is just as costly.

Those two issues are mental illness and substance abuse treatment.

Over the past few days, Mrs. Ford and Mrs. Carter have been meeting with Congressional committees, sending letters and speaking out, to make the case that unless mental health and substance abuse treatment are covered by health care reform in the same way as physical health problems—we will never get health care costs under control.

Mr. Speaker, the very fact that these two issues are even on the table are a tribute to Mrs. Ford and Mrs. Carter, because their pioneering work on these issues is responsible for much of the progress we've seen so far.

They have both worked closely with Tipper Gore toward the goal of developing a strong mental health and substance abuse benefit in the President's health care reform bill.

And indeed, the President's health care bill does cover mental health and substance abuse treatment. And in the days to come, the extent to which those two issues are covered will be the subject of debate on this floor and around Capitol Hill.

But I would like to take a moment to talk about these issues.

Mr. Speaker, it has been said that severe mental illnesses may not have telethons, poster children, or rock-star benefits but they are disabilities, and illnesses—just like any other.

And they deserve to be treated the same.

A recent study by the University of Michigan found that about three out of every 10 Americans suffer from depression or other forms of mental illness each year.

Throughout the course of our lives, nearly half of all Americans will experience at least one episode of a serious emotional problem.

Yet, two out of three people who need treatment don't get it—either because they can't afford to, or no treatment center is available to them.

Twelve percent of our children suffer from emotional and mental illnesses, yet here too, two out of every three children who need treatment don't get it.

Substance abuse is a problem for an estimated 11 million Americans—yet only a fourth of them have access to treatment. There are waiting lists a mile long around this country of people who want to get into treatment programs but can't or can't afford to, even if they can get into a program.

As a result, many drug users are at great risk of contracting AIDS, tuberculosis, or other infectious diseases.

Mr. Speaker, this problem affects all of us.

Substance abuse and mental illness take an enormous toll on American society.

The breakdown of families, violence in our communities, and homelessness on the streets are just some of the problems.

The truth is, we all pay. We pay billions to treat sickness and illness that could have been prevented, or treated earlier, for much less cost.

Major depression is second only to cardiovascular disease as a cause of missed work days and lost productivity. When an employee suffering from depression stays home from work, he or she pays the human cost—we pay the financial one.

When a father suffering from alcoholism can't give guidance to his children, can't hold a job, can't get health insurance, and ends up in intensive care because he drinks and drives—or worse, puts somebody else in the hospital—they pay the human cost, we pay the financial one.

And when a person suffering from schizophrenia is left to wander the streets—like so many do—and ends up in prison for committing a crime, or ends up on welfare, that person pays the human cost—we pay the financial one.

It has been estimated that directly and indirectly, mental illness and substance abuse cost this Nation over $300 billion in 1990.

In the workplace alone, the economic costs of drug and alcohol abuse exceed $150 billion a year.

The American Medical Association estimates that alcohol and drug dependence is responsible for 40 percent of all hospitalizations and one fifth of all Medicaid expenses and it's the most expensive kind of treatment, because it usually begins in the emergency room.

Mr. Speaker, this problem affects us all. We can ignore the problem, but it's not going to go away—it's going to fester and grow.

Unless we do something to rein in these costs, to solve this problem, we'll never get our health care system under control.

Don't just take my word for it, Mr. Speaker. The American people feel the same way.

A national poll released 2 days found that 62 percent of Americans believe that mental health and substance abuse treatment must be part of comprehensive health care reform.

And a recent Gallup Poll indicated that over 70 percent of Americans believe that alcohol and drug dependence is a disease that should be treated in a hospital or health care institution.

As former Iowa Senator Harold Hughes, who himself is a recovering alcoholic, pointed out in a hearing yesterday, for centuries, there was no treatment, no help, nowhere for people who suffered from mental illness or substance abuse to turn.

Tens of thousands of people have rotted in jails, prisons, insane asylums, and in streets because of neglect.

Millions more have been turned down for jobs, turned away from housing, turned out from insurance companies, and denied the opportunity to rebuild their lives in the community.

And it still happens. But not because we don't know any better.

We know what works. We know what kind of treatment works.

Research has made it clear, for example, that many major mental illnesses are related to chemical or structural problems of the brain. They are just like physical illnesses.

We know that many suicides, homicides, and accidents—the leading causes of death in adolescents—can be prevented with proper treatment.

With treatment, for example, the success rate for treatment of schizophrenia, when done right, is 60 percent. For panic disorders, it's 80 percent. For manic-depressive illness, it's also 80 percent.

Compare that to the success rate for angioplasty—which is 41 percent.

Companies are finding more and more that when they address mental illness and substance abuse rather than ignoring it—they get results.

McDonnell Douglas is a good example.

In 1989, McDonnell Douglas introduced a managed mental health employee assistance plan. Their plan focused on each individual patient, on a case-by-case basis, and managed long-term care.

During the first year, they reduced their per capita cost by 34 percent. Psychiatric inpatient costs decreased by 50 percent and chemical dependency costs dropped 29 percent.

And overall, employee absenteeism is lower and turnover rates were reduced.

These results have been repeated time and time again at companies like Federal Express, Digital, Honeywell, and First National Bank of Chicago—all of them have success stories.

All of them have taken the time to treat mental illness and substance abuse just like any other physical illness to make prevention and treatment a priority and in doing so, they've not only saved money, they've saved lives.

Mr. Speaker, I agree with former First Ladies Betty Ford and Rosalynn Carter, who have done such a good job to raise awareness on these issues.

The current debate over health care reform offers us an unprecedented opportunity to improve the lives of millions of Americans.

Every single year, substance abuse and mental illness cost our society more than cancer, lung disease, or heart disease. No one argues that we should not treat those diseases, or that we should treat them partially.

And no one can argue that mental illness and substance abuse treatment should be left off the table again.

We can't afford to treat either one as second-class illnesses any longer. Alcohol and drug abuse and mental illness must be treated just like any other physical illness.

And later this year, when we pass legislation providing all Americans with guaranteed private health insurance that can never be taken away they must be an equal part of the final package.

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REPUBLICAN BUDGET PROPOSALS

The SPEAKER pro tempore. (Mr. STRICKLAND). Under the Speaker's announced policy of February 11, 1994, the gentleman from Ohio [Mr. KASICH], is recognized for 60 minutes as the designee of the minority leader.

Mr. KASICH. Mr. Speaker, I just wanted to take this special order tonight to work with some of my colleagues to talk about a very exciting proposal that the Congress is going to begin debating tomorrow. This proposal is the House Republican budget alternative proposal to the President's budget. I want to spend a little bit of time talking about this, and I hope that some of my colleagues will be joining me to discuss the budget. But in a nutshell, I wanted to kind of go through the process of what House Republicans did to put this budget together.

Mr. Speaker, you might all remember that back last February the President came to Capitol Hill and he said that if you do not like my tax and spend proposal, and he looked over at the Republicans, he said, well then show me your specifics.

You might remember that the House Republican Committee on the budget sat down and we broke down into working groups on the activities of the Federal Government, and we were able to put together a proposal that did exactly what the President challenged us to do. We presented our specific budget proposal that eliminated as much of the deficit as the President did, without one penny worth of taxes. We downsized the Federal Government and we were able to meet the challenge with specifics.

Unfortunately, that budget was rejected in favor of the tax and spend budget that passed this House floor.

Then later in the year we had the reconciliation tax part of that budget, and again the majority said if you do not like our tax increases, give us your specifics.

We went back to work and we developed our specifics, and we laid them on the table, and we showed how we as House Republicans believed that we could downsize the Government by reforming the Federal Government, and not having to raise taxes on the American people, but rather adopting a program of reform in this city.

We one more time were defeated.

It was soon after that the gentleman from Minnesota, a Democrat [Mr. PENNY] came to me and said would you be willing to work on additional spending cuts? We just jumped at that opportunity. Mr. PENNY and I, along with 28 other Democrats and Republicans, tried to cut a penny on a dollar over the next 5 years, totaling $100 billion in spending, and we did that in an effort to try to create a momentum for reforming and downsizing the Federal Government. One more time we were defeated.

Then when we came back in this year, Mr. PENNY and I, along with Mr. NUSSLE and Mr. CONDIT, got together for purposes of paying for the earthquake. We said yes, we believe we need to send money to people in California, but we believe that it ought to be paid for. We ought not to put this on the back of the kids in this country, and we put our proposal together with our specifics. And one more time we were defeated.

Now the President came to Capitol Hill to deliver this State of the Union speech, and he outlined his budget proposal, and he talked about how tough his spending cuts were in his proposal. And he said to the Republicans, if you do not like my budget proposal, then show me what your specifics would be. And the Republicans on the House Committee on the Budget went back to work.

We in fact have put together a budget, and have one more time not only met, but won the challenge that the President laid out to us.

Last week in the committee, we were defeated on a party line vote. But tomorrow we will begin the debate on this House budget resolution. We hope that not only will we have the strongest support from Republicans in years, but in fact we are going to see Democrats come across the aisle and support this proposal. And why should they?

Well, if you look at the President's budget proposal, if the President had not sent a budget to Capitol Hill, and if the President had only decided that he would let the programs go on automatic pilot and just let automatic spending increases occur, believe it or not, we would have lower deficits under a budget that would be described as an automatic pilot budget than we have under the President's budget.

In other words, the President's budget, which is labeled as tough on spending, increases the deficit more than if he had done nothing.

We did not find that acceptable, and in fact we thought that the challenges that the President laid down at the State of the Union needed to be met. And we believe that it was important that we not just talk about crime legislation, but that in effect we provide communities with help for more prisons and more police on the streets. We thought it was important that we make a first down payment on health care, to try to address the problem that most Americans are saying we have got to do something about. We have a health care reform provision in our budget. And we also believe that we should not just talk about welfare reform, but that in fact we ought to present and lay down our specific welfare reform proposal, which is precisely what House Republicans did in their budget.

Furthermore, we also believe that it is necessary to provide incentives to businesses so they can invest in plant and equipment, become more efficient, hire more Americans, and help to not only increase productivity in America, but to provide for greater prosperity, relying on the private sector. And finally, perhaps the gem of the Republican budget proposal, is something that the President promised over a year ago, and that was middle income family tax relief.

What the Republican budget proposal provides is for a $500 tax credit per child per family up to $200,000. It is really the middle income tax cut that the President promised in the campaign.

Mr. WALKER. If the gentleman would yield, surely the Democrat's budget contains those things too. Surely the Democrat's budget, where the President talked so much about health care reform, surely the Democrat's budget has health care reform in it, and surely welfare reform.

Mr. KASICH. No, it does not.

Mr. WALKER. They do not have health care reform in their budget?

Mr. KASICH. There is no health care reform in the President's budget.

Mr. WALKER. What about welfare reform? Surely that is in the budget. The President has talked so much about welfare reform.

Mr. KASICH. There is no welfare reform in the President's budget.

Mr. WALKER. But the President came up here and told us about that. What about crime? The President has said that the crime bill is a major priority. Surely they have included the crime bill?

Mr. KASICH. There is some spending in that area. But I would say to the gentleman, we have not seen a crime package that is contained in this bill.

Mr. WALKER. So they do not have that. Well, this would be the year to do that.

Mr. KASICH. I must also say to the gentleman, there is no family tax relief.

Mr. WALKER. This is the year you would think they would come back with that. You mean that the President has reneged on the promise to the American people on tax relief for middle income families in this budget as well?

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Mr. KASICH. I want to say to the gentleman that the Republicans basically felt that we better make good on that promise.

Mr. WALKER. So the Republican budget has health care reform that the President does not have. It has crime reform that the President does not have. It has welfare reform that the President does not have. It has tax relief that the President does not have.

Mr. KASICH. And incentives for business.

Mr. WALKER. I assume what we do then in our budget is we probably have to raise taxes in order to do this.

Mr. KASICH. I would say to the gentleman, that is what makes the document so remarkable, because in every single year of the 5-year budget the Republican budget alternative has lowered deficits, every single year of the 5 years, totaling $150 billion less in deficits than the President.

Mr. WALKER. Do we get there by raising taxes?

Mr. KASICH. No, we do not. We do it by downsizing the Government.

Mr. WALKER. So if I understand this, we have lower deficits than the President. We have more in the way of reform than the President's budget, and we do not raise taxes at all.

Mr. KASICH. In fact, we give tax relief to middle-income Americans.

Mr. WALKER. So middle-income America is actually going to get some tax relief that they do not now have, and they are going to get these reforms. And they are going to get lower budget deficits out of our budget, and the Democrats do not have any of this in their budget.

Mr. KASICH. That is correct.

I would say to the gentleman from Pennsylvania that in the State of Pennsylvania there are 2,322,808 children whose families would be eligible for this $500 tax credit. It would save the people of Pennsylvania, would send $1,161,404,000 back to those taxpayers.

Now, this is not a wish budget. This is not smoke and mirrors. We have paid for every single section of this budget proposal that we are making.

Mr. WALKER. By downsizing government.

Mr. KASICH. By downsizing government. Should we cover a few of the things that we do?

Mr. WALKER. I mean, 2 million kids is an awful lot of people in Pennsylvania to get covered.

Mr. KASICH. More than $2,322,000.

Mr. WALKER. Do I understand correctly that, for instance, if there is a family of five and they are middle-income Americans, they make $40,000, $50,000 a year, as dual-income family or even less, and they have, so they have three kids, that they would get $500 for each of those kids?

Mr. KASICH. They would get $1,500 worth of a tax credit against the money they owe the Federal Government; that is correct.

Mr. WALKER. That is big time for most middle-income families. Do you realize that middle-income families pay on an average of about $5,000 in taxes each year, and we are going to give them a $1,500 tax credit with this proposal. That really does do something real for middle-income Americans.

Mr. KASICH. Yes, and I would say to the gentleman that this tax relief is paid for. This is not some pie-in-the-sky where we want to pass out money to people. We have paid for every provision in this bill, and we are still $150 billion less in deficits than the President. And we did it, I say to the gentleman, by not protecting the Washington establishment. We did it by looking in virtually every nook and cranny of the Federal Government, and we have privatized some programs. We have eliminated some wasteful programs. We have brought innovation to a whole variety of these programs.

Let me say this to the gentleman: For the Members here who have voted on Penny-Kasich, many of the things contained in the Penny-Kasich proposal are in this budget. The Budget Director himself, Leon Panetta, said that Mr. PENNY and Mr. KASICH ought to vote for the President's budget, because 75 percent of Penny-Kasich is in their budget.

Well, we are going to use some of the savings from Penny-Kasich, some of the savings that the gentleman himself, from Pennsylvania, has suggested. And what we do is, we down-size the Federal Government.

And we take some of the savings from the down-sizing. We share some of them in terms of deficit reduction, and we share another fraction of those savings with the American people who pay the bills that run this place.

Mr. WALKER. This is going to make the Washington establishment pretty angry. They are going to be rather angry that you are going to take money from them.

If I understand correctly, what we are going to end up doing is making the Washington establishment angry, but the middle-class families in the country happy.

Mr. KASICH. I think we will make most of Americans happy, because not just the provision on families but the provisions that do things like index the capital gains tax.

Mr. WALKER. That helps small business people.

Mr. KASICH. Absolutely. Not only that, but take a senior citizen who brought a house and paid $50,000 for it. And the time has come where they want to sell their house, and they sell it for $100,000. And inflation could be accounted for $30,000 of the difference. In other words, they paid $50,000. They are going to sell it for $100,000. But there is only $20,000 more in real value to that house. They should not have to pay taxes on the inflation.

So it is going to help. It is going to help anybody that sells a home. It is going to help anybody that has a business.

And guess who else it is going to help? The American worker. That is who it is going to help.

Mr. WALKER. All at the expense of Washington bureaucrats.

Mr. KASICH. Yes, at the expense of Washington bureaucrats.

Mr. DICKEY. Mr. Speaker, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Arkansas.

Mr. DICKEY. Mr. Speaker, I need some information from the gentleman.

What are the figures for Arkansas, as far as what we will get in our economy?

Mr. KASICH. Well, the number of children in Arkansas that would be eligible for this credit total 349,625; 349,625 children in Arkansas would qualify for this family tax credit, totaling $174,812,000.

Let me say to the gentleman that when we at the Budget Committee presented this at a press conference, we did not have all the specifics that day because all the numbers had not been run yet. There is only 12 of us trying to do this thing.

The press came to me and said, "JOHN, if you hadn't done cutting spending first last year in the Penny-Kasich budget, and we didn't know that you would give us the numbers tomorrow, we wouldn't believe this is possible."

We have shown them the numbers, and does the gentleman know what they say? "A very serious alternative."

The difference between the Republican budget and the Democrat budget is the Republican budget says, we do not believe that the Federal Government ought to be empowered. We think the Federal Government ought to be shrunk.

Mr. DICKEY. Let me say something to that. In my district, I think there is $54 million that is going to be injected into the economy in the Fourth District of Arkansas.

Mr. KASICH. I would say to the gentleman, in the Fourth District of Arkansas, which the gentleman represents, there are 107,975 children who would be affected and eligible. Their family would be eligible for this tax credit, and that amounts to $53,987,500.

Mr. DICKEY. Let me say something. If the gentleman from Ohio will yield for a second, what we in the business world consider as a value to the economy is like $1 equals $7, as it circulates and comes back. And it is circulated and circulated again.

If we are looking at $174 million for our State of Arkansas coming back so that we spend it without the price of Government bureaucracy, without the inefficiency and the ineffectiveness of Government spending our money, and we spend our money, we can multiply that times seven, as far as what it will do to our economy.

Then we have more income. We have more income taxes, and we can help the economy of Arkansas.

I am for this program anyway. I have voted every time your bills have come up, every time the gentleman from Ohio, every time it has come up. But this time in particular, we have a chance of taking back the power that is taken from us when we are taxed. We ought to give it to the people and let us spend it rather than, in the United States, rather than up here in Washington, DC.

I am particularly for that, because I think we can spend our money that we earn a lot better than a Government that does not earn it and has nothing, does nothing but waste it.

Mr. KASICH. I want to compliment the gentleman on his statement. But there is always one important point that we need to keep getting through.

The document that I have in my hand is the Republican budget alternative. I am flipping through a whole variety of pages. This contains every single element of the Government reform that we believe has to be made to provide some tax relief to the American family and also to reduce the deficit.

There is no free lunch. There is not some kind of an economic plan that is a hope and a prayer. This is a hard-core decisionmaking document that says specifically where the Federal Government's power can be reduced, where services can be improved to our citizens.

I want to give you one example about this, to the gentleman from Arkansas. I need to make this point. We have got a very valuable member of the Budget Committee here with us now, NICK SMITH from Michigan. I want to talk about a provision, because people have to understand where our thinking is. We have taken all the nutrition programs of the Federal Government and rather than allowing the bureaucracy, spread out in all these different offices to touch the money that the people of Arkansas and Michigan and Pennsylvania send here, and then send back to us, because you see, as this money makes its way through all these bureaucrats' hands, it burns up the value of that money.

□ 1900

So what we have done is taken all of the nutrition programs of the Federal Government and we have put them in a block grant, and we have said to the States we are going to send you this money, Arkansas, Michigan, Ohio, and you spend it to feed people who need it, with one single requirement: Double the amount of money that you give to women, infants and children. Do Members know what? In the course of doubling the amount of money we give to women, infants and children we are able to actually save the Federal Government $8 billion. Do Members know why? Because we have eliminated all of the bureaucracy that clutters this place and keeps us from being able to deliver the services that the American people want.

And we use that philosophy on job retraining programs where we do not think a Washington bureaucracy is going to retrain people as well as getting the money back to the States and letting the local people do it. We do it under the guidance of the gentleman from Michigan who has block granted money, mass transit money, into low priority transportation projects.

What we are trying to do is say that the States are capable of making wise decisions. And in the course of doing it, we have saved billions upon billions of dollars, and it is wonderful because we take a little piece of that and we say to the American people we are not only going to save $8 billion off the deficit, but we are going to give you a little piece of that money that you have been sending for your family.

One other comment I would like to make. We privatize. We say that the Federal Aviation Administration ought to continue with safety inspections in this country, but we want to turn the air traffic control operation over to private corporations. This is done all over the world. If we are able to do that, then the airlines will have more efficient operations. It will benefit the consumer. Now when we get on an airplane, did Members ever notice when they back away from the gate and sit there half an hour? It is because that is so they are reported to have departed on time, but they never get up into the air. Do Members know why? Because the air traffic control system is outmoded and outdated, and we cannot get an efficient one in place. Do Members know how we are going to get it in place? Not in the Federal Government. We are going to get it in place with private corporations, private enterprise and business.

We take those savings from that proposal, we apply some of them to reducing the deficit, and we take a little piece and we say to the American family that they can have a little bit of it.

All throughout this proposal it is a hardcore choice of downsizing and shaking up the Washington establishment, less for Washington, more for the people who support this place.

Mr. DICKEY. Mr. Speaker, will the gentleman yield for a minute?

Mr. KASICH. I am glad to yield to the gentleman from Arkansas.

Mr. DICKEY. I still need to ask a question of the gentleman from Ohio. As I have looked at these other proposals by the liberals in this body, I see that really all we are doing is recycling money, that we are not really sending it to the deficit, we are not really cutting spending first as the people of the Nation want us to do. What it seems like we are doing in that regard from that side of the House is this bill, and I know it is, but explain to the American people how this bill is not recycling money but it is actually cutting the deficit and actually bringing some pain so that we can gain on the deficit?

Mr. KASICH. There are some choices that have to be made in this bill. But what I want to say to the gentleman is if you are creative, if you are innovative, if you are not afraid of change, you can make mammoth amounts of savings, and you can use that to reduce the deficit, and you can use it perhaps to help families or any other choices you want to make. And that is precisely what this bill does. Listen. If this was on the national referendum, this budget proposal versus the President's budget proposal, it would be no contest.

Mr. DICKEY. Yes, 9 to 1.

Mr. KASICH. That is exactly right. And what we need is for the American people to stand up and say we do not like the Washington establishment. We want it changed. We want it fixed. We want to reduce the national debt, and how about a little bit for my family.

Mr. DICKEY. How can we say that we have true spending cuts if it is not going to reduce the deficit? That is what I think the people of America are impatient with. They are tired of it, and I think we have to answer to them.

Mr. KASICH. Part of the problem is that this administration says they are going to cut, but what they do is they cut this program and create another government program.

Mr. DICKEY. Yes; so that they can do more favors, so that they can do more favors just in another area.

Mr. KASICH. It is a different philosophy. They believe investing in government is the way to have progress, and we do not happen to share that view.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, we talk about some of the tax changes and the $500 per tax child tax credit, not a deduction but a tax credit for each child in America where their parents file income tax. That is a beginning. But let me talk about another tax fairness issue.

How many people are self-employed out there? How many people are unfortunate enough that they do not have health care provided by their employer, and yet when they go to fill out their income tax, they have to pay tax on all of their health care dollars until they exceed 7½ percent of their income? So what happens is the individual that is lucky enough to have health care provided by their employer does not have to pay any tax on the value of that health care. The person that is self-employed, or unlucky enough to be working for a small employer or small business and not to have that health care provided, ends up paying income tax on it.

The Kasich plan, this Republican proposal, allows 100 percent deductibility for individuals who are self-employed or otherwise do not have it furnished by their employer. That is a beginning.

Let me mention another area of tax changes in this bill. In this country we just happen to have less investment by our businesses, by out industry. We invest less in new machinery and equipment per worker than any other G–7 countries of the world. Why do we do that? Because our tax policy at the Federal level makes it more difficult for those businesses to invest in new machinery and equipment because we tax the heck out of them.

In a provision in this bill it says, look, we are going to allow businesses who are willing to make that investment to try to increase their productivity, to expand jobs, we are going to make it easier for them to invest that money in new machinery and equipment by applying, if you will, an inflation factor on what they are otherwise allowed to depreciate.

Let me go into that just a little bit.

Mr. DICKEY. This is different than a tax credit? The gentleman is talking about a deduction now; is that correct?

Mr. SMITH of Michigan. I am talking about allowing full depreciation for new machinery and equipment that a business buys. Right now we say that they have to depreciate that machinery or equipment over a period of whatever, 5, 10, 15, 20 or 30 years, but as that time period elapses the $1,000 that they invested in the piece of machinery, they are going to have to wait 20 years before they are allowed to deduct it as that year's portion of that machine as an expense, and the dollar is not worth as much any more.

So what this provision includes would be as a small part of the Kasich budget plan saying that we are going to apply an inflation factor to what you are otherwise allowed to depreciate. It is going to make a difference.

I would just like to say also to the gentleman from Ohio [Mr. KASICH], congratulations for his hard work and good job.

I would like to also say that the key is to come up closer and closer and closer to a balanced budget until we have it. This plan in 1996 has a deficit of $140 billion.

Do Members know the last time we had that small of a deficit in this country? It was in 1982 at the beginning of the Reagan era that we had something like a $150 billion deficit.

So everybody's goal, if there are 263 individuals in this body who say, hey, I am going to sign the balanced budget amendment and change the Constitution, there should at least be 218 who are going to pass a bill that comes closer to it, and this bill does it.

I know it has been said, but we are coming to $150 billion more cuts after we pay for all of these tax changes and everything else, $150 billion more cuts than what the alternative is coming from the administration.

Mr. KASICH. I appreciate the gentleman's contribution. Let me say to the gentleman from Michigan [Mr. SMITH], who is from the 7th District, there are 129,213 children in families that would qualify for this tax credit, totaling $64,606,000 that would give the people, the middle income folks in Michigan a piece of the downsizing of the Federal Government. And I really want to thank the gentleman for his contributions on the Budget Committee.

Mr. Speaker, I yield to the gentleman from Arkansas [Mr. DICKEY].

Mr. DICKEY. Mr. Speaker, I want to stress to the gentleman and all other Members in the Chamber as well, are there not people out there in America who are saying yes, we want to sacrifice?

□ 1910

Do you all not hear in your communications with the folks, "Yes, we want to sacrifice, but we want it to be fair"? I think there are people who want this to happen as long as we get down to everybody sharing. We do not want to put it off on any one person or any one section of our economy.

I also think there are people in this body who do not think there is a life after spending cuts. They do not think there is a life after sacrifice. The American people say, "Yes, let us do it." Public Enemy No. 1 of America is the deficit, and I think our people are ready to go to war.

Mr. KASICH. I will yield to the gentleman from Michigan, but I want to let him know in his Second District in Michigan that there are 139,178 children in families who would qualify for the child tax credit, and that would total $69,589,000, just a little piece of the savings that we make by shaking up the Washington establishment.

I yield to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. I thank the gentleman for yielding.

It is on behalf of the people of west Michigan I would like to thank the gentleman, because there are a number of things that the gentleman has been talking about, I think, that kind of fit together.

No. 1, the gentleman talked about taking power away from Washington and moving it to the people. He talked about an initiative or the opportunity, if this were on a referendum basis, the American people would endorse this budget by an overwhelming margin. That is one of the things I want to accomplish in Washington one of these days is to accomplish an initiative or referendum process to have the people have more input into the process in Washington and help set the agenda. That is not why we are here tonight.

Mr. KASICH. Let me just say to the gentleman that this is a perfect example of how the initiative petition would work, because if the American people had the right to vote on this budget versus the President's budget, we are winners, and if there is anything we need to shake up the Washington establishment, it is to let the people on the outside of the wall get over so those in here get the message.

Mr. HOEKSTRA. Right. If we had the referendum process, we would get their input on term limits, and next week we would be able to really get their feeling on whether they wanted a balanced-budget amendment.

But I think what is important and is exciting about this budget is the framework that it establishes by bringing people and bringing more power back to the people at the local level.

I think the reason we want to do that is we have to recognize that that is where we are going to get the most productivity and the best use of our dollars. The individual person, the individual company at a local level, they experiment, they learn, they have personal responsibility in terms of how they are going to spend their money and where they are going to use it.

Businesses and local communities are much better at creatively using the funds that they have at their disposal rather than what we do here in Washington. They are more inventive in terms of how they are going to use their dollars to solve problems at the local level, at the family level, than what we have here in Washington.

We need to go back to reinforcing the things that have gotten us to be a great country, the free market system. We need to shrink what we are doing here in Washington.

I would also like the chairman, or the ranking member, of the Committee on the Budget to perhaps answer a question that one of the things that I have observed since I have been here in Washington now for 14 months is that every time we talk about cutting spending or that as we run into a budget problem, we have this habit in Washington of saying, Well, rather than passing a new law and spending money in Washington to implement, what we are going to do is we are going to pass a new law and we are going to tell people what to do at the local and what to do at the State level, and we are going to mandate to them what we are going to do. So, you know, right now I have got three counties in western Michigan that, because of a poorly written law, are going to go through auto emission testing because the Federal Government has mandated that if the air above you is dirty, you will clean it up. The problem is air moves, and the law has no allowance for transport of pollutants.

But what would you say to the person that says, Just a Republican budget; what they are really going to do is the end result will be they pass the costs on through mandates?

Mr. KASICH. I would say to the gentleman that we are clear here on the issue of unfunded mandates. We have provisions in here that we think the legislation should be enacted to require the CBO to report on the costs imposed by unfunded mandates and on State and local governments prior to any action here. We believe there ought to be a pay-as-you-go. We do not think we ought to have unfunded mandates.

In fact, the language we have in our proposal has been really created by the gentleman from California [Mr. CONDIT], the national people in the mayors' association, national Governors, the Republican Governors' Association. We do not think we ought to be mandating costs on local governments.

I would also say to the gentleman we also believe that the problem of regulation on any operation in our society should be restricted.

So this is not an effort to shift the burden away from Washington to local government. It is an effort to say, "People at home, we think you can solve our problems better than a bureaucrat can." And, you know, it amazes me, I have people who talk to me who work here in Washington who say, "What is the time zone in Columbus, OH?" And they are going to solve our problems back there the people there can best solve, and that is the philosophy behind this budget.

Mr. HOEKSTRA. I think the important thing to realize, this is more than just a budget document. It sets some major new courses in terms of moving dollars back to the family, cutting Government spending, cutting back on mandates, which is another form of Government spending. We just do not have the nerve to ask for the taxes; we just tell people what to do. So this really does set a new direction and a new tone for what we are going to be doing here in Washington.

I applaud the gentleman on the work that he has done and thank him very much for the opportunity.

Mr. KASICH. I would like now to yield to the very distinguished gentleman, a member of the Committee on the Budget, from South Carolina, the gentleman from South Carolina [Mr. INGLIS]. He is from the Fourth District of South Carolina, and in his district, I say to the gentleman from South Carolina [Mr. INGLIS], there are 120,170 children who make up families that would qualify for the child tax credit, totaling over $60 million, but just a tick of the savings that we are trying to provide to reduce the deficit, give a little bit back to the families.

I would be glad to yield to the gentleman, a member of the committee.

Mr. INGLIS. I thank the gentleman for yielding.

I want to congratulate you, I say to the gentleman from Ohio [Mr. KASICH], on the excellent work he has done to guide us on the Republican side of the committee through the process. We have been meeting for 6 or 7 months now in working groups to come up with this budget, and the very important thing I think to point out is that for those in this country who heard the debate last year, they heard about our cut-spending-first budget.

That budget really is part and parcel of this new one. There is sort of a new twist this year, though.

In addition to significant spending cuts, in fact, $150 billion worth of additional deficit reduction over what the President would do, this year we add some things that I think are very important to add.

We add a number of things that constitute a growth agenda, and an agenda aimed at giving some tax relief to the American family. Those are some very important things to add.

Last year in our budget, I say to the gentleman from Ohio [Mr. KASICH], we had $429 billion worth of deficit reduction, as you recall, over 5 years. That was a significant package of cuts to get us on the way toward deficit reduction.

We have picked up some of those cuts and brought them into this year's proposal. This year's proposal, though, has some exciting new things. In addition to all of those cuts from last year, and some new ones we have added as we have come up with additional ways to shrink the size of this Government and to cut spending first, this year we have got a number of exciting things. We have got a crime bill that is paid for. We have got a health care reform package that is paid for. We have got a family tax credit that will restore the value or move toward restoring the value of the exemption that existed long ago for the American family so that now we can get some tax relief to the American family rather than continue to put the pressure on the family so that both spouses must work.

That is the idea behind this package. And another part of it that is a significant part of this growth agenda that I am speaking of is the capital gains tax reduction. That, together with the accelerated depreciation, should help businesses across this country invest in the future in a system where they can see some relief at the end of the tax tunnel.

□ 1920

The important thing I think to point out about all this, though, talking about this growth agenda, is that all of it is paid for. I think that is the most significant accomplishment, I say to the gentleman from Ohio, that I would point out to him as something that he has helped us on the Committee on the Budget to come up with; all of it is paid for.

Mr. KASICH. I think the comment the gentleman just made is so important. We are not trying to give away for today somebody's savings for tomorrow. What we are saying is that when the administration raised taxes by nearly $300 billion, we do not want that. We did not want it last year, and we are prepared to say where we would reduce spending in order to give them this tax relief.

This is, basically, only canceling out part of the tax increase that we had last year. Not only that but, you know, what this does, it allows us to keep the President's commitment to middle-income families.

Do you want to know something else? I think he will be around with a proposal that will be very much like this. So, I say why not now? Because we have got the way to pay for it. Let us give them the relief now.

You know, when he was Governor, he, along with a whole host of people in this body right now, signed onto the fact that they wanted to give $1,000 tax credit per family. I do not want to monopolize the time here; I just want to thank the gentleman from South Carolina for working on creative proposals to downsize the Government so that we can not only reduce the deficit but also help American families.

One other point: The investments we make in allowing the private sector to depreciate plant and equipment, you see, that is going to improve things here. That is going to create jobs, generate more revenue. These are investments in the private sector that will pay off for the American people in addition to the family tax credit.

Mr. INGLIS of South Carolina. Mr. Speaker, I will just add briefly here something that I think is very important to point out again. That is that all of what we are talking about here in our growth agenda—it is important not to have just deficit reduction but also growth—all of our growth agenda is paid for by corresponding cuts. In fact, more than we were talking about in the growth agenda. So that we actually effect significant deficit reduction.

I think it is important, too, to point out that the deficit reduction has two parts to it. It has a revenue side and an expenditure side. The key thing to look at particularly with the family tax credit is that it affects both sides. Yes, it affects the revenues to the Government, but it significantly impacts, I believe, the expenditure side of the Government. The fact is, when you look across this land, what you see is a deterioration in the American family. That is actually what is creating a lot of the expenditures that we do in this body, to take care of the fact that the family is falling apart and to try to put it back together again with some kind of a social program created and run by the Government. The American people know it will not work because the family is the basic institution of society. So we are trying to re-create that system with some other kind of Government-run program; it will not work. What we have to do is restore the family by allowing the family to keep some of its money. That is the growth part of this budget.

The other part is getting the size of this Government shrunk, which I think is the clear message of the American people, shrink the size of this Government.

Mr. KASICH. The gentleman from South Carolina has just made a very, very good, a great statement about what we are trying to do in that committee. I very much appreciate the gentleman's contributions.

I now want to yield to the second Member from the State of Arkansas, the gentleman from the Third District, Mr. HUTCHINSON. Mr. HUTCHINSON has 119,447 children who would be eligible in the families for this tax credit, $59,723,000. I want to say that Mr. HUTCHINSON and Mr. GRAMS have been absolutely key to the insertion in this budget of this family tax credit. I have enjoyed working with him.

You know, we kind of look at the Republican Budget Committee as kind of a family here; we like to work together, share ideas, we like to be constructive together. I want to compliment the gentleman from Arkansas, and I look forward to his statement right now.

Mr. HUTCHINSON. I thank the gentleman, and I want to compliment and commend the Committee on the Budget, particularly the gentleman from Ohio [Mr. KASICH]. This, I believe, is one of the most remarkable budget documents, in fact, a revolutionary document, certainly in the last 13 years since 1981. It points the Republican Party in a new direction. It not only emphasizes what we did last year in the budget with real deficit reduction, but it now provides real, real relief for American families as well as a progrowth agenda.

So I believe that it has sparked interest in the American people, it has hit a note among the American people. Phone calls are coming into the Capitol, faxes are coming into offices on Capitol Hill saying, "Support this profamily budget."

I am very excited about that. It is remarkable for three reasons, for sure. It is remarkable because it brings us, first of all, real deficit reduction. That in itself, when you look at the numbers and realize this budget which provides relief in the area of taxes, also brings us greater deficit reduction than the administration's, that in itself is remarkable. It is a progrowth agenda with capital gains tax reduction as well as other progrowth components to this budget. It will spark an economic revival in America.

So while all of the numbers are based upon a static model, in fact, I think we are going to see dynamic growth as a result of this budget. That is going to mean the economic picture and Federal revenues will be even rosier than we were able to project on a static model.

The most important development to me and the most encouraging and heartening element of this budget is the $500 per child tax credit that is offered in a truly family-first kind of budget.

The family in the last four decades has seen the tax burden increase by over 250 percent in the last four decades. In 1948 the average American family was spending about 2 percent of their income, their gross income, on Federal taxes. Today that is over about 28 percent, an incredible increase in the burden that they face. And this antitax—antifamily tax policy that we have built up over the last four decades needs to be reversed.

In fact, in a number of areas we have actually attacked the American family, antifamily in our tax policy. This will be the first major step we have taken in reversing that very, very damaging trend.

As the gentleman from Ohio pointed out, every objective view of the American family has said that we need to provide tax relief for the American family. The Rockefeller Commission on Children said that we need a $1,000 tax credit, not $500. President Clinton, when he was a candidate for President, endorsed that concept of providing middle-class tax relief, he promised that that would be what he would do. Now a year later we still do not have it. We are offering him the opportunity to really reinforce the American family, fulfill his commitment, fulfill his promise and provide this kind of $500 tax credit for families with children.

The question and the choice in this whole budget is one of Big Brother or mom and dad. Are we going to vote for Big Brother, or are we going to vote for mom and dad and the boys and girls of this country? Are we going to vote for more Government, more bureaucracy, or are we going to vote for the family? That is the choice that confronts us. I do not see anybody could have a hard time with that choice. Do we want more bureaucracy, more Government, or do we want to help the family?

You know, I sometimes greatly resent the way the Republican Party has been portrayed, as being only for the rich. I think if there is anything that underscores our commitment to the middle class, that underscores our commitment to the family, it is the budget document that the committee has come forward with.

I do not care if a family is making $20,000 and has 5 children, they are going to find under this budget plan $2,500 of tax relief, real tax relief for that low- and middle-income family. This is a real help for the American family, paying more for college tuition, more for groceries, more for transportation, more for insurance, more for health care, all along the line. All we are saying is let us leave the money in the pockets of mom and dad and let them make those choices on how they can best care for their family.

Someone said it recently, and I think they said it very well: "The best department of human services in the country is the American family. Let us let them do their job, let us not detract from the job they are doing by overtaxing them and putting this heavy burden upon them."

□ 1930

And this budget gives hope to the American family. I think it is a truly remarkable and revolutionary document that is exciting the American people, and into the next 24 hours we are going to continue to hear from them on Capitol Hill and, I hope, our colleagues on both sides of the aisle, because the family is not a Democrat, and the family is not a Republican. A family is American, and we need both sides of the aisle to start a truly profamily, families first, kind of budget, and I appreciate the opportunity to make this kind of a statement.

Mr. KASICH. Mr. Speaker, I would say to the gentleman from Connecticut [Mr. SHAYS] who has had an opportunity to listen to our colleague, the gentleman from Arkansas [Mr. HUTCHINSON] that that was a very impressive, very well thought out argument that the gentleman just made, and I want to compliment him on his statement. I am sure the gentleman from Connecticut will do the same, and at this point I yield to my dear friend, the very distinguished gentleman from Connecticut [Mr. SHAYS], a member of the Committee on the Budget.

Mr. SHAYS. Mr. Speaker, I thank the gentleman from Ohio [Mr. KASICH] for yielding and also thank the previous gentleman, the gentleman from Arkansas [Mr. HUTCHINSON], for speaking. There is just no question that what has been very exciting as a member of the Republican Party is to see how all elements within our party have tried to come up with a viable alternative.

I am over on the Democrat side of the aisle, and I am thinking how significant a discussion we had last year when we debated the Penny-Kasich proposal, Republicans and Democrats working together to try to cut spending, and how the White House snuffed out that effort, and so what my colleagues see today are just Republicans talking.

I am remembering when the President was first elected and he said, "We need to work together, and we need to come up with alternatives." We came up with alternatives. He said, "We need to work on a bipartisan basis," and we reached out to the gentleman from Minnesota [Mr. PENNY], and we did.

Mr. Speaker, I went to the White House and met with Leon Panetta to ask him to support the Penny-Kasich bill, to say, "Cut $90 billion," and, "It's bipartisan. We have a chance to work together." And I said, "At the very least, if the President can't support it, at least he won't work against it." And what the answer was was a very partisan effort to kill this bill, and they succeeded by six votes.

But I am thinking:

Six votes. Just three people, it would have been a tie. One more vote, four people, it would have passed despite the effort by the administration to kill an effort to cut $90 billion.

So today we are back as Republicans speaking, and I know the public wants us to be Americans first, and that is what we have got to be, but the sad thing is we do not have people on this side of the aisle talking about cutting more, getting our financial house in order, talking about the kinds of issues of family tax relief which, I think, was a significant element in this package put together by cuts in other places, paid for, $500 to help families raise their children. The welfare reform that is in our package—I mean getting young women in particular back to work, and we have a neat program, a wonderful program, in Connecticut where young welfare moms are being coached and helped in terms of getting back into the workplace, and my colleagues will see their graduation from the private industry groups that have been involved, and a welfare recipient will say:

"You know what I like best about my program?"

This is a graduate of basically welfare back in the work stream, and more often than not we will have one of the recipients hold up a check, and they will say, "I earned this. I have a job, and I earned this."

And that is what we have. We have welfare reform in our package.

We have significant deficit reduction of over $150 billion. We have job creative incentives.

We have health care reform, and one of the things that was a disappointment to me in this whole debate is that in the bill we are going to debate tomorrow there is no health care reform. It is not in it, and we are going to have to put it in, and then we are going to have to find out how we pay for it in the package presented by the majority party. But, as the gentleman knows, we have our health care reform package, an anticrime package as well.

The reason why we are doing what we are doing is we need to get our financial house in order, and we know we got into this mess because of Republicans and Democrats, the White House and Congress. I mean it did not just happen because of one party. In some cases it happened because both parties were willing to save their own area at the expense of the general public that have to pay the bill, going back and saying, "Well, I didn't cut defense when we probably needed to," and some saying, "I didn't control entitlements when we needed to."

So, Mr. Speaker, what we have now is a package that seeks to do all of those things, and it would not have happened without the leadership of the gentleman from Ohio [Mr. KASICH].

But I remember last year when the President brought his plan forward, and he pointed to the gentleman and said:

> You come up with alternatives. You're the ranking member of the Budget Committee. You come up with alternatives, and I'll look at them.

And I remember the gentleman being outraged that the President came within $3.58 of taxes for $1 in spending cuts, and actually when we say "spending cuts" here, we are talking about cutting the increase in spending. And when the Budget Committee came in, the Republicans with their alternative, and no tax increase, cutting spending first, to the credit of the Democratic Party they responded, moderate and conservative members in particular. The Democratic Party said to the President, "We need to cut more," and they did, and they got that $3.58 of taxes for $1 of spending cut down to $1.53.

Mr. Speaker, that was an improvement, and I think it happened in part because of the responsible actions of the Republicans in showing it could match the President's number with no tax increase, but then the sad thing is his package passed by one vote here, but, if one had changed, it would have been a tie vote, and he promised then that there would be an opportunity to cut more. I remember the majority leader saying, "This is just the beginning," and the Speaker saying, "This is just the beginning," and the Speaker saying, "This is just the beginning; we have to do more."

And this year what did we see? Well the end of last year we saw them squash Penny-Kasich, a bipartisan effort, but then the President walked down the aisle. He came up to the dais and spoke to us in the State of the Union. He said, "We need to stay the course," and I am thinking this is the President talking change, stay the course. What is staying the course? If we do not take action on the national debt in the next 5 years, it is going up $1.6 trillion. It is only, only a 38-percent increase, as the President points out, a less of a percent, but it is on a much higher base. The national debt is going to go up $1.6 trillion, one of the largest increases in any 5-year period under any President.

So, Mr. Speaker, we know we need to cut spending more, and we make that effort in a very real way, and what I like about it is in the process of making the effort of cutting spending we are not just saying no to programs. We are consolidating. We are taking 150 educational job training programs the GAO has recently written reports on and saying, "They don't work," that they are not doing the job they should do, that we are wasting tens of billions of dollars. And they are saying to consolidate, so we do in our budget. We have 8 programs from 80, and that to me is a step in the right direction. We consolidate our grants programs for housing and allow States the opportunity to decide where to spend this money, and we get rid of a whole layer of bureaucracy. We continue to cut back the work force.

But if we stay the course, as the President has asked us to, spending will go up 23.3 percent in the next 5 years, so all we did was, under the President's plan last year, cut the slight increase. Spending would have gone up 27 percent, and so now it is going up 23 percent. The national debt is still going up $1.6 trillion. We cannot stay the course, and I am hoping that the next go-around, that instead of a Republican on the side of the aisle that there will be Democrats again who say that we have to do better and come through because that, I think, is the only salvation we have.

Mr. KASICH. Mr. Speaker, I would say to the gentleman from Connecticut [Mr. SHAYS] that one of the proudest moments of my career was working on the Penny-Kasich bill, and I, in fact, just today talked to the gentleman from Minnesota, and we talked about windows of opportunity in the future, about being able to bring change to this town, and I would say to the gentleman that I know that a number of my constituents are very frustrated by the fact that they have not seen the kind of change that they were promised, and I believe they take great hope in the efforts that we make, and, you know what? We are getting closer.

Mr. SHAYS. Yes, we are.

Mr. KASICH. As the gentleman knows, once in a while we get a little frustrated and say, "You know, what are we going to do? Are we going to win?"

One of our colleagues said to me, JOHN, you keep running up that hill. You just keep running up that hill because one of these days you're going to get up on the top of that hill.

Mr. SHAYS. Mr. Speaker, if the gentleman would yield, I remember when I was first elected in 1987. There were already 30 people who supported the gentleman's plan, and then it got to be about 60, and then it got to about 150. I say to the gentleman, you're getting closer, and you're getting closer because you're trying to do what's right, and you got help from Republicans, and I think more and more Democrats are coming to the conclusion that you can't be for a balanced budget amendment but not be willing to cut spending.

□ 1940

In the process of cutting spending, I have to tell you, Mr. KASICH, there are parts in this budget that we put together that I do not like. There are a number of parts I do not like. But I cannot vote against an entire package because I do not like certain parts of it.

That is why we are in the mess we are in today. Everybody request find a reason to vote no against the package. But if we do that, we are going to continue to see ever expanding budget deficits.

So I am not frustrated, in part because of the good work you have done, and in part because of the good work I am seeing on the Democratic side of the aisle among some very conscientious Members. I really believe our only solution is for us to work on a bipartisan basis. I really hope that the White House will see the opportunity and seize it, and then I think we will see some big differences.

Mr. KASICH. I would finish by saying imitation is the highest form of flattery. We are starting to be imitated by the folks downtown. Ronald Reagan used to have on his desk a plaque that said you can get a heck of a lot more done when you do not worry about who gets the credit. And I think we are ahead of our time.

I would say to the gentleman from Connecticut a number of the ideas that we have been advancing over the years are finding their way into law, and I think a variety of things that are in this package will find their way into law. And I will predict to you before the end of this President's term, there will be some middle income tax relief. I just think it ought to come now, and it ought to be paid for, rather than later.

Mr. Speaker, I look forward to the discussion and debate tomorrow on the various resolutions.

HEALTH CARE IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, the gentleman from Georgia [Mr. KINGSTON] is recognized for 30 minutes.

Mr. KINGSTON. Mr. Speaker, I know that the gentleman from New York [Mr. SOLOMON] is here and wants to talk about the budget. If the gentleman is interested, I will have a few comments on health care, and also we can tie it into the budget, because there are a number of issues that I know will affect the folks of New York. If the gentleman would like to mention anything about health care, I would be happy to talk to you about it.

I think one of the things that is significant about the budget debate and one of the things I appreciate the gentleman's leadership on, is the fact that as we look at the budget, if we look at the revenues that came into the coffers in 1980, I believe it was $517 billion, and in 1990 it was about $1 trillion.

The only problem is that during that period of time, our spending outpaced our collections. So instead of balancing the budget with a period of increased revenues, we continued at deficit levels, and, as a result, we have I think as of February 9 a $4.51 trillion debt.

One of the things that I would like to do is, if we consider as one of the proposals possibly a freeze, particularly in certain sections of our budget, then we would have an opportunity to allow revenues to catch up with spending. We could pay off the deficit as a result of that, if not the first 2 or 3 years, certainly in the 4th or 5th year. And then, along with that, what we could do is balance the budget, and then pay down the debt, which right now is about 14 to 18 percent of the total budget that we are spending. And it is very hard for Members of Congress to go back and explain to people on Social Security or on welfare or educators who are looking out for Head Start or other programs that we do not have enough money, and yet 14 percent of what our expenditures are are going just on interest on the national debt.

So I certainly appreciate the leadership of the people on the Budget Committee, people like Mr. KASICH and Mr. SHAYS and Mr. SOLOMON in that regard.

I want to talk a little bit about health care, because during the last week there have been a number of polls that have come out about the Clinton health care plan and about some of the various proposals.

I think one of the ones that was of interest is the fact that the Washington Post had a poll that came out I think last Tuesday that said 8 out of 10 Americans are concerned that the quality of their health care would be decreased under the Clinton program. Yet they were not blaming that on the Clinton program per se; they were blaming that on the bureaucracy that would be running the program.

One of the questions that I get at home in town meetings is, is this nationalized health care? When I answer that question, I always say let me just tell you what the National Health Care Board does, and then you decide.

The National Health Care Board would be charged with a number of things. But among them are developing and implementing a national health insurance system; setting standards for doctors and health care providers; prohibiting health care providers from performing certain procedures not deemed necessary. That would be, of course, protocol laws. Write and develop and approve language for insurance policies; gather information and evaluate it; control health care costs; set community rates on a national basis; have an oversight power for drug pricing; set health care budgets in the form of insurance premium caps; and the list goes on and on. And I have tried to document this as much as possible.

Most of the power of the National Health Care Board is in section 1503, section 22, section 1911, section 1571, and section 1141. It shows what the National Health Care Board does. And in the sense that they would be running 14 percent of the GNP, then I think you could certainly make the argument that the Government would become the sole controller, or they would have the governing authority on almost all health care matters.

The second question people ask me is how much would that bureaucracy cost. And generally it is going to cost about $400 billion over a 5-year period of time. The National Health Care Board alone would be about $2 billion. This is all part of the program.

The bill is, 1342 pages long, so it is not something that we can always predict in terms of cost. But people have asked what would the cost be? Even if that is the case, is the Government that far off being wrong now? One of the things that came out last week or the week before was that the nonpartisan Congressional Budget Office said that the Clinton health care plan would actually increase the deficit $74 billion rather than decrease it $50 billion, which is what the President had said.

But look at the Government track record when it comes to evaluating the cost of programs. If we go back to the 1960's, we find that in its early days, Medicare actually ran 70 percent above the projected budget for the first 5 years that it was in operation. And in countries such as Canada and France and Germany, where you have socialized medicine plans, there are constant budget crises. Canada, I believe in December, came out in the Province of Ontario and said the hospitals had to cut about $200 million from their budget and there they required hospital staff to take 12 days of unpaid leave and closed down about 250 hospital beds since last year. That is just a small example.

Now, one of the things that also has come up in the last week was this situation where the DNC has got a quote in an ad that Governor Carroll Campbell is saying there is not a health care crisis, which is too bad, because he never made that statement. He was saying there certainly is a crisis. The crisis is more pronounced in some areas of the economy and for some people than it is for others.

It is a complete misrepresentation of his words. But if we do dare to examine who is the 37 million who are uninsured, we find that 70 percent of these 37 million are transient uninsured, and that they are going in and out of the system as they are finding a new job or they are temporarily out of work, and so forth.

Many of them are on COBRA. But that leaves about 11 million hardcore uninsured. And those are the folks who are the working poor, the folks with the high risk health problems like multiple sclerosis and cerebral palsy and so forth, and these are the men and women we need to target the first level of reforms at.

□ 1950

I believe the Michel plan does that. The Michel plan, of which I am a cosponsor, allows small businesses to form purchasing pools so that they could have the economies of scale that large businesses have. It allows greater tax deduction for unincorporated businesses. Currently unincorporated businesses can only have a tax deduction of 25 percent as opposed to incorporated businesses who have to have 100 percent. It allows some of the malpractice reforms which would allow hospitals to exchange lifesaving and premium dollar saving information back and forth without being sued for antitrust.

It has malpractice reform. It has MediSave accounts and so forth.

I want to say that unfortunately this MediSave account is getting a lot of undue criticism. I do not think anybody is saying the MediSave account will completely reform medicine by itself, but the idea that consumers drop off a cliff when it comes to health care, no one can tell you if they break their arm, if it is going to cost $150, $400, $600 and so forth. Yet would these same American consumers go to a store, a retail store that did not have price tags on its goods? Never. But when it comes to medicine, we do not seem to know what the costs of goods and services are.

I believe if we had some disclosure of physician fees, along with hospital fees for various services, and MediSave accounts that would empower consumers rather empower the Government, we would have the placement of a competitive market in the medical system which is absolutely void of it right now.

The gentleman from California has joined us. I yield to him.

Mr. HUNTER. I want to thank my friend for yielding.

On the subject of the MediSave account, I think you have accurately stated that it would be beneficial. We had a chance to have one company, their name escapes me now, this has been several weeks ago, but in fact several companies from the private sector came in and testified to the Republican Task Force on Health Care and talked about how their employees reacted to their MediSave accounts, where they gave the employees catastrophic coverage at the top end, then they gave them so much money. And if they did not spend the money on medical procedures, they got to keep it.

They talked about the way the employees reacted to that, how that trained them and disciplined them to be careful spenders of health care dollars. And ultimately, the employees ended up saving money, enjoying this choice.

This freedom that you have when you have a MediSave account, I think that goes back to the basic bill.

The facts are that what we offer, as Republicans, I think puts more trust in the American people than the package that is offered by the Democrats.

Mr. KINGSTON. I want to throw something in. I was an economics major in college. I did my senior year term paper on the Russian agriculture system. I wish I could remember all the statistics, but the Government collective farms, which basically the farmers of Russia had to give all their food to the Government, they allowed the individual farmers to keep or, excuse me, to use 25 percent of their land for their own food production.

It turned out, on that 25 percent of the land that the farmers would keep all their production on, that produced more crops than the entire 75 percent in the system that went to the Government. The point is that if people are using their own money, they have a motive to keep whatever is leftover for a college education, long-term health care, they will be a lot more careful than what is happening right now, where insurance companies are going in there and you have bureaucrats spending their money.

American consumers know how to spend their money a heck of a lot better than we do in Washington.

Mr. HUNTER. The gentleman is right on that accountability aspect.

I had a constituent of mine, a senior citizen come in to my office months ago. She said, "Congressman, I was told not to complain about this because insurance is paying for it, but I just feel like it is my duty to show you what is going on."

She held up a little wrist brace, a little piece of plastic. She had had a sprained wrist. She was given a wrist brace to immobilize that wrist. It had two little elastic bands on it.

The bill to the insurance company was $550. She said, "That is not the kicker. Here is the kicker."

She held up a little cheesecloth mitten that could not have cost more than 5 cents or 6 cents to make. She showed me the bill. The bill on that cheesecloth mitten was $120. She was told, do not worry about it. The insurance is going to pay for it.

I am sure that even the insurance company is going to try to whittle that bill down. They will not accept something that outrageous.

I felt, as the guy who used to have to defend the $600 hammer, as a prodefense person, remember that in the mid-1980's, and the $300 military ashtray, that here we had the equivalent of a $600 hammer. But it was the $600 medical hammer. The reason we had it was the same reason that we had the $300 ashtray and the $600 hammer with respect to the military establishment. That is, because there was no individual directly responsible for paying that money.

This constituent of mine had enough of an ethic and a sense of responsibility to come and complain about this and to fight it. But I think the fact that you do not have accountability on many of the things that are purchased in health care means that you have a lot of overcharging going on. And you do reduce that in the MediSave accounts when these families have a chance to save money, if they do not spend it. I think it would be safe to say that if a family had a thousand dollars in their MediSave account and they knew they were going to get that at the end of the year, if they did not spend it, and one of their kids got a wrist sprain in a football game that they would, and the doctor put a little wrist brace on it and said, "I'm going to charge you $550 for it," I think you would hear the roof come off of that doctor's office. Because it was their money, and they would not allow that.

Mr. KINGSTON. They would know exactly how much that wrist brace was going to cost them, also, because they would have information available to them. And they would find out. They would have the motivation.

The beauty of the MediSave account is that it cuts out the middle man, the big insurance companies and all the bureaucracies are out of it. You go directly to the source. You make your purchase at the point of purchase, and you pay for it. But I think it empowers consumers and not the Government.

And finally, most important, it puts that free market mechanism to work in medicine, which it is not allowed to do right now.

If the gentleman will allow us to move on, one of the things I wanted to talk about also was the reform.

And so often in Washington we seem to be debating, do we want McDermott, do we want Clinton, do we want Michel, do we want Armey, do we want Cooper, Wellstone, Clinton.

We are looking at all these things. What about the local reforms that are already going on? They are going on all over your great State of California. I know they are going on all over Georgia.

I was at a retreat that a hospital had this weekend, and I went and listened to some of the reforms they are doing. It is a textbook example of what can be done in medicine, if government stays out of it.

There are things that are making it more competitive, bringing down the prices, and assuring the quality is still there, increasing quality. And these reforms are going on now without Washington and without the State legislature. And it makes me think that we need to end this debate, include the efforts of local people and what they are already doing before we go off and nothing happens to it in Washington in this great body called the United States Congress.

Mr. HUNTER. I think the gentleman is right. I think in a way we are making the same mistakes that a lot of very intelligent people made in Moscow for many years. That was when a 5-year plan failed, and we know it failed because a government does not make anything efficiently, and government cannot direct costs to go down, and government cannot mandate prosperity. But when a 5-year plan failed, the Kremlin would stick another batch of bureaucrats into it. They would say, there are not enough bureaucrats.

There is not enough control. There is not enough government intervention in this particular enterprise.

And they would overload it even more, and it would fail quicker than it had before. Any they never broke the code until we taught them that socialism does not work.

I just hope that we remember that lesson that we taught the entire world.

Mr. KINGSTON. I think that is a good point, because although people are rejecting Washington driven alliances on a local basis, I am finding that if it is a voluntary alliance and it is one that is controlled locally by the private sector, then they are willing to take a look at it. But they do not want us in Washington mandating a series of licenses saying that this is the cooperative that you have to get your health care from, you have to give up what you have now, and we are going to set the price. We are going to take all the negotiation out of it from you locally.

The Michel plan would allow this, because there is another difference between it and the Clinton plan. It does not repeal the McCarran-Ferguson Act. The Clinton plan repeals McCarran-Ferguson and says basically that States can no longer regulate health care, that it will be the domain of the U.S. Congress and the Federal Government. And in doing so, it usurps the power of 50 States, but it takes away all this local initiative, which is to me one of the biggest tragedies and one of the things I have found, as a new Member of Congress, is that the franchise or the franchises on brilliance are not issued in Washington, DC. There are a lot of brains back home, a lot of thinking people who can handle their problems just fine without us.

Mr. HUNTER. The gentleman is absolutely right. We have 435 Members of the House and 100 Members of the other body.

□ 2000

We cannot possibly be experts on everything, and there is no way that Members of Congress can respond in a meaningful and thoughtful way to the complaints and the ideas and the initiatives of all of these constituents across this country, and the health care professionals, and the patients, and the folks who are affected by health care if they all come to Washington, DC, instead of going to their local bodies to try to steer the right course. There is no way we can handle them. We do not have a staff big enough to handle them.

So what it means is there is going to be a lot of hastily conceived ideas that do not work in practice where we have not looked at the great laboratories, which the States are in terms of making policy. And we are going to make a lot of mistakes. Washington cannot solve this problem.

Mr. KINGSTON. Another thing that is interesting about this health care debate is last week I made a list of the various plans and the numbers of cosponsors per plan. And it was amazing to me, I think the two plans with the most cosponsors were the Clinton plan, I think with 101, and I do not want to say exactly, but I believe that was it, and the Michel plan with 161. The other plans, some of them had 40, some of them had 20, and some of them that get a lot of publicity do not have very many cosponsors.

But last night, as you and I know, there was a tribute to Representative BOB MICHEL, and over and over again we heard great words about BOB MICHEL. And there was one thing that was just absolutely in every sentence, and that was "nonpartisan leader," a "nonpartisan guy," "nonpartisan Republican," "a bipartisan thinker," "a consensus builder." And so here is this guy who really does epitomize the best of both parties in terms of bipartisan cooperation, and his plan is not a Republican plan, it is a bipartisan plan. And we have offered the bill to our Democrat colleagues and said please sign this bill. It is a good bipartisan bill and we welcome your support, because we want to target our reforms on the 10, 12 million uninsured, the core uninsured right now. We want to give States flexibility, and we want to empower consumers and not government, and we need your help.

Mr. HUNTER. The gentleman is exactly right. I was not at the tribute to BOB MICHEL last night, but when the gentleman said nonpartisan, bipartisan, he described BOB MICHEL, a guy whose first question is, "How will this help America and how will it help Americans?"

I think it is interesting that he has more cosponsors on his plan than the President of the United States has on his plan.

Mr. KINGSTON. I know the gentleman from New York wants to talk about the budget, and we are going to yield the floor in a minute. But we need to pound that nail very deep into the wood of thinking here, because when we talk about it, here is a quote from Tip O'Neill who called BOB MICHEL "the finest Republican that ever walked the floors of the House." There was a quote in the program from Speaker FOLEY, saying that he had always worked with him in a bipartisan fashion, that he was one of the finest Members of the House and they were very close personal friends. We are not talking about a partisan guy. We are not talking about a guy who is an in-your-face Republican in any way. We are talking about a guy whose first concern, his first thought in building a consensus, as the gentleman pointed out, is for what is best for the United States of America. And if it was not best, then you can be sure that BOB MICHEL would not lend his name to it.

Mr. HUNTER. The gentleman is absolutely right. From BOB MICHEL carrying that BAR in World War II and just being concerned about those five or six guys in his squad, to becoming a representative from Peoria, IL, BOB MICHEL has always been concerned about his fellow Americans. And he does not distinguish Democrat-Republican. I think the fact that he has more people on his bill that the President indicates also that BOB MICHEL has been listening to the American people, as have the members of the Republican task force on health care who have done a great job, the leadership task force, and I think there is a little more of the American people's input into BOB MICHEL's bill and into this process than there is in the other bill, in President Clinton's bill.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. Absolutely, I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I am just so impressed with the special order that is going on here because I represent an area in northern New York, and we have snow up there, we are at 7 feet it seems like now.

I have a chain link fence around my property that is 7-feet tall, and I have Siberian husky dogs out there that are looking over the fence, the snow is so deep.

But the point is that it borders on Canada, and there was a wire service story yesterday which indicated that their socialized medicine program that they have in Canada is now bankrupt. It is bankrupt, yet people cannot even get medical services there. And they flow across the Canadian border in my district, and all across New York on the border, and all across the rest of the country where they have to wait weeks and months for very, very minor but serious operations.

The thing about BOB MICHEL's bill is, and you know his bill is subject to change like all of the rest, but his bill does not fix what is not broke. And the people in my area, senior citizens in particular are scared to death. They are scared to death when they hear about this single payer plan which is going to wipe out all of the other plans, wipe out Medicare and Medicaid and all of the large corporate health programs, all of the small business health programs, and they are just scared to death. BOB MICHEL's bill does not touch Medicare. It deals with those problems where for small businesses, under this plan small businesses would be able to, without a mandate, have small group insurance policies available to them. Do Members know how much of a savings that is? In other words, if you have a policy that is worth $5,000, costs you or your employee $5,000, just making a group insurance policy available reduces that cost about 20 percent, and 20 percent off $5,000 is a lot of money. It is $1,000. Now you are down to a cost of $4,000, and do you know, and you two probably do your own income taxes like I know I do, but it is so frustrating to have to keep track of all of your medical bills, and your insurance costs. And then when you figure out the formula, and you go to take your deduction, you do not save a doggone thing. If you could write off the total cost of your insurance premium out of your pocket, and your deductible or your out-of-pocket medical costs, and if you had a cost of $1,000, and you were in a 25-percent tax bracket or a 30-percent tax bracket, you have already reduced the cost of that premium by another $300 or $400.

Then if we could ever get through medical malpractice in this Congress, think what that would do to lower the cost of insurance to individuals.

You know, these are the things we ought to be doing. That is really what BOB MICHEL'S bill does, and that is why I admire the gentleman for coming over here and talking about it.

Mr. KINGSTON. If the gentleman will yield, first of all let me say No. 1, I am surprised that the gentleman has the ability, though I should not be surprised because he is certainly one of the brightest Members of Congress, to do your own taxes. But I think it is interesting to point out that the tax simplification bill of 1986 was 491 pages long. This bill is 1,392 pages long, and I do not know too many people who do their own taxes. We have tax simplification, and yet many of the smartest business people I know right now have to go to an accountant, and so do the slower ones, such as me.

So I certainly sympathize with all of them.

Mr. HUNTER. I just want to thank the gentleman for having this special order and talking in a commonsense way about what we need in health care. I think the American people have, and I think my friend from New York knows this better than almost anybody because he has talked about it a lot, the thing I think that makes Americans a little different from Canadians, and Brits and Frenchmen, and Germans, and people in other countries that have adopted one form or another of socialized medicine, is that Americans have a little streak of independence in them, and they have a wariness of government, of big government. And I just hope that that commonsense instinct not to let big government say, "We are from the government and we are here to help, and we are going to take over health care, we are going to make it cheaper, we are going to command it to be more efficient," I think the American people are a little more sophisticated than that, and a little more independent. And a lot of the so-called policy wonks in Washington, DC, these academics and others who have decided that the American people are not smart enough to be trusted with their health care, they have to have that handled for them, I think the American people are going to surprise the Clinton administration with their position on this bill.

You know, it is interesting. The polls I have seen show that as people read the bill, and they are asked the basic question, "Do you like it more or do you like it less now that you know more about it?" Most Americans polled say, "We like it less," after they have read it.

That indicates to me that this is not going to be quite as easy a snow job as I think a lot of the folks thought it would be.

Mr. KINGSTON. Let me ask both gentlemen a question. And I am serious about yielding the floor before the Sun rises. The gentleman is from California, and this gentleman from New York and I am from Georgia, three different parts of the country. Ours incidentally has 80 degrees this week, so leave your huskies up there, but you may come down. The question that people are asking me is will I have to give up my current policy which I am happy with under the Clinton plan? And I tell them yes, and they are upset about that. How do the folks in California react, and I want to ask about the folks in New York, how do they feel?

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Mr. HUNTER. Well, let me tell you, from the radio talk shows that I have been on, once they learn that, and I have debated this with Members of the other side of the aisle, and I cheated in the last debate, I actually brought the Clinton bill to the debate with me and read from it, and first, my opponent in the debate thought that that could not possibly really be the Clinton bill, but I assured him that, yes, it was.

When people realize this is mandatory, you give up some freedoms to get this great security that the President talks about; the first freedom is the freedom not to be in the plan. It says every American shall be in the plan, and it also says every American shall contribute. Now, as I recall, if you do not contribute, you get fined substantially for not contributing.

So the first thing you give up is your right not to be in it, and, you know, you mentioned, you were talking about the 37 million so-called uninsured Americans and who they really are. A lot of those are folks that make over $50,000 a year and just say, "Thank you very much, I will pay for my health care. I do not want to pay a middleman in an insurance company to have health care." I think Americans ought to have that right.

So there are a lot of freedoms that are given away, and I think Americans are pretty wary right now of giving up freedoms.

Mr. KINGSTON. I would ask the gentleman from New York [Mr. SOLOMON], is that how folks in New York feel?

Mr. SOLOMON. Listen, you would think the gentleman from California [Mr. HUNTER] represents my people up in northern New York up there.

Mr. HUNTER. I will in the springtime. Not the winter.

Mr. SOLOMON. He sounds just like GERRY SOLOMON.

I will tell you what people up there are alarmed about. They are alarmed that some bureaucrat is going to be dictating to them who is going to deliver the medical delivery care system to them. They are terribly concerned about it. They are concerned that they are going to have to pay more for less medical services, that we just cannot allow to happen.

Mr. HUNTER. Let me just add one thing.

Incidentally, let me thank the gentleman from Georgia for making this special order happen. His deliberate analysis of this health care bill is real important.

One thing I would offer folks to think about in a commonsense way is that we are going to have 300,000 new Government bureaucrats injected into this, hired to manage health care. If we have a finite amount of money available for health care in this country and we want to have as much of it as possible being used to actually be used for treatment, that interaction between doctors and patients, well, that means that not only are we going to be continuing to pay the middlemen you talked about, the insurance guy that used to have those guys in the middle, you are going to be paying the lawyer cause the trial lawyers who own the Clinton administration are going to be getting their cut of the action, but now you are going to be paying 300,000 fine Federal workers, and you are going to be using the same finite dollars, that is, dollars that the American people earn to pay that.

The SPEAKER pro tempore (Mr. STRICKLAND). Pursuant to the Speaker's announced policy of February 11, 1994, the gentleman from New York [Mr. SOLOMON] is recognized for 30 minutes as the minority leader's designee.

THE BALANCED-BUDGET TASK FORCE

Mr. SOLOMON. Mr. Speaker, I appreciate the half-hour of the minority leader's time.

Mr. Speaker, let me just say that for a number of years now a number of us in the Congress have been so concerned about what is happening to the budget in this country and what has created these huge deficits that we, the American people and the present generation and future generations to come are saddled with, and a number of months ago a few of us, about 25 of us, formed what we call the balanced budget task force. This has nothing to do with the balanced-budget amendment. This is simply a task force put together to try to see if we could actually present to this Congress a balanced budget to vote on.

On Thursday, that is, tomorrow, the balanced budget task force will present to the U.S. Congress on this floor a balanced budget containing more than 5 specific cuts, and they are itemized right here, totaling more than $600 billion, and that is something that they said could not be done.

Our alternative budget contains the most comprehensive list of cuts ever put before this body or any other body. We included recommendations and suggestions from the credible Concord Coalition, the Grace Commission, the Congressional Budget Office, the Citizens Against Government Waste, a whole host of individual Member initiatives, the National Taxpayers' Union, the Heritage Foundation, the Pork Busters Coalition, the reinventing government proposals, and many, many others, and this budget that we are presenting to this body tomorrow, if enacted into law, would result in a balanced budget by 1999, that is, the fifth year of this 5-year budget, and even produce a surplus in the year 2000 and the year 2001.

During the recent Senate debate on the balanced budget amendment, President Clinton and our former colleague who is now the Office of Management and Budget Director, Leon Panetta, in twisting the arms of Members of the other body to vote against the balanced budget amendment which failed by a few votes over there, made the point time and time again that we do not need a balanced budget amendment; we do not need to change the Constitution; what we need, they said, is a Congress willing to vote for a balanced budget.

Well, Congress is going to get this chance to do just that, and that is not easy, ladies and gentleman. Other critics, including Senate Majority Leader GEORGE MITCHELL, and I am ashamed to say even some Republicans over in that other body, and we have to place blame where blame is due, those Democrats and Republicans claimed that you could not balance the budget without dipping into the Social Security trust fund, without slashing earned benefits of veterans, and without raising taxes. They said you could not balance the budget without doing those things. Well, that kind of rhetorical scare tactic was wrong then, and it is wrong now, and we prove it with this balanced budget that we are presenting tomorrow.

I invite the public and Members of Congress and the press to look at it tomorrow morning in tomorrow morning's CONGRESSIONAL RECORD. This balanced budget does not touch the Social Security retirement trust fund. It does not cut a dime from earned veterans' benefits, and I used to be the ranking Republican on the Committee on Veterans' Affairs, served on that committee for 10 years before I went over to the Committee on Rules, and was responsible for passing the legislation which created the Department of Veterans Affairs. I guess I have a fine reputation in fighting for the veterans of this Nation, and I am one, as any Member here.

But this bill does not cut a dime from veterans' benefits. And even more important, it does not raise taxes in order to balance the budget.

Instead of decimating the defense budget, it actually restores about $50 billion proposed by President Clinton that is badly needed if we are going to be able to maintain a two-war strategy, that is going to maintain the young men and women in the best-equipped, the best army that we can produce.

In this budget, everyone will be asked to tighten their belts including Congress itself. Out budget is tough medicine. It is tough for all of us. It cuts congressional spending by 25 percent over the 5-year period. It cuts the White House spending by 25 percent over the 5-year period. It consolidates departments like the Department of Energy and the Department of the Interior which now, I think they have given some other fancy name to, Natural Resources or something. It terminates many Federal commissions. It eliminates programs like the space station which is so controversial. It privatizes programs like the National Oceanic and Atmospheric Agency which President Clinton has asked to do.

In this budget, everyone is treated fairly. We go on where we contract out items like the U.S. Printing Office, where the Federal Government has no business being in the printing business. It eliminates 90 percent of agricultural crop subsidies which the American people just do not understand. It bars financial assistance to illegal aliens. It merges job training programs. It sells off the Government direct loan portfolio to the private sector. All of these make good business sense.

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And in all of this belt tightening which touches every branch of Government, we only cut spending by a mere 3.5 percent, a mere 3.5 percent; yet we managed to balance the Federal budget. And this task force would ask this Congress, is a 3.5 percent over 5 years too much to ask of this body?

The American people do not think so, and we do not think so. We will ask Congress to summon the courage to vote for this balanced budget tomorrow. That vote will take place around 7:00 or 8:00 tomorrow night, probably, and during that vote, ladies and gentleman, the buck stops here on this floor. No longer can we, Members of Congress, blame the past Presidents or present Presidents or future Presidents for this deficit crisis; we can only blame ourselves if we fail to vote for a truly balanced budget.

Again, let me repeat: This budget before you balances the budget in 5 years. It cuts over $600 billion in Federal spending with over 500 specific cuts. It does not raise taxes, it does not touch the social security trust funds, it does not touch earned veterans benefits; it does restore defense spending to a level that is necessary to maintain a decent national defense.

In the year 1999 President Clinton's budget will have an annual deficit for that 1 year alone of $204 billion. That is $204 billion. A billion dollars is a thousand million dollars. This is 204 times a thousand million. That is the deficit that we will incur in just that 1 year of 1999.

Our budget which we present to you has a $5 million surplus. It is a very small amount of money, but it is a surplus as compared with a $204 billion deficit in that year.

And when you go to the next year, the year 2000, which is only 6 years from now, the President's budget has a $226 billion deficit, going up; and we show a $5 billion surplus. In other words, ladies and gentlemen, we have begun to make a dent in the Federal deficit and we begin actually to pay it off. That is what the American people really want, and we do it by cutting, consolidating, terminating, eliminating, privatizing, contracting out, selling off portfolios and by belt tightening in the branches of Government.

Ladies and gentlemen, the point I want to make is that each member of our task force—and they come from all over this country, from New York, from Florida, from California, from every part of this country—and when you look through this budget, you will find things that hurt your district. But, ladies and gentlemen, if you are going to balance the budget, you have to tighten your belts. We have proved that it can be done. I would just say that this budget that we are offering is a credible document; it has been scored by the Congressional Budget Office as being a balanced budget. It is endorsed by such prestigious organizations as the Citizens Against Government Waste, by the National Taxpayers Union, by Americans for Tax Reform, by Americans for a Balanced Budget, and dozens of other like organizations that have come out in support of this balanced budget.

That will begin to once and for all plug the dike that is hemorrhaging a sea of red ink that is slowly ruining this great country of ours and turning us into a debtor Nation.

Mr. Speaker, I am happy to say that our efforts here in this House to adopt a balanced budget have now spread to the other body. Senate Republicans are preparing right now to offer a similar balanced budget just like ours. That is going to be the official Republican alternative over in the other body, without raising taxes, without cutting social security, without cutting veterans benefits and without decimating the defense budget.

I cannot tell you how pleased I was when I saw this come across the fax machine about an hour ago. It says, "fiscal year 1995 balanced budget resolution prepared by the Republican staff of the U.S. Senate Budget Committee." Ladies and gentlemen, that is a step forward toward a balanced budget.

I do not know if we are going to succeed tomorrow because I do not know if Members of this body are going to have the guts to vote for something as tough as this because it is, again, tough medicine. But whether we win or lose, at least we have set the norm for future budget committees on both sides of the aisle in this House and in the other body, that the American people are going to get a balanced budget or they are going to know why.

I can tell you, with the elections only about 7 or 8 months from now, the thing on their minds is not health care but they are concerned about this budget deficit. They are concerned about jobs, about the economy. If we allow this deficit to continue to grow as the President's budget does, creating another $1.5 trillion in debt added to the already $4 trillion we have now, you are going to see inflation skyrocket, you are going to see unemployment skyrocket, and every time unemployment goes up 1 percent, it triggers in over $40 billion in social programs at the various levels of Government.

We just cannot afford to let that happen. I would just implore Members to take a look at the budget we present to you tomorrow. The Committee on Rules a few minutes ago made in order several alternatives, one of which is this balanced budget.

There is a Black Caucus substitute which was also made in order which does not balance the budget. There are several others.

I would just hope that Members would give this consideration and get us on the road toward finally balancing the budget in this Congress.

Mr. Speaker, I appreciate the time of the Speaker and our staffs staying this evening to allow me this opportunity to at least tell you what is going to happen tomorrow.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOUGHTON (at the request of Mr. MICHEL), for March 8, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KASICH) to revise and extend their remarks and include extraneous materials:)

Mr. WELDON, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. LEACH, for 5 minutes, today.

Mr. DORNAN, for 5 minutes, on March 16.

(The following Members (at the request of Mr. TUCKER) to revise and extend their remarks and include extraneous materials:)

Mr. LAROCCO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KASICH) and to include extraneous matter:)

Ms. SNOWE.
Mr. PORTMAN.
Mr. COMBEST.
Mr. BEREUTER.
Mr. FAWELL.
Mr. HORN.
Mr. SOLOMON.
Mr. GILMAN.
Mr. FIELDS of Texas.
Mr. CRANE.
Mr. SMITH of New Jersey.
Mr. PORTER
Mr. DORNAN.

(The following Members (at the request of Mr. TUCKER) and to include extraneous matter:)

Mrs. MALONEY.
Mr. HAMILTON.
Mr. CLYBURN in two instances.
Mr. COLEMAN.
Mr. MILLER of California.
Mr. LAFALCE.
Mr. RAHALL.
Mr. KENNEDY.
Mr. KLEIN in two instances.
Mr. POSHARD.
Mr. CHAPMAN.
Mr. KREIDLER.
Mr. CARDIN.
Ms. LONG.

SENATE BILLS REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 313. An act to amend the San Juan Basin Wilderness Protection Act of 1984 to designate additional lands as wilderness and to establish the Fossil Forest Research Natural Area, and for other purposes; to the Committee on Natural Resources.

ADJOURNMENT

Mr. SOLOMON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 28 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, March 10, 1994, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2730. A letter from the Secretary of Defense, transmitting the annual report of the Reserve Forces Policy Board for fiscal year 1993, pursuant to 10 U.S.C. 113(c)(3); to the Committee on Armed Services.

2731. A letter from the Deputy Under Secretary of Defense (Environmental Security), transmitting a report that contains a plan for the termination of the operation of the Naval Air Station, Bermuda, pursuant to Public Law 103–160, section 311(b) (107 Stat. 1618); to the Committee on Armed Services.

2732. A letter from the Senior Deputy Comptroller for Administration, Comptroller of the Currency, transmitting the Comptroller of the Currency's report on compensation and benefits, pursuant to Public Law 101–73, section 1206 (103 Stat. 523); to the Committee on Banking, Finance and Urban Affairs.

2733. A letter from the Acting Director, Office of Thrift Supervision, transmitting the Office's 1994 compensation plan, pursuant to Public Law 101–73, section 1206 (103 Stat. 523); to the Committee on Banking, Finance and Urban Affairs.

2734. A letter from the Chairman, Federal Election Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2735. A letter from the President, Inter-American Foundation, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2736. A letter from the General Counsel, Legal Services Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2737. A letter from the Chairman, National Labor Relations Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1993, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2738. A letter from the Assistant Secretary for Policy, Management and Budget, U.S. Department of the Interior, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2739. A letter from the Director, U.S. Office of Personnel Management, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

2740. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Natural Resources.

2741. A letter from the Chairman, Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, transmitting a report on various issues of the Safety Research Program of the Nuclear Regulatory Commission, pursuant to 42 U.S.C. 2039; jointly, to the Committees on Energy and Commerce and Natural Resources.

2742. A letter from the Secretary of Defense, transmitting a revised report on proposed obligations for facilitating weapons destruction and nonproliferation in the former Soviet Union, pursuant to Public Law 103–160, section 1206(a) (107 Stat. 1781); jointly, to the Committees on Foreign Affairs and Armed Services.

2743. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation entitled the "Regulatory Consolidation Act of 1994"; jointly, to the Committees on Banking, Finance and Urban Affairs, Energy and Commerce, the Judiciary, Post Office and Civil Service, and Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DERRICK: Committee on Rules. House Resolution 384. Resolution providing for the consideration of H. Con. Res. 218, setting forth the congressional budget for the U.S. Government for fiscal years 1995, 1996, 1997, 1998, and 1999 (Rept. 103–429). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Mississippi:

H.R. 3984. A bill to designate the U.S. post office located at 212 Coleman Avenue in Waveland, MS, as the "John Longo, Jr. Post Office"; to the Committee on Post Office and Civil Service.

By Mr. CRANE:

H.R. 3985. A bill to amend the Federal Rules of Evidence with respect to the rule of privileges in civil cases; to the Committee on the Judiciary.

By Mr. FAWELL (for himself, Mr. ARCHER, Mr. BALLENGER, Mr. BARTLETT of Maryland, Mr. BOEHNER, Mr. BURTON of Indiana, Mr. COX, Mr. CRANE, Mr. CRAPO, Mr. DEFAZIO, Mr. DOOLITTLE, Mr. EHLERS, Mr. EWING, Mrs. FOWLER, Mr. GILCHREST, Mr. GOODLATTE, Mr. GOODLING, Mr. HANCOCK, Mr. HEFLEY, Mr. HERGER, Mr. HOEKSTRA, Mr. KING, Mr. MANZULLO, Mr. MILLER of Florida, Mr. NUSSLE, Mr. OXLEY, Mr. PAXON, Mr. PENNY, Mr. PETERSON of Minnesota, Mr. RAMSTAD, Mr. SENSENBRENNER, Mr. SMITH of Texas, Mr. STEARNS, and, Mr. ZIMMER):

H.R. 3986. A bill to rescind unauthorized supplemental appropriations for fiscal year 1994, and for other purposes; to the Committee on Appropriations.

By Mr. FIELDS of Texas (for himself, Mr. STUDDS, and Mr. BEILENSON):

H.R. 3987. A bill to provide for conservation of rhinoceros and tigers; jointly, to the Committee on Merchant Marine and Fisheries and Ways and Means.

By Mr. RAHALL:

H.R. 3988. A bill to provide for the preservation and interpretation of certain lands and structures relating to the coal mining heritage of the State of West Virginia and the Nation; and for other purposes; to the Committee on Natural Resources.

By Mr. SHAYS (for himself and Mr. FRANK of Massachusetts):

H.R. 3989. A bill to reduce domestic and defense discretionary spending; jointly, to the Committees on Science, Space, and Technology, Armed Services, Energy and Commerce, and Natural Resources.

By Ms. SLAUGHTER (for herself, Mr. ABERCROMBIE, Ms. DELAURO, Mr. EVANS, Mr. FROST, Mr. HOCHBRUECKNER, Mr. KING, Mr. KLUG, Mrs. MALONEY, Mr. STUPAK, Mr. TOWNS, and Mr. ENGEL):

H.R. 3990. A bill to provide protection from sexual predators; to the Committee on the Judiciary.

By Mr. SOLOMON:

H.R. 3991. A bill to prohibit federally sponsored research pertaining to the legalization of drugs; to the Committee on Government Operations.

H.R. 3992. A bill to prohibit foreign assistance to Russia unless certain requirements relating to Russian intelligence activities, relations between Russia and certain neighboring countries, and the reform of the Russian economy are met; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. RAMSTAD (for himself, Mr. KENNEDY, and Mr. BLILEY):

H.R. 3993. A bill to amend title 18, United States Code, with respect to the sexual exploitation of children; to the Committee on the Judiciary.

By Mr. MONTGOMERY:

H.J. Res. 332. Joint resolution designating July 27 of each year as the "National Korean War Veterans Armistice Day"; to the Committee on Post Office and Civil Service.

By Mr. JOHNSTON of Florida (for himself, Mr. WAXMAN, Mr. FROST, Mr. YATES, Mr. BERMAN, Mr. FRANK of Massachusetts, Mr. ENGEL, Mr. LEWIS of Georgia, Mr. SHAYS, Mr. FINGERHUT, Mr. BLACKWELL, Mr. SAXTON, Mr. EDWARDS of California, Mr. DEUTSCH, Mr. WYNN, Mr. PALLONE, Mr. HORN, Mr. PENNY, Mr. MARTINEZ, Mr. BACCHUS of Florida, Mrs. MEEK of Florida, Mr. CARDIN, Ms. CANTWELL, Ms. BROWN of Florida, Mr. PAYNE of New Jersey, Mr. GEJDENSON, Mr. PETERSON of Florida, Mr. WYDEN, Ms. KAPTUR, Mr. KLEIN, Mrs. THURMAN, Mr. ANDREWS of New Jersey, Mr. SYNAR, Mr. FALEOMAVAEGA, Mr. MARKEY, Mr. LEVY, Mr. LEACH, Mr. SABO, Mr. BORSKI, Mr. HASTINGS, and Mr. MENENDEZ):

H. Con. Res. 219. Concurrent resolution to support the Middle East peace process and condemn all acts of terrorism aimed at derailing that process; to the Committee on Foreign Affairs.

By Ms. SNOWE (for herself and Mr. SCHIFF):

H. Con. Res. 220. Concurrent resolution expressing the sense of the Congress on the need for accurate guidelines for breast cancer screening for women ages 40–49; to the Committee on Energy and Commerce.

By Mr. SOLOMON:

H. Con. Res. 221. Concurrent resolution declaring the sense of Congress with respect to studies and research involving the legalization of drugs; to the Committee on Government Operations.

By Mr. BILIRAKIS:

H. Res. 382. Resolution providing for the consideration of the bill (H.R. 65) to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation; to the Committee on Rules.

By Mr. THOMAS of California (for himself, Mr. MICHEL, Mr. GINGRICH, Mr. ROBERTS, Mr. BARRETT of Nebraska, Mr. BOEHNER, and Ms. DUNN):

H. Res. 383. Resolution amending the Rules of the House of Representatives respecting committee staff; to the Committee on Rules.

MEMORIALS

Under clause 4 of the rule XXII, memorials were presented and referred as follows:

295. By the SPEAKER: Memorial of the House of Representatives of the State of Arizona, relative to the U.S. Air Force Armstrong Laboratory; to the Committee on Armed Services.

296. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to the war in Bosnia and Herzegovina; to the Committee on Foreign Affairs.

297. Also, memorial of the Senate of the State of Arizona, relative to the Santa Cruz River Basin; to the Committee on Foreign Affairs.

298. Also, memorial of the Senate of the State of Arizona, relative to erecting a statue or memorial honoring native American veterans; to the Committee on House Administration.

299. Also, memorial of the House of Representatives of the State of Arizona, relative to the Grand Canyon Protection Act of 1991; to the Committee on Natural Resources.

300. Also, memorial of the Senate of the State of Arizona, relative to tribal governments; to the Committee on Natural Resources.

301. Also, memorial of the Senate of the State of Arizona, relative to S. 433 and H.R. 918; to the Committee on Natural Resources.

302. Also, memorial of the House of Representatives of the State of Arizona, relative to the Cave Creek Canyon Protection Act of 1991; to the Committee on Natural Resources.

303. Also, memorial of the Legislature of the State of Nebraska, relative to the physical desecration of the flag of the United States; to the Committee on the Judiciary.

304. Also, memorial of the Senate of the State of Arizona, relative to north-south trade corridors and transportation infrastructure improvements; to the Committee on Public Works and Transportation.

305. Also, memorial of the House of Representatives of the State of Arizona, relative to north-south trade corridors, including the extension of Interstate 17; to the Committee on Public Works and Transportation.

306. Also, memorial of the House of Representatives of the State of Arizona, relative to the Social Security Notch Adjustment Act; to the Committee on Ways and Means.

307. Also, memorial of the House of Representatives of the State of Arizona, relative to enacting an income tax deduction for medical insurance costs of self-employed individuals; to the Committee on Ways and Means.

308. Also, memorial of the Senate of the State of Arizona, relative to the Indian Health Service; jointly, to the Committees on Natural Resources and Energy and Commerce.

309. Also, memorial of the Senate of the State of Arizona, relative to the highway trust fund and the airport and airway trust fund; jointly, to the Committees on Public Works and Transportation and Government Operations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. SHAW and Mr. CLEMENT.

H.R. 71: Mr. GILMAN.

H.R. 87: Mr. THOMAS of Wyoming.

H.R. 302: Mr. GOODLATTE, Mr. HOBSON, and Mr. FORD of Michigan.

H.R. 303: Mr. BISHOP, Mr. SHAW, Ms. ROS-LEHTINEN, and Mr. TEJEDA.

H.R. 306: Mr. BOEHNER.

H.R. 624: Mr. HERGER, Mr. PACKARD, Mr. HOAGLAND, Mr. SARPALIUS, and Mr. MANZULLO.

H.R. 773: Mr. KASICH.

H.R. 894: Mr. EMERSON.

H.R. 911: Mr. SARPALIUS and Mrs. MALONEY.

H.R. 1026: Mr. FRANKS of New Jersey.

H.R. 1275: Mr. KILDEE.

H.R. 1276: Mr. KNOLLENBERG and Mr. STEARNS.

H.R. 1286: Mr. BACHUS of Alabama, Mr. FINGERHUT, Mr. POMBO, Mr. COX, Mr. WHEAT, Mr. LAZIO, and Mr. BARTLETT of Maryland.

H.R. 1349: Mr. RIDGE.

H.R. 1417: Mrs. THURMAN.

H.R. 1487: Mr. FRANKS of New Jersey.

H.R. 1583: Mr. BILBRAY, Mr. GRAMS, Mr. CALVERT, and Mr. MILLER of Florida.

H.R. 1712: Mr. UPTON.

H.R. 1886: Mr. BARCA of Wisconsin.

H.R. 2012: Mr. SOLOMON and Mr. HOBSON.

H.R. 2210: Mr. TALENT.

H.R. 2227: Mr. OBERSTAR and Mr. LEVY.

H.R. 2417: Ms. FURSE.

H.R. 2420: Mr. WALSH.

H.R. 2460: Mr. CALLAHAN.

H.R. 2623: Mr. HUTTO, Mr. GREENWOOD, and Mr. DEFAZIO.

H.R. 2641: Ms. ESHOO.

H.R. 2710: Mr. WAXMAN, Mr. BERMAN, Mr. WISE, Mr. FOGLIETTA, Mr. JOHNSTON of Florida, Mr. SWETT, and Mr. KREIDLER.

H.R. 2727: Mr. WYNN and Mr. MCDERMOTT.

H.R. 2790: Mr. ACKERMAN.

H.R. 2882: Mr. DORNAN.

H.R. 2930: Mrs. CLAYTON, Mr. FLAKE, Mr. OWENS, Ms. MCKINNEY, Ms. VELÁZQUEZ, Ms. NORTON, and Ms. WOOLSEY.

H.R. 2995: Mr. KNOLLENBERG.

H.R. 3017: Mr. LIPINSKI, Mr. DORNAN, Mr. ROBERTS, and Mr. GOODLING.

H.R. 3075: Mr. MENENDEZ, Mr. ROMERO-BARCELÓ, and Mr. ACKERMAN.

H.R. 3320: Mr. MORAN.

H.R. 3333: Mr. CRAPO.

H.R. 3347: Mr. NEAL of North Carolina.

H.R. 3392: Mr. JACOBS, Mr. ROYCE, Mr. INGLIS of South Carolina, Mr. ISTOOK, Mr. BOEHNER, Mr. ROSE, and Mr. ORTON.

H.R. 3397: Mr. VALENTINE, Mr. MCCOLLUM, Mr. PENNY, and Mr. CALVERT.

H.R. 3465: Mr. MINGE.

H.R. 3534: Ms. FURSE and Mr. LAFALCE.

H.R. 3546: Mr. GILLMOR, Mr. GUNDERSON, Mr. MCDADE, and Mr. COLLINS of Georgia.

H.R. 3584: Mr. BARCA of Wisconsin, Mr. HUTTO, Mr. MCHUGH, Mr. MANN, Mr. MANZULLO, Mr. SARPALIUS, and Mr. TRAFICANT.

H.R. 3600: Mr. MARKEY.

H.R. 3630: Mr. GEJDENSON, Mr. BISHOP, Mr. FOGLIETTA, Mr. DORNAN, and Mr. REYNOLDS.

H.R. 3663: Mr. DIXON, Mr. MORAN, and Mr. FALEOMAVAEGA.

H.R. 3745: Mrs. KENNELLY, Mr. DE LUGO, and Mr. SMITH of Iowa.

H.R. 3846: Mr. REGULA, Mr. FRANK of Massachusetts, Mr. COX, Mr. FAWELL, Mr. BARRETT of Wisconsin, Mr. SHAYS, Mr. HYDE, Mr. KLINK, Mr. ZIMMER, Mr. ARCHER, Mr. PACKARD, Mr. KLUG, Mrs. ROUKEMA, Mr. KREIDLER, Mr. DORNAN, Mr. HANCOCK, Mr. CRAPO, Mr. SAXTON, Mrs. SCHROEDER, Mr. SHAW, Mr. KIM, Mr. PETRI, Mrs. MALONEY, Mr. MILLER of Florida, Mr. RAMSTAD, Mr. ROHRABACHER, Mr. FRANKS of New Jersey, Mrs. JOHNSON of Connecticut, and Mr. DEFAZIO.

H.R. 3863: Mr. STOKES, Mr. DELLUMS, Mr. LIPINSKI, Miss COLLINS of Michigan, Mr. HILLIARD, Mr. TOWNS, Mr. MONTGOMERY, Mr. WILSON, and Mr. FROST.

H.R. 3871: Mr. WELDON, Mr. SAXTON, Mr. DORNAN, Mr. TORKILDSEN, Mr. FAWELL, Mr. MANZULLO, and Mr. SCHIFF.

H.R. 3872: Mr. LEVY, Ms. WOOLSEY, Mr. PETE GEREN of Texas, Mr. LEWIS of Florida, and Mr. YOUNG of Alaska.

H.R. 3895: Mr. MCCOLLUM, Mr. PENNY, and Mr. GORDON.

H.R. 3900: Mr. BRYANT, Mr. DEFAZIO, Mr. FRANK of Massachusetts, Mr. FROST, Mr. FAZIO, Mr. SAWYER, Mr. SABO, and Mr. EDWARDS of California.

H.R. 3906: Ms. PELOSI.

H.R. 3925: Mr. REYNOLDS, Mr. MONTGOMERY, Mr. PASTOR, Mrs. BYRNE, Mr. MEEHAN, and Mr. FROST.

H.R. 3929: Mr. MCDADE, Mr. LEWIS of Florida, Mr. POSHARD, Mr. EMERSON, Mr. BUYER, Mr. MCHUGH, Mr. OXLEY, and Mr. KLECZKA.

H.R. 3930: Mr. BUYER and Mr. GALLEGLY.

H.R. 3951: Mr. PAXON, Mr. HAMILTON, Mr. BLILEY, Mr. ROBERTS, Mr. UPTON, Mr. COOPER, Mr. TANNER, and Mr. WOLF.

H.R. 3978: Mr. DOOLITTLE.

H.J. Res. 113: Mr. CRAPO.

H.J. Res. 253: Mr. WISE, Mr. COYNE, Mr. MEEHAN, Mr. MARKEY, Mrs. BENTLEY, Miss COLLINS of Michigan, Mr. DINGELL, and Mr. QUILLEN.

H.J. Res. 264: Mr. KLUG.

H.J. Res. 287: Mr. RIDGE, Mr. QUINN, Mr. HOCHBRUECKNER, Mr. BLUTE, Mr. KASICH, Mr. BEREUTER, Mr. FROST, Mr. KLECZKA, Mr. MURTHA, Mrs. MINK of Hawaii, Mr. FALEOMAVAEGA, Mrs. KENNELLY, Mr. LIPINSKI, Mr. BORSKI, Mr. BROWN of Ohio, Mr. MCDERMOTT, and Mr. HUGHES.

H.J. Res. 305: Mr. MARTINEZ, Mr. GONZALEZ, Mr. NEAL of North Carolina, Mr. MACHTLEY, Mr. BROWN of Ohio, and Mr. DIXON.

H.J. Res. 310: Mr. SCHUMER, Mr. SWETT, Ms. FURSE, Mr. SHAYS, Mr. NEAL of Massachusetts, Mr. BERMAN, Mr. MORAN, Mr. CLEMENT, Mr. MCCLOSKEY, Mr. JOHNSON of South Dakota, Mr. CONYERS, Mr. SKEEN, Mr. HYDE, Mr. MCDADE, Mr. DOOLITTLE, Mr. VOLKMER, Mr. THOMAS of California, Mr. PAXON, Mr. CRANE, Ms. DANNER, Mr. YATES, Mr. OWENS, Mr. OXLEY, Mr. BONIOR, Mr. VALENTINE, Ms. ROYBAL-ALLARD, Mr. YOUNG of Florida, Mr. UPTON, Mr. DELLUMS, Mr. HOBSON, Mrs. MEEK of Florida, Mr. NUSSLE, Mr. CONDIT, Mrs. VUCANOVICH, and Mr. MOORHEAD.

H.J. Res. 314: Mr. MURPHY, Mr. BACCHUS of Florida, Mr. CALLAHAN, Mr. DE LUGO, Mr. EVANS, and Mr. WELDON.

H.J. Res. 328: Mr. EVANS, Mr. CLAY, Mr. SOLOMON, and Mr. SAXTON.

H. Con. Res. 84: Mr. MYERS of Indiana, Mr. HUTTO, and Mrs. MORELLA.

H. Con. Res. 147: Mrs. SCHROEDER and Mrs. UNSOELD.

H. Con. Res. 148: Mr. JOHNSON of South Dakota.

H. Con. Res. 166: Mr. CLYBURN and Mr. LINDER.

H. Res. 236: Mr. PACKARD, Mr. NEAL of North Carolina, Mr. ROGERS, Mr. GALLEGLY, Mr. MEEHAN, Mr. CRAMER, Mr. PAXON, and Mr. GILMAN.

H. Res. 365: Mr. SAXTON.

PETITIONS, ETC.

Under clause 1 of rule XXII,

77. The SPEAKER presented a petition of a Free Democratic Party [FDP], Republic of Liberia, relative to United States humanitarian assistance to Liberia; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.J. RES. 103

By Mr. KYL:

—Strike the resolving clause and insert the following: That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intends and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"ARTICLE—

"SECTION 1. Except as provided in this article, outlays of the United States Government for any fiscal year may not exceed its receipts for that fiscal year.

"SEC. 2. Except as provided in this article, the outlays of the United States Government for a fiscal year may not exceed 19 percent of the Nation's gross national product for the fiscal year.

"SEC. 3. The Congress may, by law, provide for suspension of the effect of sections 1 or 2 of this article for any fiscal year for which three-fifths of the whole number of each House shall provide, by a rollcall vote, for a specific excess of outlays over receipts or over 19 percent of the Nation's gross national product.

"SEC. 4. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for repayment of debt principal.

"SEC. 5. The President shall have power, when any Bill, including any vote, resolution, or order, which contains any item of spending authority, is presented to him pursuant to section 7 of Article I of this Constitution, to separately approve, reduce, or disapprove any spending provision, or part of any spending provision, contained therein.

"When the President exercises this power, he shall signify in writing such portions of the Bill he has approved and which portions he has reduced. These portions, to the extent not reduced, shall then become a law. The President shall return with his objections any disapproved or reduced portions of a Bill to the House in which the Bill originated. The Congress shall separately reconsider each such returned portion of the Bill in the manner prescribed for disapproved Bills in section 7 of Article I of this Constitution. Any portion of a Bill which shall not have been returned or approved by the President within 10 days (Sundays excepted) after it shall have been presented to him shall become a law, unless the Congress by their adjournment prevent its return in which case it shall not become law.

"SEC. 6. Items of spending authority are those portions of a Bill that appropriate money from the Treasury or that otherwise authorized or limit the withdrawal or obligation of money from the Treasury. Such items shall include, without being limited to, items of appropriations, spending authorizations, authority to borrow money on the credit of the United States or otherwise, dedications of revenues, entitlements, uses of assets, insurance, guarantees of borrowing, and any authority to incur obligations.

"SEC. 7. Sections 1, 2, 3, and 4 of this article shall apply to the third fiscal year beginning after its ratification and to subsequent fiscal years, but not to fiscal years beginning before October 1, 1999. Sections 5 and 6 of this article shall take effect upon ratification of this article.".

S.J. RES. 56

By Mr. MARKEY:

In the enacting clause, strike, "April 12, 1993," and insert "April 11, 1994,"

Page 2, line 3, strike "April 12, 1993," and insert "April 11, 1994,"

EXTENSIONS OF REMARKS

SENSE OF CONGRESS TO SAVE WOMEN'S LIVES

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Ms. SNOWE. Mr. Speaker, today I address the National Cancer Institute's revision of its mammography screening guidelines for women in their forties. As co-chair of the Congressional Caucus for Women and as a woman, I want to express my extreme concern about the National Cancer Institute's statement that experts do not agree on the role of routine screening mammography for these women because randomized clinical trials have not shown a statistically significant reduction in deaths for women under age 50.

I call on the National Institutes of Health to rescind its recent statement for mammography screening of women ages 40 to 49 and continue to issue new guidelines when clear evidence warrants a change. Today I am introducing a sense-of-Congress resolution to advance this view and to express the need for adequately designed and conducted studies for women ages 40 to 49 through mammography and other emerging technologies.

As we embark on health care reform, the Congressional Caucus for Women's Issues has been particularly mindful of the need for comprehensive health care for women. I am reminded of an old adage that an ounce of prevention is worth a pound of cure. A recent study has concluded that many women are not getting basic preventive care. More than one-third of the women interviewed by the commonwealth fund had not had any routine preventive care services in the year before they were surveyed. Women reported that they lack information from their doctors. Public information is sorely needed on how women can prevent and protect themselves against illness and disease.

Although the board of scientific counselors for the NCI's division of cancer prevention and control concluded that there was not a statistically significant benefit from routine mammography screening for women ages 40 to 49 after reviewing eight major studies, the National Cancer Advisory Board overwhelmingly voted to maintain existing guidelines. Nonetheless, the NCI chose to rescind guidelines for women in their forties based on what Dr. Broder stated were the "scientific facts."

That may be an accurate statement, but on what are these scientific facts based? On inconclusive evidence, on eight randomized clinical trials with too few women to prove a benefit for women in their forties. There have been no adequately designed and conducted studies of the benefit of screening mammography for women in this age group. For example, in the National Breast Screening Study of Canada, the only study designed to evaluate screening of women in their forties, the study was not completely blind and a disproportionate number of women with advanced cancers were allocated to the screening group, compromising the ability of the study to demonstrate a screening mammography saves lives, we are waiting until we have foolproof scientific evidence? I reject this option.

I understand that the NCI considers itself a premier research institution. But, what kind of research are they performing? And on what are they basing their conclusions? Why, at this time, did they change their views, when there is no basis for denying the potential effectiveness of screening mammography for women in their forties? Why did they not come out and support clinical trials for women in this age group?

I contend that a major reason is economic. It is less expensive not to routinely screen women in their forties. Instead of utilizing that ounce of prevention at their disposal, NCI has opted out of good sense and good science. Instead, it has changed its views based on inadequate evidence. For far too long, women have been shunted aside in medical research because of cost. This is no longer acceptable. With thousands of women dying of breast cancer each year, and with health care reform at its inception, we must assure women that adequate research will be conducted not only on finding a cure to end the scourge of breast cancer, but also on the effectiveness of early detection.

Recently, the National Cancer Advisory Board passed a motion recommending that the NCI not involve itself independently in setting health care policy. When NCI rescinded its guidelines for women in their forties, a void in health care policy was created. Within the Government, decisions must be made as to how and where health care policy is set. Not only the quality but the length of lives depends on it. We must weigh in on the side of an ounce of prevention for women with breast cancer because we cannot afford to do otherwise. American women are entitled to no less.

THE SUMTER HIGH SCHOOL MARCHING BAND

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to the Sumter High School Marching Band of Sumter, SC, for being recently chosen as a laureate of the prestigious Sudler Shield.

The Sudler Shield is an international award administered by the John Phillip Sousa Foundation and is named for Louis and Virginia Sudler, who provide the endowment for this honor.

The Sumter band is the sixth group to be honored in the 6 years of the award program. Previously a winner of the Sudler Flag of Honor for continued excellence in symphonic band, Sumter High School now becomes the first band program in the world to be honored as a laureate for both the concert band and marching band.

Previous winners are from Tennessee, Pennsylvania, California, Kentucky, and Japan.

The award consists of a wooden plaque for the school, a miniature plaque for the director, a diploma of honor for the director and a certificate for each band member.

My congratulations to band directors Joseph Allison, Brian Lambeth, and Joni Brown, and to the over 240 students in the Sumter High School band programs.

TRIBUTE TO MILT NEIL

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay special tribute to Mr. Milton Neil who on March 23 will be given the Paul Harris Award. I am very proud to join the Wayne Rotary in honoring him for his many accomplishments.

Mr. Neil graduated from the Pratt Institute in Brooklyn in 1935. He then went to work at Walt Disney Studios and worked on such projects as "Snow White," "Fantasia," "Pinocchio," and "Dumbo." In addition, he specialized in "Der Fuehrer's Pace," a Donald Duck short which won an Academy Award.

During World War II, Mr. Neil directed educational films on aerial bombing evasive maneuvers, bombing procedures, and other military films.

After the war, Mr. Neil created the Howdy Doody characters for television. He also designed many toys and games. In 1983, Mr. Neil turned to teaching animation, and in fact, many of his students are now working at major studios.

Presently, Mr. Neil is producing animated educational films, such "How to Animate" and various children's films. He also launched an intensive animator development program at Walt Disney Studios teaching artists the principle of animation.

I know that Mr. Neil has brought joy to millions of Americans, and it is with great pleasure that I ask my colleagues to join me in wishing him a wonderful day.

HUDSON FALLS POST 574 CELEBRATES AMERICAN LEGION'S 75TH BIRTHDAY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. SOLOMON. Mr. Speaker, the commander of American Legion Post 574 in Hudson Falls, NY, signed the invitation letter "Yours for God & Country."

And that, Mr. Speaker, is what the American Legion has always stood for. I deeply regret

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

that a previous obligation will keep me from attending Post 574's celebration of the Legion's 75th birthday, because the post is typical in its promotion of pride, patriotism, and volunteerism. Those are the things, Mr. Speaker, that have made America the greatest and freest Nation on Earth, and groups like Post 574 have been out front displaying those virtues.

Mr. Speaker, we are a Nation of citizen-soldiers, and in my opinion, the American Legion has been one of the bridges between the two groups, addressing the interests of those who have served their Nation with pride for 75 years.

I will always be indebted to the American Legion for its vital help on my bill elevating the Veterans' Administration to a full Cabinet-level Department of the Federal Government. When that bill passed both Houses of Congress, and when President Ronald Reagan signed it in 1988, it was a victory for our veterans and a tribute to the contribution of the American Legion.

On a local level, it has been my privilege to know and work with many members of Legion Post 574 in Hudson Falls. I respect them as fellow veterans, and value them as friends.

And so, Mr. Speaker, I ask you and other members, especially those who are fellow legionnaires, to join with me in saluting Hudson Falls Post 574 of the American Legion for everything they have done for community and country.

HEALTH CARE REFORM

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues two editorials regarding health care reform which appeared in the Norfolk Daily News on February 22, 1994, and March 2, 1994. While the editorial from March 2 suggests that legislative actions on this issue are not necessary, this Member would like to state that he believes legislative reforms to our health care system are needed. These are indeed considerate commentaries as Congress considers this important issue.

The editoral follows:

It's worth noting that the cost of health care in the United States grew at the lowest rate in more than a decade in 1993. Total health care costs rose 5.4 percent last year, which was still twice the rate of inflation in 1993, but far less than in some recent years.

According to the Health Governance Digest, the decline in the rate of health care inflation should not come as a surprise. Health care cost growth has a history of slowing significantly in the face of potential health care reform.

"In the late 1970s, health cost growth declined precipitously in response to increasing government calls for cost containment but skyrocketed again once the threat of massive government controls had passed," the Digest recently reported. "Costs grew at a rate of 6.3 percent in the first half of 1993, only at a rate of 4.4 percent for the last half of the year, when health care reform was a clear focus of the Clinton administration and the media."

It's also worth noting that the insurance industry in the United States is making moves toward solving the problem of portability of health insurance coverage and also has offered several proposals on how to provide coverage to those Americans currently uninsured.

The skyrocketing cost of health care, insurance portability and lack of coverage for a small percentage of Americans have been identified as three of the biggest reasons behind the need for health care reform. But as already noted, progress is being made on all three of the issues without any legislation being passed in Congress.

It's perhaps fair to argue that this progress would not have been achieved—at least not this quickly—if the Clinton administration had not helped to focus the attention of the United States on the topic of health care reform. If that is true, then the administration deserves some credit for at least shining the spotlight on problems needing to be addressed.

What the administration does not deserve praise for, however, is trying to solve those problems by radically changing the health care system in the United States to one that more closely resembles a socialistic system with major quality and rationing problems, to say nothing of a healthy tax bite to pay for it all.

It's possible that the "health care crises"—as the Clintons like to refer to it as—can be adequately resolved without legislation. What may be needed, however, is some federal oversight to ensure that the voluntary measures being considered throughout the health care industry will remain in place after the public attention on this issue fades.

[From the Norfolk Daily News, Feb. 22, 1994]

To make the point that there is a health-care crisis, Hillary Rodham Clinton said she had met living proof of one earlier in a day when she spoke to a gathering in Las Vegas.

She used the example of Pamala Hinkley, 34, who is pregnant and the mother of four children. She said Mrs. Hinkley is considering going without an anesthetic when she gives birth the next time because that would cost her $1,200. Mrs. Hinkley requires epidural injections because she gives birth to 10-pound babies, and during her last delivery needed two such injections.

"I'll tell you," Mrs. Clinton told her audience, "the people in Washington who are saying there is no health-care crisis, their wives don't have to worry about whether they can afford an epidural."

It is but one of many examples of extraordinary medical expenses affecting individuals and families. Those expenses can cause severe hardship and even result in bankruptcy, rare as it is to be the result of doctors' and hospital bills alone.

The federal government has stepped in to help alleviate some such distress, notably in the case of patients requiring the once-experimental dialysis and kidney transplants with a special program to shield victims and their families from the costs. It has been a successful program—and one reason the federal medical bill is higher.

But that was the sort of special program that found the federal government reacting in a limited and effective way to improve care and help families avoid catastrophic costs.

That is what the example Mrs. Clinton cited proves: a need for special assistance to help individuals avoid catastrophic expenses.

A new health-care program requiring more than 1,600 pages to describe in law—with thousands more pages needed for subsequent regulations to carry out the law and demanding the equivalent of a $400 billion tax increase—should not be necessary when there are less complicated and even less expensive ways to assist individuals such as Mrs. Hinkley.

Such case histories only prove the need to focus on assistance for medical catastrophes, not to dismember today's effective health care system.

POST OFFICE INVESTIGATION SWEPT UNDER THE RUG

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. PORTMAN. Mr. Speaker, if the House of Representatives is to continue to be trusted to police itself, allegations of wrongdoing—especially those as serious as those raised in connection with the House post office—must be pursued with vigor and speed. This institution, if it is to maintain its ability to govern, must first show it can govern itself. The House must not be party to a coverup. The post office scandal has now festered in the House for more than 2 years, and still, there are some Members who would prolong a full investigation despite the American public's deafening cries for accountability in Congress.

Last week, the House voted to reject a privileged resolution by my colleague, Mr. ISTOOK, to instruct the Ethics Committee to begin an immediate investigation of the House post office. The proposal was not that this investigation hinder the Justice Department probe; in fact, it would be done in coordination with the U.S. attorney's ongoing investigation into the possibility of criminal behavior. The House ethics investigation would have simply determined whether House rules were broken or public funds were embezzled by Members of Congress who used the House post office. Such an investigation should have taken place early on—not having happened, it should now be undertaken as soon as possible.

But instead of voting to get to the bottom of this insidious matter that hangs over the House, 238 Members voted to do nothing.

Only last July, former House Postmaster Robert Rota pleaded guilty to embezzlement and conspiring with Members of Congress to exchange postage stamps for cash. Rota detailed an elaborate scheme in which he allegedly gave several Representatives cash from post office funds, while making it appear they were buying stamps for official use. He revealed that this arrangement had been going on since 1979.

Since 1979. And yet, some Members of the House think it's better to hold off on an internal ethics investigation.

The House is back to business as usual politics. If this were a private business, you can bet a criminal investigation would not stand in the way of an internal review. How can Congress, which has given itself the authority to police itself, adhere to anything but the highest ethical standards? Why does this body even have an ethics committee if a majority of Members are bent on stonewalling its investigations?

While the Justice Department looks into the possibility of criminal behavior at the House post office, it is the unique responsibility of Congress to investigate the possibility of unethical behavior on the part of its Members. There is ample precedent showing that such an internal probe, properly carried out, need not interfere with any Federal prosecution.

There is simply no legitimate reason to hold up this investigation. To do so, only gives it the appearance of a coverup. Members of Congress must prove that they are capable of cleaning their own house, not sweeping important issues under the rug. Only by adhering to the very highest ethical standards can Congress salvage what's left of the public trust.

CONGRATULATIONS TO SAM AND HELEN GARNATI ON THEIR 50TH ANNIVERSARY

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. POSHARD. Mr. Speaker, I rise to pay tribute to dear friends from my district, Sam and Helen Garnati, who on April 13 will celebrate their 50th wedding anniversary. In an era where families find it harder and harder to stay together, the Garnatis are certainly deserving of this recognition for their 50 year union.

Sam and Helen have actively contributed to community life in southern Illinois participating in social, civil, and religious affairs on a regular and dependable basis. Sam retired with the rank of sergeant after 34 years of duty as an Illinois State trooper and the distinct honor of serving as president of the Illinois Police Association. As a World War II veteran, Sam has been an active participant with the American Legion and the VFW. Helen, in addition to her role as a wife and mother of two children, retired from the Olin Corp. after 17 years of service. Helen is cofounder and director of the Herrin Food Pantry and a volunteer at the Child Advocacy Center. When Sam and Helen are not traveling or visiting their cottage on Lake Egypt, they are spending their time as active members of Our Lady of Mt. Carmel Church in Herrin, IL.

Their commitment to those around them and to each other is a shining example of what is good and right about our Nation. I am honored to know Sam, Helen, their children Charles and Karla and their families, and I wish them the greatest happiness on their very special day. May we all live such rich and distinguished lives as Sam and Helen Garnati.

TEXAS TECH UNIVERSITY LADY RAIDERS 1994 SOUTHWEST CONFERENCE CHAMPIONS

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. COMBEST. Mr. Speaker, today I rise to pay tribute to the Texas Tech University Lady Raiders on capturing their third consecutive southwest conference [SWC] women's basketball championship. The Lady Raiders, guided by the gifted head coach Marsha Sharp and her coaching staff crushed Texas A&M 109–75 in Lubbock, to bring home Texas Tech's third consecutive regular season SWC championship.

The 1993–94 Lady Raiders had the difficult job of following in the footsteps on Tech's 1992–93 NCAA national championship team led by superathlete Sheryl Swoopes. The 1993–94 Lady Raiders not only met the challenge, but they won 24 of 27 regular-season games and remained ranked among the top 10 teams in the Nation throughout the season. The number 6 ranked Lady Raiders won its final 7 regular-season games by an average margin of 25.6 points.

In the past 12 record setting seasons at Tech, head coach Marsha Sharp has created one of the most elite women's basketball programs in the Nation. Sharp has coached the Lady Raiders to 267 victories in the past 12 seasons, including 7 trips to the NCAA tournament and 3 consecutive SWC championships and lastly the 1993 NCAA women's basketball national championship. Along the way, Sharp has picked up an unprecedented third southwest conference coach of the year award and named national coach of the year by two national organizations.

I wish the Lady Raiders the best of luck as they progress through the SWC tournament this week and march onward towards the final four in Richmond, VA. As we say in Lubbock, we love ya Lady Raiders.

THE OWLS' WHIST CLUB

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to the Owls' Whist Club of Charleston, SC, an organization of distinguished gentlemen that recently celebrated its 80th anniversary and is perhaps the oldest social club of its kind in the United States.

The Owls' Whist Club held its first meeting in February 1914 at the residence of Frank W. Dawson of 195 Smith Street, in Charleston, SC. Membership was limited to 16 and the purpose of the club was strictly social. Meetings were held at members' homes. The game of whist was played at each meeting, followed by an evening of socializing.

On the group's 25th anniversary, club members voted to raise money to build its own club house for regular meetings and entertainment. In 1947, the club house became a reality and membership was increased to 36.

Today, the Owls' Whist Club membership represents a distinguished list of African-American men from various walks of professional life—doctors, attorneys, accountants, educators, public servants.

I commend the Owls' Whist Club on its 80 years of brotherhood and on being able to maintain its status as one of Charleston's premier social organizations.

IN HONOR OF VFW POST 2906

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay special tribute to John Hand Tri-County, VFW Post No. 2906, Pompton Lakes, NJ, Veterans of Foreign Wars of the United States. I am very proud to extend my congratulations to all the past and present members as they honor their 60th anniversary.

Post No. 2906 is celebrating 60 years of service to veterans, their families, and the communities of Passaic County. The post was formed by the diligent work of the four original members: Schuyler Sisco, George Post, Vincent Gregory, and Charles Dunay. It took these men 2 years to receive a charter when it organized on March 3, 1934. The post was named John Hand because he was the first to give his life during the First World War. A ladies auxiliary was formed and chartered on September 19, 1940.

Meetings in the early years were held in various places. Eventually, the post grew in size and prestige.

Fortunately, Mr. Charles M. Cowdrey donated property in honor of his wife, Freda Cowdrey, in 1950. Construction for the present home began in 1951, and the building was dedicated on Memorial Day in 1952. A lot of willing hands and sweat from all members went into construction at that time, including the old and young.

On October 4, 1976, Post No. 2906 received their perpetual charter. Over the years, the post has remained quite active, in particular by sponsoring a drum and bugle corps, baseball, soccer, and bowling teams, the Boy Scouts, and picnics and dinners for veterans. Moreover, they have assisted churches with food programs for the needy.

The Borough of Pompton Lakes has truly benefited from their dedication. It is with great pleasure that I ask my colleagues to join me in honoring John Hand Tri-County VFW Post No. 2906.

STICK TO THE FACTS, PASS LOBBY REFORM

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Ms. LONG. Mr. Speaker, I have been amazed at the significant disinformation presented recently as fact—in an editorial by the New York Times, in an article which appeared in Roll Call, and in a letter from Common Cause President Fred Wertheimer. I am also amazed that some Members who supported a $20 gift limit are now critical of legislation that bans all gifts because it does not go far enough. It appears that some are more interested in having a glitzy Congress-bashing issue than in passing major reforms to our current lobby laws.

It is a shame, especially because those who oppose any reforms are loving every minute of the nitpicking in hopes that no bill will be passed.

For the better part of last year, JOHN BRYANT, the chairman of the Judiciary Subcommittee on Administrative Law and Governmental Relations, worked to craft a thoughtful piece of legislation on this issue—despite pressure from many Members not to do so. The bill was approved by his subcommittee before we adjourned last year—with unanimous and bipartisan support.

The Bryant bill would make a number of major changes to current law. They are significant improvements in my opinion. The bill would, in fact, ban lobbyists from giving Members and staff meals, entertainment, gifts and travel-related expenses.

Critics of the Bryant bill do the Congress and the public a disservice to this issue by distorting the bill's strong provisions.

Specifically, Common Cause, the New York Times, and Roll Call state that the Bryant bill would allow lobbyists to pay for golf, tennis, skiing, and other recreational trips.

They are wrong. The bill bans such gifts. It only allows any such expenditure when a company pays—not a lobbyist—and only to attend an event sponsored by a charitable organization. Moreover, the bill requires disclosure of any such expenditures every 6 months to ensure against abuse.

The second fallacy is based upon the assertion that the family relationship and personal friendship exception in the Bryant bill could be used to continue gift-giving—even by those who are not truly friends of Members or staff.

This is also incorrect.

The bill currently provides that a gift given by a lobbyist to a Member or staff does not qualify for the exception if the lobbyist is reimbursed by an employer, firm or client for the value of the gift, or deducts the value as a business expense on his or her taxes. The bill also considers the history of the relationship, including whether gifts have been exchanged in the past, in determining if a gift qualifies for this exception.

Some of those who criticize the Bryant bill may be looking for a soapbox instead of a policy change. It is unfortunate that they ignore the facts in their quest for exposure.

Mr. Speaker, I hope my colleagues will not be sidetracked by fallacious assertions and that you will support those of us who want to pass this significant legislation.

HELP OUR COPS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. CRANE. Mr. Speaker, today I am introducing legislation designed to ensure that police officers will be able to seek and secure psychiatric counseling to assist them in dealing with the unusual stresses of their profession.

A village in my district, Hoffman Estates, IL, recently became a victim of the Federal court system. On June 27, 1991 then village police officer Marylu Redmond shot and killed Ricky Allen in the line of duty. As a standard procedure, the village provided the officer with a licensed social worker, Karen Beyer, to deal with the trauma of taking the life of another human being. Confidentiality was assured since a State statute held that it would be a criminal offense to violate the privilege between counselor and patient. While the officer's action was found justifiable by the country prosecutor, a civil suit under 42 U.S.C. 1983 was filed by the family of the offender and a second count for wrongful death under State tort law was filed.

During the trial, U.S. District Court Judge Milton Shadur ordered Miss Redmond and Miss Beyer to release the records of their more than 60 counseling sessions. When both refused, Judge Shadur placed Miss Redmond in contempt and, as a sanction, ordered the jurors to presume that the records, which were never given to the court, be considered as damaging to Miss Redmond's credibility. As a result of this ruling, the jury found that Miss Redmond has violated Mr. Allen's civil rights. Miss Redmond was then ordered to pay $45,000 to the estate of Mr. Allen for the civil rights violation, and the village and Miss Redmond were ordered to pay $500,000 for the State wrongful death tort action.

According to rule 501 of the Federal Rules of Evidence, a State privilege, in this case the privilege between a licensed social worker and a client, is recognized only at the discretion of the court. While Judge Shadur could have recognized this privilege which must be honored under State law, he chose not to do so. My bill will ensure that State rules of evidence on privileges apply in cases such as Miss Redmond's where she was charged with a constitutional violation under 42 U.S.C. 1983 which requires that a police officer act under color of State law.

As the attorney for Hoffman Estates, Richard Williams, noted, "no police officer or person may now safely and securely seek psychiatric counseling or assistance without being subject to a Federal Court ordered denial of privilege." As a result of the recent Federal prosecutions of the police officers involved in the Rodney King case in Los Angeles, State and local governments and their police agencies are under even more scrutiny. If this practice ordered by Judge Shadur becomes more prevalent, police agencies must either deny their officers much needed help, or risk suit in Federal court. I believe that Congress should recognize the privilege created by those States which provide their police officers with proper and privileged counseling.

I ask my colleagues to support me in this effort to protect our State and local governments and their police agencies. We must not allow such an injustice to continue.

THE NEED FOR PEACE IN THE TRANSCAUCASUS

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. KENNEDY. Mr. Speaker, yesterday, representatives of Armenia, Azerbaijan, and Nagorno-Karabakh signed a ceasefire, raising hopes again for an end to a conflict which has cost 15,000 lives and left a million refugees over the past 6 years. Unfortunately, ceasefires have broken down in the past and the people of Armenia are suffering through another winter, short of food, heating fuel, and electricity, because of the brutal blockade imposed by their neighbors.

The United States must remain active in urging all the parties to the conflict to honor the current ceasefire and agree to further negotiations for a peaceful resolution to the conflict. And we must continue to insist that Azerbaijan and Turkey end the blockade of Armenia.

I would like to commend to my colleagues a recent editorial in the Boston Globe, which eloquently describes the costs of this conflict and the need for us to do what we can to bring it to an end.

[From the Boston Globe, Feb. 9, 1994]

THE INVISIBLE WAR IN KARABAKH

Hundreds of thousands of refugees displaced by war. Villages of one ethnic and religious group destroyed by the army of another. Children hacked in half, women raped, civilian populations pounded daily with rockets, artillery shells and cluster bombs.

This is not the siege of Sarajevo but the hidden horror of Azerbaijan's war against the Armenians of Nagorno-Karabakh. The inhumanity of this war can hardly be hidden from the victims—neither from the innocent Azeri villagers driven from their homes nor from the Armenians of Karabakh who have been subjected to ethnic cleansing. The horror has been hidden only from the cameras that can impassion spectators in the global village.

Attention must be paid to the victims of this war. Refugees on both sides must be able to return to their homes. The Turkish and Azeri blockades of Armenia must be lifted so that children and the elderly no longer freeze to death in Yerevan.

The governments in Washington, Moscow and Europe have a humanitarian duty to end the suffering. Moreover, if they were sage enough to fear the perilous precedent created by their indifference—and if they understood the meaning of the mercenaries attracted from Afghanistan, Iran, Russia and the West—they would act on their strategic interest in fostering a negotiated peace.

Until now, Russia has been selling weapons to both sides, using the tragedy of Armenians and Azeris to retrieve Moscow's dominion over a lost sphere of influence. The government in Istanbul has pandered to popular feelings of kinship with the Turkic people of Azerbaijan. Western nations, avid for oil concessions from Baku, have pretended that Azerbaijan's brief for preserving the boundaries legated by Stalin justifies the ethnic cleansing of Karabakh.

US envoys and the Conference on Security and Cooperation in Europe have dabbled at peacemaking, but their efforts have been too timid, too solicitous of Azeri, Russian and Turkish preferences. Children are being massacred, and the Western governments act as though they do not know for whom the bell tolls.

PULASKI ASSOCIATION OF BUSINESS AND PROFESSIONAL MEN, INC. HONORED FOR PUBLIC SERVICE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mrs. MALONEY. Mr. Speaker, I rise today to recognize the outstanding achievements of an organization which has contributed so much to the great Borough of Brooklyn and the city of New York.

Since it was founded in 1959, the Pulaski Association of Business and Professional Men, Inc., has sought to improve the standing of Polish-Americans throughout New York and the United States. Its work on behalf of Polish-Americans has been critical to the prosperity of this remarkable immigrant community, including the large community in the North Brooklyn neighborhoods of my district.

Over the past three and half decades, the Pulaski Association and its members have been committed to maintaining the high standards of honor, excellence, and patriotism on which it was founded. As a central part of these efforts, every year the Pulaski Association gathers to pay tribute to one Polish-American who exemplifies these values, In addition to these good works, the Pulaski Association strives to provide social services to its members. By working for greater cultural and social awareness, the Pulaski Association has successfully improved the quality of life of Polish-Americans throughout the country.

Because of its tremendous contributions to the Polish-American community, I hope my colleagues will join me in congratulating the Pulaski Association on 35 years of outstanding service and wish it another 135 years of continued success.

PASS A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. PORTER. Mr. Speaker, opponents of the balanced budget amendment cannot seem to get their arguments straight. They say the amendment is not needed because the Government is already capable of balancing the budget, but seem unmoved by the fact that we have not had a balanced budget since 1969. They say the amendment would tie the Government's hands in times of recession, but conveniently forget the fact that we have run deficits each year since 1969 regardless of whether the economy is up or down. Finally, Mr. Speaker, they call the amendment a meaningless gimmick which Congress will circumvent, but predict chaos and calamity if it passes and becomes law.

Mr. Speaker, the fact that these opponents cannot argue consistently says volumes about the strength of their position. On the other hand, we should not delude ourselves. The balanced budget amendment will not solve the deficit problem if Congress truly wants to circumvent it. Congress' record with the Gramm-Rudman law puts this possibility into sharp focus.

Therefore, Mr. Speaker, while I support the balanced budget amendment because its passage would hold Congress' feet to the deficit reduction fire, in the end our strong commitment to the amendment's principles coupled with the courage to follow those principles in the face of contrary pressures are to the only real answers to our fiscal problems. I strongly urge my colleages to support passage of the balanced budget amendment.

LEGISLATION TO ELIMINATE THE "PORKIEST OF PORK" FROM DISASTER RELIEF FUNDS

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. FAWELL. Mr. Speaker, while the recent Los Angeles earthquake reached 6.6 on the Richter scale, the emergency supplemental earthquake assistance bill that followed hit over $33 million on the pork scale. The San Andreas Fault appears to have spread as far east as New York City, and as far west as Hawaii. Today, I am introducing legislation, along with 33 of my colleagues, to eliminate the following projects which we found tucked away in the appropriations bill after it was rushed through Congress.

The aftershocks include: $20 million to add 500 employees at the FBI fingerprint facility in West Virginia. This appropriation was never authorized and was not requested by the President in his budget; $1.5 million for the first commercial nuclear powered ship, the *Savannah*. The *Savannah* has developed hull problems, and the tax money will be used to secure the vessel at a Maritime Museum in South Carolina; $10 million to design the James A. Farley Post Office in New York City for use as a train station and commercial center. A 1992 law specifies that no Federal funds are to be used for this project; this new law may override the original prohibition; and $1.3 million redesignating a Housing and Urban Development special purpose grant to go to Hawaiian sugarcane mill communities.

When the earthquake bill came up for a vote, we were assured that the bill was clean and that the funding in the bill was strictly of an emergency nature. Many who voted for the legislation did so out of compassion for helping those who lost so much in the tragedy of the earthquake; not to appropriate millions of dollars on a legislative Christmas tree.

These disaster relief bills are to be for emergencies that could not have been anticipated in the regular appropriation bills. The only lid we have on Federal expenditures are spending caps that limit how much can be spent each year.

But Congress' purveyors of pork have found a way around these caps. Emergency supplemental appropriation bills are not subject to these caps. These bills fly through Congress like greased lightning, creating the perfect conditions for pork barrel projects. The projects thrive in bills that are put together in the back rooms of Congress by a few powerful appropriators. This bill was not even printed until after the final vote. Even if it had been printed, it moved through Congress so fast, no member had time to read every provision.

Pork barrel projects' worst enemy is the light of publicity. And, with the help of our porkbusters coalition, and my colleagues and I plan to bathe these projects in that light. Some commentators lament that these projects are only a few drops in an ocean of red ink and, therefore, insignificant. I could not disagree more. In fact, it is these pieces of pork, doled out by powerful appropriators, that grease the Federal Government's massive spending machine.

Some Members of Congress are afraid to vote for cutting any programs, or voting for a balanced budget amendment, for fear of offending powerful appropriators and losing their piece of pork. So while these projects may look small relative to all Federal spending, they loom very large indeed in terms of creating an unbreakable culture of overspending. I urge my colleagues to cosponsor the bill I am introducing today, so that we can eliminate the porkiest of pork projects, and send a message that business as usual will not be accepted.

Mr. Speaker, we must break the cycle of "you fund my project and I won't cut yours." And, I'm confident we will. But, if we do not, the aftershock will not be just taxpayer outrage, but a different type of disaster: an economy so strapped with debt it cannot grow.

SERVICE SECRETARIES REITERATE NEED FOR C-17 AIRCRAFT

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. HORN. Mr. Speaker, recently, in testimony before the House Committee on Armed Services, Secretary of the Air Force Sheila Widnall and Secretary of the Army Togo D. West, Jr., reiterated support for the C–17 airlift program. Calling the airplane an essential element of military modernization programs, Secretary Widnall's testimony states:

> The C–17 is a major part of our modernization effort and will significantly improve our ability to get forces quickly to the fight. It will fulfill the airlift customer's need for a flexible, responsive airlifter able to deliver forces and outsized equipment to small, austere airfields, and to airdrop troops and equipment over an objective area. The Air Force will procure six C–17's this year toward a fleet of 40 aircraft as announced by the Secretary of Defense in December 1993. In 1995, we will reevaluate the program's maturity and determine the optimum mix of additional C–17's and nondevelopmental aircraft to meet our airlift needs as we retire the workhorse C–141.

Army Secretary West, in discussing strategic mobility said:

> Strategic lift initiatives of the other Services are critical to Army power projection. These include procurement of an enhanced airlift capability like that provided by the C–17 Globemaster III aircraft, procurement of Large Medium Speed Roll On Roll Off [LMSR] ships, and the upgrade of the Ready Reserve Force. Great progress is being made in this arena. The Air Force has taken delivery of 5 operational C–17's and will activate the first squadron of 12 aircraft in July 1995.

Mr. Speaker, the men and women of McDonnell Douglas Corp., are working hard to correct the problems that have occurred on the C–17 program. Both the Defense Department and the Congress are exercising strong oversight of the airplane. I am confident that this partnership will ensure accountability, quality, and ultimately the core airlift airplane envisioned by Secretary Widnall and Secretary West and desperately needed by our Armed Forces.

TRIBUTE TO SUNNE McPEAK

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. MILLER of California. Mr. Speaker, in a few days, Sunne Wright McPeak will leave the board of supervisors of Contra Costa County, CA, after serving for nearly 16 years. I wish to take the floor to pay tribute to what has been a truly extraordinary career in public service, and one that I hope—along with thousands of other Contra Costans—is not yet complete.

Supervisor McPeak has been rightly viewed as a leader among the new generation of women in politics. Her areas of accomplishment, interest and expertise cover almost every critical local, state, and national policy issue, and it is no exaggeration to say that, in most areas, she has been in the forefront of innovative policy development.

Sunne earned her greatest recognition, perhaps, as the organizer of a statewide campaign to halt construction of a horrendous water project—the Peripheral Canal—in the early 1980's. No challenge could have been more formidable. Almost every powerful interest group in our State, including the Governor, the legislature, much of the business community, the agricultural community and many others were arrayed against her. Yet with a deftness and persistence her opponents could not have imagined, Sunne won that fight and the Peripheral Canal was soundly, and wisely, defeated.

Sunne did not rest on that historic victory, but went on to build a positive achievement from the remnants of that bitter fight, the 12 county Committee for Water Policy Consensus, that has played an important role not only in the enactment of the 1992 CVP Improvement Act, but in moving the entire debate over water policy in California forward.

I have worked closely with, and valued the expertise and political judgment of, Sunne McPeak for many years—on child care, education, toxic materials, women's issues, environmental issues, health policy and much more. What is truly remarkable is her thorough familiarity with the details and complexities of each of these critical areas of public policy. And in each, she has made a major contribution.

Sunne will doubtless continue to play a major role in the policy debate in our State as the new director of the Bay Area Economic Forum, and I know that the Members of the House of Representatives wish her, her husband John, and their two sons, Scott and Todd, great success and happiness.

The energy, devotion and intelligence that Sunne Wright McPeak has brought to public service stands as an bold illustration of what one individual can accomplish when strongly committed and even more highly talented. Her record of 16 years as a local, regional and State leader demonstrates the best of what can be achieved in public life. Her service has changed, and improved our country immeasurably, as well as enhancing for all who know her the reputation of public service itself.

WEST VIRGINIA NATIONAL COAL HERITAGE AREA

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. RAHALL. Mr. Speaker, today I am introducing legislation to establish a National Coal Heritage Area in southern West Virginia.

From the perspective of this gentleman from West Virginia, the history of American labor has left a great mark on the people of this Nation. Moreover, in the southern West Virginia coalfields which I have the honor of representing in the House, our very culture was shaped to a large degree by the epic struggles and adversities faced by those who worked in the coal mines during the early part of this century, and their efforts toward unionization.

In fact, over the past several years there has been renewed interest in our Appalachian culture and the heritage that has evolved, to a great extent, in the southern West Virginia coalfields as a result of these struggles and adversities.

"They felt, rather than knew, their history," wrote Lon Savage in his book about the West Virginia mine wars of the early 1920's, entitled "Thunder in the Mountains":

> Their lore was bloody: they had been crushed and killed on their jobs and fired from them when they tried to organize a union that could articulate their needs. They had been evicted from their company homes and machine gunned in their union tents. Periodically they had risen in fury.

The coal mining history of southern West Virginia is indeed a story of struggle, of human sacrifice, and of occurrences which have left their mark on the history of the Nation as a whole. A central element in this history is, of course, the role of the people who worked in the mines and their efforts toward unionization. In 1890, West Virginia's coal production was 6.3 million tons; 10 years later it rose to 21.5 million tons and the age of the coal barons such as James Otis Watson, Joseph Beury, and Isaac T. Mann had begun. Company stores and housing and payment by script became a way of life for many. The native population became integrated with Southern blacks and immigrants from Italy and other countries. Mary "Mother" Jones became a frequent visitor to the State and many mines were unionized by 1902.

However, a great deal more history was to be made as represented by the subsequent labor disturbances on Paint Creek and Cabin Creek in 1912 and 1913, Matewan in 1920, and the battle at Blair Mountain the following year; a battle in which an army of 10,000 coal miners took up arms and threatened to overthrow the governments of two counties in West Virginia. Marching to open the southern coalfields to the union and to avenge the assassination of Sid Hatfield, hero of the Matewan Massacre, the miners were met by sheriff's deputies and Baldwin Felts agents under the control of nonunion coal operators and a division from the U.S. Army, equipped with airplanes, bombs, and poison gas.

These were the days of the West Virginia mine wars. The events which took place are part of West Virginia's heritage, and a part of America's heritage. A history that played not only an essential role in the formation of our culture and values, but to the industrialization of the United States.

For it was at places like Matewan and Blair Mountain that the line in the sand was drawn. Where the demand that human dignity, and decency, be recognized. As PBS noted in its television show, "Even the Heavens Weep," about the Battle of Blair Mountain:

> What happened here in 1921 needs to be remembered, for it was a turning point for America. It was one of those rare moments when history itself seemed to hold its breath. Those at the top of the mountain, were not just defending Logan and Mingo Counties. They were defending the 19th Century belief that those with wealth and power had a right to the destiny of those who toiled. Those who marched to the mountain, were bringing with them the new century's conviction that there were limits to what humans could do to one another for the sake of profit and power. The mountain's shame, is that it became a symbol for the violence of an era. Its glory is that so many came to insist that the new age begin.

Today, there are few physical vestiges of this era remaining. I believe it is incumbent upon this generation to ensure that what does remain is not lost to further decay. For these old mining camps, company stores, tipples, and related structures are an integral and important part of our heritage and the lessons learned from them should not be forgotten or lost to future generations.

In order to facilitate the preservation of the historic and cultural resources associated with the coal mining heritage of southern West Virginia, I felt it important for the National Park Service to conduct a resource survey and study. This study is now completed. Entitled "A Coal Mining Heritage Study: Southern West Virginia," it notes:

> In no other state has coal mining so dominated the economy and social structure. The remoteness of the area, combined with rapid industrialization and population growth, resulted in the creation of a society unusual for its ethnic and racial diversity. Today, the relationship among different elements of the past and present in the coal mining region form a distinctive landscape of national interest.

Using this study as a basis, the legislation I am introducing today would establish a National Coal Heritage Area in southern West Virginia in order to provide the means to recognize, preserve, enhance, interpret, and promote the coal mining heritage of the region.

Under this legislation, the Interior Secretary would be authorized to enter into a contractual agreement with the State of West Virginia to assist in the development and implementation of integrated cultural, historical, and land resource management policies and programs in order to retain, enhance, and interpret the significant values of the lands, waters, and structures of the area. This agreement would also provide for assistance in the preservation, restoration, maintenance, operation, interpretation, and promotion of buildings, structures, facilities, sites, and points of interest for public use that possess cultural, historical, and architectural values associated with the coal mining heritage of the area.

Further, the agreement would facilitate the coordination of activities by Federal, State and local governments and private businesses and organizations in order to further historic preservation and compatible economic revitalization. In addition, it would provide for the development of guidelines and standards for projects, consistent with standards established by the National Park Service, for the preservation and restoration of historic properties, including interpretive methods, that will further historic preservation in the region.

Finally, under this agreement, assistance would be available for the acquisition of real property, or interests in real property, by donation or by purchase, for public use that possess cultural, historical, and architectural values associated with the coal mining heritage of the area from a willing seller with donated or appropriated funds.

Mr. Speaker, I commend this legislation to the House.

THE CATHOLIC CHURCH AND THE INTERNATIONAL LABOR ORGANIZATION A COMMUNITY OF SOCIAL PURPOSE

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. LAFALCE. Mr. Speaker, as the United States continues to participate in an unprecedented era of global economic expansion and integration, it is imperative for us to look beyond purely economic interests when evaluating our approach to our trading partners such as China and Mexico. All too often, issues such as human rights, social justice, and the living and working conditions of our neighbors risk being subordinated to the desire to expand growth in the gross domestic product and in exports. Although I agree that these economic goals are worthy and admirable, I believe that it is incumbent upon the United States to monitor and foster the development of democracy and social justice throughout the world. It is for this reason that I have followed and admired the work of Msgr. George Higgins, the American Catholic Church's long time and premier advocate and commentator of labor and trade unions.

Monsignor Higgins spent the majority of his priesthood directing the social action department of the U.S. Catholic Conference. In this capacity, and since then, he has applied the social teachings of the Catholic Church to defend the rights of organized labor. Through his special ability to relate the norms of Catholic social doctrine to specific situations, Monsignor Higgins has achieved an international reputation in the related fields of labor, economics, and social action. In his autobiography entitled "Organized Labor and the Church: Reflections of a Labor Priest" (1993), he reminds American Catholics of their blue collar origins and of the importance of unions in their economic and social development. He further stressed the role that unions continue to play for the Nation's new immigrants who are now struggling to compete in a high-tech society.

I would like to take this opportunity to introduce into the RECORD a recent article authored by Monsignor Higgins entitled, "The Catholic Church and the I.L.O.: A Commonality of Social Purpose," America, January 29, 1994, which he wrote to honor the 75th anniversary of the ILO, an organization which the church has long seen as a principal ally in the cause of social justice for working people everywhere.

THE CATHOLIC CHURCH AND THE I.L.O.: A COMMONALITY OF SOCIAL PURPOSE

(By George G. Higgins)

For a long time. We have been following the work of the International Labor Organization. . . . We know all that it has done to promote social justice, to improve working conditions and to raise standards of living—all matters to which the Church, ever preoccupied with the true good of man, devotes the closest attention.—Pope Paul VI, 1969

A fact-finding mission of the International Labor Organization (I.L.O.) to El Salvador last fall reported 90 instances of violence against trade unionists. Included in the violence were 29 murders, 11 disappearances, along with physical assaults, death threats, detentions, the searching of union premises and the kidnapping of a union official's six-month-old son.

The 258th session of the I.L.O.'s Governing Body last November condemned the acts of violence and urged the Salvadoran Government to prevent their repetition and to keep the I.L.O. informed of judicial investigations. Further, the Governing Body urged the Salvadoran Government, in revising its labor code and in a future industrial relations law, to guarantee protection against dismissal and other acts of anti-union discrimination.

Chakufwa Chihana, a trade unionist and freedom fighter in Malawi, was released from prison last summer. He had been jailed in 1992 for his long-standing fight for free trade unions and democracy. Shortly after gaining his freedom, he expressed, during a visit to the I.L.O. Washington, D.C., office, his gratitude for the "strong support" given by I.L.O. Director-General Michel Hansenne for his release from prison.

Four years ago, Mamoun Ahmed Hussein, M.D., a leader of the national doctors' union in the Sudan, was behind bars awaiting execution for his role in a strike. His death sentence weighed heavily on the minds of concerned men and women throughout the world. In late 1989, I.L.O. Director-General Hansenne appealed to the Sudanese Government to spare the physician's life. Dr. Hussein's life was spared.

These are dramatic examples of how the I.L.O., created by the Treaty of Versailles in 1919, stands up for working men and women around the globe. As the I.L.O.'s 75th anniversary is commemorated in 1994, the organization, with 169 member countries, strives quietly and without fanfare to foster economic and employment growth worldwide.

Since the early years of the I.L.O.'s existence, the Catholic Church has encouraged and supported the humanitarian work of this agency, which was founded to improve living and working conditions everywhere. Its first director-general, Albert Thomas, cemented close relations with the church in the 1920's. Because of this close link, a priest has served as a regular member of the I.L.O. staff since 1926—just seven years after the organization was created. This "special relations" post, now filed by Louis Christiaens. S.J., of France, builds linkages with key religious and other groups worldwide.

In 1969, two major events highlighted the commemoration of the I.L.O.'s 50th anniversary year. The I.L.O. was awarded the Nobel Peace Prize for "earnestly and untiringly" introducing reforms "that have removed the flagrant injustices in many countries." And Pope Paul VI, as the featured speaker at the International Labor Conference in Geneva, paid homage to the organization, whose ideal is "universal and lasting peace, based on social justice."

In his rousing address, Pope Paul VI said of the I.L.O.: "It has a single aim: not money, not power, but the good of man. It is more than an economic concept, it is better than a political concept: It is a moral and human concept which inspires you—namely, social justice, to be built up, day by day, freely and of common accord."

The Pope went on to assert: "More than this, you translate it into new rules of social conduct, which impose themselves as norms of law. Thus, you insure a permanent passage from the ideal order of principles to the juridical order, that is, to positive law. In a word, you gradually refine and improve the moral conscience of mankind."

Before and after that historic address, other popes voiced their support of the I.L.O. and further cemented relations between the church and this unique tripartite organization in which representatives of labor and business have equal voices with representatives of government in improving the world of work.

Addressing the I.L.O.'s 1982 conference, Pope John Paul II pointed out that the church and the Holy See "share your organization's concern for its basic objectives, just as they are at one with the entire family of nation's in its aim of promoting the progress of mankind."

The Pope, who himself was once a stonemason and chemical worker, went on to declare: "The merits of your organization shine forth in its conventions and recommendations establishing international labor standards."

In efforts to give human labor "a truly moral basis—which is consistent with the objective principles of social ethics—the aim of the International Labor Organization," he said, "are very close to those which the church and the Apostolic See are pursuing in their own sphere with means adapted to their mission."

Noting that this point has been stressed on "several occasions" by his predecessors Pius XII, John XXIII and Paul IV, Pope John Paul II added: "Today, as before, the church and the Apostolic See take great joy in their excellent cooperation with your organization, cooperation which has already lasted for half a century and which culminated in the formal accrediting in 1967 of permanent observer to the International Labor Office."

In a message published in the I.L.O. conference record in June 1992, Pope Paul II underscored the agency's vital role in contemporary times with this comment: "The slow and laborious development of many countries which have chosen to follow the rules of market economics and the path of democratization clearly has reinforced the mission of the . . . organization and the need for it to be vigilant. Indeed, it is sometimes said that you are the social conscience of the world."

The community of nations benefits from I.L.O. expertise in three basic ways. First, the I.L.O. sets a code of international labor standards (now numbering 174 conventions and 181 recommendations) and supervises their observance. Second, it provides a wide range of technical assistance designed to spur economic and job growth. Third, it tracks workplace trends and problems through extensive research and publications activities to help fashion workable solutions to problems.

To guide its work as the 21st century approaches, the I.L.O. has set three major priorities. There are, first to broaden the framework of protection available to workers; second, to assist democratic efforts that are spreading around the globe, and, third, to galvanize forces to combat the poverty that afflicts one billion people worldwide.

Globally, the problems confronting humanity are mind-boggling. The rapid and pervasive change occurring in Eastern and Central Europe and many developing lands is staggering. And so is the misery and hopelessness that reaches the shores of every continent. In the third world alone, the magnitude of suffering and deprivation is overwhelming: 900 million people impoverished; 70 million unemployed, and 500 million underemployed.

In the 1990's the I.L.O. estimates, some 400 million jobs must be created to absorb new entrants in the world work force as the working-age population soars by more than 700 million, In Africa, alone, the I.L.O. calculates that 100 million new jobs have to be created to maintain present levels of employment. The task ahead for the I.L.O. and its member nations is enormous. Time will not wait for any pause.

In developing countries, as well as those in the former Soviet shadow, where unemployment, poverty and hopelessness pervade the daily lives of the masses of men, women and children, the I.L.O. is helping the emerging democracies build a human core in their new orders. This is the social dimension of economic structural adjustment and political reform.

The I.L.O. is guided by the principle that lasting and stable economic reform will not emerge without a fundamental, built-in charter for working people. As the organization has stated: "Capitalism must have a human face if it is to flourish." In this 75th anniversary year, the I.L.O. is guided, more than ever, by this precept from the preamble to its constitution: "Universal and lasting peace can be established only if it is based upon social justice."

Through its international labor standards, let by conventions on freedom of association and the right to organize and bargain collectively, and through its worldwide technical-cooperation program, the I.L.O. is providing the emerging democracies with a wide range of assistance. It is helping them develop free and independent trade unions and employer associations. It is helping them draft legislation and create a framework for collective bargaining to flourish. It is helping them formulate policies to create freely-chosen employment and to provide training and retraining. And it is helping them establish social security systems.

Many nations have shaped their labor laws on I.L.O. conventions, recommendations and codes of practice. Social-security systems in numerous lands have profited from the guiding principles and methods of the I.L.O. And labor-market systems and labor-law revisions in developing countries and Eastern and Central European nations have been based on I.L.O. expertise.

Since the foundation of the I.L.O., the similarity of the social objectives of the church and this organization have been crystal clear. Because of the commonality of interest between the church and the I.L.O., their mutual pursuit of social justice and of universal human rights, will continue. In the I.L.O.'s 75th anniversary year, we might rightfully ask: What can America do to further the goals of the I.L.O.?

My answer is that, as the world's leading democracy, the United States has a challenge—and, yes, an obligation—to assume a strong and clear leadership role in the I.L.O. With the Cold War ended, the I.L.O. offers the nation and President Bill Clinton the best vehicle for advancing the fundamental principles of freedom and democracy on which the United States was founded. It offers a world forum and the institutional machinery for the United States to lead the fight for universal social justice in a world rocked by change and turmoil.

One way for our nation to signal that it intends to assume a larger leadership role in the I.L.O. would be to move the determination to ratify the organization's human-rights conventions. These basic conventions, not yet ratified by the United States, deal with freedom of association, the right to organize and bargain collectively, discrimination and child labor. By ratifying these core conventions, the United States would send a positive message to the rest of the world.

An appropriate gesture for the United States in this historic 75th anniversary year would be for President Clinton to pledge the nation's full support of the humanitarian work of the I.L.O. and to lead the community of nations toward fulfillment of this principle from the I.L.O.'s 1944 Declaration of Philadelphia: "All human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity. . . ."

INTRODUCTION OF THE RHINOCEROS CONSERVATION ACT OF 1994

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. FIELDS of Texas. Mr. Speaker, today, joined by my distinguished colleagues Congressman GERRY STUDDS and Congressman TONY BEILENSON, I am introducing legislation to establish what I hope will be an effective program to help save the rhinoceros from extinction.

Despite the best efforts of the Convention on International Trade in Endangered Species [CITES] and the international conservation community, rhino populations continue to plummet to an alarming level. In fact, of the five species of rhinos, fewer than 10,000 are left in the wild. In 1970, there were over 65,000 African black rhinos; today, there are less than 2,000 alive. Unless immediate steps are taken, this magnificent animal will cease to exist as a viable species throughout most, if not all, of its habitat.

Mr. Speaker, on September 7, 1993, the CITES standing committee noted that "the measures taken by the People's Republic of China [PRC] and the competent authorities in Taiwan are not adequate to sufficiently control illegal trade in rhinoceros horn." The standing committee stated that "parties should consider implementing stricter domestic measures up to and including prohibition in trade in wildlife species."

On that same day, in response to a lawsuit filed by the World Wildlife Fund, Secretary of the Interior Bruce Babbitt certified the People's Republic of China and Taiwan under the Pelly amendment because of their flagrant violation of CITES's rhino moratorium. The Secretary has strongly recommended that the President prohibit the importation of Chinese and Taiwanese products in the United States. Congressman STUDDS, Congressman BEILENSON, and I sent a letter to the President requesting that he immediately implement trade sanctions.

On November 8, 1993, the President responded to Congress that, "although recent actions by the PRC and Taiwan show that some progress has been made in addressing their rhinoceros and tiger trade, the record demonstrates that they still fall short of the international conservation standards of CITES." He has called for China and Taiwan to, demonstrate measurable, verifiable and substantial progress by the next meeting of the CITES standing committee in March, 1994. If adequate progress is not achieved by that meeting, import prohibitions will be necessary.

Mr. Speaker, last year the Merchant Marine and Fisheries Committee conducted a hearing and heard testimony that rhinoceros poaching continues unabated and that the PRC and Taiwan had questionable conservation efforts. We also discussed what effect trade sanctions would have on controlling the illegal rhino trade, and what can be done to assist countries, like Zimbabwe, in protecting their dwindling populations of rhinos.

Based on recent press reports, it is clear that the range states, like Zimbabwe, do not have sufficient money or manpower to stop these unscrupulous poachers. The legislation I am introducing provides badly needed financial assistance to these countries through the establishment of a Rhino Conservation Fund. The bill is modeled after the highly successful grant program Congress enacted in the historic African Elephant Conservation Act of 1988, and it will help save the rhinoceros by assisting the conservation programs of those nations who are struggling to protect this vital species.

Furthermore, the bill stipulates that following enactment, a moratorium on the importation of all fish and wildlife products will be established for those countries who continue to engage in the trade of rhinoceros products or in other activities that adversely affect its survival. If this moratorium fails to encourage a country to stop trading and improve its rhino conservation efforts, then further trade sanctions could be mandated by the President.

Mr. Speaker, I have recently visited with wildlife representatives of the PRC and have learned first-hand a great deal more about their rhino conservation efforts. While I believe that progress is being made in that country, others continue to drag their feet in meeting the conservation standards established by CITES. This bill will encourage those countries to immediately correct their actions so that the rhinoceros, which has faced adversity for thousands of years, can exist in the future.

I urge my colleagues to review this legislation and to join in this effort to help save the rhinoceros from extinction.

Thank you, Mr. Speaker.

SELF-DETERMINATION FOR TIBET

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. NADLER. Mr. Speaker, I rise today to join my many friends and neighbors who will be marching on March 10, in New York from the United Nations to the Chinese Embassy in observance of Uprising Day. This solemn day recalls the day in 1959 when Chinese troops marched into Lhasa, and slaughtered thousands of innocent Tibetans.

Putting an end to the repeated violations of human rights in Tibet should be a top priority in our Nation's trade and diplomatic relationship with China. This has unfortunately not been the case. Despite threats and solemn pronouncements, China has not been forced to pay any price in its relations with the United States for its flagrant violations of human and sovereign rights in Tibet. I am committed to fighting for a United States policy toward China which reflects the desire of most Americans to stand with the Tibetan people in their struggle.

This is not to say that there has been no progress. Congress has finally declared that Tibet is an occupied country under principles of international law and recognized the right of the Tibetan people to independence and full sovereignty. These rights have been consistently violated by China's illegal occupation.

The Chinese Government must be made to understand the seriousness with which the American people view the egregious human rights violations they have perpetrated against the Tibetan people. For that reason, China should not be granted most favored nation trading status, and enjoy the many economic benefits and international prestige it receives as a result of that status, until it has demonstrated a tangible improvement in the human rights situation in Tibet.

Most importantly, China must halt its population transfer program through which non-Tibetans are offered economic incentives to relocate to Tibet. The House Ways and Means Committee has correctly observed that, Chinese development programs and economic inducements supportive of population transfer to Tibet marginalize Tibetans in their own homeland and serve further to undermine their basic human rights.

A resolution adopted by the U.N. Subcommission on Prevention of Discrimination and Protection of Minorities declared that population transfer policy constitutes a violation of fundamental human rights. Unless it is stopped, the population transfer policy threatens to obliterate one of the world's richest and most ancient cultures.

The Chinese must also end their wanton destruction of the Tibetan ecology. Destroying a country they illegally occupy compounds the injustice. It must end.

Finally, the Chinese must respect the individual rights of the Tibetan people. There can be no excuse for the oppression suffered by countless Tibetans at the hands of their occupiers.

Tibet is a test of this Nation's historic commitment to individual rights and national sovereignty. We must stand with the Tibetan people in their struggle for justice and self-determination.

SALUTE TO NOBLE BATES OF DEKALB, TX

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. CHAPMAN. Mr. Speaker, growing up in rural America, you have an opportunity to meet some remarkable people who are dedicated to their town and community. In DeKalb, TX, Mr. Noble Bates is one of those remarkable people. Noble Bates came to DeKalb; TX, in April 1946. Since his first day in Bowie County, he began to serve his neighbor and community.

Noble Bates has made a tremendous impact on DeKalb, the chamber of commerce has established an annual Heart of the Community Award, to be known as the Noble, in recognition of his many services, known and unknown, to the town of DeKalb and Bowie County.

In honor of his years of service to his town, I would like to present him with this proclamation on behalf of the Congress of the United States:

Whereas, Noble Bates, since 1946, has been a constant and enduring source of pride and leadership in the community of DeKalb; and

Whereas, Noble Bates, as Alderman and Mayor for DeKalb for 17 years, has made a lasting difference in the lives of all its residents; and

Whereas, Noble Bates has exhibited profound dedication to service organizations and his neighbors: Now, therefore, be it

Resolved, That the Congress of the United States honor Noble Bates for his civic virtue and relentless responsibility to the community of DeKalb, Texas and all those who visit; and

Further resolved, That Jim Chapman on behalf of his colleagues, joins the many friends of Noble Bates in honoring his citizenship and achievements and wishing for him many years of health and happiness.

TRIBUTE TO KELLY NAYLOR

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. CARDIN. Mr. Speaker, today I rise to pay tribute to Kelly Naylor who has been selected as a Regional recipient of the eighth annual Amateur Athletic Union/Mars Milky Way High School All-American Award.

Kelly, a senior at Oakland Mills High School in Columbia, is one of the eight outstanding high school seniors from across the Nation selected as regional recipients of this prestigious award. Her outstanding scholastic, athletic and community service achievements have earned her a $10,000 scholarship to the college of her choice.

An exceptional student ranked first in a class of 237, Kelly is a National Merit Commended Student, a Hugh O'Brien Leader and a Maryland Distinguished Scholar.

An accomplished athlete, Kelly has distinguished herself in field hockey, ice hockey, and lacrosse.

In addition to this Kelly is a leader in many community service activities. She is the student coordinator for the Grassroots Coalition for Environment and Economic Justice, an organization that works to bring environmental reform to the community. She serves as president of the Explorer Search and Rescue Post No. 616. She is the community service chairwoman for Howard County Association of Student Councils. Her community service projects are truly commendable.

Mr. Speaker, Miss Naylor had distinguished herself through her exemplary achievements. She has earned the respect of her teachers, peers and family, and I congratulate her.

DECONSTRUCTION

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. COLEMAN. Mr. Speaker, at a time of great confusion involving national affairs, I welcome the clarity and integrity of a recent commentary published in Roll Call, the newspaper of Capitol Hill. It was written by Congressman CHARLIE ROSE of North Carolina, the distinguished chairman of the House Administration Committee.

Mr. ROSE exposes and confronts the deconstructionist attempts to achieve by pressure and manipulation a status that was not accorded to the Republicans by the voters.

I agree with Mr. ROSE's evaluation of those who would usurp power in a manner that is totally out of keeping with the historic traditions and democratic processes of the House.

The Republicans will not get away with their efforts to downsize the elected majority's status by upgrading minority power in this body. They will not accomplish by pressure and posturing what they failed to win in the election booth.

Republican deconstructionism seeks to trash the way the House functions by undermining the majority's ability to conduct business.

Mr. ROSE was absolutely justified in exposing this situation.

I urge all Members to read and consider his article in Roll Call, published March 3.

[From Roll Call, Mar. 3, 1994]

HOUSE REPUBLICANS RESORT TO THE POLITICS OF "DECONSTRUCTION"

(By Representative Charlie Rose)

The "kinder and gentler" House Republicans are seeking to win by elocution what they failed to win by election, by circumlocution what the circumstances of life deny them.

They have embarked on a quest for the virtual unreality of "deconstructionism": trying to downsize the elected majority's status in the House while upgrading the power of the minority.

In November 1992, the voters clearly mandated Democratic control of the House.

Yet Minority Leader Bob Michel (R-Ill) now advocates minority control of the Committee on Government Operations and its oversight functions ("Guest Observer," Roll Call, Feb. 28).

House Republicans, meanwhile, demand disproportionate status in running other committees. They seek to redefine the status of a minority party.

Writing in the Washington Times, GOP Rep. Jennifer Dunn (Wash) called for "more turnover among committee chairmen." She said that "at present, chairmen exercise far too much power over the shaping of legislation. Committee staff, unelected and entrenched, hold too much power, as well."

Deconstructionist tactics such as these are designed to frustrate the majority party's ability to function in committees and elsewhere. The strategy seeks to reduce the number of computer links, telephones, staff, and even postal facilities—the integral links of communication with constituents.

There are also efforts to sidestep legislative processes to frustrate majority will.

The minority seeks the right to take testimony and conduct one-party hearings, a sort of Congress within the Congress. Every function not controlled by the minority is portrayed as corrupt.

A vast reorganization of committee jurisdictions is on their agenda as they seek to arrogate to themselves the status the voters denied them.

A House Republican version of "Alice in Wonderland" would have the queen telling Alice "votes mean what I say they mean."

In the arts, the term "deconstruction" refers to a radical movement that questions traditional assumptions about the use of language and image to represent reality.

The aim of the House GOP version of deconstructionism is to trash the way the House works by undermining the Democratic majority's ability to conduct business.

Deconstructionist tactics are designed to frustrate the majority party's ability to function effectively. Obstructionist stratagems are the order of the day.

I challenge the trivialization of a democratic system that has stood the test of time. And I regret crazy ideas like depriving the majority party of the essential tools to operate the House of Representatives in a responsible fashion.

At a time when the Congress is assailed externally, we witness Republican tactics that undermine consensus-building and effective legislating.

Former Speaker Sam Rayburn (D-Texas) used to say that "any jackass can kick down a barn door, but it takes a carpenter to build one."

Congress-bashing is easy. You can get a cheap laugh by calling this body the House of Reprehensibles. But it is much more difficult to improve the House of Representatives in a responsible way.

This disengagement from the democratic process will not succeed. It is government by gridlock. Nor will government by talk show or biased editorials take over.

If the new strategy of "deconstructionism" is not challenged, the minority will rule the majority and those with the fewest votes will attain the greatest authority.

This stratagem took root in the aftermath of the GOP's 1992 election defeat when, already fragmented, the party broke apart faster than Yugoslavia. Republican efforts to forge unity were manifested in the House with a militant extremist ascendancy that isolated moderate Republicans.

The level of comity dropped. Rancor and bitterness emerged. Instead of developing a viable GOP alternative to the Clinton Administration, House Republicans resorted to takeover tactics.

Maybe the Grand Old Party is re-emerging as an "attack coalition."

That is what is indicated when the National Journal quotes House Republicans as saying "that their team now includes such powerful voices as Ross Perot, talk-show host Rush Limbaugh, and the Wall Street Journal editorial page."

Kate Walsh O'Beirne, a speaker at a post-Clinton Republican "summit," was applauded when she asserted that "moderate Republicans should be barred by law from ever working with Democrats." So much for the vision of inclusion that articulates a future better than the past.

Whatever happened to the "loyal opposition" that made the two-party system work?

Unless they want to isolate themselves from the mainstream, Republican "deconstructionists" must defend and not glibly repudiate the free society they inherited. They might even unite with the Republican party's moderates and, together, find their way out of the wilderness and legitimately seek their promised land of Republican control of the House.

As a Democrat, I see our task as the restoration of the primacy of the House, reclaiming its role, as George Mason put it, as "the grand repository of the democratic principles of the government."

The House will survive the assaults of the "deconstructionists." Majority rule will prevail. An aggressive minority will not accomplish by bullying tactics what it failed to win in the voting booth.

RELIGIOUS LIBERTY IN THE PEOPLE'S REPUBLIC OF CHINA—THEY STILL DON'T GET IT

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. SMITH of New Jersey. Mr. Speaker, in the next few months China's human rights record for the year will be examined and scrutinized—perhaps as never before.

Frankly, China hasn't even come close to making the progress that would allow the administration—in good conscience—to seek a waiver of Jackson-Vanik. State Department officials have indicated in hearings that if the decision were to be made today—when they testified—they would not recommend the extension of MFN. We must continue to send a signal to the Chinese Government that these conditions are nonnegotiable. The ball is in their court.

In January I led a delegation to China in order to engage in frank, constructive talks with Chinese officials regarding deep concerns that remain over China's human rights record. We also wanted to meet with those who suffer from the continued and well-documented repression—especially political dissidents and underground church believers. We succeeded on both goals.

Let me note at the outset that the Chinese people deserve the abiding respect of their Government, and nowhere is this more crucial than in protecting universally recognized human rights. It was out of empathy for the oppressed, the tortured, the prisoner of conscience, the mother being forced to abort her baby, that I went to China to respectfully but firmly petition the Chinese Government for relief. Today, I would like to focus primarily on one of these areas—religious liberty—although all areas are important and deserve our attention.

In the May 28, 1993, Executive order extending MFN to China for 1 year, the President calls for "significant progress" in the area of human rights. I continued to tell officials that without significant progress, MFN was at great risk. In meetings with high officials of various Government ministries I stressed that scrutiny of China's human rights record will not be cursory or frivolous, but would entail a penetrating analysis as to whether substantial progress has been made. Instead of substantial progress—China has made substantial regression.

The Executive order is quite clear in listing the human rights conditions which must be met in order for MFN to be renewed later this year. Specifically it says that "the Secretary shall determine whether China has made overall, significant progress with respect to taking steps to begin adhering to the Universal Declaration of Human Rights" and protecting Tibet's distinctive religious and cultural heritage.

This Declaration of Human Rights is the internationally accepted standard for the treatment of all people in every country. It is not an American standard; it is not culturally biased. The Chinese, as a member state of the United Nations, pays lipservice to it—but its actions show the complete disregard the Government has not only toward its people but toward the entire international community as well.

In Beijing—almost like broken records—leaders began with soothing words concerning their desire for open and honest dialog with the United States and that they hoped our meeting would lead to a greater understanding. In meeting after meeting I was assured that there was complete freedom of religion in China, protected by the Constitution. I was also assured that there were no religious prisoners in China. But these representatives are an insult to the truth. And I minced no words in conveying that to them. We know of several hundred religious prisoners, and it is likely that there are several thousands more known only to God, their loved ones, and the police.

Reports from human rights organizations and our State Department, indicate that human rights conditions got worse in 1993—and from all reports they continue to deteriorate in 1994. Asia Watch, in its recent publication of over 1,200 prisoners in China says that "1993 was without doubt the worse year from political arrests and trials in China." Other organizations such as Puebla Institute, Christian Solidarity International, Amnesty International, and Freedom House all document continuing religious persecution.

I was told that the first obligation of the churches in China was to promote socialism and encourage the people to support the Government. There are many Christians who are not members of the Government-sponsored churches. These people, I was told, oppose socialism, and because of that they would inevitably break Chinese laws and must be punished. Both Government and Government-sponsored church leaders compared prisoners in the United States with prisoners in China, saying that we do not release prisoners simply because they are Christian and we should not expect China to do the same. Those who break the law, they say, must be punished.

But there is a great deal of difference. Many of the Christians who are imprisoned in China are there because they have broken laws which strictly govern and limit religious activities in China. These laws prevent Roman Catholics from being in union with the Vatican, they prevent any Christian from listening to religious broadcasts, they prevent Protestants from meeting in private homes to pray. For these and many other reasons, Christians are in prison—they are criminals because they are enemies of the state—followers of an ideology which does not place the state over all other things.

As I was meeting with individuals who were assuring me that there was religious freedom, I was also receiving reports of Christians who were being detained. I was hearing from members of the underground Protestant and Catholic churches about the repression and discrimination which they experienced. I returned with the names of five Catholic priests who were arrested only weeks before my delegation arrived. Unlike my meetings with the Government and Government-sponsored church leaders which can be made public, I cannot give any details about the meetings with the Christians who risked their lives to meet with me.

But these underground Christians have been taking risks for quite a while now. Catholics in one village have built a large church, rectory, and convent. Protestants told us about the great numbers of people who are becoming Christians through the evangelization which is taking place. All of them respond that they are ready to be arrested, put into jail, and even die for their religious activity. As one person said, "What can they do? Tear down our church? Put us in jail?" How prophetic their words are.

Mr. Speaker, you and many of my colleagues are well aware of the arrest and detention of a bishop who said Mass for our delegation. Bishop Su Zhi Ming, who had already spent 15 years in Chinese prisons and labor camps, subject to beatings and torture, was arrested days after our meeting. Judging from the nature of his interrogation, his crime was saying Mass for me and the delegation. To add insult to injury, he was arrested on the day Secretary Bentsen was in Beijing meeting with Chinese officials and discussing the future of United States-Sino relations.

Since January 31 new orders were issued by Li Peng which gave Government sanction to a renewed crackdown on all religious activities in China. All of us were bitterly disappointed but not surprised when we learned that the Chinese Government would escalate the persecution and harassment and torture of believers. Less than 3 weeks ago, three American citizens were arrested and detained in China. Dennis Balcombe, the pastor of Hong Kong's Revival Christian Church was detained and held incommunicado for 4 days. The arrest was made during a midnight raid on the house in which Reverend Balcombe and several other guests were sleeping. He and the others were accused of "disturbing the public peace" and all of his possessions were confiscated. Had Reverend Balcombe been in China to negotiate a business deal he would have had welcoming hands extended to him. Instead, because he brought the goodness of the Gospel he was met with clenched fists.

Following his release he testified here before the House Ways and Means Committee. He is a living witness to the renewed religious persecution which is taking place in China. As an American citizen he enjoyed the benefit of swift action on the part of many people and human rights groups. However, there are thousands of Chinese citizens who do not have this benefit. Three of the people who were arrested along with him are still detained, and there are even reports which say they have been executed. If they are alive, and I hope they are, how long will they have to wait in prisons, how many beatings will they have to endure, who will speak out loudly and act swiftly for them? And what of those friends of Reverend Balcombe who are not in prison but must remain in China and live under the fear of persecution?

These people are not interested in political activity. In fact they told me that they pray for the Government and their leaders and ask for God's blessings on China. All religious believers in China are asking for is the ability to worship freely and openly. Right now those who do not belong to the Government-sponsored churches have no place to worship, many of them are denied housing and work permits, and countless numbers are harassed, detained, tortured—and some have been martyred for their faith.

The two executive orders which I have already mentioned will further restrain religious liberty in China and will have devastating consequences and represent a new crackdown for the underground Protestant and Catholic churches.

Order 144 is titled "Rules for management of foreigners' religious activities." It prohibits all proselytizing activities by foreigners among Chinese. While it allows for foreigners to conduct their own private worship services, they are prohibited from preaching in Chinese churches. it also prohibits the importing of religious goods and publications.

Order 145 regulates management of places of worship. The right to assemble, pray, and worship God—even in your own home—carries severe punishments. Catch-all statements such as, "No one may use places of worship for activities to destroy national unity, ethnic unity, and social stability, to damage public health or undermine the national educational system," criminalizes just about anything that a believer says or does. These cruel policies are likely to lead to thousands of new arrests, tortures, and mistreatment.

Although I have focused on the lack of religious freedom in China, I cannot ignore the plight of millions of others whose human rights are violated in other ways. I would like to turn our attention to just a few of these.

Millions of Chinese are detained in forced labor prisons where they work long hours each day to meet unrealistic production quotas. We have known about this for years and have tried to engage the Chinese Government in addressing this human rights abuse.

The 1992 memorandum of understanding [MOU] expressly prohibits the importing of prison labor products and outlines the method of investigating reports of forced labor in prisons.

Even when it was signed, many people criticizied the MOU as a meaningless document unless it would be backed up by swift and open verification. Testimony only a few months ago by Assistant Secretary Winston Lord indicated that there has been great resistance by the Chinese to investigate reports of prison labor. The Chinese deny access to prisons by United States officials until they have had enough time to sanitize the prisons and factories. Visits by nongovernmental human rights groups are not allowed at all.

The Chinese Laogai is not like any prison system we are familiar with. These are forced labor camps similar to the Nazi work camps of another era. It is the most extensive forced labor camp system in the world, and this system has destroyed the lives of millions of people, and it continues to do so. In January I met with several people who bear the permanent scars of years in Chinese prison labor camps. I heard their stories of beating and torture and saw for myself the broken bodies which these camps created.

The MOU is mentioned specifically in the Executive order. It is clear that China has not yet lived up to this agreement, nor is there any indication that it will in the future. We are still denied access to prisons and there is a large body of evidence that products manufactured entirely or in part are still being exported to the United States. All the while, millions of people continue to suffer at the hands of the cruel Government slave-master.

Religious believers and prisoners are not the only victims of China's continued violations of human rights. The Government aggressively victimizes women who bear children outside of the Government's repressive one-child-per-couple policy. Reports abound which detail the lengths to which the Government officials will go to see that quotas are met and policies enforced. The New York Times report by Nicholas D. Kristof poignantly described the ordeal of a mother and child who were victims of the Government-sanctioned brutality. It recounts the case of Li Qiuliang, who had been given permission to have a child in 1992. When, on December 30, 1992, she had not given birth, the local population control officer ordered the doctor to induce pregnancy. The child died and Ms. Li has been left incapacitated.

Secretary of State Warren Christopher, when he learned of this report, said that he was appalled by China's coercive family planning practices and would seriously consider tying MFN to ending those practices. In the "Report to Congress Concerning Extension of Waiver Authority for The People's Republic of China," it explicitly states that "in considering extension of MFN, we will take into account Chinese actions with respect to the following: Taking effective steps to ensure that forced abortion and sterilization are not used to implement China's family planning policy."

During my meeting with Li Honggui, Director for the General Office of the State Family Planning Commission of China, he brushed aside with an angry smile our concerns that Chinese women are routinely victimized and abused with coerced abortions and coercive sterilizations. When questioned about the New York Times' report, Mr. Li responded by saying that the article was "not real" and that it only showed the "unfriendly staff" of the New York Times.

In a sworn affidavit, Dr. John Aird, former Chief, the China Branch at the United States Census Bureau, said "coercion in the Chinese family planning program has in the past 2 years reached its second extreme peak approaching or perhaps exceeding the levels of 1983."

Forced abortion is a crime against both women and children. In China today, women are punished by the state for conceiving a child not approved by state goals. If a woman is lucky or clever enough to escape to deliver an illegal child and is discovered, she is fined and otherwise dealt with.

In December the Chinese Government issued a draft of a eugenics law which would legalize discrimination against the handicapped—however the Government may define handicapped—by forcing sterilization and denying them permission to have children. There are also provisions which would mandate the abortion of any babies which are determined to not meet Government-approved standards of health and ability. While the rest of the world moves to protect the rights and the dignity of the handicapped, China is seeking ways to exterminate them.

It is becoming increasingly clear that in category after category the Chinese Government is not only not making progress, but is actually getting worse—bringing further shame and dishonor to the Government and more and more pain to the Chinese people.

Today, and each day since I have returned from China, the facts point to significant regression, not progress, in human rights.

Disturbing reports in the last week indicate that the administration might be weakening their commitment to human rights in the Executive order. When I hear statements that a grand gesture or promises could replace the significant progress called for in the Executive order, I wonder what good our words are if they will not be backed up by action. There is a great deal of evidence that China has regressed significantly. Even as Secretary Christopher prepares for his visit to China, the Chinese Government has detained at least nine dissidents. Whether these detentions are short- or long-term, they are deplorable. They also show the complete disregard they have toward the conditions which must be met in order for MFN to be renewed. Only a few months remain before the administration must make this decision. We must continue to let China know that we are watching and that we care, that we will not sacrifice human life for profit, and that the United States is serious when we say we want significant progress in human rights.

Yesterday, I received a letter from a seventh grade student at Holy Family School in Lakewood in my district. Alicia Lorenc wrote: "I think it is unfair that they put Roman Catholic bishops in prison for being Catholic. It is stupid, it is discriminating, and it is unfair. Over in China, people's rights are being abused. I know since I am only in seventh grade I can't make that much of a big difference. But I try." Alicia may only be in seventh grade, but her wisdom and compassion surpass that of the Chinese Government. She understands, why can't they? She is trying to make a difference. I hope that we can respond to her that we are trying, too.

FOSTER FILE SHOCKER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1994

Mr. DORNAN. Mr. Speaker, what in heaven's name is going on here? This is getting to smell worse by the day.

The article follows:

[From the New York Post, Mar. 9, 1994]

FOSTER FILE SHOCKER

(By Christopher Rudd)

White House officials frantically scrambled to get the combination to Vincent Foster's office safe soon after his death—and ultimately removed a second set of files, The Post has learned.

White House counsel Bernard Nussbaum's removal of one set of Whitewater files from Foster's office has been widely reported.

But the disappearance of a second set of papers—including some also related to Whitewater—wasn't previously known.

Three separate White House sources told The Post that Clinton aides were scrambling—like "cats and dogs," as one put it—as they tried to get into Foster's safe just hours after his death.

Foster's body was found in Fort Marcy Park in suburban Arlington, Va., at about 6 p.m. on July 20.

As previously reported, a few hours later, Nussbaum—accompanied by First Lady Hillary Rodham Clinton's chief-of-staff, Margaret Williams, and longtime Clinton aide Patsy Thomasson—entered Foster's office and removed Whitewater files that were not in the safe.

But The Post has learned that Nussbaum also asked a White House security officer on night duty for the combination to Foster's safe, a White House source said.

Nussbaum was told that the security staff didn't have the combination, the source added.

Combinations are controlled through top-secret clearances in the Office of Administration, which is run by Thomasson.

The Office of Administration staffer in charge of security—including the safeguarding of combinations—was out of town that night, a law-enforcement source said.

Later, during the wee hours of July 21, a senior White House aide—not Nussbaum—succeeded in opening Foster's safe, according to another law-enforcement official who is assigned to the White House.

It's not clear how the combination was obtained.

The safe was opened before most White House personnel reported to work on the morning of July 21, the source added.

Several documents, including papers relating to Whitewater, were removed from the safe and turned over to President and Hillary Clinton's personal lawyer, David Kendall, the source said. Then the safe was relocked.

Foster, who was deputy White House counsel, also handled the Clinton's private legal matters, including Whitewater.

Word that the safe had been opened apparently did not reach most White House officials, including senior members of the White House counsel's office—and they continued to scramble for the combination, a source said.

They were so anxious to be the first to see the contents of the safe that the counsel's office refused to let Park Police—who were handling the investigation into Foster's death—to search the office on the morning of July 21.

The Park Police agreed to return the next day.

On the afternoon of July 21, members of the counsel's office were again asking White House personnel for the safe combination, claiming that "Bill Kennedy needed to get into Mr. Foster's safe," another source said.

William Kennedy is a former law partner of Mrs. Clinton and Foster at the Rose Law Firm in Little Rock. He is associate White House counsel—the No. 3 post in the counsel's office.

But the combination could not be given out, a source said, because Foster had taken the rare step of authorizing only himself to have access to the number.

Usually, White House staff members with safes share the combination with their staff or secretary.

The FBI's most highly decorated former agent told The Post that the revelation about entry into Foster's safe after his death underscores questions about a possible coverup.

"The safe is crucial—it's an A-1 priority," said William Roemer, former head of the FBI's Organized Crime Strike Force.

He was sharply critical of the failure by Federal authorities to secure Foster's office immediately after his death.

"It raises the question [of] a coverup," Roemer said, adding that the entry into the safe appeared to be "self-serving, to protect documents which could have shed light on either a suicide or homicide."

Repeated calls to the office of Patsy Thomasson and the White House Press Office for comment went unreturned.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 10, 1994, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 11

9:30 a.m.

Governmental Affairs

To hold hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.

SD-342

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Indian Health Service, Department of Health and Human Services.

SD-138

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Secret Service and the Federal Law Enforcement Training Center, both of the Department of the Treasury, the Financial Crimes Enforcement Network, and the General Services Administration.

SD-116

MARCH 14

9:30 a.m.

Commerce, Science, and Transportation

To resume hearings on S. 1822, to safeguard and protect the public interest while permiting the growth and development of new communications technologies.

SR-253

2:30 p.m.

Finance

Taxation Subcommittee

To hold hearings on the state of the domestic oil and gas industry and to examine tax proposals to increase domestic production.

SD-215

MARCH 15

9:30 a.m.

Armed Services

Military Readiness and Infrastructure Subcommittee

To hold hearings on proposed legislation to authorize funds for fiscal year 1995 for the Department of Defense, and the future years defense program, focusing on military readiness.

SR-232

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Army.

SD-192

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Land Management, Department of the Interior.

SD-116

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of the Attorney General.

S-146, Capitol

Banking, Housing, and Urban Affairs

To hold hearings on S. 1664, to improve enforcement of anti-money laundering laws by setting guidelines for mandatory and discretionary exemptions from monetary transaction reporting requirements for depository institutions.

SD-538

Finance
To resume hearings to examine health care reform issues, focusing on premiums and subsidies.
SD-215

10:15 a.m.
Judiciary
To hold hearings on S. 687, to regulate interstate commerce by providing for a uniform product liability law.
SD-226

2:00 p.m.
Governmental Affairs
To resume hearings to examine Federal policies governing the introduction of non-indigenous plants and animal species.
SD-342

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for foreign assistance, focusing on sustainable development.
SD-138

Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense and the future years defense program.
SR-222

MARCH 16

9:15 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of State.
SR-253

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine how proposals to improve the dairy program will affect dairy trade.
SR-332

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Health and Human Services.
SD-192

Energy and Natural Resources
To hold hearings on the domestic and international implications of energy demand growth in China and the developing countries of the Pacific Rim.
SD-366

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Small Community and Rural Development, Farmers Home Administration, and Rural Electrification Administration, all of the Department of Agriculture.
SD-138

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Internal Revenue Service, Department of the Treasury, and the Office of Personnel Management.
SD-116

Finance
To resume hearings to examine the results of the Uruguay Round of multilateral trade negotiations.
SD-215

Labor and Human Resources
To hold hearings to examine the current status of chapter I of the Elementary and Secondary Education Act of 1965, which authorizes funds for education programs for disadvantaged children and youth.
SD-430

2:00 p.m.
Armed Services
To resume joint hearings with the Committee on Governmental Affairs on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD-106

Governmental Affairs
To resume joint hearings with the Committee on Armed Services on S. 1587, to revise and streamline the acquisition laws of the Federal Government.
SD-106

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on competition in the U.S. biotechnology industry.
SR-253

Labor and Human Resources
Labor Subcommittee
To hold hearings on proposed legislation to consolidate job training programs into one program to provide incentives for States to train workers.
SD-430

MARCH 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Governmental Affairs
To hold hearings to examine contract and financial management at the Department of Energy.
SD-342

Rules and Administration
To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Title I, relating to the Standing rules of the Senate.
SR-301

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Jewish War Veterans, the Blinded Veterans Association, and Non Commissioned Officers Association.
345 Cannon Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Air Force.
SD-192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Science Foundation, and the Office of Science Technology Policy.
SD-124

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Inspector General, Department of Transportation, and the Interstate Commerce Commission.
SD-138

Finance
To resume hearings to examine health care reform issues, focusing on premiums and subsidies.
SD-215

MARCH 18

10:00 a.m.
Labor and Human Resources
To hold hearings to examine proposals to revise and improve programs of chapter I of the Elementary and Secondary Education Act of 1965, which authorizes funds for education programs for disadvantaged children and youth.
SD-430

MARCH 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Education.
SD-138

Indian Affairs
To hold oversight hearings on water and sanitation issues in rural Alaska.
SR-485

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on manpower and personnel programs.
SD-116

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Commerce.
S-146, Capitol

MARCH 23

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Forest Service, Department of Agriculture.
SD-138

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to examine science and technology policy issues.
SR-253

MARCH 24

9:00 a.m.
Office of Technology Assessment Board meeting, to consider pending business.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Labor.
SD-138

Energy and Natural Resources
To hold hearings to examine the effect of the Administration's Superfund reauthorization proposals on the Department of Energy's Environmental Restoration and Waste Management Program.
SD-366

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Veterans of World War I, Association of the U.S. Army, The Retired Officers Association, and the Military Order of the Purple Heart.
345 Cannon Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for National Guard and Reserve programs, focusing on manpower and equipment requirements and the restructuring of brigades.
SD-116

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Emergency Management Agency.
SD-124

2:00 p.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

MARCH 25

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Management and Budget, and the Executive Office of the President.
SD-116

APRIL 11

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Marketing and Inspection Services, Animal and Plant Health Inspection Service, Food Safety and Inspection Service, and Agricultural Marketing Service, all of the Department of Agriculture.
SD-138

APRIL 12

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on classified programs.
S-407, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the National Oceanic and Atmospheric Administration, Department of Commerce.
S-146, Capitol

APRIL 13

9:30 a.m.
Indian Affairs
To hold hearings on the President's proposed budget request for fiscal year 1995 for the Bureau of Indian Affairs.
SR-485

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Energy, focusing on fossil energy and clean coal programs.
SD-116

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Coast Guard, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Postal Service.
SD-192

APRIL 14

9:30 a.m.
Energy and Natural Resources
To hold hearings on the operating and economic environment of the domestic natural gas and oil industry.
SD-366

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on health services and infrastructure.
SD-192

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Bureau of Investigation, and the Drug Enforcement Administration, both of the Department of Justice.
S-146, Capitol

APRIL 18

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for Science and Education, Agricultural Research Service, Cooperative State Research Service, Extension Service, and Alternative Agricultural Research and Commercialization, all of the Department of Agriculture.
SD-138

APRIL 19

9:30 a.m.
Rules and Administration
To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Subtitle A, Parts I and II of Title III, relating to Congressional biennial budgeting and additional budget process changes.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on strategic programs.
SD-192

APRIL 20

10:00 a.m.
Appropriations
Treasury, Postal Service, General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Treasury.
SD-116

APRIL 21

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on intelligence programs.
S-407, Capitol

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Housing and Urban Development.
SD-106

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Fish and Wildlife Service, Department of the Interior.
S-128, Capitol

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Securities and Exchange Commission, and the Federal Communications Commission.
S-146, Capitol

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Aviation Administration, Department of Transportation.
SD-138

APRIL 25

2:00 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1995 for International Affairs and Commodity Programs, Natural Resources and Environment, Agricultural Stabilization and Conservation Service, Foreign Agriculture Service, Soil Conservation Service, and Federal Crop Insurance Corporation, all of the Department of Agriculture.
SD-138

APRIL 26

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on

National Foreign Intelligence Programs (NFIP) and Tactical Intelligence and Related Activities (TIARA).

S-407, Capitol

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Office of Justice Programs, and the Immigration and Naturalization Service, both of the Department of Justice.

S-146, Capitol

APRIL 27

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Federal Transit Administration, Department of Transportation, and the Washington Metro Transit Authority.

SD-138

APRIL 28

9:30 a.m.

Rules and Administration

To resume hearings on S. 1824, to improve the operations of the legislative branch of the Federal Branch, focusing on Subtitle A, Parts I and II of Title III, relating to Congressional biennial budgeting and additional budget process changes.

SR-301

10:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Environmental Protection Agency, and the Council on Environmental Quality.

SD-106

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the United States Information Agency.

S-146, Capitol

2:30 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Bureau of Indian Affairs, Department of the Interior.

SD-116

MAY 3

9:30 a.m.

Energy and Natural Resources

To hold hearings on Boron-Neutron Cancer Therapy.

SD-366

10:00 a.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for Food and Consumer Services, Food and Nutrition Service, and Human Nutrition Information Service, all of the Department of Agriculture.

SD-138

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on defense conversion programs.

SD-192

MAY 5

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Legal Services Corporation.

S-146, Capitol

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Transportation Safety Board, and the National Highway Traffic Safety Administration, Department of Transportation.

SD-138

MAY 10

10:00 a.m.

Appropriations

Agriculture, Rural Development, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Commodity Futures Trading Commission, the Farm Credit Administration, and the Food and Drug Administration, Department of Health and Human Services.

SD-138

MAY 11

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Park Service, Department of the Interior.

S-128, Capitol

MAY 12

10:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Corporation for National and Community Service.

SD-106

MAY 17

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense, focusing on the Pacific Rim, NATO, and peacekeeping programs.

SD-192

MAY 19

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Defense.

SD-192

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of Veterans Affairs, and the Selective Service System.

SD-106

MAY 20

9:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Departments of Veteran's Affairs and Housing and Urban Development, and independent agencies.

SD-138

MAY 25

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the Department of the Interior.

S-128, Capitol

MAY 26

10:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1995 for the National Aeronautics and Space Administration.

SD-106

JUNE 8

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings proposed budget estimates for fiscal year 1995 for the Department of Energy.

S-128, Capitol

JULY 19

10:00 a.m.

Appropriations

Defense Subcommittee

Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1995 for the Department of Defense.

SD-192

CANCELLATIONS

MARCH 16

9:30 a.m.

Indian Affairs

To hold hearings on S. 1876, to revise the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such Act.

SR-485

POSTPONEMENTS

MARCH 10

9:30 a.m.

Commerce, Science, and Transportation

To resume hearings on S. 1822, to safeguard and protect the public interest while permiting the growth and development of new communications technologies.

SR-253

MARCH 11

10:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation to reauthorize the Earthquake Assistance Program.

SR-253